# 2025 ESG Report

股票代码
Stock Code 1126



# About This Report

## 01 Report Introduction

This report provides a comprehensive overview of Beijing Sifang Automation Co., Ltd. ("SIFANG", "the Company" or "we")'s practices, initiatives and performance in environmental protection, social responsibility and corporate governance. It aims to facilitate transparent communication with stakeholders regarding the Company's sustainability philosophy, specific actions, and performance. Adhering to the principles of objectivity, standardization, transparency and integrity, the Report systematically addresses the sustainability topics of concern to various stakeholders.

## 02 Reporting Scope

This annual report covers the period from January 1, 2025, to December 31, 2025. The reporting scope includes Beijing Sifang Automation Co., Ltd. and its controlled subsidiaries and branches, such as Beijing Sifang Engineering Technology Co., Ltd., and is consistent with the consolidation scope of the Beijing Sifang Automation Co., Ltd.(601126.SH) 2025 Annual Report(the "2025 Annual Report"). Where necessary, certain disclosures may extend beyond this scope.

## 03 Report Preparation Basis

This Report has been prepared with reference to relevant standards including the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial) and Guidance No. 4 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Preparation of Sustainability Report, while taking into account the Company's industry context and business characteristics.

## 04 Data Sources

All sustainability related data and information in this Report are derived from original operational records of the Company and its subsidiaries, the 2025 Annual Report, surveys or interviews, and other official documents. Unless otherwise specified, all monetary amounts in this Report are denominated in Renminbi (RMB).

## 05 Report Availability

The electronic version can be downloaded from the official website of Shanghai Stock Exchange at https://www.sse.com.cn/ and the official website of SIFANG at https://www.sf-auto.com/.

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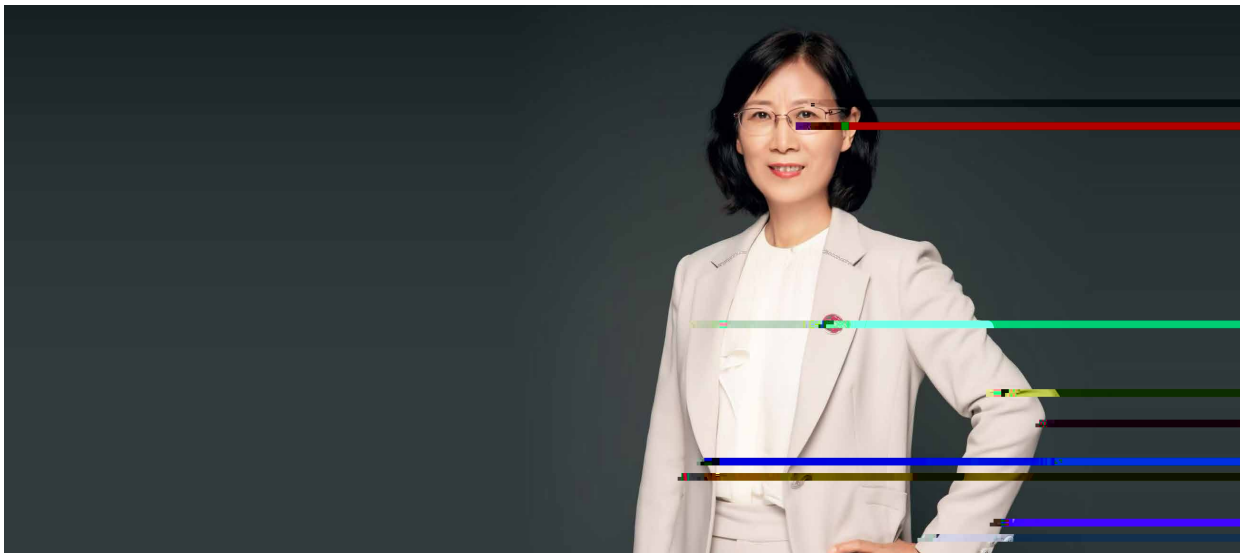
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# Chairman's Statement

First and foremost, I would like to express my sincere gratitude to all stakeholders and partners who have long supported SIFANG's sustainable development.

In 2025, the global transition towards renewable energy continued to deepen, the development of new electricity system advanced steadily, and digital and intelligent transformation gained momentum. Seizing opportunities amid challenges, we remained committed to technology-driven growth and green development, fulfilling our environmental and social responsibilities while strengthening our core businesses and contributing to the high-quality development of the energy industry.

In 2025, we continued to enhance corporate governance and successfully completed the election of the Eighth Board of Directors, building a diversified and professional governance framework. We advanced the development of a unique comprehensive risk and compliance management system, issued the Internal Control Management System, and strengthened proactive risk prevention. Through high-quality information disclosure and diversified investor communication, we continued to protect shareholders' legitimate rights and interests and enhance investor confidence with concrete actions.

In 2025, we actively addressed climate change. We systematically conducted greenhouse gas inventories and verification, expanded photovoltaic applications across our production bases, coordinated self-owned PV generation with green electricity trading to promote clean energy transition, and leveraged intelligent technologies to improve energy efficiency. We were recognized as a "National Green Factory" and a "Beijing Green Supply Chain Management Enterprise", while our green finance initiatives achieved an annual reduction of 13.61 $tCO_2e$, demonstrating our solid capabilities in green development.

In 2025, innovation remained a key driver of our transition toward a zero-carbon future. We participated in 705 renewable energy projects with a combined installed capacity of 70GW, covering wind power, PV, energy storage, zero-carbon parks and ports, and data centers. We delivered safe, reliable, efficient and grid-friendly products and solutions to partners including China Energy Investment Corporation, China Huaneng Group, China Datang Corporation, China Resources Group and China Three Gorges Corporation. In zero-carbon parks and ports, our intelligent energy management platforms enabled coordinated utilization of multi-energy and green energy consumption. In data centers, our innovative "direct green electricity supply + full DC power supply" solution met emerging demand from computing power growth. We continued to drive industrial upgrading through independent innovation: seven technological achievements passed authoritative appraisal at internationally leading levels, and we undertook 17 national key R&D programs.

We always uphold our core values of "Customer First, Quality Priority, People-Oriented and Innovation-Driven Development", embedding quality and safety throughout the entire product lifecycle. In 2025, we optimized our quality management system, deepened QMS implementation, and promoted closed-loop quality management and proactive hazard identification. We also strengthened supply chain security through supplier classification and green procurement, building an independent, controllable and reliable industrial ecosystem.

We value our employees' rights and development. We enhanced our talent system, implemented equity incentives to share growth with employees, promoted equal employment, diversity and inclusion, protected female employees' rights, maintained effective internal communication channels, and fostered an open, healthy and collaborative workplace.

In fulfilling our social responsibilities, we leveraged the SIFANG Ruixiang Public Welfare Foundation to support rural revitalization, educational assistance and disaster relief through scholarships and science education programs.

Looking ahead, we will continue to integrate sustainability principles into our corporate strategy and operations. Driven by technological innovation, guided by green and low-carbon development, and supported by responsible governance, we will work together with our partners and stakeholders to build a cleaner, more intelligent and more efficient energy future, contributing our expertise and strength to the global green and low-carbon energy transition.



Chairman: Gao Xiuhuan

# ESG

## Statement from the Board of Directors

The Board of Directors of SIFANG is committed to creating long-term sustainable value. While driving business growth and enhancing operational efficiency, the Board continuously strengthens the Company's sustainability governance framework, promotes the integration of economic, environmental and social value creation, and supports the Company in achieving sustainable and high-quality development.

As the highest governance body responsible for sustainability matters, the Board of Directors oversees the identification and assessment of sustainability-related risks and opportunities, determines sustainability strategies and goals, and regularly monitors the progress and effectiveness of relevant initiatives.

The Company is deeply aware of the significant impacts that sustainability risks may have. Based on industry development trends and its own development stage, the Company regularly identifies and evaluates material sustainability topics, conducts in-depth discussions of related risks and opportunities, and takes the management and improvement of material topics as a core element of its sustainability system construction, incorporating them into the Company's overall development strategy. It continuously monitors related management performance, ensuring the Company's steady progress toward long-term sustainable development.

This Report presents SIFANG's sustainability practices, initiatives and achievements during 2025. The relevant disclosures have been reviewed by the Strategy Committee and approved by the Board of Directors, and are hereby published.

**To make electricity**

safer,more intelligent, more e cient and cleaner



# Development Milestones

## 1994.4

SIFANG's predecessor, the Sino-US joint venture Beijing Hathaway Sifang Protection, Measurement and Control Equipment Co., Ltd., was established.

## 1994.6

Company's founder Professor Yang Qixun was appointed as one of the first academicians of the Chinese Academy of Engineering.

## 1994.9

The Company's first CS series relay protection products passed ministerial-level scientific and technological appraisal.

## 1997.12

The Company passed the ISO9001 international quality system certification for the first time, receiving a quality management system certificate from the British Standards Institution (BSI).

## 2001.6

Following the withdrawal of foreign investment, The Company was renamed "Beijing Sifang Automation Co., Ltd."

## 2002.3

The CSC2000 Distributed Substation Automation System was awarded the Second Prize of the National Science and Technology Progress Award

## 2002.4

An R&D and production base was established in Nanjing.

## 2004

The CSC series relay protection products passed scientific appraisal, representing a leading position at the international level

## 2004.7

A production base was established in Wuhan, Hubei.

## 2005.6

The Company was recognized as a National Torch Program Key High-tech Enterprise.

## 2007.9

The Company has been recognized as a National Enterprise Technology Center

## 2010.12

The Company was listed on the Shanghai Stock Exchange, stock code 601126.

## 2012.4

An R&D and production base was established in Baoding, Hebei.

## 2012.9

Professor Yang Qixun, The Company's founder, donated to establish the "Sifang Talent Outstanding Contribution Award Fund"

## 2013.10

An R&D base was established in Wuhan.

## 2015

In April, an R&D and production base was established in Huzhou, Zhejiang.

In May, the Company's first overseas subsidiary, Sifang Automation India Pvt. Ltd., was officially established.

## 2015.7

The Company's first overseas production base was established in India.

## 2016.12

The Company's first overseas EPC project–the Sonatrach oil and gas pipeline project for Algeria's national oil company

The Company's technology, equipment and application for the control and protection of sub-synchronous resonance/oscillation of large steam turbine generator sets won the National Science and Technology Progress Second Prize, breaking the monopoly position of foreign companies.

SIFANG Type Test Laboratory successfully passed the on-site audit conducted by experts from German TÜV Rheinland, and was recognized as a "TÜV Rheinland Approved Cooperative Laboratory."

## 2017

In June, the Company passed the CMMI Level 5 assessment.

In December, the Company's testing laboratory was successfully accredited by CNAS (China National Accreditation Service for Conformity Assessment).

## 2018.1

Recognized as "Top 50 Social Responsible Enterprises in China's Electronic Information Industry for 2018."

The Company passed the ISO 20000 service management system certification, becoming one of the first enterprises in the power sector certified for its equipment service and management capabilities.

## 2018.9

The Company was honored as a "National Technology Innovation Demonstration Enterprise."

## 2019.4

The Company's 12 scientific and technological achievements have passed technical appraisal, with 9 achievements reaching internationally leading technical levels, 3 achievements reaching internationally advanced technical levels, and delivering multiple pioneering technologies

## 2020.9

SIFANG Party School was established.

## 2020.12

Established the energy storage business unit, transforming into an energy storage system service model.

4 independently developed and controllable technological achievements passed authoritative appraisal, with 3 of them at internationally leading level, and multiple pioneering technologies have been developed

## 2021.1

Signed a strategic cooperation agreement with North China Electric Power University to jointly establish the Huadian SIFANG Innovation Research Institute.

## 2021.12

The Company retained its position among the "Top 100 Enterprises in China's Electrical Industry" and was selected as "Top 10 Leading Enterprises in China's Electrical Industry".

4 technological achievements passed authoritative appraisal. 3 of them have reached the international advanced level as a whole, and 1 of them features multiple internationally leading technologies, with a number of world-first technologies developed.

Awarded the honorary title of "Model Collective of Beijing". Selected as one of the first batch of "Hidden Champion" enterprises in Beijing.

## 2022

13 technological achievements covering power electronics, energy storage, operation & maintenance monitoring, relay protection, automation systems and other fields have passed authoritative appraisal

## 2023

Officially recognized as a "National Green Factory."

## 2024

20 technological achievements covering energy storage, hydrogen production, protection, control, automation, power distribution and utilization and other fields have passed authoritative appraisal

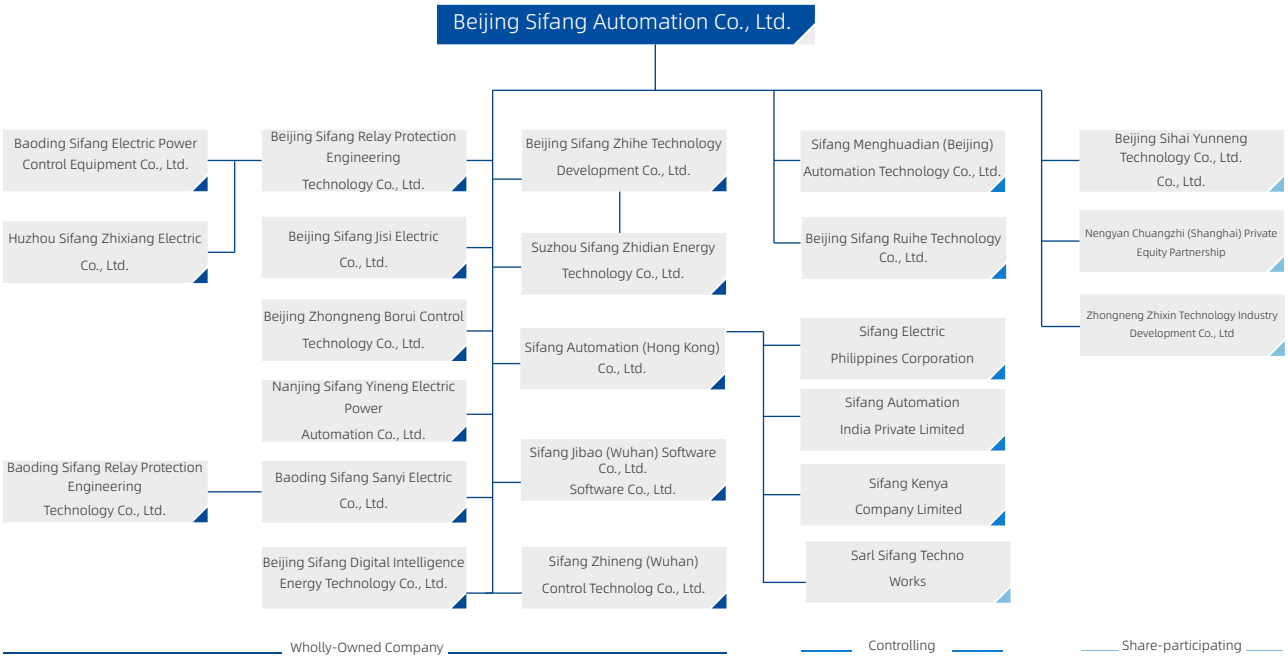
recognized as a Manufacturing Single Champion Enterprise by Ministry of Industry and Information Technology

## 2025

Annual newly-signed contract value exceeded RMB 10 billion;

won the world's largest PV-plus-energy-storage project – the Terra Solar-Storage Project in the Philippines.

# Corporate Structure




# Corporate Culture

## MISSION

To make electricity safer, more intelligent, more efficient and cleaner

## VISION

To become a global leading enterprise with lasting creativity and reliability

## Core Values

Customer First, Quality Priority, People-Oriented, and Innovation-Driven Development

## Sifang Spirit

Issues Do Not Stay Unresolved Overnight

## Motto

To build the business with solid work, to create the brand with earnest effort

## Leadership Guideline

Assertive, Caring, Decisive, Fair, Inclusive

## Employee Guideline

Proactive, Collaborative, Positive

## LOGO Interpretation

Ambition, Diversity,

Collaboration, Compliance

## Slogan

Innovation lights our future.

## Company Anthem

Aspiring to SIFANG

# Advancing Green Development



# Tackling Climate Change

Climate change and its cascading impacts are reshaping the global industrial landscape and have become an important

## Physical Risk

| Risk Type | Risk Description and Potential Impact | Response Strategy |
|---|---|---|
| Acute Climate Risk | Natural disasters caused by climate change, such as typhoons, heavy rain, and blizzards, may lead to situations like water and power outages and the destruction of production facilities. This can result in business interruption, damage to production equipment, and threats to employee safety, ultimately preventing normal business operations and causing economic losses. Related acute risks will also impact logistics and transportation to varying degrees, leading to potential economic losses. | ●Formulate relevant emergency plans for various extreme weather events, establish monitoring and early warning mechanisms, and supervise each production base to conduct natural disaster emergency drills based on local climate characteristics, ensuring an adequate supply of emergency materials.<br>● Establish an emergency task force, set up emergency rescue teams, and maintain a reserve of emergency supplies.<br>●Pay real-time attention to official warnings for natural disasters and extreme weather and communicate them instantly. Keep abreast of how the Company's subsidiary companies are affected by natural disasters and coordinate support in terms of personnel, finances, and materials. |
| Chronic Climate Risk | Chronic risks caused by climate change, such as rising sea levels, changes in water resource distribution, and an increase in high-temperature weather, may have potential impacts on business operations. These can include the need for site relocation, increased demand for cooling equipment, and shortened equipment lifespan, all of which will increase the Company's operating costs. | |

## Transition Risk

| Transition Risk | Risk Description and Potential Impact | Response Strategy |
|---|---|---|
| Policy and Compliance Risk | National and regional authorities are successively introducing new policies to support the green and low-carbon energy transition. High-emission economic activities will face pressure, thereby increasing the Company's compliance risks. As the Company's business has gradually expanded overseas, the formulation or improvement of climate change-related laws and regulations in countries and regions worldwide will increase its operational compliance costs. | Closely follow the development direction of low-carbon policies in the countries and industries where the Company operates. In line with the Company's development, it will accelerate the pace of corporate transformation and resolutely advance the green and low-carbon energy transition. |
| Technology and Operations Risk | Under increasingly strict carbon reduction policies, the Company needs to increase R&D investment to improve products, production equipment, and processes, which may increase operating costs. | Strengthen technological R&D capabilities and continue to increase investment in the research and development of new technologies and products. Promote the active adoption of new energy-saving and carbon-reducing technologies and equipment in all factories, and improve the efficiency of research and technological transformation for energy-saving and carbon-reducing processes. |
| Market Risk | The downstream value chain and customers are increasingly focusing on the low-carbon attributes of the company's products and services, leading to rising low-carbon requirements for its main products. To meet market changes, the Company may face risks of an untimely or ineffective low-carbon transformation of products, which could in turn affect the efficiency of new market development. | Vigorously develop R&D for green product technologies and the construction of green production lines. Accelerate the promotion of the Company's green products and expand their market share. |

## Energy Management Actions

## Cleaner Production

To actively respond to climate change challenges, SIFANG continuously promotes product design optimization and process innovation based on the principles of pollution prevention at source and reduced resource consumption during production processe. Through process innovation and manufacturing optimization, the Company reduces energy and resource consumption at the source. For example, the adoption of through-hole reflow technology reduces reliance on wave soldering processes and improves production efficiency. The Company has also implemented intelligent production scheduling systems to enhance manufacturing coordination and minimize unnecessary energy consumption. Through equipment upgrades, preventive maintenance and systematic equipment health management, the Company extends equipment lifecycle, reduces operational losses and continuously improves energy efficiency.

### Complying with the RoHS Directive to Reduce Hazardous Substance Emissions

The Company strictly adheres to the RoHS Directive to reduce the emission of hazardous substances such as lead, mercury, cadmium and hexavalent chromium. All newly introduced components comply with RoHS standards, and the Company is progressively replacing legacy components. At the same time, the Company has fully implemented lead-free processes, using materials such as halogen-free and eco-friendly solder wire and bars, environmentally friendly conformal coatings and soldering flux to ensure that its production processes are harmless to the environment and human health.

### Phasing Out High-Energy-Consumption Equipment and Using Green Energy

Equipment Replacement and Green Energy Transition Initiative.

By adopting energy-saving equipment such as high-efficiency electric motors and permanent-magnet variable-frequency air compressors, optimizing production processes and maintenance standards, the Company will substantially cut energy consumption and improve energy-use efficiency.

### Promoting Green Processes to Achieve Energy Conservation and Emission Reduction

In hardware design, the Company prioritizes the selection of low-power components, improves processes, and develops green technologies. For example, it has shifted from soldering to press-fitting and transitioned from thermal curing to UV curing for coating processes, thereby reducing equipment energy consumption. Concurrently, it has introduced new environmentally friendly materials, such as replacing wooden packaging for screen cabinets with paper packaging, which reduces waste and saves costs.

### Lean Production to Improve Production E ciency

The Company utilizes new-generation technologies such as information technology, the Internet of Things (IoT), and big data to achieve automation, digitalization, and intelligence in its manufacturing processes, thereby enhancing production efficiency and innovation capabilities. Through the independent development of an intelligent production scheduling system, equipment retrofitting, and a preventive maintenance mechanism, the Company extends equipment lifespan, reduces failure rates, and lowers energy consumption. Simultaneously, it strengthens the management of recyclable materials to reduce resource waste and promote the development of a circular economy.

## Low-Carbon O Bce

SIFANG integrates green development principles into daily office operations and systematically reduces direct and indirect emissions from daily operations.

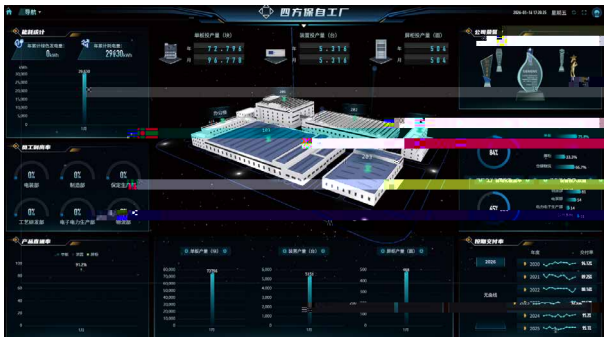
| | |
|---|---|
| Travel Management | Promote video conferencing systems, advocate for green travel, encourage the preferential use of public transportation and electric vehicles to reduce carbon emissions. |
| O ce Resource Management | Promotes paperless office practices, improves resource utilization efficiency and encourages recycling and reuse of office materials. |
| Energy Conservation Management | |

## Intelligent Manufacturing

SIFANG continues to promote the digital transformation and upgrading of production lines. The Company has established highly automated production lines, with automation applied across key manufacturing processes. Leveraging its internally developed industrial IoT platform and data management system, SIFANG enables real-time monitoring and intelligent management of production processes and energy consumption.

Digital manufacturing capabilities have significantly improved operational efficiency while reducing energy consumption per unit of product. Through precise process control and continuous optimization, the Company effectively reduces raw material waste and energy consumption. In recognition of these achievements, SIFANG obtained the Intelligent Manufacturing Capability Maturity Model Level 3 certification in 2025, representing a significant milestone in the Company's systematic advancement toward intelligent manufacturing.


智能制造能力成熟度
标准符合性证书
依据GB/T 39116-2020《智能制造能力成熟度模型》、GB/T 39117-2020《智能制造能力成熟度评估方法》国家标准，经评估，北京四方继保工程技术有限公司 符合要求，达到智能制造能力成熟度等级，特发此证书。
证书编号：
评估地址：河北省保定市北三环 5999 号
发证机构：国机工业互联网研究院（河南）有限公司
2025年06月04日 核发
证书有效期：2028年06月03日 止




## Green Finance

The Company actively promotes green finance by supporting green industry projects through green deposit funds. According to calculations by a third-party institution, the green projects supported by this green deposit have achieved significant environmental benefits, with an annual carbon emission reduction of 13.61 tons of $CO_2$ equivalent.



# Environmental Compliance Management

SIFANG adheres to the "Environmental Protection Law," the "Water Pollution Prevention and Control Law," the "Atmospheric Pollution Prevention and Control Law," and other relevant laws and regulations. The Company has actively implemented the ISO 14001 environmental management system and established environmental protection regulations. It has made the investigation of hidden environmental risks a routine practice and conducted environmental impact assessments across the entire life cycle of research and development, design, procurement, production, sales, and services. The Company is committed to a green development strategy, continuously improving its environmental and energy management system. No environmental pollution incidents occurred in 2025, demonstrating its steadfast fulfillment of environmental responsibilities.

## Environmental Management System Development

The Company has established a comprehensive environmental management system and obtained certification under the GB/T 24001-2016 environmental management system. The Company sets clear environmental objectives and quantitative indicators each year, and through systematic process supervision and regular reviews, ensures that the system is effectively implemented, strengthening supervision and inspection to ensure all environmental protection measures are in place.

## Environmental Risk Emergency Plan

To prevent potential secondary environmental impacts arising from emergencies such as fires, SIFANG has established environmental emergency management procedures, including the Environmental and Occupational Health and Safety (OHS) Operation Control Procedures and the Fire Accident Emergency Response Plan. These procedures clarify requirements for risk prevention, emergency response, accountability and post-event management.Through regular training and emergency response exercises, the Company continuously improves employees' ability to respond quickly and effectively to environmental incidents, safeguarding environmental safety.

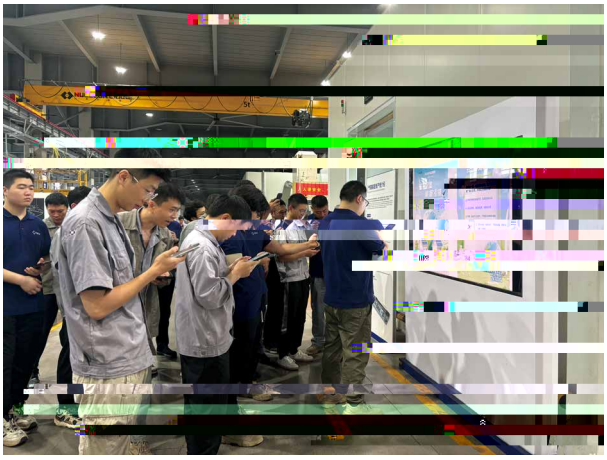
## Environmental Protection Training

SIFANG continuously strengthens environmental awareness among employees and promotes green and low-carbon practices as part of its sustainability culture. During the 2025 National Energy Conservation Publicity Week, the Company aligned with the national theme of "Energy Conservation and Efficiency Improvement, Renewal-Led Development" and organized a series of online and offline initiatives. Through interactive campaigns and knowledge-sharing activities, SIFANG enhanced employees' understanding of energy conservation and environmental protection, encouraging all employees to contribute to green development through daily actions.











## Waste Management

The Company strictly adheres to laws and regulations such as the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste" and the "Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste", and has established rules for waste management. It has formulated and implemented the Waste Management Procedures, the Energy Conservation and Material Saving Management Measures and other regulations, and established a comprehensive waste classification and treatment system. The Company precisely classifies recyclables, hazardous waste and general industrial solid waste. It manages and disposes of recyclable items, minimizes resource consumption and properly handles hazardous waste. In its office areas, the Company has implemented waste sorting, formulated detailed implementation plans and trained employees on the use of designated waste bins to ensure accurate waste classification and placement. Currently, the Company's waste mainly comes from office garbage,non-conforming products during production, and packaging waste. Recyclable items are reused through recycling channels. Hazardous waste is entrusted to qualified third parties for safe disposal, and general waste is properly handled regularly after classification.



Hazardous Waste

Waste batteries, waste oil, etc.

Classified collection and entrusted to qualified third-party organizations for disposal.

100% entrusted to qualified organizations for disposal.



General Waste

Recyclable

Non-recyclable

## Clean Energy Utilization

SIFANG has established an energy management framework certified o

## Smart Green Electricity Use

To further reduce operational carbon emissions and strengthen climate governance capabilities, SIFANG continues to increase the utilization of renewable energy through initiatives including the development of self-owned photovoltaic systems and green electricity procurement. Self-owned photovoltaic facilities enable localized generation and consumption of renewable energy, while green electricity certificates provide credible verification of green electricity consumption and ensure traceability of environmental benefits. Through these measures, SIFANG continuously optimizes its energy mix, effectively increasing the proportion of green electricity in its total electricity consumption, and demonstrates its commitment to accelerating the transition toward a low-carbon energy structure.

**Nanjing Base**

Newly added photovoltaic capacity of 256.86 kW, bringing the total photovoltaic capacity of the Nanjing base to 357 kW, with annual green power generation of 410,000 kWh.

The "Nanjing Sifang Yien Power Automation Co., Ltd. Microgrid Project" was recognized as one of the first annual "Top Ten Cases" of energy conservation and carbon reduction by the China Energy Conservation Association and Green National Grid.



**Huzhou Base**

A total capacity of 767.52 kW of rooftop distributed photovoltaic power generation system, was put into use in August 2025, and had generated 300,000 kWh of renewable electricity by the end of 2025.

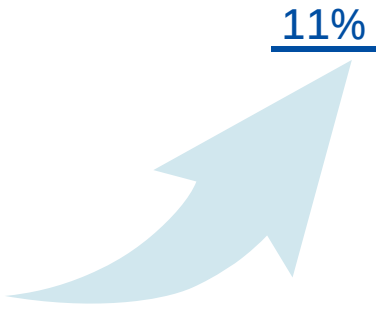


Purchase of green electricity certificates: 4,250 MWh









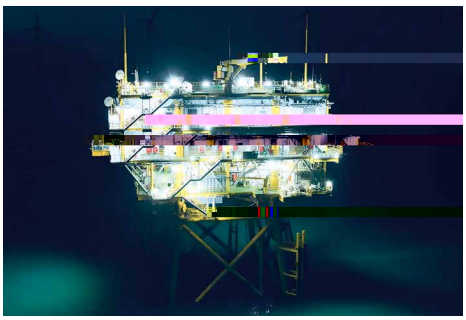

Increase in Green Electricity Trading Volume: 2024-2025

# Water Resource Utilization

SIFANG implements systematic water management practices under the Energy Conservation and Material Saving Management Measures, strengthening water use management throughout the entire process of water intake, consumption, and drainage. The Company focuses on key water-use scenarios from daily operationss, and implements various water-saving initiatives such as installing water-efficient faucets, and fully upgrading water-saving equipment in office area restrooms to reduce water waste. Meanwhile, SIFANG actively promoting the concept of water conservation and enhancing employee awareness of saving water through campaigns and feedback mechanisms, fostering a company-wide culture of responsible water use. The Company's water-saving management goal is to maintain water consumption at its current level while ensuring continuous business growth through selecting high-efficiency cleaning products and promoting the renovation of water-using equipment, improving water resource management, thereby effectively supporting the Company's sustainable operations.

SIFANG follows the Circular Economy Promotion Law of the People's Republic of China and has established the development of a circular economy as a core strategy to address resource constraints and achieve sustainable growth. The Company integrates circular economy principles into product packaging design, storage and transportation processes, focusing on waste reduction, resource reuse and efficient utilization. Through these efforts, SIFANG continues to tstrago

The project has a total installed capacity of 200 MW and comprises 24 offshore wind turbines with an individual capacity of 8.5 MW. It is equipped with a 220 kV offshore booster station and an onshore centralized control center. Once fully





## Energy Storage

SIFANG is among the earliest companies in China to engage in the R&D and commercialization of energy storage technologies. Through continuous technological innovation and extensive project experience, the Company has established strong expertise in energy storage system integration and applications. It focuses on the independent development and integrated delivery of core energy storage equipment. By leveraging its proprietary technologies and self-developed product portfolio, including energy storage monitoring systems, Energy Management Systems (EMS), Power Management Systems (PMS), Power Conversion Systems (PCS), control and protection equipment, DC-side integration systems, integrated energy storage battery containers, Battery Management Systems(BMS) and battery PACKs, the Company provides intelligent and grid-friendly energy storage solutions, with differentiated capabilities in grid frequency regulation, voltage regulation, and grid-forming control technology.

Its comprehensive product portfolio covers critical components and complete systems, enabling end-to-end delivery capabilities from individual equipment to integrated energy storage solutions.

Participated in Energy Storage Projects
**266+**

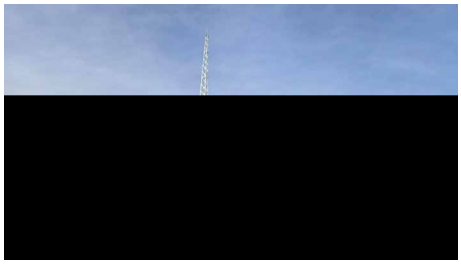
Cumulative Installed Capacity
Approx. **1** GW

Cumulative Annual Green Power Generation
Approx. **400** GWh

Annual Standard Coal Savings
Approx. **150,000** tons

$CO_2$ Emission Reduction
Approx. **360,000** tons

### Energy Storage on Renewable Energy Generation Side



### Energy Storage on Grid Side

For the Ningxia Zhongguangdian Tongxin County 150 MW / 300 MWh Shared Energy Storage Power Station Project, SIFANG provided integrated Power Conversion System (PCS) and transformer equipment. The project enhances renewable energy consumption capacity and improves the utilization efficiency of existing grid infrastructure.



For the Huadian Laizhou Thermal- Storage Combined Frequency Regulation Project, SIFANG provided a 30 MW / 30 MWh energy storage system together with a coordinated control system integrating thermal power generation and energy storage. By supporting frequency regulation operations of two generating units, the solution significantly improves regulation perfor-

For the Ningxia Zhongwei Cloud Base Data Center, SIFANG provi Sje d

## Zero-carbon Industrial Parks

SIFANG continues to develop integrated solutions for zero-carbon industrial parks, focusing on the green transformation of power systems.

Through four major dimensions, including renewable energy deployment, intelligent energy consumption management, power system reliability enhancement and full-lifecycle facility O&M, the Company addresses critical challenges in zero-carbon park development, including efficient renewable energy utilization, adaptation to the new electricity system, comprehensive carbon management and optimization of energy efficiency.

Leveraging its Industrial Internet platform, SIFANG has developed a zero-carbon energy management and control platform that enables flexible integration, intelligent scheduling and coordinated operation of renewable energy generation such as wind and photovoltaic power. Through the establishment of a "source-grid-load-storage" integrated interaction framework, the Company promotes multi-energy coordination, microgrid applications and distributed energy development, builds a comprehensive optimization development pattern of energy supply and consumption in zero-carbon parks, and supports industrial parks in achieving lifecycle carbon reduction and advancing toward low-carbon and zero-carbon operations.

SIFANG continues to support Tianjin Port Group's three-step strategic roadmap toward "zero-carbon terminals, zero-carbon

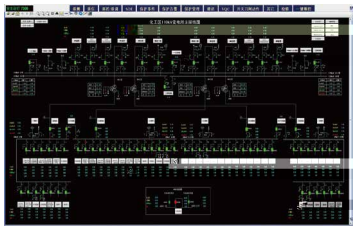
Through multi-source data integration and intelligent data networks, the system improves operational visibility and maintenance efficiency. The project supports Jingang Group in building up a green steel production base and intelligent manufacturing demonstration area, and lays a solid foundation for cooperation between SIFANG and Jingang Group in smart manufacturing and green energy transition.

## Petrochemicals

SIFANG's self-developed products, including power protection, grid control, station-level automation, and power system simulation, are widely applied in the petrochemical industry. The Company provides industry customers with integrated solutions covering power generation, centralized monitoring of enterprise power equipment, smart operation and maintenance, and simulation training. This enables an "unmanned or minimally-attended" intelligent management model, ensuring a sustainable, stable, efficient, and safe power supply for industry customers.

### North Huajin Fine Chemical and Raw Material Engineering Project

The North Huajin Fine Chemical and Raw Material Engineering Project represents an important initiative under China's Northeast Revitalization Strategy and the Belt and Road Initiative. For this project, SIFANG provided comprehensive power automation solutions, including two regional centralized control systems, more than 60 integrated automation systems across various voltage levels and relay protection solutions. Upon completion, the project will contribute to the upgrading of Liaoning Province's petrochemical industry toward higher-value chemical production. It also supports national strategic objectives by enhancing energy and industrial security, promoting international energy cooperation and supporting the development of a world-class petrochemical and fine chemical industrial cluster in Liaoning Province.



## Rail Transit

As an important comprehensive product and solution supplier of power monitoring systems and intelligent operation and maintenance systems for the rail transit industry, SIFANG provides integrated digital operation management platforms combining cloud-based online platforms and physical infrastructure. Leveraging advanced technologies in digitalization, automation and intelligent control, the Company supports the safe, stable and efficient operation of urban rail transit systems, contributing to the digital transformation and high-quality development of China's urban rail transit industry.

### Changchun Urban Rail Transit Airport Line Power Monitoring and Power Quality Monitoring System Project

SIFANG provided a comprehensive power monitoring and power quality management solution for Changchun Urban Rail Transit Airport Line. The solution enhances operational safety and reliability, improves maintenance efficiency and reduces energy consumption and lifecycle operating costs.

By supporting the intelligent and green transformation of Changchun's urban rail transit infrastructure, the project contributes to the development of an integrated "air-rail intermodal transport" hub and promotes regional connectivity, and creating a safe, convenient, efficient, and green smart transportation system.





# Fulžlling Social Responsibility

# Rural Revitalization Practices

In response to national strategies including rural revitalization and prioritized development of education, SIFANG Ruixiang Public Welfare Foundation actively fulfills its corporate social responsibilities and continues to support communities through targeted public welfare initiatives. In 2025, the Foundation implemented a series of programs, contributing to livelihood improvement and sustainable rural development.

Following the 6.8-magnitude earthquake in Dingri County, Shigatse City, Tibet, the Foundation provided targeted financial support for emergency resettlement, essential supplies and post-disaster livelihood restoration, benefiting approximately 200 affected households. In response to severe flooding in Miyun District, Beijing, the Foundation provided financial assistance for emergency relief, affected resident resettlement, material procurement and infrastructure restoration, covering multiple affected villages and benefiting approximately 300 households. Meanwhile, the Foundation established a standardized emergency response mechanism to enhance its disaster relief capabilities and improve the efficiency of future emergency support.

SIFANG Ruixiang Public Welfare Foundation provided financial support to Weichang Town No. 4 Primary School in Weichang Manchu and Mongolian Autonomous County. The funding was used to purchase advanced science and technology education equipment, including 3D printers and laser cutting machines, supporting the successful implementation of the school's Science and Technology Festival. The initiative benefited 2,836 students and 637 kindergarten children, contributing to improvements in rural education infrastructure and science education quality. The Foundation also provided scholarships and grants to Weichang Town No. 6 Primary School. Through a transparent and standardized selection process, financial assistance was provided to 50 students facing economic difficulties, helping reduce household financial pressure and supporting students in continuing their education.

The Foundation supported the idle asset revitalization project in Menggu Daying, Bairin Left Banner, Inner Mongolia. The project focused on facility renovation, environmental enhancement and the creation of culturally distinctive scenarios, while introducing an innovative operating model combining public welfare support with market-based development. Upon completion, the project is expected to revitalize approximately 22,700 square meters of idle assets and benefit around 1,400 local residents. By creating employment opportunities, expanding sales channels for agricultural and livestock products and promoting integrated development of primary, secondary and tertiary industries, the project provides a replicable model for sustainable rural development and rural revitalization.

# Diverse Social Contribution

SIFANG remains committed to fulfilling its corporate social responsibilities and actively contributes to public welfare. Over the years, the Company has continuously initiated and participated in various charitable activities, demonstrating its commitment as a responsible corporate citizen and creating positive social impact.

## Scholarships

The Company has established long-term and stable cooperative relationships with multiple universities. o gh scholarshipx
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In 2025, SIFANG's Committee for the Wellbeing of the Next Generation (hereinafter referred to as "the Committee") focused on science education and social responsibility, leveraging corporate resources to support youth development. The Committee aligned its resources precisely with the growth needs of young people, thoroughly implemented the "enhancing science education" requirements under the "double reduction" policy, and actively promoted innovation in the school-enterprise collaborative education model. Through its long-term partnership with Shangdi Education District and participation in the "Double Hundred Action" science outreach program, SIFANG organized technical experts and senior lecturers to deliver science lectures and open courses, including "Exploring the Wonderful World of Electricity". By integrating corporate technological expertise with educational resources, the Company helps inspire young people's interest in science and cultivate future innovation capabilities.

For children in need, the Committee carried out household visits to better understand their actual circumstances and provide targeted support. Through the "Books Deliver Hope, Paintings Warm Children's t nns Wo , the Comm thi mm tin " " " Delivopen

SIFANG has always upheld its commitment to strengt / a

# Intellectual Property Protection

SIFANG places significant emphasis on intellectual property (IP) protection and continuously s SIFs

## Protecting Proprietary IP and Enhancing Value Creation

Oriented toward serving strategic development and enhancing core competitiveness, the Company leverages AI-powered search tools to improve patent intelligence monitoring, technology analysis and potential risk identification. Through forward-looking IP planning in key technology fields, together with patent filings, software copyright registrations and trademark protection, the Company continues to build technological advantages and strengthen its brand protection framework. The Company also conducts regular internal and external training programs to enhance employees' IP awareness and establish a company-wide culture of IP protection.

## Respecting and Protecting the IP of Others

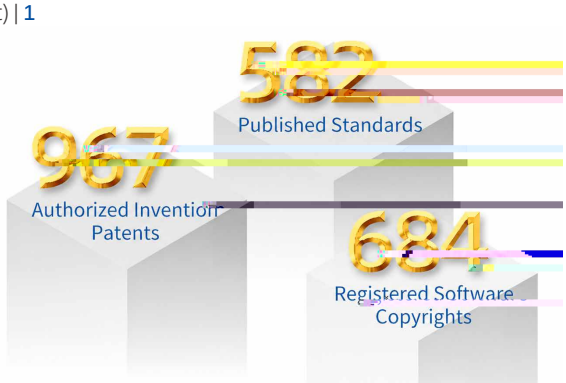
The Company has established a categorized patent risk monitoring and early warning mechanism, integrating patent intelligence analysis throughout the R&D lifecycle. Through proactive IP risk assessment and continuous compliance review, the Company effectively prevents potential infringement risks and ensures that innovation activities and business operations are conducted in compliance with applicable requirements.

## Honors

National High-Tech Enterprise
National Technology Innovation Demonstration Enterprise
National Enterprise Technology Center
National Industry-University-Research Cooperation and Innovation Demonstration Enterprise
Standardization Pilot Unit of the Zhongguancun National Independent Innovation Demonstration Zone
Manufacturing Single Champion Enterprise
National Intellectual Property Advantage Enterprise
Beijing Intellectual Property Advantage Enterprise
Haidian District Standard Innovation Unit
Electrical Industry Standardization Demonstration Enterprise

### Scientižc and Technological Awards

China Patent Gold Award | 1
Beijing Patent Award | 5
China Standard Innovation Contribution Award | 11
Electric Power Innovation Award (Standardization Achievement) | 1




210+

Provincial and ministerial-level (and above) Scientific and Technological Awards

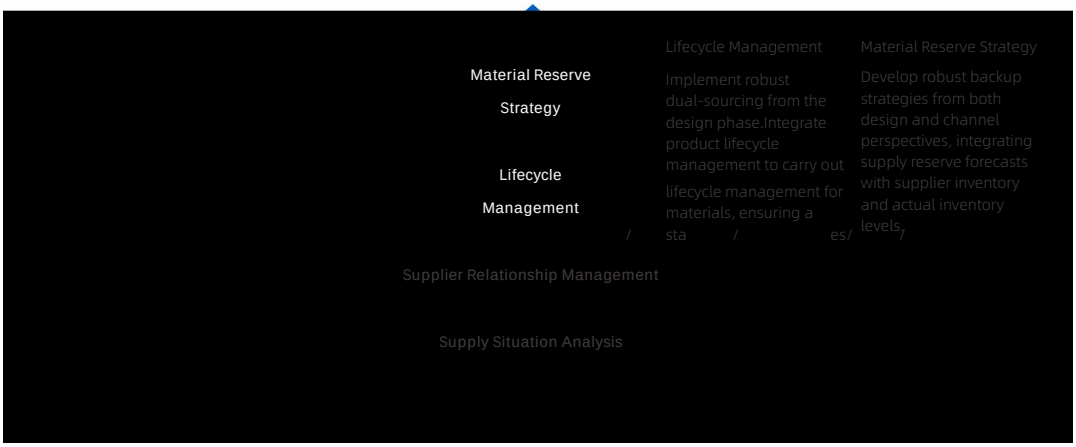
40+

National Key R&D Programs

# Supply Chain Security

## Supply Chain Management

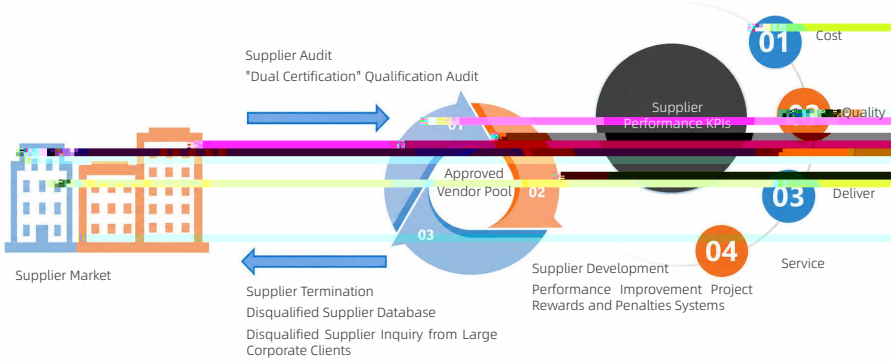
As a key participant in the power system industry chain, SIFANG deeply integrates environmental, social, and risk governance into its supply chain strategic planning. By building a full lifecycle management mechanism covering supplier onboarding, performance evaluation, risk early warning, and elimination, the Company systematically strengthen supply chain resilience and sustainable development. The Company embeds requirements such as energy management systems, green factories, hazardous substance control, as well as occupational health and safety management and environmental management systems into the supplier onboarding audit process. Through cross-departmental task forces, the Company conducts spot inspections of key suppliers to ensure the safety, stability, and sustainable development of the supply chain.




## Supply Chain Enhancement

SIFANG leverages digital technologies to strengthen supplier management and improve supply chain efficiency. The Company has implemented a new Supplier Relationship Management (SRM) system and enhanced supplier quality management capabilities through iterative upgrades of the supplier quality management module in the Quality Management System (QMS).

By optimizing supplier evaluation mechanisms, strengthening supplier classification management and refining procurement strategies, the Company continuously improves supply chain resilience and achieves 100% closed-loop management of quality issues through the QMS system. Through the SRM platform, supplier development processes are digitally managed with enhanced transparency, real-time data integration, intelligent processing and cross-functional collaboration. The Company has further standardized and automated procurement management processes, enabling more accurate supplier evaluation, and comprehensively enhancing supplier management and procurement delivery capabilities. Furthermore, SIFANG actively develops strategic partnerships with domestic industry participants to strengthen cooperation and build a more secure and resilient domestic supply chain ecosystem. Through the Supplier Non-compliance Behavior Management Measures, the Company reinforces compliance oversight across the supply chain, and has established transparent reporting channels and promptly investigates any misconduct, including fraud, corruption or other violations, ensuring ethical business practices, supply chain integrity and protection of corporate reputation.



SIFANG advances the low-carbon transition and efficiency improvement of the supply chain through the integrated approach of "green transformation + digital transformation". From a green supply chain perspective, the Company prioritizes procuring products from suppliers certified as national green factories, promotes packaging reduction and the use of recyclable materials, and encourages suppliers to conduct carbon emissions and product carbon footprint accounting. On the digital side, the Company has connected remote video monitoring systems at key production nodes with its ERP system to deepen collabora-

# Product and Service Safety & Quality

## Customer Service Management

| | | |
|---|---|---|
| Management Policy | Customer First--Starting from a focus on "customer satisfaction." | People-Oriented--Supported by the fulcrum of "cultivating professional talent." |
| | Quality Priority--Following the main line of "lean management." | Innovation-Driven Development--Propelled by the driver of "innovating service models." |

SIFANG continuously monitors changes in customer demand, improves its customer satisfaction management mechanisms, enhances customer experience and service capabilities, and builds an agile and efficient service team to support the growth of its core business.

Engineering services are supported by the ISO 20000 Service Management System, the ESP information platform and the digital call center platform. The Company continues to promote the construction and visualization transformation of service process architecture, while strictly implementing the service commitment of "first-contact ownership and issues do not stay unresolved overnight."

Through a 24/7 service hotline and standardized complaint handling procedures, the Company achieves full recording of customer needs, monitored handling time, feedback surveys focusing on experience, and mandatory accountability for complaint incidents, ensuring rapid response and resolution of customer needs, and ensuring the safe and stable operation of customers' products and systems while delivering enhanced service experiences.

Meanwhile, the Company further enhances service capabilities through AI technologies. By leveraging its electronic document download system, the Company promotes green operations and reduces carbon emissions. Through large language model (LLM) technology, the Company improves the accuracy of service issue identification and first-time resolution rates, strengthening service sustainability and digitalization capabilities, supporting the development of an agile and efficient service team, enhancing customer satisfaction through high-quality services, and driving sustainable high-quality growth of its core business.

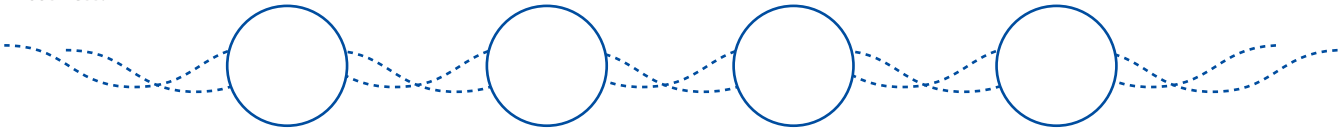
In 2025, the Company achieved further breakthroughs in service capabilities and business performance. The intelligent customer service system continued to deliver strong results, with intelligent Q&A services recording over 550,000 visits in aggregate, including an average monthly usage volume of more than 6,300 multi-round Q&A sessions. The "One-Code Access" service provided over 20 types of electronic document download services, with cumulative downloads exceeding 440,000 copies and the highest monthly downloads reaching 57,450 copies, providing domestic and overseas custom-

## Information Security

SIFANG places high importance on the construction of its information security system, continuously increasing investment to comprehensively build a robust information security management framework. The Company strictly adheres to national laws and regulations, follows the ISO 27001, and has obtained certification under the latest applicable version of ISO 27001 to ensure that its information security policies and management measures align with industry best practices.

The Company regularly conducts information security attack and defense drills and phishing email simulation exercises to enhance employees' awareness of information security and data protection. In response to increasingly complex cybersecurity threats, the Company regularly performs risk assessments and introduces advanced technical measures. In 2025, based on its existing defense-in-depth security architecture, the Company introduced a zero-trust security protection framework, further strengthening secure network access management and fine-grained authorization controls, thereby ensuring the effectiveness, advancement and compliance of information security measures.

By establishing an integrated linkage mechanism between cloud-based and on-premises security operations, the Company has established a 24/7 uninterrupted defense and timely response mechanism for its core assets, providing a solid foundation for the stable development of the Company's business.



Uninterrupted Protection for Critical Assets **7/24**

Detected and repelled **1.63** million attacks

Resolution of Severe and High-Level Threats **100%**

Information Security Incidents

## Customer Privacy Protection

SIFANG attaches great importance to customer privacy, having formulated systems and regulations such as the "Data Management System," "Data Asset Management Standards," and "Data Security Management System." These regulations classify and label data assets at different levels, clarify the principles for data collection, use, storage, and sharing, and ensure that the Company's important assets and customers' sensitive information remain secure, confidential, and complete. Through a series of strict measures, including data encryption, access control, data leakage prevention, and approval and audit procedures for external data transmission, the Company guarantees the confidentiality and integrity of customer data. The Company is committed to fully safeguarding the legitimate rights and interests of its customers, promoting a sustainable and trustworthy business relationship, and providing customers with reliable services.

Classify corporate data assets into 10 major categories and more than 1,000 items. Define data levels and scope of knowledge, to prevent unauthorised data circulation beyond the prescribed scope.

# Employee Rights and Well-being

## Talent Development

SIFANG regards talent as its most important asset and seeks to continuously enhance organizational vitality to drive the business. The Company continuously optimizes its talent management mechanisms and enhances its brand image. It places great emphasis on talent cultivation, having perfected its talent structure and strengthened its talent pipeline. It continuously enhances employee training and skill improvement, ensuring an adequate talent pool, a well-structured talent pipeline and an optimized workforce structure, thereby enabling the Company's sustainable development.

Based on its strategic goals, business development direction and the needs of its talent pipeline, the Company has formulated a talent development system. It has established a long-term and effective incentive mechanism to enhance corporate cohesion and provide a broad platform and growth space for high-quality talent, supporting the Company's high-quality development.

### Broaden Channels to Attract Top Talent

The Company actively explores talent strategies and attracts top professionals within the industry through various channels such as industry forums, talent exchange meetings, headhunting, internal recommendations and online platforms. It specifically targets high-end talent in fields such as new energy, smart grids, smart energy consumption and energy storage to inject vitality into the Company’s innovation and development.

The Company participates in university-enterprise cooperation and showcases its industry influence and leadership in technology R&D, standard setting and patent authorization through various channels. This allows the Company to accurately position and screen for relevant talent, enhancing their sense of identification and pride. Simultaneously, through a joint training model, the Company promotes common growth for both its talent and itself.Do O

The Company has established a comprehensive talent development and training system, continuously improving the professional qualification system and expanding the coverage of job qualifications. This clarifies the career development path for technical personnel. By strengthening the alignment between job qualifications, employees’ capability improvement and organizational needs, the Company continues to optimize career advancement channels and supports employees’ professional and career development through institutionalized frameworks and standards.

## Equity Incentives

To continuously deepen the long-term incentive system and mobilize the enthusiasm of managers and core personnel, thereby promoting the Company's sustainable development, the Company has launched the "Qihang (Voyage) No. 2 Restricted Stock Incentive Plan", granting restricted shares to 524 core employees. As of 2025, the vesting conditions for all three unlocking periods had been satisfied, successfully fulfilling the Company's commitment of value return to its core talent.












## R&D Capability Enhancement Training

For R&D personnel with different levels of experience and development directions, the Company provides specialized R&D management training programs to enhance technological innovation capabilities, project management skills and product planning capabilities, ensuring continuous development of high-quality talent within the R&D system.

In 2025, more than 400 campus recruits and experienced hires participated in new employee orientation programs.

Through various formats including introductory internships, classroom lectures, team-building activities, site visits and practical exercises, the Company helped new employees quickly understand the Company's corporate culture, business and

### Production Safety

SIFANG strictly complies with the Production Safety Law of the People's Republic of China and relevant regulations.

In 2025, the Company revised various safety management documents, including the Production Safety Information Reporting Management System and the Fire Safety Management System, as well as related safety management forms, continuously improving its workplace safety management system.

The Company established the Production Safety Committee (the "Safety Committee"), chaired by the President and vice-chaired by Vice Presidents, responsible for overall workplace safety management, formulation of technical measures and plans, as well as safety inspections and supervision.

Meanwhile, the Company has established and continuously operated the Occupational Health and Safety Management System (ISO 45001:2018) and the Production Safety Standardization Management System. In 2025, the Company successfully passed the annual review and certification of ISO 45001:2018 Occupational Health and Safety Management System. The Company strictly implemented a



## Family Care

**Housing Support**

To help employees alleviate housing pressure, The Company provides public rental housing and dormitory resources for them to apply for, assisting employees in securing stable living conditions. In 2025, The Company leased 175 units of public rental housing, resolving the accommodation issues for 204 employees and their families.

**Summer Childcare Program for Employees' Children**

Sifang Committee for the Wellbeing of the Next Generation, partnered with the Labor Union, established a summer childcare program for the children of 45 employees', providing diversified courses such as traditional culture, sports and exercise, and safety science popularization, effectively solving childcare needs of employees during summer vacations.

**Overseas Assignment Benefits**

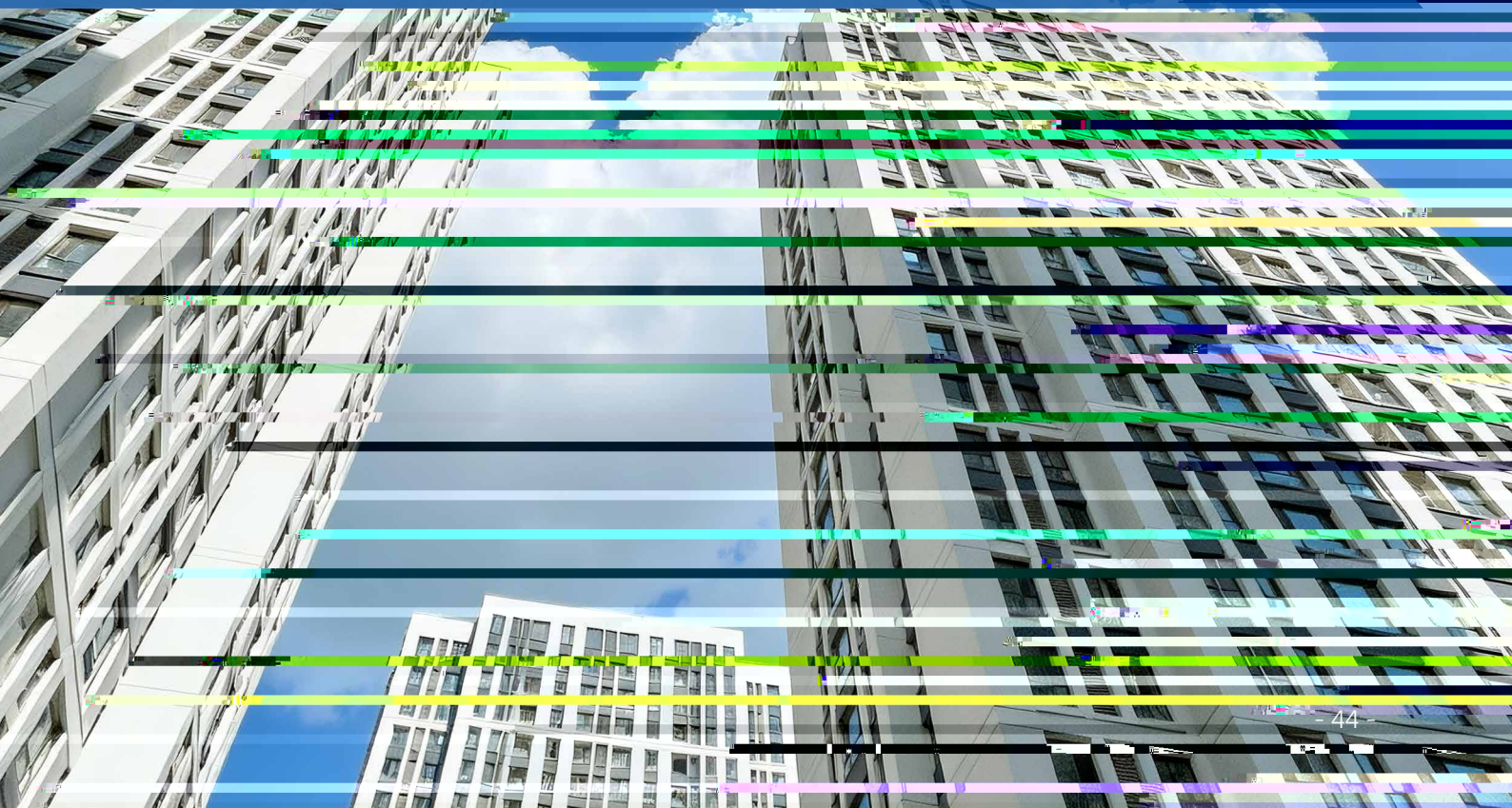
For employees assigned overseas, The Company purchases additional accident and international travel insurance to fully guarantee their personal safety during their work abroad.





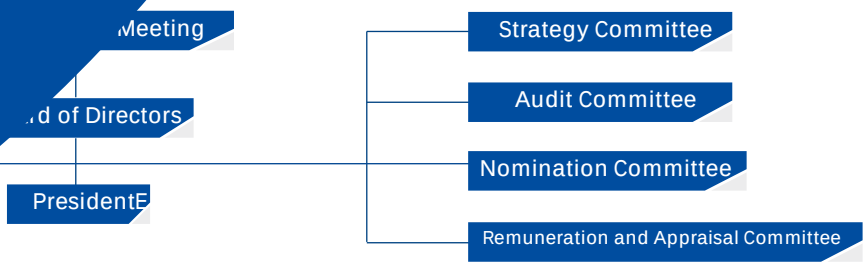



# Sustainability-Related Governance



ople's Republic of
d Companies", to
nd well-informed
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ciation for Public
Excellent Practice

-quality development of the Company. SIFANG has
Meeting, Board of Directors, and senior management,
body. The Board of Directors has established a Strategy
neration and Appraisal Committee. Each special committee
ng and review of major issues, ensuring the scientific rigor and
the Company's healthy and sustainable development.




n Board of Directors of SIFANG adheres to the principle of diversification, balancing professional
ence, the characteristics of the Company's industry and multiple perspectives such as gender to
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## Protection of Investors' Rights and Interests

### Investor Returns

SIFANG places strong emphasis on shareholder returns and continuously enhances investment value by improving operational quality. The Company strengthens its responsibility for shareholder returns and safeguards shareholders' legitimate rights and interests. Through a scientific and rational profit distribution system and transparent dividend mechanisms, the Company seeks to enhance investor confidence and promote long-term, stable development, thereby creating sustainable value for shareholders. Since its listing, the Company has paid dividends for 16 consecutive years, with cumulative dividends of approximately RMB 4.5 billion and a dividend-to-financing ratio of approximately 250%.

**2024**

SIFANG is dedicated to protecting the rights and interests of minority investors. It maintains high-quality information disclosure and actively holds results briefings to effectively communicate the Company's operating performance and protect investors' right to know. At the same time, it actively carries out investor research and exchange activities. Through platforms such as the SSE Roadshow Center and SSE e-interaction, the Company engages in online

## Communication Channels

SIFANG adheres to the principle of "creating value for customers through compliant operations" and has progressively improved its unique comprehensive risk and compliance management system. In 2025, the Company further strengthened its

## Audit and Supervision

Focusing on key areas of operations and critical business processes, SIFANG continuously strengthens internal control mechanisms and improves the effectiveness of internal audit supervision.

In 2025, the Company further enhanced tenure audits for senior executives, revised the Tenure Audit Management System, conducted various special-purpose audits and carried out conflict-of-interest investigations, continuously expanding the scope and depth of internal audit coverage.

The Company's audit and supervision activities adhere to principles of objectivity and fairness, restoring the essence of business activities based on facts. By focusing on process optimization and closed-loop rectification of audit findings, and applying scientific and rigorous assessment standards, the Company strengthens accountability and ensures effective implementation of corrective measures, establishing a strong supervision framework to support stable and sustainable development.

# Stakeholder Communication

## Sustainable Development Management

SIFANG will continue to integrate the concept of sustainable development into its corporate development. In its daily operations, the Company will continuously explore sustainable development practices and work with all stakeholders to build a sustainable management and practice system with SIFANG's unique characteristics. The Company will incorporate sub-topics of sustainable development into its annual performance and key task management. By closely linking them with the remuneration of relevant senior executives, it will ensure that sustainable development goals are closely aligned with the Company's strategy.



In conjunction with national and industry policies and guided by relevant principles of sustainable development, the Company adheres to the principles of materiality, completeness and balance. It maintains close communication with internal and external stakeholders, fully collecting and organizing their concerns and demands to identify material topics. Based on its sustainable development goals, the Company formulates work plans and regularly reviews progress to ensure that its sustainable development practices are consistent with the Company's strategic objectives, thereby promoting the coordinated development of the economy, environment and society.

| Stakeholder Type | Key Material Topics | Communication Methods |
| --- | --- | --- |
| Government and Regulatory Authorities | ■ Legal Compliance<br>■ Lawful Taxation<br>■ Safe Production<br>■ Supporting economic development<br>■ Adapting to policy adjustment<br>■ Collaborating with the government to guide industry development<br>■ Environmental safety | ■ Government research and supervision<br>■ Information disclosure<br>■ Daily communication and reporting |
| Investor | ■ Legal Compliance<br>■ Sustainable Operation<br>■ Returns and Growth<br>■ Controlling risks<br>■ Protecting the interests of minority investors<br>■ Open and transparent information disclosure | ■ Roadshows<br>■ Performance Release<br>■ Shareholders' meeting<br>■ Investor Research Communication Meetings<br>■ Information disclosure<br>■ Interactive Platforms, Hotlines |
| Client | | |
| Employee | | |
| Supplier | | |
| Competitor | | |
| Community | | |

The Company has always regarded honest and compliant operations as the foundation of sustainable development. It strictly complies with relevant laws and regulations, including the Private Economy Promotion Law. The Company has also benchmarked against the "United Nations Convention against Corruption" to ensure that its full-process risk management system, which covers both domestic and international operations, is aligned with international standards. It regularly conducts

# Key Performance Indicators

**Key Economic Performance**

| No. | Indicator | Unit | | 2024 |
|---|---|---|---|---|
| 1 | Total Assets | Billion Yuan | 12.705 | 11.046 |
| 2 | Operating Revenue | Billion Yuan | 8.193 | 6.951 |
| 3 | Total Profit | Million Yuan | 932 | 824 |
| 4 | Net Profit Attributable to Shareholders of the Listed Company | Million Yuan | 829 | 716 |
| 5 | Total Tax | Million Yuan | 569 | 531 |
| 6 | Basic Earnings Per Share | yuan/share | 1.00 | 0.87 |
| 7 | Weighted Average Return on Net Assets | % | 17.75 | 16.62 |

**Key Environmental Performance**

| No. | Indicator | Unit | 2025 | 2024 |
|---|---|---|---|---|
| **Energy Consumption** | | | | |
| 1 | Environmental Protection Investment | 1,000 yuan | 1,090 | 1,100 |
| 2 | Electricity Consumption (Thermal Pow oC nstricity Consumption (Thep, D | kWh | 16,556,008 | 14,230,334 |
| 3 | | kWh | 1,790,209 | 938,769 |
| 4 | Purchased Green Electricity | kWh | 4,250,000 | 3,830,000 |
| 5 | Green Electricity Ratio | % | 33 | 31 |
| 6 | Water Consumption | t | 93,151 | 67,139 |
| 7 | Steam Consumption | MJ | 17,434,710 | 29,963,910 |
| 8 | Total Waste Generation | t | 329.6 | 247.0 |
| 9 | (Hazardous Waste) | t | 6.0 | 0.5 |
| 10 | (Non-hazardous Waste) | t | 323.6 | 246.5 |
| **Greenhouse Gas Emissions** | Note: The verification scope covers Beijing, Baoding, Huzhou, Nanjing, and Wuhan. | | | |
| 1 | Total GHG Emissions | $tCO_2e$ | 249,686 | 146,861 |
| 2 | GHG Emissions(Scope 1) | $tCO_2e$ | 846 | 799 |
| 3 | GHG Emissions(Scope 2) | $tCO_2e$ | 9,654 | 8,580 |
| **Circular Economy** | | | | |
| 1 | Amount of Recycled Waste | t | 9 | 9 |
| 2 | Consumption of Renewable Resources | tce | 132 | 101 |
| 3 | Ratio of Renewable Resource Consumption to Total Resource Consumption | % | 13 | 13 |

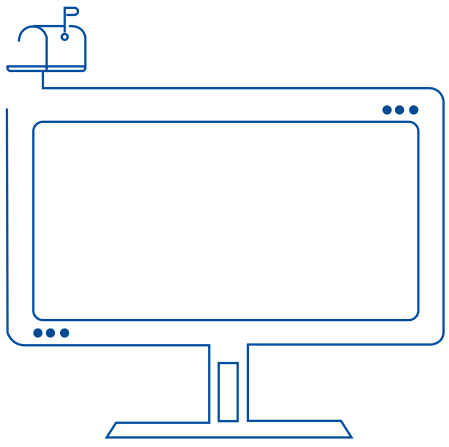
**Key Social Performance**

| No. | Indicator | Unit | 2025 | 2024 |
|---|---|---|---|---|
| | | million yuan | 2.10 | 4.80 |
| | | people | 4,110 | 3,790 |
| | | people | 325 | 305 |
| | | people | 586 | 613 |
| | | % | 22 | 23 |
| | | % | 5 | 6 |
| | | % | 100 | 100 |
| | | % | 100 | 100 |
| | | % | 100 | 100 |
| | | % | 100 | 100 |
| | | people | 0 | 0 |
| | | % | 100 | 100 |
| | | million yuan | 730 | 680 |
| | | % | 8.9 | 9.8 |
| | | people | 1,390 | 1,260 |
| | | % | 34 | 33 |
| | | patents | 189 | 160 |
| | | patents | 101 | 84 |
| | | patents | 1,040 | 982 |
| | | projects | 17 | 5 |

## Feedback

Dear Readers:

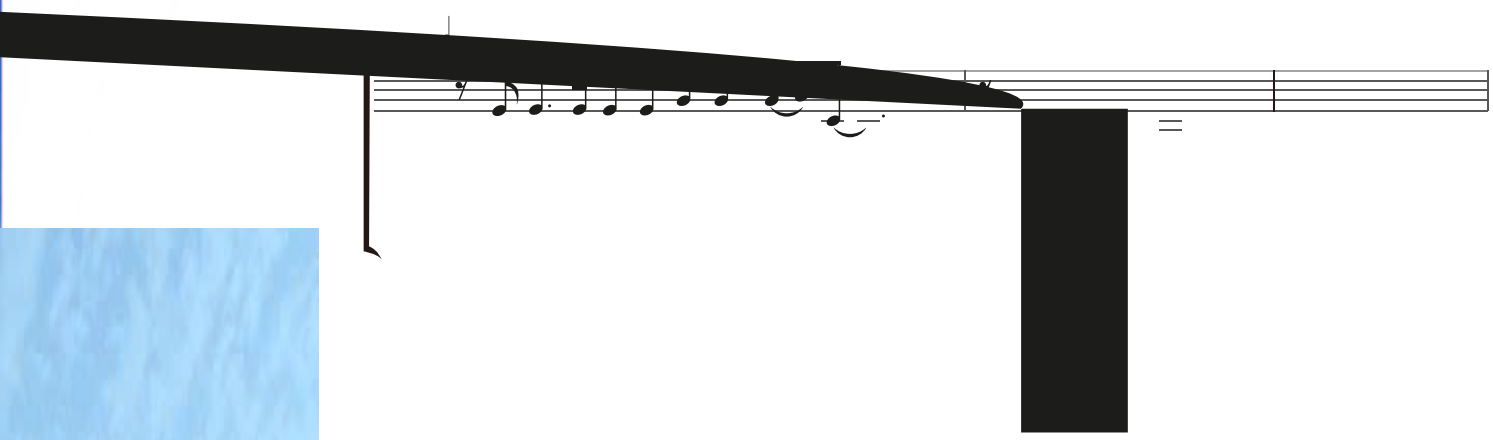
Thank you very much for reading this report. We sincerely invite you to provide your valuable opinions and suggestions. We will listen to your feedback and consider it an important basis for our continuous improvement of The Company's sustainable development governance and practices.



Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies — Sustainability Report (Trial)

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