CHINT ELECTRIC

正泰电气

CHINT Electric Co., Ltd.

2025
Sustainability Report

CONTENTS

Notes on Preparation of Report

Welcome to the Sustainability Report 2025 (hereinafter referred to as "this report") of CHINT Electric Co., Ltd. (hereinafter referred to as "CHINT", "we", or "the Company"). This report is released annually and marks the Company's fourth sustainability (ESG) report.
Guided by the principles of objectivity, comprehensiveness, accuracy, clarity, balance, and comparability, this report provides a detailed account of CHINT's strategies and achievements in sustainability, addressing the expectations and concerns of interested parties.

Report Scope

Time scope: This report is an annual report with the reporting period from January 1, 2025, to December 31, 2025. For the purpose of ensuring the continuity, completeness, and comparability of the report, certain sections have been appropriately traced back and extended.
Organizational scope: This report covers CHINT Electric Co., Ltd. and its wholly-owned, majority-owned subsidiaries, and branches. Unless otherwise specified, the scope of this report is consistent with the Company's annual report.

Basis of Preparation

This report was prepared by identifying key interested parties, analyzing and prioritizing material environmental, social, and governance (ESG) topics, considering the key topics emphasized by leading domestic and international ESG rating agencies, and defining the boundaries of the report. We then collected, compiled, organized, and reviewed the Company's actual operational materials and financial reports, which ultimately formed this report.
This report was prepared in accordance with the following standards and requirements:
Ministry of Finance of the People's Republic of China: Corporate Sustainability Disclosure Guidelines—Basic Guidelines (Trial)
Shanghai Stock Exchange: Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14—Sustainability Reports (Trial)
China Enterprise Reform and Development Research Association and the Responsibility Cloud Research Institute: Guidelines for the China Corporate Sustainability Report (CASS-ESG 6.0)
Sustainable Development Goals, SDGs
The Ten Principles of the United Nations Global Compact (UNGC)
Global Sustainability Standards Board (GSSB): Sustainability Reporting Standards (GRI Standards) (2021 Edition)
International Financial Reporting Standard on Sustainability Disclosures No. 1—General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)
International Financial Reporting Standard on Sustainability Disclosures No. 2—Climate-related Disclosures (IFRS S2)

Notes on Data

All information and data in this report are derived from the Company's official documents, publicly disclosed materials, and accurate information compiled, aggregated, and audited by the Company's various functional departments and business units. In the event of any inconsistency with the financial statements, the financial statements shall prevail.
Unless otherwise specified in this report, the types and amounts of currencies involved in this report are measured in RMB.

Note on Terminology

For the sake of clarity and readability, the terms "CHINT," "we," and "the Company" as used in this report refer to CHINT Electric Co., Ltd. and its wholly-owned subsidiaries.

Principles of Preparation

This report complies with the following principles of "materiality," "objectivity," "quantification," and "consistency."

Principle of Materiality

The Company conducts materiality evaluation to identify and evaluate ESG topics that are material to its business and to its internal and external interested parties, and highlights these in its reports. For details on the materiality evaluation process and results, please refer to the "Sustainability Management" section of this report.

Principle of Balance

The content of this report reflects objective facts, providing an impartial disclosure of both positive and negative information regarding the Company, and presenting a balanced account of the Company's efforts in all aspects of sustainability. No adverse events that should have been disclosed but were not, and that had a material impact, were identified during the reporting period.

Principle of Quantification

In this report, the Company discloses quantitative ESG performance indicators and, where applicable, sets quantitative performance targets. The measurement criteria, methods, assumptions, and/or calculation tools used for the key performance indicators in this report, as well as the sources of the conversion factors employed, have been explained in the relevant sections (where applicable).

Principle of Consistency

We maintain consistency in the statistical methods and disclosure practices for indicators across different reporting periods. Any changes will be fully explained in the report notes to facilitate meaningful analysis and evaluation by interested parties.

Verification Statement

This report has been independently verified by Leverage Limited ("Leverage"), which provided an independent verification statement.

Approval and Release

This report was reviewed and approved by the Board of Directors in May 2026 and released.

Access and Feedback

Corporate Sustainability Management Committee (CSMC)
You can download and read the electronic version on the official website of CHINT Electric Co., Ltd. at https://electric.chint.com.
We value your feedback to continuously improve our reporting. For any questions or suggestions, please contact us at jiahz@chint.com.

Message from Committee

2025 is a pivotal year for CHINT, bridging past achievements and future aspirations in our journey toward sustainability. Amidst the global energy transition and "dual carbon" goals, we uphold the core philosophy of "high-quality, low-carbon, and green development." Sustainability is deeply integrated into our corporate strategy and operations as we fulfill our economic, environmental, and social responsibilities.

I. Lay a solid foundation for sustainability: green operations and responsible governance

We believe that excellence in sustainability performance begins with a solid internal foundation.
In 2025, construction began on Phase II of our Green Smart HV Electrical Industrial Base in Wuhan. This marks a milestone in localized green investment and intelligent manufacturing, aiming to set a regional low-carbon benchmark.
In terms of governance, we achieved anti-bribery management system certification in 2025, demonstrating our commitment to the highest business ethics standards and business integrity.
As a global corporate citizen, we officially joined the UNGC in 2024, aligning our actions with the UN Sustainability Goals (SDGs). These efforts contributed to CHINT Group Corporation's inclusion in the 2025 *Fortune China* ESG Influence List.

II. Drive industry transformation through technological innovation: AI-powered green solutions

We leverage technological innovation as a core engine to drive the intelligent and low-carbon transformation of energy systems. We have pioneered an "AI-powered energy revolution paradigm," integrating AI into products and solutions to help address urgent energy and environmental challenges.

- In remote deserts and deep-sea environments, our "AI + Wind-Solar-Storage" smart microgrids provide stable, smart power for clean energy development and ecological protection.
- In the oil and petrochemical industry, our integrated power-control-instrumentation solutions enhance efficiency and safety by intelligent means, accelerating the "dual carbon" transition for energy-intensive sectors.
- In grid operations, our smart distribution networks and inspection systems utilize AI for holistic perception and predictive maintenance, significantly enhancing reliability while reducing costs.

III. Lead industry standards and build a green ecosystem

We are committed to transitioning from being a technology follower to a standard-setter and ecosystem co-builder.
In 2025, our Technology Research Institute took the lead in drafting the industry standard for *Energy Efficiency Grading and Evaluation Methods for High-Impedance Power Transformers*. This marks the first time we have acted as the primary drafter to lead the formulation of product standards in the transformer industry, signaling a new stage in our path of "patenting technologies, standardizing patents, and industrializing standards." We will promote energy conservation and emission reduction across society through more efficient power equipment.
Our sustainability practices and transparent communication have received strong recognition from leading global rating agencies. In 2025, our CDP climate change rating rose to B, and we earned an A- for Water Security. Meanwhile, our EcoVadis corporate social accountability (CSR) rating jumped from Bronze to Gold, marking a significant milestone. These achievements recognize the collective efforts of our team and motivate us to drive further progress.
Looking ahead to 2026, despite global economic uncertainties, the commitment to sustainability remains clear and the momentum is irreversible.
CHINT remains committed to its mission "To make power energy safer, greener, more convenient, and more efficient," fully integrating sustainability into our business growth and innovation cycle. We look forward to partnering with all interested parties to empower smart electricity through technology and build an enduring legacy of responsibility, moving together toward a more resilient and sustainable future.

Corporate Sustainability Management Committee

Statement of Board of Directors

In order to ensure the realization of sustainable strategies and goals and promote ESG work more efficiently, the Company has formed a four-tier sustainability governance structure with the Board of Directors as the highest responsible body, and formulated the *Sustainability Committee Work Function Rules*, *ESG Policy* and coordination mechanism to implement the sustainability concepts from top to bottom.

Under the authorization of the Board of Directors, the Sustainability Committee adheres to scientific evaluation and reasonable planning, continuously improves the scientificity and enforceability of sustainability strategies and goals, and determines the management focus and follow-up frequency of each subcommittee based on the nature of various sustainability issues. As the ultimate decision-making body for sustainability management, the Board of Directors regularly reviews sustainability performance and goals to ensure that CHINT has formulated appropriate and effective management policies.

In order to strengthen the capacity building of the Board of Directors and members of the ESG management structure, the Company has conducted ESG training from time to time. The Company has hired external experts to train members of each subcommittee and all ESG core personnel of functional units/subsidiaries on ESG compliance requirements, ESG practices, and ESG rating work planning suggestions. In the future, we will continue to strengthen the promotion and implementation of the sustainability concepts and effectively integrate them into our strategic planning and daily operations.

In order to ensure the effective implementation of CHINT's sustainability strategy and goals, we have established a sustainability performance appraisal mechanism, incorporated sustainability indicators into the performance appraisal of senior executives, including environmental, health and safety (EHS) management, compliance management, quality management, etc., and continuously optimized the sustainability indicator setting and evaluation mechanism in CHINT's salary evaluation, to meet CHINT's sustainability strategy and strengthen the implementation of sustainability management.

This report was reviewed and approved by the Board of Directors in May 2026 and released.

About CHINT

CHINT, one of the core subsidiaries of CHINT Group Corporation's intelligent electrical industry ecosystem, was founded in 1995. In 2004, the Company invested RMB 3.5 billion in Songjiang District, Shanghai to establish CHINT Electric Co., Ltd. With over 30 years' commitment to 'industrial focus and innovative development', it has become a highly influential industrial cluster in China's power transmission and distribution equipment industry.

CHINT is committed to becoming a global leading intelligent electrical and energy efficiency solutions provider. Through industrial upgrading, new momentum cultivation, innovative development, continuous improvement of core competencies, and continuous development of "high-end, intelligent, and green" advanced industrial clusters, it has initially formed the "4+1" industrial sector of "intelligent HV transformation, intelligent medium-voltage distribution, power automation, power electronics and power and energy services", realizing the capacity upgrade from single equipment manufacturing to deep system integration and then to industry solution integration, and the transition from manufacturing-oriented to technology-oriented and then to digitalization and platform.

The Company was awarded as "National Torch Plan Excellent High-tech Enterprise" and "Shanghai High-tech Enterprise", and has "National Technology R&D Center" and "Shanghai Certified Enterprise Technology Center", and has established joint R&D centers with Shanghai Jiao Tong University and Tongji University. As of 2025, the Company held 913 valid patents. The Company has earned titles including "National Green Supply Chain" and "National Green Factory." It ranks 18th among China's Top 100 Electrical Industry Companies and is recognized among the 2025 Top 100 Hard-tech Enterprises and Top 50 Industry Standards leaders in Shanghai.

Annual operating income
RMB 12.964 billion

Total assets
RMB 12.444 billion

Net profit
RMB 715 million

Total workforce
6,241

Corporate Culture

CHINT embodies the meaning of "upright" and "prosperous", both of which are noble qualities advocated by Eastern culture. CHINT trademark shows noble personality power of products. It gives people a "sense of security" and "trust". This is exactly the basic appeal of CHINT products.

"CHINT" has strong oriental cultural characteristics, which is consistent with the Company's values of "Customer-centered, innovative, collaborative, honest, modest, and responsible;", expressing tireless pursuit and unremitting determination of CHINT employees.

CHINT has established its vision of "committed to becoming a global leading intelligent electrical and energy efficiency solutions provider" by systematically studying the macro situation, industry trends and market environment at home and abroad, and deeply analyzing its own resources and capabilities. Adhering to the mission "To make power energy safer, greener, more convenient, and more efficient" and the business philosophy to "create value for customers, seek development for employees and take responsibility for society", the Company has built a culture system that fits the Company's development strategy.

Corporate Vision, Mission, Values, and Business Philosophy

Vision

Committed to becoming a global leading intelligent electrical and energy efficiency solutions provider

Mission

To make power energy safer, greener, more convenient, and more efficient

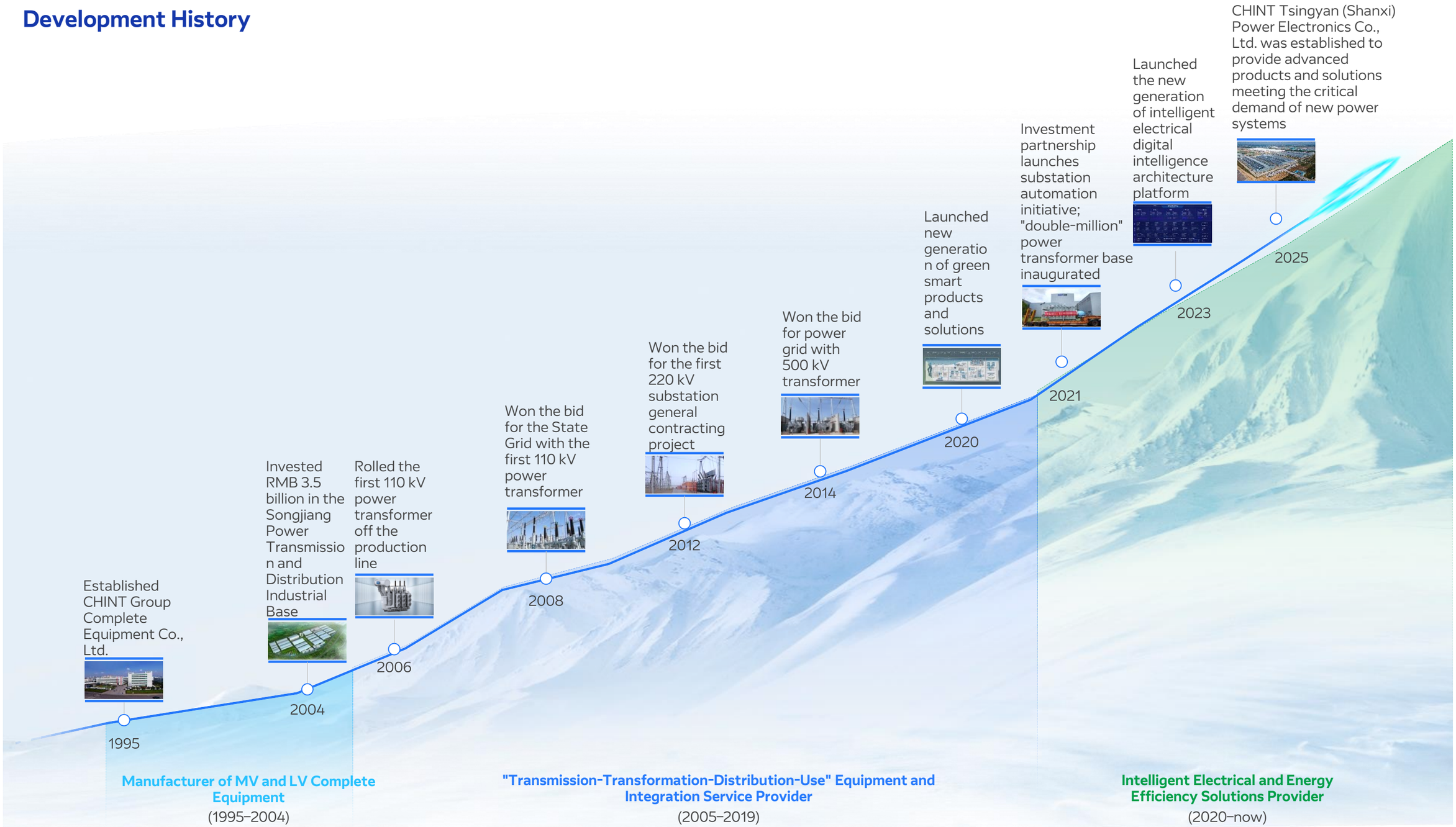
Values

Customer-centered, innovative, collaborative, honest, modest, and responsible

Business Philosophy

Create value for customers
Seek development for employees
Take responsibility for society

Development History



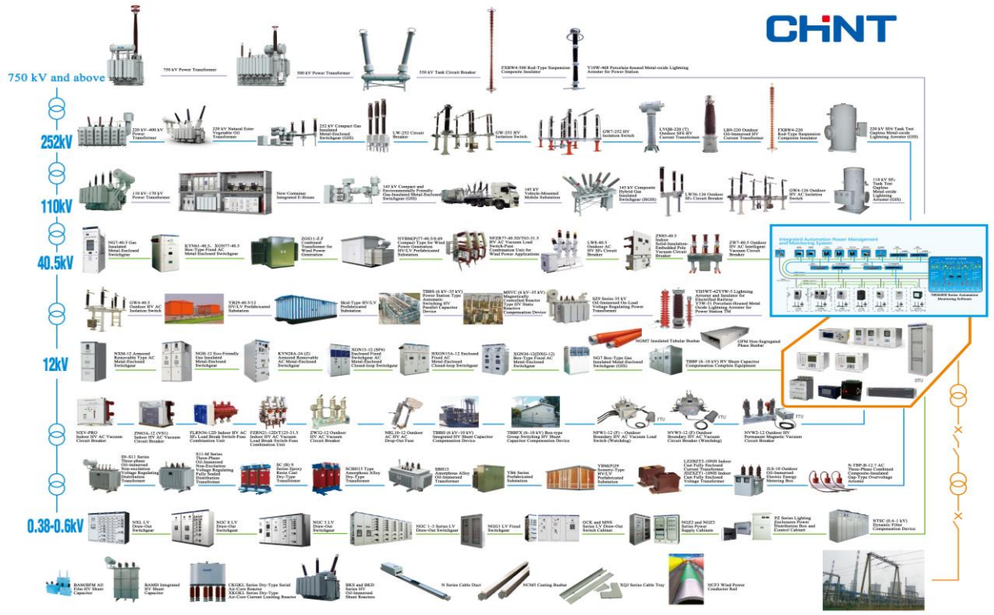
Business Scope

Product Business

CHINT is an integrated solution supplier for power transmission and distribution with general contracting service capability. Drawing on our expertise in power transmission and distribution, we drive excellence through continuous innovation in technology, products, and services. As one of China's most comprehensive power equipment manufacturers, we offer full-cycle capabilities in R&D and manufacturing for primary and secondary equipment. Our portfolio includes more than 150 series and 2,000 models (up to 1,000 kV), providing integrated solutions for power, renewable energy, process industries, telecommunications, and data centers.

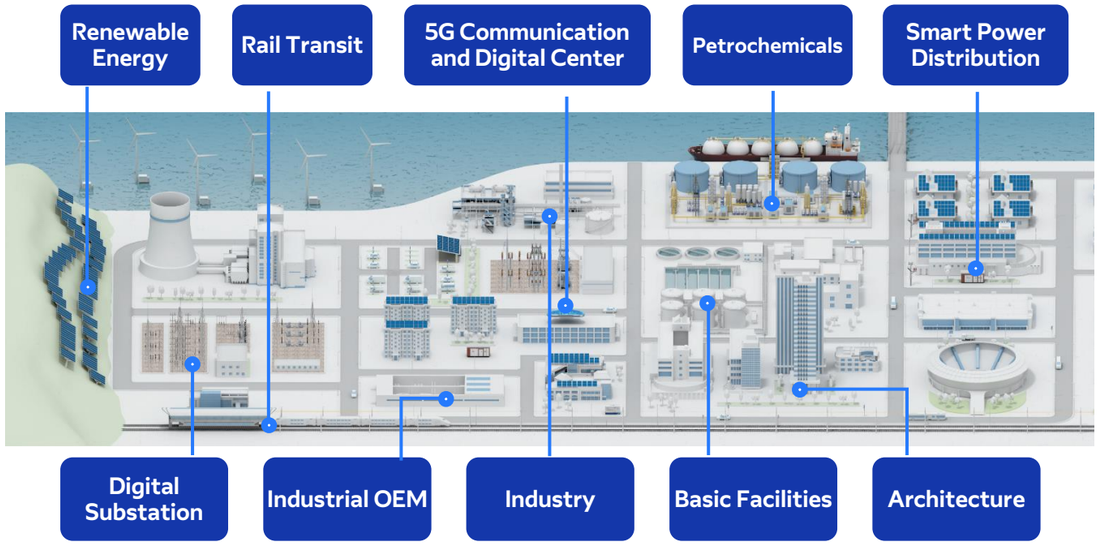
CHINT Product Portfolio

- Power transformers (1,000 kV and below)
- Oil-immersed distribution transformers (35 kV and below)
- Dry-type transformers (35 kV and below)
- Reactors (500 kV and below)
- GISs (550 kV and below)
- Circuit breakers and isolation switches (252 kV and below)
- MV and LV switch cabinets
- Lightning arresters and insulators (1,000 kV and below)
- Current and voltage transformers (220 kV and below)
- Vacuum circuit breaker (12 kV–40.5 kV)
- Distribution automation systems
- Cables (220 kV and below)
- Capacitors (220 kV and below)



Industry Solutions and Application Scenarios

CHINT provides a series of comprehensive "green & smart" solutions for modern power, renewable energy, rail transit, 5G/data centers, oil & gas, construction, manufacturing, infrastructure, and industrial OEMs. Realize the transition from single equipment manufacturing to deep system integration and from manufacturing enterprise to technical enterprise and upgrading to industry solution integration, digitalization and platform. Provide users with solutions for industries such as power, new energy, process industry, communications and data centers, as well as full-scenario, end-to-end smart power and energy services of EPC+O (operation and maintenance) +F (financing).



EPC+O+F Engineering General Contracting Service

As a professional provider of smart energy services, we offer turnkey EPC capabilities for substations up to 500 kV. We provide end-to-end, one-stop solutions covering Engineering—Procurement—Construction—O&M—Financing (EPC+O+F).

Survey — Engineering — Procurement — Construction — Trial operation — O&M

EPC +
- F (Financing and Investment)
- M (Operation and Maintenance)
- O (Operation and Maintenance)
- BOT (Build-Operate-Transfer)
- PPP (Public-Private Partnership)
- PMC (Project Management Consultancies)
- IPMT (Integrated Project Management Teams)

Global Layout

CHINT has comprehensively promoted the industrial regionalization strategy, established multiple industrial bases in Shanghai (headquarters), Jiaxing, Hefei, Xianyang, Shenyang, Jinan, Wuhan and other places in China, and actively established local factories overseas, during the reporting period, the company invested in setting up subsidiaries in Indonesia and Spain, providing customers with more economical, convenient and efficient high-quality services, shaping new momentum for industrial development and expanding new space.

Professional base for animal husbandry intelligent integrated electrical systems
(Nanyang, Henan)

Professional base for MV and LV integrated power distribution
(Hefei, Anhui)

Professional base for MV and LV integrated power distribution
(Xianyang, Shaanxi)

Professional base for "Double Million" power transformer
(Wuhan, Hubei)

Professional base for integrated terminal distribution cabinet/box
(Shenyang, Liaoning)

Professional base for power automation
(Jinan, Shandong)

HV power transmission and transformation base (headquarters)
(Songjiang, Shanghai)

Full-chain base for MV and LV integrated power distribution
(Jiaxing, Zhejiang)

Professional base for MV and LV integrated power distribution
(Hohhot, Inner Mongolia)

Professional base for information and communication/energy storage integrated distribution cabinet
(Foshan, Guangdong)

Corporate Strategy

Focusing on "smart power equipment" as its core development pillar, CHINT systematically builds a modern industrial cluster featuring technological leadership, optimized structure, and coordinated development through base layout, professionalization, and vertical integration. We aim to consolidate our core strengths in power equipment manufacturing while strategically expanding into high-end system integration and energy services, striving to become a global leader in intelligent electrical and energy efficiency solutions.
To achieve this, we have defined a strategic direction focused on "high-end, digitization and intelligence, green, and ecological" transformation, and implemented a "4+1" industrial framework to cover the entire value chain from core components, system integration to professional services.

Ecological Synergy and Strategic Layout

While strengthening our core business, we are actively pursuing cross-sector innovation in frontier fields such as big data, AI, energy conservation, new materials, and precision instrumentation. Through our "4+1" coordinated development model, we are committed to building an open and collaborative industrial innovation ecosystem, incubating new quality productive forces, continuously injecting technological vitality into our core businesses, exploring new application scenarios, and enhancing the Company's overall resilience to future industrial transformation.

HV Power Transmission and Transformation

High Voltage | Intelligent | Large Capacity | Low Energy Consumption

HV power transmission and transformation:
Committed to solidifying our leadership position within the industry's top tier, we specialize in the R&D and manufacturing of UHV, large-capacity, intelligent, low-loss, and eco-friendly products (such as vegetable oil transformers), building an equity-linked business platform, leading with solutions, driven by technology, and embracing open cooperation to promote rapid growth in key industries.
We advance manufacturing automation and vertical integration to enhance in-house production of key components and flexible large-scale customization capabilities.

MV and LV Integrated Power Distribution

Digital Integration | Flexible Intelligent Manufacturing | Green and Eco-friendly

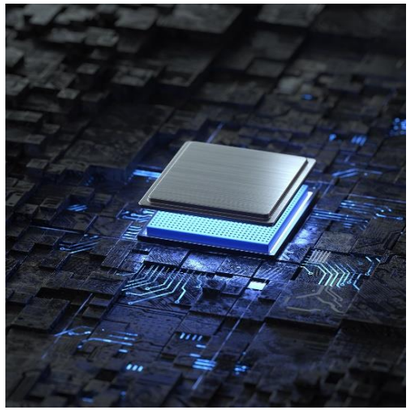
MV and LV integrated power distribution:
Our goal is to become a leading provider of comprehensive smart power distribution solutions.
We are advancing the development of our distribution channel ecosystem and capabilities, establishing industry-specific channels to ensure steady growth in our core business.
By fully integrating the technologies of "components + enclosures + integration," we are building professional manufacturing competitiveness characterized by scale, regionalization, and automation.

Power Automation

Independent Controllability | Diverse Scenarios | Smart Collaboration

Power automation:
Focusing on independent controllability and smart collaboration of core technologies, we are driving the industry toward the high end of the value chain.
We focus on the development of domestic smart devices, system software, and advanced algorithms, providing reliable and efficient automation, protection, and control solutions for the entire power value chain.

Power Electronics



New Quality | Segmentation | Intelligent

Power electronics:
We are committed to building specialized competitive advantages in emerging segments as a leading innovator and challenger.
Centered on advanced power electronics technology, we provide customers with high-value-added core power conversion and control equipment through a refined and innovative product portfolio. We provide end-to-end support for new quality productive forces by continuously innovating technology and iterating products at the R&D side to provide solid technical support for market development.

Power and energy Services

IoT | Platform-based | Specialisation

Power and energy services:
Strategically nurture future growth engines to become a leading professional power service provider in China.
We integrate full-chain capabilities in planning, investment, construction, and operations. Under the "Taiwuyou" brand, we offer one-stop smart energy services covering the "EPC+O+F" (Engineering—Procurement—Construction—Operation—Financing) model.
Focusing on integrated energy for parks, industrial energy conservation, new energy project development, and managed operation and maintenance, we aim to transition from an equipment supplier to a comprehensive provider of "product + service + investment" energy solutions, creating long-term and stable service value.

Awards and Honors (Selected Subsidiaries)

Winner	Award Name	Issued by
CHINT Electric Co., Ltd.	National Green Supply Chain	Ministry of Industry and Information Technology of the PRC
CHINT Electric Co., Ltd.	Exemplary Smart Factory	Ministry of Industry and Information Technology of the PRC
CHINT Electric Co., Ltd.	First Prize, 6th Safety Science and Technology Award of the China Association of Work Safety	China Association of Work Safety
CHINT Electric Co., Ltd.	Songjiang District Tax Contribution Award	Songjiang Economic and Technological Development Zone Management Committee Management Committee of Songjiang Comprehensive Bonded Zone
CHINT Electric Co., Ltd.	Songjiang District Industrial Output Excellence Award	Songjiang Economic and Technological Development Zone Management Committee Management Committee of Songjiang Comprehensive Bonded Zone
CHINT Electric Co., Ltd.	AAA Credit Rating in China's Power Industry	China Electricity Council China Council for the Promotion of International Trade (CCPIT)
CHINT Electric Co., Ltd.	First Prize of the Science and Technology Progress Award for Electric Power Construction	China Electric Power Construction Association
CHINT Electric Co., Ltd.	Vice President, 8th Council of China Electric Power Construction Association	China Electric Power Construction Association
CHINT Electric Co., Ltd.	Top 100 Electrical Enterprises in China 2024	Machinery Industry Information Research Institute Electric Age
CHINT Electric Co., Ltd.	First Prize for Scientific and Technological Progress 2025, China Electrotechnical Society	China Electrotechnical Society
CHINT Electric Co., Ltd.	China Medium Voltage Electrical Equipment Market Rapid Growth Award	China Electrical Equipment Industry Association
CHINT Electric Co., Ltd.	Outstanding Contribution Award	Shanghai Songjiang District Work Safety Association
CHINT Electric Co., Ltd.	Shanghai Power Industry Craftsman	Shanghai Electric Power Industry Association
CHINT Electric Co., Ltd.	School of Materials Science and Engineering, Shanghai University of Engineering Science (SUES) – Excellence in Industry-Education Integration Award	School of Materials Science and Engineering, SUES
CHINT Electric Co., Ltd.	School of Mechanical and Automotive Engineering, SUES – Industry-Education Integration Base	School of Mechanical and Automotive Engineering, SUES

Winner	Award Name	Issued by
CHINT Electric Co., Ltd.	Shanghai Technology and Innovation Vocational College – School-Enterprise Cooperative Organization	Shanghai Technology and Innovation Vocational College
CHINT Electric Co., Ltd.	Second Prize of Science and Technology Progress Award of State Grid Corporation of China	State Grid Corporation of China
CHINT Electric Co., Ltd.	Science and Technology Progress Award – Second Prize	All-China Environment Federation
CHINT Electric Co., Ltd.	Shanghai Zero-Waste Factory	Office of the Leading Group for Ecological Civilization Construction, Songjiang District, Shanghai
CHINT Electric Co., Ltd.	China Medium Voltage Electrical Equipment Market Rapid Growth Award	China Electrical Equipment Industry Association
Zhejiang CHINT Electric Technology Co., Ltd.	Zhejiang Enterprise Technology Center	Zhejiang Provincial Department of Economy and Information Technology
Zhejiang CHINT Electric Technology Co., Ltd.	National Green Factory	Ministry of Industry and Information Technology of the PRC
Zhejiang CHINT Electric Technology Co., Ltd.	Advanced Smart Factory, Zhejiang Province	Zhejiang Provincial Department of Economy and Information Technology
Zhejiang CHINT Electric Technology Co., Ltd.	5G Fully Connected Factory, Zhejiang Province	Zhejiang Provincial Department of Economy and Information Technology
Shaanxi CHINT Intelligent Electric Co., Ltd.	Quality Benchmark, Shaanxi Province	Department of Industry and Information Technology of Shaanxi Province
CHINT High Voltage Electrical Equipment (Wuhan) Co., Ltd.	Wuhan Enterprise R&D Center (First Batch)	Wuhan Municipal Bureau of Scientific and Technological Innovation
Beijing Hexin Ruitong Electric Power Technology Co., Ltd.	High-tech Enterprise	Beijing Municipal Science & Technology Commission, Beijing Municipal Finance Bureau, Beijing Municipal Tax Service, State Taxation Administration
Shaanxi CHINT Transformer Technology Co., Ltd.	Green Factory, Shaanxi Province	Department of Industry and Information Technology of Shaanxi Province
Shaanxi CHINT Capacitor Technology Co., Ltd.	Specialized, Sophisticated, Distinctive and Innovative Small and Medium-sized Enterprises (SMEs) in Shaanxi Province	Department of Industry and Information Technology of Shaanxi Province

Sustainability Management

Sustainability Concept

CHINT Electric Co., Ltd. firmly believes that long-term corporate prosperity is inextricably linked to the healthy development of the environment and society. Guided by the UN 2030 SDGs as our global framework, we have embedded sustainability as a core DNA within our corporate strategy and operations. Upholding the philosophy of "High Quality, Low Carbon, and Green Development," we are committed to systematically managing our direct environmental and social impacts, while also empowering our customers, industries, and society as a whole to achieve a low-carbon transition through smart, green electrical products and solutions. We believe practicing sustainability is essential for addressing global challenges and achieving long-term business longevity—a shared responsibility with our value chain partners for building a prosperous, just, and green future.

Sustainability Vision, Mission, and Strategy

- **Sustainability Vision**

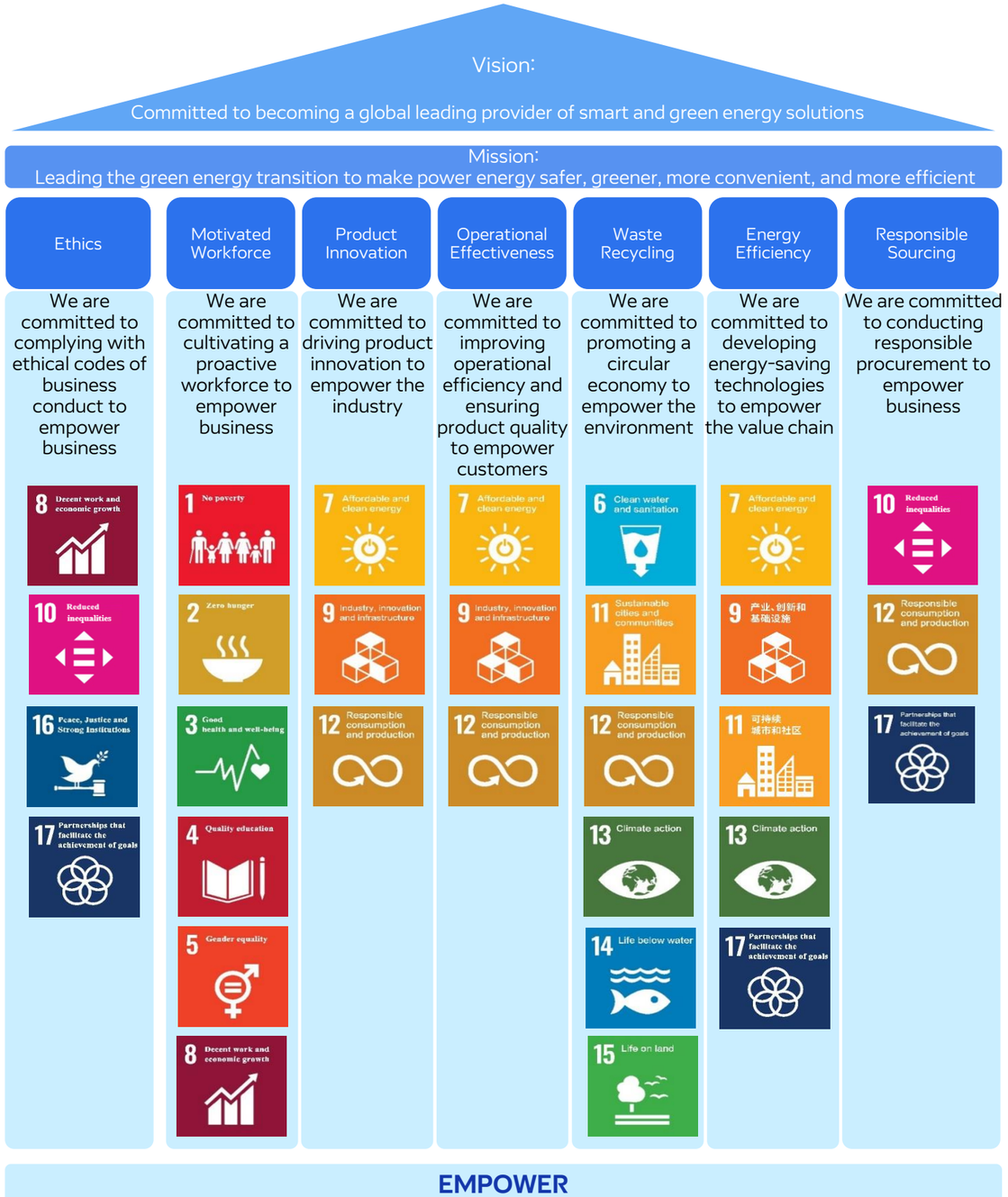
Committed to becoming a global leading provider of smart and green energy solutions.

- **Sustainability Mission**

Leading the green energy transition to make power energy safer, greener, more convenient, and more efficient.

- **Sustainability Strategic Guidelines and Framework**

For the purpose of fulfilling this vision and mission, the Company has systematically established a sustainability strategic framework guided by the "EMPOWER" philosophy. Fully aligned with the UN SDGs, this framework defines our value orientation and action focus for long-term sustainability:



Sustainability Governance Framework

A robust, efficient governance system with clear accountability is the fundamental guarantee for the effective formulation, systematic implementation, and continuous optimization of the Company's sustainability strategy. For the purpose of ensuring that the sustainability concept and the "EMPOWER" strategic framework can be deeply integrated into all aspects of the Company's operations and achieve responsible management of economic, environmental, and social impacts, CHINT has established a four-tier sustainability governance framework covering the whole chain of decision-making, supervision, coordination, and execution. This framework consists of the Board of Directors, the Sustainability Committee, the Sustainability Office, and the sustainability working groups of each business/functional unit, forming an organic whole with top-down leadership, bottom-up support, and horizontal effective coordination, ensuring that sustainability work is closely integrated with the Company's core business, achieving full-process integration and closed-loop management from macro strategy to micro practice.

Main responsibilities of the Sustainability Committee:

1. Undertake and implement the sustainability strategy and planning of the Group. Formulate and release the Company's sustainability strategy according to the strategy of the Group;
2. Formulate the sustainability plan and action plan of the joint-stock company;
3. Review major sustainability projects and sustainability reports;
4. Monitor and evaluate the implementation of sustainability work;
5. Regularly report to the Board of Directors on the progress and effectiveness of sustainability work;
6. Organize and coordinate the Company's sustainability exchanges and cooperation.

Main responsibilities of the Sustainability Office:

1. Implement and follow up the decisions of the Sustainable Development Committee;
2. Decompose sustainability strategies and plans, and formulate sustainability implementation project plans;
3. Organize training on sustainability related knowledge;
4. Establish and maintain the Company's official website sustainability area;
5. Organize the preparation of sustainability reports;
6. Organize and participate in ESG-related rating selection and publicity activities.

Responsibilities of the Sustainability Working Group:

As the executive level of sustainable management, it is mainly responsible for providing information related to strategies, ratings, awards, reports, etc. corresponding to sustainable management topics, setting, implementing and disclosing indicator and goals, and practical work related to corresponding topics.

Employee Competency Enhancement and Assurance

For the purpose of systematically enhancing the professional capabilities of the sustainability management team, the Company actively integrates internal and external training and course resources to carry out various forms of rich ESG empowerment work.

- The Company introduced external professional resources and organized members to participate in a series of external special training such as "Analysis of ESG Reporting Standards", "Application Practice of AI in the field of sustainability", and "carbon emissions accounting", broadening members' knowledge structure and frontier vision in the field of sustainability.
- Through a combination of online and offline methods, sustainability courses on labor and human rights, OHS, as well as ESG environmental interpretation and practice guidelines, were offered for learning.
- In addition, the Company advances ESG strategy breakdown and internal collaboration through a combination of training and co-creation workshops, leveraging internal and external expert resources to empower each topic management team in a targeted way. This continuously strengthens overall governance and topic management capabilities, providing solid talent and organizational support for achieving sustainability goals.

CHINT's Sustainability Honors and Recognitions

Membership of organizations and initiatives

We have joined the UNGC
We support the "United Nations 17 Sustainability Goals (SDGs)."
We have signed the *Women's Empowerment Principles* (WEPs)
We support the "Ten Principles of the UN Global Compact"

In August 2025, the EcoVadis rating was upgraded from Bronze to Gold

In December 2025, the Company received a Leadership (A-) rating for the CDP Water Security questionnaire and a Management (B) rating for the climate change questionnaire

Awarded the "Benchmark Level" rating in the Shanghai Association for Quality Social Accountability Report Evaluation

Awarded the title of "Green Development Enterprise" by the Shanghai Federation of Economic Organizations and the Shanghai Federation of Industrial Economics

Awarded the Social Accountability Report Publication Certificate by the Shanghai Association for Quality

CHINT Affiliates' Honors and Recognitions[1]

Bloomberg Watchlist 2026

Sustainability Pioneer Case

2026 Top Employer

2025 Fortune China Influence List

Bloomberg: The Most DEI-friendly Workplace with Compassion and Care 2025

Low-Carbon Pioneer Enterprise 2025

[1]The awards and recognitions listed were directly granted to CHINT Group Corporation. As a core subsidiary and independent legal entity of CHINT Group Corporation, CHINT has been deeply involved in related practices. During the certification process, CHINT Group Corporation has included us as an associated party and a joint liability subject for the certification. Therefore, the honors and recognitions received by the Group as described in this report substantially cover and apply to CHINT's operational and management practices.

Evaluation and Management of Materiality Topics

The Company attaches great importance to the impact of material topics on sustainability. This year, the Company invited a team of internal and external experts and consultants on sustainability to participate in the identification and evaluation of ESG material topics to ensure the comprehensiveness and effectiveness of the identification and judgment process. These experts not only have a deep theoretical foundation in the field of sustainability, but also have rich practical experience. They can accurately screen out key material topics based on the internal and external backgrounds of the Company. Based on the advice of these experts, the Company used the results of interested party research and evaluation as a scientific basis for formulating short-, medium- and long-term sustainability goals, thereby effectively strengthening sustainability management and ensuring that the Company demonstrates stronger responsibility and action in coping with climate change, resource recycling, and employee rights protection.

Double Materiality topic Evaluation Process

Background analysis and topic identification

The Company analyzes its internal activities and business relationships, focusing on identifying sustainability impacts across the upstream and downstream value chain. Building on this, we research the external environment, including macro policies, industrial policies, and industry trends, to systematically identify potential impacts on the Company. Meanwhile, the Company identifies and maps out key internal and external interested parties most affected. Combining industry standards, company trends, and peer analysis, we include company-specific topics to form a comprehensive list. A total of 26 relevant topics were identified during the reporting period.

Evaluation of impact degree of topics

Impact materiality evaluation

Through interviews and surveys, the Company performed a preliminary analysis of the potential impacts of sustainability topics. We solicit feedback from interested parties on the nature (positive or negative) and status (actual or potential) of impacts, scoring them based on "severity" (scale, scope, and irremediability) and "likelihood." Integrating diverse interested parties' views and expert advice, the Company finalized the impact materiality evaluation results.

Financial materiality evaluation

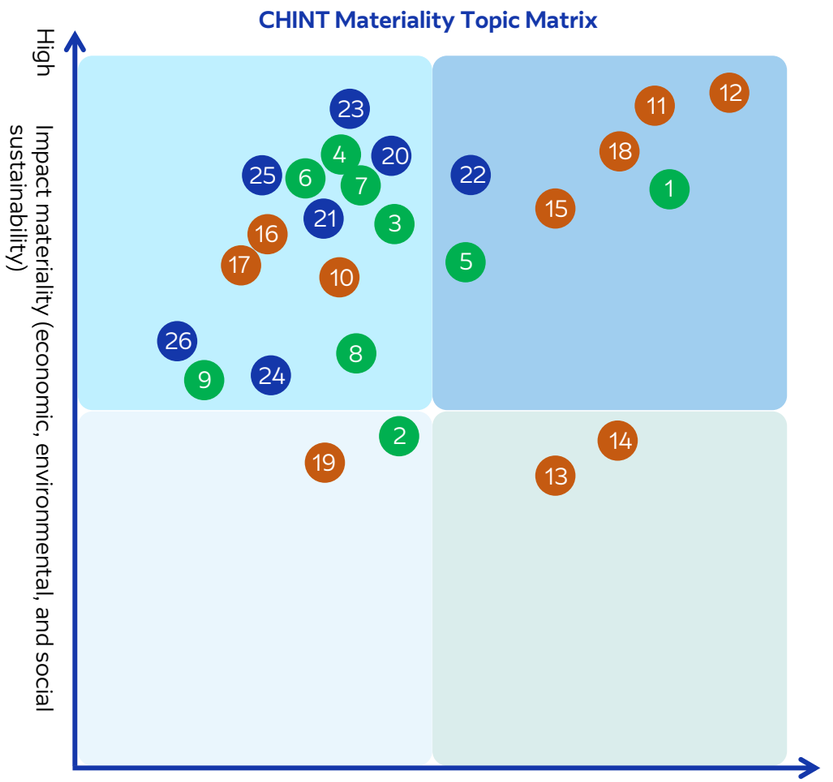
Perform preliminary impact analysis via interviews and surveys; engage external shareholders, executives, and department heads to evaluate financial materiality based on "likelihood" and "financial impact degree" across short (1–3 years), medium (3–5 years), and long-term (5+ years) horizons;
Incorporating input from external shareholders, executives, department heads, and experts, we finalized the financial materiality evaluation for all topics.

Materiality degree confirmation and ranking

Form a matrix of materiality topics for 2025 based on the evaluation in step 2 to determine the materiality topics and their priorities for this year, which will serve as the basis for CHINT's ESG management and planning and information disclosure priorities.

Materiality Topic Evaluation Results

The 2025 identification results of materiality topics are presented in the matrix below. A total of 7 topics were identified as having financial materiality and having impact materiality, 2 with only financial materiality, and 15 with only impact materiality.



Environment
1. Cope with Climate Change
2. Environmental Compliance Management
3. Clean Technology Opportunities
4. Energy Use and Transition
5. Circular Economy Promotion
6. Waste Management
7. Pollutant Emission
8. Water Resources Utilisation
9. Ecosystem and Biodiversity Protection

Society
10. Data Security and Customer Privacy Protection
11. Product Quality and Safety
12. Innovation-driven and Sustainable Business
13. Customer Service and Satisfaction
14. Responsible Marketing
15. Sustainable Supply Chain Management
16. Labor Practices and Management
17. Human Capital and Development
18. Occupational Health and Safety (OHS)
19. Social and Community Contributions

Governance
20. Corporate Governance
21. Sustainability Governance
22. Risk Management and Internal Control
23. Business Ethics and Anti-corruption
24. Communication with Interested Parties
25. Anti-unfair Competition
26. Due Diligence

Management of Financial Materiality Topics

For financial materiality topics, the Company gains in-depth understanding of interested parties' demands and expectations, fully identifies the impacts, risks, and opportunities of each topic, and consolidates information on different topics. We address financial materiality topics across four pillars: Governance, Strategy, Impact, Risk, and Opportunity Management, and Indicators and Targets.

Financial Materiality Topics: Impacts, Risks, and Opportunities

Topic	Targets and Action Plans	Risks	Opportunities	Scope of Impact	Impact Period
Cope with climate change	The Company should establish a climate change governance framework, identify and manage climate change-related opportunities and risks, introduce energy-saving projects or equipment to improve energy efficiency, reduce greenhouse gas (GHG) emissions from its own operations and business activities, and collaborate with upstream and downstream supply chain partners on carbon reduction measures and actions.	➢ Transition risks: If the low-carbon transition lags behind, the Company will face increasingly strict carbon emission policy constraints (such as carbon tariffs and dual control of energy consumption), rising carbon costs, and stranded assets, which will affect product competitiveness and market access. ➢ Physical risks: Frequent extreme weather events can disrupt production and supply chain logistics, causing operational downtime and asset damage.	➢ Market opportunities: "Dual carbon" goals drive massive demand for smart grids, renewable energy integration, energy storage, and efficiency solutions. Low-carbon products and services create new growth engines for the Company. ➢ Financing advantages: Strong climate governance facilitates green loans and bonds, attracts ESG investment, and optimizes capital structure and costs.	Upstream value chain Operations Downstream value chain	Medium-term (3–5 years) Long-term (5 years or more)
Circular Economy Promotion	The Company should implement the principles of reduction, reuse, and resource recovery in its operations, optimize product design to extend product lifespan, facilitate maintenance and recycling, and establish or participate in product recycling and remanufacturing systems. The Company should also collaborate with its supply chain to promote circular use of packaging and reuse of residual materials, establish a procurement model based on recycled materials, and jointly build a closed-loop resource system.	➢ Actual positive impact: Promoting resource circularity in production (e.g., scrap recovery, circular packaging) can directly reduce raw material procurement costs and waste disposal fees. ➢ Potential negative impact: Inadequate construction of circular economy systems may lead to cost pressures from resource price volatility and compliance costs from increasingly strict waste management regulations.	➢ Cost optimization: Through material recycling and process optimization, raw material procurement costs and waste disposal fees can be directly reduced. ➢ Business model innovation: Developing services such as product leasing, recycling and refurbishment, and material circulation can create new revenue streams and help build differentiated customer loyalty.	Upstream value chain Operations	Medium-term (3–5 years) Long-term (5 years or more)
Product quality and safety	The Company should establish a quality management and safety assurance system throughout the full lifecycle of its products, ensuring they meet or even exceed regulatory and standard requirements, and establish effective customer feedback, product traceability, and recall mechanisms. The Company needs to communicate quality and safety standards to suppliers and ensure that raw materials and components provided by the supply chain are safe and reliable through incoming inspections and on-site audits.	➢ Direct financial risks: Major quality or safety failures lead to recalls, claims, litigation, and higher insurance costs, causing substantial losses. ➢ Reputation & market risks: Damage to brand reputation will trigger long-term negative impacts, such as customer churn, declining market share, and blocked sales channels.	➢ Premium & loyalty: Excellent product quality and safety records are the most solid cornerstone of the brand, supporting product premiums, increasing customer loyalty and repeat purchase rates, and ensuring revenue stability. ➢ Market access: In critical sectors with extremely high reliability requirements, such as power grids and data centers, top quality and safety performance are the core competencies for obtaining access qualifications.	Upstream value chain Operations Downstream value chain	Short-term (1–3 years) Medium-term (3–5 years) Long-term (5 years or more)
Innovation-driven and sustainable business	The Company should systematically integrate sustainability concepts into its business model and R&D innovation processes, investing in innovative projects that address social or environmental issues. The Company can open its innovation platform to collaborate with suppliers and research institutions to develop sustainable solutions and jointly explore new green business models.	➢ Investment risks: If high R&D investment fails to achieve effective conversion or if there is a misjudgment in the technology roadmap, it will lead to a waste of resources and missed market opportunities. ➢ Competitive risks: Innovation lagging behind competitors or industry trends will reduce product competitiveness and erode profit margins.	➢ Growth engines: Green and digital innovation are key to unlocking emerging markets such as energy storage, integrated energy services, and smart power distribution, creating high value-added revenue. ➢ Value proposition: By providing sustainable solutions to help customers achieve their emission reduction and sustainability goals, the Company establishes deep strategic partnerships rather than just transactional relationships.	Operations Downstream value chain	Medium-term (3–5 years) Long-term (5 years or more
Risk management and internal control	The Company should establish a comprehensive risk management system, including ESG risks, systematically identifying, evaluating, monitoring, and responding to significant risks that may affect the achievement of objectives, and strengthening internal control to ensure compliant and steady operations. The Company should encourage supply chain partners to build risk awareness and internal control mechanisms to enhance overall value chain resilience.	➢ Systemic risks: Failure of the internal control system or failure to identify new types of risks (such as geopolitics, cybersecurity, and supply chain disruptions) may lead to catastrophic financial losses, interruption of business continuity, and legal accountability. ➢ Efficiency risks: Redundant or inflexible control processes can reduce operational efficiency and increase unnecessary administrative costs.	➢ Building resilience: A robust, forward-looking risk management system acts as a "moat" against uncertainty, boosting operational resilience, stabilizing investor expectations, and safeguarding corporate value. ➢ Decision support: Strong internal controls and risk data provide a clear basis for strategic decision-making, reducing trial-and-error costs and optimizing resource allocation.	Upstream value chain Operations Downstream value chain	Short-term (1–3 years) Medium-term (3–5 years) Long-term (5 years or more)

Financial Materiality Topics: Impacts, Risks, and Opportunities

Topic	Targets and Action Plans	Risks	Opportunities	Scope of Impact	Impact Period
Customer service and satisfaction	The Company should establish an efficient and convenient customer service system, respond promptly to customer inquiries and complaints, and continuously analyze feedback to drive product and service improvements. The Company should work closely with partners such as dealers and service providers to ensure that end customers receive a consistent, high-quality after-sales service experience.	➢ Revenue risks: Poor service quality leads to customer churn, failed contract renewals, and negative word-of-mouth, directly impacting current and future sales revenue. ➢ Cost risks: High costs from after-sales repairs and complaint handling will erode product margins.	➢ Revenue diversification: Value-added services such as IoT-based predictive maintenance and energy efficiency optimization can create new, sustainable, and high-margin service revenue streams. ➢ Demand insights: In-depth customer interactions provide valuable demand insights that can precisely guide product development and innovation, reducing market expansion costs.	Downstream value chain	Short-term (1–3 years) Medium-term (3–5 years)
Responsible marketing	The Company should ensure all marketing and advertising activities are truthful, accurate, and fair, without misleading consumers, and prioritize the protection of vulnerable groups such as minors. The Company should establish marketing guidelines for partners, such as distributors and advertising agencies, to ensure brand and value alignment.	➢ Compliance and reputational risks: Improper or false claims can trigger regulatory investigations, administrative penalties, lawsuits, and negative media coverage, resulting in a brand trust crisis and market loss. ➢ Resources waste risk: Ineffective or misleading marketing campaigns result in a significant waste of the marketing budget.	➢ Brand differentiation: Responsible communication based on genuine ESG performance and product strengths builds brand trust and creates a competitive edge among sustainability-conscious customers like large enterprises and government projects. ➢ Market education: Promoting green power awareness through responsible marketing can cultivate potential markets and lead industry demand.	Operations Downstream value chain	Short-term (1–3 years) Medium-term (3–5 years)
Sustainable supply chain management	The Company should establish a comprehensive management system covering the entire supplier lifecycle—including supplier access, evaluation, audit, development, and exit—incorporating ESG requirements, and prioritize cooperation with suppliers that meet these standards. The Company should work with key suppliers on capacity building to jointly address ESG risks and create shared value.	➢ Operational and continuity risks: Supplier issues related to environmental, labor, or ethical standards can lead to supply disruptions, secondary liabilities, and delivery delays, causing significant losses. ➢ Compliance and cost risks: Failure to meet sustainability standards in the supply chain can lead to loss of order eligibility or increased compliance costs.	➢ Cost and resilience: Assisting suppliers in energy efficiency and management improvements reduces supply chain costs and builds a more resilient network. ➢ Value acquisition: A transparent, green supply chain is vital for securing high-end international orders and project tenders, while enabling access to supply chain financing.	Upstream value chain Operations Downstream value chain	Medium-term (3–5 years) Long-term (5 years or more)
OHS	The Company should provide a safe and healthy workplace for all employees and contractors, preventing work-related injuries and occupational diseases through risk assessment, hazard control, safety training, and emergency drills. The Company should integrate OHS requirements into supply chain management, driving suppliers to improve workplace safety through audits and training.	➢ Investment risks: If high R&D investment fails to achieve effective conversion or if there is a misjudgment in the technology roadmap, it will lead to a waste of resources and missed market opportunities. ➢ Competitive risks: Innovation lagging behind competitors or industry trends will reduce product competitiveness and erode profit margins.	➢ Productivity and talent: A safe work environment boosts employee morale, attendance, and operational efficiency. A strong EHS record is a competitive advantage in attracting and retaining top-tier technical talent. ➢ Social license: Strong health and safety performance reflects responsible corporate citizenship, fostering positive community and government relations while securing the social license to operate.	Operations	Short-term (1–3 years) Long-term (5 years or more)

Communication with Interested Parties

CHINT prioritizes communication with interested parties, establishing diverse channels and standardized response mechanisms to effectively address the expectations of all interested parties. The Company conducts regular targeted dialogue, disclosing progress on key topics to key interested parties and soliciting feedback to enhance ESG management and build long-term trust with all interested parties.

Interested Parties	Expectations and Requirements		Communication Channels
Shareholders/investors	Corporate Governance R&D innovation Anti-corruption and business ethics Supply chain management	Circular economy Investor protection Product quality and safety Cope with climate change	Convene a Board of Shareholders' meeting Receipt investor visits and hotlines Financial reports and announcements On-site investigation Regular information disclosure
Customers/consumers	R&D innovation Product quality and safety Customer satisfaction Industry cooperation and development	Anti-corruption and anti-bribery Sustainability governance Information security and privacy protection	On-site customer audits Customer satisfaction survey Customer service hotline Customer visits and meetings After-sales service
Suppliers and other partners	Supply chain management Green procurement R&D innovation	Industry cooperation and development Anti-corruption and anti-bribery Information security and privacy protection	Supplier training and audits Supplier conferences Industry-university-research collaboration Strategic cooperation project communication
Employees	Employees' rights and benefits Talent cultivation and development	Employee health and safety Diversity and equality	Labor Union and Employee Representative Assembly Internal communication platform Employee surveys
Media, community and public	Rural revitalization and social welfare Community communication and development	Pollutant emission Water resources management	Public welfare and charitable projects Community volunteer activities Community/media briefings
Government and regulators	Corporate Governance Fair competition Anti-corruption and business ethics Energy management	Information security and privacy protection Environmental compliance management Risk management and internal control Sustainability governance	Government meetings Engagement and interaction Regular information disclosure Policy and standards communication Special inspection

Due Diligence

We recognize that systematic, forward-looking due diligence is a vital tool for identifying and mitigating environmental and social impacts across our operations and value chain, while capturing growth opportunities. We are committed to integrating due diligence into our management systems to uphold responsible business conduct, protect our reputation, and create long-term value.

Management principles and scope

Our due diligence covers internal operations and extends across the value chain—upstream (suppliers and contractors) and downstream (product usage and disposal)—focusing on significant risks in our business activities and relationships.

Our due diligence currently focuses on areas highly relevant to our business and material topics (note: business ethics and anti-corruption, and labor rights are detailed in their respective sections):

- **Supply chain due diligence:** As a priority, we define environmental, labor rights, and business ethics requirements through our *Code of Integrity and Compliance of Business Partners*. We implement ESG evaluation for new supplier access and conduct regular evaluations and audits for existing ones—especially those high-risk—to drive continuous improvement and mitigate supply chain environmental and social risks.
- **Environmental and climate change risks:** We perform environmental impact evaluation and analysis for project investments, new facilities, R&D, and major decisions to identify physical and transition risks and integrate them into business strategy.
- **Product safety and social impact:** We conduct comprehensive safety and compliance reviews for new products and design changes, evaluate the potential impacts of products throughout their full lifecycle (especially during the use and disposal stages) on users, communities, and the environment, and implement preventive design measures.

01 Taking Responsibility in Action to Build a Foundation of Compliance Together

Corporate Governance

Risk Management and Internal Control

Business Ethics and Anti-corruption

Anti-unfair Competition

Data Security and Customer Privacy Protection

SDGs Addressed in this Chapter

16 Peace, Justice and Strong Institutions

17 Partnerships that facilitate the achievement of goals

Corporate Governance

CHINT strictly complies with the *Company Law of the PRC* and relevant laws, regulations, and normative documents. In light of its actual situation, the Company has formulated the *Articles of Association*, *Detailed Rules for Functional Management*, and other systems, establishing a governance structure centered on the General Meeting of Shareholders, the Audit Committee[2], the Board of Directors, and its subordinate committees. Continuously improve the Company's governance structure, enhance governance capabilities, strengthen the construction of internal control systems, strengthen risk management, adhere to legal and compliant governance of enterprises, effectively protect the legitimate rights and interests of shareholders, and help the Company's high-quality and sustainability.

Corporate Governance Framework and Key Responsibilities

Board of Shareholders

- The General Meeting of Shareholders is the Company's authority and an important way for shareholders to exercise their legal rights. The Company treats all shareholders equally, effectively protects the rights of all shareholders to know, participate and vote on major matters of the Company, and standardizes the notification, convening, holding and voting procedures of the General Meeting of Shareholders.

Audit Committee

- In the spirit of being responsible to all shareholders, conscientiously perform the duties of the audit supervisor, supervise the Company's major matters, financial status, and the legality and compliance of directors and senior management in performing their duties, actively play the role that the Audit Committee should play, and safeguard the legitimate rights and interests of the Company and shareholders.

Board of Directors

- The Board of Directors shall be responsible to the General Meeting of Shareholders and exercise its functions and powers such as implementing the resolutions of the General Meeting of Shareholders, deciding on the Company's business plan and investment plan, and formulating annual financial budget plans and final settlement plans.
- The Board of Directors has established five specialized committees: Strategic Investment, Quality and Technology, Human Resources and Compensation, Audit and Supervision, and Sustainability.

Strategic Investment Committee | **Quality and Technology Committee** | **Human Resources and Remuneration Committee** | **Audit and Supervision Committee** | **Sustainability Committee**

- These are specialized working bodies established under and reporting to the Board of Directors.
- They perform duties in accordance with the *Articles of Association* and Board authorization, provide professional advice and support for board decision-making, and submit proposals for the Board of Directors' deliberation.

Departments, Institutes, Centers, Subsidiaries, Manufacturing Departments, etc.

- These are executive bodies.
- They are responsible for business expansion, management execution, resource allocation, and process optimization to support the Company's overall operation and development.

[2]In accordance with the requirements of the newly revised *Company Law of the PRC*, the Company dissolved its Board of Supervisors during the reporting period. The powers and duties of the former Board of Supervisors were transferred to the Audit Committee, further optimizing the governance structure and improving decision-making and oversight efficiency.

Professionalism, Independence, and Diversity of the Board of Directors

Expertise and Strategic Guidance

The Board of Directors consists of five members and serves as the Company's top body for strategic decision-making and oversight. Members of the Board of Directors possess profound professional backgrounds and extensive leadership experience in electrical equipment manufacturing, strategic management, marketing, financial operations, and sustainability. This diverse professional mix ensures the Board of Directors can conduct in-depth analysis and make sound decisions on major strategies, annual budgets, investment plans, and ESG-related topics from multiple perspectives—including industry, technology, market, finance, and long-term risk—providing solid guidance for the Company's sustainable and high-quality development.
We fully recognize the importance of the Board of Directors' diversity in enhancing the quality of decision-making. Currently, there is room for improvement in the gender diversity of our Members of the Board of Directors. We are committed to integrating diversity into our governance optimization as a sustainability goal. In future director selection, we will systematically consider diverse backgrounds, especially gender, and actively cultivate diverse talent to build a more inclusive and representative Board of Directors, enhancing governance effectiveness for long-term growth.

Type	Name	Nationality	Gender	Position Status
Chairman and Director	Chen Guoliang	China	Male	Incumbent
Director	Chen Chengjian	China	Male	Incumbent
Director	Nan'er	China	Male	Incumbent
Director	Song Danpi	China	Male	Incumbent
Director	Wang Jin	China	Male	Incumbent

Key Performance 2025

- Members of the Board of Directors: **5**
- Audit Committee Members: **3**
- General Meetings of Shareholders held: **2**
- Board of Directors Meetings held: **18**
- Members' of the Board of Directors Attendance: **100%**
- Audit Committee meetings held: **1**

Independence and Objective Oversight

The Company prioritizes independent oversight. Through the effective checks and balances of the governance structure, in-depth evaluations by specialized committees of the Board of Directors, and the inclusion of independent internal and external opinions, we ensure objective supervision and maximize the Company's interests.

- Governance structure with separation of powers: The Company has established a governance framework with clear responsibilities and checks and balances among the Board of Directors, Audit Committee, and the Management. The *Articles of Association* and rules of procedure define the authority of each body, institutionally ensuring independent and effective oversight.
- Professional support from specialized committees: The committees for Strategy, Audit, Quality and Technology, Compensation, and Sustainability have been established under the Board of Directors. In line with their mandates, the committees conduct professional, in-depth research and evaluations and audits before major decisions, providing the Board of Directors with independent, objective recommendations that significantly enhance decision-making quality.
- Leverage external expertise: When deliberating on major investments, technological transformations, M&As, and complex compliance matters, the Board of Directors actively seeks professional advice from independent third parties (e.g., legal, financial, and technological advisors) to ensure key decisions undergo thorough and prudent external validation.

Director and Executive Remuneration Management

The Company has established a robust performance appraisal and remuneration management system for directors and senior management. The Human Resources and Remuneration Committee is responsible for formulating and overseeing the implementation of remuneration plans for these individuals.
Director remuneration is determined by the Board of Shareholders, while senior management remuneration plans are approved by the Board of Directors. The Company uses performance evaluations as the primary basis for senior management remuneration and incentives, linking pay to both corporate and individual achievements. Corporate performance appraisal indicators include sales revenue, profit, sustainability performance, and technological leadership.
Equity incentive plans are implemented for senior management, key management, and influential employees who have a direct impact on the company's operating performance and future development based on factors such as rank, importance, contribution, development potential, and creativity. During the reporting period, the Company progressively linked ESG performance to management remuneration.

Risk management and internal control

CHINT views a comprehensive and effective risk management and internal control system as the foundation for achieving strategic objectives and sustainability. Governed by systems such as *Compliance Risk and Opportunity Management,* we have established a systematic management framework to proactively identify, evaluate, and address risks while capturing growth opportunities, ensuring compliant and resilient operations.

Governance

The Company has established a governance framework with clear responsibilities and tiered accountability, providing organizational support for the effective operation of risk management and internal control systems.

Risk Management Mechanism of CHINT

Top Decision-Making and Oversight Body

The management team led by the President is the leadership core for the construction of the risk management system, responsible for determining significant risks and opportunities to be addressed based on corporate strategy, and approving the Company's risk evaluation criteria and response strategies for medium and high risks. The Board of Directors and its Audit Committee hold ultimate oversight responsibility for the system's soundness and effectiveness.

The first line of defense

Business and Functional Departments
Business and Functional Departments are directly responsible for risk management within their scope, executing risk identification, evaluation, and control measures alongside routine monitoring per established standards.

The second line of defense

Compliance Department
As the lead functional department, the Compliance Department is responsible for organizing the development of company-wide risk evaluation standards, leading the annual systemic risk assessment, preparing risk inventories and reports, and maintaining and interpreting relevant management systems.

The third line of defense

Internal Audit Department
The Internal Audit Department operates independently of management and is responsible for conducting objective audits and re-evaluations of the design and operational effectiveness of the two lines of defense and the entire internal control system.

Strategy

The Company deeply integrates risk management into its strategic decision-making. Its core strategy is to transform uncertainties in operations and compliance into manageable factors through proactive risk identification and systematic internal control, while actively seizing related opportunities. This approach safeguards assets, enhances operational efficiency, and upholds the Company's reputation, ultimately supporting sustainable business success and long-term value creation. Effective risk management not only prevents losses but is also a key strategic capability that enables us to gain a competitive edge, tap into new markets (such as the green compliance market), and optimize our cost of capital.

Analysis of Risks and Opportunities

Through a systematic risk identification process, the Company has identified significant compliance risks in areas such as commercial bribery, fraud, data security, trade controls, and environmental and social accountabilities. If these risks spiral out of control, they will directly result in hefty fines and compensation claims (according to company standards, direct economic losses could reach tens of millions or even hundreds of millions of yuan) as well as major legal proceedings, which would severely erode the Company's profits in the short term. They could also lead to regulatory investigations, restrictions on business licenses, or even being placed on authoritative blacklists, causing operational disruptions in the short to medium term and having long-term, far-reaching negative impacts on the Company's brand reputation and market trust.
At the same time, effective risk management itself presents a key strategic opportunity for the company. By transforming robust compliance and risk management capabilities into opportunities for sustainable growth, we can earn the trust of high-end customers and investors, thereby securing high-quality orders, green financing, and market premiums over the medium to long term. In addition, in-depth insights into risk trends—such as policy changes and technological iterations—can in turn drive business process optimization and product technological innovation, enabling the Company to proactively seize new growth opportunities arising from the green transition, digitalization, and evolving market demands.

Response of Risks and Opportunities

For the purpose of managing risks and capturing opportunities, the Company has developed a systematic strategy integrated into core business operations:

- Risk-prioritized response: Adhering to the "elimination first, mitigation second" principle, we apply targeted controls based on risk levels (high: RPN ≥ 30; medium: 10 ≤ RPN < 30) to focus resources on the most critical areas.
- Business process integration: By embedding risk control requirements into core processes (e.g., procurement, sales, R&D) through system updates and process optimization, we transform risk control measures into standard daily routines, ensuring business operations remain under control.
- Dynamic adaptation and ecosystem building: We extend risk management to the supply chain, dynamically evaluating country and regional risks using international indices such as the Consumer Price Index (CPI), and adjust strategies accordingly. Simultaneously, we foster risk management awareness among key suppliers and partners to build a more resilient business ecosystem.

Emerging Risks

We proactively identify and conduct evaluation of emerging risks that may have potential impacts in the medium to long term but are difficult to detect at the current stage. We clearly define the categories of these risks and the timeframe of their potential impact, and develop corresponding response strategies to mitigate their potential impact on our business. At the same time, we continuously improve our capabilities in planning for and managing long-term risks to enhance the Company's ability to respond to risks.

Risk Type	Geopolitical Conflict	Negative Outcomes of AI Technology
Risk description	Escalating global geopolitical tensions may result in supply chain disruptions, fluctuations in raw material prices, increased trade barriers, and heightened market uncertainty, thereby affecting the Company's international business expansion and operational stability.	The accelerated application of AI technologies may lead to risks of technological abuse, including security threats such as the spread of fabricated content, escalation of automated attack methods, and information manipulation. If left unchecked, artificial intelligence technologies could exacerbate data security vulnerabilities, undermine the stability of the online ecosystem, further weaken social consensus and public trust, and increase the complexity of governance.
Mitigation measures	The Company will optimize the global supply chain layout and enhance localized production and procurement capabilities to reduce dependence on a single market. At the same time, it will pay close attention to international policy trends, strengthen compliance management, and ensure that business meets the regulatory requirements of various countries. In addition, the Company has expanded into emerging markets through a diversified market strategy to reduce the impact of geopolitical risks on its business.	Strengthen research on security measures for AI systems, and use AI technology to proactively identify and address potential threats, thereby gradually improving the level of cybersecurity and reducing the risks posed by the misuse of such technology.

Impact, Risk, and Opportunity Management

The Company operates a standardized, dynamic, and cyclical risk management process to ensure the continuous and systematic management of risks and opportunities. The Company has formulated systems such as *Compliance Risk and Opportunity Management* and the *Laws*, *Regulations and Compliance Evaluation Management* to regularly carry out compliance risk assessment on business modules, comprehensively identify and assess the compliance risks of all business activities of the Company, including strategic investment and major decision-making matters, rate compliance risks and take corresponding control measures, issue a compliance risk evaluation report and put forward risk control measures.

Risk Management Process	
Risk identification	Annually identify internal and external interested parties (e.g., government, customers, employees) and their corresponding compliance obligations (laws, regulations, contracts, and voluntary commitments). Business units systematically identify potential compliance risks (sources, events, consequences) and opportunities (market and technology) based on their workflows and document findings in the *Compliance Risk and Opportunity Identification and Evaluation Form*.
Risk assessment	Risks are evaluated using a quantitative matrix: RPN (Risk Priority Number) = Severity (S) × Occurrence (O) × Detection (D). Severity (S) is assessed across six dimensions: legal/regulatory, financial, operational, quality, EHS (environment, health, safety), and reputation. Risk levels (High, Medium, Low) are assigned based on the RPN score. The Compliance Department dynamically adjusts evaluation results based on business models (e.g., sales and procurement) and regional risk levels (referencing the Corruption Perceptions Index), ensuring evaluations remain forward-looking and globally applicable.
Risk response	Determine and implement risk control measures based on risk levels. For high-risk items: Implement new or improved controls or revise procedures to eliminate or mitigate risk. For medium-risk items: Define control methodologies and strengthen existing measures.
Monitoring and review	Trigger dynamic risk evaluations upon significant changes in structure, business, or regulations, or following non-compliance incidents. Regularly summarize risk identification, evaluation, and control status in reports for management review to ensure the system's suitability, adequacy, and effectiveness.

Corporate Emergency and Public Incident Management

The Company operates a closed-loop "prevention—response—recovery" management process, integrating corporate and public emergency management as a key component to systematically enhance organizational resilience. In routine risk assessments, we identify and analyze potential factors that could trigger public emergencies, such as major workplace safety accidents, natural disasters, cybersecurity attacks, product quality crises, and sensitive public opinion incidents. These scenarios are evaluated to anticipate their potential operational, financial, and reputational impacts. For the purpose of addressing these emergencies, the Company has established an internal emergency management framework based on CHINT Group Corporation's unified *Public Opinion Management System*. In the event of a public emergency, the corresponding emergency response plan is immediately activated based on the nature and severity of the incident. Once an incident is stabilized, the Company transitions to the recovery and remediation phase. Simultaneously, the Company conducts root cause investigations and implements rectification measures to prevent similar incidents from recurring. The entire response process is thoroughly reviewed, and lessons learned are used to update risk assessment databases, optimize emergency response plans, and inform future training and drills, completing the "respond—learn—improve" management closed-loop to enhance emergency management maturity.

Risk Management Culture Fostering

Through its comprehensive risk management mechanisms, CHINT has deeply integrated risk management principles into its daily operations and is committed to fostering a risk management culture characterized by full employee participation and continuous improvement. We have incorporated key risk management indicators—such as product quality, information security, and data security—into our employees' daily evaluation system. At the same time, we have included indicators related to labor risks in the supply chain and climate change risks in the annual performance appraisals of senior executives, ensuring that risk management is closely aligned with the Company's strategic objectives.

To foster a risk culture, the Company has established a robust risk management training system, leveraging internal and external resources to continuously enhance employee risk awareness. Each risk management function actively organizes various types of risk-related training for staff at all levels. Curriculum includes risk management basics, risk identification, evaluation, control, and response, empowering employees to identify risks and develop effective mitigation strategies. During the reporting period, we achieved 100% employee coverage rate for risk management training.

Tax Compliance

Adhering to a strategy of "compliance first, risk control, and reasonable tax burden," we strictly follow the *Tax Collection and Administration Law of the PRC* and other regulations. We ensure full and timely tax payments, maintaining the accuracy and legality of all tax-related data and activities. We have built a standardized end-to-end tax management system. Clear operational guidelines and control standards govern daily filings, accounting, planning, and periodic reviews, ensuring high efficiency and institutional rigor. Each year, we engage external professionals to audit our corporate income tax settlements. These independent audits help us review tax practices, mitigate potential risks, and strengthen compliance management, ensuring the robust operation of our tax affairs. During the reporting period, no material tax violations occurred, and tax management remained standardized and orderly.

Indicators and Targets

For the purpose of quantifying the effectiveness of our risk management, tracking progress, and driving continuous improvement, we have established the following Key Performance Indicators (KPIs).

KPI	Target	Reporting Period Progress
Number of major compliance incidents (with significant financial or reputational impact)	0	0
Implementation rate of control measures for medium-to-high risk compliance items	100%	100%
Coverage rate achieved every three years for compliance risk audits of operational sites[3]	100%	28.57%
Rectification and closure rate for compliance audit findings	100%	100%
Coverage rate of employee compliance and risk management training	100%	100%
Compliance due diligence coverage rate for key third parties (suppliers/contractors)	100%	100%

[3]Operational sites that have been in service for less than one year are not included in the scope of this supervision and management. In 2025, a new three-year audit cycle began. The coverage rate in CHINT's Shanghai Region (parent company) has reached 100%.

Business Ethics and Anti-corruption

CHINT always upholds the bottom line of business ethics, strictly complying with the *Criminal Law of the PRC*, the *Anti-Unfair Competition Law of the PRC*, the *Anti-Money Laundering Law of the PRC*, and the *Anti-Monopoly Law of the PRC*. We have established and improved internal management regulations such as the *Integrity and Compliance in Business Conduct Management System*, *Conflicts of Interest Avoidance Management*, *Anti-Bribery Management Manual*, and *Donation and Sponsorship Management*, and formulated the *Code of Integrity and Compliance of Business Partners of CHINT* for business partners, systematically regulating and constraining the business conduct of all employees, management, and partners, strictly prohibiting and resolutely resisting all illegal and non-compliant behaviors such as commercial bribery, corruption, monopoly, money laundering, and unfair competition. During the reporting period, the Company was not involved in any litigation or penalties related to corruption, bribery, conflicts of interest, fraud, or insider trading.

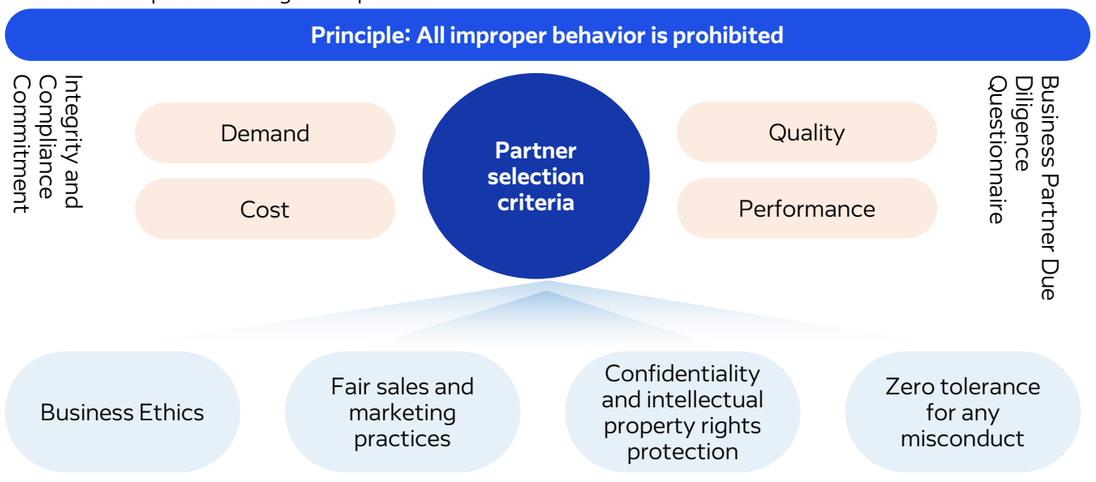
Business Ethics Management

Organizational Functions and Responsibilities

The Board of Directors is the ultimate decision-making body for compliance management, responsible for reviewing and approving the Company's basic compliance management policies and supervising their implementation; the Board of Directors has an Audit and Supervision Committee responsible for evaluating the effectiveness of the Company's compliance management. In addition, the Company uses the Compliance Department of CHINT Group Corporation as an independent management agency, and has set up a full-time compliance BP position within the Company. At the same time, it has set up full-time and part-time compliance ambassadors in the branches of various departments to be responsible for the daily management of compliance risks.

Policies and Principles

CHINT adheres to the core values of "customer-centered, innovation, humility, integrity, collaboration, and accountability," and takes "Creating value for customers, Seeking development for employees, and Taking Responsibility for society" as its business philosophy. Since the establishment of CHINT, we have established business relationships with many business partners. We select our business partners on the basis of quality, demand, performance and cost, and require and will continue to require them to share our commitment to business ethics, fair sales and marketing practices, confidentiality and intellectual property rights protection, and zero-tolerance standards for any misconduct. CHINT has listed responsible business practices as a core element of our business partner management process.



Management Measures

The Company strictly enforces tools such as the *Code of Integrity and Compliance of Business Partners of CHINT*, the *Integrity, Compliance, and Anti-Corruption Commitment of Business Partners*, and the *Business Partner Due Diligence Questionnaire* to build a compliance management framework across the full lifecycle of the supply chain, enhancing risk identification granularity and control depth.

Key Performance 2025

- Number of reports filed through whistleblowing procedures: **0**
- Percentage of employees trained in business ethics: **100** %
- Percentage of sites undergoing internal evaluations or reviews for specific business ethics issues: **100** %
- Number of major lawsuits involving corruption, bribery, conflicts of interest, money laundering, or insider trading: **100** %
- Signing rate of the Integrity, Compliance, and Anti-Corruption Commitment of Business Partner: **100** %
- Signing rate of *Employee Integrity and Self-Discipline Pledge*: **100** %

Anti-corruption and Anti-bribery

The Company has established a systematic integrity and compliance framework. This framework is centered on the Group's *Integrity and Compliance in Business Conduct Management System* and the Company's *Anti-Bribery Management Manual*, developed in alignment with ISO 37001:2016. Together, they establish a zero-tolerance management policy for bribery.

Our systems explicitly prohibit five major types of misconduct—corruption, fraud, collusion, coercion, and obstruction—and are supported by specific guidelines such as the *Anti-Corruption Regulations*, the *Gifts and Hospitality System*, and the *Donations and Sponsorship System* to provide further detail. The management system features tiered responsibility overseen by management representatives and an independent Compliance and Legal Department (anti-bribery compliance function), ensuring both authority and independence.

Risk Identification and Management

The Company has established an institutionalized mechanism for identifying bribery risks. Guided by the newly revised *Anti-Bribery Management System Manual* and specialized systems such as *Compliance Risk and Opportunity Management*, *Due Diligence for Specific Transactions, Projects, Activities, and Business Partners*, and *Employee Due Diligence Management*, the Company conducts annual risk assessments across all business scope. The business and functional departments systematically identify potential bribery risks, scenarios, and consequences related to their business processes, job responsibilities, and external interactions. During the reporting period, the Company systematically identified bribery risks, providing a solid foundation for precise management.

The Company evaluates all identified risks using a standardized quantitative model. Based on *Compliance Risk and Opportunity Management* standards, risks are scored across three dimensions: Severity (S), Likelihood (O), and Detectability and Preventability (D). A Risk Priority Number (RPN = S × O × D) is then used to determine risk levels. This quantitative ranking ensures that management resources are prioritized for high-risk areas prone to significant financial loss, legal penalties, or reputational damage.

Example: Anti-Bribery System Certification

For the purpose of upholding the highest standards of business ethics and integrity, CHINT successfully passed a rigorous audit by Intertek during the reporting period and obtained the ISO 37001:2016 anti-bribery management system certification. This certification provides independent and authoritative validation of our established and effective anti-bribery management system. It signifies that our anti-bribery policies, procedures, and controls meet international standards for systematically preventing, detecting, and responding to bribery risks. Through this certification, we demonstrate our unwavering commitment to ethical operations and compliance to all interested parties, including customers, investors, business partners, and regulators. It also serves as a driver to optimize internal controls and enhance management maturity, building a foundation of trust for our global sustainability.

Oversight and Investigation

In order to enhance the attention of all employees of the Company to compliance management, the Company has formulated the *Whistleblowing and Inquiry System* and established a complete whistleblowing, accountability and performance appraisal system or mechanism. At the same time, the Company has set up a whistleblowing hotline and a whistleblowing mailbox. In addition, standardized "Compliance" whistleblowing boxes have been installed at the premises of all company entities, allowing for whistleblowing at any time. Once the whistleblowing matters are verified, accountability will be pursued in accordance with the Company's *Employee Reward and Punishment Management Measures*.

Whistleblower Protection Mechanism

The Company requires the staff who receive whistleblowing reports to strictly keep confidential the relevant information of the whistleblower and the specific content of the whistleblowing matter. The relevant investigation work on whistleblowing should be carried out without revealing the identity of the whistleblower. Unless the whistleblower agrees, the name, work unit, contact information and other information of the whistleblower cannot be disclosed under any circumstances. Staff who handle whistleblowing will be dealt with seriously according to the circumstances and consequences if they are in violation of confidentiality or improper performance of duties.

Compliance Whistleblowing Channels:

Compliance Hotline: 021-67777777-880080
Compliance Email: compliance@chint.com

Integrity Culture Construction

We view anti-bribery culture as a cornerstone of compliance governance. We continue to strengthen our integrity culture construction by establishing a comprehensive education system for employees, suppliers, agents, and distributors. Regular training on anti-bribery and integrity enhances internal oversight and drives management excellence, providing a solid foundation for an ethical and efficient operating environment.
The Company requires all new hires to disclose potential conflicts of interest, ensuring full identification of internal relationships.
We embed business ethics training into the admission and evaluation processes for suppliers, agents, distributors, and contractors, and require all partners to sign the *Integrity, Compliance, and Anti-Corruption Commitment of Business Partner*. This promotes collaborative understanding and recognition of our integrity principles, and builds a sunlit and transparent partnership ecosystem.

Example: Anti-Corruption and Anti-Bribery Training

The Company has established a systematic training mechanism to deeply embed anti-corruption and anti-bribery principles into our corporate culture. Our training programs offer tailored content for different levels and roles to ensure maximum effectiveness and relevance.

Board of Directors, Audit Committee members, and senior management: We conduct specialized training for leadership to reinforce their strategic oversight and exemplary role in compliance, ensuring that decision-makers are fully aware of risks and lead by example.
All employees: The training program aims to achieve 100% coverage, ensuring that every employee clearly understands the Code of Business Conduct, Anti-Bribery Policy, and their practical application in daily work, thereby embedding compliance requirements into all business processes and roles.

Key Performance 2025

- Completion rate of conflict of interest disclosures for new employees: **100** %
- Number of directors trained in business ethics (code of conduct, integrity, etc.): **5**, coverage rate: **100** %.
- Percentage of high-risk business partners covered by anti-corruption due diligence: **100** %
- Completion rate of investigations into whistleblowing reports: **100** %
- Percentage of locations with internal and external interested parties' whistleblowing procedures: **100** %
- Anti-corruption and anti-bribery training coverage rate for employees: **100** %

Anti-unfair Competition

The Company strictly complies with relevant anti-monopoly and anti-unfair competition laws, regulations, and international standards, such as the *Anti-Monopoly Law of the PRC*, the *Anti-Unfair Competition Law of the PRC*, and the *Civil Code of the PRC*. We have established the *Integrity and Compliance in Business Conduct Management System*, which explicitly prohibits illegal acts such as monopolistic agreements and abuse of market dominance. We require all employees and all parties related to business activities to proactively maintain a healthy market order and strictly prohibit any collaboration with partners that may restrict or distort fair competition. By clearly emphasizing fair competition in our corporate culture and code of conduct, we have established a strong compliance foundation for our business operations. During the reporting period, the Company was not involved in any unfair competition practices, such as monopolistic acts, false advertising, or commercial defamation, nor any related litigation.

Building on our institutional safeguards, we have integrated anti-unfair competition compliance reviews into core business processes. By setting compliance checkpoints at key approval stages and using standardized *Compliance Review Forms* for proactive screening and risk assessment, we ensure that business decisions and execution remain fully compliant with competition regulations. Additionally, the Company extends compliance requirements to the value chain through systematic management. We require business partners to acknowledge the *Code of Integrity and Compliance of Business Partners of CHINT*, complete the *Business Partner Due Diligence Questionnaire*, and sign the *Integrity, Compliance, and Anti-Corruption Commitment of Business Partner*. These documents include clear provisions on anti-unfair competition, commercial bribery, and market order, aiming to foster a fair and compliant ecosystem across the entire value chain.

Key Performance 2025

Number of cases in which the Company was sanctioned by relevant authorities for unfair competition practices or violations of antitrust laws in its operations

0

The amount involved in lawsuits or major administrative penalties due to the Company's unfair competition during the reporting period

RMB **0**

Data Security and Customer Privacy Protection

Robust information security and privacy protection are the foundation of trust and long-term cooperation with our business partners, customers, and employees. We strictly comply with national and local laws and regulations, establishing a compliance management and security defense system to ensure the authorized information security of our employees, customers, suppliers, and business partners according to the highest legal and ethical standards.

Organizational Governance and Coordination Mechanisms

The Company has carefully built an organizational structure with clear levels and responsibilities to ensure the orderly advancement of information security work.

Relying on the "Information Security Management Committee" composed of the CHINT Group Corporation president team and heads of various departments, the committee takes a holistic, macro-level perspective to formulate a comprehensive information security strategy, thereby setting the directional course for the Company's information security efforts.

The "Information Security Management Office" under it is responsible for the key responsibility of translating the information security strategy into practical actions and actively promoting the implementation of various information security work throughout the Company. Through regular organization of joint meetings, different departments can fully communicate and cooperate.

Information Security Management

The Company strictly complies with the *Data Security Law of the PRC*, the *Personal Information Protection Law of the PRC*, the *EU General Data Protection Regulation* (GDPR), and other relevant local regulations of the regions where it operates. The Company standardizes full lifecycle management of data to effectively prevent security risks such as data leakage, damage, loss, tampering, and misuse. It genuinely safeguards the security and lawful rights and interests of the Company's data assets, protects normal business operations and commercial reputation, and implements the *Data Security Management Regulations*, *CHINT Data Backup and Recovery Management System*, and *CHINT Data Disaster Recovery Management System*.

Relying on the Security Operation Center (SoC), combined with security threat intelligence, the Company continues to carry out dynamic monitoring, regularly and comprehensively investigates safety hazards in internal networks, and always guards the information security defense line. The Company has established a routine information security operation monitoring system. Once a potential risk is discovered, it can quickly issue an early warning, gaining precious time for subsequent emergency response, and achieve early detection, early warning, and early disposal of risks.

- Emergency response plan
  The Company has formulated a detailed *Information Security Incident Emergency Plan*, which clearly and meticulously stipulates from the organizational guarantee mechanism, incident classification standards to emergency response procedures. We regularly conduct red-blue team exercises, social engineering drills to optimize emergency response plans and improve actual combat capabilities.
- Emergency monitoring operations
  After the emergency response team confirms the security incident, it will immediately activate the emergency response plan and cooperate with relevant business parties to take effective measures to curb the situation; after the technical team investigates intrusions or data leaks and clarifies the impact, it will carry out event loss assessment and grading, and report them according to the event level; the emergency response team cooperates with the business party to rectify, clarify short-term plans and medium- and long-term plans, and the information security team supervises and verifies the rectification.
- Post-audit and accountability
  After the security incident is handled, the information security team strictly follows the established incident reporting procedures and reports to and asks for instructions from the relevant leaders in the Company in a comprehensive and detailed manner. For safety incidents caused by human illegal operations, strict hierarchical accountability measures shall be implemented.

Example: Information Security Management System Certification

We continuously increase the coverage rate of information security management system certification. As of the end of the reporting period, CHINT's Shanghai Region (parent company), Wuhan plant, and Jiaxing plant have all obtained ISO 27001:2022 information security management system certification. By continuously increasing the certification coverage rate, we provide a solid security foundation for our global business expansion.

The Company has established a comprehensive information security audit system and conducted annual data security compliance evaluations across all subsidiaries. During the reporting period, the Company conducted internal information security audits at its certified sites.


CCCI
信息安全管理体系认证证书
正泰电气股份有限公司
信息安全管理体系符合
ISO/IEC 27001:2022
IAF
UKAS

Management Measures

The Company has invested a lot of resources to build a multi-level, full-link technical protection system to build a solid technical barrier for information security.

Infrastructure Security
Build digital infrastructure such as identity management, key management, and API gateways to improve the underlying risk control capabilities of digitalization. Use biometric access control, video surveillance, etc. to strengthen the physical security of infrastructure such as computer rooms, and ensure business continuity and rapid recovery through regular inspections and disaster recovery.

Cybersecurity
The Company's network has utilized technical measures such as multi-level and multi-partitioning to control cybersecurity, converge the exposure of internal and external networks, isolate sensitive areas, monitor abnormal traffic in real time, and maximize the prevention of internal and external attacks.

Application system security
Information security-related demands are incorporated in the application system design stage, including identity security, functional safety, data security, technology stack trust list, etc. After the system is built, it will be approved for launch after strict review, practicing the concept of minimizing information security risks in accordance with the principle of "shifting security left".

Safety in the project
The Company's product research and development projects are all carried out in an isolated environment. File encryption, permission control, DLP (data leakage prevention) and other technologies have been implemented to strictly limit the flow path of sensitive data and prevent the leakage of confidential data such as R&D drawings.

Data Privacy Protection

The Company attaches great importance to customer information security and firmly protects the privacy information of customers, employees and various interested parties.

Data minimization collection and privacy agreement specification

The Company follows the principle of "data minimization" and collects customer information only within the scope necessary for business. By formulating clear privacy agreements, the Company explicitly informs customers of the purposes, storage periods, and handling methods for their data, while ensuring that the content of these agreements complies with regulatory requirements such as the *Personal Information Protection Law of the PRC*.

Permission control and full-process encryption

The enterprise shall establish an internal authority grading system to limit the scope of employee data access according to job demand and prevent unauthorized operations. At the technical level, a full-link closed-loop encryption environment of "transmission—storage—use" is built.

Internal confidentiality and third-party cooperation supervision

Incorporate privacy protection into the employee appraisal system, strengthen the confidentiality awareness of all employees through regular training, and sign a confidentiality agreement to constrain data operation behavior. For third-party partners (such as suppliers and cloud service providers), the Company explicitly defines data security responsibilities in contracts, requires them to possess equivalent security qualifications, and restricts the scope of data sharing.

Customer feedback channel and complaint response mechanism

The Company has set up a privacy protection complaint hotline, and a dedicated person will accept customers' questions about data use, withdraw authorization requests, or whistleblowing on violations. For data leakage incidents, the Company promises to respond and follow up within 48 hours, and inform customers of the rectification results at the same time.

Information Security Culture Construction

The Company upholds the concept of universal security responsibility and has built an information security culture system with full employee participation through institutional improvement, strong implementation, and innovative mechanisms. Institutional framework: All employees sign confidentiality agreements, with mandatory annual information security training and appraisals to integrate security requirements into business operations. The Company has established an information security feedback mechanism to encourage employees to identify and whistleblow on potential security and confidentiality vulnerabilities.

Indicators and Targets

KPI	Unit	Progress in 2025
Confirmed information security and customer privacy breaches	Pcs.	0
Economic losses from data security incidents and customer privacy breaches	RMB 10,000	0
Percentage of major raw material suppliers covered by information security due diligence	%	100
Total substantiated customer privacy complaints (Substantiated external complaints + Regulatory complaints)	Pcs.	0
Total confirmed instances of customer data leakage, theft, or loss	Times	0

02 Embed Responsibility in the Chain to Shape the Value Network Together

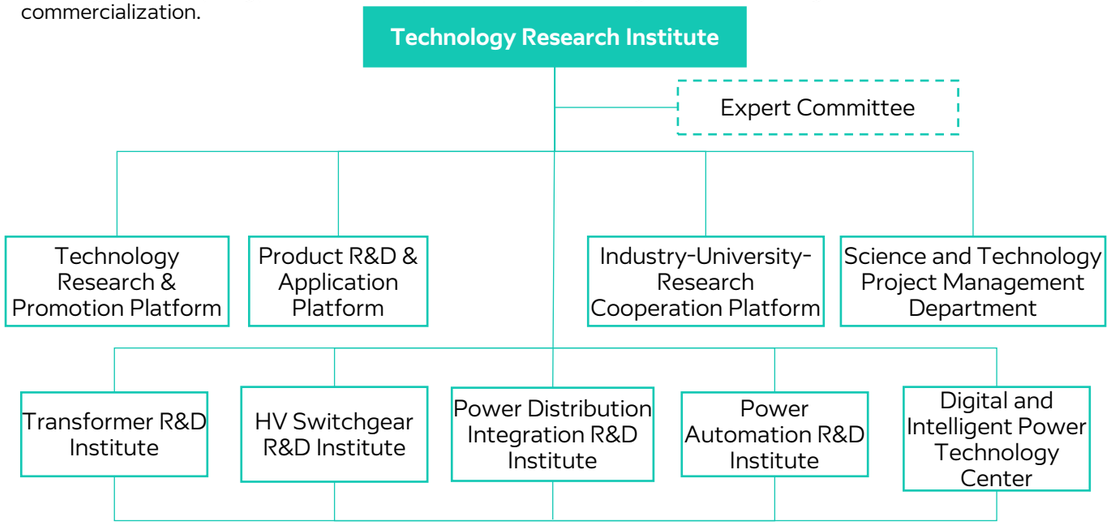
SDGs Addressed in this Chapter

Innovation-driven and Sustainable Business

Innovation is the core engine driving CHINT's response to the energy transition and pursuit of sustainability. We deeply integrate technological innovation, product innovation, and business model innovation, guided by green, intelligent, and efficient principles, to drive our business up the value chain and provide integrated low-carbon transition solutions for customers and society, ultimately achieving harmony between commercial success and environmental and social benefits.

Governance

The Company has established a systematic innovation governance framework to ensure the strategic focus of R&D investment, efficient allocation of resources, and close alignment with sustainability goals:
Top decision-making and oversight body: The Board of Directors is the highest decision-making and oversight institution for the Company's innovation strategy, responsible for approving medium- and long-term technology development plans and major R&D project investments, as well as evaluating the contribution of innovation strategies to sustainability. Under the authorization of the Board of Directors, the Strategic Investment Committee and the Sustainability Committee are respectively responsible for assessing frontier technology directions and supervising green innovation topics.
Management responsibilities: Senior management, led by the President, translates innovation strategy into annual R&D plans and budgets and oversees execution. The Company has the Director of the Technology Research Institute and the Directors of various branches to coordinate the construction of the R&D system and the layout of core technologies.
R&D execution system: Centered on the Technology Research Institute, the Company has built an R&D execution hub comprising four functional platforms: industry technology research and promotion platform, product R&D & application platform, industry-university-research cooperation platform, and science and technology project management department. It is also equipped with five specialized R&D institutes: Transformer Technology Center, HV Switchgear Technology Center, Distribution Integration Technology Center, Power Automation Technology Center, and Digital and Intelligent Power Technology Center, forming a two-level R&D system of "strategic guidance + platform support + professional focus", ensuring efficient synergy from basic research to industrial application.
The Company fully implements the Integrated Product Development (IPD) model. Each R&D project is managed by a cross-functional matrix team with representatives from R&D, manufacturing, marketing, procurement, quality, and finance. The mechanism defines cross-functional collaboration throughout the project lifecycle, ensuring efficient synergy and resource support from market insight and R&D through to industrial commercialization.



Strategy

Innovation is CHINT's core strategy for addressing the global energy transition and building long-term competitive advantages. Guided by "market-led, innovation-driven, open collaboration, targeted R&D, and value creation," the company focuses on six pillars—digital/intelligent, modular/platform-based, high-performance/reliable, green/low-carbon, new materials/processes, and new industries—striving to achieve breakthroughs in key core technologies, develop high-efficiency energy-saving power equipment, and expand solutions for emerging industries, aiming to lead in the electrical and new energy sectors.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Time frame[4]
Green technology transition	Risk: Under the dual carbon goals, conventional energy-intensive power equipment faces elimination risk; a lagging technology transition could lead to market share loss. Opportunities: Energy transition creates massive demand for smart grids, renewable energy integration, and high-efficiency equipment.	1. Focus on green R&D: Leveraging the Technology Research Institute to develop high-efficiency transformers, smart grids, and energy storage systems, delivering on our "low energy consumption, green and eco-friendly" product strategy. 2. Embed full lifecycle design: Integrate sustainability and recyclability from the design stage to reduce the carbon footprint across the entire value chain.	Environmental value: Directly supports grid loss reduction and renewable energy integration. Business value: Obtain green technology premiums and gain leading positions in high-end and emerging markets.	Middle-term Long-term
Digital & intelligent integration	Risk: Lack of digital capabilities leads to low product value-add and failure to meet smart O&M demand for new power systems. Opportunity: Digitalization enables "product + service" business models, creating recurring revenue and enhancing customer loyalty.	1. Build smart products & platforms: Develop connected, sensing-capable smart electric power equipment and construct an energy management cloud platform, aligning with our "intelligent and digital integration" strategy. 2. Innovate service models: Use IoT and data analytics to provide value-added services like efficiency optimization, O&M, and asset health management, transitioning toward a solution provider.	Operational value: Improve customer efficiency and power system reliability. Business value: Optimize revenue structure by shifting from equipment sales to solutions and services.	Short-term Middle-term
Industrial ecosystem & business model innovation	Risk: Single-equipment manufacturers face limited bargaining power and resilience, struggling with complex market shifts. Opportunity: Use the "4+1" ecosystem and EPC+O+F model to integrate upstream and downstream resources and build a competitive moat.	1. Drive "4+1" ecosystem synergy: Align HV, MV/LV, automation, electronics, and energy services to cover the entire value chain from components to system integration and professional services. 2. Implement comprehensive energy services: Leverage IoT and platform-based advantages to provide one-stop smart energy solutions across "Engineering—Procurement—Construction—O&M—Financing".	Strategic value: Strengthen overall resilience against industrial change and foster "New Quality Productive Forces". Business value: Cultivate future-ready growth engines, improving project profitability and customer stickiness.	Middle-term Long-term
R&D efficiency & technology commercialization	Risk: Lack of effective intellectual property rights protection for core technologies invites imitation, risking R&D investment and eroding competitive advantage. Opportunities: Systematic intellectual property rights strategy transforms technological leads into legal assets, enabling industry standards setting and building long-term technical barriers.	1. Forward-looking patent strategy: Systematically file domestic and international patents in green and smart technology areas. 2. Drive intellectual property rights standardization: Actively convert innovation results into national, industry, or group standards. 3. Strengthen intellectual property rights risk control: Establish intellectual property rights early warning and infringement response mechanisms.	Competitive value: Build solid technical barriers to safeguard the core interest of "independent controllability" technology. Asset value: Increase intangible asset value to support global expansion.	Short-term Middle-term Long-term

[4]Short-term: 1–3 years; Medium-term: 3–5 years; Long-term: 5+ years.

Impact, Risk, and Opportunity Management

For the purpose of systematically managing the risks and opportunities associated with "innovation-driven and sustainable business," and ensuring that innovation consistently supports sustainable growth and value creation, the Company has established a closed-loop management system covering the full lifecycle from "strategic planning — R&D — technology commercialization — industrialization." Underpinned by institutional frameworks, supported by standardized processes, and driven by incentives, this system leverages cross-departmental collaboration and efficient resource allocation to transform external challenges into growth drivers, proactively seizing green and digital opportunities while effectively managing technology, market, and intellectual property rights risks.

Innovation and trend identification	Risk and opportunity evaluation	Strategy and resource allocation	Project implementation and management	Evaluation and continuous optimization
Monitor industry technology development trends, policy directions, and market demand to identify potential technical risks and innovation opportunities.	Analyze key technical routes to evaluate technical feasibility, market potential, and potential risks.	Develop management strategies for key risks and opportunities, including optimizing R&D resource allocation, advancing breakthroughs in core technologies, and improving intellectual property rights protection mechanisms.	Continuously track and monitor R&D progress, technology commercialization, and patent deployment.	Conduct regular retrospectives and evaluations of R&D innovation outcomes, risk management effectiveness, and technology deployment, and optimize the management system in accordance with industry trends.

Management Measures

■ R&D Innovation Systems and Management

The Company has established a systematic and institutionalized R&D innovation management system to ensure clear direction, controlled processes, and concentrated resources. We have formulated the *CHINT 15th Five-Year Plan for Scientific and Technological Products* and the annual *Technology and Product Development Plan*, clearly defining green and smart technology as our main focus. Based on core processes such as *Product Development Management* and *Engineering Design Management*, we implement standardized management throughout the entire life cycle for new products, new technologies, and new processes—from market research and feasibility analysis to project approval and project appraisal. Meanwhile, through systems such as the *R&D Incentive Management Measures* and *Project Incentive Management Measures*, we have established a comprehensive mechanism for discovering, cultivating, conducting evaluation of, and incentivizing talent, ensuring management systems and incentive mechanisms work in harmony to stimulate creativity.

Incentive Type	Subcategory	Incentive Objects/Criteria
Innovation project incentives	Basic R&D incentives	Achievements in underlying technologies, fundamental theories, and product pre-research
	New product development incentives	R&D and market launch of strategic or original product units and modules
	New product profit sharing	Benefits generated within the agreed timeframe following new product launch
Technical quality improvement	Short, adaptable, and fast projects	Minor improvements, no parameter changes, project budget < RMB 500,000 or duration <6 months
	Process improvement project	New or significantly improved production methods and process equipment
Project-specific incentives	Intellectual property rights	Patents, software copyrights, papers, and standard development
	Government subsidies and incentives	Receipt of technology project subsidies and government interest subsidies
	Incentives for certification and accreditation	1. Successful certification as a high-tech enterprise, academician workstation, technology center, etc. 2. Recipient of national, provincial, or municipal awards for scientific and technological progress or talent

■ R&D Innovation Platforms and Talents

For the purpose of mitigating disruptive risks caused by rapid technology iteration and seizing opportunities for technological leadership, the Company has built a solid foundation for innovation. We leverage high-level platforms such as the Shanghai Enterprise Technology Center, the Academician Expert Workstation, and CNAS-accredited laboratories to overcome fundamental technical challenges. Internally, we have established a collaborative framework comprising a "Technology Research Institute (forward-looking platform) + professional product R&D institute (application development)" to focus on critical bottleneck technologies. By continuously recruiting top-tier talent (such as experts in converter transformers and simulation analysis) and enhancing specialized training (e.g., *Analysis of Typical Transformer Cases*), we ensure our team's capabilities align with our strategic direction, providing core momentum for developing cutting-edge products like 1,000 kV UHV transformers and high-performance IGCT inverters. During the reporting period, the Company's R&D investment reached RMB 633 million, with 988 R&D technical staff.

Example: CNAS Laboratory Accreditation

In May 2025, the Testing Center of Zhejiang CHINT Electric Technology Co., Ltd. passed the China National Accreditation Service for Conformity Assessment (CNAS) review and approval, successfully obtaining the national laboratory accreditation certificate. This certification signifies that the Testing Center of Zhejiang CHINT Electric Technology Co., Ltd.'s management standards and testing capabilities meet both national and international accreditation standards. The laboratory is staffed by over 50 professionals, equipped with more than 140 sets of equipment, covers 2,000 square meters, and represents a total investment of over RMB 10 million.

Industry-University-Research Collaboration and Ecosystem Development

For the purpose of mitigating the high risks of frontier technology exploration and accelerating technology integration, the Company is actively building an open ecosystem. We have established joint R&D centers with universities such as Tsinghua University and Tongji University, collaborating on 11 cutting-edge projects focused on flexible power equipment and thermal management. This "Industry-University-Research-Application" synergy not only shares early research risks but also accelerates the practical application of basic research. For example, the joint study on *Thermal Loss Calculation and Heat Dissipation Solutions for Key Equipment in Prefabricated Substations* directly improved product reliability and enhanced the Company's overall resilience against future industrial shifts.

During the reporting period, a total of 11 industry-university-research collaboration projects were undertaken, with a total investment of RMB 6.513 million.

Intellectual Property Rights Management and Scientific Ethics

Recognizing the vital role of research talent in technological progress, the Company regards intellectual property rights protection and scientific ethics as the bedrock and lifeline of innovation. We strictly adhere to laws and regulations, including the *Civil Code*, *Patent Law*, and *Copyright Law of the PRC*. We have established and certified an intellectual property rights management system and formulated systems for intellectual property rights management, patent and copyright administration, and patent incentives and remuneration. We effectively mitigate intellectual property rights infringement risks through multi-dimensional measures such as specialized patent navigation, intellectual property rights-driven R&D, and potential litigation risk assessment. During the reporting period, no intellectual property rights infringement incidents occurred.

Recognized as a "Shanghai Patent Work Demonstration Enterprise" in 2007 and a "National Intellectual Property Rights Advantage Enterprise" in 2022, our intellectual property rights efforts have gained widespread social recognition.

Intellectual Property Rights Compliance Management System Certificate

Example: National Intellectual Property Rights Demonstration Organization

In March 2026, the China National Intellectual Property Administration (CNIPA) announced the list of entities for the 2025–2027 National Intellectual Property Demonstration Program. CHINT Electric Co., Ltd. was successfully selected for its solid technical foundation in power transmission and distribution and its robust intellectual property system. This not only highlights CHINT's comprehensive strength in the creation, Utilisation, and management of intellectual property but also demonstrates its commitment to quality and customer trust. CHINT's selection is a strong endorsement from national authorities of its end-to-end capabilities in innovation, patent strategy, technology commercialization, and intellectual property rights management. It vividly reflects the "CHINT is dependable, trust that's commendable" philosophy in action through technological innovation and quality excellence.

Clean Technology R&D and Product Carbon Footprint

In response to the "carbon" demand of the digital era and empowered by the digital technology, the Company is vigorously advancing clean technology R&D. We are committed to developing energy-efficient power transformers, HV large-capacity transformers, HV reactors, and high-capacity, modular, green, and intelligent HV switchgear. We integrate green and low-carbon principles into the full lifecycle—from product design and raw material procurement to manufacturing, packaging, transport, and final disposal. We actively advance product carbon footprint accounting and management, reduce energy consumption and carbon emissions through technological innovation, and provide customers with comprehensive low-carbon transition solutions, contributing to the realization of our "Dual Carbon" goals.

Example: Prefabricated Modular GIS HV Switchgear

As a next-generation HV switchgear, prefabricated modular GIS (Gas Insulated Metal-Enclosed Switchgear) is expected to replace conventional GIS in urban substations due to its short construction cycle, small footprint, strong environmental adaptability, easy installation and maintenance, flexible layout, and eco-friendly performance. Through continuous technological innovation, CHINT has successfully overcome numerous engineering challenges for prefabricated GIS units, setting a benchmark for industry development. Currently, prefabricated GIS units are widely deployed in key sectors such as urban power grids, industrial parks, and rail transit. Compared to conventional substations, integrated prefabricated GIS substations save over 40% in footprint and reduce construction time by 60%, making them ideal for space-constrained urban grids and rapid power supply demand scenarios.

Example: Technological Innovation and Product Recognition

The new-type digital smart grid construction demonstration key technology project based on the 750 kV power transmission and transformation engineering won the First Prize of the Science and Technology Progress Award for Electric Power Construction; the project on the development and application of high-quality natural ester insulating oil and large natural ester transformer series won the First Prize for Scientific and Technological Progress 2025, China Electrotechnical Society; the project for the development and application of green natural ester insulating oil transformers received the Second Prize of the Science and Technology Progress Award 2025 from the All-China Environment Federation. These awards and the achievements in industry-university-research collaboration fully demonstrate the Company's systematic capability in cutting-edge technological planning, basic research investment, and coordinated development towards industrialization, thus providing strong technical support for building new power systems and promoting the energy transition.

Example: Product Carbon Footprint and EPD Declarations

For the purpose of aligning with global low-carbon trends and enhancing transparency, CHINT conducted full lifecycle evaluations (LCA) for core products per ISO 14040/14044 and ISO 14025. Based on these, the Company calculated product carbon footprints (PCF) and released Environmental Product Declarations (EPD). These independently verified declarations objectively and scientifically disclose resource consumption and environmental impacts (e.g., global warming potential) throughout the product's full lifecycle—from raw material sourcing and manufacturing to transport, use, and end-of-life disposal.


ICMQ

CONVALIDA DELLA EPD
Validation of EPD

ATTESTATO N° CERTIFICATE N°

ICMQ – 23446EPD

Si convalida che la seguente Dichiarazione Ambientale di Prodotto (DAP):
It validates that the follow Environmental Product Declaration (EPD):

Product EPD, Declaration "EPDCHINT-40MVA-001" del 07/07/2023

emessa da:
issued by:

CHINT ELECTRIC CO.LTD

No.3555, Si Xian Road, Songjiang District, Shanghai City, P.R. China

unità operativa:
operational unit:

No.3555, Si Xian Road, Songjiang District, Shanghai City, P.R. China

relativa ai seguenti prodotti:
relative to following products:

Trasformatore elettrico SFZ-40000/115-115/87
(Power Transformer) SFZ-40000/115-115/87

(UN CPC 46)

è conforme ai seguenti documenti:
is in compliance with the following document:

Regulations of the EPDItaly Programme, rev. 5.2, 15/02/2022
Core-PCR EPDItaly027, rev. 2, 21/10/2020
Sub-PCR EPDItaly016, rev. 3.3, 13/12/2021
ISO 14025, EN 50693

PRIMA EMISSIONE / First issue 21/07/2023
EMISSIONE CORRENTE / Current issue 21/07/2023
SCADENZA / Expiry 07/07/2028

LORENZO ORSENIGO

ACCREDIA


CHINT Electric Co.,Ltd

EPD ITALY

EPD

ENVIRONMENTAL PRODUCT DECLARATION

Power Transformer SZ-40000/150 and SZ-25000/

No.3555 Sixian Road, Songjiang district, Shanghai, P.R.

in compliance with ISO 14025 and EN 50693

Program Operator	EPD China
Publisher	EPDItaly
Declaration Number	EPD-CN-00002
Registration Number	MR-EPDITALY-0113
Issue Date	2025.04.10
Valid to	2030.04.09

Registered under the mutual recognition between EPDItaly and EPD China.
www.epditaly.it


Statement CN25/00002161

SGS

Product Carbon Footprint Verification Statement

The Product Carbon Footprint study of
1 unit oil-immersed power transformer (SFZ-50000/132)
which is conducted by

CHINT Electric Co., Ltd.
3555 Sixian Road, Songjiang District, Shanghai City, P.R. China

has been verified meeting the requirements of

ISO14067:2018

The carbon footprint of 1 unit oil-immersed power transformer (SFZ-50000/132) is 3.36E5 Kilogram of CO_2 eq

For the life cycle stages of product:
cradle to gate

Authorised by
David Xin
Sr. Director – Guidance Assurance
Date: 07 April 2025

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century Yunyi Mansion, No. 73 Fuchenlu Road, Beijing, P.R. China 100142
t +86 (5) 10 6420 1188 www.sgsgroup.com.cn

This Statement is not valid without the full verification scope
Visit the Limitations and Notice available on pages 2 to 3 of the Statement

Page 1 of 5

■ Participation in and Development of Standards

For the purpose of mitigating market risks arising from technical route divergences and consolidating our technological advantage into lasting influence, the Company is deeply involved in standard development. In 2022 and 2024, the Technology Research Institute led the development of group standards for high-impedance power transformers and their energy efficiency grades. In the field of green insulation material application, CHINT also demonstrates technical leadership. As a core promoter of natural ester (vegetable oil) transformer standardization, the Company has deeply participated in or led the formulation of seven industry and group standards, including the T/CEC 291 series and DL/T 2484-2022 *Guidelines for Selection of Natural Ester Insulating Oil Power Transformers*.

The Company has cumulatively led or participated in the drafting and revision of 33 transformer-related standards, including national standards such as GB/T 1094 *General Rules for Power Transformers*, GB 20052 *Minimum Allowable Values of Energy Efficiency and Energy Efficiency Grades for Power Transformers*, GB/T 6451 *Technical Parameters and Requirements for Oil-immersed Power Transformers*, GB/T 10228-2023 *Dry-type Transformers*, GB/T 18494.2-2022 *Converter Transformers*, DL/T 2485-2022 *Guidelines for Selection of No-load Tap-changers for Power Transformers*, and *Short-circuit Test Transformers*, among others. By leveraging R&D experience into industry benchmarks, the Company has participated in 232 standard revisions as of 2025, with 109 officially credited. By embedding our expertise in eco-friendly insulation and smart distribution into national and industry standards, we guide technological trends and reduce market uncertainty. We have published 14 papers in core journals, further solidifying our position as a technological leader and shaping the future of the industry.

Indicators and Targets

For the purpose of translating the strategic blueprint of "innovation-driven and sustainable business" into measurable, manageable, and appraisable actions, and continuously tracking progress and driving performance improvement, the Company has established a systematic indicator and target management system for continuous tracking.

KPI	Unit	2025	2024	2023
Total amount of R&D investment	RMB 100 million	6.33	6.15	5.45
Total amount of R&D investment in clean technology products and services	RMB 10,000	3520	581	872
Total R&D personnel	persons	988	/	/
Intellectual property rights infringement incidents during the reporting period	Times	0	0	0
Total number of valid patents at the end of the reporting period	Pcs.	913	736	616
- Number of invention patents	Pcs.	143	95	71
- Number of utility model patents	Pcs.	718	605	519
- Number of design patents	Pcs.	52	36	26
- Overseas patents granted	Pcs.	5	1	1
New patents granted in 2025	Pcs.	177	121	112
- New patents as a percentage of total portfolio	%	19%	16%	18%
- YoY growth rate of newly granted patents	%	32%	7%	43%
- Number of invention patents	Pcs.	48	24	19
- Number of utility patents utilized	Pcs.	113	87	90
- Number of design patents	Pcs.	16	10	3
- New software copyright registrations	Pcs.	44	33	21
- New overseas patents granted	Pcs.	4	1	1
Number of intellectual property system certifications for operational plants (regions)	Pcs.	6	2	2
Number of high-tech enterprise certifications	Pcs.	8	/	/
National science and technology awards (current period)	Item	4	3	1
Cumulative national science and technology awards received	Item	8	4	1
Cumulative number of standards the Company has led or participated in developing at the end of the reporting period: [5]	Item	232	/	/
Cumulative number of standards led or participated in during the reporting period	Item	12	/	/

[5]Standards led/participated in for formulation refer to types such as national, local, industry, group, and international standards.

Product Quality and Safety

Excellent product quality and safety are CHINT's lifeblood—the cornerstone of our brand reputation, customer trust, and sustainability. We are committed to ensuring every product possesses high reliability, safety, and consistency through systematic, full-lifecycle quality management. Guided by our quality philosophy of "excellent craftsmanship, integrity and responsibility, and higher peak," we create value for customers and safeguard the safe use of electricity for society.

Governance

The Company has established a vertical and matrix-based quality management governance framework with the Quality Management Department as the core hub, ensuring that quality policies and safety requirements are effectively implemented and continuously improved throughout the Company.

Board of Directors

- Top oversight body: The Quality Risk Leadership Committee, chaired by the President with executive team members, and led by the General Manager of Quality.
- As the ultimate decision-making body for quality risk, the committee enforces a "one-vote veto" for major quality incidents.

President's Office

Quality Management Department

- Quality hub: The Quality Management Department (led by the General Manager) serves as the dedicated core of our quality management system. Reporting directly to the Management, it is responsible for coordinating company-wide quality strategy implementation, system operation and maintenance, risk control, standard formulation, and supervision and appraisal.

Power Transformer Quality Management | **Distribution Transformer Quality Management** | **HV Switchgear Quality Management** | **Integrated Power Distribution Quality Management** | **Power Automation Quality Management** | **MV and HV Component Quality Management**

- Cross-functional Functional and Oversight System: Under the leadership of the General Manager of the Quality Management Department, four horizontal functional modules are established: System Operations & Continuous Improvement, Quality Control & Maintenance, Product Release Quality Management, and Physical & Chemical Testing and Metrology Laboratories. These modules respectively supervise and support the suitability of the system, compliance of the process, compliance of finished products, and the accuracy of basic data.

System Operations & Continuous Improvement | **Engineering Design Quality Control** | **Supplier Quality Control** | **Process Quality Control** | **Product Operations & Service Quality Control** | **Transport, Installation & Commissioning Quality Control**

- Vertical business lines & professional "iron triangle": Implement vertical quality management across six core product lines: power transformers, distribution transformers, HV switchgear, integrated electrical equipment, power automation, and MV and HV components. Each business line features an "iron triangle" quality control team (including product system engineers, Quality Assurance (QA), and QC), subdivided into six specialized dimensions: system operations, design QA, supplier QA, production QA, service assurance, and logistics QA. This ensures comprehensive quality control from R&D through to final delivery.

Strategy

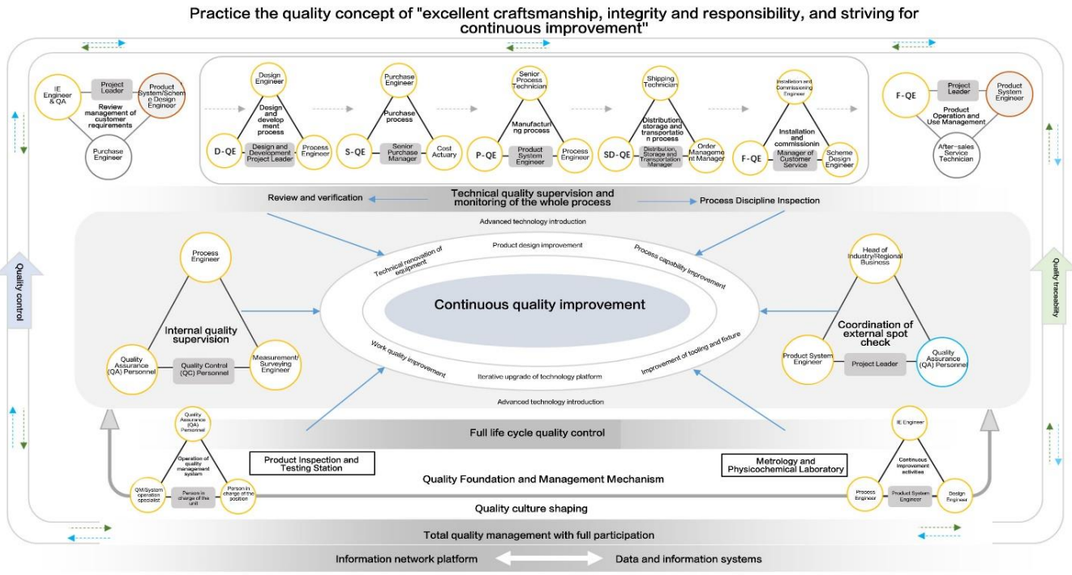
Product quality and safety directly impact operating costs, market reputation, legal liabilities, and long-term financial performance. A robust quality system is a core strategic asset for mitigating operational and reputational risks, gaining a competitive edge, and achieving sustainability.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Time frame[6]
Product safety and liability	Risk: Safety incidents during operation due to design flaws, manufacturing errors, or supply chain issues, resulting in injury, property damage, or environmental harm. Opportunity: A long-term record of "zero major safety incidents" builds brand trust and serves as an entry ticket to safety-critical high-end markets, such as nuclear power, power grids, and transportation.	Strategy: "prevention first, end-to-end control." Leveraging vertical Design Quality (DQ) Assurance and horizontal product release quality management from the Quality Management Department to strengthen design FMEA, supply chain access, production process monitoring, and factory release inspection. Establish a comprehensive traceability system and *Product Recall Control Procedures* to ensure rapid response.	Finance/operations: Avoid massive compensation claims, fines, and losses from operational disruptions. Reputation/market: Ensure user safety to build a "safe and reliable" premium brand reputation and secure high-quality order premiums.	Short-term Middle-term Long-term
Quality consistency and compliance	Consistency risks: Process fluctuations leading to quality instability, resulting in customer complaints, returns, and spiked maintenance costs, damaging customer satisfaction. Compliance risks: Products failing to meet market regulations or standards (e.g., environmental directives), leading to market access restrictions and penalties. Opportunity: Exceptional process control and consistency reduce internal and external failure costs (rework, warranties), optimizing the Cost of Quality (CoQ) and boosting margins.	Implement "standardized, refined and digital" management. Drive process and inspection standardization through horizontal system operations & continuous improvement modules; utilize MES/ERP systems to ensure process stability and control; strictly implement calibration and laboratory management in physical & chemical and metrology test labs to ensure compliance and data reliability.	Operations: Reduce the Cost of Quality (CoQ) and improve operational efficiency. Compliance/market: Meet global market access requirements, reduce trade barriers, and expand into premium overseas markets.	Short-term Middle-term Long-term
Supply chain quality	Risk: Quality fluctuations or supply disruptions of key raw materials or parts, leading to production downtime or performance degradation. Opportunity: Exporting our quality control expertise to help core suppliers improve, building a resilient supply chain ecosystem with a competitive quality advantage.	Strengthen Supplier Quality (SQ) Assurance. Led by vertical business lines and combined with horizontal quality management and maintenance functions, we conduct on-site audits, process monitoring, and performance appraisals for suppliers to ensure defect-free incoming materials.	Finance/operations: Minimize production downtime and rework costs caused by defective materials. Supply chain/market: Build a high-resiliency quality supply chain to guarantee delivery stability.	Short-term Middle-term Long-term
Climate change adaptation	Risk: Frequent extreme weather events (e.g., extreme precipitation, heatwaves, and cold snaps) may impact production and logistics for key suppliers or disrupt the stable operation of the Company's facilities, leading to supply chain interruptions or quality fluctuations. Opportunity: Developing "climate-resilient" power equipment that withstands extreme weather conditions, offers higher reliability, and supports the stability of new power systems enables the Company to seize the technological high ground and meet incremental market demand.	Integrate "climate resilience" into QMS and product development processes. Within Design Quality (DQ) Assurance, incorporate considerations for future operating environments (e.g., higher temperatures, increased humidity, and frequent load fluctuations). In Supplier Quality Assurance (SQ), assess key suppliers' climate risk exposure and resilience. In laboratory management, enhance product testing and validation under simulated extreme climate conditions.	Financial/market: Mitigate losses from climate-related supply chain disruptions and capture new market opportunities through proactive product positioning. Operations/strategy: Strengthen the climate resilience of operations and the supply chain to ensure long-term stability and support the Company's energy transition strategy.	Middle-term Long-term

[6] Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Impact, Risk, and Opportunity Management

The Company has established a full lifecycle quality management system (QMS) based on the core model of "three-full, five-control and two-management" (full employees, full processes, full dimensions; control in design, incoming materials, processes, shipment, and services; manage changes and improvements). By integrating systems, processes, and technologies, we systematically manage quality risks and transform quality advantages into market opportunities.



"Three-full, Five-control and Two-management" Model

Management Measures

■ QMS and Compliance Foundation

The Company's QMS has been operating continuously for nearly 21 years since its initial certification in 2004, providing a solid foundation. During the reporting period, the system covered 17 subsidiaries,[7] of which have independent legal status, achieving a coverage rate of 100%.

Based on ISO 9001:2015 and other standards, we have established a comprehensive institutional framework including the *Quality Management Manual*, *Process Control Management*, *Product Inspection and Test Management*, *Non-conforming Product Control*, and *Product Recall Control Procedures* to ensure all quality activities are standardized and traceable.

In order to promote the effective operation of the "three-full, five-control and two-management" quality operation and control model, the Company attaches great importance to personnel cultivation and builds a personnel team through various channels such as external introduction and internal training; in addition, the Company improves the comprehensive abilities of its personnel through the "721" and "271" personnel training and employment mechanisms. To strengthen the "iron triangle" control of the five major processes, the Company allocates product system engineers, and reasonably assigns QA, QE, QC and other personnel, so that they can perform their duties and maximize personnel efficiency.

[7] Coverage excludes production and operational sites established within the past year or not yet officially in operation.

Example: Hazardous Substance Process Management System Certification

For the purpose of systematically addressing increasingly stringent global environmental regulations (e.g., EU RoHS, REACH) and customer requirements for green supply chains, CHINT engaged Intertek, a leading international certification body, in 2025 to conduct a comprehensive audit of its hazardous substance management processes based on the IECQ QC 080000 international standard. The Company successfully obtained certification, covering CHINT Electric Co., Ltd. and its key subsidiary, Zhejiang CHINT Electric Technology Co., Ltd.


国际电工技术委员会电子零件质量评估制度(IECQ)
IECQ 合格证书
有害物质过程管理
正泰电气股份有限公司
上海市松江区思贤路 3555 号
中国
intertek

国际电工技术委员会电子零件质量评估制度(IECQ)
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浙江正泰电气科技有限公司
浙江省嘉兴市南湖区大桥镇新昌路 1636 号
中国
intertek

Example: Recertification of Quality and Measurement Systems

For the purpose of ensuring ongoing quality in project execution and the reliability of measurement data, CHINT successfully completed the surveillance audit and recertification of its QMS for) Engineering Construction (GB/T 50430 and its Measurement Management System in 2025. The recertification of these two systems reaffirms the Company's long-term commitment to standardized operations and compliance with national standards in full-lifecycle engineering management and calibration.


质量管理体系认证证书
正泰电气股份有限公司
GB/T19001-2016 idt ISO9001:2015 和 GB/T50430-2017
电力工程施工总承包。


测量管理体系认证证书
中启计量体系认证有限公司

Example: Quality Management Tools and Awareness Training

In 2025, the Company systematically developed quality talent focused on three pillars: awareness enhancement, skill strengthening, and continuous improvement. We ensure job qualifications through certification training for new hires, enhance problem-solving via QC circle training, and implement DMAIC methodology. Key process inspectors receive advanced training in tools like SPC, MSA, and FMEA. This training series aims to embed quality principles into daily employee behaviors and core skills, building a strong talent foundation for comprehensive quality control.

Core Quality Control Measures Throughout the Full Lifecycle

Design quality assurance	Rigorously implement the IPD process, embedding design reviews and Failure Mode and Effects Analysis (FMEA). Conduct dedicated audits for first-of-a-kind products and key projects. Perform forecasting and testing based on *Reliability Management* protocols to ensure inherent design reliability. Precisely communicate and verify specific customer and regulatory requirements through *Project Special Requirements Management*.
Supplier quality assurance	Execute supplier entry, evaluation, and performance management according to *Supplier Quality Management* protocols. Implement graded inspection and reliability verification for materials. Perform incoming material screening and compliance verification in strict accordance with the *Hazardous Substance Management* system to ensure environmental compliance.
Manufacturing quality assurance	Focus on critical processes with special characteristics, refine differentiated manufacturing quality control models, apply Statistical Process Control (SPC) methods, and enhance systematic monitoring and early warnings for production processes. Isolate, review, and dispose of any non-conforming products in accordance with the *Non-conforming Product Control Procedure* to prevent unintended use.
Product release and quality assurance	Finished products undergo rigorous factory testing and release audits. We strictly manage the use of certification marks to ensure product consistency with certification standards. The delivery process ensures protection and traceability.
Operations and after-sales service assurance	Proactively participate in internal and external product spot checks and continuously monitor market quality performance. Establish and regularly test product recall emergency response plans to ensure rapid response and effective risk mitigation.
Metrology, testing, and data assurance	Maintain a measurement management system to ensure reliable traceability for all measuring equipment and controlled measurement processes. Provide standard-compliant testing (e.g., CNAS) for R&D, validation, and production to enable data-driven decision-making.
System-driven management and continuous improvement	Quantify quality losses and prioritize improvements through *Cost of Quality* management. Drive full employee participation and system optimization through internal audits, management reviews, and specialized projects (e.g., QC circles, DMAIC).

Indicators and Targets

For the purpose of measuring the effectiveness of our QMS, we track the following KPIs:

KPI	Unit	2025	2024	2023
Number of major responsibility incidents regarding product and service-related safety and quality	Times	0	0	0
Amount involved in major responsibility incidents regarding product and service-related safety and quality	RMB 10,000	0	0	0
Pass rate of one-time submission for finished products	%	98.13	/	/
External audit qualification rate	%	100%	100%	100%
Number of operational plants with ISO 9001 QMS certifications	Pcs.	18	17	16
QMS certification coverage rate for operational plants	%	100%	100%	100%
Number of voluntary and mandatory product recalls due to quality issues	Times	0	0	0
- Number of voluntary product recalls	Times	0	0	0
- Number of passive product recalls	Times	0	0	0

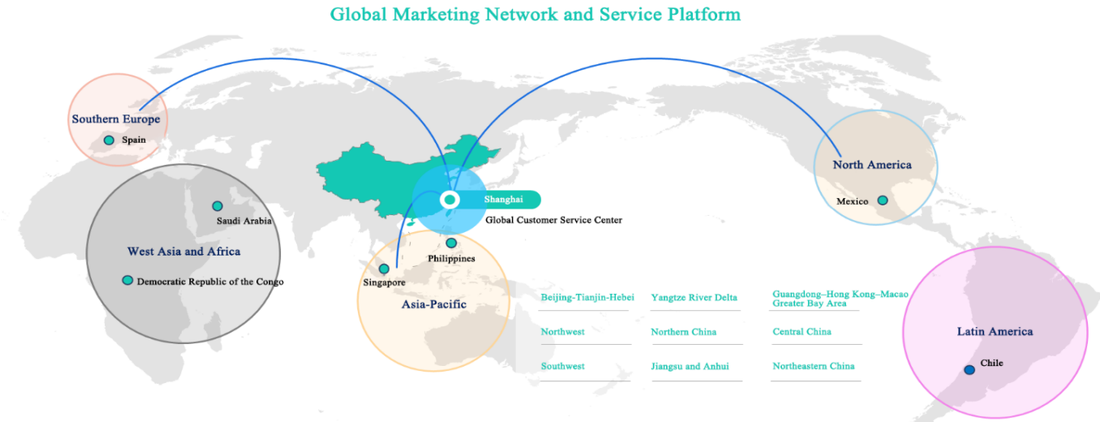
Customer Service and Satisfaction

Exceptional customer service and continuous improvement of customer satisfaction are core to CHINT's market trust and long-term competitive advantage. We are committed to building systematic, digital, and full-lifecycle service management systems to respond rapidly to customer demands, solve customer problems efficiently, and proactively create service value—turning every customer interaction into an opportunity to build customer loyalty and brand reputation.

Governance

The Company sets up specialized product sales and customer service teams for different markets. These teams hold regular customer service meetings and special reports to coordinate internal resources, quickly meet customer demands, and continuously enhance customer satisfaction and the competitiveness of products, services, and the enterprise. The Company's customer service governance framework features centralized coordination, regional execution, and front-to-back collaboration, ensuring effective strategy implementation and resource allocation.
The Delivery and After-Sales Department under the China Sales Headquarters is the responsible management department for the Company's customer service system. Responsibilities include: building and operating the ITR (Issue to Resolution) platform, establishing service processes and standards, coordinating service resources, and monitoring and analyzing customer satisfaction.

The Company has set up five overseas regional sales agencies, nine domestic regional sales agencies, and 1,500+ partners above designated size. The Company has established a "four-level" service intelligent control system and intelligent knowledge base to provide platform-based, professional, full-process, and localized services for global customers. The Company operates a "1 (Shanghai Headquarters) + 8 (Regional Technical Support Platforms)" service network to ensure rapid, localized support. As of year-end 2025, the Company employs 210 full-time service staff and 169 certified part-time engineers. The service system is overseen by the head of fulfillment and delivery (process owner) and the customer service manager (end-to-end manager) to ensure seamless operations.



The customer service process is closely integrated with processes such as *Quality Information Management*, *Product Development Demand Management*, and *Installation and Commissioning Management*. For product-related complaints and suggestions, system engineers from the manufacturing department perform root cause analysis and propose improvements. The Field Quality Engineering (F-QE) team within the Quality Management Department oversees implementation and ensures closed-loop resolution, creating a synergistic "service feedback—quality improvement—product innovation" value cycle.

Strategy

High-quality customer service is not merely a cost center; it is a strategic asset for mitigating customer churn, enhancing customer lifetime value, and driving innovation in products and business models.
The Company consistently upholds a "customer-centered" service philosophy, continuously refining and deepening the development of a comprehensive customer service system covering pre-sales, sales, and after-sales. The Company has established a global customer service network, utilizing digital management to enhance service responsiveness and spare parts delivery speed. At the same time, the Company actively promotes the construction of after-sales service systems and platforms, deeply integrating warehousing, logistics, installation and commissioning (including online guidance and training), repair, and recycling services to create a fully integrated service ecosystem along the entire value chain. It actively explores new business models and opportunities in the new energy aftermarket. While providing direct value to customers, it promotes industry ecosystem upgrading through green practices and data collaboration, achieving a win-win outcome for customer value, corporate growth, and industry progress.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial /Non-Financial)	Time frame[8]
Service response and quality risks	Risk: Delays in response, improper on-site handling, or recurring issues can lead to production downtime, a sharp decline in satisfaction, escalated complaints, churn, and reputational damage. Opportunities: By providing exceptional response times and professional handling, we can turn challenges into opportunities to demonstrate our strengths and enhance customer loyalty.	Relying on the "Taiwuyou" intelligent O&M platform and the four-level intelligent dispatch system, we achieve rapid distribution of service requests, remote diagnosis, and localized resource scheduling; we strictly implement standards such as *Customer Complaints and Suggestions Management* and *Factory Repair Management* to ensure closed-loop processing.	Reduce customer churn, improve Net Promoter Score (NPS), and set industry service benchmarks.	Short-term Middle-term Long-term
Service cost and efficiency risks	Risks: Conventional reactive service models lead to higher labor and travel costs and delayed problem detection, increasing potential losses for customer assets. Opportunities: Use digital tools to transition to proactive and predictive service models, reducing total service costs and improving service margins.	Promote the "Taiwuyou" platform, using smart sensors and online monitoring for real-time equipment status awareness and predictive maintenance. Optimize spare parts inventory to improve first-time fix rates.	Lower the average annual O&M cost per unit and increase the per-capita productivity of the service team.	Middle-term
Customer experience and brand risks	Risks: diversified customer demands (such as installation, commissioning, consulting, and returns and exchanges). If response consistency or service standards are missing, it will lead to a fragmented customer experience. Opportunities: Create a "platform-based, professional, end-to-end, and localized" service brand to build a differentiated competitive advantage.	Establish a unified ITR service standard, integrate systems such as *Technical and Commercial Consultation Management*, *Installation and Commissioning Management*, and *Returns Process Management*, and provide one-stop solutions. Use intelligent knowledge bases to empower frontline personnel and ensure service professionalism.	Enhance brand image and increase opportunities for repeat purchases and cross-selling.	Short-term Middle-term Long-term
Unlocking customer asset value	Risk: Focusing solely on equipment maintenance while overlooking the full lifecycle value of customer-side power assets. Opportunities: Transition from an "equipment supplier" to a "power asset O&M partner" creates new revenue growth through value-added services.	Utilize the data analytics of the "Taiwuyou" platform to provide value-added services such as energy efficiency analysis, equipment health evaluation, and lifespan prediction. Use operational big data to drive product R&D and reliability design.	Develop new service revenue streams and strengthen customer loyalty.	Middle-term Long-term

Impact, Risk, and Opportunity Management

With a customer-centric strategy, the Company strictly manages customer service risks, focusing on core stages such as identification and evaluation. By proactively identifying and controlling potential risks from remote support to on-site repairs, we ensure the service delivery quality and emergency response efficiency of major projects such as engineering, installation and commissioning, and after-sales service, significantly enhancing customer asset reliability and the security of the Company's service brand.

Risk identification	We gather risk information through a multi-channel system, including: customer complaint/suggestion tickets on the ITR platform, equipment alerts from the "Taiwuyou" platform, annual third-party satisfaction surveys, customer follow-up records, social media sentiment monitoring, and feedback from frontline service engineers. We identify risks such as service capability risks, technical gap risks, and customer satisfaction risks that could significantly impact the Company's service brand, customer asset security, operating costs, and financial performance.
Risk assessment	Identified risks are evaluated based on their potential impact (such as financial loss, brand reputation damage, or rupture of customer relationships) and their likelihood of occurrence. For example, following the *Customer Complaints and Suggestions Management* system, complaints are categorized into Levels I, II, and III. Level I (safety-related or major losses) is classified as high-risk.
Risk response	Risks are prioritized based on evaluation results, with high-risk items addressed first. Corresponding emergency response plans or improvement projects are launched for different risk levels to ensure efficient resource allocation.

Management Measures

■ End-to-End Customer Service Management Mechanism

Centering on the equipment full lifecycle, the Company has established a refined and institutionalized service management system covering eight core stages, ensuring reliable and efficient value delivery at every touchpoint:

Pre-sales technical consulting	During the initial phase of the project, the Company's sales and technical teams collaborate closely according to the *Technical and Commercial Consultation Management* system, providing professional equipment selection, solution design, and technical consultation to ensure the company's solutions precisely meet customer demands and lay a solid foundation for cooperation from the outset.
Contract delivery coordination	Upon contract signing, a Customer Service Manager serves as the single point of contact and proactively coordinates internal production, logistics, and delivery progress using integrated CRM/ERP system information. The manager regularly provides customers with delivery status updates and exception alerts to ensure information transparency and safeguard delivery expectations.
On-site installation and commissioning	The Company strictly adheres to *Installation and Commissioning Management* standards. All certified service engineers receive standardized work assignments via the ITR platform. On-site, they follow standardized operation instructions for equipment installation, commissioning, and functional verification, and generate commissioning reports signed and confirmed by the customer to ensure accurate and reliable equipment startup.
O&M technical support	Customers can submit service requests via the 400-817-7777 hotline or the ITR platform. The Company adheres to the following service standards: 2-hour response, 4-hour preliminary solution, and 12-hour on-site arrival (or as agreed). All requests undergo closed-loop management on the ITR platform, following a "first-contact responsibility" system. Per the *Customer Complaints and Suggestions Management* system, complaints are categorized into three levels (Level I, II, and III). Level I and II resolutions require Quality Management Department approval to ensure significant risk control.
Spare parts supply assurance	For the purpose of ensuring prompt repairs, the Company maintains a regional, digitalized spare parts network. Strategic reserves and dynamic inventory optimization via supply chain management systems ensure rapid supply and minimized customer downtime.
Remote monitoring and diagnostics	The Company provides proactive services through the "Taiwuyou" intelligent O&M platform. The platform enables 24/7 real-time monitoring, energy efficiency analysis, and fault warnings for connected equipment.
Regular inspection and maintenance	Based on equipment type and operational data, the "Taiwuyou" platform generates optimized inspection and preventive maintenance plans, dispatched via the ITR platform.
Customer training	For the purpose of enhancing customers' self-operation and maintenance capabilities, the Company has established an integrated online and offline training system, offering comprehensive training from equipment operation, daily maintenance, to advanced applications. Supporting training materials, courses, and certifications are provided to help customer teams master equipment performance and achieve safer and more cost-effective operations.

[8]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

After-Sales Service Platform and System Development

The Company has established a dual-engine system centered on the ITR and "Taiwuyou" platforms. The former ensures standardized and efficient service execution, while the latter drives intelligent service models and value upgrades, collectively anchoring our digital service capabilities. Additionally, the Company has formulated and implemented various customer service and information protection management systems, including *Customer Complaints and Suggestions Management*, *Technical and Commercial Consultation Management*, *Installation and Commissioning Management*, *Returns Process Management*, *Warranty Service Management*, and *Exchange/Factory Repair Management*. A comprehensive after-sales service system has been established, covering all product after-sales services, with clear definitions of service, division of responsibilities, operational standards, and quality traceability mechanisms to ensure timely and effective closed-loop management of customer issues. The Company's after-sales service evaluation system complies with GB/T 27922-2011 (*Evaluation System for After-Sales Service of Goods*). In December 2024, following a third-party external audit, the Company maintained its "Five-Star" after-sales service certification.


售后服务认证证书

兹证明

正泰电气股份有限公司

五星级售后服务

★★★★★

认证范围：

电力、配电及特种变压器、高压电抗器、高压开关设备、高压互感器、避雷器、复合绝缘子、高压熔断器、高压电容器及装置、成套开关设备和控制设备、母线槽及电缆桥架、电源预控制设备、双电源自动切换及补偿装置、箱式变电站、电力自动化系统及装置、电线电缆及电缆附件、特输设备用电源分配判柜、通信用配电设备、中压开关所涉及的售后服务。

证书编号：35521PL21202

首次发证日期：2021-12-08

证书颁发日期：2024-12-01

证书有效期至：2027-12-07

证书签发人

上海申西认证有限公司

地址：中国上海市松江区沪亭北路 99 弄九亭中心商区 2 号楼 1206 室

Indicators and Targets

For the purpose of quantitatively measuring customer service performance and customer satisfaction and driving continuous improvement, the Company tracks the following key indicators.

KPI	Unit	2025	2024	2023
Complaint response rate	%	100	100	100
Customer complaint resolution rate (domestic and international) during the reporting period	%	100	100	100
Customer satisfaction (product and service surveys)	%	90.5	89.13	85.99
After-sales service satisfaction	%	93.1	91.3	90.5

Responsible Marketing

The Company has established a clear governance framework to ensure all marketing and brand communications align with business ethics, legal requirements, and sustainability commitments. The Company's brand promotion and strategic communications are centrally managed by the Brand Department of CHINT Group Corporation to ensure consistency and high standards for the group's brand image. Internally, the Marketing Department's specialized teams, such as the CHINT Product Development and Management Department, execute product marketing and communications under the guidance and compliance oversight of the Group Brand Department. Legal, compliance, and sustainability functions provide necessary audit and support, forming a governance system of tiered accountability and collaborative oversight.

Strategy

Responsible marketing is more than just a legal and ethical baseline; it is a core strategy for building long-term brand equity, mitigating significant reputational risks, and gaining a competitive advantage in a crowded market. During the reporting period, the Company recorded zero violations related to product and service information and labeling, or marketing communications. The coverage rate for product information and labeling reached 100%.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Time frame[9]
Compliance and legal risks	Risk: Releasing marketing content that violates the *Advertising Law* or *Anti-Unfair Competition Law* (e.g., false advertising, disparaging competitors, or using superlative language) could result in heavy administrative fines, litigation, and public correction orders, leading to short-term financial losses and negative exposure. Opportunity: A strong compliance record acts as a "trust credential" for customers with strict supplier requirements, such as government agencies and large SOEs, providing a competitive edge in market access.	Implement mandatory legal compliance reviews for all external marketing materials. Conduct regular advertising law training for the marketing team to integrate compliance into the early stages of creative and content production.	Finance/compliance: Mitigate fines and litigation costs while ensuring business continuity. Market: Establish a "compliant and reliable" brand image to secure orders from high-trust customers.	Short-term Middle-term Long-term
Integrity and reputational risks	Risks: Overpromising performance, concealing defects, or misleading environmental claims could trigger a major crisis of confidence, leading to customer churn and devastating brand damage with high long-term recovery costs. Opportunity: Transparent, fact-based marketing—particularly regarding product carbon footprints and energy efficiency—enhances credibility and preference among ESG-conscious customers, such as multinationals and institutional investors.	Ensure all product claims (especially regarding energy efficiency, environmental impact, and reliability) are backed by internal test reports, third-party certifications (e.g., EPD and energy-saving certs), or customer case studies. Follow disclosure standards in ESG communications to avoid "greenwashing."	Reputation/brand: Build a "trustworthy and reliable" brand to enhance loyalty and premium pricing capability. Business: Attract high-quality, long-term customers and investors.	Short-term Middle-term Long-term
Data privacy and consumer rights	Risks: Improper collection, use, or disclosure of personal information, or aggressive marketing, may violate regulations like the *Personal Information Protection Law*, infringing on consumer rights and leading to regulatory penalties and public backlash. Opportunities: By leveraging data analysis within legal and authorized frameworks, we can provide tailored information and services that better meet customer demand, enhancing experience and marketing efficiency.	Define clear boundaries for personal information collection, usage purposes, and protection measures in marketing activities. Establish a customer preference management system that respects the right to "opt-out" and eliminates spam and nuisance calls.	Compliance/customer relations: Ensure compliant operations and build customer trust in data privacy. Operations: Optimize the allocation of marketing resources within a legal framework.	Short-term Middle-term Long-term

Impact, Risk, and Opportunity Management

The Company systematically manages marketing risks and opportunities through robust systems, standardized processes, and continuous monitoring.

[9]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Risk identification

- Following our *Public Opinion Management System*, the Brand and Marketing Department monitors media, social platforms, and industry trends on an ongoing basis to proactively identify potential reputational risks and market opportunities. Legal and Compliance Departments track regulatory updates (e.g., *Advertising Law* and *Consumer Protection Law*), provide early warnings for compliance risk changes, and compile legal and compliance risk maps. Marketing-related issues identified through complaints, internal whistleblowing, or audits are treated as critical risk inputs.

Risk evaluation

- We evaluate the risk levels of potential promotional violations based on their reach, nature, and potential legal or reputational impact. Misleading claims regarding product performance or environmental impact, or violations of mandatory regulations, are classified as high-risk and trigger escalation.

Risk response

- Implement differentiated response protocols based on risk levels. For daily marketing content, we strictly follow the planning–production–audit–release workflow and conduct multi-tier audits based on the *Brand Management System* and *Media Publicity Management System* to ensure compliance. For identified high-risk issues or violations, we immediately activate the emergency response plan—including content removal, corrective statements, regulatory communication, and customer support—to swiftly contain the situation and mitigate impact.

Review and improvement

- Track "major marketing violations" and "coverage rate for product information and labeling" as outcome-based performance indicators. Regularly review risk cases, audit effectiveness, and performance indicators to evaluate the adequacy of existing processes and systems.
- Integrate review findings, case analyses (including successful resolutions), and external best practices into system updates and employee training.

Indicators and Targets

For the purpose of measuring the effectiveness of our responsible marketing management, we track and disclose the following key performance results and targets:

KPI	Unit	2025
Violations related to marketing communications	Case	0
Violations related to product and service information and labeling	Case	0
Coverage rate for product information and labeling	Times	100%

Sustainable Supply Chain Management

CHINT recognizes that a sustainable and resilient supply chain is a cornerstone of long-term growth and environmental/social accountabilities. We integrate sustainability concept throughout the value chain, from supplier selection and evaluation to collaboration and mutual growth. By establishing a systematic management system, we not only manage environmental and social risks in the supply chain but also actively collaborate with supplier innovation to jointly promote green and low-carbon transition, safeguard labor rights, adhere to business ethics, and build a transparent, responsible, and competitive industrial ecosystem.

Governance

The Company has a clear supply chain governance framework to ensure the effective execution of its sustainable supply chain management strategy.

Decision-making level: As the ultimate decision-making body, the Board of Directors is responsible for approving the overall sustainable supply chain management strategy, policies, and long-term goals, ensuring high alignment with the Company's overall sustainability vision and business strategy.

Oversight level: The Sustainability Committee is responsible for day-to-day oversight. This Committee is responsible for reviewing supply chain sustainability key performance, significant risk status, and improvement plans, evaluating management system effectiveness, and reporting to the Board of Directors.

Management level: The senior management team, led by the president, serves as the primary body responsible for strategic execution. The Management is responsible for translating the Board of Directors-approved supply chain sustainability strategy into specific annual goals, action plans, and budgets, and leading cross-departmental collaboration to ensure resource allocation.

Operational level: The Supply Chain Management Department leads execution, responsible for implementing specific tasks such as supplier access, performance evaluation, on-site audit, and capacity building. The Quality Department, Safety and Environmental Protection Department, Legal and Compliance Department, and Sustainability Office provide specialized support based on their respective mandates.

Strategy

Sustainable supply chain management is a key link for CHINT to achieve business success and fulfill its environmental and social accountabilities. Its effectiveness directly affects the Company's operational resilience, financial health, brand reputation and long-term competitiveness. Amid global efforts to cope with climate change, business ethics, and human rights, integrating sustainability into supply chain strategy is essential to manage regulatory pressure, meet ESG expectations, and seize green market opportunities. We are committed to moving beyond conventional transaction relationships to build strategic partnerships with suppliers, systematically managing ESG risks and enhancing entire value chain transparency. By establishing the *Code of Integrity and Compliance of Business Partners of CHINT*, we systematically embed environmental, social, and business ethics requirements into the full process of supply chain management. This collaborative approach builds a more resilient and inclusive industrial ecosystem, providing a solid foundation for our sustainability.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Timeframe[9]
Environmental compliance and climate risks	Risks: Supplier environmental violations (e.g., excessive emissions, improper hazardous waste disposal) can lead to supply chain disruptions, legal liability, and reputational damage. High energy consumption and emissions from suppliers will push up the carbon footprint of the product's full lifecycle, failing to meet tightening low-carbon regulations and customer demands. Opportunity: Driving energy-saving renovation, clean energy use, and eco-friendly material adoption among suppliers reduces overall supply chain emissions, supporting our carbon neutrality goals. Enhanced energy efficiency also delivers long-term cost savings.	Implement green procurement policies. Integrate environmental performance into the supplier access and evaluation system, prioritizing suppliers that are environmentally compliant and hold EMS certifications. Launch supplier carbon inventory pilot programs and collaboratively set emission reduction targets.	Compliance/reputation: Mitigate environmental risks and establish leadership in green supply chains. Operations/cost: Improve supply chain energy efficiency to mitigate trade barriers like carbon tariffs and potentially lower long-term costs.	Medium-term (3–5 years) Long-term (5 years or more)
Labor rights and human rights risks	Risks: Supplier issues involving forced labor, child labor, discrimination, excessive overtime, or poor occupational health and safety conditions could lead to a serious brand reputation crisis, customer boycotts, and potential violations of international laws like the Modern Slavery Act, impacting global market access. Opportunities: Safeguarding the rights, health, and safety of supply chain workers reduces labor disputes and enhances production efficiency and quality consistency. Upholding social accountabilities helps attract and retain premium customers and talent who prioritize ESG.	Implement the *Code of Integrity and Compliance of Business Partners of CHINT.* Require all suppliers to sign and commit to a code of conduct covering labor rights, health and safety, and business ethics. Ensure compliance through on-site audits and social accountability factory inspections.	Reputation/compliance: Protecting the brand's ethical image and meeting international customer requirements and social accountability audit standards. Operations: Building a more stable, efficient supply chain and improving product quality consistency.	Short-term (1–3 years) Medium-term (3–5 years) Long-term (5 years or more)
Business ethics and compliance risks	Risks: Supplier involvement in corruption, fraud, infringement of intellectual property rights, or violation of trade control regulations will expose the Company to risks of legal sanctions, financial losses, and the collapse of business reputation. Opportunities: Establishing long-term strategic partnerships with suppliers that adhere to business ethics and transparent management can reduce transaction costs, enhance collaborative innovation, and jointly resist market uncertainties.	Strengthen supplier due diligence and compliance screening. Integrate anti-bribery, anti-corruption, and information security requirements into contract terms. Conduct background checks and regular compliance evaluations for high-risk suppliers.	Financial/compliance: Mitigating fines and legal disputes to ensure operational security. Business: Developing a trust-based cooperative ecosystem to enhance supply chain resilience.	Short-term (1–3 years) Medium-term (3–5 years) Long-term (5 years or more)
Supply chain resilience risks	Risks: Excessive supplier concentration, singular geographical distribution, or weak internal business continuity management can lead to the cutoff of critical materials, production stagnation, and delivery delays when facing external shocks such as geopolitical conflicts, natural disasters, epidemics, or major accidents, causing huge economic losses. Opportunities: A diversified, localized, and resilient supply chain ensures continuity during crises, offering a competitive edge in market responsiveness and customer trust.	Implement supply chain resilience strategies. Identify and manage dependencies on single-source and critical materials, and develop alternative suppliers. Incorporate the business continuity plan (BCP) management of the supplier into evaluation. Promote near-shore procurement and strategic reserves for critical materials.	Operations/financial: Minimize supply disruption losses and ensure revenue stability. Strategy: Obtain certain delivery capabilities in an uncertain environment to become core competencies.	Short-term (1–3 years) Medium-term (3–5 years)
Conflict minerals risks	Risk: Conflict minerals (such as tin, tantalum, tungsten, gold, and 3TG) or other substances of concern may be involved in the supply chain. If sources are untraceable, they may indirectly fund armed conflicts or human rights violations, leading to serious legal proceedings, damage to brand reputation, and exclusion from the supply chain of customers committed to responsible procurement. Opportunities: A transparent, certified conflict-free mineral supply chain meets mandatory international and customer requirements, serving as a market "passport" and ethical benchmark.	Establish conflict minerals management systems. Follow international frameworks such as the Responsible Minerals Initiative (RMI) to conduct due diligence on minerals such as 3TG in the supply chain, requiring suppliers to disclose smelter sources, and prioritizing the procurement of materials from certified compliant smelters.	Compliance/market: Meeting mandatory requirements to secure high-end market orders. Reputation: Demonstrate leadership in ethical supply chain governance and strengthening brand trust.	Short-term (1–3 years) Medium-term (3–5 years) Long-term (5 years or more)

Impact, Risk, and Opportunity Management

The Company systematically manages sustainability-related risks and opportunities in the supply chain through institutionalized full lifecycle management processes, digital empowerment platforms, and ecological synergy mechanisms, and deeply integrates specific management practices into operations.

Sustainable supply chain management	Risk rating and tiered management	Performance evaluation and auditing	Capacity building and improvement
Develop supplier ESG management policies and core objectives and ask suppliers to follow and sign the *Code of Integrity and Compliance of Business Partners of CHINT* and the *Non-use of Conflict Minerals Guarantee*, etc.	Conduct supplier ESG risk assessments and due diligence, and implement tiered management based on procurement amount and risk. Implement the supply chain public opinion incident processing flow to ensure effective management.	Desktop: Regularly conduct supplier ESG performance evaluations; On-site: Implement supplier ESG on-site audits.	Implement coaching and corrective measures to drive continuous improvement; Conduct specialized supplier ESG training, empowerment, and cooperation projects; Develop incentives and penalties based on supplier ESG performance to implement closed-loop management.

Management Measures

■ Supplier Management Policies and Code of Conduct

The Company is well aware that clear, authoritative, and enforceable policies are the fundamental guarantee for unifying internal and external perceptions, standardizing management behavior, and implementing the sustainable supply chain strategy. To this end, we have formulated programmatic documents such as the *Green Procurement Management* and *Green Supply Chain Management System*, and the *Code of Integrity and Compliance of Business Partners of CHINT* among others. Among them, the *Code of Integrity and Compliance of Business Partners of CHINT* clearly stipulates the Company's minimum requirements in terms of environmental compliance, labor rights, OHS, and business ethics, and is the "bottom line" and prerequisite for cooperation that all suppliers must commit to follow. As an annex to the framework contract, this code is legally binding and covers the entire chain of supplier management.

Key Requirements of the Supplier Code of Conduct

Do not use any form of child labor at any stage.
Do not engage in or utilize any form of forced labor or debt bondage.
Uphold the rights to freedom of association and collective bargaining, and prevent discrimination and harassment.
Comply with applicable domestic and international laws, regulations, and initiatives regarding conflict minerals.
Establish mechanisms for occupational injury and illness prevention, management, and reporting.
Comply with applicable environmental laws and emission standards, and implement environmental management mechanisms.
Prohibit any form of commercial bribery, misconduct, or violations of business ethics.

■ Full Lifecycle Management of Suppliers

➢ Supplier Access

According to the *Supplier Access Management*, the Company establishes a six-dimensional TQDRCE (Technology, Quality, Delivery, Responsiveness, Cost, and Environment) evaluation system and conducts comprehensive evaluations of potential suppliers. In the environmental dimension, suppliers of eco-friendly products (such as insulating oils and coatings) are required to obtain ISO 14001:2015 certification and undergo carbon emissions reviews; in the social dimension, the SA 8000:2014 Social Accountability Management System standard is introduced for labor and human rights risk assessments; in the governance dimension, signing the *Integrity, Compliance, and Anti-Corruption Commitment of Business Partner* is required to control ESG risks from the source. During the access stage, policies and implementation regarding labor rights, occupational health and safety, and business ethics are investigated and evaluated. We conduct enhanced human rights and compliance due diligence for suppliers in high-risk regions or industries.

Key Performance 2025

Total number of suppliers at the end of the reporting period
894
Total number of new suppliers during the reporting period
20
Percentage of new suppliers that have signed the sustainable procurement charter or supplier code of conduct
100 %
Percentage of suppliers signing contracts containing environmental, labor, and human rights requirements clauses
100 %

➢ Supplier Risk Assessment and Tiered Classification Management

Based on the overall strategy and objectives of the sustainable supply chain, the Company defines key suppliers from the perspective of business operation relevance (such as procurement amount and product non-substitutability) and implements scientific tiered classification management for qualified suppliers to optimize resource allocation and build a resilient ecosystem.
"2341" ecological system: Based on the *Supplier Classification Management* process, the Company conducts annual analyses of "category importance" and "supplier dependency" to scientifically position suppliers and build the "2341" system: 20% strategic partners, 30% core exclusive suppliers, 40% industry standard suppliers, and 10% project support suppliers. This structure aims to reduce reliance on single-source suppliers and mitigate supply risks. The Company applies differentiated resource allocation and collaboration models for different supplier tiers: for strategic and core suppliers (e.g., Baosteel), we engage in technology sharing, joint innovation, and long-term capacity lock-in to build a deeply integrated "community of shared future". For general suppliers, the cooperation mainly focuses on stable business collaboration. For project-based suppliers, emphasis is placed on flexibility and rapid response. The Company promotes localized sourcing by prioritizing suppliers near our production bases, enhancing procurement flexibility and emergency response capabilities. By the end of the reporting period, 98% of procurement spending was allocated to Tier 1 major/key suppliers.

➢ Supplier Performance Evaluation

We drive continuous improvement in supplier capabilities through dynamic performance management and a closed-loop improvement mechanism. Suppliers undergo monthly, quarterly, and annual performance evaluations based on the TQDRCE framework (rated from A to D). We create comprehensive performance profiles by integrating operational indicators like Quality Acceptance Rate (PPM) and On-Time Delivery (OTD) with ESG indicators like EHS incidents and carbon management progress.
For issues identified in performance evaluations, we initiate the *Supplier Improvement Management* process, requiring suppliers to formulate Corrective and Preventive Actions (CAPA) and make rectifications within a specified period. We empower suppliers through specialized training in quality, processes, and EHS, shifting from conventional management to a "mutual growth" partnership.

➢ Supplier Capacity Building and Continuous Improvement

The Company actively empowers suppliers to build sustainable supply chains and enhance environmental and social accountability performance. The Company has established a comprehensive management system and appraisal mechanism, while incorporating sustainable supply chain indicators into the performance appraisal of purchasers, supplier auditors, and supplier audit teams to ensure that sustainability goals are effectively implemented. During the reporting period, the Company established a long-term support mechanism providing tailored empowerment for disadvantaged suppliers, focusing on:

- Production management: Assisting with process optimization and scheduling to boost efficiency;
- Quality control support: Introducing QMS to improve product pass rate and stability;
- Compliance system construction: Helping to establish and improve the compliance management system to meet the supply chain access standards.

This systematic support enhances the sustainable supply capabilities of disadvantaged suppliers, helping them transition from "supported" to "self-reliant" and fostering a resilient, high-quality supply chain ecosystem.

We enhance the sustainability management expertise of both suppliers and purchasers through training and supplier conferences in terms of capacity building. Regular supplier conferences are held to share supply chain management standards and ESG trends, with awards presented to top ESG performers to incentivize continuous improvement. This year, we conducted 139 ESG training sessions for suppliers, with key topics including:

- Carbon footprint accounting: Helping suppliers master tools for full lifecycle carbon emissions calculation;
- Green supply chain management: Sharing best practices in green procurement, cleaner production, and low-carbon logistics;
- Circular economy regulations: Interpreting domestic and international policies and compliance requirements.

These initiatives empower suppliers to transition from "passive compliance" to "proactive carbon reduction," as we build a green, low-carbon, and responsible supply chain ecosystem together.

➢ Supplier Exit Management

For the purpose of safeguarding the health and integrity of the supply chain, the Company has established clear supplier exit and disciplinary mechanisms. Pursuant to the *Supplier Exit Management* system, cross-departmental risk assessment and exit approval processes are initiated for suppliers who violate "red lines"—such as serious quality incidents, commercial bribery, environmental violations, or labor rights abuses—or who repeatedly fail performance improvement evaluations. Suppliers involved in serious dishonest acts, such as fraud or bid-rigging, are blacklisted and barred from cooperation for a specified period or permanently. This is disclosed internally to ensure a healthy supply ecosystem and warn against potential risks.

■ Green Procurement

In supply chain management, the Company systematically integrates green development requirements into the full lifecycle management of suppliers, driving the supply chain toward a low-carbon, efficient, and sustainable transformation. The Company has established a multi-dimensional collaborative mechanism focusing on key areas such as green management, production, packaging, logistics, and recycling to support suppliers in improving their environmental performance.

➢ Green Management

We incorporate environmental protection, resource efficiency, and compliance requirements into our supplier access and evaluation systems. Through system constraints and process management, we urge suppliers to establish robust environmental management systems and improve standardized management.

➢ Green Production

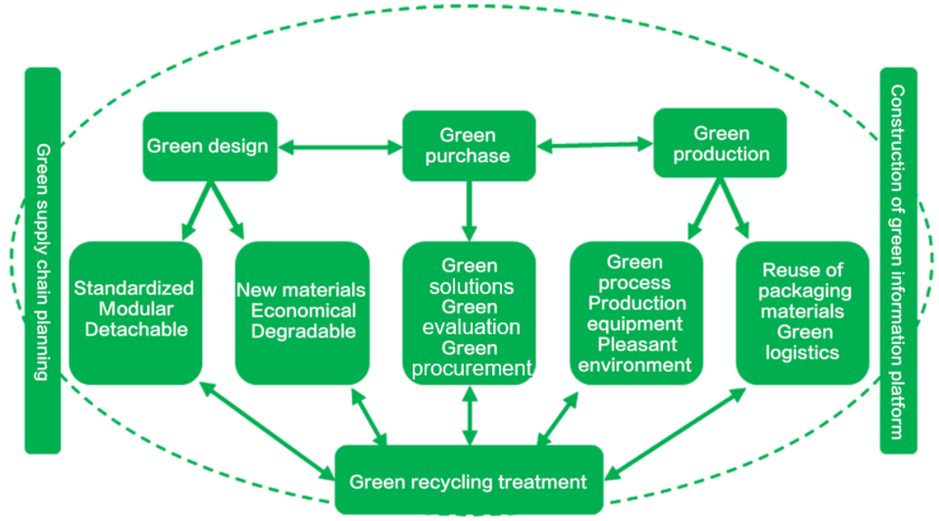
The Company encourages suppliers to accelerate equipment upgrades and process optimization, promoting the application of energy conservation and emission reduction technologies and cleaner production practices to enhance energy efficiency and reduce emissions intensity.

➢ Green Packaging and Logistics

We continuously optimize material packaging solutions, promoting the reduction, recycling, and reuse of packaging materials. By localizing and regionalizing our supply chain layout, we shorten transport distances, improve logistics efficiency, and reduce energy consumption and carbon emissions.

➢ Green Recycling

The Company encourages supply chain collaboration on resource recovery and reuse to improve the resource efficiency of raw materials and products throughout their full lifecycles.



CHINT Green Supply Chain Management

Attaching great importance to the compliance and environmental safety of products and raw materials, the Company strictly aligns with international regulations and customer requirements, implementing REACH and RoHS requirements across the supply chain. The Company requires relevant suppliers to identify, declare, and control the compliance of products and substances in accordance with the EU's *Registration, Evaluation, Authorisation and Restriction of Chemicals* (REACH) and Restriction of Hazardous Substances (RoHS) regulations, ensuring that products are free of or do not exceed regulatory limits for hazardous substances.

By integrating REACH and RoHS compliance into supplier access, annual evaluations, and daily management, we urge suppliers to establish hazardous substance list management and material traceability mechanisms, providing supporting documents like test reports as required. For high-risk materials or key parts, the Company conducts audits and spot checks to drive suppliers to continuously improve their chemical compliance management capabilities.

■ Supply Chain Management Team Capacity Building

While strengthening supplier capacity building, the Company also promotes the sustainability capabilities of its supply chain management team. The Company continues to refine its sustainability performance indicator system for its procurement business, defining the responsibilities of procurement personnel in key areas such as supply chain carbon reduction, transparency enhancement, and due diligence process management. ESG goals are systematically integrated into procurement decisions and daily management processes through quantitative indicators.
The Company has launched sustainability courses highly relevant to its procurement business and has made responsible supply chain and due diligence management mandatory for relevant positions before onboarding. Simultaneously, through auditor training and practice, the Company is gradually enhancing its internal capacity for due diligence audits and traceability verification in the upstream supply chain.

■ Appeal Management

For the purpose of ensuring supply chain fairness, transparency, and collaboration, and of providing suppliers with accessible feedback and appeal channels, the Company has established a formal supplier appeal and whistleblowing mechanism. This mechanism is designed to safeguard the legitimate rights and interests of all business partners and rigorously address any violations of the *Code of Integrity and Compliance of Business Partners of CHINT* and business ethics.

➢ Appeal Mechanism

We have established multiple whistleblowing and appeal channels for suppliers and their employees. If suppliers or their employees encounter or identify instances of unfair treatment, commercial bribery, conflicts of interest, discrimination, disclosure of trade secrets, or other violations of business ethics by our employees or affiliates, they may whistleblow through designated channels on a named or anonymous basis. The Company's Supply Chain Management Department and Legal and Compliance Department are jointly responsible for accepting cases and will conduct independent, impartial, and timely investigations into each appeal in accordance with the *Whistleblowing and Inquiry System*. Whistleblower information is kept strictly confidential, and any form of retaliation is strictly prohibited.

➢ Appeal Channels

Suppliers may file an appeal or submit a whistleblowing report through any of the following official channels:
Whistleblowing Hotline: 021-67777777-880080
Whistleblowing Email: compliance@chint.com

■ Conflict Minerals Management

For the purpose of fulfilling its ethical supply chain responsibilities, the Company has established a conflict minerals management policy. We strictly comply with domestic and international laws and standards, including the *United Nations Global Compact*, the *Dodd-Frank Act*, the *EU Conflict Minerals Regulation*, and the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*. We are committed to not sourcing minerals from conflict areas and only use conflict-free minerals from reliable or verified sources, ensuring responsible procurement of tantalum, tin, tungsten, gold (3TG), and other mineral raw materials used in our products. Based on systematic investigation and traceability verification, during the reporting period, the coverage rate of suppliers signing the *Conflict-Free Minerals Commitment* reached 100%. Following a full-chain investigation, seven suppliers were identified as having conflict mineral risks, and due diligence has been completed for all of them.

■ Equal Treatment of SMEs

The Company always takes "fair cooperation and common growth" as the core principle of supply chain management and partnership, strictly abides by the *Law of the PRC on the Promotion of Small and Medium-sized Enterprises* and other laws, regulations and corporate systems, treats SMEs equally in procurement, technical cooperation, fund settlement and other links, eliminates discriminatory terms or unfair competition, and is committed to creating an open, transparent and sustainable industrial ecosystem. During the reporting period, there were no instances of overdue payments to SMEs.

Indicators and Targets

For the purpose of tracking performance and progress in sustainable supply chain management, we monitor the following KPIs:

KPI	Unit	2025	2024	2023
Total number of qualified suppliers	Nos.	894	1009	/
Number of suppliers in the Chinese mainland	Nos.	891	1006	/
Number of suppliers in Hong Kong, Macau, and Taiwan regions	Nos.	3	3	0
Number of overseas suppliers	Nos.	0	0	0
Number of target suppliers	Nos.	657	726	/
Percentage of total procurement spend with target suppliers	%	98	97	/
Percentage of suppliers certified to ISO 45001	%	43	37	35
Percentage of suppliers certified to ISO 14001	%	48	35	33
Percentage of new suppliers screened using environmental and social evaluation criteria	%	100	100	100
Percentage of supplier contracts containing environmental, labor, and human rights clauses	%	100	95	90
Percentage of target suppliers that have signed a sustainable procurement charter or supplier code of conduct	%	100	95	90
Percentage of suppliers that completed conflict minerals traceability or investigations	%	100	100	/
Number of suppliers identified with "conflict minerals" risks	Nos.	7	9	/
Coverage rate of suppliers signing the *Conflict-Free Minerals Commitment*	%	100	100	/
Percentage of suppliers that provided conflict minerals information	%	100	100	/
Percentage of suppliers undergoing environmental compliance checks	%	100	100	100
Percentage of suppliers undergoing environmental impact evaluations	%	100	100	100
Number of suppliers undergoing environmental impact evaluations identified as having significant actual or potential negative environmental impacts	Nos.	0	0	0
Percentage of suppliers undergoing social impact evaluations	%	100	100	100
Number of suppliers undergoing social impact evaluations identified as having significant actual or potential negative social impacts	Nos.	0	0	0
Percentage of target suppliers that have undergone CSR evaluations	%	100	100	/
Percentage of target suppliers that have undergone on-site CSR audits	%	65	66	/
Number of supplier training sessions on environmental and social issues	Times	139	87	/
Percentage of purchasers across all regions who have been trained in sustainable procurement	%	100	100	100
Number of audited or evaluated suppliers participating in improvement actions or capacity building	Nos.	132	106	/

03 Implement Responsibility for Green Development to Expand Ecological Boundaries Together

SDGs Addressed in this Chapter

Cope with Climate Change

Against the backdrop of accelerating global climate change and low-carbon transition, CHINT has integrated climate topics into its long-term development and risk management framework. We have established a multi-tiered climate governance system with clearly defined responsibilities for decision-making, oversight, management, and execution.

By systematically identifying and evaluating climate-related risks and opportunities, the Company strengthens its proactive response to changes in operations, the supply chain, and the market environment. Building on this foundation, we are gradually refining our climate action deployment and implementation pathways, strengthening process monitoring and information disclosure, and promoting synergy between climate management and business development.

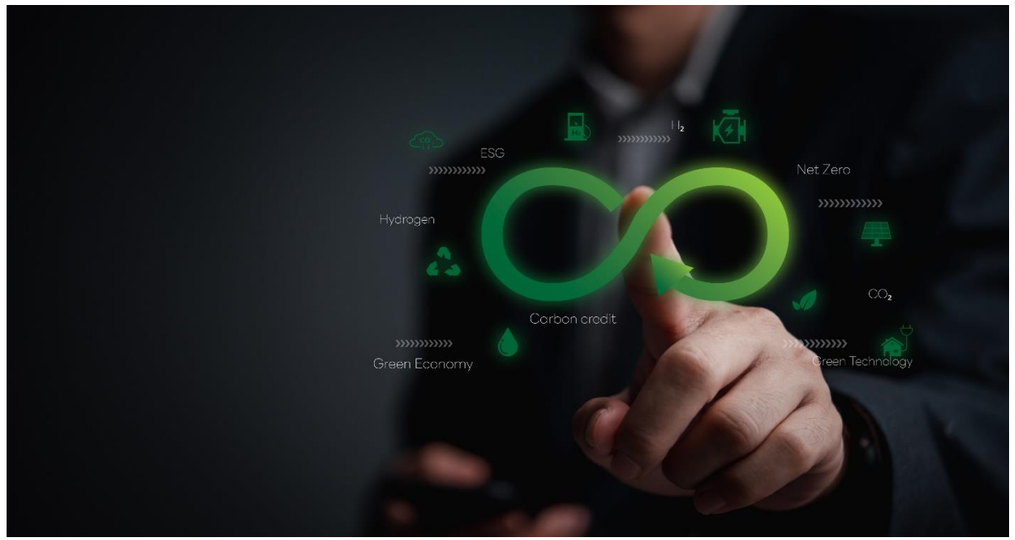
The Company adheres to the principles of the *United Nations Framework Convention on Climate Change* (UNFCCC). In accordance with the SSE's *Guideline No. 14 on Self-Regulation of Listed Companies—Sustainability Report (Trial)* and the TCFD framework, we disclose climate action information across four key areas: governance, strategy, impact, risk and opportunity management, and indicators and targets.

Governance

CHINT has established a four-tier governance framework covering "decision-making, oversight, management, and execution," systematically integrating climate change into its corporate governance and operational management processes. The Company incorporates quantitative climate action indicators and interim targets—including energy conservation and emission reduction, energy efficiency, and renewable energy utilisation—into the annual performance appraisals for the Management and subsidiaries. Through incentive mechanisms, we strengthen accountability and fully mobilize initiative and responsibility at all levels to cope with climate change.

Leveraging our deep understanding of industry trends and value chain characteristics, we systematically assess potential climate risk transmission pathways and identify strategic opportunities in the green, low-carbon transition, providing decision support for long-term sustainability.

The Company continuously improves its climate governance system, strengthens risk management and internal coordination, and promotes the organic integration of institution building and implementation. We are committed to enhancing organizational climate governance, communicating progress through regular disclosures and engagement to build consensus and further increase participation at all levels.



Decision-making level: As the ultimate decision-making body, the Board of Directors is responsible for approving the Company's overall climate strategy, carbon neutrality goals, and major transition investments. It also regularly evaluates the impact of climate-related risks and opportunities on long-term value, ensuring their integration into the overall business strategy and risk management system.

Oversight level: Under the authorization of the Board of Directors, the Sustainability Committee is responsible for day-to-day oversight and overall coordination. Its primary responsibilities include reviewing and breaking down the climate strategy approved by the Board of Directors, formulating specific annual action plans and budgets, monitoring progress toward KPIs such as emission reduction targets, and coordinating cross-departmental resources—including R&D, operations, and supply chain—to ensure climate actions are synergized across the Company.

Guidance level: The Sustainability Office is a standing professional body under the Committee, providing specific guidance and support for strategy implementation. Its responsibilities include formulating climate strategy implementation plans and annual work programs, coordinating company-wide climate capacity-building and training, and leading the preparation of annual climate-related disclosure reports aligned with international frameworks like GRI and TCFD to ensure management professionalism and transparency.

Execution level: The Safety and Environmental Protection Department leads the implementation efforts, working with relevant functional departments and business units to integrate internal resources. It carries out specific climate management and action measures—such as energy conservation and emission reduction, carbon footprinting, energy efficiency optimization, and renewable energy application—ensuring climate-related requirements are fully executed at operational and project levels.

Strategy

The Company has fully integrated climate risk control into its operational processes, committed to actively responding to the risks and opportunities brought by coping with climate change while driving the sustainability of its business. The Company's climate strategy focuses on three core pillars: low-carbon transition, risk management, and opportunity capture. By continuously optimizing our energy mix, enhancing operational efficiency, and developing green products, we are steadily advancing toward our carbon reduction targets. We follow the disclosure requirements of the Task Force on Climate-related Financial Disclosures (TCFD) and IFRS S2, while systematically identifying and evaluating climate-related risks, integrating climate factors into our business decision-making framework, and actively exploring strategic opportunities in low-carbon technologies and other areas.

Scenario Analysis of Transition Risks and Opportunities for CHINT

Risk/Opportunity Type	Analysis of Potential Risks	Impact Period[10]	Likelihood of Impact	Potential Financial Impact	Affected Value Chain	Response Measures
Physical risks						
Acute risks	The increasing frequency and intensity of extreme weather events, such as typhoons, floods, and extreme heat, may directly impact production facilities, logistics networks, and project sites, leading to equipment damage and delivery delays.	Short-term	Low	Risks to employee health and safety; damage to fixed assets; and construction disruptions leading to production and supply chain interruptions or liquidated damages for project delays.	Upstream value chain Operations Downstream value chain	• Formulate emergency plans: Comprehensively evaluate the impact of possible sudden natural disasters on infrastructure during operation, and improve emergency response capability by formulating relevant emergency response plans, conducting equipment safety inspections, and holding emergency drills. • Enhancing facility resilience: Incorporating climate risks into the full-process of early planning, engineering, construction, and O&M stages of infrastructure to strengthen disaster resistance standards.
Chronic risks	Long-term temperature rises and changing precipitation patterns may lead to reduced heat dissipation efficiency, accelerated insulation aging, and increased corrosion, raising equipment failure rates and maintenance costs.	Long-term	Medium	Structural increases in O&M and replacement costs, along with challenges to product reliability throughout the full lifecycle, may affect customer satisfaction.	Upstream value chain Operations Downstream value chain	• Optimizing product design: Introduce high-temperature and corrosion-resistant materials and design standards to enhance equipment adaptability to environmental changes. • Strengthening smart monitoring: Deploy online condition monitoring and predictive maintenance systems to detect and resolve climate-induced equipment hazards in advance.
Transition risks						
Policy and legal risks	Regulatory requirements and expectations from major markets like the EU and global brand customers regarding climate transition goals require higher levels of climate governance and specialized talent. This will increase operational and compliance costs, and failure to meet these requirements may lead to loss of market share.	Middle-term	High	Increased compliance costs (e.g., purchasing carbon allowances, taxes); potential production limits or fines; and the risk of early impairment for high-emission assets.	Upstream value chain Operations	• Establish robust management mechanisms for data governance, assurance, and information disclosure regarding carbon emissions in operations and the value chain. • Define net-zero targets and climate transition plans. • Strengthen the climate-related talent pool and conduct targeted capacity building related to climate change for various management levels and functional units.
Market risks	In response to the shift in demand for low-carbon products and green manufacturing from end-markets and brand customers, the company has set clear requirements for product carbon footprint. The Company needs to invest continuously across R&D, operations, brand strategy, and sales, leading to higher product and operational costs. Failure to adapt to changing customer demand will result in lost orders, weakened product demand or stranded assets, and reduced revenue.	Short-term	High	Failure to meet green procurement requirements may lead to loss of bidding eligibility and market share; meeting these requirements requires resources for product certification or supply chain renovation.	Upstream value chain Operations Downstream value chain	• Deepening green supply chain construction: Integrate key environmental performance indicators, such as carbon emissions, into the full-process management of supplier access, evaluation, and improvement. • Promote low-carbon products: Optimize product design and material selection, and develop and certify low-carbon product series. • Gain international recognition: Actively obtain third-party certifications, such as product carbon footprint verification and Environmental Product Declarations (EPD), to enhance market trust.

[10]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Risk/Opportunity Type	Analysis of Potential Risks	Impact Period[11]	Likelihood of Impact	Potential Financial Impact	Affected Value Chain	Response Measures
Transition risks						
Technical risks	Accelerated iteration of low-carbon and zero-carbon technological pathways such as new eco-friendly insulating media, advanced energy efficiency technologies, and electrification processes. Failure to strategically position and master key technologies in a timely manner will lead to outdated technological routes and decreased product competitiveness.	Middle-term Long-term	Medium	Substantial R&D investment is required to keep pace with technological trends; existing technology assets may face accelerated depreciation; market share could be lost to competitors with superior technologies.	Operations Downstream value chain	• Deepen customer-centric green management: Rapidly translate customer low-carbon requirements into product standards and supply chain management protocols. • Establish a transparent and credible green profile: Actively pursue international certifications such as product carbon footprint (PCF) and environmental product declaration (EPD), ensuring high-quality disclosure via TCFD reporting.
Reputational risks	Investors, financial institutions, the public, and local communities are closely monitoring corporate climate action. Companies perceived as high emitters or slow to transition risk damage to their brand reputation, challenges in attracting and retaining talent, and higher financing costs.	Middle-term	Medium	Erosion of brand value leads to decreased confidence from customers and investors; stricter terms or higher costs may apply when securing financing like bank loans and green bonds.	Operations Downstream value chain	• Proactive reputation building: Systematically communicate the Company's climate strategy, targets, and progress to interested parties. • Embed ESG into core values: Deeply integrate sustainability and coping with climate change into corporate culture and brand narratives.
Transformation opportunities						
Resource efficiency opportunities	Systematically reduce energy and raw material consumption and waste per unit through lean manufacturing, advanced processes, circular economy (e.g., equipment recycling), and digital management.	Short-term and medium-term	High	Directly and continuously reduce operating costs and improve gross margins; optimize asset utilisation to enhance return on investment (ROI).	Operations Downstream value chain	• Comprehensive lean and digital transformation: Utilize industrial internet platforms for refined management and optimization of energy and material consumption. • Develop circular economy models: Establish closed-loop recycling for key materials such as copper, aluminum, and insulation.
Energy source opportunities	Increase renewable energy use in operations (e.g., distributed PV, green power procurement) to reduce carbon footprint and long-term costs; meanwhile, the energy transition opens markets in grid connection, energy storage, and micro grids.	Middle-term Long-term	High	Operations: Lock in green power costs and hedge against fossil fuel price volatility. Market: Create new growth curves and generate incremental revenue.	Operations Downstream value chain	• Accelerate internal energy transition: Invest heavily in on-site PV projects and actively participate in green power trading. • Enter new energy service segments: Develop power electronics and energy storage systems for high-penetration renewable energy, and provide integrated energy solutions.

[11]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Risk/Opportunity Type	Analysis of Potential Risks	Impact Period[11]	Likelihood of Impact	Potential Financial Impact	Affected Value Chain	Response Measures
Transformation opportunities						
Product and service opportunities	The historic demand for new power systems is driving explosive growth in high-efficiency, intelligent, and eco-friendly (e.g., fluorine-free) power transmission and distribution equipment, automation systems, and integrated "generation-grid-load-storage" solutions.	Middle-term Long-term	High	Substantial R&D investment is required to keep pace with technological trends; existing technology assets may face accelerated depreciation; market share could be lost to competitors with superior technologies.	Upstream value chain Operations Downstream value chain	• Strategic focus on green product lines: Concentrate R&D on next-generation eco-friendly switchgear, energy-efficient transformers, smart distribution networks, and core energy storage equipment. • Build solution capabilities: Integrate internal and external technologies to provide end-to-end low-carbon energy solutions covering planning, design, products, and O&M.
Market opportunities	Driven by policy and shifting customer preferences, the rapid expansion of the green product market offers a window to increase market share, optimize the customer base, and establish brand leadership.	Middle-term	High	Erosion of brand value leads to decreased confidence from customers and investors; stricter terms or higher costs may apply when securing financing like bank loans and green bonds.	Downstream value chain	• Implement market differentiation: Position "green, low-carbon, and smart" as core selling points for targeted marketing and promotion. • Deepen collaboration with green pioneers: Partner with leading grid companies and renewable energy developers on demonstration projects to set industry benchmarks.
Adaptability (resilience) opportunities	Investing in the climate resilience of production facilities, supply chains, and information technology systems reduces operational disruption risks and ensures reliable delivery, earning long-term trust from customers and investors.	Long-term	Medium	Minimize losses from climate-related business disruptions and transform "reliability and resilience" into brand attributes and competitive advantages for robust long-term valuation.	Operations Downstream value chain	• Systematically enhance operational resilience: Fully incorporate climate adaptation into supply chain management, production planning, and IT infrastructure. • Resilience as a value proposition: Demonstrate our commitment and capability in supply chain security and delivery reliability.

Impact, Risk, and Opportunity Management

CHINT actively identifies and analyzes climate risks and opportunities across its operations, implements response measures to mitigate risks while capturing value creation opportunities in the green transition, injecting lasting impetus into sustainability. It also integrates climate-related risks into the existing enterprise risk management (ERM) framework, ensuring systematic identification, evaluation, prioritization, monitoring, and management.

Identification

- Aligned with TCFD and IFRS S2 standards, we identify climate-related risks and opportunities across core businesses through rigorous analysis and research.

Analysis

- We utilize scenario analysis to assess the long-term impacts of identified risks, developing a climate risk and opportunity matrix through materiality assessments.

Evaluation

- Risks are rated and prioritized based on likelihood and impact, establishing management priorities to focus resources on significant risks.

Response

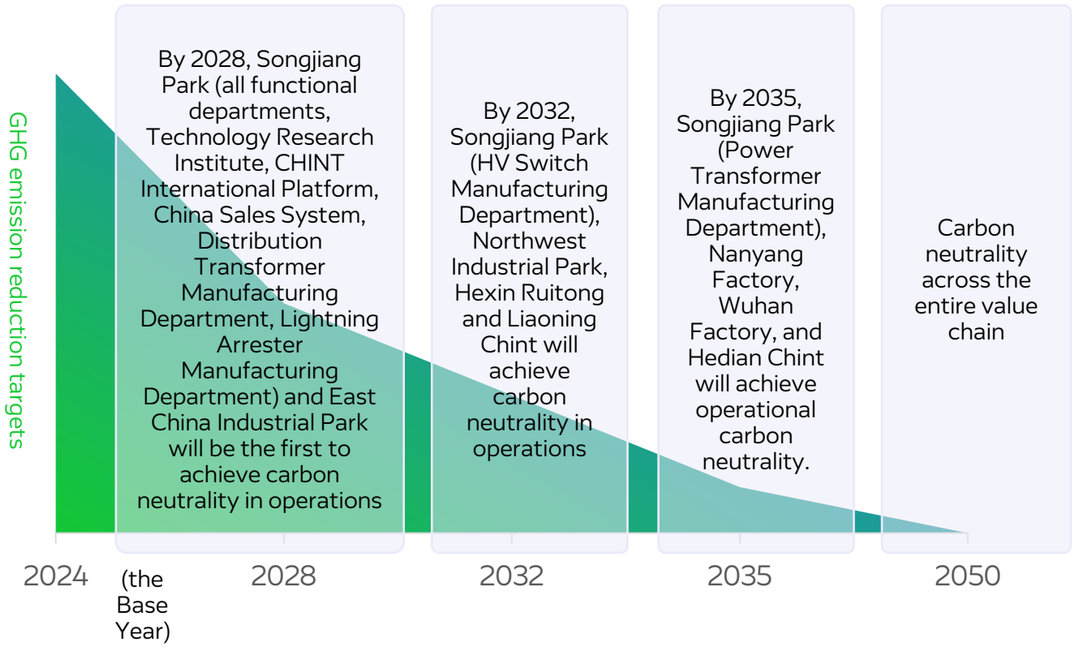
- We implement tailored strategies—mitigation, transfer, avoidance, or acceptance—based on risk levels. Response measures are integrated into departmental performance evaluations and overseen by senior management to ensure effective execution.

Indicators and Targets

For the purpose of translating climate change response strategies into specific, measurable, manageable, and assessable actions and continuously tracking progress, the Company has set clear sustainability goals and carbon neutrality roadmap, monitored through a series of KPIs to evaluate management effectiveness.

Sustainability Goals and Carbon Neutrality Roadmap

Actively supporting the national "dual carbon" strategy, the Company is committed to leading the transition toward energy electrification and decarbonization. Core climate vision: Systematically reduce GHG emissions across operations and value chains, enhance climate resilience, and achieve carbon neutrality. Current commitments and implementation pathways:



KPI Tracking

For the purpose of tracking progress against these goals, we monitor and disclose the following core KPIs:

KPI	Unit	2025	2024	2023
Number of national green factories	%	2	0	1
Number of provincial green factories	%	3	0	1

KPI	Unit	2025	2024	2023
GHG emissions[12] (Scope I + Scope II, market-based)	tCO_2e	245,335.82	/	/
-- Shanghai Region [13] emissions	tCO_2e	170,240.1	122,548.48	99,295.1
Total GHG emissions (Scope I + Scope II) (location-based)	tCO_2e	250,456.49	/	/
-- Emissions from the Shanghai Region	tCO_2e	176,670.55	123,853.78	99,295.1
Scope I GHG emissions	tCO_2e	220,659.29	/	/
-- Emissions from the Shanghai Region	tCO_2e	159,292.6	109,313.92	87,348.9
Scope II GHG emissions (market-based)	tCO_2e	24,676.53	/	/
-- Emissions from the Shanghai Region	tCO_2e	10,947.5	13,234.56	11,946.3
Scope II GHG emissions (location-based)	tCO_2e	29,797.2	/	/
-- Emissions from the Shanghai Region	tCO_2e	17,377.95	14,539.86	11,946.3
GHG emissions intensity (Scope I + Scope II)	tCO_2e/RMB 10,000	0.1948	/	/

[12]GHG emissions are calculated based on ISO 14064-1 and the GHG Protocol. Electricity emission factors are based on the 2023 *Announcement on Electricity CO_2 Emission Factors by the Ministry of Ecology and Environment*.
[13]Shanghai Region refers to the independent legal entity of CHINT Electric Co., Ltd.

Circular Economy Promotion

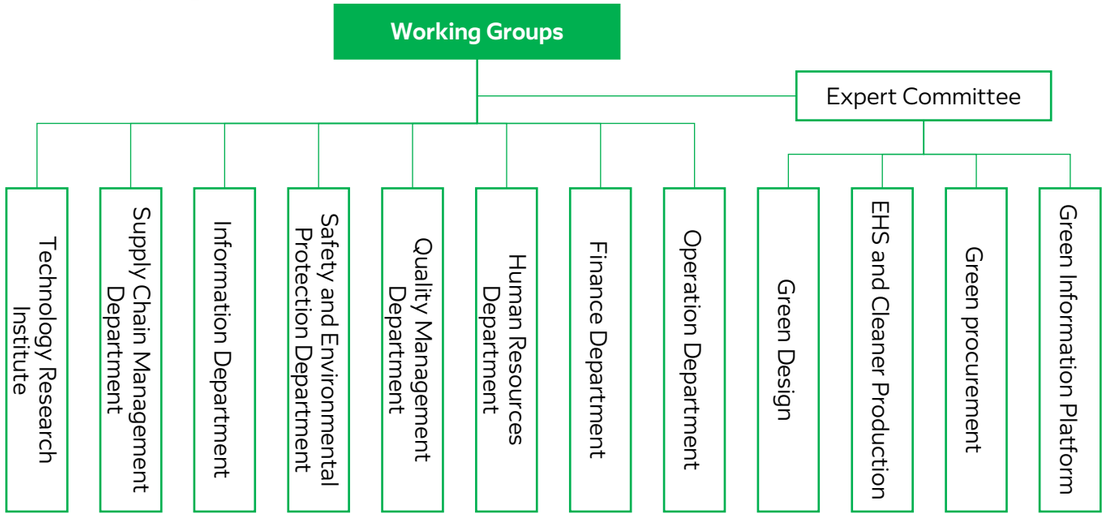
CHINT integrates circular economy principles into its operations and product full lifecycle management as a core pathway to high-quality development and sustainability. Moving beyond the linear "take-make-dispose" model, we implement "reduce, reuse, recycle" across our entire value chain—from design and operations to supply chain collaboration and resource recovery. We aim to maximize resource efficiency, minimize waste and environmental footprint, and build a resource-efficient, eco-friendly industrial ecosystem with our partners through measurable practices.

Governance

For the purpose of ensuring systemic advancement of circular economy initiatives, the Company has established a governance framework with clear responsibilities and cross-departmental collaboration. A Green Supply Chain Working Group has been established to develop medium- and long-term development plans, annual targets, and key initiatives for the green supply chain related to the circular economy. This group directly leads and coordinates the implementation of the projects described below to ensure effective strategy execution.

Under the Green Supply Chain Working Group, several specialized subgroups oversee distinct areas:

- The Green Design Discipline Group is responsible for developing and promoting the *Green Design Guidelines* and integrating eco-design principles into the product development process.
- The Green Procurement and Packaging Optimization Group is responsible for developing and implementing the *Green Procurement Management* process, while driving initiatives for packaging reduction and circularity.
- The Material Recycling and Energy Conservation and Consumption Reduction Group is responsible for implementing material recycling, energy-saving renovation, and cleaner production. The projects under its management are primary drivers of cost reduction and efficiency improvement for the Company.
- Collaborative Network: The EHS department oversees waste management and resource recovery. The Finance Department quantifies the benefits of circular economy projects and manufacturing units are responsible for the direct implementation of circular measures. Supported by the Company's digital tools, departments achieve high-efficiency collaboration.



Circular Economy Working Groups

Strategy

Advancing a circular economy is our core strategy for addressing resource constraints, fulfilling environmental responsibilities, achieving cost reduction and efficiency improvement, and securing a competitive advantage. Our strategic roadmap outlines key focus areas supported by specific initiatives.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Time frame[14]
Resource efficiency and costs	Risks: Price volatility and supply security of critical raw materials. Opportunities: Material reduction, use of recycled content, finished product yield improvement, and waste recycling directly lower procurement and disposal costs.	Establish resource efficiency as a core objective of green design. Strictly implement the *Green Design Guidelines*, reduce the variety and amount of materials used at the design source, and prioritize renewable and recyclable materials. Promote cleaner production and lean manufacturing in production to decrease waste generation.	Financial value: Direct reduction of raw material and operating costs and enhancement of profit margins. Operational value: Reduction of reliance on virgin resources and enhancement of supply chain resilience.	Short-term Middle-term Long-term
Energy conservation and cleaner production	Risks: Rising energy costs and tightening regulations on energy consumption and emissions. Opportunities: Energy-saving technologies and process optimization reduce operating costs and elevate green manufacturing standards.	Implement systematic energy conservation, consumption reduction, and cleaner production renovation. Establish an annual plan for green cost reduction, carrying out targeted technological renovations and management optimization for energy-intensive equipment and inefficient processes. The goal is to reduce energy intensity and pollutant generation through technological upgrades and lean management.	Financial value: Significant reduction in energy consumption costs (water, electricity, gas, and fuel). Environmental value: Direct reduction in carbon emissions and pollutant generation, support for "zero-carbon/zero-waste" factory construction, and fulfillment of compliance requirements.	Short-term Middle-term
Product green competitiveness and closed-loop management	Risks: Inability to meet market demand for eco-friendly products or comply with extended manufacturer responsibility (EPR) regulations. Opportunities: Eco-friendly, durable, and recyclable products drive customer preference and unlock new recycling and remanufacturing business models.	Advance eco-design and exploring end-of-life management. Incorporate ease of disassembly and recyclability into product design specifications to promote circularity from the source. Furthermore, we are exploring standardized recycling and recovery pathways for end-of-life products to prepare for EPR and develop closed-loop business models.	Market value: Enhancement of product environmental attributes, acquisition of market premiums, and a strengthened green brand image. Strategic value: Positioning for future circular economy businesses and mitigation of long-term regulatory risks.	Middle-term Long-term

Impact, Risk, and Opportunity Management

We strive for breakthroughs in resource efficiency and eco-innovation, optimizing the value chain from packaging to product. By integrating green practices, we balance economic growth with environmental stewardship, powering a sustainable future.

[14]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Management Measures

■ Full lifecycle-based Green Design Management

The Company has established a systematic green design process in accordance with the *Green Design Guidelines* to analyze environmental demand during product planning and set clear green design targets, including material reduction, energy efficiency, and recyclability. During design and review, we assess the product's environmental, health, and safety impacts throughout its full lifecycle. This ensures sustainability in material selection, structural design, processing, packaging, use, and disposal. We prioritize non-toxic, recyclable materials and design for easy disassembly and repair.

Example: Design Optimization for Dovetail Spacer Offcut Recycling

To address material waste in dovetail spacer production, green design principles were applied to optimize manufacturing processes. By redesigning bar specifications and blanking methods and using specialized tooling, we standardized scrap collection on fully automated production lines. The collected offcuts are reused on manual production lines, increasing the utilisation rate from under 50% to 81%. The optimized process also reduces daily material stacking time for employees by 45 minutes. The project achieves annual benefits of RMB 235,000, serving as a model for applying eco-design in production.

■ Green Procurement and Closed-loop Packaging Management

Following our *Green procurement Management* system, the Company is systematically promoting eco-friendly packaging. We established standards for preferred packaging materials, implemented source reduction designs, and created a circular management system and ledger management system for durable packaging such as wooden crates and pallets, clearly defining responsibilities and standards for recycling, inspection, and reinvestment in use.

Case: Optimization of Packing Box Recycling Loop and Wooden Crate Material Upgrade

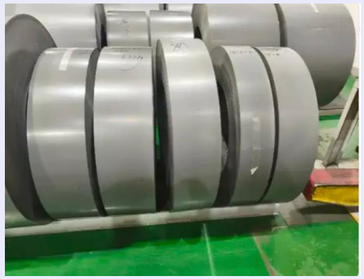
We implement several packaging improvement projects, including the following: Optimize workshop layouts so that incoming packing boxes are directly reused as spare parts packing boxes to reduce procurement of new boxes; upgrade plywood wooden crates used for domestic transportation to sturdier solid wood crates so they can be reused for export, thereby enabling one crate for two uses; and in engineering projects, directly use old packing boxes from dismantled equipment to replace new purchases. Through these measures, significant cost reduction and efficiency improvement have been achieved. RMB 5,600 is saved for the spare parts box recycling project annually. For the wooden crates material upgrade and reuse project, its is expected to save over RMB 100,000 per year.

■ Resource Circularity and Lean Management in Production

The Company established an internal material circularity system by launching a "shared platform for idle resources" and a comprehensive waste sorting and recycling program. The platform enables departments to list idle materials and demand, coordinated by a dedicated team. Specialized recycling processes are also in place for bulk materials like silicon steel and coils.

Example: Cross-departmental Steel Scrap Recycling and Resource Sharing

Silicon steel sheet offcuts from power transformer production are sorted and repurposed to meet the material specification demand for distribution transformers. Through the shared platform, these materials are transferred directly to distribution transformer workshops, replacing the need for virgin material procurement. This initiative recycles silicon steel from power transformers for use in distribution transformers, achieving annual savings of RMB 3.4 million.



■ External Recycling Networks and Collaborative Resource Management

For the purpose of building an integrated internal and external circularity system, the Company partners with certified recycling firms to systematically manage renewable resource recovery and exchange.
Through a standardized bidding and evaluation process, we select qualified partners for the compliant recovery and processing of scrap metal and end-of-life equipment. We strictly follow the *Solid Waste Management* and bidding management system, audit partners' environmental qualifications and performance capabilities, and sign agreements with clearly defined rights and responsibilities to ensure that resource outflows are fully traceable and compliant throughout the process.
For critical materials such as certain metal scrap, we are exploring the establishment of targeted recycling channels with upstream suppliers or specialized processing companies, enabling high-quality pre-treated scrap to be directly returned to their production process for efficient closed-loop resource exchange.

Indicators and Targets

We track the following KPIs to measure our circular economy performance.

Key Performance 2025

Comprehensive utilization rate of non-hazardous (general) waste during the reporting period
93.0 %

Increase in wooden crates recycling and reuse rate during the reporting period
35.9 %

Energy Use and Transition

Superior energy management is a strategic cornerstone for CHINT to reduce operational costs, fulfill environmental responsibilities, mitigate climate risks, and build long-term competitiveness. We are committed to establishing a systematic EMS and promoting the principles of "conservation, efficiency, and cleanliness" in energy use across the Company. Our goal is to continuously enhance energy efficiency, expand the use of renewable energy, and leverage digitalization for refined management, thereby systematically reducing operational costs and our carbon footprint to contribute to the Company's sustainability and national "dual carbon" goals.

Management System Development and Planning

Adhering to a systematic and forward-looking management philosophy, the Company strictly complies with laws and regulations such as the *Energy Conservation Law of the PRC* and the *Administrative Measures for Industrial Energy Conservation*, as well as the laws and regulations in its operating regions. In accordance with the requirements of ISO 50001:2018, the Company has established an energy management system of "compliance, conservation, cleanliness, efficiency, and continuous improvement," and has developed and implemented an energy management system containing management systems such as *Energy and Resource Management*, *Management of Targets, Energy Indicators and Their Achievement*, *Energy Monitoring and Measurement Management*, and *Energy Review Management*. Leveraging digital management tools and combining internal and external audits, the Company actively conducts energy conservation and environmental protection training and collaborates with factories in various regions to promote energy efficiency improvement across the entire value chain.

Governance Framework and Allocation of Responsibilities

The Company has established a three-tier energy management network with clearly defined roles and responsibilities. The Supply Chain Management Department, as the lead function for energy management, is responsible for setting corporate energy policies, targets, and evaluation schemes, and overseeing system operations. Manufacturing Departments and subsidiaries are the primary entities responsible for energy management within their jurisdictions, handling the implementation of energy-saving measures and daily energy control. Departments such as Equipment Management, EHS, and Finance provide collaborative support in technical renovation, compliance supervision, and benefit accounting.
By the end of the reporting period, five sites—including Shanghai, Jiaxing, Wuhan, and Shaanxi—had successfully obtained ISO 50001:2018 EMS certification.

Strategic Targets and Annual Breakdown

Guided by the national "dual carbon" strategy, we have set a long-term target for a 15% cumulative reduction in comprehensive energy consumption (equivalent value) per RMB 10,000 of output value by 2030, broken down into annual milestones. In 2025, the corporate core target is as follows: comprehensive energy consumption (equivalent value) ≤ 0.0100 tons of standard coal per RMB 10,000 of output value. For the purpose of ensuring effective implementation, these corporate targets are systematically cascaded to each factory. At the end of the reporting period, comprehensive energy consumption stood at 0.00965 tons of standard coal per RMB 10,000, achieving the annual target.

Energy Conservation and Consumption Reduction Management Measures

The Company uses its annual "Green Cost-Saving Project List" as a core management tool to implement project-based management for energy-saving technology renovation projects. In 2025, we have planned over 20 key energy-saving projects covering compressed air systems, motor systems, thermal processes, air conditioning, and lighting. These are expected to save 100 tons of standard coal annually, generate RMB 1.8 million in economic benefits, and reduce GHG emissions by approximately 165,000 tons.
For each project, the Company defines technical measures, investment estimates, and expected energy savings and benefits, ensuring precise and controllable resource allocation.

Key Technical Renovation Projects and Results in 2025

Upgrade high-energy-consumption equipment

- 37 kW screw air compressor replacement: Replacing inefficient air compressors at the Wuhan plant with high-efficiency models is expected to save approximately RMB 76,400 in annual electricity costs.
- Pump power optimization: Through retrofits, the power of a pump in the HV switchgear section was reduced from 75 kW to 45 kW, saving an estimated 108,000 kWh annually while maintaining required flow rates.

Energy efficiency improvements for general-purpose equipment

We initiated a special program for the phase-out and replacement of outdated mechanical and electrical equipment. Following a comprehensive assessment, we plan to replace all 57 outdated motors in the industrial park with motors that meet Class 1 or Class 2 energy efficiency standards. Average motor efficiency has improved by 9.4% after the renovation.

Optimization of production processes and testing

- For the existing fixed-frequency A/C system in Workshop 108 of the Shanghai plant, variable-frequency drives (VFDs) were installed on associated equipment such as water pumps and fans. Annual electricity consumption is projected to drop from 3.082 million kWh to 2.526 million kWh, achieving annual savings of 556,000 kWh. Based on an electricity rate of RMB 0.85/kWh, annual cost savings are estimated at RMB 446,000.
- Optimized operating strategies are implemented for central A/C systems at the Shanghai Site. A "fixed schedule" start-stop model is transitioned to a precision scheduling model based on weather forecasts, occupancy, and production processes. Equivalent operating power of the central A/C units was reduced from 300 kW to approximately 150 kW. The annual electricity cost savings are estimated to be RMB 273,600.

Exploration of Energy Structure Optimization

While pursuing deep energy conservation, the Company is actively researching decarbonization pathways for the energy supply side. In 2025, we have included "energy storage project revenue" and "virtual power plants" in our research agenda, exploring the use of energy storage technologies for peak shaving and demand-side response to create new cost-reduction channels and business models.

Renewable Energy Utilization

CHINT is accelerating energy replacement as part of its deepening low-carbon transition, with the ultimate goal of building a new energy system. We have set a long-term target of "100% renewable energy electricity" and are advancing the greening of production energy use and diversifying value creation by means of distributed PV coverage in the park and establishing a market-based green power trading system. In 2025, the Company consumed 2,230.19 tons of standard coal of renewable energy (measured in standard coal equivalent), with the Shanghai Region Factory accounting for 89.7% (2,000.4 tons). Compared to 2023, the total renewable energy consumption increased by 1,058.7%. The percentage of renewable energy consumption in total energy consumption is 18.3%, an increase of 117.8% compared to 2024.

Distributed PV Coverage in the Park

The Company utilized existing plant rooftops to build a 5.72 MW PV power station that was successfully connected to the grid. This project effectively reduced reliance on purchased power; in 2025, it generated 3,353.4 MWh, equivalent to 412.1 tons of standard coal equivalent of self-generated renewable energy.

Green Electricity Use

Leveraging market mechanisms, the Company supplements its energy supply through green electricity consumption and Green Electricity Certificates (GECs), building a dual-driven "self-generated renewable energy + purchased green power" model.

Foster Energy Conservation Awareness and Green Office Practices

The Company actively promotes energy conservation through regular management training and themed activities, fostering a culture where all employees participate in the practice of energy conservation and consumption reduction. For the purpose of strengthening the effectiveness of energy conservation management, the Company has established and improved its energy conservation appraisal mechanism. Clear indicators are set for priority areas such as water, electricity, and coal. The Company implements closed-loop management combining monthly/quarterly appraisals, analysis, and improvement measures, as well as annual evaluations. Completion of energy conservation targets is incorporated into departmental performance appraisal systems, using mandatory measures to encourage all employees to actively participate in energy conservation and consumption reduction.

CHINT integrates green office concepts into daily operations through facility renovation, digital applications, and cultural advocacy, encouraging every employee to practice energy conservation and consumption reduction in every detail.

Paper conservation	Promote digital workflows, online approvals, and video conferencing to minimize paper usage. Encourage double-sided printing and paper reuse, and provide dedicated paper recycling bins.
Electricity conservation	Purchase energy-efficient printers and lighting fixtures. Display energy-saving reminders near light switches. Ensure all electronics, including PCs, monitors, and water dispensers, are powered down after work hours. Set A/C temperatures to no lower than 26°C in summer and no higher than 25°C in winter.
Water conservation	Turn off taps immediately after use; prevent continuous water flow. Regularly maintain water equipment to prevent leaks and report any drips immediately for repair.
Waste sorting and recycling	Collect end-of-life computers in a centralized way for professional recycling. Install designated bins for recyclables, general waste, and other waste categories.
Promote a green culture	Increase office greenery to enhance the workplace environment. Share energy-saving tips via bulletin boards and internal communications.

Performance Tracking, Evaluation, and Review

We have established a system for real-time monitoring and statistical reporting that covers various types of energy, including electricity, natural gas, water, and steam, as well as allocation. By standardizing data collection methods, definitions, and calculation rules, we have built a standardized data management system, effectively ensuring data quality. Furthermore, we have institutionalized energy audits and self-inspections to drive continuous improvement within our EMS. Our energy data management system enables monthly tracking and analysis of energy intensity and costs across all units, providing data-driven support for management decisions.

Environmental Compliance Management

We prioritize environmental compliance management and are committed to maintaining a comprehensive environmental management framework and policy system. The Company proactively identifies and assesses various types of environmental risks, formulates scientific and effective response measures, continuously optimizes environmental management processes, and steadily improves environmental management effectiveness, providing a solid foundation for green and compliant operations.

Environmental Management System

CHINT regards environmental compliance as the lifeline of enterprise survival and sustainability, and strictly abides by laws and regulations such as the *Environmental Protection Law of the PRC* and international standards. Guided by our environmental and OHS policy of "caring for life, everyone's responsibility, technological support, cleaner production, green and low-carbon, and ecological friendliness", we have developed core systems including the *Environmental and OHS Management System Manual*, *Management of Response and Control of Environmental Risks and Opportunities*, and *Management of Identification of Hazard Sources and Environment Factors and Risk Evaluation*. By establishing and continually improving an EMS covering the entire factory, we systematically manage environmental risks and are committed to preventing pollution, conserving resources, and reducing environmental footprints throughout our operations, achieving a harmonious unity between corporate development and environmental protection.

Key Performance 2025

Occurrence of environmental violations
0

Total investment in environmental governance
RMB **13.2497 million**

Year-on-year increase in environmental governance investment
61.16 %

Amount of major administrative penalties imposed by ecological environment and other relevant departments due to environmental incidents during the reporting period
RMB **0**

For the purpose of reinforcing environmental management, the Company established an EHS Committee, with the General Manager of the Safety and Environmental Protection Department as the primary person responsible for EHS. The committee comprehensively coordinates EHS policy implementation, management system development, department responsibility assignment, supervision of system execution, and performance indicator quantification, ensuring the standardized and efficient operation of the Company's EHS management. On this basis, the Company continues to strengthen environmental compliance review, promote management system standardization, and conduct regular third-party audits of the operation of the EMS. As of 2025, 14 companies, including Shanghai Region Factory, have all obtained ISO 14001 EMS certification.

Environmental Risk Management

In view of environmental risks in daily operations, the Company conducts systematic identification and evaluation work based on the *Management of Response and Control of Environmental Risks and Opportunities* and the *Management of Identification of Hazard Sources and Environment Factors and Risk Evaluation*. By analyzing key indicators such as the frequency, impact duration, scope of impact, and the degree of interested party concern regarding various environmental factors in the production process, these factors are classified as general or important and managed accordingly. Specific management measures and control requirements are established to ensure systematic risk prevention. A comprehensive group-level environmental control list is compiled to ensure standardized and effective identification, response, and control of environmental risks.
Meanwhile, the Company has formulated the *Comprehensive Emergency Response Plan for Unexpected Environmental Incidents of CHINT Electric Co., Ltd.*, and strengthened its emergency capacity building based on the evaluation of environmental risk factors that may cause pollution risks to the atmosphere, water bodies, and soil.

The Company has established a robust emergency response system, including the rational allocation of emergency facilities and supplies, effective management of emergency and rescue equipment, and the establishment of an emergency leadership team, specialized response teams, and expert panels, with clearly defined responsibilities for each party. We have established a robust contingency plan system for real-time risk monitoring and early warning. Detailed protocols specify emergency contingency plans that cover the reporting process, emergency handling, evacuation, follow-up safety protection measures, as well as root cause and responsibility analysis for incidents such as chemical, toxic, or hazardous gas leaks, and wastewater leaks. Additionally, the Company actively conducts emergency drills to simulate real-world scenarios, ensuring employees master response skills and effectively building a solid safety defense line. During the reporting period, the Company organized 17 environmental emergency response plan drills with over 800 participants, achieving a 100% emergency drill coverage rate for sudden environmental incidents at operational sites.

Example: Emergency Drill for Unexpected Environmental Incidents

In 2025, the Company organized the revision of the *Comprehensive Emergency Response Plan for Unexpected Environmental Incidents* and five on-site disposal plans covering the production workshop, oil storage area, and chemical warehouse. The Company organized 17 on-site emergency drills for unexpected environmental incidents covering sulfuric acid and propane leaks, transformer oil leakage, dust explosions, and VOCs exhaust treatment facility leaks, with over 800 participants.

Propane Leak Drill at Propane Station

Acid Spill Emergency Drill

Dust Explosion Emergency Drill

Environmental Culture Building

Continue to promote an environmental culture building through training, awareness-building, and strengthened compliance management. The Company regularly organizes environmental protection training and awareness activities covering environmental laws and regulations, the current state and continuous improvement measures of enterprise environmental management, as well as waste and pollutant management, to help employees master compliance knowledge and key operational points. In the meantime, it reinforces the environmental culture through regular specialized training, fostering a culture of collective participation and green development.

Key Performance 2025

Percentage of employees receiving specialized environmental training
100 %

Environmental protection training sessions
28

Pollutant Management

CHINT strictly complies with national and local environmental laws and regulations such as the *Law of the PRC on the Prevention and Control of Atmospheric Pollution*, the *Law of the PRC on the Prevention and Control of Water Pollution*, and the *Law of the PRC on the Prevention and Control of Noise Pollution*, deeply integrating the compliance management and continuous emission reduction of pollutants such as exhaust, wastewater, and noise into its operations. Adhering to the principle of "prevention at source, process control, and end-of-pipe treatment," we systematically control and reduce the impact of production and business activities on the environment by applying clean technology, upgrading treatment facilities, and implementing refined management, striving to become a community-friendly green manufacturing enterprise.

Management Policy and System Development

We operate in strict accordance with ISO 14001 EMS standards and the requirements of our internal *Environmental and OHS Management System Manual*. The management system defines the responsibilities from the top management to each production unit in pollutant control, ensuring the systematic nature, normativity, and execution of management requirements. During the reporting period, our governance investment in relevant fields provided an important resource guarantee for the effective operation of the management system.

Management Measures

We have formulated targeted control strategies for the three types of pollutants: exhaust, wastewater, and noise, and apply professional technologies for treatment.

Exhaust Emission Management

Centering on the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and integrating the *Integrated Emission Standard of Air Pollutants* as well as industry specifications, we identify environmental pollutants arising from operational activities, and equip efficient purification devices to effectively treat acidic waste gas, alkaline waste gas, organic waste gas, and dust produced during manufacturing, with continuous monitoring of purified gas concentration. At the emission stage, the Company strengthens maintenance of exhaust treatment facilities and equipment such as boilers, ensuring that key exhaust outlets achieve 100% online monitoring coverage. By persistently tracking purified gas concentrations, we strictly control the quality of end-of-pipe emissions to guarantee that all pollutants consistently and steadily meet the required standards. As of the end of the reporting period, the Company achieved a 100% exhaust emission compliance rate.

KPI	Unit	2025	2024	2023
Total exhaust emissions (Shanghai Site)	Ton	6,229.96	5,614.36	5352
Emissions of particulate matter (PM) in exhaust (Shanghai Site)	Ton	0.93	0.74	1.01
Emissions of sulfur oxides (SOx) in exhaust (Shanghai Site)	Ton	0	0	0
Emissions of nitrogen oxides (NOx) in exhaust (Shanghai Site)	Ton	0.21	0	0.25
Emissions of volatile organic compounds (VOCs) in exhaust (Shanghai Site)	Ton	2.247	5.8	5.15
Exhaust emission compliance rate (Shanghai Site)	%	100	100	100

Wastewater Discharge Management

The Company strictly complies with the *Law of the PRC on the Prevention and Control of Water Pollution* and other relevant regulations, actively building an efficient and eco-friendly wastewater treatment system. Through technological innovation and refined management, we continuously optimize wastewater treatment processes to minimize the potential environmental pollution from wastewater.

The wastewater generated during the Company's production and operation mainly includes domestic wastewater and industrial wastewater. Wastewater is classified and managed. Domestic wastewater and industrial wastewater are discharged to the municipal sewage treatment network and sewage treatment or discharge areas designated by regulatory authorities after satisfactory pretreatment in septic tanks or sewage treatment stations in the factory. At the same time, we actively optimize existing wastewater treatment processes to improve the effectiveness of wastewater treatment, and promote the separation of rainwater and sewage in the plant area and the upgrade of wastewater treatment equipment, so as to comprehensively reduce wastewater discharge and strengthen wastewater management. Automatic online monitoring facilities have been established for real-time monitoring of characteristic wastewater pollutants. In 2025, the annual effective data transmission rate of the automatic wastewater online monitoring system to both state-controlled and city-controlled platforms has reached ≥95%. The Company has not experienced any wastewater discharge standard exceedances or environmental pollution incidents.

KPI	Unit	2025	2024	2023
Wastewater discharge volume (Shanghai Site)	Ton	120780	98730	159930
Industrial wastewater discharge volume (Shanghai Site)	Ton	3924	9076	12000
Domestic wastewater discharge volume (Shanghai Site)	Ton	116856	89654	165700
Chemical oxygen demand (COD) emissions in wastewater (Shanghai Site)	Ton	3.259	0.371	0.107
Biochemical oxygen demand (BOD) emissions in wastewater (Shanghai Site)	Ton	0.842	0.063	0.021
Ammonia nitrogen (NH3-N) emissions in wastewater (Shanghai Site)	Ton	1.21	0.024	0.009

Noise Emission Control

Primary noise sources include air compressors, fans, and production or testing equipment. We employ a comprehensive strategy of "optimized layout, sound insulation, and management control." For example, we install sound enclosures and mufflers on high-noise equipment, positioning them centrally or away from site boundaries. We also plant green belts for sound absorption and schedule high-noise tasks to avoid nighttime operations. Regular monitoring of noise levels at the site boundary is conducted. During the reporting period, daytime and nighttime noise levels at all site boundaries met the requirements of the *Emission Standard for Industrial Enterprises Noise at Boundary*.

The Company continuously mitigates the impact of noise on the surrounding environment through regular equipment maintenance and the selection of low-noise equipment.

Waste Management

The Company strictly adheres to the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, national and industry standards such as GB 18599-2020 and GB 18597-2023, and other local regulations and standards. We have established internal management systems, including the Recyclable Solid Waste Management Standard, Solid Waste Management, and Hazardous Chemicals Safety Management Standard, to ensure standardized, refined, and resource-oriented management of general industrial solid waste and hazardous waste across their full lifecycle. Guided by the principles of "reduction, recycling, and harmless disposal," we minimize waste at the source by optimizing processes. We maintain a robust system for sorting, collection, storage, and disposal, prioritizing the recycling of materials to ensure all waste—especially hazardous waste—is handled safely and legally, fulfilling our environmental responsibilities.

Management Policy and System Development

Responsible departments at each site manage waste based on properties and recyclability, implementing standardized on-site collection and strict compliance for hazardous waste to ensure full-process control. Responsibilities are clearly defined for production and office areas, with specific requirements for waste sorting and removal. The Company maintains dedicated temporary storage facilities with standardized registration and monthly inspections to ensure safety and compliance. In the disposal phase, we collaborate with licensed third-party providers and manufacturer recycling programs to achieve harmless treatment and resource utilization.

Management Measures

We implement strict waste classification, applying differentiated control strategies for general solid waste and hazardous waste.

General Solid Waste Management

Sources and categories: metal scrap (copper, aluminum, steel), waste packaging (cardboard, wooden crates, plastic), non-conforming products, and office waste We have established clearly marked waste collection points on-site to ensure accurate waste sorting by employees.

- Metal Scraps are sorted and collected, then transferred to qualified recycling companies for resource recovery.
- Packaging materials: We promote their reuse (such as wooden crates and pallets) and prioritize material recycling.
- Production surplus: Through our "Shared Platform for Surplus and Obsolete Materials," we promote the cross-line reuse of silicon steel sheet scraps and standard components.

Hazardous Waste Management

In accordance with the *National Directory of Hazardous Wastes*, we identify hazardous waste types—including waste mineral oil, paint sludge, activated carbon, chemical containers, and oily wastewater sludge—and classify them by characteristics like toxicity and flammability.

- Source and storage: Standardized, dedicated hazardous waste containers are placed at generation points and clearly labeled. Each site features a dedicated hazardous waste storage facility designed to prevent seepage, leakage, and exposure to wind and sun, equipped with clear warning signs. Ledgers are maintained for all hazardous waste inflow and outflow.
- Transfer and disposal: All hazardous waste is entrusted to licensed entities for compliant disposal. The transfer process strictly follows the "electronic manifest system".

E-waste Management

The Company has established specific protocols for electronic waste, including decommissioned computers, servers, network equipment, printers, and phones to standardize operational waste management and mitigate environmental risks. This process involves internal source-separated collection, followed by centralized registration, temporary storage, and ledger management by the Information Department. Disposal is entrusted to nationally accredited professional agencies to ensure compliant disposal, effective environmental impact control, and standardized, non-hazardous treatment of waste.

Compliance Monitoring, Emergency Response, and Continuous Improvement

The Company conducts regular internal audits and compliance inspections on waste generation, storage, and disposal, with a particular focus on hazardous waste. All documentation, including disposal contracts, waste manifests, and monitoring reports, is properly archived for verification. Risks such as hazardous waste leaks and fires are integrated into the emergency response plan for unexpected environmental incidents. Storage facilities are equipped with emergency supplies. We organize emergency drills for relevant staff to ensure rapid and scientific responses to emergencies, preventing secondary environmental pollution.

The Company continues to reduce waste at the source through cleaner production audits, process optimization (e.g., the "Paint Sludge Reduction" project during the reporting period, which aimed to cut annual generation from 82.4 tons to 70 tons), and technological renovations. We also actively collaborate with suppliers and customers to build a broader waste recycling and resource recovery chain, moving toward a circular economy model.

During the reporting period, no major environmental violations occurred due to illegal waste dumping or disposal. The Shanghai Region Factory and Jiaxing Region Factory were awarded the "Zero Waste Factory" title.

KPI	Unit	2025	2024	2023
Total harmful (hazardous) waste generation/discharge	Ton	546.58	335.92	306.0
Emission intensity of harmful (hazardous) waste	Tons/RMB 10,000	0.00043	0.00035	/
Total harmful (hazardous) waste disposal	Ton	546.58	335.92	306.0
Hazardous waste disposal compliance rate	%	100%	100%	100%
Total harmful (hazardous) waste reused/recycled	Ton	221.67	72.22	79.60
Comprehensive utilization rate of harmful (hazardous) waste	%	40.56%	21.50%	26.01%
Non-hazardous (general) waste generation/discharge	Ton	13033	11567	9326
Total non-hazardous (general) waste reused/recycled	Ton	12182	10761	8486
Comprehensive utilization rate of non-hazardous (general) waste	%	93.0%	93.0%	91.0%

Water Resources Utilisation

Water resources management is a critical component of the Company's sustainability management. We continue to reduce water consumption in our operations, improve the efficiency of water use, and continuously advance water recycling, contributing to the United Nations' water-related sustainability goals.

The Company adheres to the principles of human-water harmony, water conservation, and respects the laws of nature and economic and social development, striving to balance the relationship between water resources development and protection while aligning water utilization with availability, quantifying demand based on actual capacity, and implementing tailored water management strategies; it emphasizes holistic coordination to balance water use for domestic, production and ecological purposes; and promotes reform and innovation to refine the water resources management system and mechanism, improve management methods and approaches, and achieve a sustainability goal of 15% reduction in water use intensity by 2035.

The water resources acquired by the Company are primarily used to meet the production and domestic demand of the operation bases, and all water intake comes from the municipal water supply system. In production, water is mainly utilized for manufacturing processes and auxiliary facilities.

The Company has established a closed-loop water resources management system covering "identification, evaluation, management, and monitoring". At the same time, the Company sets clear water resources management goals and has formed a dedicated task force to monitor and optimize key processes like water purification, exhaust treatment, and cooling systems, promoting the implementation of water-saving goals. During the reporting period, the Company achieved an "A-" rating in the CDP water security questionnaire.

KPI	Unit	2025	2024
Total water intake (Shanghai Region Factory)	ML	134.2	109.7
Total water discharge (Shanghai Region Factory)	ML	120.78	98.73
Total water consumption (Shanghai Region Factory)	ML	13.42	10.97
Reused water volume (recirculation) (Shanghai Region Factory)	ML	7	7
Total water usage (Shanghai Region Factory)	ML	2,687.38	2,662.88
Recycled water volume (Shanghai Region Factory)	ML	2,553.18	2,553.18
Water recycling rate (Shanghai Region Factory)	%	95.01%	95.88%

Ecosystem and Biodiversity Conservation

CHINT fully recognizes that healthy ecosystems and rich biodiversity are the core of Earth's life support system and a long-term cornerstone for corporate sustainability. As a leader in power transmission, distribution, and control gear, we are committed to ensuring energy security through efficient and reliable products while integrating biodiversity conservation into our strategy and operations. We firmly believe that coping with climate change and biodiversity protection must go hand in hand.

Therefore, the Company actively fulfills its ecological protection responsibilities throughout the full business lifecycle by empowering clean energy development through green products, practicing eco-friendliness in its operations, and implementing collaborative supply chain management, contributing to a harmonious future for humanity and nature.

Strategic Commitment and Management Integration

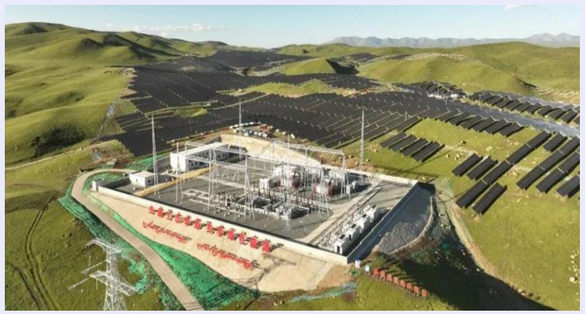
The Company has integrated biodiversity conservation into its overall sustainability framework. We are committed to strictly adhering to national and local environmental laws and regulations in our business decisions and operations, and to rigorously implementing the environmental impact evaluation system for construction projects. By integrating environmental and social risk management into our project development and product lifecycle management processes, we systematically identify, evaluate, and mitigate the potential impacts of our business activities on ecosystems and habitats, ensuring we strictly adhere to ecological red lines during development.

Green Empowerment

We recognize that mitigating climate change is a fundamental way to halt biodiversity loss. CHINT's core business—the R&D, manufacturing, and sale of high-voltage (HV) and EHV power transformers, switchgear, box-type transformer substations, and integrated electrical systems—is a key link in building new power systems and supporting the green energy transition. We provide indirect but significant support for ecosystem conservation through the following means:

Example: Empower Clean Energy Hubs to Displace Fossil Fuels

We provide critical step-up, substation, and grid-connection solutions for large-scale wind and solar power bases. For example, we provided EPC services for the step-up substation of the Goldwind Changli 200 MW wind power project and supplied core transformers and box-type substation equipment for the Qinghai Tongren 400 MW integrated solar-pastoral-storage project and the large-scale floating PV power station in southern Fuyang, Anhui. These projects generate billions of kWh of green electricity annually, displacing significant coal consumption, reducing GHG emissions and air pollution at the source, and lessening the pressure on regional ecosystems.



04 Divide Responsibility to Individuals to Cultivate the Power of Good Together

Labor Practices and Management

Human Capital and Development

OHS

Social and Community Contributions

SDGs Addressed in this Chapter

Labor Practices and Management

CHINT firmly believes that respecting and safeguarding the legitimate rights and interests of every employee is a cornerstone of corporate operations and a fundamental social accountability. We strictly adhere to national laws such as the Labor Law of the PRC, Labor Contract Law of the PRC, and Law on the Protection of Minors of the PRC, as well as the principles of the ILO core conventions, to build a fair and dignified work environment. Our commitment not only covers all active employees but also extends to our business partners through responsible supply chain management, jointly upholding the principles of decent work. During the reporting period, there were no incidents of child labor or forced labor within the Company.

Policy Commitment and Governance

Through clear policies and the governance framework, we translate our commitment to labor rights into institutionalized and actionable standards.

Policy Statement

The Company maintains an Employee Handbook and an Integrity and Compliance in Business Conduct Management System, outlining core commitments to fair employment, prohibition of forced and child labor, freedom of association, fair pay, and a safe and healthy work environment. These policies apply to all our global operational sites.

Governance Mechanisms

The Human Resources Department is the core department responsible for employee relations and employment policies, overseeing their formulation, communication, implementation, and supervision. The Labor Union operates independently by law, safeguarding employee interests and serving as a key pillar of corporate democratic management and social dialogue. The Supply Chain Management Department extends labor rights requirements to upstream suppliers through the *CHINT Business Partner Code of Conduct for Integrity and Compliance*. The Company has established a comprehensive management system, including management systems such as the *Employee Handbook*, *Integrity and Compliance in Business Conduct Management System*, *Officer Management*, *Employee Recruitment Management*, *Compensation and Benefits Management*, *Position Performance Management*, *Attendance Management*, and *Employee Retirement Management*, which specify aspects such as employee recruitment, training, promotion, compensation and benefits, working hours, leave policies, and dismissal. The Company strictly opposes all forms of forced labor, arranges work content on a voluntary and legal basis, does not employ child labor, and strictly prevents illegal employment practices such as human trafficking, thereby safeguarding employee rights and ensuring the normative operation of the Company.

Labor and Human Rights Due Diligence

The Company continuously refines labor and human rights due diligence procedures, embedding them into daily operations and value chain management through the *Employee Due Diligence Management* guidelines. The Company regularly identifies and evaluates actual and potential human rights and labor risks within its operations and supply chain, integrating findings into management processes and monitoring the effectiveness of mitigation measures. Consistent management standards are applied to interns, dispatched workers, and contractors to safeguard the rights and well-being of all labor groups. The Company has not experienced any discrimination, child labor, or forced labor incidents during this year.

Labor and Human Rights Risk Management Measures

The Company conducts annual human rights risk assessments, covering 100% of headquarters, all operational sites of subsidiaries, high-risk suppliers, and joint ventures. Based on these evaluations, no significant human rights risks have been identified. Targeted improvement actions and risk control strategies are developed to address potential risks.

Subject	Mitigation and Management Measures
Fair employment and non-discrimination	We are committed to providing equal employment opportunities. Our policies strictly prohibit and prevent discrimination based on race, color, gender, age, nationality, religion, disability, or marital status in all stages of employment, including recruitment, hiring, promotion, training, compensation, and termination. All employment decisions are based on job requirements, qualifications, and performance.
Compensation and benefits	We maintain a fair and transparent compensation system to ensure equal pay for equal work. The Company strictly adheres to minimum wage regulations and ensures full and timely payment of salaries. We pay statutory and full social insurance and housing provident fund contributions in accordance with the law, and provide supplemental commercial insurance, annual health checkups, holiday benefits, etc., in order to safeguard the basic wellbeing of employees and their families.
Working hours and leave	We implement a standard working hour system and strictly manage overtime processes. Necessary overtime is arranged only after consultation with the Labor Union and employees, strictly adhering to statutory limits. All overtime is compensated with pay or time off in lieu in accordance with the law. Employees are entitled to statutory leave, including paid annual leave, maternity/paternity leave, and marriage or bereavement leave.
Freedom of association and collective bargaining	We fully respect and protect the legal rights of employees to freely form or join Labor Unions and engage in collective bargaining. The Labor Union represents employees' interests, negotiating with management on wages, working hours, rest and leave, occupational safety and health, insurance and benefits, and signs a *Collective Agreement* covering all employees, achieving a collective agreement coverage rate of 100%. The Employee Representative Assembly serves as the primary platform for democratic corporate management participation.
Eliminate forced and child labor	Company policies and contracts explicitly prohibit all forms of forced labor, bonded labor, indentured labor, or involuntary prison labor. We strictly prohibit child labor, implementing rigorous identity and age verification during recruitment to ensure no individuals under the age of 16 are employed. Employees have the legal right to resign freely. The Company does not withhold personal identification or require financial deposits as a condition of employment.

Employee Appeals and Communication

We have established diverse, accessible, and confidential internal communication and appeal channels under our *Whistleblowing and Inquiry Policy*, which strictly prohibits discrimination, harassment, and retaliation, protecting those who provide feedback or seek assistance. In accordance with local laws, the Company has established Labor Unions and utilizes mechanisms like the Employee Representative Assembly to engage employees in consultations and decision-making on regulations and major matters affecting their interests. This ensures that employee feedback and concerns are addressed promptly and handled with fairness.

Appeal Channels	Processing Flow
Employees can submit employment-related inquiries, suggestions, or appeals through official channels, including Labor Unions, the Employee Representative Assembly, the Management Open Days, the Human Resources Department, compliance whistleblowing hotlines/emails, and Lark.	The Company is committed to conducting timely, confidential, and impartial investigations into all appeals and taking appropriate action based on the findings. We strictly prohibit any form of retaliation against employees who raise appeals in good faith.

Supply Chain Labor Rights Management

Recognizing labor risks within the supply chain, we actively fulfill our responsibility as a value chain leader to promote the improvement of working conditions.

Code of Conduct Constraints

We have integrated core requirements—including prohibitions on forced and child labor, protection of freedom of association, workplace health and safety, and fair compensation—into the *CHINT Business Partner Code of Conduct for Integrity and Compliance*, requiring all suppliers, especially production-oriented suppliers, to sign a commitment.

Onboarding and Ongoing Management

In supplier access evaluations, labor rights compliance is also considered as an audit criterion. For existing suppliers, we monitor labor practices through regular performance evaluations, social accountability surveys, and on-site audits of high-risk suppliers. Suppliers must rectify any non-conformities identified during audits within a set timeframe. Serious or unresolved violations will lead to measures including the termination of partnership.

Key Performance 2025

Labor contract signing rate
100 %

Social insurance coverage rate
100 %

Percentage of operational sites subjected to human rights impact or risk assessments
100 %

Incidents of child labor, forced labor, and human trafficking
0

Percentage of employees trained on human rights-related policies or procedures during the reporting period
100 %

Number of incidents of discrimination or harassment
0

Percentage of employees across all locations covered by formal collective bargaining agreements regarding working conditions
100 %

Human Capital and Development

CHINT prioritizes human capital development. We attract talent through diverse recruitment, foster growth by refining training and incentive systems, enhance satisfaction through internal communication and support for employees, and optimize benefits to strengthen retention—driving the organization's sustained growth.

Talent Acquisition and Retention

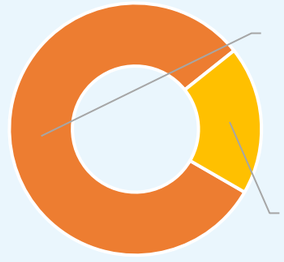
The Company adheres to the talent evaluation principle of "integrity and competence". To this end, the Company is committed to building an open, inclusive, and opportunity-rich working environment, providing competitive compensation and healthy, comfortable working conditions to unlock employees' potential and enhance their sense of identification and belonging to the Company. This year, the Company hired 1,245 new employees through social and campus recruitment, including 237 new female employees, who represented 19.04% of new hires.

Outstanding Employer Recognition

During the reporting period

Number of new hires
1,245

Percentage of female new hires: **19.04**%



New male employees, 1008

New female employees, 237

Diversity, Equity, and Inclusion

For the purpose of protecting employee rights and fostering an inclusive workplace, the Company has established comprehensive mechanisms to provide timely and effective solutions when misconduct occurs. The Company strictly prohibits any unequal treatment or misconduct toward employees and any harm caused thereby, including corporal punishment, coercion, as well as any form of verbal, physical, psychological, or gender-based disciplinary punishment or threatening behavior. We maintain a zero-tolerance policy toward discrimination. The Company handles complaints related to discrimination or harassment through established whistleblowing and appeal channels, conducting investigations and applying disciplinary actions in accordance with our policies. Furthermore, we actively care for groups at unique vulnerability risk, addressing the diverse demands of female employees during the breastfeeding period, employees with disabilities, and employees with religious beliefs, to facilitate their integration into the workplace and to create a safe, friendly, and inclusive environment. To address the practical demands of ethnic minority employees, the Company fully respects diverse cultural and religious customs, such as providing halal catering to accommodate the dietary habits of employees of Hui nationality. In 2025, the Company had no confirmed incidents of discrimination or harassment.

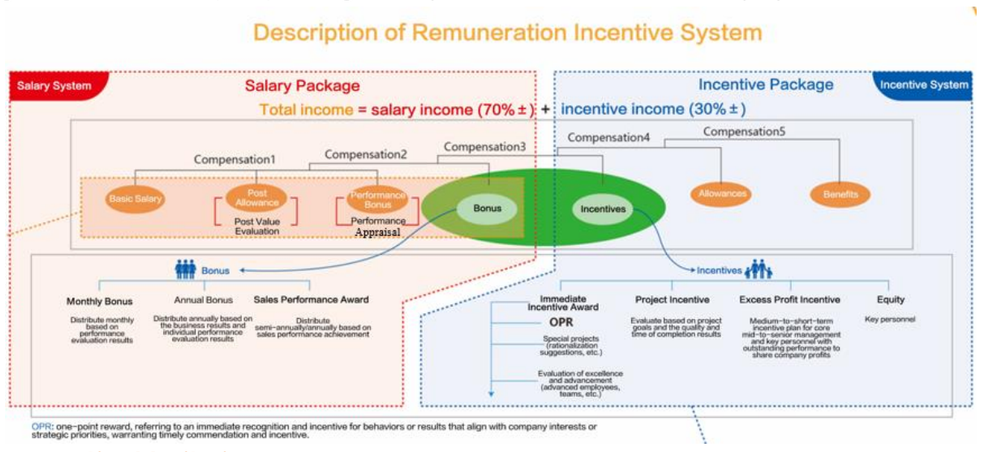
KPI	Unit	2025	2024	2023
Total number of employees	persons	6241	5667	5500
Number of female employees	persons	1436	1305	1305
Percentage of female employees	%	23.00	23.30	23.70
Number of male employees	persons	4805	4375	4195
Percentage of male employees	%	77.00	76.70	76.30
Number of employees aged under 30	persons	1868	1690	/
Number of employees aged 30 to 50	persons	3927	3625	/
Number of employees over 50 years old	persons	446	352	/
Number of employees in the Chinese mainland	persons	6223	/	/
Number of overseas employees	persons	18	/	/
Number of female employees in junior management	persons	49	/	/
Number of female employees in intermediate management	persons	24	/	/
Number of female employees in senior management	persons	8	/	/
Total employees from ethnic minorities and/or vulnerable groups	persons	303	/	/
Percentage of employees from ethnic minorities and/or vulnerable groups in senior management	%	12.73%	/	/
Ph.D. holders	persons	6	/	/
Master's degree holders	persons	183	/	/
Undergraduate	persons	2008	/	/
Junior college and below	persons	4044	/	/

Remuneration Management

We strictly comply with the laws and regulations of our operating countries and regions. We formulate and implement compensation and benefits management systems such as *Compensation and Benefits Management and Position Performance Management*, specifying compensation structure, benefit standards, and management procedures. In accordance with attendance and payroll regulations, we lawfully safeguard employees' work schedules, leave entitlements, and overtime compensation mechanisms, ensuring employees enjoy fair and reasonable compensation and benefits.
The Company has established transparent and standardized compensation communication to ensure all employees understand their pay structure and adjustment procedures. We formally communicate policies such as compensation systems and salary increase procedures through employment contracts, the *Employee Handbook*, and emails in accessible language. Through the "Payroll inquiry system" and the Lark mobile app, employees can log in with personal credentials to view monthly pay stubs. These clearly list additions such as basic salary and performance bonuses, as well as deductions such as personal income tax and social insurance. This ensures transparency and traceability while strictly safeguarding payroll data and employee privacy.

■ Compensation and Incentive System

The Company has established a competitive and diversified compensation and incentive system oriented towards ability and performance, consisting of "basic salary + position-based salary + performance bonus + benefits + special incentives". The Company follows the principles of external competitiveness and internal fairness, pays employees according to their positions, performance and abilities, and the salary level is competitive in the region. For the purpose of fully motivating business units and employees, the Company has established four major performance-based incentive schemes for each main center, with incentives based on value contribution. In addition, for the purpose of encouraging technological and management innovation and supporting employees in developing unique expertise, the Company has formulated special rewards, technology awards, patent and copyright reward schemes, etc., sharing development achievements with employees.



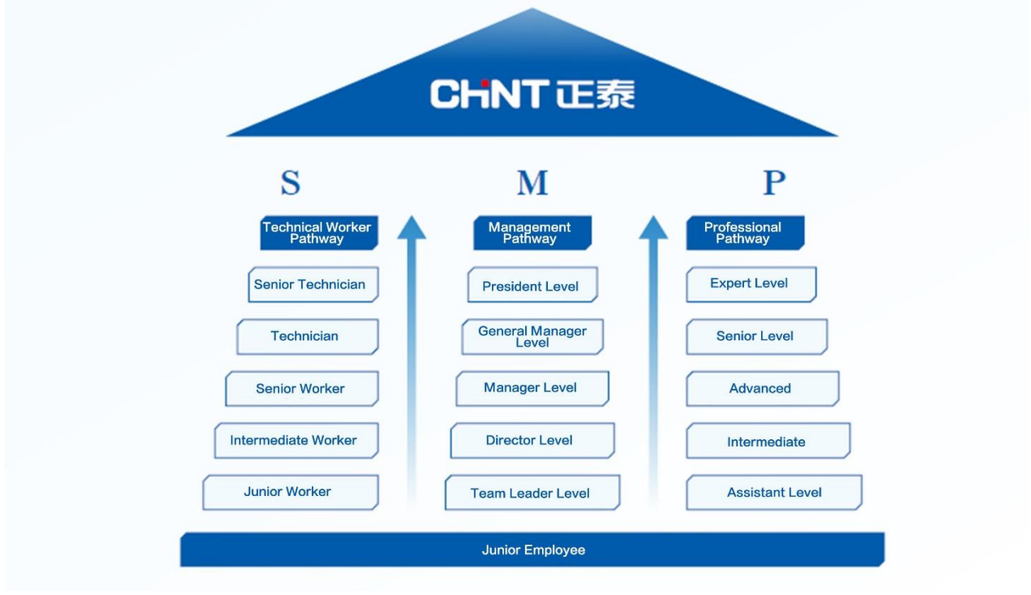
■ Compensation Monitoring

We promote pay equity by monitoring and disclosing our gender pay ratio annually. We are committed to full, on-time salary payments, ensuring compensation meets or exceeds the local statutory minimum wage. Based on business performance, the Consumer Price Index (CPI), and industry salary surveys, we develop annual salary adjustment plans and review pay levels to respond to economic fluctuations and cost-of-living changes. Additionally, we conduct cost-of-living surveys to ensure that employees' salaries provide a reasonable standard of living after basic expenses. During the reporting period, the percentage of direct employees covered by the subsistence wage benchmark analysis is 100%.

Career Development and Promotion

Career Development Channels

The Company provides employees with multiple career development pathways that meet both job requirements and personal career development channels. We have established the *Professional Qualification Management for the Specialist Track*, *Officer Management*, and *Skill Operation Qualification Management for the Technician Track*. According to the nature of each position and its operational characteristics, employees can independently choose to develop within management (M), specialist (P), or skill operation (S) tracks. We standardize the nomination, audit, submission, inspection, and approval process for rank promotion, ensuring employees' career development aligns with the Company's strategic goals and promoting a win-win outcome for both employee growth and corporate development.
The Company facilitates internal talent cultivation and mobility, creating diverse growth paths and promotion opportunities for employees.



Career Development and Promotion Pathways

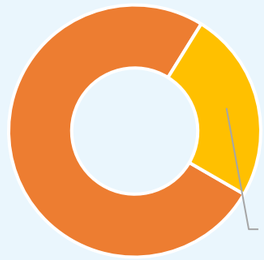
Employee Promotion

The Company provides equal career development and promotion opportunities and has established a position system covering three sequences: Management (M), Professional (P), and Skill (S). By setting different job grades for each career track and ensuring interconnected career development channels, employees can advance within their own pathways or across multiple channels, guiding the Company's workforce transition from task-based roles to specialized, skilled, and multidisciplinary talent.
The promotion system is transparent and high-performing employees may apply for advancement through standard procedures. During the reporting period, 1,123 employees were granted rank promotions by the organization, representing a 32.12% increase compared to the number of employees promoted in 2024.

During the reporting period

Number of employees received promotions in position and rank
1,123

Percentage of female employees promoted:
24.49%



Employee Performance Management

For the purpose of enhancing organizational efficiency and employee capability, CHINT has implemented a scientific and transparent company-wide talent development and performance management system covering all manufacturing and office sites. The system adheres to principles of fairness, impartiality, and non-discrimination, aiming to unlock potential, optimize talent structure, and align with corporate strategy for the coordinated development of employees and the organization.

Closed-Loop Performance Management and Differentiated Implementation

Performance management is a dynamic closed-loop process: "goal setting – process coaching – evaluation and feedback – application and improvement." The Management maintains continuous communication with employees to ensure goal alignment and timely course corrections.

Differentiated Appraisal Mechanism

The Company conducts regular performance appraisals of business, strategic, and organizational/individual goals. Indicators are tailored to different groups, and results directly inform compensation, rank adjustments, training, and long-term incentives. We utilize systematic performance management to optimize our pay-for-performance ratio, ensuring incentives are both effective and competitive while maintaining internal equity. In 2025, 100% of employees were regularly covered by performance and career development appraisals.

Integrating Personal Development with Performance

The Company has deeply integrated Individual Development Plans (IDPs) into its performance management processes. Employees create IDPs based on job requirements and career goals, supported by company resources such as core training, project assignments, and job rotations. The Management regularly reviews development progress through the IDP system to evaluate performance and potential more comprehensively in performance evaluations, providing targeted coaching and support.

Handling of Employee Performance Complaints and Feedback

For the purpose of ensuring fairness and protecting employee rights, the Company has established a formal performance appeal mechanism. Employees who disagree with their performance evaluation process or results can file an appeal through official channels designated by the Human Resources Department. The Company is committed to conducting timely, objective, and confidential reviews of every appeal, providing final feedback based on facts and policy. This mechanism ensures the effective implementation of the final link of the performance management "closed-loop" — feedback and improvement, which is crucial for maintaining the system's credibility and a healthy organizational atmosphere.

Employee Development

Guided by our *Training Management* and *Mentorship Management* policies, we have established a comprehensive training system covering new staff orientation, professional skills, management capabilities, and self-development, ensuring employees acquire the necessary knowledge and skills at each position and career stage to support personal development. Our curriculum covers onboarding, professional skill-building, and management training, forming a complete development pipeline from foundational to expert levels. This year, the coverage rate of employees who received professional or vocational skills training reached 100%.

The Company coordinates annual training plans in line with regulations, strategic planning, and individual or departmental training demands, implements them through internal and external training methods, and maintains and tracks training records and outcomes to ensure effective execution and continual optimization.

The Company fully leverages internal and external resources by establishing an internal trainer team through the *Internal Trainer Management* program, standardizing management practices, and motivating employees with professional expertise to share their experiences, thereby achieving knowledge accumulation and inheritance. Internal trainers are managed through a full-cycle management closed-loop of "selection, cultivation, utilization, evaluation, and incentive," and receive specialized training in course design and delivery. We implement course satisfaction evaluations, lecturer point systems, and honor incentive mechanisms to encourage trainers to actively participate in teaching and experience sharing.

For external training, we regulate the introduction of external training resources, managing the process from selection, clarification of course objectives, tracking during the process, to post-training evaluation and follow-up reports, to ensure precise support for organizational development. Our training system covers online/offline platforms, workshops, and on-the-job practice, reinforced by mentorship and cross-functional projects to ensure knowledge transfer and application. The Company also facilitates skills competitions and integrates internal and external training resources to build a platform for technical staff that combines practice with certification, driving skill advancement and professional qualification acquisition.

Enterprise Knowledge & Training Cloud Platform

External Expert Online Learning Platform

Training Performance

The Company strengthens its workforce by building a training system that covers all employees. It continues to integrate training with business operations and global strategy to build a multi-dimensional digital training ecosystem. Through targeted, tiered empowerment, the Company provides customized courses for employees at all levels. Leveraging digital platforms to foster a learning organization, the Company drives the workforce's transition from quality optimization to performance excellence.

In 2025, the Company conducted 705 training sessions with a total investment of RMB 2.16 million. The average duration of employee training was 47.3 hours (47 hours for males and 48 hours for females), achieving an employee coverage rate of 100%.

Example: 2025 Red Leopard Training Camp – Lean Production Management

This year, to deeply implement the key initiatives of "quality improvement, cost reduction, and efficiency enhancement" and to strengthen foundational capabilities, the Supply Chain Management Department and Human Resources Department jointly launched the 2025 "Red Leopard Training Camp," piloting in Shanghai & Jiaxing. Focused on "solving practical problems" and guided by the concept of "integrating training and practice," the camp addresses four core trainee groups: core production staff, Production and Material Control (PMC) management, lean production, and equipment management. Through a project-based approach, in-depth coaching is provided on the production lines to create a closed-loop of improvement. At the same time, a tiered lean belt certification is implemented, aiming to achieve four major goals: talent growth, operational efficiency improvement, instructor cultivation, and standard accumulation—laying a solid foundation for the Company's "quality improvement, cost reduction, and efficiency enhancement" strategy.

Example: Golden Hands AI+BEST High-Efficiency Experience Extraction Workshop

This year, the Human Resources Department organized skills workshops for employees in professional and technical tracks. "Golden Hands" trainees and those who signed up independently from Jiaxing, Nanyang, Wuhan, and Xianyang gathered in Shanghai. Using AI technology and BEST high-energy extraction tools, they focused on personal professional contribution and replicating/transforming core organizational capabilities, sharing successful cases and operational methods for broader real-world application.

Example: Leadership Development—High-Potential (HiPo) Management Development Training Camp

The 2025 "Golden Seed & Golden Leaf" HiPo Management Development Training Camp officially launched in Songjiang, Shanghai. The General Manager of the Human Resources Department, alongside mentors, coaches, and 60 HiPo participants, gathered under the motto "deeply rooted, breaking through to become pillars" to begin their leadership development journey. This camp is a key initiative of the Company's talent strategy, aiming to build the core competencies of future leaders through a systematic development framework and inject sustained momentum into the organization.

Employee Benefits and Well-being

As a compassionate enterprise, the Company strictly fulfills its legal responsibilities as an employer. Through multi-dimensional care and support, we help employees achieve work-life balance and continuously enhance their sense of happiness and satisfaction. Focusing on welfare, holidays and activities, the Company continuously improves the employee welfare system. Based on compliant payment of statutory benefits such as the five social insurances and one housing provident fund, the Company actively and proactively addresses issues related to employees' meals, transportation, and housing through comprehensive non-salary benefits. The Company also regularly carries out festival greetings and employee activities to enrich employees' spare time, expressing the Company's care and love for employees in every detail.

Statutory Benefits System

The Company strictly complies with the *Labor Law of the PRC* and other regulations, providing all employees with social insurance (pension, medical, unemployment, work-related injuries, and maternity) and the housing provident fund. We ensure employees enjoy their rights to statutory holidays, sick leave, marriage leave, bereavement leave, and maternity leave. This year, the Company achieved a 100% social insurance coverage rate for all employees.

Democratic Management

The Company has established a sound democratic management system based on the employee representative assembly, and has set up organizations such as labor unions and party-mass groups. The Company respects and actively protects the rights and interests of employees, and ensures employees' right to participate and express themselves by holding employee representative assemblies regularly. These measures together constitute the Company's comprehensive practice in protecting democratic rights and interests, ensuring that the legitimate rights and interests of employees are fully protected, and also laying a solid democratic foundation for the Company's long-term development. During the reporting period, 126 employee representatives from various departments and levels attended the Employee Representative Assembly, deliberated, adopted, and signed the *Special Collective Wage Contract*; deliberated and adopted the *Compensation and Benefits Management* and *Employee Retirement Management* documents. 100% of employees at all company locations are covered by formal collective agreements regarding working conditions, and 100% of employees are represented by officially elected employee representatives.

Employee Representative Assembly

Support for Female Employees

CHINT prioritizes care for its female workforce, striving to create an inclusive and supportive environment. The Company strictly protects maternity leave rights, provides maternity benefits and health insurance, ensures equal pay for equal work, and maintains a zero-tolerance policy toward harassment. The Company empowers female employees to achieve personal growth alongside corporate development.

Career development support
Dedicated to breaking gender barriers, we include diverse indicators such as teamwork and innovation in promotion evaluations to reduce bias and empower women's professional growth.

Hardware facility support
Standardized lactation rooms have been established in office areas to provide private and comfortable spaces for pregnant and breastfeeding employees.

Specialised care
Provide suitable job adjustments for pregnant employees, flexible nursing breaks for breastfeeding mothers, and maternity leave in accordance with the law.

Care for female employees on holidays
Distribute customized gifts and organizing social events for holidays such as International Women's Day and Mother's Day.

Female representatives attending the Shanghai Women's Innovation Workshop

Parent-Child Craft Activity: Home Organizing and Storage

Celebrate "Her Power" in the Workplace on International Women's Day

CHINT Smart Energy Industrial Cluster Women's Federation Parent-Child Activity

Work-Life Balance

Active in the "Fitness for All" movement, the Company promotes the philosophy of "happy work, healthy life." Our health system focuses on health management, cultural/sports activities, and holistic care. Key initiatives include regular occupational health checkups, mental health promotion, and sports events like badminton and basketball to support physical and mental well-being.

"Jingcai" Presents: The Night of CHINT Concert

2025 "Taixing Cup" Table Tennis Tournament

"Savor the Joyful Moments" Dragon Boat Festival Event

"Healthy CHINT" Walking Event

Summer Men's Basketball League

CHINT Shines at "Qingning Cup" Badminton Tournament

Support for Employees

CHINT regards its employees as its most valued partners and members of the corporate family. We believe that exceptional companies should create both business value and provide warmth and support. The Company has established a robust system of support for employees led by the Labor Union and supported by the Management. This diversified mechanism combines material assistance with emotional support, providing both routine care and emergency aid. Through comprehensive benefit policies, timely hardship assistance, and diverse cultural activities, we provide a strong support system for employees and their families. Our goal is to foster a "home-like" sense of belonging and unity, allowing every CHINT employee to work with peace of mind and live a fulfilling life.

Summer Art Camp for Employees' Children

"Beat the Heat" Care Event for Frontline Employees

Education Rewards for Employees' Children

Manufacturing Department Upgrades Employee Break Rooms

Employee Satisfaction Surveys

The Company regularly conducts employee satisfaction and feedback surveys through multiple channels, covering work environment, career development, and well-being. The Company conducts employee satisfaction surveys across all manufacturing sites in China to systematically and comprehensively understand employees' real feedback on the company's development strategy, operational management, and other relevant aspects, thereby continuously fostering an organizational culture of open communication and continuous improvement. Surveys are implemented through the Lark official account, QR codes, and other convenient methods.
This year, the employee engagement score was 84 and the employee satisfaction score was 82.5. Employee engagement increased by 0.3 points compared to 2024. Employee satisfaction increased by 1.5 points year-on-year.

OHS

The Company strictly complies with the OHS laws, guidelines, and regulations of the regions where it operates, including the *Work Safety Law of the PRC*, the *Law on the Prevention and Control of Occupational Diseases of the PRC*, the *Administrative Measures for Emergency Plans for Production Safety Accidents*, and the *Labor Law of the PRC*. We prioritize OHS by strengthening preventive risk management through risk control, emergency management, and safety training. We aim to enhance safety awareness and build a healthy, safe, and comfortable work environment for all employees.

Governance

The Company places OHS at the core of its operational management, establishes a strong concept of safety development, and adheres to the principle of "safety first, prevention-oriented, and comprehensive management." We uphold a preventive safety management concept of "risks are controllable, hazards are rectifiable, and accidents are preventable." The Safety Production Committee, led directly by the President, is responsible for auditing and issuing work safety policies and making decisions on major safety issues. The Safety and Environmental Protection Department oversees safety management, appoints safety representatives in each department to assist with internal audits of work safety production, and formulates corresponding work safety management systems tailored to the actual circumstances of each department, and regularly investigates and rectifies potential safety hazards. Additionally, each subsidiary has a dedicated work safety department with sufficient full-time and part-time staff to ensure strict enforcement and monitoring of safety standards. In 2025, we achieved a 100% signing rate for work safety target responsibility agreements and 100% coverage rate for accountability appraisals, ensuring safety responsibilities are embedded at every level and position.

We strictly comply with local laws and regulations, such as the *Work Safety Law of the PRC*, the *Law on the Prevention and Control of Occupational Diseases of the PRC*, and the *Administrative Measures for Emergency Plans for Production Safety Accidents*, taking ISO 45001 as the framework to establish a systematic OHS management system. We have formulated supporting documents covering the entire process, including the *Environmental and OHS Management System Manual*, *All-Staff Work Safety Responsibility Management*, *Management of Identification of Hazard Sources and Environment Factors and Risk Evaluation*, *Safety Production Accident Hazard Investigation and Management*, *Emergency Management for Production Safety Accidents*, and *Occupational Health Management*, continuously consolidating the foundation of management. In 2025, we made significant progress in OHS management system, with 14 major manufacturing subsidiaries passing ISO 45001:2018 certification audits.

For the purpose of ensuring clear commitment and standardized management, the Company's OHS policy covers all interested parties, including employees, customers, suppliers, and communities. We are committed to continuous improvement of the OHS management system, with "zero production safety accidents" as the management goal, systematically reducing health and safety risks throughout the full operation process. All major operational sites have been covered.

Strategy

In the field of OHS, the Company takes "caring for life, everyone's responsibility, technological support, cleaner production, green and low-carbon, and ecological friendliness" as its core policy, placing employees' life health and safe operations in a primary strategic position. We implement the top-level goal of "six zeros in work safety", building a systematic and standardized safety management system, and are committed to creating a healthy and safe work environment. By establishing a complete safety responsibility system and strengthening full participation and scientific management, the Company continuously improves work safety measures to ensure that various safety management tasks are effectively executed.

We foster employee awareness and a deep-rooted safety culture to minimize risks, providing a solid foundation for smooth business operations.

Core Dimension	Identification of Key Risks & Opportunities	Strategic Planning & Response	Expected Value & Impact (Financial/Non-Financial)	Time frame[15]
Accidents and operational disruptions	Risks: Serious safety accidents in the production process, such as mechanical injuries, fires and explosions, hazardous chemical leaks, and falls from heights, may lead to casualties, long-term production stagnation, major asset damage, huge compensation, and irreparable damage to brand reputation. Opportunities: By achieving excellent safety performance and building an intrinsically safe operational system, we can maximize business continuity and supply chain stability, fulfill customer orders during crises, translate ultra-high reliability into market competitive advantages, and win the long-term trust of high-end markets and risk-sensitive customers.	➢According to the *Management of Identification of Hazard Sources and Environment Factors and Risk Evaluation* procedure, comprehensive risk source identification is conducted regularly every year, and control measures are updated. ➢Based on the risk identification results, annual OHS objectives and work plans are formulated, and special control procedures such as *Hazardous Operation Safety Management* and *Special Equipment Safety Management* are strictly implemented. ➢Establish an emergency response plan system and regularly conduct drills to mitigate the consequences of accidents and accelerate recovery.	Direct losses: medical, pension, and compensation costs for casualties; equipment repair or replacement costs. Indirect losses: revenue loss during production suspension; liquidated damages for delayed order delivery; and extra costs incurred for resuming production.	Short-term Middle-term Long-term
Compliance and legal risks	Risk: Failure to comply with increasingly stringent national and local laws and regulations such as the *Work Safety Law*, the *Law on the Prevention and Treatment of Occupational Diseases*, and the *Fire Protection Law*, as well as customer or project-specific EHS standards, facing risks of administrative penalties (fines, orders to suspend production or business), revocation of qualifications, cancellation of project bidding qualifications, and even criminal liability. Opportunities: Proactively managing emerging risks (e.g., ergonomics, mental health) improves employee well-being and attendance, driving "healthy productivity" and reinforcing our position as an industry leader.	➢Establish and certify a management system based on the ISO 45001 standard as the foundation for compliance management. Conduct regular compliance evaluation. ➢Formulate and implement complete work safety rules and regulations. Communicate safety standards and protocols to all employees. ➢Provide regular training on mandatory safety laws and standards to ensure compliance, particularly regarding statutory requirements for special operations and occupational health monitoring.	Financial penalties: significant administrative fines. Operating costs: revenue loss from shutdowns and capital expenditure required for remedial actions. Market access: loss of eligibility for international projects or high-end customer contracts. Reputational damage: negative publicity from regulatory notices harming corporate image.	Short-term Middle-term Long-term
Business continuity and supply chain resilience risks	Risks: Natural disasters, major safety incidents or public health events may lead to the closure of key bases, supply chain disruption, delivery defaults and customer loss. Opportunities: Strong emergency response and business continuity capabilities provide differentiated resilience, ensuring delivery and winning long-term customer trust during a crisis.	➢Integrate occupational health and safety as a core component of business continuity plans. Improve the response and recovery capability for emergencies through emergency response plans and drills. ➢Exert EHS influence on contractors and suppliers through Interested party management procedures to reduce the conduction risk of supply chain disruption.	Revenue and profit loss: direct sales impact from large-scale, prolonged operational downtime. Customer relations and market loss: loss of key customers due to inability to deliver, and potential payment of high contract liquidated damages.	Short-term Middle-term Long-term

[15]Short-term: 1–3 years; medium-term: 3–5 years; long-term: over 5 years.

Impact, Risk, and Opportunity Management

The Company establishes work safety and occupational health risk management processes. Through risk identification, risk prevention, risk monitoring and screening, risk handling, reporting and system improvement, it continuously optimizes the risk list and prevention and control plans to fully guarantee the occupational health of employees and the safety of the working environment.

Management Measures

We integrate strategic planning into daily operations through systematic risk management processes and control measures that translate objectives into preventive and corrective actions.

■ Full-process Risk Management

We conduct hazard identification and risk evaluation at the source, and implement control measures based on risk levels with regular verification. Following the "hierarchy of controls" (elimination, substitution, isolation, engineering control, management control, and PPE), we minimize safety risks from the root by replacing manual tasks with automated and digital solutions.

■ Occupational Health Protection

We provide statutory work-related injuries insurance for employees in accordance with the law, regularly invite third-party organizations to conduct occupational hazard testing, evaluation and health check-ups, establish occupational health records for employees, and ensure their health. We provide employees with appropriate Personal Protective Equipment (PPE) tailored to their specific job risks.

■ Emergency Management System

In compliance with regulations, we maintain a comprehensive emergency response system comprising general, specialized, and on-site emergency response plans. We also conduct annual emergency drill plans to strengthen employees' self-rescue, mutual aid, and incident response capabilities.

■ Safety Education and Training

We execute annual training programs covering safety topics such as three-level safety orientation for new hires, specialized operations, and risk prevention.

■ Contractor and Partner Safety Management

We define clear safety requirements for suppliers and contractors across the entire project lifecycle, from screening and onboarding to construction, equipment acceptance, and site exit. We prioritize labor rights in the supply chain and conduct regular safety evaluation of suppliers to drive continuous improvement.

■ Employee Hazard Reporting

Employees can report safety hazards and suggest improvements via multiple channels, including the "hazard reporting" module on our work safety information platform and direct on-site communication.

■ Safety Incident Investigation and Processing Flow

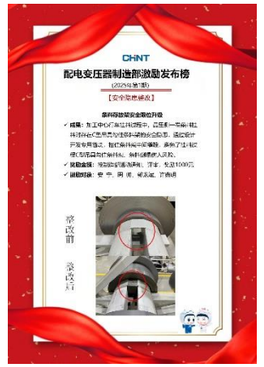
Our comprehensive incident investigation mechanism follows a structured process: team formation, site inspection, interviews, evidence collection, root cause analysis, accountability, report approval, and the implementation of long-term corrective actions to ensure a closed-loop resolution.

Example: Fire Emergency Evacuation Drill

For the purpose of further enhancing fire safety awareness and emergency response capabilities, the Power Transformer Manufacturing Department conducted a fire evacuation drill on the afternoon of November 24, 2025. The event also included training on fire extinguisher usage and fire pump operations.

Example: Safety Improvement Achievements and Incentives

For the purpose of promoting employee engagement in safety management, we have established an incentive program for safety hazards rectification, covering multiple dimensions such as equipment renovation, process optimization, and environmental improvements. At the distribution transformer manufacturing EHS meeting in July 2025, EHS management results were summarized, 12 benchmark projects for the rectification of safety hazards and 67 employee rationalization suggestions were formally recognized, and outstanding improvement projects were awarded.



Example: Behavior-Based Safety (BBS) Workshop

On May 8, 2025, the Safety and Environmental Protection Department, together with the Songjiang District Work Safety Association, jointly hosted the "BBS Behavior-Based Safety Exchange Workshop." The workshop aimed to promote the implementation and practice of BBS principles within the Company. It also explored innovative applications of UWB (Ultra-Wideband) positioning technology to support BBS management, helping the Company to build a more comprehensive, precise, and efficient safety management system.

Example: Red Cross First Aid Training

For the purpose of enhancing emergency response skills and ensuring employees can effectively provide first aid during emergencies. The Safety and Environmental Protection Department invited a professional team from the local Red Cross on April 17 to provide emergency first-aid certification training for CHINT Electric Co., Ltd. employees. The training covered theoretical instruction and practical drills. 81 participants systematically learned critical skills such as CPR and trauma care, adding another line of defense for life safety.

Example: On-the-job Occupational Health Checkups

For the purpose of complying with the *Law on the Prevention and Control of Occupational Diseases of the PRC* and relevant technical standards, CHINT Electric Co., Ltd. conducted occupational health checkups at its Songjiang Park from March 24, 2925 to March 25, 2025, to safeguard employee health. This health checkup covered 385 employees in roles involving or exposed to occupational disease hazards, aiming at comprehensive health examinations to enable timely detection and prevention of occupational diseases, thus building a health safeguard for employees.

Example: Mental Health Awareness Seminar

The Labor Union and the Safety and Environmental Protection Department of CHINT Electric Co., Ltd. jointly planned a special seminar on mental health themed "Exploring the Truth of Emotions—Opening Communication Channels," successfully held at the A3 Ground Floor Auditorium of CHINT Zhidian Park on April 24, 2025. By organizing a series of mental health-related activities, we effectively broke down departmental barriers and hierarchical boundaries, enabling mental health knowledge to reach a wider range of employees and helping all colleagues maintain a positive mindset to better balance work and life.

Indicators and Targets

For the purpose of measuring our occupational health and safety performance and driving continuous improvement, we track the following KPIs.

Key Performance 2025

Investment in OHS and work safety
RMB **30.4253 million**

Work safety responsibility appraisal coverage rate
100 %

Closed-loop safety hazards rectification rate
99.15 %

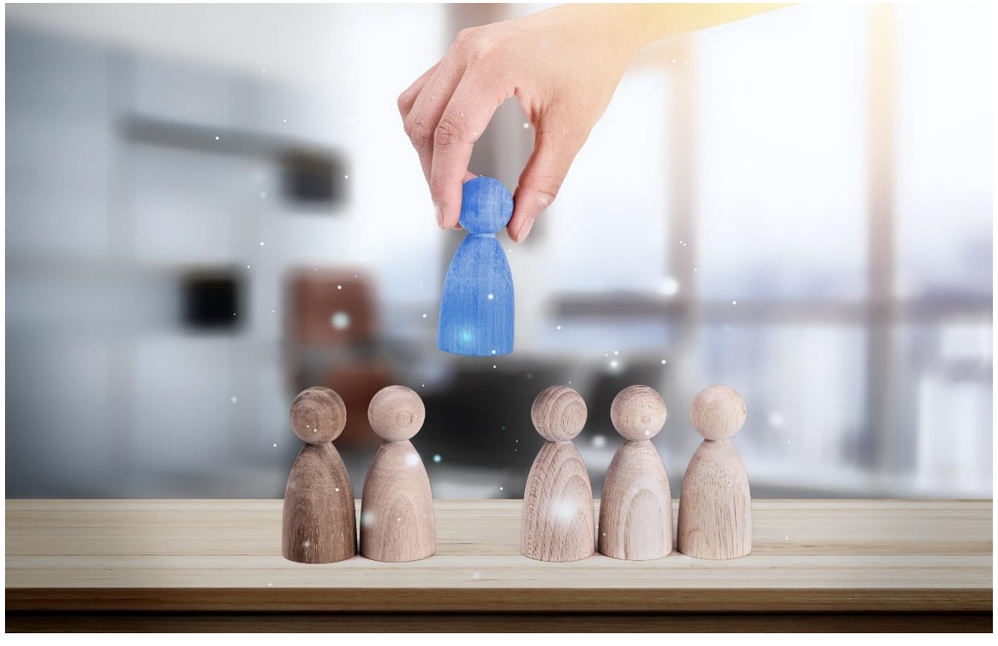
Number of major safety incidents
0

Percentage of operational sites that have undergone employee health and safety risk assessments
100 %

Number of emergency drills for sudden accidents
136

Lost time injury frequency rate (LTIFR)
0.4854 occurrence/1 million work hours

Work-related injury severity rate
17.56 days/1 million work hours



Social and Community Contributions

The Company incorporates rural revitalization, community development, public welfare and charity into its own sustainability strategy and the "14th Five-Year Plan". Adhering to the concept of common development between enterprises and society, the Company actively responds to the *Opinions of the CPC Central Committee and the State Council on Comprehensively Promoting Key Work of Rural Revitalization* through industrial assistance, education empowerment, ecological protection, infrastructure construction and support for key project construction. The Company has also prepared the *Donations and Sponsorship System* to further regulate its own external donations and fulfill its corporate citizenship responsibilities to give back to society.

Community Volunteer Public Welfare and Charity

Guided by the philosophy of "shared responsibility and mutual prosperity", the Company has incorporated community-focused public welfare into its sustainability strategy, with particular attention to educational equity, support for vulnerable groups, and cultivation of community resilience. Through a model combining Party-building, Communist Youth League development, volunteer services, and charitable donations, the Company is building a sustainable public welfare system.

Example: 2025 "Learning from Lei Feng" Volunteering Campaign

For the purpose of commemorating the 62nd anniversary of the inscription "Learning from Comrade Lei Feng", vigorously promoting the "Lei Feng Spirit" and the volunteer spirit of "dedication, friendship, mutual aid, and progress", actively participating in the building of civilized units, helping build harmonious communities, and passing on the warmth of society, the Party Committee, Labor Union, Youth League Committee, and Women's Federation of the CHINT Smart Energy Industry Cluster jointly organized the 2025 "Learning from Lei Feng" Volunteer Service Day Event at CHINT Keqinyuan on the morning of March 1.

Example: Expert Medical Consultation Event

In partnership with the Songjiang District CPPCC Education, Science, Health and Sports Committee, healthcare professionals, the Economic Development Zone liaison group, the District Health Commission, and the Administrative Committee of the Economic Development Zone, we successfully supported the expert medical consultation event at the CHINT Zhidian Park sunken plaza on April 30, 2025. Through diversified services including health consultations, scientific education, and first-aid training, the event empowered the business environment with robust health initiatives, injecting new vitality into the high-quality development of the private sector.

Social Contribution

The Company actively responds to national strategies, always integrates rural revitalization into its corporate development strategy, adheres to the practical model of combining power transmission equipment with rural revitalization, builds various projects in remote and underdeveloped areas, promotes energy equity, and helps green development.

Example: Guoke Huaxin Xianju 75 MW Agri-Solar hybrid PV Power Generation Project

The Guoke Huaxin Xianju 75 MW Agri-Solar hybrid PV Power Generation Project, located in Shangchen Village and Yanzhuang Village, Hengxi Town, utilizes over 1,400 mu of camellia oil plantations for sustainable solar power generation. Step-up box-type substations and Gas-Insulated Switchgear (GIS) are key equipment in the important stages from PV power generation to grid connection, affecting the overall equipment stability and power generation efficiency of the plant. As the electrical equipment service provider, CHINT provided box-type transformer equipment. Through core equipment empowerment, it has strongly promoted the coordinated development of PVs and agriculture, injecting substantial technical momentum into energy transition and rural revitalization.

Summary of Sustainability Performance Data

Indicator	Unit	2025	2024	2023
Economic performance[1]				
Annual operating income	RMB 100 million	129.64	114.65	105.7
Total assets	RMB 100 million	124.44	104.98	93.6
Net profit	RMB 100 million	7.15	5.87	3.06
Corporate Governance				
Number of board members	persons	5	7	7
Number of female board members	persons	0	1	1
Percentage of female directors	%	0	14.30	14.30
Average board meeting attendance rate	%	100	100	100
Risk management and internal control				
Coverage rate achieved for compliance risk audits of operational sites	%	28.57	/	/
Rectification and closure rate for compliance audit findings	%	100	/	/
Coverage rate of employee compliance and risk management training	%	100	/	/
Compliance due diligence coverage rate for key third parties (suppliers/contractors)	%	100	/	/
Coverage rate of employee compliance and risk management training	%	100	/	/
Total tax paid[2]	RMB 100 million	3.67	3.26	2.81
Business Ethics and Anti-corruption				
Number of reports filed through whistleblowing procedures	Case	0	0	0
Percentage of locations with internal and external interested parties' whistleblowing procedures	%	100	100	/
Number of confirmed corruption incidents	Case	0	0	0
Number of confirmed conflicts of interest violations	Case	0	0	0
Number of major lawsuits involving corruption, bribery, conflicts of interest, money laundering, or insider trading	Case	0	0	0
Percentage of employees trained in business ethics	%	100	100	100
Coverage rate of directors trained in business ethics (code of conduct, integrity, etc.)	%	100	100	100
Percentage of sites undergoing internal evaluations or reviews for specific business ethics issues	%	28.57	/	/
Percentage of high-risk business partners covered by anti-corruption due diligence	%	100	/	/
Number of cases in which the Company was sanctioned by relevant authorities for unfair competition practices or violations of antitrust laws in its operations	Pcs.	0	0	0
Amount involved in lawsuits or major administrative penalties due to the Company's unfair competition	RMB 10,000	0	0	0
Number of operational sites with ISO 37001 anti-bribery management system certifications	Pcs.	1	1	0
Signing rate of the integrity, compliance, and anti-corruption commitment of business partner	%	100	100	/
Signing rate of integrity, compliance, and anti-corruption commitment of employees	%	100	100	100
Completion rate of conflicts of interest disclosures for new employees	%	100	100	100

Indicator		Unit	2025	2024	2023
Data Security and Customer Privacy Protection					
Confirmed information security and customer privacy breaches		Pcs.	0	0	0
Economic losses from data security incidents and customer privacy breaches		RMB 10,000	0	0	0
Percentage of major raw material suppliers covered by information security due diligence		%	100	100	/
Total substantiated customer privacy complaints (Substantiated external complaints + Regulatory complaints)		Pcs.	0	0	0
Total confirmed instances of customer data leakage, theft, or loss		Times	0	0	0
Number of operational sites with ISO 27001 information security certification		Pcs.	3	1	0
Innovation-driven and sustainable business					
R&D investment		RMB 100 million	6.33	6.15	5.45
Total amount of R&D investment in clean technology products and services		RMB 10,000	3520	581	872
Total R&D personnel		persons	988	/	/
Intellectual property rights infringement incidents during the reporting period		Times	0	0	0
Valid patents at the end of the reporting period	Total valid patents held by the Company	Pcs.	913	736	616
	Number of invention patents	Pcs.	143	95	71
	Number of utility model patents	Pcs.	718	605	519
	Number of design patents	Pcs.	52	36	26
	Overseas patents granted	Pcs.	5	1	1
Newly granted patents during the reporting period	Total newly granted patents	Pcs.	177	121	112
	Newly granted patents as a percentage of total patents for the year	%	19	16	18
	YoY growth rate of newly granted patents	%	32	7	43
	Number of new invention patents	Pcs.	48	24	19
	Number of new utility model patents	Pcs.	113	87	90
	Number of new design patents	Pcs.	16	10	3
	Number of newly registered software copyrights	Pcs.	44	33	21
	Number of newly granted overseas patents	Pcs.	4	1	1
Number of intellectual property system certifications for operational plants (regions)		Pcs.	6	2	2
Number of high-tech enterprise certifications		Pcs.	8	/	/
National science and technology awards (current period)		Item	4	3	1
Cumulative national science and technology awards received		Item	8	4	1
Number of international standards led or co-developed		Item	0	0	0
Number of national standards led or co-developed		Item	6	5	10
Number of local standards led or co-developed		Item	0	0	0
Number of industry standards led or co-developed		Item	2	0	3
Number of group standards led or co-developed		Item	4	1	0

Indicator		Unit	2025	2024	2023
Product quality and safety					
Number of major safety responsibility incidents regarding product and service-related safety and quality		Times	0	0	0
Amount involved in major safety responsibility incidents regarding product and service-related safety and quality		RMB 10,000	0	0	0
Pass rate of one-time submission for finished products		%	98.13	/	/
External audit qualification rate		%	100	100	100
Number of operational plants with ISO 9001 QMS certifications		Pcs.	15	15	14
QMS certification coverage rate for operational plants		%	100	100	100
Number of voluntary and mandatory product recalls due to quality issues		Times	0	0	0
Types of product recalls due to quality issues	Number of voluntary product recalls	Times	0	0	0
	Number of passive product recalls	Times	0	0	0
Customer service and satisfaction					
Timely response rate to customer complaints		%	100	100	100
Customer complaint resolution rate (domestic and international)		%	100	100	100
Customer satisfaction		%	90.5	89.13	85.99
After-sales service satisfaction		%	93.1	91.3	90.5
Responsible marketing					
Number of incidents involving violations of marketing regulations (advertising, marketing, sponsorship) or voluntary codes		Pcs.	0	0	0
Number of incidents involving violations of regulations or voluntary codes regarding product and service information and labeling		Pcs.	0	0	0
Sustainable supply chain					
Total number of qualified suppliers		Nos.	894	1009	/
Number of suppliers in the Chinese mainland		Nos.	891	1006	/
Number of suppliers in Hong Kong, Macau, and Taiwan regions		Nos.	3	3	0
Number of overseas suppliers		Nos.	0	0	0
Number of target suppliers		Nos.	657	726	/
Percentage of total procurement spend with target suppliers		%	98	97	/
Percentage of suppliers certified to ISO 45001		%	43	37	35
Percentage of suppliers certified to ISO 14001		%	48	35	33
Percentage of new suppliers screened using environmental and social evaluation criteria		%	100	100	100
Percentage of supplier contracts containing environmental, labor, and human rights clauses		%	100	95	90
Percentage of target suppliers[3] that have signed a sustainable procurement charter or supplier code of conduct		%	100	95	90
Percentage of suppliers that completed conflict minerals traceability or investigations		%	100	100	/
Number of suppliers identified with "conflict minerals" risks		Nos.	7	9	/

Indicator	Unit	2025	2024	2023
Coverage rate of suppliers signing the *Conflict-Free Minerals Commitment*	%	100	100	/
Percentage of suppliers that provided conflict minerals information	%	100	100	/
Percentage of suppliers undergoing environmental compliance checks	%	100	100	100
Percentage of suppliers undergoing environmental impact evaluations	%	100	100	100
Number of suppliers undergoing environmental impact evaluations identified as having significant actual or potential negative environmental impacts	Nos.	0	0	0
Percentage of suppliers undergoing social impact evaluations	%	100	100	100
Number of suppliers undergoing social impact evaluations identified as having significant actual or potential negative social impacts	Nos.	0	0	0
Percentage of target suppliers that have undergone CSR evaluations	%	100	100	/
Percentage of target suppliers that have undergone on-site CSR audits	%	65	66	/
Number of supplier training sessions on environmental and social issues	Times	139	87	/
Percentage of purchasers across all regions who have been trained in sustainable procurement	%	100	100	100
Number of audited or evaluated suppliers participating in improvement actions or capacity building	Nos.	132	106	/
Cope with climate change				
GHG emissions (Scope I + Scope II, market-based)	Tons of carbon dioxide equivalent	245,335.82	/	/
Total GHG emissions (Scope I + Scope II) (region-based)	Tons of carbon dioxide equivalent	250,456.49	/	/
Scope I GHG emissions[4]	Tons of carbon dioxide equivalent	220,659.29	/	/
Scope II GHG emissions (market-based)[5]	Tons of carbon dioxide equivalent	24,676.53	/	/
Scope II GHG emissions (region-based)[6]	Tons of carbon dioxide equivalent	29,797.2	/	/
GHG emissions intensity (Scope I + Scope II) (market-based)	Tons of carbon dioxide equivalent/RMB 10,000 of output value	0.1948	/	/
Number of emission reduction projects in progress	Item	20	12	/
Annual emission reductions from projects in progress	Tons of carbon dioxide equivalent	165332	226,772.1	/
Energy use and transition				
Total energy consumption[7]	Tons of standard coal	12,154.4	8,902.9	9,026.6
Energy consumption intensity	Tons of standard coal per RMB 10,000 of output value	0.00965	0.00915	/
Direct energy: Total direct energy consumption	Tons of standard coal	4,926.98	3,764.98	4,343.56
Direct energy: Diesel consumption	Ton	24.3	38.60	47.69
Direct energy: Natural gas consumption	Cubic meter	2555739	1927234	2575798

Indicator		Unit	2025	2024	2023
Indirect energy	Total indirect energy consumption	Tons of standard coal	8,619.93	6,437.83	5,671.90
	Purchased steam consumption	Tons of standard coal	1,492.42	1,145.51	863.213
	Total electricity consumption	Megawatt-hour	57,993.80	43,061.99	39,126.88
	Purchased electricity consumption	Megawatt-hour	54,641.03	39,998.73	37,538.48
Total renewable energy production[8]		Megawatt-hour	412.13	376.47	195.21
Total renewable energy consumption[9]		Tons of standard coal	2,230.19	769.27	195.21
Percentage of renewable energy consumption in total energy consumption		%	18.5	8.5	2.1
Number of operational sites (factories) with ISO 50001 EMS certification		Pcs.	5	4	/
Environmental compliance management					
Occurrences of environmental violations		Case	0	0	0
Amount of major administrative penalties imposed by ecological environment and other relevant departments due to environmental incidents during the reporting period		RMB 10,000	0	0	0
Total investment in environmental governance		RMB 10,000	1,324.97	822.13	785
Percentage of employees receiving specialized environmental training		%	100	100	100
Environmental protection training sessions		Times	28	26	25
Number of factories/subsidiaries with ISO 14001 EMS certification		Pcs.	14	13	13
Number of national green factories		%	2	0	1
Number of provincial green factories		%	3	0	1
Emergency drill coverage rate for sudden environmental incidents at operational sites		%	100	100	100
Number of environmental emergency drills		Times	17	/	/
Pollutant management					
Exhaust emission compliance rate		%	100	100	100
Exhaust (Shanghai Site)	Total exhaust emissions	Ton	6,229.96	5,614.36	5352
	Emissions of particulate matter (PM) in exhaust	Ton	0.93	0.74	1.01
	Emissions of sulfur oxides (SOx) in exhaust	Ton	0	0	0
	Emissions of nitrogen oxides (NOx) in exhaust	Ton	0.21	0	0.25
	Emissions of volatile organic compounds (VOCs) in exhaust	Ton	2.247	5.8	5.15
Wastewater discharge compliance rate		%	100	100	100
Wastewater (Shanghai Site)	Wastewater discharge volume	Ton	120780	98730	159930
	Industrial wastewater discharge volume	Ton	3924	9076	12000
	Domestic wastewater discharge volume	Ton	116856	89654	165700
	Chemical oxygen demand (COD) emissions in wastewater	Ton	3.259	0.371	0.107
	Biochemical oxygen demand (BOD) emissions in wastewater	Ton	0.84	0.063	0.021
	Ammonia nitrogen (NH3-N) emissions in wastewater	Ton	1.21	0.024	0.009

Indicator		Unit	2025	2024	2023
Water resources utilization					
Total water intake		ML	134.2	109.7	/
Total water discharge		ML	120.78	98.73	/
Total water consumption		ML	13.42	10.97	/
Reused water volume		ML	7	7	/
Total water usage		ML	2,687.38	2,662.88	/
Recycled water volume		ML	2,553.18	2,553.18	/
Water recycling rate		%	95.01	95.88	/
Waste management					
Total harmful (hazardous) waste generation/discharge		Ton	546.58	335.92	306.0
Emission intensity of harmful (hazardous) waste		Tons/RMB 10,000 of output value	0.00043	0.00035	/
Total harmful (hazardous) waste disposal		Ton	546.58	335.92	306.0
Hazardous waste disposal compliance rate		%	100	100	100
Total harmful (hazardous) waste reused/recycled		Ton	221.67	72.22	79.60
Comprehensive utilization rate of harmful (hazardous) waste		%	40.56	21.50	26.01
Non-hazardous (general) waste generation/discharge		Ton	13033	11567	9326
Total non-hazardous (general) waste reused/recycled		Ton	12182	10761	8486
Comprehensive utilization rate of non-hazardous (general) waste		%	93.0	93.0	91.0
Labor practices and management					
Labor and human rights					
Labor contract signing rate		%	100	100	100
Social insurance coverage rate		%	100	100	100
Percentage of operational sites subjected to human rights impact or risk assessments		%	100	100	/
Incidents of child labor, forced labor, and human trafficking		Case	0	0	0
Percentage of employees trained on human rights-related policies or procedures during the reporting period		%	100	100	/
Number of incidents of discrimination or harassment		Case	0	0	0
Operational sites certified to SA8000 Social Accountability Management System		Pcs.	1	1	0
CSR training coverage rate		%	100	100	/
Employment					
Total number of employees		persons	6241	5667	5500
By gender	Number of female employees	persons	1436	1305	1305
	Percentage of female employees	%	23.00	23.30	23.70
	Number of male employees	persons	4805	4375	4195
	Percentage of male employees	%	77.00	76.70	76.30
By age	Number of employees aged under 30	persons	1868	1690	/
	Number of employees aged 30 to 50	persons	3927	3625	/
	Number of employees over 50 years old	persons	446	352	/

Indicator		Unit	2025	2024	2023
By work location	Number of employees in the Chinese mainland	persons	6223	/	/
	Number of overseas employees	persons	18	/	/
By management level	Number of grassroots employees	persons	5826	/	/
	Female	persons	1355	/	/
	Number of junior management employees	persons	216	/	/
	Female	persons	49	/	/
	Number of intermediate management employees	persons	144	/	/
	Female	persons	24	/	/
	Number of senior management employees	persons	55	/	/
	Female	persons	8	/	/
Total employees from ethnic minorities and/or vulnerable groups		persons	303	293	/
Percentage of employees from ethnic minorities and/or vulnerable groups in senior management		%	12.73	/	/
By educational background	Ph.D. holders	persons	6	/	/
	Master's degree holders	persons	183	/	/
	Undergraduate	persons	2008	/	/
	Junior college and below	persons	4044	/	/
By discipline	Technical and R&D personnel		988	/	/
	Sales employees	persons	561	/	/
	Administrative and financial personnel	persons	424	/	/
	Production employees	persons	3069	/	/
New hires during the reporting period	Total number of new employees	persons	1245	893	/
	Male	persons	1008	704	/
	Female	persons	237	189	/
	Han	persons	1166	/	/
	Ethnic minorities	persons	73	/	/
	Foreign nationals	persons	6	/	/
	Aged under 30	persons	725	/	/
	30–50 years old	persons	505	/	/
	Over 50 years old	persons	15	/	/
	The Chinese mainland	persons	1239	/	/
	Hong Kong, Macau, and Taiwan regions	persons	0	/	/
	Overseas employees	persons	6	/	/

Indicator		Unit	2025	2024	2023
Democratic Management					
Collective bargaining agreement signing rate		%	100	100	100
Percentage of employees across all locations covered by formal collective bargaining agreements regarding working conditions		%	100	100	100
Percentage of employees at all company locations covered by elected employee representatives		%	100	100	100
Proportion of employees represented by collective agreements signed between the Labor Union and the Company		%	2	2.3	/
Employee satisfaction		Score	82.5	81	82.1
Employee engagement		Score	84	83.7	85.5
Equal pay for equal work					
Percentage of employees who receive regular performance and career development evaluations		%	100	100	100
Percentage of direct employees covered by the subsistence wage benchmark analysis		%	100	100	/
Percentage of direct employees earning less than a subsistence wage among all employees			0	0	/
Percentage of employees whose pay is below the subsistence wage		%	0	0	/
Unadjusted average gender pay gap		%	1.13	1.17	/
Employee Promotion	Number of employees promoted	persons	1123	850	/
	Number of male employees promoted	persons	848	707	/
	Number of female employee promotions	persons	275	143	/
Employees' rights and benefits					
Number of employees taking parental leave (including maternity leave, etc.)		persons	336	/	/
Number of male employees taking parental leave (including maternity leave, etc.)		persons	229	/	/
Number of female employees taking parental leave (including maternity leave, etc.)		persons	107	/	/
Number of employees returning to work after parental leave (including maternity leave, etc.) during the reporting period		persons	336	/	/
Number of male employees returning to work after parental leave (including maternity leave, etc.) during the reporting period		persons	229	/	/
Number of female employees returning to work after parental leave (including maternity leave, etc.) during the reporting period		persons	107	/	/
Total employees who returned to work after parental leave and remained employed after 12 months		persons	311	/	/
Total male employees who returned to work after parental leave and remained employed after 12 months		persons	214	/	/
Total female employees who returned to work after parental leave and remained employed after 12 months		persons	97	/	/
Return-to-work rate of employees on parental leave[10]		%	100	/	/
Retention rate of employees on parental leave[11]		%	92.5	/	/

Indicator		Unit	2025	2024	2023
Employee training					
Total employee training expenses		RMB 10,000	216	228	240
Per capita training expenditure		RMB/person	346.1	402.3	436.4
Number of employee training sessions		Times	705	661	587
Coverage rate of employee training		%	100	100	100
Total duration of employee training		Hour(s)	295313	203116	195250
Total duration of female employee training		Hour(s)	68604	46716	46274
Total duration of male employee training		Hour(s)	226709	156400	148976
Average training hours	Average duration of employee training	Hour(s)	47.3	35.84	35.5
	Average duration of female employee training	Hour(s)	48	35.34	35.46
	Average duration of male employee training	Hour(s)	47	36	35.51
OHS					
Investment in OHS and work safety		RMB 10,000	3,042.53	1783	1150
Work safety responsibility appraisal coverage rate		%	100	100	100
Closed-loop safety hazards rectification rate		%	98.29	98.1	99.55
Number of major production safety accidents		Case	0	0	0
Work-related fatalities		persons	0	0	0
Number of work-related accidents		Case	6	14	16
Lost days due to work-related injuries, fatalities, and ill health[12]		Day(s)	217	475	875
Lost time injury frequency rate (LTIFR)[13]		Occurrence/1 million work hours	0.49	1.24	1.45
Work-related injury severity rate[14]		Day/1 million work hours	17.56	41.91	79.55
Incidence of occupational diseases		%	0	0	0
Coverage rate of employee occupational health examinations		%	100	100	100
Percentage of operational sites that have undergone employee health and safety risk assessments		%	100	100	100
Number of factories with ISO 45001 occupational health and safety management system certification		Pcs.	14	14	13

Data Notes

[1]The data scope is consistent with the Group's consolidated financial statements.
[2]Based on consolidated financial statements, this represents the total amount of various taxes and fees actually paid by the Company and all consolidated subsidiaries, calculated on a cash basis.
[3]"Target suppliers" refers to key suppliers.

[4]"The emission scope is determined using the operational control approach and is accounted for based on the Global Warming Potential (GWP) values from the IPCC *Sixth Assessment Report* (AR6), the *Provincial Greenhouse Gas Inventory Compilation Guidelines* (Trial), the *IPCC Guidelines for National Greenhouse Gas Inventories 2006*, and the national standard *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020)."
[5]The accounting scope is determined using the operational control approach, with reference to the *Greenhouse Gas Protocol*, ISO 14064-1:2018, and the *General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises* (GB/T 32150-2015). Data represents gross emissions before offsets. Emission factors for purchased electricity in the Chinese mainland are based on the *Announcement on the Release of 2022 CO_2 Emission Factors for Electricity issued by the Ministry of Ecology and Environment and the National Bureau of Statistics*.
[6]The accounting scope is determined using the operational control approach, with reference to the *Greenhouse Gas Protocol*, ISO 14064-1:2018, and the *General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises* (GB/T 32150-2015). Data represents gross emissions before offsets. Emission factors for purchased electricity in the Chinese mainland are based on the *Announcement on the Release of 2022 CO_2 Emission Factors for Electricity issued by the Ministry of Ecology and Environment and the National Bureau of Statistics*.
[7]Calculations refer to the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020). Energy types covered include natural gas, diesel, steam, and electricity.
[8]Total renewable energy production refers to solar power generated for self-consumption.
[9]Total renewable energy consumption = Self-generated solar power for self-consumption + Purchased green electricity.
[10]Return-to-work rate = (Total employees who actually returned to work after parental leave/Total employees expected to return to work after parental leave) × 100%
[11]Retention rate = (Total employees still employed 12 months after returning from parental leave/Total employees who returned to work after parental leave in the previous reporting period) × 100%
[12]Absentee days due to work-related injuries are based on actual calendar days unable to work, excluding non-working days (e.g., weekends and public holidays).
[13]Lost time injury frequency rate (LTIFR) = Number of work-related injury incidents/Total working hours × 1,000,000; Total working hours = Average working days per year (250 days) × Average daily working hours (8 hours) × Number of regular employees.
[14]Work-related injury severity rate = (Total lost workdays/Total working hours) × 1,000,000; Total working hours = Average working days per year (250 days) × Average daily working hours (8 hours) × Number of regular employees.

Sustainability Performance of Shanghai Site

Indicators	Unit	2025	2024	2023
Environmental protection				
Total GHG emissions (market-based)	Tons of carbon dioxide equivalent	170,240.1	122,548.48	99,295.1
Scope I GHG emissions[1]	Tons of carbon dioxide equivalent	159,292.6	109,313.92	87,348.9
Scope II GHG emissions (location-based)[2]	Tons of carbon dioxide equivalent	17,377.95	14,539.86	/
Scope II GHG emissions (market-based)	Tons of carbon dioxide equivalent	10,947.5	13,234.56	11,946.3
Coverage rate of employees participating in environmental protection training	%	100	100	100
Percentage of operational sites subjected to specific environmental risk assessments	%	100	100	/

[1,2]The increase in GHG emissions in 2025 compared to 2024 was mainly due to production capacity expansion and improved accuracy in emission accounting.

Indicators	Unit	2025	2024	2023
Percentage of employees receiving specialized environmental training	%	100	100	/
Percentage of operational sites with ISO 14001 EMS certification	%	100	100	100
Percentage of operational sites with SA 8000 labor and human rights certification	%	100	100	100
Percentage of operational sites with ISO 50001	%	100	100	100
Total energy consumption	Tons of standard coal	6,419.79	5,192.19	5,332.02
Total renewable energy production	Megawatt-hour	1,483.69	1,311.16	1,502.8
Total renewable energy consumption	Megawatt-hour	16,276.69	4,374.46	1,502.8
Renewable energy as a percentage of total energy consumption	%	31.0	10.3	4
Total water consumption	Ton	2687380	2662880	2653980
Total recycled and reused water volume	Ton	2553180	2553180	2553180
Total weight of hazardous (harmful) waste	Ton	467.729	285.918	267.7135
Comprehensive utilization rate of hazardous (harmful) waste	%	41.51	25.26	29.73
Total general waste discharged	Ton	12080	10647	9102
Total general waste recycled	Ton	11080	9681	8050
Number of safety incidents related to products and services during the reporting period	Case	0	0	0
Labor and human rights				
Percentage of operational sites that have undergone employee health and safety risk assessments	%	100	100	/
Percentage of operational sites subjected to human rights impact or risk assessments	%	100	100	100
Percentage of employees receiving skills training	%	100	100	100
Percentage of employees trained on discrimination and harassment	%	100	100	/
Proportion of employees represented by collective agreements signed between the Labor Union and the Company	%	100	100	100
Percentage of employees covered by collective bargaining agreements or elected employee representatives	%	3	/	/
Percentage of workers from ethnic minorities and/or vulnerable groups in the total number of employees	%	5	/	/
Percentage of employees from minority and/or underrepresented groups in the senior management team (excluding the Board of Directors)	%	12.5	/	/
Percentage of female employees in the workforce	%	20.6	/	/
Percentage of women in senior management positions (excluding the Board of Directors)	%	10.3	/	/
Percentage of women on the Board of Directors	%	0	14.30	14.30
Unadjusted average gender pay gap	%	1.13	/	/
Percentage of operational sites with SA 8000 social accountability certification	%	100	100	0
Safety training coverage rate	%	100	100	100

Indicators	Unit	2025	2024	2023
Social insurance coverage rate	%	100	100	100
Employee satisfaction	Score	82.5	81	82.1
Percentage of employees who receive regular performance and career development evaluations	%	100	100	100
Incidents of child labor, forced labor, and human trafficking	Case	0	0	0
Incidents of discrimination and harassment	Case	0	0	0
Average training hours per employee	Hour(s)	35.84	/	/
Lost days due to work-related injuries, fatalities, and ill health	Day(s)	217	380	680
Number of work-related accidents	Times	5	12	13
Sustainable procurement				
Percentage of purchasers across all regions who have been trained in sustainable procurement	%	100	100	/
Percentage of target suppliers that have signed a sustainable procurement charter or supplier code of conduct	%	100	100	/
Percentage of suppliers signing contracts containing environmental, labor, and human rights requirements clauses	%	100	95	/
Percentage of target suppliers that have undergone CSR evaluations	%	100	100	/
Percentage of target suppliers that have undergone on-site CSR audits	%	74	66	/
Percentage or number of audited or evaluated suppliers participating in improvement actions or capacity building	Nos.	56	35	/
Number of supplier's participation in training sessions on environmental and social issues	Session(s)	95	62	/
Percentage of suppliers that completed conflict minerals traceability and investigations	%	100	100	/
Number of suppliers identified with "conflict minerals" risks	Nos.	4	4	/
Coverage rate of suppliers signing the *Conflict-Free Minerals Commitment*	%	100	100	/
Percentage of suppliers that provided conflict minerals information	%	100	100	/
Business Ethics				
Percentage of employees receiving business ethics training	%	100	100	/
Percentage of sites with business ethics certifications (e.g., ISO 27001 or ISO 37001)	%	100	100	/
Percentage of high-risk business partners covered by anti-corruption and information security due diligence	%	100	100	/
Percentage of sites undergoing internal evaluations or reviews for specific business ethics issues	%	100	100	/
Number of reports filed through whistleblowing procedures	Case	0	0	0
Number of confirmed corruption incidents	Case	0	0	0
Number of confirmed information security incidents	Case	0	0	0
Percentage of operating sites with an Information Security Management System (ISMS) certified to ISO 27000 (or equivalent standards)	%	100	100	100

Report Benchmark Index Table

Instructions for Use	CHINT Electric Co., Ltd. has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Industry Standards	N/A

GRI Standard	Disclosure	Location in Report
GRI 2: General Disclosure 2021		
Organization and its Reporting Practices		
2-1	Organization details	About CHINT
2-2	Entities included in the organization's sustainability report	Notes on Preparation of Report
2-3	Reporting period, reporting frequency and contact person	Notes on Preparation of Report
2-4	Information restatement	No information restatements for the current reporting period
2-5	External verification	Verification Statement
Activities and Workers		
2-6	Activities, value chains and other business relationships	About CHINT
2-7	Employees	Human Capital and Development
2-8	Workers other than employees	Labor Practices and Management OHS
Governance		
2-9	Governance structure and composition	Corporate Governance
2-10	Nomination and selection of the highest governance organization	Corporate Governance
2-11	Chair of the highest governance organization	Corporate Governance
2-12	Oversight role of the highest governance organization in managing impacts	Corporate Governance Sustainability Management
2-13	Delegation of responsibility for managing impacts	Sustainability Management
2-14	Role of the highest governance organization in sustainability reporting	Sustainability Management
2-15	Conflicts of interest	Corporate Governance Business Ethics and Anti-Corruption
2-16	Communication of critical concerns	Communication with Interested Parties Business Ethics and Anti-Corruption
2-17	Common knowledge of the highest governance organization	Sustainability governance
2-18	Performance evaluation of the highest governance organization	Sustainability governance
2-19	Remuneration policy	Corporate Governance
2-20	Procedures for determining compensation	Corporate Governance
2-21	Annual total compensation ratio	Summary of Sustainability Performance Data

GRI Standard	Disclosure	Location in Report
Strategies, Policies, and Practices		
2-22	Statement on sustainability strategy	Statement of Board of Directors
2-23	Policy commitment	Sustainability Governance Labor Practices and Management Human Capital and Development
2-24	Integration of policy commitment	Sustainability Governance Labor Practices and Management Human Capital and Development
2-25	Procedures for remediating negative impacts	Due Diligence Risk Management and Internal Control Business Ethics and Anti-Corruption Labor Practices and Management
2-26	Mechanisms for seeking advice and raising concerns	Due Diligence Business Ethics and Anti-Corruption Labor Practices and Management
2-27	Compliance with laws and regulations	Business Ethics and Anti-corruption
2-28	Membership in associations	Sustainability Governance Innovation-driven and Sustainable Business
Interested Party Engagement		
2-29	Methods of interested party engagement	Communication with Interested Parties
2-30	Collective bargaining agreements	Human Capital and Development
GRI3: Material Topics 2021		
3-1	Process for determining material topics	Evaluation and Management of Materiality Topics
3-2	List of material topics	Evaluation and Management of Materiality Topics
3-3	Management of material topics	Evaluation and Management of Materiality Topics
GRI 201: Economic Performance 2016		
201-1	Economic value generated and distributed directly	About CHINT
201-2	Financial impacts and other risks and opportunities from climate change	Cope with climate change
201-3	Defined benefit plan obligations and other retirement plans	Human Capital and Development
201-4	Government financial assistance	/
GRI 202: Market Performance 2016		
202-1	Ratio of standard starting salaries by gender to local minimum wages	/
202-2	Proportion of executives hired from the local communities	/
GRI 203: Indirect Economic Impact 2016		
203-1	Infrastructure investment and supporting services	Social and Community Contributions
203-2	Significant indirect economic impacts	Social and Community Contributions
GRI 204: Procurement Practices 2016		
204-1	Proportion of expenditure on procurement from local suppliers	Sustainable supply chain management

GRI Standard	Disclosure	Location in Report
GRI 205: Anti-corruption 2016		
205-1	Operational sites where corruption risk assessments have been conducted	Business Ethics and Anti-corruption
205-2	Communication and training on anti-corruption policies and procedures	Business Ethics and Anti-corruption
205-3	Confirmed corruption incidents and actions taken	Business Ethics and Anti-corruption
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal proceedings against anti-competitive behavior, anti-trust and anti-monopoly practices	Anti-unfair Competition
GRI 207: Tax 2019		
207-1	Tax policy	Risk management and internal control
207-2	Tax governance, control, and risk management	Risk management and internal control
207-3	Interested Party Engagement and Management Related to Tax Concerns	Risk management and internal control
207-4	Country-by-country reporting	/
GRI 301: Materials 2016		
301-1	Weight or volume of materials used	/
301-2	Recycled feed used	Circular Economy Promotion
301-3	Recycled products and their packaging materials	Circular Economy Promotion
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Energy Use and Transition Summary of Sustainability Performance Data
302-2	Energy consumption outside the organization	Energy Use and Transition Summary of Sustainability Performance Data
302-3	Energy intensity	Energy Use and Transition Summary of Sustainability Performance Data
302-4	Reduction in energy consumption	Energy Use and Transition
302-5	Decline in energy demand for products and services	Energy Use and Transition Summary of Sustainability Performance Data
GRI 303: Water Resources and Sewage 2018		
303-1	Interactions of the organization with water as a shared resource	Water Resources Utilization
303-2	Management of impacts related to drainage	Water Resources Utilization
303-3	Water intake	Water Resources Utilization
303-4	Drainage	Water Resources Utilization
303-5	Water consumption	Water Resources Utilization
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased and managed by the organization located in or adjacent to protected areas and areas with high biodiversity outside protected areas	/
304-2	Significant impact of activities, products and services on biodiversity	Ecosystem and Biodiversity Conservation
304-3	Protected or restored habitats	Ecosystem and Biodiversity Conservation
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	/
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Cope with Climate Change Summary of Sustainability Performance Data
305-2	Energy indirect (Scope 2) GHG emissions	Cope with Climate Change Summary of Sustainability Performance Data
305-3	Other indirect (Scope 3) GHG emissions	/
305-4	GHG emissions intensity	Cope with Climate Change Summary of Sustainability Performance Data
305-5	GHG emission reductions	Cope with Climate Change Summary of Sustainability Performance Data
305-6	Emissions of ozone-depleting substances (ODS)	/
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant gas emissions	Pollutant Management
GRI 306: Waste 2020		
306-1	Generation of waste and significant waste-related impacts	Waste Management Summary of Sustainability Performance Data
306-2	Management of significant waste-related impacts	Waste Management Summary of Sustainability Performance Data
306-3	Waste generated	Waste Management Summary of Sustainability Performance Data
306-4	Waste diverted from disposal	Waste Management Summary of Sustainability Performance Data
306-5	Waste sent for disposal	Waste Management Summary of Sustainability Performance Data
GRI 308: Supplier Environmental Evaluation 2016		
308-1	New suppliers screened using environmental evaluation dimensions	Sustainable Supply Chain Management Summary of Sustainability Performance Data
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Management Summary of Sustainability Performance Data
GRI 401: Employment 2016		
401-1	Hiring rate of new employees and employee turnover rate	Human Capital and Development
401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	Human Capital and Development
401-3	Parental leave	Human Capital and Development Summary of Sustainability Performance Data
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety 2018		
403-1	OHS management system	OHS
403-2	Hazard identification, risk assessment and incident investigation	OHS
403-3	Occupational health services	OHS
403-4	Occupational health and safety matters: worker participation, consultation and communication	OHS

GRI Standard	Disclosure	Location in Report
403-5	Occupational health and safety training for workers	OHS
403-6	Promotion of worker health	OHS
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	OHS
403-8	Workers covered by OHS management system	OHS
403-9	Work-related injuries	OHS
403-10	Work-related health issues	OHS
GRI 404: Training and Education 2016		
404-1	Average hours of training per employee per year	Human Capital and Development Summary of Sustainability Performance Data
404-2	Employee skills enhancement programs and transition assistance programs	Human Capital and Development
404-3	Percentage of employees who receive regular performance and career development reviews	Summary of Sustainability Performance Data
GRI 405: Diversity and Equal Opportunities 2016		
405-1	Diversity of governance organizations and employees	Human Capital and Development Summary of Sustainability Performance Data
405-2	Ratio of basic salary and remuneration between men and women	Summary of Sustainability Performance Data
GRI 406: Anti-discrimination 2016		
406-1	Discrimination incidents and corrective actions taken	Labor Practices and Management
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operational sites and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labor Practices and Management
GRI 408: Child Labor 2016		
408-1	Operational sites and suppliers at significant risk of child labor incidents	Labor Practices and Management
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operational sites and suppliers at significant risk of forced or compulsory labor incidents	Labor Practices and Management
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	/
GRI 413: Local Communities 2016		
413-1	Operational sites with local community engagement, impact assessments and development plans	Social and Community Contributions
413-2	Operational sites with significant actual and potential negative impacts on local communities	/
GRI 414: Supplier Social Evaluation 2016		
414-1	New suppliers screened using social evaluation dimensions	Sustainable supply chain management
414-2	Negative social impacts in the supply chain and actions taken	Sustainable supply chain management

GRI Standard	Disclosure	Location in Report
GRI 415: Public Policy 2016		
415-1	Political contributions	/
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Product Quality and Safety Customer Service and Satisfaction Responsible Marketing
416-2	Violations concerning the health and safety impacts of products and services	Product Quality and Safety Customer Service and Satisfaction
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Customer Service and Satisfaction Responsible Marketing
417-2	Violations related to product and service information and labeling	Responsible Marketing Summary of Sustainability Performance Data
417-3	Violations related to marketing communications	Responsible Marketing Summary of Sustainability Performance Data
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints involving violations of customer privacy and loss of customer data	Data Security and Customer Privacy Protection Summary of Sustainability Performance Data

Verification Statement

ASSURANCE STATEMENT

LEVERAGE
Sustainable values

To The Management and Stakeholders of Chint Electric Co., Ltd.,

Leverage Limited (referred to as "LVG") was engaged by Chint Electric Co., Ltd. (referred to as "Chint Electric" "the Company" or "the Reporting Organization") to provide independent third-party assurance for the Sustainability Report ("the Report") with the reporting period of January 1 to December 31, 2024. The LVG assurance team strictly adhered to the terms outlined in the contract with Chint Electric and conducted the assurance work in accordance with the mutually agreed terms of reference.

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

SCOPE OF THE ASSURANCE

The time scope of the assurance:

- The scope of our work covers the information contained in the full version of the Sustainability Report, governance, environmental, and social information and data for the reporting period of January 1 to December 31, 2024, the management approach to the materiality topics and the action measures, and the organization's key performance indicators during the reporting period.

The physical scope of the assurance:

- The site selected for on-site verification is Chint Electric Co., Ltd., located at No.3555, Sixian Road, Songjiang District, Shanghai.

The data and information scope of the assurance:

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

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

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

LIMITATION OF ASSURANCE

- Given the fact that there is no general framework for the evaluation and measurement of non-financial data, the varied methodologies might impact the comparability of such data among different companies.
- During the assurance process, Leverage Limited has utilized a sampling approach to verify the data and information presented within the report.
- Engagement (Interview) with stakeholders within the organization has been conducted solely on a sampling basis.
- The position and views of the reporting organization, forward-looking statements, predictive information and historical data and information prior to 01 January 2024 are outside the scope of this assurance.

ASSURANCE METHODOLOGY

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

- The assurance was conducted in accordance with AA1000AS v3, Type 2, Moderate Level.
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)
- The Corporate Sustainability Disclosure Standards - Basic Standard (Trial) issued by the Ministry of Finance of the People's Republic of China

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

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

CONCLUSIONS

Upon completion of our assurance, we have determined that this report is in accordance with the AA1000AS v3. The specific conclusions are outlined below:

Inclusivity	The Company describes its stakeholder engagement methods and activities in the report. The company attaches great importance to stakeholder opinions and close communication with all sectors of society, and has established a set of efficient and standardized stakeholder communication mechanisms to respond to and improve relevant management work in a timely manner, to form a consensus on sustainable development, to maximize the company's comprehensive value creation potential, and to give back to all stakeholders. Chint Electric's stakeholders include government and regulatory agencies, shareholders and investors, partners, social organizations, customers and consumers, employees, media, community and the public.
Materiality	In the report, Chint Electric explains the process of identifying materiality assessment, including background analysis and issue identification, issue impact assessment, and importance confirmation and ranking. The company understands the actual demands of each stakeholder in a timely manner through a variety of communication forms such as written correspondence, telephone calls, meeting and questionnaire, and clarifies each ESG issue by combining the requirements of the regulatory agencies in the place where it operates, the excellent management practices of domestic and foreign counterparts, and the opinions of third-party experts. The company comprehensively considers the possible impact of the issues on all stakeholders to ensure that the information in the report is fair and sufficient to support stakeholders to make more professional judgment.
Responsiveness	The Company attaches great importance to the expectations and demands of stakeholders, responds to the expectations and demands of stakeholders based on factors such as daily operations and management, scope of the issue and degree of influence, and establishes diversified communication channels with various stakeholders to respond to and improve the relevant management work in a timely manner, and actively creates value for all parties.
Impact	Chint Electric has formally established a four-level sustainability governance structure consisting of the Board of Directors, the Sustainability Committee, Sustainability Office, and the Sustainability Working Group to implement the sustainability strategy, practice ESG concepts, enhance ESG performance, and promote the balanced development of the company's environmental protection, social responsibility and corporate governance.

The following data disclosed in the report for financial year 2024 is deemed accurate and reliable, with no significant systematic or materiality topics identified. Stakeholders can confidently rely on this information.

- Greenhouse gas emissions (Scope I, Scope II)
- Electricity consumption
- Water consumption
- Natural gas consumption
- Diesel consumption
- Steam consumption

STATEMENT OF INDEPENDENCE AND COMPETENCE

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

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

Team Leader Signed: Authority Signed:

Leverage Limited
Shanghai, China
27 May, 2025

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