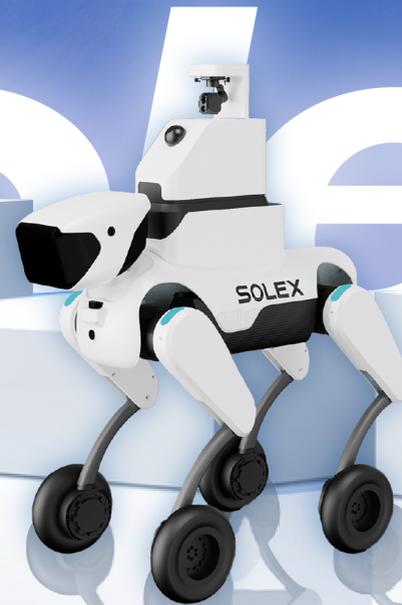




松霖机器人
SOLEX



2025

Environmental, Social, and Governance (ESG) Report

XIAMEN SOLEX HIGH-TECH INDUSTRIES CO.,LTD.

Stock Code 603992

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About This Report

Introduction

This is the 6th Environmental, Social and Governance Report ("ESG Report") publicly released by Xiamen Solex High-tech Industries Co., Ltd. It objectively discloses to stakeholders such as shareholders, employees, governments, clients, and consumers the efforts and achievements made by Solex in aspects such as safety production, environmental protection, social welfare, corporate governance, and talent development.

Reporting Scope

This report covers Xiamen Solex High-tech Industries Co., Ltd., including its subsidiaries. Unless otherwise specified, the scope of this report is consistent with that of the Company's annual report.

Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025 (the "Reporting Period"). To improve the comparability and completeness, some sections of this report may be appropriately referred to previous years or contains forward-looking statements. This report is released on an annual basis, consistent with the financial year.

Data Explanation

Data sources used in this report include the Company's actual operational data, publicly available data from government agencies, annual financial data, internal statistical reports, third-party questionnaire surveys, etc. The financial data in this report is expressed in RMB. For any discrepancy between this report and the financial statements, the financial statements shall prevail.

Preparation Basis

- Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
- Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 4 - Preparation of Sustainability Report (Revised in January 2026)
- China Enterprise Reform and Development Society Guidelines for Sustainable Development Reports of Chinese Enterprises (CASS-ESG 6.0)
- Sustainable Development Goals (SDGs) of the United Nations
- 2021 Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative (for reference)

Confirmation and Approval

This report was approved by the Company's Board of Directors on March 27, 2026, and was subsequently released in conjunction with the Annual Report. The Board pledges to exercise oversight over the contents of this report, ensuring its absence of any false records or misleading representations, and assuming responsibility for its truthfulness, accuracy and completeness.

Access to this Report

You may access and download the electronic version of this report at the websites of Xiamen Solex High-tech Industries Co., Ltd. (www.solex.cn), Shanghai Stock Exchange (www.sse.com.cn) or cninfo (www.cninfo.com.cn) to learn more information about the Company.

Appellation Description

For the ease of expression and readability, "Xiamen Solex High-tech Industries Co., Ltd." is referred to as "Solex," the "Company," or "we" in this report. Unless otherwise specified, other designations are defined as follows:

Term	Interpretation
Solex Vietnam	Solex High-tech Industries (Vietnam) Co., Ltd.
Zhangzhou Solex	Zhangzhou Solex Smart Home Co., Ltd. Zhangzhou Solex Smart Home Co., Ltd. Xiamen Branch
Solex Health	Xiamen Solex Health Technology Co., Ltd.
Bestter	Xiamen Bestter Technology Co., Ltd.
Huaying Industrial	Xiamen Huaying Industrial Co., Ltd.
Solex Robotics	Xiamen Solex Robotics Technology Co., Ltd.
VDS	Xiamen Vehicle Design & Services Intelligent Motion System Co., Ltd.
SGS	SGS-CSTC Standards Technical Services Co., Ltd.

Message from the Chairman

Dear shareholders, partners, employees, and colleagues from all sectors of society,

As time advances, we remain steadfast and diligent. In 2025, amid a complex and ever-changing global economic landscape, sustainable development has become a vital pillar supporting enterprises in maintaining resilient operations and navigating economic cycles. Amid green transformation and industrial upgrading, the kitchen and bathroom home furnishings and health hardware industries continue to evolve toward greener, smarter, and more globalized development. Solex always integrates ESG principles throughout its strategy and operations, focusing on its two core businesses of robotics and IDM. Driven by technological innovation and global deployment, we balance economic returns with social value and diligently respond to the trust and expectations of all stakeholders.

Governance as the foundation ensures steady and sustainable operations. In 2025, in alignment with regulatory requirements and operational realities, the Company optimized its governance structure by abolishing the Board of Supervisors, transferring its relevant functions to the Audit Committee under the Board of Directors, and simultaneously revising the Articles of Association and the Rules of Procedure of the Strategy and ESG Committee under the Board of Directors, thereby refining an ESG working mechanism coordinated by the Board, guided by committees, and executed collaboratively by all departments. The Company strictly fulfills its information disclosure obligations, ensuring that disclosures are truthful, accurate, and complete, and safeguarding the legitimate rights and interests of all shareholders. Through standardized governance practices, the Company's ESG performance has been recognized by third-party professional institutions and has consistently maintained an A rating among mainstream ESG assessments.

Advancing toward sustainability through green manufacturing and low-carbon development. The Company adheres to compliant, efficient, and low-carbon production management principles, embedding green concepts across the entire value chain from R&D to production and supply chain management. In 2025, the Company and its subsidiary Zhangzhou Solex was certified with ISO 50001:2018 Energy Management System, continuously enhancing energy management and resource utilization efficiency; the smooth construction and commissioning of the Vietnam overseas manufacturing base have incorporated green manufacturing standards, fulfilling environmental responsibilities within the Company's global expansion. The Company continues to optimize the use of energy and water resources, strictly control pollutant emissions, and promote circular economy initiatives and process upgrades. These efforts contribute to achieving carbon peaking and carbon neutrality goals, as well as sustainable development.

People-oriented, upholding product responsibility and shared value creation. The Company continuously improves its employee protection and career development systems, strengthens occupational health and safety management, and fosters mutual growth between employees and the enterprise. At the product level, the Company focuses on innovation in intelligent, health-oriented, and green products to drive iterative upgrades of electronic shower systems, smart toilets, AI beauty devices, beverage health, and intelligent monitoring equipment. In 2025, the Company obtained the MDSAP certificate, which indicates that its product-related manufacturing systems within the defined scope comply with regulatory requirements in the United States, Japan, Brazil, Australia, and Canada. Together with ISO 13485, ISO/IEC 27001, and ISO/IEC 27701 certifications, the Company has established comprehensive safeguards covering quality, compliance, and data security across the entire process. The Company promotes and disseminates ESG principles among supply chain partners, steadily advancing the development of a responsible supply chain.

Pressing forward without falter, the future holds promise. The Company's ESG practices in 2025 provided a solid foundation for risk resilience and steady growth, made possible by the dedication of all employees and the support of stakeholders. As ESG has become a core requirement for high-quality development, the Company will continue to be driven by R&D innovation, with domestic operations as its core base, while steadily advancing overseas manufacturing and globally compliant operations. Looking ahead, the Company will further enhance its ESG management system, focusing on environmental performance improvement, technological innovation, global compliance, and supply chain collaboration, increasing investment in green and intelligent technologies to achieve coordinated economic, environmental, and social benefits.

At this new starting point, Solex will remain committed to its industrial roots, strengthen its core competencies in innovation, design, and intelligent manufacturing, and advance sustainable development with a long-term perspective. The Company will continue to enhance its core competitiveness, expand into global markets, deliver stable returns to shareholders, provide growth platforms for employees, create long-term value for society, and join hands with all stakeholders to build a green and inclusive industrial future.

We sincerely thank friends from all sectors for your enduring trust, support, and partnership.

Chairman of Xiamen Solex High-tech Industries Co., Ltd.



March 31, 2026



Sustainable Development Highlights in 2025

 Economic Performance

Total Assets: **447,724.91** (in RMB 10,000);
 Operating Income: **262,005.60** (in RMB 10,000);
 Total Profit: **21,339.79** (in RMB 10,000);
 Total Tax Payment: **5,373.05** (in RMB 10,000);
 Basic Earnings per Share: RMB **0.48** per share;
 Net Profit Attributable to Shareholders of the Listed Company: **20,541.21** (in RMB 10,000).

 Governance Performance

General Meeting of Shareholders Convened: **4** times;
 Meetings of the Board of Directors Convened: **12** times;
 Percentage of Female Directors in the Board of Directors: **44.44%**;
 Percentage of Independent Directors in the Board of Directors: **33.33%**;
 Reply rate to investors' inquiries at SSE E-Interactive Platform: **100%**.

 Environmental Performance

PV Generation: **5,545,737.88** kWh;
 Greenhouse Gas Emission Intensity: **1.29** tCO₂e/RMB 10,000 revenue;
 Total Water Consumption: **651,994** tons;
 Water Consumption Intensity: **2.49** tons/RMB 10,000 revenue;
 Total Energy Consumption: **10,230.56** tce;
 Energy Consumption Intensity: **0.04** tce/RMB 10,000 revenue.

 Social Performance

Total number of employees: **5,527**; Employee Satisfaction: **93.95%**;
 Investment in R&D: **24,707.66** (in RMB 10,000); Product Percent of Pass: **98.63%**;
 Total Investment in Data Security: **112** (in RMB 10,000);
 Total Investment in Safety Production: **522.80** (in RMB 10,000);
 Total Public Welfare Input: **8.25** (in RMB 10,000).

About Solex

Company Profile

Xiamen Solex (603992.SH) was established in 2004. The Company's businesses cover branded organizational systems for service robots and consumer intelligent hardware IDM operations, aiming to provide innovative solutions to global customers.

The robotics business is a strategic business line of the Company. Under its proprietary brand "Solex Robotics," it expands domestic and overseas markets and builds two core collaborative organizational systems: A logistics service robot system tailored for industrial parks, medical and elderly care institutions, and other scenarios, which provides integrated solutions such as inspection and security, in-park logistics, cleaning, and reception; and a medical and elderly care service robot system focused on healthcare, elderly care, and aesthetic medical institutions, which offers personalized solutions including mobility assistance, nursing and rehabilitation, and health monitoring.

The Company's IDM business, based on the IDM (Innovation, Design, Manufacturing) model, primarily serves overseas markets and leading international brand customers, and is divided into two major segments: The healthcare software and hardware, as the second growth engine, focuses on diversified scenarios including sleep (e.g., AI smart pillows, smart mattresses), skin and hair (e.g., AI beauty devices, hair removal devices, hair growth devices), oral care (e.g., AI health-monitoring oral irrigators, electric toothbrushes), sports rehabilitation and body shaping (e.g., intimate care devices), AI companionship (e.g., AI companion cats), and beverage health (e.g., soda makers); intelligent kitchen and bathroom solutions constitute the Company's foundational business, with core categories including shower systems, kitchen faucets, smart toilets, and intelligent beverage systems, consolidating the Company's business fundamentals.

The Company is among the few domestic enterprises to have received all eight "national-level" honors: "High-tech Enterprise", "National Intellectual Property Demonstration Enterprise", "National Enterprise Technology Center", "Service-Oriented Manufacturing Demonstration Enterprise", "National Green Factory", "National Industrial Design Center", "Postdoctoral Research Station", "Solex Famous Trademark". In addition, the innovative products designed by the Company's design team have won over 170 domestic and international design awards, including top global industrial design awards such as the Red Dot Award (Germany), iF Design Award (Germany), IDEA Award (United States), and Good Design Award (Japan). To date, the Company holds more than 1,300 valid authorized patents domestically and internationally, including over 400 invention patents and nearly 800 utility model patents, demonstrating its outstanding strength in innovation.



Corporate Culture



Solex IDM Division

Vision

The preferred IDM partner for leading global brand customers.

Mission

To create maximum value in product R&D, design, and manufacturing for leading global brand customers.

Cultural Values

Advocating science and mutual support.

Vision

We are committed to becoming a globally leading B2B service robot organizational system brand.

Mission

We strive to fully liberate global enterprise clients from service-oriented tasks in logistics, customer service, medical care, and health and wellness.

Cultural Values

Advocating science and mutual support.



Solex Robotics Division

Shareholding Structure Chart

Xiamen Solex High-tech Industries Co., Ltd.



Business Operations



「Foundational business, steadily upgrading」
Intelligent Kitchen and Bathroom

「Product」

Continuously iterating core technologies such as intelligent water saving, precise temperature control, and intelligent sensing, and empowering products including faucets, shower systems, and smart toilets with patented technologies such as bubble concentration detection, negative pressure water shut-off, and multi-sensor linkage, optimizing water-saving efficiency and user experience, expanding intelligent and health-oriented kitchen and bathroom solutions, and meeting the needs of high-end overseas brands.

「Latest Developments」

The Vietnam base has commenced operations to undertake overseas orders, mitigated tariff barriers and ensured global supply chain stability; deepened IDM cooperation, focused on international high-end customers, and consolidated its position as a core supplier.



「Second growth engine, technological breakthroughs」
Healthcare Software and Hardware

「Product」

Focusing on scenarios such as sleep, skin, hair, oral care, sports rehabilitation and body shaping, AI companionship, and beverage health, leveraging core patents in AI recognition, precise regulation, and intelligent monitoring to complete full-category product iterations and functional upgrades for smart anti-snoring pillows, pelvic floor rehabilitation devices, portable hair removal devices, and more.

「Latest Developments」

Certified with ISO/IEC 27001 and 27701 information security, obtained MDSAP international medical device quality system certification across five countries, and advanced the expansion of ISO 13485 medical device quality management system certification at the Vietnam park, jointly initiated the Xiamen "Open Competition for the Best" smart health home application large model project with universities; the Company continues to cultivate overseas high-end B-end markets through patent-driven technology, scenario-based products, and ecosystem collaboration, strengthening global compliance capabilities and core competitiveness.



「Strategic new core, inaugural year 2025」
Robot Organizational System

「Product」

The organizational system for logistics service robots and the organizational system for medical and elderly care service robots.

「Latest Developments」

In February 2025, the Company established its wholly owned subsidiary Solex Robotics; in March 2025, Solex Robotics acquired Xiamen VDS, rapidly strengthening capabilities in mobile chassis and motion control teams; in November 2025, Solex Health Park was officially renamed Solex Robotics Park, establishing an integrated robotics base that includes R&D buildings, exhibition halls, testing facilities, and planned production areas; in November 2025, the Solex Robotics Research Institute was officially inaugurated; in December 2025, Version 1.0 of the Solex Robotics showroom officially opened.

Industry Layout

Global Market Layout

Deploying in the robotics field, expanding business end scenarios such as rehabilitation and elderly care institutions and industrial parks, with robotics business orders expected to be converted and implemented.

Overseas Market Layout

Covering 50+ countries/regions, with the Vietnam base commencing production in 2025, focusing on manufacturing to address trade barriers.

Domestic Production Capacity Layout

Xiamen Park + Zhangzhou Smart Home Park, focusing on R&D and high-end manufacturing.

Overseas Production Capacity Layout

Vietnam Solex production base, dedicated to large-scale manufacturing to support international business expansion.

Brand Development

Building upon its solid foundation in "Health Hardware IDM," Solex is driving a pivotal leap in its brand strategy, entering a new era of proprietary robotics branding. Powered by technological innovation, the Company deeply integrates its core manufacturing capabilities with cutting-edge technologies such as intelligent sensing and mechatronics, actively positions itself within the robotics industry ecosystem, and advances from a product manufacturer to a leader in intelligent solutions, elevating brand value and opening a new chapter in empowering global households and industries with intelligent upgrades.



Building the "Solex Robotics" Brand

"Solex Robotics" is the core brand of the Company's strategic business line, delivering professional service robot collaborative organizational systems to domestic and overseas enterprise clients. Leveraging manufacturing strength, accumulated AI algorithms, and global production capacity layout, the brand builds competitive advantages through differentiated strategies. Focusing on the two core scenarios of logistics services and medical and elderly care services, the brand has developed product series covering diversified functional modules: For logistics service scenarios, targeting industrial parks, medical and elderly care institutions, and various enterprises, it provides automated solutions such as inspection and security, in-park logistics, indoor and outdoor cleaning, and guided reception; for medical and elderly care scenarios, focusing on healthcare institutions, aesthetic medical institutions, and beauty institutions, it offers intelligent services including mobility assistance, nursing and rehabilitation, and health monitoring, helping global clients achieve scenario upgrades and efficiency improvements.

Milestones in 2025

February

Solex Robotics was established, as a step to deploy the strategic business line of robotics. Under its proprietary brand, it targets both domestic and overseas ToB markets, building two collaborative organizational systems for logistics and medical/elderly care service robots.



January

The Solex 2025 Strategic Management Summit discussed the Company's overall strategy, the strategic positioning and development plan of Solex Vietnam, outlining a clear blueprint for its future.



March

Solex Robotics completed the acquisition of VDS.



April

Solex's Aurora photocatalyst toothbrush and Nimble side-spray lifting bar won the 2025 German iF Design Award.



May

Solex participated in the 29th Kitchen & Bath China in Shanghai.



Solex participated in the 29th China Beauty Expo in Shanghai.



SGS awarded ISO/IEC 27001 Information Security Management System Certification and ISO/IEC 27701 Privacy Information Management System Certification.



June

Solex was honored as a "Benchmark Enterprise for Fair Competition Compliance Management System Development" and received the nation's first Fair Competition Compliance Management System Certification.



The Vietnam production base successfully achieved its first shipment.



Zhangzhou Solex was awarded the provincial title of "Green Supply Chain Management Enterprise."

附件3
2025年度福建省绿色供应链管理企业名单

序号	企业名称	地区
1	福州天安电气股份有限公司	福州
2	福州京北方光电科技股份有限公司	福州
3	中德信联股份有限公司	福州
6	漳州松霖智能家具有限公司	漳州
7	福建首尚兴信科技股份有限公司	泉州
8	石狮聚宝染织有限公司	泉州

July

Solex received the China Patent Excellence Award for its patent "A Multifunctional Shower-head."

序号	专利名称	专利号	专利类型	专利状态	专利价值
1	一种多功能淋浴喷头	ZL202410123456.7	发明专利	有效	1000000
2	一种智能感应水龙头	ZL202410234567.8	发明专利	有效	800000
3	一种节水型淋浴喷头	ZL202410345678.9	发明专利	有效	600000
4	一种智能马桶盖	ZL202410456789.0	发明专利	有效	500000
5	一种智能浴室镜	ZL202410567890.1	发明专利	有效	400000
6	一种智能浴室柜	ZL202410678901.2	发明专利	有效	300000
7	一种智能浴室灯	ZL202410789012.3	发明专利	有效	200000
8	一种智能浴室镜柜	ZL202410890123.4	发明专利	有效	150000
9	一种智能浴室柜镜柜	ZL202410901234.5	发明专利	有效	100000
10	一种智能浴室镜柜镜柜	ZL202411012345.6	发明专利	有效	80000

September

Solex received the "2025 Best Practice Case of Internal Control of Listed Companies" from the China Association for Public Companies.



October

A celebratory event for the Vietnam production base was held in Quang Ninh Province, Vietnam.



November

The Solex Robotics Research Institute was officially inaugurated.



Solex participated in Cosmo-prof Asia in Hong Kong.



December

The Solex Robotics showroom officially opened.



Solex initiated the "Open Competition for the Best" project to tackle key technologies for a smart health application large model.



Major Honors in 2025

Recipient	Awards	Awarding Authority
Solex	National Enterprise Technology Center	National Development and Reform Commission, Ministry of Finance, General Administration of Customs, Ministry of Science and Technology, State Taxation Administration
Solex	2025 Key Industrial Enterprise of Xiamen	Xiamen Municipal Bureau of Industry and Information Technology
Bestter	2025 Key Industrial Enterprise of Xiamen	Xiamen Municipal Bureau of Industry and Information Technology
Solex	2025 Top 100 Strategic Emerging Industry Enterprises in Fujian (Ranked 41st)	Provincial Enterprise Confederation, Provincial Radio and Television, Provincial Academy of Social Sciences, Fujian Daily, etc.
Solex	Top 100 Private Manufacturing Enterprises in Fujian Province (Ranked 73rd)	Fujian Federation of Commerce & Industry
Solex	Top 100 Innovative Private Enterprises in Fujian (Ranked 29th)	Fujian Federation of Commerce & Industry
Solex	2025 Top 100 Xiamen Enterprises (Ranked 82nd)	Xiamen Enterprise Confederation, Xiamen Radio and Television, Xiamen Daily, etc.
Solex	2025 Top 10 Xiamen Green Enterprises (Ranked 10th)	Xiamen Enterprise Confederation, Xiamen Radio and Television, Xiamen Daily, etc.
Solex	2025 Top 10 Xiamen Enterprises in Intellectual Property (Ranked 5th)	Xiamen Enterprise Confederation, Xiamen Radio and Television, Xiamen Daily, etc.
Solex	Top 50 Xiamen Private Technology Innovation Enterprises (Ranked 13th)	Xiamen Federation of Industry and Commerce
Solex	Top 50 Xiamen Private Manufacturing Enterprises (Ranked 21st)	Xiamen Federation of Industry and Commerce
Solex	Top 100 Xiamen Private Enterprises (Ranked 66th)	Xiamen Federation of Industry and Commerce
Zhangzhou Solex	"Future Unicorn" Innovative Enterprise	Fujian Provincial Bureau of Data Management
Solex	2025 Haicang District Talent Attraction and Cultivation Contribution Award	Leading Group for Talent Work of the CPC Haicang District Committee
Zhangzhou Solex	2025 Fujian Provincial Green Supply Chain Management Enterprise	Fujian Provincial Department of Industry and Information Technology
Zhangzhou Solex	Fujian Provincial Enterprise Technology Center	Fujian Provincial Department of Industry and Information Technology
Bestter	High-tech Enterprise	Xiamen Municipal Bureau of Science and Technology, Xiamen Municipal Bureau of Finance, Xiamen Taxation Service of the State Taxation Administration



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2	福州京东方光电科技有限公司	福州
3	中铝瑞闽股份有限公司	福州
6	漳州松霖智能家居有限公司	漳州
7	福建省向兴纺织科技有限公司	泉州
8	石狮家家宝纺织有限公司	泉州



Responsibility Focus-Special Topics

Deepening Industry Focus and Strengthening Strategic Layout, Integrating into the Industry for Shared Development

The Company has keenly seized development opportunities in the robotics sector, steadily advancing industrial layout, leveraging enterprise–university–research institute collaboration as a technological bridge to promote technological innovation and knowledge integration. At the same time, through deep participation in industry exhibitions and technical exchanges, the Company continues to expand brand influence and actively build a collaborative and mutually beneficial industrial ecosystem.

Deepening the Robotics Sector and Consolidating Industrial Layout

The global technology industry is flourishing, with new technologies and application scenarios continuously emerging, bringing new opportunities for enterprise development. As an innovation-driven enterprise, Solex has firmly seized industry opportunities, actively deployed in the field of artificial intelligence, established a professional AI algorithm team, and attached great importance to the development of the robotics industry. The Company relies on its subsidiary Solex Robotics to pioneer new business tracks and is actively building integrated industrial chain service capabilities encompassing robotics technology research and development, manufacturing, and market sales, steadily deepening its strategic layout in the robotics sector.

At present, the Company is prioritizing the R&D of collaborative organizational systems for healthcare and elderly-care service robots as well as logistics service robots, continuously advancing the deployment of robotic teams that address customer pain points and consolidating its core technological competitiveness. During the Reporting Period, Solex Robotics successfully completed the acquisition of VDS and finalized all requisite industrial and commercial registration changes.



Case Study: Taikang Community and Wuxin Elderly Care Visit Solex

In August 2025, the chairman of Wuxin Elderly Care and the general manager of the Operations Support Department of Taikang Community led delegations to Solex for inspection and exchange. During the visit, the parties conducted in-depth discussions on the practical deployment of elderly-care robotics, with the Company engaging in dedicated and detailed consultations on robotic solutions tailored to Taikang Community's operational scenarios and needs. This exchange laid a solid foundation for synergistic cooperation between the parties in the field of elderly-care robotics. Solex's robust capabilities in AI and robotics precisely complement Taikang Community's nationwide healthcare and elderly-care community network and Wuxin Elderly Care's experience in operating elderly-care institutions. This engagement not only achieved precise alignment between technological supply and scenario demand but also marked the further implementation of an integrated model of "technology



R&D—industrial deployment—service operations" in the elderly-care sector, injecting strong momentum into the commercialization of elderly-care robotics in China.



Case Study: Strategic Cooperation Reached with Wuxin Elderly Care and Huaqiao University College of Engineering

In August 2025, Solex Robotics entered into a strategic cooperation memorandum with Fujian Wuxin Elderly Care Services Co., Ltd. ("Wuxin Elderly Care") and the College of Engineering of Huaqiao University ("HQU Engineering"). The three parties will focus on the specific needs of elderly-care scenarios, integrating Solex Robotics' R&D and manufacturing strengths, Wuxin Elderly Care's application scenarios and service experience, and HQU Engineering's research capabilities and talent resources to jointly explore elderly-care robotics solutions and conduct collaborative R&D, design optimization, and supply chain development. Going forward, all parties will continue to advance project innovation and iteration, deepen collaboration in policy initiatives and research project applications, and actively explore long-term development opportunities in the elderly-care robotics field.



Strengthening Industry Engagement and Showcasing at Professional Exhibitions

Upholding the core philosophy of model sharing, manufacturing sharing, and technology sharing, Solex's IDM business focuses on the fields of healthcare software and hardware and intelligent kitchen and bathroom solutions. With enterprise–university–research institute collaborative innovation as the central engine, we have established joint R&D platforms with leading domestic universities and top-tier hospitals to overcome key technical challenges and accelerate the commercialization of research outcomes. At the same time, we concentrate on the R&D, design, and manufacturing of intelligent products and, leveraging platforms such as beauty expos and kitchen and bathroom exhibitions, collaborate closely with industry partners to integrate hardware innovation with health insights, delivering safer, more convenient, and smarter healthy living experiences for consumers.



Case Study: With Dedicated Craftsmanship in Beauty Tech, Solid Capabilities Shine in Asia-Pacific

From November 12 to 14, 2025, the Cosmoprof Asia was successfully held in Hong Kong, where the Company showcased a range of cutting-edge beauty and health products in skin management and hair management, comprehensively presenting its latest R&D achievements. Meanwhile, the Company has actively established in-depth partnerships with renowned domestic universities and top-tier hospitals, integrating the strengths of enterprises, universities, and research institutes, and medical institutions to jointly tackle key technologies for innovative products and explore new development opportunities in the beauty and health sector.

Skin Management Products

- The flagship beauty device features intelligent emulsion detection, enabling adaptive compatibility with emulsions of varying viscosities and recommending personalized usage plans based on skin analysis results, thereby enhancing skincare precision and user experience.
- The LED light therapy device incorporates a breathable structure and multiple phototherapy modes to address anti-aging needs across different skin types; equipped with intelligent distance measurement, it monitors user distance in real time to ensure safe and controllable phototherapy, delivering a professional-grade at-home beauty experience.

Hair Management Products

- The hair removal device innovatively integrates AI detection algorithms to accurately identify hair distribution and scar locations within the treatment area, effectively preventing scorching caused by residual hair while avoiding secondary damage to scarred skin, thereby enhancing safety and comfort.
- The hair-dryer brush integrates efficient drying, care, and styling functions; its self-cleaning system effectively prevents dust blockage to ensure long-term stable operation, while water-ion technology helps improve dry hair quality, achieving dual moisturizing and hair-care benefits. Combined with rapid styling functionality, it enables users to effortlessly create ideal hairstyles.



Case Study: Gathering New Kitchen and Bathroom Trends in Shanghai

From May 27 to 30, 2025, the 29th Kitchen & Bath China was held at the Shanghai New International Expo Centre. Under the theme "New Era, New Kitchen and Bathroom, New Experience," the exhibition brought together cutting-edge industry trends and innovative products. Guided by the philosophy of "intelligence, health, and sustainability," the Company focused on real-life scenarios such as beverage health, intelligent bathroom solutions, and kitchen water usage, presenting four themed exhibition zones: beverage space, smart toilet space, shower space, and faucet space. In addition, the robot Xiaolin made its debut, interacted with visitors on-site and guided them to explore technological highlights and product experiences throughout the exhibition areas.

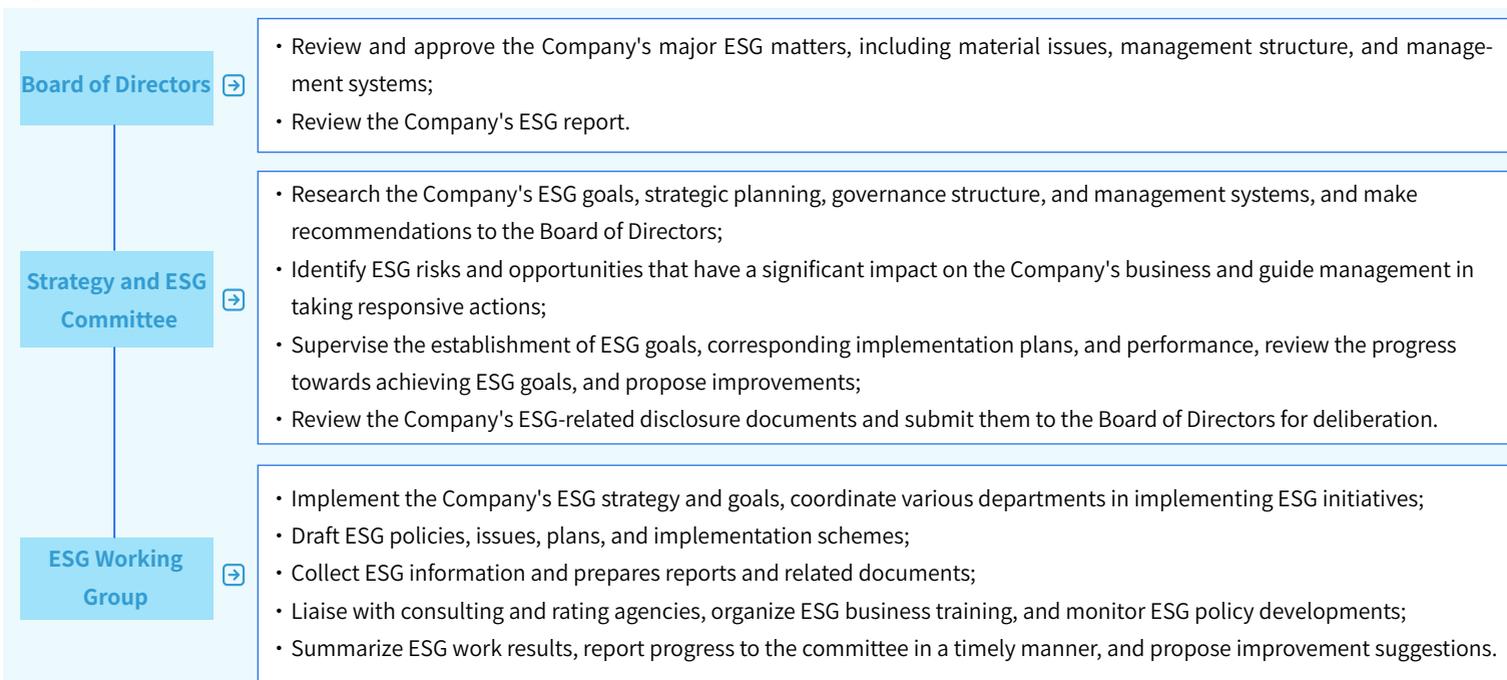


Sustainable Development Governance

ESG Management Framework

The Company has formulated the *Environmental, Social, and Governance (ESG) Management System* and the *Rules of Procedure of the Strategy and ESG Committee under the Board of Directors*, and established a three-tier management structure comprising Board oversight, committee review, and working group execution to provide unified leadership, decision-making, and implementation of ESG-related work. Meanwhile, the Company continues to deepen ESG cultural development and empower all employees, fully integrating ESG principles into operational practices, systematically enhancing environmental performance, fulfilling social responsibilities, and optimizing corporate governance.

To ensure effective implementation of ESG governance, the Company has incorporated ESG-related indicators into key performance metrics and linked them to remuneration assessments for relevant positions, covering dimensions such as innovation and R&D, product quality, environmental protection, and workplace safety, thereby reinforcing ESG accountability and supporting long-term sustainable value creation.



Case Study: ESG Training

To enhance employees' and management's in-depth understanding of sustainable development concepts and strengthen ESG management capabilities, the Company organized a dedicated ESG training session on December 25, 2025, which was attended by 21 participants and lasted two hours. The training focused on interpreting the latest ESG policy developments, frontier trends, and rating systems, and analyzed the Company's current ESG performance and improvement pathways, further strengthening ESG awareness and practical application among key personnel and effectively enhancing the Company's ESG management level.



Information Reporting Mechanism

By regularly publishing ESG reports, Solex proactively discloses its performance across environmental, social, and governance dimensions, effectively enhancing investor communication quality and information transparency. Meanwhile, the Company clearly requires each executing unit to assume primary responsibility within its scope of duties, implement the daily management of ESG-related tasks according to the Company's ESG strategy and goals, regularly report progress, and promptly submit ESG information.

ESG Goals

Solex practices sustainable development through concrete actions, establishing clear ESG goals to anchor its direction and guide the orderly advancement of ESG initiatives. The Company also fully endorses and actively implements the United Nations Sustainable Development Goals (SDGs), integrating them into its strategic planning to vigorously advance toward low-carbon manufacturing, shared benefits, and high-quality development.

Chapters and Sections	Building a Solid Governance Foundation with Integrity and Diligence	Nurturing the Ecosystem and Advancing Sustainably Through Green Development	Empowering Industry and Creating Enduring Value	Attracting Talent and Building Unity
Our Goals	<ul style="list-style-type: none"> ▪ Improvement of ESG governance system ▪ Enhancing governance levels of the General Meeting of Shareholders, Board of Directors, and Board of Supervisors ▪ Reinforcing risk control capabilities ▪ Ensuring timely, accurate, and complete information disclosure while maintaining strong investor relations ▪ Zero incidents of commercial bribery, corruption, or unfair competition 	<ul style="list-style-type: none"> ▪ Supporting carbon reduction initiatives ▪ Active promotion of green office practices ▪ Improvement of resource utilization efficiency ▪ Enhancing circular economy practices and reducing unnecessary costs 	<ul style="list-style-type: none"> ▪ Increasing investment in R&D ▪ Zero supply chain safety incidents ▪ Compliance of products and services with national standards ▪ Rising customer satisfaction ▪ Zero data leakage incidents 	<ul style="list-style-type: none"> ▪ Zero employment discrimination incidents ▪ Protecting employees' development and participation rights ▪ Providing expansive development opportunities for employees ▪ Strict occupational health and safety management to foster a safe workplace



The Company continuously enhances its supplier management system by standardizing the full-process management of supplier selection, evaluation, assessment, and exit, and incorporates ESG performance indicators into supplier admission criteria.

The Company adheres to compliant operations, continuously improves compliance and risk management systems, and conducts regular information disclosure to ensure regulatory compliance and efficient governance.

Actively responding to the "dual carbon" strategy, the Company comprehensively conducts greenhouse gas inventories, vigorously promotes energy-saving awareness and technology application, and contributes to carbon neutrality goals.

The Company implements full lifecycle product management and strictly controls product quality through digital technologies.

The Company gives back to society through tangible actions by organizing cross-border donations and community elderly-care initiatives to support sustainable community development.

Adhering to core values of diversity, equality, and inclusion, the Company ensures no differential treatment based on gender, age, or other personal characteristics in recruitment, compensation, or career advancement.

Market demand guides the Company's R&D direction, with increased R&D investment to continuously strengthen technological and product innovation capabilities.



The Company has established an employee mutual aid foundation to provide financial assistance to employees in difficulty; offers suitable employment opportunities to economically disadvantaged laborers; and donates bicycles to children in impoverished counties.

The Company addresses the dietary health needs of the elderly by donating peanut oil and other supplies to community seniors.

The Company cares for employees' physical and mental well-being by organizing diverse cultural and sports activities. It also provides comprehensive health check-ups for all employees and conducts regular safety hazard inspections.

The Company has built a content-rich digital learning platform and established a tiered and categorized employee training system, empowering employees with personalized and autonomous learning opportunities.

The Company effectively safeguards the legitimate rights and interests of female employees, strictly ensuring gender equality in recruitment, compensation and benefits, and promotion, and fully implementing statutory leave entitlements such as maternity examination leave in accordance with the law.

The Company rigorously manages wastewater discharge, conducts real-time monitoring across all treatment stages, and enhances water utilization efficiency through wastewater recycling and reuse measures.

The Company actively promotes the application of photovoltaic technology, continuously increasing the proportion of clean energy usage, while reducing energy waste through equipment upgrades and energy-saving awareness campaigns, thereby advancing green operations.

The Company provides employees with market-competitive compensation and diverse benefits, and through regular performance evaluations fully unlocks employees' capabilities and potential.

Due Diligence

Conducting due diligence is of great significance for identifying, preventing, mitigating, and addressing the Company's actual and potential adverse impacts and risks. In accordance with regulatory requirements and industry norms, the Company has established and refined a due diligence mechanism, fully integrating it into its enterprise risk management system and proactively identifying sustainability-related risk exposures.



Employees

Background investigations are conducted for new hires, promotions or transfers to core and sensitive positions, and promotions of core management personnel; core and sensitive positions are determined in accordance with compliance policies, and investigations are completed prior to hiring or appointment notices to ensure compliance and mitigate employment risks.



Business Partners

Prior to cooperation, the Company verifies their credit standing and contract performance capability, streamlines key due diligence content, classifies risk levels based on findings, and implements differentiated risk controls.

ESG Risk Management

The Company places high emphasis on ESG risk management. Focusing on key ESG topics such as climate change response, innovation-driven development, product safety and quality, responsible supply chains, and energy utilization, the Company organizes top-down risk identification and assessment across departments and formulates scientific mitigation measures based on assessment outcomes to ensure effective ESG risk oversight and support stable and sustainable development.

Material Topics	Risk Description
Response to Climate Change	Frequent extreme weather events may increase operating costs; policy updates may raise compliance costs; green transition demands significant capital investment; and failure to take effective response measures could result in reputational damage and revenue volatility.
Innovation-driven	Innovation-driven development faces talent attrition risks that may interrupt R&D projects or cause technology leakage, alongside insufficient protection of core process patents that could erode competitive advantages.
Product Safety and Quality	Product safety and quality are subject to multiple risks, as quality issues may trigger reputational damage; emerging business segments may lack maturity; intensified market competition, imbalanced production capacity and inventory, and suboptimal channel customer structures may constrain sustainable product development.
Supply Chain Management	Supply chain policy adjustments may restrict trade and disrupt supply chains; rising material prices may increase procurement costs; and unreasonable procurement planning may result in inventory shortages or backlogs.
Energy Utilization	Energy price volatility, increasingly stringent regulatory oversight of high-energy-consuming processes, and low energy efficiency not only raise operating costs but also hinder compliance with policy requirements.
Water Resource Utilization	Water resource utilization is under increased control pressure due to higher water supply volumes and policy risks arising from adjustments to water abstraction and usage regulations; production processes may pose water pollution risks, and inefficient water use may cause resource waste and reputational harm.
Occupational Health and Safety	Occupational health and safety entail legal compliance risks; inadequate safety management execution may lead to regulatory penalties; exposure of safety incidents may cause reputational damage; and casualties may directly halt production, triggering operational disruptions and affecting normal business operations.
Talent Management	Retention risks due to high turnover and challenges in retaining talent; skill risks arising from lagging employee skill updates that fail to match technological upgrades; and cross-cultural management risks stemming from ineffective collaboration within multicultural teams and insufficient management adaptability.

Materiality Assessment

In accordance with the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Report (for Trial Implementation)*, and in consideration of industry dynamics and the Company's operational realities, the Company conducted analyses from the perspectives of "impact materiality" and "financial materiality," identifying and evaluating 30 key issues of significance to the Company and its stakeholders, among which five dual materiality issues are addressed as focal points in this report.

Assessment steps

Analysis methods

Step 1

Understand the Company's background and conduct preliminary issue screening

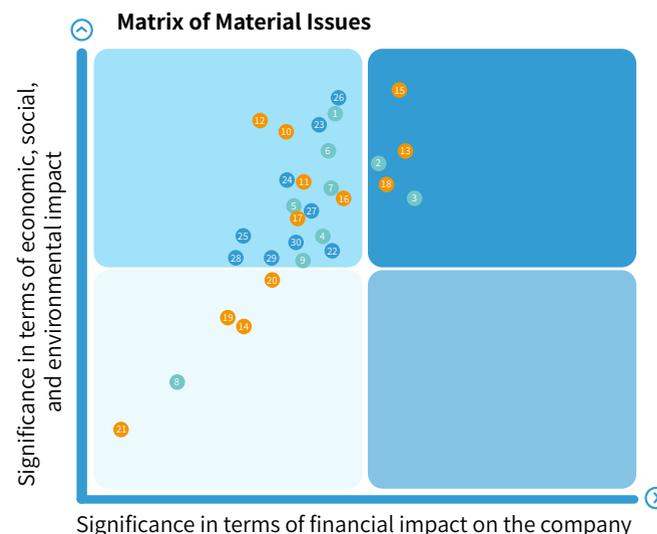
Step 2

Assess the materiality of issues

Step 3

Identify material issues

- Based on analysis of industry development trends and the Company's business model, refer to GRI, SASB, and related issues from domestic and international peers, establish a sustainable development issue library.
- Identify the potential or actual impacts of each issue on the external environment, society, and economy in the form of questionnaires and expert judgments.
- Identify issues with financial materiality based on the Company's risk identification and assessment list and combined with questionnaire results.
- Form an issue list based on impact materiality and financial materiality, and ensure that the relevant issues are transparently, fairly, and comprehensively disclosed in the report.



- 1 Environmental compliance management
- 2 energy utilization
- 3 Response to climate change
- 4 circular economy
- 5 water resource utilization
- 6 pollutant emissions
- 7 waste disposal
- 8 Ecosystem and biodiversity protection
- 9 low-carbon products
- 10 employee rights protection
- 11 employee training and development
- 12 occupational health and safety
- 13 innovation-driven
- 14 technology ethics
- 15 product safety and quality
- 16 customer rights protection
- 17 information security and privacy protection
- 18 responsible supply chain
- 19 equal treatment of SMEs
- 20 social contribution
- 21 rural revitalization
- 22 shareholder rights protection
- 23 standardized corporate governance
- 24 anti-commercial bribery and anti-corruption
- 25 anti-unfair competition
- 26 tax compliance
- 27 risk management
- 28 due diligence
- 29 stakeholder communication
- 30 ESG governance

Dual materiality issues	Response to climate change	innovation-driven	product safety and quality	responsible supply chain	energy utilization
Impact materiality issues	Environmental compliance management	circular economy	water resource utilization	pollutant emissions	waste disposal
	low-carbon products	employee rights protection	employee training and development	occupational health and safety	customer rights protection
	information security and privacy protection	shareholder rights protection	standardized corporate governance	anti-commercial bribery and anti-corruption	anti-unfair competition
	tax compliance	risk management	stakeholder communication	due diligence	ESG governance
Relevant issues	Ecosystem and biodiversity protection	technology ethics	equal treatment of SMEs	social contribution	rural revitalization

Communications with Stakeholders

To ensure smooth communication with stakeholders, the Company has established an ESG information communication mechanism and, in accordance with international standards such as the GRI Standards and AA1000 Stakeholder Engagement Standard, conducts stakeholder identification and engagement. Where necessary, it actively solicits stakeholder feedback and recommendations through interviews, forums, and surveys to continuously improve performance.

	 Government and regulatory agencies	 Suppliers and Partners	 Investors and Shareholders	 Employees	 Customers	 Public welfare and community organizations
Stakeholder Category	Government and regulatory agencies	Suppliers and Partners	Investors and Shareholders	Employees	Customers	Public welfare and community organizations
Demands and Expectations	<ul style="list-style-type: none"> Compliant Operations Environmental Business ethics and anti-corruption Lawful tax payment 	<ul style="list-style-type: none"> Win-win cooperation Promotion of industrial development Equal reciprocity Supplier Management 	<ul style="list-style-type: none"> Improvement of Corporate Governance Return and growth Timely information disclosure Risk Management 	<ul style="list-style-type: none"> Employee Care Diversified training Career Development and Promotion Compensation and benefits Health and Safety Performance appraisals Protection of Employees' Rights and Interests 	<ul style="list-style-type: none"> Product Innovation Fostering open communication channels Ensuring Product Quality Protecting the rights and interests of customers 	<ul style="list-style-type: none"> Employment Promotion Public Welfare and Charity
Communication and Response	<ul style="list-style-type: none"> Comply with Laws and Regulations Green Manufacturing Supervision and inspection Full Tax Compliance 	<ul style="list-style-type: none"> Transparent procurement Industry cooperation and exchange Responsible industry chain Building of a green supply chain 	<ul style="list-style-type: none"> Optimization of governance structure Shareholder dividends Regular public announcements Improvement of Internal Control 	<ul style="list-style-type: none"> Diverse cultural and sports activities Regularly organization of training activities Improvement of employee career advancement mechanisms Enhancement of compensation and benefits Regular health check-ups Improvement of performance appraisals Employee communication and feedback mechanisms 	<ul style="list-style-type: none"> Increased Investment in R&D Improvement of communication efficiency Quality and safety management Optimization of service processes 	<ul style="list-style-type: none"> Provision of Employment Opportunities Conducting public welfare activities

Building a Solid Governance Foundation with Integrity and Diligence

Our Philosophy

Solex continuously improves its corporate governance system, upholds compliance as a fundamental principle, strengthens risk management mechanisms, proactively expands and facilitates communication channels with investors, ensures the timeliness, accuracy, and transparency of information disclosure, effectively safeguards the rights and interests of all shareholders, and consolidates the foundation for long-term steady operations.



Our Actions

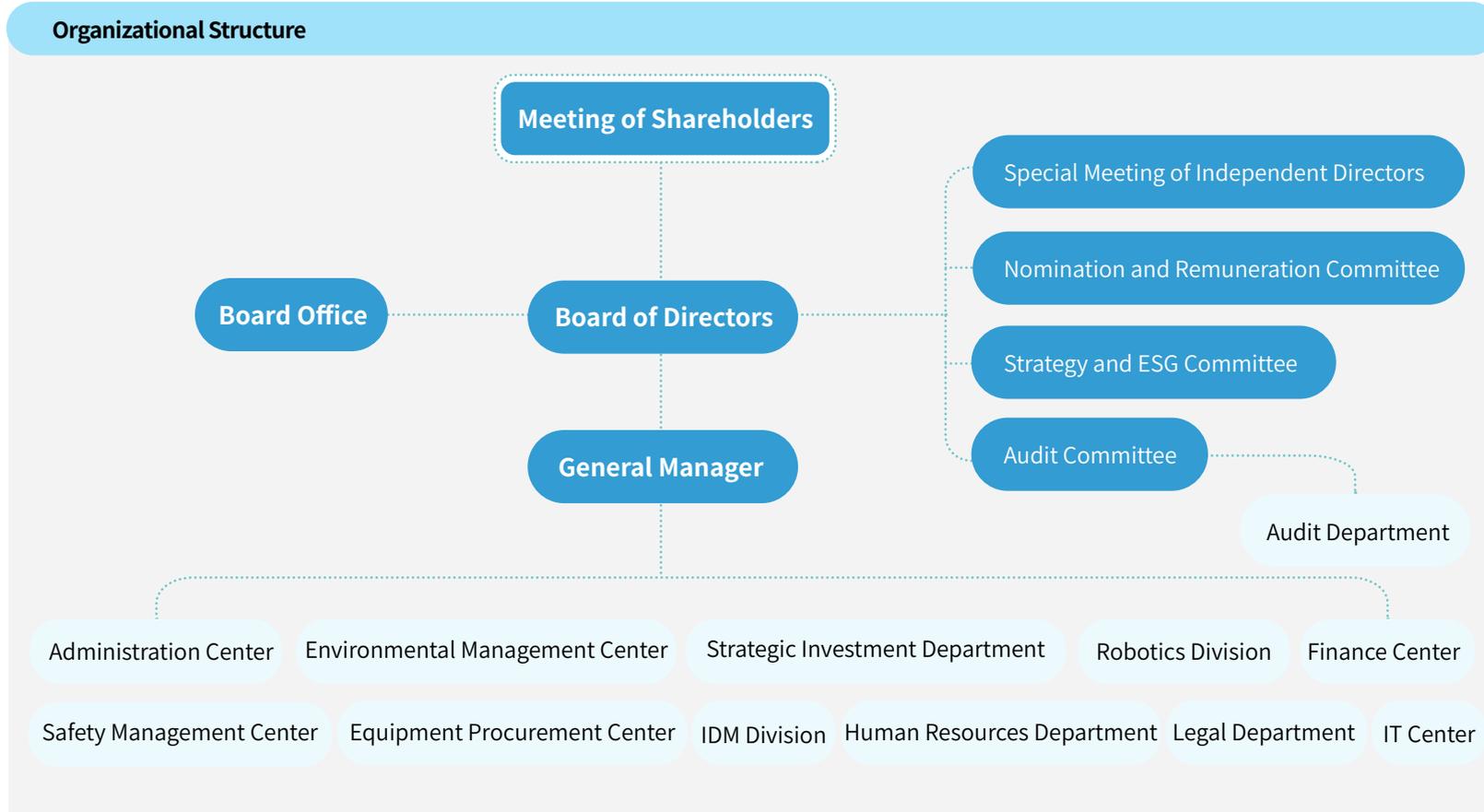
- Corporate governance
- Compliance Operation and Risk Management
- Investor Relations Management and Shareholders' Rights and Interests
- Business Ethics

SDGs



Corporate Governance

Solex has further standardized corporate operations to form a governance structure with clearly defined powers and responsibilities and effective checks and balances among the General Meeting of Shareholders, the Board of Directors, committees, and the management team in strict compliance with the *Company Law of the People's Republic of China (the "Company Law")*, the *Securities Law of the People's Republic of China (the "Securities Law")*, and other applicable laws and regulations, as well as internal governance documents such as the *Articles of Association*. During the Reporting Period, in alignment with regulatory requirements and operational realities, the Company abolished the Board of Supervisors and transferred its functions and powers to the Audit Committee under the Board of Directors, further clarifying the boundaries of supervisory responsibilities and enhancing the efficiency and professionalism of governance oversight.



General Meeting of Shareholders

The General Meeting of Shareholders, as the Company's highest authority, exercises decision-making power over major matters in accordance with the law. During the Reporting Period, the convening, holding, and voting procedures of all General Meetings of Shareholders strictly complied with the *Articles of Association*, the *Rules of Procedure for General Meetings of Shareholders*, and other relevant regulations. Lawyers were engaged to witness the legality and compliance of the meetings on-site. There were no instances of major matters being implemented without the approval of the General Meeting of Shareholders, nor any cases of implementation prior to deliberation.

Key Performance

During the Reporting Period,

A total of **4** General Meetings of Shareholders were held, including **1** annual General Meeting of Shareholders and **3** extraordinary meetings;

17 proposals were reviewed and approved;

and **223** attendances of minority shareholders exercised their voting rights at the meetings.

Board of Directors

The Board of Directors serves as the Company's decision-making body and, in strict accordance with the *Rules of Procedure for the Board of Directors* and other systems, exercises operational and managerial authority within its scope of powers, implements resolutions of the General Meeting of Shareholders, formulates business plans and investment proposals, and ensures scientific decision-making and standardized governance.

Key Performance

During the Reporting Period, The Board of Directors held **12** meetings, with an average attendance rate of **100%**. A total of **37** resolutions were passed at the meetings of the Board of Directors.

Board Committees

The Board of Directors consists of the Audit Committee, the Nomination and Remuneration Committee, and the Strategy and ESG Committee. Each committee is accountable to the Board of Directors, composed of directors, and operates in accordance with the *Articles of Association* and the *Rules of Procedure for Board Committees* to ensure professionalism in decision-making mechanisms and effective execution.

Key Performance

During the Reporting Period, The Audit Committee convened **6** meetings and reviewed and approved **9** proposals; The Nomination and Remuneration Committee convened **3** meetings and reviewed and approved **5** proposals; The Strategy and ESG Committee convened **2** meetings and reviewed and approved **3** proposals.

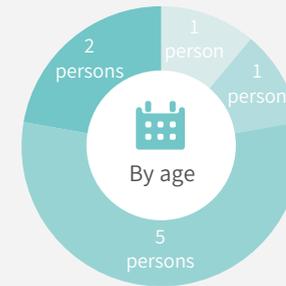
Board of Directors Composition and Diversity

The Company places emphasis on Board diversity, continuously optimizing its composition by comprehensively considering gender, age, professional background, career experience, and industry expertise, thereby consolidating the professional foundation for directors' performance of duties and providing robust professional support for business development. Meanwhile, in August 2025, the Company elected an employee director to represent employee interests and participate in discussions and decision-making on major Board matters, further aligning Board decisions with operational realities and employee development needs. As of the end of the Reporting Period, the Company had a total of 9 directors, of whom 44.44% were female.

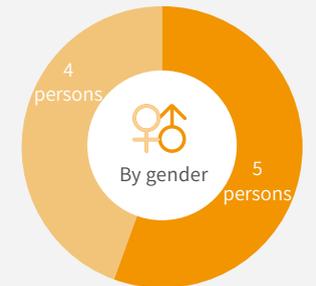
Composition of the Board of Directors



- Bachelor's Degree
- Master's Degree
- Doctoral degree or above



- 60 years old or above
- 50 to 59 years old
- 40 to 49 years old
- Under 40 years old



- Male
- Female

Board Independence

The Company has formulated the *Procedures for the Work of Independent Directors*, clarifying their duties and authorities to ensure effective performance; the convener of the Audit Committee is an independent director with an accounting background, which strengthens professional competence.

Key Performance

During the Reporting Period,

The Board of Directors consists of **9** members, **3** of whom are independent directors, accounting for **33.33%**;

The Company convened **1** special meeting of independent directors, at which **1** proposal was reviewed and approved;

Independent directors accounted for **33.33%** of the Strategy and ESG Committee;

Independent directors accounted for **66.67%** of the Nomination and Remuneration Committee;

Independent directors accounted for **66.67%** of the Audit Committee.

Effectiveness Assessments of Board of Directors

In accordance with the *Listing Rules*, the *Measures for the Administration of Independent Directors*, the *Articles of Association*, and other institutional documents, the Company conducted differentiated evaluations of directors' performance across five dimensions: fulfillment of fiduciary duties, diligence obligations, professional competence, independence and ethical standards, and compliance in duty performance. This strengthened directors' self-discipline and standardized their conduct. During the Reporting Period, all directors were evaluated as competent. In addition, the Board of Directors assessed the independence of independent directors for 2024 and 2025 and found no circumstances that could affect their independent and objective judgment.

Remuneration Management for Directors and Senior Management

To continuously enhance operating performance and management standards and to fully motivate directors and senior management, the Company formulated the *Remuneration and Assessment System for Directors, Supervisors, and Officers*. In terms of remuneration structure, independent directors receive fixed allowances and do not participate in performance assessments; non-independent directors' remuneration is determined based on their actual positions; a performance-linked remuneration system is adopted for officers, with performance bonuses directly tied to overall Company performance and individual assessment results.

Metrics	2023	2024	2025
Total pre-tax remuneration for directors, officers, and supervisors during their term of office from the Company (RMB 10,000)	1,128.62	1,199.50	1,061.55

Note: The total remuneration statistics for 2023 and 2024 include supervisors; the total remuneration statistics for 2025 include remuneration for supervisors during their term of office.

Compliance Operation and Risk Management

The Company always regards integrity and compliant operations as the cornerstone of its survival and development, thoroughly implementing the compliance policy of "abiding by rules, honoring commitments, operating prudently, and pursuing long-term success," improving its compliance management system, identifying and preventing compliance risks, optimizing internal control mechanisms, paying taxes in full in accordance with the law, and ensuring steady and lawful business operations.

Compliance Management

To comprehensively advance the law-based governance development and compliance management of the enterprise and enhance lawful and compliant operations, the Company has formulated the *Compliance Management Manual*, the *Compliance Obligation Management System*, the *Compliance Risk Management System*, and the *Compliance Review and Reporting Management System*, providing system safeguards for compliance management.

The Company has established a compliance management system based on the PDCA (Plan-Do-Check-Act) cycle. By analyzing the organizational environment, identifying stakeholder requirements and compliance obligations, assessing compliance risks, planning measures to address risks and opportunities, and determining and implementing interrelated processes within the compliance management system, the Company achieves the intended outcomes of compliance management. In addition, the Company has established a four-tier compliance management organizational structure of "decision-making–management–execution–supervision," promoting comprehensive and end-to-end compliance coverage.

Organizational Structure for Compliance Management

Decision-Making Body	General Manager	Responsible for strategic decision-making and institutional approval of the Company's compliance management work
Management Body	Intellectual Property Center	Organizes, coordinates, and supervises compliance management work and carries out routine tasks
Executive Bodies	Functional Departments	Implement specific implementation in accordance with unified internal control requirements
Supervisory Body	Internal Control Department	Responsible for testing and supervising the operation of the compliance management system

Various departments of the Company promote compliance culture in different forms, formulate indicators to measure the effectiveness of compliance culture development, and, through coordination between the Legal Department and the Human Resources Department, conduct irregular specialized compliance training in conjunction with law-based governance publicity and education, focusing on professional topics such as trade security compliance and customs laws and regulations, thereby strengthening employees' compliance knowledge and practical capabilities.



Case Study: Policy Interpretation of Announcement No. 83 of 2025 by Six Departments Including the General Administration of Customs

To strictly implement the requirements of Announcement No. 83 of 2025 issued by six departments including the General Administration of Customs and to strengthen full-process compliance management of import and export customs operations, the Company organized specialized training for customs officers and heads of relevant import and export departments. The training comprehensively interpreted key provisions of the announcement, including the scope of goods subject to four categories of measures and specialized account book management requirements, and, in combination with the Company's import and export practices, systematically reviewed compliance procedures to enhance employees' compliance capabilities and fortify the Company's customs compliance defenses.



Key Performance

During the Reporting Period, The Company conducted **9** legal training sessions, totaling **198** hours, with a total of **85** participants.

Risk Management

To accelerate the development of the Company's risk management system and standardize and strengthen risk management, the Company has formulated the *Compliance Risk Management System* and established a risk management organizational framework directly led by the General Manager, coordinated by the Internal Control Department, and fully participated in by all departments. Through risk identification, assessment, response, early warning, and emergency mechanisms, the Company reinforces risk management responsibilities at all stages and forms compliance risk assessment reports. Meanwhile, the Company conducts company-wide risk management culture education and promotion, embedding risk prevention concepts into employees' mindset and daily work, and strengthening awareness and accountability.

Compliance Risk Management Process	
Risk Identification	Risk identification personnel use methods such as questionnaire surveys, Delphi method, sensitivity analysis, and scenario analysis to identify compliance risks, and submit them to the Internal Control Department for summary and risk database establishment.
Risk Assessment	Risk management departments analyze and rate risks based on occurrence probability and impact degree, determine risk levels, and submit them to the Internal Control Department for verification.
Risk Response	Risk management departments select risk response strategies and plans such as risk retention, avoidance, mitigation, or transfer for different types of risks, and after being summarized by the Internal Control Department, submit them to the Company for approval.
Risk Monitoring	Risk management departments continuously monitor the implementation of risk response plans, regularly summarize and analyze, and continuously improve risk control systems and processes.



Case Study: Special Training on Contract Risk Prevention Measures

To effectively avoid various contractual legal risks and safeguard the Company's legitimate rights and interests, in April 2025, the Company's Legal Department and a Vietnamese advisory law firm conducted special training on contract risk prevention measures. The training focused on compliance control throughout the entire contract lifecycle, covering counterparty credit investigations during negotiation and signing, prevention of legal risks in contractual clauses, risk screening during performance, dispute resolution pathways, and closed-loop management during enforcement. Through this training, participants further strengthened their awareness of contract risk prevention and effectively enhanced contract management and risk handling capabilities.

Key Performance

During the Reporting Period,

the Company provided **10** sessions of training on internal risk,

with a total of **321** participants and for a total training duration of **1,213** hours.

Internal Control

To ensure asset security and the authenticity and completeness of financial reports and related information and to improve operational efficiency, the Company has formulated the *Internal Control Manual*, the *Internal Control System*, and the *Internal Audit System*, further standardizing and optimizing key control requirements across management areas and business processes. The Company's internal control activities include but are not limited to: Core operational processes such as sales and collections, procurement and expenses and payments, and production management, while incorporating the management of holding subsidiaries into key internal control areas. By strengthening centralized management and supervisory inspections over subsidiaries, the Company achieves full-level internal control coverage and ensures standardized and effective overall operations.

Internal Control Organizational Structure

Board of Directors	Responsible for the establishment and effective implementation of internal control
Finance Department	Responsible for organizing and coordinating the establishment and subsequent maintenance of the internal control system
Functional Departments and Subsidiaries	Implement specific implementation in accordance with unified internal control requirements
Audit Department	Responsible for testing and supervising the operation of the system

The Company's Audit Department, under the Audit Committee, inspects and supervises the operation of internal controls and forms internal audit reports on identified deficiencies, irregularities, improvement recommendations, and progress in rectification. In addition, the Company engages third-party institutions for conduct independent internal audits every year and issue the *Internal Control Audit Report* to enhance objectivity and credibility of the audits. Audit results are integrated with operational optimization and accountability mechanisms to continuously strengthen internal supervision effectiveness.

Key Performance

During the Reporting Period, the Company conducted **7** audit projects, covering **8** business divisions, and identifying **56** areas for improvement, with a **100%** deficiency rectification rate.

Financial and Tax Management

The Company regards financial management as the core support of operations. By strictly implementing the *Financial Management Rules* and clarifying standards for financial accounting, budget management, fund control, and cost control across the entire process, the Company consolidates the financial foundation for sustainable development through standardized and transparent financial management. The Company has also formulated the *Tax Management Measures* to standardize the entire process of tax related business research, accounting, declaration, monitoring, planning, evaluation, forecasting, and reporting. The Company enjoys various tax incentives according to law, including additional deductions for R&D expenses, high-tech enterprise tax preferences, and tax reductions and exemptions for employing retired soldiers and key groups.

In 2025, the Company conducted 2 tax-related audits to further strengthen the rigor of tax management.

Key Performance

During the Reporting Period, the Company paid a total of **5,373.05** (in RMB 10,000) in taxes.

Note: The statistical scope is based on the treasury entry period.

Investor Relations Management and Shareholders' Rights and Interests

Solex attaches great importance to investor relations management and shareholder rights protection, strictly complying with laws, regulations, and regulatory requirements, responding to market concerns in a timely and accurate manner, eliminating information barriers, helping investors gain a comprehensive understanding of the Company's value, and enhancing investor recognition.

Information Disclosure

Solex strictly fulfills its information disclosure obligations and, in accordance with the *Measures for the Administration of Information Disclosure by Listed Companies*, has formulated the *Information Disclosure Management System*, which clarifies that the Board of Directors uniformly leads and manages information disclosure, with the Board Secretary responsible for execution. To ensure compliance and fairness in information disclosure, the Company strictly regulates insider information management, stipulating that before lawful disclosure, insiders and entities that illegally obtain insider information shall not disclose or use such information for insider trading, and prohibiting any organization or individual from illegally obtaining undisclosed information by any means.

Key Performance

During the Reporting Period, the Company disclosed

4 regular reports and **85** interim reports, with a total of **150** disclosed documents published online;

There were **no** penalties imposed for violations related to information disclosure.

Investor relations management

To strengthen effective communication with investors and protect the legitimate rights and interests of minority investors, the Company has formulated the *Investor Relations Management System* and designated the Board Secretary as the person in charge of investor relations management, responsible for organizing and coordinating related work. To enhance investor relations management, the Company has established an investor relations section on its official website to timely release and update relevant information, collect and respond to investors' inquiries, complaints, and suggestions, continuously optimize communication channels, and effectively safeguard investors' right to know.

Investor Communication Channels

- 🕒 Company announcement
- 🕒 General Meeting of Shareholders
- 🕒 Company website, WeChat official account
- 🕒 Investor hotline, email, fax
- 🕒 Regular open investor forums, performance briefings
- 🕒 Shanghai Stock Exchange E-interactive platform
- 🕒 Reception of various institutional research activities
- 🕒 Media interviews and reports

Key Performance

During the Reporting Period, the Company conducted **101** investor reception activities,

including **66** on-site research receptions, with **234** attendances;

The Company responded to **19** investor inquiries on the SSE E-Interactive Platform, with a **100%** reply rate;

Received **104** investor calls;

Held **4** open investor forums.

■ Capital Market Public Opinion Management

The Company has formulated the *Public Opinion Management System* and established a leading group to address public opinion matters and manage media information. By closely monitoring key public opinion trends, promptly collecting, analyzing, and verifying information with significant impact, establishing rapid response and emergency handling mechanisms, and leveraging online interaction advantages to guide public opinion appropriately, the Company effectively prevents adverse impacts of public opinion on its stock price, reputation, and normal operations, safeguarding its brand image and market standing.

■ Returns to Shareholders

The Company highly values reasonable returns to investors. While balancing capital needs and sustainable development, it strictly follows the profit distribution policy stipulated in the *Articles of Association* and formulated the *Shareholder Dividend Return Plan (2025–2027)*, clearly prioritizing cash dividends to provide sustained and stable returns to shareholders. Meanwhile, to safeguard the legitimate rights and interests of the Company and all shareholders and prevent fund occupation risks, the Company has formulated the *Management System for Preventing the Occupation of Company Funds by Controlling Shareholders and Related Parties*, establishing a long-term mechanism to ensure fund security and standardized operations.

	Unit	2023	Mid-2024	2025
Cash Dividend per Share	yuan/share	0.44	0.53	0.38
Total Cash Distribution (Including Tax)	In RMB 10,000	17,736.31	22,271.23	16,502.51
Proportion to Net Profit Attributable to Shareholders of the Listed Company in Consolidated Financial Statements	%	50.32	49.89	80.34

Note: The cash dividend proposal for 2025 is calculated based on the Company's total issued share capital as of March 20, 2025.

■ Protection of Creditors' Rights and Interests

While pursuing steady development, the Company attaches great importance to the protection of creditors' rights and interests. During the Reporting Period, the Company maintained sound solvency, strictly fulfilled the agreements and commitments in bond prospectuses, repaid principal and interest on time and in full, and experienced no defaults or delayed payments, effectively safeguarding creditors' legitimate rights and interests. In 2025, the Company's issuer credit rating and "Solex Convertible Bonds" remained at AA with a stable outlook, demonstrating strong recognition by the capital market of its operational strength, solvency, and development prospects.

Business Ethics

The Company strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China* and the *Interim Provisions on Prohibiting Commercial Bribery* and other laws and regulations, adopts a zero-tolerance attitude toward corruption and commercial bribery, continuously strengthens business ethics, and strives to create a clean and upright business environment.

■ Anti-Corruption and Anti-Bribery

Adhering to integrity and honest operations, the Company has formulated the *Integrity and Self-Discipline Management System*, and requires all employees to establish correct professional ethics and eliminate illegal and disciplinary violations at the source. The Company has established a Discipline Inspection Committee as a supervisory body to oversee and investigate employee misconduct. By strengthening institutional constraints, signing integrity agreements, and reinforcing ideological education, the Company prevents corruption risks and safeguards the legitimate rights and interests of shareholders, customers, and partners.

Organizational Structure

Discipline Inspection Committee

The committee consists of representatives from the labor union, human resources department, administration department, internal audit department, and department heads. It has the authority to formulate the *Integrity and Self-Discipline Management System* and supervise, investigate, and handle violations of the integrity and self-discipline requirements.

Department heads

Conduct comprehensive promotion and strict supervision of integrity and self-discipline culture for department employees, and report any violations of integrity and self-discipline requirements to the Discipline Inspection Committee promptly.

All employees of the Company

Comply with discipline, accept supervision, and cooperate fully with the work of the Discipline Inspection Committee.

Anti-corruption Measures

Employees are prohibited from using the convenience of position to illegally take company assets for personal use through methods such as embezzlement, theft, or fraud.

Employees are prohibited from soliciting or accepting money or other forms of benefits from others during business interactions or while performing their duties, or from offering bribes to others.

Employees are prohibited from exceeding their authority during the performance of their duties and must act in accordance with Company rules and procedures; handling matters beyond their authorities, or improperly exercising their power to harm the interests of the Company or others is strictly forbidden.

Employees are prohibited from privately using company resources for personal or others' benefit, causing losses to the Company's interests.

Key Performance

During the Reporting Period,

3,623 individuals signed integrity agreements and related business conduct documents,

with an integrity commitment letter signing rate of **65.60%**.

■ Anti-monopoly and Anti-unfair Competition

To strengthen and enhance the Company's antitrust compliance management in its business operations, the Company has formulated the *Anti-Monopoly and Anti-Unfair Competition Management System*, under which the compliance officer is responsible for establishing and improving the internal control system for the prevention of monopoly and unfair competition, incorporating antitrust and anti-unfair competition management requirements into performance evaluations, and continuously enhancing employees' compliance awareness through compliance training. In conducting overseas business, the Company strictly complies with the antitrust laws and regulations of the countries or regions in which it operates, eliminates all forms of unfair competition, including abuse of market dominance and unlawful implementation of business concentrations, and is committed to maintaining a fair and orderly market competition environment.

In 2025, the Company obtained the nation's first Fair Competition Compliance Management System Certification Certificate for business operators. During the Reporting Period, no lawsuits or major administrative penalties resulted from the Company's unfair competition practices.



Fair Competition Management System Certification

Anti-monopoly and Anti-unfair Competition Measures

The Company is prohibited from reaching or implementing monopoly agreements or other similar collusive behaviors in business interactions with competitors, industry associations, or upstream and downstream business partners.

The Company is prohibited from abusing its market dominance to manipulate the services, quantities, or other trading conditions of goods.

The Company will proactively report any concentration of undertakings that meets the reporting standards to the enforcement agencies for anti-monopoly review.

The Company is prohibited from engaging in or participating in behaviors that disrupt market competition order and harm the legitimate rights and interests of other operators or consumers.



Case Study: Special Training on the Establishment of the Fair Competition Compliance Management System

In response to relevant national policies and the requirements of the 2025 "Fair Competition Policy into Enterprises" special campaign, in March 2025 the Company conducted special training for internal auditors on the establishment of the fair competition compliance management system. The training focused on key compliance points related to antitrust and anti-unfair competition, with emphasis on the fundamental overview of fair competition compliance, in-depth interpretation of relevant policies and standard documents, and detailed introduction of the framework and implementation pathway of the fair competition compliance management system, thereby assisting internal auditors in clarifying compliance boundaries in business operations and enhancing their risk identification capabilities.



Whistleblowing Channels and Protection of Whistleblowers

The Company encourages all employees to actively participate in supervision and to report individuals or conduct that harm the Company's interests, violate laws and regulations, involve corruption, or otherwise breach business ethics. It has formulated the *Reporting and Investigation Management System* and the *Internal Management Whistleblowing System* to standardize the handling procedures for reported matters, promptly verify and address received reporting leads, and hold people concerned accountable. The Company has established reporting and complaint platforms, including hotlines and email addresses, accepting both real-name and anonymous reports and complaints, strictly safeguarding the confidentiality of whistleblowers' information, and prohibiting any form of retaliation. The Company has established a whistleblower incentive mechanism, under which reported matters are comprehensively evaluated based on their nature, severity, and losses recovered, and monetary rewards are granted to whistleblowers to stimulate proactive supervision.



Reporting Channels

Email	report@solex.cn	
Telephone or SMS	18850175060	
Offline channels	Reporting Mailbox	
Special Circumstances	Reports involving senior executives shall be submitted directly	to the Office of the Group President



Nurturing the Ecosystem and Advancing Sustainably Through Green Development

Our Philosophy

Solex proactively addresses the challenges posed by climate change, strengthens pollutant discharge control, vigorously develops clean energy, enhances resource utilization efficiency through energy-saving transformation, and accelerates the research and development of green and energy-efficient products, thereby contributing to harmonious coexistence between humanity and nature.



Our Actions

- Response to Climate Change
- Environmental Compliance Management
- Resource Utilization
- Pollutant Emissions
- Implementation of Green Operation
- Protection of Ecosystem and Biodiversity

SDGs



Response to Climate Change

Governance

In the face of the tests and challenges brought by climate change, the Company actively responds to the national "Dual Carbon" strategic deployment, identifies climate change response as a financial materiality issue, formulates the *Greenhouse Gas Inventory Procedure*, establishes a greenhouse gas inventory task force, standardizes organizational boundaries and emission data inventory processes, and ensures that the greenhouse gas emission inventory system is systematic, compliant, and verifiable, thereby advancing green transformation and sustainable development through concrete actions.

Responsibilities of GHG Inventory Management Organization		Management Representative	<ul style="list-style-type: none"> • Approve the Company's GHG policy, emission reduction targets, and policy statements; • Lead the GHG management review meetings, and listen to reports from the Energy Department on GHG project progress and implementation; • Ensure the provision of necessary resources required for GHG projects.
		Energy Department	<ul style="list-style-type: none"> • The department head is the primary responsible person for GHG management; • Formulate GHG management policies, emission reduction targets, implementation plans, and policy statements; • Coordinate the operation and maintenance of the ISO14064 system, and organize the setting of organizational boundaries and identification of GHG emission sources; • Regularly report the progress of the GHG project to the management representative, and take the lead in preparing the GHG inventory and GHG emission report; • Oversee and plan GHG work in the plant, coordinate relevant departments in implementing related tasks, and serve as the main contact point; • Organize internal verification prior to the formal finalization of the emission report.
		GHG Inventory Team Leader	<ul style="list-style-type: none"> • Assist various departments in formulating GHG emission reduction targets, and track the progress and effectiveness of target implementation; • Take the lead in organizing the annual GHG emission inventory, and prepare and publish the GHG emission inventory and report.
		GHG Inventory Team Member	<ul style="list-style-type: none"> • Cover all functional departments and consolidate data related to various operational activities; • Identify GHG emission sources within each department and submit raw data records; • Promote the implementation of GHG emission reduction measures within each department and supervise the achievement progress of emission reduction targets.

Strategy

Focusing on core operational segments such as production and market expansion, the Company identifies potential risks arising from climate change and opportunities for green development, advances risk assessment and graded control, and formulates targeted response plans to support steady development in the low-carbon transition.

Risk Type	Risk Description	Probability of Occurrence	Impact Magnitude ¹	Impact Time ²	Value Chainframe ³	Priority Ranking ⁴ Links of Impact	Potential Financial Impact	Response Measures	
Physical Risks	Acute Risks	1. The Company's operating locations are vulnerable to extreme weather events such as floods and typhoons, which may damage facilities, operations, and supply chains, resulting in business interruptions or increased costs 2. Sudden climate disasters may cause water and power outages, affecting production	Low	High	Short to medium term	Upstream, operations, downstream	Medium	Increased operating costs	1. Establish an extreme weather early warning mechanism, formulate emergency response plans, reinforce facilities in coastal operating locations, stockpile emergency supplies, and develop business continuity plans 2. Activate self-owned steam turbines, formulate backup emergency measures, and conduct regular emergency drills
	Chronic Risks	1. The Company's major operating locations are primarily situated in coastal areas, posing potential risks from sea level rise 2. Under the trend of global warming, the Company's cooling energy consumption has increased significantly, and high temperatures adversely affect employee safety and health	Low	Medium	Long-term	Operations, downstr	Medium	Increased operating costs	Assess the impact of sea level rise on operating locations and adjust site selection accordingly; comprehensively adopt high-efficiency energy-saving equipment, optimize production processes to reduce cooling demand, promote clean and green production, and conserve energy while reducing consumption
Trans-formational risks	Policy and Regulatory Risks	The introduction of new carbon emission management and environmental policies by the government and increasingly stringent regulatory requirements may increase the Company's compliance costs	Medium	Medium	Medium and long-term	Operations	Medium	Increased compliance costs.	Track updates to environmental protection, energy, and carbon emission regulations, establish compliance review mechanisms, and proactively deploy green technologies
	Technological risks	The introduction of new fields, new equipment, and new processes entails risks such as long investment cycles, failure to meet market trends, and returns falling short of expectations	Medium	High	Short to medium term	Operations, downstream	Medium	Increased R&D expenditure	Establish special R&D funds, collaborate with research institutions to carry out low-carbon technology pilots; establish control procedures for new product development, conduct market research, and strictly manage the introduction process of new products and processes
	Market Risks	Customers favor energy-saving and low-carbon products; if the Company's products fail to meet customer requirements, it may result in customer loss and reduced operating revenue	Medium	High	Short to medium term	Downstream	Medium	Decreased operating income	Conduct market research, strengthen communication with customers, and promptly collect customer needs and expectations regarding energy management; organize reviews of customer requirements to ensure

1 Low: If the risk occurs, it will have little to no noticeable impact on the enterprise's finances, reputation, or operations, and losses can be easily absorbed.
 Medium: If the risk occurs, it will cause some negative impact on the enterprise's finances and reputation, and measures may be needed to mitigate the losses.
 High: If the risk occurs, it will cause severe financial loss to the enterprise, damage to the brand, and may even affect business continuity, and significant resources may be needed to recover.

2 Short-term: Generally refers to within 1 year after the end of the Company's sustainability reporting period (including 1 year).
 Medium-term: Generally refers to 1 to 5 years after the end of the Company's sustainability reporting period (including 5 years).
 Long-term: Generally refers to more than 5 years after the end of the Company's sustainability reporting period.

3 Upstream: Involves raw material suppliers, procurement, and logistics, affecting the stability of the supply chain and raw material costs.
 Operations: Involves production, manufacturing, and internal processes, affecting daily operations and production efficiency.
 Downstream: Involves distribution, sales, and customer service, affecting customer satisfaction, market share, and brand image.

4 High: The risk could lead to significant financial loss, business disruption, or severe legal consequences, requiring immediate action.
 Medium: The risk has some impact on the business but can be addressed or mitigated within a reasonable timeframe.
 Low: The risk has relatively minor impact on the business and can be handled in routine operational management.

Risk Type	Risk Description	Probability of Occurrence	Impact Magnitude ¹	Impact Time ²	Value Chainframe ³	Priority Ranking ⁴ Links of Impact	Potential Financial Impact	Response Measures	
Transformational risks	Raw material risk	Extreme weather may cause fluctuations in raw material prices, increasing the Company's production costs	Medium	Medium	Short to medium term	Operations	Medium	Increased operating costs	Establish diversified raw material procurement channels and enhance supply chain management efficiency
	Reputation risks	Failure to properly manage climate risks may damage the Company's reputation, thereby affecting brand value and customer trust	Low	Medium	Short to medium term	Operations	Medium	Decreased operating income	Establish a climate change information disclosure mechanism, participate in industry environmental initiatives, and conduct public awareness activities

Opportunity Type	Opportunity Explanation	Probability of Occurrence	Impact Magnitude	Impact Timeframe	Value ChainLinks of Impact	Priority Ranking ⁵	Potential Financial Impact	Response Measures
Energy Alternatives	Climate change encourages the Company to increase the proportion of clean energy usage, which helps mitigate future energy price escalation risks and promotes participation in the carbon trading market	Medium	Medium	Short to medium term	Operations	Medium	Reduced operating costs	Assess the existing energy structure, formulate clean energy substitution plans, prioritize the adoption of renewable energy such as solar and wind power; optimize energy management systems, reduce energy consumption through energy-saving transformation, and participate in the carbon trading market
Technological Upgrade	Climate change creates demand and opportunities for technological innovation, driving the emergence of new technologies, new processes, and new products, thereby improving production efficiency and optimizing manufacturing processes	Medium	Medium	Medium and long-term	Operations	Medium	Reduced operating costs	Increase R&D investment, adopt collaborative R&D models, promote the development of low-carbon and intelligent manufacturing technologies; introduce digital tools to optimize production processes and enhance efficiency
Market Expansion	Consumer demand for energy-efficient products continues to grow, offering broad market prospects; customs AEO certification enhances market recognition	Medium	High	Medium and long-term	Operations	High	Augmented operating income	Continuously develop green and energy-efficient products, apply for green certifications, strengthen market promotion, and highlight the environmental attributes of products; obtain customs AEO certification and maintain its continuous validity

⁵ Low: The opportunity has relatively minor impact on business is relatively small, but it can still bring some revenue or efficiency improvements, and can be handled routine operational management without the need for significant resource investment or strategic adjustments.

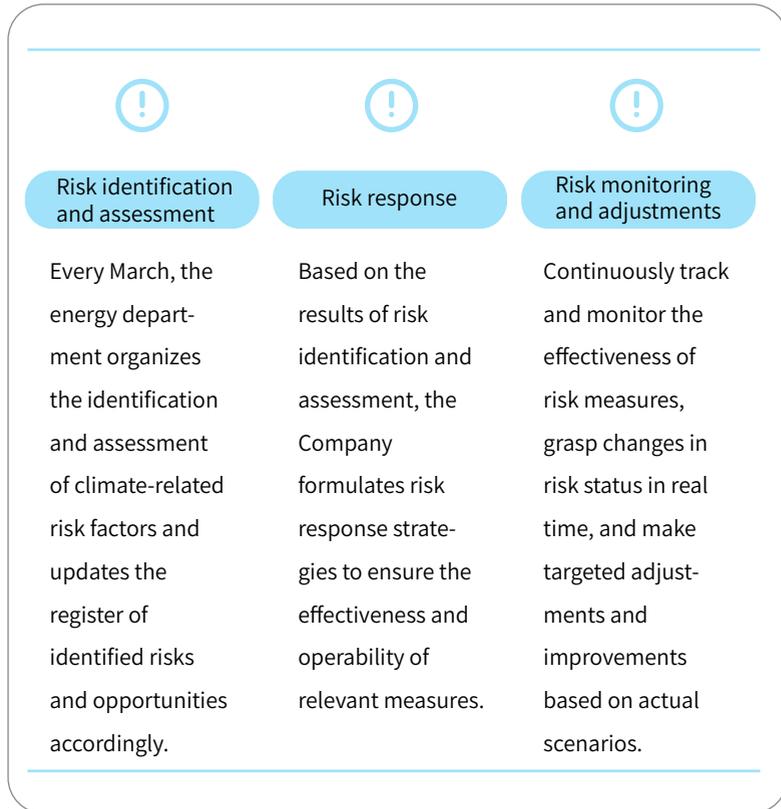
Medium: The opportunity can bring certain business growth or market share improvements, has a positive impact on the business, but requires the enterprise to invest resources and adjust strategies within a certain period to address and seize the opportunity.

High: The opportunity can bring significant market breakthroughs, business growth, or technological innovations, significantly improves the enterprise's competitiveness and profitability, and requires the enterprise to take immediate action, invest considerable resources, and possibly adjust its overall strategy to fully leverage this opportunity.

Impact, Risk and Opportunity Management

Management Process

Focusing on the identification, assessment, and management of climate-related risks and opportunities, the Company has established a full-process risk management mechanism, and has formulated dedicated response plans for extreme weather events such as typhoons and heavy rainfall frequently occurring in its operating locations, continuously enhancing its capacity to address climate change.



Management Measures

To implement the strategic deployment of carbon emission reduction, carbon peaking, and carbon neutrality, Solex has introduced multiple specific carbon reduction implementation plans, regularly conducted carbon knowledge training to strengthen employees' low-carbon awareness, and actively utilized a smart carbon emission management platform to achieve real-time tracking and dynamic management of carbon footprints.

Optimization of energy structure	Proactively deploy clean energy substitution and high-efficiency energy-saving technology upgrades, gradually replace high energy consumption and high emission equipment, and achieve carbon reduction by improving energy utilization efficiency.
Upgrade of production processes	Implement technological transformation and process optimization to reduce energy consumption and waste emissions, promote resource recycling, and decrease carbon emissions in production processes.
Smart carbon emission management platform	Build a smart carbon emission management platform based on artificial intelligence and big data technologies to accurately track carbon footprints, meet regulatory requirements, enhance transparency, and help enterprises set carbon reduction targets and track the progress of achievement.
Carbon emission monitoring and management	Build a carbon emission accounting system, comprehensively sort out the Company's carbon emission data, and provide scientific basis and data support for carbon reduction pathways.
Carbon knowledge training	Strengthen the communication and training on carbon peaking and carbon neutrality implementation plans, and enhance the green development and environmental awareness of employees and partners.
Supply chain management	Encourage suppliers to use low-carbon raw materials and green production processes, jointly build a green supply chain ecosystem, and achieve coordinated carbon emission reduction across the industrial chain.



Case Study: Dual Carbon Thematic Training

From October 15 to 17, 2025, Solex participated in the special training program themed "Developing the New Energy Industry Chain and Advancing 'Dual Carbon' Work," jointly organized by the Organization Department of the Xiamen Municipal Party Committee, the Municipal Development and Reform Commission, and Tong'an District. Oriented toward practical application, the training was delivered by experts and scholars in the "Dual Carbon" field, who systematically outlined the comprehensive green transformation of economic and social development trajectory and intrinsic logic of the "Dual Carbon" strategy from a macro perspective, analyzed key development priorities and objectives in the "Dual Carbon" field, and, in conjunction with the new energy industry, provided practical guidance for enterprises on key and emerging topics such as zero-carbon industrial parks, carbon markets, ESG, carbon footprints, and digital product passports.



■ Indicators and Objectives

The Company closely monitors and regularly conducts greenhouse gas inspections, formulates the annual *Greenhouse Gas Inventory*, and conducts internal reviews and management reviews concurrently to ensure the accuracy, completeness, and traceability of all data records. In the future, with the objective of supporting carbon reduction initiatives, the Company will continue to deepen climate change management, improve the carbon emission accounting system, promote the implementation of energy-saving and carbon reduction technologies, and contribute corporate strength to achieving the "Dual Carbon" goals.

Key Performance Indicators	Unit	2025
Total GHG Emissions	tCO2e	374,848.35
GHG Emission Intensity	tCO2e/RMB 10,000 revenue	1.29
Direct GHG Emissions (Scope 1)	tCO2e	1,004.22
Indirect GHG Emissions (Scope 2)	tCO2e	36,936.06
GHG emission reduction	tCO2e	6,277.72

■ Carbon Verification

During the Reporting Period, the Company engaged a third-party institution to complete comprehensive verification of GHG emission quantification, reporting, and emission reduction performance, and obtained a Greenhouse Gas Verification Statement Certificate, providing standardized and verifiable technical support for the Company's carbon inventory, implementation of emission reduction targets, and carbon neutrality pathway.



Environmental Compliance Management

■ Environmental management system

Environmental management constitutes a vital cornerstone of the Company's green development. The Company strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, and has formulated policies including the *Solex Environmental Protection Management System* and the *Solex Environmental Protection Reward and Punishment System*, defining the responsibilities of relevant departments, incorporating environmental performance into employee performance evaluations, and clarifying the standards for environmental rewards and penalties. During the Reporting Period, the Company further refined the implementation of environmental rewards and punishments and introduced new management procedures, advancing the implementation of environmental requirements through institutionalized and standardized management systems.

As of the end of the Reporting Period, both the Company and its subsidiary Zhangzhou Solex had obtained environmental management system certification certificates, and Zhangzhou Solex had also been certified as a national-level Green Factory.



Solex Environmental Management System Certification Certificate

Environmental Management Organizational Structure

Environmental Management Center

Responsible for the daily supervision, management, and monitoring of the Company's environmental protection work, strictly controlling pollutant emissions, continuously improving environmental conditions, ensuring compliance and deepening emission reduction, and coordinating with government environmental authorities.

Production-related Departments

Cooperate with the Environmental Management Center, be responsible for environmental protection and environmental risk management within their respective departments, advocate clean production and recycling in workshops, and eliminate pollutants from the source to the greatest extent possible.

Logistics-related Departments

Cooperate with the Environmental Management Center and relevant departments, proactively promote environmental protection initiatives, and ensure the immediate supply of emergency and safeguard materials in procurement.

Key Performance

During the Reporting Period, the Company invested **1,937.40** (in RMB 10,000) in environmental protection and paid **0.67** (in RMB 10,000) in environmental protection taxes; Number of environmental incidents: **0**.

Management of Environmental Risks

The Company attaches great importance to environmental risk control and continuously improves its environmental risk management system. The Company has formulated the *Procedure for Environmental Factors and Occupational Health and Safety Hazard Identification, Evaluation and Control*, which stipulates the steps for identifying and evaluating environmental factors, records identified environmental factors in the *Environmental Factors Identification and Evaluation List*, applies a multi-factor method for preliminary evaluation, and determines significant environmental factors based on the evaluation results.

Hazard Identification

To effectively strengthen environmental protection and work safety, the Company has formulated the *Environmental Hazard Identification System*, clarifying the responsibilities of personnel at all levels, standardizing the forms and specific requirements for routine, comprehensive, major event, holiday, quarterly, professional, and accident-category hazard inspections, and designating dedicated personnel from the Environmental Management Center to systematically sort and register various hazard items, forming a hazard registration ledger to achieve standardized management of hazard identification and rectification.

Key Performance

In 2025, the Company conducted a total of **124** environmental hazard inspections within the park, achieving a **100%** rectification completion rate.

Emergency Plans and Drills

Adhering to the principles of "prevention first, self-rescue first, unified command, and division of responsibilities," and in light of actual conditions, the Company has formulated the *Contingency Plans for Environmental Emergencies*, established an internal emergency organization, standardized internal reporting procedures for environmental emergencies, and developed full-process handling procedures for key areas including wastewater, waste gas, hazardous chemicals, and electroplating workshops.

In addition, the Company regularly organizes emergency training and drills for environmental incidents, providing employees with professional theoretical support and enriched knowledge reserves through training, strengthening overall emergency preparedness awareness, and conducting targeted drills based on different emergency scenarios to enhance employees' operational proficiency in emergency measures and their capability to respond to unexpected situations.



Case Study: Training on the Contingency Plans for Environmental Emergencies

On September 17, 2025, the Company conducted training on the Contingency Plans for Environmental Emergencies for relevant personnel, covering core modules including emergency plans and management standards, identification of environmental risk sources and hazard inspection, analysis of common issues in environmental emergency inspections and drills, emergency organizational structure and response procedures, and configuration of emergency materials and practical response measures. Through a combination of theoretical instruction and case analysis, this training ensured that participants mastered key emergency points and enhanced their emergency response capabilities.



Emergency Training

Key Performance

During the Reporting Period, the Company conducted **5** environmental emergency training sessions and **25** environmental emergency drill activities.

■ Environmental Protection Training

During the Reporting Period, the Company conducted multi-dimensional specialized environmental training for environmental officers and personnel in relevant positions. A total of 52 training sessions were carried out across various parks, covering environmental regulations interpretation, electroplating wastewater discharge control, solid waste management, VOCs control, ODS management, environmental emergency response, hazardous chemical management, interpretation of environmental protection policies, environmental culture promotion, and environmental protection requirements for new employees and supplier construction, timely disseminating the latest environmental policy information, effectively strengthening overall environmental responsibility awareness, and comprehensively enhancing the Company's environmental knowledge dissemination and compliance management capabilities.



Case Study: Training on Relevant Environmental Laws and Regulations and Accident Review

On April 11, 2025, the Company organized training on relevant environmental laws and regulations and accident review, primarily covering in-depth interpretation of laws and regulations related to water pollution, air pollution, noise pollution, solid waste pollution, soil and groundwater pollution prevention and control, supplemented by specialized explanations based on typical penalty cases and current emission standards. A total of 20 people from relevant positions participated in the training.



Training Site

Key Performance

During the Reporting Period, the Company conducted **52** environmental protection training sessions, with **4,824** participant attendances and a total of **35,589** training hours.

■ Environmental Targets and Planning

The Company regards environmental protection as its own responsibility, continuously advancing the implementation of environmental management objectives and special plans. Its subsidiary, Zhangzhou Solex, has established waste reduction targets to effectively decrease waste emissions in production processes, promoting the in-depth implementation of environmental protection work through rigid indicators.



Environmental Targets



Annual Achievement Status

Achieved compliant treatment of waste throughout the year;

Achieved

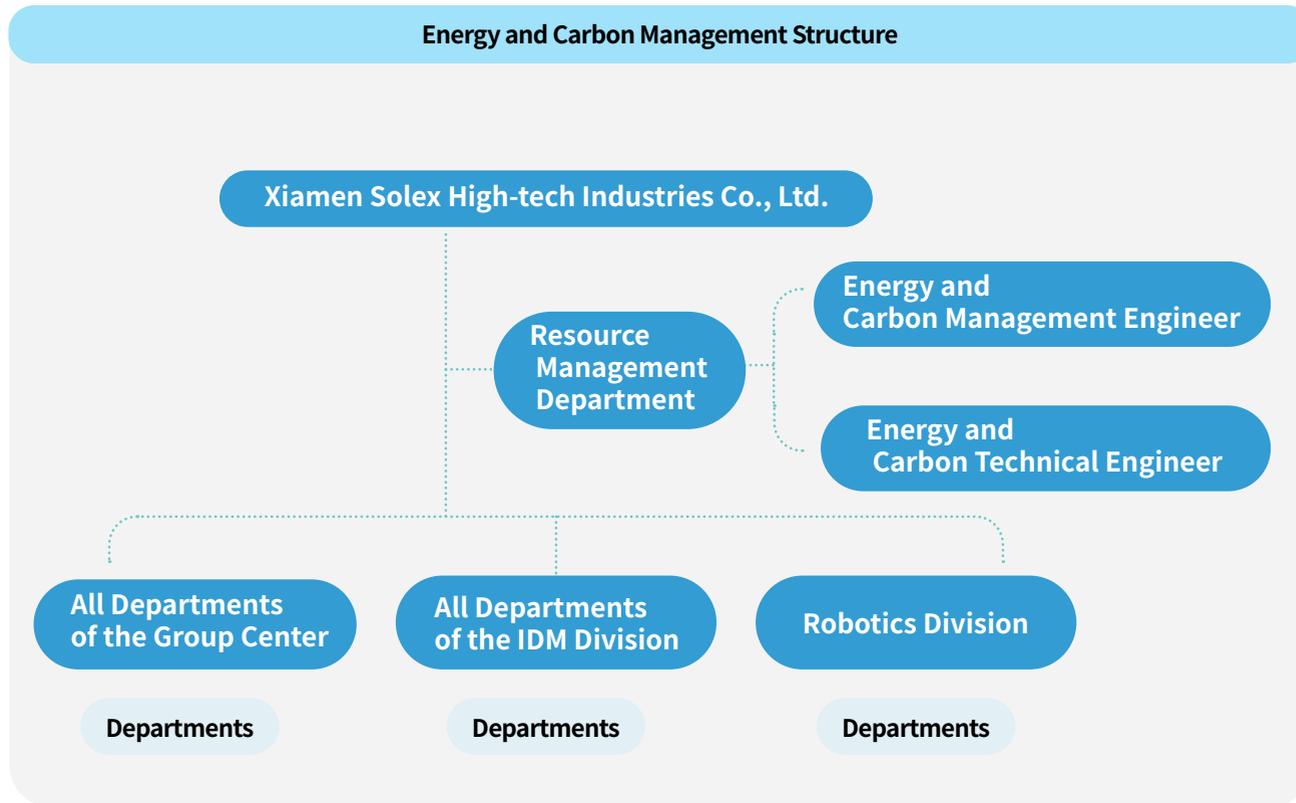
Standardized management and disposal rate of solid waste: 100%.

Achieved

Resource Utilization

Energy Management

Energy management serves as a core instrument for enterprises to practice green and low-carbon development and is also a critical pillar for the implementation of ESG strategy. Solex incorporates energy into full life-cycle management and reduces energy consumption while improving energy efficiency through the establishment of an energy control system, promotion of energy-saving technological transformation, and optimization of the energy use structure.



Governance

Centered on the energy policy of "compliance with law, fine management, low-carbon manufacturing, and sustainable development," the Company has formulated institutional documents including the *Energy Management Manual*, *Resource and Energy Management Procedure*, and *Energy Consumption Indicator Assessment Management Measures*. The Vice Chairman serves as the top management leader, appoints a management representative, and allocates corresponding resources to ensure the establishment, implementation, maintenance, and continuous optimization of the energy management system. In addition, the Company has established an Energy Conservation Leadership Group and a Working Group to coordinate energy use identification, review, and supervision, with each department designating an energy officer responsible for departmental energy management.

To stimulate enthusiasm for energy conservation and consumption reduction, the Company conducts monthly and annual energy consumption assessments. Bonuses are granted based on energy performance assessment results. Departments achieving annual targets are awarded the honorary title of "Advanced Collective in Energy Conservation," while departments failing to meet targets are required to verify and analyze abnormal consumption data and formulate improvement plans. As of the end of the Reporting Period, both Solex and its subsidiary Zhangzhou Solex had obtained energy management system certification.



Solex's Energy Management System Certification

Strategy

Type of Risk/Opportunity	Description of Risk/Opportunity	Probability of Occurrence	Impact Magnitude	Impact Timeframe	Value Chain Links of Impact	Priority Ranking	Potential Financial Impact	Response Measures
Risk of Energy Price Fluctuations	Rising costs of electricity or steam and other energy sources increase the Company's energy costs and compress profit margins	Medium	Medium	Short to medium term	Operations	Medium	Increased operating costs	Improve energy utilization efficiency and reduce energy consumption and costs through energy-saving and emission-reduction measures
Low energy efficiency	Outdated technology, aging equipment, and poor management may easily lead to low energy efficiency and high unit product energy consumption	Medium	Medium	Short to medium term	Operations	Medium	Increased operating costs	Upgrade to high-efficiency equipment and processes; conduct regular equipment maintenance; develop production EMS management systems and energy management systems to monitor energy consumption data in real time and focus monitoring and analysis on high energy consumption areas
Policy support	The government has introduced subsidies, incentives, and preferential loans to encourage enterprises to adopt clean energy or improve energy efficiency, carry out energy-saving retrofits of existing equipment, and develop and establish energy and carbon management centers	Medium	Medium	Short to medium term	Operations	Medium	Increase in operational income	Track policies and apply for subsidies in a timely manner; plan clean energy projects and make sound investments in energy-saving retrofits; formulate energy efficiency improvement plans
Technical opportunities	The introduction of renewable energy technologies such as photovoltaics and energy storage can assist enterprises in green transformation, green manufacturing, and electricity cost savings	High	High	Long-term	Operations	High	Decreased operating costs	Fully utilize idle rooftops to invest in photovoltaic and energy storage construction. At present, Changtai has completed photovoltaic construction, and in 2026 new photovoltaic and energy storage projects will be added in the Xiamen area
Green and Low-Carbon Culture	enterprise promotes energy conservation culture, enhancing employees' knowledge and awareness of energy management and reducing energy consumption	Medium	Medium	Short to medium term	Operations	Medium	Reduced operating costs	By carrying out energy-saving and low-carbon training and energy-saving activities, foster an energy conservation and low-carbon culture atmosphere and strengthen employees' green awareness

Impact, Risk and Opportunity Management



Management Process

To enhance resilience against energy risks, the Company has formulated the *Energy Risk and Opportunity Control Procedure* and established a Risk and Opportunity Assessment Team responsible for comprehensive identification, regular assessment, measure formulation, implementation supervision, and effectiveness verification of the Company's energy risks and opportunities, ensuring controllable energy risks.



Risk Identification

Each department conducts risk identification and prepares the *Energy Risk and Opportunity Assessment Form*, which is consolidated and reviewed by the Energy Conservation Promotion Group and reported to top management.



Risk Assessment

Identified energy risks are scored according to the likelihood of occurrence and degree of loss to determine risk levels and rectification priorities.



Risk Control

Risk control measures such as routine monitoring, periodic tracking and analysis, and formulation of targeted plans are adopted based on risk levels, and their effectiveness is confirmed through review.



Risk Update

When external conditions or available resources change, risk control plans are updated in a timely manner.



Management Measures

The Company integrates the concept of energy conservation and emission reduction into corporate culture development, regularly organizing energy-saving knowledge training, promotional activities, and on-site practical guidance to comprehensively enhance employees' awareness and practical capabilities, ensuring effective implementation of energy-saving measures across all production and operational processes.



Case Study: Energy-Saving Training on Compressed Air in Pressure Pipelines

On December 25, 2025, Solex conducted energy-saving training on compressed air in pressure pipelines for production line employees and safety officers. The training explained pressure pipeline operation and maintenance and emergency handling procedures, and highlighted five key points for reducing losses through energy conservation, further clarifying practical pathways for pressure pipeline energy-saving work.



Indicators and Objectives

In light of actual production and operational conditions and industry energy-saving standards, and considering the types, consumption volumes, and energy-saving potential of energy used by each department, Solex decomposes targets into energy indicators for each energy-using unit and conducts monthly summaries and statistical analysis of completion progress to support the successful achievement of annual energy-saving targets.

Key Performance Indicators	Unit	2025
Total Energy Consumption	tce	10,230.56
Energy Consumption Intensity	tce/RMB 10,000 revenue	0.04
Natural Gas	10,000 m ³	15.05
Gasoline	Liters	46,698.63
Diesel	Liters	72,837.21
Total Purchased Electricity (Domestic)	kWh	62,167,375
Total Purchased Electricity (Vietnam)	kWh	5,566,340
Total Purchased Heat	GJ	28,367.58
Photovoltaic power capacity	kWh	5,545,737.88
Clean energy consumption	tce	1,050.52
Renewable energy consumption	tce	1,050.52
Non-Renewable Energy Consumption	tce	9,180.04
Total Direct Energy Consumption	tce	325.00
Total Indirect Energy Consumption	tce	9,905.56



2025 Energy Management Targets



Annual Achievement Status

- Comprehensive energy consumption per RMB 10,000 processing fee in the Miscellaneous Unit decreased by 7% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee in the Environmental Protection Department decreased by 1.24% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee in the PME Quality Department decreased by 11.76% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee for metal polishing decreased by 2% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee for casting decreased by 1% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee for machining decreased by 2% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee in surface treatment workshop 2 decreased by 10% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee for shower assembly decreased by 2% **Achieved**
- Comprehensive energy consumption per RMB 10,000 processing fee for basin assembly decreased by 4% **Achieved**

Energy Conservation and Emission Reduction Practices

To steadily advance energy conservation and consumption reduction, the Company formulates annual energy management plans and conducts full-cycle tracking and evaluation of implementation progress and energy-saving benefits. In 2025, the Company implemented a total of 12 energy-saving initiatives, and its subsidiary Zhangzhou Solex completed 11 initiatives, focusing on the construction of intelligent energy management systems, clean energy projects, energy-saving transformation plans, and replacement of aging equipment, systematically promoting optimization of the energy consumption structure and improvement of energy efficiency.



Intelligent Energy Management System



Case Study: Zhangzhou Solex Photovoltaic Expansion Project

Under the guidance of national strategy, Zhangzhou Solex, based on its existing rooftop photovoltaic construction, launched a photovoltaic expansion project, improving existing rooftop photovoltaics and parking lot facilities, increasing installed photovoltaic capacity by 3.1 MWp, adding 378 parking spaces and 5 charging piles, and increasing power generation by 49%. After official grid connection, the total installed photovoltaic capacity reached 10 MWp, with annual power generation of approximately 10 million kWh, reducing carbon dioxide emissions by 4,211 tons. The project integrates rooftop power stations and parking lot photovoltaic charging integrated parking spaces, marking a critical step toward the goal of a "zero-carbon factory."



Panoramic View of Zhangzhou Solex Photovoltaics



Case Study: Energy-Saving Transformation of Ovens for Electroplating Line Products

The ovens for electroplating line products at Solex originally used steam heating, with daily steam consumption of 6 tons for two production lines combined. They were retrofitted to air energy heating, improving heating efficiency. Recovered cold air can also be used simultaneously for summer workshop cooling and acid copper refrigeration needs. This saves 1,800 tons of steam annually. Calculated at RMB 306 per ton, the annual savings amount to 64.80(in RMB 10,000), achieving dual benefits of cost reduction, efficiency enhancement, and green production.



Water resource management

To strengthen water management and improve water use efficiency, Solex follows the management principles of planned water use, intelligent control, and scientific water conservation. It has formulated the *Water Use Management System*, under which the Energy Section coordinates overall water management, formulates planned water use schemes, and coordinates departments to implement water management requirements. The Engineering Section is responsible for overall operation and maintenance of the intelligent water management system, and water-using departments are responsible for water resource management within their respective jurisdictions.

Water Conservation Measures

An intelligent water meter ledger has been established. Combined with real-time data collected by intelligent water meters, water usage of each department is statistically analyzed, and planned water use schemes are dynamically adjusted based on actual usage to ensure rationality and effectiveness.

Regular water-saving inspections are conducted. Water-use areas such as restrooms, production workshops, and office areas are inspected for leakage. Any damaged equipment or leakage is reported promptly for repair arrangements.

The Energy Department regularly organizes water balance tests, which are inspected and approved by relevant government departments to obtain water balance test reports. Rectifications or optimizations are implemented in a timely manner according to report recommendations.

Water-saving devices are promoted and adopted. Appliances that do not meet water-saving standards are discontinued. In new construction, reconstruction, and expansion projects, water-saving factors are prioritized, and water-saving processes and equipment are adopted.

Regular water use training and water-saving activities are conducted to enhance water-saving awareness among all employees.



Case Study: Reuse of Assembly Water

In Workshop 2#-3 of the subsidiary Zhangzhou Solex, water used for product functional testing in the assembly workshop is directly discharged to the sewage treatment station. After simple treatment to meet standards, it is used for landscaping and cleaning within the park. The average monthly assembly water consumption is 498 tons, reaching up to 652 tons in peak months. After implementation of assembly water reuse, annual water savings are expected to reach 7,824 tons, saving RMB 25,000, significantly improving water resource recycling rates.

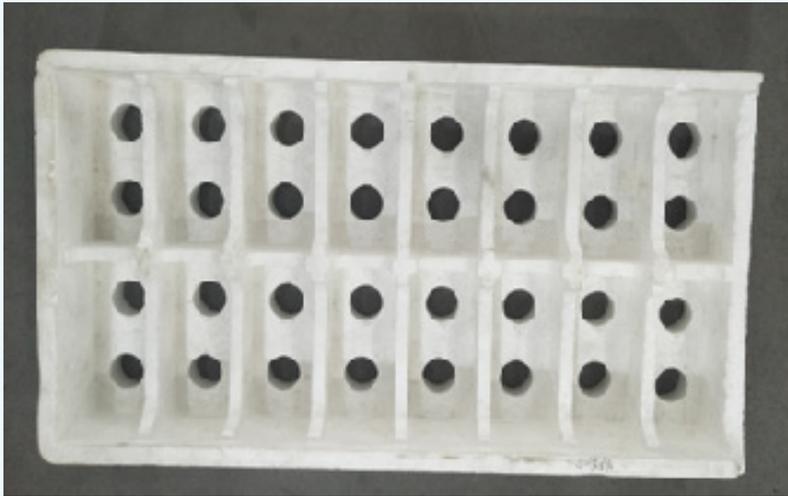


Key Performance Indicators	Unit	2025
Total Freshwater Consumption	ton	600,509
Fresh water consumption	ton	600,509
Total Water Consumption	ton	651,994
Water Consumption Intensity	tons/RMB 10,000 revenue	2.49
Recycled water consumption	ton	51,485

Material Management

The Company strictly complies with the *Circular Economy Promotion Law of the People's Republic of China* and other regulations. It has formulated the *Rules on the Use of Returnable Items and Early Warning Mechanism Management Measures*, under which the returnable item administrator is responsible for procurement applications, outbound issuance operations, depreciation, and statement preparation, ensuring normal supply of turnover materials to internal factories and external suppliers.

	<p>Green Materials</p>	<p>Environmentally friendly materials with non-plasticizing and degradable characteristics are prioritized for packaging and other materials to reduce the use of toxic and harmful substances.</p>
	<p>Material Storage</p>	<p>When storing hazardous chemicals such as lithium batteries, measures such as temperature and humidity control, explosion-proof electrical facilities, distance from fire and heat sources, and anti-static protection are implemented. Firefighting facilities are equipped, and materials are stored in designated zones according to status.</p>
	<p>Packaging Reduction</p>	<p>By optimizing product packaging design, the amount of packaging materials used is reduced, thereby reducing resource consumption and waste generation.</p>
	<p>Recycling</p>	<p>Material recyclability is advocated, materials such as sealing frames are recycled and reused, and suppliers are encouraged to recycle and reuse cartons, pallets, plastic blister trays, and other returnable items.</p>



Expanded Polystyrene



Lithium Battery Warehouse



Pollutant Emissions

Each year, the Company entrusts qualified third-party testing institutions through the Environmental Management Center to conduct environmental monitoring of pollutants such as wastewater generated during production, boundary noise, and exhaust gas. During the Reporting Period, monitoring was conducted at monitoring points including the total wastewater discharge outlet, exhaust gas outlet of the polishing workshop, and exhaust gas outlet of the injection molding workshop. All monitoring results complied with national and local emission standards.

Waste Gas Management

For exhaust gas and dust generated in electroplating, painting, injection molding, and other processes, the Company has configured corresponding exhaust gas treatment equipment and technologies, and formulated the Operating Instruction for Exhaust Gas Treatment Facilities to provide professional technical guidance for standardized operation, ensuring stable facility operation and compliant emissions. Meanwhile, the subsidiary Bestter has formulated the Soil, Water, and Air Pollution Prevention and Control Management Measures. The Environmental Management Center and production workshops jointly manage dust and other exhaust gases and clarify relevant procedures for air pollution control. In addition, the Company and its subsidiaries conduct special exhaust gas treatment training from time to time to continuously deepen employees' understanding and mastery of exhaust gas characteristics and treatment processes.

Key Performance Indicators	Unit	2025
Waste Gas Emissions	10,000 m ³	220,622.02
Nitrogen Oxides (NOX) Emissions	ton	0.01
Sulfur Oxides (SOX) Emissions	ton	0.01
Hydrogen chloride	ton	0.15
Volatile organic compound (VOC)	ton	1.00
Sulfuric acid mist	ton	0.22
Particulate matter (PM) emissions	ton	14.86

Dust	Install dust treatment systems, and use cyclone dust removal, water spray dust removal, and pulse dust removal methods to treat dust			
Acidic Exhaust Gas	Install exhaust systems to collect acidic exhaust gases, which are then treated by acid mist scrubbers and discharged through the exhaust stack			
Organic Exhaust Gas	Install purification equipment, and use water curtain absorption, water spray, catalytic combustion, and activated carbon adsorption processes to treat organic exhaust gases			



Case Study: ODS Training

On June 24, 2025, Zhangzhou Solex organized ODS training, explaining the definition and hazards of ODS, professionally interpreting relevant regulations and standards, and analyzing examples to help participants master ODS-related knowledge and control requirements. A total of 16 employees participated in the training.



ODS Training

Wastewater Management

The Company strictly implements wastewater treatment with classified control and quality-based treatment to ensure compliant discharge of production and domestic wastewater, and utilizes a reclaimed water reuse system for water conservation within the park. In 2025, the Company reused 63,954 tons of wastewater and achieved a wastewater recycling rate of 35%. The Company requires sewage treatment operators to strictly follow operating instructions, monitor all wastewater treatment processes throughout, promptly report abnormalities, and achieve full traceability and control of wastewater treatment processes.

The subsidiary Zhangzhou Solex has formulated the *Sewage Treatment Center Operation Management Measures*. Wastewater treatment adopts a "chemical precipitation + hydrolysis acidification" process, equipped with online monitoring facilities connected to government departments to monitor wastewater discharge data in real time and ensure stable compliant discharge through dynamic supervision.

Park Wastewater Treatment Measures

Domestic wastewater

Adopt biochemical treatment technology before discharge

Industrial wastewater

Adopt chemical precipitation and anaerobic + aerobic treatment technologies before discharge

Reuse of reclaimed water

Adopt reclaimed water reuse measures combining membrane separation and ion exchange methods, relying on an automated reclaimed water reuse system to treat park wastewater, with a reuse rate exceeding 30%, mainly used for production line cleaning and partially for workshop chemical preparation

Key Performance Indicators	Unit	2025
Wastewater Discharges	10,000 m ³	38.65
Wastewater Treatment Volume	ton	344,380
Wastewater Discharge Intensity	tons/RMB 10,000 revenue	0.0001
Wastewater reuse volume	ton	63,954
Wastewater reuse rate	%	35
Chemical oxygen demand (COD)	ton	18.93
Five-day biochemical oxygen demand (BOD5)	ton	6.61
Suspended solids	ton	7.54
Ammonia nitrogen (NH3-N)	ton	5.36
Total phosphorus (P)	ton	1.25
Animal and plant oils	ton	0.11

Waste Management

Solex strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, regularly conducts special waste training, and has formulated the *Solid Waste Management Measures* and the *Solex Hazardous Waste Warehouse Management System*. The Environmental Management Center and the Administration Department are mainly responsible for supervising waste treatment and coordinating with external parties. Management requirements for classification, collection, storage, and disposal of solid waste are clarified. When new production activities occur, the Environmental Management Committee re-evaluates or revises the *Detailed List of Solid Waste Discharge* to improve waste utilization rates and reduce waste generation.

Waste	Main wastes	Main disposal measures
Hazardous waste	Waste mineral oil, paint waste, waste organic solvents, waste emulsified liquids, laboratory waste liquid, surface treatment waste, and other wastes	<ul style="list-style-type: none"> Are uniformly delivered to designated hazardous waste warehouses and entrusted to qualified institutions for disposal; It is prohibited to arbitrarily discard, incinerate, or bury hazardous waste on site, within the park, or outside the Company.
General waste	Waste cardboard, waste sand, scrap metal parts, waste wood, etc.	<ul style="list-style-type: none"> Are entrusted to qualified external disposal vendors; It is prohibited to burn or bury waste arbitrarily on site or within or outside the park.
Domestic waste	Domestic waste	<ul style="list-style-type: none"> Handed over to the environmental health management department for unified processing.



Case Study:

Standardized Solid Waste Management Training

On March 13, 2025, the Company's Environmental Management Center organized special training on standardized solid waste management. A total of 22 environmental officers from various departments and employees in hazardous waste management-related positions participated. The training adopted a "lecture + quiz" model, systematically teaching basic knowledge of solid waste management and effectively enhancing participants' compliance awareness and operational capabilities in solid waste management.



Standardized Solid Waste Management Training

Key Performance Indicators	Unit	2025
Quantity of waste generated	ton	4,432.11
Quantity of hazardous waste generated	ton	1,375.26
Quantity of non-hazardous waste generated	ton	3,056.85
Quantity of waste disposed of	ton	4,432.11
Quantity of hazardous waste disposal of	ton	1,375.26
Quantity of non-hazardous waste disposed of	ton	3,056.85
Waste disposal compliance rate	%	100

■ Management of Other Pollutants

Solex actively carries out prevention and control of noise, soil, and other pollution. The Company has installed noise and vibration reduction equipment and adopted noise reduction technologies such as double-layer soundproof glass, construction of soundproof rooms, and factory sound insulation to ensure that noise does not exceed the standards stipulated in the *Emission Standard for Industrial Enterprises Noise at Boundary*. Its subsidiary Bestter has actively improved its noise pollution prevention and control management system and formulated the *Noise Pollution Control Management Measures*, clarifying noise control procedures and providing institutional guarantees for reducing noise impact and improving the working environment.

Meanwhile, the Company has formulated the *Soil Environment Management System* to standardize daily supervision methods and content, conduct routine visual inspections of soil protection facilities, road anti-seepage projects, and potential linear pollution hazards, and prevent potential pollution risks.

 Noise Management	 Soil Management
<ul style="list-style-type: none"> Noise-related departments strictly adhere to operating procedures during equipment operation, eliminating noise intensification caused by improper handling; Equipment is subject to regular maintenance and servicing; Where construction or renovation activities within the factory generate excessive noise, work must be immediately suspended and may only resume after effective noise insulation measures are implemented; Construction activities during nighttime and rest periods are avoided. 	<ul style="list-style-type: none"> Workshop flooring is designed to prevent liquid infiltration; Equipment and machinery in operation are equipped with impermeable collection and containment facilities; For bulk liquid storage, bund walls are installed in tank areas, with impermeable ground treatment and regular inspections conducted; At loading and unloading points, leak-proof pumps are used to transfer bulk liquids, inlet and outlet pipelines are not exposed, and overflow safety devices consist of impermeable containers.

Implementation of Green Operation

■ Green Office

Green office practices represent a critical scenario for enterprises to implement ESG principles and fulfill environmental responsibilities. With energy consumption control and resource recycling as its core focus, the Company promotes low-carbon, intensive, and ecological office operations through institutional regulation and full employee participation, continuously reducing operational carbon emissions and laying a solid foundation for achieving carbon peaking and carbon neutrality goals.

Actions for Green Office

Electricity conservation is advocated through the use of LED energy-saving lamps, and lighting in corridors, balconies, stairways, and similar areas has been replaced with sensor-activated lights.

Air conditioning temperature is set at 26°C; public areas such as meeting rooms are equipped with timed power-off sockets and sensor switches to effectively prevent waste caused by appliances being left on after use.

Double-sided printing and secondary-use paper printing are encouraged to conserve paper, with gradual implementation of paperless office practices.

Automatic faucets are widely adopted to reduce water waste caused by taps being left running, thereby conserving water resources.

Waste classification posters are displayed on environmental bulletin boards; waste is sorted and recycled accordingly, and used dry batteries are uniformly collected and handed over to qualified entities for disposal.



Timed Power-Off Socket



Water-Saving Faucet



Garbage Sorting Posters

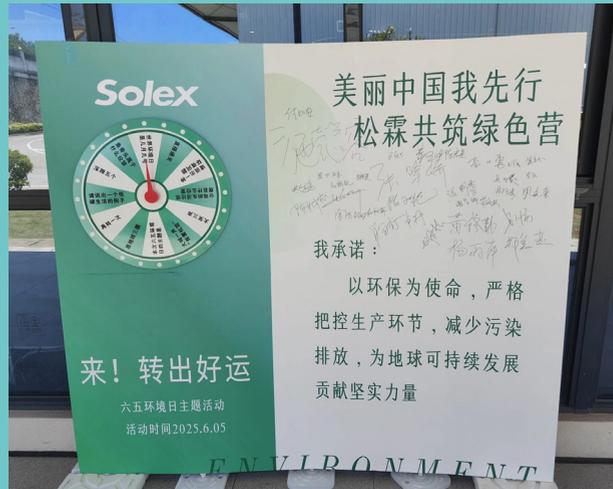
Environmental Protection Activities

The Company organizes diverse environmental awareness initiatives, integrating knowledge of energy conservation, waste reduction, garbage classification, and resource recycling into employees' daily work and life through environmental knowledge quizzes, interactive games, and themed on-site presentations, thereby encouraging proactive adoption of green office practices and low-carbon commuting behaviors.



Case Study: World Environment Day Themed Activity

On June 5, 2025, in response to the Ministry of Ecology and Environment's World Environment Day theme of "Beautiful China—I Am a Pioneer," Solex and its subsidiary Zhangzhou Solex organized an environmental-themed event within the industrial park. Through activities such as an environmental signature wall and eco-themed games, the Company promoted environmental and energy-saving knowledge and offered prizes to stimulate employee participation, effectively deepening and disseminating the corporate culture of environmental protection.



Environment Day Event

Protection of Ecosystem and Biodiversity

Solex strictly complies with the *Regulations on the Administration of Environmental Protection for Construction Projects* and the *United Nations Convention on Biological Diversity*, fully incorporating ecosystem and biodiversity protection into the lifecycle management of renovation and expansion projects, and continuously promoting coordinated development between project construction and ecological conservation.

Prior to Project Implementation

Environmental impact assessments are conducted to comprehensively evaluate the project's potential impacts on surrounding ecosystems and biodiversity.



During Project Construction

Comprehensive environmental protection technical measures are implemented to ensure that all pollutant emissions comply with national and local standards.



Upon Project Completion

Environmental acceptance is strictly carried out in accordance with regulations to prevent adverse impacts on ecosystems and biodiversity, thereby effectively safeguarding regional ecological balance.

Empowering Industry and Creating Enduring Value

Our Philosophy

Solex remains customer-centric, adheres to innovation-driven development, and focuses on the research, development, and manufacturing of robot organizational systems, healthcare software and hardware, and intelligent kitchen and bathroom products. At every stage from procurement to product delivery, we rigorously enforce high standards of quality and reliability control, and embed data security and user privacy protection as core product values and fundamental responsibilities.



Our Actions

Innovation-driven
Product and Service Safety and Quality
Information Security and Customer Privacy Protection
Supplier Management

SDGs

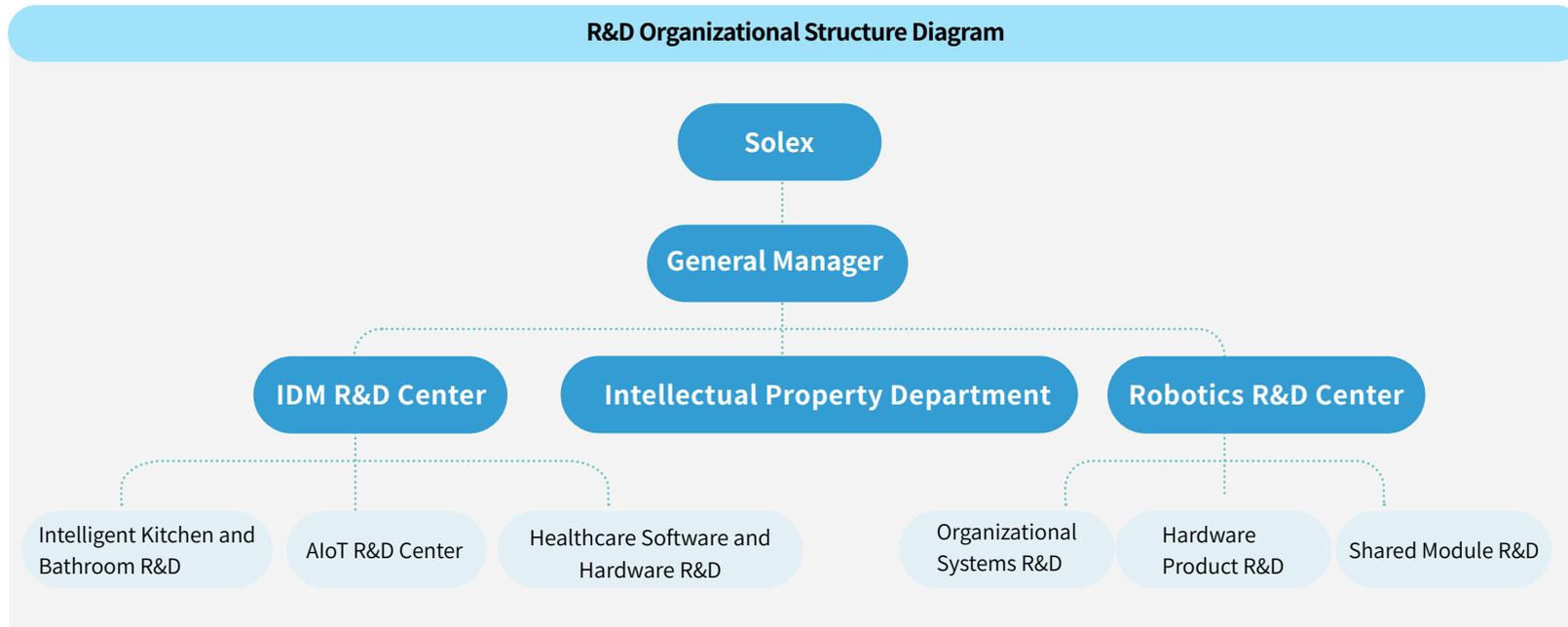


Innovation-driven

Governance

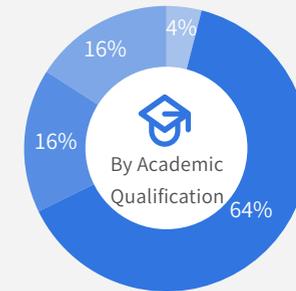
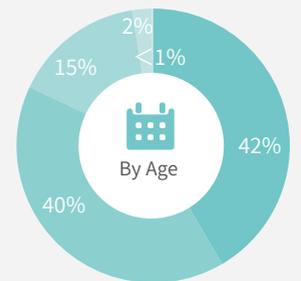
Upholding the business philosophy of "innovation, design, manufacture," the Company has established systems such as the *New Product Development Control Procedures* and the *Software Lifecycle Procedure*, and comprehensively standardized the processes of new product development and innovative R&D in accordance with the *New Technology Development Process* and *New Project Development Process*, thereby controlling design quality and delivery timelines at the source.

Guided by market demand, the Company's R&D activities are overseen by the General Manager as the highest decision-maker and administrator, who coordinates overall R&D management. The IDM R&D Center and the Robotics R&D Center serve as core R&D departments, undertaking technological development and product innovation in their respective fields; the Intellectual Property Department operates as an independent functional support unit, providing professional support for the protection of R&D achievements and compliant operations. In addition, the Company has established a unified database encompassing the latest global products and designs, providing precise guidance for new product R&D directions.



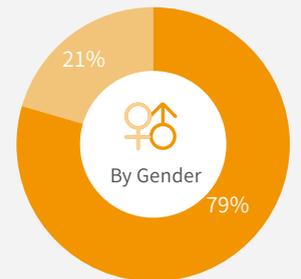
R&D Personnel Information

Total R&D Team Members **878** persons
 Proportion of Total Employees **15.89%**



- Under 30 (exclusive) years old
- 30 (inclusive) to 40 (exclusive) years old
- 40 (inclusive) to 50 (exclusive) years old
- 50 (inclusive) to 60 (exclusive) years old
- 60 years old or above

- Bachelor's Degree
- College
- High school or below
- Master's Degree or Above



- Male
- Female

Strategy

Type of Risk/ Opportunity	Description of Risk/ Opportunity	Probability of Occurrence	Impact Magnitude	Impact Timeframe	Value Chain Links of Impact	Priority Ranking	Potential Financial Impact	Response Measures
Technology R&D risk	Newly developed products or technologies may fail to meet market demand or industry trends due to directional deviations, and R&D samples may not satisfy customer requirements, resulting in wasted R&D resources	Low	Medium	Short to medium term	Operations	Medium	Increased operating costs	At the project initiation stage for new product development, customer requirements are repeatedly validated, and submission of both market and technical feasibility analyses is mandated to ensure that R&D projects are fully substantiated in both commercial and technical terms
Market and Competition Risks	New businesses face multiple challenges, including rapid changes in market demand, the influx of strong new competitors, and imitation of innovative products, which may lead to business growth falling short of expectations	Medium	High	Medium and long-term	Operations, downstream	High	Increased operating costs	Proactively conduct research and analysis on macro markets, competitive dynamics, and industry policies; continuously monitor demand changes and trend movements; and actively integrate into the industry ecosystem to obtain critical information and resources, thereby supporting flexible business adjustments and risk response
Opportunities in the Robotics Industry	Growing market demand for service robots and core components provides a pathway for technological upgrading and market expansion of the Company's intelligent health hardware business	High	High	Medium and long-term	Operations, downstream	High	Revenue Growth	Focus on breakthroughs in core technologies and collaborate with leading industry companies to jointly advance product innovation and industrialization in key components and specific application scenarios
Market expansion opportunities	Global upgrading of health consumption and rapid technological iteration expand the market space for intelligent health hardware, providing growth momentum for the Company's export business	Medium	High	Medium and long-term	Downstream	High	Revenue Growth	Integrate domestic and international innovation resources to achieve technological convergence and product upgrading, enhance the core competitiveness of products and services, further strengthen global competitiveness, and explore high-value market regions
Low-Carbon Technology Opportunities	The Company has successfully developed innovative low-carbon processes that directly reduce carbon emissions and carbon costs in production, aligning with the "dual carbon" policy trend while conferring green competitive advantages to products	High	Medium	Mid-term	Downstream	High	Revenue Growth	Systematically assess the current carbon emission status of existing processes, accurately identify key emission reduction processes, introduce advanced low-carbon technologies, and conduct small-scale pilot validations to lay the foundation for large-scale application

■ Impact, Risk and Opportunity Management

During the advancement of innovative R&D, the Company proactively conducts forward-looking risk assessment and opportunity identification, relying on the *Risk and Opportunity Identification and Evaluation Form* to carry out identification and evaluation at each project stage, effectively managing uncertainties in the R&D process, ensuring the smooth progression of R&D projects, and supporting steady innovation and continuous breakthroughs in a dynamic competitive environment.

R&D Innovation Risk and Opportunity Management Process



Risk Identification

At each stage of new technology and new product development, potential risk factors are proactively and comprehensively identified, with regular project reviews conducted to ensure no significant omissions.



Risk Assessment

For identified risks, comprehensive assessments are conducted based on likelihood of occurrence and degree of impact, thereby determining risk levels and response priorities.



Risk Management

Based on risk levels, corresponding preventive and responsive measures are formulated and implemented to effectively control risks and mitigate their actual impact on projects.



Risk tracking

Continuous tracking and monitoring of risk response measures are carried out, with dynamic updates to risk status and management strategies to ensure effective operation of the risk management process.

■ Metrics and Targets

The Company is anchored in intelligent, health-oriented, and green development directions, establishing R&D and innovation objectives with a forward-looking perspective on market demand and industry trends, continuously increasing R&D investment and strengthening independent innovation in core technologies.

In the robotics business, the Company focuses on core technological breakthroughs in collaborative organizational systems for logistics service robots and medical/elderly care service robots. It aims to make advancements in key technologies such as scene perception, autonomous mobility, multi-robot collaboration, and human-machine interaction. The Company continuously optimizes scenario-based solutions for the ToB markets, including security, cleaning, logistics and delivery, reception and guided tours, and customer service, as well as for the wellness and elderly care market, including mobility assistance, and nursing and rehabilitation. This ongoing effort is dedicated to enhancing the stability, adaptability, and intelligence level of the robotic systems.

In the healthcare software and hardware business, the Company concentrates on sleep health, skin and hair health, oral health, and beverage health categories, advancing technological R&D and product iteration, actively deploying large models for smart health home applications, and constructing an intelligent and diversified ecosystem of health software and hardware; during the Reporting Period, the Company successfully obtained MDSAP international medical device quality system certification from five countries and continued to improve its ISO13485 medical device quality management system, thereby laying a solid compliance foundation for the global expansion of health products.

In the intelligent kitchen and bathroom business, the Company focuses on innovation in intelligent, health-oriented, and green products, promoting iterative upgrades of water-saving showers, electronic shower systems, intelligent toilets, and other products, and strengthening core capabilities in water-saving technologies, intelligent sensing, and multi-point precise control.

Meanwhile, the Company deepens the sharing and reuse of AIoT and large AI model technologies across business segments, providing strong support for multi-category and multi-scenario collaborative expansion, steadily promoting the commercialization of R&D achievements, and effectively unlocking the value of technological innovation. During the Reporting Period, the number of patent applications increased steadily, and the patent commercialization rate remained at a high level.



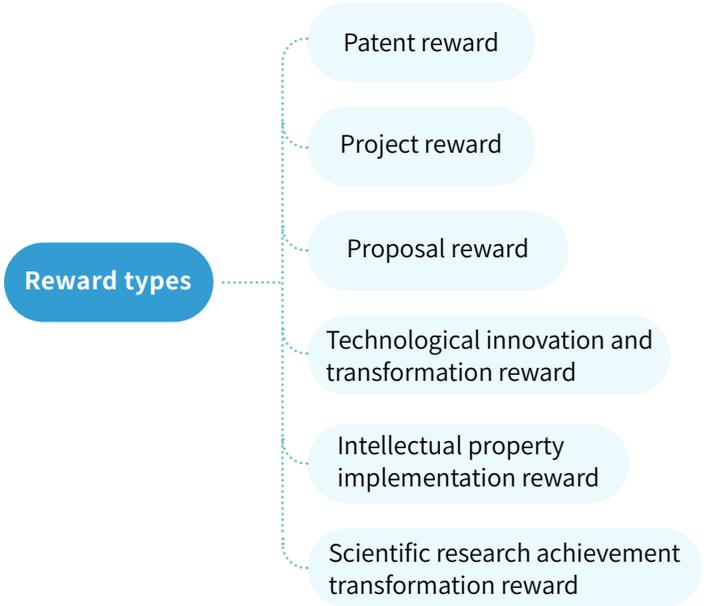
Key Performance

During the Reporting Period, the Company's R&D investment: **24,707.66** (in RMB 10,000),
percentage of R&D investment in main operating income: **9.43%**.

Innovation-driven Measures

Incentives for Innovative R&D

To stimulate technological innovation vitality and encourage employee invention and creation, the Company has formulated documents such as the *R&D Incentive System* and the *Measures for Rewarding Scientific Research Achievements*. For different types of rewards, achievements are evaluated and graded based on dimensions such as innovativeness and degree of difficulty, with reward coefficients determined accordingly, thereby effectively mobilizing employees' enthusiasm for technological innovation through substantive incentives.



Construction of Innovation Platform

The Company has established comprehensive R&D and innovation platforms at multiple levels and has obtained corresponding authoritative qualifications and recognitions. At the national level, the Company has been recognized as a National Enterprise Technology Center, a National Industrial Design Center, and a National Intellectual Property Demonstration Enterprise; at the provincial and ministerial levels, it also holds important certifications such as Engineering Technology Center, Enterprise Technology Center, and Industrial Design Center. In addition, the Company operates a nationally CNAS-accredited testing laboratory and a postdoctoral research workstation. These platforms collectively form comprehensive support across the entire innovation process, continuously consolidating the Company's technological leadership and innovation advantages within the industry.

Key Performance

As of the end of the Reporting Period,

4

entities of the Company and its subsidiaries had been recognized as High and New Technology Enterprises;

1

specialized and sophisticated SME has also been cultivated, all of which have received relevant municipal-level or higher recognitions.



Participation in Standard Development

The Company deeply participates in the formulation of national and industry standards, particularly leading the development of multiple key standards in the kitchen and bathroom sector. Leveraging profound technological accumulation, the Company has successfully translated practical experience into high-standard industry norms. Meanwhile, as an important industry participant, the Company actively engages in industry exchange activities, consolidating collective industry wisdom and jointly leading technological upgrades and quality advancement within the sector. The two national standards in which the Company participated, namely GB/T 44180—2024 General Technical Requirements for Kitchen and Sanitary Ware Fittings and GB/T 44212—2024 Quality Grading of Consumer Products—Kitchen and Sanitary Ware Fittings, have been officially implemented.

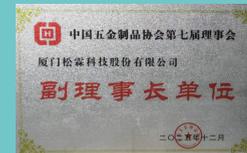
Key Performance

As of the end of the Reporting Period, the Company had participated in the formulation of **42** standards, including **14** national standards, **14** industry standards, **9** group standards, and **5** local standards. Among them, **2** industry standards compiled by Solex during the Reporting Period remain under revision.



Case Study: The Seventh Member Representative Congress of the China National Hardware Association

In December 2025, the Company attended the Seventh Member Representative Congress of the China National Hardware Association. During the conference, Company representatives listened to reports and speeches on topics including industry development trends, technological innovation, and green transformation. In recognition of its contributions and influence in relevant fields, the Company was elected as a Vice Chairman Unit of the Seventh Council at the conference. Through participation in this significant industry event, the Company further grasped policy orientations and cutting-edge developments, strengthened exchanges with industry partners, and created favorable conditions for promoting supply chain collaborative innovation and sustainable development practices.



Presentation of Innovation Achievements

Technology-Enabled Health Products

Solex deeply understands users' core needs, with intelligent, health-oriented, and green development as its core R&D direction. Adhering to collaborative innovation across the industrial chain and focusing on product quality, the Company breaks through the limitations of traditional products that merely meet basic living needs, drives product upgrades through innovation, and is committed to creating healthy, environmentally friendly, and energy-efficient lifestyle experiences for consumers. During the Reporting Period, the Company received customer innovation awards, and the Aurora Photocatalytic Toothbrush and Nimble Side-Spray Lift Rod won the 2025 German iF Design Award.



At the Delta 2025 Supplier Conference, the Company received the "New Product Development Innovation Award"



At the Blanco 2025 Supplier Conference, the Company received the "Innovation Award"



Case Study: Adaptive Water Spray

This adaptive water spray product adopts advanced water-saving technology to ensure that, under varying water pressure environments, the output flow remains precisely and stably within a preset water-saving range. It not only meets China's highest Level 1 water efficiency standard, but its water impact force and spray coverage also comply with international WaterSense certification standards. The core spray technology achieves dynamic adaptation to water pressure: Under low pressure, the spray area and water output are small while maintaining strong impact; under high pressure, the spray area increases and the impact softens, effectively addressing the common issues of insufficient impact in low-pressure regions and excessive impact in high-pressure regions, thereby delivering a stable and superior shower experience across diverse environments.



been successfully applied to multiple products, including intelligent water leakage monitors, intelligent showers, and visual ice-point hair removal devices.



Case Study: Aurora Photocatalytic Toothbrush

The Aurora Photocatalytic Toothbrush is a new product developed by the Company to enhance oral health. The product embeds photocatalytic particles within the bristles, which, under strong ultraviolet light catalysis, generate free radicals that disrupt bacterial cell structures to achieve deep sterilization, effectively reducing the incidence of oral diseases. Its breakthrough photocatalytic technology overturns traditional ultrasonic and mechanical vibration cleaning modes, constructing an innovative tooth cleaning and protection system that ensures effective cleaning while providing users with an efficient and comfortable brushing experience, thereby genuinely enhancing the quality and satisfaction of oral care.



Case Study: Intelligent Health Shower—Intelligent Showerhead

The intelligent showerhead under the Intelligent Health Shower UC category is equipped with millimeter-wave radar to monitor human position and movement status. Relying on multimodal perception technology, it can detect in real time whether the human body is within an effective area; combined with gyroscope data, the system intelligently determines whether the user has left the shower area and automatically adjusts water flow to achieve water-saving effects. At the same time, leveraging few-shot learning technology, the system requires only a small amount of labeled data to accurately recognize user behavior, further optimizing the responsiveness and efficiency of water flow adjustment. In addition, lightweight optimization technologies are applied at the technical end to compress and fine-tune models, ensuring that devices can achieve efficient and sustained operation under low-power conditions.



Digital Core Technologies

The Company closely aligns with digital application deployment to advance core technology R&D, deeply cultivating key multimodal algorithm technologies for home health, and is committed to providing comprehensive solutions for health monitoring and management in household environments. The technological core encompasses three dimensions, multimodal perception, few-shot learning, and lightweight optimization, which synergistically construct an efficient, intelligent, and cost-effective AIoT health solution: Multimodal perception ensures comprehensive and integrated data sources; few-shot learning enables precise prediction under conditions of limited labeled data; and lightweight optimization guarantees low power consumption and efficient operation of algorithms on terminal devices, thereby transforming cutting-edge algorithms into stable and reliable product experiences. This technology has

Intellectual Property Protection

To standardize the Company's patent management, documents such as the *Patent Management System* and the *Intellectual Property Archives Management System* have been formulated and implemented, with the Intellectual Property Center assuming overall responsibility for the daily management of patents, trademarks, and other intellectual property rights. Meanwhile, the Company has established annual patent performance assessment and evaluation indicators, incorporating them into departmental and responsible persons' performance appraisals to strengthen overall capabilities in intellectual property creation, utilization, protection, and management. In recognition of its outstanding practices in the field of intellectual property, the Company has been accredited as both a "National Intellectual Property Demonstration Enterprise" and a "Xiamen Intellectual Property Demonstration Enterprise."



Top 10
Intellectual Property Enterprises in Xiamen 2025
(Ranked 5th)

The Company places strong emphasis on protecting its own intellectual property from infringement while strictly avoiding the risk of infringing upon the intellectual property rights of others. A patent information database has been established and the *Operational Guidelines for External Patent Databases* have

been formulated to enhance dynamic monitoring of patent risks; during the advancement of R&D projects, intellectual property registration, application, and filing are carried out concurrently. At the same time, through departmental collaboration, engagement of external experts, and organization of intellectual property training sessions, the Company systematically advances intellectual property due diligence and awareness enhancement, continuously strengthening full-process intellectual property management capabilities.

Key Performance

During the Reporting Period,

the Company added **249** new patents and filed **224** patent applications.

As of the end of the Reporting Period,

the number of valid patents per RMB one million of revenue was **0.52** per RMB 1 million; the cumulative number of authorized patents reached **1,361**, including **484** invention patents, **713** utility model patents, and **164** design patents;

the cumulative number of software copyrights reached **15**, with **0.01** software copyrights per RMB 1 million of revenue; and the cumulative number of trademarks reached **32**.



Intellectual Property Training

Science and Technology Ethics

The Company is always driven by innovation and grounded in responsibility. In technology R&D and application, we strictly comply with national laws and regulations as well as industry standards, and resolutely prohibit any scientific research activities that violate ethical norms. In the future, the Company will continue to optimize its internal management mechanisms, adhere to a sustainable innovation path, and is committed to promoting the healthy and orderly development of the industry.

Product and Service Safety and Quality

Governance

The Company adheres to the policy of "Customer-Centric, Continuous Improvement; Technology Innovation, Quality Primacy," and has formulated systems such as the *Incoming Material Sampling Management Specifications*, the *Inspection and Test Control Procedures*, and the *Production Management Control Procedures*. Each business division is equipped with an independent quality management organization responsible for quality control throughout the entire product lifecycle. As of the end of the Reporting Period, Solex, Zhangzhou Solex, Solex Vietnam, and Bestter Company had all obtained quality management system certifications.



Quality Management System Certification Certificate (Solex as an Example)



■ Strategy

Type of Risk/ Opportunity	Description of Risk/ Opportunity	Probability of Occurrence	Impact Magnitude	Impact Timeframe	Value Chain Links of Impact	Priority Ranking	Potential Financial Impact	Response Measures
Production Planning and Delivery Risks	Unreasonable planning or inaccurate capacity assessment may result in failure to complete production tasks on time and delayed product delivery, severely affecting the Company's image	Medium	High	Mid-term	Operations, downstream	Medium	Increased operating costs	Based on actual production capacity and product characteristics, production plans are scientifically formulated; material control personnel are arranged to follow up on the implementation of production plans
Production Process and Quality Control Risks	Based on actual production capacity and product characteristics, production plans are scientifically formulated; material control personnel are arranged to follow up on the implementation of production plans. This may cause batch quality defects, customer complaints, and brand reputation damage	Low	Medium	Long-term	Operations, downstream	Medium	Increased operating costs	Strict incoming material sampling inspection plans are formulated and implemented, with designated areas for inspection; identification, isolation, and disposal processes for non-conforming products are clarified, and deadlines for corrective action closure are established
Capacity and Inventory Risks	Production ramp-up at the Vietnam base may fall short of expectations, and insufficient coordination between new and existing capacities may lead to inventory backlog or delayed order delivery	Low	Medium	Short-term	Operations	Medium	Decreased operating income	The base releases capacity in stages driven by orders, flexibly reallocates orders among domestic and overseas bases; establishes an omni-channel inventory sharing system, sets turnover warning thresholds, optimizes inventory through promotions and reallocations; and regularly clears obsolete inventory to reduce capital occupation
Green Product Innovation Opportunities	In response to global environmental trends, the Company develops and uses recyclable materials and creates low-water-consumption, long-life water-saving intelligent sanitary products to meet the upgraded market demand for sustainable consumer goods	Medium	Medium	Long-term	Operations, downstream	High	Augmented operating income	Increase R&D investment in water-saving and environmental protection technologies, actively apply for green product certifications, and explore environmentally friendly materials and sustainable product design
Intelligent Manufacturing Opportunities	By promoting intelligent upgrades of production processes, operational efficiency and product quality stability are enhanced	Medium	High	Mid-term	Operations	Medium	Reduced operating costs	Establish a digital quality control platform and optimize the entire production process

Impact, Risk and Opportunity Management

The Company conducts its operations in accordance with the *Risk and Opportunity Control Procedures* and the *Risk Management Control Procedures*, clearly defining specific operational requirements for risk avoidance, mitigation, and acceptance. In this process, the Quality Department is responsible for organizing the identification and evaluation of internal and external environmental factors, leading the formulation of response plans, and supervising their implementation.

Risk and Opportunity Management Process



Risk and Opportunity Planning

An assessment team is established to identify and analyze risks and opportunities and compile assessment and analysis forms.



Risk and Opportunity Assessment

Risk coefficients are calculated based on risk severity and frequency of occurrence. When the coefficient is excessively high, avoidance or mitigation measures must be adopted to reduce potential harm.



Response to Risk and Opportunity

Corresponding measures are taken based on assessment results to reduce or eliminate risks.



Risk and Opportunity Review

The Quality Department organizes at least one system review annually to verify effectiveness and generate a risk assessment report.

Metrics and Targets

The Company places great importance on the dynamic management of quality objectives. Each subsidiary and business division formulates and implements annual quality objectives in accordance with specific business realities, ensuring that quality requirements are fully integrated into all aspects of daily operations, thereby continuously enhancing overall quality performance.

Product and Service Quality Objectives in 2025

Achievement

Monthly return loss rate \leq 0.15%	Achieved
Customer complaint handling timeliness rate: 100%	Achieved
FOC finished product batch acceptance rate \geq 98.5%	Achieved
Customer finished product batch acceptance rate \geq 98.5%	Achieved

Key Performance

During the Reporting Period,

Number of product recalls: **0**;

Product percent of pass: **98.63%**;

Number of annual internal quality audits: **16**;

Number of times third-party agencies were engaged for sampling: **26**.

Whole-life-cycle Management of Products

To continuously strengthen quality control, the Company has established systems such as the *Incoming Material Inspection and Testing Control Procedures* and the *Process Inspection and Testing Control Procedures*, standardizing key stages from raw materials to finished products to ensure stable and controlled product quality throughout the process. Meanwhile, the Company attaches great importance to the management and maintenance of production equipment, formulating annual maintenance plans and refined servicing schemes, and conducting regular professional inspections and maintenance to ensure efficient and stable equipment operation and orderly production processes. In addition, to strictly control finished product quality, the Company regularly conducts relevant quality testing on products and issues reports. Multiple products, including shower faucets, toilet seats, and intelligent toilets, are tested in strict accordance with authoritative standards to comprehensively ensure stable and reliable product quality.



Quality Inspection Report



Full Lifecycle Management Process

➤ Incoming Material Inspection

Inspectors verify incoming materials and conduct sampling inspections according to the quality inspection plan. If the materials provided contain hazardous substances, it is required to ensure that the received materials are accompanied by the supplier's *Environmental Declaration* and have undergone third-party sampling and testing prior to inspection; warehouse personnel shall process materials within 24 hours, and in case of rejection, initiate a return order via the OA system to notify the supplier for return.

➤ Process Inspection

After inspectors confirm first article inspection qualification, approval is reported to the team leader; operators must conduct self-inspection and mutual inspection, identify and isolate defective products, and patrol inspections focus on key and frequently abnormal processes.

➤ Final Inspection

Inspectors conduct sampling according to standards and record inspection results; if requirements are not met, a quality abnormality handling form is issued and rework is arranged.



Product Recall Management

The Company attaches great importance to consumer safety and rights and has established systems such as the *Product Recall Work Instruction* and the *Product Recall Management System* to ensure standardized and fully traceable product recall processes. For medical device products exported to the United States, the Company has additionally formulated the *Medical Device Recall Control Procedure* to strengthen post-market safety supervision, ensure product traceability, and continuously enhance product quality assurance capabilities.

Product Recall Management Process

- Sales personnel should clearly and specifically fill out the *Product Recall Application Form*, including customer names, product names, quantities, and the reason for recall;
- The sales manager organizes relevant departments and personnel to analyze the cause of the product recall for products without quality issues and provide handling suggestions;
- The Quality Control Department analyzes the defective products for their root cause, writes out handling suggestions, executes the *Nonconforming Product Control Procedure* for non-conforming products, and fills out the *Corrective and Preventive Action Report*;
- If the recalled product quantity is too large, the general manager should convene a management review meeting.



Digital Management

The Company actively embraces digital technologies and has established digital management systems such as the OA quality control module and rework process system to achieve real-time monitoring and data-based management of production progress and product quality. This not only significantly improves the precision and responsiveness of quality control but also provides reliable data support for process optimization, effectively enabling the Company to achieve dual advancement in efficiency improvement and quality assurance.

■ Quality Culture Management

To consolidate the foundation of product quality, the Company regularly organizes quality training and skills competitions each year, reinforcing quality awareness among all employees and honing professional practical capabilities through diverse approaches, jointly fostering a work atmosphere that values quality and pursues excellence.



QC Seven Tools Training



JC/T764-2008 Testing Standard Training

Key Performance

During the Reporting Period,

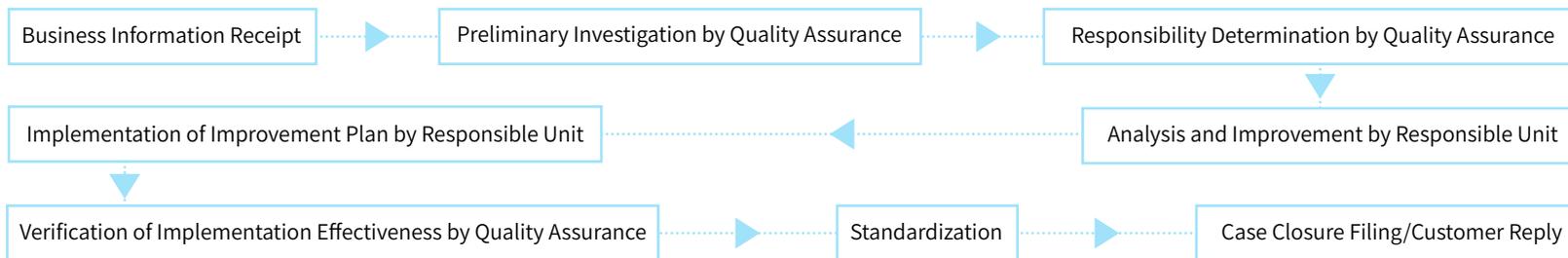
Number of participants in quality training: **3,589**; Total hours of quality training: **5,016.30**;

Number of quality training sessions: **277**.

Customer service guarantee

Management of Customer Complaint

To improve the customer service governance system, the Company has formulated normative documents such as the *Feedback and Complaint Control Procedures* and the *Customer Complaint Handling Work Instructions*, promoting cross-functional collaboration among relevant departments to jointly ensure alignment between product quality and customer needs and comprehensively respond to various customer demands. On this basis, the Company has also formulated the *External Quality Issue Management Procedures* to regulate the full-process handling of external quality issues such as shipment complaints, inspection complaints, and returns. Upon confirmation of a customer complaint, the corresponding quality engineer from the CQS section of the Quality Assurance Department is responsible for receiving, managing, and tracking returned products, implementing relevant corrective and preventive measures, and at the beginning of each month categorizing and summarizing customer complaints by product category, problem classification, and frequency, thereby promoting effective improvement measures by relevant departments to reduce repeat complaint rates and enhance customer satisfaction and product reliability.



Customer Complaint Response Process (Simplified)



Case Study: Customer Complaint Handling and Systematic Improvement Case

On November 5, 2025, a customer reported multiple pull rod fractures in the drainage valve model 80T8150-877-103 purchased. The Company immediately established a cross-departmental team for investigation and confirmed that the root cause was the mixing of trial mold adjustment parts into normal production materials; such parts suffered from material shortage and insufficient strength due to unstable processes; the outflow cause was that pre-shipment full inspection failed to detect the fracture phenomenon. The Company mandatorily isolated and scrapped all mold adjustment parts and revised the *Parts Inspection Work Instruction* to prevent recurrence of similar issues at the institutional and procedural levels.



Key Performance

During the Reporting Period,

Customer complaint rate: **0.23%**;

Customer complaint resolution rate: **100%**

Customer Service Training

The Company attaches great importance to the professional capability development of its customer service team and regards high-quality service as the key to earning customer trust and consolidating market position. To this end, the Company continuously conducts specialized service training to enhance the professional competence and practical capabilities of service personnel. Through systematic training, the team is able to more accurately understand customer needs and respond to customer requests, thereby continuously optimizing service experience and laying a solid foundation for long-term and stable customer relationships.

Customer Satisfaction

To understand customers' current and future expectations regarding service quality, the Company has formulated the *Customer Satisfaction Survey Procedure*. The GCM Department coordinates the annual satisfaction survey, systematically collecting customer feedback on key dimensions such as product quality, service experience, and delivery timeliness through questionnaires, customer forums, and market visits, thereby further improving product quality and enhancing customer satisfaction.

Key Performance

During the Reporting Period,
Customer satisfaction: **88.65%**

Responsible Marketing

The Company strictly complies with the *Advertising Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, and adheres to principles of integrity and transparency in marketing. On this basis, all product promotional materials are subject to strict review to ensure authenticity and accuracy, fulfilling commitments to responsible marketing and eliminating any form of false or misleading information; regular professional training is organized for sales personnel with emphasis on compliance marketing standards, enhancing the sales team's compliance capabilities; in addition, product performance and proper usage education is provided to customers to safeguard their right to information and reasonable use, thereby building an honest and compliant marketing ecosystem.



Sales Training

Key Performance

During the Reporting Period,
Total Number of Violations of Regulations and/or Voluntary Codes Concerning Marketing Communication (including Advertising, Promotion, and Sponsorship): **0**.

Information Security and Privacy Protection

Information Security Management

To enhance information security and privacy management, the Company follows the fundamental policy of "Active prevention, total employee involvement, ensuring the security of company and customer data," and has formulated systems such as the *Information Security and Privacy Management Manual* and the *Information Asset Management Rules*. An Information Security Management Committee has been established to coordinate overall work, and each department is required to designate no more than two information security specialists to implement management responsibilities at different levels. Focusing on production and operation, customer service, and daily management scenarios, the Company strengthens risk control to effectively prevent risks such as information system failures, data loss, and leakage of sensitive information and privacy, avoiding business interruptions and security incidents, and effectively safeguarding the security and integrity of operational data.

During the Reporting Period, the Company achieved significant results in the construction of its information security management system, successfully obtaining ISO 27001 Information Security Management System Certification and ISO 27701 Privacy Information Management System Certification. Based on a comprehensive control system, no data security or customer information leakage incidents occurred during the Reporting Period.



Information Security Risk Management

Risk Assessment

The Company has formulated the *Information Security and Privacy Risk Assessment Procedures*, focusing on identifying various risks to important information assets in terms of confidentiality, integrity, and availability. After each department completes the *Information Asset and Risk Assessment Form* and the *Privacy Risk Assessment Form*, the Information Security Management Committee consolidates, reviews, confirms, and archives them, and prepares the *Information Security Risk Assessment Report* based on assessment results. The Company updates information assets and risk assessments annually, investigates potential new risks, evaluates the effectiveness of existing control measures, and supplements new control measures as needed to achieve dynamic identification of information security and privacy risks.

At the same time, the Company has established a systematic information security inspection and evaluation mechanism: conducting security requirement analysis and review during the information system design stage to ensure compliance with security principles; completing comprehensive security inspections before system launch to eliminate vulnerabilities at the source; and implementing regular security scans and assessments during operation and maintenance to identify and mitigate various information security risks. In addition, during the Reporting Period, the Company completed 2 information security audit activities through a combination of internal audits and external third-party audits, including 1 internal audit and 1 external audit.

Emergency Response Plans

To address information security risks and safeguard the Company's information security management level, the Company has formulated emergency response systems such as the *Information Security Emergency Response Plan* and the *Information Security Continuity Management Plan*, clearly defining grading standards for information security incidents. Meanwhile, through organizing information security emergency drills that simulate sudden scenarios such as data breaches and cyberattacks, the Company tests the feasibility and operability of emergency plans, enhancing rapid response, efficient handling, and business continuity assurance capabilities in dealing with information security incidents, and minimizing losses and impacts caused by such incidents.



Case Study: Information Security Drill

During the Reporting Period, the Company organized a special tabletop drill training for SAP system disaster recovery. Through simulation of real failure scenarios, relevant teams jointly reviewed and confirmed the disaster recovery standard operating procedures (SOP), personnel division of responsibilities, and step-by-step accountability, and evaluated and confirmed the current Recovery Time Objective (RTO) and Recovery Point Objective (RPO); this drill training effectively enhanced the coordination and process execution capabilities of the operation and system teams under emergency scenarios.

Information Security Practices

To comprehensively safeguard the data security of the Company and its stakeholders and prevent unauthorized access to information, the Company has established a multi-layered and comprehensive information security protection system aimed at fully enhancing information security management capabilities.

Information Security Measures Implemented

Boundary firewalls, core switches, Web application firewalls, and internet behavior management systems are deployed; network access authentication is implemented; security antivirus software is activated; security audit and logging systems are installed; and data protection systems are established.

Encrypted communication

IPSEC VPN and SSL VPN networks are self-established between the headquarters campus and various branches to safeguard internal communication security.

Secure connections

All external systems use the SSL protocol to establish encrypted connections, ensuring secure data transmission.

Identity access management

Identity access authorization and periodic audit procedures are implemented; a strict physical access management system for external personnel is established to strictly control access to restricted areas.

Data protection

Regular data backups and availability verification are conducted for critical business systems; mechanisms for malware protection and virus elimination programs are established.

Security awareness training

A personnel security awareness education and training system is established and implemented, with regular training activities conducted to enhance the organization's overall information security awareness.

Vulnerability scanning and penetration testing

Internal vulnerability scanning systems are utilized for routine inspections; periodic penetration testing is conducted in collaboration with external security service providers.

Facial recognition access control system

Facial recognition access control systems are deployed in critical security areas such as archives rooms to strengthen physical access control.



Case Study: Information Security Training

On August 7, 2025, the Company organized a specialized training session on information security and risk prevention awareness for relevant employees, effectively enhancing their awareness and practical capabilities in information security protection through a combination of lectures and assessments.



Key Performance

During the Reporting Period,

The number of relevant data security training sessions conducted: **12**;

The total hours of training related to data security protection: **432**;

The number of participants in training: **216**;

The average training duration per capita for data security protection: **2** hours/person;

The coverage rate of data security protection training: **100**%;

Total investment in data security: **112** (in RMB 10,000).

Customer Privacy Protection

The Company places great importance on customer privacy protection and has formulated the *Administrative Provisions on the Security Management of Personal Information Processing* and the *Data Subject Rights Response Procedures*, thereby providing institutional safeguards for customer privacy reporting. Prior to collecting customers' personal information, the Company provides clear and explicit notifications to customers; it strictly limits the scope and scale of privacy data collection, implements secondary authorization management for information use related to extended functions, and safeguards customers' lawful rights to cancel accounts and withdraw from services, thereby comprehensively regulating the entire process of personal information handling.



Key Performance

Number of incidents of information security and privacy protection violations during the Reporting Period: **0**.

Supplier Management

Governance

The Company is committed to building a responsible supply chain and has established the *Business Partner Development and Management System*. The Supply Chain Center of each business division is responsible for supplier development, evaluation, periodic review, and record maintenance, and reviews suppliers' anti-terrorism security assessment reports to ensure that supplier partners meet standards in quality, compliance, and sustainability, thereby safeguarding supplier robustness and sustainability.

Strategy

Type of Risk/ Opportunity	Description of Risk/ Opportunity	Probability of Occurrence	Impact Magnitude	Impact Timeframe	Value Chain Links of Impact	Priority Ranking	Potential Financial Impact	Response Measures
Policy and Legal Risks	Policy adjustments may lead to risks such as restricted international trade routes and supply chain disruptions	Low	Medium	Mid-term	Operations	Medium	Increased operating costs	For raw materials with relatively high consumption, domestically produced model alternatives are verified as backups and introduced into production in small batches to address potential uncertainties arising from future policy changes
Market Risks	Suppliers' outdated technology and insufficient quality control may impact product delivery and increase the risk of product recalls	Medium	High	Short	Operations	High	Increased operating costs	The Quality Department's SQE provides guidance to suppliers on standards improvement and regularly audits suppliers' on-site processing procedures
Technical opportunities	Emerging technologies such as the Internet of Things, big data, and artificial intelligence provide enterprises with opportunities for digital transformation of the supply chain	High	High	Long-term	Operations	High	Reduced operating costs	Through the Company's OA system, full-process online visual management is realized from order issuance, label generation, and delivery note issuance to goods receipt acknowledgment, queue-based inspection, and warehousing inspection, thereby enhancing the efficiency and accuracy of information flow
Reputation Opportunities	Effective practices in supply chain risk management can ensure operational continuity and stable delivery, enhancing the Company's reliability and reputation in the eyes of customers and investors	Medium	Low	Medium and long-term	Downstream	Low	Augmented operating income	In public documents such as ESG reports, the Company proactively discloses specific actions and achievements in strengthening supply chain resilience, conveying positive management signals to stakeholders

■ Impact, Risk and Opportunity Management

Solex is aware that supply chain stability and sustainability are vital to business operations. To this end, the Company integrates ESG principles into supply chain management by establishing and continuously improving corresponding management processes to control potential risks and seize development opportunities, thereby continuously enhancing supply chain resilience and providing critical support for the Company's long-term stability and sustainable development.

In 2025, the Company continued to strengthen supply chain security and compliance management by conducting regular inspections of business partners' supply chain security systems and organizing suppliers to carry out C-TPAT anti-terrorism self-inspections and Customs AEO trade security investigations, systematically identifying and addressing potential risks and striving to collaboratively build a secure supply chain ecosystem with partners.

■ Metrics and Targets

The Company has comprehensively extended operational management to all segments of the supply chain. In the future, it will further promote the optimization and universal application of supplier management mechanisms, strengthen resilience and responsiveness across the entire value chain, and lay a solid foundation for long-term corporate development.

Key Performance Indicators	Unit	2025
Total Number of Suppliers	entity	1, 277
East China	entity	878
South China	entity	281
North China	entity	13
Central China	entity	13
Northeast China	entity	5
Southwest China	entity	0
Northwest China	entity	1
Hong Kong, Macau, and Taiwan	entity	9
The total number of our overseas suppliers was	entity	77
Proportion of Procurement Expenditure from Local Suppliers	%	65

■ Full Lifecycle Management of Suppliers

The Company has established process management covering supplier screening, review, assessment, and exit, standardized business partner evaluation procedures, promoted supplier capability enhancement and deepened cooperation, and built mutually trusting, win-win, long-term, and stable supplier relationships.

Selection of Suppliers

Procurement development personnel collect and assess information and credit status of potential suppliers through multiple channels, screen target suppliers, proactively engage with them to examine cooperation compatibility, and ultimately conduct inquiries and cost analyses to preliminarily determine intended partners.

Supplier Review

Through cross-departmental collaboration, on-site reviews and comprehensive evaluations are conducted on target suppliers' capabilities in quality, technology, service, and safety. Upon approval, they are included in the qualified supplier directory.

Supplier Assessment

Quality risks are controlled through contracts and procurement strategies; suppliers undergo regular performance evaluations and safety assessments, and their credit and operational status are continuously tracked for dynamic management adjustments, while differentiated on-site evaluations are implemented based on material importance and supplier certification levels.

Supplier Exit

During periodic assessments and evaluations, rectification deadlines are set for unqualified suppliers. Those who meet rectification requirements may be retained, while those who fail to meet standards will have their cooperation qualifications revoked.



Case Study: Procurement Development Process Training

In December 2025, the Company conducted a specialized training session on the procurement development process for internal procurement development personnel. This training focused on details of quotation work, mold development cycles for various categories in project contracting, and the dimensional and performance reports required for sample confirmation, with on-site questioning used for assessment. Following this training, all participants gained a deeper understanding and mastery of the requirements for each stage of the procurement development process.



Key Performance

During the Reporting Period, the signing rate of the Supplier Integrity Agreement was **99%**.



Digitalization Construction of Supply Chain

The Company attaches great importance to supply chain digitalization, achieving full-process online and transparent management of procurement through the OA bidding system, which automatically assigns responsible departments based on material types and supports end-to-end collaboration from demand initiation to quotation review. Meanwhile, in conjunction with the MES system, refined full-process control of production scheduling is realized. The incoming material receipt queue-calling system optimizes warehousing and logistics efficiency, and the implementation of electronic supplier contracts enhances collaboration efficiency, comprehensively promoting efficient coordination and digital operation of the supply chain.



OA Bidding System



MES System Scheduling

Green Supply Chain

At the supplier admission stage, the Company verifies whether suppliers are chemical enterprises and checks whether they have formulated internal environmental policies to ensure that their operations and management comply with the Company's environmental access standards. In 2025, the subsidiary Zhangzhou Solex was successfully included in the 2025 Provincial Green Supply Chain Management Enterprise List issued by the Fujian Provincial Department of Industry and Information Technology, fully demonstrating the Company's solid achievements in collaborating with upstream and downstream partners to build a sustainable value chain.

Supplier ESG Management

Integrity in the Supply Chain

In basic supply contracts, the Company explicitly requires all suppliers to adhere to business ethics, strictly comply with anti-commercial bribery regulations, resolutely resist and reject any form of improper benefit exchange, and refrain from any conduct that may harm the Company's interests. In the event of any violation, the Company will pursue liability for breach of contract in accordance with contractual provisions and reserves the right to take further legal measures.

附件3
2025年度福建省绿色供应链管理企业名单

序号	企业名称	地区
1	福州天宇电气股份有限公司	福州
2	福州聚友光电科技有限公司	福州
3	中恒瑞源股份有限公司	福州
4	漳州虹霖智能家居有限公司	漳州
5	福建省尚兴纺织科技有限公司	泉州
6	石狮赛宝染织有限公司	泉州

Provincial Green Supply Chain Management Enterprise



Zhangzhou Solex Creation Exchange Seminar

Responsible Supply Chain

The Company actively advances the construction of a responsible supply chain by prioritizing suppliers that have obtained environmental and occupational health and safety management system certifications and requiring suppliers to sign environmental and occupational health and safety commitment letters. At the same time, the Company conducts targeted special assessments on quality management systems and employee rights protection to ensure that suppliers possess reliable quality assurance capabilities and compliant operational standards, strictly implementing requirements to eliminate child labor and safeguard reasonable working hours and fair compensation, thereby effectively protecting the legitimate rights and interests of supply chain employees. In addition, the Company promotes comprehensive improvements among suppliers in green production, quality control, and contract performance capabilities through irregular ESG-dimension supplier training sessions.

Key Performance Indicators	Unit	2025
Number of Suppliers Certified under Quality Management Systems	Units	593
Number of Suppliers Certified under Environmental Management Systems	Units	593
Number of Suppliers Certified under Occupational Health and Safety Management Systems	Units	593
Number of Suppliers Suspended due to Non-compliance	Units	1



Case Study: Supplier Quality Training

During the Reporting Period, the Company conducted a specialized training session for suppliers themed "Quality Appearance Improvement." The training focused on key aspects such as material appearance standards, defective appearance process control, and shipment inspection, clarifying quality risks and preventive measures, enhancing suppliers' quality awareness and operational standardization, laying a foundation for subsequent quality improvement and compliant supply, and strengthening the market competitiveness of the Company's products.



Supplier Communication

Against the backdrop of accelerated restructuring of the global supply chain, the Company leveraged the inauguration of its Vietnam base to deepen cooperation with core suppliers, effectively enhancing supply chain resilience and industry reputation. In the future, the Company will continue to deepen its supply chain strategic layout and build a more competitive global supply network, providing strong support to address market changes.



Case Study: Opening Ceremony of Solex Vietnam Base

In October 2025, the Company's Vietnam base successfully held a grand opening ceremony and invited representatives of key domestic suppliers to attend, aiming to jointly witness the Company's strategic progress in global manufacturing and supply chain capability development, further consolidating strategic partnerships and demonstrating a firm commitment to coordinated development and shared growth.



Equal Treatment of Small and Medium-Sized Enterprises

In strict compliance with the *Law of the People's Republic of China on the Promotion of Small and Medium-sized Enterprises*, the *Regulations on Ensuring Payments to Small and Medium-sized Enterprises*, and other laws and regulations, the Company consistently upholds the principle of equal treatment of SMEs and makes payments in accordance with the law and contractual agreements. As of the end of the Reporting Period, neither the Company nor its holding subsidiaries had any overdue payments outstanding to SMEs, nor were there circumstances where the balance of accounts payable (including notes payable) exceeded RMB 30 billion or accounted for more than 50% of total assets.

Attracting Talent and Building Unity

Our Philosophy

Solex upholds the cultural values of "Advocating science and mutual support," consistently placing people-oriented care at the core, attentively safeguarding employee growth and well-being, improving rights protection, establishing development pathways, and striving for the shared growth of employees and the enterprise.



Our Actions

Protection of Employees' Rights and Interests
Occupational Health and Safety

SDGs



Protection of Employees' Rights and Interests

Talent Attraction and Recruitment

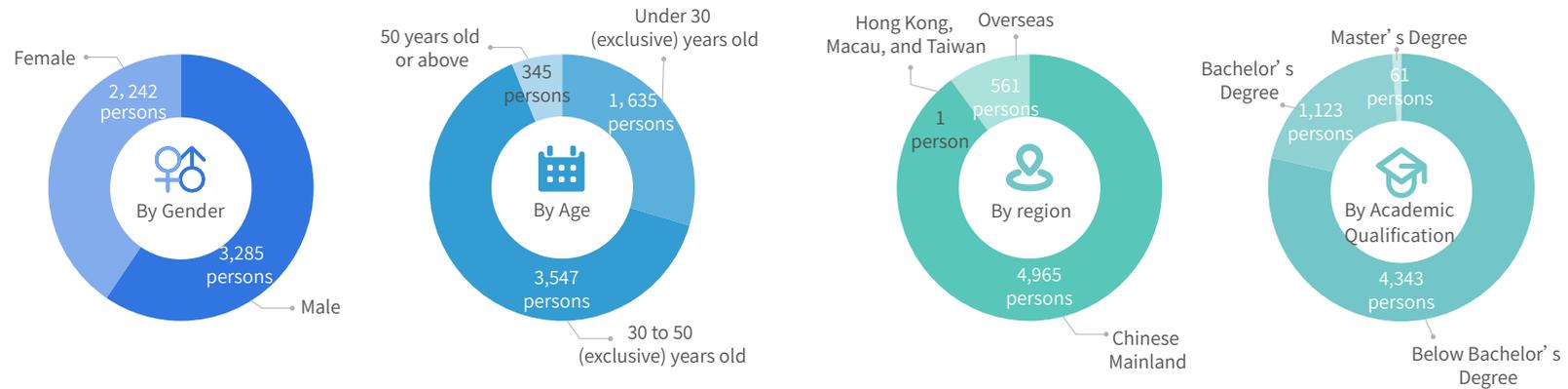
The Company regards recruitment as an important foundation for building its talent pipeline and, through rigorous and standardized full-process recruitment management, reserves high-quality talent for high-quality corporate development.

Recruitment Management

The Company strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations, and has formulated internal policies such as the *General Worker Recruitment System*, the *Human Resources Management System*, and the *Talent Introduction Management System*, clearly designating the Human Resources Department as the coordinating management body for recruitment, responsible for organization, coordination, and supervision throughout the process to ensure that recruitment activities are conducted legally, compliantly, and in an orderly manner. In 2025, the Company received the "Haicang District Industrial Talent Attraction and Cultivation Contribution Award."



Key Performance Indicators	Unit	2025
Total Number of Employees	person	5,527
Percentage of contract workers	%	100
Number of Part-time Employees	person	37
Number of employees of minority nationalities	person	736
Number of employees with disabilities	person	41
Number of Veteran Employees	person	53
Average monthly number of new employees	person	302
Average monthly number of employees departed	person	251
Average monthly employee turnover rate	%	5%



The Company implements diversified recruitment through multiple channels, including online recruitment platforms, offline job fairs, school-enterprise cooperation, headhunting services, and internal referrals. Throughout the recruitment process, the Company adheres to the principles of fairness, impartiality, and openness in objectively evaluating candidates and selecting the best, ensuring transparency in recruitment and hiring through stages such as resume collection, departmental screening, written examinations, interviews, and employment decisions.



Diversity, Equality and Inclusivity

The Company upholds the core values of diversity, equality, and inclusion, and has formulated and implemented the *Human Resources Management System*, as well as supporting systems of its subsidiaries, including the *Diversity, Equality and Inclusivity (DEI) System* and the *Anti-Discrimination, Anti-Harassment, and Anti-Abuse Management Specifications*. The Company strictly prohibits the employment of child labor under the age of 16; in all aspects of recruitment, employment, compensation and benefits, and promotion and development, it clearly stipulates that no differential treatment shall be imposed on employees based on gender, age, race, religion, nationality, sexual orientation, disability status, or any other personal characteristic, striving to create a fair, equitable, safe, reliable, respectful, and inclusive working environment for all employees. During the Reporting Period, the Company did not experience any incidents involving child labor, forced labor, discrimination, or harassment.

Dimension	Key Measures
Communication and Cross-cultural Management	Establish open communication mechanisms, provide multilingual support, and promote mutual respect and conflict resolution.
Training and Awareness Enhancement	Conduct regular diversity and inclusion training and cultivate leaders with diversity awareness.

Dimension	Key Measures
Prohibition of discrimination and bias	Provide equal career development opportunities, respect diversity, and build barrier-free facilities.
Prohibition of workplace harassment	Prohibit any form of harassment, including sexual harassment, verbal harassment, and psychological harassment. The system explicitly prohibits unnecessary physical contact, sexually suggestive words and behaviors, and the creation of a fearful or hostile work environment, ensuring that security measures and other management actions do not constitute harassment of employees.
Prohibit forced labor.	Strictly prohibit any form of forced labor, corporal punishment, threats of financial penalties, and inhumane disciplinary measures. Unreasonable restrictions on employees' normal activities, rest, or access to medical treatment are prohibited, and the use of threats or coercive control to compel employees to work against their will is strictly forbidden, ensuring that all labor is based on voluntariness and equality.

Training and development

The Company attaches importance to the continuous enhancement of employee capabilities and the accumulation and inheritance of organizational knowledge, and has formulated the *Training Management System* to provide guidance and normative basis for various training activities. The Company's training initiatives are closely aligned with business needs. At the end of each year, the Human Resources Center coordinates with various departments to formulate the training plan for the following year based on actual business requirements, which is implemented upon approval. The Company has established a tiered and graded training system, scientifically categorizing training structures and employee levels, and, through a combination of internal instructor cultivation and the introduction of external professional resources, provides employees with multi-dimensional and phased learning support.

Training Category	By Structure: Basic Courses, Skills Courses, Management Courses By Level: New Employee Training Courses, On-the-job Training Courses, Management Courses, Skills Courses
Training Content	Knowledge Training, Skills Training, Management Capability Training, etc.
Training Modes	Internal Training, External Training
Training Modes	In-class Internal Training, Public Courses, External Assignments, Study Visits, Multimedia/Online Video Learning, School-enterprise Cooperation, etc.



Training Instructors

The Company has established an instructor team and formulated the *Internal Trainer Management System*, categorizing instructors into regularly selected and certified instructors and specially appointed instructors based on positions, with the Human Resources Center uniformly responsible for their selection, grading, assessment, and incentives. The Company has established rank promotion pathways, annual teaching requirements, and lecture remuneration incentives for instructors, and implements dynamic management through annual evaluations to continuously enhance the professional standards and instructional vitality of the instructor team.



Training Platform

The Company actively builds a digital learning platform, providing all employees with convenient and flexible online learning channels that support knowledge updates and skill enhancement anytime and anywhere through fragmented time utilization.



Cloud Learning Platform

The Company emphasizes the practical effectiveness of training and categorizes training outcomes into four progressive levels: reaction, learning, behavior, and results. The Human Resources Department, together with various departments, is responsible for tracking and evaluating these levels to continuously optimize training quality and empower employee growth. During the Reporting Period, the Company conducted tiered and graded training programs focusing on new employees, high-potential employees, and personnel in key positions, implementing three major initiatives—"Xiaosong Camp," "High-Potential Camp," and "Position-specific Skills Thematic Training"—and adopting a "theory + practice + review" training model. The pass rate for all three training assessments reached 100%, with overall satisfaction exceeding 92%, effectively promoting participants' capability enhancement and the transformation of training outcomes.



High-Potential Camp Training



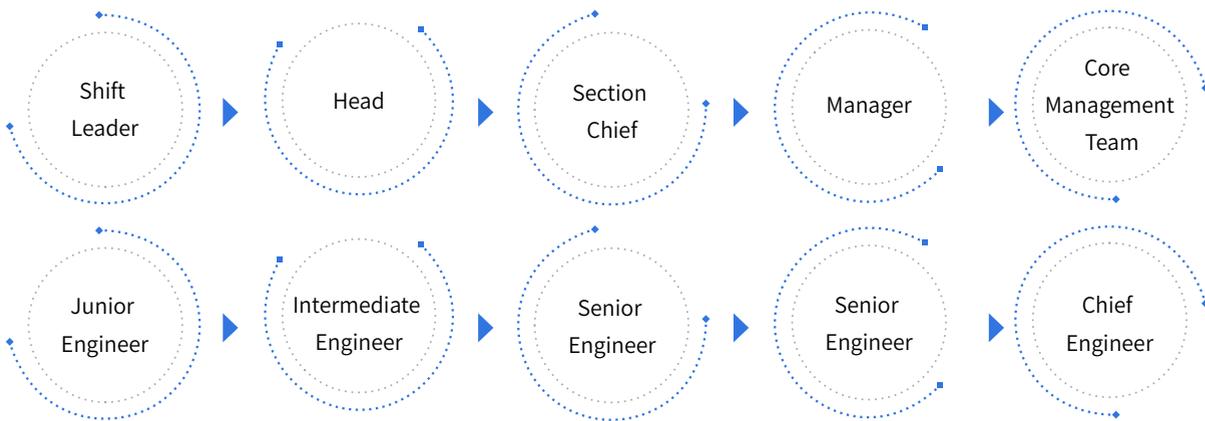
Xiaosong Camp Training

Key Performance Indicators	Unit	2025
Investment in Employee Training	RMB 10,000	30.35
Total Training Hours	hour	25,522
Number of training sessions	session	747
Total Number of Persons Trained	person	4,368
Total Number of Persons Trained	Person-time	8,538
Employee training coverage rate	%	79
Average training hours per employee	hours/person	4.62

Career Development

The Company has established five major position categories: management, functional, professional technical, marketing, and operational, and a career development framework centered on dual career pathways. It also advances talent pipeline system development through multi-dimensional evaluation methods such as regular talent reviews, Individual Development Plans (IDPs), and competency and performance reporting, assessing and promoting employees based on their comprehensive performance in professional knowledge, professional skills, and work achievements, thereby establishing an open and fair promotion mechanism.

In addition, the Company actively advocates and supports internal job mobility, encouraging employees to continuously enhance their comprehensive capabilities through cross-functional rotations, mentorship programs, and other mechanisms, thereby realizing personal value in positions best suited to their strengths.



Career Development Dual Channel

■ Compensation and Benefits Management

Compensation Management

The Company attaches great importance to compensation management and has formulated the *Compensation Management System* in accordance with the fundamental principles of remuneration based on position, individual capability, and performance. Fully respecting the differentiated characteristics of its subsidiaries, the Company grants them autonomy in compensation structure design and management within the overarching compensation framework, so as to accommodate their unique needs in terms of geographic location, regulatory environment, and incentive focus. In addition, the Company actively implements equity incentive schemes to provide long-term incentives to senior and middle management as well as core personnel. As of the end of the Reporting Period, a cumulative total of 114 employees had received equity incentives, collectively holding 2.778 million shares.



Basic Compensation Structure

Key Performance

During the Reporting Period,
92.02% of employees underwent regular performance and career development evaluations.

Employee Benefits

The Company strictly complies with national laws and regulations, including the *Regulations on the National Social Security Fund* and the *Measures for the Implementation of Paid Annual Leave for Enterprise Employees*, and has established a diversified employee welfare and protection system. The Company clearly stipulates core employee rights and interests such as working hours management, leave protection, and salary subsidies in the *Human Resources Management System*, and provides comprehensive support for employees' work and life through a people-oriented benefits framework, thereby enhancing their sense of well-being.

Bonuses	Performance bonus, festival bonus, R&D bonus, etc.
Insurance	Social insurance contributions as required by the law.
Accommodation	Provide housing fund contributions, staff dormitories, etc.
Leave	Public holidays, special leave, leave in lieu, personal leave, sick leave, marriage leave, maternity leave, pregnancy check leave, breastfeeding leave, paternity leave, bereavement leave, work-related injury leave, parental leave, etc.
Education	The Company provides opportunities for further education and training

Health

Annual health check-ups, gynecologic examinations, special post-specific health checks, etc.

Subsidies

Compassionate grants, marriage allowance, maternity allowance, and high-temperature allowance

Dining

Provide meal allowances or free meals

Key Performance

During the Reporting Period,
 the Company achieved **100%** coverage of social insurance,
 with an average of **5.76** days of paid annual leave per employee.

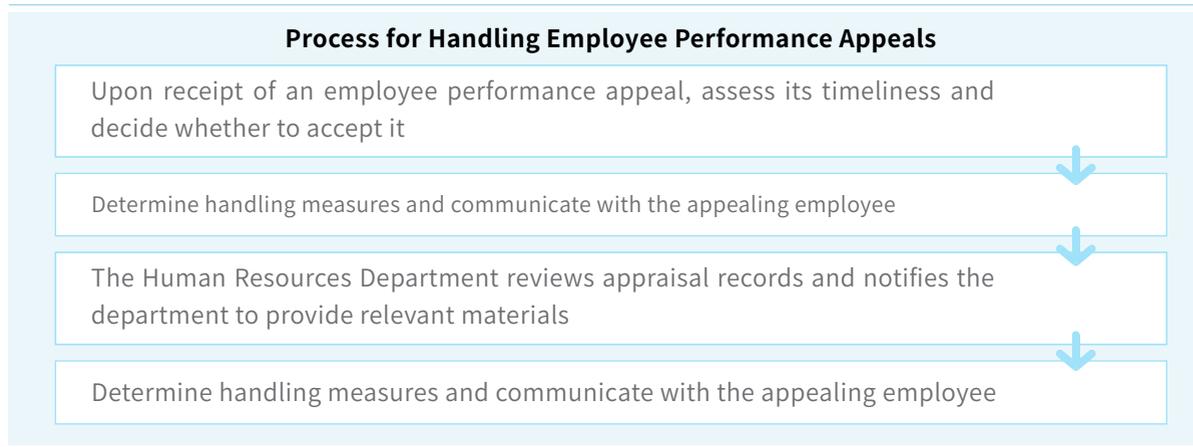
Performance Management

Performance Appraisal

To continuously enhance organizational effectiveness, the Company has established the *Performance Evaluation System* and built a performance management system centered on aligning upward with strategic implementation and downward with talent management. The Company conducts monthly, quarterly, and annual assessments on a regular basis, and sets differentiated assessment indicators and weightings for different job categories and levels, ensuring alignment between evaluation criteria and job responsibilities, work nature, and strategic contribution. The results of performance appraisals are directly linked to performance bonuses, salary adjustments, and promotion opportunities. Employees with outstanding performance are given priority in annual excellence selections and special benefits applications, thereby providing strong incentives for value creation.

Appeals and Feedback

Upholding a culture of candor and transparency in performance management, the Company has established mechanisms and channels for performance feedback, interviews, and appeals to ensure that employees can fully express their views during the performance management process. If an employee has objections to the assessment results or believes they have been treated unfairly, they may raise the matter level by level during the assessment period or within three days of becoming aware of the results, or directly file an appeal with their department head or the responsible supervisor. Where an employee considers it inconvenient to appeal through their department, they may directly submit an appeal to the Human Resources Department.



■ Labor Relations Management

Labor Dispute Management

To handle labor disputes in a fair and timely manner and foster harmonious labor relations, the Company has established a Labor Dispute Mediation Committee and formulated the *Organizational and Working Regulations of the Labor Dispute Mediation Committee*. The Labor Dispute Mediation Committee consists of both enterprise representatives and employee representatives, and resolves conflicts effectively through internal consultation, safeguarding employees' lawful rights and interests, preventing and reducing labor disputes, and promoting the Company's long-term stable development.

Key Performance

During the Reporting Period, there were **3** labor dispute cases .

Employee Resignation Management

The Company has clearly defined the resignation management process in the *Human Resources Management System*, covering key procedures such as work handover, asset return, financial settlement, and administrative clearance. Relying on the OA system, the Company realizes full-process online approval and progress tracking to ensure that resignation procedures are standardized, efficient, and traceable. For key personnel with access to confidential information, the Company implements a declassification period management mechanism. For employees who resign due to disciplinary violations, corresponding measures are taken in accordance with relevant regulations. For employees eligible for compensation, economic compensation is paid in accordance with the law.

■ Employee Care and Communication

Democratic Management

The Company respects employees' rights to information and participation, and continuously improves the enterprise democratic management system with the Employees' Representative Congress as its basic form. It has formulated the *General Principles of the Labor Union and the Employee Rights Protection System*, and established the labor union as the working body of the Employees' Congress, responsible for the execution of daily democratic management. The Company continues to broaden channels for democratic participation and communication by organizing forums and setting up employee suggestion boxes to solicit and respond to proposals, extensively collecting employees' opinions and suggestions on living benefits, human resources and labor matters, production and operations, and other aspects, and providing active responses.

- The Company prohibits assigning female employees to work that endangers their health and provides comprehensive special protections for female employees during pregnancy, maternity, and breastfeeding periods.
- During pregnancy through the breastfeeding period, salaries shall not be reduced, and labor contracts shall not be unilaterally terminated. Statutory rights such as prenatal check-up leave, maternity leave, and breastfeeding leave are implemented in accordance with the law.
- The Company has established a Female Employees Committee to safeguard the lawful rights and interests of female employees during special periods, and has built a multi-channel communication and supervision mechanism involving employee representatives, union coordination, and departmental liaisons, ensuring that any infringement of women's rights can be effectively reported and addressed through internal appeal channels.



Women's Day Activities



Mother-Baby Room

Key Performance

During the Reporting Period,

the proportion of female managers: **31.20%**;

Number of employees who took maternity leave: **45**;

return rate from maternity leave: **71%**;

Number of employees who took parental leave: **126**;

return rate from parental leave: **100%**

Employees' Mental Health

The Company and its subsidiaries attach importance to employees' mental health and emotional support, having established psychological counseling rooms and employee emotional care corners to provide professional psychological support and spaces for daily emotional adjustment.



Employee Emotional Care Corner



Psychological Counseling Room

Employee Activities

The Company consistently prioritizes the protection of employees' physical and mental health and the enhancement of team cohesion. During the Reporting Period, the Company and its subsidiaries focused on employee care and cultural cohesion, organizing a wide range of recreational, sports, and holiday greeting activities, including holiday celebrations, parent-child interactions, sports competitions, summer cooling initiatives, and interest club co-building activities, demonstrating genuine care for employees' work and life and strengthening team belonging and overall cohesion. The Company consistently prioritizes the protection of employees' physical and mental health and the enhancement of team cohesion. During the Reporting Period, the Company and its subsidiaries focused on employee care and cultural cohesion, organizing a wide range of recreational, sports, and holiday greeting activities, including holiday celebrations, parent-child interactions, sports competitions, summer cooling initiatives, and interest club co-building activities, demonstrating genuine care for employees' work and life and strengthening team belonging and overall cohesion.

Occupational Health and Safety

Work Safety Management

In strict accordance with the *Law of the People's Republic of China on Work Safety* and other relevant laws and regulations and upholding the principle of "safety first, prevention-oriented, and comprehensive management," the Company has formulated the *Quality, Environment and Occupational Health and Safety Management System Manual* and the *Work Safety Objectives and Responsibility Management System*. It has also issued a series of standardized work safety procedure documents to provide comprehensive guidance and support for work safety. The Company has established a Safety Management Center as its safety management body, clearly defining the specific responsibilities of each department and member to ensure the systematic implementation and effective operation of the work safety management system.

To ensure the effective implementation of safety responsibilities, the Company has formulated safety assessment standards and a work safety responsibility list, setting detailed assessment targets and indicators and clarifying the responsibilities of each position. By signing work safety target responsibility letters at each level, the Company implements the principle of "whoever is in charge is responsible," thereby strengthening risk prevention and control at the source and effectively safeguarding employees' lives and health as well as production safety.



Dragon Boat Festival Activity



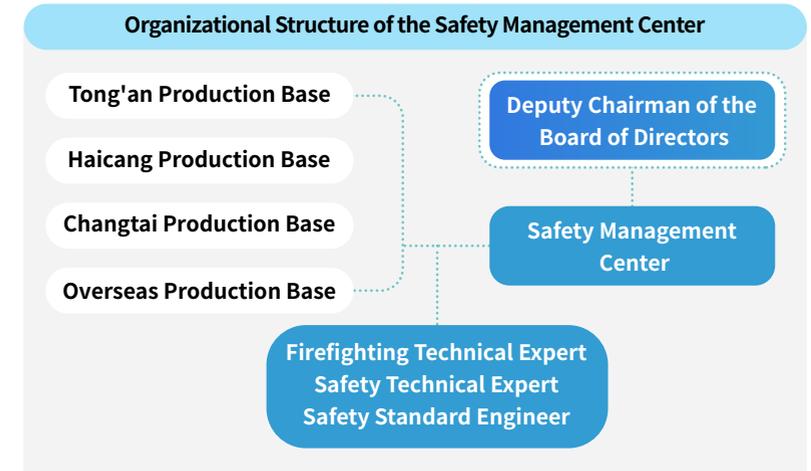
Parent-Child Activities



Anniversary Celebration Activities



Employee Birthday Party



As of the end of the Reporting Period, Solex and its subsidiary Zhangzhou Solex, as well as Bestter, had obtained Occupational Health and Safety Management System certification; additionally, Solex and Zhangzhou Solex had received Level III Work Safety Standardization certification.



Occupational Health and Safety Management System Certification



Work Safety Standardization Certificate

Key Performance

During the Reporting Period,

Investment in safety production: **522.80** (in RMB 10,000);

Investment in work safety as a percentage of operating revenue: **0.20**%;

Work safety responsibility letters signed: **6,967**.

Occupational Health and Safety Goals

Goals for 2025	Annual Target Achievement
Zero work-related fatalities	0
Zero mass safety incidents	0
Zero occupational diseases (including suspected cases)	0
Zero acute poisoning accidents in production	0
100% compliance rate for occupational hazard testing	100%
100% rectification rate of identified hazards	100%
100% special operators licensed	100%
100% employee coverage rate for work safety education and training	100%

Digitalization Construction

The Company actively advances digital development in the field of occupational health and safety by establishing a unified safety documentation system and safety information platform, and promoting the deployment of a digital safety management platform at its subsidiary Zhangzhou Solex, thereby comprehensively enhancing the standardization, efficiency, and risk control capabilities of safety management.



Safety Information Platform

Safety Risk Management

The Company conducts safety risk identification, graded assessment, and dynamic control across all production and operational scenarios. It establishes a list of major risks for key risk points such as operation sites, equipment and facilities, operating procedures, and personnel behaviors, effectively preventing various safety accidents.

Risk Identification

Potential hazards related to production equipment, processes, environment, and operations are systematically identified on a regular basis, and potential safety risks are promptly detected and recorded.

Risk Assessment

The LEC evaluation method is adopted to calculate risk values and classify risk levels, forming a List of Major Risks to clarify priority control objects.

Risk Management and Control

Corresponding control measures are formulated based on the list and risk levels, and are verified and adjusted until risks are under control, after which they are reviewed, approved, and communicated to all employees for learning and implementation.

Identification of Hidden Hazards

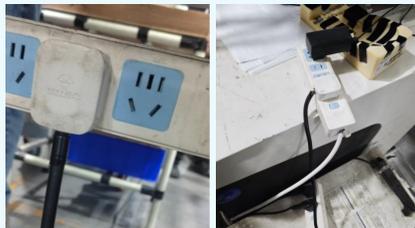
The Company always places work safety in a paramount position, making overall arrangements and strictly requiring all subsidiaries to implement relevant measures. During the Reporting Period, the Company and its subsidiaries conducted comprehensive hazard inspections. Issues identified in areas such as firefighting facilities, emergency passages, chemical management, equipment usage, and personal protective equipment were subject to strict closed-loop rectification and reinforced communication to all employees, ensuring effective risk control and continuously enhancing refined safety management.

Key Performance

During the Reporting Period,

Number of safety hazards identified: **7,446**;

Rectification rate for identified hazards: **100%**.



Photos Before and After Rectification of Hazards

Emergency Response

To prevent and control potential accidents and emergencies, the Company has formulated the *First Aid Plans for Various Injuries*. Subsidiaries Bestter and Zhangzhou Solex have also developed *Emergency Response Plans for Work Safety Accidents*, establishing a comprehensive emergency plan system covering general plans, special plans, and on-site disposal plans, and setting up corresponding emergency organizational structures to ensure that all emergency work is rule-based and responsibilities are clearly assigned. On this basis, the Company and its subsidiaries regularly organize drills to enhance risk prevention and emergency response capabilities.



Case Study: Fire Drill at the Robotics Park

On June 5, 2025, the Company successfully organized a large-scale comprehensive fire emergency drill at the Solex Robotics Park. The drill covered multiple components, including evacuation, indoor firefighting operations, fire suppression and rescue, and post-drill summary, with approximately 1,000 employees participating. The drill effectively tested and enhanced employees' practical capabilities in emergency evacuation, initial fire suppression, and self- and mutual-rescue. Through review and summary, certain deficiencies in protective actions and adherence to evacuation routes were identified, providing a clear basis for subsequent safety management improvements.



Case Study: Firefighting and Evacuation Drill

On June 27, 2025, the Safety Management Department of Zhangzhou Solex organized a firefighting and evacuation drill. The activity included simulated fire evacuation and initial fire suppression and lasted 30 minutes. By establishing an on-site command center, coordinating emergency teams, and utilizing appropriate firefighting equipment, orderly joint response was achieved. This drill effectively enhanced employees' understanding of firefighting knowledge and improved their equipment operation and emergency escape capabilities, successfully achieving the objectives of being "scientific, safe, orderly, and rapid," and accumulating valuable practical experience.



Key Performance

During the Reporting Period,
The number of safety emergency drills: **60**.

Safety Accident Handling

The Company and its subsidiaries have formulated standardized emergency response procedures for safety accidents, clearly defining operational requirements for each stage, including accident reporting, on-site preliminary handling, injury assessment, and graded medical referral, to ensure precise reporting and rapid response at the earliest stage of any safety incident, thereby maximizing personnel safety, minimizing accident impact, and strengthening the Company's work safety defense line.

Key Performance

During the Reporting Period,
Number of Work Safety Accidents: **0**;
Number of work-related deaths: **0** person;
Work-related fatality rate: **0**%;

Total number of work-related injuries: **32**;
Lost workdays due to work-related injuries: **1,181.43** days;
Lost time rate per million working hours: **2,020.30**;
Lost Time Injury Ratio (LTIR): **6.63**.

Construction of Safety Culture

The Company attaches great importance to occupational health and safety management and actively fosters a safety culture characterized by full participation and continuous improvement. Focusing on the theme of "Everyone Speaks of Safety, Everyone Knows Emergency Response—Identifying Safety Hazards Around Us," the Company carried out a series of activities during Work Safety Month. Through thematic lectures, poster campaigns, firefighting skills competitions, and safety knowledge contests, it created a strong atmosphere of full participation, shared responsibility, and collective supervision in work safety.



First Prize in Firefighting Skills Competition



Case Study: Firefighting and Evacuation Drill

During the 2025 "Work Safety Month," the Company widely promoted safety awareness through banners, posters, and exhibition boards, and held mobilization meetings to deploy relevant tasks. The Company organized special activities such as rewards for hazard identification by all employees and cross-inspections among teams. At the same time, it conducted educational and entertaining activities such as fun safety knowledge relay competitions to reinforce safety learning. Upon conclusion of the activities, advanced individuals and teams were commended, effectively fostering a strong culture of "Everyone Speaks of Safety, Everyone Knows Emergency Response," and substantially enhancing employees' safety awareness and hazard identification capabilities.



Key Performance

During the Reporting Period,

Total investment in safety training: **1.29** (in RMB 10,000); Total hours of safety training: **9,177.50**;

Number of safety training sessions: **1,467**; Total participations in safety training: **30,877**;

Employee coverage rate of safety training: **100**%.

Contractor Safety Management

To achieve standardized and regulated management of outsourced construction safety, the Company has formulated the Solex Safety and Civilized Construction Management Manual, specifying management requirements in five aspects: safety management, on-site control, site protection, park fire prevention, and civilized construction. Before entering the site, construction units must complete qualification review, safety training, and technical disclosure. During construction, they must fulfill their primary safety responsibilities. Construction sites must implement closed management, hazardous operations must follow approval and permit procedures, and protective measures for equipment, working at heights, and cross-operations must be standardized. The park strictly controls smoking bans, hot work, electricity usage, and the management of flammable and explosive materials. At the same time, construction enclosures, material stacking, and personnel activity areas are regulated, with proper pollution prevention, cleaning, and change reporting in place.

During the Reporting Period, the Company strengthened contractor safety management by signing safety notification letters, conducting training for external construction personnel, and implementing full-process permit management for high-risk operations such as work at height, temporary electricity use, and hot work, including pre-operation approval, process supervision, and post-operation acceptance.

Management of Hazardous Chemicals

The Company has formulated the *Chemical Management Measures*, clarifying management responsibilities and operational standards for the procurement, acceptance, storage, use, and disposal of hazardous chemicals, thereby controlling risks at the source and safeguarding operational safety and personnel health.

- ▶ **Procurement**
User departments transfer the approved *Chemical Requisition & Acceptance Form* to the procurement department, which conducts purchasing in accordance with the requirements.

- ▶ **Acceptance**
User departments inspect incoming chemicals in accordance with standards, verify packaging validity periods, and store qualified chemicals as required, while providing training to relevant operators.

- ▶ **Storage**
Chemicals are stored in segregated zones according to their properties to ensure the effectiveness of firefighting facilities and unobstructed safety passages; hazardous chemical warehouses must be equipped with alarms, explosion-proof lighting, and eyewash stations.

- ▶ **Usage**
Personal protective equipment must be worn when handling hazardous chemicals, and the working environment must be monitored by the epidemic prevention station; any changes to chemicals, processes, or the environment must be reviewed by the Quality Assurance Department and, where necessary, re-tested.

- ▶ **Handling**
In the event of an accident, it shall be handled in accordance with the *Emergency Preparedness and Response Control Procedure*, and the validity periods of chemicals shall be monitored; expired or waste chemicals shall be safely disposed of or transferred to professional institutions based on their environmental hazards.

Occupational Health Protection

The Company implements the policy of "prevention in the first place and integrating prevention with control," and has formulated institutional documents such as the *Occupational Disease Prevention and Control Responsibility System* and the *Occupational Disease Protective Equipment Management System*, and established an Occupational Health Leadership Group responsible for the overall coordination, organization, and supervision of occupational disease prevention and control. Meanwhile, the Company identifies occupational health hazard factors based on specific work scenarios and routinely conducts occupational health and safety knowledge training to enhance employees' awareness and capabilities of self-protection.

- Regularly entrust qualified third-party professional institutions to conduct testing of occupational disease hazard factors in the workplace;
- Organize employees to participate in occupational health examinations and establish comprehensive occupational health records to systematically record and track employees' health conditions;
- Provide employees with labor protective equipment such as earplugs in accordance with regulations and ensure proper distribution and management;
- Post occupational disease hazard notification cards for sulfuric acid, dust, noise, and other hazards in conspicuous locations at workplaces.



Employee Physical Examination



Notification Card of Occupational Disease Hazard



Case Study: Special Training on Occupational Health

On October 21, 2025, Zhangzhou Solex organized special occupational health training for production team leaders, covering an overview of occupational safety and health, classification of occupational hazard factors, enterprise occupational disease management, and enterprise occupational health management records and maintenance. The training successfully achieved its expected objectives and effectively enhanced the occupational health protection awareness and knowledge level of employees in relevant positions.



Key Performance

During the Reporting Period,

Percentage of special operators licensed: **100%**;

Investment in work-related injury insurance: **255.66** (in RMB 10,000);

Coverage rate of work-related injury insurance for employees: **100%**;

Detection rate of occupational disease hazards: **100%**;

Coverage rate of physical examinations for employees: **100%**;

Number of New Cases of New Occupational Diseases: **0**

Benefiting the People and Fulfilling Responsibilities with Kindness

Our Philosophy

Through diversified initiatives such as cross-border donations and community elderly care activities, Solex actively conveys warmth and supports community development; at the same time, it effectively carries out employment assistance by providing job opportunities and training support for impoverished laborers, contributing to rural revitalization through concrete actions.



Our Actions

- Public Welfare
- Rural Revitalization

SDGs

1 NO POVERTY
4 QUALITY EDUCATION
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES



Public Welfare

While continuously pursuing business development, Solex actively fulfills its corporate social responsibilities by systematically carrying out public welfare practices in multiple fields, including educational support, assistance for disadvantaged groups, and care for the elderly, integrating social responsibility into corporate operations and demonstrating diversified commitments to social well-being and sustainable development through solid actions.

Key Performance

During the Reporting Period,

Total public welfare input: **8.25** (in RMB 10,000).



Case Study: Caring Program for Children in Poverty-Stricken Counties in Vietnam

In 2025, the Company donated a batch of brand-new bicycles to 13 children in poverty-stricken counties in Vietnam, with a total value of approximately 1.8 (in RMB 10,000). These bicycles effectively improved the children's daily travel conditions, facilitating their commute to school and participation in community activities, and alleviating family burdens. This donation not only addressed the children's practical difficulties but also conveyed care and encouragement for their healthy growth, serving as a concrete manifestation of the Company's commitment to international public welfare and community development.



Case Study: "Solex Cup" Campus Sports Public Welfare Initiative

Zhangzhou Solex has continuously supported the development of campus sports and assisted Gunan Farm Central Primary School and Middle School in hosting the "Solex Cup" track and field meets in April and December 2025, respectively. The Company provided various material support for the two events, including sports uniforms, competition prizes, audio equipment, and event setup, effectively ensuring the smooth conduct of the meets and enriching students' campus sports life, representing a vivid practice of fulfilling social responsibility and supporting educational public welfare.



Case Study: Fengshuxing Respect-for-the-Elderly Public Welfare Initiative

During the Double Ninth Festival in 2025, the Company visited Fengshuxing in Ming Community to carry out elderly condolence activities. To meet the elderly's needs for healthy diets, the Company donated 200 bottles of traditionally pressed peanut oil to community seniors, with a total value of RMB 2,200. This Double Ninth Festival visit not only delivered festive care and blessings to community elders but also conveyed attention to the quality of life of the elderly through practical supplies, reflecting the Company's commitment to promoting the tradition of respecting the elderly and actively fulfilling its social responsibilities.



Rural Revitalization

The Company strictly implements the requirements of the *Notice by the Ministry of Human Resources and Social Security, Ministry of Finance, and the State Council Leading Group Office of Poverty Alleviation and Development of Further Improving Employment Poverty Alleviation Work*, effectively addressing difficulties in employment and job stability among impoverished laborers by providing suitable job positions and continuous vocational training support. Through proactive employment assistance measures, the Company supports the rural revitalization strategy and is committed to returning more and fairer development achievements to society, benefiting people's livelihoods.



Key Performance

During the Reporting Period,
Number of poverty-alleviation employment
beneficiaries: **566**.



Future Outlook

Solex's ESG outlook for the future centers on deeply integrating sustainable development into its business layout around "Green, Responsibility, and Innovation," which can be elaborated from three dimensions:

1 Environment (E): Deepening Low-Carbon and Green Manufacturing

Production Side: Continuously expand the application of clean energy such as photovoltaics (e.g., the new rooftop photovoltaic projects at the Haicang and Tong'an bases), advance green infrastructure construction at the overseas factory in Vietnam, aiming to reduce energy consumption and carbon emission intensity across all production processes; meanwhile, upgrade the "AI+MES" intelligent manufacturing system to improve resource recycling rates, with plans to further increase the classification and recycling rate of solid waste.

Product Side: Focus on "green design" for smart kitchen and bathroom products and health hardware, prioritize the use of recyclable or low-environmental-impact materials, develop energy-saving intelligent products (such as low-power bathroom systems and water-saving showerheads), and incorporate "low-carbon attributes" into the core indicators of new product research and development.

2 Social (S): Expanding the Boundaries of Responsibility and Scenario Value

Employee Rights and Interests: Improve the occupational health and safety management system while providing employees with skills training aligned with new businesses such as robotics and AI to broaden development opportunities;

Social Value: Relying on the elderly care robotics business, extend ESG into elderly care scenarios—through mobility-assistance and nursing robots as well as age-friendly kitchen and bathroom products, support smart elderly care in an aging society; at the same time, use the Company's industrial parks as pilot sites to promote logistics service robot systems, enhancing operational efficiency and safety in public scenarios.

3 Governance (G): Strengthening Compliance and Transparency

Continuously improve the ESG governance structure, leverage the overall coordination role of the Board of Directors and the ESG Committee, and refine ESG responsibilities of various departments (such as risk control and information disclosure);

Deepen the construction of international compliance systems (such as ISO information security and fair competition certifications) to ensure compliant operations of overseas businesses (such as the Vietnam factory), while enhancing transparency in investor communication and strengthening stakeholder trust.

Overall, Solex's ESG outlook is to "carry sustainable value through business innovation"—not only practicing environmental responsibility through green manufacturing and low-carbon products, but also creating social value through new businesses such as elderly care robotics, while ensuring long-term steady development through compliant governance.

Annex

■ Key Performance

Environmental Performance

	Performance Indicators	Unit	2023	2024	2025
	Total environmental investment	RMB 10,000	1,448.81	1,094.50	1,937.40
	Environmental protection taxes paid	RMB 10,000	2.12	1.06	0.67
	Number of environmental incidents	case	0	0	0
Energy Consumption	Photovoltaic power capacity	kWh	5,000,000	5,044,965	5,545,737.88
	Gasoline	liters	44,920.68	33,611.00	46,698.63
	Diesel	liters	62,110.68	71,822.31	72,837.21
	Natural Gas	10,000 m ³	12.09	24.56	15.05
	Total purchased electricity (Domestic)	MWh	60,054.01	63,827.86	62,167.38
Water Resource Consumption	Total water consumption	m ³	463,751	633,633	651,994
	Recycled water consumption	m ³	47,330	59,820	51,485
Pollutant Emissions	Waste gas emissions	10,000 m ³	373,907.82	513,305.88	220,622.02
	Wastewater discharges	10,000 m ³	24.28	28.95	38.65
	Quantity of non-hazardous waste generated	ton	1,947.54	1,914.29	3,056.85
	Quantity of hazardous waste generated	ton	1,100.17	1,287.94	1,375.26

Social Performance

	Performance Indicators	Unit	2023	2024	2025
	Percentage of contract workers	%	100	100	100
Employee Performance	Total number of employees	person	4,688	4,877	5,527
	Number of part-time employees	person	64	43	37
	Number of employees with disabilities	person	16	36	41
	Number of employees of minority nationalities	person	591	659	736
	Employee satisfaction	%	97.05	98.69	93.95

	Performance Indicators	Unit	2023	2024	2025
Protection of Women's Rights and Interests	Proportion of female managers	%	24.17	23.81	31.20
	Number of employees who took maternity leave	person	31	17	45
	Return rate from maternity leave	%	90.32	100	71.00
	Number of employees who took parental leave	person	115	166	126
	Return rate from parental leave	%	100	100	100
Compensation and Benefits	Social insurance coverage rate	%	100	100	100
	Percentage of employees underwent regular performance and career development assessments	%	95.00	95.00	92.02
Training and Development	Investment in employee training	RMB 10,000	15.61	54.38	30.35
	Number of training sessions	session	452	499	747
	Total number of employees trained	person	3,742	4,016	4,368
	Total attendance	Person-time	8,005	8,654	8,538
	Total training hours	hour	21,244.50	22,443	25,522
	Average training hours per employee per year	hours/person	4.50	4.60	4.62
Occupational Health and Safety	Number of work-related deaths	person	0	0	0
	Number of security emergency drills	session	35	53	60
	Total hours of safety training	hour	1,802.00	8,263.00	9,177.50
	Number of new cases of new occupational diseases	case	0	0	0
Research and Innovation	R&D investment amount	RMB 10,000	20,353.17	22,511.37	24,707.66
	Percentage of R&D investment in operating income	%	6.82	7.47	9.43
	Number of R&D personnel	person	664	818	878
Customer Service	Customer satisfaction	%	83.40	82.49	88.65
Information Security	Number of relevant training sessions conducted	session	5	7	12
	Number of incidents of information security and privacy protection violations during the Reporting Period	case	0	0	0

	Performance Indicators	Unit	2023	2024	2025
Supply Chain Management	Total number of suppliers	entity	1,338	1,147	1,277
	Number of incidents with significant risk and impact in the supply chain	case	0	0	0
Social Welfare	Total public welfare input	RMB 10,000	38.88	10.94	8.25

Governance Performance

	Performance Indicators	Unit	2023	2024	2025
General Meeting of Shareholders	Total number of General Meeting of Shareholders convened	meeting	5	2	4
	Number of proposals deliberated	proposal	28	17	17
Board of Directors	Number of members of the Board of Directors	person	9	9	9
	Number of meetings of the Board of Directors convened	meeting	9	8	12
	Number of proposals deliberated	proposal	62	52	37
Remuneration Policies	Total pre-tax remuneration for directors, officers, and supervisors during their term of office from the Company	RMB 10,000	1,128.62	1,199.50	1,061.55
Compliance and Business Ethics	Number of legal training sessions conducted	session	5	5	9
	Number of participants in legal training	person	123	54	85
	Number of individuals who signed the integrity commitment letter	person	451	3,646	3,623
	Signing rate of integrity commitment letter	%	9.62	74.76	65.55
	Number of corruption lawsuits filed and concluded	case	0	0	0

■ Indexes

Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation) Topic Index Table

Dimension	S/N	Topics	Corresponding Section
Environmental	1	Response to Climate Change	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	2	Pollutant Emissions	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	3	Waste Disposal	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	4	Ecosystem and Biodiversity Protection	Nurturing the Ecosystem and Advancing Sustainably Through Green Development <small>(The Company's investment related to ecological protection is relatively small and does not constitute a material risk.)</small>
	5	Environmental Compliance Management	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	6	Energy Utilization	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	7	Water Resource Utilization	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
	8	Circular Economy	Nurturing the Ecosystem and Advancing Sustainably Through Green Development
Social	9	Rural Revitalization	Benefiting the People and Fulfilling Responsibilities with Kindness <small>(The Company's investment in rural revitalization is relatively small and does not constitute a material risk.)</small>
	10	Contribution to Society	Benefiting the People and Fulfilling Responsibilities with Kindness <small>(The Company's investment in rural revitalization is relatively small and does not constitute a material risk.)</small>
	11	Innovation-driven	Empowering Industry and Creating Enduring Value
	12	Technology Ethics	Empowering Industry and Creating Enduring Value <small>(The company resolutely prohibits any research activities that violate ethical standards and remains committed to prioritizing the governance of technological ethics.)</small>
	13	Supply Chain Security	Empowering Industry and Creating Enduring Value
	14	Equal Treatment of Small and Medium-Sized Enterprises	Empowering Industry and Creating Enduring Value <small>(This disclosure applies to enterprises with accounts payable (including notes payable) exceeding RMB 30 billion or accounting for over 50% of total assets during the reporting period. The Company has no overdue payments to small and medium-sized enterprises.)</small>
	15	Product and Service Safety and Quality	Empowering Industry and Creating Enduring Value
	16	Data Security and Customer Privacy Protection	Empowering Industry and Creating Enduring Value
	17	Employees	Attracting Talent and Building Unity
Sustainable Development Related Governance	18	Due Diligence	Sustainable Development Governance
	19	Communications with Stakeholders	Sustainable Development Governance
	20	Anti-commercial Bribery and Anti-corruption	Building a Solid Governance Foundation with Integrity and Diligence
	21	Anti-unfair Competition	Building a Solid Governance Foundation with Integrity and Diligence

Dimension	S/N	Topics	Corresponding Section
Self-Determined Disclosure Topics	22	Low-carbon Products	Empowering Industry and Creating Enduring Value
	23	Protection of Shareholders' Rights and Interests	Building a Solid Governance Foundation with Integrity and Diligence
	24	Standardized corporate governance	Building a Solid Governance Foundation with Integrity and Diligence
	25	Tax Compliance	Building a Solid Governance Foundation with Integrity and Diligence
	26	Risk Management	Building a Solid Governance Foundation with Integrity and Diligence
	27	ESG Governance	Sustainable Development Governance

2021 GRI Sustainability Reporting Standards ("GRI Standards") Topic Index Table

Chapters and Sections	GRI Sustainability Reporting Standards ("GRI Standards")	
About This Report	2-1/2-2/2-3/2-4	
Message from the Chairman	2-22	
Sustainable Development Highlights in 2025	201-1/302-1/302-3/303-5/305-4	
About Solex	Company Profile	2-1
	Business Operations	2-1/2-6
	Industry Layout	2-1/2-6
	Brand Development	2-1
	Milestones in 2025	2-1
	Major Honors in 2025	2-1
Responsibility Focus-Special Topics	Deepening Industry Focus and Strengthening Strategic Layout, Integrating into the Industry for Shared Development	2-6
Sustainable Development Governance	ESG Management Framework	2-9/2-12/2-13/2-14/2-22
	Information Reporting Mechanism	2-3
	ESG Goals	2-22
	Due Diligence	/
	ESG Risk Management	/
	Materiality Assessment	3-1/3-2/3-3
	Communications with Stakeholders	2-29

Chapters and Sections	GRI Sustainability Reporting Standards ("GRI Standards")
Building a Solid Governance Foundation with Integrity and Diligence	Corporate Governance 2-9/2-10/2-12/2-13/2-14/2-18/2-19/405-1
	Compliance Operation and Risk Management 207-1/207-2
	Investor Relations Management and Shareholders' Rights and Interests 2-25/2-27
	Business Ethics 2-26/205-1/205-2/206/1
Nurturing the Ecosystem and Advancing Sustainably Through Green Development	Response to Climate Change 201-2/305-1/305-2/305-4/305-5
	Environmental Compliance Management 2-27
	Resource Utilization 302-1/302-3/302-4/303-3/303-4/303-5/301-3
	Pollutant Emissions 305-7/306-1/306-2/306-3
	Implementation of Green Operation /
Empowering Industry and Creating Enduring Value	Protection of Ecosystem and Biodiversity 304-1/304-2
	Innovation-driven 201-1
	Product and Service Safety and Quality 416-1/416-2/417-1/417-2
	Information Security and Privacy Protection 418-1
Attracting Talent and Building Unity	Supplier Management 204-1/308-1/414-1
	Protection of Employees' Rights and Interests 2-7/401-1/401-2/401-3/ 404-1/404-2/404-3/405-1/406-1
Benefiting the People and Fulfilling Responsibilities with Kindness	Occupational Health and Safety 403-1/403-2/403-3/403-4/403-5/ 403-6/403-7/403-8/403-9/403-10
	Public Welfare 203-2/413-1/415-1
Future Outlook	Rural Revitalization 413-1
Annex	/
	Key Performance /
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	Feedback /

Assurance Report



天健
TIANJIAN ASSURANCE

天健会计师事务所(特殊普通合伙)
Tianjian Accounting Firm (Special General Partnership)
北京 100007
Beijing 100007

Assurance Report on Sustainability Information

FCCPAAR [2025] No. 956

To the Board of Directors of Xiamen SOLEX High-Tech Industries Co., Ltd.:

We have been engaged to conduct an independent assurance engagement on the "2025 Environmental, Social, and Governance (ESG) Report" (the "2025 ESG Report") prepared by Xiamen SOLEX High-Tech Industries Co., Ltd. (the "SOLEX" or the "Company").

I. Subject Matter Information

The subject matter of this assurance engagement comprises the following selected key indicators from the 2025 ESG Report:

- (I) Total Energy Consumption
- (II) Purchased Electricity
- (III) Photovoltaic Electricity Generation
- (IV) GHG Emissions (Scope 1)
- (V) GHG Emissions (Scope 2)
- (VI) Total GHG emissions (Scope 1 & 2)
- (VII) Total Water Consumption
- (VIII) Environmental Protection Expenditure
- (IX) Total Number of Employees
- (X) Total Number of Female Employees
- (XI) Total Workforce by Age Group
- (XII) Contract Signing Rate

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Our assurance engagement was limited to the above-selected key indicators presented in the 2025 ESG Report and does not cover other disclosures contained therein.

II. Criteria for the Preparation of Subject Matter Information

The criteria used by the Company to prepare the selected key indicators is set out in the Appendix "Criteria for the Preparation of Key Indicators" (the "Criteria").

III. Responsibilities of the Management

The Company's management (the "Management") is responsible for the selection of the Criteria and the preparation of the selected key indicators presented in the 2025 ESG Report in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the key indicators to ensure that they are free from material misstatement, whether due to fraud or error.

IV. Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants. Our firm applies the "International Standard on Quality Management 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

V. Our Responsibilities

We have conducted our assurance engagement in accordance with the "International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" (ISAE 3000), "International Standard on Assurance Engagements 3410 - Assurance Engagements on Greenhouse Gas Statements" (ISAE 3410), "International Standard on Sustainability Assurance 5000 - General Requirements for Sustainability Assurance Engagements" (ISSA 5000), "AA1000 Accountability Standards" (AA1000), etc.

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The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Since we did not perform the procedures typically undertaken in a reasonable assurance engagement, we do not express a reasonable assurance opinion. Our assurance work included identifying areas where selected key indicators in the 2025 ESG Report might be subject to material misstatements, designing and performing assurance procedures responsive to the identified risks and obtaining relevant evidence. The procedures performed depend on our professional judgment and assessment of engagement risks.

The specific assurance procedures include:

- (I) Interviews with relevant personnel of SOLEX;
- (II) Review of relevant supporting documentation;
- (III) Analytical procedures applied to selected key indicators;
- (IV) Recalculation of selected key indicators through sampling.

VI. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected key indicators presented in the 2025 ESG Report are not prepared, in all material respects, in accordance with the Criteria.

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VII. Intended Use of This Report

This report has been prepared solely for the board of directors of SOLEX and is not to be used for any other purpose. We do not assume responsibility towards or accept liability to any other parties for the content of this report.

Appendix: Criteria for the Preparation of Key Indicators



Pan-Chen Certified Public Accountants LLP Chinese Certified Public Accountant: 李长和 李长和印

Chinese Certified Public Accountant: 李长和 李长和印

Date of Report: March 27, 2025

Note: This assurance report is prepared in Chinese, and the English translation is provided for reference purposes only.

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- #### Appendix: Criteria for the Preparation of Key Indicators
1. Total Energy Consumption: The total energy consumption for 2025 (including electricity, natural gas, gasoline, diesel, etc.) was calculated in accordance with the General Rules for Calculation of Comprehensive Energy Consumption (GBT 2589-2020).
 2. Purchased Electricity: The total consumption of purchased electricity for 2025.
 3. Photovoltaic Electricity Generation: The total amount of electricity generated from photovoltaic sources for 2025.
 4. GHG Emissions (Scope 1): The Scope 1 greenhouse gas emissions of SOLEX for 2025 cover direct emissions from sources owned or controlled by the Company, including stationary sources, mobile sources, and some fugitive emissions. The calculation method is primarily based on the Greenhouse Gas Protocol, the "General Rules for Calculation of Comprehensive Energy Consumption" (GBT 2589-2020), and other relevant standards.
 5. GHG Emissions (Scope 2): The Scope 2 greenhouse gas emissions of SOLEX for 2025 correspond to emissions associated with purchased electricity. The emission factor adopts the 2023 national average carbon dioxide emission factor for electricity as determined by the Ministry of Ecology and Environment.
 6. Total GHG Emissions (Scope 1 + Scope 2): The total greenhouse gas emissions for 2025, combining the above Scope 1 and Scope 2 emissions.
 7. Total Water Consumption: The total amount of water resources consumed by all business activities of the Company in 2025.
 8. Environmental Protection Expenditure: The total expenditure on environmental protection by the Company in 2025.
 9. Total Number of Employees: As of December 31, 2025, the total number of contract-based employees at SOLEX.
 10. Total Number of Female Employees: As of December 31, 2025, the total number of female contract-based employees at SOLEX.
 11. Total Workforce by Age Group: As of December 31, 2025, the number of employees at SOLEX categorized by age group. The age groups are defined as: under 30 years old (excluding 30), 30-50 years old (excluding 50), and 50 years old and above.
 12. Contract Signing Rate: As of December 31, 2025, the proportion of employees at SOLEX who have signed labor contracts.
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■ Feedback

Dear reader,

Thank you for reading this report! This is the 2025 Environmental, Social, and Governance (ESG) Report published by Solex. In order to continuously improve our ESG management work and enhance our ability to fulfill social responsibilities, we sincerely hope that you will evaluate this report and provide your valuable opinions.

1. Which of the following stakeholders is most relevant to you in relation to Solex?

Shareholder & Investor Customer Supplier Employee Social Organization Industry Partner Government Media

2. Your overall assessment of the report:

Excellent Good Average Below Average Poor

3. Your comments on the layout of this report:

Excellent Good Average Below Average Poor

4. How do you rate the information, data, and completeness disclosed in this report?

Very High High Average Low Very Low

5. What aspects of the report do you think need improvement?

Layout Length of Report Topic Coverage Publication Format/Media

6. What topics in the report are of most interest to you? (Multiple choices)

Corporate Governance Supply Chain Management Protection of Customers' Rights and Interests Safety Production Environmental Protection Employee Care Public Welfare Others

7. What other suggestions do you have for this report?

Contact information

Thank you again for your understanding and support of our work!

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