

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

ZNSHINE PV-TECH CO., LTD



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ABOUT THE REPORT

◎ Report Overview

The Report is the 2025 Environmental, Social and Governance (ESG) Report (‘the Report’) of ZNSHINE PV-TECH CO., LTD. (referred to as ‘ZNSHINE’, ‘the Company’ or ‘we’), which aims to focus on disclosing the Company’s key environmental, social and governance practices and achievements in response to the expectations and concerns of stakeholders and to promote the Company’s continuous improvement of sustainable development performance.

◎ Reporting Scope

The Report is an annual report, covering the time range from January 1, 2025 to December 31, 2025. To enhance the comparability and completeness of the Report, some content and data exceed the above time.

The Report takes ZNSHINE PV-TECH CO., LTD as the main body, same as the Financial Report, covering the three major bases of Changzhou, Suqian¹, and Dali, namely:

- ZNSHINE PV-TECH CO., LTD (hereinafter referred to as ‘Suqian Headquarters’), Address: No. 229, Tongda Avenue, Suqian Economic and Technological Development Zone, Jiangsu Province;
- ZNSHINE POWERTEK CHANGZHOU CO., LTD (hereinafter referred to as the ‘Jintan Base’), Address: No.1 Zhenxing South Road, Zhixi Town Industrial Concentration Zone, Jintan District, Changzhou City, Jiangsu Province;
- ZNSHINESOLAR CO., LTD (hereinafter referred to as the ‘Suqian Base’), Address: No. 1589 Guangzhou Road, Suqian Economic and Technological Development Zone, Jiangsu Province;
- ZNSHINE Prosperous Tech Co., Ltd. (hereinafter referred to as the ‘Suqian Base Phase II’), Address: No. 229, Tongda Avenue, Suqian Economic and Technological Development Zone, Jiangsu Province²;
- ZNSHINE PV-TECH DALI CO., LTD (hereinafter referred to as the ‘Dali Base’), Address: Shangdeng Industrial Park, Shangdeng Middle Area, Dali Bai Autonomous Prefecture, Yunnan Province.

¹The terms ‘Suqian’, ‘Suqian, Jiangsu’, ‘Suqian Site’ used in this report refer collectively to the three locations: ‘Suqian Headquarters’, ‘Suqian Base’ and ‘Suqian Base Phase II’, unless otherwise specified.

²The Suqian Base Phase II went into operation in December 2024, and it was newly included in the reporting scope during this reporting period, which is the same as the Financial Report.

◎ Reporting Principles

-Materiality: The report identifies and responds to material ESG issues that affect the Company’s sustainability based on the stakeholder survey and information analysis.

-Quantitative: The report quantitatively presents the Company’s ESG Key Performance Indicators (KPIs) and explains the statistical caliber and accounting methodology used.

-Balance: The content of this report reflects objective facts and discloses both positive and negative indicators.

-Consistency: The report is the second ESG report of the Company. Unless otherwise specified, the key indicators and statistical methods in this report are consistent with the Annual Financial Report.

◎ Reporting Standards

The Report is prepared in accordance with the requirements of the ‘Environmental, Social and Governance Reporting Code’ (‘the ESG Reporting Code’) as set out in Appendix C2 of the Rules Governing the Listing of Securities (‘Listing Rules’) issued by Hong Kong Exchanges and Clearing Limited (‘HKEX’). In addition, it is compiled with extensive reference to the relevant content of the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021).

◎ Accessing the Report

The Report is published in Simplified Chinese and English. In case of any ambiguity between the two texts, please refer to the Simplified Chinese version. The online version of the Report is published on the official website of ZNSHINE PV-TECH CO., LTD.: <https://www.znshinesolar.com/>.

◎ Contact

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Phone: +86 519 6822 0233

Board Statement

The board of directors of the Company follows the requirements of ESG guidelines, continues to explore and improve the ESG management structure and institutional system, strengthens the supervision and participation of the board of directors in the Company’s ESG management, and actively promotes the integration of ESG concepts into the Company’s strategy, major decisions and business practices.

◎ Board role

The Board of Directors (‘the Board’) of the Company assumes ultimate responsibility for ZNSHINE’s ESG strategy, management and reporting. The Board is responsible for continuously overseeing the Company’s commitment and performance on key ESG issues, and is committed to integrating ESG management into internal control, risk management, and business operations in collaboration with senior management and business units at all levels. The Board fully understands the current status of the Company’s ESG management, makes final decisions on ESG-related matters, and continuously improves the ESG management system.

The Report discloses the progress and effectiveness of the Company’s ESG work in 2025, which was deliberated and approved by the Board of Directors on May 13, 2026.

◎ ESG Governance Principles

The Company deeply integrates ESG concepts into daily management and operations, and fully implements ESG-related strategies, including conducting ESG materiality assessments, managing ESG-related data and materials, formulating ESG-related policies, evaluating implementation, and disclosing ESG-related information.

MESSAGE FROM THE BOARD



ZNSHINE PV-TECH CO., LTD DIRECTOR

Wang Yingchun

In 2025, faced with the dual challenges of frequent extreme weather events and the restructuring of global supply chains, the photovoltaic industry is undergoing a paradigm shift from a mere race for scale towards a model of high-quality development characterized by 'technology leadership' and 'ecological synergy'. At the intersection of market cycles and policy evolution, ZNSHINE has consistently upheld the core values of 'integrity and perseverance'. This year, we have risen to the challenge, embedding ESG principles comprehensively into our corporate strategy and day-to-day operations. With technological innovation as our driving force and a sense of responsibility as our guiding principle, we are steadily broadening the moat of sustainable development, contributing China's strength to the wider adoption of clean energy globally.

Integrating green and smart technologies to forge a new path, and charting a grand vision for low-carbon, circular living.

In 2025, we actively responded to the national 'Dual Carbon' strategy, examining our products and manufacturing processes through a full-lifecycle, systems-based approach to imbue products with a purer green DNA from the very outset of design. We actively promoted low-carbon polyurethane composite frame technology, significantly reducing the embodied carbon emissions of photovoltaic modules. Furthermore, ZNSHINE has extended its green vision deep into the value chain, striving to build a more resilient green supply chain system. By collaborating with upstream and downstream partners to co-create a 'zero-carbon ecosystem', we have demonstrated our green responsibility and steadfast commitment to development through concrete actions.

Innovative manufacturing sets the trend, co-creating value across mountains and seas.

In 2025, we remain steadfast in our unwavering commitment to quality, keeping pace with the evolution of new-quality productive forces, forging quality through craftsmanship and driving development through innovation. We have engaged in comprehensive and in-depth collaboration with partners across the entire industrial chain, continuously driving technological iteration and product upgrades. This has enabled us to launch a range of benchmark products that meet end-user application requirements whilst offering both excellent value for money and reliability. Thanks to our exceptional quality and forward-looking technological strategy, ZNSHINE's products are now available worldwide, and the Company has received numerous prestigious accolades during the year.

Upholding our core values to build resilience, fostering mutual growth to benefit all.

In 2025, we continued to reinforce our business philosophy rooted in integrity. Amidst an uncertain external environment, we established a comprehensive, multi-tiered ESG management framework to foster a transparent, standardized and sustainable value chain ecosystem. Internally, we have established a fair workplace, effectively safeguarding employees' rights and development opportunities, ensuring that hard work is rewarded. Externally, we have extended our sphere of responsibility to a global scale, supporting the growth of young people in more developing regions through cross-regional cooperation and capacity building, and promoting the wider sharing of sustainable development outcomes.

2026 marks the 20th anniversary of ZNSHINE's founding. Over the past two decades, we have weathered numerous industry cycles, yet has remained true to its original aspirations and never ceased its progress, consistently maintaining a steady pace and a clear direction for development. Looking ahead, we will continue to drive innovation to break down technological barriers, lead the way through green transformation, and unite our partners through a shared sense of responsibility. ZNSHINE is committed to working hand in hand with global stakeholders to ensure that the green and clean 'Light of ZNSHINE's illuminates a sustainable future!

ABOUT ZNSHINE

Founded in 2006, ZNSHINE PV-TECH CO., LTD., as a pioneer in China's photovoltaic industry, has anchored the green energy track since its inception and has been deeply involved in the field of new energy for nearly 20 years. After steady development, the Company has grown into a national high-tech enterprise integrating R&D, production, and sales of solar photovoltaic modules. Not only has it deep accumulation in the fields of module manufacturing, EPC services, and power station operation and maintenance, but it also actively deploys cutting-edge technologies and provides full-scenario green energy solutions, laying a forward-looking foundation for the diversification and expansion of the industry.

The Company currently has three core production bases in Changzhou, Jiangsu, Suqian, Jiangsu, and Dali, Yunnan, with a total production capacity of 10 GW. The Company has adopted an efficient dual-operation model of 'localization + globalization', and its business territory has covered more than 60 countries and regions around the world.

In 2016, ZNSHINE was officially listed on the stock exchange. As an enterprise technology center in Jiangsu Province, the Company has consistently pursued the deep integration of digital and intelligent transformation with green manufacturing. It has been awarded a series of honors, including National Green Factory, National High-Tech Enterprise, China Well-Known Trademark, Jiangsu Provincial Smart Factory, AA-grade Quality Credit Rating for Jiangsu Industrial Enterprises, and Changzhou Advanced Unit and Star Enterprise for Quality Management.

© Corporate culture



Mission

Making Green Electricity More Efficient.



Vision

Where there is Civilization, there is ZNSHINE.



Values

Customer First, Embrace Changes, Teamwork, Fairness & Trust.

The Most Influential Model Manufacturer/EPC Enterprise

2021

Suqian Base in operation

2020

Driving Intelligent Innovation in PV Operations and Services

Yunnan Base in operations

2022

2024

A Decade at BloombergNEF Tier 1, Powered by AI Innovation

2025

Founded

2006

Global Expansion

2008

BloombergNEF Tier 1

2015

Entered the Capital Market NEEQ Listed

2016

TOP 1 Supplier to India

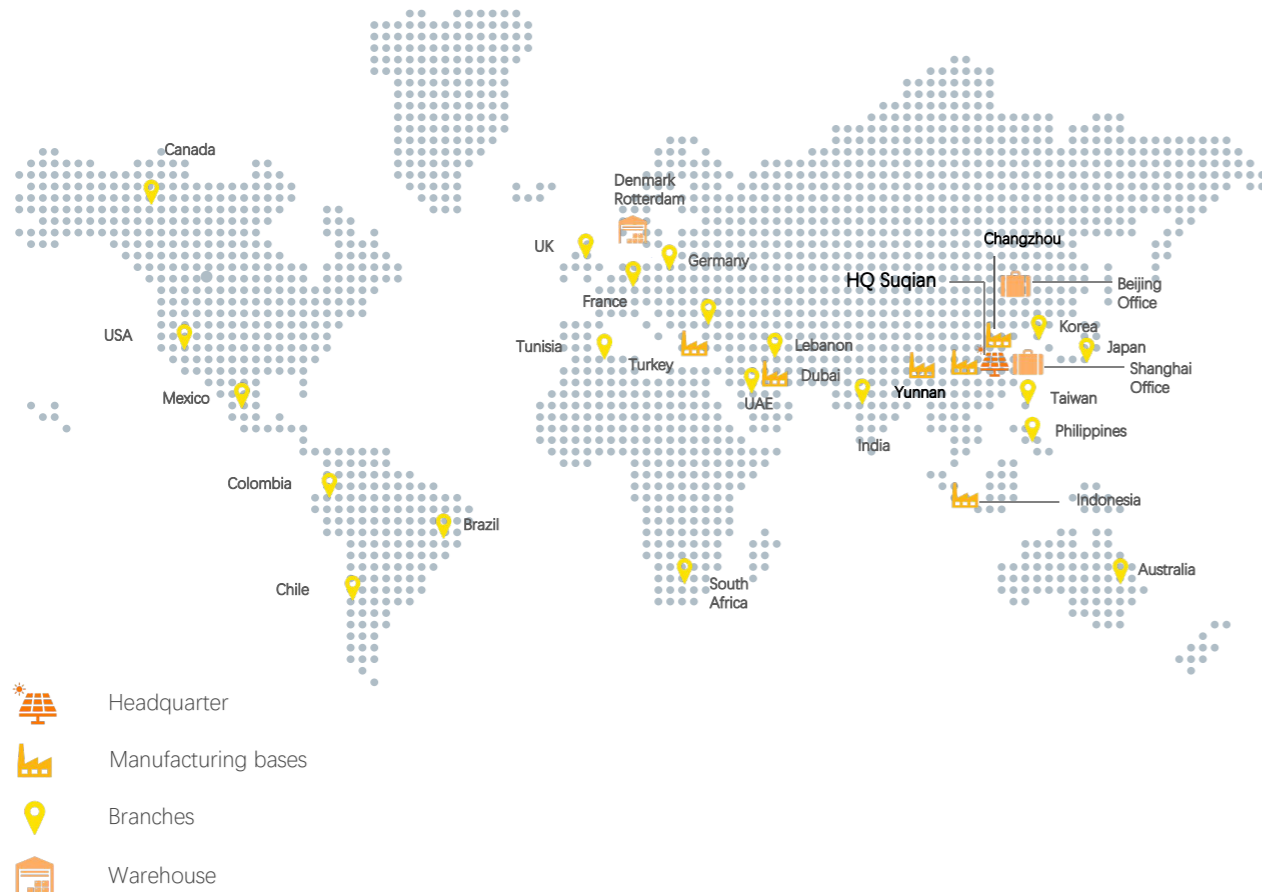
2018

Industrial layout

Global Industrial Development

The Company actively responds to global energy transition trends, maintaining a focus on deepening its presence in the domestic market whilst expanding overseas to establish a competitive edge. By continuously optimizing resource allocation and market positioning, ZNSHINE is steadily advancing its globalization strategy and actively building a long-term green energy development framework. The Company has established a comprehensive service system covering multiple regions, with its business has been deeply deployed in key markets such as Brazil, Latin America, Europe, Southeast Asia, the Middle East and India. Taking into account the policy environments and application requirements of different regions, the Company leverages its global sales network layout to coordinate localized operations and standard compliance capabilities, delivering customized green energy solutions that meet the regulations of multiple countries. By continuously enhancing project delivery capabilities and service standards, the Company is steadily increasing its overall influence and brand recognition within the global clean energy industry chain.

ZNSHINE's global layout

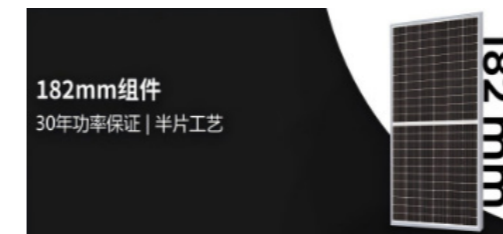


Diversified Products and Services



Module series - high-efficiency photovoltaic products

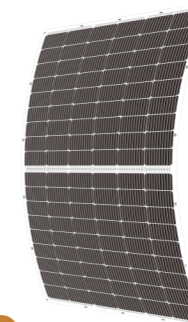
182/210R/210 module series



Features

Covering various types of modules such as 182/210R/210 N-type series and HJT, which can meet diverse market needs.

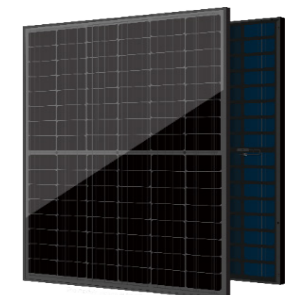
Lightweight Flexible Modules



Features

Ultra-lightweight reinforced weight, easy to install, high strength, high water/ UV/ Aging resistance.

Lightweight Reinforced Modules



Features

lightweight design, convenient transportation, easy installation, low-carbon and environmental friendly, hail-resistance, high reliability, no loss during roof installation.



Module series - high-efficiency photovoltaic products

Color Cloud



Features

Customizable colors, patterns & logos.
Efficiency: Optimized light transmittance for higher power output.
Durability: Weather- and corrosion-resistant for long-term reliability.

PVT module series



Features

High-efficiency heat exchange, maximum energy performance, space-saving, value multiplied.



Energy storage

Integration of photovoltaic & energy storage and charging system



Features

Tailored for different regions and scenarios, building an intelligent simulation platform for PV system.

Photohydrogen integration



Features

A multi-energy complementary integrated system integrating solar, hydrogen, thermal, lithium, and fuel cells for single- or multi-family dwellings.



Photovoltaic building integration

SRS-Standard Rooftop Solution

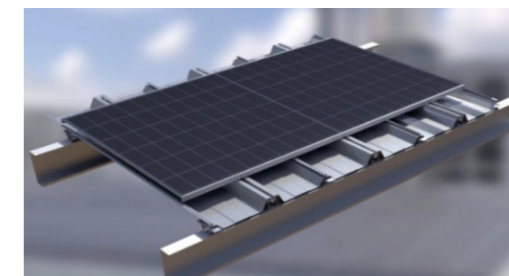
SIMPLE: Simplified module selection and quick installation.
SWIFT: Standardized packaging and installation, efficient transportation and sorting.
RELIABLE: Rigorous testing and verification.



Green energy tile system

ZNSHINE High Power Tile - New rooftop BIVP project solution

Continuous Wall - Aluminum-rich zinc magnesium coated tile.
Industry-leading high-power module 600w+.
Quick installation clip SNAP.



ZNSHINE Waterproof Tile System - Old Rooftop Renovation Project

Continuous length coated tile - aluminum-rich zinc magnesium coating.
Highly adaptable fit for various rooftops, modules and roofing parts.
Quick installation clip-T-PUSHNUT.



 **EPC Services**

EPC services encompass the entire process from planning, design, purchase and manufacturing through to construction and installation, covering both online and offline channels. We provide professional power plant construction and O&M services, and have to date delivered project development and construction services for ground-mounted, floating and distributed solar power plants in many countries worldwide.



◎ Key ESG performance

Governance and economic performance³

Products sold countries and regions

60+

4

new patents granted

Total R&D investment is

40 million yuan

employees covered by anti-commercial bribery and anti-corruption training

100%

60%

of directors are female

100%

signing rate of supplier social responsibility commitment

³Economic performance is aligned with the annual report.

Environmental performance

Total expenditure on energy conservation and environmental protection is

1.0043 million yuan

Total energy consumption is

40,863.26 megawatt-hours (MWh)

Water consumption per unit of output value decreased compared to FY2024

13%

No. of participants in environmental protection training:

1028

Total greenhouse gas emissions were

19,422.54 tons of CO2 equivalent

Social performance

Women accounted management positions

40%

Employee training coverage rate is

96.8%

Average training time of employees is

18.75 hours

Total expenditure on occupational safety and health is

902,300 yuan

Customer product delivery satisfaction is after-sales service satisfaction is

100% **98.86%**

© Honors and Awards

2025.03



Century New Energy Network

2025.06



EUPD Research

2025.06



Century New Energy Network

2025.06



PVEL

2025.06



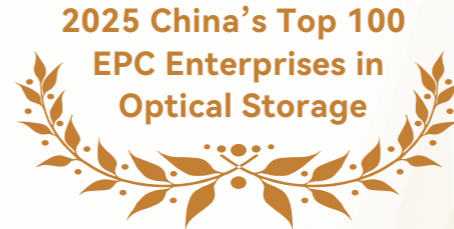
Century Energy Network

2025.08



China Energy News,
China Institute of Energy Economics,
Green Light Climate Research Institute

2025.09



Green Energy Industry Development
Promotion Association

2025.12



Global photovoltaic

2025.12



Green Energy Industry Development
Promotion Association (GEA).

2025.12



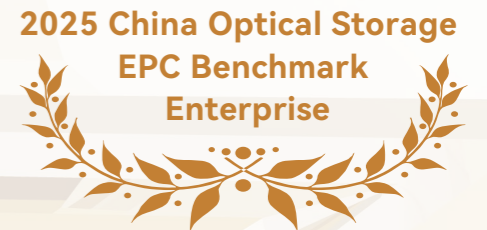
SOLARBE AWARDS

2025.09



Organizing Committee of the Asian
Optical Storage Exhibition and Forum

2025.12



Green Energy Industry Development
Promotion Association (GEA).

2025.12



BloombergNEF.

2025.12



Wood Mackenzie

ESG governance

By focusing on the optimization of its governance framework, the Company is driving continuous improvements in its capacity for sustainable development and has gradually established a systematic ESG management structure. Through the assessment of material issues, it has identified key management priorities and continues to strengthen multi-level communication mechanisms with internal and external stakeholders, thereby providing a solid foundation for the effective implementation and long-term advancement of its ESG initiatives.

© ESG core commitments



Reducing carbon emissions, recycling resources, and addressing climate change



Community engagement, customer responsibility



Compliance management, board diversity, information disclosure


© ESG governance structure

The Company systematically integrates ESG concepts into the governance system, builds a three-level governance structure of 'board of directors (decision-making level)-management-executive level', forms a clear and collaborative and efficient ESG working mechanism, and ensures the effective implementation of various ESG measures.




Decision-making level

The chairman serves as the chairman, and the general manager serves as the chairman of the executive committee, which is mainly responsible for guiding the Company's ESG strategic direction (including climate change, emission management, employees, and other issues), solving key and difficult issues in the implementation of ESG work, and ensuring that the implementation of the strategy and ESG demands are integrated into the Company's decision-making process. The ESG Committee lists carbon emission reduction and climate change response as one of the Company's top ESG priorities and reports regularly to the Board of Directors as a key issue.


ESG Management Committee


Management level

Composed of the head of the Company's ESG core department and ESG full-time personnel, it provides professional support and action planning for the Company's ESG work, and needs to regularly report to the ESG Management Committee on ESG affairs planning, work progress and results, to ensure that the ESG Management Committee performs its supervision responsibilities on various ESG issues in a timely manner.


ESG Promotion Office

Executive level

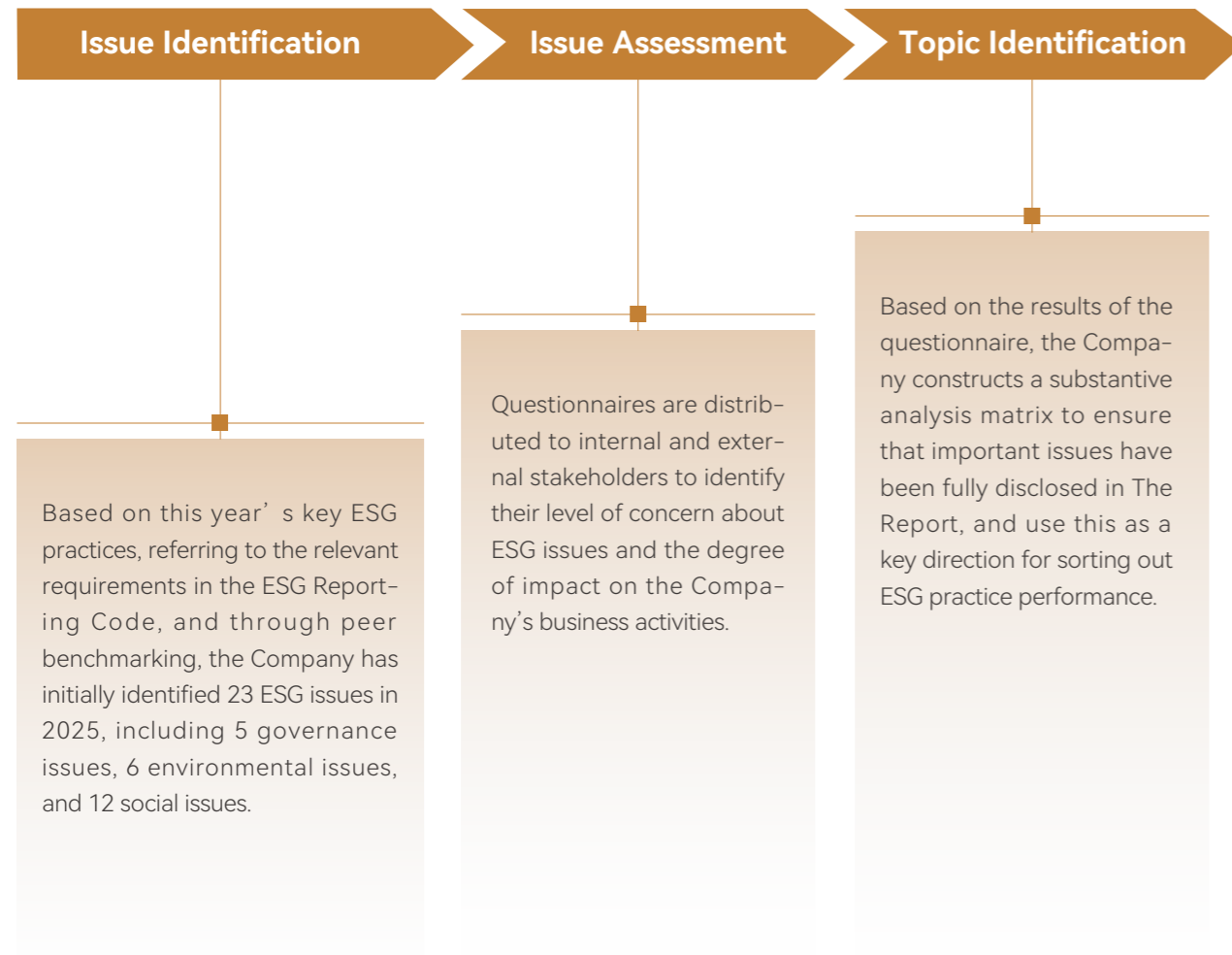
The Internal and External Coordination Organization is composed of the heads of the Company's ESG work-related departments and the main liaison, who is mainly responsible for undertaking ESG projects and maintaining high-frequency interaction with the ESG promotion office in combination with the project promotion situation. The external collaborative organization is composed of consulting companies, audit and evaluation institutions, research institutions, industry associations, etc. closely related to the Company, mainly providing external intelligence and data support for the Company's ESG work.


ESG Internal and External Coordination Organization

◎ ESG materiality issues

The Company combines the concept of responsibility with its own development strategy and business characteristics, combines the requirements of the ESG Reporting Code of the Hong Kong Stock Exchange and the understanding of the issues of concern in the process of communication with stakeholders, and integrates the consideration of the nature of the Company's business to carry out the identification, evaluation, and disclosure of substantive issues. Through management interviews and research, combined with the opinions of external experts, substantive issues of importance to the Company and stakeholders were identified.

ESG Substantive Issue Assessment Procedure



ESG substantive issue evaluation matrix

After the identification, evaluation, and confirmation of the issues, the Company shows the importance of the issues in the form of a substantive matrix chart, of which the highly important issues are located in the upper right corner of the matrix, the medium important issues are located in the middle of the matrix, and the low important issues are located in the lower left of the matrix.



During the year, the Company ranked the 23 material issues identified in order of importance.



Governance issues	1 Corporate governance	3 Business Ethics	5 Market Performance
	2 Compliance & risk prevention	4 Information Security & Privacy Protection	
Environmental issues	6 Response to Climate Change	8 Energy Management	10 Water Resource Management
	7 Environmental Management	9 Emission Management	11 Packaging Material Management
Social issues	12 Technological Innovation	16 Employee Welfare & Care	20 Sustainable Supply Chain
	13 Intellectual Property Rights	17 Equality & Diversity	21 Customer Service Management
	14 Product Quality	18 Employee Education	22 Support Community Development
	15 Labor Rights Protection	19 Occupational Health & Safety	23 Enhance Green Development

◎ Stakeholder communication

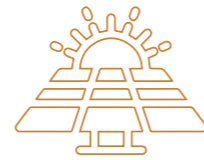
The Company attaches great importance to communication with all stakeholders, continuously broadens communication channels, fully listens to the opinions and feedback of stakeholders, and takes effective measures to respond to the expectations and demands of stakeholders in a timely and sincere manner, earnestly fulfill corporate social responsibility, and actively build an excellent corporate citizen image.

Stakeholders	Expectations	Communication channels
 Government and regulatory agencies	<ul style="list-style-type: none"> · Business ethics · Regional economic development · Security and compliance 	<ul style="list-style-type: none"> · Institutional inspection · Supervision and inspection · Information disclosure · Project declaration
 Shareholders and investors	<ul style="list-style-type: none"> · Transparent information · Governance structure · Risk management 	<ul style="list-style-type: none"> · Information disclosure · Project declaration · Information disclosure · Project declaration
 customers	<ul style="list-style-type: none"> · Customer service · Customer satisfaction · Product quality 	<ul style="list-style-type: none"> · Customer Communication meetings · Product launch · Industry exhibitions · Customer research · Technical Seminars · Satisfaction survey
 Suppliers & Partners	<ul style="list-style-type: none"> · Supply chain management 	<ul style="list-style-type: none"> · Supplier training · Vendor Review · Supplier Conference · Industry exhibitions · Industry training
 community public	<ul style="list-style-type: none"> · Energy consumption management · Waste discharge · Social welfare 	<ul style="list-style-type: none"> · Community communication · Project cooperation · Public welfare activities · Corporate Open Day
 Employees	<ul style="list-style-type: none"> · Employee diversity and equality · Employee care · Career development and path · Occupational Safety and Health 	<ul style="list-style-type: none"> · Employee activities · Staff training · Employee opinions · Employee satisfaction surveys
 Media/non-governmental organizations (NGOs).	<ul style="list-style-type: none"> · Information disclosure 	<ul style="list-style-type: none"> · Employee opinions · Employee satisfaction surveys



01 NAVIGATING

Rooted in Governance, Steadfast Progression



● important issues

Consolidating the Governance Foundation	25
Enhancing Risk and Compliance Management	28
Upholding Business Ethics	30
Fortifying Information Security	31

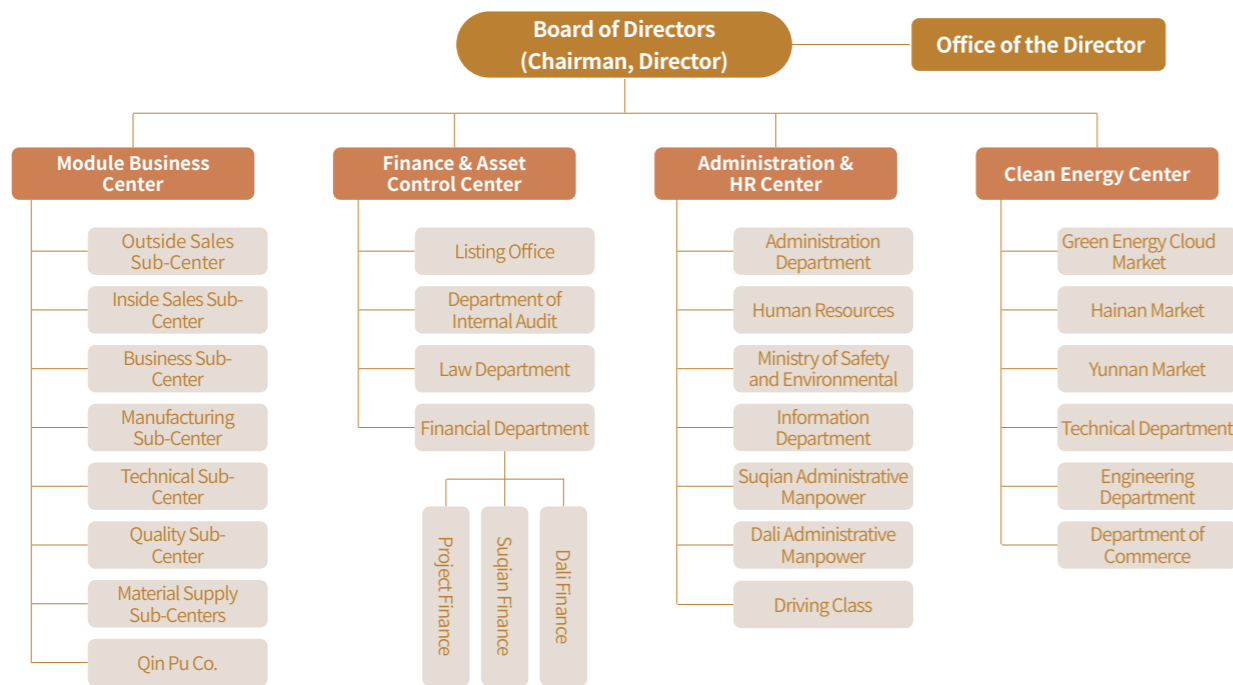
Consolidating the Governance Foundation

The Company abides by its commitment to its responsibilities to shareholders, customers, and society, continues to improve its ESG governance structure, optimizes the operating mechanism of the board of directors and professional committees, and clarifies the boundaries of power and responsibility for strategic decision-making and execution supervision. At the same time, the Company systematically promotes investor relations management, establishes and improves information disclosure and communication mechanisms, effectively protects investors' right to know and legitimate rights and interests, and responds to the concerns of stakeholders with transparent and responsible business practices.

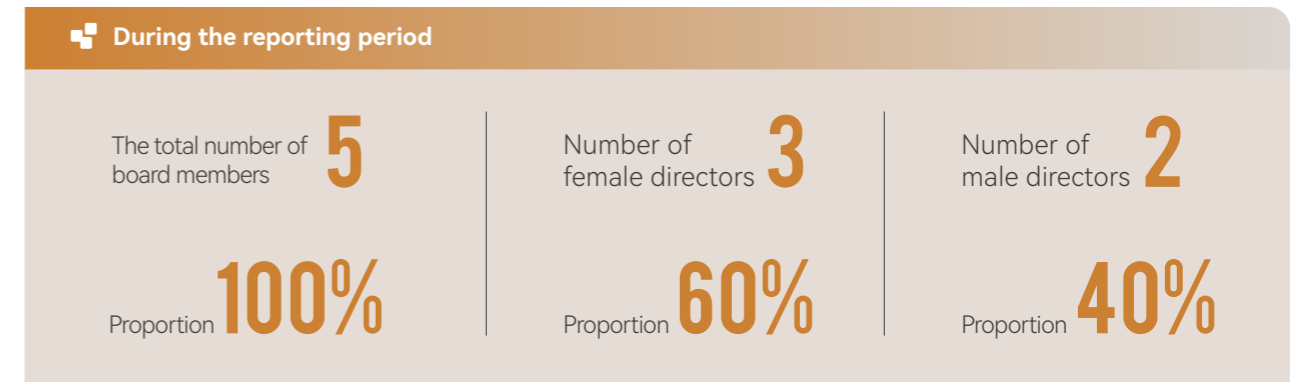
The Company strictly abides by the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Enterprise Income Tax Law of the People's Republic of China, and other laws and regulations, and has built a governance structure with the general meeting of shareholders, the board of directors, the board of supervisors, and senior management as the core.

As the core of the governance structure, the Board of Directors is responsible for participating in and deciding on all major matters related to the Company's operations, such as corporate development, strategy, budgeting, internal management, and risk management. The board of directors has four headquarters management departments, namely the Module Business Center, the Financial Management Center, the Administrative Manpower Center, and the Clean Energy Center, which are responsible for the daily operation and management of the Company and operate effectively according to their scope of responsibility.

ZNSHINE organizational chart



This year, the Company focused on revising the Articles of Association, Rules of Procedure of the Shareholders' Meeting, Rules of Procedure of the Board of Directors, Rules of Procedure of the Board of Supervisors, and other core governance systems to consolidate the foundation of the corporate governance system. At the same time, the Company has formulated the 'ESG Sustainable Development Management Procedures' to clarify the ESG management responsibilities of all levels and departments, standardize key workflows such as system construction, information disclosure, and personnel training, and promote the integration of ESG management into daily operations.



Information Disclosure Management

The Company strictly follows the requirements of laws and regulations such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the Rules for Information Disclosure of Listed Companies on the National Equities Exchange and Quotations (NEEQs). It promptly publishes announcements and discloses information via its official website, thereby faithfully fulfilling its statutory obligations regarding information disclosure and ensuring that the disclosed content is true, accurate, complete and timely. During the current financial year, the Company has systematically revised core policies such as the 'Information Disclosure Management System' to further standardize disclosure workflows. Concurrently, the 'Accountability System for Material Errors in Annual Report Disclosure' has been refined to clarify the division of responsibilities, strengthen accountability mechanisms and enhance the quality of disclosures. A total of 95 disclosures were completed throughout 2025, effectively safeguarding the Company's compliant operations and investors' right to information.



Investor Relations Management

Improve the institutional framework

The Company continues to strengthen the foundation of the investor relations management system, revises the Investor Relations Management System and the Commitment Management System to standardize investor communication and commitment management. Revise the Measures for the Administration of External Guarantees and the Foreign Investment Management System to strictly control major transaction risks. Revise the Management System for Preventing Major Shareholders and Their Related Parties from Occupying the Company's Funds and the Management Measures for the Use of Raised Funds to ensure the safety and compliant use of funds.

Diversified investor communication

The Company has built a comprehensive communication mechanism, and comprehensively uses regular reports and temporary announcements, shareholders' meetings, official website disclosures, one-on-one communication, on-site visits, and media reports to ensure that information disclosure is authentic, accurate, complete, and timely. We set up an investor hotline to maintain normal interaction.

During the reporting period, ZNSHINE held

general meetings of shareholders

5

meetings of the board of directors

10

meetings of the board of supervisors

5

Investor rights and interests' protection

The Company defines clear boundaries of authority and responsibility through its institutional framework. It has established mechanisms for reporting related-party transactions, abstention from voting, tiered decision-making and special disclosures in the Articles of Association and the Regulations on the Management of Related-Party Transactions, thereby ensuring that such transactions are conducted fairly and transparently. Particular attention is paid to safeguarding the rights and interests of minority shareholders, ensuring their right to participate in decisions on major matters. By standardizing the management of external investments, guarantees and information disclosure, the Company has built a robust defense mechanism to protect investors' rights and interests.

Enhancing Risk and Compliance Management

The Company has always regarded a sound level of governance as the core cornerstone of sustainable development. During the reporting period, we continued to improve the risk compliance system, deepen the connotation of quality management, and comprehensively build a solid line of defense for enterprise operations through system construction, digital monitoring, and cultural publicity, and are committed to achieving high-quality development on the basis of transparency and compliance.

The Company has built a top-down risk management structure with clear powers and responsibilities, and established a management system with the board of directors as the highest decision-making body, the heads of administrative departments at the headquarters as the direct responsible persons, and the business management departments as the central departments. In order to ensure the effective implementation of risk management, the Company strictly implements the 'three lines of defense' mechanism for risk management.

Risk management 'three lines of defense'

The 1st line of defense: business divisions

- Directly participate in risk identification and assessment in daily operations. By establishing a risk and opportunity assessment team, risk identification is carried out once a year, and the production process, workshop, and personnel are carefully screened.

The 2nd line of defense: risk management function (administrative department)

- Responsible for building a risk monitoring system and formulating management rules. For the risks identified by the business department, supervise the implementation of specific risk response measures.

The 3rd line of defense: the internal audit department

- Maintain departmental independence and be responsible for independent supervision and evaluation of the effectiveness of risk management. Conduct routine audits and provide regular feedback to the Board.

The core goal of the Company's risk management is to continuously improve the comprehensive risk management system and continuously improve the internal control and supervision mechanism. Through systematic risk identification, in-depth analysis and evaluation, various risks that may be faced in the Company's operations are controlled within a controllable range, providing a solid guarantee for the steady growth and sustainable development of the business.

To ensure that risk management is conducted in accordance with established procedures, the Company has formulated a series of standardized control procedures and strictly implemented them. The Company has drawn up the Risk and Opportunity Control Procedure to clarify risk management processes and assessment criteria; the Control Procedure for the Identification and Compliance Assessment of Laws, Regulations and Other Requirements to ensure that the Company's operations comply with external regulatory and legal requirements; and the Procedure for the Identification, Assessment and Control of Hazard Sources to implement specialized management in specific areas such as production safety.

The Company transforms risk management into specific daily management actions, and builds a solid risk defense line in an all-round way through cultural construction, internal audit supervision, and compliance practice.

Risk culture construction

Regularly organize management personnel at or above the team level to carry out risk management and control knowledge training to enhance the risk awareness of all employees. Each department implements company-level control measures for larger and above risks by organizing internal risk identification and evaluation to ensure overall safety.

Diversified internal audits

The Company regularly conducts special audits covering various fields, including but not limited to special audits for procurement, fire risk audits for warehousing environment and finished product warehouses, audits for cargo entry and exit management, financial audits, and employee turnover audits.

Tax compliance and transparency

The Company always adheres to the principle of tax transparency, strictly abides by relevant laws and regulations, pays taxes in full and on time in accordance with the law, and fulfills its corporate citizenship responsibilities.

Upholding Business Ethics

The Company strictly abides by the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Anti-monopoly Law of the People's Republic of China and other laws and regulations, formulates and implements the Anti-Commercial Bribery System and the Commitment to Diligence and Integrity, and strengthens the self-discipline and integrity awareness of all employees. At the same time, we have formulated the 'Complaint Handling Procedures', built a supervision and appeal channel for the performance of social responsibilities, and improved the internal supervision and feedback mechanism. We implement a strict business integrity commitment mechanism for key stakeholders, have a 'zero tolerance' attitude towards any form of fraud and commercial bribery, firmly uphold the market rules of fair competition, and are committed to establishing a clean and upright corporate image.

Internal integrity management:

The Company organizes all employees to sign the Diligence and Integrity Commitment, clarifies the integrity obligations and red line bottom line of employees at all levels in the performance of their duties, and takes integrity and self-discipline as a prerequisite for performing their duties. The Company issued an open letter on integrity education, reiterating the cultural values of 'Fairness & Trust' for key risk areas, and put forward six specific rigid prohibitions on official receptions, property acceptance, expense reimbursement, and exercise of power, clarifying the punishment mechanism for violations such as soliciting bribes and obstructing customer business, and effectively strengthening the compliance bottom line awareness of all employees. As of the end of the reporting period, the signing rate of the Company's employees reached 100%, and the number of relevant reports received by the Company's integrity reporting channels was 0.

In order to further strengthen employees' anti-corruption awareness, we organized and carried out special training on anti-corruption and clean government. The training focused on commercial bribery risk identification, job-related crime prevention, and corporate compliance system publicity, covering a total of 515 people in core management and high-risk key positions such as procurement and sales. Through the 2-hour in-depth case analysis and interpretation of laws and regulations, the red line awareness and bottom-line thinking of key position personnel were effectively strengthened.

Supplier integrity requirements:

We extend integrity and compliance to the upstream of the value chain, and mandate all cooperative suppliers to sign the 'Diligence and Integrity Commitment', and strictly prohibit suppliers from privately conducting abnormal competitive negotiations with company employees on relevant work issues in order to seek their own interests or reach a tacit understanding that harms the Company's interests. As of the end of the reporting period, the signing rate of suppliers' integrity commitments reached 100%.

As of the end of the reporting period

The signing rate of suppliers' integrity commitments reached

100%

Fortifying Information Security

As it navigates the complex challenges of digital transformation, ZNSHINE regards information security as the lifeline of the Company's stable operations. The Company strictly adheres to the requirements of regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, and the Administrative Measures for the Graded Protection of Information Security, thereby establishing a robust foundation of compliance. In 2025, in light of new developments in business operations, the Company comprehensively revised its 'Information Security Management System' and introduced the 'Information Resource Management System' and 'Information Technology Emergency Response Plan' to complement it. Relying on a three-tier information security management framework, the Company continues to strengthen its defense system to ensure that data assets circulate efficiently whilst remaining compliant and secure.

In order to ensure the efficient operation of the information protection system, the Company has transformed the system requirements into specific implementation actions: from strengthening network border protection, strict terminal data control, to improving the security awareness of all employees, and building an all-round and multi-level information security in-depth defense system.

Transparent functions

The Company clarifies that the IT department is the centralized management and primary responsibility department for personal information protection and data security, and is fully responsible for the group's network security architecture design, data asset life cycle management, and personal privacy compliance protection to ensure that security responsibilities are implemented to people and posts.

Standardized management

Relying on the newly revised 'Information Security Management System', the Company has established a strict account lifecycle management process. Strictly review the qualifications of users who apply for permissions, and immediately take measures such as account deactivation for those who leave the Company. This year, we focused on optimizing the hierarchical and classified management of file systems, and fine-grained configuration of access policies based on different levels and business attributes. At the same time, we will strengthen group control and implement relevant systems and norms to all subsidiaries and overseas branches to ensure that global operations follow a unified security baseline.

Authorization isolation

We have built a role-based access control system. For different levels, such as employees, supervisors, directors, and executives, differentiated file creation and access rights are set to prevent unauthorized access. In terms of technical implementation, the Company grants users viewing permissions through a refined permission allocation mechanism to effectively prevent unauthorized access and leakage of users' personal information and sensitive business data from the bottom of the technology, to strengthen information security and privacy protection.



Information security protection

We continue to upgrade the architecture and strengthen the security of core business systems, deploy next-generation antivirus software, and block malicious code and virus attacks in real time. At the same time, we have strengthened access control and auditing of data flows to ensure the confidentiality and integrity of core data assets during transmission, storage, and processing.

Awareness raising

The Company has mandated all employees in key positions involved in access to personal information and core trade secrets to sign the 'Information and Data Confidentiality Commitment' to clarify legal responsibilities and compliance obligations. In addition, we have included data security education in our annual training plan, and continuously improved our employees' awareness of data protection through regular security awareness training, so as to build a 'human firewall' for enterprise information security.

CASE Key information security theme training carried out in 2025

On July 4, 2025, the Company carried out information security management system training. The training department includes eight departments, including human resources, warehouse, and internal audit, mainly focusing on the detailed rules of file system management authority and server time synchronization requirements corresponding to different ranks, to help all departments familiarize themselves with the file system and server usage requirements, enhance the awareness of data protection of all employees, and strictly protect the Company's internal data.

02 ENVIRONMENT

Leading with Low Carbon, Developing Efficiently



● important issues

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Responding to Climate Change

ZNSHINE has established a climate governance structure led by the board of directors, actively assesses its own operations and upstream and downstream related climate risks and opportunities, and discloses climate-related work and progress with reference to the international framework of TCFD and the International Financial Reporting Sustainability Disclosure Guidelines No. 2 (IFRS S2) – Climate-related Disclosures.

◎ Governance

ZNSHINE attaches great importance to the issue of climate change, places the climate governance structure in an important position in the Company’s organizational construction, clearly takes the board of directors as the core responsible body, and has built a three-level (decision-making level, management, executive level) climate governance structure, and the ESG Management Committee undertakes the management and supervision functions of climate-related matters. The Company has incorporated the core operation management, administrative departments, and business departments into the climate management system, and each relevant department also assumes specific responsibilities to give full play to the advantages of climate management.

◎ Strategy

As a deep cultivator of green energy, ZNSHINE takes ‘making green electricity more efficient’ as its mission and aims to achieve net-zero emissions by 2035 and 2050.

Key climate opportunities

Opportunity Type	Opportunity	Description
Resource efficiency	Resource utilization rate is improved	<ul style="list-style-type: none"> Improve water reuse and reduce production costs. Establish a photovoltaic module recycling system.
Energy transition	Use renewable energy	<ul style="list-style-type: none"> Use ‘photovoltaic + energy storage’ to achieve factory power self-sufficiency and hedge against fluctuations in traditional fossil energy prices.
Products and services	R&D and innovation to develop low-carbon products	<ul style="list-style-type: none"> As the mainstream clean energy in the future, photovoltaic power generation shoulders the mission of ‘carbon neutrality’ and has huge room for increment. ZNSHINE adheres to the concept of innovation first, continuously iterates and develops more efficient, longer-lasting, and lower-carbon products, and provides energy system solutions (e.g., photovoltaic building integration).

Opportunity Type	Opportunity	Description
Market	Access to new markets	<ul style="list-style-type: none"> Entering emerging markets (e.g., off-grid power demand in Africa and Southeast Asia); Meet the high standards of the EU CBAM and obtain the ‘green premium’ in overseas markets through low-carbon footprint certification;
Resilience	Resource substitution /diversification	<ul style="list-style-type: none"> diversify supply chains to withstand the impact of geopolitical and climate disasters; develop special modules for extreme climates; Layout of manufacturing bases in different climate zones around the world to diversify the business risks of single-point extreme weather (such as typhoons causing production shutdowns).

Climate-related risk identification and assessment

Identification and response measures for climate-related risks			
Risk type	Climate risk	Financial potential impact	Response measures
Physical risk	Acute risk	Asset loss and increased operating costs	<ul style="list-style-type: none"> Product design optimization: improve the wind resistance level of photovoltaic brackets, foundations, etc.; Replacing aluminum bezels with steel bezels improves wind resistance ratings.
			<ul style="list-style-type: none"> Factory disaster prevention and treatment: such as anti-seepage and rainproof treatment of the warehouse, daily safety inspection, and timely attention to weather warnings. Formulate the Emergency Plan for Environmental Emergencies and carry out regular emergency drills. Optimize the selection and transportation of raw materials, develop backup suppliers, and ensure the safe supply of raw materials. Risk transfer: purchase insurance.
	<ul style="list-style-type: none"> Sudden natural disasters (such as typhoons, floods, etc.) may interrupt production, cause direct damage to production equipment and overseas warehousing, and affect supply chain stability and business continuity. Extreme high temperature weather (such as heat waves) puts pressure on the power load of production lines, affecting the operating efficiency and power generation efficiency of photovoltaic power plants. 		

Identification and response measures for climate-related risks			
Risk type	Climate risk	Financial potential impact	Response measures
Transformation Risk	Chronic risk	<ul style="list-style-type: none"> Water shortages can affect a company's production efficiency and increase costs. Rising temperatures can lead to a decrease in the power of photovoltaic modules, affecting power generation efficiency and causing additional after-sales losses. 	<p>Asset losses, cooling costs increase, and employee efficiency and engagement decrease</p> <ul style="list-style-type: none"> Technological innovation to cope with efficiency degradation: R&D and application of modules with lower temperature coefficient to reduce high-temperature power generation losses. Invest in energy-efficient technologies and equipment to improve water resource efficiency.
	Policy and legal risk	<ul style="list-style-type: none"> Among the existing policies, the introduction of climate-related policies such as China's 14th Five-Year Plan for Industrial Green Development and the EU's Net Zero Industry Act has put forward higher requirements for enterprises to practice green production, build green factories, and reduce their carbon footprint. Regulators have put forward higher requirements for listed companies to disclose climate information; Increasingly ambitious national emissions reduction targets and net-zero actions will require companies to accelerate the climate transition and increase policy costs for companies. With the increasing attention of governments and regulatory authorities to climate issues, as well as the introduction of more climate-related laws and regulations, climate-related legal proceedings continue to grow. 	<p>Operating costs increase and compliance costs increase</p> <ul style="list-style-type: none"> Build base photovoltaic power stations: Realize spontaneous self-consumption and surplus electricity on the Internet. Product life cycle management: Carry out product carbon footprint accounting and certification to comply with the requirements of green trade barriers such as EU CBAM. Strengthen the learning of emerging policies: Continuously track local laws and regulations in each operating area and communicate with the Company in a timely manner. Strengthen the study of policies and regulations internally, and pay attention to emerging laws and regulations.

Identification and response measures for climate-related risks			
Risk type	Climate risk	Financial potential impact	Response measures
Transformation Risk	Technical risk	<ul style="list-style-type: none"> With the rapid expansion of the global new energy industry, users have put forward higher requirements for the efficiency and stability of photovoltaic module power generation. At the same time, with the continuous attention to product carbon footprint in the future, downstream customers in the supply chain will pay more attention to the carbon footprint management of the whole life cycle of products. The timing of technology development and application is an important uncertainty. In the long run, backward technology and high-cost production capacity will be gradually optimized and eliminated, thereby optimizing the industrial structure and opening a new round of industry growth cycle. If the development trends of key technologies in the photovoltaic industry cannot be accurately judged, new technologies and new product research and development directions may lead to losses in R&D investment. 	<p>increased operating costs and reduced revenue stability; Increased R&D costs and losses of R&D investment have caused stranded assets</p> <ul style="list-style-type: none"> Strengthen technological innovation capabilities: Continue to iteratively launch products that are more in line with market demand. Layout of diversified technical routes: At the same time, explore photovoltaic hydrogen production, energy storage system integration, etc., to avoid technical path dependence. Build an open innovation ecosystem: Cooperate with universities and research institutions to track the frontiers of technology.
	Market risk	<ul style="list-style-type: none"> The climate risks faced by suppliers may be transmitted, increasing the Company's raw material purchase costs. The implementation of carbon pricing and carbon tariff measures in the EU market, which the Company exports to, and the reduction of subsidies have led to higher costs, affecting market competitiveness. 	<p>Costs increase, revenue decreases</p> <ul style="list-style-type: none"> Provide integrated solutions: Provide 'photovoltaic + energy storage' system solutions to stabilize customer income. Develop diversified markets: Deploy high-growth emerging markets and reduce dependence on a single market.
	Reputational risk	<ul style="list-style-type: none"> Failure to meet the growing sustainability expectations of stakeholders damages the Company's reputation, which in turn affects corporate financing and market value. 	<p>Brand value is damaged, affecting the market value of the enterprise</p> <ul style="list-style-type: none"> Strengthen ESG information disclosure: Publish independent reports in accordance with international standards such as TCFD and ISSB to disclose quantitative goals and progress.

◎ Risk Management

The Company has established a comprehensive climate risk and opportunity management process, assessed the impact importance and financial importance of climate risks and opportunities, and formulated response strategies, and finally formed a closed-loop management of climate risk identification, assessment, and response strategies.



◎ Metrics and Targets

The Company continues to promote greenhouse gas emission reduction and formulate scientific emission reduction targets to accelerate green and low-carbon transformation by deploying energy monitoring systems, optimizing energy structure, and promoting self-consumption electricity. The Company set the goal as follows:

By 2028:

- Energy consumption per unit of output will be reduced by **5%** compared with 2025;
- Greenhouse gas emissions intensity per unit of output (Scope 1 & Scope 2) will be reduced by **15%** compared with 2025;

The Company's Scope 1 and Scope 2 greenhouse gas emissions mainly come from the consumption of fossil fuels such as climate, diesel and natural gas, as well as the use of purchased electricity. In 2025, through the deployment of photovoltaic power stations on the walls of the base and the use of low-carbon emission reduction raw materials, the purchased electricity will be effectively reduced, the energy use structure will be optimized, and the Scope 1 greenhouse gas emissions will be effectively reduced by nearly 5%.

Indicators	In 2024	In 2025	unit
Greenhouse gas emissions (Scope 1)	310.30	296.30	tCO2e
Greenhouse gas emissions (Scope 2)	18,516.32	19,126.24	tCO2e
Total greenhouse gas emissions ⁴	18,826.63	19,422.54	tCO2e

As the Company's main production base, Suqian Base⁵ conducted a full life-cycle carbon footprint assessment for its solar modules (solar panels) in 2024, covering the entire process from raw and auxiliary material sourcing through to manufacturing, transport and distribution. It also measured and accounted for other indirect (Scope 3) greenhouse gas emissions, such as those arising from upstream procurement and downstream transport, and obtained certification for the product carbon footprint verification statement during the reporting period.

Carbon Emissions of Solar PV Modules Produced at the Suqian Base

Stage	GHG Emissions in 2024 (tCO2e)	Proportion of Emissions by Stage
Upstream Raw & Auxiliary Materials	460,433.43	97.12%
Manufacturing	13,665.66	2.88%
Transportation & Distribution	0.00	0.00%
Total	474,099.10	100.00%

In the future, the Company will continue to deepen carbon emission management, regularly measure and transparently disclose operational carbon emission data, and improve the scientific and refined level of carbon emission management. On this basis, the Company will combine its own operational characteristics and the 'dual carbon' strategy to formulate reasonable and quantifiable carbon emission reduction targets in stages, and help low-carbon and sustainable development with a clear action path.

⁴The methods for calculating greenhouse gas emissions and the emission factors used are primarily based on the National Development and Reform Commission's Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions from Enterprises in Other Industrial Sectors (Trial) and the Ministry of Ecology and Environment and the National Bureau of Statistics' Announcement on the Release of Carbon Dioxide Emission Factors for the Power Sector in 2022.

⁵Here the Suqian Base refers to the Suqian Base only, and does not include Suqian Base Phase II, as Phase II had not yet commenced operations at the time the scope 3 carbon accounting in FY2024 was carried out.

Deepen Environmental Management

◎ Environmental Management System

The Company always regards compliance operation as the cornerstone of sustainable development of the enterprise, and strictly abides by the Environmental Protection Law of the People’s Republic of China, Environmental Impact Assessment Law of the People’s Republic of China and Regulations on the Management of Environmental Protection of Construction Projects and other national environmental laws and regulations, providing a solid legal foundation for enterprise development.

The Company strictly adheres to internal environmental management systems such as the ‘Procedure for the Identification, Evaluation and Control of Environmental Factors’ and the ‘Procedure for Emergency Preparedness and Response’. It organizes the identification and assessment of environmental factors across all business operations, conducts systematic analyses based on the ‘Environmental Factor Identification and Evaluation Form’, and uses the ‘List of Significant Environmental Factors’ as the focus of its management efforts to continuously monitor and control environmental impacts and risks.

The Company’s solid investment and excellent practices in the field of environmental management have been recognized by authorities. In 2025, Suqian, Jintan, and Dali bases have all passed ISO 14001 environmental management system certification, with a certification coverage rate of 100%, and Suqian bases have been successfully awarded for their excellent practices in green energy utilization and clean production processes. ‘Jiangsu Green Factory’.

Award received in FY2025



Suqian Base received the Jiangsu Province Green Factory Certification

Suqian Base and Jintan Base received the Advanced Intelligent Factory in Jiangsu Province Certification

Jintan Base received the Changzhou Smart Factor Certification

The Company has achieved a high level of operational safety and environmental risk control, and there are zero environmental emergencies (fires, serious injuries), major environmental pollution accidents, major chemical leakage accidents, and environmental pollution accidents this year. The solid waste compliance disposal rate reaches 100%, and the investigation and punishment rate of ‘three violations’ is not less than 95%, which is for the health of employees and the safety of the community. The ecological environment provides a reliable guarantee.

◎ Environmental Management Goals

For the year 2025, the company has set strict, clear and measurable environmental performance targets:

Total energy consumption and energy intensity will be lower than in 2024.

Total water consumption will be 5% lower than in 2024.

Wastewater discharge will be 15% lower than in 2024.

Total waste generation will be 10% lower than in 2024.

This year, the company successfully implemented and achieved all its environmental targets; environmental performance remained stable and under control; and total investment in environmental protection amounted to 1.0043 million CNY.



ZNSHINE PV-TECH CO., LTD

ZNSHINESOLAR CO., LTD

ZNSHINE POWERTEK CHANGZHOU CO., LTD

ZNSHINE PV-TECH DALI CO., LTD

◎ Environmental Risk Management

Risk Identification



The Company has established a systematic prevention and response mechanism, regularly carried out measures such as environment-related risk identification and assessment, internal audit meetings and reviews of environmental factors, environmental risk assessment, and internal emergency material investigation, clarified the emergency management methods of various environmental emergencies, and ensured the effectiveness of emergency response through regular drills. During the reporting period, The Company invested 902,300 yuan in safety production, carried out a total of 3 environmental emergency drills, and the number of employees participating was 1,028.

Real-time monitoring



The Company entrusts a third-party testing agency to carry out environmental monitoring, through real-time monitoring of environmental protection online equipment, covering water and wastewater, organized exhaust gas, unorganized exhaust gas, and environmental noise at the factory boundary of industrial enterprises, and evaluates the impact of production and operation activities on the surrounding environment and biodiversity based on the monitoring data , and prepares the annual 'Environmental Monitoring Report'.

Responsibility to the person



The Company clarifies that the human resources administration department is the centralized management department of environmental protection, responsible for organizing representatives of various departments to identify and evaluate environmental factors, and conduct regular supervision and inspection of environmental control. The responsible persons of each department and team clarify their personal environmental and safety responsibilities by signing the 'Safety and Environmental Protection Responsibility Letter' and the 'Safety and Environmental Protection Target Responsibility Letter'.

Performance Linkage



The Company deeply integrates environmental responsibility with business operations, and the safety and environmental protection department systematically sets environmental management goals and implementation plans, establishes and improves relevant system documents, and incorporates environmental performance indicators into the performance appraisal system to drive the continuous improvement of environmental management effectiveness.

Case

Jintan Base organizes emergency fire drills

On March 30, 2025, Jintan Base organized an emergency rescue drill for safety accidents, aiming to improve the overall emergency response capacity. The drill revolved around 'emergency evacuation and escape' and 'initial fire fighting' . The two major subjects are carried out, covering the participation of all employees, and the coordinated response level of various departments in emergencies is systematically tested and strengthened by simulating the evacuation route confirmation, personnel inventory and reporting and actual operation of fire extinguishers in real scenarios. This training effectively improved the employees' fire safety awareness and on-site emergency operation ability, and the overall organization was orderly and effective, further consolidating the foundation of emergency support for the Company's safety production.

◎ Cultivation of Environmental Culture

The Company pays attention to the comprehensive cultivation of environmental awareness, carries out safety education and training for new employees, and carries out special environmental management training in Dali and Suqian, covering environmental protection regulations, solid waste management, waste gas treatment, etc.

Case

Dali base carries out environmental management training

In 2025, the Dali base will carry out environmental management training, which closely focuses on national laws and regulations such as the Environmental Protection Law, the Air Pollution Prevention and Control Law, and the Law on the Prevention and Control of Environmental Pollution by Solid Waste, and deeply interprets the main responsibilities of enterprises for environmental protection, pollutant discharge permit management, and standardized disposal of hazardous waste. At the same time, the training is systematically explained in combination with the identification of environmental factors in actual production, VOCs exhaust gas treatment technology and environmental risk prevention and control measures, which effectively improves employees' understanding of environmental protection laws and regulations and compliance operation ability, and lays a solid personnel foundation and knowledge support for continuously strengthening the Company's environmental management system and promoting green production practices.



Dali base environmental management training site

Implementing Sustainable Operations

ZNSHINE comprehensively integrates the concept of green operation into corporate strategy and daily practice, and is committed to building an environmentally friendly production and operation system. We continue to pay attention to and systematically manage emission control and resource circulation in the production process, and actively explore innovative models for the synergistic improvement of photovoltaic manufacturing and ecological benefits, aiming to achieve the deep integration of enterprise growth and environmental protection, and contribute to the realization of the 'Dual Carbon' goal.

◎ Resource Management

Energy management

The Company strictly abides by the Energy Conservation Law of the People's Republic of China, Jiangsu Province Energy Conservation Regulations and other relevant regulations on energy management, and the Sujian base has formulated internal policies and systems such as the Energy Management System and Management Requirements for Enterprise Water and Electricity, and follows the ISO50001:2018 energy management system, obtaining energy system certification certificates, and improving energy utilization efficiency and sustainable development capabilities.



Certification of Energy Management System

The Company is driving substantial carbon reduction across its operational processes and has pioneered the installation of rooftop photovoltaic systems. At the Jintan site, a clean energy consumption model based on 'self-generation for self-consumption, with surplus electricity fed into the grid' has been implemented. This year, the amount of electricity generated and consumed on-site at the Jintan site has increased by 66% compared to the previous reporting year. This has resulted in both the efficient utilization of site space and an increase in the proportion of renewable energy, thereby optimizing the energy consumption structure and providing a quantifiable, sustainable practical pathway for the low-carbon transition of production and operations.

Wall-Mounted Photovoltaic System at Jintan Base



Management Measures

Energy-saving office and building an energy-efficient office environment >>

Comprehensively promote energy-efficient LED lamps, deploy intelligent voice-controlled lighting systems in public areas such as office corridors, realize 'people walking lights out', and effectively reduce unnecessary power consumption.

low-carbon commuting and advocating a green travel paradigm >>

The Jintan base has opened a new energy electric shuttle bus, covering the main residential areas of the city, providing administrative personnel with convenient and low-carbon commuting options. It not only reduces the burden of commuting for employees, but also reduces carbon emissions during commuting, achieving a win-win situation between employee well-being and environmental responsibility.

Promote environmental protection and cultivate a carbon reduction culture for all employees >>

The Company attaches great importance to the cultivation of energy conservation and environmental protection awareness, and regularly organizes various forms of energy conservation and emission reduction publicity activities and special training to popularize energy conservation knowledge and promote green practices to all employees, so as to help the enterprise continue to improve its environmental performance.

Water resource management

The Company attaches great importance to water resources management and protection, incorporates water conservation and emission reduction into the sustainable development strategy, strictly abides by the Water Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, and other laws and regulations, and actively fulfills the legal responsibilities and social obligations of water resources protection. In accordance with national regulations and industry standards, the 'Water Conservation Management Measures' are prepared and implemented, and the responsibilities, monitoring processes, and continuous improvement mechanisms of water resources management are clarified.

The Company strengthens the refined operation and maintenance of water facilities, and implements regular inspections and maintenance of water supply pipelines, valves, faucets, and other facilities in production workshops and relevant departments to eliminate the phenomenon of 'running, leaking, dripping, and leaking', and reduce the loss of water resources from the source. During the reporting period, water consumption per unit of output value decreased by nearly 13% compared with the previous year, and exceeded the 2025 environmental performance target for water consumption

During the reporting period

water consumption per unit of output value decreased by nearly

13%

Packaging material management

The Company implements the concept of green operation throughout packaging and logistics, systematically implements packaging reduction, recycling, and optimization design, and continuously reduces resource consumption and operational carbon footprint.

Recycling, closed-loop management of packaging materials

Implement a recyclable packaging system, set up fixed recycling points for specific suppliers, and regularly recycle packaging materials to achieve closed-loop management and secondary use of packaging materials, effectively reducing waste generation.

Green replaces, wooden stunned replaces cartons

The Dali base innovatively uses wooden guards to replace traditional cartons for short-distance transportation, which has excellent protection performance and is easy to recycle, significantly improving the recycling rate of packaging materials while reducing packaging costs.

Reduction optimization, packaging streamlining and reconstruction

Based on actual logistics and industry research, the packaging scheme is streamlined and reconstructed, and the carton pad is reduced from five layers to three layers, reducing the amount of packaging materials per unit product under the premise of ensuring transportation safety. After optimization, the carton molds have been significantly reduced from 197 sets to 37 sets, effectively reducing the risk of warehouse occupancy and inventory backlog. This year, we will further improve the carton structure design and printing scheme, continue to promote packaging reduction, and practice the concept of low-carbon logistics.

◎ Emissions and Waste Resources Management

The Company has always adhered to the principle of legal compliance and systematic governance, strictly abides by the 'Air Pollution Prevention and Control Law of the People's Republic of China', 'Water Pollution Prevention and Control Law of the People's Republic of China', 'Wastewater and Waste Gas Discharge Management Regulations' and other national laws and regulations, formulates the internal management system of the 'Three Wastes Discharge and Monitoring Management Measures', and systematically builds a whole-process control system covering emission control, monitoring and tracking and compliance management. Promote the standardized disposal of the 'three wastes', continue to reduce environmental impact, and earnestly fulfill corporate environmental responsibilities.

Wastewater management

The Company follows the principle of 'prevention first, combination of control and control' and establishes a systematic and standardized wastewater treatment system. Each production base implements a drainage system of 'rainwater and sewage diversion, cleaning and sewage diversion', and realizes the classified collection and qualitative treatment of rainwater, domestic sewage, and potential pollution streams from the source, effectively avoiding cross-pollution. This year, the Company further carried out comprehensive investigation and special maintenance of the domestic wastewater pipe network to prevent domestic wastewater from entering the rainwater pipe network and causing pollution, and strengthened the reliability of diversion management from the facility level. For the cooling water system of the workshop refrigeration unit, the recycling efficiency of cooling water is improved by enabling water circulation and side filtration device, discharging frequency of the system and reducing the water replenishment, and achieving the dual benefits of sewage discharge reduction and water resource conservation. There is no productive industrial wastewater in the base, and the domestic sewage is uniformly integrated into the municipal sewage treatment system after pretreatment by septic tanks, and the whole process is discharged in compliance. The wastewater discharge this year decreased by 52.47% compared with the previous year. At the same time, the Company entrusts a qualified third-party testing agency to monitor the wastewater discharge outlets of each base every year to ensure that the discharge meets the standards.

Exhaust gas management

The Company has established a whole-process control system covering exhaust gas collection, treatment, and discharge, strictly complies with the 'Air Pollution Prevention and Control Law of the People's Republic of China' and the relevant requirements of pollutant discharge permits, and is committed to achieving compliance, reduction, and cleanliness of exhaust gas emissions.

Exhaust gas emission reduction measures

- Establish exhaust gas induction ducts and maintain the existing dicing machine dust treatment device.
- Exhaust equipment such as gas collection hoods and fans is set up, and the VOCs organic waste gas is treated with a 'dry filtration + activated carbon adsorption and desorption + CO catalytic combustion' device, which is discharged at high altitude after meeting the standard.

- The Suqian base has installed online monitoring equipment to monitor exhaust gas emissions in real time 24 hours a day, focusing on accurate traceability monitoring of the emission concentration of core pollutants such as non-methane total hydrocarbons. Ensure the transparency, authenticity, and traceability of exhaust gas emission data.

📊 This year


the actual discharge of non-methane total hydrocarbons from the Suqian base was

3.533 tons


- Entrust a qualified third-party organization to test exhaust gas emissions and environmental quality.

Waste management


The Company strictly follows the ‘Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste’ and relevant laws and regulations, adheres to the governance principle of ‘resource utilization and harmlessness’, and formulates and implements internal regulations such as ‘Waste Management Measures’, ‘Waste Material Scrapping Treatment Measures’, and ‘Hazardous Waste Management System’ Clarify the classification standards, management responsibilities, treatment processes and supervision mechanisms of various types of waste, and strive to minimize environmental risks and maximize the resource value of solid waste.

- 
Classified storage management

Strictly implement the waste classification collection system, set up clearly marked special collection points in each area, and regularly clear and transport waste to the storage warehouse.
- 
Safety protection settings

Waste storage points implement anti-leakage and anti-overflow engineering measures, and configure fire protection facilities within 20 meters around the yard to build a dual protection system for the environment and safety.
- 
Regular inspection mechanism

Establish a daily inspection and special weather emergency inspection system, immediately deal with waste scattering, overflow, etc., increase the frequency of inspections and clearance during rainy seasons, typhoons, and other periods, and maintain the stability and compliance of the site.
- 
Hazardous waste transfer control

The handling of hazardous waste needs to fill in the ‘Hazardous Waste Inbound and Outbound Ledger’ and ‘Hazardous Waste Transfer Joint Form’ to ensure that all links of warehousing and transportation are traceable and verifiable.
- 
Recycling and processing

For recyclable waste, the Company either partners with specialist recycling firms or reuses materials internally, thereby effectively reducing waste and promoting green production.

During the reporting period

The solid waste compliance disposal rate is

100%

There are no major chemical leakage accidents and environmental pollution accidents

Total waste generation was reduced by

34% compared with 2024,

exceeding the environmental performance targets

Developing Green Products

ZNSHINE is committed to creating product solutions that are more beneficial to the environment and society, striving to reduce the carbon footprint of the whole life cycle of products, using green and environmentally friendly materials as much as possible in the whole industry chain, such as design, manufacturing, sales, and after-sales, strictly controlling harmful substances in products, and promoting the recycling of materials. At the same time, the Company continues to improve the ability of products to resist natural disasters through innovative research and development, improve the disaster resistance of products, and extend the life of products.

◎ R&D of Carbon Reduction Technologies

Guided by the principle of developing carbon reduction measures within our production processes, by 2025, we have effectively reduced exhaust emissions during production through process and material optimization.

Alternative flux excipients

Replacing the original alcohol solvents with low-VOCs raw materials and excipients, and gradually replacing alcohol solvents with 88% alcohol solvents with 15% modules.

it is expected to reduce exhaust emissions by about

30%

◎ Coping with Natural Disasters

We have realized the impact of frequent strong winds, blizzards, hail, and other extreme weather on photovoltaic module products this year, which can significantly affect both product lifespan and power generation efficiency. Throughout the year, ZNSHINE has continued to leverage our strengths in technological research and development, constantly refining its products to achieve significant improvements in their resilience against natural disasters.

Coping with extreme wind and snow high-strength materials

The frame material directly affects the strength, durability, and corrosion resistance of the photovoltaic module. Through material innovation and structural optimization, ZNSHINE has launched high-strength steel frames and polyurethane (PU) composite frames, which not only significantly improve the wind pressure and corrosion resistance of modules, effectively resist extreme wind and snow invasion, but also simplify the installation process and reduce construction and operation and maintenance costs.

Dealing with hurricane

bracket system upgrades

In response to the hidden dangers of ground double column fixing brackets exposed by the Philippine super typhoon, the Company iteratively upgraded the U-bolt briquettes: optimize the size and structural design to prevent the modules from displacement, slipping, or tilting under wind and snow loads; Through reasonable mechanical design and connection methods, the load is effectively transferred to the support foundation to ensure the stability of the system structure under extreme conditions such as strong winds or earthquakes. This bridge can be widely used in various types of photovoltaic projects, such as ground and roof, and is suitable for a variety of bracket systems, with both universality and reliability.



Site view of the 8.625MW project in the Philippines

◎ Innovative low-carbon products



In the product development and design process, we include environmental impact and compliance with environmental regulations in the review content, and compile Design and Development Materials to control and reduce the environmental footprint of the whole product life cycle from the source.



In 2025, the Suqian base will obtain a number of green certifications such as 'Product Carbon Footprint Certification', 'Green Supply Chain Certification', 'Green Factory Evaluation Certification', and 'Ecological Design Product Management System Certification'.



The Company attaches great importance to and actively promotes the green recycling and recycling of products, and has signed a cooperation agreement with the European PV Cycle Agency to comply with the requirements of the WEEE directive.

Dealing with rainwater hazards

nano waterproofing solutions

The waterproof and rainproof nano-coating solution has a significant effect on the repair of leaky roofs, and is both aesthetic and practical. The coating has stable chemical properties, strong waterproof durability, a service life of up to 25 years, and excellent high temperature and low temperature resistance, freeze-thaw resistance, and is suitable for most climatic environments in most parts of the country.



Nano coating roof photovoltaic



ZNSHINE received the 'Green Supply Chain Certification'

ZNSHINE received the 'Green Factory Evaluation Certification'

ZNSHINE received the 'Ecological Design Product Management System Certification'

ZNSHINE received the Product Carbon Footprint Certification

03

CRAFTSMANSHIP

Innovation-Driven,
Guarding Quality



● important issues

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Innovation-Driven Development

ZNSHINE adheres to the innovation-driven development strategy and comprehensively strengthens the construction of technology research and development and intellectual property protection system. The Company systematically carries out the layout and management of intellectual property rights to provide important support for technological innovation and achievement transformation. At the same time, it actively promotes the transformation of digital intelligence, deeply integrates digital technology and production and operation, and promotes the high-quality development of enterprises with data analysis and intelligent systems.

© Committed to innovation-driven development

The Company has always regarded technological innovation as the core driving force for sustainable development, continued to build and improve a systematic R&D system, increased investment in R&D resources, deepened industry-university-research cooperation, and is committed to the iterative upgrading and differentiated innovation of photovoltaic module products, and empowering the wide application and efficiency improvement of green energy with technology.

R&D architecture

As of the end of the reporting period, the total number of R&D personnel has reached 102 people, and the team members cover new technology R&D, process optimization, and other key fields, forming a high-level professional talent echelon. During the reporting period, the Company's R&D investment reached 40 million yuan, continuing to provide a solid resource guarantee for technological innovation and promoting the systematic and efficient development of R&D activities.

R&D cooperation

The Company actively promotes collaboration between industry, academia and research, having established a close partnership with Dalian University of Technology to jointly advance key R&D projects such as 'combined photovoltaic-thermal' technology. The integrated photovoltaic-thermal system, featuring PVT modules developed through this collaboration, has successfully achieved the efficient and simultaneous conversion of solar energy into both electricity and heat within a single module. It delivers a combined power output of over 2,100 W and achieves a solar-to-thermal conversion efficiency of 76.7%. This system has been successfully deployed in various settings, including sports stadiums, university gymnasiums and student accommodation. Through the coordinated operation of the PVT system and heat pumps, it continuously supplies electricity to buildings whilst effectively meeting heating, cooling and hot water requirements. This achieves multi-level energy utilisation and an overall improvement in system efficiency, representing a significant achievement for the Company in the innovation and practical application of clean energy technologies.

R&D results

The Company continues to achieve technological breakthroughs and product upgrades around the research and development of module products, responds to diversified market demand with more efficient, lightweight, and differentiated photovoltaic solutions, and continues to enhance product competitiveness and green energy application value.

Module product upgrade

The lightweight rigid modules developed by the Company take innovative materials and structural design as the core breakthrough, achieving an industry-leading level of less than 8 kg/m² per unit weight. By using ultra-thin glass and optimized bezels, the modules significantly reduce weight while maintaining excellent mechanical strength and impact resistance. The supporting quick installation system shortens the installation time of a single module to 3-4 minutes, greatly improving construction efficiency and reducing labor costs. This product effectively reduces the load pressure on the roof structure, reduces the need for reinforcement, broadens the applicability of photovoltaics on the roofs of various industrial, commercial, and public buildings, and its high-reliability design ensures long-term stable operation under harsh climatic conditions.

Innovate and develop differentiated products

Empowering Inclusive Energy: An ultra-cost-effective system solution for the African market

In view of the current situation of weak infrastructure and lack of professional installation talents in Africa, the Company has developed and launched an integrated set of 'high-reliability modules + lightweight quick installation brackets'. The set adopts the modular structure design of 'ready-to-install, fix, disassemble, and repair', through innovative modules such as profiling sprouting parts, adjustable U-shaped anchorages, and segmented struts, to achieve rapid assembly without professional tools and simple manpower, and the installation efficiency is increased by more than 50% compared with the traditional scheme, which significantly reduces the dependence on professional installers and on-site construction costs, and effectively solves the core pain points of 'long logistics, difficult installation, and low efficiency' caused by insufficient infrastructure in Africa. By providing reliable, economical, and local clean energy products, the initiative helps popularize local green energy.

Intelligent green aesthetics: Color Cloud Product imitation building appearance dazzling modules

The Company actively explores a new path of photovoltaic building integration (BIPV) and launches the 'Color Cloud' imitation building appearance modules to promote the deep integration of green power and architectural aesthetics. The product uses stained-glass technology to ensure high power output while providing 7 color options, and the light transmittance is accurately controlled between 65%~94%. By effectively masking the cell profile, the module can be used as a colored wall or roof material that harmonizes with the building's appearance. While achieving green carbon reduction, these modules significantly enhance the aesthetic value of buildings and define a new green paradigm for modern architecture.



Color Cloud imitation building appearance modules

Help resource recycling: 'trade-in' renewal plan for old power stations

In response to the needs of clean energy asset life cycle management, the Company has launched an upgrade and replacement plan to adapt to old power stations and extend the operating life of power stations through technical means. This solution adopts a module design compatible with the installation of old power stations, directly replacing old modules, greatly reducing the cost and construction period of renovation. The new modules offer significant improvements in power generation efficiency, temperature coefficient, low-light performance, and mechanical reliability, and are combined with a quick-install system to further simplify the installation process and reduce O&M complexity. Through this solution, the power station can achieve a maximum increase of 32.7% in system power generation and a 6.5% increase in system efficiency (PR) while maintaining the original layout, providing the best economic and technical path for the green renewal and sustainable profitability of the power station.

Withstanding Extreme Snow and Wind: Material Innovation and Mounting System Upgrades

To confidently withstand the rigours of severe weather conditions such as extreme snowstorms and super typhoons, the company has adopted a dual-pronged approach focusing on material innovation and mounting system optimisation. On the one hand, it has upgraded the materials used for photovoltaic frames, adopting high-strength steel frames and polyurethane (PU) composite frames. Through material innovation and structural optimisation, the wind resistance and corrosion resistance of the photovoltaic modules have been significantly enhanced, enabling them to effectively withstand extreme snow and wind disasters, whilst simultaneously streamlining installation procedures and reducing construction and subsequent operation and maintenance costs; On the other hand, addressing the safety hazards associated with double-post fixed mounting systems during typhoon conditions, the company has iteratively optimised the dimensions of the U-bolt clamping block structure and scientifically designed the mechanical connection method. This effectively prevents modules from shifting, slipping or tilting under strong winds and snow loads, ensuring the overall structural stability and reliability of the power station under extreme conditions. The new clamping blocks are compatible with various ground-mounted and rooftop photovoltaic applications and diverse mounting systems, offering excellent versatility and operational stability.

The Company's deep cultivation and practice in the field of innovation have won wide praise from the industry. In 2025, ZNSHINE won a number of industry heavyweight awards for its excellent product performance and advanced ESG governance practices: the module products developed by the Company won the '7th China Household and Industrial Optical Storage and Charging Industry Module Product Award' issued by Century New Energy Network with its excellent technical strength. With its outstanding performance in environmental, social, and governance aspects, the Company was selected as one of the 'Top 100 Energy ESG Cases in 2025' jointly selected by China Energy News, China Institute of Energy Economics, and Greenlight Climate Research Institute. These honors are not only an affirmation of ZNSHINE's innovative achievements in the past year, but also a strong testimony of the Company's continuous practice of green development and excellent quality.

© Intellectual Property Protection

The Company attaches great importance to the creation, application, protection and management of intellectual property rights, strictly abides by the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other laws and regulations, and establishes a systematic and standardized intellectual property management system in accordance with the 'Enterprise Intellectual Property Management Specifications' and 'Intellectual Property Management Manual' and other standards, standardized operation, to achieve full life cycle protection from technology research and development to achievement transformation.

During the reporting period, the Company added 4 new authorized patents, covering core technology fields such as TOPCon batteries, HJT double-sided double-glass modules, and automatic transfer devices.

The Company actively participates in the development of the industrial intellectual property ecosystem. In December 2025, it was invited to attend the 'Enterprise Innovation and Development and Intellectual Property Theme Salon' organized by Suzhou Huajin Intellectual Property and the Jiangsu Semiconductor Industry Association. The event focused on analyzing the trend of global expansion and empowering high-tech intelligent manufacturing. The Company, alongside a group of leading enterprises, engaged in in-depth discussions on topics including intellectual property trends in the telecommunications sector, strategies for high-quality patent portfolios, and risk management for the global expansion of intelligent manufacturing. This provided a platform for sharing experiences regarding intellectual property management and international expansion for regional enterprises, thereby contributing to the overall enhancement of the industry's capacity for innovation protection.

© Digital Intelligence Transformation Empowerment

ZNSHINE regards digital transformation as the core engine of sustainable development of enterprises, and systematically deploys digital platforms and intelligent systems around key links such as production and operation, data analysis, intelligent operation and maintenance, and construction management, comprehensively improving operational efficiency, decision-making quality, and process control capabilities, and driving business innovation and green and low-carbon transformation with digital collection.

Digital operation system

By integrating the digital system of each link, the Company has realized the full link from customer management to terminal production, which has significantly improved the synergy efficiency of the overall operation.

Digital Operation



Relying on the CRM customer relationship management system, it deeply empowers customer management, resource allocation, and financial office, and builds an agile market response mechanism.

Digital production



Integrate MES manufacturing execution system, WMS warehouse management system, and IOT IoT platform to achieve real-time collection of production data and precise control of manufacturing processes. At the same time, with the help of the ZNSHINE Green Energy Cloud Platform, the Company effectively manages key nodes in the EPC construction process to ensure that the project schedule and quality are controllable in real time.

Intelligent decision support

This year, the Company officially launched the ‘Blue Wing Intelligent Data Analysis Platform’ to build an enterprise-level data center. The platform integrates five core functions: intelligent search, decision-making center, database access, command center, and risk control center, and breaks through data barriers of heterogeneous systems such as ERP, CRM, MES through ETL tools to achieve automatic data cleaning, intelligent conversion, and unified indicator management.

The platform presents key business indicators with visual dashboards, supports real-time data updates and intelligent early warnings, provides multi-dimensional business analysis and decision-making support for management, significantly improves data collaboration efficiency, reduces operational decision-making risks, and provides a solid data infrastructure for enterprise digital transformation.

Intelligent operation and maintenance system

• AI visual recognition empowers intelligent manufacturing

The Company deploys an intelligent visual recognition system in the manufacturing workshop, using AI algorithms to monitor and intelligently analyze equipment operating status, production flow efficiency, operation specification implementation, and environmental safety parameters in real time. The system can automatically identify abnormal working conditions, transform traditional post-event maintenance into predictive maintenance, effectively improve the comprehensive efficiency of equipment, and ensure the compliance of production processes and the response speed of on-site management.

• Intelligent construction guards the safety of personnel

The Company has built an intelligent monitoring system throughout the whole construction process, equipped the on-site construction personnel with safety helmets with integrated intelligent cameras, and realized real-time positioning of personnel, return of work screens and intelligent recognition of behavior. The personnel dynamics and safety data of each construction node are uniformly connected to the Company’s intelligent monitoring platform, supporting remote inspection, risk early warning, and whole-process traceability, significantly improving the level of refinement of construction management, building a solid line of defense for safe production with scientific and technological means, and ensuring the quality of projects and delivery.



Smart Camera Safety Hat

Full Lifecycle Management

◎ Quality System Construction

The Company understands that quality is the core lifeline of sustainable development. During the reporting period, we continued to optimize our quality management system and are committed to providing high-reliability green energy solutions to global customers through system innovation, precise monitoring, and standardization.

The Company always adheres to the management concept of ‘system first, prevention first’, and embeds quality compliance requirements into the whole life cycle of products. We keep up with the evolution of industry standards, and this year the Company has comprehensively upgraded its core quality system. The Module Quality Control Plan and Module Mass Production Reliability Test Procedure and other systems have been revised to ensure that the production process is based on evidence. By introducing the ECCB⁶ Management Regulations and deepening the implementation of the Potential Failure Modes and Consequences Analysis, the Company has strengthened its ability to identify, prevent, and control potential technical risks, and reduce compliance risks from the source.

In order to ensure the effective penetration of quality objectives from the strategic level to the executive level, the Company has built a strict quality control index system. We have formulated strict monthly quality target indicators and corresponding target values, and through the normalized closed-loop management mode of ‘monitoring-statistics-review’, we can ensure that the management can grasp the quality dynamics in real time. In response to the abnormal fluctuations found in the monthly monitoring, the Company organizes cross-departmental special seminars to ensure that various deviations are responded to and corrected in the shortest possible time, driving the spiral of quality management level.

Through systematic management investment, the Company has achieved remarkable results in the field of quality management and compliance, and handed over transparent and reliable answers. During the reporting period, the three main production bases in Suqian, Jintan, and Dali have successfully obtained ISO 9001 quality management system certification, achieving full coverage of quality management in core production capacity areas. In the production and operation in 2025, all core quality inspection indicators performed well, fully achieved the set goals, and demonstrated excellent operational robustness.

🏆 Achieve results in 2025

Customer satisfaction rate

≥ 93%

The pass rate of the finished product in one inspection

≥ 99.5%

Customer complaint resolution rate

100%

The pass rate of auxiliary material inspection

≥ 95%

Product recall

0

⁶ECCB: Engineering Change Management.

◎ Full Life Cycle Quality Management

The Company is committed to establishing a quality management system throughout the whole life cycle of products, supporting the construction of professional R&D and testing centers, and providing all-round support for product quality management with the industry's top testing and analysis equipment and professional talent team.



◎ Quality Culture Construction

The Company is fully aware that outstanding product quality stems from the continuous enhancement of quality awareness among all staff and a deeply rooted corporate culture. During the reporting period, the Company established a multi-tiered, comprehensive quality training system, striving to translate strict quality requirements into voluntary actions by all staff and thereby strengthening the talent base for quality management.

In 2025, the Company will continue to increase investment in quality empowerment, and comprehensively improve the professional level of the quality team through systematic curriculum design and high-frequency training.



The Company has implemented differentiated and modular empowerment plans for the quality management needs of Suqian, Jintan, and Dali production bases. The training content is close to reality, covering customized product quality inspection standards, practical application of advanced quality tools, in-depth publicity and implementation of quality systems, and special explanations of new product processes, etc., to ensure that quality management standards are uniformly and efficiently implemented in all production bases. The Company has established a dual-track training model including annual regular training and special training for new products to ensure that employees can master cutting-edge technologies and processes in real time and effectively respond to various quality challenges in the production process.

While empowering knowledge, the Company attaches great importance to employees' sense of honor and belonging, and promotes the implementation of quality culture through diversified incentive mechanisms. In the annual training and new product special projects, the Company awards honorary awards to employees with excellent performance and excellent skills to set a quality benchmark. Through the method of 'promoting learning through awards', the Company has created a good atmosphere of respecting technology and pursuing excellence within the Company, further enhancing employees' sense of identification with the Company's core values of quality, and providing a power guarantee for the realization of quality management of 'all employees, the whole process, and the whole life cycle'.



Workshop training site

Building a Responsible Supply Chain

Traveling alone is fast, while many travelers are far. ZNSHINE knows that in the tide of global energy transformation, sustainable development is no longer the sole responsibility of enterprises, but the whole industrial chain. We regard the supply chain as an extension of the core competitiveness of the enterprise, and insist on deeply integrating the value orientation of ‘people-oriented’ and ‘environment-friendly’ into every link of procurement and delivery.

Supplier Management

ZNSHINE adheres to the management principle of ‘source control, strict process management, and survival of the fittest’. During the reporting period, with the goal of improving the resilience and quality of the supply chain, we systematically iteratively upgraded the supplier management system, comprehensively updated the ‘Supplier Development and Management Procedures’, revised and improved the scoring standards of qualified suppliers, and updated the list of qualified suppliers to meet the intensification of industry competition and customers’ requirements for continuous improvement of product quality.

We continue to improve the supplier full-cycle management system, involving supplier access, supplier review, supplier rating and grading management, etc., to form a complete and comprehensive supplier approval management process.

Supplier access:



Comprehensive due diligence

Implement a full range of technical and quality due diligence based on the Supplier Assessment Report. Conduct penetrating review from the three dimensions of ‘system, process, and product’ to ensure that suppliers have stable process control capabilities and quality assurance systems. At the same time, ZNSHINE’s deep technical accumulation in the field of photovoltaic materials will be integrated into the evaluation criteria. Combined with the cutting-edge level of the industry and materials science expertise, we conduct in-depth verification of the core process parameters and raw material characteristics of suppliers, give scientific and objective comprehensive evaluation conclusions, and avoid technical risks from the source.

Set up an access red line

All our suppliers must obtain ISO 9001 quality management system certification, ISO 14001 environmental management system certification, and ISO 45001 occupational health and safety management system certification at the same time.

Strict review of qualifications

Clarify the strict requirements for suppliers’ non-financial indicators. Strictly verify suppliers’ pollutant discharge permits, EIA reports, and hazardous waste treatment capabilities to ensure their environmental compliance. Focus on reviewing suppliers’ performance in labor rights and human rights protection, strictly prohibit the use of child labor, forced labor, and employment discrimination to ensure employment compliance. Deeply evaluate the supplier’s corporate governance structure, EHS management capabilities, and business ethics performance. We require suppliers to sign compliance commitments and implement a ‘one-vote veto’ on companies with a record of commercial bribery or major dishonesty.

Regular Supplier Audits



We have established a scientific, fair, and transparent supplier review system. During the reporting period, the Company selected a core auxiliary material supplier for a penetrating on-site audit every month. The audit covers 16 key indicators such as quality management, raw material control, price, and a number of specific inspection items to ensure that each score is ‘well-documented and traceable’. Finally, we dynamically rate suppliers based on quantitative scoring results, and mandate suppliers to complete rectification of weak links within a time limit, so as to achieve a closed loop of audit management.

Supplier rating and grading management



For qualified suppliers with more than 10 incoming materials, we carry out annual on-site assessments, and the performance appraisal grades are divided into five levels: A, B, C, D, and E.

Supplier grading performance	Take action
Grade A: Excellent	Relaxation of incoming inspection frequency requirements and/or incentives for better business terms
Grade B: Good	Maintain the status quo and encourage doing better
Grade C: Fair	Tighten the frequency of sampling inspections (if necessary) and encourage better work
Grade D: To be improved	Submission of corrective precautionary action reports: Tightening the frequency of sampling inspections (if necessary)
Grade E: Not qualified	If there are no effective improvements, the qualification will be re-evaluated

During the reporting period, relying on the strict access mechanism and dynamic assessment system, we completed the optimization and adjustment of the annual supply chain structure. Among them, the number of qualified suppliers of cells has been streamlined and optimized from 13 to 12, and the number of qualified suppliers of auxiliary materials has been dynamically adjusted from 80 to 84 according to business needs.

By the end of the reporting period, all qualified core suppliers in the inventory had achieved

signed the ‘Supplier Social Responsibility Commitment’

100%

ISO 9001 quality certification, ISO 14001 environmental certification and ISO 45001 occupational health and safety certification.

100%

◎ Supplier Communication and Cooperation

ZNSHINE understands that the resilience of the supply chain stems from trust and collaboration. We are committed to breaking down organizational boundaries and establishing an all-round and multi-level communication mechanism and empowerment system.

We have built an 'online & offline' dual-track communication platform to ensure the efficient transmission and strategic alignment of information flow in the upstream and downstream of the supply chain. We regularly hold annual supplier conferences to share ZNSHINE's strategic planning, technical route, and ESG vision with our core partners. The Company's senior executives and technical teams regularly go deep into the front line of suppliers, carry out on-site inspections and technical exchanges, and listen to the demands and suggestions of partners face-to-face. Relying on the online daily communication mechanism, real-time sharing of order collaboration, quality feedback, and market dynamics is realized to ensure the agility of supply chain response.

For suppliers of different sizes and capabilities, ZNSHINE implements a differentiated management and support model of classified policies to help improve the balanced capabilities of the whole chain. For large suppliers with mature management and leading technology, we focus on giving them higher authority to solve problems independently, focusing on in-depth cooperation in joint research and development, cutting-edge technology research, and global layout, and jointly joining forces to expand the market. For small and medium-sized suppliers with good development potential but weak foundations, we assist them in finding the causes, optimizing the process, and helping them establish their own hematopoietic and continuous improvement capabilities.

In the face of sudden abnormalities or complex technical problems on the production site, we work with suppliers to deal with on-site problems. The two parties jointly conduct data review, equipment debugging and process verification at the production site, and efficiently solve practical problems through seamless cross-enterprise cooperation to ensure the continuity and stability of delivery.

◎ Supplier ESG risk management

ZNSHINE adheres to integrating ESG risk management into the whole procurement process, and builds a resilient, compliant, and low-carbon supply chain ecology through the four-in-one management and control mechanism of 'contract constraints, risk investigation, green innovation, and empowerment and improvement', and promotes the integration of ESG concepts into the development of the supply chain.



Contractual constraints

the Company internalizes ESG compliance requirements as the legal bottom line of business cooperation to achieve contractual binding of responsibilities. Mandatory inclusion of 'integrity commitment clauses' in all procurement contracts clarifies the punishment measures for commercial bribery. It is mandatory for core suppliers to sign the 'Supplier Social Responsibility Commitment'. The content covers six dimensions: compliance with laws and regulations, protection of employee rights and interests, environmental protection and sustainable development, business integrity and fair competition, social responsibility investment and feedback, continuous improvement and supervision, to ensure that suppliers are highly aligned with ZNSHINE in terms of values.



Risk investigation

the Company relies on the annual audit plan to conduct due diligence on suppliers to identify and resolve potential supply chain disruption risks in a timely manner to ensure the long-term stability of the supply chain. In addition, we pay great attention to 'conflict minerals' and mineral management in high-risk areas. We commit to and require our supply chain to strictly follow the OECD Ore Supply Chain Due Diligence Guidelines for Conflict-Affected and High-Risk Areas, conduct responsible mineral traceability investigations, and ensure that metals such as tin, tantalum, tungsten, and gold contained in our products do not directly or indirectly contribute to armed conflict or human rights violations.



Green innovation

the Company actively implements the 'green procurement' strategy, prioritizing the introduction of environmentally friendly materials to reduce the carbon footprint of our products at the source. As a pioneer in the application of low-carbon materials in the industry, we vigorously promote polyurethane (PU) composite frames to replace traditional aluminum alloy frames. According to the whole life cycle assessment (LCA), the energy consumption of polyurethane frames in the manufacturing process is greatly reduced. Its full life cycle carbon footprint is only 12% - 15% of that of traditional aluminum alloy frames.



Empowerment and improvement

the Company adheres to the principle of 'It's better to teach a man how to fish than to feed him with a fish', so we regularly conduct ESG empowerment training for suppliers. The course covers the basics of carbon management, labor rights compliance, business ethics practices, etc., helping suppliers improve their ESG management maturity and promote the transformation of the supply chain from 'passive compliance' to 'active responsibility'.

Thanks to our excellent practices in green procurement and supply chain responsible management, we successfully obtained the green supply chain certification during the reporting period. This honor marks that ZNSHINE has reached national standards in the dimensions of green supplier management, green production, green recycling, and green information disclosure, and has become a benchmark enterprise for the green transformation of the industry.

Focusing on Customer Value

The Company attaches great importance to the protection and improvement of customer value, adheres to the customer-centric service concept, not only ensures the long-term stable performance of products and solutions by building an efficient and reliable full-cycle customer service system, but also pays more attention to establishing a transparent and two-way communication mechanism, actively listening to and responding to customer voices, and transforming feedback into practical actions to improve product innovation and service quality. At the same time, the Company adheres to the marketing commitment of responsibility and integrity, and are committed to creating lasting and reliable value for customers in every interaction and cooperation, and achieving win-win and long-term development.

◎ Customer Service

The Company has established and continuously improved a series of management systems, covering the whole process from customer development, credit evaluation, after-sales service to complaint handling, including the 'Customer Management System', 'Sales Customer Credit Management System', 'Customer After-sales Service Management Measures', 'Customer Complaint Handling Process' and other regulations, supplemented by the 'Customer Service System Supplementary Document' to ensure the adaptability and integrity of the system.

The Company fully launched the CRM customer relationship management system to efficiently implement the system requirements, which is built on CloudCC.com cloud computing software V2.1, which not only improves customer management efficiency and collaboration capabilities, but also ensures customer data privacy and stable system operation through a reliable information security architecture. The Company attaches great importance to the protection of customer rights and interests, and has established a protection mechanism for secondary customers to maintain a healthy business ecology and partnership.

The Company regularly organizes and carries out special training covering product knowledge, business processes, and system specifications, and completes 12 customer service trainings and 8 offline trainings for dealers throughout the year through a combination of online and offline, and ensures that 100% of customer service personnel participate in annual training, and continuously improves the professionalism and responsiveness of the service team.

The Company has established a complete and systematic after-sales service management mechanism throughout the process to ensure that customers always enjoy reliable and efficient technical support and comprehensive rights and interests protection from product delivery, operation to final decommissioning.

Improve system guarantees

A series of after-sales related documents such as 'Limited Warranty - Solar Module Products' and 'Installation Manual' have been formulated to clearly define the scope of product warranty, liability period, and operating specifications to ensure the reliability of customers in the process of compliant use and self-installation.

Optimize the after-sales team

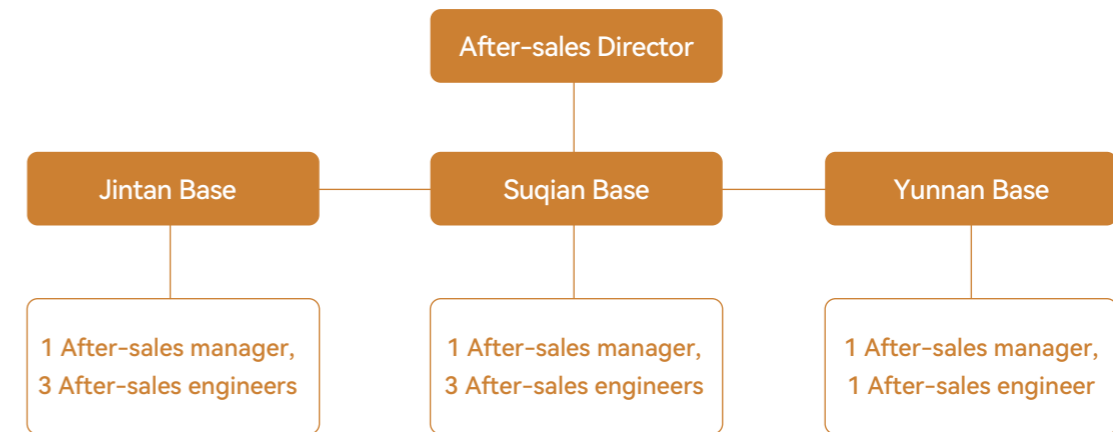
Carry out continuous skills training for team members, promote the upgrade of the after-sales technical service team to in-depth operations, and consolidate its dual advantages in service and product understanding and response mechanisms. For large-scale projects, we will implement 'dedicated on-site' services and provide on-site support from the installation stage to ensure the smooth delivery and stable operation of the project.

Tracking and feedback mechanism

Establish an after-sales tracking and active feedback mechanism, actively collect product data and usage feedback through regular quality return visits, and build multiple feedback channels to ensure efficient customer feedback. Implement a fault response mechanism to ensure that faults are quickly located and solved, and continuously improve customer satisfaction and product reliability.

The Company's after-sales service system is managed by the after-sales director, and the three production bases of Changzhou, Suqian, and Dali are the core fulcrum, and experienced technical service personnel are allocated to provide long-term, stable, and all-round technical support and service guarantee. The 'headquarters coordination, regional support' structure has formed a wide coverage and rapid response service network, which can provide customers with long-term, stable, and all-round localized technical support.

ZNSHINE's after-sales organizational structure chart

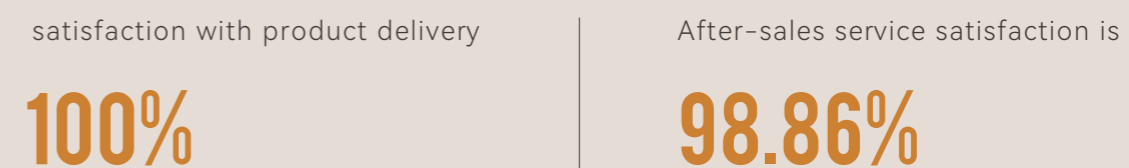


Customer Communication

The Company has systematically established three internal policy documents: Customer Complaint Handling Management Regulations, Limited Warranty - Solar Module Products, and Customer Satisfaction Investigation and Control Procedures, which respectively clarify the complaint acceptance and handling process, product warranty scope and service, as well as satisfaction research methods and improvement mechanisms, together constituting a customer-centric system guarantee system.

The Company regards customer communication and feedback management as an important part of the service system construction, and has established diversified communication channels covering official phone, email, WeChat, WhatsApp, Info mailbox, and LinkedIn to ensure that customer feedback is delivered without barriers. For complaint handling, achieve a 100% response rate to customer complaints, respond within 1 working day to give preliminary feedback, hold a customer complaint meeting within 2 working days, and reply to the cause analysis and improvement measures (improvement measures include temporary containment measures and permanent measures) based on customer complaint analysis, and issue an 8D report (127 principles) within 7 working days. This year, we further promoted the systematization of customer complaint handling: establishing a ledger for each complaint and implementing root cause analysis, holding inter-departmental monthly meetings for high-frequency problems, formulating improvement plans, forming standardized response processes and special disposal plans, and ensuring that problems can be traced and closed-loop. The customer complaint rate has improved year by year, the response time has stabilized within 12 hours, and on-site repair or replacement is the main treatment method, which not only efficiently solves customer problems, but also effectively avoids the cost and reputation risks caused by large-scale recalls.

2025 Customer Satisfaction Survey Related Performance



© Responsible Marketing

The Company strictly abides by domestic regulations such as the Advertising Law of the People’s Republic of China, and complies with international standards such as the EU Unfair Business Practices Directive to ensure that global marketing activities comply with laws and regulations.



Digital marketing platform

Establish three digital promotion matrices with websites, mini programs, and mainstream social platforms as the core, covering a total of 20+ major digital platforms, and build a systematic brand communication system.



Digital marketing platform

It has established stable strategic cooperative relations with a number of authoritative industry media, industry associations, and professional institutions to jointly carry out professional communication activities, effectively enhancing the transparency and credibility of the industry.



Publicity and distribution material review process

For the management of publicity materials, a strict division of labor review mechanism is implemented. The marketing department is responsible for material creativity, content writing, and preliminary production, and the external review department conducts a systematic review of materials from three dimensions: professionalism, compliance, and brand consistency.



Information authenticity and compliance

Establish a dual guarantee system. For authenticity control, all technical parameters are accurate and reliable through data verification, source traceability, and physical comparison testing. In terms of descriptive compliance, we implement legal reviews, international market standard comparisons, and multiple rounds of audit and verification processes to ensure that all marketing content complies with domestic and international regulatory requirements and sustainability guidelines.

Case

ZNSHINE's new products shine in São Paulo, Brazil, and win the 'Double Award'

From August 26th to 28th, 2025, ZNSHINE will appear at The Smarter E South America, the largest and most influential solar technology event in South America.

At the exhibition, ZNSHINE made a grand appearance with the latest high-efficiency modules equipped with graphene innovative technology, demonstrating the Company’s leading strength and forward-looking layout in the field of high-efficiency photovoltaic and new material integration to the global market. Based on excellent product performance and perfect service system, ZNSHINE continues to win the deep trust of customers in the South American market. During the exhibition, the Company was once again recognized by EUPD Research, an international authoritative research institution, and won two awards: 'Top Brand PV' and 'Top Innovation'. This is the second consecutive year that ZNSHINE has been awarded the 'Top Photovoltaic Brand in Brazil', which not only confirms the Company’s continuous improvement of market share and customer satisfaction in Brazil and Latin America, but also demonstrates its synchronous leadership of brand value and technical strength in the process of internationalization.



Top Innovation Brazil 2025



Top Brand PV Brazil 2025

04

PEOPLE-ORIENTED

Shared Growth, Co-creating the Future



● important issues

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Diversified Talent Development

ZNSHINE take talents as the core driving force for the sustainable development of enterprises. The Company adheres to the concept of ‘people-oriented, equality and inclusiveness’ and are committed to building a diverse, fair, and vibrant workplace ecosystem. By recruiting global talents, strictly adhering to the bottom line of compliance, optimizing salary incentives, and providing all-round care and support, we empower every striver to realize their self-worth, create and share with enterprises, and grow together.

◎ Protection of employee rights and interests

The Company considers respect and protection of human rights as the cornerstone of our operations. ZNSHINE strictly abides by the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Provisions on the Prohibition of the Use of Child Labor, the Employment Promotion Law of the People’s Republic of China and other laws and regulations, as well as relevant laws and regulations of overseas operations, and actively responds to international initiatives and standards such as the Universal Declaration of Human Rights, the International Labor Organization Convention, and the United Nations Guiding Principles on Business, Business and Human Rights, and attaches importance to and respects the human rights and legitimate rights and interests of all employees.

Rights and interests protection

At a time when the photovoltaic industry is facing cyclical adjustments and fierce competition, ZNSHINE always believes that a solid protection of employee rights and interests is the ballast stone through the industry cycle. In 2025, The Company will systematically update and supplement our human resources-related management systems in response to changes in the external environment and internal development needs, aiming to build a more resilient, more compliant, and warmer employment relationship.

The Company respects and protects employees’ freedom of association and collective bargaining rights, and give full play to the role of labor unions as a bridge in coordinating labor relations. The ZNSHINE Trade Union independently carries out its work, effectively safeguards the legitimate rights and interests of employees, establishes relevant charters to protect the legitimate rights and interests of employees, and prohibits any form of discrimination.

The Company actively implements our diversity, equity, and inclusion (DEI) strategy and are committed to removing all explicit and implicit barriers. We strongly oppose any form of employment discrimination based on gender, age, race, religion, nationality, and disability.

Equal employment

The Company firmly believes that a diverse workforce is the source of innovation and resilience in our enterprises. We strictly adhere to the principle of equal recruitment, committed to breaking the traditional gender stereotypes of the industry, and providing equal career development opportunities for talents of different genders and backgrounds. The Company pay special attention to the unique value of women in the energy transition, so that female employees can shine at all levels.

During the reporting period, the ratio of male and female employees remained at a balanced level of 1.6:1 (about 38% of women accounted for it), of which female managers accounted for 40%, which was significantly higher than the industry average.

Statistical categories	Subjects	In 2025	Unit
Total	Total number of employees	532	people
	Total number of employees with disabilities	0	people
Gender	Total number of male employees	327	people
	Total number of female employees	205	people
Types of employment	The proportion of female managers	40	%
	Top management	20	people
	The proportion of senior managers under the age of 45 (inclusive).	65	%
	The proportion of female senior managers under the age of 45 (inclusive).	67	%
	middle management	43	people
	The proportion of middle managers under the age of 45 (inclusive).	31	%
	The proportion of female middle managers under the age of 45 (inclusive).	45	%

Labor Human Rights

ZNSHINE has a 'no tolerance' attitude towards child labor and any form of forced labor. Actively implement the human rights policy set forth in the ILO Conventions, and strictly abide by the laws and regulations of the places where it operates in accordance with international standards such as United Nations Guiding Principles on Business and Human Rights, United Nations Global Compact, and the core conventions of the International Labor Organization. Commit to eliminating child labor at all operating sites and supply chains, without justifying forced labor.

The Company Statement:

- ★ Prohibit the use of child labor and forced labor, and do not accept any supplier or subcontractor who uses child labor or forced labor;
- ★ Respect workers' freedom and prohibit any form of forced labor;
- ★ Provide healthy and safe working and living conditions to ensure the safety and health of employees;
- ★ Promote labor-management cooperation and respect employees' freedom of association and collective bargaining rights;
- ★ Providing an equal and equitable working environment and prohibiting any form of discrimination;
- ★ Respect the basic human rights of employees and prohibit any form of insulting behavior;
- ★ Reasonable arrangement of production plans, reasonable arrangement of workers' working hours and rest and vacation;
- ★ Provide reasonable wages and benefits that meet at least the basic needs of workers;

◎ Employee Employment Incentives

ZNSHINE has built a systematic talent management mechanism, closely linking talent planning, training and development, safety education, evaluation and promotion, and making every effort to build a professional and international talent echelon. The Company continuously optimizes the training system, promotes the improvement of employee capabilities, and ensures that employees are highly aligned with the organization's strategy.

Talent attraction

The Company strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Provisions on the Prohibition of the Use of Child Labor, and the Employment Promotion Law of the People's Republic of China, and formulates the Recruitment Management System, Employee Handbook, and Labor Contract to clarify the recruitment process and protect the legitimate rights and interests of employees.

The Company adheres to the strategic vision of 'based on the local and serving the world', and regard the cultivation of compound talents with international vision as the core engine of enterprises going overseas. In 2025, the Company will strengthen the top-level design of the system, comprehensively revises Recruitment Management System' and Employee Handbook, promote the process of global management standardization, and consolidate the cornerstone of standardized, transparent, and internationally inclusive employment governance.

Relying on the continuous improvement of the system, the Company attaches great importance to the attraction of high-quality talents, reasonably formulates annual recruitment plans according to the needs of the department, and build and improve the Company's human resources system as needed. The Company has established a variety of recruitment channels such as campus recruitment, social recruitment, and internal recommendation to promote the integration of employees from different backgrounds, recruit talents globally, and continue to build a professional and diversified talent team to serve the Company's global layout strategy. We have joined hands with well-known universities such as Hohai University, Changzhou University, and Changzhou Institute of Technology to carry out industry-university-research cooperation projects. Attracting outstanding international students majoring in electronic and electrical engineering, mechatronics, marketing, and other majors to ZNSHINE to help us build a bridge of communication with overseas markets.

In order to help new employees, adapt and integrate into the Company as soon as possible, the Company provides comprehensive induction training and safety education and training, and organize comprehensive training and safety education at the Company-department-team level. In order to further promote cultural exchanges and integration, and drive employment and development in the place where we operate, we promote localized recruitment based on the situation of the Company's operating location, effectively reducing comprehensive labor costs.



Case

Offline induction training case for new employees

In 2025, ZNSHINE will carry out induction training for new employees in the manufacturing sub-center and quality sub-center, including labor discipline education in rule of law education, factory rules and discipline, safety production, corporate culture, etc., to help employees establish a comprehensive understanding of the Company. In order to help employees, familiarize themselves with the job functions as soon as possible, we offer special courses, such as product document standards and process standard training for operation types to help them establish good operating habits; Carry out training on product introduction and operation methods for management and technical personnel to further deepen their professionalism.

Talent cultivation

The Company attaches great importance to the improvement of the comprehensive ability of employees, formulates Employee Training Management System, clarifies the specific requirements of training responsibilities and authority, training content, implementation requirements, assessment rewards and punishments, etc., provides a perfect framework for training activities, and ensures that all training work has rules to follow.

The Company sets training plans based on business goals, and has formulated a 'training schedule' and 'training workflow chart' covering all employees and hierarchical classifications to clarify the specific arrangement and time nodes of various trainings to ensure that each training activity is efficiently organized and transparently operated. For different types of employees, we provide them with diversified training in the form of customized training, including professional skills training, management ability training, employee quality training, and business ethics, etc., and support employees to obtain professional qualifications and other certifications, and are committed to building a high-level and high-quality talent team.

In terms of professional skills

the Company has opened special courses such as frames, photovoltaic glass, welding tapes, and cartons around the key auxiliary materials of photovoltaic modules. We help employees deeply analyze the physical properties, quality inspection standards, and abnormal handling processes of materials to ensure product quality from the source.

In terms of management skills

the Company plans a series of empowerment training for different levels of management, including but not limited to logistics management training, forklift management, warehouse management, laboratory management, etc., to ensure the efficient management of the Company.

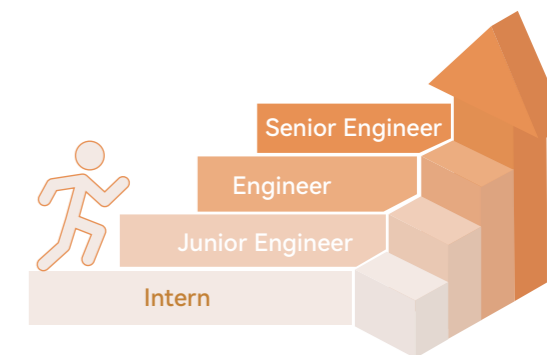
In terms of skill certification

the Company focuses on supporting the acquisition of high-risk or special operation certificates such as electrician certificates, safety management personnel certificates, and high-altitude operation certificates (e.g., climbing certificates). Provide vocational qualification certification support for regular employees, part-time workers, and labor dispatch workers, and provide subsidies to improve employees' technical level and safety production awareness.



Talent incentives

The Company empowers and evaluates employees from multiple dimensions such as management ability, professional ability, execution ability, and innovation ability to provide a reference for selecting and employing people. For R&D, process and engineering technology positions, we have established a professional and vertical promotion path. Taking the engineering technology sequence as an example, we have clarified the step-by-step growth route of 'intern - assistant engineer - engineer - senior engineer'. Each level of promotion has clear skill standards and performance thresholds to ensure continuous improvement in the technical field.



In order to effectively stimulate the potential and vitality of employees, ZNSHINE adheres to the principles of fairness, openness, and impartiality, and continues to improve the scientific promotion management and incentive mechanism. Closely link employees' personal performance with organizational goals, and objectively evaluate employees' work contributions through monthly, quarterly, and annual multi-dimensional assessments. We adhere to the principle of 'paying equal attention to material and spiritual incentives', evaluate honorary titles such as 'advanced individual' and 'excellent employee' every year, and give commendations and rewards to employees with outstanding performance, so as to enhance their sense of honor and belonging. At the same time, set up a variety of material incentives, such as performance bonuses, project commissions, etc., to further stimulate employees' enthusiasm and creativity.

Case

Safety education and training

In 2025, the Company will carry out three-level (company-level, department-level, and team-level) safety education and training for new employees, introducing the Company's safety production rules and regulations, and safety instructions for each position (string-welding, lamination, lamination, framing, cleaning, testing, etc.), fire safety knowledge, warning sign distinction, environmental protection knowledge, etc. In addition, the Company requires new employees to have no less than 24 hours of pre-job safety training, and are allowed to take up their posts only after passing the written test to ensure the effective implementation of safety management. Carry out internal training twice and external training once. Carry out targeted training on safety production knowledge and management ability, emergency fire protection work.



Safety management training

◎ Employee Welfare Care

The Company strictly abides by local laws and regulations, formulates fair, reasonable, and incentive compensation management systems for employees, such as the 'Compensation and Welfare Management System' and the 'Performance Appraisal Management System', etc., and builds a systematic compensation and welfare management system. We respect employees' rights to rest and vacation, and are committed to helping employees achieve a dynamic work-life balance through scientific management mechanisms. The Company strictly implements the national statutory holiday system to ensure that employees enjoy paid annual leave, marriage leave, funeral leave, and other holidays in accordance with the law. Pay special attention to the family responsibilities of employees, and fully implement maternity leave and paternity leave. According to the nature and business needs of different positions, we implement differentiated working hour management. On the basis of the standard working hour system, the flexible work system is implemented for specific positions such as R&D and sales, and employees are given more rights to control their time on the premise of ensuring that business goals are achieved.

The Company provides employees with one-stop logistics support covering 'food, housing, transportation, and medical care' to effectively solve their practical difficulties. The Company has opened a shuttle bus service covering the main residential areas; For non-local registered employees, we provide staff dormitories with complete supporting facilities and provide meal subsidies in the Company canteen. We attach great importance to occupational health management, especially for employees in key positions in the workshop. The Company organizes special occupational health examinations every year, establishes health monitoring files, and achieves 'early prevention, early detection, and early treatment' of occupational hazards. In addition to traditional festivals such as the Dragon Boat Festival, Mid-Autumn Festival, and Spring Festival, the Company will distribute supermarket consumption coupons and holiday gifts to all employees, and share the joy of the festival with employees through a full 'sense of ceremony'.



The Company attaches great importance to the protection of the rights and interests of female employees, continues to pay attention to the living conditions of employees in difficulty, and cherishes the professional contributions of female employees. Every year on International Women's Day, the Company organizes themed celebrations and distributes holiday subsidies to actively create a workplace culture that respects women, equality, and inclusiveness.

At the same time, the Company has established a normalized assistance mechanism for employees in difficulty. Every year on the eve of the Spring Festival, the Company's leadership personally leads the team to carry out the 'Celebrating the New Year and Sending Warmth' condolence activity for employees in difficulty, and effectively helps the families of employees who are poor due to illness or encounter sudden changes to get through the difficulties by distributing condolences and daily necessities. During the reporting period, the Company issued a total of more than 2.69 million CNY in employee welfare subsidies, benefiting a total of 3,020 employees and their relatives.

Case

'Celebrating the New Year and Sending Warmth' subsidy condolence activity for employees in difficulty

In 2025, the Company's party branch, trade union, and administrative department will jointly carry out subsidy and condolence activities for employees in difficulty. During the event, the condolence team had an in-depth understanding of the family situation of employees in difficulty, adhered to the principle of fairness and justice and precise assistance, and issued subsidies and condolences to the families of employees in difficulty. This activity not only sent practical help to employees in need, but also fully promoted the corporate culture of unity, friendship, and mutual assistance, enhanced the sense of belonging and cohesion of employees, and created a warm and harmonious corporate atmosphere.



On the occasion of the Spring Festival, employee subsidies and condolences were carried out

Safeguarding Occupational Health

◎ Safety Production Management

ZNSHINE adheres to the policy of ‘safety first, prevention first, and comprehensive management’ , and regards safety production as the red line and bottom line of enterprise development. During the reporting period, we built a closed loop of EHS management integrating ‘consolidating the foundation of the institutional system, investigating and treating hidden dangers, and covering up emergency management’ by improving the top-level design of the system, consolidating the organizational management and control structure, and in-depth benchmarking against international standards, so as to comprehensively improve the intrinsic safety level of the enterprise and ensure the long-term stability of safe production.

Security system construction

In accordance with the Work Safety Law of the People’s Republic of China and other laws and regulations, the Company has established and improved the system with the Safety Production Responsibility System as the core. During the reporting period, the three major production bases of Jintan, Suqian, and Dali all formulated and signed the annual Safety and Environmental Protection Target Responsibility Letter. We decomposed the safety performance indicators layer by layer, established the main safety responsibility of the main person in charge of each department, and realized the responsibility penetration from the Company’s management to the front-line team. In addition, we continue to deepen the construction of the ‘three-level safety production standardization system’ , and ensure that the safety management system takes root on site through regular self-inspection and self-correction and external review, and maintain the effectiveness and continuous improvement of system operation.

In order to ensure the efficient implementation of EHS management, each factory has built a vertical and professional occupational health and safety management organizational structure, further refined the list of safety responsibilities at all levels and departments, and eliminated management blind spots. At the same time, each base is equipped with full-time safety inspectors, who are responsible for carrying out grid-based daily inspections and regular special hidden danger investigations to ensure that unsafe behaviors of people and unsafe states of things are discovered and eliminated as soon as possible.

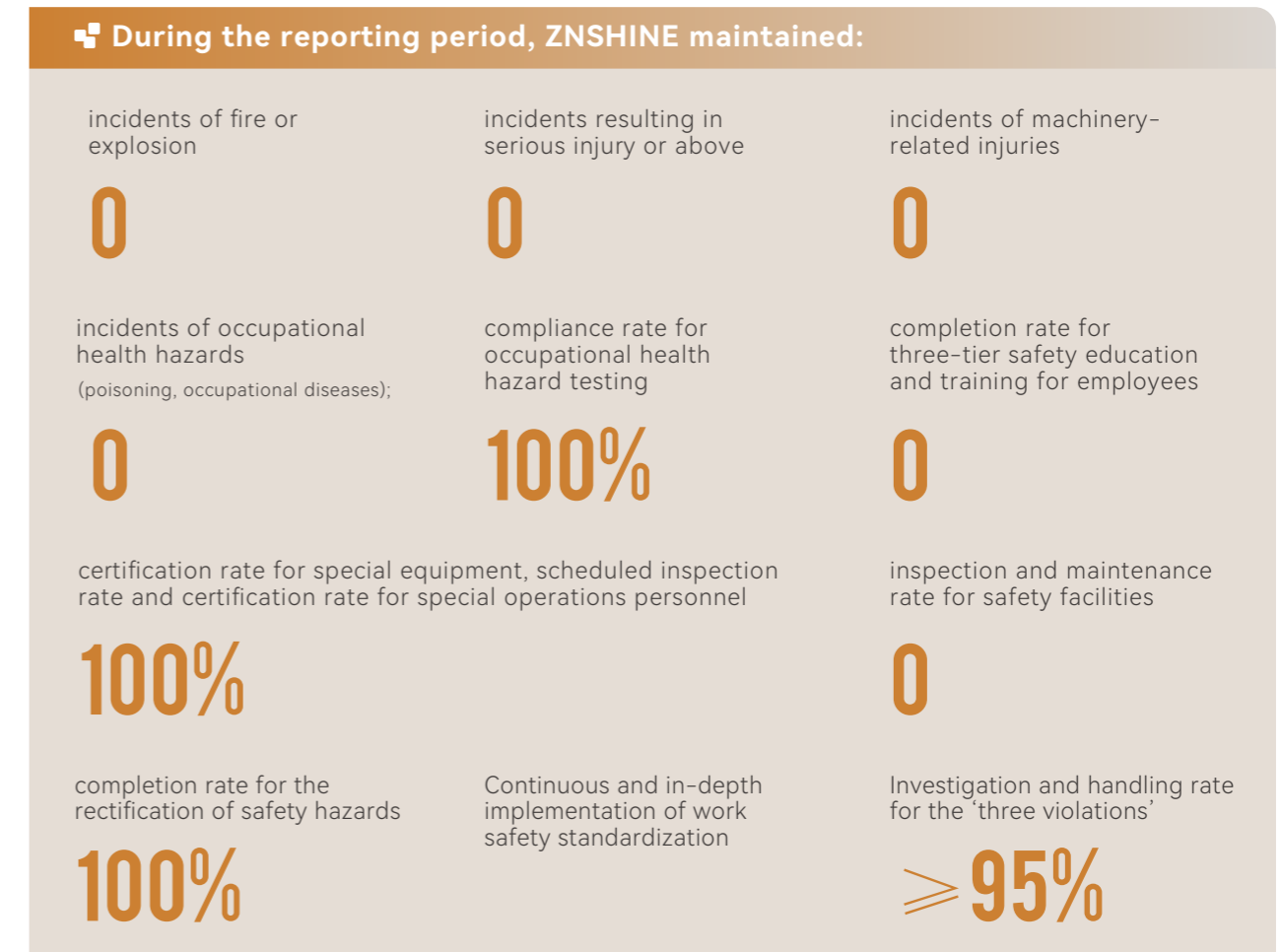
As of the end of the reporting period, the three bases in Jintan, Suqian, and Dali have successfully passed and held ISO 45001:2018 occupational health and safety management system certification and ISO 14001:2015 environmental management system certification, indicating that the Company’s EHS management level has reached international standards. ZNSHINE has performed well in green manufacturing and safety management, winning many awards such as the ‘Green Factory Evaluation Certificate’ , ‘Ecological Design Product Management System Certification’ , and ‘Green Supply Chain Certification’ , and has been rated as a ‘Safety Production Standardization Level 3 Enterprise’ , becoming a benchmark demonstration base for the Company’s EHS management.

Investigation of potential safety hazards

By building a hidden danger investigation and governance system of ‘full participation, full process coverage, and full closed-loop management’ , the Company eliminates risks in the bud and builds an iron wall for safe production. The Company actively implements the ‘Internal Whistle Blowing Award’ System for Hidden Accidents. We encourage front-line employees to become ‘scouts’ of safety production, report or report potential hidden dangers found, and give substantial rewards, thus activating the endogenous motivation of all employees to participate in safety management. Each base is equipped with full-time safety inspectors and has established a grid inspection system. We carry out comprehensive inspections, professional special inspections, and key inspections during holidays on a regular basis, compile the ‘Hidden Danger Rectification Feedback Form’ for the problems found, strictly implement the rectification requirements of ‘determining people, responsibilities, time, and measures’ , and continue to follow up until closed-loop acceptance.

For high-risk links in production and operation, we have implemented refined whole-process safety management. In new reconstruction and expansion projects and process changes, strictly implement hazard analysis and control process risks from the source. For abnormal operation activities such as equipment inspection and maintenance, dismantling and scrapping, the operation permit system and energy isolation procedures are strictly implemented to ensure that the operation process is controlled and safety accidents caused by mis-operation are eliminated.

During the reporting period, thanks to the strict management system and solid execution, ZNSHINE successfully completed the annual safety production target, and performed well in various core KPI indicators.



Safety emergency management

Emergency management is the last line of defense of the enterprise safety production governance system. ZNSHINE has always adhered to the emergency response principle of 'saving early and extinguishing small', and is committed to establishing an efficient emergency response mechanism, striving to minimize accident losses and ensure the safety of employees' lives and the Company's property to the greatest extent. During the reporting period, the Company formulated and issued the 'Safety Production Emergency Plan' in strict accordance with national laws and regulations and the actual production and operation. The responsibility boundaries and response processes of command agencies at all levels have been scientifically defined, and the command chain from the 'decision-making center' to the 'execution line' has been successfully opened up to ensure the efficient integration and orderly implementation of emergency response.

We insist that drills are actual combat. During the reporting period, each base regularly carried out special training and practical drills on various emergency plans. By simulating real accident scenarios, the integrity of emergency materials and the coordinated combat ability of the emergency team were tested, and the self-rescue and mutual rescue skills of all employees were effectively improved. After each drill, the Company immediately organized a comprehensive review and evaluation of the emergency response process to find out the defects in the plan and shortcomings in the implementation. According to the evaluation results, we revised and optimized the existing 'Production Safety Accident Emergency Plan' in a timely manner to ensure that the plan always remains scientific, pertinent, and operable, and realizes the continuous iteration of emergency management capabilities.



Case

Emergency fire drill

In 2025, in order to comprehensively test the actual combat effectiveness of the emergency response system, the three major production bases of Jintan, Suqian, and Dali will carry out annual comprehensive fire emergency drills covering all employees. The drill lasted 2 hours, closely related to the two core practical links of 'emergency evacuation and escape' and 'initial fire-fighting', effectively tested the rapid response and coordinated combat ability of emergency teams at all levels, and greatly improved the self-rescue and mutual rescue skills of all employees in the face of sudden fires. The Company further conducted an in-depth review of the management shortcomings exposed in the drill, and based on this, the current 'Fire Emergency Rescue Plan' was improved and upgraded, and the management closed loop from 'passive emergency' to 'active defense' was successfully realized.



© Occupational Health Management

The physical and mental health of employees is the most valuable asset of ZNSHINE. The Company strictly follows the 'Law of the People's Republic of China on the Prevention and Control of Occupational Diseases', 'Occupational Safety and Health Regulations' and other relevant laws and regulations of the country and business location, always adheres to the occupational health management policy of 'prevention first, prevention and control combined', and relies on the ISO 45001 system, builds a full-chain management mechanism from hazard identification to occupational disease prevention and control, and is committed to creating a safe, healthy and comfortable working environment for all employees.

The Company strictly follows the national occupational health standards, is equipped with full-time and part-time health administrators, and has built a three-dimensional management system of 'source governance + process monitoring + individual protection'. We strictly abide by the three lines of defense of 'before, during, and off-post', establish health monitoring files and data analysis mechanisms for all employees, and resolutely put an end to occupational taboos. Deepen the management of the working environment, regularly carry out occupational disease hazard detection and online declaration, and set up test result notification boards in prominent positions on site to ensure effective project control; At the same time, we accurately improve the equipment standards for labor protection equipment based on job safety analysis, and ensure that the PPE utilization rate is stable at more than 98% through normalized education training and wearing assessment, so as to achieve comprehensive control of occupational health risks and the compliance of various indicators.

Thanks to the strict management system and the joint efforts of all employees, ZNSHINE's occupational health and safety production goals have been achieved by 100% this year, and a high-quality health answer sheet has been handed over: 0 mechanical injuries, 0 occupational disease accidents, and 100% safety education rate for new employees. On this basis, the Company continues to deepen the closed-loop management of work-related accidents and the accurate identification of occupational disease hazards, strictly implements the 'Company Environmental Sanitation Management System', and is committed to creating a safe, controlled, clean, bright, and orderly working space for every employee through systematic governance.

◎ Safety Culture Cultivation

We are committed to promoting the profound transformation of the safety management model from ‘external supervision and control’ to ‘employee self-management’. During the reporting period, we activated the initiative of all employees to the greatest extent by building a multi-dimensional training system, practical emergency drills, and innovative incentive mechanisms, and created a strong cultural atmosphere of ‘everyone talks about safety and everyone knows how to respond’ throughout the Company.

The Company closely focuses on the annual security strategic plan and has established an EHS education and training system covering all employees and all business scenarios. Carry out EHS general education for all employees on a regular basis, and organize and carry out special in-depth training on chemical safety and special equipment safety for specific risk positions to ensure that employees ‘know risks and understand prevention’. We strictly implement safety training for new employees and fasten the ‘first safety button’ of their careers; After major holidays such as the Spring Festival, safety training and inspection for resumption of work should be carried out as soon as possible to effectively prevent potential safety hazards caused by lax thinking after the holiday.

During the reporting period, each base carried out comprehensive fire emergency drills at high frequency. The drill covers two core modules: emergency evacuation and escape and initial firefighting. By simulating real fire scenarios, employees can experience the whole process of alarm, evacuation, and fire extinguishing, which significantly improves the self-rescue and mutual rescue ability of all employees to respond to emergencies.

In order to further form a strong safety culture atmosphere, we have implemented the ‘safety self-commitment’ mechanism for all employees to make safety responsibility explicit. At the same time, the ‘EHS Management Results PK Competition’ was innovatively carried out, forming a healthy competitive atmosphere of ‘comparing, learning, catching up, and surpassing’ internally. At the same time, we officially released and implemented the ‘Whistle Blowing Award System for Hidden Accidents’. The Company has unblocked a variety of online and offline hidden danger reporting channels (whistleblowing channels) and carried out factory-wide publicity, encouraging employees to ‘blow the whistle’ on violations and potential safety hazards around them, effectively improving employees’ independent risk pre-control ability and enthusiasm.

Case EHS management training

In 2025, we will conduct EHS management training for all employees. A total of 10 high-quality courses were planned and implemented throughout the year, including basic safety education, professional skills improvement, and fire emergency response practice, with a cumulative training time of up to 82 hours. The project adopts the dual-track drive mode of ‘internal training + external training’, achieving 100% full coverage of all functional departments and production workshops. In terms of teaching form, we adhere to the principle of ‘theoretical teaching and practical exercises’; In terms of assessment mechanism, the combined evaluation of ‘written test + computer test + on-site measurement’ is introduced to strictly control the quality of customs clearance to ensure that employees truly realize the unity of knowledge and action from ‘understanding theory’ to ‘knowing how to operate’.

Relying on the refined operation of the EHS management system and the rigid implementation of the safety responsibility system for all employees, the Company has achieved excellent performance in the field of occupational health and safety. The data shows that for three consecutive fiscal years from 2023 to 2025, the Company maintained a record of 0 in the two core indicators of ‘number and rate of work-related deaths’ and ‘number of working days lost due to work-related injuries’. This reflects the robustness and effectiveness of the Company’s EHS management system.

Co-building the Industry Ecosystem

◎ Cooperation with external organizations

ZNSHINE adheres to the ecological cooperation concept of ‘openness, symbiosis, and win-win’, breaks industry boundaries, and actively builds in-depth strategic partnerships with financial institutions, top universities, and scientific research institutes. Through the two-wheel drive of ‘industry + finance’ and ‘industry + academia’, we are committed to opening up the capital chain and innovation chain of the photovoltaic industry, jointly building a green energy ecosystem, and actively promoting the green transformation of society.

We actively explore innovative cooperation models between green energy and green finance. During the reporting period, ZNSHINE and Hainan Rural Commercial Bank officially signed a strategic cooperation agreement. Based on the policy highland of Hainan Free Trade Port, the two sides focus on the two core areas of green transformation and smart energy, and carry out in-depth cross-border cooperation.

Case Cooperation between ZNSHINE and Hainan Rural Commercial Bank

On December 23, 2025, Hainan Rural Commercial Bank held the launch meeting and strategic cooperation signing ceremony of the ESG strategy of ‘Meritorious Free Trade Port and Empowering Sustainability’ in Haikou around practicing ESG concepts and serving the construction of Hainan Free Trade Port with high quality. In the strategic cooperation signing process, ZNSHINE PV-TECH CO., LTD. and Hainan Rural Commercial Bank signed a strategic cooperation agreement to carry out strategic cooperation in the fields of green technology and smart energy, and jointly explore the innovative path of technology and finance integration to empower sustainable development.

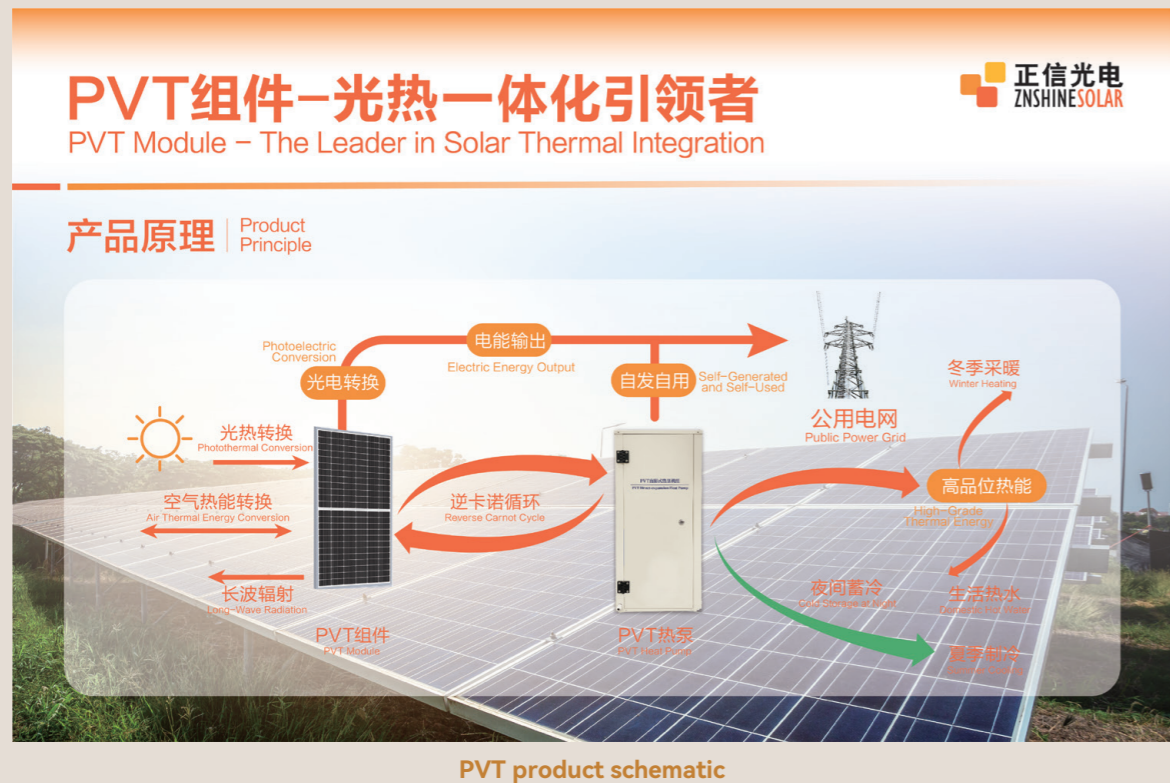


The signing ceremony of the cooperation between ZNSHINE and Hainan Rural Commercial Bank

ZNSHINE adheres to the collaborative innovation strategy of ‘industry, university, research and application’, and is committed to deeply coupling the engineering accumulation of enterprises with the basic scientific research advantages of universities. To this end, we have formally established a close scientific research partnership with Dalian University of Technology, aiming to comprehensively accelerate the incubation and industrialization of cutting-edge photovoltaic technologies through resource complementarity and two-way empowerment. The two sides have established a joint R&D team to jointly focus on the in-depth development and application of optoelectronic integration technology. The cooperative products have been verified in many demonstration projects, and their energy-saving effects, environmental protection characteristics, and economic benefits are outstanding.

Case Cooperation between ZNSHINE and Dalian University of Technology

In 2025, the PVT electrothermal integration system launched by ZNSHINE and Dalian University of Technology integrates photovoltaic power generation and solar thermal energy harvesting functions in the same module to achieve dual output of ‘power generation + heat generation’, creating higher energy benefits in the same area, which is an efficient and integrated solution for multiple energy demand scenarios.



© Industry Talent Training

As the world’s leading supplier of photovoltaic smart energy solutions, we take the initiative to assume the social responsibility of educating people in the industry, and actively promote the development model of ‘integration of industry and education, collaborative education’. By breaking the physical boundary between university walls and enterprise factories, we introduce the industry’s cutting-edge technology and market demand onto the campus, and are committed to creating an endless ‘talent reservoir’ for the global photovoltaic industry.

In order to support the Company’s globalization strategy and cultivate compound talents with cross-cultural communication skills and practical experience, we have launched the ‘ZNSHINE Global Young Talent Practice Program’, which is open to outstanding undergraduate, master’s, and doctoral students from partner universities (including international students in China). The internship covers social media operations, website construction, photovoltaic industry research, and market data optimization. The project not only builds a platform for overseas interns to gain an in-depth understanding of the photovoltaic industry and corporate operations, helping them broaden their international horizons and improve their professional skills, but also introduces diversified innovation forces to ZNSHINE in the process of global development, further enhancing the Company’s brand influence in the international market.

In addition, we adhere to the principle of ‘complementary advantages, resource sharing, mutual benefit, and win-win’, and have established in-depth strategic partnerships with many ‘double first-class’ and key universities in China. During the reporting period, the Company successively signed strategic cooperation agreements with Hohai University, Changzhou University, and Donghua University. Relying on the deep accumulation of universities in materials science, energy power, international trade, and environmental engineering, combined with the industrial advantages of ZNSHINE in photovoltaic manufacturing and global marketing, the two sides have carried out in-depth cooperation in multiple dimensions such as discipline co-construction, targeted talent training, and internship base construction.

Case ZNSHINE Cross-cultural Global Young Talent Exchange and Practice Project

In August 2025, accompanied by the global marketing director of ZNSHINE, the interns walked into the Company’s advanced intelligent manufacturing factory. From the fully automatic typesetting and welding process to the module’s packaging, performance testing, power binning, and shipping process, and observed the efficient and precise manufacturing system of ZNSHINE. Advanced intelligent production equipment, lean operation organization, and visual data management methods allow interns to deeply feel the Company’s technical strength and quality control level on the manufacturing side.



Internship Program Interns visit the factory

◎ Industry Institution Exchange

As an active participant and promoter of the global photovoltaic industry, ZNSHINE adheres to the industry ecological concept of ‘openness, dialogue, and sharing’, actively participates in the world’s top energy stage, shares technological innovation achievements with global partners through high-frequency and high-quality industry exchanges, discusses energy transition paths, and continues to enhance the international voice of Chinese photovoltaic brands. This year, the Company participated in and held more than 20 domestic and foreign exhibitions and more than 10 overseas summit activities, demonstrating the hard core strength of ZNSHINE Intelligent Manufacturing to the world.

Domestic industry exchanges

- March 2025** Invited to participate in the 12th China (Jiangsu) International New Photovoltaic Innovation and Development Conference 2025: ZNSHINE was listed in the ‘2024 China Top 100 Renewable Energy Photovoltaics’ list and won the honor of ‘2024 Leading China’ s Outstanding Renewable Energy Photovoltaic Cells/Modules’ with its excellent technical strength and strong global market influence.
- June 2025** Participated in the International Solar Photovoltaic and Smart Energy (Shanghai) Conference and Exhibition: Brought a variety of cutting-edge products and system-level solutions to the grand debut, fully demonstrating the technical vision and market strength of ‘making green electricity more efficient’.
- December 2025** Invited to participate in the 2025 Photovoltaic Industry Technology Innovation Conference: ZNSHINE unveiled high-efficiency rectangular modules, showing the Company’ s firm steps on the road of photovoltaic technology innovation with excellent product performance and system value.

International industry exchanges

- May 2025** Participation in the European International Smart Energy Exhibition: ZNSHINE brought innovative products for multi-scenario applications at this exhibition, comprehensively demonstrating its leading advantages in efficient, intelligent, and green technologies.

In addition to commercial displays, ZNSHINE is also committed to solving the pain points and difficulties in industry applications, and promoting technology inclusion by building a professional technical exchange platform. In response to the complex challenges of distributed photovoltaics in practical applications, the Company held a number of online technical seminars. The conference specially invited domestic and foreign building structure experts, electrical engineers, and senior photovoltaic practitioners to focus on ‘technical problems of rooftop photovoltaics’ for in-depth discussions. Through cross-border and interdisciplinary cloud meetings, we have successfully output a series of practical technical solutions, providing theoretical and practical guidance for the standardized installation and efficient operation and maintenance of distributed photovoltaics.

◎ International Exchange and Cooperation

As a pioneer in the ‘Going Global’ of Chinese photovoltaic enterprises, ZNSHINE actively voices China’ s voice on the international high-end stage and shares the ‘ZNSHINE Plan’ for green development. During the reporting period, ZNSHINE attended the ‘Belt and Road’ high-end conference hosted by the Green Energy Promotion Association as a special guest. The international opportunities and challenges of the optical storage industry under the ‘Belt and Road’ initiative was discussed in depth, and the valuable experience of ZNSHINE in overseas market expansion was shared.

Case

High-efficiency rectangular products’ appeared at the photovoltaic conference

In December 2025, the Company participated in the ‘2025 Photovoltaic Industry Technology Innovation Conference and Photovoltaic Leader Innovation Forum Award Ceremony’, at which ZNSHINE unveiled high-efficiency rectangular modules, presenting the Company’ s firm steps on the road of photovoltaic technology innovation with excellent product performance and system value. The rectangular design allows the module to accommodate more cells in a fixed area, increasing power density and bringing more compact arrangement and higher land utilization to large ground power plants. In terms of power generation performance, the two modules adopt a double-glass structure, which increases the actual power generation with high outdoor durability and helps the power station achieve higher life cycle benefits. In addition to the advantages of power generation, rectangular modules are also of significant value in supply chain and system construction, optimizing loading efficiency to reduce transportation costs, high power output to make material configuration more economical, reducing power station construction costs, and enhancing system value.



At the 2025 Photovoltaic Conference, ZNSHINE exhibited two high-efficiency rectangular products

Africa has the world’s most abundant solar energy resources and is a highland of potential for the global energy transition. ZNSHINE regards ‘China-Africa cooperation’ as an important part of its globalization strategy and is committed to using photovoltaic technology to solve the energy shortage problem on the African continent. During the reporting period, the Company frequently held high-level dialogues with African envoys to China and relevant international organizations, exploring a new paradigm of China-Africa green energy cooperation through the combination of ‘diplomatic leadership + technological empowerment’, and helping the African continent achieve the dual goals of power popularization and low-carbon development.

Partnering for a Better Society

As an industry-leading brand rooted in the local community, ZNSHINE has always been committed to the development of the communities where it operates, making ‘supporting education’ the core focus of its efforts to give back to its roots. By helping poor teachers and students, rewarding students with excellent grades and teachers with outstanding performance, and supporting social welfare undertakings related to education in the region, we will provide strong talent support for building Zhixi Town, where the Jintan Base located, into a strong educational town.

In addition, our public welfare vision is not limited to China, but also extends to the world with our business territory. In particular, for developing countries, we are actively concerned about their social well-being and intergenerational equity. During the reporting period, ZNSHINE participated in activities organized by the China-Africa Civil Chamber of Commerce and discussed with representatives of the United Nations Children’s Fund (UNICEF) and African alliances and offices how to promote sustainable development in Africa. We are committed to cultivating the practical ability of African youth in high-tech fields such as photovoltaics and electricity, in this way, providing more opportunities for innovation and development for young people, helping them achieve breakthroughs in their future careers, and promoting the progress and prosperity of the entire society.



Case

ZNSHINE and Zambia’s Ambassador to China discuss new prospects for green energy cooperation

In December 2025, Huang Jianhong, General Manager of the Business Center of ZNSHINE, had a friendly meeting with the Zambian Ambassador and his delegation to carry out practical exchanges on topics such as Zambia’s energy development status, photovoltaic market opportunities, and investment and trade policy framework.



Representatives of ZNSHINE and the Zambian ambassador



Case:

ZNSHINE joins hands with China-Africa Civil Chambers of Commerce to jointly promote green energy and youth development in Africa

In November 2025, ZNSHINE participated in an event organized by the China-Africa Civil Chamber of Commerce and discussed with representatives of UNICEF and African alliances and offices how to promote sustainable development in Africa, especially in the fields of energy, education, and youth development. At the event, ZNSHINE explained how to promote the continuous progress of Africa’s photovoltaic and power industries through technological innovation and youth training. ZNSHINE is committed to continuing to promote the energy transition in the African market with green technology and innovation at its core, and to contribute to the achievement of the global Sustainable Development Goals by supporting local youth development and technological advancements.



Talking about green energy with the China-Africa Civil Chamber of Commerce



Outlook

At present, the urgency of the energy transition is becoming increasingly apparent, with clean energy emerging as a key driver in tackling climate change and promoting sustainable development. Against this backdrop, the photovoltaic industry has moved beyond a race for scale and entered a new phase of high-quality development characterized by technological leadership and ecological synergy. Whilst facing challenges posed by market forces and industry restructuring, the sector also holds significant opportunities for transformation and upgrading. This, in turn, places greater demands on photovoltaic companies in terms of their ESG governance capabilities, technological innovation capacity and sense of responsibility.

We are fully aware that ESG is not merely an add-on to corporate development, but rather the core pillar underpinning sustainable development, and indeed the key to navigating industry cycles and strengthening the foundations of growth. As a globally renowned supplier of photovoltaic modules and EPC power plants, and a provider of comprehensive clean energy solutions with deep roots in the green energy sector, ZNSHINE has consistently upheld the core values of 'integrity and perseverance'. We have embedded ESG principles throughout our corporate strategy and operational processes, and are committed to establishing solar power as the most economical and cleanest form of energy, thereby contributing China's strength to the global 'Dual Carbon' goals.

The year 2026 marks the 20th anniversary of ZNSHINE's establishment and represents a pivotal year in which we build upon our past achievements to forge a new future. Over the past two decades, we have navigated the industry's cyclical fluctuations with unwavering commitment and unceasing progress. Looking ahead, we will take this 20th anniversary as a new starting point, carrying forward our strong heritage and focusing on high-quality ESG development. With even greater determination and clearer objectives, we will embark on a new journey towards sustainable development.

Moving forward, we will continue to deepen our commitment to green development and chart a new blueprint for the 'integration of green and smart technologies'. We will consistently respond to the call of the national 'Dual Carbon' strategy, advance green development through a full-lifecycle systems approach, and continue to promote green technologies such as low-carbon polyurethane composite frames to further reduce the embodied carbon emissions of our products. At the same time, we will extend our green vision deep into the value chain, continuously improve our green supply chain system, and collaborate with upstream and downstream partners to build a 'Zero-carbon ecosystem', ensuring that the philosophy of green development permeates every stage of the process and demonstrating the green responsibility of an industry leader.

In the future, we will uphold technological innovation as our guiding principle, unleashing new momentum for 'innovative manufacturing'. Keeping pace with the pulse of new-quality productive forces, we will continue to increase investment in research and development, deepen all-round cooperation with world-leading research institutions and partners across the industrial chain, and drive product iteration and upgrading through technological innovation. We aim to create benchmark products that are better suited to end-user application scenarios, offering both exceptional value for money and high reliability, thereby breaking down technical barriers, consolidating our core competitiveness, and propelling the photovoltaic industry towards higher quality and greater efficiency.

Looking forward, we will deepen our ESG governance to fortify a new line of defense based on 'compliance and integrity'. We will continue to refine a comprehensive, multi-tiered ESG management framework, integrating ESG principles into every aspect of corporate governance, and work hand in hand with partners across the supply chain to build a transparent and open value chain ecosystem. Internally, we will uphold the principle of a fair workplace, effectively safeguarding employees' rights and development opportunities, ensuring that those who strive are rewarded and have room to grow; externally, we will adhere to the bottom line of integrity in business operations, standardize business conduct, strengthen risk prevention and control, and enhance the resilience of our corporate operations.

In the future, we will expand our global footprint and harness new forces for mutual growth and coexistence. We will continue to broaden our domestic and international markets and optimize our green development strategy: in the domestic market, we will deepen cooperation with existing clients, expand into new business areas, and increase our market share; in international markets, we will actively explore emerging markets, strengthen exchanges and collaboration with global partners, and enhance our brand's international influence. At the same time, we will extend our sphere of responsibility globally, deeply engage in local community education and charitable initiatives, empower youth development across borders, and promote the harmonious coexistence of corporate development with society and the environment.

Looking ahead, ZNSHINE will always uphold the development philosophy of 'Technology First, Green First', adhere to the core spirit of 'Fairness & Trust', taking our 20th anniversary as a new starting point. We will drive development through innovation, unite our strength through responsibility, actively participate in global environmental governance, share green development concepts and technologies, and join hands with global stakeholders to move forward together. We will let the green and clean 'Light of ZNSHINE' illuminate a sustainable future, leaving a clean, beautiful and prosperous world for future generations.

Appendix I: ESG KPIs

◎ Governance performance

Financial performance

Indicators	In 2025	unit
Total assets	21.06	100 million yuan
Revenues	14.46	100 million yuan
Net profit	7.58	100 million yuan
Net profit attributable to the parent company	-1.67	100 million yuan
Total tax paid	0.38	100 million yuan

Corporate governance

Indicators	In 2025	unit
The number of board meetings this year	10	/
The number of meetings of the board of supervisors this year	5	/
The number of shareholders' meetings held this year	5	/
The number of corruption litigation cases completed during the reporting period	0	/
The total number of hours of anti-corruption training per year	2	hours
Number of anti-corruption trainees	515	people

Science and technology research and development

Indicators	In 2025	unit
Investment in product research and development	0.40	100 million yuan
The total number of R&D personnel	102	people
Cumulative number of authorized patents	155	Item
Apply for research funds/government subsidies	316.37	10,000 yuan
During the reporting period, the number of participants in the formulation of industry standards	1	individuals
Number of partner institutions	5	individuals
Number of cooperative projects	6	individuals
Total annual hours of technical training	140	hours
Number of technical trainees	52	people

Supplier management

Indicators	In 2025	unit
Total number of suppliers	96	individuals
Among them: the number of suppliers in North China	0	individuals
Number of suppliers in East China	87	individuals
Number of suppliers in South China	2	individuals
Number of suppliers in Central China	1	individuals
Number of suppliers in the northwest	0	individuals
Number of suppliers in the southwest	6	individuals
Number of suppliers certified by ISO 14001	42	individuals
Proportion of suppliers who have obtained ISO 14001 certification	43.75	%
Number of suppliers certified by ISO 45001	38	individuals
Proportion of suppliers who have obtained ISO 45001 certification	39.58	%
Number of suppliers who have signed the Supplier Anti-Bribery/Anti-Corruption Agreement	96	individuals
Proportion of suppliers who have signed the Supplier Anti-Bribery/Anti-Corruption Agreement	100.00	%

◎ Social performance

Employee Hire

Indicators	In 2025	unit	
Total	Total number of employees	532	people
	Total number of employees with disabilities	0	people
Gender	Total number of male employees	327	people
	Total number of female employees	205	people
	Number of women in management	25	people
Age group	Total number of employees under the age of 30	43	people
	The total number of employees between the ages of 30-50	397	people
	The total number of employees over 50 years old	92	people
Regional division	Number of employees in Jiangsu Province	410	people
	Number of employees in Yunnan Province	18	people
	Number of employees in other regions	104	people
Divided by educational qualifications	Number of employees with master's degree or above	14	people
	Number of employees with a bachelor's degree	107	people
	The number of employees with a bachelor's degree or below	411	people

Indicators		In 2025	unit
Types of employment	Full-time employees	529	people
	Part-time employees	3	people
	Top management	20	people
	middle management	43	people
	Grassroots personnel	469	people
Board of Directors	Number of Board of Directors	5	people
	Number of women on the board	3	people

Employee turnover

Indicators		In 2025	unit
Total	Cumulative number of employees left the Company in the year	131	people
	Total turnover rate	19.76	%
Gender	The cumulative number of male employees leaving the Company in the year	90	people
	Annual turnover rate of male employees	21.58	%
	The cumulative number of female employees leaving the Company in the year	41	people
	Annual turnover rate of female employees	16.67	%
Age group	The cumulative number of employees under the age of 30 who left the Company in an annual period	8	people
	Annual employee turnover rate under the age of 30	15.69	%
	The annual cumulative number of employees leaving between the ages of 30-50	101	people
	Annual employee turnover rate between the ages of 30-50	20.28	%
	The annual cumulative number of employees over 50 years old	22	people
	Annual turnover rate of employees over 50 years old	19.30	%
	The cumulative number of employees leaving Jiangsu Province in the year	127	people
Production base	Annual employee turnover rate in Jiangsu Province	23.65	%
	The annual cumulative number of employees leaving Yunnan Province	2	people
	Annual employee turnover rate in Yunnan Province	10.00	%
	The cumulative number of employees leaving the Company in other regions	2	people
	Annual employee turnover rates in other regions	1.89	%

Employee health and safety

Indicators	In 2025	unit
The number of work-related injuries can be recorded	3	people
The number of working days lost due to work	19	day
The number of deaths due to work-related relationships	0	people
The rate of deaths due to work-related relationships	0.00	%

Indicators	In 2025	unit
The number of safety production accidents	3	Second
Rectification rate of potential safety hazards	100.00	%
Invest in safety production	90.23	10,000 yuan
The total number of annual hours of safety education and training	12,768	hours
Number of safety education and training	532	people

Indicators	In 2023	In 2024	In 2025	unit
Employee death rate caused by work	0	0	0	%
No. of dead employees caused by work	0	0	0	people

Staff training

Indicators		In 2025	unit
Percentage of trainees		96.80	%
Total employee training hours		9,976	hours
The average number of hours employees are trained		18.75	hours/person
Senior management	Percentage of trainees	0.58	%
	Average training hours	1.33	hours/person
Middle management	Percentage of trainees	8.35	%
	Average training hours	19.91	hours/person
Grassroots employees	Percentage of trainees	91.07	%
	Average training hours	19.44	hours/person
Male employees	Percentage of trainees	61.17	%
	Average training hours	21.11	hours/person
Female employees	Percentage of trainees	38.83	%
	Average training hours	16.63	hours/person

Employee satisfaction

Indicators	In 2025	unit
Employee satisfaction	90.83	%
Number of employee comments	3	pieces
The number of employee comments processed	3	pieces

Quality service

Indicators	In 2025	unit
Number of customer complaints	19	pieces
Customer complaint resolution rate	100.00	%

Indicators	In 2025	unit
Product delivery satisfaction	100.00	%
After-sales service satisfaction	98.86	%
Percentage of total products sold or shipped recalled for safety and health reasons	0.00	%
Number of quality trainings	207	Second
The total number of hours of quality training per year	103.5	hours
Number of quality trainees	437	people

Information security

Indicators	In 2025	unit
Number of information security trainings	2	Second
Total annual hours of information security training	2	hours
Number of information security training	24	people
Number of information data breaches	0	pieces

Public welfare

Indicators	In 2025	unit
Total investment in public welfare undertakings	41.99	10,000 yuan
Employee welfare investment	269.28	10,000 yuan
Enjoy the number of welfare visitors	3020	People

Environmental performance

Environmental management

Indicators	In 2025	unit
Number of environmental emergency drills	3	Second
Invest in environmental protection	100.43	10,000 yuan
The total number of hours of environmental protection training per year	16.5	hours
This year's environmental protection training covers the proportion of employees	100.00	%

Resource usage

Indicators	In 2025	unit
Total energy consumption	40,863.26	megawatt-hours
Where: total direct energy consumption	3,930.71	megawatt-hours
Total indirect energy consumption	36,932.55	megawatt-hours

Indicators	In 2025	unit
Energy consumption density	4.09	MWh/MW
Gasoline consumption	47,284.00	liter
Diesel consumption	70,500.00	liter
LPG consumption	0.200	tons
Total electricity consumption	39,701.33	megawatt-hours
Among them: purchased electricity	36,932.55	megawatt-hours
Photovoltaic power generation self-consumption	2768.78	megawatt-hours
Total water consumption	126,190.00	tons
Total water consumption density	12.62	tons/MW
Total consumption of packaging consumables	8,852.00	tons
Among them: the amount of paper packaging materials used	1,454.00	tons
Amount of wood packaging material used	7,398.00	tons

Emission management

Indicators	In 2025	unit
Total greenhouse gas emissions	19,422.54	tCO ₂ e
Where: Greenhouse gas emissions (Scope 1)	296.30	tCO ₂ e
Greenhouse gas emissions (Scope 2)	19,126.24	tCO ₂ e
Greenhouse gas emission density	1.94	tCO ₂ e/MW
Wastewater discharge	11,713.60	tons
Ammonia nitrogen emissions	0.206	tons
Total nitrogen emissions	0.305	tons
Total phosphorus emissions	0.027	tons
Chemical Oxygen Demand (COD) emissions	2.229	tons
Total non-methane hydrocarbon emissions	3.533	tons
Sulfur oxide exhaust gas emissions from transportation	1,830.12	g

Waste management

Indicators	In 2025	unit
The total amount of waste generated	197.82	tons
Among them: The total amount of hazardous waste generated	4.10	tons
The total amount of harmless waste generated	193.72	tons
Among them: incinerated	193.72	tons
recycled	0	tons
landfilled	0	tons
Waste density is generated	19.78	tons/GW
Among them: the density of hazardous waste generated	0.41	tons/GW
Produces non-hazardous waste density	19.37	tons/GW

Appendix II: Content Index

◎ The Environmental, Social and Governance Reporting Code Index of HKEX

Key areas, levels, general disclosures and key performance indicators		Corresponding disclosure content index
A. Environment		
Level A1: emissions	General Disclosure Regarding exhaust gas emissions, discharge into water and land, generation of hazardous and non-hazardous wastes, etc.: a) policy; and b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. <i>Note: Exhaust emissions include nitrogen oxides, sulphur oxides, and other pollutants regulated by national laws and regulations.</i>	2.1 Addressing climate change 2.2 Deepen environmental management 2.3 Practice green operations
	Key performance indicator A1.1 Types of emissions and related emission data.	Appendix I: ESG KPIs-Environmental Performance
	Key performance indicator A1.2 [Deleted on January 1, 2025]	/
	Key performance indicator A1.3 Total amount of hazardous waste generated (in tonnes) and (if applicable) density (e.g., per unit of production, per facility).	Appendix I: ESG KPIs-Environmental Performance
	Key performance indicator A1.4 Total amount of hazardous waste generated (in tonnes) and (if applicable) density (e.g., per unit of production, per facility).	Appendix I: ESG KPIs-Environmental Performance

Key areas, levels, general disclosures and key performance indicators		Corresponding disclosure content index
Level A1: emissions	Key performance indicator A1.5 Describe the emissions targets set and the steps taken to achieve them.	2.1 Addressing climate change 2.2 Deepen environmental management
	Key Performance Indicator A1.6 Describe the methods for the treatment of hazardous and non-hazardous waste, as well as the waste reduction targets set and the steps taken to achieve them.	2.2 Deepen environmental management 2.3 Practice green operations
Level A2: Resource usage	General Disclosure Policies for the efficient use of resources, including energy, water, and other raw materials. <i>Note: Resources can be used for production, storage, transportation, buildings, electronic equipment, etc.</i>	2.3 Practice green operations
	Key performance indicator A2.1 Total direct and/or indirect energy consumption (e.g. electricity, gas or oil) by type (in thousand kWh) and density (e.g. per unit of production, per facility).	Appendix I: ESG KPIs-Environmental Performance
	Key performance indicator A2.2 Total water consumption and density (e.g., per unit of production, per facility).	Appendix I: ESG KPIs-Environmental Performance
	Key Performance Indicator A2.3 Describe the energy efficiency targets set and the steps taken to achieve them.	2.2 Deepen environmental management 2.3 Practice green operations
	Key Performance Indicator A2.4 Describe any problems that may be in obtaining suitable water sources, as well as the water efficiency targets set and the steps taken to achieve them.	2.3 Practice green operations
	Key Performance Indicator A2.5 The total amount of packaging materials used in the finished product (in tonnes) and, if applicable, the share per unit of production.	Appendix I: ESG KPIs-Environmental Performance

Key areas, levels, general disclosures and key performance indicators			Corresponding disclosure content index
Level A3: Environment and natural resources	General Disclosure policies to reduce the issuer’s significant impact on the environment and natural resources.		2.1 Addressing climate change 2.2 Deepen environmental management 2.3 Practice green operations
	Key performance indicator A3.1	Describe the significant impact of business activities on the environment and natural resources or actions taken to manage related impacts.	2.1 Addressing climate change 2.2 Deepen environmental management 2.3 Practice green operations
Level A4: Climate change	[Deleted on January 1, 2025]		/
	Key performance indicator A4.1	[Deleted on January 1, 2025]	/
B. Society			
Level B1: Hire	General Disclosure In relation to pay and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination and other benefits and benefits: (a) Policies; and (b) Information on relevant laws and regulations that have a significant impact on the issuer.		4.1 Diversified talent development
	Key performance indicator B1.1	Total number of employees by gender, type of employment (e.g. full-time or part-time), age group, and region.	Appendix I: ESG KPIs – Social Performance
	Key performance indicator B1.2	Employee turnover rate by gender, age group and region.	Appendix I: ESG KPIs – Social Performance
Level B2: Health and safety	General Disclosure Regarding the provision of a safe working environment and protection of employees from occupational hazards: (a) Policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		4.2 Protect occupational health

Key areas, levels, general disclosures and key performance indicators			Corresponding disclosure content index
Level B2: Health and safety	Key performance indicator B2.1	Number and rate of deaths due to work in each of the past three years (including the reporting year).	Appendix I: ESG KPIs – Social Performance
	Key performance indicator B2.2	The number of working days lost due to work-related injuries.	Appendix I: ESG KPIs – Social Performance
	Key Performance Indicator B2.3	Describe the occupational health and safety measures adopted, as well as the relevant implementation and monitoring methods.	4.2 Protect occupational health
Level B3: Development and training	General Disclosure Policies on enhancing employees’ knowledge and skills in performing their job duties. Describe the training activities. <i>Note: Training refers to vocational training and may include internal and external courses paid by the employer.</i>		4.1 Diversified talent development
	Key Performance Indicator B3.1	Percentage of trainees by gender and employee category (e.g. senior management, middle management).	Appendix I: ESG KPIs – Social Performance
	Key Performance Indicator B3.2	Average number of hours of training completed by each employee by gender and employee category.	Appendix I: ESG KPIs – Social Performance
Level B4: Labor guidelines	General Disclosure Regarding the prevention of child labor or forced labor: (a) Policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		3.3 Build a responsible supply chain 4.1 Diversified talent development
	Key performance indicator B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	3.3 Build a responsible supply chain 4.1 Diversified talent development

Key areas, levels, general disclosures and key performance indicators			Corresponding disclosure content index
	Key performance indicator B4.2	Describe the steps taken to eliminate violations when they are discovered.	3.3 Build a responsible supply chain 4.1 Diversified talent development
Level B5: Supply chain management	General Disclosure Manage the environmental and social risk policy of the supply chain.		3.3 Build a responsible supply chain
	Key performance indicator B5.1	Number of suppliers by region.	Appendix I: ESG KPIs – Social Performance
	Key performance indicator B5.2	Describe the practices of the suppliers employed, the number of suppliers to whom the practices are enforced, and the relevant enforcement and monitoring methods.	3.3 Build a responsible supply chain
	Key Performance Indicator B5.3	Describe practices for identifying environmental and social risks at every stage of the supply chain, as well as relevant implementation and monitoring methods.	3.3 Build a responsible supply chain
	Key Performance Indicator B5.4	Describe the practices that promote the use of environmentally friendly products and services in the selection of suppliers, as well as the relevant implementation and monitoring methods.	3.3 Build a responsible supply chain
	General Disclosure Health and safety, advertising, labeling, privacy matters, and remedies for products and services offered: (a) Policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		1.4 Build information security 3.2 Full life cycle control 3.4 Focus on customer value
Level B6: Product liability	Key Performance Indicator B6.1	Percentage of total products sold or shipped that need to be recalled for safety and health reasons.	Appendix I: ESG KPIs – Social Performance
	Key performance indicator B6.2	Number of complaints received about products and services and how to respond to them.	3.4 Focus on customer value Appendix I: ESG KPIs – Social Performance

Key areas, levels, general disclosures and key performance indicators			Corresponding disclosure content index
	Key performance indicator B6.3	Describe practices related to the protection and protection of intellectual property rights.	3.1 Innovation leads development
	Key performance indicator B6.4	Describe the quality verification process and product recall procedures.	3.2 Full life cycle control
	KPI B6.5	Describe the consumer data protection and privacy policy, as well as related enforcement and monitoring methods.	3.4 Focus on customer value
Level B7: Anti-corruption	General Disclosure Prevention of bribery, extortion, fraud, and money laundering: (a) Policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.		1.3 Abide by business ethics
	Key Performance Indicator B7.1	Number of corruption litigation cases filed and concluded against the issuer or its employees during the reporting period and the outcome of litigation.	1.3 Abide by business ethics
	Key Performance Indicator B7.2	Describe the preventive measures and reporting procedures, as well as the relevant enforcement and monitoring methods.	1.3 Abide by business ethics
	Key performance indicator B7.3	Describe the anti-corruption training provided to directors and employees.	1.3 Abide by business ethics Appendix I: ESG KPIs Governance Performance
	General Disclosure Policies on community engagement to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the communities.		4.4 Hand in hand with a better society
	Key Performance Indicator B8.1	Focus on areas of contribution (e.g. education, environmental issues, labour needs, health, culture, sports).	4.4 Hand in hand with a better society
Level B8: Community investment	Key performance indicator B8.2	Resources (e.g., money or time) used in areas of focus.	4.4 Hand in hand with a better society Appendix I: ESG KPIs – Social Performance

© Climate-related disclosures

Key disclosures		Corresponding disclosure content index
Governance	Governance bodies responsible for overseeing climate-related risks and opportunities	2.1 Addressing climate change – Governance
	The role of management in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	2.1 Addressing climate change – Governance
Strategy	Identified climate-related risks and opportunities	2.1 Addressing climate change – Strategy
	Business model and value chain	2.1 Addressing climate change – Strategy
	Strategy and decision-making	2.1 Addressing climate change – Strategy
	financial position, financial performance and cash flows	2.1 Addressing climate change – Strategy
	Climate resilience	2.1 Addressing climate change – Strategy
Risk Management	Risk management	2.1 Addressing climate change – Risk Management
Metrics and Targets	Greenhouse gas emissions	2.1 Addressing climate change – Metrics and Targets
	Scope 1 greenhouse gas emissions	2.1 Addressing climate change – Metrics and Targets
	Scope 2 greenhouse gas emissions	2.1 Addressing climate change – Metrics and Targets
	Climate-related transition risks	2.1 Addressing climate change – Strategy
	Climate-related physical risks	2.1 Addressing climate change – Strategy
	Climate-related opportunities	2.1 Addressing climate change – Strategy
	Capital utilization	2.1 Addressing climate change – Strategy
	Climate-related targets	2.1 Addressing climate change – Metrics and Targets

© GRI index

Report Section	GRI standards	
About The Report	GRI 2-2/2-3	
Board of Directors Statement	GRI 2-10/2-12/2-22/2-23/2-24	
Speech by the Director	GRI 2-22	
About us	GRI 2-1	
Industrial layout	GRI 2-6	
ESG governance	ESG core commitments	GRI 2-22
	ESG governance structure	GRI 2-12/2-13/2-14/2-16
	ESG materiality issues	GRI 3-2/3-3
1. Pilot: Governance is the foundation, and the journey is stable and far-reaching	Stakeholder communication	GRI 2-29
	1.1 Build a solid foundation for governance	GRI 2-9/2-10/2-11/2-12/207-1
	1.2 Strengthen risk compliance	GRI 2-27/207-1/403-2
	1.3 Abide by business ethics	GRI 2-24/205-1/205-2/206-1
	1.4 Build information security	/
2. Environment: low-carbon leadership, efficient development	2.1 Respond to climate change	GRI 201-2/305-1/305-2/305-4/305-5
	2.2 Deepen environmental management	GRI 306-2/404-2
	2.3 Practice green operation	GRI 3-3/301-1/301-2/301-3/302-1/302-3/302-4/302-5/303-3/303-4/303-5/305-7/306-1/306-2/306-3/306-4/306-5
	2.4 Create green products	GRI 302-4/302-5
3. Ingenuity: innovation-driven, guarding quality	3.1 Innovation leads development	GRI 203-2
	3.2 Full life cycle control	GRI 416-1/417-1/418-1
	3.3 Build a responsible supply chain	GRI 2-6/2-29/204-1/205-2/308-1/414-1/414-2
	3.4 Focus on customer value	GRI 2-29/416-1/416-2/417-1
4. Humanism: seek common development and create a better future	4.1 Diversified talent development	GRI 2-7/2-19/2-23/2-24/2-26/201-3/401-2/404-2/405-1/406-1/407-1/408-1/409-1
	4.2 Protect occupational health	GRI 2-7/401-2/403-1/403-2/403-3/403-4/403-5/403-6/403-7/403-8/403-10
	4.3 Jointly build an industrial ecology	GRI 2-8
	4.4 Join hands with a better society	GRI 203-1/413-1
Appendix I: ESG KPIs	GRI 201-1/203-1/205-3/302-1/302-3/303-4/303-5/305-1/305-2/305-4/305-5/305-7/306-1/306-3/306-5/401-1/401-2/403-9/403-10/404-1/404-3/405-1	
Appendix III: The Third- Party Assurance Statement	GRI 2-5	

Appendix III: The Third-Party Assurance Statement



Independent Assurance Statement

BCC Inc. (hereinafter referred to as BCC) and ZNSHINE PV-TECH CO., LTD. together with its subsidiaries (hereinafter referred to as ZNSHINE) are independent companies and organizations.

ZNSHINE is responsible for the collection, compilation, analysis and disclosure of information and data stated in the Report. BCC conducts assurance on the Report within the scope stipulated in the agreement with ZNSHINE. ZNSHINE is the specified user of this Statement.

This Statement is issued based on the assurance activities conducted on the 2025 Sustainability Report of ZNSHINE PV-TECH CO., LTD. The Report is prepared by ZNSHINE and submitted to BCC in compliance with Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (namely the Environmental, Social and Governance Reporting Guide), and the Global Reporting Initiative Sustainability Reporting Standards (2021 Edition, hereinafter referred to as GRI Standards). Accordingly, the scope of assurance is confined solely to the content and information provided as aforesaid. ZNSHINE shall be accountable for the completeness and authenticity of the information and data contained in the Report.

Assurance Criteria

In accordance with the AA1000 Assurance Standard Version 3 (AA1000AS v3), BCC conducts Type 1 moderate-level assurance on the content of the 2025 Sustainability Report of ZNSHINE PV-TECH CO., LTD.

Scope of Assurance

The assurance scope includes: Evaluating the accuracy and reliability of sustainability performance disclosed in the Report; Assessing the compliance of the Report content with applicable assurance criteria; Evaluating the nature and extent to which ZNSHINE has adhered to the four AA1000 Accountability Principles in preparing the Report: Inclusivity, Materiality, Responsiveness and Impact. The assurance does not include verification of the reliability of specified sustainability information/data.

Assurance Conclusion

The ESG Report reflects ZNSHINE's sustainability plans and performance for the 2025 fiscal year. Based on the assessment within the scope of this assurance, together with the reviewed information, data and sampled evidence of ZNSHINE, the performance information is true, reliable, usable, timely and relevant, and substantially complies with the requirements of AA1000AS v3.

Specific conclusions regarding compliance with the four AA1000 Principles are as follows:

Inclusivity

Evidence shows that ZNSHINE has systematically identified seven major stakeholder groups, including shareholders and investors, customers, suppliers and partners, employees, and local communities. The Company collects stakeholder feedback through stakeholder questionnaires, employee satisfaction surveys, supplier audits and training, providing a basis for double materiality assessment.

Materiality



ZNSHINE has implemented a formal double materiality assessment process covering the entire workflow of background analysis, issue identification, assessment and prioritization, as well as review and confirmation, taking into account both financial materiality and impact materiality. The materiality matrix clearly presents double materiality issues relevant to the industry characteristics of the Company and reflects the strategic priorities of the Company's ESG management. For each material issue, the Report discloses management objectives and annual progress, forming a closed-loop mechanism from issue identification to management implementation.

Responsiveness

Evidence shows that ZNSHINE has formulated targeted management measures and communication mechanisms to address the concerns of different stakeholders, including establishing a 100% closed-loop customer complaint handling mechanism, employee occupational health and safety management system, supplier ESG capacity building, and community public welfare investment. The Report discloses key performance indicators to quantitatively respond to major stakeholder concerns in key areas such as climate change, product quality, employee rights and development, and safety performance.

Impact

Evidence shows that ZNSHINE actively conducts impact analysis and assessment in environmental and social domains, and comprehensively discloses impact data and management measures relating to greenhouse gas emissions, energy consumption, waste management, employee rights protection, sustainable supply chain and occupational health. The Company's impact management covers not only its own operations but also extends to the value chain, including full-lifecycle carbon assessment of products.

This assurance engagement was performed by a professional team with sustainability report assurance capabilities in accordance with AA1000AS v3. Based on the information and explanations obtained during assurance planning and implementation, we conclude that ZNSHINE has provided sufficient evidence to support its fair representation that the Report is prepared in compliance with the ESG Reporting Guide of the Hong Kong Stock Exchange, and the Report is deemed to conform to the principles set out in AA1000AP (2018).

Recommendations for Improvement

Based on the findings of this assurance, the following improvement recommendations are proposed for ZNSHINE's ESG practices and management: It is recommended to optimize the ESG data management process, strengthen the traceability and disclosure of key indicators, reduce data gaps, and enhance the credibility and comparability of the Report.

Limitations of Assurance and Mitigation Measures

BCC has not conducted formal assurance on the sustainability performance indicators disclosed in the Report, and only confirmed that all indicators have clear data sources through interviews and verification of factual evidence.

BCC does not provide an assurance opinion on subjective statements such as opinions, beliefs, inferences, aspirations, expectations and future intentions described in the Report; however, BCC has performed assurance and issued opinions on quantitative and qualitative factual evidence supporting such statements.



In future assurance engagements, BCC will further focus on the improvement and enhancement of the organization's sustainability information disclosure and management in pursuit of continuous improvement.

Statement of Independence and Professional Competence

Founded in 1994, BCC Inc. (BCC) is one of the first independent third-party certification bodies in China. It holds accreditation qualifications including CNAS accreditation, UKAS accreditation for medical device quality management systems, and ANAB accreditation for quality, environmental and occupational health and safety management systems. With over 30 years of professional experience and practical cases in management system certification, product certification, service certification and sustainability-related fields, BCC conducts sustainability information assurance activities under a quality management system complying with ISO/IEC 17029:2019 and strictly abides by its Code of Professional Ethics and Compliance.

Our assurance services adhere to the principles of independence and impartiality, and BCC does not participate in the preparation of ZNSHINE's Report. This assurance project was undertaken by a team with professional knowledge of sustainability issues and relevant assurance experience. It is the responsibility of BCC to perform independent assurance in accordance with the assurance agreement and agreed scope of work, and to render independent and impartial professional judgment on the Sustainability Report.



BCC Inc.
General Manager:
Beijing, China, 30 April 2026

Reader Feedback Form

Thank you for reading the 'ZNSHINE PV-TECH CO., LTD. 2025 Environmental, Social and Governance (ESG) Report', in order to strengthen communication and exchanges with stakeholders and further improve the Company's ability and level of fulfilling its social responsibilities, we expect you to fill out the feedback form, put forward valuable comments and suggestions to us, and choose any of the following methods to feedback your comments to us.

Address: No. 229, Tongda Avenue, Suqian Economic and Technological Development Zone, Suqian City, Jiangsu Province, China

Phone: +86 519 6822 0233

Email: info@znsinesolar.com

1. Which of the following stakeholders are you:

- Government Regulators Shareholders Customers Employees
 Vendors Partners Community Media Other

2. Your location:

- Chinese mainland Hong Kong, Macao, and Taiwan Overseas

3. Your overall evaluation of the Report:

- Not good Generally Better Very good

4. Your evaluation of ZNSHINE's practice in environmental protection:

- Not good Generally Better Very good

5. Your evaluation of ZNSHINE's practice in social responsibility:

- Not good Generally Better Very good

6. Your evaluation of ZNSHINE's practice in corporate governance:

- Not good Generally Better Very good

7. Whether you think the information disclosed in the Report is accurate:

- No General Yes

8. Whether you think the information disclosed in the Report is complete:

- No General Yes

9. Whether you think the content and format of the Report are clear and easy to understand:

- No General Yes

10. Whether you think the Report can meet your reading needs:

- No General Yes

11. Your comments and suggestions on improving and enhancing ZNSHINE's practice of ESG development concepts and other opinions and suggestions in the Report:

Thank you for your attention and support to ZNSHINE!



Address: No. 229, Tongda Avenue, Suqian Economic and Technological Development Zone, Suqian City, Jiangsu.

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Email: info@znshinesolar.com