



2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Preface

About this report

This report, namely the SolaX's 2025 Environmental, Social and Governance Report (hereinafter referred to as "this report"), is the second ESG report issued by SolaX Power Network Technology (Zhejiang) Co., Ltd., disclosing in detail the Company's practices and performance in responsible areas such as economy, environment, society and corporate governance to stakeholders. This report has been reviewed by the Company's Board of Directors, which is responsible for the authenticity and validity of the information contained herein.

Reporting Scope

The information disclosed in this report covers SolaX Power Network Technology (Zhejiang) Co., Ltd. and its subsidiaries (hereinafter referred to as "SolaX", "the Company" or "we"), consistent with the scope of the consolidated financial statements for the same period.

Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025. Due to different statistical standards, if the time scope extends forward or backward, explanations will be made at the corresponding positions.

Report Preparation Basis

The preparation of this report adheres to the following guidelines:

- Sustainability Reporting Standards 2021 (GRI Standards) issued by the Global Sustainability Standards Board (GSSB)
- Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange-Sustainability Report (For Trial Implementation)

Data Sources

All information and data in this report are sourced from public data released by government departments, official documents of the Company, and publicly disclosed documents. The financial data cited in the report is based on the annual report, and other data is from the Company's internal statistics. The currency involved in this report is in RMB, unless otherwise specified.

Principles of Preparation

- Accuracy:** The organization shall report information that is correct and sufficiently detailed to allow an assessment of the organization's impacts.
- Balance:** The organization shall report information in an unbiased way and provide a fair representation of the organization's negative and positive impacts.
- Clarity:** The organization shall present information in a way that is accessible and understandable.
- Comparability:** The organization shall select, compile, and report information consistently to enable an analysis of changes in the organization's impacts over time and an analysis of these impacts relative to those of other organizations.
- Completeness:** The organization shall provide sufficient information to enable an assessment of the organization's impacts during the reporting period.
- Sustainability Context:** The organization shall report information about its impacts in the wider context of sustainable development.
- Timeliness:** The organization shall report information on a regular schedule and make it available in time for information users to make decisions.
- Verifiability:** The organization shall gather, record, compile, and analyze information in such a way that the information can be examined to establish its quality.



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Message from the Chairman



Time witnesses progress. Looking back on the past year, the global energy transition has been advancing vigorously, and the urgency of climate action has become increasingly prominent. In this context, SolaX has deeply integrated ESG concepts into daily management and operations, always placing sustainable development at the core of its strategy, proactively addressing challenges and seizing opportunities, and achieving solid progress in technological innovation, green operations and social development. In 2025, SolaX successfully entered the Global Top 100 New Energy ESG Enterprises list due to its outstanding performance in the ESG field. In the future, we will continue to promote sustainable development, fully integrate ESG concepts with the Company's operations, improve the low-carbon development mechanism, accelerate comprehensive green transformation, and actively fulfill corporate social responsibility.

Chairman:
Li Xinfu



Transparent Compliance and Long-Term Development

The Company balances environmental, social, and governance responsibilities to continuously promote sustainable development. While advancing the green development of the enterprise, SolaX strictly improves the green governance system in accordance with compliance requirements, effectively avoiding opportunistic behaviors. The Company continuously improves the decision-making and supervision mechanisms of the shareholders' general meeting and the board of directors. The right to know and participation of stakeholders is safeguarded through the investor relations management platform and regular information disclosure. The Company has established a comprehensive risk management and response system to ensure transparent compliance and stable operation.

Green Transformation and Collaborative Ecological Reform

Promoting the green and low-carbon development of economy and society is the fundamental strategy for addressing China's resource, environmental and ecological problems, and an inherent requirement for building a modernization where humans and nature coexist harmoniously. SolaX has always integrated comprehensive green transformation into the core strategy of enterprise development, improved the environmental management system, synergistically promoted carbon reduction, pollution control and green expansion, and achieved the coordinated growth of ecological and economic benefits. The Company has also improved the green and low-carbon development mechanism, and formed a spatial pattern and industrial structure that saves resources and protects the environment. On the premise of properly balancing the relationships between development and emission reduction, overall and local interests, current and long-term goals, and the roles of the government and the market, we will continue to increase the proportion of renewable energy applications and build a clean energy ecosystem where photovoltaic power plants, energy storage systems and smart grids work in synergy. In the future, SolaX will further improve resource utilization efficiency, take the lead in exploring the green and low-carbon path, and contribute innovative solutions to the comprehensive green transformation of economic and social development.

Innovation and Business Expansion

Technological evolution in the new energy field is changing with each passing day. In 2025, SolaX launched the 125kW/261kWh intelligent liquid-cooled industrial and commercial energy storage all-in-one machine. From providing a single product to customizing integrated solutions of multiple products, SolaX successfully applied industrial and commercial energy storage to household scenarios for a high-energy-consumption family in Poland, becoming SolaX's first successful case in Europe. SolaX not only provides technical solutions but also guarantees the efficient operation of the system with full-cycle services. The successful implementation of this project not only breaks down the barrier between industrial and commercial energy storage and household scenarios but also enables large-capacity energy storage systems to exert great value in the household field. In addition, SolaX also provides technical support in Nordic countries such as Sweden, Denmark and Finland, and conducts business cooperation with enterprises in the United Kingdom, Turkey and other places. The iterative innovation in commercial and industrial energy storage equipment has not only paved the way for household applications but also expanded the commercial footprint of SolaX on a global scale.

Mutual Benefit and Enduring Partnership

SolaX has always firmly believed that employees are the source of all value creation for the enterprise, and integrity is the bedrock for long-term success. SolaX places the "people-oriented principle" at the core of its sustainable development and is committed to creating a safe and inclusive working environment. The Company ensures that every employee can benefit from a comprehensive salary system and occupational health and safety management, and each employee can find their own strengths and achieve personal growth through customized career development paths. In the field of social welfare, SolaX actively participates in community development, devotes itself to various social welfare activities, and earnestly fulfills its corporate citizenship responsibilities.








Future Outlook

In the era of generational leaps in various green and clean products, SolaX remains true to its original aspiration, always upholding the mission of "making electricity smarter, cheaper, more convenient, greener, and friendlier", and adhering to empowering energy freedom. Facing the future, SolaX will focus on technological innovation and green governance, striving to become a leader in smart energy solutions and green transformation. We believe that every innovation can illuminate a sustainable future. The road ahead is long and challenging, but success is achievable—we are fully energized to start a new journey.



Sustainable Development Governance

Proactively responding to the United Nations Sustainable Development Goals (SDGs)

SDGs	Actions	Chapter Reference
	Establish a comprehensive occupational health and safety management framework	People-Oriented, Harmonious Win-Win
	Regularly organize multicultural training and build a university-enterprise talent training collaboration	People-Oriented, Harmonious Win-Win
	Adhere to the principle of equal employment and eliminate employment discrimination	People-Oriented, Harmonious Win-Win
	Attach importance to water conservation and promote the application of circulating water in cooling water systems	Low-Carbon Development, Green Progress
	Adopt clean energy such as photovoltaic power	Low-Carbon Development, Green Progress
	Sponsor employees to obtain professional qualifications, actively promote the employee stock ownership plan, and formulate clear career development paths	People-Oriented, Harmonious Win-Win
	Build a three-level R&D system with collaborative linkage between the Central Research Institute, the Platform Department and the Product Line	Pioneering Innovation, Upholding Responsibility

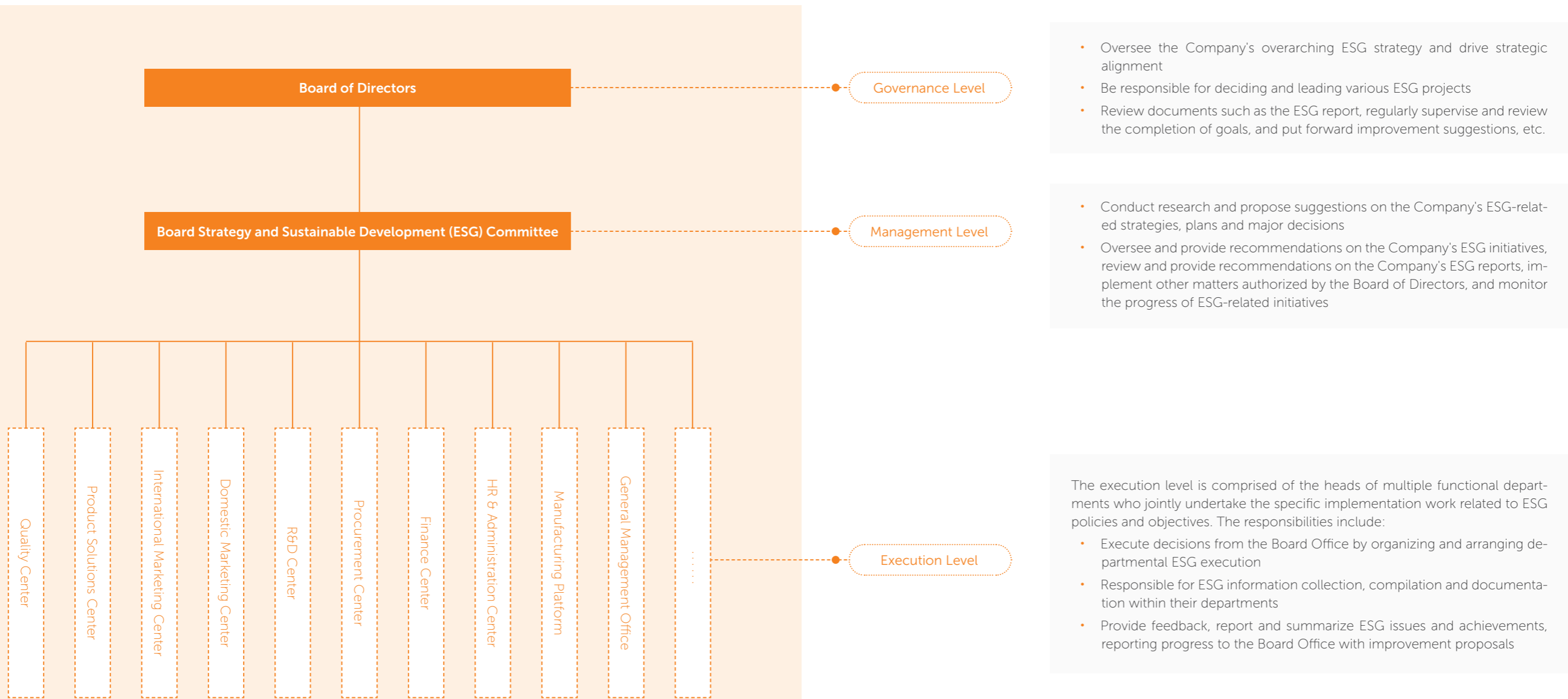


Chapter Reference	Actions	SDGs
People-Oriented, Harmonious Win-Win	Advocate equality and diversity, encourage mutual understanding and respect among employees, and promote an inclusive culture	
People-Oriented, Harmonious Win-Win	Actively participate in assistance to special groups and care activities for front-line workers	
Low-Carbon Development, Green Progress	Ensure sustainable production models	
Low-Carbon Development, Green Progress	Establish an energy-saving and low-carbon working group, carry out carbon inventory work, formulate energy-saving and carbon-reduction planning actions, and conduct internal and external audits every year	
Integrity in Operation, Compliant Governance	Compliant governance, honest operation, and improve the corporate governance structure	
Pioneering Innovation, Upholding Responsibility	Close cooperative relations between many domestic universities and the SolaX R&D Center jointly promote the sustainable development of the industry	



SolaX regards sustainable development as the core strategy for the Company's long-term development. Combined with its own business reality, it has built a three-level governance structure of "governance level-management level-execution level", which clarifies responsibilities of each level, and coordinates the formulation of policies, goal setting and practice implementation in the ESG field. With the continuous deepening of sustainable development practices, the Company also dynamically adjusts and optimizes this governance structure to provide solid support for the Company's green transformation and high-quality development. In December 2025, based on research and considering its actual situation, the Company adjusted the original "Board Strategy Committee" under the Board of Directors to the "Board Strategy and Sustainable Development (ESG) Committee", and also adjusted the original Rules of Procedure for the Board Strategy Committee to Rules of Procedure for the Board Strategy and Sustainable Development (ESG) Committee, adding ESG management and other responsibilities on the basis of the original functions. The Company also regularly conducts sustainable development themed training for employees to enhance their recognition and participation in sustainable development.

SolaX ESG Management Organizational Structure



Stakeholder Communication

SolaX attaches great importance to conducting comprehensive and timely communication with various stakeholders. The Company has established an efficient and standardized communication mechanism to ensure the effectiveness and regularity of communication. Through diversified and high-efficiency stakeholder communication channels, the Company can timely understand and respond to the demands and expectations of various stakeholders, further improve the level of ESG management, and better fulfill its responsibilities to all parties.

Stakeholders	Communication Channels	Expectations and Requirements	Response Measures
Shareholders/Investors	<ul style="list-style-type: none"> Annual General Meetings Information Disclosure Earnings Conferences Investor Reception Visits Phone and Email Communication Shanghai Stock Exchange e-Interaction Platform 	<ul style="list-style-type: none"> Anti-corruption and Business Ethics Climate Change Response Compliant and Stable Operations Risk Management 	<ul style="list-style-type: none"> Improve the corporate governance system Enhance the quality of information disclosure Maintain good communication with investors Implement shareholder dividends
Government and Regulatory Authorities	<ul style="list-style-type: none"> Carbon Emission Reports Tax Declaration and Tax Inspection Government Meetings, Policy Seminars, Industry Forums Reception of Visits and On-site Inspections 	<ul style="list-style-type: none"> Comply with laws, regulations and regulatory requirements, standardize governance and information disclosure Practice green and low-carbon development, standardize environmental disclosure, and promote energy conservation and emission reduction Pay taxes in accordance with the law, standardize tax accounting, and cooperate with tax supervision Standardize market operations, ensure product quality, and fulfill principal responsibilities Cooperate with industry supervision and policy implementation, submit industry data, and participate in standard setting Implement work safety and prevent safety risks Actively fulfill social responsibilities and contribute to local development Standardize labor management and protect employees' legitimate rights and interests 	<ul style="list-style-type: none"> Conduct regular compliance self-inspections, improve systems, and strengthen compliance management Standardize pollutant emissions, carbon emission calculation and disclosure, increase green R&D, and create a national-level green factory Improve the tax management system, strengthen risk prevention and control, pay taxes in full, and cooperate with inspections Standardize the entire production, supply and marketing process, strengthen quality control, and cooperate with market supervision Proactively connect with industry authorities, submit relevant data, actively participate in the formulation of national/industry standards, and implement industry policies Improve the work safety responsibility system, conduct regular safety hazard inspections and rectifications, and organize safety and fire training Carry out public welfare donations, assist disadvantaged groups, and fulfill corporate responsibilities Standardize labor contract management, improve the employee welfare system, and conduct training on employee rights protection
Suppliers and Other Partners	<ul style="list-style-type: none"> SRM Supplier Collaboration Management Platform Monthly/Annual Supplier Performance Evaluation Regular Meetings On-site Visits Feedback Hotline 	<ul style="list-style-type: none"> Comply with Supplier Code of Conduct Sustainable Development Supply Chain Management Conduct Strategic Cooperation 	<ul style="list-style-type: none"> Implement green procurement Respond promptly to the demands of suppliers and partners Fully fulfill contractual agreements Protect intellectual property rights
Customers	<ul style="list-style-type: none"> After-sales Service Hotline and Sales Feedback Channels Annual Customer Satisfaction Survey Technical Exchange Meetings/New Product Launch Events 	<ul style="list-style-type: none"> Product Quality and Safety Customer Satisfaction R&D Innovation Information Security and Privacy Protection 	<ul style="list-style-type: none"> Strengthen product quality control Provide high-quality services Deliver products on time Organize customer visits and training activities Enhance information security and privacy protection
Employees	<ul style="list-style-type: none"> Employee Suggestion Box/Suggestion Direct Line Employee Satisfaction Survey HR Forums/Onboarding and Exit Interviews 	<ul style="list-style-type: none"> A healthy and safe working environment Compliant corporate operations A fair and just workplace atmosphere Eliminate accumulated drawbacks in work models Protection of employee information security 	<ul style="list-style-type: none"> Provide a safer and healthier working environment Strengthen internal inspections and handle non-compliant matters such as corruption Establish a fair and just workplace atmosphere and eliminate workplace issues such as discrimination and bullying Establish more efficient workflows and related systems Enhance information security and employee privacy protection
Society and Public	<ul style="list-style-type: none"> Public Welfare and Charity Projects Green Public Welfare Projects 	<ul style="list-style-type: none"> Public Welfare and Social Contribution Environmental Protection and Sustainable Development 	<ul style="list-style-type: none"> Conduct regular public welfare activities Conduct regular green public welfare activities

Materiality Issue Management

The identification of material issues is an important part of the Company's ESG management, which helps the Company focus on key areas and clarify the strategic planning and work priorities of ESG. In 2025, with reference to the requirements of the Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange- Sustainability Report (For Trial Implementation) (hereinafter referred to as the "Guidelines") and the implementation guidelines for materiality assessment, the Company carried out the "double materiality identification and analysis" for sustainable development issues. Combining the characteristics of the industry and business operations, the Company identified the short-term, medium-term and long-term financial impacts of the issues on the Company, as well as the actual and potential impacts of the Company's performance in various issues on governance, society and the environment.

Process of Material Issue Identification and Analysis

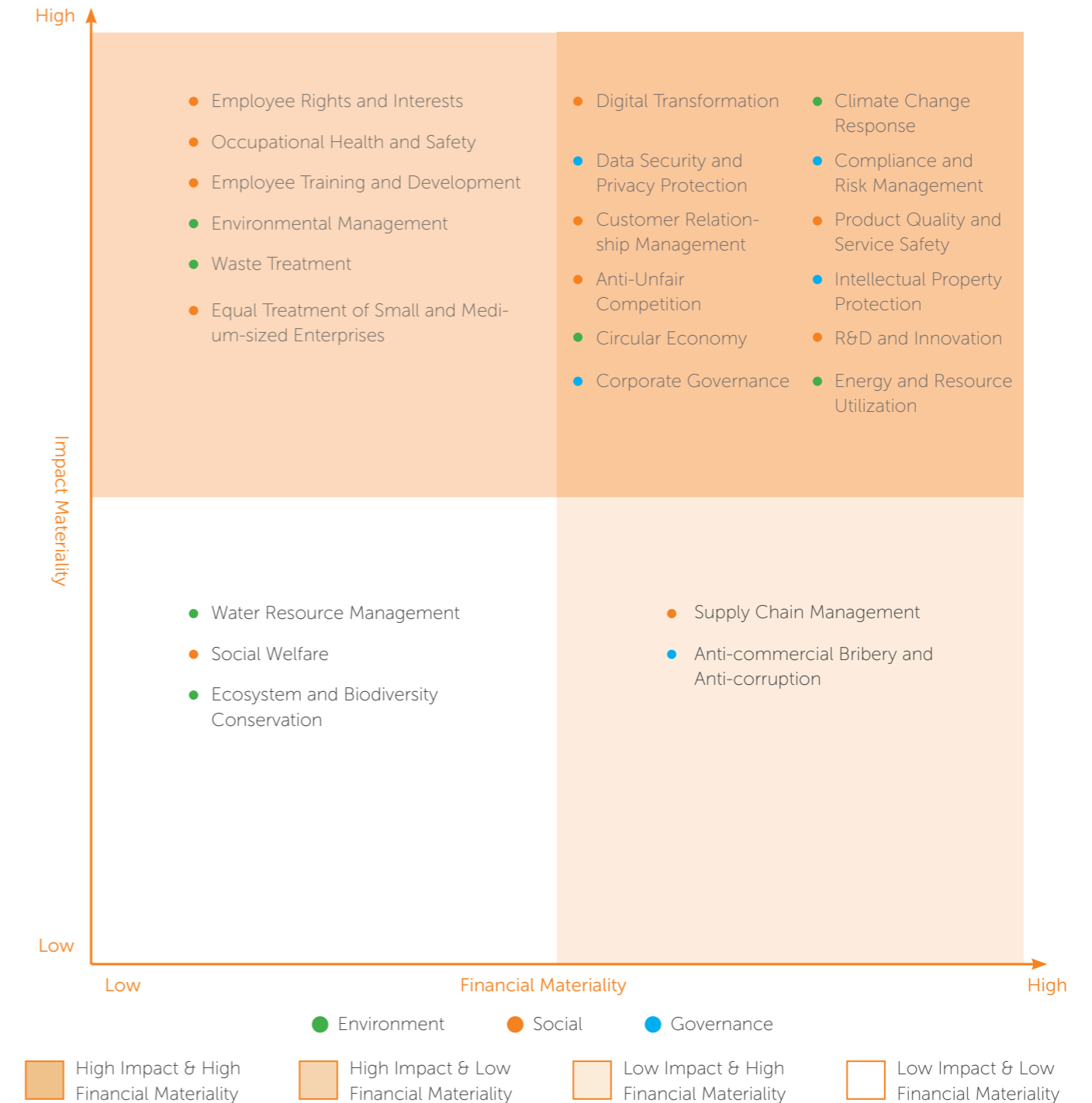


Assessment Methods

The dual materiality assessment of sustainable development issues this year was carried out through various methods such as questionnaire surveys and expert evaluations. During the reporting period, the Company collected opinions through online questionnaires, communicated with internal and external stakeholders such as the Company's internal management, customers, suppliers, government and industry associations, and received a total of 173 online survey questionnaires. It fully understood the internal and external evaluations of the importance of ESG issues and conducted a comprehensive analysis with reference to the opinions of internal and external ESG experts.

Assessment Results

This year, in accordance with the Guidelines and with reference to the Company's sustainable development background and business reality, combined with the results of stakeholder communication and expert opinions, the Company identified a total of 23 ESG issues, including 7 environmental issues, 11 social issues and 5 governance issues. Based on the results of the comprehensive impact materiality assessment and financial materiality assessment, the Company identified a total of 13 dual materiality issues with financial materiality and impact materiality¹. The following results were comprehensively evaluated by the Company's relevant departments, external industry experts, etc. based on the Company's, industry and domestic and foreign insights, and finally reviewed and approved by the Board of Directors, etc.



^① According to the Company's assessment, issues including water resource management, social welfare, and ecosystem and biodiversity protection are of neither financial materiality nor impact materiality. With the exception of technological ethics, which is not relevant to the Company's business operations, all other disclosed issues are presented in this report in compliance with the relevant disclosure requirements of Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange-Sustainability Report (For Trial Implementation).



About SolaX

Founded in 2012, SolaX Power has grown into a leading global provider of solar and energy storage solutions. As a publicly listed company and Asia's first manufacturer of hybrid inverters, SolaX has evolved into a multinational enterprise with more than 3,000 employees worldwide. Headquartered in Hangzhou, China, and supported by eight international branches, the Company serves customers in over 130 countries and regions.

Driven by a strong commitment to innovation, SolaX develops its products entirely in-house, seamlessly integrating research and development, manufacturing, sales, and service. Approximately 30% of its workforce is dedicated to R&D. Since its founding, the Company has secured over 500 patents and IP Rights, obtaining more than 3,000 certifications across major global markets.

SolaX offers a comprehensive portfolio that includes photovoltaic (PV) inverters, energy storage systems, electric vehicle (EV) chargers, heat pumps, and advanced smart energy management solutions. These products are designed to support residential, commercial, industrial, and utility-scale applications, forming an AI-enabled smart energy ecosystem. Its energy storage solutions have now advanced to the fifth generation, with more than 2 million systems deployed worldwide.

The Company is underpinned by strong manufacturing and delivery capabilities. Its production facilities cover an area of 240,000 square meters, with an annual energy storage capacity of 40 GWh. SolaX's factories operate under lean, digitalized, and highly automated manufacturing systems to ensure efficiency and quality at scale.

SolaX has been recognized as a BloombergNEF (BNEF) Tier 1 energy storage manufacturer and has achieved a Brand Leadership & Sustainability Rating of AA+ for storage and inverters by EUPD Research. It has also been awarded "Top Brand PV Inverter" and "Top Brand PV Storage" for eight consecutive years.

SolaX aspires to be present wherever the sun shines, and wherever it operates, to bring people closer together. Through energy storage, SolaX connects with communities worldwide, fostering trust and meaningful relationships in pursuit of a sustainable future.

Corporate Honours

2025 GaoGong Golden Globe Award
– Top 10 Residential Energy Storage
Products of the Year
GaoGong Energy Storage,
GaoGong Industrial Institute

First Prize of Science and Tech-
nology Progress Award
China Power Supply
Society

Titanium Energy Award · 2025 Photovol-
taic Industry Brand – Top Ten Brands in
Distributed PV Inverters
International Energy
Research Institute

Excellence Award in Energy Stor-
age Applications
SNEC ES+ 11th (2025) Interna-
tional Energy Storage and Bat-
tery Technology and Equipment
(Shanghai) Conference Orga-
nizing Committee

“All Quality Matters” Merit Award
TÜV Rheinland

AA+ Rating Achieved Across Two Core
Categories: Inverters and Energy Storage
EUPD Research

Top PV Supplier
EUPD Research

Global Top 100 New Energy ESG
Enterprises List
Global Green Energy Industry
Council(GGEIC), New Energy
Industry Association for Asia and
the Pacific(NEIAAP) and Asia
Photovoltaic Industry Associa-
tion (APVIA)

Top 10 Energy Storage Brands by Ex-
pert Perspectives on Energy Storage
Expert Perspectives on Energy
Storage Committee

Included in BNEF Tier 1 Global Energy
Storage Manufacturers List
Bloomberg New
Energy Finance

PVBL2025
Global Top 100 Photovoltaic Enterprise Brands, Global Top 20 Energy Storage System Brands,
Global Photovoltaic-Storage Industry Most Influential ESG Enterprises
PVBL (Photovoltaic Brand Lab) Global Photovoltaic Brand Ranking

Included in SMM Tier 1 User-Side
Energy Storage Integration List and
certified as “Tier 1 BTM BESS Supplier”
Shanghai Metal Market (SMM)

Top 10 Influential Inverter Brands
8th China Distributed PV
Conference

Expert Aurora Award – 2024 Outstand-
ing New Energy Storage Product Award
Expert Perspectives
on Energy Storage

Selected for the First Batch of Projects
under the 2025 “Pioneer’ and ‘Leading
Goose’ + X” Science and Technology Plan
Department of Science and
Technology of Zhejiang
Province

2025 Zhejiang Provincial Green
Low-Carbon Factory
Economy and Information
Technology Department of
Zhejiang

2025 Zhejiang Province’s First Set of
Domestically Developed Products
Economy and Information
Technology Department of
Zhejiang

Zhejiang Provincial Key Trade-
mark Protection List
Market Supervision and Admin-
istration Bureau of Zhejiang
Province

SolaX Milestones

2012

SolaX was founded.

2013

Independently developed and launched the first energy storage inverter, heralding the PV-storage integration era.

2014

The "Intelligent Microgrid Energy Storage Inverter" project secured third place in the finals of the 3rd China Innovation and Entrepreneurship Competition.

2015

Pioneered the global launch of SOLAX BOX, an integrated intelligent micro grid PV energy storage integrated system.

2020

Intelligent PV Energy Storage System won "First Prize in Zhejiang Provincial Science and Technology Progress Award".

2019

"Intelligent PV Energy Storage System Research and Innovation Team" was designated as a "Leading Innovative Team in Hangzhou".

2017

Debuted the world's first high-power three-phase energy storage inverter, ushering in the era of commercial energy storage.

2021

X-ESS G4, Intelligent PV-storage system, earned the "Red Dot Design Award (Germany)".

2022

"300kW High-Power String-Type PV Grid-Connected Inverters" was selected as a "Leading Goose" R&D Initiative by the Department of Science and Technology of Zhejiang Province

2023

Honored with the First Zhejiang Intellectual Property Award (First Prize for Invention Patents)

2024

Successfully listed on the STAR Market of the Shanghai Stock Exchange, with the stock abbreviation: "SolaX" and stock code: 688717

2025

SolaX's AI-driven Industrial and Commercial Energy Storage All-in-One System has been awarded the title of Zhejiang Province's First Set of Domestically Developed Products in Key Areas of the Equipment Manufacturing Industry.

Key Events in 2025

2025.1

The project "Research on Integrated Cooperative Control Technology and Demonstration Application of Multi-Energy Storage Coupling System" by SolaX was successfully selected into the first batch of projects of the 2025 "Pioneer" and "Leading Goose"+X Science and Technology Plan issued by the Department of Science and Technology of Zhejiang Province.



2025.2

TRENE, the intelligent air-cooled industrial and commercial energy storage all-in-one system of SolaX, won the "Expert Aurora Award-2024 Outstanding New Energy Storage Product Award" for its excellent product strength.



2025.3

SolaX was awarded the "Top 10 Influential Inverter Brands" at the 8th China Distributed PV Conference for its technological leadership and brand value, responding to the era of energy transformation with innovative strength.



2025.4

From 16 to 18 April 2025, at the 10th New Energy Industry Expo's "Global Tier 1 List" awards ceremony, SolaX was successfully selected into the SMM Tier 1 User-Side Energy Storage Integration List and certified as a "Tier 1 BTM BESS Supplier" for its outstanding market performance and technological innovation.



2025.5

SolaX was successfully selected into the Global Tier 1 Energy Storage Manufacturers List for Q2 2025, based on its project practice, technical capabilities and comprehensive operational performance in the global energy storage market.



2025.6

SolaX was selected into the "Global Top 100 New Energy ESG Enterprises List" at the 2025 Global New Energy ESG Top 100 Awards Ceremony for its outstanding performance in environmental, social and governance (ESG) aspects.



2025.9

SolaX X3-GRD-350K-HV PV inverter won the 2025 "All Quality Matters" Enhanced Quality PV Inverter Merit Award for its excellent overall performance and leading reliability, demonstrating its technological benchmark and industry leadership in the PV inverter field.



2025.10

SolaX won two major awards for its profound technical accumulation, leading product strength and excellent innovation capacity in PV and energy storage: "Titanium Energy Award · 2025 Photovoltaic Industry Brand-Top Ten Brands in Distributed PV Inverters" and "Excellence Award in Energy Storage Applications".



2025.11

SolaX stood out among numerous outstanding achievements and won the "First Prize of Science and Technology Progress Award" by the China Power Supply Society, with the project "Key Technologies and Engineering Applications of High-Quality Power Supply and Intelligent Energy Management and Control for Distributed PV-Storage Power Generation Systems".



2025.12

SolaX's "AI-driven industrial and commercial energy storage all-in-one machine" won the title of "First Set of Domestically Developed Products in Key Areas of the Equipment Manufacturing Industry in Zhejiang Province".



Key ESG Performance for 2025

Environmental Aspects

Total Environmental Protection Investment

199.90 RMB ten thousand

Direct Total Energy Consumption

55.16 tce

Indirect Total Energy Consumption

3,396.76 tce

Renewable Electricity Consumption

5,155.97 MWh

Scope 1 GHG Emission

1,416.16 tCO₂e

Scope 2 GHG Emission

13,597.62 tCO₂e

Scope 3 GHG Emission

2,202,278.57 tCO₂e

Social Aspects

Total Investment in Employee Training

166.90 RMB ten thousand

Average Training Hours per Employee

44.85 Hours

R&D Investment Amount

60,784.16 RMB ten thousand

Proportion of R&D Investment

14.89 %

Proportion of R&D Personnel

30.44 %

Total Social Investment Amount

37.468 RMB ten thousand

Governance Aspects

Operating Revenue

408,197.18 RMB ten thousand

Total Assets

715,119.87 RMB ten thousand

Proportion of Directors Participating in Business Ethics Training

100 %

Proportion of Management Participating in Business Ethics Training

100 %

Number of Grassroots Employees Participating in Business Ethics Training

2,843

Employee Coverage Rate of Business Ethics Training

92.85 %

Number of Board Meetings Held

10

Proportion of Independent Directors

33.33 %

Proportion of Female Directors

11.11 %

Number of Meetings of the Strategy and Sustainable Development (ESG) Committee

2

The UN Sustainable Development Goals addressed in this chapter:



01 Integrity in Operations, Compliant Governance

SolaX continuously improves its corporate governance framework, strengthens the foundation of business ethics and information security, establishes comprehensive compliance and risk management systems, and demonstrates its commitment to honest business practices through a transparent and efficient governance ecosystem, to safeguard the Company's high-quality development.

Corporate Governance	24
Business Ethics	32
Information Security and Digitalization	40



Corporate Governance

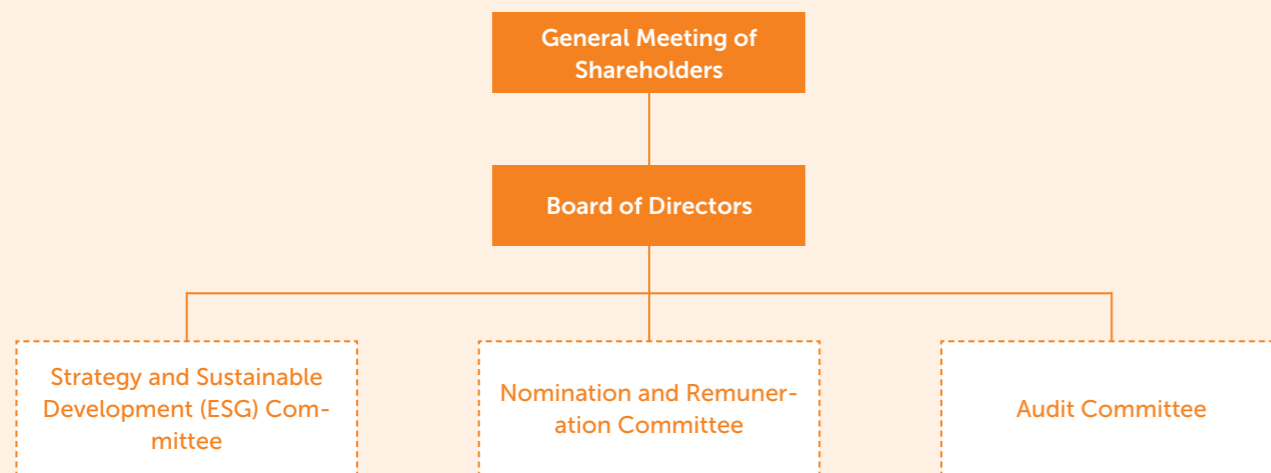
SolaX has always regarded compliant governance and integrity in operations as the cornerstone of the enterprise's stable development, profoundly practicing the core values of "Innovation, Excellence, Integrity, and Win-Win", and fully integrating them into all aspects of strategic decision-making, operational management, and cultural construction. The Company continuously improves the modern corporate governance structure, strengthens the construction of the business ethics system, builds a solid foundation for information security and digital transformation, and is committed to building a transparent, efficient, and responsible governance ecosystem. At the same time, the Company attaches great importance to the effectiveness and adaptability of the governance system, and promotes the continuous improvement of governance capacity and level through institutional innovation, process optimization, and cultural infiltration, providing solid guarantee for the high-quality development of the enterprise.

The Company attaches importance to the effective implementation and operability of governance normative documents. During the reporting period, in accordance with the requirements of relevant laws, regulations and regulatory rules, and combined with the actual situation of the Company, it revised and updated systems such as the Articles of Association, the Rules of Procedure for the General Meeting of Shareholders, the Rules of Procedure for the Board of Directors, the Working Rules of the Nomination and Remuneration Committee of the Board of Directors, the Working Rules of the Audit Committee of the Board of Directors, the Working Rules of the General Manager, and the Information Disclosure Management System, so as to further improve the Company's governance level.

Corporate Governance Structure

Corporate Governance

The Company strictly complies with the requirements of laws, regulations and other normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the Shanghai Stock Exchange Science and Technology Innovation Board Stock Listing Rules, and has established a governance structure with the general meeting of shareholders as the highest authority, the board of directors as the decision-making core, and the management team as the executive body, forming a sound and sustainable corporate governance system with reasonable structure, sound mechanisms and improved systems.



Board of Directors

The Board of Directors performs its duties in strict accordance with the provisions of the Articles of Association and the Rules of Procedure for the Board of Directors. Its core powers include convening the general meeting of shareholders, implementing the resolutions of the general meeting of shareholders, and coordinating the management of the Company's information disclosure affairs and other key matters. The Board of Directors has established three special committees, namely the Strategy and Sustainable Development (ESG) Committee, the Nomination and Remuneration Committee, and the Audit Committee. Each special committee has formulated sound working rules with clear division of powers and responsibilities to ensure independent performance of duties and efficient operation.

Committee	Responsibilities	Members	
		Name	Position
Strategy and Sustainable Development (ESG) Committee	Responsible for conducting research and putting forward suggestions on the Company's long-term development strategy, major investment decisions, sustainable development and ESG (Environment, Social and Governance)	Li Xinfu Zou Shengwu Guo Huawei	Chairman of the Board and General Manager Independent Director Employee Representative Director
Nomination and Remuneration Committee	Responsible for formulating the selection criteria and procedures for directors and senior management personnel, selecting and assessing their candidates and qualifications, and formulating, reviewing and revising relevant assessment criteria, remuneration policies and plans	Zhou Xinfu Zou Shengwu Gui Yizhou	Independent Director Independent Director Director
Audit Committee	Responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control	Lin Bingfeng Li Guomei Zhou Xinfu	Independent Director Director Independent Director

2025



Number of Board Meetings Held

10

Attendance Rate of the Board of Directors

100%

Number of Bills Reviewed

38

Number of Audit Committee Meetings

8

Number of Nomination and Remuneration Committee Meetings

1

Number of Strategy and Sustainable Development (ESG) Committee Meetings

2

Effectiveness of the Board of Directors

In accordance with the provisions of laws, regulations and the Articles of Association, the Company's Board of Directors operates in a standardized manner and earnestly implements the resolutions of the general meeting of shareholders. The operation of the Board of Directors complies with the provisions of laws, administrative regulations, the requirements of the China Securities Regulatory Commission and the business rules of the stock exchange. During the reporting period, the attendance rate of the directors of the Company's Board of Directors was 100%. All directors diligently performed their duties, exercised their powers in a standardized manner, and made scientifically informed decisions by making full use of their professional knowledge and skills. For details of the annual work of the Board of Directors, please refer to the relevant chapters of the Company's annual report "Performance of Duties by Directors" and "Situation of Special Committees under the Board of Directors".

The Company regards the independence of the Board of Directors as an important guarantee for improving the governance structure and decision-making quality. In strict accordance with the requirements of laws and regulations such as the *Company Law* and the *Measures for the Administration of Independent Directors of Listed Companies* and the *Articles of Association*, it has established a sound operation system of the Board of Directors with reasonable structure, independent decision-making and professional complementarity, providing solid guarantee for the stable development of the Company. The term of office of the Company's directors is 3 years, elected by the general meeting of shareholders, and they may be re-elected upon expiration; if adjustments are needed during the term of office, they shall be replaced in accordance with the prescribed procedures.

The Company emphasizes incorporating professional opinions from independent directors, and uses independent directors to supervise and check and balance corporate management decisions, so as to prevent internal management risks. The Company has formulated the *Work Rules for Independent Directors*, which fully consider the performance capabilities of independent directors, specify requirements for the election and appointment of independent directors, and ensure that independent directors account for no less than one-third of the total number of board members, including at least one accounting professional. An independent director shall not serve as an independent director for more than three domestic listed companies at the same time. At present, the board of directors of the Company consists of 9 directors, including 3 independent directors and 1 accounting professional.

The Company systematically promotes the diversification of the Board of Directors. It optimizes the composition of board members from multiple dimensions including gender, age, professional background and industry experience, ensuring that decision-making fully incorporates diverse perspectives and professional expertise. Current members of the Board of Directors possess professional competencies in finance, law, management and other fields, with extensive industry experience.



Key Performance

During the reporting period, the Company had **1** female director, completed the election of **1** employee representative director, and completed the replacement of **1** member of the Audit Committee.

2025



Standard Deviation of Age of Directors and Senior Management

9.96 Years

Average Tenure of Board Members

4.67 Years

Proportion of Independent Directors

33.33 %

Proportion of Independent Directors on the Audit Committee

66.67 %

Proportion of Independent Directors in the Nomination and Remuneration Committee

66.67 %

Proportion of Independent Directors in the Strategy and Sustainable Development (ESG) Committee

33.33 %

Proportion of Independent Directors with Tenure Exceeding 6 Years

0.00 %

Proportion of Independent Directors Serving as Independent Directors in More Than 3 Listed Companies²

0.00 %

Proportion of Female Directors

11.11 %

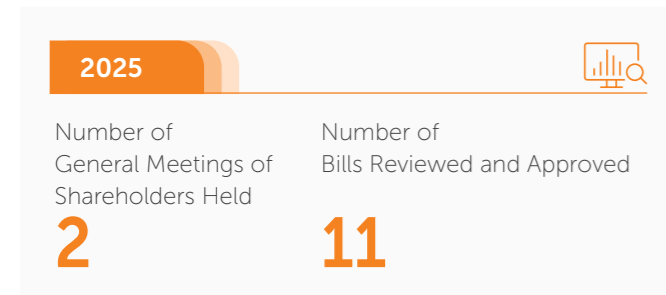
² This indicator was calculated by the end of 2025.

Remuneration and Assessment

The remuneration of the Company's directors is determined by the general meeting of shareholders, and the remuneration of senior management personnel is determined by the Board of Directors. Directors and senior management personnel performing their duties in the Company receive remuneration according to their specific positions. The remuneration of directors and senior management personnel is paid based on the assessment of their operating performance, work ability, post rank and other indicators in accordance with the provisions of the *Working Rules of the Nomination and Remuneration Committee of the Board of Directors of the Company*. The total remuneration and shareholding status of each director and senior management personnel can be referred to in the Company's annual report.

The Nomination and Remuneration Committee is responsible for the remuneration and assessment of the Company's directors and senior management personnel, and formulates or changes equity incentive plans and employee stock ownership plans. The remuneration plan for the Company's directors proposed by the Nomination and Remuneration Committee must be submitted to the general meeting of shareholders for deliberation and approval after being agreed by the Board of Directors. Shareholders have the right to vote on remuneration-related matters once a year. All directors of the Board of Directors have the right to speak on the formulation of the remuneration plan; the remuneration distribution plan for the Company's senior management personnel shall be approved by the Board of Directors.

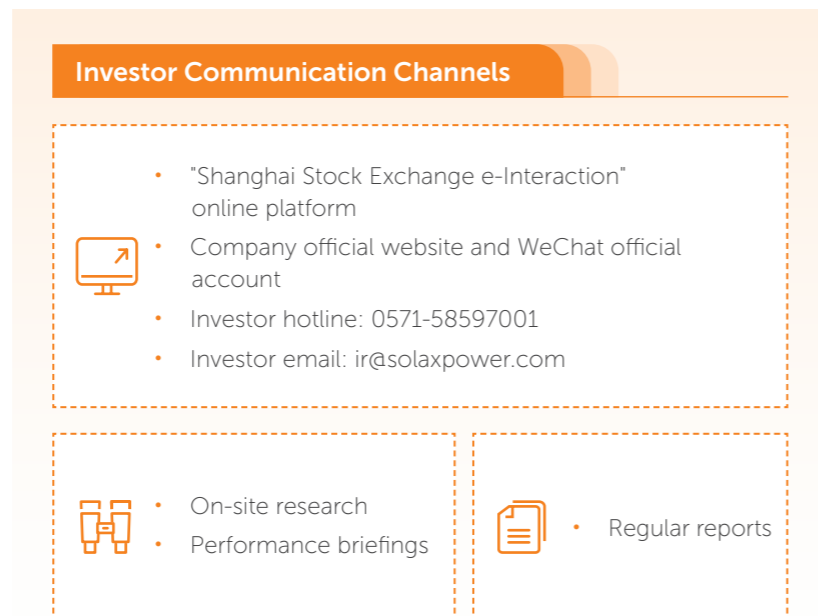
General Meeting of Shareholders



The general meeting of shareholders is the highest authority of the Company. The Company strictly convenes and holds the general meeting of shareholders in accordance with the provisions and requirements of the Rules for General Meetings of Shareholders of Listed Companies, the Articles of Association and the Rules of Procedure for the General Meeting of Shareholders of the Company, ensuring that shareholders exercise their legitimate rights and interests, treating all shareholders equally, and making every effort to provide convenience for shareholders to attend the general meeting of shareholders so that they can fully exercise their shareholder rights.

Investor Relations and Information Disclosure

In strict accordance with the requirements of relevant laws and regulations such as the *Shanghai Stock Exchange Science and Technology Innovation Board Stock Listing Rules* and the *Measures for the Administration of Information Disclosure of Listed Companies*, the Company has established the *Investor Relations Management System* and the *Information Disclosure Management System*, and discloses relevant information truthfully, accurately, timely, fairly and completely, earnestly fulfilling its information disclosure obligations. It strengthens communication and exchange with investors through channels such as the "Shanghai Stock Exchange e-Interaction" platform, investor hotline, email, holding performance briefings, and receiving investor visits, so as to safeguard the legitimate rights and interests of general investors.



Compliance and Internal Control

Compliance Management

The Company integrates compliance management into the whole process of strategic decision-making, daily operations and business expansion. Through various measures such as system construction, compliance review, training and publicity, it ensures that the behaviors of the Company and all employees comply with laws, regulations, regulatory requirements and internal system norms. The Company strictly complies with laws and regulations such as the *Accounting Law of the People's Republic of China* and the *Audit Law of the People's Republic of China*, and formulates the *Internal Control Management Manual* with reference to national standards such as the *Basic Norms for Enterprise Internal Control*, the *Application Guidelines for Enterprise Internal Control* and the *Audit Guidelines for Enterprise Internal Control*, establishing a scientific and systematic method and norm for the internal control system.

In 2025, in accordance with the newly issued laws and regulations at home and abroad, the evaluation results of internal control by internal and external audits, and new problems in the Company's internal control management, the Company continuously revised and optimized the compliance management system, timely identified and made up for internal control defects, and continuously improved the effectiveness and efficiency of internal control. A total of **13** relevant internal control documents were revised.



Compliance Review and Supervision

The Company has established a full-process compliance review mechanism including pre-review, in-process monitoring and post-traceability. In key links such as major decisions, connected transactions, external investments and contract signing, it strictly implements the compliance review procedure to ensure that the matters comply with laws, regulations and regulatory requirements; the Audit Committee performs the compliance supervision function, regularly reviews the compliance management report, supervises the implementation of compliance systems, and promptly puts forward rectification suggestions for identified compliance risks and tracks the progress of implementation.

To further strengthen the pertinence and effectiveness of compliance management, the Company carried out a special work on the Evaluation Report on the Code of Ethics and Compliance Control System. The evaluation scope fully covers key positions in procurement, sales, audit, legal affairs, finance, engineering construction and other key positions, running through the entire business chain of the Company. Through special evaluation, it systematically identifies potential risk points in compliance management, sorts out optimization opportunities, forms a problem list and rectification plan, promotes the in-depth adaptation of the compliance control system to business scenarios, and effectively builds a defense line for compliant operations.

Compliance Culture Construction

The Company strengthens the awareness of compliance among all employees through various forms such as special training, internal publicity and case sharing.

SolaX Conducts Training on U.S. Export Controls and Enterprise Compliance Case

In 2025, to strengthen the compliance management of the Company's overseas business and prevent compliance risks in areas such as U.S. export controls and intellectual property protection, the Company carried out special work on U.S. controls and enterprise compliance for key positions in the entire chain of overseas business, realizing the in-depth integration of compliance requirements and business scenarios.

This special compliance training program covers core departments such as the General Manager's Office (Legal Department, Public Affairs Department, Intellectual Property Department), Audit Department, Human Resources and Administration Center (Training Department, Overseas HRBP Department, Tonglu Administration Department), Overseas Marketing Center (Asia-Africa-Latin America Region, Japan-US-Australia Region, Europe Region, Business Department, Overseas Subsidiaries, Technology Department) and Procurement Center, realizing full-process coverage from compliance policy formulation, business implementation to supervision and audit, ensuring that key positions fully grasp the relevant compliance requirements of U.S. export controls.

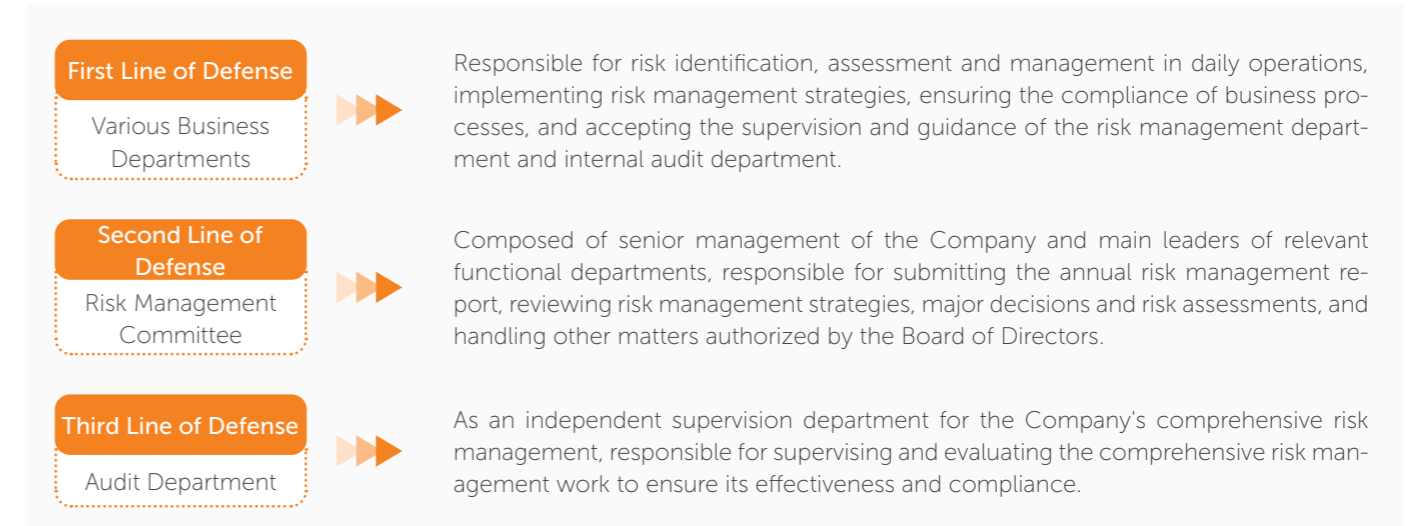
This special work has effectively improved the awareness and practical ability of key positions in U.S. export control compliance, laying a solid foundation for the compliant expansion of the Company's overseas business.



Risk Management

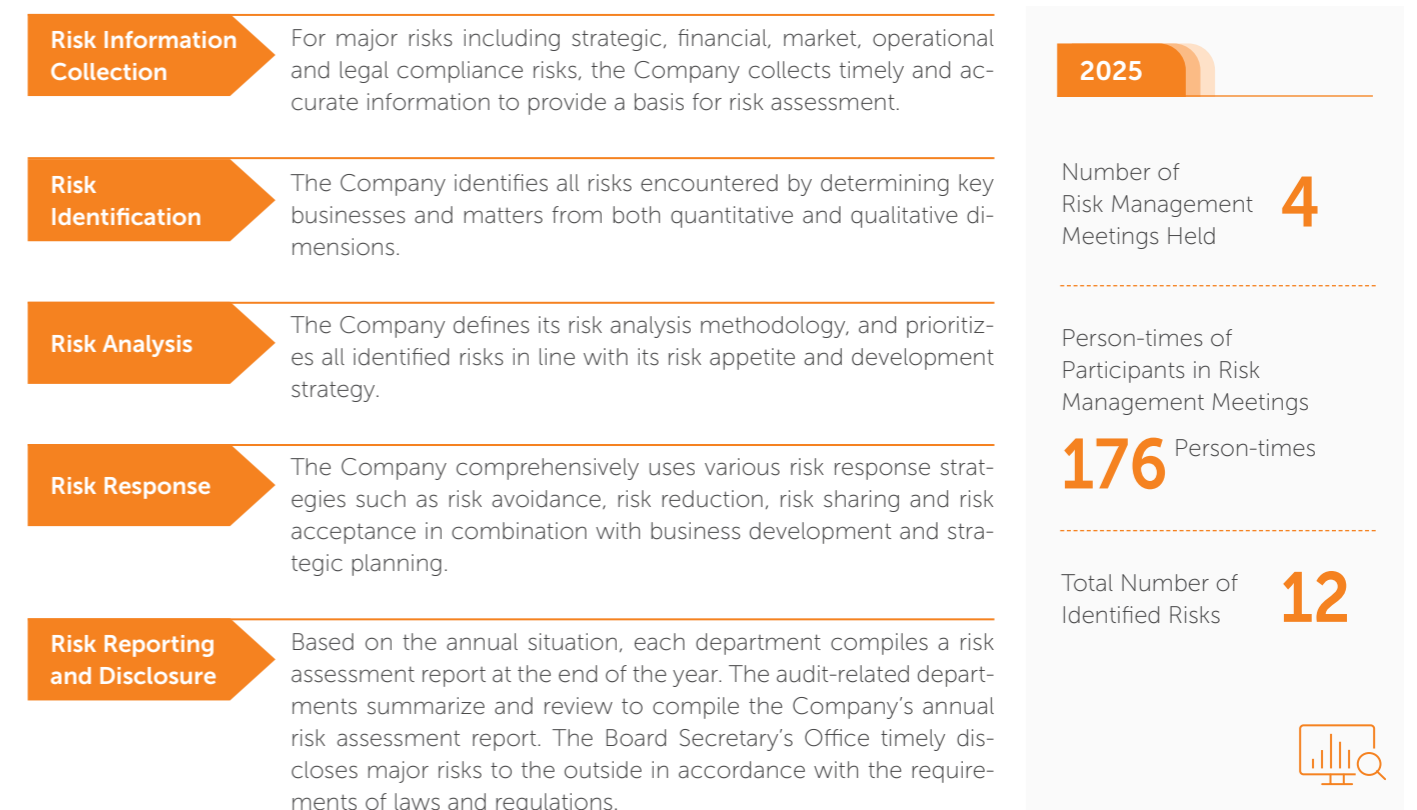
The Company continuously promotes risk management work, formulates the Risk Management System to identify and analyze the risks faced by the Company. The Audit Department supervises and evaluates the risk management work and its effect of relevant departments and business units at least once a year.

The Company has established and improved a "three lines of defense" risk management mechanism to ensure the efficient operation of the risk management organizational structure.



Risk Management Mechanism

The Company carries out risk management work from the dimensions of risk information collection, risk identification, risk analysis, risk response, and risk reporting and disclosure.



Business Ethics

Business Ethics Management

SolaX strictly adheres to business ethics standards, comprehensively builds an integrity management system, and promotes an honest corporate culture. It conducts business operations in a responsible manner, opposes all forms of corrupt and unfair competitive business practices, and strives to create a fair, transparent and win-win business ecosystem.

Anti-Corruption

The Company strictly complies with relevant laws and regulations such as the *Securities Law of the People's Republic of China*, the *Basic Norms for Enterprise Internal Control*, the *Company Law of the People's Republic of China*, and the *Audit Law of the People's Republic of China*. It has formulated a series of systems including the Anti-Fraud and Whistleblowing System, the Code of Conduct for Integrity in Positions, and the Code of Business Ethics for Management and Service Personnel, clarifying the key responsibilities for integrity in key positions such as material procurement, bidding and tendering, auditing, sales, and finance. These systems are regularly updated and reviewed to meet the actual management needs. The Company attaches great importance to the business ethics performance of all stakeholders, signs the *Personal Integrity Commitment Letter* with employees, and the *Integrity, Sunshine and Confidentiality Agreement* with suppliers. In terms of external exchanges, it approves the processes for gifts, visits, etc. in accordance with the *Management System for Business Reception*, continuously improves the anti-corruption management system, assigns anti-corruption responsibilities to various departments, fully supervises business partners to jointly abide by business ethics, and eliminates corruption.

The Company has established an anti-fraud management structure consisting of four levels: the Board of Directors, the Audit Committee, the Audit Department, and the Management Team, forming a top-down supervision and execution system, smoothing anti-fraud channels, and ensuring the effective connection of anti-fraud work from strategy to execution.



SolaX Anti-Fraud Management Structure

2025



Signing rate of *SolaX Code of Business Ethics for Management and Service Personnel*

100%



Signing rate of *Integrity, Sunshine and Confidentiality Agreement with suppliers*

100%

2025

Number of companies subject to third-party anti-corruption due diligence

12



Anti-fraud monitoring and disposal

Adhering to the concept of integrity in operations, the Company takes anti-fraud management as the core of business ethics construction. It strictly follows the closed-loop management principles of "unified leadership, centralized acceptance, authorized investigation, and result handling", and builds an anti-fraud control system covering the entire business process with clear responsibilities and efficient disposal, effectively safeguarding the Company's legitimate rights and interests and market reputation.

Anti-Fraud Monitoring and Handling Process



Unified Leadership

The Company's anti-fraud work is uniformly managed by the Company's Anti-Fraud Leading Group, whose responsibilities include authorizing the investigation of reported matters and deciding on the handling of employees' fraudulent acts. Members of the Anti-Fraud Leading Group include the Chairman of the Board, the Director of the General Manager's Office, the Director of the Audit Department, and the Director of the Human Resources and Administration Center.



Centralized Acceptance

The Audit Department is the Company's anti-fraud report acceptance center, responsible for accepting reports and complaints about fraudulent acts and reporting to the Anti-Fraud Leading Group.



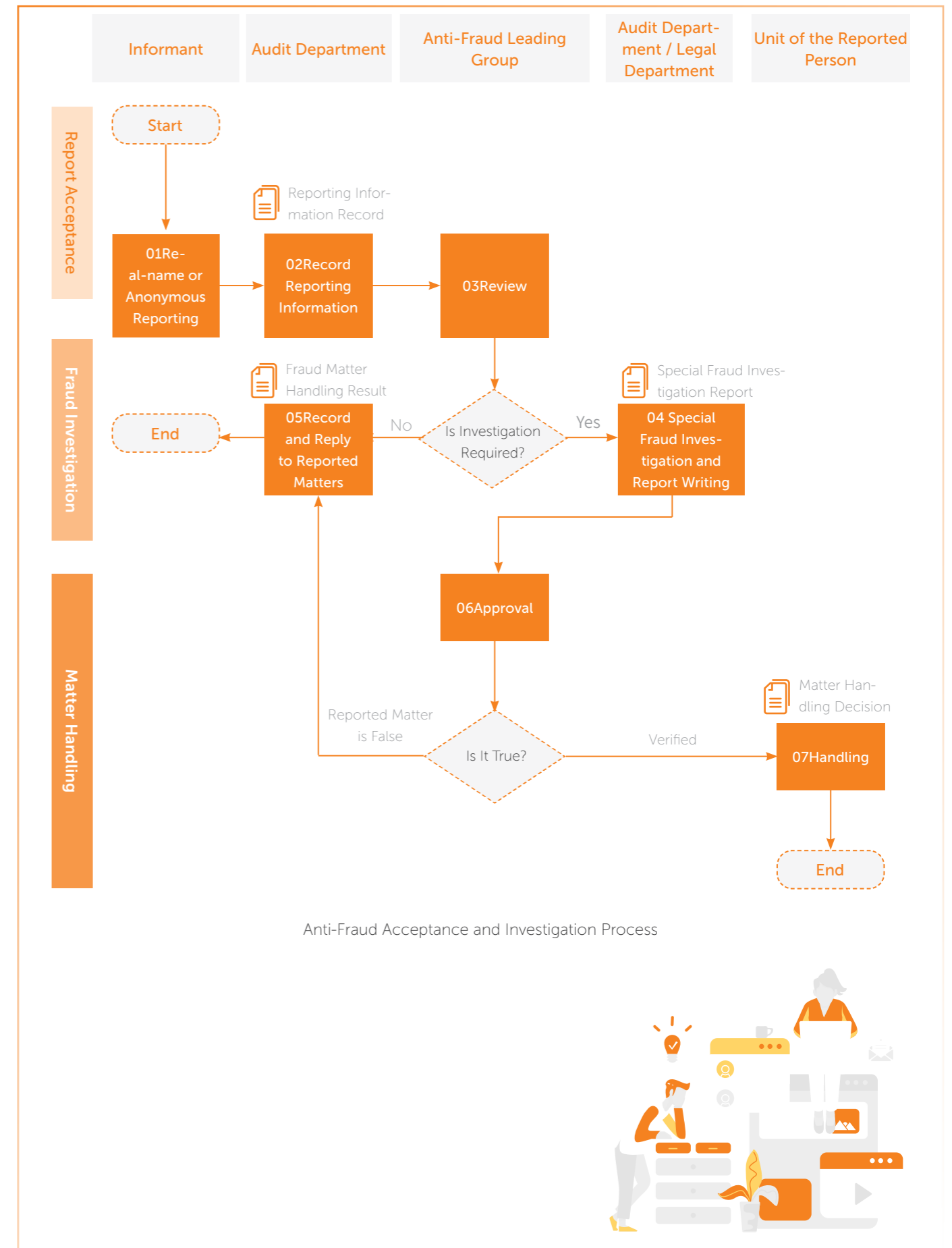
Authorized Investigation

The Company's anti-fraud investigation requires authorization from the Anti-Fraud Leading Group. The Audit Department/Legal Department (which may cooperate with other business departments) forms an investigation team of 2 or more people to carry out the work in a confidential manner; the Audit Department submits the report materials to the group, and the Anti-Fraud Leading Group issues an audit notice; after the investigation results are signed and fed back by the person under investigation and the leader of the department where he/she works, they are reported to the Anti-Fraud Leading Group.



Result Handling

The Human Resources and Administration Center formulates punishment opinions for the person responsible for the violation based on the investigation results submitted by the Anti-Fraud Leading Group, and publicizes the punishment decision after approval by the Company.



Anti-Fraud Acceptance and Investigation Process



SolaX Conducts Special Risk Assessment on Commercial Bribery and Corruption Case

To systematically prevent corruption risks, the Company conducted a special risk assessment on commercial bribery and corruption in 2025, building a management closed-loop of "comprehensive identification, scientific rating, and precise prevention and control".

The assessment covers high-risk areas across the entire business chain, including procurement and supply chain management, sales and marketing, financial management, personnel management, engineering construction, and asset disposal. A variety of assessment methods are comprehensively used: sorting out existing compliance systems and internal control processes to ensure the assessment is based on rules; distributing anonymous questionnaires to management and front-line employees to extensively collect risk clues; conducting one-on-one in-depth interviews with heads of key departments such as procurement, sales, and finance to identify potential loopholes in processes; conducting abnormal transaction analysis on financial data, contract ledgers, and reimbursement records over the past three years to investigate irregular traces; conducting third-party due diligence on key suppliers and agents to prevent external collaborative fraud risks; referring to typical corruption cases inside and outside the industry to benchmark and optimize prevention and control priorities.

The assessment adopts the "risk matrix method", classifying risks into high, medium, and low levels based on the probability of occurrence and the degree of impact, and clarifying the response priority. For the identified risks, the Company has formulated special prevention and control measures to achieve full-process closed-loop management. In 2025, the risk assessment coverage rate reached 100%.

SolaX Investigates Suspected Fraud Cases Case

The Company strictly implements the investigation process for anti-fraud cases and adheres to a "zero-tolerance" attitude towards verified fraudulent acts. In 2025, based on tip-off clues, the Audit Department conducted a special audit investigation into a suspected bribery case. For this case, the Company has promoted follow-up work in accordance with the principle of "authorized investigation and legal disposal": first, in accordance with the recommendations of the audit report, the case was transferred to the Economic Investigation Department of the Public Security Bureau, and professional forces were used to further verify its fund receipt and payment situation to ensure the investigation is legal and compliant; then, internal disposal procedures were initiated for the irregular acts, and corresponding handling was made in accordance with the final investigation results and the Company's system regulations, effectively ensuring the strict enforcement.

At the same time, taking this case as an opportunity, the Company carried out special rectification, optimized the supplier access and cooperation supervision processes, improved the conflict of interest prevention mechanism in the procurement link, promoted the transformation from "individual case disposal" to "systematic governance", and continuously strengthened the anti-fraud defense line.



Anti-Monopoly and Fair Competition

To practice business ethics, the Company strictly follows relevant laws and regulations such as the *Civil Code of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Anti-Monopoly Law of the People's Republic of China*, formulates and implements the *Anti-Unfair Competition Management System*, clearly prohibits acts such as commercial bribery, infringement of trade secrets, false advertising, slandering business reputation, and unfair low-price competition, safeguards a fair competitive environment, and protects the legitimate rights and interests of the Company, employees, and partners.

The Company continuously strengthens monopoly risk control and builds a full-process and multi-dimensional risk management system. Combining the Company's operating scale, the competitive characteristics of the new energy industry, market development trends, and anti-monopoly legal norms and law enforcement environment, it systematically identifies potential anti-monopoly risk points in links such as market competition, business cooperation, and transaction behavior. Through pre-control measures such as risk identification, risk analysis, and risk early warning, combined with multiple initiatives such as regular special training, external compliance reviews, and the construction of information-based risk control tools, the Company strengthens employees' awareness of anti-monopoly compliance, regulates business decisions and market behaviors, resolutely eliminates unfair competitive behaviors, and ensures the Company's stable development in a fair competitive market environment.

The Company attaches importance to improving employees' ethical awareness. Through special training, new employee induction education, and analysis of typical cases, it strengthens employees' ability to identify unfair competitive behaviors and their awareness of compliance. At the same time, the Company extends compliance requirements to supply chain management, signs the *Integrity and Transparency Confidentiality Agreement* with suppliers and partners, and conducts regular compliance reviews on them; the Company takes legal measures such as terminating contracts against violating parties and actively works with suppliers to maintain a fair competitive environment in the industry.

Protection of Trade Secrets

To strengthen the protection of trade secrets, SolaX has deployed a Data Loss Prevention (DLP) system, building a full-lifecycle security protection system for data. Through real-time monitoring and intelligent strategy interception, the system effectively prevents the risk of sensitive information leakage through channels such as instant messaging, cloud storage, and mobile devices; at the same time, it strictly controls the use of unauthorized applications to ensure that enterprise data is always in a trusted environment. Combined with terminal security reinforcement measures, it comprehensively improves the protection capability of the Company's terminal devices, significantly reduces the risk of trade secret leakage, and provides solid protection for the Company's core intellectual property rights and digital assets. The Company also sets up a reporting channel for trade secret leakage and strictly keeps the informant's information confidential.

Key Performance

During the Reporting Period, the Company had no record of being penalized by relevant authorities for violations of laws and regulations related to information security and privacy protection.



Whistleblower Protection

The Company has built a diversified and full-coverage reporting channel system, and established a strict whistleblower protection mechanism to ensure the safety of reporting behaviors and the fairness of report handling, and fully mobilize the enthusiasm of all parties for supervision.

The Company strictly protects the legitimate rights and interests of complainants and whistleblowers during assisting the investigation, and explicitly prohibits any form of discrimination, retaliation, or hostile behavior.



Reporting Channel



Reporting Phone Number

19857045735



Reporting Email

ailuoshenjibu@solaxpower.com



Reporting Address

Audit Department, SolaX Power Network Technology (Zhejiang) Co., Ltd., No. 278 Shizhu Road, Chengnan Sub-district, Tonglu County, Hangzhou City, Zhejiang Province

Integrity Culture Construction

To create a clean and upright corporate atmosphere, the Company adopts a strategy of full coverage and multiple measures to solidly promote the construction of integrity culture. Internally, through carrying out anti-corruption education and promoting integrity culture, it guides employees to establish correct professional ethics and enhance their awareness of integrity.

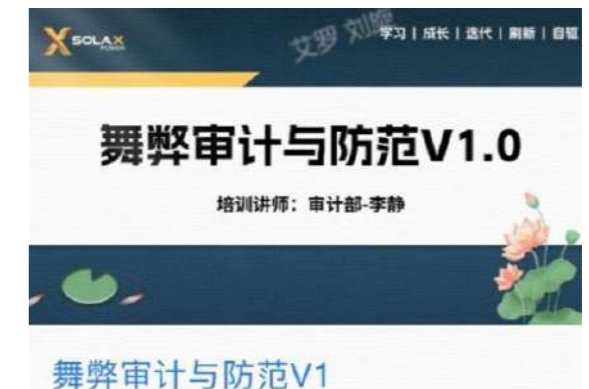
The Company conducts anti-corruption education for employees and partners through training, publicity, and other methods, and solidly promotes the construction of integrity culture.



SolaX Special Training on Business Ethics, Fraud Audit and Prevention

Case

In 2025, to strengthen the Company's compliance management line of defense, enhance all employees' risk prevention awareness, and ensure the safety of the Company's core commercial assets, SolaX regularly carries out special training on "Business Ethics, Fraud Audit and Prevention". This training covers all employees and is organized once a year, effectively improving employees' compliance literacy and the Company's risk resistance capability.



Special Training on Business Ethics

Case

In 2025, to help new employees quickly establish a sense of compliance, clarify their core compliance obligations after joining the Company, and consolidate the first line of defense for the Company's compliant operations, SolaX has included "Business Ethics" into the core module of new employee induction training. This training is a mandatory course for new employees, covering all newly recruited employees. Through systematic and targeted training, it helps new employees quickly master the compliance knowledge and practical requirements related to their positions, realizing compliant onboarding and standardized performance of duties.



Information Security and Digitalization

SolaX attaches great importance to information security and privacy protection. In accordance with laws and regulations such as the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China and the European Union's General Data Protection Regulation (GDPR), the Company has formulated relevant systems including the Network Security Management System, Privacy Protection Management Specifications, Information Security Risk Emergency Plan, Information Security Risk Management Procedure and Information Security Management Manual, and established an Information Security Committee to provide information security guarantees for the Company's business development.

Governance

To strengthen information security management, improve the level of information asset protection, and ensure business continuity and the effectiveness of risk management, the Company has established an Information Security Committee composed of key cross-departmental personnel in accordance with the requirements of the international standard ISO/IEC 27001. The committee is led by the head of the Company's IT division and consists of experienced business and IT professionals. They ensure cross-department collaboration and the integration of professional expertise, further enhancing information security levels, ensuring stable organizational operations, and maintaining customer trust.

Team Lead

Formulate and approve information security strategies compliant with ISO 27001, decide on major incident handling plans, allocate relevant resources, and supervise system operation and maintenance

Deputy Team Lead

Manage the daily operation of the committee, organize meetings, coordinate the cooperation of departmental policy implementation, and promote the continuous improvement of the information security management system

Members

Implement committee decisions and safety control measures, participate in policy formulation and review, conduct risk assessment and control checks, and organize safety training

Overall Information Security Policy

Proactive Prevention, Timely Detection, Rapid Response, Everyone's Responsibility

Annual Information Security Goals

Confidentiality: Zero leakage of core-level documents
Integrity: 100% backup rate of structured data in business systems; 100% backup rate for key positions
Availability: The cumulative downtime of core business \leq 48 hours/year

Short-term, Medium-term and Long-term Information Security Plans

Strengthen emergency response and enhance security response capabilities
Improve the protection system and build a solid cybersecurity barrier
Plan ahead for construction and establish an active defense system

Risk Management

The Company implements information security risk prevention measures in terms of policies and software:



SolaX Conducts Information Security and Confidentiality Awareness Training

Case

In January 2025, to cultivate employees' information security awareness, the Company carried out training related to information security and confidentiality awareness. The information security training included online video training and offline centralized training, and the assessment was conducted by on-site questions and theoretical exams. The online training content included basic concepts and preventive measures of information security, software compliance as well as related cases, etc. The offline training content covered basic concepts of information security and SolaX's information security requirements. Such training has improved employees' information security awareness, strengthened confidentiality awareness, ensured multi-level protection of company and personal information, and effectively promoted the Company's production and operation in a more efficient and secure manner.



3 Establish and improve the information security emergency response mechanism

The Company has established an Information Security Committee to oversee information security management. In accordance with the requirements of the ISO 27001 standard, the Company has built a closed-loop management mechanism covering pre-event planning, in-process response, and post-event improvement. It has formulated the Information Security Risk Emergency Plan and Information Security Incident Management System, which clarify the classification and grading of information security incidents as well as corresponding response and handling rules.

Multiple reporting channels for information security incidents, including telephone and email, have been disclosed to the public, with dedicated personnel responsible for receiving and handling reports. Upon the conclusion of an incident, the Company organizes special reviews to implement corrective and preventive measures and update protection strategies.

Every year, the Company conducts cyber attack and defense exercises jointly with third-party institutions to continuously optimize emergency response capabilities.

4 Build software and related protective measures

- Establish a boundary defense system
- Maintain internal network security
- Promote data security management

Establish a boundary defense system

<p>Network Firewall</p> <p>Deploy high-performance hardware firewalls to effectively intercept external illegal intrusion attempts</p>	<p>Virus Firewall</p> <p>Deploy virus firewalls to provide effective virus protection for the isolated area</p>
<p>Behavior Audit</p> <p>Monitor network traffic in real-time, detecting suspicious activities and alerting immediately or blocking them automatically</p>	<p>Zero-Trust Access for External Network</p> <p>Converge external network exposure surfaces through a zero-trust system</p>
<p>Encryption Firewall</p> <p>Deploy encryption firewalls for core business systems, which can only be accessed by terminals with encrypted clients to realize upload decryption and download encryption</p>	

Promote data security management

Backup and Recovery Mechanism	Establish and improve the data backup system, formulate backup lists and deploy them according to the core level of information systems, RPO/RTO requirements and business needs to ensure rapid business recovery after disasters
Permission Management System	Promote the deployment of an IAM (Identity and Access Management) system, assign user access permissions in accordance with the principle of least privilege, and strictly limit the access scope of key information systems
Sarbanes-Oxley Backup	Add archiving services to corporate mailboxes to ensure that mail data is not lost

Maintain internal network security

Virtualization Architecture	Adopt advanced virtualization cluster solutions to provide flexible and efficient resource scheduling while enhancing system stability
Anti-Virus Software	Install the latest version of anti-virus software on all terminal devices and update the virus database regularly to resist new threats
Encryption Technology	Use encryption software to encrypt sensitive data to ensure the confidentiality of storage and transmission; independently deploy encrypted software and hardware gateways and middleware for core business systems to stabilize business and improve protection
DLP	Use DLP technology to conduct data security flow audits on terminal devices to prevent unauthorized outflow of important data
R&D Computer Isolation	Implement virtualization isolation for important R&D terminals using terminal virtualization isolation technology
Desktop Management	Promote desktop standardization and the construction of software black- and whitelists to ensure that software sources are safe and reliable
Internal Network Access Control	Audit and control the access of all clients through access control technology



Key Performance

During the reporting period, the Company had **0** major security attacks and information leakage incidents.

To further improve the overall level of information security, SolaX regularly conducts IT audits and invites third-party institutions to conduct a comprehensive assessment of the Company's existing information security management system. In 2025, SolaX obtained the following important certification certificates:

SOC 2 Type II Attestation Report (Security & Availability Audit): First obtained in 2025



System and Organization Controls 2(SOC 2) Type II Report

ISO 22301:2019 Certification (Business Continuity Management System): First obtained in 2025



ISO 22301:2019 Business Continuity Management System Certificate

ISO/IEC 27001:2022 Certification (Information Security Management System): First obtained in 2024 and passed the annual surveillance audit in 2025



ISO/IEC 27001:2022 Information Security Management System Certificate

Integration of Informatization and Industrialization Management System Assessment Certificate: First obtained in 2024 and passed the annual surveillance audit in 2025



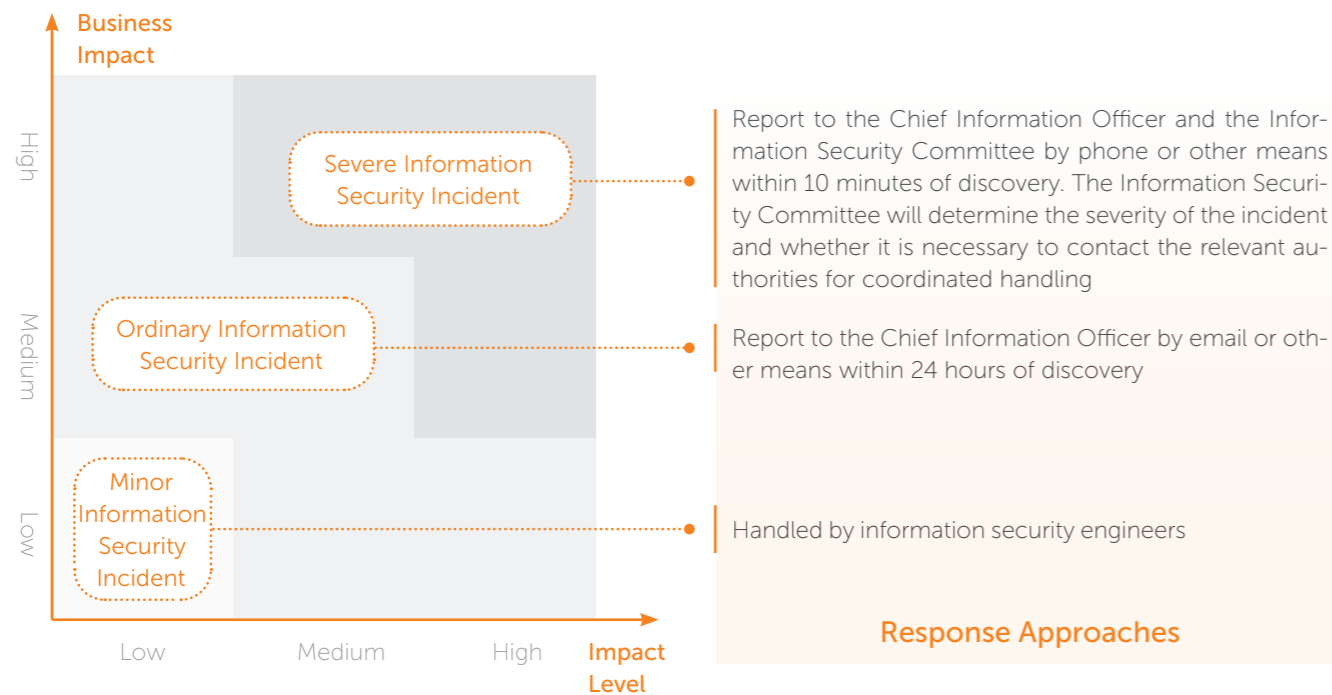
Integration of Informatization and Industrialization Management System Certificate

In addition to improving the information security management system, SolaX closely cooperates with government functional departments such as cyberspace, economic and information technology, and public security authorities to actively promote the implementation of information security-related policy requirements. SolaX also establishes cooperative relations with third-party security consulting institutions to regularly carry out vulnerability scanning, red-blue attack drills and other activities, so as to effectively improve the information security protection level of the platform from a practical perspective. The Company improves the business continuity management system to enhance the capability to quickly recover critical services after disruptions including information security incidents, mitigate the impact of operational interruptions, and ensure the continuous provision of key services.



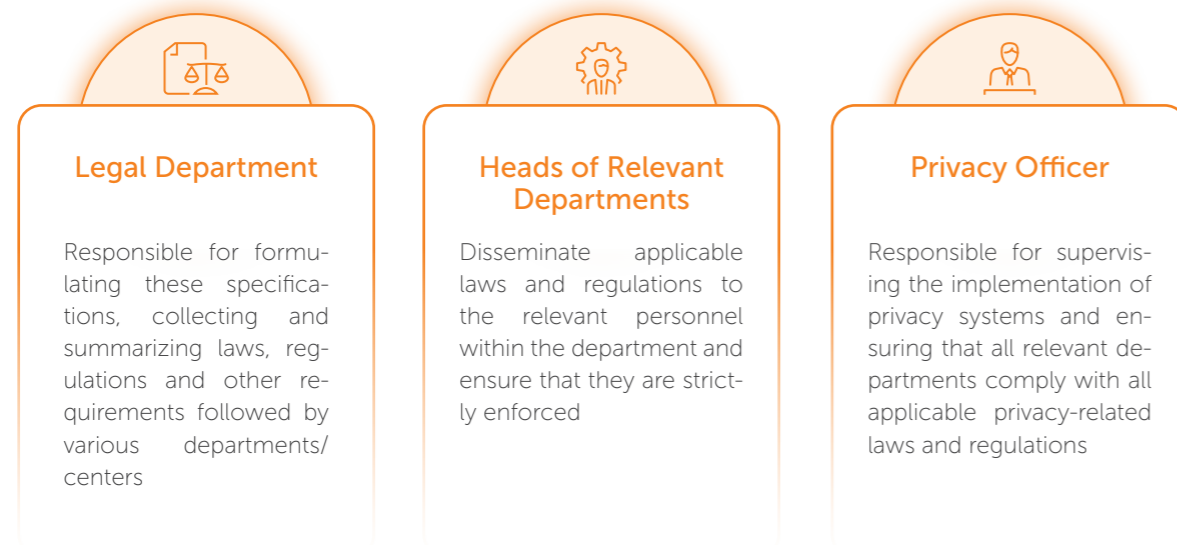
Information Security Incident Management

To effectively handle information security incidents, SolaX has formulated the *Information Security Incident Management System*. The system classifies information security incidents into three categories: severe, ordinary, and minor according to their attributes, and sets corresponding response methods:

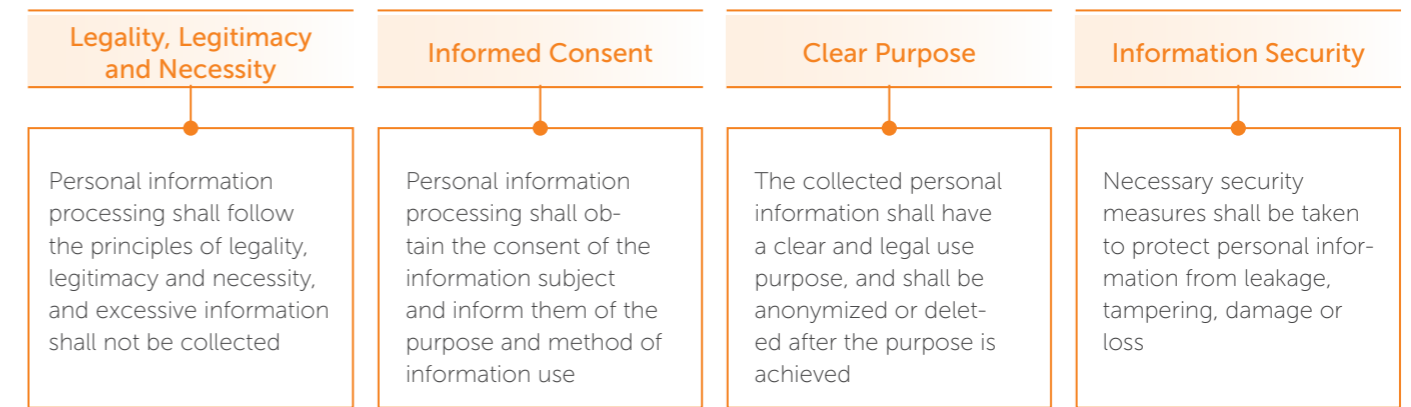


Privacy Protection

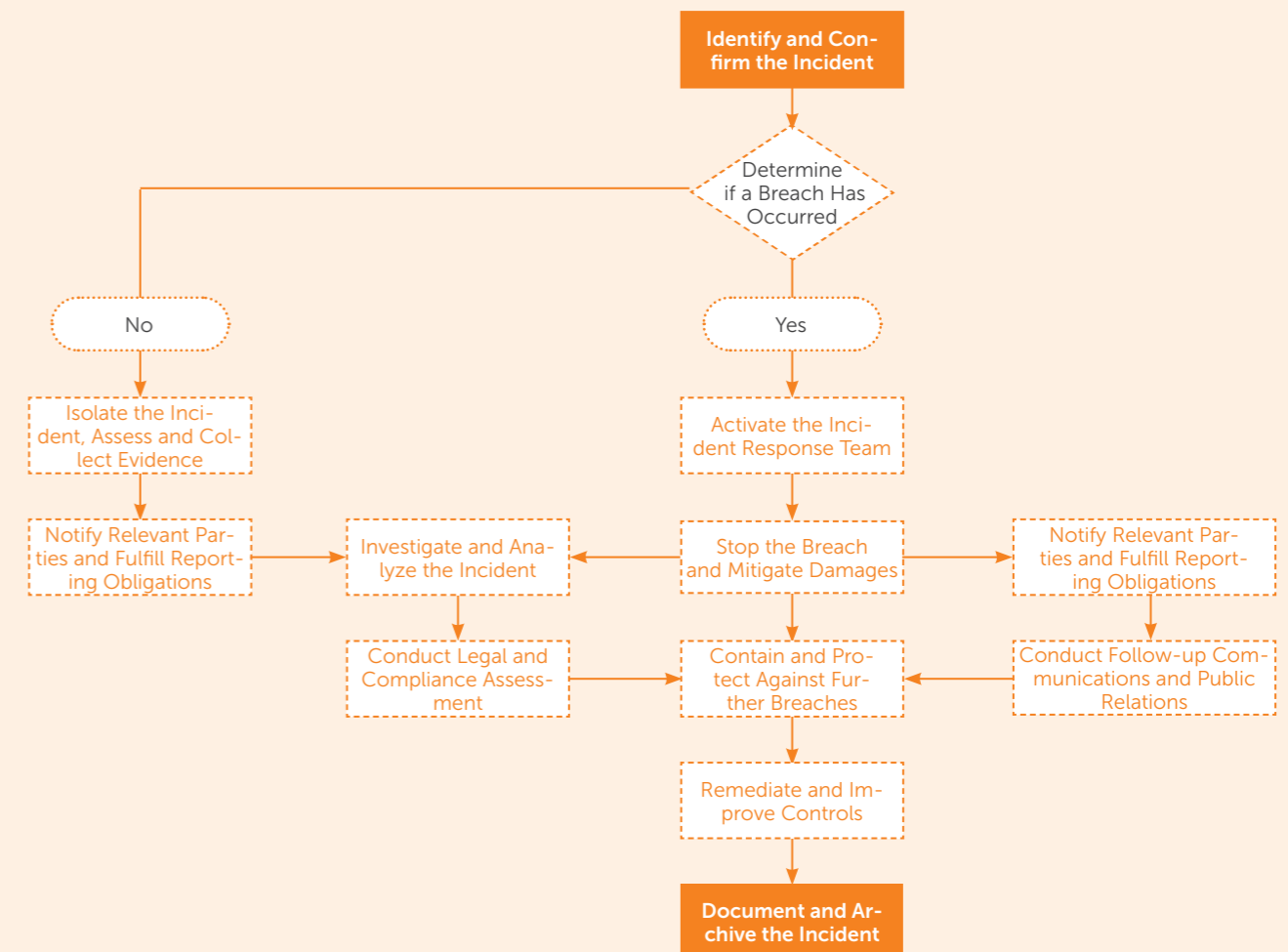
To protect the personal privacy of employees, customers, and visitors obtained by the Company in daily operations and ensure that personal information is properly managed within the Company, SolaX has specially formulated the Privacy Protection Management Specifications. The specifications clarify the allocation of responsibilities among departments for privacy protection management, privacy protection principles and privacy incident handling processes:



Privacy Protection Principles



The Company strictly complies with the requirements for data loss prevention and protection in system documents such as the *Confidentiality or Non-Disclosure Agreement* and the *Information Asset Management System* to prevent unauthorized disclosure or extraction of personal or system information. At the same time, it completes information security compliance work through regular reviews. With the development of business, the Company's information security management boundary has been expanded to third parties. The Company has specially formulated the *Third-Party Service Management Security Specifications* to effectively control the information security risks that may be brought by third parties and third-party personnel, so as to improve the overall internal and external information security level of the enterprise. In addition, the Company continues to promote information security due diligence to ensure that third parties and their personnel can meet SolaX's needs.



Digital Transformation

SolaX's digital transformation strategy takes "becoming a world-leading smart energy enterprise" as its vision, with the core of "data-driven, intelligent manufacturing and global collaboration". The Company is committed to deeply integrating digital technology into the entire value chain of R&D, manufacturing, supply chain and customer service, advancing the three-modernization (intelligentization, green transformation and servitization) development strategy, and comprehensively building five core capabilities: innovation capability, personalized design and manufacturing capability, supply chain management and control capability, production and manufacturing capability, and service capability, so as to lay a solid foundation for the Company's sustainable development.

The Company's digital transformation management system consists of the following two parts:

Information Security and Data Governance

The Company has established a comprehensive information security management system in accordance with the Cybersecurity Law and the Data Security Law, and formulated the Information Security Risk Management System and Privacy Protection Management Specifications to ensure that business data and customer privacy are protected at the highest level during the digital transformation process.

Top-Level Design and Cross-Departmental Collaboration

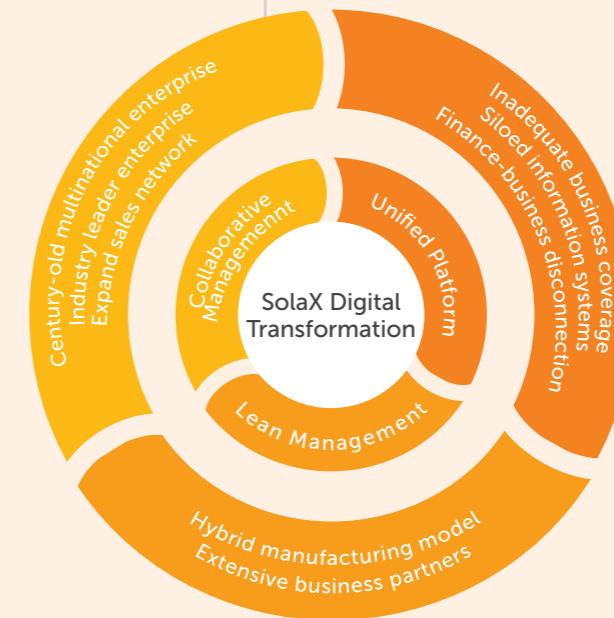
Led by the Company's senior management, the IT department and business departments (R&D, manufacturing, supply chain, quality, etc.) jointly form a digital transformation project team to ensure that all digital projects are driven by business value, eliminate departmental barriers, and achieve comprehensive process optimization.



Management Processization

Process Standardization

Standard Implementation



Establishing a unified information platform to eliminate data silos

- Centralized planning and deployment of application systems
- Unified data standards, establishing an enterprise data warehouse
- Standardized interface standards for efficient integration

Strengthening lean operations to achieve horizontal business closed-loop

- Finance-business integration
- Collaboration with customers/distributors
- Seamless R&D-manufacturing collaboration ensuring EBOM-to-MBOM consistency
- ...

Implementing Collaborative Management and enhancing group management and control

- Enterprise performance management with real-time decision support
- Centralized Fund management
- Comprehensive budget control
- ...

SolaX Digital Strategy

Key Digital Achievements and Practices

Intelligent Manufacturing System (IMS System)



The IMS intelligent manufacturing system deployed by SolaX at Tonglu production base realizes real-time data collection of production equipment through IoT technology, and builds a full-process digital management and control system covering production planning and scheduling, production execution, quality management and material distribution.



- The IMS system is deeply integrated with ERP, SRM and other systems to realize automatic order decomposition, intelligent scheduling, paperless operation and full-process quality traceability, increasing production efficiency by 35% and shortening the order delivery cycle by 40%, laying a solid foundation for intelligent manufacturing.

Supply Chain Collaboration System (Overseas WMS)



Through the supply chain collaboration system, an end-to-end digital supply chain system has been built, enabling SolaX to achieve real-time collaboration with global suppliers in orders, planning, inventory and other processes.



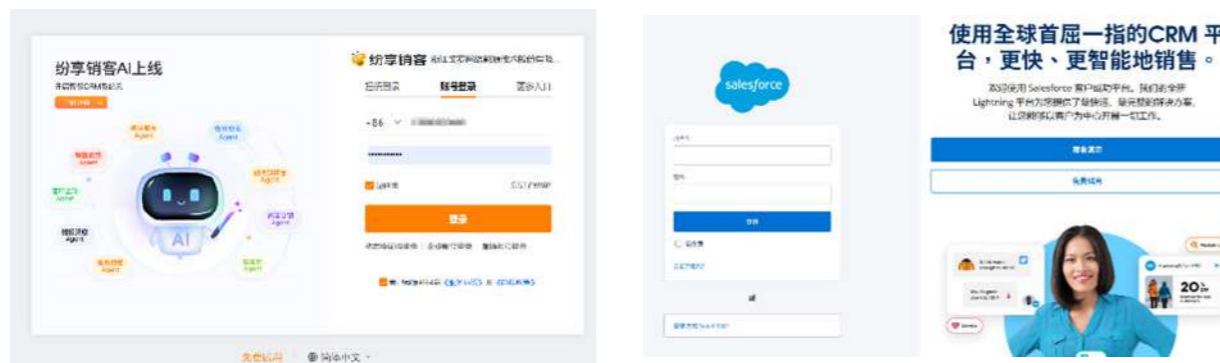
- The system is deeply integrated with WMS intelligent warehouse management, supporting visual management and control of overseas warehouses and full-chain traceability, increasing inventory turnover efficiency by 40% and abnormal response speed by 50%.
- Through intelligent warning and automatic replenishment mechanisms, the system effectively guarantees the material supply of global projects, providing strong supply chain support for the Company's business expansion in European, North American and other markets.

Global After-sales Management Platform (Domestic CRM/Overseas CRM)



By deploying overseas and domestic CRM systems, the Company has built an integrated digital marketing and after-sales service platform supporting global business.

- It realizes end-to-end digital management from channel registration, full-chain order visualization to after-sales service, improving the collaboration efficiency and data transparency of cross-border business;
- Through a unified customer view and mobile collaboration, it strengthens sales process management and global customer service quality, laying a solid foundation for refined business operations and sustained growth.



ESB Integration Platform (ESB)



Through standardized interfaces, message routing and protocol conversion, the ESB platform realizes efficient cross-system data flow and business collaboration, significantly improving integration efficiency and reducing operation and maintenance costs.

- Simplifies the mesh call between systems into a star connection through a bus-type architecture, reducing the number of interfaces by over 90% and decreasing fault detection time by 80%;
- Supports more than 20 protocol conversions such as HTTP/SOAP/JMS to achieve seamless connection between old and new systems;
- Adopts message queue and circuit breaker mechanisms to achieve zero loss of key business data, with system availability reaching 99.99%;
- The centralized monitoring platform reduces fault localization time from hours to minutes, reducing operation and maintenance manpower demand by 40%.



Operational Data Visualization



Through the order traceability project, SolaX breaks down the data barriers in the entire process of sales, R&D, procurement, production and after-sales, upgrading the traditional manual offline traceability model to an integrated online collaboration platform, and realizing the digital management of the entire order life cycle.

- Real-time aggregation and presentation of data such as order status, materials and production progress, optimizing the complex traceability process that originally took hours to days into one-click minute-level accurate positioning, with traceability efficiency improved by more than 80%;
- Significantly accelerates the response and closed-loop speed of market quality issues and improves customer satisfaction.

It provides solid data support for the Company to build a data-driven refined management model and to achieve operational visualization and data-driven decision-making.

Based on the existing achievements, SolaX's digital construction in 2026 will focus on:



Deepening Data Application

Promote the in-depth application of artificial intelligence and big data analysis in predictive maintenance, market demand forecasting and other scenarios, moving from "digitalization" to "intelligentization".

Expanding Ecological Connection

Further enhance data connections with partners and customers to build a broader digital platform for the energy ecosystem.

Continuously Optimizing the Security System

Respond to the increasingly complex network security threats and continuously strengthen our security protection system.

Through systematic digital transformation, SolaX has achieved substantial results in intelligent manufacturing, R&D collaboration and global operation management. In the future, the Company will continue to be driven by technological innovation, consolidate and expand its digital advantages, and provide core impetus for the Company's sustainable and high-quality development.

The UN Sustainable Development Goals addressed in this chapter:



02 Low-Carbon Development, Green Progress

SolaX has always been guided by the concept of green development, earnestly practicing the development philosophy that "lucid waters and lush mountains are invaluable assets", and fully integrating this principle into all aspects of enterprise operation and management. The Company incorporates environmental management into all aspects of its work, strategic planning, and cultural construction. Meanwhile, the Company attaches great importance to the construction of environmental management systems, takes multiple measures to promote energy conservation and emission reduction, regularly conducts inspections for hidden environmental risks and rectifications, and continuously improves the construction of emergency management systems. The Company also strengthens the environmental protection responsibility awareness of all employees through systematic publicity and training, promoting the concept of green development to take root within the enterprise.

Climate Action	54
Environmental Management	63

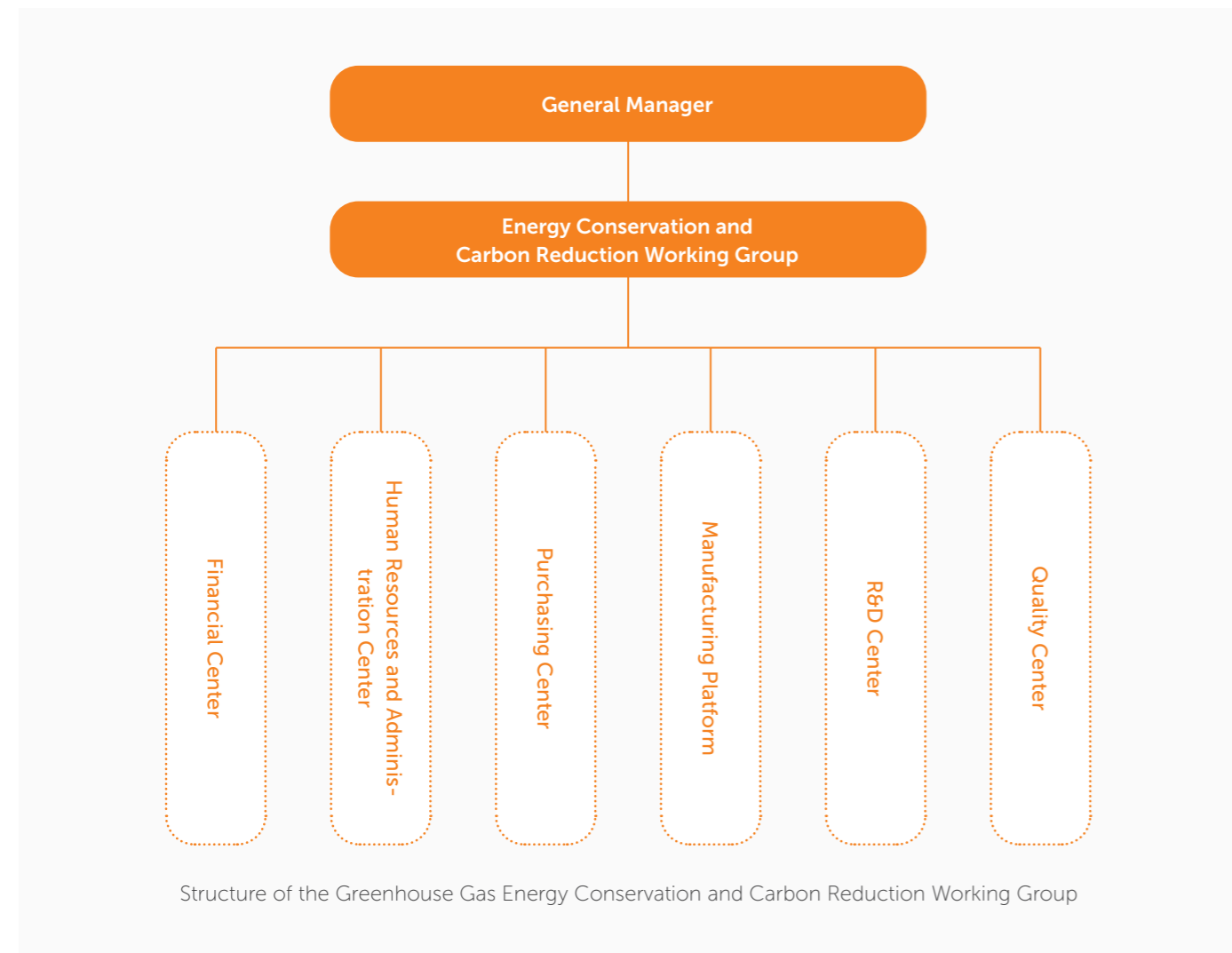


Climate Action

Addressing Climate Change

Governance

SolaX actively responds to China's "carbon peaking and carbon neutrality" goals, continuously exploring and implementing climate change mitigation and adaptation measures by reasonably adjusting the energy consumption structure and promoting production digitalization. To ensure the orderly advancement of subsequent related matters, the Company has formulated institutional documents such as the *Climate Change Management System*, *Greenhouse Gas Inventory Management Procedure*, and *Greenhouse Gas Inventory Accounting and Data Quality Management Regulations*. Taking greenhouse gas management as an important entry point for enterprise climate change management, it clarifies the responsibilities of the organizational structure for greenhouse gas emission reduction management, and incorporates the responsibility of identifying and addressing climate change risks into the management scope. The Company conducts an internal audit on greenhouse gas emission reduction every year and invites qualified third-party institutions to conduct an external audit.



Strategy

SolaX proactively identifies and assesses the potential impacts of climate change on the Company's operations and financial performance. Combined with external expert opinions, it reviews and updates the identification and assessment results every year to formulate more precise risk response strategies.



Duty of the Greenhouse Gas Energy Conservation and Carbon Reduction Working Group

Impact, Risk and Opportunity Management In 2025, the results of SolaX's climate-related risk and opportunity assessment are as follows:

Risk Type	Risk Description	Probability	Impact Magnitude	Time Horizon of Impact	Value Chain Link Affected	Priority Ranking	Potential Financial Impact	Response Measures
Physical Risks								
Acute Risk	Extreme High Temperature	Medium	High	Short-term, Medium-term	Own Operations	Medium	Decline in company productivity due to employee health damage, factory equipment damage or forced shutdowns, which may lead to lower operating income and higher operating costs.	Regularly inspect equipment operation, check for overheating, and install sufficient cooling equipment Timely obtain early warning information of extreme weather Provide heatstroke relief supplies for employees
	Extreme Precipitation	Low	Medium	Short-term, Medium-term	Own Operations	Medium	Decline in company productivity due to factory equipment damage or forced shutdowns caused by raw material supply interruptions, which may lead to lower operating income and additional maintenance costs.	Consider extreme precipitation in the initial factory design and rationally install drainage facilities and rainwater interception structures Formulate the Special Emergency Plan for Natural Disasters and clarify the division of responsibilities Formulate the Business Continuity Plan for the Purchasing Center and adjust supply relationships in a timely manner
Chronic Risk	Sea Level Rise	Medium	Medium	Medium-term, Long-term	Own Operations	Medium	Decline in company productivity due to damp and damaged factory equipment, which may lead to lower operating income and additional maintenance costs.	Monitor climate change trends and proactively select factory locations less vulnerable to sea level rise
Transition Risks								
Policy and Legal	The implementation of the EU Carbon Border Adjustment Mechanism (CBAM) and the EU Battery Regulation, as well as the possible rise in carbon prices in the future, will increase the Company's product compliance costs and restrict product exports.	High	High	Short-term, Medium-term	Own Operations, Downstream	Medium	Increased product compliance costs and restricted product exports for the Company, leading to a reduction in operating income.	Timely track updates and changes of relevant laws and regulations to ensure that production processes, product design and emission standards comply with the latest requirements of target sales regions Conduct carbon footprint certification at the organizational and product levels, as well as Environmental Product Declaration (EPD) certification
Market	Market preference: Downstream customers and the market put forward requirements for product carbon footprints and prefer products with lower carbon footprints. Growing demand for energy storage: Market demand for energy storage products increases.	Medium	High	Short-term, Medium-term	Own Operations, Downstream	Medium	Failure to promote carbon reduction actions in the Company and its supply chain may lead to the risk of being eliminated by the market and lower operating income; the growth of market demand for products is conducive to the Company's product sales.	Continuously conduct research on industry trends, judge the development direction of the industry, and actively respond to the core needs of investors and downstream customers Establish a diversified backup supplier system to steadily improve the anti-risk capacity of the supply chain; continuously improve the Business Continuity Plan for the Purchasing Center to reduce the impact of climate risks on supply chain operations
Technology	Technological iteration: The market's demand for iterative development of existing products and services continues to rise; the proportion of low-carbon technology applications gradually increases. Regional market fluctuations: Regional market fluctuations caused by climate change may lead to abnormal fluctuations in the prices of raw materials and goods.	Medium	High	Short-term, Medium-term	Own Operations, Downstream	Medium	The Company can seize development opportunities aligned with its business layout; fluctuations in raw material prices may lead to reduced stability of production and operation, as well as fluctuations in costs and operating income.	Systematically promote the implementation of energy conservation and consumption reduction measures, and popularize the alternative application of renewable energy such as photovoltaic power generation to help reduce the Company's carbon footprint Strengthen R&D investment in low-carbon technologies and their achievement transformation, and continuously increase the penetration rate of new energy in the production process to realize the low-carbon transformation of the entire product life cycle
Reputation	Climate change participation: In the general trend of climate transition, the lack of practical actions for active participation by the Company will weaken the trust of stakeholders in the Company's climate risk management capabilities.	Medium	High	Short-term, Medium-term	Own Operations, Downstream	Medium	Reputational risks may further transmit to the financial level, potentially causing substantial losses such as higher financing costs and market share erosion.	Actively participate in climate transition practices and industry collaboration activities, and fully respond to the concerns and demands of investors, customers, communities and other stakeholders regarding climate change participation

Indicators and Targets

SolaX has established enterprise-level carbon management targets aligned with China's "carbon peaking and carbon neutrality" goals. It conducts regular enterprise-level carbon inventory and verification work every year, which is entrusted to qualified third-party companies to verify compliance with the ISO 14064 standard.

Upon verification

In 2025, SolaX's total carbon emissions⁴ were

2,217,292.34 tCO₂e



Including	Category 1	Category 2	Category 3
	1,416.16 tCO ₂ e	13,597.62 tCO ₂ e	29,455.26 tCO ₂ e
	Category 4	Category 5	
	753,293.34 tCO ₂ e	1,419,529.97 tCO ₂ e	



In accordance with the classification of the GHG Protocol, the greenhouse gas emissions are as follows:

Scope 1	Scope 2	Scope 3
1,416.16 tCO ₂ e	13,597.62 tCO ₂ e	2,202,278.57 tCO ₂ e

SolaX is committed to providing customers with clear environmental data, evaluating the full-life-cycle carbon emissions and environmental impacts of products from manufacturing to disposal. Up to now, a total of 30 products in the Company's two core series, X3-MEGA G2 and X3-FORTH, have successfully completed the registration of International Environmental Product Declaration (EPD). Some products have obtained ISO 14040, ISO 14044 (Life Cycle Assessment) certification, and ISO 14067 (Product Carbon Footprint) certification.



⁴ The power emission factor adopts the 2023 Zhejiang provincial grid factor issued by the Ministry of Ecology and Environment, with a value of 0.4974 kgCO₂e/kWh.

Energy Management

Governance

The Company strictly adheres to national laws, regulations, standards and industry norms such as the *Energy Conservation Law of the People's Republic of China* and *GB/T 23331-2020 Energy Management System*, and has formulated management systems including the *Energy Management Manual*, *Energy Review Control Procedure*, and *Energy Baseline and Energy Performance Parameter Setting Procedure*. It continuously improves the energy management system, takes refined energy management as the starting point, and attaches great importance to energy conservation and efficient utilization. The Company has established and implemented a comprehensive energy-saving management system covering management-oriented, technology-oriented and assessment-oriented energy saving initiatives, systematically promoting energy conservation and consumption reduction. In daily operations, the Company takes electricity as the main energy type, continuously improves energy utilization efficiency, and formulates supporting special management measures to ensure the standardized and long-term advancement of energy-saving. In 2025, the Company obtained ISO 50001 Energy Management System certification.



The Top Management ensures the distribution and communication of responsibilities and authorities of relevant positions within the organization to guarantee the operation, maintenance and improvement of the energy management system; the management representative is responsible for communicating energy management targets, reporting relevant management performance to the Top Management, and formulating the Company's energy-saving targets, indicators, management plans and emergency plans; each department performs its own duties to specifically implement energy management practices.

Strategy

The Company attaches great importance to energy conservation and consumption reduction, and strives to implement standardized energy management. With the energy management policy of "energy conservation and emission reduction, continuous innovation, law-abiding operation, and continuous improvement", the Company ensures it obtains to fulfill targets and energy indicators, and meet the laws, regulations and other requirements related to energy efficiency, energy use and energy consumption.

When formulating energy management strategies, under the guidance of the energy management policy, the Company fully evaluates its own activities and processes that can affect energy performance, and guides measures for the sustainable improvement of energy performance. The Company periodically identifies risks and opportunities that need to be addressed to achieve:

The Company periodically identifies risks and opportunities that need to be addressed to achieve:

- Provide assurance that the energy management system can achieve its expected results, including energy performance improvement
- Prevent and reduce unintended impacts
- Achieve continuous improvement of the energy management system and energy performance



Impact, Risk and Opportunity Management

To continuously improve energy utilization efficiency, the Company focuses on the dual drivers of technology-oriented energy saving and management-oriented energy saving. It continuously optimizes the energy management system and systematically promotes the achievement of energy conservation and emission reduction targets through popularizing the application of energy-saving technologies, improving energy control processes, enhancing automation levels, and promoting the digitalization of energy management, to contribute to green and low-carbon development.

Implementation of Energy Conservation Projects in 2025

- Management of the Number of Operating Chillers**
 Considering the current temperature, 2 sets of chillers operate during the day shift and 1 set during the night shift; Chiller operation standards: No operation when the outdoor temperature is below 15°C; Set temperature at 9°C when the temperature is 15-25°C; Set temperature at 8°C when the temperature is 25-30°C; Set temperature at 7°C when the temperature is above 30°C.
- Management and Control of the Fresh Air System in the Aging-test Area**
 The number of operating fresh air systems in the aging area is determined and adjusted appropriately every day according to the actual outdoor temperature and production status of the aging-test area.
- Lighting Power Management and Control**
 1. Renovate the workshop lighting circuits to realize zonal and sectional control, and timely turn off the lights in unused areas
 2. Install independent switches for the desk lamps in the DIP section for convenient shutdown during non-production periods.
- Start-Stop Time Control for Wave Soldering and Reflow Soldering Equipment**
 Turn off wave soldering and reflow soldering equipment during the night shift and start them in advance for preheating during the day shift to avoid power waste.

In addition, the Company has conducted investigations on energy-saving opportunities in daily office scenarios and formulated the following regulations:

- Air Conditioning Usage**
 Summer working period: Turn on the air conditioner only when the indoor temperature is $\geq 28^{\circ}\text{C}$ or the outdoor temperature is $\geq 37^{\circ}\text{C}$, and set the temperature between 25°C and 27°C .
 Winter working period: Turn on the air conditioner only when the indoor temperature is $\leq 7^{\circ}\text{C}$ or the outdoor temperature is $\leq 4^{\circ}\text{C}$, and set the temperature between 20°C and 22°C .
- Monitor Usage**
 Adjust office computer monitors to an appropriate brightness; take the initiative to turn off the power of the host and monitor after work to eliminate long-term standby.
- Lighting Usage**
 Make full use of natural light in offices and meeting rooms; try to turn on fewer or no lights when sunlight is sufficient, and eliminate the use of "daytime lights" and "permanently on lights".

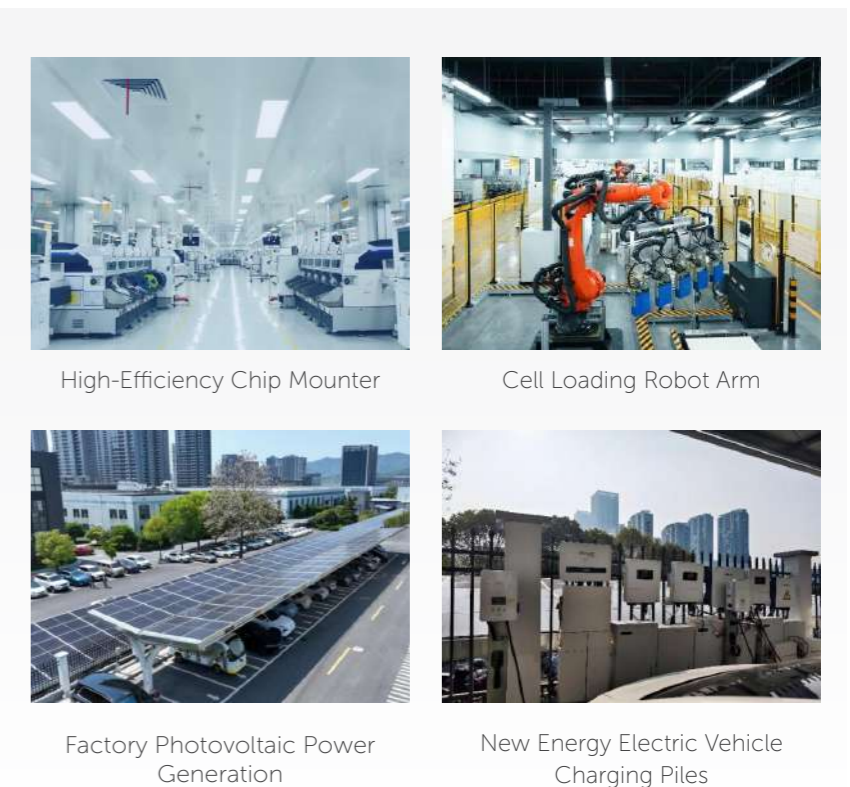
The Company has built a comprehensive digital platform for energy supervision and control. By fully controlling production links such as energy production, storage, conversion and use, it achieves real-time monitoring, abnormal feedback and intelligent scheduling, which can increase energy utilization efficiency by 10%. The system simultaneously accesses the operation data of renewable energy power generation equipment such as photovoltaic, and ensures that the equipment is in the optimal operating state through dynamic monitoring, thereby increasing the proportion of clean energy consumption, reducing the power consumption of the traditional power grid, and helping the Company achieve its carbon emission reduction targets. In addition, the system can calculate the total greenhouse gas emissions and emission reduction effects of the factory area, providing quantitative basis for the iterative optimization of the Company's energy conservation and emission reduction plans.



Digital Energy Management System

The Company's factory area is highly automated, and the equipment can dynamically adjust operating parameters according to production load to avoid energy waste when the equipment is in no-load or low-load state. At the same time, combined with the digital energy management system, it accurately identifies abnormal energy consumption points and triggers adjustment or early warning mechanisms in a timely manner. In addition, the Company fully utilizes the three-dimensional space of the factory area and installs 4.94MW photovoltaic power generation facilities on the roof of the workshop, which can realize "self-consumption with surplus power fed into the grid", effectively reducing the Company's dependence on purchased electricity, and promoting energy conservation and emission reduction by increasing the proportion of clean energy use. The Company also actively deploys the construction and operation of intelligent charging piles to provide convenient and efficient green charging services for new energy vehicles, practically contributing to the construction and development of the green transportation system.

2025
 The Company's self-generated photovoltaic power reached **3,341.9 MWh**



Indicators and Targets



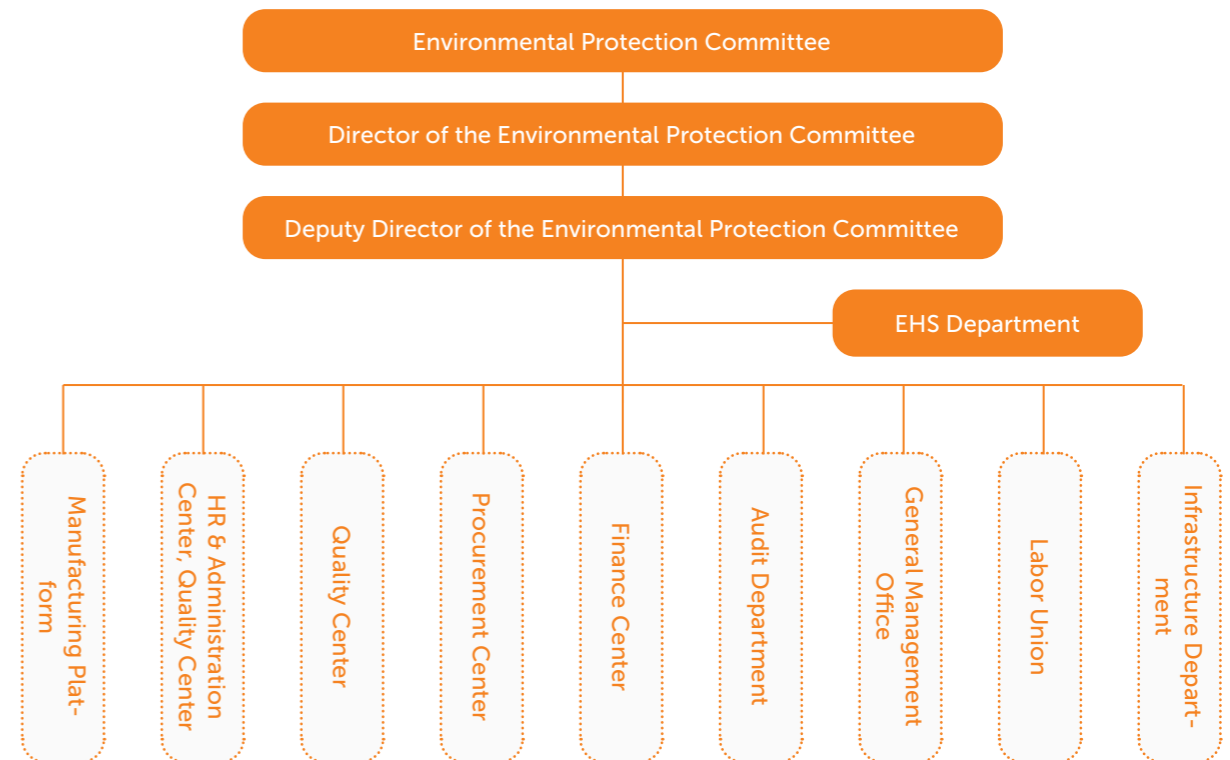
Environmental Management Environmental Management System

Management System

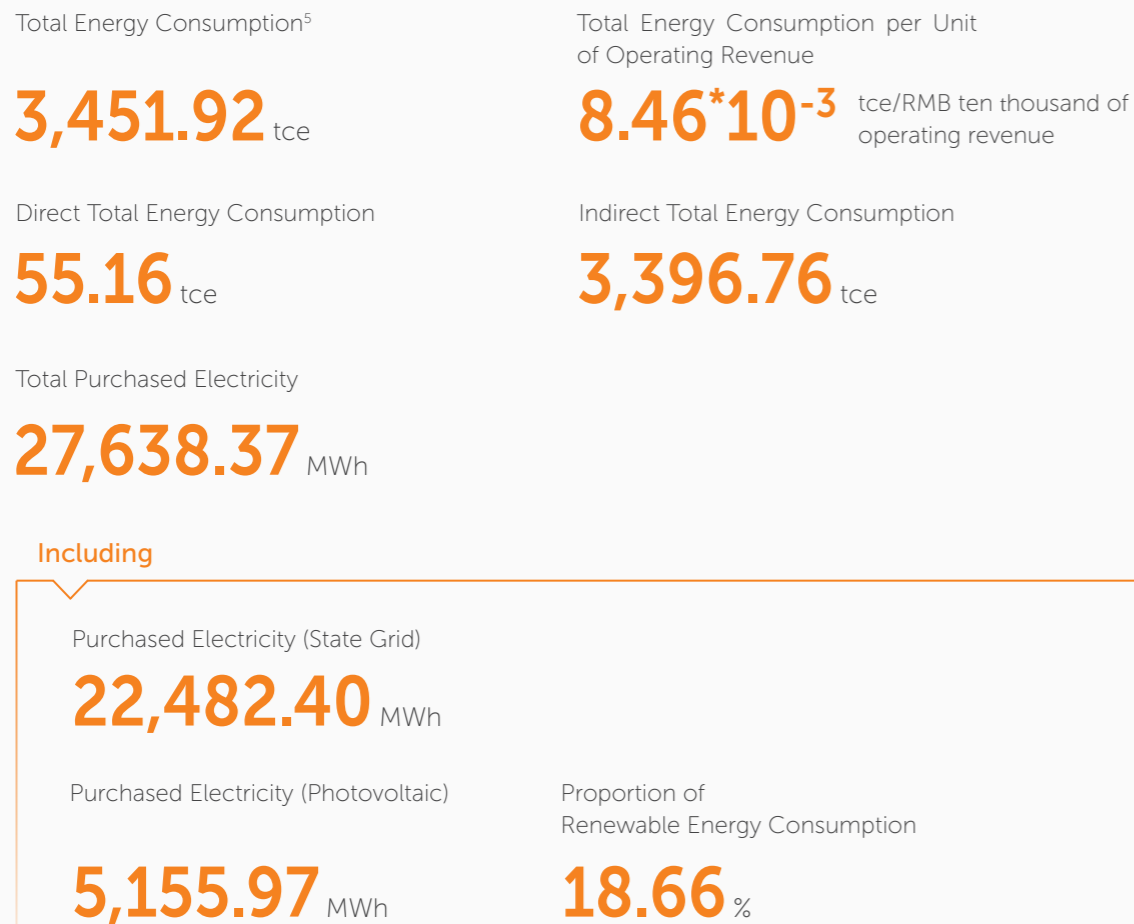
SolaX strictly complies with laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and the *Water Pollution Prevention and Control Law of the People's Republic of China*. The Company updated the *Environmental Protection Management System* and the *Environmental Protection Responsibility Management System* in 2025, further implemented the responsibilities of the Environmental Protection Committee, and revised the relevant management clauses on environmental protection. The Company adheres to the environmental work policy of "energy conservation, consumption reduction, pollution prevention, and emphasis on environmental protection; safety first, combination of prevention and firefighting, and elimination of hidden dangers", strengthens the hierarchical management of the Company's environmental protection responsibility system, and participates in environmental protection work proactively. The Company entrusts an external third-party audit institution to conduct environmental management system audits on an annual basis, and carries out internal EHS management audits once a year as well. As of the end of the reporting period, the Company has obtained the ISO 14001 Environmental Management System certification, Cleaner Production certification, and the provincial-level Green Factory certification.



The Company has established a three-level environmental management system structure, led by the Environmental Protection Committee, coordinated and deployed by the EHS Department, and executed by departments including the Manufacturing Platform, HR & Administration Center, Quality Center, Procurement Center, Finance Center, Audit Department, General Management Office, Labor Union, and Infrastructure Department. To ensure the implementation of environmental protection work, the EHS Department is responsible for supervising the environmental protection rectification and governance of all departments, and each department is equipped with corresponding environmental protection specialists.



The Company also monitors energy use as follows:



⁵ In 2025, the Company's direct energy consumption consisted of 6,051 liters of diesel and 44,544.18 liters of gasoline.

To further strengthen environmental management, the Company has incorporated the achievement of environmental management objectives into the performance evaluation system. For major issues identified during environmental audits or major environmental incidents that occur, the Company will impose economic penalties on the relevant responsible persons and departments through the performance accountability mechanism based on the severity of the incident.

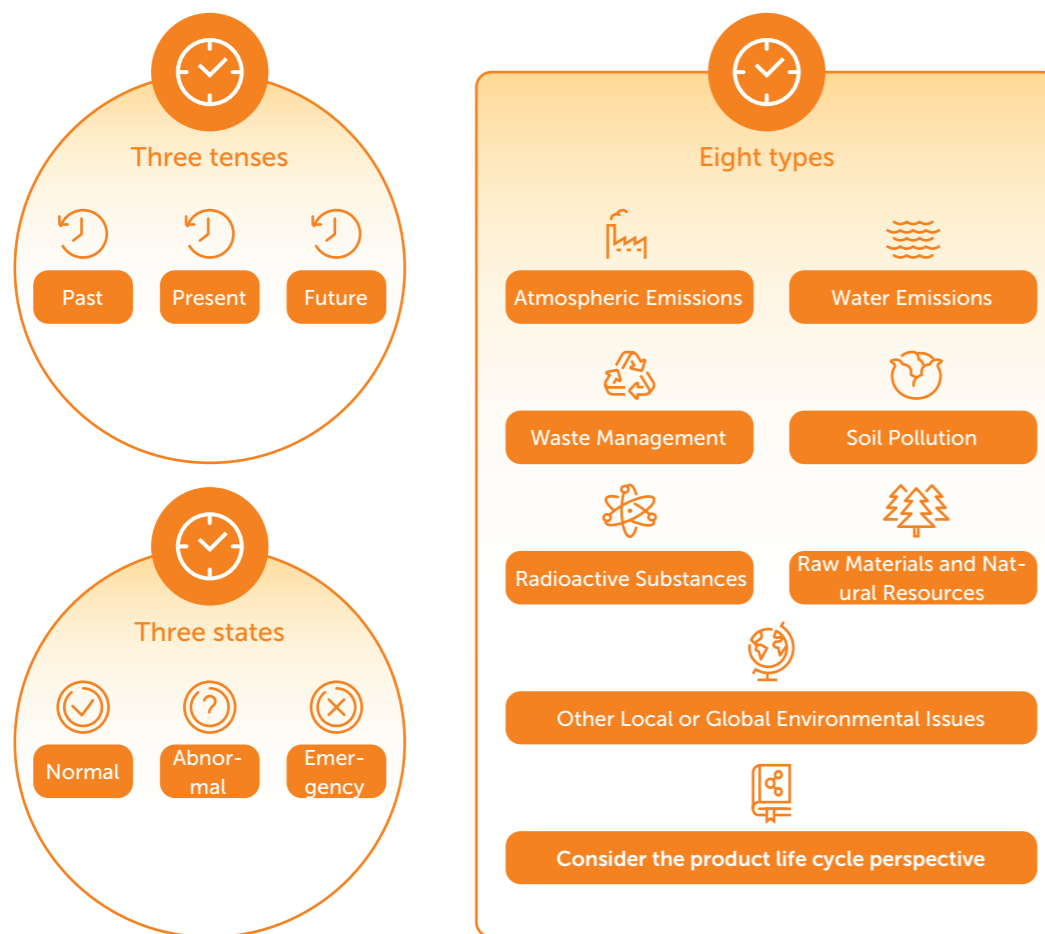


Key Performance

During the reporting period, the Company's investment in environmental protection was CNY **1.999** million, accounting for **0.05%** of operating revenue; no major environmental accidents occurred, and the number of administrative penalties from environmental-related departments was **0**.

Environmental Risk Management

SolaX updated the *Control Procedure for Identification and Evaluation of Environmental Factors* in 2025, refining the process for identifying and evaluating environmental factors. It assesses environmental factors through four dimensions: occurrence frequency, impact severity, current control status, and compliance with laws and regulations, emphasizing the critical role of regulatory compliance in the evaluation criteria. In accordance with the procedure document, the Company completed the annual systematic review and update of the *Environmental Factor Identification and Evaluation Form* during the reporting period. The Company dynamically identifies and evaluates new or changed environmental factors in operational activities, providing a foundation for setting environmental objectives and implementing improvement measures.



Environmental factor identification and evaluation process

Environmental Emergency Management

SolaX continuously strengthens safety production and environmental protection management, achieving remarkable progress in environmental emergency management in 2025. The Company has formulated the *Emergency Response Plan for Production Safety Accidents*, and continuously improves the risk prevention and control as well as environmental emergency management system, specifically targeting various scenarios such as chemical spills, hazardous waste leaks, fire and explosion accidents, and natural disasters. To ensure emergency response capabilities, the Company has established a professional emergency rescue team, equipped with complete relevant emergency facilities, and stocked necessary emergency supplies. In addition, to enhance employees' safety awareness, the Company organized fire safety training, safety production training, as well as occupational health and environmental protection training, and conducted emergency drills as planned to ensure that employees can master emergency handling skills and environmental management knowledge.

2025	
Percentage of Workplaces That Have Undertaken Environmental Risk Assessments	100%
Total Number of Environmental Training Sessions Conducted by the Company	2
Coverage Rate of Environmental Protection Training	100%



SolaX Conducts Hazardous Chemical Leak Emergency Drill

Case

In May 2025, the Company organized a hazardous chemical leak emergency drill, aiming to enhance employees' safety awareness and emergency response capabilities. The drill simulated a situation where an operator caused a rupture and leak of a chemical packaging container due to operational error while accessing ethanol in the hazardous chemical storage area. Upon detecting the abnormality, the operator promptly evacuated the site, reported to the workshop supervisor, and assisted in clearing the emergency rescue channel to ensure unobstructed access for rescue efforts. After receiving the report, the workshop immediately activated the emergency response plan and notified the emergency team and relevant rescuers to rush to the scene. The EHS Department coordinated the deployment of personnel from various departments to ensure the smooth progress of the emergency process. After being fully equipped, the rescuers quickly carried out leak sealing operations and conducted a comprehensive inspection of the site to ensure no risk of secondary accidents. Through this drill, employees further mastered the emergency response methods for hazardous chemical leaks. The drill significantly improved their ability to respond to emergencies, strengthened safety awareness across the workforce, and provided practical experience for safety management in daily production.



⑤ The statistical scope covers the Tonglu production base of SolaX, with a total of 1,398 employees by the end of 2025.

Indicators and Targets

During the reporting period, SolaX formulated the 2025 Environmental Protection Targets and Breakdown Statistics Table, setting targets for environmental pollution accidents, compliance of wastewater, waste gas, and solid waste discharge, hazardous waste disposal, and environmental protection training, aiming to improve environmental management in a targeted manner. The Company ensured the effective achievement of environmental protection targets by unifying performance indicators and monitoring the monthly target completion status of each department.



Pollutants and Waste Management

SolaX strictly complies with relevant laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*. It continuously improves the internal Environmental Protection Management System and formulates standardized treatment measures for wastewater, waste gas, on-site noise, and solid waste generated during production and operation. These measures ensure the stable and efficient operation of environmental protection facilities, enabling compliant discharge of wastewater, waste gas, and noise as well as legal disposal of solid waste.

The Company has formulated the "Three Wastes" Monitoring Plan. Environmental specialists from the EHS Department entrust external institutions to conduct environmental monitoring once a year. If any environmental indicators are found to exceed regulatory limits during monitoring, the corresponding departments will be notified immediately in accordance with specified management procedures for rectification.

Meanwhile, the Company has formulated the *Hazardous Waste List*, the *Company's Solid Waste Classification Table*, and the *Simplified Details of Domestic Waste Classification*, clarifying waste classification and establishing special accounts. It has clearly defined regulations for the generation, storage, transportation, and disposal of hazardous waste, implementing full-process management to ensure standardized handling. In addition, the Company has established relevant rewards and punishments to ensure compliant discharge and effective management of "three wastes" and solid waste.



Key Performance

During the reporting period, the detection results of SolaX's "three wastes" discharge met emission standards, with no major administrative penalties or criminal liabilities incurred. There were no significant deficiencies in the pollutant and waste monitoring plans or risk management measures.

Waste Type	Emission Type	Treatment Measures	Key Monitoring Indicators
Waste-water	Domestic Sewage	Domestic sewage is pre-treated through the septic tank system before being discharged into the sewage pipeline network, and finally discharged after treatment by the sewage treatment plant	PH value, suspended solids, chemical oxygen demand (COD), ammonia nitrogen, petroleum substances, animal and vegetable oils
Waste Gas	Industrial Alcohol Volatile Gas, Soldering Fume	After treatment by pipeline filters, particulate matter in the waste gas is effectively isolated, and the purified gas is then discharged into the atmosphere through fans. In addition, the organized emission equipment adopts a "one active + one standby" configuration with backup equipment.	Tin, non-methane total hydrocarbons (NMHC), particulate matter
Noise	Noise Generated by Production Equipment	Noise and vibration reduction measures such as muffling, sound insulation, and shockproofing are adopted for parts that generate noise and vibration during production. The workshop windows are designed with double-layer sound insulation glass, and strict closed management is implemented during production to effectively reduce noise pollution.	Factory Boundary noise
Solid Waste	Recyclable Industrial Solid Waste (e.g., waste cardboard, wooden pallets, iron barrels, plastic film, plastic steel belts, waste iron, waste copper, etc.)	Sold to waste recycling companies for further recycling, with recyclable waste accounting for 59%	
	Non-recyclable Industrial Solid Waste (e.g., adhesive strips, plastic strips, tin foil, etc.)	Entrusted to qualified waste disposal companies for disposal	
Hazardous Waste	Waste chemical packaging containers, waste circuit boards, waste cleaning fluids	Entrusted to qualified waste disposal companies for disposal	

⁷ The statistical scope covers the Tonglu production base of SolaX, with a total of 1,398 employees by the end of 2025.

Indicators and Targets



Material Resource Management

SolaX actively practices the concept of green development, incorporates circular economy factors at the initial stage of product design, and implements full-process resource recycling and comprehensive utilization management during production.



Using Pulp-made Molding Instead of Foam Packaging



Resource Utilization and Circular Economy

Water Resource Management

SolaX complies with relevant laws and regulations including the *Water Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*. To promote water conservation during operations, we have formulated the *Office Code of Conduct*, advocating a green, low-carbon, electricity-saving and water-saving office habit.

Water consumption during operation is mainly domestic water, sourced from municipal water supply and recycled water. The Company attaches great importance to water conservation and reuse in operational processes. On one hand, we strengthen source water conservation and reduction by actively carrying out environmental protection publicity and education activities, posting electricity and water saving slogans, and strictly adhering to water conservation principles. On the other hand, we promote the application of recycled water in cooling water systems to achieve efficient utilization of water resources. Meanwhile, the Company has installed rainwater collection systems in accordance with architectural design specifications for rainwater collection and utilization.

Product Design	"Easy disassembly, easy recycling, lightweight, long service life, and harmlessness" are incorporated into the technical key points of product design. Easy disassembly and recycling design is achieved through structural optimization of modules and casings; lightweight design is realized through lightweight casings and structures to improve transportation efficiency; long service life design is achieved by leveraging the advantages of lithium iron phosphate (LFP) batteries to reduce product replacement cycles; harmless design is enhanced through the selection of environmentally friendly materials.
Raw Material Usage	Firstly, recycled materials are used instead of ordinary materials to reduce carbon emissions during raw material acquisition stage. Secondly, more recyclable raw materials are substituted to improve recycling efficiency. Finally, tin dross separators are used to process and reuse tin dross generated during production, realizing the recycling of battery materials and saving 1.2 tons of tin procurement annually.
Packaging Material Recycling	Full-process control is implemented from packaging scheme design to packaging material selection to optimize and reduce the usage of packaging materials. Packaging materials generated in production lines, warehousing and logistics (such as logo-free cartons and foam) are strictly screened, cleaned and repaired before being reused for internal transportation and shipment. In 2025, the Company has initiated research to replace the foam materials (EPP/EPE) in packaging materials with 100% pulp-made molding materials, effectively practicing environmental protection.
Warehouse Space Optimization	Warehouse racking systems are adopted to achieve intensive warehouse space utilization. Projects such as "Battery Static Warehouse Racking System" and "Intelligent Warehouse Racking System for Digital Material Warehouse" are launched to free up warehouse space and improve circulation efficiency.
Product Recycling	The Company cooperates with local qualified recycling companies for battery recycling and disposal.
Waste Recycling and Utilization	For recyclable solid waste, the Company cooperates with waste recycling companies and regularly sells the waste to them for treatment and reuse.

SolaX Uses Recyclable Materials to Replace Non-Recyclable Materials

Case

For materials of non-load-bearing components, the Company has adopted recycled plastics to replace traditional non-recyclable materials, successfully increasing the proportion of recyclable materials in products. Specific improvement measures include: changing the raw material of connector fixing supports from bakelite (phenolic resin material) to recycled plastics (such as recycled PC, PET and other composite plastics); at the same time, replacing the waterproof sealing gaskets from foamed silicone gaskets to thermoplastic elastomer (TPE) gaskets. This improvement not only enhances the environmental friendliness of products but also significantly reduces resource waste and minimizes the environmental impact of products.

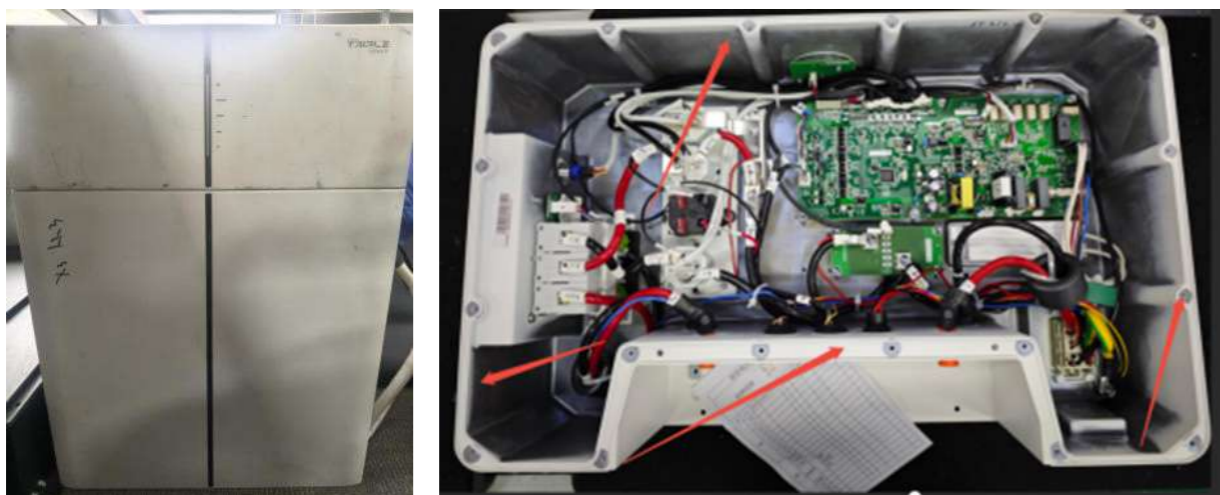


Using Recyclable Materials to Replace Non-Recyclable Materials

SolaX Improves Material Recovery Rate and Uses Recycled Materials

Case

The Company attaches great importance to material reuse efficiency, replacing steel sheet casings with aluminum alloy casings and adopting recycled aluminum materials. During the product update cycle, the Company identified that steel sheet casings cannot be directly recycled due to oxidation issues, and the amount of material recovery decreases due to the shedding of rust generated by oxidation. To address this problem, the Company adopted aluminum alloy casings. The oxides of aluminum alloy can form a dense oxide film, which effectively prevents further oxidation, thereby reducing material loss and improving the recovery rate. By changing the steel casings of early models (such as T45, T63, T58) to aluminum alloy casings (such as T30, HS51, etc.), the Company has significantly improved environmental and resource benefits; on this basis, the use of recycled aluminum alloy materials has achieved a carbon emission reduction of approximately 70%, greatly reducing carbon emissions during the raw material acquisition stage.



Adopting Aluminum Alloy Casings Instead of Steel Sheet Casings

SolaX Introduces "Battery Static Warehouse Racking System" and "Intelligent Warehouse Racking System for Digital Material Warehouse" Projects

Case

SolaX's factory has significantly optimized warehouse management efficiency and space utilization by introducing intelligent warehousing solutions. On one hand, the factory has built the "Battery Static Warehouse Racking System", adopting a fully automatic unmanned double-deep dual-steering racking system combined with Automated Guided Vehicles (AGVs) to achieve point-to-point transportation, automatic warehousing, and first-in-first-out (FIFO) operation. This has increased outbound efficiency by 30%, improved space utilization by 300%, and freed up 500 square meters of static storage space. On the other hand, the factory has built the "Intelligent Warehouse Racking System for Digital Material Warehouse", adopting an intelligent automated warehouse management system. Covering the entire process from raw material warehousing with work order binding, automatic warehousing by box-type robots, unmanned racking system management, automatic outbound to automatic delivery by AGVs, it has achieved full-process intelligent sorting with an efficiency improvement of 60% and space saving of 2,256 square meters.



Battery Static Warehouse Racking System Before (Left Figure) and After (Right Figure) Renovation

The Company recycles packaging materials and waste to reduce waste emissions. The 2025 performance is as follows:



The UN Sustainable Development Goals addressed in this chapter:



03 People-Oriented, Harmonious Win-Win

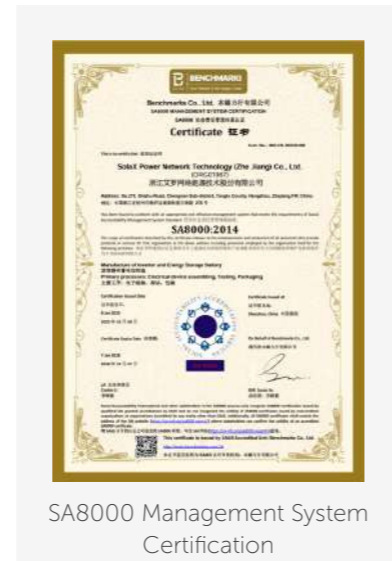
Adhering to the people-oriented philosophy, SolaX respects and protects all legitimate rights of employees, creates a diverse, equitable, inclusive, and healthy workplace environment. The Company proactively listens to employees' demands, and builds platforms for employees to enhance their skills and promote career growth, striving to establish harmonious and stable labor relations.

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Employees' Basic Rights and Interests Governance

Protecting employees' legitimate rights is a key prerequisite for attracting and retaining talents, stimulating team creativity, and serves as the core path to achieving common growth between the Company and employees. SolaX strictly complies with relevant laws and regulations, including the *Labor Contract Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, the *Regulation on Work-Related Injury Insurance*, the *Provisions on the Prohibition of Using Child Labor*, and the *Law of the People's Republic of China on the Protection of Minors*. The Company has systematically formulated and continuously improved internal management systems such as the *Recruitment Management System* and the *Employee Handbook*, establishing a rigorous labor compliance management mechanism. The Company has clearly defined its recruitment procedures, signs labor contracts with employees in accordance with the law, and safeguards the legitimate rights and interests of its employees. Recruitment adheres to the principles of "fairness, impartiality, and merit-based selection", ensuring equal competition and employment based on merit. In 2025, the Company successfully obtained the SA8000 Social Responsibility Management System certification.



SA8000 Management System Certification

Strategy

SolaX deeply integrates the protection of employee rights with its talent development strategy, clarifying the long-term goal of building fair, impartial, harmonious, and stable labor relations. It continuously optimizes the rights and benefits protection system and enhances employees' sense of belonging and happiness, to sustain the momentum for the enterprise's high-quality development.

The Company has established a regular collective bargaining mechanism with the labor union and signed a negotiation agreement on wages and benefits covering all work locations. The agreement includes work conditions, anti-discrimination, employee health and safety, and welfare benefits, ensuring that employees' legitimate demands are promptly responded to through democratic consultation.





Key Performance

In 2025, the proportion of employees who have signed labor contracts is **100%**.

Impact, Risk and Opportunity Management

In response to the needs of labor and human rights protection, SolaX compiles the *Labor and Human Rights Management Report*, systematically evaluating its performance in labor and human rights management through quantitative indicators and specific measures. By aligning with international labor standards (such as ILO Core Conventions) and domestic and foreign best practices, the Company continuously optimizes policy implementation and strengthens supervision mechanisms to ensure comprehensive protection of employees' rights.

Compliance with Labor Standards

- Compliance with laws and regulations**

The *Recruitment Management System* clearly stipulates that recruited personnel must meet the legal employment age required by laws and regulations.
- Elimination of Forced Labor**

In accordance with the overtime provisions of the *Attendance Management System*, the Company does not encourage employees to work overtime. If employees need to work overtime due to work requirements, they may apply for compensatory leave or overtime allowances.
- Prohibition of Discrimination**

The Company explicitly prohibits all forms of discrimination, covering dimensions such as race, gender, religion, sexual orientation, and disability. Once any discriminatory behavior is discovered, employees may immediately report it to their supervisors or the Human Resources Department, and the Company will initiate an investigation and correction process within 48 hours.
- Prevention of Harassment**

The Company has clearly defined the scope of harassment and formulated special policies, covering verbal abuse, physical conflict, sexual harassment, stalking, and sending unwanted messages. Meanwhile, through organizing special training sessions and thematic publicity activities, the Company comprehensively enhances employees' awareness of prevention and self-protection capabilities.

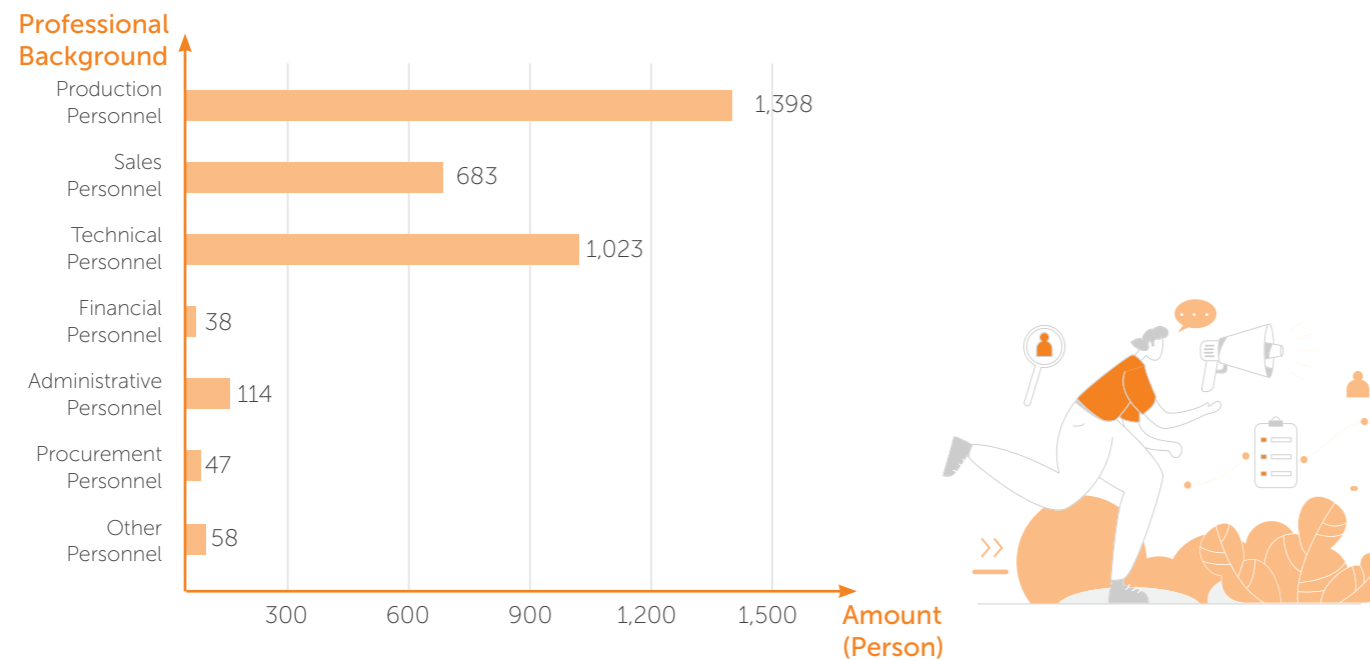
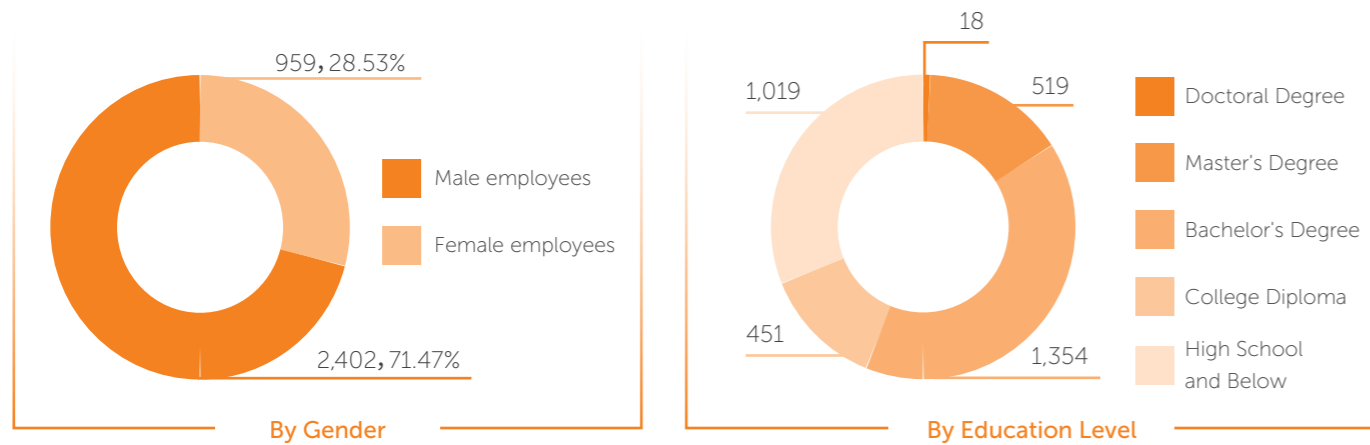
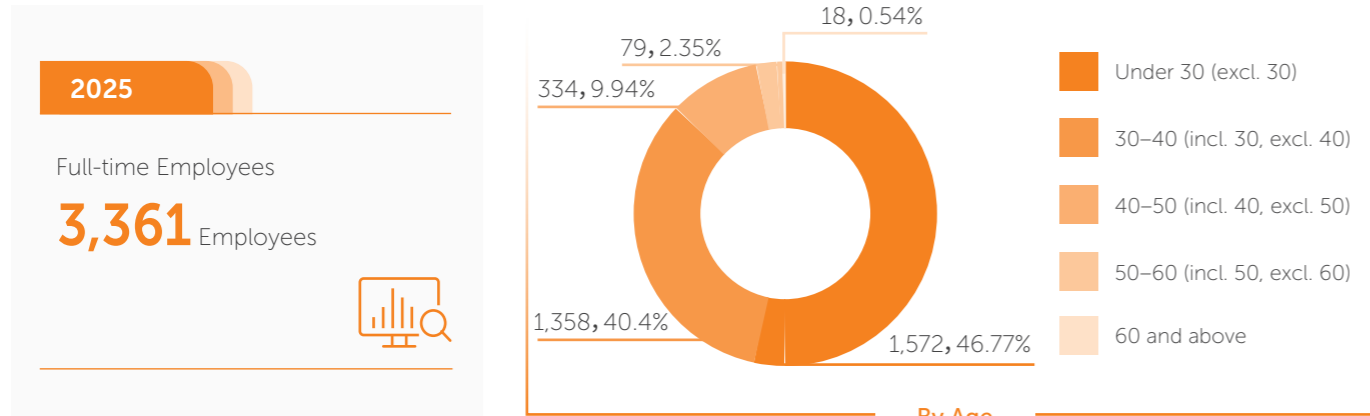
Equal and Diverse Employment

Adhering to the principles of legal and equal employment, SolaX strictly prohibits irregularities such as employment discrimination, forced labor, child labor, and workplace harassment. It fully respects all employees' rights to freedom of association and collective bargaining, and effectively safeguards their legitimate rights and benefits.

The Company has established strict recruitment and review procedures, clearly regulating the performance of interviewers during the recruitment process. It resolutely eliminates any form of discrimination based on gender, ethnicity, educational background, age, religion, belief, etc., to ensure that all candidates are provided with fair and equitable career opportunities.

- Fulfilling the Commitment to Diversity**

The Company is committed to treating employees equally in recruitment, promotion, salary determination, and distribution of career development opportunities, regardless of personal identity characteristics such as race, gender, religion, sexual orientation, or disability. It encourages employees to understand, respect, and tolerate each other, actively promotes multiculturalism, and advances the building of an inclusive corporate culture.



Employee Communication and Grievance

To streamline employee communication channels and accurately listen to employees' voices, SolaX has established a multi-channel communication and grievance mechanism. It promptly collects and responds to employees' opinions and suggestions through various channels such as emails and suggestion boxes. Meanwhile, the Company has built an Employee Service Center in the WeChat Work address book, providing employees with a convenient platform for expressing needs and safeguarding rights. The Service Center sets up categorized windows to efficiently answer employees' daily inquiries; for concerns that employees are reluctant to share publicly, the Company has specially set up an anonymous suggestion box to effectively protect the privacy of feedback providers.

SolaX's Employee Communication and Grievance Management Mechanism

Channel Category	Specific Channel	Method/Description	Frequency/Accessibility
Daily Communication Channels	Employee Issue Feedback Hotline (anonymous option available)	Posters are displayed in all office areas and production sites. Employees can scan the QR code at any time to submit work-related issues, improvement suggestions, or recognition for colleagues.	Real-time reception, focusing on frontline employees
	Staff Symposium	Regular symposia are held for frontline employees in each plant to understand their views and collect relevant suggestions.	Once a month, covering all frontline employees
	SolaX Online Suggestion Box (anonymous option available)	Employees can submit various management suggestions or appeals at any time via the QR code entry published on the WeChat Work platform.	Real-time reception, focusing on non-frontline employees

The Company actively fulfills its responsibility of protecting employees' rights, has completed the labor union registration and officially put it into operation. It unites employees' strength and fosters team cohesion through institutionalized measures, while establishing comprehensive channels for protecting employees' legitimate rights and benefits. As of December 2025, the construction of the Company's labor union has advanced steadily. Among 3,361 domestic employees, the number of labor union members has grown to 1,657, with continuous improvement in organizational coverage and influence. The Company has established a regular dialogue mechanism with the labor union to ensure employees' participation in decision-making processes, such as issues related to salary adjustments and working condition optimization.



SolaX's Employee Meeting

As of December 2025, the Company has held 58 employee meetings. The collected issues cover various areas such as daily life, salary and benefits. All relevant matters have been fed back to the corresponding departments, and items eligible for optimization have been rectified and improved.

Human Capital Development

Employee Training

Adhering to the talent development principle of "prioritizing internal training and supplementing with external recruitment", SolaX has formulated and implemented the *Employee Training Management Measures*. The HR & Administration Center is responsible for the overall planning and organization of the Company's training management, while relevant functional departments undertake the specific implementation and follow-up of training programs. At the management talent level, the Company has established a systematic leadership development system, focusing on the training and improvement of current and reserve middle and senior management talents. It also standardizes the construction of management talent echelons in various functional departments, laying a solid talent foundation for the Company's development. Meanwhile, the Company has formulated the *SolaX Internal Trainer and Course Management Measures* and established an internal trainer management system, effectively promoting the construction of an internal training culture.

The Company implements training management in accordance with its strategic development plan, taking into account the requirements of relevant functional departments. This encompasses organising, overseeing, advancing, and summarising human resource development activities including career development planning, talent echelon construction, specialised training, and the implementation of both internal and external training programmes.

▶ Annual Training Plan

The Company formulates an annual training plan each year, including new employee onboarding training, professional skill improvement, and leadership development, ensuring that employees participate in at least 3 training sessions annually.

▶ Diversified Training Resources

The Company provides diversified training resources such as internal training, external courses, and online learning platforms to meet the needs of employees at different career stages.

At the new employee onboarding training level, the three-phase training helps new employees quickly integrate into the Company, understand business operations, familiarize themselves with corporate culture, and meet job requirements.

Three Phases of New Employee Onboarding Training



In April 2025, the Company was awarded the title of "Hangzhou Model Unit for Deepening the Reform of Industrial Workers Team Building" by the Hangzhou Joint Conference on the Selection of Model Workers and the Advancement of Reform of Industrial Workers Team Building in the New Era; in August 2025, the Company won the "Hangzhou Employees' Five Small" Innovation Achievements" jointly awarded by the Hangzhou Federation of Labor Unions, Hangzhou Science and Technology Bureau, and Hangzhou Association for Science and Technology, demonstrating the Company's leading practices in industrial worker training, rights protection, and innovative development.



SolaX was awarded the title of "Hangzhou Model Unit for Deepening the Reform of Industrial Workers Team Building"



Hangzhou Employees' "Five Small" Innovation Achievements

Indicators and Targets



The Company also actively provides financial support for employees to obtain professional qualifications, helping them enhance professional skills and career competitiveness. It achieves a win-win situation for employees' personal growth and the Company's high-quality development. In 2025, the Company provided qualifications-related subsidies to a total of **265** employees, with a total investment of **129.09** RMB ten thousand.



Remuneration Management

The Company has established a systematic compensation management system, with the *Compensation Management System* and *Performance Management System* as the core. It implements a dynamic employee performance management and compensation linkage mechanism to fully ensure the fairness, incentiviveness and competitiveness of compensation.

The Company integrates performance and compensation management, and conducts quarterly + annual performance appraisals for employees at different levels and in different positions. The appraisal results are directly linked to performance bonuses, salary adjustment ranges and promotion eligibility, guiding and motivating employees to achieve mutual growth for individuals and the Company. Among them, performance bonuses include monthly, quarterly and annual bonuses, which are calculated and distributed based on employees' performance appraisal results, time coefficients and other factors. Annual salary adjustments are mainly based on employees' annual performance ratings, and the adjustment range is determined in combination with the Company's operating efficiency.

In addition, the Company adheres to the principles of equal pay for equal work, more pay for more work, and value orientation, continuously optimizes the compensation incentive mechanism, and builds a compensation management.

Performance Appraisal Methods

The Company's performance appraisal adheres to three core principles: people-oriented, objectivity and impartiality, and effective communication. It is divided into quarterly appraisal and annual appraisal. Indicator combinations and weights are set for different positions, and employees' performance is rated by levels.

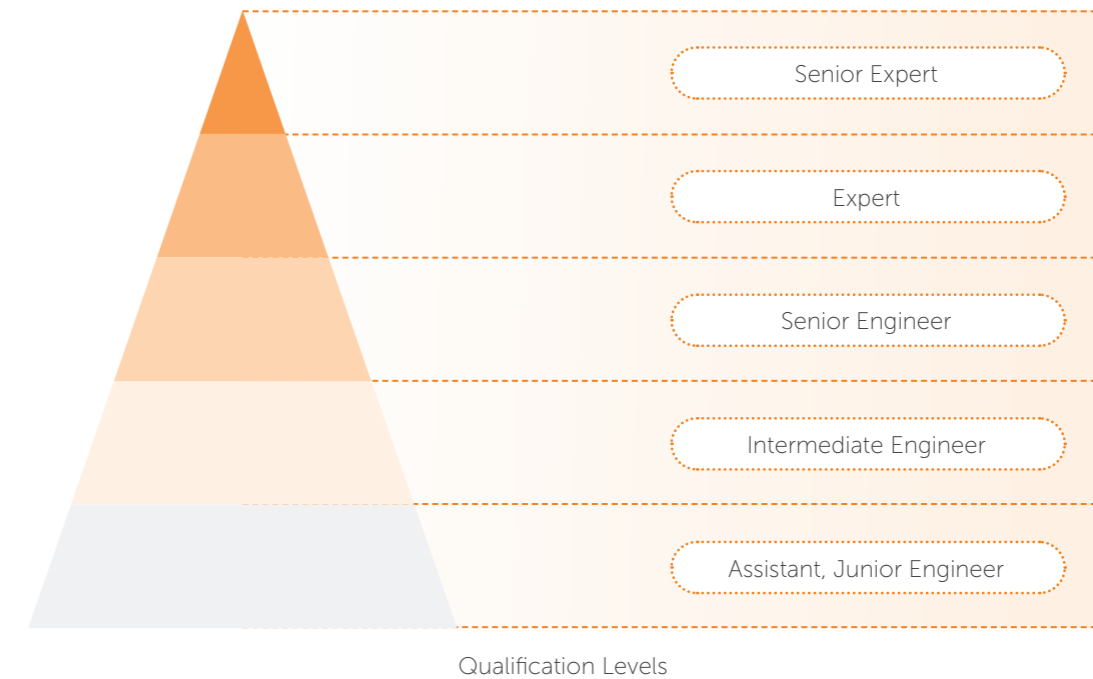
SolaX's Performance Appraisal Content

Financial	Completion of the Company's revenue and profit targets during the appraisal period
Customer	Completion of indicators related to customer and distributor satisfaction, and market maintenance
Internal Process	Completion of key tasks of the department or position
Learning and Growth	Improvement of professional capabilities and innovation capabilities of the department or position

During the performance appraisal process, the Company conducts targeted one-on-one interviews with employees, carefully listens to the statements of the appraised employees, analyzes each appraisal-related issue item by item, and strives to reach a consensus. If an employee believes the appraisal is unfair or is dissatisfied with the appraisal result, he/she has the right to directly submit an appeal to the Human Resources Department during the appraisal period or within 7 working days after the public announcement of the appraisal result. The Human Resources Department will investigate and verify the appeal content and clearly reply to the appealing employee on the handling result.

Career Development and Promotion

SolaX attaches great importance to talent retention and career promotion. The Company has formulated the Qualification Operation Guidelines and established a full-process qualification evaluation system. It plans clear career development paths for each employee and opens unobstructed promotion channels. Meanwhile, the Company has established a comprehensive performance management and recognition incentive mechanism, and continuously optimizes the internal competition and job rotation systems to ensure that employees can obtain fair and impartial development opportunities based on their own capabilities and work performance.



The Company has established career development consulting channels to provide employees with career planning guidance, including competency assessment and promotion path suggestions. It adopts a multi-dimensional indicator system to evaluate whether employees have the comprehensive quality required for promotion. The certification indicators cover four core dimensions:

Four Core Dimensions



The evaluation team will conduct an objective and impartial review based on the above indicators, finally determine whether the employee meets the standards, and promptly feedback the review result.

University-Industry Cooperation and Local Recruitment

SolaX is committed to providing broad career development opportunities for talents with different educational and professional backgrounds. The Company leverages online channels such as its official website, WeChat public account, and online recruitment platforms, complemented by offline activities including university-specific promotional events and talent exchange fairs. Through deep collaboration with professional headhunters, it continuously enriches its talent pool and solidifies the foundations for talent development.

University-Industry Cooperation

SolaX actively pursues specialized campus recruitment initiatives, establishing talent cooperation and exchange with multiple universities. The Company conducts diversified recruitment activities for fresh graduates, alongside joint training programmes for postgraduate and postdoctoral candidates. The Company has formulated the *University-Industry Cooperation Fund Management Measures* and set up scholarships in universities to encourage students to study diligently and pursue academic excellence; meanwhile, the Company strongly supports various student activities through naming sponsorships, collaborates to build a growth platform for students' all-round development, and deepens the university-industry collaborative talent cultivation model.



University-Industry Cooperation Presentations



Participation in Local Recruitment Fairs

SolaX participated in the recruitment fair organized by Tonglu County Bureau of Labor Resources and Social Security in 2025, as well as the talent recruitment campaign for universities outside the province, opening up diversified positions for job seekers and building an efficient talent matching bridge.



Participate in Local Job Fairs

SolaX Establishes University-Industry Collaborative Talent Development Framework through In-Depth Cooperation with Multiple Universities

Case

To achieve the goals of mutual and collaborative development, SolaX has reached in-depth cooperation consensus with three universities—School of Electrical and Electronic Engineering of Huazhong University of Science and Technology, School of Electrical Engineering of Xi'an Jiaotong University, and School of Mechanical and Electrical Engineering of University of Electronic Science and Technology of China—in areas including talent cultivation, technological research, education, scientific research, and training. At present, the cooperation matters such as graduate recruitment, joint training programmes of postgraduates and postdoctoral researchers, establishment of special scholarships, and naming sponsorship of campus activities have been successfully implemented, forming a sound pattern of university-industry collaborative talent development.

SolaX Co-Establishes Joint International Talent Training Base with Xi'an Jiaotong University

Case

In active response to the national "the Belt and Road Initiative" and the international talent cultivation strategy, and to deepen the precise integration of higher education and industrial needs, the Company has joined hands with Xi'an Jiaotong University to co-establish a joint international talent training base. As an enterprise representative, the Company participated in the career guidance activity for international students co-hosted by Xi'an Jiaotong University and Xi'an Entry-Exit Management Bureau.



SolaX Jointly Cultivates High-Quality Postgraduate Talents with Harbin Institute of Technology

Case

To fulfil the requirements for national strategic talent in leading engineering positions and promote the development of interdisciplinary subjects, the Company has jointly launched a high-quality postgraduate training program with Harbin Institute of Technology. Guided by improving professional capabilities, this program focuses on the dual cultivation of practical and innovative abilities. Relying on industry-academia-research collaboration, it is committed to cultivating high-level talents with all-round development of morality, intelligence, physical fitness, aesthetics and labor. Graduates will possess a solid theoretical foundation and broad professional knowledge within specific occupational fields, enabling them to excel in technical or managerial roles. They will also demonstrate strong professional ethics and a degree of international perspective, thereby becoming high-calibre professionals.

SolaX Cooperates with Universities to Jointly Build Postdoctoral Research Stations

Case

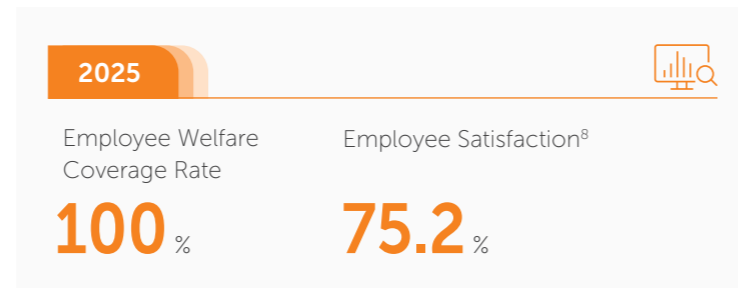
Relying on the "Postdoctoral Research Station" approved by the provincial government, the Company collaborates with universities such as Hangzhou Dianzi University and University of Electronic Science and Technology of China to carry out postdoctoral talent training. Up to now, the station has successfully recruited more than ten postdoctoral researchers, who focus on cutting-edge research directions such as "Grid-Connected Control Model and Adaptive Harmonic Optimization Algorithm for High-Power PV Inverters and PCS" and "Strategies for Improving the Stability of Grid-Connected Inverters". Several high-level papers have been jointly published, which has strongly driven the Company's technological innovation.

Employee Welfare

SolaX has formulated and implemented the SolaX Welfare and Care System. A comprehensive employee welfare guarantee system is built through diversified forms such as condolence money, material gift packages, paid leave, special subsidies, and cultural and sports activities. Based on the actual operation and development, the Company dynamically adjusts welfare plans, continuously increases welfare investment, enriches and optimizes welfare policies, innovates welfare program forms, and effectively enhances employees' sense of gain and belonging.

Employee Welfare Guarantees

SolaX provides comprehensive welfare guarantees for all employees, including remuneration benefits and non-remuneration guarantee measures (statutory welfare, festival welfare, employee activities, living welfare, etc.), so as to comprehensively improve employees' job satisfaction and happiness.



Employee Welfare Guarantees

Statutory Welfare
Five Social Insurances and One Housing Fund^⑨, paid leave^⑩, statutory holidays

Festival Welfare
Special activities for Christmas and New Year's Day ("Double Festivals"); Spring Festival gift cards, gift boxes and opening red envelopes; special activities for Lantern Festival; special activities for Women's Day; Dragon Boat Festival gift boxes; Mid-Autumn Festival gift cards and gift boxes

Employee Activities
Department team building funds; travel welfare allowances; company-level team building activities; employee birthday parties; various cultural and sports activities

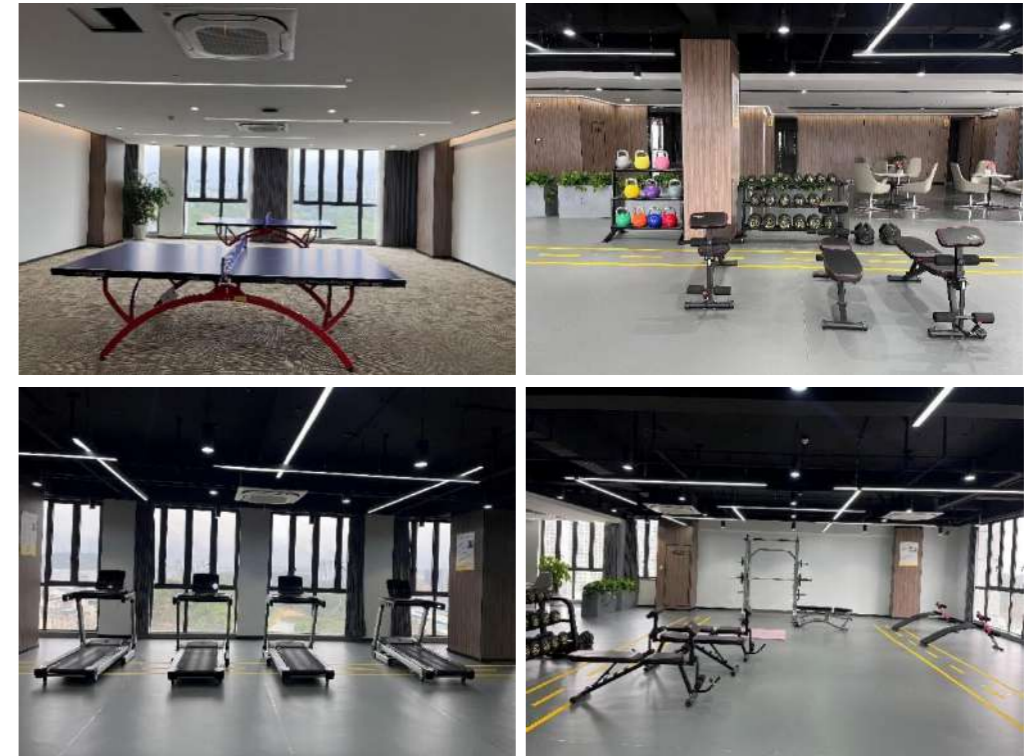
Living Welfare
Subsidies for lunch and dinner; taxi allowances; subsidies for weddings and funerals; physical examinations for all employees; condolence gifts for employee visits



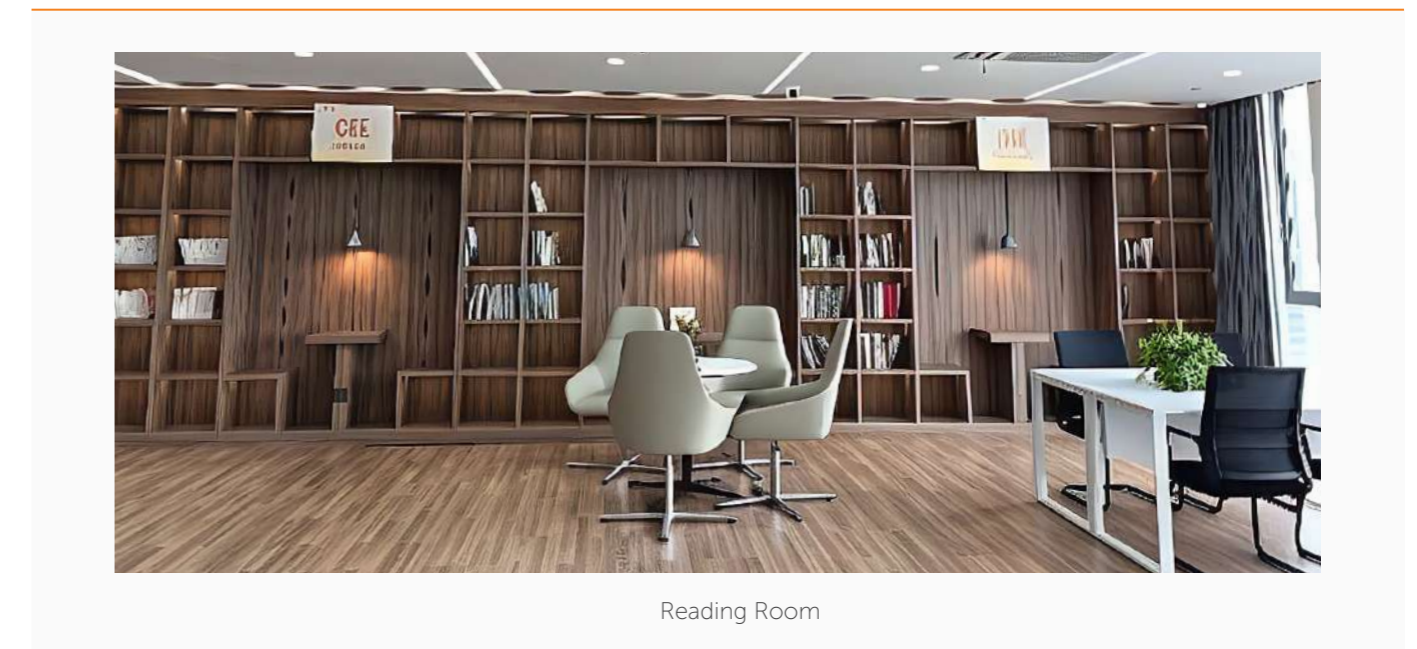
⑧ Non-frontline employee satisfaction (≥4 points) rate: 75.2%. Overall employee satisfaction score: 79.1 points.
 ⑨ Applicable to formal employees.
 ⑩ Applicable to formal employees.

Internal Facilities

The Company has built an employee gym equipped with treadmills, dumbbells and other sports equipment. Functional areas such as yoga rooms, table tennis rooms and billiards rooms are also set up to provide employees with convenient fitness venues; the Company regularly organizes cultural and sports activities such as table tennis matches to create a positive sports atmosphere. In addition, the Company has established a reading room with books covering various fields, which is open to all employees for free borrowing to help them broaden their knowledge horizons and improve their comprehensive quality.



Employee Gym



Reading Room

Diversified Activities

SolaX places great emphasis on humanistic care, maintaining a constant focus on employee concerns. We are progressively enhancing staff living conditions, enriching their cultural activities outside working hours, and elevating their sense of fulfillment, belonging and well-being. By regularly organising diverse cultural and sports activities, we establish an open and inclusive internal communication platform. This consistently conveys humanistic care and positive value orientation to employees, fostering a culture of mutual trust and support through deep engagement across the entire workforce. Together, we cultivate a warm, vibrant, and happy corporate ecosystem. During the reporting period, the Company planned cultural and sports activities such as holiday-themed events, team building and labor union cultural activities, effectively enhancing the centripetal force and cohesion of the Company and organizations at all levels.

SolaX Caring Activities

Case

SolaX normalizes a series of employee care activities, including birthday parties, seminars, new employee orientation gatherings, and condolences for staff working in arduous positions. The Company builds a platform for employee communication and interaction, fostering a united, progressive, harmonious and inclusive team atmosphere.



Scene photos: SolaX employee birthday party, seminar and new employee orientation event

SolaX Festival Activities

Case

Leveraging annual festival occasions, SolaX systematically organizes a variety of cultural activities covering the Lantern Festival, Women's Day, Dragon Boat Festival, Mid-Autumn Festival, Christmas and New Year's Day. By deeply integrating traditional folk customs with humanistic care, the Company enables employees to experience the warmth of corporate culture in a festive atmosphere.



Scenes of SolaX's Lantern Festival, Women's Day and Christmas activities

SolaX Team Building Activities

Case

With diversified activities as the carrier, SolaX is committed to building a people-oriented and caring workplace. Team building facilitates smoother communication and closer collaboration, empowering every employee to grow alongside the Company in a positive and pleasant working environment.



Scenes of SolaX's team building, cultural and sports competitions

Employee Stock Ownership Plan

To achieve long-term win-win outcomes for employees and the enterprise, the Company actively implements an Employee Stock Ownership Plan. Employees can obtain the Company's stocks through two methods: employee stock ownership platforms and direct stock ownership. This measure deeply binds employees' interests with the long-term development of the enterprise, making employees "shareholders" of the Company. It effectively stimulates employees' work enthusiasm and passion for innovation, helping employees share the dividends of the Company's growth.

Occupational Health and Safety

Governance

The Company strictly complies with relevant laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*. It has formulated and implemented special management documents including the *Occupational Health Management System* and the *Occupational Disease Prevention and Control Regulations*, and has obtained ISO 45001 Occupational Health and Safety Management System certification; the Company focuses on two core areas: occupational health and safety, and production safety, and implements targeted control measures to fully protect employees' physical and mental health and life safety.

The Company has established a sound occupational health and safety management structure, forming a three-level governance framework consisting of the EHS Committee, the EHS Committee Management Office, and various functional departments. Among them, the EHS Committee, as the decision-making level, oversees safety management and exercises final decision-making on major safety matters; the EHS Committee Management Office, as the management level, is responsible for the daily operation and control of the occupational health and safety management system, hazard identification and assessment, and coordination of emergency responses; Each functional department, as the execution level, shall spearhead the implementation of internal production safety management responsibilities, regularly organising inspections and rectifications of potential hazards to establish a closed-loop management mechanism of "decision-making-management-execution".



Strategy

The Company has always adhered to the core safety philosophy of "safety first, prevention-focused, hazard elimination", building a scientific and rigorous safety management system to create a safe and reliable working environment for employees. By establishing and improving the comprehensive safety responsibility mechanism, the Company continuously optimizes the whole-process control of production safety to ensure the effective implementation of various safety management systems. Meanwhile, the Company attaches great importance to the cultivation of employees' safety literacy, deeply integrates safety concepts into corporate culture construction, builds a comprehensive safety defense line, and effectively prevents various potential safety hazards.

Impact, Risk and Opportunity Management

Occupational Health Management

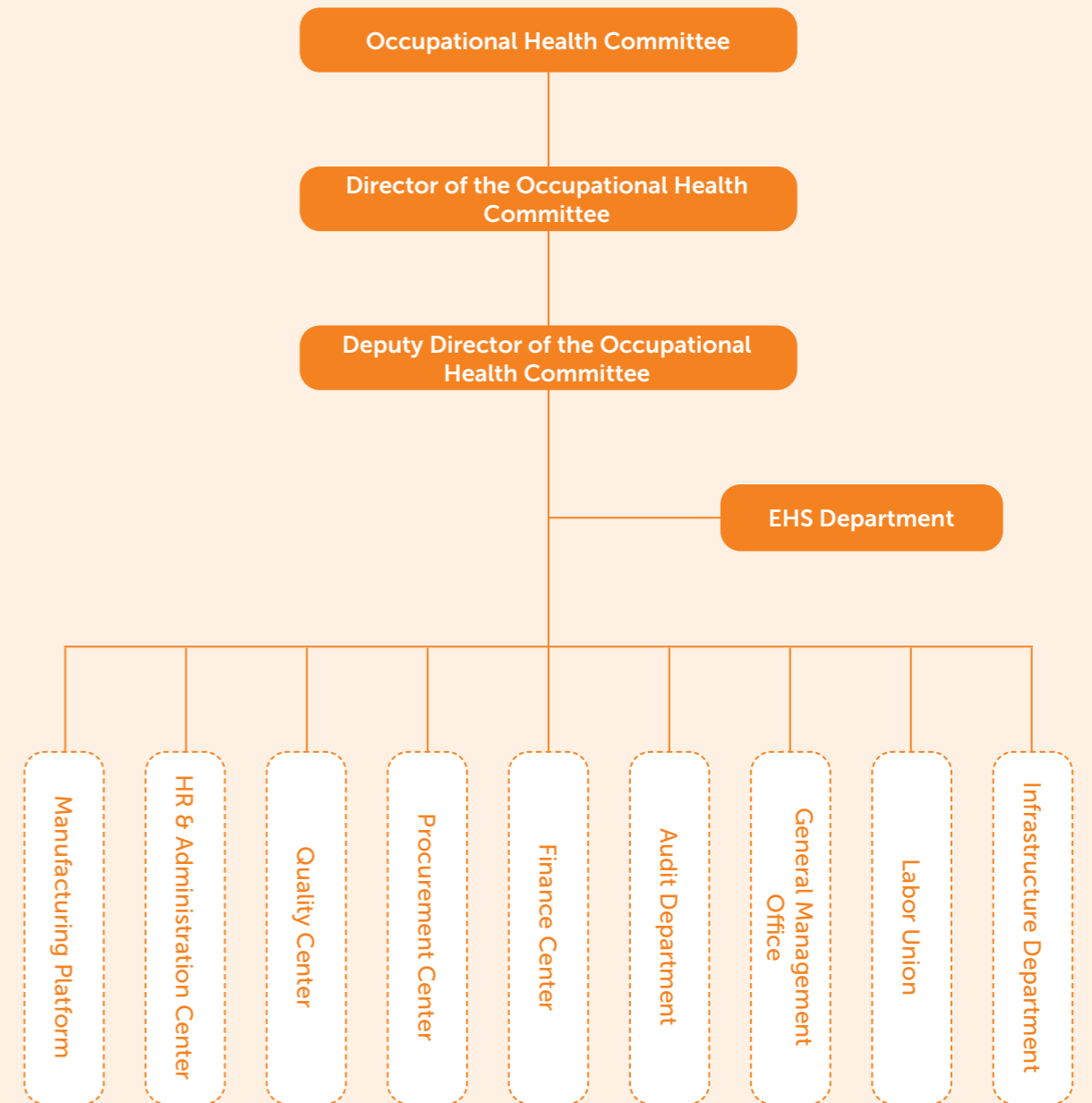
To effectively prevent, control and eliminate occupational disease hazards, and fully protect employees' physical health and related legitimate rights and interests, the Company has established Occupational Hygiene Committee and Occupational Health Committee. They strictly follow the work principle of "prevention first, with prevention and treatment combined", and have established and continuously improved the occupational disease prevention and control system and long-term mechanism. Meanwhile, the Company continuously strengthens the construction of occupational disease prevention and control capabilities and service systems, refines and implements various occupational disease prevention and control measures. It is committed to creating a safe working environment that meets national health standards and operational requirements for all employees. The Company has completed the detection of occupational disease hazard factors in the workplace, and the test results all meet the requirements of the Occupational Exposure Limits for Hazardous Agents in the Workplace (GBZ 2.1-2019\GBZ 2.2-2007), the Standard for radiological protection in industrial radiography (GBZ 117-2022), and the Standard for radiological protection in low-energy radiation generating devices (GBZ 115-2023).



SolaX Establishes Occupational Health Committee



SolaX Workplace Occupational Hazard Factors Testing Report



Organizational Structure Chart of SolaX's Occupational Health Committee



All departments of the Occupational Hygiene Committee must implement occupational health laws and regulations, and adhere to the principles of "Dual Responsibilities for One Position" and "Whoever is in charge is responsible". Each department shall comply with occupational hygiene laws and regulations, optimize process equipment, and control occupational hazards under the overall planning of the Occupational Hygiene Committee. They shall organize training and drills, maintain occupational health files, and accept the overall management and supervision of higher-level departments. Meanwhile, under the leadership of the Occupational Hygiene Committee, all employees shall take responsibility for their own and colleagues' safety and health. They must comply with national laws and regulations as well as company policies, actively participate in occupational hygiene education and training, strictly observe work discipline, implement shift handover procedures, refrain from unauthorised operations, and prevent others from violating regulations. In case of an accident, they must immediately rescue, report and protect the scene, and participate in the analysis of the accident cause to learn lessons.

EHS Department	Implement the formulation and revision of systems, organize departmental meetings, monitor and declare occupational disease hazards, manage the "Three Simultaneities" of protective facilities, establish files, and supervise the implementation of various departments.
Manufacturing Platform	Monitor hazardous environmental factors, adopt low-hazard technologies and processes, maintain protective facilities, urge employees to correctly use protective equipment, and organize internal training and inspections.
HR & Administration Center	Inform employees of occupational disease hazards through labor contracts, organize pre-employment/on-the-job/post-employment physical examinations, establish health files, implement work-related injury insurance, and carry out three-level safety education.
Quality Center	Supervise the implementation and assessment of systems, implement occupational hazard prevention and control in quality inspections, and cooperate with employee physical examinations.
Procurement Center	Procure qualified protection facilities, ensure the supply of protection facilities, and distribute protection facilities in accordance with established standards.
Finance Center	Ensure the investment of special funds for occupational disease prevention and control, supervise the use of funds, and implement the payment of work-related injury insurance.
Audit Department	Supervise the expenditures of occupational hygiene management work and handle derelict personnel responsible for occupational hazard accidents.
General Management Office	Supervise the implementation of the "Three Simultaneities" system to ensure that occupational disease prevention and control facilities are designed, constructed and put into use simultaneously with the main project.
Labor Union	Assist in the publicity and education of occupational disease prevention and control policies and participate in the investigation of occupational hazard accidents.
Infrastructure Department	Ensure the construction quality of occupational disease prevention and control facilities and the main project, and participate in the pre-evaluation and acceptance of projects.

Responsibilities of Each Department of SolaX's Occupational Hygiene Committee



The Occupational Health Committee of the Company has a total of **24** members, including **2** frontline employees, accounting for **8.3%**.

Key Performance

Protection Equipment and Facility Management

For various identified occupational disease hazards, the Company strictly implements the Occupational Protection Facility Management System. Personal protection facilities are provided to employees to match their job requirements. The Company has also formulated the Maintenance and Inspection System for Occupational Disease Protection Facilities. Ventilation and purification systems, shields and other occupational health protection facilities are equipped as needed. Special personnel are assigned to conduct regular inspection and maintenance of protection facilities. The occupational health and safety of employees at work is fully guaranteed.

Occupational Health File Management

The Company has issued the Employee Occupational Health Surveillance and File Management System. Pre-employment, on-the-job and post-employment occupational health examinations are carried out for employees exposed to occupational disease hazards. Personal occupational health surveillance files and company-level management files are established at the same time, to realize closed-loop control of occupational health management.

Warning and Notification of Occupational Disease Hazards

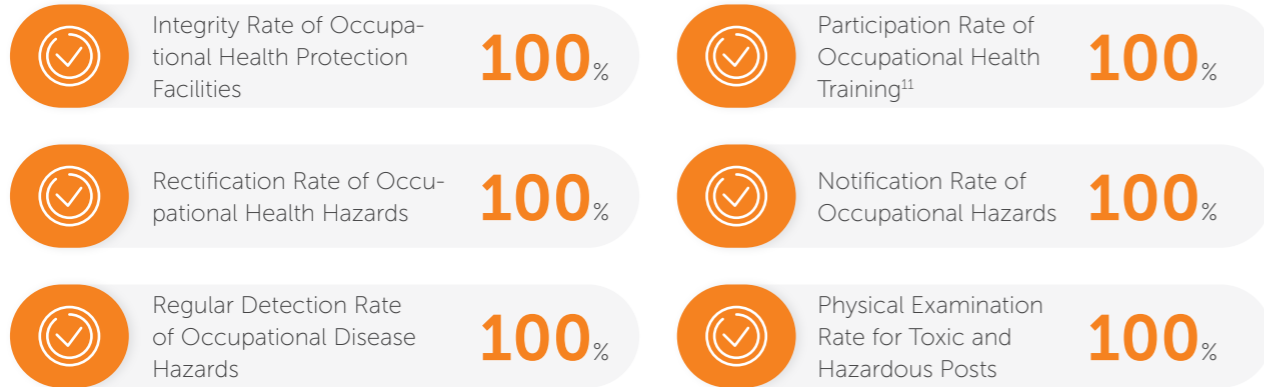
For positions with serious occupational disease hazards, warning signs and instructions are set up at prominent locations. Key information including hazard types, possible health consequences, prevention measures and emergency treatment plans are clearly stated. For positions involving highly toxic substances, additional notification cards are provided. The name, physical and chemical properties, health hazards, protection measures and emergency procedures are clearly marked to ensure employees can fully understand key points of risk prevention and control.

Improvement of Emergency Response Mechanism

The Company has established a sound emergency response mechanism for occupational disease hazards. Special personnel are assigned to manage and regularly inspect emergency supplies to ensure they are available at all times. The Company formulated special emergency plans for major occupational disease hazard workplaces, and organize emergency drills regularly to effectively improve employees' emergency response capacity. Meanwhile, the Company promotes occupational health awareness through weekly safety meetings and regular specialized training sessions. Training modules encompass safety regulations, construction safety standards, and analyses of typical accident cases, comprehensively enhancing employees' occupational health and safety awareness

2025	2025	2025
<p>Number of Occupational Disease Occurrence</p> <p>0</p>	<p>Number of Employee Work-Related Deaths</p> <p>0</p>	<p>Investment in Work-Related Injury Insurance</p> <p>56.35 RMB ten thousand</p>
<p>Compliance Rate of Hazardous Work Environment Inspected by Third Party</p> <p>100 %</p>	<p>Percentage of Employee Work-Related Deaths</p> <p>0 %</p>	<p>Work-Related Injury Insurance Coverage Rate</p> <p>100 %</p>
<p>Participation Rate of Occupational Health Examinations for Employees in Hazardous Posts</p> <p>100 %</p>	<p>Number of Work Days Lost Due to Work-Related Injuries</p> <p>0</p>	
<p>Pass Rate of Occupational Health Examinations for Employees in Hazardous Posts</p> <p>100 %</p>	<p>Lost Time Injury Frequency Rate per Million Working Hours (LTIFR)</p> <p>0</p>	
<p>Rectification Rate of Occupational Disease Risk Points</p> <p>100 %</p>		

In 2025, the Company established the following occupational health management objectives, all of which have been achieved.



Safety Culture Cultivation

To strengthen employees' safety awareness and improve their self-protection capabilities, SolaX regularly organizes a series of occupational health protection trainings for employees. The content covers multiple core modules including safety education, special equipment operation specifications, safety accident case warnings, and first-aid skills practice. Emergency plans are formulated and regular drills are conducted. Through systematic training, the Company continuously advances the in-depth development of occupational health and production safety, comprehensively improving the enterprise's safety management level.



Safety Training

2025



Total Number of Employees Who Received Safety Training

1,658

Number of Safety Drills

4

Total Hours of Safety Training Received by Employees

35,856

Number of Participants in Safety Drills

3,346 Person-times

Average Safety Training Hours per Employee

21.6 Hour/Person

^① The statistical scope covers the Tonglu Factory of SolaX's production base. As of the end of 2025, the total number of employees was 1,398.

SolaX Conducted Electric Shock Emergency Drill

Case

On 24 May 2025, the Company organized an electric shock emergency drill at the production site of the New Product Introduction (NPI) workshop, simulating a sudden electric shock scenario of an employee. During the drill, after discovering the danger, the emergency team quickly activated the electric shock emergency plan, cut off the power supply to eliminate the electric shock risk at the first time, and immediately called 120 emergency services; the rescue team arrived at the scene simultaneously, quickly checked the injured employee's condition and performed first aid until the injured showed signs of recovery; the security team rushed to the scene in a timely manner, blocked and isolated the accident area, guided the ambulance to park safely and assisted in transferring the injured, while continuously strengthening on-site security control.



After the drill, the commander-in-chief conducted a comprehensive review of the entire drill process, the response speed and practical skills of each action team. He focused on summarizing the organizational coordination, command and dispatch, and collaborative cooperation of the rescue team in the emergency response of electric shock accidents, affirming the highlights and pointing out the deficiencies. In the future, the Company will take this opportunity to optimize the drill plan, promote the in-depth integration of daily training with actual scenarios, and effectively improve the emergency response capability for sudden electric shock accidents. In addition, on-site follow-up work such as maintenance, reset and replacement of drill equipment and materials was arranged.



SolaX Conducted Heatstroke Emergency Drill

Case

On 24 May 2025, the Company organized a heatstroke emergency drill at the warehouse on the fourth floor of the Production Department. Before the drill, the safety administrator read out the heatstroke emergency plan, detailed the first-aid methods and precautions for heatstroke, and completed the grouping and division of labor for participants.

The drill simulated a sudden scenario where on-site personnel found an employee fainted due to heatstroke. The discoverer reported the situation to the on-site supervisor immediately; the on-site supervisor quickly moved the heatstroke employee to a cool and ventilated place and reported to the alarm receiver simultaneously; the alarm receiver immediately contacted the commander-in-chief to activate the emergency plan. At the same time, the rescue team rushed to the scene with first-aid supplies to perform emergency treatment; the evacuation team quickly isolated and secured the accident scene to protect the site; the logistics team promptly transferred the heatstroke employee to the hospital for treatment. After professional treatment, the heatstroke employee recovered.

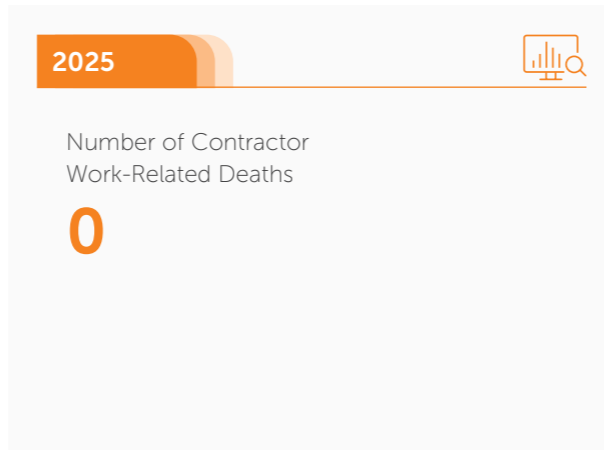
After the drill, the logistics team completed the drill record of this heatstroke accident and submitted it to the EHS Department. The commander-in-chief announced the end of the drill, summarized and commented on the effectiveness of the drill, affirmed the highlights, pointed out the existing deficiencies, and clarified the content and relevant requirements to be improved in subsequent drills.



Heatstroke Emergency Drill

Stakeholder Safety Management

SolaX has always placed production safety management at the core of enterprise operations, and attaches great importance to contractor safety control. The Company has formulated and implemented the *Contractor Safety Management Agreement*, *Fixed Contractor Safety Management Agreement*, *External Electrician Agreement*, and *Stakeholder Safety Agreement (Hazardous Chemical Supply)*, etc. It conducts strict access inspections on cooperative stakeholders from dimensions such as qualification review, implementation of safety management systems and protective measures; at the same time, the Company regularly organizes safety training for stakeholders, strengthens on-site safety management and supervision, comprehensively improves the contractor safety management system, and realizes the full-chain risk prevention and control from source access to process control. This further improves the overall safety management level of the enterprise, and ensures the safety and stability of production and operation.



Community Contribution and Social Welfare

In 2025, SolaX has always adhered to the public welfare philosophy of "Repay Society and Care for Others". Focusing on supporting special groups and caring for frontline workers, the Company has carefully planned and carried out a series of public welfare activities, actively participating in the field of social welfare. It conveys warmth and responsibility through practical actions, striving to achieve the harmonious unity of economic benefits and social value.



SolaX "Warm Hearts · Care for Growth" Welfare Institute Care Activity

Case

On 30 May 2025, as the Dragon Boat Festival and Children's Day approached, SolaX carried out a public welfare activity at the welfare institute, presenting lovely chicks to the children. The activity not only brought companionship and joy to the children, but also conveyed vivid life education concepts through practical experience.



SolaX's Welfare Institute Condolence Activity

SolaX "Cool Summer · Salute to Persistence" Cooling Gift Package Donation Activity for Sanitation Workers

Case

On September 10, 2025, in response to the heatstroke prevention needs of sanitation workers working outdoors in high temperatures, SolaX purchased cooling gift packages containing practical supplies such as towels, soap, shampoo, body wash, and mosquito repellent, delivering cool care to frontline sanitation workers.



SolaX's Cooling Gift Package Donation Activity for Sanitation Workers

SolaX "Mid-Autumn Reunion · Care for Sanitation Workers" Mooncake Donation Activity for Sanitation Worker

Case

On September 30, 2025, just as the Mid-Autumn Festival approached, SolaX cared about the hardworking sanitation workers around the streets and lanes. It specially purchased high-quality mooncake gift boxes to send sincere condolences and blessings to the sanitation workers who still stuck to their posts on the eve of the festival.



SolaX Mooncake Donation Activity for Sanitation Workers

The UN Sustainable Development Goals addressed in this chapter:



04 Pioneering Innovation, Upholding Responsibility

SolaX is committed to continuously deepening links with global industry partners through innovative technologies and superior product quality, responding to the concerns of the value chain with a sound customer service system and a responsible supply chain management system, and building a harmonious and symbiotic value ecosystem.

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Innovation and R&D

Governance

As an internationally renowned provider of photovoltaic energy storage systems and products, a National Manufacturing Single Champion Enterprise, a National High-tech Enterprise, a Science and Technology Leader Enterprise in Zhejiang Province, SolaX's business covers photovoltaic power generation, energy storage systems, charging piles and heat pump solutions, which are widely applicable to various application scenarios such as household, industrial and commercial, and ground power stations. The Company continuously explores and improves its independent R&D capabilities, establishing four major R&D centers in Hangzhou, Shenzhen, Xi'an and Suzhou. It has formulated institutional documents such as the *Product Design and Development Control Procedure* and *Guidelines for the Engineering Change Process* to standardize project process management from the requirements of product development project processes and key nodes, ensuring that project development complies with legal and regulatory requirements and product planning requirements; the Company has established the *R&D Prototype Management System* to standardize the full-life-cycle management of R&D prototypes to reduce R&D material costs and corresponding resource consumption, and improve prototype reuse efficiency; at the same time, the Company has formulated the *R&D Center Incentive System* to stimulate the potential of R&D personnel and improve their efficiency.

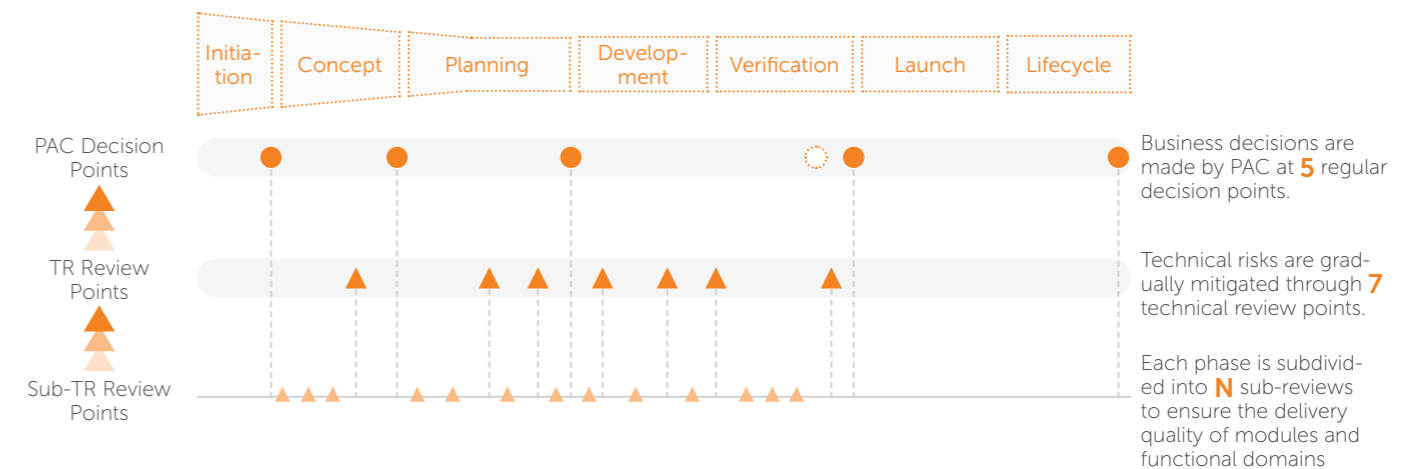
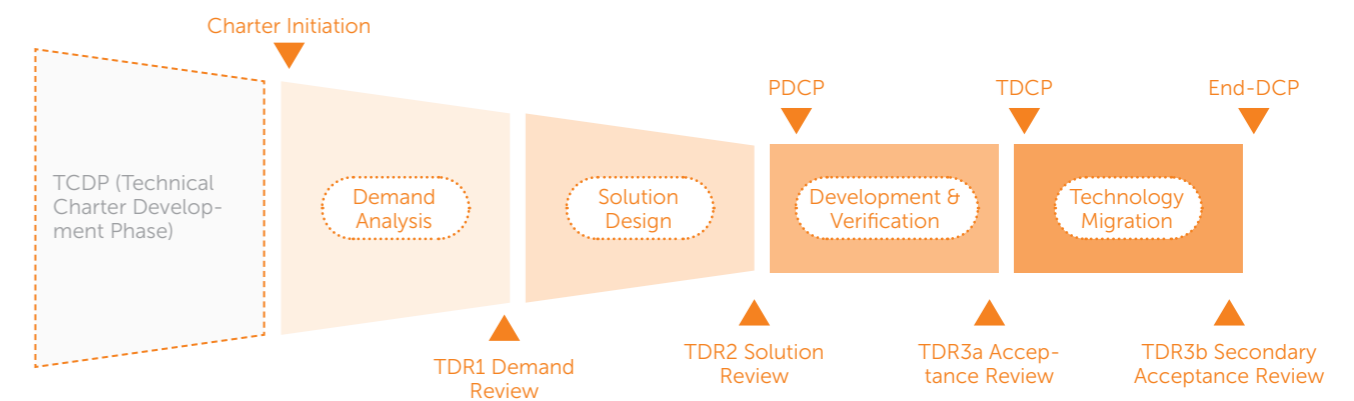
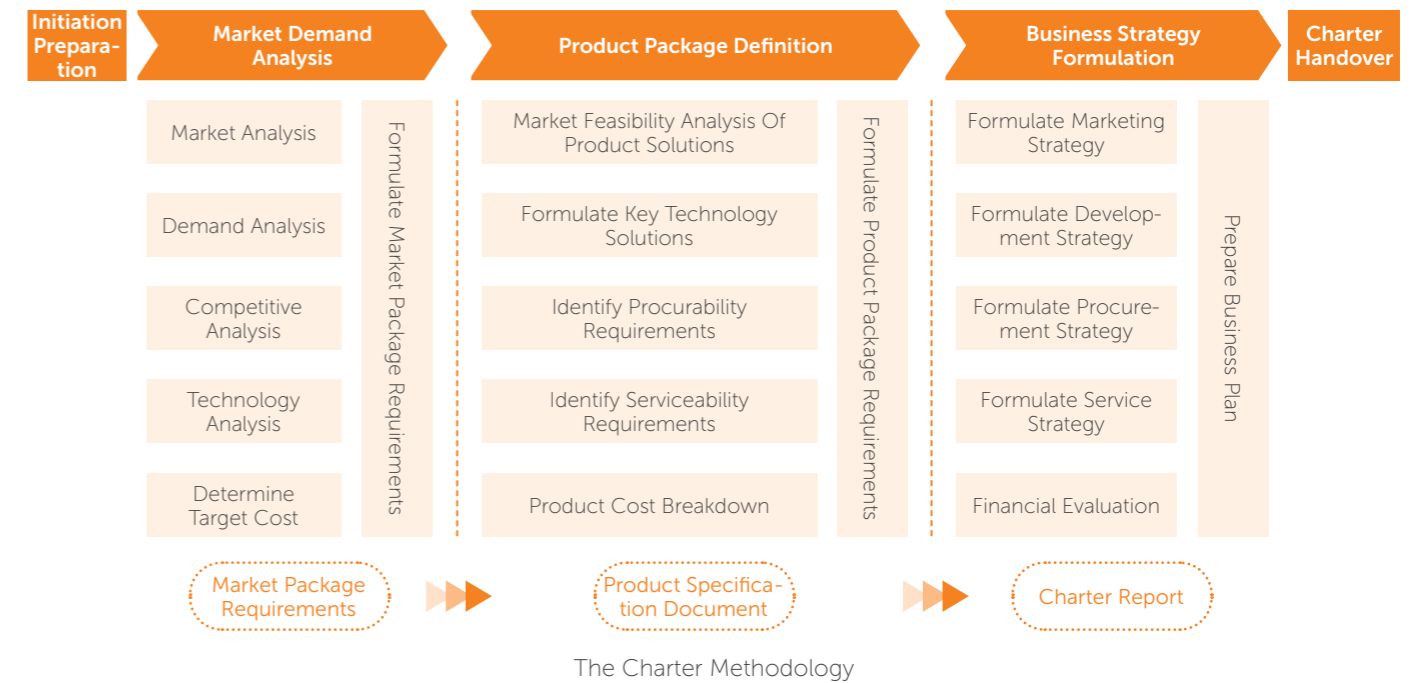
In terms of product development, the Company's Product Approval Committee (PAC) serves as the organization for product decision-making, responsible for commercial decisions throughout the product life cycle. The PAC has the right to allocate funds, resources or modify the direction of product development based on decision results. The R&D project chain is composed of special representatives such as Product Development Team (PDT) managers, project managers, product representatives, market representatives, sales representatives and engineers, ensuring the reasonable distribution of innovation and R&D responsibilities and making design/development operations smooth and efficient.

In terms of R&D structure, the Company has built a three-level R&D system with collaborative linkage between the Central Research Institute, the Platform Department and the Product Line:

- Central Research Institute**
 - Focus on cutting-edge technology research, layout of high-value intellectual property rights and tackling key core technologies.
- Platform Department**
 - Responsible for the R&D of generic technologies and difficult technologies.
- Product Line**
 - A business R&D team focusing on customized development for business scenarios.

R&D Risk and Opportunity Management

To fully identify and control R&D risks, SolaX has established an Integrated Product Development (IPD) system adapted to the Company's characteristics. For the technology development process, the Company follows the "SolaX Charter Methodology", forming a scientific project approval path based on benchmarking industry best practices and combining the market characteristics of the energy industry; in addition, SolaX adheres to the "technology-first asynchronous development model", laying out pre-research of technical projects in advance to ensure product technology maturity, so as to quickly respond to market demands during product development; SolaX has also established the "5+7+N Rule" for the PAC, TR, and SUB-TR project management mechanisms, conducting hierarchical and classified management of projects. While realizing effective interactive support between technical fields and business plans, it ensures the phased and controlled investment of resources and guarantees controllable commercial risks.



Product Innovation

The Company has established green development and technological innovation as its core development concepts. By building a multi-level and systematic R&D system, it strengthens the innovative application of low-carbon technologies and green processes, and steadily improves the Company's sustainable development capabilities. The Company continues to increase investment in core products such as energy storage batteries, energy storage inverters and grid-connected inverters, explores optimization space in product design, efficiency, digitalization, application scenarios and other directions, and integrates the concept of green manufacturing in the design stage to ensure that sustainable factors run through the entire product design life cycle, and works with relevant stakeholders in the value chain to build sustainable capabilities.

Large-Scale Energy Storage Products

Cluster-level Management

Real-time optimization of charging and discharging strategies, cluster-level balancing to increase the overall available power of the system and ensure maximum system performance. At the same time, it avoids internal consumption of the system caused by inter-cluster circulation and extends the overall operating life of the system.

AI BMS

Built-in AI chip to achieve active fault detection, intelligent diagnosis and fault early warning, providing protection for the stable operation of the system. Through 10 years of local data storage and learning, it accurately calibrates SOC and SOH, dynamically optimizes battery management, extends battery life by 10%, and improves the overall efficiency and safety of the energy storage system.

Intelligent Dual-loop Cooling System

Adopts high-efficiency liquid cooling technology, saving about 28.1% of energy consumption and significantly reducing operating expenses (OPEX). Through precise temperature control (battery temperature difference is only 2.5°C), it extends battery life by more than 2 years and reduces product life cycle costs.

Industrial And Commercial Energy Storage Products

	TRENE Product	ESS-AELIO Product
Reduced Commissioning Time	Full-stack self-developed and self-produced, seamless integration, one-stop solution, on-site commissioning time less than 1 hour	
Seamless Switching	Equipped with Nexus-Zero switch cabinet, realizing 0ms seamless switching, insensitive to power grid outages, no fear of equipment damage	
AI Empowerment	Comprehensive AI empowerment, AI SOC/SOH<3%, system efficiency RTE>=90%, increasing power revenue by more than 10%; 6-level multi-stage protection, AI internal short circuit early warning and arc flash early warning, effectively ensuring overall system safety	
	Supports 1C high rate to meet multi-scenario needs	DC coupling, increasing photovoltaic-storage cycle efficiency by 2%

Industrial and Commercial Inverters & Grid-Tied Inverters

X3-GRAND-HV Product

High-Efficiency Power Generation

- Larger current access capacity (maximum 75A per MPPT channel), supporting full adaptation of modules
- Maximum 6 MPPT channels and 30 input channels, adapting to different capacity ratio designs, increasing power generation in complex terrain
- Wider range of MPPT voltage (880V-1300V)
- Maximum efficiency not less than 99.03%, European Efficiency not less than 98.8%
- The machine has a built-in intelligent PID module to achieve PID repair and suppression

Intelligent Operation and Maintenance

- Equipped with air duct self-cleaning function, external foldable fan group can adapt to more maintenance occasions, improve operation and maintenance efficiency, and reduce operation and maintenance burden
- IP66 protection and C5 corrosion resistance grade, adapting to various harsh environments

Safety and Reliability

- Active fault identification and intelligent string breaking, safer and more reliable
- New heat exchange technology and intelligent air cooling, significantly reducing the internal temperature of the chassis and effectively improving the machine life

Investment Saving

- Supports aluminum wire access, saving AC cable costs
- Supports PLC communication, saving communication cable and construction costs

SolaX's System Empowers Manufacturing Industry to Reduce Costs and Increase Efficiency

Case

This year, in Nanjing, Jiangsu Province, SolaX's intelligent energy storage solution has helped enterprises quickly recover costs and achieve stable profits through a combined revenue model of "peak-valley arbitrage+demand management + dynamic capacity expansion". The system follows the local peak-valley electricity price strategy, significantly saving electricity costs for enterprises through peak-valley price difference income; at the same time, the system can real-time monitor the overall electricity load of the factory. When it is predicted that the instantaneous power is about to reach the set demand threshold, the energy storage system can complete millisecond-level response and instantaneous discharge, effectively "flattening" the electricity peak and avoiding additional demand power caused by excessively high short-term power. In addition, the system can cooperate with transformers to provide additional capacity support, enabling enterprises to calmly respond to sudden electricity demand such as production surges without large-scale power distribution transformation, saving costs while reserving flexible space for capacity expansion and future development.



SolaX Applies Industrial and Commercial Energy Storage System to High-Energy-Consumption Residences

Case

In 2025, to solve the problem of high dependence on the power grid for a residence equipped with a 100kWp high-power photovoltaic array in Toruń, Poland, SolaX implemented an intelligent energy solution centered on the TRENE air-cooled energy storage system. The TRENE system stores surplus electricity generated by photovoltaics during the day, and automatically releases the stored green electricity during peak electricity price periods or at night, giving priority to household use, which can significantly reduce electricity expenses. At the same time, the system's multiple fire protection measures build a solid line of defense for household energy safety; by maximizing self-consumption of photovoltaic power, the system efficiently converts clean electricity into daily household energy, significantly reducing carbon emissions while reducing electricity expenses, and allowing the advantages of large-capacity energy storage systems to play a role in the household field.



SolaX Cloud Platform Helps Solve Energy Management Challenges

Case

SolaX Cloud intelligent energy management platform can serve as the "intelligent hub" of industrial and commercial energy storage stations, providing an integrated digital solution. The platform can access scattered power station equipment data, and real-time monitor power station power, revenue, alarm information and other content, clearly track the power and cost savings brought by the energy storage system. It can also optimize energy storage charging and discharging according to electricity price strategies and load forecasting, maximize peak-valley arbitrage revenue, and help industrial and commercial scenarios easily manage energy assets.



R&D Innovation Incentives

SolaX implements the R&D Center Incentive System for all members of the R&D center, promoting employees to efficiently achieve project progress and improve R&D quality through a combination of incentive and warning incentives.

Incentive Rewards

Including gift rewards, performance bonuses, project bonuses, honorary titles, circular commendations, opportunity rewards, etc.

Including verbal warnings, written warnings, circular criticisms, performance deductions, etc.

Warning Incentives

In addition, in accordance with the SolaX Honorary Incentive System, the Company issues project bonuses at R&D project nodes and conducts excellent selection every month, quarter and year.

Monthly Excellent Selection

Nominated by department managers, reviewed and screened by the General Management Department, and the department director determines the reward amount and issues a circular commendation via email

**Quarterly Excellent Selection
Annual Excellent Selection**

Select R&D-related rewards such as Technology Innovation Star, R&D Innovation Award, and Special Contribution Award, and promote them through the Company's honor wall, posters, official WeChat account and other channels



Key Performance

In 2025, the Company issued a total of **29.46** RMB ten thousand in patent rewards to **226** person-times; issued **727** RMB ten thousand in project bonuses to **3,009** person-times.

Indicators and Targets

2025

Number of R&D Personnel

1,023

Proportion of R&D Personnel

30.44%

R&D Investment Amount

60,784.16 RMB ten thousand

Proportion of R&D Investment

14.89%

Intellectual Property Management Governance

In terms of management responsibilities, SolaX's intellectual property affairs are managed by institutions such as the Intellectual Property Department, the Patent Review Team and the Intellectual Property Review Committee. In terms of internal systems, the Company strictly adheres to intellectual property management-related laws and regulations such as the *Trademark Law of the People's Republic of China*, *Patent Law of the People's Republic of China*, *Copyright Law of the People's Republic of China*, *Anti-Monopoly Law of the People's Republic of China* and *Anti-Unfair Competition Law of the People's Republic of China*, and has formulated documents including the *Intellectual Property Manual*, *Intellectual Property Management System for the Entire Innovation Process*, *Intellectual Property Reward Management Measures*, *Intellectual Property Acquisition Control Procedure* and *Intellectual Property Maintenance Control Procedure*. These documents clarify intellectual property management responsibilities and the ownership and transformation mechanism of innovative achievements, and stipulate reward details for invention patents, copyrights, intellectual property operations, intellectual property contributions, etc. In 2025, based on this management method, the Company continued to provide cash rewards for patent applications and authorizations. At the same time, the Company's goal for patent application work has shifted from quantity-oriented to quality-oriented, strengthening the evaluation of bonus levels based on the quality of authorized patents; in addition, the Company has strengthened the supervision and control of the quality of patent application proposals submitted by R&D, giving priority to proposals with clear prospects/high market value.



In 2025, the Company obtained the GB/T 29490-2023 Intellectual Property Compliance Management System Certification Certificate.



Intellectual Property Management Platform

Intellectual Property Risk Management

The Company mainly prevents intellectual property risks through personnel allocation, full-process patent review, maintenance of existing assets, and assistance of monitoring tools:



Innovation Management Sand Table Training

Personnel Allocation

- The Company assigns full-time patent engineers to different production lines, who act as patent BPs for the product lines to participate in the approval of R&D projects. They cooperate with the project's SE, software/hardware engineers, etc., to follow up the R&D progress of the project throughout the process, and conduct patent novelty search and risk investigation for the project

Full-Process Patent Review and Monitoring

- Patent engineers conduct patent risk investigation in the early stage of R&D projects to promptly warn the project design team of patent risks;
- The Intellectual Property Department conducts patentability search, comprehensive online+offline review process, and quality review of patent application documents for patent applications submitted by the R&D Department, ensuring the authorization prospect and application value of each patent application
- For identified patent risks, patent engineers cooperate with designers to carry out patent avoidance design to prevent risks
- After the basic completion of project design, promptly carry out patent mining and patent application to protect R&D achievements

Maintenance of Existing Intellectual Property

- For the Company's existing intellectual property assets, the Company supervises and maintains them through deploying a dedicated intellectual property management system and hiring external professional agencies to avoid improper invalidation of the Company's intellectual property assets

Software Tool Assistance

- The department uses specialized monitoring tools to monitor newly published patents in the industry. Among the newly published industry patents, projects initially analyzed as risky will be included in the key monitoring list, and risk avoidance and response preparations will be carried out in corresponding R&D projects
- Use the integrated platform for technological innovation and intellectual property to provide coverage of patent search, analysis, process, monitoring and collaboration, helping R&D and intellectual property teams reduce risks while improving efficiency

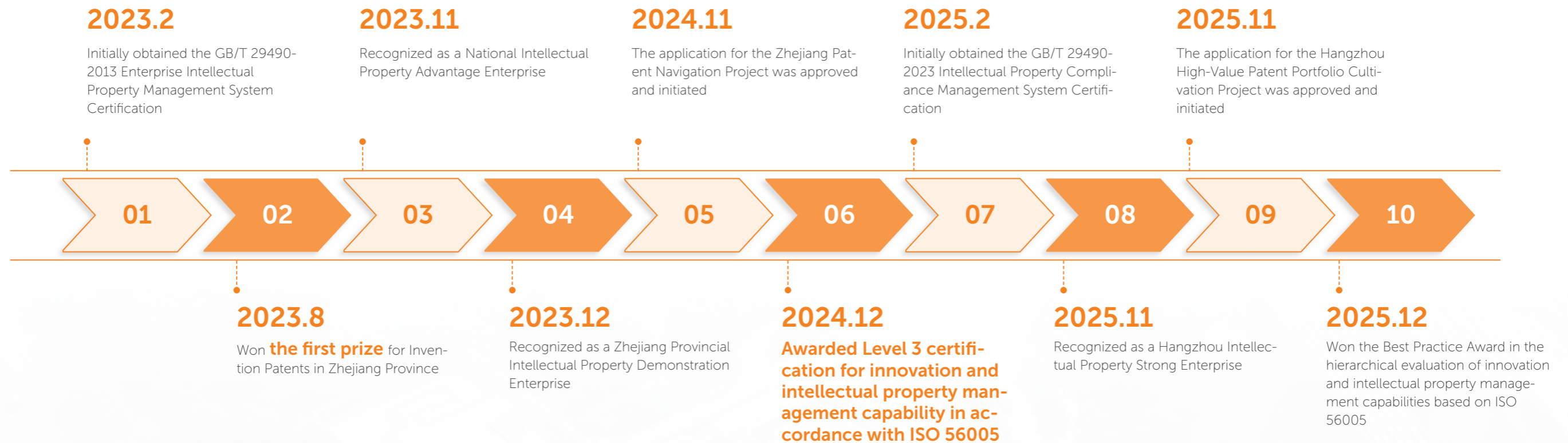
Improvement of Intellectual Property Awareness

- The Company attaches importance to improving employees' awareness of intellectual property management, and conducts relevant training for employees through online platforms. The content covers patent search, patent mining and layout, disclosure document writing, patent infringement risk prevention and control and response, etc., comprehensively empowering intellectual property management

Intellectual Property Achievements

This year, SolaX was recognized as a "Hangzhou Intellectual Property Strong Enterprise"; the industrial and commercial intelligent photovoltaic energy storage power station technology was selected into the "2025 Hangzhou High-Value Patent Portfolio Cultivation Project Proposed Approval List".

In 2025, the Company added 320 new patent applications, including 130 invention patent applications, accounting for more than 40%. Meanwhile, 167 new patents were authorized within the year, including 15 newly authorized invention patents; in addition, focusing on the Company's two major brands, SOLAX and X SOLAX POWER, 225 new trademark applications were laid out globally this year, covering more than 50 new countries/regions, further improving the comprehensiveness of the Company's brand protection.



2025



Number of patent applications	Number of valid patents	Number of valid invention patents	Number of invention patents granted in the year
320	405	73	15
Number of patents granted	Number of valid software copyrights	Number of invention patent applications in the year	Number of invention patents applied to core business
167	109	130	73

Quality Management Governance

SolaX strictly adheres to the *Product Quality Law of the People's Republic of China*, the *Standardization Law of the People's Republic of China*, and relevant laws and regulations in its operational regions. Based on GB/T 19001-2016/ISO 9001:2015 Quality Management Systems – Requirements, the Company has established institutional documents including the *Management Manual*, *Quality Improvement Management System*, *Process Quality Management Regulations*, and *Product Inspection Management Procedures*. The Company has implemented a three-tier dynamic document update mechanism to ensure quality management aligns with business development, effectively driving continuous improvement in product quality.

SolaX comprehensively controls operational quality in accordance with the *Management Manual*. The General Manager serves as the decision-maker, appointing a Management Representative while clearly defining the responsibilities and authorities of relevant departments and personnel to ensure the quality management system operates fully, appropriately, and effectively.

To enhance product quality, the Company implements relevant initiatives centred on the Quality Centre in accordance with the *Quality Improvement Management System*:

Department	Responsibilities
 Quality Centre	<ul style="list-style-type: none"> System Management: Responsible for compiling the annual company quality improvement project plan; managing improvement plans and implementing, tracking, controlling, evaluating outcomes, and rewarding achievements of improvement projects. Other Modules: Responsible for collating recurring or significant complex issues arising from incoming materials, processes, finished products, market feedback, and R&D. These are consolidated into a project initiation improvement table, with designated departments and responsible personnel assigned to participate in daily improvement projects.
 Manufacturing Platform	<ul style="list-style-type: none"> Technical Departments (Production Technology, Product Technology): Responsible for formulating and implementing quality improvement measures concerning product design, and for formulating and implementing corrective and preventive actions related to product processes. Sub-factories: Cooperate with quality improvement initiatives.
 Research and Development Centre	<ul style="list-style-type: none"> Responsible for assisting factory product technology departments in formulating and implementing quality improvement measures concerning product design.
 Marketing Centre	<ul style="list-style-type: none"> Technical Support Department: Responsible for initiating projects to address market feedback issues and effectively handling customer feedback.

In 2025, the Company successfully completed GB/T 19001-2016/ISO 9001:2015 Quality Management System certification and obtained the corresponding certificate.



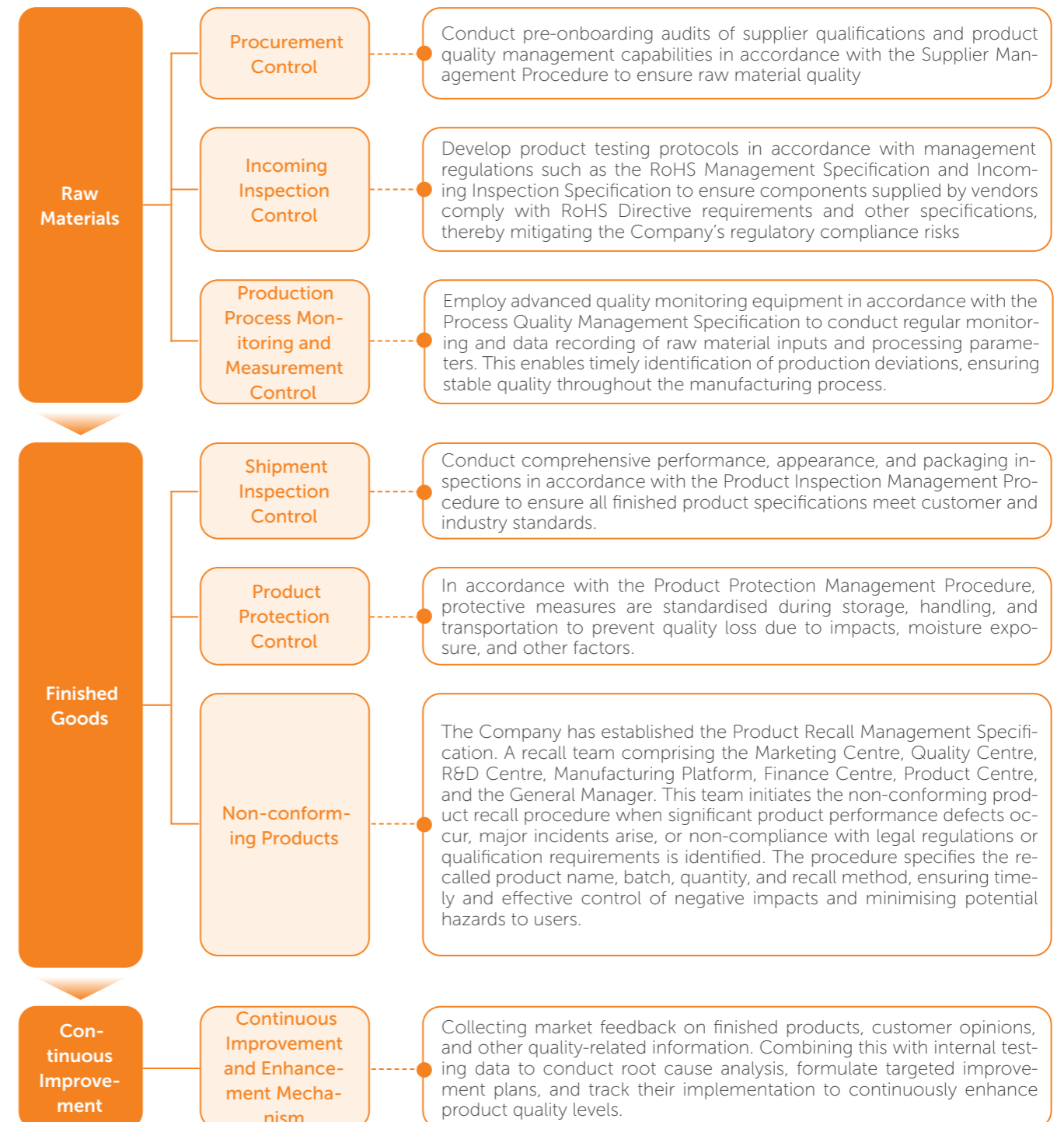
Quality Management System Certification Certificate

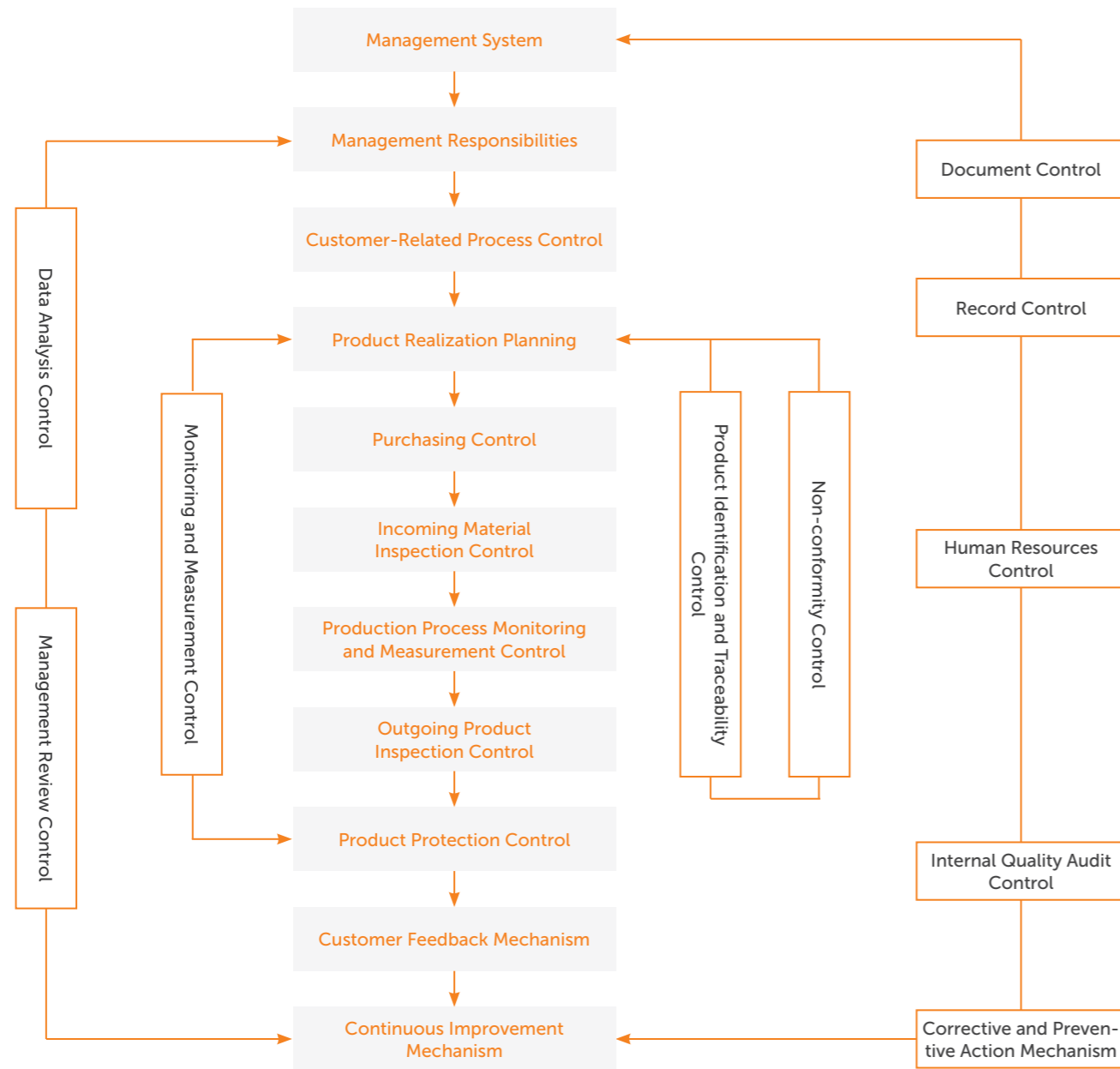
Strategy and Management Approach

High-quality products are pivotal for enterprises to safeguard operational resilience and establish a solid foundation for sustainable development. Adhering to the quality policy of "Diligence, Rigour, Speed, Precision; Excellence through Expertise; Trusted Quality through Professional Manufacturing," SolaX has established a systematic quality management framework deeply integrated with its core business scenarios. This provides robust support for ensuring product quality throughout the entire lifecycle.

Full-process Quality Management

The Company continuously refines its full-process management mechanisms for product defect prevention and resolution, ensuring quality risks remain controllable and traceable.





Quality Management System Flowchart



- In 2025, SolaX experienced no major quality-related incidents of significant liability and no recall events.

Quality Improvement and Incentives

SolaX's Quality Incentive Assessment Management Measures cover multiple departments including manufacturing and various quality-related matters. The system incorporates positive/negative incentives and a points-based scheme, encompassing assessment items such as single-point incidents and outstanding teams. It clearly defines responsibilities, scoring criteria, and the process for redeeming points for rewards, aiming to strengthen quality awareness, ensure product quality, and drive quality improvement.

SolaX Optimises Measurement Instruments for Cost Reduction and Efficiency Enhancement Case

In 2025, SolaX implemented an improvement plan addressing the high costs associated with outsourcing calibration of measuring equipment. Through research and analysis, the improvement team identified instruments requiring transition from external to internal calibration, procured the necessary equipment, and established a dedicated company calibration laboratory. Concurrently, the Company commissioned external training for relevant personnel to obtain internal calibrator qualifications. By December 2025, the initiative had completed in-house calibration for 145 devices, achieving cumulative cost savings of approximately RMB 7,100.

SolaX Improves Module Handling and Terminal Insertion Yield Case

In 2025, SolaX launched a specialised improvement initiative to reduce module assembly breakage rates, pin insertion misalignment defects, and terminal loose connection failures. After thoroughly identifying root causes, the task force applied the "Man-Machine-Material-Method" quality management theory to implement comprehensive improvements:

- Personnel:** Developed training manuals and video courses for terminal insertion, implementing training for new employees and key positions; reclassified terminal insertion roles from standard to critical positions;
- Machinery:** Add foam protection to vulnerable contact points on hand-held lifting attachments and container-loading lifting attachments; incorporate protective isolation channels on module transfer pallets for positioning safeguards.
- Method:** Detailed quality control points for each operational step have been incorporated into the module handling Standard Operating Procedure (SOP).

All improvements have now been fully implemented. The Company will standardise and effectively implement these measures, with ongoing monitoring of their effectiveness.

In 2025, SolaX awarded quality incentives to **62** individuals (**69** person-times) for outstanding team performance, disbursing **4.6** RMB ten thousand;

81 participants engaged in the quality points redemption programme, receiving **231** awards with prizes valued at RMB **5,334**.

Key Performance



Quality Culture Development

The Company is committed to integrating quality culture into all operational aspects, regularly conducting quality training sessions and holding quality conferences with commendations to deepen employees' awareness of quality enhancement.



SolaX Receives "All Quality Matters" Excellence Award

SolaX's Regular Quality Conferences

Case

In 2025, SolaX convened a "Win the Future" Quality Mobilisation Conference to review areas for quality enhancement and share improvement plans and progress. During the event, the Company recognised outstanding individuals with high quality points, contributors to lean improvements, and exemplary teams for their significant contributions to quality enhancement. This initiative encourages employees to deepen quality control, strictly adhere to process specifications, actively participate in quality improvements, and strengthen the foundation of product quality.



Indicators and Targets

For 2025, the Company has established multiple quality-driven objectives spanning production quality, human resources quality, procurement quality, product quality, and sales quality. Key targets related to production and product quality are as follows:



Customer Service

Governance

The Company has established and implemented the *Customer Complaint Handling Procedure* and the *After-Sales Issue (ITR) Management Measures*. These standardise customer complaint resolution and quality improvement efforts, establishing a professional customer service management framework. They clarify the responsibilities of each functional department within quality-related activities, driving responsible departments to precisely implement corrective and preventive measures for quality issues. This ensures prompt and effective resolution of matters requiring improvement. Concurrently, the Company deploys a dedicated after-sales service team and digital systems to standardise after-sales issue handling across relevant departments. This clarifies responsibilities and timelines for each department throughout the process, enabling timely and effective resolution of client-side issues while driving product quality enhancement and functional optimisation.

In compliance with the *General Data Protection Regulation (GDPR)*, the Company has established a suite of data protection policies including: - *Data Protection Policy and Organisational Measures, Data Subject Rights Handling Procedures, Cloud Platform Data Breach Response Mechanism, Cybersecurity Technical Measures*. These frameworks clarify clients' rights regarding personal information—including access, rectification, and erasure—alongside corresponding processing procedures. Through technical and organisational measures such as access controls, data encryption, and cross-border data transfer protocols, they prevent unauthorised use of private information. This ensures robust safeguards for client data security and compliance with GDPR requirements for privacy protection.



Key Performance

During the reporting period, the Company did not experience any incidents of customer privacy breaches.

Strategy

The Company has established a full-cycle customer value service system, continuously refining standardised service processes and quality assurance mechanisms across the entire lifecycle: from pre-sales solution customisation and in-sales fulfilment tracking to post-sales maintenance response. Addressing issues identified in customer satisfaction surveys, the Company employs multi-dimensional statistical analysis to precisely identify core customer needs, efficiently address feedback, and continuously enhance customer service experience.

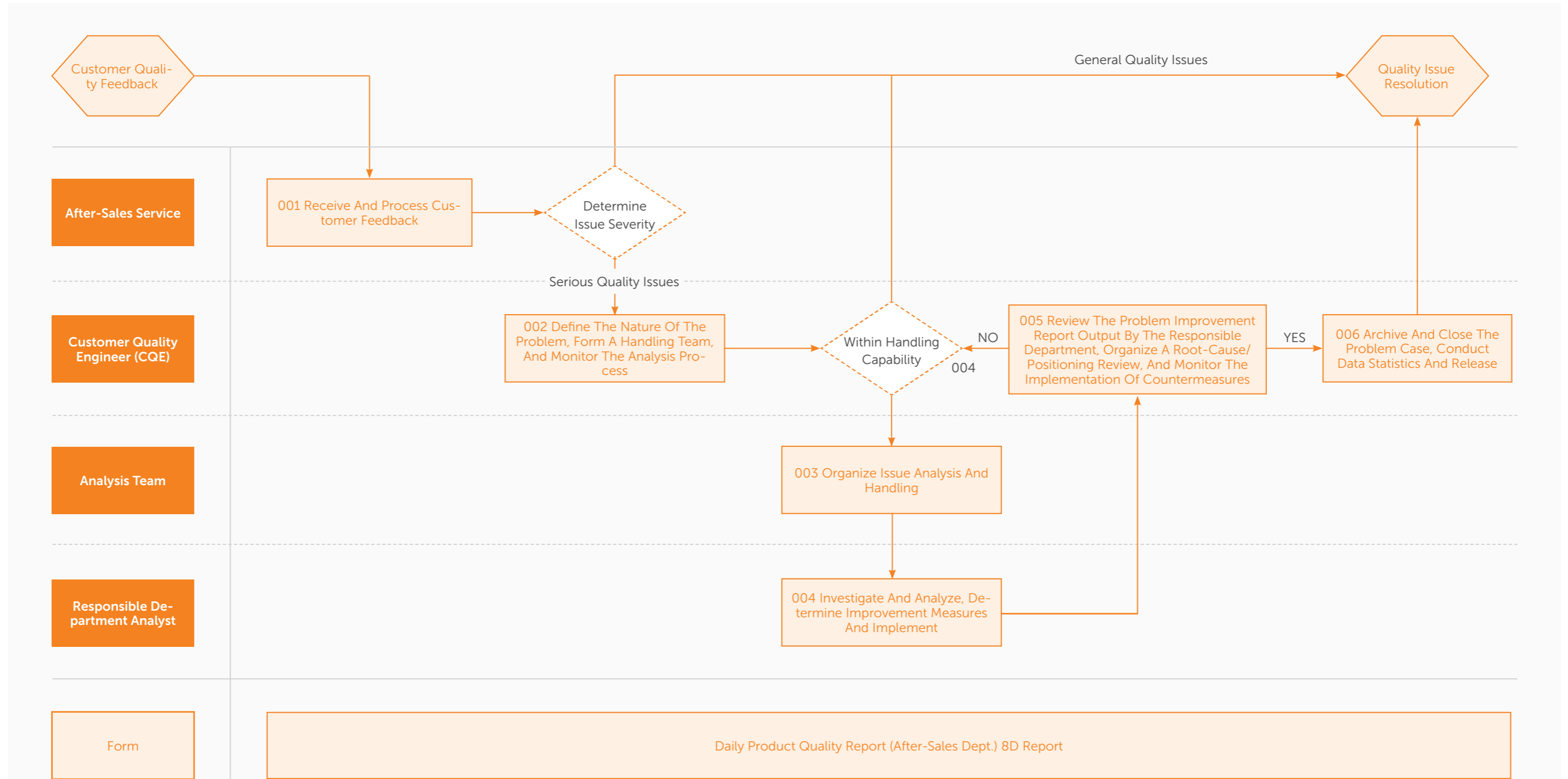


Impact, Risk and Opportunity Management

Customer Complaint Handling

Guided by the *Customer Complaint Handling Procedure*, the Company implements a "2485" timeliness control mechanism to rigorously ensure service responsiveness: responding to customer requests within 24 hours; Customer Quality Engineers (CQEs) completing on-site diagnostics and implementing interim countermeasures within 48 hours; identifying root causes and formulating long-term solutions within 5 working days; and verifying improvement outcomes within the subsequent 5 days.

To achieve rapid resolution of customer complaints and suggestions, the Company has established a "four-tier coordinated response mechanism" centred on the after-sales service team, Customer Quality Engineers, and specialised analysis groups. This mechanism leverages cross-departmental collaboration across R&D, production, process engineering, quality assurance, and supply chain to fully implement accountability tracing. During complaint resolution, the Company categorises issues as "general" or "critical" for differentiated handling, implementing proceduralised, standardised protocols for seven distinct problem types including materials and certifications. Upon completion, outcomes are communicated to customers via structured 8D improvement reports, concurrently confirming implementation status. Full monitoring ensures complete execution of corrective actions.




SolaX Customer Complaint Handling Flowchart

After-Sales Service

SolaX's after-sales service focuses on safeguarding customer value and continuously optimising products, supporting the Company's long-term development through a systematic after-sales management mechanism. The Company clearly defines timeliness requirements for each stage and implements a tiered response mechanism to ensure client issues are resolved promptly and effectively, enhancing customer service experience and brand trust.

During the reporting period, the Company continuously refined its comprehensive after-sales management system, upgrading work order submission and resolution mechanisms. Customer requests are escalated through a four-tier management system from the customer service centre, with cases referred to the Testing/Quality Centre as appropriate for re-evaluation, fault cause analysis, and impact assessment. For batch issues, the Company compiles affected product lists according to procedures, collaborates across departments to formulate maintenance plans, confirms materials, implements market solutions, and synchronises resolution outcomes with customers. The Company's ZENDESK system enables a digitally closed-loop operation for after-sales management, significantly enhancing the efficiency of service responses and resolution.

	Personnel and Departments	Responsibilities
 <p>After-Sales Service</p>	Technical Support Department	Oversees information integration, process tracking, and technical support
	Technical Support Level 1	Customer Service Centre personnel, who are responsible for handling basic enquiries and creating support tickets
	Technical Support Level 2	Technical Support Engineer, who are responsible for initial analysis and follow-up of after-sales issues arising from non-official channels
	Technical Support Level 3	Technical Support Specialist, responsible for resolving complex post-sales issues and escalation assignment
	Testing Centre, Quality Centre	Driving issue improvement and solution across project phases
	Research and Development Centre	Responsible for fault analysis and solution development for post-sales feedback and returned defective products
	Marketing Department	Assists in evaluating solutions and communicating implementation

Responsible Marketing

SolaX consistently upholds integrity and compliance as its foundational principles, strictly adhering to laws and regulations including the Advertising Law and the Anti-Unfair Competition Law. We eliminate false advertising, prioritise customer value, and maintain principles of authenticity, transparency, fairness, and impartiality throughout the entire marketing process. We accurately present product attributes and deliver precise services to our customers.

SolaX Conducts Residential Energy Storage Product Knowledge Training

Case

On 25 June 2025, SolaX organised specialised training on household energy storage products at its Domestic Marketing Centre, with participants covering all positions within the centre. Upholding responsible marketing principles, the Company arranged systematic instruction by professional lecturers to strengthen sales personnel's knowledge base and enhance their professional competence. Through in-depth study of household storage product knowledge and solutions, participants gained a more comprehensive and thorough understanding of the products, laying a solid foundation for delivering professional and accurate services to customers in the future.



SolaX Household Energy Storage Product Knowledge Training Session

Customer Satisfaction Survey

To conduct precise measurements and scientific analysis of customer satisfaction levels while comprehensively gathering client feedback, the Company has established survey items focused on core areas of mutual concern between customers and the enterprise. The Marketing Department is responsible for simultaneously distributing satisfaction questionnaires to domestic and overseas respondents, with a clear requirement for a minimum response rate of 80%. Upon completion, survey results are collated and analysed, with findings promptly communicated to relevant departments. Continuous monitoring is implemented to track subsequent improvement measures. Surveys are targeted at both domestic and overseas markets: 26 domestic questionnaires achieved 100% return, while 40 overseas questionnaires yielded an 88% response rate. Following each customer satisfaction survey, the Sales Department conducts follow-up visits with clients to gather feedback on improvement measures, relaying outcomes to the Marketing Department. The Marketing Department then identifies optimisation priorities based on this feedback, devises targeted initiatives, and disseminates these to relevant departments to drive implementation.



Key Performance

During the reporting period

Overseas customer satisfaction

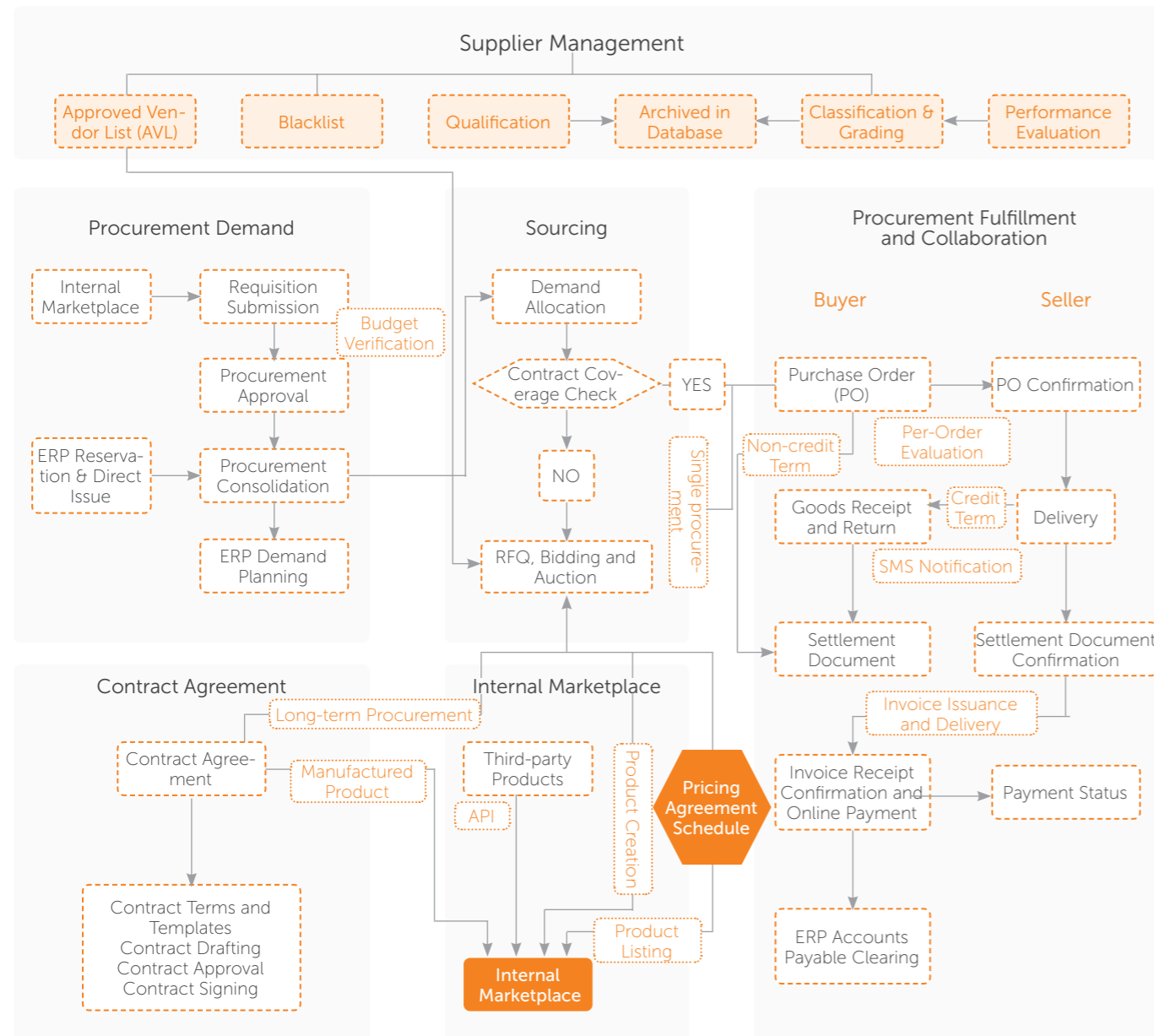
96.1 %

Domestic customer satisfaction

96.7 %

Supply Chain Management

A responsible supply chain is the core pillar of an enterprise's sustainable development and a key practice area for SolaX to implement ESG concepts. We deeply integrate environmental responsibility, social responsibility and governance norms into the entire life cycle of the supply chain. Through various initiatives such as green procurement, compliance control, and supplier collaboration and empowerment, we build a stable, efficient and responsible supply chain ecosystem. This system not only ensures product quality and supply resilience, but also promotes upstream and downstream partners to jointly achieve the development goals of environmental friendliness, compliance and integrity, and value co-creation.



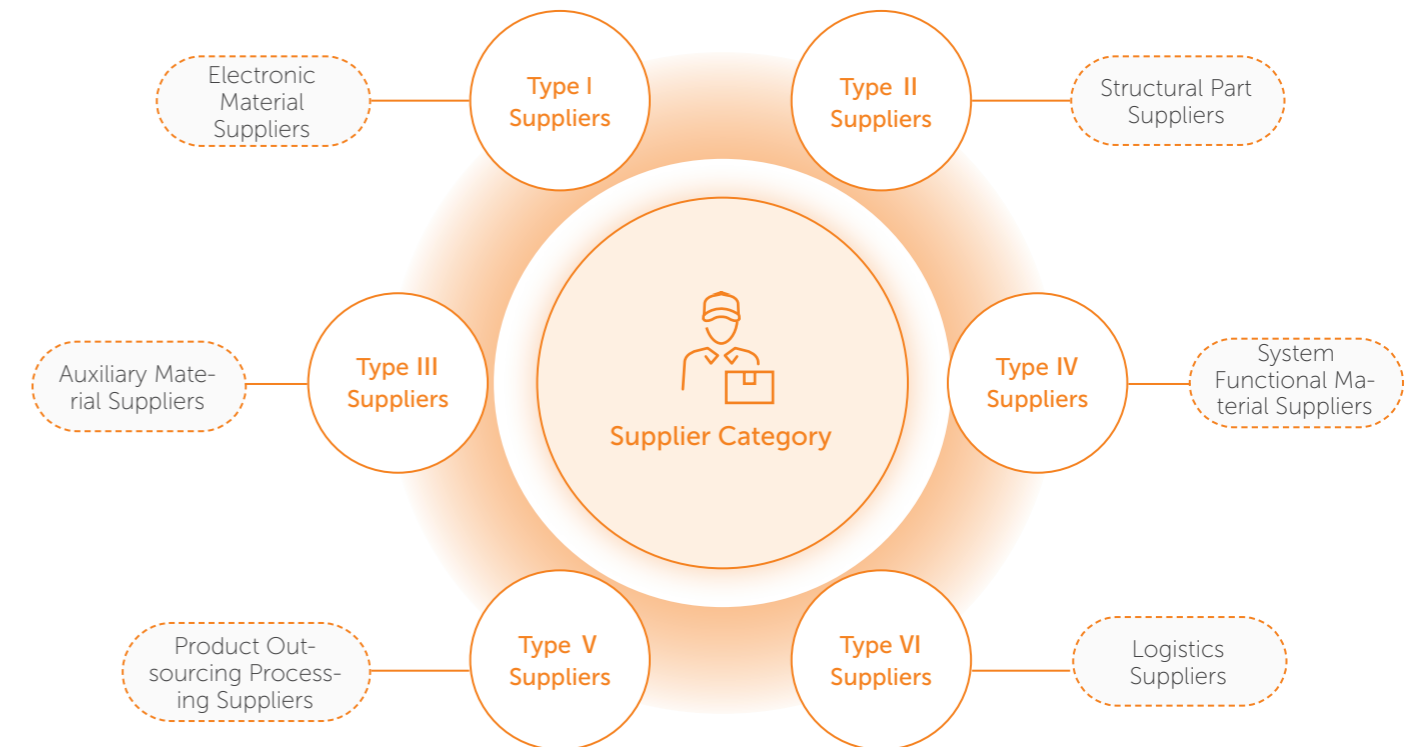
SRM Supply Chain Collaboration Platform

Supplier Management System

The Company has formulated system documents such as the *Supplier Management Procedure*, the *Monthly/Annual Supplier Performance Evaluation Regulations*, the *Supplier Training System*, the *Green Procurement Guidelines*, the *Green Supply Chain Management Plan*, the *Procurement Center Business Continuity Plan*, and the *Procurement and Outsourcing Processing Control Procedure* to strengthen the management of supply chain sustainable development. The Company puts forward sustainable development requirements for suppliers in all stages of supplier access, screening, audit and daily management. By reasonably formulating order conditions, performance evaluation rules, training requirements, etc., it supports suppliers to comply with relevant sustainable development system requirements, avoids deviations between the Company's procurement practices and sustainable development goals, and promotes the sustainable development of the supply chain. Additionally, the Company has established the SolaX Supplier Code of Conduct, covering compliance operation responsibilities, environmental responsibilities, social responsibilities, governance and integrity responsibilities, labor practices, health and safety, environmental protection, and business ethics. It is released to suppliers through the SRM supplier collaboration platform and requires suppliers to fulfill ESG management obligations.

The Company manages suppliers with the help of a digital SRM supply chain collaboration platform. The platform integrates a supplier access evaluation model, a hierarchical evaluation system and an archive management module, covering scenarios such as procurement demand matching, procurement traceability, contract performance tracking and closed-loop supplier performance management. At the same time, the Company has established a cross-departmental joint review supplier access mechanism, implementing evaluations from multiple dimensions such as R&D capability, on-time delivery rate, responsiveness and management system.

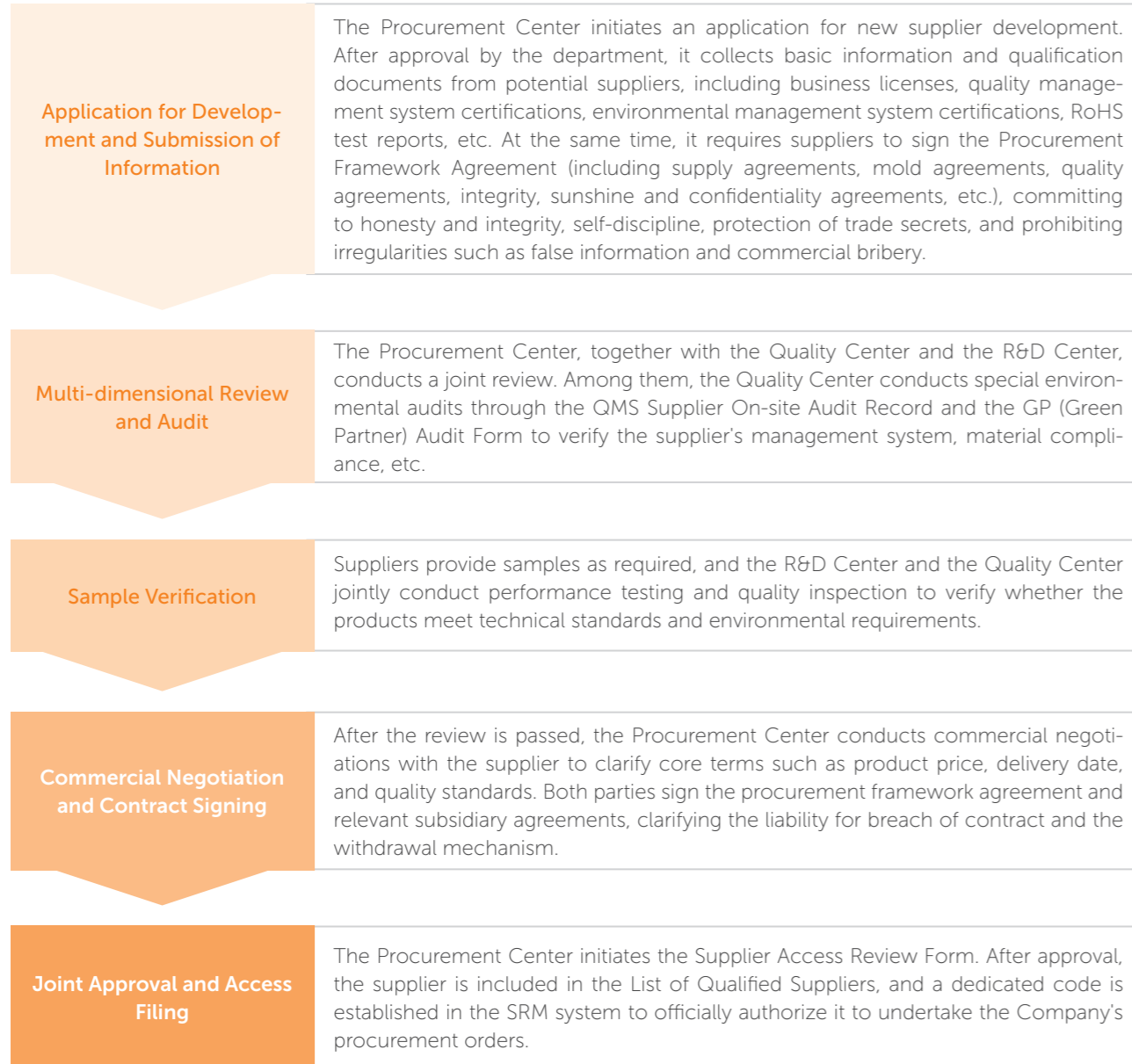
In addition, the Company classifies suppliers to facilitate more efficient and smooth collaborative cooperation with suppliers and improve the accuracy of supply chain governance.



To effectively maintain supply chain stability and ensure that the Company's procurement business can quickly recover and maintain efficient operation in the face of emergencies or business interruptions, the Company has formulated the Procurement Center Business Continuity Plan. It guides relevant personnel to conduct risk assessments on key businesses that need to be focused on in terms of suppliers, material quality, logistics and transportation, technology and risks, and formulate response strategies, matching emergency response plans and response teams to fully reduce procurement risks and their impacts.

Supplier Access

The supplier access stage is promoted and divided by multiple departments:




Supplier Evaluation

The Company has established a supplier evaluation mechanism of "annual audit + monthly performance audit" to ensure the continuity and comprehensiveness of the evaluation.

The supplier evaluation indicators of SolaX cover factors such as product quality, customer complaints, service, technology, delivery date and cost, promoting qualified suppliers to improve product quality, reduce the on-line defect rate of materials in production, and gradually improve the supply quality.



The annual supplier evaluation plan is submitted by the Quality Center, approved by the Quality Director and issued for implementation in January each year. The audit method and frequency are set differently according to the supplier category and risk level:

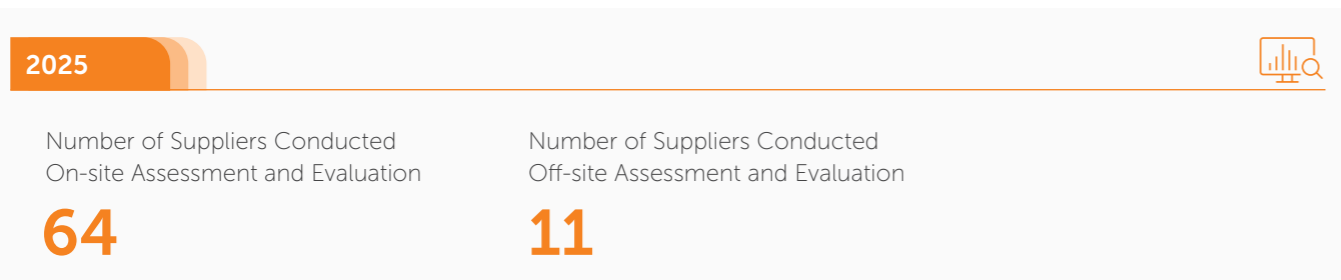
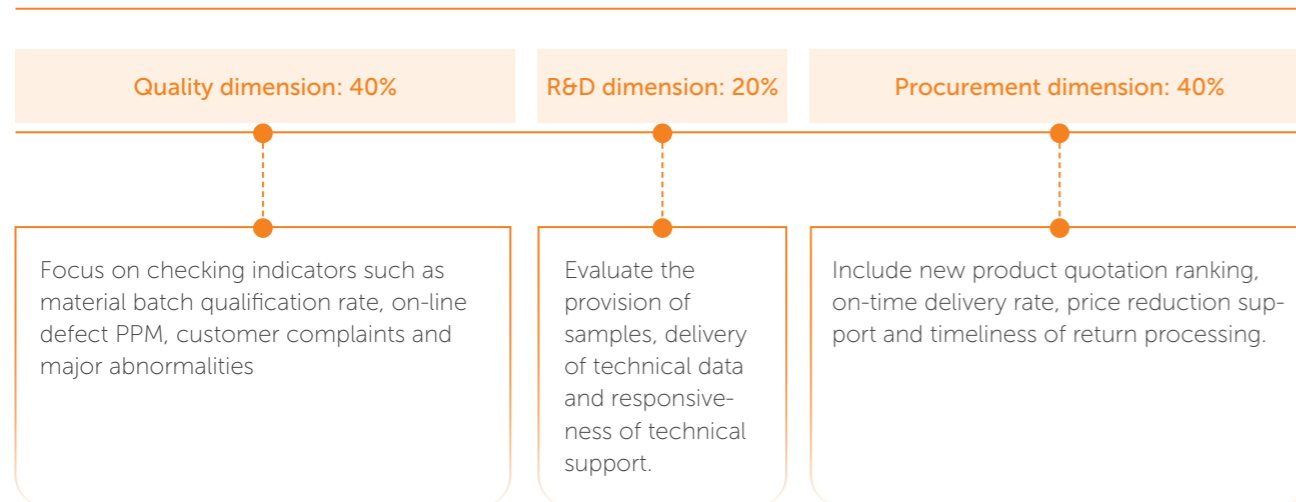
Annual Evaluation	Supplier Evaluation Rules
	Type I/II material suppliers shall conduct at least one QSA (Quality System Audit) every year.
	Type IV/V material suppliers shall conduct at least one QSA every 2 years, and the review shall be implemented according to the supplier's place of origin.
	Suppliers with a monthly evaluation score of less than 70 points in the previous year and high-quality risk suppliers shall conduct at least one QPA (Process Quality Audit) every year; during the audit, the supplier management team follows up the rectification of unqualified items to ensure the closure of problems.
	For suppliers who fail the annual QSA audit, a 90-day rectification period is given. If they still fail the re-audit, they will be blacklisted and frozen.
	If a supplier has compliance issues that endanger the Company's trade security, such as being included in the list of dishonest enterprises, having serious legal lawsuits, or having a bad international impact, the cooperation shall be terminated immediately to strictly adhere to the bottom line of sustainable supply chain development.

¹² Ratio of the number of suppliers based in Zhejiang to the total number of suppliers.

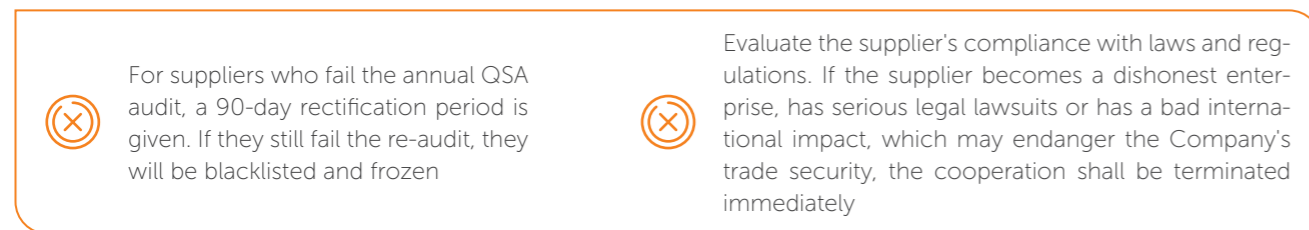
¹³ Ratio of procurement amount with suppliers based in Zhejiang to total procurement amount.



Monthly Evaluation Monthly evaluations are carried out for qualified suppliers with ≥ 5 incoming batches per month. The assessment covers three core dimensions: quality, R&D and procurement:



Supplier Withdrawal The Company has formulated the *Monthly/Annual Supplier Performance Evaluation Regulations* and stipulates that the following situations in the annual audit will initiate freezing or termination of cooperation:



Supplier Training

To standardize the management of supplier training, clarify the responsibilities, content and management requirements of supplier training, and improve the supply capacity and service level of suppliers through efficient, reasonable and targeted training, the Company has formulated the *Supplier Training System*. Suppliers are classified into certified suppliers and potential suppliers. The Strategic Procurement is responsible for formulating the annual supplier training plan, determining training elements such as training objects, content and methods, and organizing, arranging and implementing relevant training; the Supplier Management is responsible for guiding, supervising and assessing the supplier training work and implementing internal and external training resources in the supplier training plan.

At the end of each December, the Company formulates the training plan for the next year based on the industry status, historical delivery situation, cooperation prospects, etc. of certified and potential suppliers. During the formulation process, the Company extensively solicits opinions from various demand departments and directly contacts suppliers to collect training needs when necessary; the training plan includes content related to green environmental protection and energy conservation and emission reduction. The Company ensures that the coverage of supplier training meets: no less than 10% of the total number of qualified suppliers in the warehouse, and no less than 5 potential suppliers.

Green Supply Chain

With reference to authoritative standards and norms such as the Guidelines for Enterprise Green Procurement (Trial) and the Guidelines for Green Supply Chain Management of Green Manufacturing Enterprises, the Company has formulated relevant system documents such as the Green Procurement Guidelines and the Green Supply Chain Management Plan. During this period, in strict accordance with the Green Procurement Guidelines, the Company, together with stakeholders such as suppliers and manufacturers, integrates the concepts of green manufacturing, product life cycle management and extended producer responsibility into the enterprise's supply chain system; it formulates the Green Supply Chain Management Plan to establish medium and long-term goals for "green procurement, green production, green circulation, system integration, and green training system", and actively implements green supply chain guarantee measures to help achieve the overall planning goals.

Green Supply Chain Management Guarantee Measures



At the same time, the Company actively promotes the "Sunshine Supplier Program", signs the *Quality Assurance Agreement* and the *Integrity, Sunshine and Confidentiality Agreement* with suppliers, and signs the Relevant Party Environmental and Occupational Health and Safety Notification Letter with core suppliers, comprehensively urging suppliers to follow high standards of environmental, labor and business ethics responsibilities in the production and service processes.

To build a sustainable supply chain, the Company has built a three-level green supply chain governance structure, consisting of managers, the Green Supply Chain Leading Group, and the Green Supply Chain Management Working Group. By introducing green supply chain management technology concepts, the Company systematically sorts out domestic and foreign green supply chain laws and regulations and completes compliance transformation, actively conducts self-evaluation and training in accordance with the requirements of green supply chain evaluation criteria, and continuously improves the green manufacturing supply chain management system.

Green Supply Chain Management Structure



Green Supply Chain Management Goals for 2023-2025



Responsible Supply Chain

The Company has always adhered to social responsibility in business activities, formulated the *Sustainable Procurement Guidelines* and the *SolaX Supplier Code of Conduct*, avoided sourcing conflict minerals, and hired external third parties to conduct supply chain due diligence to clarify the specific situation of upstream areas of the mineral supply chain and identify potential ESG risks. Through systematic verification and compliance review of suppliers of materials such as nickel, cobalt, manganese, lithium, natural graphite, and mica, the Company fully identifies risks in terms of labor rights and interests, occupational health, environmental pollution, and business ethics in the supply chain, so as to take timely response measures.

In addition, the Company sorts out the list of raw material categories in combination with its business layout, and includes key categories such as metal raw materials, chemical auxiliary materials, and core components into the control scope. It clarifies the compliance certification standards that raw materials need to obtain, covering dimensions such as social responsibility (such as conflict-free mineral certification, supply chain certification related to labor rights protection), environmental compliance (such as environmental certification related to low-pollution and low-energy-consuming raw materials), and quality and safety (such as product quality certification and traceability certification).

During the reporting period, the coverage rate of ROHS certification for the Company's core raw materials reached 100%; in accordance with the EU Battery Regulation, 100% coverage of due diligence questionnaires was conducted for battery suppliers to fully reduce social responsibility and environmental compliance risks in the raw material supply chain.

2025



Industry Contribution and Communication

Adhering to the concept of mutual benefit and win-win, SolaX takes the initiative to build diverse communication bridges with local governments, upstream and downstream partners in the industrial chain, industry associations and professional institutions. By continuously expanding cooperation dimensions, deepening complementary advantages and resource sharing among enterprises, the Company works with partners in various industries to create fruitful value achievements and strive to achieve a development pattern of multi-party collaboration and common progress. The Company also always adheres to the principle of equal treatment of small and medium-sized enterprises and jointly promotes industry progress with partners in the value chain. Currently, the Company continuously improves product accessibility, with products widely distributed in more than 130 countries and regions, helping to popularize the global energy transition.

SolaX Debuts at Intersolar Europe 2025

Case

From May 7 to 9, 2025, SolaX made its debut at the Intersolar Europe exhibition held at the Munich International Exhibition Center in Germany, comprehensively demonstrating innovative achievements in the energy storage field.

At the exhibition, the SolaX booth presented a comprehensive range of energy storage technology solutions, covering residential, commercial and industrial applications, ground-mounted power stations, optical storage and charging ecology and other fields, helping the world accelerate the transition to a clean energy system. During the exhibition, SolaX won the "Top PV Supplier" award issued by EUPD Research, covering countries such as Germany, Poland, the Czech Republic, Austria and the Netherlands, demonstrating the Company's deep trust among European users and partners. At the same time, SolaX organized customized exchange activities for customers, providing one-on-one business interpretation opportunities to fully understand customer needs and downstream driving forces.

In addition, SolaX is the official green energy partner of Borussia Dortmund Football Club in Germany, and Karl-Heinz Riedle, a famous player of the club, visited the SolaX booth in person. Through the linkage between sports and environmental protection, SolaX is committed to continuously driving the world to accelerate towards a "zero-carbon future" through win-win cooperation with industrial leaders, sports organizations and local communities.



SolaX Participates in Agro Show Agricultural Exhibition in Poland

Case

In September 2025, the SolaX Poland team participated in the Agro Show Agricultural Exhibition in Poland in conjunction with installation expert Polenergia Fotowoltaika and technology provider Emiternet. At the exhibition, SolaX introduced to visitors the commercial and industrial (C&I) energy storage solution "TRENE", the residential energy storage solution "Aelio" and off-grid energy storage options, providing customers with solutions for energy security and energy independence. During this cross-industry exhibition, the Company deeply explored the pain points of energy storage needs.

In agricultural production, laying the foundation for further exploring the agricultural and related cross-border fields and expanding the local cooperation network in the future.



SolaX Participates in SNEC PV POWER EXPO

Case

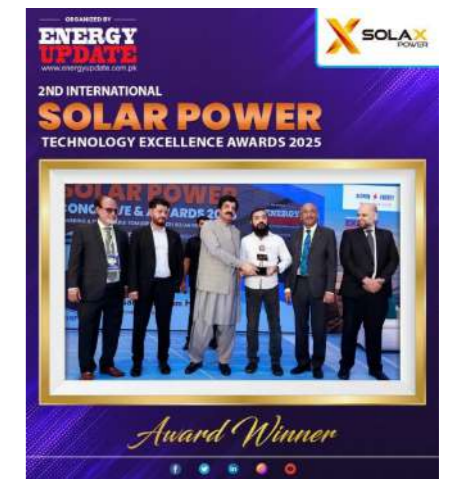
On June 13, 2025, SolaX appeared at SNEC with a new generation of commercial and industrial liquid-cooled energy storage systems, the flagship ORI large-scale liquid-cooled energy storage system, high-efficiency inverter solutions and a visualized smart energy cloud platform, comprehensively demonstrating the Company's in-depth refinement and systematic innovation in smart energy storage systems. In addition, SolaX's AI-enabled commercial and industrial energy storage solution has won unanimous recognition from the jury and industry experts for its outstanding intelligent scheduling algorithms, strong multi-scenario adaptability and innovative full-lifecycle safety protection design, and was awarded the "Excellence Award in Energy Storage Applications" officially by the exhibition organizing committee.



SolaX Participates in the 2nd International Solar Conference in Pakistan

Case

In August 2025, SolaX was invited to participate in the 2nd International Solar Conference organized by the Pakistani media Monthly Energy Update and won the "Solar Inverter Excellence Award". This honor recognizes SolaX's innovation in the photovoltaic and energy storage fields, product reliability, contributions to sustainable practices and support for the green transition in Pakistan and beyond. SolaX will continue to fulfill its own sustainability commitments by continuously providing intelligent and efficient comprehensive clean energy solutions.



Appendix

Index

SSE Sustainability Report Disclosure Guidelines

Environment

Disclosure Topics	Chapter Reference
Addressing Climate Change	Climate Change Response
Pollutant Emissions	Emissions and Waste Management
Waste Management	Emissions and Waste Management
Ecosystem and Biodiversity Conservation	/
Environmental Compliance Management	Environmental Management System
Energy Utilization	Energy Management
Water Utilization	Resource Utilization and Circular Economy
Circular Economy	Resource Utilization and Circular Economy

Governance Related to Sustainable Development

Disclosure Topics	Chapter Reference
Due Diligence	Responsible Supply Chain
Stakeholders Engagement	Corporate Governance
Anti-commercial Bribery and Anti-Corruption	Business Ethics
Anti-unfair Competition	Industry Contribution and Communication

Society

Disclosure Topics	Chapter Reference
Rural Revitalization	Community Contribution and Social Welfare
Social Contribution	Community Contribution and Social Welfare
Innovation Drive	Innovation and R&D
Ethics in Technology	/
Supply Chain Management	Responsible Supply Chain
Equal Treatment of Small and Medium-sized Enterprises	Responsible Supply Chain
Product and Service Safety and Quality	Industry Contribution and Communication
	Quality Management
	Customer Service
Data Security and Customer Privacy Protection	Information Security and Digitalization
	Customer Service
Employee	Employees' Basic Rights and Interests
	Human Capital Development
	Employee Welfare
	Occupational Health and Safety

GRI Content Index

Instructions for Use	This report was prepared by SolaX with reference to the GRI Standards for the period January 1 to December 31, 2025.
GRI Standard Applied	GRI 1: Foundation 2021
Applicable GRI Sector Standards	No applicable sector standards

GRI Standards	Disclosure	Chapter Reference
GRI 2: General Disclosures 2021		
2-1	Organizational details	About SolaX
2-2	Entities included in the organization's sustainability reporting	
2-3	Reporting period, frequency and contact point	About this report
2-4	Restatements of information	
2-5	External assurance	ESG Report Assurance Certificate About SolaX
2-6	Activities, value chain and other business relationships	Responsible Supply Chain Occupational Health and Safety Customer Service
2-7	Employees	Employees' Basic Rights and Interests Responsible Supply Chain
2-8	Workers who are not employees	Occupational Health and Safety
2-9	Governance structure and composition	
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	Sustainable Development Governance
2-12	Role of the highest governance body in overseeing the management of impacts	
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance
2-15	Conflicts of interest	Business Ethics Management
2-16	Communication of critical concerns	Corporate Governance Sustainable Development Governance
2-17	Collective knowledge of the highest governance body	Corporate Governance
2-18	Evaluation of the performance of the highest governance body	Corporate Governance
2-19	Remuneration policies	Human Capital Development
2-20	Process to determine remuneration	

GRI Standards	Disclosure	Chapter Reference
2-21	Annual total compensation ratio	/
2-22	Statement on sustainable development strategy	/
2-23	Policy commitments	/
2-24	Embedding policy commitments	/
2-25	Processes to remediate negative impacts	/
2-26	Mechanisms for seeking advice and raising concerns	Business Ethics Management Employees' Basic Rights and Interests
2-27	Compliance with laws and regulations	See respective sections of the report
2-28	Membership associations	/
2-29	Approach to stakeholder engagement	Materiality Management
2-30	Collective bargaining agreements	Employees' Basic Rights and Interests
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Materiality Management
3-2	List of material topics	Materiality Management
3-3	Management of material topics	Materiality Management
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Key ESG Performance
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Response
201-3	Defined benefit plan obligations and other retirement plans	Employee Welfare
201-4	Financial assistance received from government	/
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	/
202-2	Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Community Contribution and Social Welfare
203-2	Significant indirect economic impacts	
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Responsible Supply Chain
GRI 205: Anti corruption 2016		
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics
205-3	Confirmed incidents of corruption and actions taken	
GRI 206: Anti competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics

GRI Standards	Disclosure	Chapter Reference
GRI 207: Tax 2019		
207-1	Approach to tax	/
207-2	Tax governance, control, and risk management	/
207-3	Stakeholder engagement and management of concerns related to tax	/
207-4	Country-by-country reporting	/
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Resource Utilization and Circular Economy
301-2	Recycled input materials used	
301-3	Reclaimed products and their packaging materials	
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Energy Management
302-2	Energy consumption outside of the organization	
302-3	Energy intensity	Innovation and R&D
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Resource Utilization and Circular Economy
303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	
303-4	Water discharge	
303-5	Water consumption	
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	/
304-2	Significant impacts of activities, products, and services on biodiversity	/
304-3	Habitats protected or restored	/
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	Climate Change Response
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	

GRI Standards	Disclosure	Chapter Reference
305-6	Emissions of ozone-depleting substances (ODS)	/
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	/
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Emissions and Waste Management
306-2	Management of significant waste-related impacts	Emissions and Waste Management
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Responsible Supply Chain
308-2	Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	/
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Development
401-3	401-3 Parental leave	
GRI 402: Labor/ Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
403-10	Work-related ill health	
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Human Capital Development
404-2	Programs for upgrading employee skills and transition assistance programs	
404-3	Percentage of employees receiving regular performance and career development reviews	

GRI Standards	Disclosure	Chapter Reference
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Corporate Governance
405-2	Percentage of basic salary and remuneration of women to men	Employees' Basic Rights and Interests Human Capital Development
GRI 406: Non discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Employees' Basic Rights and Interests
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employees' Basic Rights and Interests Responsible Supply Chain
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	No such incidents occurred
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such incidents occurred
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	Employees' Basic Rights and Interests
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	/
413-2	Operations with significant actual and potential negative impacts on local communities	/
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Responsible Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Customer Service
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No such incidents occurred
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Customer Service
417-2	Incidents of non-compliance concerning product and service information and labeling	No such incidents occurred
417-3	Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No such incidents occurred

ESG Key Data Performance Table

Environment

Indicators	Detailed Indicators	Unit	2025 ¹⁴	2024	2023
Environmental Management					
Total Environmental Protection Investment	/	RMB ten thousand	199.90	151.00	56.47
Environmental Violations	Number of Environmental Penalties	Time	0	0	0
	Total Environmental Penalty Amount	RMB ten thousand	0	0	0
Water Resource Management¹⁵					
Water Withdrawal	Total Water Withdrawal	Ton	67,298	66,134	46,517
	Water Withdrawal Intensity	Ton/ten thousand Yuan revenue	0.16	0.22	0.10
Waste Gas Management					
Waste Gas Pollutant Emissions	Non-Methane Hydrocarbons (NMHC)	Ton	1,734	5,017	/
	Particulate Matter (PM)	Ton	0	0.003	/
Wastewater Management					
Wastewater Discharge	Industrial Wastewater Discharge	m ³	0	0	/
	Industrial Wastewater Discharge Intensity	m ³ /ten thousand Yuan revenue	0	0	0
	Total Sewage Discharge	m ³	67,298	66,134	46,517
	Total Sewage Discharge Intensity	m ³ / ten thousand Yuan revenue	0.16	0.22	0.10
	Industrial Wastewater Recovery Volume	m ³	0	0	/
	Industrial Wastewater Utilization Volume	m ³	0	0	/
Wastewater Pollutant Emissions	Ammonia Nitrogen	Ton	2,315	1,607	/
	Chemical Oxygen Demand (COD)	Ton	6,326	6,348	/
	Suspended Solids	Ton	2,018	1,323	/
Waste Management and Circular Economy					
Waste Generation and Disposal	Total Hazardous Waste Emissions	Ton	91.674	87.3	48.183
	Hazardous Waste Emission Intensity	Ton/ ten thousand Yuan revenue	2.25*10 ⁻⁴	2.84*10 ⁻⁴	1.08*10 ⁻⁴
	Total Non-Hazardous Waste Emissions	Ton	5,056.89	1,584	2,043.78
	Non-Hazardous Waste Emission Intensity	Ton/ ten thousand Yuan revenue	1.24*10 ⁻²	5.15*10 ⁻³	4.57*10 ⁻³
	Total Waste Emissions	Ton	5,148.564	1,671.3	2,091.963
	Total Waste Emission Intensity	Ton/ ten thousand Yuan revenue	1.26*10 ⁻²	5.43*10 ⁻³	4.68*10 ⁻³

¹⁴ The data collection scope for 2025 has been further improved and refined compared with that of 2024. The 2024 data are adopted in consistency with those disclosed in the 2024 ESG Report.

¹⁵ The statistical scope for total water intake, water consumption, and total wastewater discharge is the Tonglu Production Factory. The Total Sewage Discharge is accounted by the sewage treatment company.

Indicators	Detailed Indicators	Unit	2025	2024	2023	
Waste Generation and Disposal	Non-Hazardous Waste Recovery/ Reuse Volume	Ton	2,983.29	1,584	1,006.98	
	Hazardous Waste Reuse Volume	Ton	5.5055	87.3	0	
	Total Packaging Material Consumption	Ton	1,783.53	1,790	2,020	
	Packaging Material Consumption: Wooden Cases	Ton	1,223.23	850	920	
	Packaging Material Consumption: Paper Cases	Ton	135.00	130	150	
	Packaging Material Consumption: Plastics	Ton	115.64	110	140	
	Packaging Material Consumption: Others	Ton	309.66	700	810	
Packaging Material Use and Disposal	Total Recycled Packaging Materials	Ton	2,810.28	1,530.27	1,157	
	Recycled Packaging Materials: Wooden Cases	Ton	1,223.23	525.08	400	
	Recycled Packaging Materials: Paper cases	Ton	1,370.68	832.33	654	
	Recycled Packaging Materials: Plastics	Ton	115.64	110.84	60	
	Recycled Packaging Materials: Others	Ton	100.73	62.02	43	
	Energy Consumption					
	Direct Energy Consumption	Total Direct Energy Consumption	tce	55.16	58.31	37.06
Diesel Oil		Liter	6,051	5,624	6,870	
Gasoline		Liter	44,544.18	47,951.09	26,770.24	
Diesel Oil Equivalent Energy		tce	7.31	6.80	8.30	
Gasoline Equivalent Energy		tce	47.76	51.41	28.76	
Indirect Energy Consumption	Direct Energy Consumption Intensity	tce/ ten thousand Yuan revenue	1.35*10 ⁻⁴	1.90*10 ⁻⁴	8.29*10 ⁻⁵	
	Total Indirect Energy Consumption	tce	3,396.76	2,401.29	1,813.98	
	Purchased Electricity	tce	3,396.76	2,401.29	1,813.98	
Renewable Energy Consumption	Indirect Energy Consumption Intensity	tce/ ten thousand Yuan revenue	8.32*10 ⁻³	7.81*10 ⁻³	4.06*10 ⁻³	
	Renewable Electricity	Megawatt-hour	5,155.97	3,572.72	849.859	
Greenhouse Gases	Percentage of Renewable Energy Use in Total Electricity Consumption	%	18.66	18.29	5.76	
	Greenhouse Gases					
Greenhouse Gas Emissions	Total Scope 1 Emissions	tCO ₂ e	1,416.16	808.51	774.04	
	Total Scope 2 Emissions	tCO ₂ e	13,597.62	10,593.79	9,011.02	
	Total Scope 1+2 Emissions	tCO ₂ e	15,013.78	11,402.30	9,785.06	
	Scope 1+2 Emission Intensity	tCO ₂ e / ten thousand Yuan revenue	3.68*10 ⁻²	3.71*10 ⁻²	2.19*10 ⁻²	

Society

Indicators	Detailed Indicators	Unit	2025	2024	2023
Diversity and Equal Employment					
Number of Employees	/	Person	3,361	3,006	2,405
Employee Type Structure	Number of Full-time Employees (including rehired retirees)	Person	3,361	2,993	2,249
Employee Gender Structure	Number of Male Employees	Person	2,402	2,131	1,715
	Number of Female Employees	Person	959	875	690
	Proportion of Male Employees	%	71.47	70.89	71.31
	Proportion of Female Employees	%	28.53	29.11	28.69
Employee Rights and Benefits					
Employee Rights and Benefits	Social Insurance Coverage Rate	%	100	100	100
	Employee Benefits Coverage Rate	%	100	100	100
	Work Injury Insurance Investment Amount	RMB ten thousand	56.35	55.61	23.26
	Work Injury Insurance Coverage Rate	%	100	100	100
Employee Training and Development					
Employee Training System	Total Employee Training Investment	RMB ten thousand	166.90	78.72	/
	Number of Employee Training Sessions	Time	3,462	2,400	1,182
	Number of Employees Receiving Education and Qualification Support	Person	265	31	/
	Investment in Employee Education and Qualification Support	RMB ten thousand	129.09	8.61	/
	Employees Trained	Person-time	10,459	39,781	23,401
	Employee Training Coverage Rate	%	100	100	100
	Occupational Health and Safety				
Work Safety Accidents	Number of Major Safety Accidents	/	0	0	0
	Number of Employee Work-Related Deaths	Person	0	0	0
	Employee Work-Related Death Rate	%	0	0	0
	Employee Work-Related Lost Workdays	Day	0	0	0
	Employee Lost Time Injury Frequency Rate (LTIFR)	/	0	0	0
Contractor Safety	Number of Contractor Work-Related Deaths	Person	0	0	0
	Number of Occupational Disease Cases	Person	0	0	0
Occupational Disease Prevention	Compliance Rate of Hazardous Work Environment Inspected by External Third Parties	%	100	100	100

Indicators	Detailed Indicators	Unit	2025	2024	2023
Occupational Disease Prevention	Occupational Health Examination Rate for Employees in Hazardous Work Positions	%	100	100	100
	Occupational Health Examination Qualification Rate for Employees in Hazardous Work Positions	%	100	100	100
	Rectification Rate of Occupational Disease Risk Points	%	100	100	100
Occupational Health and Safety Training	Total Number of Employees Receiving Safety Training	Person	1,658	1,450	1,120
	Total Hours of Safety Training Received by Employees	Hour	35,856	31,588	24,080
	Average Hours of Safety Training per Employee	Hours/Person	21.6	21.8	21.5
	Number of Safety Drills	Time	4	4	/
	Number of Participants in Safety Drills	Person-Time	3,346	2,928	/
Supplier Management					
Supplier Types	Total Number of Suppliers	Number	460	403	347
	Domestic Suppliers	Number	452	395	340
	Overseas Suppliers	Number	8	8	7
	Key Suppliers	Number	387	330	293
Supplier Evaluation	General Suppliers	Number	73	61	41
	Number of Suppliers Conducted On-site Assessment	Number	64	60	28
	Number of Suppliers Conducted Off-site Assessment	Number	11	20	8
Supplier Due Diligence	Number of New Suppliers Signing Conflict Minerals-Free Agreements	Number	55	37	42
	Proportion of New Suppliers Signing Conflict Minerals-Free Agreements	%	100	100	100
	Technological Innovation				
Innovation and R&D Management	R&D Investment	RMB ten thousand	60,784.16	48,113.86	27,493.24
	R&D Investment Ratio	%	14.89	15.66	6.15
	Number of R&D Personnel	Person	1,023	985	718
	R&D Personnel Ratio	%	30.44	34.57	31.34
Patent-related Performance	Number of Patent Applications	Piece	320	323	134
	Number of Patent Grants	Piece	167	99	56
	Number of Valid Patents	Piece	405	244	154
Invention Patent-related Performance	Number of Invention Patent Applications This Year	Piece	130	161	40
	Number of Invention Patent Grants This Year	Piece	73	58	41
	Number of Invention Patents Applied to Main Business	Piece	15	17	7
	Cumulative Number of Valid Invention Patents	Piece	73	58	41

Indicators	Detailed Indicators	Unit	2025	2024	2023
Customer Service and Communication					
Service Quality	Customer Complaint Rate	%	0.48	0.51	0.41
	Customer Complaint Resolution Rate	%	99.4	94.0	95.4
	Customer Satisfaction Score	%	Overseas: 96.1 Domestic: 96.7	Overseas: 95.4 Domestic: 95	94
Network and Data Security					
Cybersecurity Incidents	Number of Data Security Incidents	Case	0	0	0
Social Contribution					
Social Welfare	Total Social Investment Amount	RMB ten thousand	37,468	0.7	/
	Number of Participants in Public Welfare Activities	Person-Time	3 times, 20 people	2 times, 40 people	/
	Participation Hours in Public Welfare Activities	Hour	6	6	/
	Investment in Rural Revitalization	RMB ten thousand	5	/	/

Governance

Indicators	Detailed Indicators	Unit	2025	2024	2023
Business Ethics					
Business Ethics Capacity Building	Number of Special Business Ethics Training Sessions	Time	1	1	/
	Number of Directors Participating in Business Ethics Training	Person	9	9	/
	Proportion of Directors Participating in Business Ethics Training	%	100	100	/
	Number of Management Personnel Participating in Business Ethics Training	Person	278	251	/
	Proportion of Management Personnel Participating in Business Ethics Training	%	100	100	/
	Number of Frontline Employees Participating in Business Ethics Training	Person	2,843	2,755	/
	Total Number of Employees Participating in Business Ethics Training	Person	3,121	3,006	/
	Total Number of Business Ethics Training Sessions	Time	1	1	/
	Employee Coverage Rate of Business Ethics Training	%	92.85	100	/
	Economic Performance				
/	Operating Income	RMB ten thousand	408,197.18	307,284.27	447,296
	Total Assets	RMB ten thousand Yuan	715,119.87	613,623.77	535,517.99
	Accounts Payable	RMB ten thousand	92,542.70	58,723.3	43,329.52

ESG Report Assurance Certificate



Independent Assurance Statement

Introduction

TÜV Rheinland (Shanghai) Co., Ltd., a member of TÜV Rheinland Group (hereinafter "TÜV Rheinland" or "We"), was entrusted by SolaX Power Network Technology (Zhejiang) Co., Ltd. (hereinafter "SolaX" or "the Company") to conduct an independent third-party assurance of its 2025 Environmental, Social and Governance Report (hereinafter, "Report"). The Report disclosed SolaX's sustainability information for the fiscal year 2025 (from 1 January 2025 to 31 December 2025).

Responsibilities

SolaX is not only responsible for the preparation of ESG report and the collection and reporting of sustainability information in accordance with applicable reporting standards but also has the obligation to implement and maintain effective internal control of information and data to support the report compilation process.

TÜV Rheinland implements sustainability information assurance activities under a quality management system that complies with the requirements of the ISO/IEC 17029:2019 Standard and adheres to the TÜV Rheinland Global Code of Ethics and Compliance Program. Our assurance service follows the principles of independence and impartiality and does not participate in the preparation of SolaX's Report. The assurance project was implemented by a team with expertise and assurance experience in the corresponding sustainability issues. The role of TÜV Rheinland is to carry out independent assurance work in accordance with the assurance agreement and the agreed scope of assurance work, and to make independent and impartial professional judgments on sustainability reporting.

Assurance Standard

TÜV Rheinland undertook assurance work on the sustainability information disclosed in the Report of SolaX in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), Type 1 and Moderate level.

Assurance Objectives

The purpose of the assurance was to provide SolaX's management and stakeholders concerned with the Company's sustainability information and performance with an independent view of the assurance, including that we review and assess the content of the report adherence to the AA1000AP (2018) Assurance Principles (including inclusivity, materiality, responsiveness and impact).

Assurance Criteria

The following assessment criteria (including reporting frameworks or standards) were also used in undertaking the work:

- Guidelines for Self-Regulatory Regulation of Listed Companies on the Shanghai Stock Exchange No. 14 - Sustainability Report (Trial)
- Global Sustainability Standards Board (GSSB) Sustainability Reporting Standards 2021 (GRI Standards 2021)
- Adherence to the AA1000AP AccountAbility Principles, i.e., *Inclusivity, Materiality, Responsiveness, and Impact*

Methodology

Our assurance activities and procedures include:

- Inquiring management to understand the Company's business and reporting processes, including sustainability strategy, philosophy and management.
- Interviewing relevant executive personnel in key functions to understand and assess the processes, systems and controls related to sustainability management, including key management procedures, stakeholder engagement processes, topic materiality assessment processes, impact assessments, etc.



- Assessing available performance information based on sampling principles and document review.
- Collecting and inspecting supporting evidence to assess the extent to which relevant disclosures within the scope of the assurance engagement and sustainability reporting support and adherence to AA1000AP assurance principles.
- Reporting assurance observations or recommendations to give the Company's management an opportunity to correct errors before the assurance process is completed.

Limitations

TÜV Rheinland planned and executed the verification in accordance with the scope of the assurance agreed upon and obtained evidence information and necessary explanations to provide the basis for the conclusion of the assurance in accordance with the moderate level of AA1000AS v3. The nature and extent (scope) of the procedures involved in moderate level assurance engagement are lower than those required to obtain high level assurance.

Forward-looking information relates to events and actions that have not yet occurred and may never occur. Actual results are likely to be different because expected events often do not occur as expected. We did not guarantee the availability of forward-looking information.

The information and performance relating to the assurance is limited to the disclosure of the contents of this Report. Our assurance work did neither include financial report and its financial data, nor include other information not related to the subject matters of sustainability and beyond the scope of the assurance.

Conclusions

Based on the above assurance procedures and methodology performed and the evidence obtained, we conclude that there are no instances or information that would be contrary to the following statements:

- SolaX's 2025 ESG Report and its contents are in adherence to the AA1000AP AccountAbility Principles.
- Evidence of the use of relevant processes, systems and controls, and available performance information has been reviewed and assessed, and can reflect sustainability practices of the Company.

TÜV Rheinland shall not bear any liability or responsibility to any third party for perception and decision on SolaX based on this Assurance Statement.

Adherence to the AA1000AP AccountAbility Principles

Inclusivity

SolaX has identified key stakeholder groups, including shareholders/investors, governments authorities, suppliers, customers, employees, communities, and the public, and is committed to establishing a structured and two-way communication mechanism. We recommend that SolaX further demonstrate how stakeholder feedback may specifically inform future strategic adjustments.

Materiality

SolaX adopted a double materiality assessment approach, taking into account the Shanghai Stock Exchange's Guidelines and industry characteristics, to identify and screen out 23 material issues. The evaluation process included stakeholder surveys, expert evaluations, and board reviews. The materiality issues identified in the materiality matrix, such as climate change, data security, R&D innovation, are well aligned with the characteristics of the new energy industry.

Responsiveness

SolaX's communication channels with its key stakeholder groups included investor hotlines, supplier training, employee training, complaints-handling and whistleblowing mechanisms, etc. The Company has set annual targets and disclosed the achievement of targets in key areas such as energy management, waste reduction, occupational health and safety, and quality management. This report disclosed quantitative data on key ESG performance indicators, such as carbon emissions, water resources, waste, circular economy, employee turnover, in order to respond to the major concerns of stakeholders in a timely manner.

Impact



The evidence indicated that SolaX has considered and examined its environmental and social impacts, covering topics such as environmental stewardship, circular economy and product innovation. This report disclosed a range of quantitative indicators such as energy consumption, greenhouse gas emissions, waste generation and recycling, and R&D investment, thereby providing a basis for measuring these impacts. At the same time, the Company assessed the risks and opportunities associated with climate change and addressed the impacts of the value chain through green supply chain management. We recommend that SolaX further strengthen its quantitative analysis of the impacts of material issues and disclose specifically how such impacts are managed in the future.

Daniel Pan
Technical Manager of Corporate Sustainability Services
TÜV Rheinland (Shanghai) Co., Ltd
Shanghai, China, 30 March 2026



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