Sieyuan

2025 Environmental, Social and Corporate Governance (ESG) Report

Changzhou Sieyuan Toshiba Transformer Co., Ltd.



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About the Report

The Report is the 2025 Environmental, Social and Corporate Governance (ESG) Report of Changzhou Sieyuan Toshiba Transformer Co., Ltd. (hereinafter referred to as "the Report"). It aims to disclose to stakeholders the Company's philosophies, approaches, practices and operational status in environmental, social and corporate governance aspects throughout the year 2025.

Reference Standards

The Report was prepared with reference to the following standards and frameworks:
- *Sustainability Reporting Standards* (GRI Standards 2021) issued by Global Sustainability Standards Board (GSSB)
- *United Nations Sustainable Development Goals* (UN SDGs)
- Sustainability Accounting Standards Board (SASB)
- *International Financial Reporting Standards Sustainability Disclosure Standards 1–General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1)
- *International Financial Reporting Standards Sustainability Disclosure Standards 2–Climate-related Disclosures* (IFRS S2)
- *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* (abbreviated as "Shenzhen Stock Exchange Guidelines")
- *Self-Regulatory Guidance No. 3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Report* (Revised 2026)

Scope of the Report

Reporting Period: The Report covers our activities undertaken from January 1, 2025, to December 31, 2025. For comparability and prospective purposes, certain content may exceed the above time range.
Organization Scope: The content covered by this Report is consistent with the business coverage of Changzhou Sieyuan Toshiba Transformer Co., Ltd.

Designations

In this Report, "Sieyuan Toshiba", "the Company" and "We" all refer to Changzhou Sieyuan Toshiba Transformer Co., Ltd. "Sieyuan Electric" refers to Sieyuan Electric Co., Ltd. (the Company is a holding subsidiary of Sieyuan Electric Co., Ltd.).

Data Sources

All data disclosed in this Report are derived from the Company's official documents and statistical records. Unless otherwise stated, the data in the Report are measured in metric system and the currency is denominated in Renminbi (RMB).

Reliability Statement

The Company declares that this Report contains no false records, misleading statements or material omissions, and shall be responsible for the authenticity, accuracy and completeness of its content.

Sieyuan

About Sieyuan Toshiba

Company Overview

Changzhou Sieyuan Toshiba Transformer Co., Ltd. is a transformer manufacturer jointly founded by Sieyuan Electric and Toshiba. It has a registered capital of RMB 100.1 million. The Company has introduced and digested advanced transformer technologies from Toshiba, its product range covers oil immersed power transformers and reactors rated at 750 kV and below, natural ester transformers, synthetic ester transformers, gas insulated transformers and gas reactors, with an annual production capacity of 120,000 MVA. At present, the Company has more than 900 employees, over 50% of whom have associate degree and above.

The Company has been certified to three major international management system standards which are ISO 9001 for quality management, ISO 14001 for environmental management and ISO 45001 for occupational health and safety management. It was awarded the title of “National High-Tech Enterprise” in 2021 and passed the re-evaluation in 2024. The Company’s transformers have obtained product and energy efficiency certifications from domestic third-party organizations including the Suzhou Academy of Sciences, Shenyang Transformer Research Institute and Wuhan High Voltage Research Institute, as well as international product certifications from KEMA and DEKRA of the STL Alliance.

Our products are widely applied in power grids, gas turbine power generation, wind power, photovoltaic power, energy storage, hydropower, rail transit, data centers, metallurgy, petrochemical refining, construction and other industries. They have secured grid access certifications and achieved operational track records for State Grid Corporation of China, China Southern Power Grid, as well as power utilities in the United Kingdom, South Africa, Argentina, Malaysia, Vietnam, Italy, Nigeria, Israel, Zambia, Côte d'Ivoire and Namibia. Furthermore, our products have been successfully commissioned in major national key projects, namely the South-to-North Water Diversion Project, the West-to-East Gas Transmission Project and the Hong Kong-Zhuhai-Macao Bridge. Our products are exported to over 70 countries and regions throughout Europe, Central Asia, North America, South America, the Asia-Pacific region, Africa and Australia, and are highly trusted by customers.

Corporate Culture

Mission	Smarter Power, Better Life.
Vision	To Become a Global Leader in the Electrical Industry.
Core Values	Delivering Success to Customers, Innovating and Surmount; Honesty and Integrity, Openness and Collaboration; Self-criticism and Reflection, Diligence and Perseverance.



Company Honors in 2025

Jiangsu Provincial Advanced Smart Factory	Changzhou Municipal Bureau of Industry and Information Technology
CNAS Accredited Laboratory	China National Accreditation Service for Conformity Assessment (CNAS)
Four-star Cloud-enabled Enterprise	Bureau of Industry and Information Technology
Energy Conservation and Carbon Reduction Technology Equipment in National Industry and Information Technology Sector	Bureau of Industry and Information Technology

Main Products Introduction

Sieyuan Toshiba is committed to supplying core electrical equipment featuring high reliability and low environmental impact for modern power systems. Our main products include oil immersed power transformers, gas insulated transformers (GIT), oil immersed high voltage shunt reactors and ester-type transformers.

Throughout product design and manufacturing, Sieyuan Toshiba fully embraces the Environmental, Social and Governance (ESG) philosophy. Leveraging technological innovation and high-standard quality management, we advance efficient energy utilization, risk control and green & safe power services, thereby creating long-term value for customers, communities and society.

Oil immersed power transformers adopt advanced designs for low partial discharge, low loss and low noise, which equipped with high short-circuit withstand structures and supported by internationally certified quality management systems. They integrate high-efficiency energy utilization with safe operation, and greatly reduce operating energy consumption and potential risks of the equipment.



Oil Immersed Power Transformer

Gas insulated transformers apply oil-free gaseous insulation media. Featuring fire resistance, explosion resistance, maintenance-free performance and long service life, they optimize the spatial layout of substations and cut land and auxiliary facility occupancy, while improving power supply safety and operational reliability in densely urbanized areas.



Gas Insulted Transformer

Oil immersed high voltage shunt reactors feature long-term stable operation, small footprint and zero magnetic leakage pollution, which effectively reduce maintenance frequency and improve facility management efficiency.



Oil Immersed High Voltage Shunt Reactor

Ester transformers adopt eco-friendly flame-retardant materials. With excellent overload capacity and easy maintenance, they achieve safe, low-carbon and sustainable operation.



Ester-based Transformer



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Corresponding UN Sustainable Development Goals (UN SDGs) for this Chapter



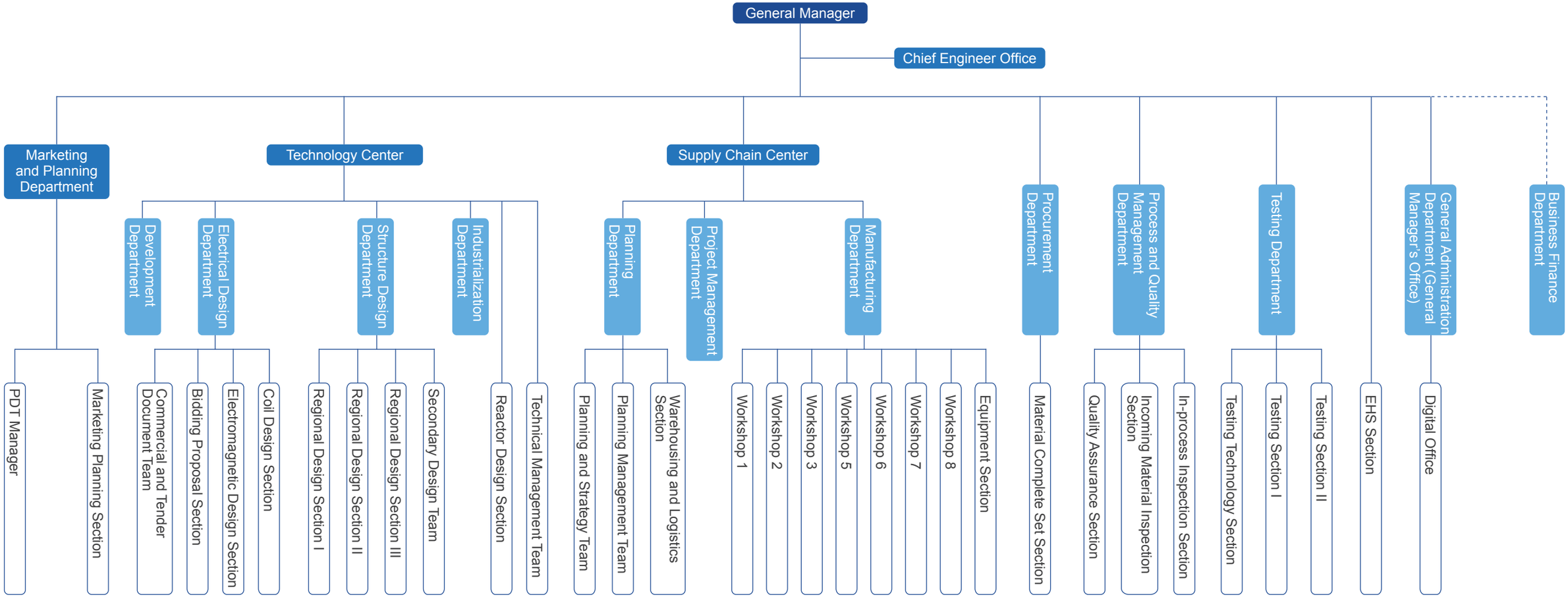
Corporate Governance Structure

Under the strategic guidance and overall supervision of Sieyuan Electric, Sieyuan Toshiba has established a highly systematic and scientific governance structure to effectively align corporate strategies, operational management and sustainable development goals. The governance system encompasses strategic decision-making, daily operations, risk management and control, and internal control oversight, forming a closed-loop mechanism for top-down strategy deployment and bottom-up implementation. It lays a solid foundation for the Company's steady operation, continuous innovation and delivery of ESG targets.

As the top management of the Company, the Executive Deputy General Manager takes overall charge of daily operations, strategy execution, risk management, internal control implementation and ESG targets delivery. This role coordinates all functional departments to ensure the efficient implementation of strategies and policies issued by Sieyuan Electric, and bears ultimate accountability for key businesses and management processes.

Led by the Executive Deputy General Manager, the Marketing and Planning Department, Technology Center, Supply Chain Center and other functional departments perform their respective duties in strict compliance with corporate governance rules and internal regulations. All teams fully enforce risk and compliance management requirements, and regularly submit operational data and ESG indicators to Sieyuan Electric, creating a closed-loop mechanism integrating strategy implementation and performance supervision. Through cross-department collaboration, all functional units closely follow strategic arrangements to ensure the simultaneous achievement of operational targets, business outcomes and sustainable development indicators.

In line with the governance requirements of Sieyuan Electric and its own business characteristics, Sieyuan Toshiba continuously optimizes its management system and implementation mechanisms. The Company maintains high efficiency, transparency and accountability in strategic decision-making, daily operations and sustainable development practices, providing strong assurance for its long-term stable development and high-standard ESG performance.



Company Organizational Structure Chart

Compliant-oriented Internal Control

Sieyuan Toshiba continuously improves its internal control and compliance management systems, closely aligning the strategic requirements of Sieyuan Electric with the Company's actual operations to establish a comprehensive management mechanism covering strategic, operational, financial and ESG-related risks. In accordance with the Sieyuan Code of Compliance, and with reference to policies including the *Administrative Measures for Compliance Management of Sieyuan Business Partners* and the *Administrative Measures for Integrity, Honesty and Compliance Management of Sieyuan Human Resources*, the Company integrates management norms, transparency and traceability into all business processes, laying a solid foundation for the Company's sound operation and long-term sustainable development.



Risk Management

The Company adheres to the risk management philosophy of "Proactive Prevention and Full-Process Management and Control", and has established a management mechanism with clear responsibilities, efficient operation and rapid response. The system covers risk identification, assessment, response and disposal, as well as supervision and control, ensuring effective management and control of business, compliance and operational risks.
For core business processes, the Company has implemented dynamic risk early warning and emergency response procedures to ensure potential risks can be quickly identified, timely assessed and properly addressed. At the same time, risk management standards are embedded in daily operations, combining front-line monitoring, process control and dynamic supervision to continuously move risk prevention and control forward. **During the reporting period, the Company did not experience any major or significant risk incidents.**

Risk Management Process

Risk Identification and Assessment	The Company assigns responsibilities for risk identification and assessment to business lines and key positions, clarifies that the heads of all functional departments are the primary persons responsible for risk management in their respective fields, and regularly organizes risk inspections and self-assessments covering operations, safety, compliance and other aspects, to continuously enhance the forward-looking nature of risk identification and front-line early warning capabilities.
Risk Response and Disposal	Through thematic meetings, business analysis and other means, the Company's management timely analyzes and judges operational data, regulatory policies and industry change trends, identifies potential risk matters, and formulates targeted response strategies and mitigation measures to ensure that major matters are controllable and emergency situations are addressable.
Risk Supervision and Control	The Company integrates risk supervision requirements into the management function system. Relevant functions including Legal, Finance, and Human Resources jointly conduct daily risk monitoring, internal control, implementation inspections and rectification follow-ups. The General Manager performs the overall supervision responsibilities, facilitating the formation of a risk control mechanism featuring clear responsibilities, effective implementation and closed-loop management.

Internal Control and Audit

Sieyuan Toshiba has built an internal control and audit system centered on core processes and key business areas, focusing on strengthening pre-event prevention, in-process supervision and post-event rectification to ensure the comprehensiveness, effectiveness and operability of the internal control system. We continuously monitor key positions, major matters and core processes to guarantee standardized and transparent business operations that fully comply with national laws and regulations.

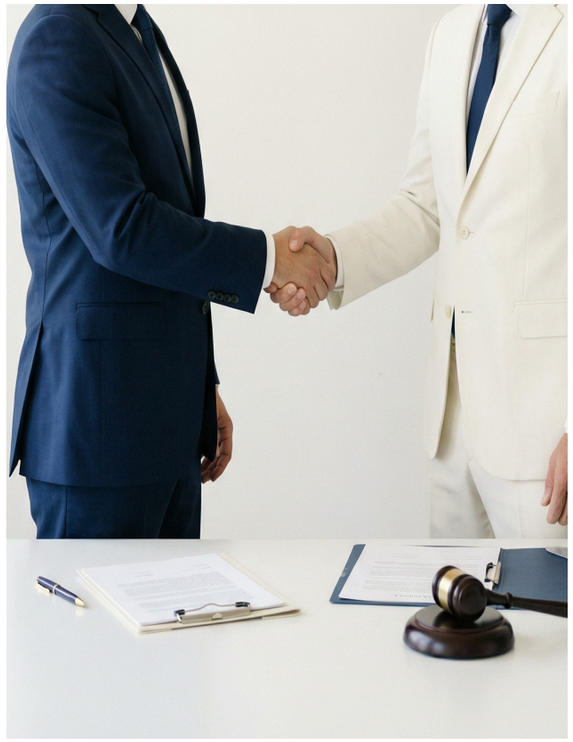
The Company strictly adheres to the internal audit system and the requirements of Sieyuan Electric's *Internal Control Standards Manual*. Through routine inspections, in-process supervision, issue rectification and closed-loop follow-up, we continuously optimize the implementation of internal control achievements and enhance the systematicity and penetration of management.

The Company conducts regular routine audits, specialized inspections, annual self-assessments and risk assessments to facilitate the regular implementation of internal control oversight. The Compliance and Internal Control Team, in line with the annual self-inspection plan and actual business conditions, covering key departments, high-risk businesses and core processes, implementing self-inspections, self-corrections and rectification improvements, and cooperating with Sieyuan Electric in specialized audits when necessary. Through multi-level supervision, closed-loop execution and continuous operation of systems, the Company continuously strengthens its risk prevention and control capabilities, consolidates the foundation of compliance management, further improves corporate governance, and provides solid assurance for sound operation and the achievement of ESG targets.

Business Ethics Development

Sieyuan Toshiba regards business ethics as the core foundation of corporate governance and sustainable development, relying on institutional building as the foundation, process management as the safeguard, and training along with cultural development as key drivers, the Company has established a closed-loop business ethics system covering strategic decision-making, business processes and key positions. It ensures the implementation of compliance and integrity principles in daily operations, and integrates professional ethics into routine work, delivering institutional safeguards for sound business operation and risk prevention and control.

In accordance with the management requirements of Sieyuan Electric and its own business characteristics, the Company continuously improves the business ethics management mechanism to embed integrity, probity and compliance across all business links and among all employees. Through institutional constraints, process control and risk management and control, the Company guides all employees to abide by laws, regulations, professional ethics and internal management requirements while performing their duties, so as to effectively protect the legitimate rights and interests of the Company and all stakeholders.



Business Ethics Management

Sieyuan Toshiba attaches great importance to the business ethics development and takes integrity, compliance and transparency as the core principles of corporate governance. Fully complying with the *Sieyuan Code of Compliance*, the Company upholds integrity and clean practice. It has formulated and implemented the *Business Conduct and Ethics Policy*, and built a business ethics management system covering all employees, full workflows and all business scenarios. This framework strengthens ethical risk prevention and control, and reinforces the line for integrity and compliance.

Anti-Fraud

The Company implements relevant requirements of the *Sieyuan Anti-Fraud Guidelines* and upholds a "zero-tolerance" policy towards all forms of fraud and fraudulent conduct. It strives to prevent risks such as misrepresentation, document forgery, fictitious transactions, inaccurate billing documents and factual concealment, and maintains the authenticity, transparency and standardization of business activities.

Anti-Corruption and Anti-Bribery

The Company complies with the *Sieyuan Anti-Corruption and Anti-Bribery Guidelines*, and firmly opposes all forms of commercial bribery, interest transfer and improper benefit exchange. It places key focus on key areas including procurement, sales, bidding and tendering, project cooperation and expense reimbursement, continuously strengthens integrity risk prevention and control in key links, and consolidates the defense line for integrity operation.

Anti-Unfair Competition

Adhering to the principle of fair competition, the Company strictly observes market competition order and relevant laws and regulations. It firmly opposes false advertising, commercial defamation, trade secret infringement, bid rigging and other improper practices, and continuously maintains a fair and orderly market environment.

Conflict of Interest Management

The Company standardizes employees' performance of duties, prevents personal interests, related party relationships and other improper factors from affecting business judgment and decision-making impartiality, and fosters a fair, transparent and prudent working environment for duty performance.

Anti-Money Laundering and Compliant Transactions

The Company attaches importance to identifying compliance risks in customer cooperation, capital settlement and business transactions. It continuously strengthens oversight and management of abnormal transactions and potential risk matters, ensuring all operational activities are conducted in full legal and regulatory compliance.

Business Ethics Risk Management and Control

Sieyuan Toshiba has established a comprehensive business ethics risks management and control mechanism, embedding risk prevention and control into business workflows and daily management. By standardizing approval procedures, strengthening reviews at key nodes, improving process documentation and conducting regular supervision and inspections, the Company continuously enhances transparency and traceability across key business links, effectively guarding against risks such as corruption, fraud, unfair competition and interest transfer.

Meanwhile, the Company conducts ongoing dynamic monitoring and risk inspections targeting key positions, core businesses and critical links. It fully integrates business ethics development into daily operations, and steadily raises employees' awareness of integrity and overall standardization of management.

Business Ethics Risks Identification, Management and Control

Business Ethics Topic	Main Risks	Responding Measures
Anti-Corruption and Anti-Bribery	Risks including commercial bribery, interest transfer and inappropriate hospitality may exist in such links as procurement, sales, bidding and tendering, project cooperation and expense reimbursement.	In accordance with the *Sieyuan Anti-Corruption and Anti-Bribery Guidelines*, strengthen the identification of integrity risks, approval management and in-process supervision for key positions, core businesses and critical links.
Anti-Fraud	Business operations may face fraud risks such as false statements, forged documents, fictitious transactions and inaccurate bills.	Implement relevant requirements of the *Sieyuan Anti-Fraud Guidelines*, and improve the management and control of key processes, process documentation and the mechanism for identifying abnormal matters.
Anti-Unfair Competition	Risks including false advertising, commercial defamation and collusive bidding may arise in market development, promotion, bidding and tendering, and customer communication.	Standardize practices for market development, customer communication and bidding management, and strengthen review and supervision over high-risk scenarios.
Conflict of Interest Management	Employees' business judgments may be compromised by kinship, personal investment, part-time jobs and other factors, which could lead to unfair decisions and integrity risks.	Strengthen codes of conduct for key positions, and raise employees' awareness of proactive identification, reporting and recusal.
Compliant Transactions	Inadequate risk identification in customer cooperation, capital transactions and cross-border businesses may result in irregular transactions and compliance review risks.	In accordance with the *Administrative Measures for Compliance Management of Sieyuan Business Partners*, strengthen the verification and review of partners' backgrounds, capital flows and abnormal transactions.
Training and Cultural Development	Insufficient understanding among employees may cause deviation in policy implementation, inadequate risk identification and violations.	Continue to organize specialized training and promotion activities covering business ethics, integrity in workplace, anti-corruption, anti-fraud and conflict of interest.
Reporting and Supervision Mechanism	Ineffective reporting channels and inadequate protection measures may hinder the detection and handling of irregularities.	Improve the closed-loop mechanism for complaint acceptance, investigation, feedback and rectification in accordance with the *Report Management Measures* and *Sieyuan Compliance Issues Internal Investigation Plan and Guidelines*.

Business Ethics Awareness Training

The Company continues to foster a sound business ethics culture, advocating the values of integrity-based operation, professional integrity and compliant performance of duties. These requirements are integrated into the entire process of daily employee management and business operations. Focusing on anti-corruption, anti-fraud, conflict of interest and compliant transactions, the Company conducts training and publicity, case warnings and regular reminders to help employees fully understand and endorse business ethics requirements, and strengthen their awareness of standardized work, law-abiding compliance and risk prevention.

All new employees sign the *Employee Compliance Commitment Letter* when on-boarding, undertaking to abide by the Company's rules on business ethics and compliance management. We embed business ethics requirements deeply into job responsibilities, business procedures and codes of conduct, guiding employees to observe business ethics principles voluntarily at work and maintain a business environment featuring integrity, self-discipline and standardized operations.

During the reporting period

the coverage rate of employee training on business ethics reached **100** %



Complaint and Reporting Mechanism

Sieyuan Toshiba has established a systematic complaint and reporting system, providing secure and convenient channels for employees, business partners and other stakeholders to voice concerns. In compliance with the Report Management Measures and the Sieyuan Compliance Issues Internal Investigation Plan and Guidelines, the Company clarifies the procedures for acceptance, verification, feedback and rectification of complaints and reports, ensuring all reported matters are handled promptly and impartially. Adhering to the principles of standardized acceptance, expedited investigation, impartial disposal and closed-loop rectification, the Company continuously improves its capabilities in issue detection, risk early warning and compliance handling.

To diversify and improve accessibility of reporting channels, multiple channels including telephone, email and written letters are available for both named and anonymous reports. Employees and relevant parties may submit clues via the unified channels set up by Sieyuan Electric to guarantee smooth information transmission.

Reporting Channels

Telephone Acceptance:

Compliance and Legal Department of Sieyuan Electric: 021-61610952;

Audit and Internal Control Department of Sieyuan Electric: 021-61610845

Email Acceptance:

Compliance and Legal Department of Sieyuan Electric: hgfwb@sieyuan.com;

Audit and Internal Control Department of Sieyuan Electric: sj@sieyuan.com

Postal/In-person Address:

Compliance and Legal Department/Audit and Internal Control Department of Sieyuan Electric Co., Ltd., No. 3399 Huaning Road, Minhang District, Shanghai (Postal Code: 201108).

The Company attaches great importance to whistleblower protection, and regards information confidentiality, anti-retaliation and rigorous handling of violations as key requirements for complaint and reporting management. It imposes strict confidentiality management on whistleblowers' personal information, report contents and relevant documents. In line with the need-to-know principle, the Company strictly restricts information access so as to fully safeguard the legitimate rights and interests of whistleblowers. The Company opposes all forms of retaliation, discrimination and improper interference, and strives to build a safe, standardized and reliable environment for supervision. Meanwhile, to ensure the sound operation of the reporting mechanism, anyone who fabricates facts, makes malicious accusations, frames others or deliberately submits false materials and causes adverse impacts will be severely penalized in accordance with relevant regulations.

ESG Governance

Sieyuan Toshiba takes ESG governance as a key part of its sustainable development strategy. It has established a systematic and standardized management mechanism to fully embed environmental, social and governance requirements into corporate strategic decision-making, daily operations and risk management across all links. Guided by Sieyuan Electric's sustainable development philosophy, the Company has developed a full-chain governance system spanning conceptual awareness, rule enforcement, stakeholder communication and material topics management, which supports its long-term steady development and high-standard fulfillment of corporate responsibilities.

Sustainable Development Philosophy

Sustainable Development Strategies

Intelligent Electric Power, Green Manufacturing, Safety and Integrity, Scientific Governance

Sustainable Development Policies

E

We attach importance to environmental management. By adopting green raw materials, optimizing equipment and facilities, reducing pollutant discharge and waste generation, implementing green manufacturing, and supervising the carbon emission performance of upstream and downstream partners, we strive to respond to climate change and reduce environmental burdens.

S

Covering labor and human rights, occupational health and safety, community relations and social responsibility. Against the backdrop of globalization, we endeavor to ensure that our operations worldwide comply with social ethics and responsibilities in line with local standards.

G

We are committed to abiding by laws and regulations, preventing corruption, upholding fair and transparent internal control systems, and ensuring timely and accurate information disclosure. We balance risks and opportunities, address the needs and expectations of stakeholders, and actively pursue win-win cooperation.

Sustainable Development Theme

Guided by its sustainable development strategy, Sieyuan Electric always prioritize social benefits as a key consideration, actively fulfills its ESG responsibilities, and strives to achieve the integration of social and economic benefits.

ESG Governance System

Under the strategic guidance of Sieyuan Electric, Sieyuan Toshiba has established a systematic and standardized ESG governance system to ensure the effective implementation of sustainable development strategies, goals and regulations throughout corporate operations. The Company has set up a subcommittee of the Sieyuan Toshiba Sustainability Committee, which oversees overall ESG strategic planning, target implementation, rule formulation and advancement of key initiatives. It also manages the preparation and information disclosure of the corporate ESG report, coordinates internal and external resources, and continuously monitors and optimizes implementation outcomes, enabling efficient alignment between strategic orientation and operational execution. In accordance with respective responsibilities, all functional departments strictly enforce ESG management requirements. They advance work covering environmental management, work safety, employee rights and interests protection, talent development, compliance and internal control, supply chain responsibility and customer service, and actively conduct rectification and continuous improvement. This has formed a systematic, procedural, and traceable closed-loop framework for ESG implementation.

The Company regularly reports ESG progress to the Sustainability Committee of Sieyuan Electric, enabling full oversight by the management over strategy implementation and operational results. Meanwhile, it cooperates with clients on ESG audits, communication and related services, promptly reports violations and potential risks, and participates in performance audits and rectification closed-loop management. All these efforts ensure the regular, standardized and long-term operation of ESG practices.

Chairman of Sieyuan Electric and the Sustainability Committee

Responsible for formulating the ESG strategy, approving relevant policies, guidelines and annual targets, and providing guidance and supervision over the Company's ESG initiatives;

Subcommittee of Sieyuan Toshiba Sustainability Committee

Responsible for coordinating and advancing ESG management in light of actual business conditions, facilitates the implementation of ESG strategies, targets, systems and key tasks, organizes report preparation and information disclosure, and allocates internal resources to follow up on continuous improvement;

Executive Deputy General Manager

Acting as the ESG Executive Representative, who oversees the advancement of corporate ESG work, coordinates key resources, and drives the research, decision-making and implementation of major ESG matters. **Supply Chain Director**: Serving as Executive Secretary, who takes charge of daily coordination, task execution, data compilation, progress tracking and cross-departmental collaboration, and arranges client ESG audits and relevant supporting services;

All Functional Departments and Business Departments

Implement ESG management requirements in line with respective responsibilities, provide relevant data, cases and supporting documents, and cooperate in issue rectification and continuous improvement.

Through multi-level role division, cross-departmental collaboration and closed-loop management, the ESG governance system of Sieyuan Toshiba achieves effective integration of strategic guidance and operational execution. It ensures efficient implementation of all ESG initiatives, and provides robust institutional and procedural safeguards for corporate stable operation and sustainable development.

Material Topics Management

To ensure the ESG report truly reflects the Company's operational impacts across environmental, social and governance fields and addresses the concerns and expectations of key stakeholders, Sieyuan Toshiba has established a systematic and standardized process for the identification and management of material topics. Adhering to the double materiality principle, this process takes into account both the significance of impacts on the environment and society, and the materiality to the Company's finance and operations, so as to conduct a comprehensive assessment of potential risks and opportunities posed by relevant topics at present and in the future.

Step 1: Communication with Stakeholders

The Company maintains regular communication with stakeholders including customers, government and regulatory authorities, suppliers and partners, employees, media, NGOs, industry associations and communities through diverse channels. It records ESG topics and specific demands raised by all parties and responds to their concerns in a timely manner. Meanwhile, the Company regularly reports stakeholder concerned topics and improvement progress to the ESG Management Department of Sieyuan Electric, ensuring smooth information flow and accurate alignment of strategy implementation. Stakeholder surveys and communications help align material topics identification with external expectations and truly reflect practical demands from society and the market.

Stakeholder Identification and Communication

Stakeholder	Concerned Topics	Communication and Response
Employees	Employee Rights and Interests Occupational Health and Safety Talent Cultivation and Development Compensation and Benefits Humanistic Care	Protect employees' legitimate rights and interests Improve compensation and welfare policies Build a training system and optimize promotion mechanisms Safeguard employees' occupational health and safety Strengthen cultural development and deliver care for employees
Customers	Faithful Performance and Business Continuity Scientific and Technological Innovation Product Quality High-Quality Services Information Security and Privacy Protection	Fulfill the contract in accordance with the law Increase R&D investment Improve product quality management Upgrade service capabilities Enhance information security management
Suppliers/Partners	Faithful Performance and Business Continuity Transparent Procurement Sustainable Supply Chain Development	Transparent procurement policies and rules Fulfill the contract in accordance with the law Supplier ESG training and empowerment
Government and Regulatory Authorities	Lawful and Compliant Operation Employment Promotion Full Tax Payment	Strengthen compliance management Improve operational profitability Pay taxes in accordance with the law

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Stakeholder	Concerned Topics	Communication and Response
Communities	Employment Promotion	Provide employment positions
	Community Development	Support community construction
	Public Welfare and Charity	Conduct public welfare and volunteer services
Media and Other Third Institutions	Environmental Protection	Information disclosure
	Corporate Responsibility	Thematic exchanges
	Public Welfare Practices	Collaborative projects
	Sustainable Development Performance	Public welfare initiatives
		Media communication and response

Step 2: Topic Identification

Combining its business model, sustainable development background, national policy guidelines and industry development trends, the Company systematically identifies ESG-related topics. The identification process covers environmental, social and governance fields, with reference to international standards, disclosure frameworks, industry best practices, expert advice and stakeholder feedback. It also takes into account the rights and interests of vulnerable groups and long-term sustainability, laying a solid foundation for comprehensive and scientific material topics identification.

Step 3: Materiality Assessment and Prioritization

Sieyuan Toshiba adopting the “double materiality” assessment approach:

Impact Materiality: Assess the depth and breadth of each topic’s impacts on the environment and society, including impact scale, irreplaceability and the number of affected groups.

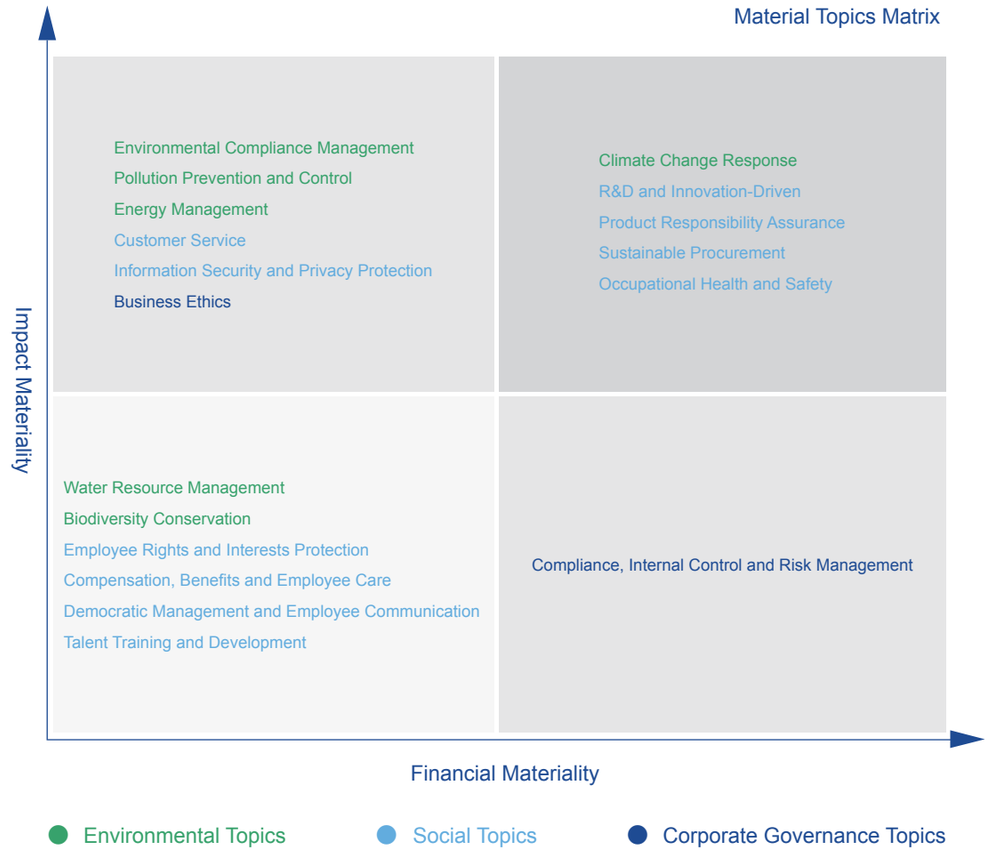
Financial Materiality: Evaluate the potential impacts of each topic on the Company’s strategies, financial performance and operational stability, including revenue volatility, compliance costs and reputational risks.

Combining questionnaire surveys, internal interviews, expert assessments and data analysis models, the Company ranks all topics comprehensively and finally develops a material topics matrix, which clearly illustrates the priority of each topic as well as its potential impacts on the Company and stakeholders.

Step 4: Topic Confirmation and Report Disclosure

The assessment results are reviewed by the Subcommittee of Sieyuan Toshiba Sustainability Committee, and then submitted to the Executive Deputy General Manager and the Sustainability Committee of Sieyuan Electric for review. Ultimately identified material topics are fully disclosed in the ESG Report, and aligned with annual work plans and sustainable development goals of all business departments. This establishes a closed-loop management mechanism covering topic identification and implementation.

Material Topics Matrix





02 Technology-led, Value Co-creation

15 Scientific and Technological Innovation
16 Product Quality
17 Customer Service
18 Information Security and Privacy Protection
19 Sustainable Supply Chain

Corresponding UN Sustainable Development Goals (UN SDGs) for this Chapter



Scientific and Technological Innovation

Scientific and technological innovation is the core engine of Sieyuan Toshiba's sustained competitiveness, as well as a key pillar driving the Company's green development and sustainable value creation. Supported by a strategy-oriented R&D system, backed by high-level scientific research teams and advanced experimental platforms, the Company continues to advance breakthroughs in key technologies, optimization of green processes and application of low-carbon materials, transforming technological innovation into an organic integration of economic benefits, environmental performance and social value.

R&D Management

The Company adheres to the principles of "scientific project initiation, controllable processes, and quantifiable outcomes" to ensure that R&D activities are closely aligned with Sieyuan Electric's strategic planning and market trends, while embedding ESG and sustainable development requirements into every stage of the R&D process. R&D efforts not only focus on enhancing core processes and product performance, but also delve into low-carbon production, energy conservation and consumption reduction, and the application of green materials, providing systematic technical support for the construction of zero-carbon and green factories.

R&D Focus Areas

Core Technology and Process Innovation	Green Materials and Low-Carbon Technology R&D	R&D Process and Outcome Management
Continuously optimize production processes to enhance product performance and energy efficiency, achieving production objectives of high reliability and low environmental impact.	Explore and apply eco-friendly materials and low-carbon processes to reduce carbon emissions in production links and drive the implementation of green manufacturing across the full product life cycle.	Establish rigorous R&D project management systems and intellectual property protection mechanisms to ensure the sustainability and commercialization of technological innovation, and develop quantifiable ESG performance indicators.

The Company attaches great importance to talent development and R&D capacity enhancement, and has fostered a high-quality R&D team with solid technical expertise, rich practical experience and a well-structured age hierarchy.

Innovation Achievements

The Company's R&D and innovation efforts have transformed into a number of high-value-added technological achievements, including patented technologies, new green materials and low-carbon solutions. These innovations have not only boosted the market competitiveness of products, but also delivered remarkable ESG value in energy conservation, emission reduction, carbon management and the promotion of green processes. Through internal evaluation, technology transformation and product application, the Company has formed a closed-loop transformation from technological innovation to economic, environmental and social value.

By the end of the reporting period

the Company obtained **6** newly authorized patents and **2** newly authorized invention patents

The total number of valid authorized patents reached **51**

including **10** authorized invention patents in total

Smart Factory Construction

The Company actively advances digital management and intelligent production, explores the application of renewable energy and optimized energy dispatching, and deeply integrates R&D innovation with green manufacturing, energy management, emission control and ESG indicators. The construction of smart factories enables visualized production processes, optimized energy efficiency and improved resource utilization efficiency, laying a solid technical foundation for the Company's long-term sustainable development and delivering lasting value to stakeholders.



Intelligent Production

Intellectual Property Protection

The Company regards intellectual property protection as a cornerstone for safeguarding innovation achievements and enhancing core competitiveness. Focusing on key links including R&D innovation, achievement transformation and market application, the Company continuously improves the mechanisms for the creation, utilization, protection and management of intellectual property, and realize in-depth integration between intellectual property management and technological R&D.

We promote the standardization, institutionalization and proceduralization of intellectual property management, and keep optimizing the processes of retrieval, layout, application, maintenance and utilization, so as to strengthen the capability to protect independent innovation achievements and market support capabilities. Meanwhile, we integrate intellectual property achievements with the standardization of product R&D and design, improvement of engineering service quality and rapid market response, ensuring efficient transformation of R&D results.

In 2025

no intellectual property violations occurred within the Company

Product Quality

Product quality serves as an enterprise's core competitiveness, customer trust and sustainable development capacity. Sieyuan Toshiba steadily advances the development of a systematic and standardized quality management system, and deeply integrates product quality, green manufacturing, low-carbon production with ESG requirements. It implements full-process closed-loop management covering R&D, production and delivery, and is committed to delivering high-quality products to customers.

Quality Management System

The Company strictly complies with the *Product Quality Law of the People's Republic of China* and other relevant laws and regulations. In accordance with ISO 9001: 2015, it has established a full-process quality management system covering product design, production processes, inspection and testing, as well as after-sales services. Centered on institutional constraints, standardized procedures and continuous improvement, the system ensures products meet stringent quality requirements throughout design, production, inspection and delivery, and systematically integrates the concepts of green manufacturing and low-carbon production into entire processes.

The Company regularly conducts internal audits and performance evaluations of the quality management system, and oversees the implementation of key procedures and rules to ensure that quality management measures are effectively implemented and form a closed-loop process. Through institutionalized, standardized and sustainable management, the Company continuously optimizes the quality system, and enhances process control capabilities, risk prevention and product consistency. **By the end of 2025, the ISO 9001: 2015 Quality Management System of the Company has remained effective.**



Quality Management System Certification Certificate

Quality Control Measures

Adhering to the philosophy centered on customer value and sustainable development, Sieyuan Toshiba has established a full life cycle quality control system covering R&D, procurement, production, delivery and product recycling, achieving an integrated balance of high quality, low carbon and green manufacturing.

Full Life Cycle Management of Products and Services	The Company prioritizes customers' health, safety and user experience, and systematically incorporates these elements into the full life cycle management of products and services. A closed-loop management chain featuring source control, in-process management and control, delivery assurance and continuous improvement has been established. With entire process monitoring and risk prevention and control, we steadily enhance the reliability, stability and safety of products and services.
Product Quality and Safety	Building on the existing quality management system, the Company keeps improving quality and safety management mechanisms in terms of supply chain collaboration, production process control, closed-loop resolution of customer issues and external safety feedback. Dynamic management and control of key working procedures, production equipment and inspection processes guarantees product quality stability and usage safety, effectively safeguarding the legitimate rights and interests of customers and consumers.
Quality Improvement and Enhancement	Through quality improvement projects and ongoing optimization initiatives, the Company adopts a variety of quality management tools and lean methodologies to improve the reliability of core products, delivery stability and production process management and control capabilities. These efforts not only meet customers' diverse demands, but also drive continuous innovation in low-carbon manufacturing and green processes.

Quality Culture Development

Sieyuan Toshiba deeply embeds high-standard quality management philosophy into corporate culture and upholds the core values of “Strive for Perfection, Put Customer First”. Through systematic training, case studies, internal publicity and performance appraisal, the Company integrates quality management requirements into employees’ daily work and job practices, ensuring all employees voluntarily comply with high-quality standards in production, R&D and service.

Full-Staff Quality Awareness

We foster employees’ understanding and sense of responsibility for product quality management, requiring all employees to proactively follow high-quality standards in daily operations and decision-making, and strengthens the conscious implementation of quality management objectives.

Incentives for Continuous Improvement

Leveraging performance appraisal, quality incentive mechanisms and closed-loop feedback, the Company motivates employees to continuously optimize workflows and product quality. Improvement outcomes are linked to ESG indicators to achieve synergistic progress in quality management, green manufacturing, and sustainable development goals.

With systematic training, incentives and code of conduct, Sieyuan Toshiba has built an all-round quality assurance mechanism covering rules, workflows and corporate culture, providing solid support for delivering high-quality products.

Customer Service

Sieyuan Toshiba puts customer demands at the core and regards customer experience and satisfaction as an important basis for continuous improvement, product optimization and sustainable development. In compliance with the unified customer service management requirements of Sieyuan Electric, the Company has established a full-process and closed-loop customer service system combined with its business characteristics. It ensures timely response, effective follow-up and closed-loop handling of customer requests, and incorporates customer feedback into the delivery of green manufacturing, low-carbon processes and ESG goals.

Customer Communication and Response

Sieyuan Toshiba attaches great importance to ongoing communication with customers and has established a systematic communication mechanism covering product technical requirements, application scenarios, problem feedback and improvement suggestions. Daily interactions help the Company promptly identify changes in customer demands and key concerns. For issues raised by customers, we organize internal coordination and cross-department collaboration to deliver rapid responses, conduct root cause analysis and ensure proper resolution, thus improving the timeliness and efficiency of problem handling.

The Company continuously optimizes the closed-loop management processes covering customer demand communication, complaint acceptance, technical support coordination and result feedback to ensure prompt responses to customer requests and deliver quantifiable improvement outcomes.

Customer Service Processes

Pre-sales Stage	We proactively learn about customers’ technical requirements, delivery schedules and on-site conditions. In combination with project implementation plans, we conduct delivery preparations and risk alerts to ensure smooth project execution and on-time product delivery.
In-sales Stage	We conduct full-process assurance in line with key delivery nodes, including on-site customer visits for major projects, timely alignment on demands, and oversight of production, inspection and shipment. This strengthens contract performance management, mitigates delivery risks and improves delivery reliability.
After-sales Stage	We follow the principle of “rapid response, standardized disposal, and closed-loop improvement”, and formulate service standards and emergency response procedures. Operates a 24-hour service hotline, maintains complaint ledgers, and conducts after-sales follow-up visits to promptly resolve any issues customers encounter during product use.

Customer Service and Suggestion Feedback Channels

Reception Tel: 021-61610502

Domestic Customer Hotline: 021-61610977 / 021-61610440

Overseas Customer Hotline: 021-61610149

After-sales Service Hotline: 4008763399

Email: webmaster@sieyuan.com

Customer Satisfaction Management

Sieyuan Toshiba continuously focuses of customers’ evaluations on product quality, issue resolution and collaborative support, and takes customer feedback as a key reference for management and process optimization. Through opinion collection, issue review, complaint handling and satisfaction surveys, the Company identifies service deficiencies, implements improvement measures, and enhances customer experience and service value.

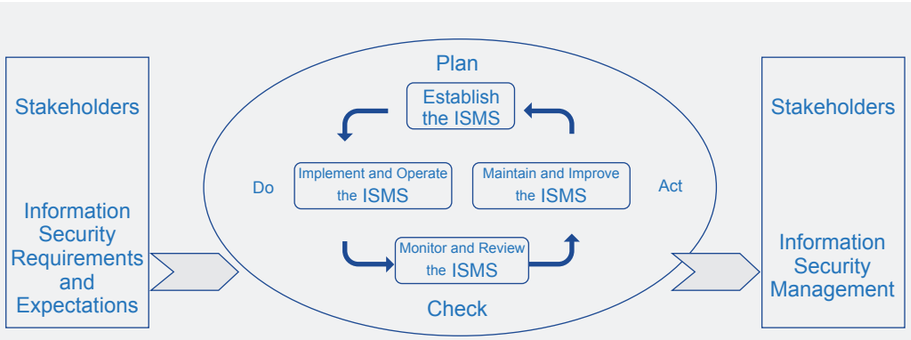
The Company conducts regular customer satisfaction surveys to extensively collect customer evaluations and improvement suggestions, gain in-depth insights into customers’ actual needs and business pain points, and apply the survey findings to optimize product R&D, manufacturing, eco-friendly processes and service procedures.

Information Security and Privacy Protection

Sieyuan Toshiba strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other relevant laws and regulations. It continuously improves a systematic information security and privacy protection management system covering information systems, business data, terminal devices and daily application scenarios.

Information Security Management

The Company conducts information security management in accordance with Sieyuan Electric's institutional documents including the *Information Security Management Manual, Information Security Risk Assessment Management Procedure, Business Continuity Management Procedure* and *Sensitive Data Management Measures*. It embeds information security requirements into business workflows, job responsibilities and daily operations, covering key scenarios such as account permissions, terminal usage, document sharing, external collaboration and system access. Through standardized ongoing management and employee security awareness training, the Company has consolidated the foundation of information security management. **During the reporting period, no information security incidents or personal data breaches occurred.**



Information Security Management System Model

Risk Prevention, Control and Security Protection

Combined with the characteristics of production, operation and informatization application, the Company continuously strengthens the identification, monitoring and protection of information security risks, with a focus on risk scenarios such as network intrusion, data leakage, system anomalies, terminal risks and unauthorized document distribution. Leveraging the unified information security management mechanism, the Company conducts risk assessments covering assets, threats, vulnerabilities and existing control measures. Targeted prevention, control and rectification measures are implemented based on risk levels to realize closed-loop risk management.

The Company continuously strengthens the development of system and cybersecurity infrastructure, including the deployment of intrusion detection, intrusion prevention and application firewalls. Daily controls are implemented concerning sensitive data encryption, access permission administration and business continuity assurance to minimize risks of data leakage, unauthorized access and business disruption.

In 2025

the coverage rate of sensitive data encryption and access control mechanisms both reached **100** %

The Company attaches great importance on ensuring business continuity, focusing on the stable operation and rapid recovery of critical systems, core data and key businesses amid abnormal incidents. It strives to minimize the impacts posed by information system risks on production, internal collaboration and customer service, and continuously improves the resilience and stability of its information security management system.

Privacy and Information Protection

The Company strictly abides by the principles of lawfulness and compliance, necessity minimization and authorized use to standardize the collection, handling, sharing and storage of information relating to customers, employees and business partners. For customer files, employees' personal data and sensitive information of partners, the Company enforces rigorous internal management procedures to prevent unauthorized over-collection, improper use or leakage of such information.

In document sharing and external collaboration, the Company specifies the purpose, scope and validity term of shared materials via approval procedures and access administration. It guards against information abuse and unauthorized dissemination through contractual restrictions, access administration and process control. Where there are changes to the purpose, processing scope or recipients of information sharing, the Company strictly follows notification and authorization procedures to ensure standardized and controllable information processing activities.

Information Security and Privacy Protection Training

The Company incorporates information security and privacy protection into daily management and continuous improvement initiatives. Through training, publicity, risk assessment, internal reviews and optimization of technical protection measures, it consistently raises employees' security awareness and enhances management efficiency. In addition, regular information security emergency drills are held to simulate system failures, anomaly handling and recovery verification scenarios. These exercises verify the effectiveness of the emergency response mechanism and improve capabilities in incident handling and business continuity assurance.

During the reporting period

the coverage rate of employee information security awareness training reached **100** %

In 2025, the Company actively responded to the information security awareness enhancement initiative of Sieyuan Electric and systematically delivered multiple rounds of training and compliance reviews:

Information security training: **5** sessions

Information security risk assessment: **2** times

Internal information security audit: **2** times

Sustainable Supply Chain

As an important pillar for business operation, green manufacturing and ESG strategy, Sieyuan Toshiba commits to developing a responsible and sustainable supply chain. In accordance with Sieyuan Electric's institutional documents including the *Supplier Development and Management Procedures*, the Company has established a full life cycle management system covering supplier access, contract performance management, performance appraisal and green upgrading. Through standardized procedures, risk prevention and control, and supplier capability empowerment, the Company facilitates efficient, transparent and low-carbon supply chain operation, laying a solid foundation for corporate sustainable development and long-term value creation.

Supply Chain Governance

Establishing a Responsible Supply Chain System

The Company integrates environmental, social and governance requirements into the entire procurement process, and builds a full life cycle closed-loop management mechanism covering supplier access, contract performance, performance appraisal and cooperation optimization. The procurement department performs its duties in system formulation, supplier development, component certification, procurement execution and capacity building, focusing on guaranteeing material quality, stable delivery, reasonable cost and supply resilience. Meanwhile, we actively identify and cultivate high-quality suppliers to reduce reliance on single-source suppliers, and continuously improve the overall stability and sustainability of the supply chain.

Optimizing Institutional and Process Management

In accordance with the supplier development and management specifications of Sieyuan Electric, the Company realizes systematic coordination of supplier development, certification, procurement, acceptance and performance management. Supplier development includes demand identification, market analysis, supplier assessment, sample approval, pilot production, qualified supplier approval and formal cooperation implementation, forming a full-process management system covering pre-entry, in-cooperation and post-access phases. Relying on standardized institutional workflows, the Company realizes standardized and transparent supply chain management that is deeply aligned with its ESG targets.

Supplier Access and Management

Supplier Access and Audit

The Company conducts systematic assessments of suppliers through qualification verification, on-site audits and sample evaluation, focusing on quality assurance capabilities, technical proficiency, supply guarantee capacity and compliance management foundations. For suppliers involved in environmental, safety and occupational health, the Company additionally reviews their environmental compliance, occupational health and safety conditions and supporting certifications, embedding ESG management requirements into the access process. All suppliers are required to sign the *Sieyuan Integrity and Compliance Clauses* and comply with the *Sieyuan Business Partner Compliance Management Measures*, so as to strengthen their awareness of integrity, responsibility, and compliance.

Supplier Performance Appraisal

The Company extends supplier management to full life cycle performance management and conducts regular performance reviews and annual audits. The evaluation covers quality management, supply chain management, technical competence and risk control, and then complied a qualified suppliers list. For key suppliers, we place extra emphasis on their quality assurance capacity, production capacity guarantee and environmental management performance, urge rectification and continuous improvement, and strengthen supply chain resilience.

Digitalization and Risk Monitoring of Supply Chain

Leveraging digital management tools, the Company conducts real-time monitoring on suppliers' key performances, environmental emissions and delivery reliability to build a visualized supply chain and early warning mechanism. We focus on risks such as single-source supply, environmental violations and safety incidents. Supported by data analysis and dynamic assessment, we realize proactive risk prevention, closed-loop problem handling and continuous improvement, so as to safeguard the stable and sustainable development of the supply chain.



Green Supply Chain

Promoting Green Procurement

The Company practices green procurement philosophies, embedding requirements for environmental friendliness, resource conservation, low-carbon and recyclable requirements into the entire procurement process. Procurement contracts clearly stipulate that suppliers must comply with national laws and regulations on environmental protection, pollutant emission and occupational health and safety. Suppliers are required to adopt energy-saving and eco-friendly processes, and refrain from using nationally phased-out equipment, outdated technologies and hazardous substances, to drive the green upgrading of the supply chain.

Deepening Green Supply Chain System Development

The Company integrates the green and low-carbon philosophy into supply chain development plans and supplier evaluation criteria, and implements systematic management across procurement, production, logistics and product recycling:
Procurement: Prioritize eco-friendly materials and low-carbon services to ensure raw materials comply with green manufacturing standards.
Production and Logistics: Identify, manage and control the environmental performance of suppliers in production and transportation, so as to ensure controllable energy consumption, emissions and resource efficiency.
End of Product Life Cycle: Promote modular design, classified management of components and optimized recyclability to reduce environmental impacts and build a closed-loop green supply chain.

The Company has obtained the Green Supply Chain Management System Certification and maintains the validity of the certificate continuously.


绿色供应链管理体系认证证书

常州思源东芝变压器有限公司
绿色供应链管理体系符合GB/T 33635-2017《绿色制造 制造企业绿色供应链管理 导则》标准

注册地址：江苏省常州市武进区中路26号
经营地址：江苏省常州市武进区中路26号
生产地址：江苏省常州市武进区中路26号

认证范围：变压器、电抗器的设计、制造，经营过程所涉及的绿色供应链管理活动

统一社会信用代码：91320406789853318F
证书编号：04324GSC00048IM-0
初次发证日期：2024年06月21日
发证日期：2024年06月21日
有效期至：2027年06月20日


GREEN SUPPLY CHAIN MANAGEMENT SYSTEM CERTIFICATION CERTIFICATE

Changzhou Sieyuan Toshiba Transformer Co., Ltd.
The Green Supply Chain Management System Conforms to the Standard
GB/T 33635-2017 Green Manufacturing-Green Supply Chain Management in Manufacturing Enterprise-Guideline

Registered Address: NO. 26 Chunjiang Middle Road, Changzhou City, Jiangsu Province
Business Location: NO. 26 Chunjiang Middle Road, Changzhou City, Jiangsu Province
Production Address: NO. 26 Chunjiang Middle Road, Changzhou City, Jiangsu Province

Certified Scope: Green supply chain management activities involved in the design, manufacturing, and operation of transformers and reactors

Unified Social Credit Code：91320406789853318F
Registration No.：04324GSC00048IM-0
First Issuing Date：21 Jun. 2024
Issuing Date：21 Jun. 2024
Expiration Date：20 Jun. 2027

Green Supply Chain Management System Certification Certificate

Supplier Collaboration and Capacity Improvement

Promoting Continuous Supplier Improvement

The Company prioritizes long-term, stable and synergistic partnerships with suppliers. Based on suppliers' performance in quality control, production capacity, process management and abnormality handling, the Company develops and implements targeted capability improvement plans. For non-conformities arising from incoming materials, in-house production processes and customer end usage, the Company conducts root cause analysis, on-site guidance and corrective improvements to steadily elevate suppliers' quality management capabilities and contract performance reliability.

Strengthening the Empowerment of Procurement Team and Suppliers

The Company continuously strengthens capacity building for its procurement team and delivers systematic training on sustainable procurement covering core areas including code of business ethics, environmental protection requirements, social responsibility compliance, green procurement standards and supply chain compliance management, so as to comprehensively upgrade the professional competence of procurement team and facilitate the implementation of Sieyuan Electric's *Sustainable Procurement Policy*. Meanwhile, the Company expands its training and empowerment scope by providing ESG training for cooperative suppliers, helping them improve occupational safety management and environmental governance capabilities, and jointly build a green, compliant and responsible supply chain ecosystem.





03 Green and Low-Carbon, Ecological Responsibility

22 Environmental Compliance Management
23 Pollution and Waste Treatment
24 Resource Management
26 Climate Change Response
28 Green Products

Corresponding UN Sustainable Development Goals (UN SDGs) for this Chapter



Upholding the development philosophy of innovation, coordination, green development, openness and sharing, Sieyuan Toshiba has established a sound long-term mechanism for green development. It fully integrates green and low-carbon development into its business strategy and systematically advances ecological conservation and sustainable development.



Green Factory Medal

Environmental Compliance Management

Environmental Management System

Sieyuan Toshiba strictly complies with the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations. It has formulated internal rules and procedural systems including the *EHS Monitoring and Measurement Control Procedure*, and fully embedded environmental protection management and control requirements into all production and business activities as well as supply chain management, so as to prevent and effectively mitigate adverse environmental impacts from business operations at the source. The Company conducts regular reviews of the EHS management system to systematically assess its applicability, adequacy and effectiveness. The review covers core dimensions including environmental management and control, occupational health and safety, compliance risk control, resource allocation and target delivery. In light of updated laws and regulations, internal and external audit results and stakeholders' demands, we identify management deficiencies and improvement opportunities, formulate closed-loop rectification and optimization plans, continuously refine the EHS management framework and consolidate the foundation for green and safe operation.

A dedicated Green Development Management Committee has been set up to oversee the formulation of overall green development plans and build a complete supporting management system. We carry out regular publicity and implementation supervision via diverse forms and channels to ensure green and low-carbon requirements are implemented across all business segments and daily work of all employees. Meanwhile, we actively deepen exchanges and cooperation on green development with external stakeholders. By leveraging the value unification and strategic guiding role of green development philosophy to align consensus among all employees and jointly foster a sustainable development framework.

By the end of the reporting period, the Company has maintained the validity of the ISO 14001: 2015 Environmental Management System certification certificate.



ISO 14001: 2015 Environmental Management System Certification Certificate

Environmental Risk Management and Control

Sieyuan Toshiba formulates and implements the *Environmental Factors Identification*, *Evaluation and Control Procedure*, which covers all products, all production and operational activities of the Company. Environmental factors are comprehensively identified in the past, at present and in the future, three operational states of normal, abnormal and emergency, and eight categories including atmosphere, water bodies, soil, noise and solid waste, etc. The Company adopts a multi-factor scoring method to grade and evaluate environmental factors related to energy, resources and other categories. Significant environmental factors are defined based on scoring thresholds and managed via a dynamic inventory system. Targeted management and control measures, dedicated management plans and regular supervision and inspections are implemented for such factors. Re-identification and updates are conducted timely in cases of regulatory revisions, process adjustments, new project launches and rising stakeholder complaints. Clear responsibilities are assigned to the EHS Department and all functional departments. The entire process system for environmental risk identification, evaluation, management and control, and dynamic updating is continuously optimized to effectively prevent, manage and control environmental risks throughout business operations.

The Company defines full-process management covering the emergency organizational structure, risk monitoring and early warning, information reporting, emergency monitoring, graded response and post-incident recovery for environmental emergencies. It improves safeguards for emergency funds, materials, response teams and communications, carries out regular training and drills, implements post environmental safety responsibilities, and enhances capabilities in environmental risk prevention and control as well as emergency response to environmental incidents, so as to safeguard the ecological environment safety of the factory and surrounding areas.

Environmental Culture Development

The Company deeply integrates the green and environmental protection philosophy into daily operations, and conducts regular environmental protection training to enhance employees' awareness of environmental compliance and professional competency. This helps transform institutional environmental requirements into voluntary codes of conduct for all employees.

In April 2025, the Company delivered a specialized training on green standards, focusing on the publicity and implementation of *Technical Specification for Eco-design Product Assessment of Transformers* (GB/T 40092-2021). The training elaborated on eco-design requirements, green evaluation indicators, full life cycle environmental protection management and control, and energy conservation and carbon reduction regulations for transformers. By embedding the concepts of green design, low-carbon production and source emission reduction into product life cycle management, we have further consolidated the foundation of green manufacturing.

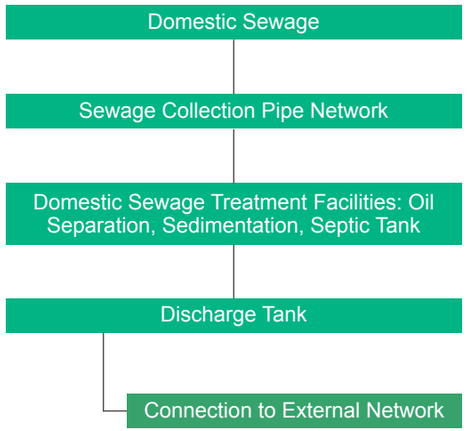


Environmental Protection Training

Pollution and Waste Treatment

Wastewater Treatment

No process wastewater is generated or discharged during production. Wastewater on the factory mainly consists of boiler drainage, cooling system drainage and domestic sewage. Boiler and cooling system drainage are directly discharged into the park sewage pipe network. After pre-treatment via septic tanks, domestic sewage is combined with the aforesaid drainage and delivered through the pipe network to the park wastewater treatment plant for centralized disposal, ensuring full compliance with discharge standards.



Wastewater Treatment Process Flow Chart

Waste Gas Treatment

The Company adheres to the compliance bottom line for air pollution prevention and control and strictly observes the *Air Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations. Equipped with supporting waste gas treatment facilities, it strengthens the full-process management of organized and unorganized waste gas to elevate the overall treatment of air pollutants. The Company has formulated a *Self-Monitoring Plan* and regularly entrusts qualified third-party institutions to monitor air pollutant emissions, ensuring all discharge indicators always meet environmental standards.

Waste Gas Type	Pollution Source	Pollutants	Prevention and Control Measures
Organized Emissions	Steam boiler waste gas	Nitrogen oxides	The boiler uses clean natural gas for heating and adopts low-NO_x combustion technology. The waste gas is discharged through a 15-meter-high stack (DA001).
Unorganized Emissions	Drying waste gas from transformer body	Non-methane total hydrocarbons	Improve the sealing performance of the drying room and the air extraction efficiency of the vacuum pump. Maintain negative pressure inside the drying room to reduce the escape of unorganized emissions.
	Ethanol waste gases are generated during partial surface cleaning of products with alcohol.	Ethanol, non-methane total hydrocarbons	Strengthen management and standardize operation procedures. Reduce the opening frequency of the workshop door to minimize unorganized emissions; Improve the indoor air environment by enhancing ventilation.
	Odorous gases generated by domestic sewage treatment facilities	Ammonia, hydrogen sulfide, odor	The domestic sewage treatment facilities are reasonably located, with improved tank sealing, enhanced surrounding greening, and regular sediment removal to reduce odor emissions.

Waste Treatment

The Company has formulated the *Waste Management and Control Procedure* to standardize the entire process of collection, classification, storage and transportation of all types of waste from an institutional perspective, ensuring waste management complies with applicable national and local environmental laws, regulations and standards.

A dedicated warehouse is established for hazardous solid waste, where such waste is stored in separate enclosed areas to prevent open-air stacking. Anti-seepage and anti-runoff measures are implemented on the floor of the storage area to effectively avoid environmental leakage risks of solid wastes.

In addition, the Company actively taps into the resource recovery potential of high-value-added waste and continuously expands recycling channels to minimize the environmental impact of waste disposal on surrounding ecosystems. Recyclable wastes including scrap timber, discarded pallets, scrap metals and waste plastic packaging are collected in a standardized manner and sold externally as recycled raw materials, maximizing resource circularity and economic value of waste.



Hazardous Waste Warehouse

In addition, the Company provides professional training for personnel in charge of hazardous waste management to enhance their capabilities in compliant operation, classified storage and standard disposal. Regular emergency drills for hazardous waste leakage are conducted to optimize emergency procedures and coordination response mechanisms, so as to improve the capacity for early warning, on-site handling and risk prevention and control of sudden environmental incidents.

Noise Treatment

The main noise sources of the Company are various production equipment in workshops. In view of the characteristics of noise sources, low-noise equipment is prioritized during factory planning and equipment procurement to reduce inherent noise at the source. Meanwhile, a standardized equipment maintenance mechanism is in place to sustain stable equipment operation and prevent excessive noise generated by abnormal operating conditions.

Vibration and noise-generating equipment such as machine tools are mounted on massive concrete bases fitted with vibration-isolation pads to effectively reduce secondary noise resulting from vibration transmission. For individual high-noise equipment inside workshops, comprehensive treatments including sound insulation, vibration damping and noise elimination are implemented concurrently. In addition, trees are planted around the factory and workshops to build noise-reducing green belts and further mitigate noise impacts at the factory boundary.

The factory boundary noise complies with Category 3 requirements specified in the *Emission Standard for Industrial Enterprise Boundary Environmental Noise* (GB12348-2008). In accordance with environmental management requirements, qualified third-party institutions are regularly commissioned to conduct noise monitoring, and all test results meet relevant standards.

Resource Management

Water Resource Management

Sieyuan Toshiba strictly abides by the *Water Law of the People's Republic of China, Water Conservation Regulations* and other relevant laws and regulations. The Company continuously improves the water conservation management system and promotes new water-saving processes and technologies to reduce reliance on water resources and the risk of water shortage, so as to realize economical, intensive and efficient utilization of water resources. It has installed water metering devices and water safety facilities matching the production scale, and conducts water conservation assessment in strict accordance with the *Guidelines for the Evaluation of Water-saving Enterprises* (GB/T 7119-2018) to refine water management and cut water consumption. A wastewater treatment station has been built to treat wastewater for reuse in production, landscape maintenance, greening and road washing. Calculations show that the annual recycled wastewater volume reaches 8,598 tons, with a wastewater reuse rate of 30.86%.

In April 2025, the Company launched specialized training on water resource management, focusing on the standards and management requirements specified in *Guidelines for the Evaluation of Water-saving Enterprises* (GB/T 7119-2018). Through professional publicity and clause interpretation, all employees have strengthened awareness of water conservation responsibilities and gained a clear understanding of work norms concerning water resource management and control, efficient utilization and the development of a water-saving enterprise.

Energy Management

Sieyuan Toshiba adheres to the energy management policy of "Comply with laws and regulations, promote energy conservation and consumption reduction, build a green enterprise, and pursue continuous improvement and innovation". In strict accordance with the ISO 50001: 2018 Energy Management System standard, the Company has formulated core documents including the *Energy Management Manual* and *Energy Utilization Management Rules*, and established and effectively operated a full-process energy management system covering all energy consumption scenarios in production, auxiliary and supporting activities. It standardizes management and control procedures for energy review, benchmark setting, performance monitoring, data statistics and compliance evaluation, ensuring the standardized, regulated and systematic implementation of energy management.



Energy Management System Certification Certificate

To strengthen organizational support for energy management, the Company has established a three-tier energy management structure and set up a dedicated energy conservation and emission reduction working group led by the Company's senior management as group leader and deputy group leader respectively. The working group coordinates the development of a sound energy management system and takes overall charge of the arrangement, supervision, inspection, coordination and implementation of routine energy management activities. Clarified job responsibilities at all levels help foster an energy management framework featuring top-down coordination and full-staff participation.

Responsibilities of the Energy Management Team

- Establish, implement, maintain and continuously improve the energy management system in accordance with relevant standards;
- Report energy performance and the operation status of the energy management system;
- Formulate effective energy management activities (including energy review, energy benchmarks, energy performance indicators, energy targets, indicators and management plans) to implement the energy policy;
- Be responsible for monitoring energy performance and conducting compliance evaluation;
- Raise all employees' awareness of the energy policy and energy objectives;
- Support all departments in energy management and facilitate the effective operation of the system;
- Develop rules and methods to ensure effective control and operation of the energy management system.

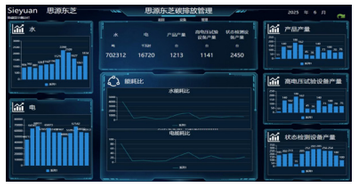
The Company strictly implements the breakdown of energy objectives and indicators as well as the annual assessment mechanism. It completes the analysis of overall energy consumption structure and energy efficiency evaluation of major energy-consuming equipment, accurately identifies weaknesses in energy-consuming control and potential for energy saving, so as to clarify the direction of energy conservation work. In response to energy consumption fluctuations caused by new factory construction and other factors, the Company conducts timely traceability analysis and formulates targeted management and control measures to keep energy consumption stable. Meanwhile, we plan and carry out energy-saving renovation projects including equipment upgrading, process optimization and distributed photovoltaic construction to steadily improve energy utilization efficiency.

Digital Energy Management

The Company has built a smart energy management system to realize automatic meter reading and collection of various energy-consuming data. An analytical and early warning monitoring system for energy consumption is established to enable real-time monitoring and intelligent management and control over the entire energy management process and actual energy use. Through regular collection and in-depth analysis of energy consumption data, we continuously optimize energy management measures and steadily improve energy performance.



Smart Energy Management System



Smart Carbon Emission Management System

Energy Conservation Projects

The Company has carried out frequency conversion energy-saving renovation on traditional air compressors. Actual operational data shows that the overall power consumption of air compressors has decreased by an average of 25%, effectively cutting regular equipment energy use. To manage and control power consumption of electric forklift charging, timing switches are installed on the main power supply of forklift chargers, restricting charging hours to 24:00 to 08:00 every day. This policy leverages off-peak electricity prices and optimizes power load, while eliminating idle power loss caused by unattended chargers outside designated hours, achieving refined power management and energy conservation. A steam condensate recovery plan is also implemented to recycle part of the heat from cooled condensate for hot water supply, reducing natural gas consumption.

Energy Structure Transition

The Company actively promotes the green transition of energy structure. Making full use of idle rooftop areas, a 1.4 MW distributed rooftop photovoltaic power station has been completed together with a supporting smart micro-grid system. It efficiently harnesses solar energy and increases the proportion of self-used renewable energy.



Rooftop Photovoltaic

Enhancement of Energy Conservation Awareness

The Company regularly organizes specialized training sessions on energy conservation and emission reduction to systematically disseminate relevant knowledge and operational specifications for energy conservation, consumption reduction and low-carbon environmental protection. Meanwhile, standardized energy conservation posters and reminder signs are posted at key locations including office areas, production workshops and corridors to foster a corporate culture of full-participation in resource conservation. Such initiatives guide employees to develop good habits of economizing electricity, water and consumables, and consolidate staff awareness of energy conservation and emission reduction responsibilities.



Energy Conservation Signs

The Company held an energy management training in March 2025. Focusing on the core contents of the *Energy Management Manual* and *Procedural Documents of the Energy Management System*, the training systematically interpreted management responsibilities, process specifications and operational requirements. It helped department heads gain a deeper understanding of relevant system standards, and enhanced their awareness of energy management and improve performance capabilities.



Sieyuan Toshiba Conducted the Net-Zero Carbon Factory Construction

Sieyuan Toshiba regards low-carbon and sustainable development as an important part of enhancing its core competitiveness. Having been certified as a Green Factory in Changzhou, the Company has established a dedicated net-zero carbon factory management team and compiled its medium and long term development plan. Targeting the construction of factories with low energy consumption and ultra-high energy efficiency to build a near net-zero carbon factory, we continuously explore new energy conservation and low-carbon technologies, processes and energy sources to tap further potential for energy conservation and carbon emission reduction.

Projects for Net-Zero Carbon Factory Construction

- Adopt advanced production equipment and carry out automation transformation;
- Apply energy-saving light sources such as LED light;
- Strengthen the management of office lighting;
- Implement frequency conversion transformation for air compressors;
- Install timing switches on the main power supply of electric forklift chargers;
- Establish an intelligent information management system for energy and carbon;
- Entrust third-party institutions to conduct greenhouse gas accounting, verification and product carbon footprint calculation;
- Promote the utilization of renewable energy;
- Apply for the certification of Near Net-Zero Carbon Factory in 2025 in accordance with the *Evaluation Indicator System for Near Net-Zero Carbon Factories of Changzhou.*

In May 2025, the Company organized training on net-zero carbon factory development for management staff, production personnel and energy management employees. The training systematically covered standards for net-zero carbon factory construction, energy structure optimization and carbon asset management, consolidating talent and management support for the steady advancement of net-zero carbon factory development and improvement of the low-carbon governance system.

Climate Change Response

Governance

Sieyuan Toshiba fully integrates climate change response into its sustainable development strategy and daily operation management system. A dedicated net-zero factory management team has been set up to conduct overall assessment and supervision on climate-related impacts, risks and opportunities. Under the unified arrangement of Sieyuan Electric, the Company has formulated climate change response goals, specialized plans, management systems and performance assessment indicators, and steadily implemented various practices implementation for energy conservation, emission reduction and low-carbon transition.

Strategies

Climate change poses impacts on enterprises, including operational disruptions caused by physical risks such as extreme weather, as well as structural transition risks arising from policies, markets, technologies and reputational issues during the low-carbon transition. Meanwhile, innovations in green and low-carbon technologies also bring new development opportunities, facilitating product structure upgrading, higher resource utilization efficiency and coordinated development of green supply chains.

With reference to the *Self-Regulatory Guidance No. 3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Report (Revised 2026)* and *International Financial Reporting Standards Sustainability Disclosure Standards 2–Climate-related Disclosures (IFRS S2)*, Sieyuan Toshiba systematically assesses the impacts of climate change on corporate value creation, business models and industrial value chains. The Company sorts out the transmission paths of relevant risks and opportunities, analyzes their potential effects on key financial indicators, and formulates targeted response measures, so as to fully integrate climate risk management with corporate strategy implementation.

Climate Change Risks/Opportunities Impact Analysis and Response Measures

Type	Category	Description	Value Chain Impact	Potential Financial Impact	Impact Period	Impact Level	Response Measures
Physical Risks	Acute Physical Risks	• Extreme weather such as rainstorms and floods may cause equipment damage, production interruption, logistics disruption and delivery delays	Upstream Production and Operation	Increased operating costs	Short to medium term	Medium	• Formulate emergency plans for extreme weather with clear response procedures, personnel allocation and material deployment; • Conduct Company-wide emergency drills to enhance employees' emergency handling, risk avoidance and mutual rescue capabilities.
	Chronic Physical Risks	• Long-term temperature rise may lead to water shortage and higher water consumption costs.	Production and Operation		Long term	Low	• Continuously optimize production processes and replace with water conservation equipment; • Establish a scientific water metering system, identify abnormal water consumption through data analysis and provide data support for water conservation plans.
Transition Risks	Policy/Legal Risks	• Stringent policies and regulations on climate change mitigation are issued at home and abroad.	Production and Operation Downstream	Increased operating costs	Short term	Medium	• Closely monitor updates on domestic and overseas environmental and carbon policies; • Carry out full life cycle product carbon footprint verification, expand the scope of relevant assessment and certification, and keep track of international trade requirements on carbon emissions.
	Market Risks	• Rising market demand for green and low-carbon products and services. Slow response may undermine market competitiveness and customer access.	Upstream Production and Operation Downstream	Increased operating costs	Medium to long term	Medium	• Develop low-carbon product lines to meet customers' procurement standards; • Apply for certifications for green, energy conservation and low-carbon products to obtain market access qualifications.
	Technological Risks	• Insufficient development and application of green and low-carbon technologies may weaken product competitiveness.	Production and Operation	Increased operating costs	Medium to long term	High	• Increase R&D investment and accelerate technological iteration, and cut carbon emissions through process optimization.
	Reputational Risks	• Stakeholders set higher requirements for climate change response. Improper response will damage corporate reputation.	Production and Operation Downstream	Decreased operating revenue	Short to medium term	Low	• Publish ESG reports on a regular basis and strengthen communication with all stakeholders to improve information transparency.
Opportunities	Resource Efficiency	• Improve resource utilization efficiency through energy-saving transformation, equipment optimization and digitalized energy and carbon management.	Production and Operation	Decreased operating revenue	Medium to long term	Medium	• Continuously advancing energy-saving transformation, energy efficiency improvement projects and the development of digital management platforms.
	Supply Chain Collaboration Opportunities	• Enhance supply chain resilience through collaborative emission reduction and green procurement across the supply chain.	Upstream Production and Operation	Decreased operating costs, increased operating revenue	Long term	High	• Implement green supplier management and build a sustainable supply chain.

Impacts, Risks and Opportunities Management

The Company has established and continuously upgraded a full-process management system for identifying, assessing and managing climate-related impacts, risks and opportunities, supported with standardized management processes and internal control requirements. This ensures timely and comprehensive identification, scientific and objective assessment, effective implementation of response measures and long-term dynamic monitoring of climate risks.

Centering on the entire value chain, the Company conducts climate risk inspection. Combining external policies, regulations, market environment, industry low-carbon transition trends, extreme climate incidents and internal production and operational data, we compile a climate-related risks and opportunities list. By optimizing rules and procedures, improving data ledgers, clarifying job responsibilities, strengthening review at key nodes and implementing closed-loop issue management, we enhance the standardization, proceduralization and traceability of climate governance. For identified major climate risks, dedicated response plans are formulated and incorporated into annual business plans and performance appraisal. Climate considerations are systematically integrated into daily business decision-making and continuous optimization of production and operation.

Indicators and Targets

Sieyuan Toshiba has entrusted professional institutions to conduct specialized verification of corporate GHG emissions in strict compliance with international accounting standards and management norms including ISO 14064 and the GHG Protocol. This lays a solid and reliable data foundation for carbon reduction target setting, carbon emission performance evaluation, climate risk management and external disclosure of sustainability information. Meanwhile, the Company keeps improving its product carbon footprint management system and advances product carbon footprint certification in accordance with ISO 14067. It provides verifiable, comparable and traceable carbon emission data for upstream and downstream customers and partners, effectively facilitating the implementation of green procurement, eco-design of products and access to low-carbon markets. The carbon footprint assessment for the 240MVA/220kV power transformer was completed in August 2025.

The Company also strengthens capacity building for carbon management personnel. In July 2025, training on *GHG Verification Standards* was organized, covering core specifications such as ISO 14064 for GHG accounting and verification, and *Part 10 for Carbon Emission Accounting and Reporting Requirements: Machinery and Equipment Manufacturers* (GB/T 32151.29-2023). The training focused on key aspects including definition of GHG accounting boundaries, identification of emission sources, data quality management, accounting methodologies and report preparation. It standardizes the quantification, accounting and full-process verification of GHG emissions, and improves the authenticity, standardization and transparency of carbon emission data.

2025 Greenhouse Gas Performance

Direct GHG Emissions (Scope 1): **662.76** tCO_2e

Indirect GHG Emissions (Scope 2): **1394.98** tCO_2e

Green Products

The Company fully integrates eco-design concepts into the entire product design process, and ensures the implementation of green design through sound systems and procedures. We formulate dedicated briefs, plans and input checklists for green product design and development, together with corresponding review and verification reports. Environment-friendly materials and low-impact manufacturing processes are rigorously screened to comprehensively advance the realization of eco-friendly product targets.



Product Energy Conservation Certificate

In raw material selection, the Company prioritizes recyclable raw materials to ensure efficient material recovery and circular reuse during production and at the end-of-life stage of products from the source, curbing resource waste and alleviating environmental burdens. Meanwhile, the Company adopts high-efficiency production processes and technologies to steadily advance energy and resource conservation, striving to achieve dual green progress in both manufacturing processes and finished products and practice the green development philosophy.

Sulfur hexafluoride (SF_6) serves as a key insulating and arc extinguishing gas for our equipment. However, SF_6 leakage throughout production and the product life cycle will cause substantial adverse impact to the atmosphere and the ozone layer. To pursue green and low-carbon development, we have prioritized the R&D of SF_6 alternative technologies to mitigate greenhouse gas emissions and environmental hazards at the source. We have introduced advanced fully automatic high-vacuum SF_6 recovery devices to thoroughly recycle SF_6 generated during product testing and reduce atmospheric emissions. Meanwhile, we keep investing manpower and R&D funds in developing eco-friendly insulating gases to gradually replace traditional SF_6.

The insulating oil we use is refined from vegetable oil, complying with the OECD 301 biodegradability and IEC 61039 complete biodegradability standards. It is non-toxic and non-volatile, certified by UBA with no risk of water contamination, and its environmental performance is also qualified under RoHS certification, featuring green safety and environmental friendliness.



04 Employee Care, Growth Empowerment

30 Rights and Interests Protection
30 Welfare and Care
32 Training and Development
34 Occupational Health and Safety

Corresponding UN Sustainable Development Goals (UN SDGs) for this Chapter



Adhering to the people-oriented development philosophy, Sieyuan Toshiba prioritizes employees' growth and well-being and strives to build an equal and inclusive workplace. The Company continuously optimizes the talent cultivation and career development system, establishes hierarchical and categorized training platforms and unblocks career development paths. Through regular training and on-the-job experience, we empower employees improve their professional competencies and overall literacy.

Rights and Interests Protection

Compliant Employment

The Company always regards employees as its most valuable asset and the fundamental source of core competitiveness. We firmly oppose all forms of discrimination, maltreatment, infringement and harassment against employees, and strictly prohibit child labor, human trafficking and other irregular practices.

The Company safeguards employees' right to reputation and personal dignity in accordance with applicable laws and prohibits any infringement upon personal dignity and reputational rights and interests by way of insult, defamation, and privacy disclosure. It strictly protects employees' freedom of career selection and the right to resign, and prohibits forced labor through withholding personal certificates, collecting security deposits or restricting personal freedom. All labor contracts are executed based on equality and mutual consensus through negotiation, allowing employees to independently plan their career development under legal protection.

The Company respects employees' legal rights to freedom of association and collective bargaining, as well as their choice not to participate in relevant activities. We support trade unions and their members in conducting lawful activities and strictly abide by collective bargaining agreements. Employees who encounter or become aware of any violation of labor rights may file reports to the Human Resources Department or the trade union in accordance with relevant regulations.

Equality and Inclusion

Upholding the values of equality and inclusion, the Company takes gender equality as a core guiding principle and strictly implements the equal pay for equal work policy for male and female employees. Female staff are entitled to equal rights as their male counterparts in compensation, promotion, performance appraisal and vocational training, eliminate all forms of gender-based compensation discrimination, job restrictions, or career barriers. Tailored to female employees' physical characteristics and practical demands, the Company has rolled out exclusive benefits within its welfare system to effectively enhance female employees' sense of belonging and happiness.

The Company fully complies with the *Law of the People's Republic of China on the Protection of Women's Rights and Interests* and the *Special Provisions on Labor Protection for Female Employees* to safeguard the legitimate rights and interests of female employees. Discriminatory practices such as dismissing female employees, unilaterally terminating labor contracts, cutting salaries or reassigning posts on the grounds of marriage, pregnancy, maternity leave or breastfeeding are explicitly forbidden.

To further express respect, care and best wishes for female employees, the Company organizes annual activities for International Women's Day. Through a variety of engaging activities, we not only honor the dedication and contributions of female employees in their work but also prioritize their physical and mental healthy as well as personal growth, fostering a positive corporate atmosphere of respecting, caring for and supporting women's career development.



International Women's Day Activity

Welfare and Care

Compensation and Benefits

Sieyuan Toshiba adopts a compensation system featuring grading by position, salary determination by grade, matching of personnel to positions, and salary adjustment with position changes. It implements a value distribution mechanism that links individual performance bonuses to the overall corporate performance, oriented toward individual and organizational performance, with preferential treatment for dedicated employees and outstanding contributors.

Bonuses are comprehensively assessed and distributed based on current operating benefits, performance of each department and individual employee performance. Upholding a performance-driven approach, we encourage excellence, collective endeavor, and rewards high performers and diligent staff, and realize co-creation and sharing of value.

In addition, the Company has developed a diversified employee welfare system to fully protect employees' rights and interests and enhance their sense of belonging and job happiness. We legally pay social insurance and housing fund for all employees. A full range of additional benefits are also provided, including supplementary commercial insurance, annual physical examinations, holiday and birthday consolations. These measures help build a harmonious working environment and further strengthen team cohesion and unity.

Welfare System

Basic Social Insurance and Housing Fund	The Company contributes to employees' social insurance and housing fund in compliance with national laws, regulations and local government rules.
Commercial Insurance	Eligible employees are provided with commercial personal accident insurance and traffic accident insurance.
Group Critical Illness Insurance	Employees may voluntarily enroll in the group critical illness insurance according to personal needs.
Leave Entitlements	Annual leave, personal leave, sick leave, marriage leave, bereavement leave, prenatal examination leave, breastfeeding leave, paternity leave (nursing leave) and parental leave.
Housing Loan	The Company offers housing loans for eligible employees to purchase residential properties.
Physical Examination	Regular physical examinations are arranged to safeguard employees' physical health.
Other Welfare Benefits	Subject to business performance, the Company provides various benefits including annual Team tours, festival allowances, wedding bonuses, maternity allowances, birthday gifts, fitness and recreational facilities. A wide range of cultural and sports activities are also organized for employees.

Employee Care

The Company is committed to fostering a positive and vibrant workplace culture, prioritizing employees' physical and mental health as well as quality of life, and helping them strike a healthy work-life balance. In 2025, we organized a variety of corporate culture and employee care activities covering recreation, stress relief and team building. These initiatives not only effectively help employees relieve work stress and relax both physically and mentally, but also foster closer relationships and enhance mutual communication and trust among employees.



Employee Activities



Training and Development

Employee Training Management

Adhering to a forward-looking talent development philosophy, Sieyuan Toshiba has formulated rules and regulations including the *Training Management Procedures* and *Training Implementation Details*. We have built a learning and development system covering all employees throughout their career life cycle. Focusing on cultivating core talents aligned with corporate business goals and medium to long term strategies, the Company prioritizes the appreciation of human capital over financial capital.

Based on key links across all business processes, we systematically sort out the essential competencies for each position to fulfill job responsibilities, accurately identifies competency deficiencies and development gaps of employees. Guided by such findings, it scientifically designs the curriculum system, selects appropriate training modalities and coordinates participant arrangements, ensuring targeted allocation of training resources and a training plan closely aligned with practical business operations and talent development needs.

Classification by Organizer and Implementer	Group-level Training	Training programs planned and implemented by the Human Resources Center of the Group, are generally cross-subsidiary and cross-business-system initiatives, including Group-level induction training for new employees, management training and general skill training.
	System-level Training	Primarily arranged by various functional departments at the headquarters. These cross-subsidiary programs within each functional system cover tools, systems, operational procedures and professional skills.
	Company-level Training	Planned and implemented by the local Human Resources department. It mainly includes external training, off-site training and cross-departmental internal training, such as induction training for new employees, management training and general skills training.
	Department-level Training	Planned and implemented by individual departments. These internal sessions focus on internal business procedures, rules, standards and professional expertise.

Classification by Training Participants	New Employee Training	Designed to help new employees adapt to the working environment and job duties, consisting of induction training, departmental training and section (team) training.
	In-service Employee Training	Aims to update employees' knowledge, enhance competencies and improve work performance, refers to the instruction of knowledge and skills essential for specific positions, typically covering regulations, operational procedures, process documentation, safety and quality standards.
	Management Training	Aims to enhance the leadership, operational, and management capabilities of management at all levels, including training for incumbent management, newly appointed management, and reserve management.

Classification by Training Content	Corporate Knowledge Training	Covers corporate development history/industry overview/corporate culture/systems and procedures/corporate product, etc.
	General Skills Training	Includes time management/communication capability/teamwork/positive mindset/office software proficiency and other generic capabilities.
	Professional Skills Training	Focuses on professional knowledge and skills for positions in R&D/sales/production and operation/quality management/supply chain/engineering services and other fields.
	Management Skills Training	Involves leadership/operational management/personnel management and other management-related competencies.

Classification by Organization Form	Internal Training	Organized by the Company or departments, with internal instructors and course resources.
	External Training	Organized by the Company or departments, with external instructors and courses invited onsite.
	Off-site Training	Hosted by external institutions, with employees assigned by the Company to attend.

In 2025, the Company further improved the Company-wide training system.

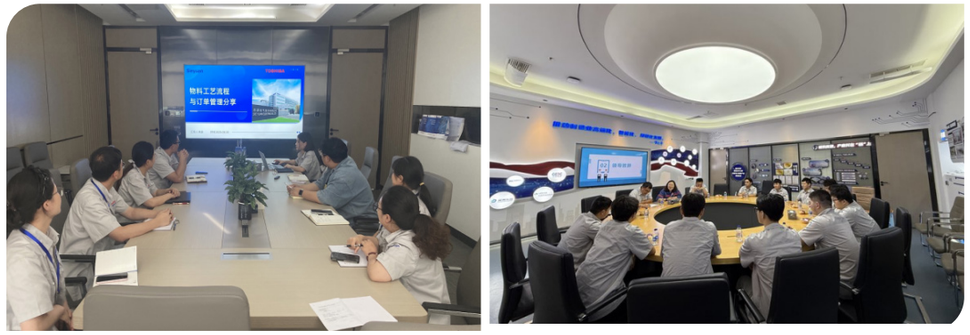
Throughout the year, we held over **400** training sessions

covering more than **5,500** employee attendances

with a total of over **14,800** training hours

and the completion rate of training plans exceeded **95** %

Systematic and regular learning initiatives have effectively enhanced employees' professional expertise, job skills and overall competency, consolidating the foundation for talent development.



Employee Training

Career Development

The Company has established clear career pathways and extensive development platforms for all employees, forming a dual-track career development system covering both management and professional tracks. Based on employees' personal qualifications, career plans and development aspirations, the Company provides targeted guidance and support to help staff choose development paths matching their individual needs.

In addition, comprehensive support is offered to eligible employees for professional title applications. The year 2025 saw remarkable achievements, with a total of 50 individuals awarded the title of Assistant Engineer, 3 as Intermediate Engineer, and 2 as Senior Engineer. The talent echelon for professional and technical personnel has been steadily strengthened with fruitful outcomes.



Occupational Health and Safety

Management System Development

Sieyuan Toshiba regards work safety as the lifeline for sound operation and long-term development, and strictly implements the safety policy of “safety first, prevention foremost and comprehensive management”. In compliance with relevant ILO guidelines on occupational health and safety and aligned with the ISO 45001: 2018 Occupational Health and Safety Management System standard, the Company has established a comprehensive and standardized management structure and operational mechanism for occupational health and safety.

By improving safety management systems, conducting regular hidden hazard inspection and rectification, carrying out safety education and training as well as emergency drills, the Company consolidates its safety defense line across institutional development, on-site control and safety awareness cultivation to effectively safeguard all employees’ occupational health and personal safety. **By the end of the reporting period, the Company maintains valid certification of the ISO 45001: 2018 Occupational Health and Safety Management System.**



ISO 45001: 2018 Occupational Health and Safety Management System

Occupational Health Management

The Company strictly abides by the *Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases*, the *Regulations on Occupational Hygiene Management in Workplaces* and other applicable laws, regulations and regulatory requirements. It has formulated and implemented internal rules including the *Management System for Monitoring and Assessment of Occupational Disease Hazards* and the *System for Handling and Reporting of Occupational Disease Hazard Incidents*, covering the full process of hazard identification, monitoring and early warning, assessment, prevention and control, incident response and emergency reporting.

The Company regularly carries out monitoring and assessment of occupational hazard factors at workplaces to accurately identify potential occupational health risks in operating environments. Targeted prevention and control measures are promptly adopted to improve working environment, equip necessary occupational health protection facilities and personal protective equipment, ensuring employees work in a safe and healthy environment. Meanwhile, the Company enhances publicity, education and training on occupational disease prevention and control to raise employees’ awareness of occupational health and self-protection capabilities. Routine occupational health examinations are arranged, and individual occupational health files are established to realize dynamic tracking and refined management of employees’ occupational health status.

In accordance with applicable laws and regulations, the Company specifies the definition of occupational hazard accidents, reporting deadlines and filing procedures, and strictly prohibits delayed, omitted or concealed accident reporting. It standardizes the full workflow covering emergency response, on-site management and control, staff evacuation and medical treatment, hazard containment as well as post-incident investigation and rectification. The Company bears all costs for employees’ occupational health treatment and medical observation, improves the emergency management and control mechanism for occupational health risks, and reinforces the safeguard system for employees’ occupational safety and health.

Work Safety Management

The Company adheres to the EHS philosophy of “Safety and Health, Green Operation”, and integrates safety management requirements into all aspects of production and operation to eliminate potential safety hazards. To fully implement this philosophy, we enforce a full-staff work safety responsibility system, clarifying safety duties for all personnel from management to front-line employees. Safety responsibilities are assigned and implemented at every level to ensure accountability for everyone. We have built a work safety management system featuring “full participation, whole-process management and control, and full coverage”, and reinforced work safety safeguards with stringent safety management standards.

Risk Management and Control

The Company continuously deepens the dual prevention mechanism of hierarchical risk control and hidden danger investigation and management, and implements the *Safety Risk Control Procedures and Safety Inspection and Hidden Danger Rectification Management Procedures.*

We conduct comprehensive safety risk identification for production facilities and workplaces. The LEC risk assessment method (Likelihood of occurrence, Exposure frequency, Consequence severity) is adopted to scientifically classify risk levels and implement differentiated control measures, so as to prevent safety risks at the source.

The Company has developed a multi-level, full-coverage hidden danger identification system. Various inspection forms including quarterly comprehensive inspections, monthly routine inspections, department-level inspections, section/workshop self-inspections, department safety officers check, daily team self/mutual inspections, holiday-specific inspections, specialized thematic inspections and night-shift inspections are deployed to comprehensively identify and rectify all types of EHS hidden dangers. All inspections shall be properly documented. Inspection outcomes and hidden danger are promptly circulated to relevant responsible persons and departments, who shall rigorously implement corrective measures as required and timely feed back the progress and final completion status of hidden danger rectification. In case of major potential accident hidden dangers, inspectors shall immediately report to the Company’s General Manager and the EHS Section. Safety engineers shall conduct on-site verification immediately, work with relevant departments and personnel to conduct in-depth root cause analysis and formulate rectification plans. Upon approval by the General Manager, approved rectification plans are issued to accountable departments and responsible persons with clear rectification requirements and deadlines. The whole rectification process is tracked and supervised to ensure timely closure of hidden dangers and elimination of critical safety risks.

Safety Inspection Contents

Hazardous operations, chemical management, fire safety, special equipment management, electrical safety, management and use of tools for mechanical equipment, contractor management and construction activities, occupational health management, distribution and wearing of personal protective equipment, as well as personnel training and education, etc.

Emergency Management

Based on its production and operational characteristics as well as existing potential hazards, the Company has established an emergency management system featuring unified command, rapid response and efficient coordination. We have clarified emergency response procedures at all levels and responsibilities for each position, and formed a closed-loop management mechanism for rapid response, standardized on-site handling and hierarchical reporting of emergencies, ensuring orderly disposal when emergencies occur.

The Company is fully equipped with adequate emergency supplies and equipment in compliance with relevant standards, and has put in place a regular inspection, maintenance and replacement mechanism. Comprehensive inspection and maintenance of all emergency materials and equipment are performed periodically to keep them intact and functional, delivering solid material support for emergency response. Meanwhile, the Company regularly organizes emergency drills and specialized training on emergency skills. It optimizes drill plans based on real risk scenarios and strengthens skills practical training to continuously improve all employees' emergency disposal proficiency, risk prevention awareness and overall management and control capability in responding to unexpected incidents.

Comprehensive Plan	Fire Emergency Evacuation Drill
Specialized Drills	Natural Gas Leakage and Fire Emergency Drill Chemical Spill Emergency Drill Electric Shock Emergency Drill Special Equipment Accident Emergency Drill Fire Accident Emergency Drill Vessel Explosion Emergency Drill Confined Space Operation Emergency Drill
On-site Disposal	Fall from Height On-site Response Drill Mechanical Injury On-site Response Drill Vehicle-related Injury On-site Response Drill Heatstroke On-site Response Drill

Safety Culture

The Company has developed a hierarchical and categorized Company-wide safety training system, with tailored training programs for different positions to align training content with job requirements. In 2025, focusing on key posts and personnel, we delivered major training programs including certification training on safety/occupational health for principal responsible persons, competency enhancement for EHS employees training on applicable EHS laws and regulations, and work safety standardization training, so as to improve the professional safety capabilities of key employees.

Meanwhile, the Company leverages key nodes including the Occupational Health Promotion Week, Safe Production Month and Fire Prevention Month to launch diverse safety education activities such as thematic lectures, practical drills, case-based warning sessions and knowledge contests. By consolidating knowledge through learning and upgrading capabilities through drills, the Company continuously improves all employees' safety literacy and responsibility awareness, embedding safety philosophies into staff mindset and ensuring full implementation of safety management measures.

Chemical Management

The Company has formulated standardized chemical management procedures and defined the respective responsibilities of the Procurement Department, end-user departments and the EHS Section. Closed-loop full-process management and control is implemented covering chemical procurement, transportation, warehousing storage, requisition and issuance, on-site utilization and waste disposal. The Company standardizes warehouse specifications including dedicated storage area, label posting, protective equipment and incoming goods inspection for chemical warehouses, and rigorously enforces operational requirements such as designated-person management, airtight containment, leak prevention and emergency shower response during on-site usage. Institutional prevention is put in place to guard against environmental pollution and safety risks arising from hazardous chemicals.

The Company provides specialized chemical safety training for chemical management personnel, covering core contents including fundamental knowledge of hazardous chemicals, standardized cabinet storage management, on-site usage management and control, emergency response and first-aid for chemical incidents, so as to steadily improve employees' proficiency in safe chemical operation, personal protection and emergency handling.

Key Performances

Economic Performance

Indicator	Unit	2025	2024	2023
Operating Income	RMB 10,000	231280.32	134918.37	89399.14
Total Tax Contribution	RMB 10,000	9091	4520.15	2402.44

Governance Performance

Indicator	Unit	2025	2024	2023
Business Ethics				
Business Ethics Training Coverage Rate (All Employees)	%	100	100	100
Number of Confirmed Corruption Incidents	Case	0	0	0
Percentage of Employees Covered by Anti-Commercial Bribery and Anti-Corruption Training	%	100	100	100

Environmental Performance

Indicator		Unit	2025	2024	2023
Environmental Compliance					
Coverage Rate of Operating Sites Certified with ISO 14001 Environmental Management System		%	100	100	100
Accidental Environmental Pollution Incidents (such as Spills, Leakages)		Case	0	0	0
Amount of Major Administrative Penalties Imposed by Ecological Environment and Other Relevant Authorities for Environmental Incidents During the Reporting Period		RMB 10,000	0	0	0
Pollutants					
Waste Gas Emission	Nitrogen Oxides	Ton	0.239	0.173	0.123
	Number of Waste Gas Emission Violation Incidents	Case	0	0	0

About Sieyuan Toshiba
Corporate Governance, Compliance Operation
Technology-led, Value Co-creation
Green and Low-Carbon, Ecological Responsibility
Employee Care, Growth Empowerment
Key Performances
Indicator Content Index

Indicator		Unit	2025	2024	2023
Wastewater Discharge	Total Volume of Waste Water Discharged	Ton	85356	63933	50285
	Biochemical Oxygen Demand	Ton	2.646	0	0
	Ammonia Nitrogen	Ton	1.0242	2.1162	0.0023
	Number of Wastewater Discharge Violation Incidents	Case	0	0	0
Waste					
Safe Disposal Rate of General Solid Waste and Hazardous Waste		%	100	100	100
Number of Violations in Waste Disposal		Case	0	0	0
General Solid Waste	Total General Solid Waste Generated	Ton	164.44	79.9	11
	General Solid Waste Transferred for Disposal	Ton	164.44	79.9	11
Hazardous Waste	Total Hazardous Waste Generated	Ton	116.6	76.614	48.32
	Hazardous Waste Transferred for Disposal	Ton	116.6	76.614	48.32
	Compliant Disposal Rate of Hazardous Waste	%	100	100	100
	Hazardous Waste Spilled	Ton	0	0	0
	Amount of Spilled Waste Recovered	Ton	0	0	0
Circular Economy					
Total Packaging Material Consumption		Ton	2000	1000	500
Renewable Packaging Material Consumption		Ton	1960	980	490
Proportion of Renewable Packaging Material Consumption to Total Packaging Material Consumption		%	98	98	98
Waste Recycling Volume		Ton	1,847.566	1,274.150	976.43

Indicator	Unit	2025
Greenhouse Gases		
Direct GHGs Emissions (Scope 1)	tCO_2e	662.76
Indirect GHGs Emissions (Scope 2)	tCO_2e	1394.98

Indicator		Unit	2025
Energy			
Direct Energy	Natural Gas	m³	303011.79
	Diesel	Liter	2500
Indirect Energy	Purchased Electricity	MWh	2629052.44
Renewable Energy	Photovoltaic Power Generation	MWh	496374

Indicator	Unit	2025	2024	2023
Water Resources				
Total Water Intake	Ton	133118	114902	70650
Total Water Consumption	Ton	47762	50969	20635
Recycled Water Usage	Ton	0	0	0

Social Performance

Indicator	Unit	2025	2024	2023
Innovation and R&D				
R&D Investment Amount	RMB 10,000	8035	6141.12	3245.26
Proportion of R&D Investment in Main Business Revenue	%	3.47	4.55	3.89
Number of R&D Personnel	Person	241	179	122
Proportion of R&D Personnel in Total Employees	%	29.79	32.08	31.2
Number of Employees Rewarded for Patents	Person	21	12	10
Number of Intellectual Property Training Sessions Conducted	Session	1	1	1
Number of Newly Granted Patents	Item	6	6	6
Number of Newly Granted Invention Patents	Item	2	0	0
Cumulative Number of Valid Granted Patents	Item	51	43	37
Cumulative Number of Granted Invention Patents	Item	10	8	8

Indicator		Unit	2025	2024	2023
Product Responsibility					
Coverage Rate of Operating Sites Certified with Quality Management System		%	100	100	100
Sustainable Procurement					
Supplier and Contractor Data	Total Number of Suppliers	Number	155	140	129
	Percentage of New Suppliers Screened Against Environmental Standards	%	100	100	100
	Percentage of New Suppliers Screened Against Social Standards	%	100	100	100
	Percentage of Suppliers That Have Signed the Supplier Code of Conduct	%	100	100	100
	Percentage of Suppliers with Contracts Containing Environmental and Labor Clauses	%	100	100	100
	Number of Suppliers Identified with Actual and Potential Significant Adverse Social Impacts	Number	0	0	0
	Number of Suppliers Identified with Actual and Potential Significant Adverse Environmental Impacts	Number	0	0	0
Purchasers Data	Number of Purchasers	Person	20	13	10
	Number of Purchasers Trained in Sustainable Procurement	Person	20	13	10
	Percentage of Purchasers Trained in Sustainable Procurement Across All Regions	%	100	100	100
Labor Management					
Number of New Employees		Person	367	313	217
Total Number of Employees		Person	738	531	342
Social Insurance Coverage Rate		%	100	100	100
Number of Confirmed Child Labor and Forced Labor Incidents		Case	0	0	0
Number of Confirmed Discrimination and Harassment Incidents		Case	0	0	0
Gender Structure	Total Number of Male Employees	Person	641	443	263
	Total Number of Female Employees	Person	97	88	79
	Number of Core Senior Managers	Person	8	6	4
	Number of Core Female Senior Managers	Person	1	1	1
	Proportion of Male Employees in Total Workforce	%	86.86	83.43	76.90
	Proportion of Female Employees in Total Workforce	%	13.14	16.57	23.10
	Proportion of Core Female Managers	%	12.50	16.67	25.00

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Indicator		Unit	2025	2024	2023
Age Structure	Number of Employees Under 30 Years Old	Person	334	210	115
	Number of Employees Between 30 and 50 Years Old	Person	369	281	180
	Number of Employees Over 50 Years Old	Person	35	40	47
	Proportion of Employees Under 30 Years Old	%	45.26	39.55	33.63
	Proportion of Employees Between 30 and 50 Years Old	%	50.00	52.92	52.63
	Proportion of Employees Over 50 Years Old	%	4.74	7.53	13.74
Education Background Structure	Number of Employees with Doctorate & Postdoctoral Degrees	Person	0	0	0
	Proportion of Employees with Doctorate & Postdoctoral Degrees	%	0	0	0
	Number of Employees with Master's Degree	Person	20	14	4
	Proportion of Employees with Master's Degree	%	2.71	2.64	1.17
	Number of Employees with Bachelor's Degree	Person	232	168	118
	Proportion of Employees with Bachelor's Degree	%	31.44	31.64	34.50
	Number of Employees with Associate Degree	Person	190	132	100
	Proportion of Employees with Associate Degree	%	29.75	24.86	29.24
Employee Training					
Total Training Investment		RMB	207855	225069	49325
Number of Training Sessions		Time	480	133	22
Training Coverage Rate		%	100	100	100
Occupational Health and Safety					
Number of Workplace Safety Training Sessions		Time	78	48	30
Occupational Health and Safety Training Coverage Rate for Employees		%	100	100	100
Percentage of Operating Sites Conducting Employee Health and Safety Risk Assessments		%	100	100	100
Percentage of Operating Sites with ISO 45001 Occupational Health and Safety Management System Certification		%	100	100	100

Indicator	Unit	2025	2024	2023
Work-Related Injury Data				
Number of Lost-Time Injury Incidents	Case	5	7	3
Number of Work Days Lost Due to Work-Related Injuries	Day	46	62	30
Occupational Disease Data				
Number of Employees Receiving Occupational Disease Examinations	Person	100	51	24
Number of Detected Occupational Disease Cases	Person	0	0	0
Occupational Health Examination Coverage Rate (for Occupational Hazard Positions)	%	100	100	100

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SDGs Content Index

SDGs	Our Actions	Chapters
	We firmly prohibit all forms of personnel discrimination, abuse, infringement, and harassment, and strictly forbid violations such as the employment of child labor and human trafficking. The law safeguards employees' rights to reputation and personal dignity, prohibiting any infringement of others' personal or reputational rights and interests through insults, defamation, privacy breaches, or other means. Employees' freedom of employment and right to resign shall be fully safeguarded. Forcing employees to work by withholding documents, collecting deposits or restricting personal freedom is strictly prohibited. All labor contracts are signed on the basis of equality, voluntariness and mutual consensus of both parties, ensuring that employees can plan their career development freely within the scope protected by law. Employees' legitimate rights to freedom of association and collective bargaining shall be respected, along with their right to voluntarily refrain from participating in relevant activities. The legitimate activities of trade unions and their members shall be respected, and all provisions of collective bargaining agreements shall be strictly observed. We follow the relevant guidelines of the International Labor Organization (ILO) on occupational health and safety, align with the ISO 45001 Occupational Health and Safety Management System standards, and establish a comprehensive and standardized framework and operational mechanism for occupational health and safety management. Through improving safety management systems, conducting regular hazard investigation and rectification, organizing safety education, training and emergency drills, we build a solid safety line from institutional improvement, on-site management and control, and awareness cultivation, so as to effectively protect all employees' occupational health and personal safety.	Rights and Interests Protection Occupational Health and Safety
	Adhering to a forward-looking philosophy for talent development, we have formulated regulatory documents including the *Training Management Procedures* and *Training Implementation Details*. A learning and development system covering all employees throughout their entire career life cycle has been established. We focus on cultivating core talents aligned with the Company's business objectives and medium and long term strategic layout, and prioritize the appreciation of human capital over financial capital. Based on key links across the full business workflow, we systematically sort out the essential competencies for each position and accurately identify employees' competency gaps and areas for improvement. Guided by these findings, we scientifically design curricula, select training modes and coordinate attendance arrangements, ensuring targeted allocation of training resources and training plans that fully conform to business realities and talent development needs.	Training and Development
	Gender equality is always upheld as one of our core principles. We strictly implement the policy of equal pay for equal work between men and women, and ensure female employees enjoy full equal rights with male counterparts in terms of compensation, promotion, performance appraisal and skills training. Any gender-based compensation discrimination, post restrictions or career development barriers are strictly prohibited. Discriminatory practices such as dismissing female employees, unilaterally terminating labor contracts, cutting their salaries or reassigning their positions on the grounds of marriage, pregnancy, maternity leave or breastfeeding are explicitly forbidden. We organize activities for the International Women's Day every year. Through diverse activity forms, we not only recognize the dedication and contributions of female employees, but also pay attention to their physical and mental health as well as personal growth, and foster a sound atmosphere that respects, cares for and supports women's development.	Rights and Interests Protection
	We continuously improve the water conservation management system, promote and apply new water conservation processes and technologies to effectively reduce reliance on water resources and mitigate the risk of water supply shortage, and fully advance the economical, intensive and efficient utilization of water resources. Water metering devices and water safety facilities matching the production scale are constructed accordingly. In strict compliance with *Guidelines for Evaluation of Water-Saving Enterprises* (GB/T7119-2018), regular water-saving evaluations are carried out to steadily enhance refined water management, water conservation and consumption reduction efficiency.	Resource Management

SDGs	Our Actions	Chapters
	We actively advance the green transformation of energy structure. Leveraging idle rooftop spaces within the factory, we have completed the construction of a 1.4 MW distributed rooftop photovoltaic power station, supported by an intelligent micro-grid system. This initiative enables efficient development and utilization of clean solar energy and substantially raises the self-consumption ratio of renewable energy.	Resource Management
	We strive to build a diversified employee welfare system to fully protect employees' rights and interests, and continuously strengthen their sense of belonging and professional happiness. We are committed to fostering a positive and vibrant workplace environment. We attach importance to employees' physical and mental health as well as quality of life, and help them achieve a healthy work-life balance.	Welfare and Care
	We focus on optimizing core processes and product performance, and conduct in-depth research on low-carbon production, energy conservation and consumption reduction, as well as the application of green materials, so as to provide systematic technical support for the development of zero-carbon and green factories. The Company's R&D innovations have been transformed into a number of high-value-added technological achievements, including patented technologies, new green materials and low-carbon solutions.	Scientific and Technological Innovation
	We strictly comply with the *Product Quality Law of the People's Republic of China* and other applicable laws and regulations. In accordance with ISO 9001: 2015, we have established a full-process quality management system covering product design, production processes, inspection and after-sales services. Regular internal audits and performance evaluations of the quality system are conducted to supervise key links and implementation of regulations, ensuring all quality management measures are fully implemented and a closed-loop management mechanism is formed. We maintain ongoing communication with customers and have put in place a systematic communication mechanism regarding product technical specifications, application scenarios, issue feedback and improvement suggestions. We pay attention to customers' evaluations on product quality, issue resolution and collaborative support, and take customer feedback as a key basis for management optimization and process improvement. In strict adherence to the principles of compliance, minimum necessity and authorized use, we standardize the collection, processing, sharing and storage of information relating to customers, employees and business partners.	Product Quality Customer Service Information Security and Privacy Protection
	We proactively integrate climate change response into our sustainable development strategy and daily operation and management systems. A dedicated zero-carbon factory management team has been set up to conduct overall assessment and oversee climate-related impacts, risks and opportunities. Having been certified as a Green Factory by Changzhou City, Sieyuan Toshiba established a zero-carbon factory management team and formulated its medium and long term plan for zero-carbon factory development. Targeting the construction of factories with low energy consumption and ultra-high energy efficiency as well as near-zero carbon factories, the Company continuously explores new energy-saving and low-carbon technologies, processes and energy sources to tap the potential for energy conservation and carbon emission reduction. In reference to *Self-Regulatory Guidance No. 3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Report (Revised 2026), International Financial Reporting Standards Sustainability Disclosure Standards 2 Climate-related Disclosures (IFRS S2)* and other relevant rules, we systematically assess the impacts of climate change on corporate value creation, business models and industrial value chains. We sort out the transmission paths of associated risks and opportunities, assess their potential implications for core financial indicators, and formulate targeted response measures, so as to fully align climate risk management with corporate strategy implementation. We engage professional institutions to conduct specialized verification of corporate greenhouse gas (GHG) emissions in strict accordance with international accounting standards and management norms including ISO 14064 and the GHG Protocol. This lays a solid data foundation for carbon reduction target setting, carbon emission performance evaluation, climate risk management and public disclosure of sustainability information.	Climate Change Response

SDGs	Our Actions	Chapters
	We have established a highly systematic and scientific governance structure to ensure full alignment among corporate strategies, operational management and sustainable development goals. We continuously optimize the internal control and compliance management systems, and closely integrate the strategic requirements of Sieyuan Electric with daily operations, building an all-round risk management mechanism covering strategic, operational, financial and ESG-related risks. Taking institutional development as the foundation, process management as the guarantee, and training and cultural development as the driving force, we have formed a closed-loop business ethics system that covers strategic decision-making, business processes and key positions. A comprehensive risk management and control mechanism for business ethics has been put in place to embed risk prevention and control into business workflows and daily management.	Corporate Governance Structure Compliant-oriented Internal Control Business Ethics Development
	We conduct regular communication with stakeholders including customers, government and regulatory authorities, suppliers, business partners, employees, media, NGOs, industry associations and communities through diversified channels. We also document ESG topics and specific concerns raised by all parties and respond to them in a timely manner. We actively expand training empowerment coverage and provide ESG training for partner suppliers to help them improve safety management and environmental governance capabilities, so as to jointly build a green, compliant and responsible supply chain ecosystem.	ESG Governance Sustainable Supply Chain

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GRI Content Index

Statement of Use	The Company has reported the information cited in this GRI content index for the period from January 1, 2025, to December 31, 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard		Disclosure	Chapters
GRI2 General Disclosures 2021	The organization and its reporting practices	2-1 Organizational details	About Sieyuan Toshiba
		2-2 Entities included in the organization's sustainability reporting	About the Report
		2-3 Reporting period, frequency and contact point	About the Report
	Activities and workers	2-6 Activities, value chain and other business relationships	About Sieyuan Toshiba
		2-7 Employees	Employee Care, Growth Empowerment
	Governance	2-9 Governance structure and composition	Corporate Governance Structure
		2-10 Nomination and selection of the highest governance body	Corporate Governance Structure
		2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance
		2-13 Delegation of responsibility for managing impacts	ESG Governance
		2-14 Role of the highest governance body in sustainability reporting	ESG Governance
		2-15 Conflicts of interest	Business Ethics Development
		2-16 Communication of critical concerns	ESG Governance
		2-17 Collective knowledge of the highest governance body	ESG Governance
	Strategy, policies, and practices	2-22 Statement on sustainable development strategy	ESG Governance
		2-23 Policy commitments	ESG Governance
		2-24 Embedding policy commitments	ESG Governance
		2-25 Processes to remediate negative impacts	Business Ethics Development
		2-26 Mechanisms for seeking advice and raising concerns	ESG Governance
		2-27 Compliance with laws and regulations	See This Report for Details
	Stakeholder Engagement	2-29 Approach to stakeholder engagement	ESG Governance
		2-30 Collective bargaining agreements	Rights and Interests Protection

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GRI Standard	Disclosure	Chapters
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG Governance
	3-2 List of material topics	ESG Governance
	3-3 Management of material topics	ESG Governance
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics Development
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics Development
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics Development
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Resource Management
	303-2 Management of water discharge-related impacts	Resource Management
	303-3 Water withdrawal	Resource Management
	303-4 Water discharge	Resource Management
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Performance
GRI 306: Waste 2020	306-1 Water generation and significant waste-related impacts	Pollution and Waste Treatment
	306-2 Management of significant waste-related impacts	Pollution and Waste Treatment
	306-3 Waste generated	Environmental Performance
	306-4 Waste diverted from disposal	Environmental Performance
	306-5 Waste directed to disposal	Environmental Performance
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Welfare and Care
	401-3 Parental leave	Welfare and Care

GRI Standard	Disclosure	Chapters
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	Occupational Health and Safety
	403-3 Occupational health services	Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Social Performance
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Rights and Interests Protection
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Rights and Interests Protection
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operation and supply chain points with significant risk related to freedom of association and collective bargaining	Rights and Interests Protection
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Rights and Interests Protection
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forces or compulsory labor	Rights and Interests Protection
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Quality
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Social Performance

SASB Content Index

Topic	Metric	Category	Unit of Measure	Code	Chapter
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	Environmental Performance
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Quantitative	Metric tonnes (t), Percentage (%)	RT-EE-150a.1	Environmental Performance
	(1) Number and aggregate quantity of reportable spills, (2) quantity recovered	Quantitative	Number, Kilogrammes (kg)	RT-EE-150a.2	Environmental Performance
Product Safety	(1) Number of recalls issued, (2) total units recalled	Quantitative	Time/Number	RT-EE-250a.1	Social Performance
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Currency	RT-EE-250a.2	Social Performance
Product Life Cycle Management	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	Percentage by revenue (%)	RT-EE-410a.1	Social Performance
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	Percentage by revenue (%)	RT-EE-410a.2	Social Performance
	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	Currency	RT-EE-410a.3	Social Performance
Materials Sourcing (Raw Material Source Management)	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-EE-440a.1	Sustainable Procurement
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behaviour	Discussion and Analysis	n/a	RT-EE-510a.1	Business Ethics Development
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Currency	RT-EE-510a.2	Governance Performance
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Quantitative	Currency	RT-EE-510a.3	Governance Performance

Shenzhen Stock Exchange Guidelines Content Index

Dimension	S/N	Topics	Chapters
Environmental	1	Climate Change Response	Climate Change Response
	2	Pollutant Release	Pollution and Waste Treatment
	3	Waste Treatment	Pollution and Waste Treatment
	4	Ecosystem and Biodiversity Conservation	/
	5	Environmental Compliance Management	Environmental Compliance Management
	6	Energy Utilization	Resource Management
	7	Water Resource Utilization	Resource Management
	8	Circular Economy	Pollution and Waste Treatment，Resource Management
Social	9	Rural Revitalization	/
	10	Social Contribution	/
	11	Innovation-driven Development	Scientific and Technological Innovation
	12	Science and Technology Ethics	/
	13	Supply Chain Security	Sustainable Procurement
	14	Equal Treatment to Small and Medium-sized Enterprises	/
	15	Safety and Quality of Product and Service	Product Quality，Customer Service
	16	Data Security and Customer Privacy Protection	Information Security and Privacy Protection
	17	Employees	Employee Care, Growth Empowerment
Governance Related to Sustainable Development	18	Due Diligence	Business Ethics Development，Sustainable Supply Chain
	19	Communication with Stakeholders	ESG Governance
	20	Anti-Commercial Bribery and Anti-Corruption	Business Ethics Development
	21	Anti-Unfair Competition	Business Ethics Development

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