



2024

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT**

STOCK CODE: 300316




THE CRYSTAL OF TECHNOLOGY ENJOYS
GREAT PRESTIGE IN THE WORLD



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About This Report

This is the 4th Environmental, Social, and Governance (ESG) Report published by Zhejiang Jingsheng Mechanical & Electrical Co., Ltd. This Report discloses the Company's development practices and major achievements in economical, environmental, social, and corporate governance responsibilities for the year 2024 in an attempt to communicate effectively with various stakeholders and systematically respond to stakeholder expectations and requirements.

Time Frame

The Report covers the period from January 01, 2024, to December 31, 2024. To enhance the comparability and perspectiveness of the Report, some content appropriately refers to previous and subsequent years.

Basis for Compilation

UN Sustainable Development Goals (SDGs) 2030
Global Reporting Initiative GRI Standards
Guidelines No. 17 of Shenzhen Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
Chinese National Standard *Guidelines on Social Responsibility Reporting* (GB/T36001-2015)

Data Source

The data in this Report comes from the raw data of the Company's actual operation, public data from government departments, annual financial data, relevant internal statistical reports, third-party questionnaires and third-party evaluation interviews. The financial data in this Report is in CNY. In case of any inconsistency between this Report and the Financial Report, the Financial Report shall prevail.

Report Terminology

For the purpose of presenting the economic, social and environmental responsibilities of Zhejiang Jingsheng Mechanical & Electrical Co., Ltd. (hereinafter referred to as "JSG", the "Company" or "we") and its subsidiaries, the full names and abbreviations of some of the subsidiaries covered in this Report are as follows:

- Huixiang E&H refers to Hangzhou Huixiang Electronic Hydraulic Technology Development Co., Ltd.
- Jingchuang Automation refers to Zhejiang Jingchuang Automation Equipment Co., Ltd.
- JingHuan Electronic refers to Inner Mongolia JingHuan Electronic Materials Co., Ltd.
- Jinghong Precision refers to Zhejiang Jinghong Precision Machinery Manufacturing Co., Ltd.
- Jingyu New Materials refers to Zhejiang Jingyu New Materials Co., Ltd.
- Jingrui Electronic refers to Zhejiang Jingrui Electronic Materials Co., Ltd.
- Jingsheng Photonics refers to Zhejiang Jingsheng Photonics Technology Co., Ltd.
- Jingxin Green Diamond refers to Zhejiang Jingxin Green Diamond Technology Co., Ltd.
- Meijing New Materials refers to Zhejiang Meijing New Materials Co., Ltd.
- Ningxia Jingchuang refers to Ningxia Jingchuang Intelligent Equipment Co., Ltd.
- Ningxia JingHuan refers to Ningxia Jinghuan New Material Technology Co., Ltd.
- Ningxia Xinjingsheng refers to Ningxia Xinjingsheng Electronic Materials Co., Ltd.
- Qiushi Semiconductor refers to Zhejiang Qiushi Semiconductor Equipment Co., Ltd.
- ZVISION Optoelectronics refers to Hangzhou ZVISION Optoelectronics Technology Co., Ltd.
- Qiushi Chuangxin refers to Zhejiang Qiushi Chuangxin Semiconductor Equipment Co., Ltd.

* See the Company's 2024 Annual Report for the scope of the specific holding subsidiaries covered in this Report.

Report Acquisition

This Report is published in electronic format and can be accessed on the Shenzhen Stock Exchange website (<http://www.szse.cn>) and CNINFO (www.cninfo.com.cn). The Report is available in both English and Chinese. In the event of any discrepancy in the interpretation of the two texts, the Chinese version shall prevail.

Chairman Message



Zhejiang Jingsheng Mechanical & Electrical Co., Ltd.
Chairman

Dr. Cao Jianwei

2024 is a crucial year for JSG to anchor its "advanced materials, advanced equipment" strategy and drive high-quality development through innovation. We adhere to the core values of "Honesty and optimism, Loyalty and dedication, Struggle orientation, Partner accomplishment, Pioneering and innovation, Co-creation of brilliance". With technological breakthroughs as the spear and responsibility as the shield, we continue to make breakthroughs in the semiconductor and PV fields, and strive towards the mission of "To become a leading equipment supplier of semiconductor materials, to facilitate high-tech industry development for green intelligent manufacturing". We have built an ESG management system covering the entire value chain, promoted the parallel transformation of technology and green, and achieved a deep integration of technology leadership, ecological co construction, and social value.

The core belief we always adhere to is striving for excellence and achieving partnership. In the challenges posed by the restructuring of the global semiconductor industry chain and changes in the supply and demand of the global PV new energy industry, the company actively seized opportunities and promoted the development of new businesses, forming three core business boards covering semiconductor equipment, semiconductor substrate materials, semiconductor consumables, and components, laying a solid foundation for the company's steady growth. We have predicted the downward cycle of the PV industry and effectively balanced the risks and benefits of the PV equipment business through scientific risk control and lean manufacturing management, creating maximum value for shareholders and employees. At the same time, the company is targeting the new track of the silicon carbide industry, rising late and quickly standing out with differentiated technological innovation, precise product positioning, full industry chain technology layout, and intelligent manufacturing, winning a leading position in the industry. In addition, we continue to deepen our collaboration with long-term strategic partners, working together to build a healthy and sustainable industry

ecosystem. This deep cooperation is not only a reflection of trust, but also a powerful driving force for us to continuously optimize our services and enhance our competitiveness.

Our unwavering pursuit is to explore and innovate, and create brilliance together. The company always adheres to the dual wheel drive of technological innovation and deep exploration of customer needs, and fully promotes research and development innovation. In 2024, the company will lead the industry development with a series of cutting-edge technologies. In the field of semiconductor equipment, we have achieved breakthroughs in the localization of high-end equipment such as 12 inch vacuum epitaxy and advanced packaging three-axis thinning machines, and our product performance has reached the international advanced level; Innovative fully automated large-size silicon carbide growth and processing technology helps accelerate the upgrading of the silicon carbide industry; The semiconductor diamond wire slicing technology and the new generation polishing technology are driving the global leading process of semiconductor large silicon wafer equipment. In the process of rapid development and intensified competition in the PV industry, the company has taken the lead in launching core efficiency improving EPD equipment and cost reducing silver removal component equipment through continuous research and development technology innovation. Innovative products have greatly enhanced the company's competitiveness and ability to withstand cyclical fluctuations, laying a solid foundation for rapid development in the next cycle.

Talent oriented, organization based is the cornerstone of our stable development. JSG always regards talent as the most valuable asset, and constructs a full cycle talent development system of "talent introduction, cultivation, and retention" with the values of "honesty, optimism, loyalty, and dedication". The company uses Jingsheng Academy as a platform to regularly conduct specialized training. Through different fields and levels of professional courses, it establishes a process decentralization and accountability mechanism, implements a capability appointment system, and uses value creation to drive management, promoting the career development of technical cadres and continuously cultivating professional talents for the company. In 2025, the company will continue to focus on upgrading its operational capabilities and plan to carry out improvement projects based on risk management and process performance. By combining employee empowerment, talent development, and excellent team building, driven by a future oriented vision and strategic decision-making, the company will build an industry-leading human resources ecosystem and organizational effectiveness system.

Looking back on eighteen years of hard work and perseverance, my original intention remains unchanged. We deeply understand that only by putting customers at the center, innovation as the driving force, and talent as the foundation, can we stand at the forefront of change. Looking ahead to the future, JSG will take ESG as its strategic guidance and deepen its three major commitments: firstly, technology first, accelerate the localization of semiconductor equipment, upgrade PV technology, and contribute to global carbon neutrality; Secondly, collaborative development, working together with customers, employees, and communities to build a community of responsibility and promote the development of the industrial chain; Thirdly, we will operate steadily, driven by both digitalization and green manufacturing, to create a hard technology benchmark with a long-lasting foundation.

Finally, on behalf of the board of directors, I would like to express my heartfelt gratitude to every fighter, partner and social supporter! Let us take the vision of "The crystal of technology enjoys great prestige in the world" and join hands to embark on a new journey of high-quality development.

About JSG

Company Profile

Zhejiang Jingsheng Mechanical & Electrical Co., Ltd. was established in 2006 and went public in 2012. It is a leading "advanced materials and equipment" high-tech enterprise. The Company has a research and management team centered around professors and PhDs, as well as technical research platforms such as the national postdoctoral research workstation and the national enterprise technology center, and multiple professional research institutes. Our main business products involve semiconductor equipment, semiconductor substrate materials, and semiconductor consumables and components.

In the field of semiconductor equipment, the Company is a leading enterprise in the domestic integrated circuit level 8-12 inch large silicon wafer growth and processing equipment; Successfully deployed advanced process and packaging equipment such as 8-12 inch silicon atmospheric pressure epitaxy, 8-12 inch vacuum epitaxy equipment, and thinning machines, and obtained market recognition; 6-8 inch silicon carbide epitaxial equipment achieves domestic substitution, leading the industry in market share; PV equipment technology and scale are globally leading. In the field of semiconductor materials, the Company's sapphire material technology and scale are globally leading; The technology and scale of 6-8 inch silicon carbide substrate are at the forefront in China. In the field of semiconductor consumables and components, the technology and scale of semiconductor

quartz crucibles are leading domestically, while the technology and scale of PV quartz crucibles are leading globally. At the same time, the Company's processing capability and mass production scale of semiconductor precision components such as large vacuum chambers, large high-precision frames, and precision transmission spindles are among the top in China.

Vision



- The crystal of technology enjoys great prestige in the world

Mission



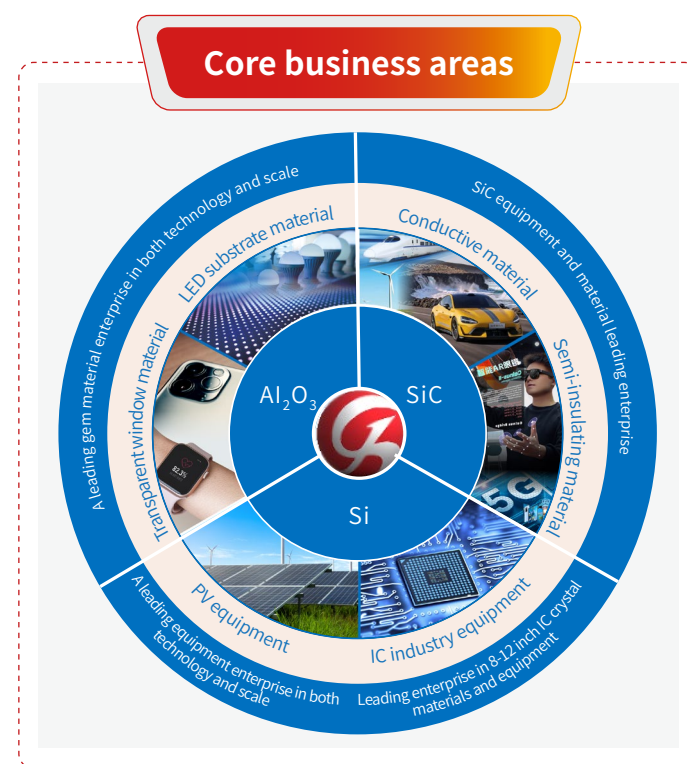
- To become a leading equipment supplier of semiconductor materials
- To facilitate high-tech industry development for green intelligent manufacturing

Values



- Honesty and optimism
- Loyalty and dedication
- Struggle orientation
- Partner accomplishment
- Pioneering and innovation
- Co-creation of brilliance

Global presence



Total number of employees	Total R&D personnel	Number of doctors	Owned patents
6,000+	1,500+	40+	1,000+



2 major equipment manufacturing bases

Shangyu, Hangzhou

2 major semiconductor component bases

Shangyu, Fukushima (Japan)

3 major material manufacturing bases

Shangyu, Hohhot, Yinchuan

4 major R&D centers

Shangyu, Hangzhou, Hohhot, Tokyo (Japan)

2 overseas offices

Malaysia, Singapore

Global business

Europe, Southeast Asia, Middle East, North America

Company Development History

2006

- Shangyu Jingsheng Mechanical & Electrical Engineering Co., Ltd. established

2007

- Developed the first domestic fully-automatic mono crystal silicon growth furnace and achieved batch sales

2008

- Successfully developed the largest fully-automatic Czochralski mono crystal puller in China

2009

- Successfully developed the first domestic dual-source JSH450 multicrystal ingot furnace

2010

- Underwent a shareholding reform to become: Zhejiang Jingsheng Mechanical & Electrical Co., Ltd.

2014

- Established JingRui Electronic, with a production capacity of 12 million pieces of sapphire slicing and polishing projects

2013

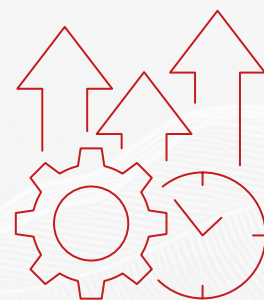
- Established JingHuan Electronic to engage in the sapphire crystal material business

2012

- Listed on the GEM of the Shenzhen Stock Exchange

2011

- Successfully developed the domestic first gas-cooled multicrystalline silicon casting furnace
- Successfully developed the first sapphire silicon growth



2015

- Acquired ZVISION Optoelectronics, aiding in the creation of automated intelligent production lines
- The 300mm Czochralski silicon mono crystal puller equipment passed the national 02 special project acceptance

2016

- The 8-inch zone melting silicon mono crystal puller passed the national 02 special project acceptance
- Established Jingchuang Automation, starting the equipment service journey

2017

- Acquired 10% shares and jointly established the Zhonghuan Advanced Semiconductor Materials Co., Ltd with Zhonghuan
- Developed a 12-inch semiconductor superconducting magnetic field mono crystal puller
- Invested in semiconductor precision parts base through JingHong Precision
- Established JSG Japan Co., Ltd., starting the path of international R&D for semiconductor equipment

2018

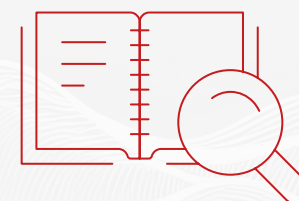
- Successfully developed a 6-inch SiC crystal growth furnace
- Established PRIMET Japan Co., Ltd., expanding into the high-end semiconductor precision component field
- Established Qiushi Semiconductor, initiating the development of semiconductor CVD equipment

2019

- Successfully developed various equipment for G12 silicon wafers, double-side grinding machines for 8-12 inch silicon wafers, and polishing machines for 6-8 inch silicon wafers
- Achieved full coverage of 8-inch semiconductor silicon wafer growth, slicing, polishing, and CVD processing equipment

2020

- Jointly established the Ningxia Xinjingsheng with Lens Technology
- Successfully grew a 700Kg level sapphire crystal
- Completed the technical identification of the third-generation semiconductor CVD equipment
- Successfully developed a 12-inch precision double-side polishing machine



2023

- JSG's Technology Center was recognized as a national enterprise technology center
- Meijing New Materials became the first company in China to develop and mass-produce 42-inch quartz crucibles
- The School of Mechanical Engineering of Zhejiang University held the inauguration ceremony of "Jingsheng Building"
- JSG's annual output of 300,000 silicon carbide substrates project launched

2022

- Crystal Laboratory successfully grew the first 150kg deep red ruby
- Successfully developed a fully-automatic diamond growth furnace
- JSG celebrated its tenth anniversary of listing
- Successfully developed an 8-inch N-type SiC crystal

2021

- Successfully developed a 12-inch semiconductor hard-axis Czochralski silicon mono crystal puller
- Successfully developed the process exhaust gas treatment equipment for the semiconductor industry
- Developed the first 8-inch silicon wafer thinning machine
- Developed the first chip-end LPCVD, officially entering the IC manufacturing field

2024 Major Events

January

- Subsidiary JingHong Precision was selected as a smart factory in Zhejiang Province

March

- JSG relocated its headquarters to the Innovation Center
- JSG released three new products: 8-inch double-chip silicon carbide epitaxial furnace, 8-inch silicon carbide measurement equipment, and 12-inch fully automatic thinning and polishing equipment

April

- Dr. Cao Jianwei, Chairman of JSG, was honored as a "2024 Model Worker of Zhejiang Province"

May

- JingHuan Electronic's 1,000kg-class ultra-large sapphire silicon set a new record

June

- JSG participated in the 17th (2024) SNEC International Photovoltaic Power Generation and Smart Energy Conference & Exhibition



July

- Dr. Zhu Liang, Vice President of JSG, was named among the first "Excellent Engineer of Zhejiang Province"
- Jingsheng Photonics exported cell equipment to overseas customers
- JSG was selected as a key laboratory in Zhejiang Province

September

- JSG participated in the 12th CSEAC
- Meijing New Materials and Qiushi Semiconductor were recognized as national specialized, refined, differential, and innovative "Little Giant" enterprises

October

- JSG achieved an "A" rating in information disclosure from the Shenzhen Stock Exchange for 11 consecutive years

November

- JSG won the first 10GW batch order for battery cutting edge passivation (EPD) equipment

December

- The Japan Materials Research Institute was established
- JSG showcased its products at the 2024 Semicon Japan

2024 Honors

2024 Key Honors



ESG Honors

- ◆ MSCI ESG rating upgraded to BB
- ◆ Achieved an "A" rating in information disclosure from the Shenzhen Stock Exchange for 11 consecutive years



National Level

- ◆ 5 subsidiaries listed as Specialized, Refined, Special, and Innovative Little Giants
- ◆ Top 500 Chinese Private Enterprises 2024
- ◆ Top 500 Chinese Manufacturing Enterprises 2024
- ◆ Included in the Hurun China 500 list for five consecutive years
- ◆ Ranked the top position in terms of tax contribution in the Chinese electronic special equipment industry for seven consecutive years
- ◆ Top 100 Electronic Information Competitive Enterprises 2024
- ◆ Top 500 Private Enterprises in R&D Investment 2024
- ◆ 2024 Outstanding Equipment Enterprise



Provincial Level

- ◆ Established Zhejiang Postdoctoral Workstation
- ◆ Top 100 Manufacturing Enterprises in Zhejiang Province 2024
- ◆ Top 100 Fastest Growing Enterprises in Zhejiang Province 2024
- ◆ Listed in the "Leading Enterprises of Private Economic Headquarters in Zhejiang Province" in 2024
- ◆ Top 500 High-Tech Enterprises with Innovation Capability in Zhejiang Province

Highlights in 2024

Economy and governance

Revenue	Net profit attributable to parent company	
1,757,661 CNY 10,000	250,973 CNY 10,000	
Total asset	Tax paid during 2024	
3,155,018 CNY 10,000	138,383 CNY 10,000	
3 independent directors	NO reported incidents of anti-corruption	100% employees receiving anti-corruption training

Social

Total employees	Number of disabled employees	Number of minority employees
6,111 Persons	7 Persons	274 Persons
Number of female managers	Number of female executives	
59 Persons	17 Persons	
R&D personnel	R&D investment	Cumulative number of patents as of December 31, 2024
1,588 Persons	111,919 CNY 10,000	1,069 pcs
Customer satisfaction	NO customer complaints	Donation
97%		750 CNY 10,000

Environmental

Investment in environmental protection	Total wastewater circulation	Total recyclable waste
3,582 CNY 10,000	201,212 m³	2,062 ton
Cumulative PV investment as of December 31, 2024	Cumulative PV power generation as of December 31, 2024	
7,427 CNY 10,000	1,676 '0000 kWh	
Planned investment in PV projects in next 3 years	Total expected PV power generation	
1,500 CNY 10,000	1,816 '0000 kWh	

ESG Management

ESG Management

JSG aims to "become a leading equipment supplier of semiconductor materials, facilitate high-tech industry development for green intelligent manufacturing", actively assuming responsibilities to shareholders, the environment, customers, employees, and the community. JSG builds its ESG management philosophy starting from six dimensions: robust governance, environmental protection, technology R&D, collaboration with multiple parties, caring for employees, and contributing to the society.

JSG's ESG management philosophy



Robust governance

- Business Ethics
- Actively creating shareholder value
- Solid corporate governance and operations



Protecting the environment

- Empowering new energy products
- Promoting green operation and production
- Actively Adopt and Mitigate Climate Change



Technology R&D

- Continuous innovation
- Promoting industry development



Collaboration with multiple parties

- Becoming the most trusted partner for customers
- Stable supply chain



Caring for employees

- Comprehensive employee training system
- Transparent promotion paths
- Caring for employee health and life



Contributing to the society

- Focusing on vulnerable groups
- Conducting public welfare donations and activities

Climate change is a global challenge that humanity must collectively address. As an industry-leading semiconductor and photovoltaic intelligent manufacturing company, we firmly believe that seizing opportunities in clean technologies and driving green innovation are essential to accelerate global carbon neutrality. In 2024, we elevated clean technology initiatives to become a core component of our ESG development strategy. Collaborating with partners across various sectors, we are committed to advancing the transformation towards clean energy and promoting low-carbon, green development.

Strategic direction for clean technology opportunity



Green

- Increase investment in green product R&D, and focus on the development of "advanced materials and advanced equipment" in green energy fields such as photovoltaic power generation and LED lighting
- Adhere to sustainable development as the focus of the Company's development
- Build a green manufacturing system to contribute to the national new energy green industry



Intelligent

- The Company provides intelligent factory solutions for the semiconductor industry, PV industry and compound substrate industry to meet customers' digital and intelligent production mode needs
- Build an industrial digital brain, and create an intelligent manufacturing mode to achieve lean, intelligent manufacturing and management with highly intelligent advanced manufacturing and efficient organizational management



Low-carbon

- Set the greenhouse gas emission reduction targets of carbon peak in 2030 and carbon neutrality in 2055, with 2022 as the base year
- Scientifically eliminate and replace old equipment and upgrade processes to reduce energy consumption and emissions during the operation process
- Give priority to clean energy sources such as photovoltaic power generation, promote the transformation of the energy structure, and gradually get rid of the dependence on fossil energy
- Plan the optimal path, use recyclable packaging materials and utensils, and work together with suppliers to achieve low-carbon and energy-saving goals



Manufacturing

- Build a globally leading green intelligent high-tech manufacturing enterprise integrating intelligent equipment for semiconductors, photovoltaics, etc., new materials, and provide an ecological environment for low-carbon, energy-saving and sustainable development

ESG Management Structure

JSG places significant emphasis on ESG risk management and governance standards. The Company has progressively enhanced its ESG management system, establishing a three-tier ESG management organizational structure of "decision-making - management - execution", with the board of directors as the decision-making level, the strategy and investment committee under it as the management level, and the ESG working group composed of heads of functional departments as the executive level. It uses the internal three-line defense mechanism to ensure the compliance and effectiveness of ESG management, and effectively guarantee that the Company fulfills its ESG commitments.

Board of Directors



Material Topic Analysis

JSG has identified and confirmed the ESG material topics for 2024 by considering the macro policies and development trends, taking into account the development of its own ESG work and the focuses of its stakeholders, referring to international authoritative standards, benchmarking against the focuses of ratings such as MSCI ESG, and communicating with external experts and projects. The Company responds to stakeholder demands and disclosures through the entire process of topic identification and screening, to stakeholder research, comprehensive analysis of the results, and ultimately to the formation of a material topic matrix. The analysis results of material topics provide an important reference for the Company's future ESG management work.

1 Company Business Analysis

JSG is committed to understanding its operations, external environment, and stakeholder relationships to enhance its ESG

2 Topic Identification and Screening

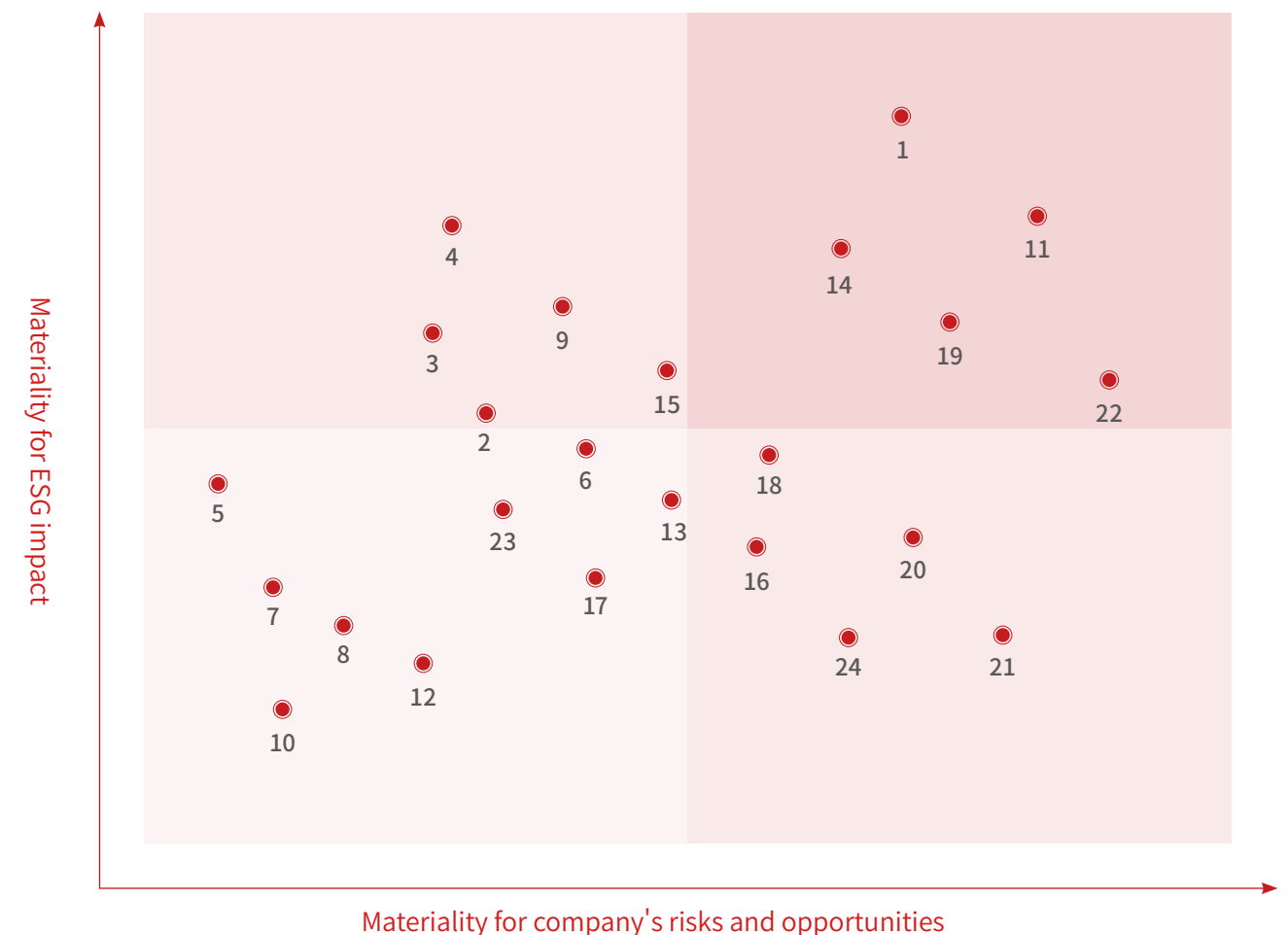
Following domestic and international standards and policies, based on industry policy analysis and benchmarking against peers, 24 topics related to the Company have been identified and summarized.

3 Stakeholder Survey

Communicate with internal and external stakeholders through online questionnaires and other tools, covering employees, customers, investors, suppliers, service providers, government and regulatory agencies, media, industry associations, and cooperation institutions.

4 Comprehensive Analysis of Results

Based on the results of stakeholder research, combined with expert analysis, the material topics are adjusted, the Board of Directors reviews the completeness and accuracy of material topics, determines their financial materiality and impact, sorts them forms a matrix of material topics, and responds to topics of concern to stakeholders in the Report.



Governance topics

- 1 Corporate governance
- 2 Digital transformation
- 3 Information security and privacy protection
- 4 Risk management
- 5 IP protection
- 6 Business ethics and anti-corruption
- 7 ESG management
- 8 Compliance with information disclosure

Environmental topics

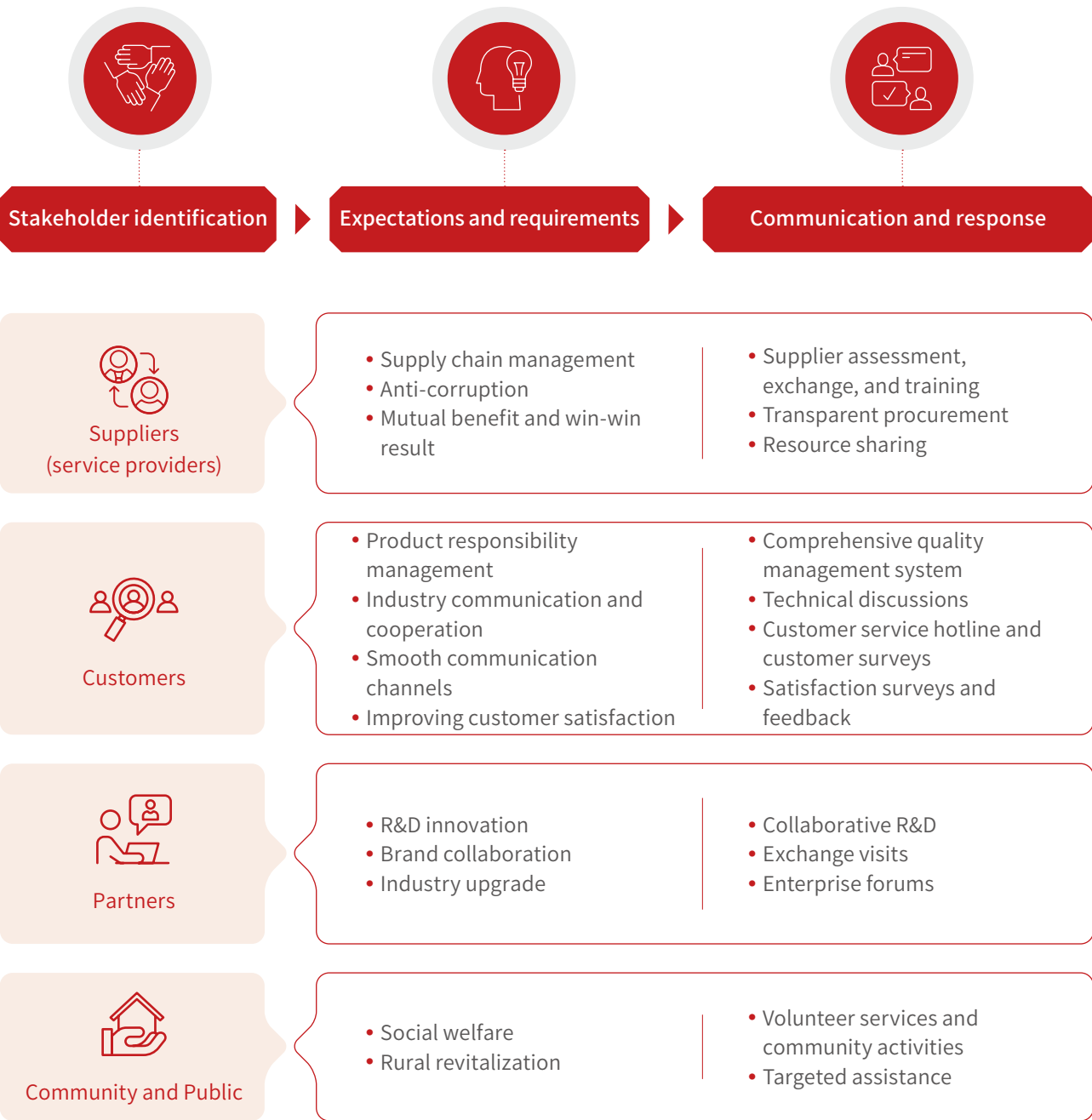
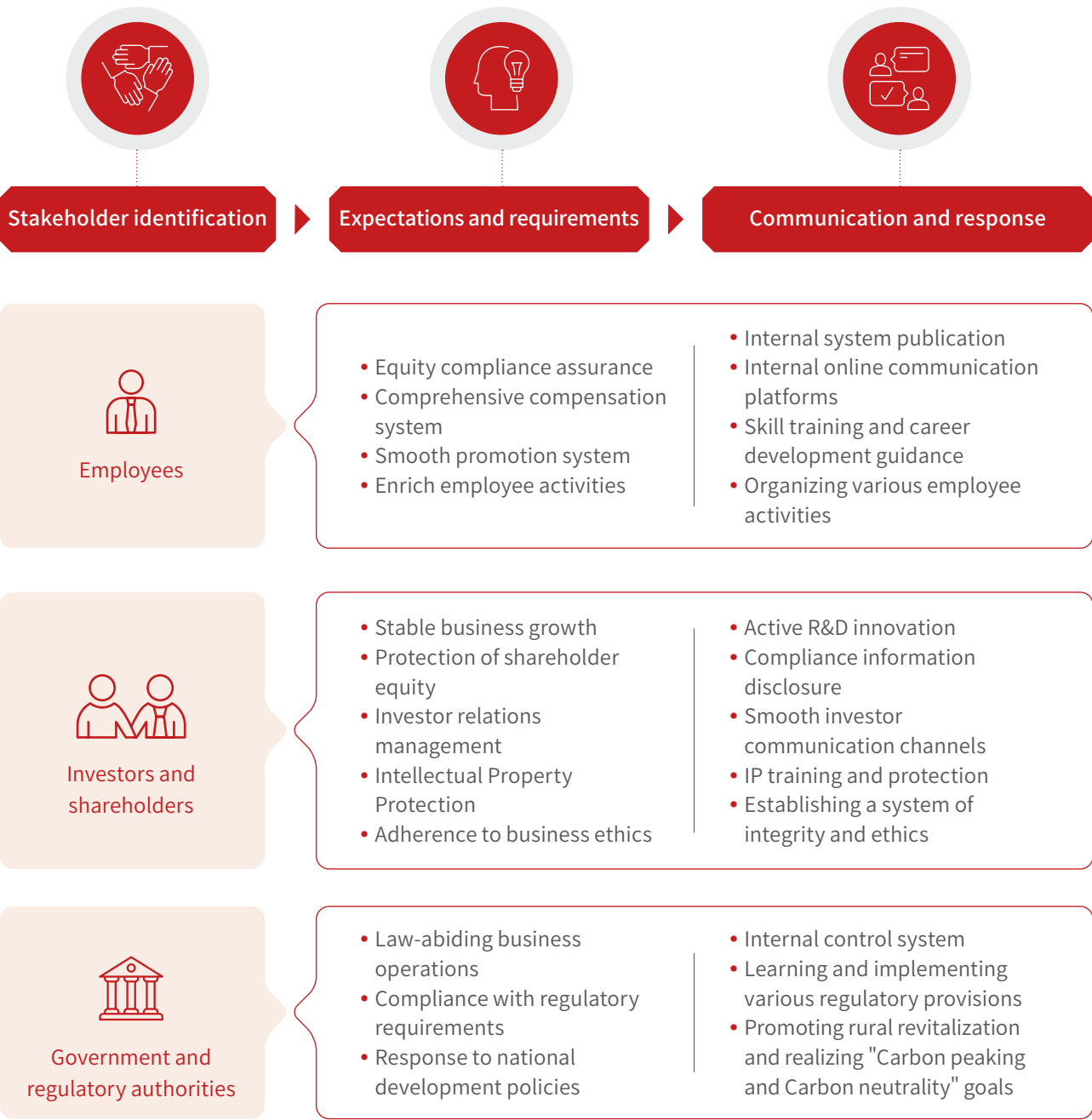
- 9 Energy and resource management
- 10 Green logistics (including packaging, transportation and warehousing)
- 11 Clean technology opportunities
- 12 Source of raw materials
- 13 Emission management
- 14 Supply chain management (including environmental requirements)
- 15 Addressing climate risks
- 16 Chemical management

Social topics

- 17 Employee rights, development, and health
- 18 Product quality and safety
- 19 Technology R&D and innovation
- 20 Transparent procurement
- 21 Customer service
- 22 Leading industry development
- 23 Public welfare
- 24 Gender equality

Stakeholder Communication

JSG attaches great importance to stakeholder communication. As a group that mutually influences and shares mutual benefits with the Company, the expectations and demands of stakeholders are an important reference for the Company's sustainable development work. The Company regularly understands the expectations and feedback of internal and external stakeholders such as investors, the government, customers, employees, suppliers, and the media through various channels.



Responding to the UN Sustainable Development Goals (SDGs)

JSG supports the United Nations 2030 Agenda for Sustainable Development and promotes the realization of the UN Sustainable Development Goals (UN SDGs 2030) through its actions.

SDG 17: Partnerships for the goals

Corresponding Chapters: Chapter 1, Chapter 3, Chapter 4

JSG empowers technological innovation through industry-academia-research cooperation, assisting in the collaborative development of specialties and industries. It establishes honest, transparent, and mutually trustworthy relationships with suppliers, creating a responsible supply chain and promoting cooperation for mutual benefits across the entire industry chain

SDG 16: Peace, justice, and strong institutions

Corresponding Chapters: Chapter 1

It establishes a governance system with clear accountability, compliance, and efficiency, strengthens business ethics management, pays attention to information security and intellectual property protection, and maintains the sustainable operation and development of the company.

SDG 13: Climate action

Corresponding Chapters: Chapter 2, Chapter 3

JSG firmly grasps opportunities in clean technology, increases investments in green technology, continuously monitors its greenhouse gas emissions, increases the use of clean energy, and constantly improves its energy-saving and emission-reduction efforts.

SDG 11: Sustainable cities and communities

Corresponding Chapters: Chapter 2, Chapter 6

JSG adheres to the environmental protection and low-carbon design concepts, and contributes to the promotion of clean energy technology and innovation, creating green energy for the world. In addition, JSG actively organizes public welfare activities to return the society with various practical actions.

SDG 10: Reduced inequalities

Corresponding Chapters: Chapter 5

JSG adheres to an equal employment policy, offers fair compensation and benefits, and creates a harmonious and equal working environment.

SDG 3: Good health and well-being

Corresponding Chapters: Chapter 2, Chapter 5

JSG continuously improves its occupational health and welfare system, implements various health and safety measures, and fully guarantees the physical and mental health of its employees.

SDG 4: Quality education

Corresponding Chapters: Chapter 4, Chapter 5

JSG consistently enhances its employee training, creating a training brand system centered around Jingsheng Academy. For several years, it has conducted various training activities such as new employee training, team leader leadership training, "Porter Cup", "Lu Ban Cup", etc., empowering employees. The Company has established long-term educational support partnerships with universities, which vigorously support national R&D personnel.

SDG 5: Gender equality

Corresponding Chapters: Chapter 5

It values the rights of female employees, practices equal pay for equal work among male and female employees, and focuses on the development of female employees.

SDG 8: Decent work and economic growth

Corresponding Chapters: Chapter 5

JSG provides employees with market-competitive salaries, develops and implements long-term compensation incentive programs.

SDG 9: Industry, innovation, and infrastructure

Corresponding Chapters: Chapter 3, Chapter 4

It insists on innovation-driven, independent R&D, and is committed to leading the development of the global PV equipment industry with innovative technologies and products





Compliance Operation	23	Business Ethics	31
Risk Management	28	Privacy and Information Security	35

Sound Operations and Lean Management

JSG is committed to establishing an exemplary governance model by developing a robust governance structure and a comprehensive internal control and risk management system, upholding business ethics, and fostering an environment that ensures information security. These initiatives serve as the foundation for stable development, enabling the Company to project a responsible corporate image and create long-term, stable, and sustainable value for shareholders, customers, employees, and a broader range of stakeholders.

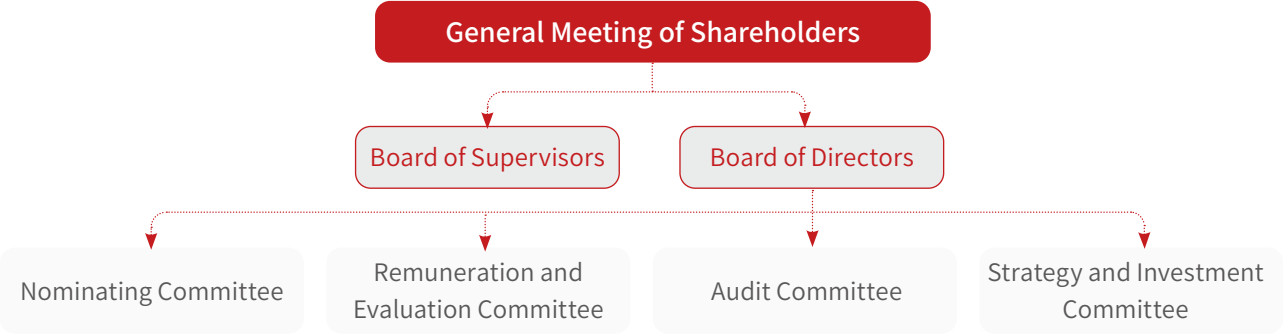


Compliance Operation

Operation by the Board of Directors, the Board of Supervisors and the General Meetings of Shareholders

JSG strictly abides by the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, and the legal regulations of the Securities Regulatory Commission and the stock exchanges. It has established a governance structure composed of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the management team, and continuously improved various governance systems and the working rules of the three mechanisms, to promote standardized operations and enhance corporate governance, ensuring the protection of the legal rights of the Company and its stakeholders.

Organization chart of the Company



Composition and Responsibilities of the three Mechanisms

General Meeting of Shareholders	<ul style="list-style-type: none">The General Meeting of Shareholders of the Company decides on the business policies and investment plans of the Company, and reviews important matters of the Company.
Board of Directors	<ul style="list-style-type: none">The Board of Directors of the Company is a permanent decision-making body, mainly exercising the powers granted by laws, regulations, Articles of Association, and the General Meeting of Shareholders, and is accountable to the General Meeting of Shareholders.
Board of Supervisors	<ul style="list-style-type: none">The Board of Supervisors, according to the powers conferred by the Articles of Association, supervises the company's operations, management and decision-making, and safeguards the legitimate rights and interests of the company and its shareholders.The Board of Supervisors consists of shareholder representatives and an appropriate proportion of employee representatives. The Chairman of the Board of Supervisors is elected by a majority of all supervisors, and employee representatives are democratically elected by company employees through the employee representative assembly, employee assembly, or other democratic forms.

Key Performance

In 2024, the Company held **1** General Meeting of Shareholders, **6** Board Meetings, and **6** Supervisory Meetings. A total of **56** resolutions were considered.

The Board of Directors of the Company has established four specialized committees: Nomination, Compensation and Assessment, Audit, and Strategy and Investment. The rules of procedure for each committee have been revised and improved, operating strictly according to the rules of procedure of each specialized committee, providing scientific and professional advice for the decision-making of the Board of Directors.

Committee Responsibilities and Independence under the Board of Directors

Committee Name	Key Responsibility	Committee Independence
Audit Committee	<ul style="list-style-type: none">Understand the progress of business operations and major issues;Guide internal audit work and review the Company's financial statements and business data;Proposing the appointment or replacement of external audit firms;Overseeing the Company's internal audit system and its implementation;Managing communication between internal and external audits;Review the Company's financial information and its disclosure.	<ul style="list-style-type: none">Ms. Fu Qi is the chairperson, and Mr. Zhao Jun and Mr. Pang Baoping are committee members;The Committee consists of 3 independent directors, with 100% independence.
Strategy and Investment Committee	<ul style="list-style-type: none">Review the long-term development strategy and major investment and financing decisions of the Company, in light of the development of the industry in which the Company operates and its own development situation.	<ul style="list-style-type: none">The Committee consists of Mr. Cao Jianwei (chairperson), Ms. Qiu Minxiu, and Mr. Zhou Zixue.
Nominating Committee	<ul style="list-style-type: none">Advise and make recommendations to the Board of Directors on the selection of directors (including independent directors), General Manager and other senior management of the Company, and be responsible to the Board of Directors.	<ul style="list-style-type: none">The Committee consists of Mr. Zhao Jun (chairperson), Mr. Pang Baoping, and Mr. He Jun;The Committee includes 2 independent directors.
Remuneration and Evaluation Committee	<ul style="list-style-type: none">Review the compensation policy and assessment schemes for the directors and senior management of the Company, evaluate and review the work situations of the directors and senior management according to performance evaluation standards, review the implementation of the Company's restricted stock incentive plan.	<ul style="list-style-type: none">The Committee consists of Mr. Pang Baoping (chairperson), Ms. Fu Qi, and Mr. Mao Quanlin.The Committee includes 2 independent directors.

Remuneration and Evaluation Committee

The Remuneration and Evaluation Committee established under the Company's Board of Directors is responsible for formulating the evaluation standards for the Company's directors and senior management personnel and conducting appraisals, formulating and reviewing the remuneration policies and plans for directors and senior management personnel, and continuously improving the evaluation and remuneration management systems for the Company's directors and senior management personnel to ensure the fairness and rationality of the remuneration of the Company's directors and senior management personnel. The remuneration policies and plans comprehensively consider the average annual salary level of the industry in which the Company is located and the current situation of the Company. The annual salaries of the Company's directors and senior management personnel are linked to the indicators of ESG-related topics such as compliance operation, business ethics, product innovation and R&D, talent attraction and retention, product quality, and customer complaints, so as to fully mobilize the work enthusiasm of directors and senior management personnel and strengthen the constraints of responsibility objectives.

Key Performance

In 2024, the Company paid a total of **1,883.97** CNY 10,000 in remuneration to directors and senior management.

Independence and Diversity

JSG, in accordance with relevant laws and regulations and the *Articles of Association*, has established governance systems such as the *Independent Director Work System* and the *Special Meeting Work System for Independent Directors* to promote the diversity and professional balance of the Board of Directors. The members all possess rich industry experience and professional capabilities in engineering, accounting, law, and other fields, ensuring the comprehensive governance and insight ability of the Board of Directors, making reasonable decisions, improving risk response capabilities, protecting investors' interests, and enhancing the professionalism of corporate governance.

Key Performance

In 2024, the Company's Board of Directors consists of **9** directors, including **3** independent directors and **2** women directors.

Independence and diversity of the members of the Board of Directors

Type	Name	Gender	Professional Ability		
			Industry Experience	Risk Management	Financial Management
Chairman	Cao Jianwei	Male	✓		
Non-independent director	Qiu Minxiu	Female	✓		
Non-independent director	He Jun	Male	✓		
Non-independent director	Mao Quanlin	Male	✓		
Non-independent director	Zhu Liang	Male	✓		
Non-independent director	Zhou Zixue	Male	✓		✓
Independent director	Zhao Jun	Male		✓	
Independent director	Fu Qi	Female			✓
Independent director	Pang Baoping	Male	✓		

Information Disclosure

JSG strictly follows the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Measures for the Administration of Information Disclosure by Listed Companies*, and other laws and regulations, and formulates the "Information Disclosure Management System" and other systems to proactively disclose the relevant information in a truthful, accurate, timely, fair, complete and effective manner, effectively guard against the risk of information disclosure, and adequately safeguard the shareholders' right to know, in particular the small and medium-sized shareholders. Since its listing, the Company has consistently achieved an "A" rating in the Shenzhen Stock Exchange's annual information disclosure assessments for 11 consecutive years, reflecting its professionalism and the high recognition of its governance practices by regulatory bodies.

All information that needs to be disclosed is announced through the designated information disclosure media, *Securities Times* and CNINFO (www.cninfo.com.cn).

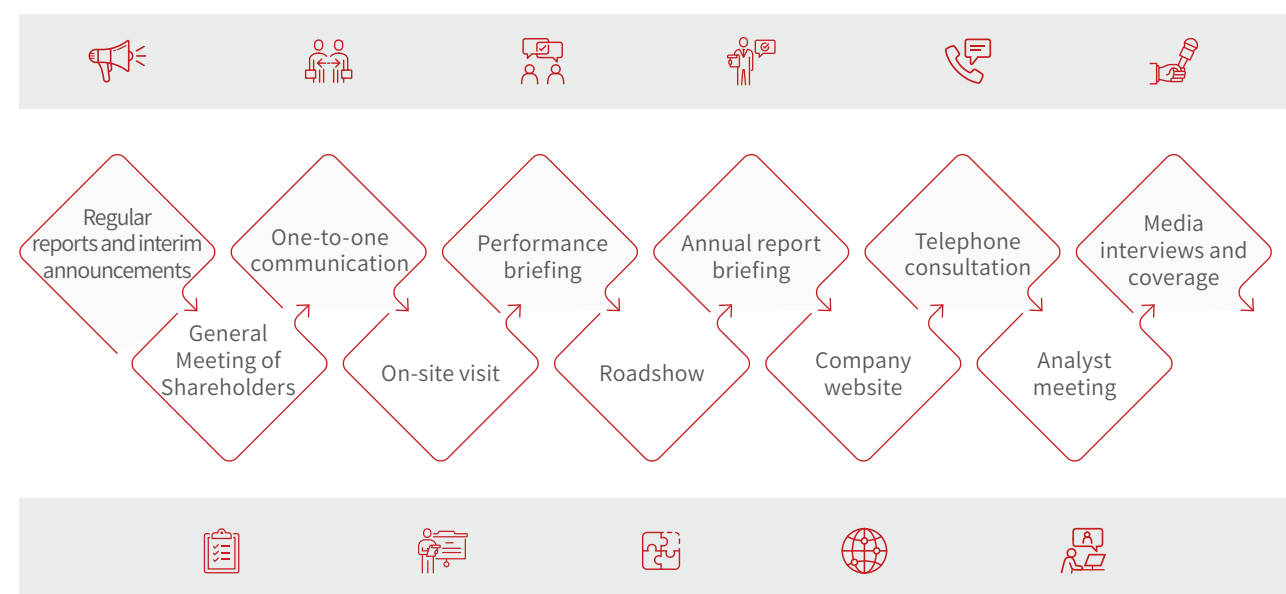
Key Performance

- In 2024, the Company disclosed **71** announcement documents, including **4** regular reports, and there were **no** incidents of violations of information disclosure regulations resulting in penalties.
- The Company has received an "A" rating for annual information disclosure from the Shenzhen Stock Exchange for **11** consecutive years.

Protecting Investors' Rights and Interests

JSG has established internal systems such as the *Investor Relations Management System* based on laws and regulations like the *Guidelines for Investor Relations Management of Listed Companies* and the *Guideline No. 2 for the Self-Regulatory Supervision of Listed Companies on the Shenzhen Stock Exchange - Standard Operation of Companies Listed on the GEM*. It continuously improves public, fair, transparent, and multi-dimensional investor communication channels, and actively engages in communication and interaction with investors, showcasing its core competitiveness and comprehensive influence to the vast investors.

Investor communication activities



The Company always attaches great importance to investor returns. Based on the profit distribution policy of the *Articles of Association* and relevant regulations, it establishes a continuous, stable, and scientific return mechanism for investors through share repurchase, increased cash dividends, and optimized dividend timing. It shares development achievements with investors, protects the interests of all shareholders, strengthens the market's confidence in the Company's sustainable and high-quality development, and safeguards the legitimate rights and interests of long-term investors.

Key Performance

Since the year of listing, the Company's cash dividend rate has been maintained at over **20%**, with a cumulative dividend amount exceeding CNY **3.2** billion (including the 2024 profit distribution).

Risk Management

JSG strictly always attaches great importance to enterprise risk prevention, continuously improves its corporate governance structure, enhances its risk management systems, establishes a sustainable and regular risk management operation system, clarifies responsibilities and powers at all levels of risk management, sets up a complete risk management process, and takes effective measures to prevent and resolve all kinds of risks to ensure the steady and sustainable development of the Company.

Risk management process



Case

Holding a management system release meeting to continuously improve the Company's management

In September 2024, the Company held the 2024 Management System Release Conference. Nearly 200 attendees were present, including the Company's chairman, vice presidents, other executives, experts, system leaders, subsidiary management teams, core group cadres, and representatives from subsidiary process system departments. The conference marked the official release of the upgraded management system, which not only encompasses the Group's headquarters' management functions but also integrates subsidiaries under unified management. The newly added risk identification and management mechanisms further promote optimal resource allocation and efficient collaboration within the group, achieving comprehensive integration from strategic planning to daily operations.



2024 management system release conference

Potential risks

Industry fluctuation risk

►► Potential Risk -----

The company's main business products include emiconductor equipment, semiconductor substrate materials, and semiconductor consumables & components. There is a risk of cyclical fluctuations due to the impact of terminal industry demand and industry policies in the semiconductor industry.

►► Response Measure -----

The company adheres to technological innovation, actively extends the product categories in the semiconductor equipment subdivision field by continuously increasing the research and development efforts of new products, expands the semiconductor substrate material business with broad market demand and development prospects, prospectively lays out the domestic replacement market for core consumables and key components in the semiconductor industry chain, gradually improves the supporting system of the industry chain products, diversifies business development to reduce the impact of industry fluctuations on the company's performance, and continuously improves the company's core competitiveness and risk resistance ability.

Market competition risk

►► Potential Risk -----

The semiconductor industry has broad development prospects. With technological progress and the continuous improvement of the industrial chain ecology, there are more and more new entrants in various links such as equipment, materials, consumables, and components. In addition, the leading enterprises in the industry have implemented an integrated strategy based on their brand, scale, technology and other advantages, extending and expanding upstream and downstream of the industrial chain. The competition in the industry continues to increase.

►► Response Measure -----

The company continues to pay attention to the development of cutting-edge technology in the industry, grasp the development trend of the industry, make a forward-looking layout and reserve according to its own research and innovation, constantly launch innovative products, continue to maintain the high quality and progressiveness of the company's products, strengthen technical services, achieve cost reduction and efficiency increase for customers, ensure and gradually improve the market share of core products, and constantly improve the company's comprehensive competitiveness.

Technology R&D risk

►► Potential Risk -----

The industry in which the company operates is technology intensive. The company has been focusing on the research and development, production, and sales of semiconductor equipment, materials, consumables, and components for many years, emphasizing independent research and technological innovation, and combining market demand orientation with forward-looking forecasting for product development. With the continuous improvement of industry technology, the requirements for products are constantly increasing. If the company cannot quickly launch new products that meet market demand according to the plan, it may affect the market competitiveness of the company's products and have a negative impact on the company's business development.

►► Response Measure -----

The company adheres to a dual wheel drive R&D model of technological innovation and deep exploration of customer needs, and has established a complete R&D control system from design and production, process improvement, product certification testing, project development application, and other aspects. By strengthening research on national industrial policies and industry development trends, continuously paying attention to industry development directions and technological frontiers, collecting and analyzing customer needs, market dynamics, competitive enterprises, and new product and technology information, and based on this, studying and determining the goals, directions, and path planning of the company's new product research and development, actively cultivating, reserving, and introducing high-level R&D technical talents, ensuring the sustainability of the company's R&D innovation.

Risk of loss of technical personnel

►► Potential Risk -----

The company has a group of core technology and R&D personnel with rich industry experience and innovative capabilities. They have a deep understanding of the growth and processing technology of hard and brittle materials, which is the foundation for the company's continuous technological and product innovation. The demand for high-end technical talents in the semiconductor industry continues to be scarce, and the competition for talents among manufacturers is gradually intensifying. If a large number of core technical personnel are lost, it may lead to the diffusion of the company's core technology, thereby reducing the company's technological advantages and innovation capabilities, and ultimately affecting the company's business development.

►► Response Measure -----

The company integrates the development of the company and its employees by building a good career development platform for technical talents, strengthening corporate culture construction, improving the salary incentive system, and continuously implementing equity incentives, in order to attract and recruit talents and maintain the stability of the talent team. The company signs a confidentiality agreement with its key technical personnel to clearly define non compete obligations and responsibilities, in order to minimize or eliminate the loss of key technical personnel and the resulting risk of technology diffusion.

Order fulfillment risk

►► Potential Risk -----

The PV industry is subject to short-term cyclical fluctuations, and downstream customers of the company may adjust the progress of expansion projects based on their expectations of the industry situation and their own development situation. There is a certain degree of uncertainty in the execution of contracts that have been signed between the company and customers but have not yet been fulfilled. Some downstream customers may cancel orders or request delayed delivery and payment, and the company has the risk of unfulfilled orders.

►► Response Measure -----

In the process of market development, the company strengthens due diligence and other channels to understand the business situation of target customers, focusing on developing large and high-quality customers with large scale, strong operating strength, and good financial conditions. The current order customers are mostly industry leaders and competitive listed companies or large enterprises. At the same time, the company implements strict customer credit management system, signs standardized commercial contracts, implements stable account term management, continuously tracks customer financial status, strengthens collection, and reduces order fulfillment risks.

Business Ethics

JSG places a high emphasis on adhering to principles and norms of business ethics throughout its production, operation, and management processes, insists on fair competition, and strictly carries out anti-corruption management. JSG actively constructs an integrity and ethics system, using self-examination, public supervision, and oversight from other relevant parties to ensure lawful and compliant operations. The Company also continues to carry out integrity publicity, education and training to enhance employees' awareness of integrity and lay a solid foundation for building a transparent and fair business environment.

JSG's integrity and ethics system



Fair Competition

JSG is committed to establishing transparent cooperation relationships with upstream and downstream suppliers and partners. In business operations, it practices the principles of fairness, justice, and openness, opposes unfair competition behaviors like price monopolies. In 2024, the Company has no negative incidents that violate fair competition.

The Company advocates for compliance in its promotional activities, continually standardizing the process of brand information release to ensure accuracy, timeliness, and compliance. The Brand Promotion Department has developed and implemented the Brand Promotion Information Release Management Process, assigning specific responsible persons for planning, execution, inspection, and analysis to ensure the standardization of external brand communications.

Additionally, JSG regularly conducts training on anti-unfair competition laws and regulations for its employees to strengthen compliance awareness. In 2024, the Company improved the *Partner Integrity Cooperation Agreement*, continuously promoted transparency in business activities and fostered a fair competitive business environment, thereby solidifying its role as a defender of sound market economic order.

Equal Treatment of SMEs

JSG strictly complies with relevant regulations and upholds the integrity management principles, and places high importance on collaborations with small and medium-sized enterprises (SMEs). Through sound internal management, a rigorous supplier management system, and a robust financial framework, the Company ensures timely payments to SMEs. In 2024, there were no instances of overdue payments to SMEs, reflecting the Company's support for these enterprises and highlighting JSG's efforts in maintaining good commercial reputation and promoting collaborative development within the industry chain.

Integrity in Professional Conduct

JSG strictly adheres to laws, regulations, and the requirements of securities markets and regulatory bodies. The Company has established and publicly disclosed management systems such as the *Anti-Corruption Policy*, designating the Board of Directors as the highest supervisory authority on anti-corruption matters. The Internal Audit Department operates as a permanent institution, collaborating with the Regulation Office and various functional departments to form a comprehensive organizational structure. Through the implementation of specific internal control procedures and mechanisms, JSG effectively prevents and addresses fraudulent activities, strengthens integrity and compliance governance, reduces operational risks, and standardizes business conduct, thereby providing a strong foundation for the Company's steady development.

Organizational structure and responsibilities of anti-corruption management




◆ Anti-corruption risk audit

The Company strengthens anti-corruption management by conducting audits and corruption risk assessments across all business departments, focusing on business ethics, enhancing internal controls, and ensuring external oversight to prevent corruption. Annual audits target high-risk areas, while other departments perform self-assessments, ensuring comprehensive coverage of all operational aspects over a three-year cycle with continuous auditing throughout the year.

◆ Whistleblowing and whistleblower protection mechanism


The Company has established and improved a mechanism for reporting corruption, set up reporting channels such as hotlines, emails, and anonymous mailboxes to encourage all internal and external stakeholders of the Company to promptly contact the Company when they discover any fraudulent behavior by the Company's employees or partners. The Company stipulates that investigators should strictly keep confidential the identity information of whistleblowers and the content of their reports during and after the investigation process, and shall not disclose the relevant materials of whistleblowers of fraud and the investigation without authorization (except for publicly announced information). Any act of retaliation is strictly prohibited. Those who violate the regulations by disclosing information or taking retaliatory actions against whistleblowers or investigators will be severely punished, and measures such as dismissal and termination of the labor contract will be taken. If the law is violated, the case will be transferred to the judicial authorities for handling.

JSG's Integrity Practice Complaint Channel




Online reporting channel

JSG WeChat official account




Whistleblowing hotline

0571-89905290 (ext. 8081)



Whistleblowing email

ia@jsjd.cc



Address of complaint by letter or in person

Audit Department of Zhejiang Jingsheng Mechanical & Electrical Co., Ltd., No. 500 Shunda Road, Linping District, Hangzhou City, Zhejiang Province

Integrity promotion and training

The Company actively fosters an anti-corruption corporate culture, clearly defining the red lines of corruption behavior to employees. Upon hiring, the Company signs an *Integrity Commitment* with employees and conducts anti-corruption training for new employees. In addition, the Company regularly conducts effective communication and training on the Company's anti-corruption policies, procedures, relevant measures, and regulations in various forms, such as the release of employee handbooks, company rules and regulations, publicity, announcements on the local area network, warnings of negative incidents, and special training on clean and honest work, to ensure that there are no acts of improper transfer of benefits in the Company's business activities.



Case

Carrying out training on the interpretation and prevention of duty-related crimes, and strengthening the construction of the Company's integrity culture

In 2024, the Company conducted training activities on the interpretation and prevention of occupational crimes. Through the analysis of real cases and the promotion of laws and regulations, employees gained a deep understanding of the seriousness and harmfulness of occupational crimes. This training made employees remain alert in their thoughts, realizing that integrity in professional conduct is not only a company requirement but also the legal bottom line. This activity strengthened the Company's integrity culture construction and enhanced employees' awareness of the rule of law.



Integrity training

Key Performance

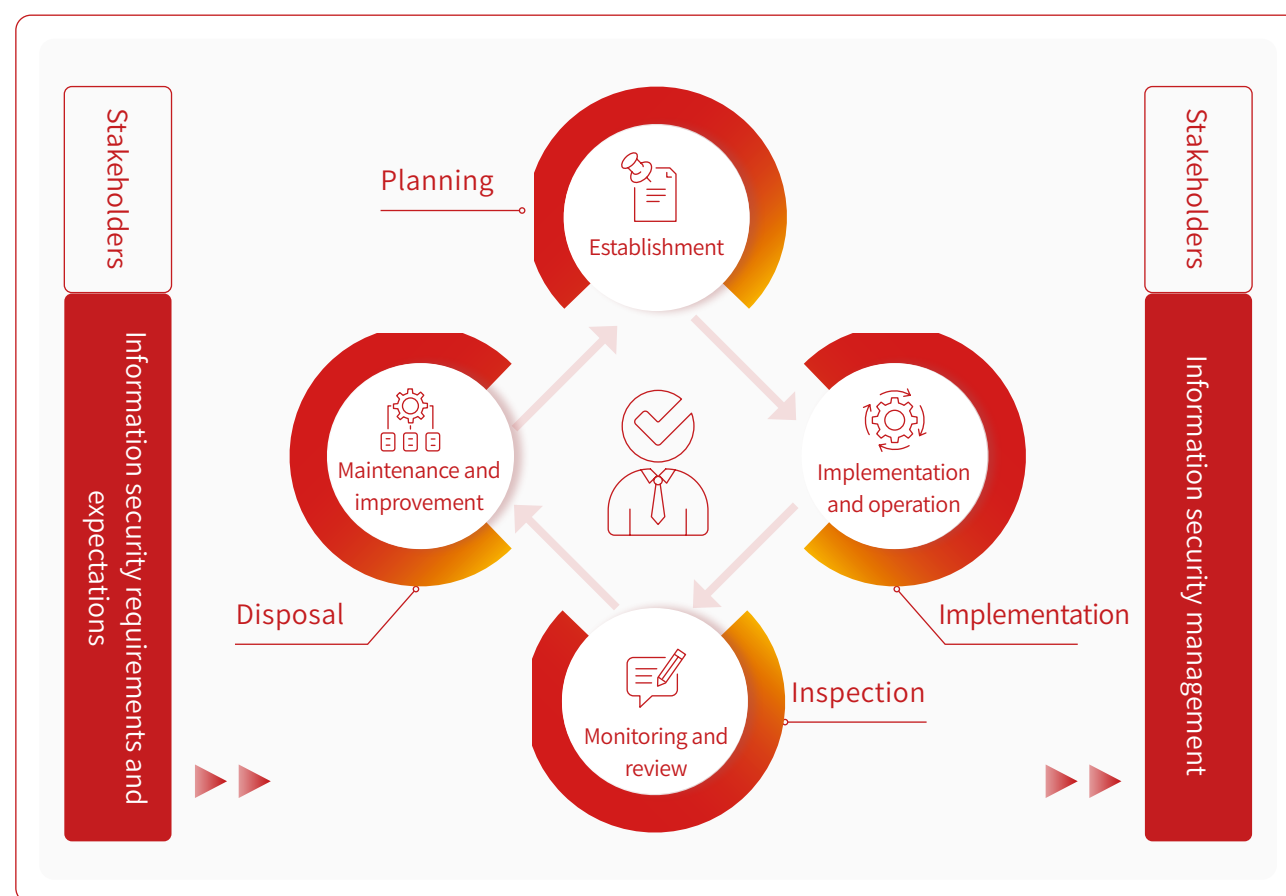
In 2024, the Company **had no anti-corruption reporting incidents**, conducted **one** practice with integrity and anti-corruption training, and the employee coverage rate of anti-corruption training reached **100%**^{Note}.

^{Note}: All employees in 2024 were full-time staff; the Company did not employ outsourced, part-time, or intern personnel.

Privacy and Information Security

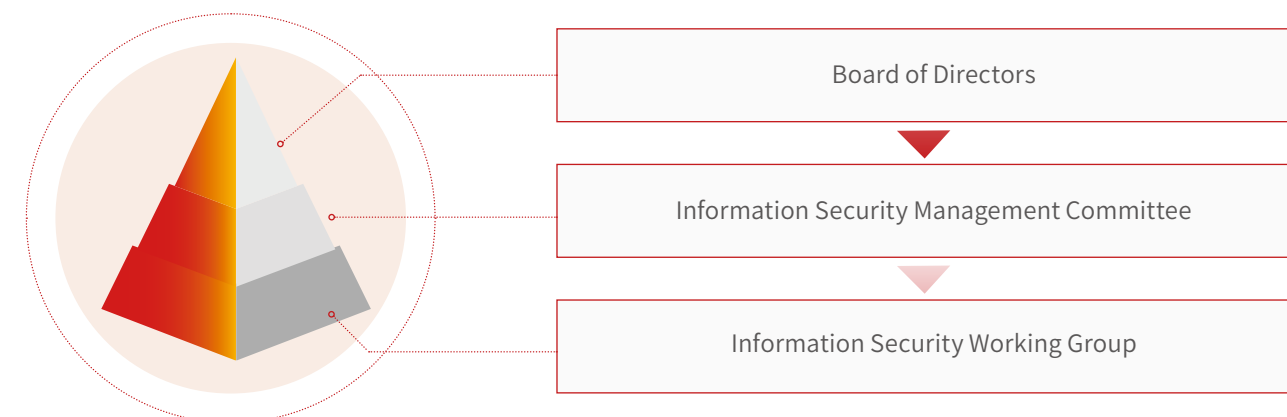
JSG strictly abides by laws and regulations such as the *National Security Law of the People's Republic of China* and the *Cybersecurity Law of the People's Republic of China*, has formulated systems like the *Information Security Management Manual*, *Information Security Audit Management and Control Procedure*, and added management files such as *Confidential Area Management and Control Procedure*, *Information Data Management and Control Procedure* and *Baseline Security Management and Control Procedure*, etc. It has continued to build an information security management system and established an information security management system model to safeguard information privacy and security against ISO 27001.

Information security management system model



The Company has established an organizational structure for information security management, forming a three-tier structure of "Board of Directors-Information Security Management Committee-Information Security Working Group", with the Chairman of the Board of Directors and the Vice President of Operations serving as the Director of the Information Security Management Committee (ISMS) and the Executive Deputy Director of the ISMS, respectively. This leadership drives the heads of multiple departments such as the R&D Center, Sales Center, and IT Department, along with security officers, to collectively promote privacy and information security work.

Organization chart of information security system



To strengthen information and data security, the Company has adopted a multi-dimensional strategy to comprehensively enhance the level of information security protection. At the management level, the Company has formulated documents such as the *Information Data Management and Control Procedure*, the *Baseline Security Management and Control Procedure*, and the *Information Security Emergency Response Process*. In terms of technical protection, the Company has deployed a file encryption system and is in the process of implementing a network access control system. Moreover, the Company has taken measures to improve employees' awareness of information security. These measures include providing information security training for new employees, using promotional posters for publicity, setting up computer screensavers as reminders, and regularly conducting information security-themed publicity on the intranet.



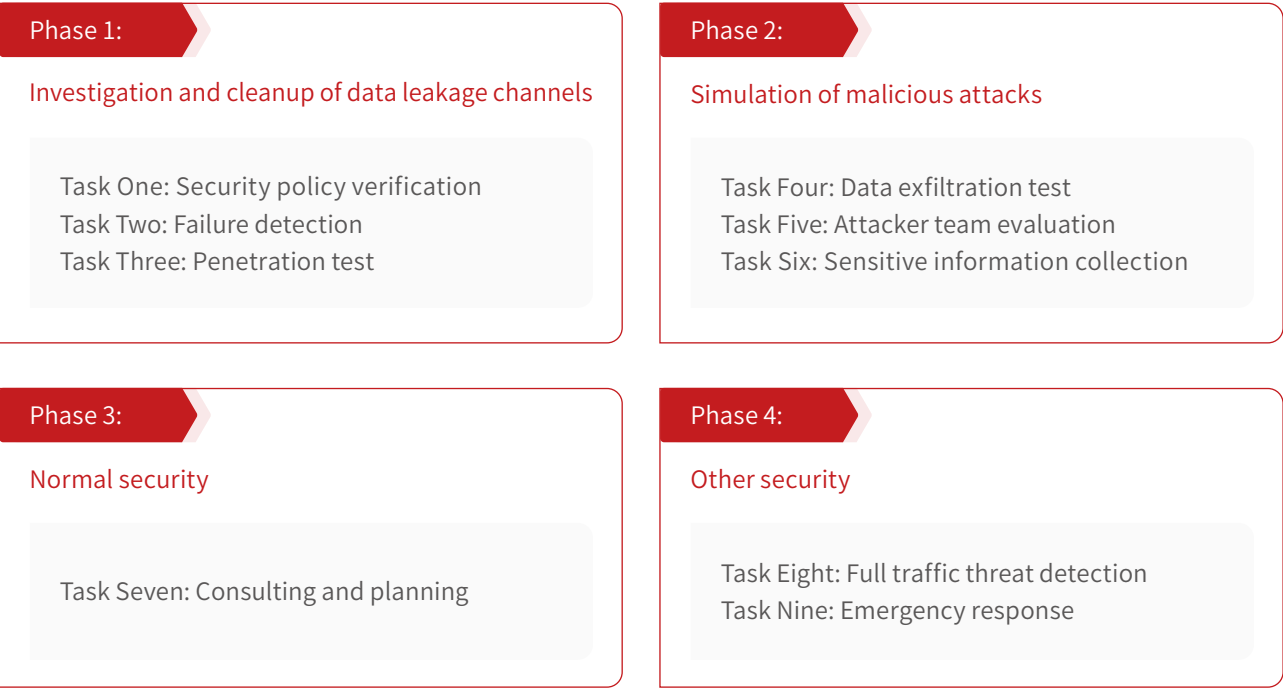
Screensaver reminder



Fraud prevention promotion

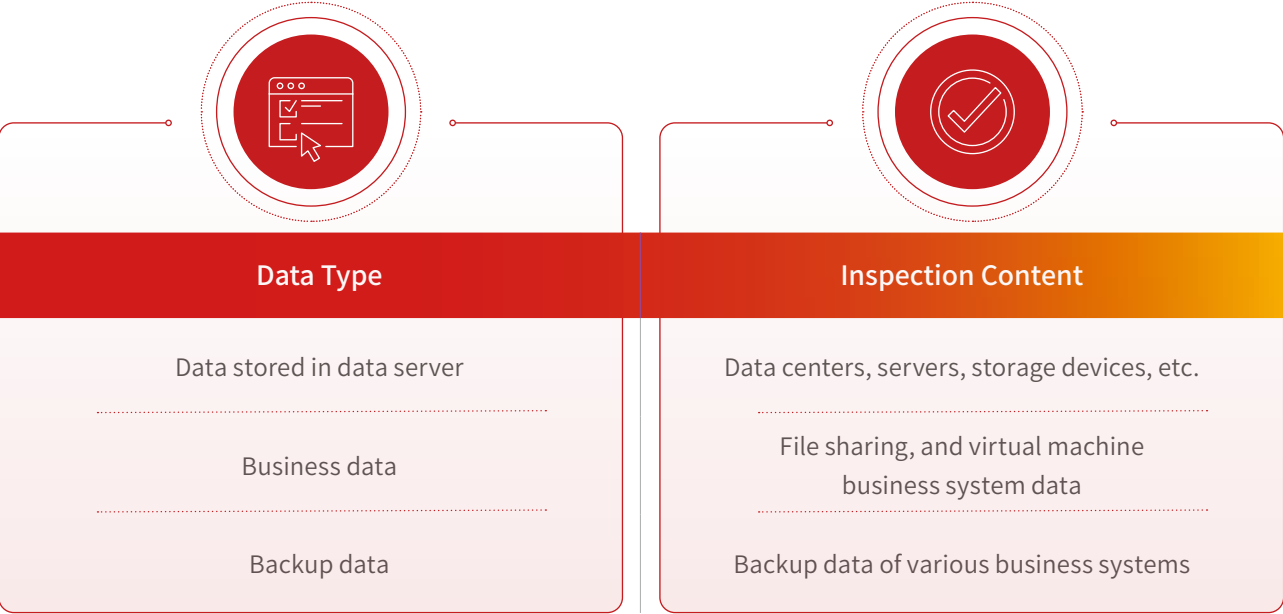
The Company has planned and implemented the *JSG Security Service Implementation Plan*, comprehensively tested the Company's network security protection capabilities, improved the monitoring and emergency response abilities for network security incidents, and continuously refined an information security management system and operational system that adapts to business development and meets the needs of secure growth.

Network security penetration project with "four major measures and nine tasks"



The Company enforces strict data control, conducts daily data security inspections to assess potential risks in data storage, transmission, and processing, promptly identifies and fixes vulnerabilities, and establishes systems such as *Data Backup Strategy Execution Form* and *Data Backup and Recovery Registration Form* to prevent data loss or damage due to hardware damage, software failures, human errors, virus infections, etc., thus ensuring the security and integrity of the Company and customer data.

Data security inspection content



The Company strictly complies with the requirements of the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and the *Cybersecurity Law of the People's Republic of China*, strengthens the management of data compliance, and carries out compliance risk assessment, compliance review and compliance training for the collection, use, transmission and handling of the privacy of its employees, visitors and partners in the course of its daily operations, so as to safeguard the privacy and information security of the Company and its customers.



Information security training site

Key Performance

In 2024, the Company had **0** data security incidents and **0** customer privacy disclosure incidents

In 2024, the Company conducted **12** information security trainings for new employees and **6** special trainings on information security and privacy protection

published **23** information security tips on the corporate website

produced **10** roll-up copies for information security awareness promotion.

2

Environmental Compliance Management	41	Addressing Climate Change	48
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Meeting a Green and Flourishing Future

JSG aims to become a leading equipment supplier of semiconductor materials, to facilitate high-tech industry development for green intelligent manufacturing. The Company is well aware that environmental management is fundamental, and actively responding to climate change is its responsibility. It pays close attention to the efficient utilization of water resources and energy, fully promotes green operations, and protects biodiversity and ecosystems. JSG also continually strengthens environmental awareness among all employees, steadfastly advancing toward sustainable environmental and business development.



Environmental Compliance Management

JSG strictly adheres to laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Fire Protection Law of the People's Republic of China*, as well as environmental laws relevant to the countries or regions where it operates. With reference to international standards such as ISO 14001 environmental management system, the Company has established an Environment, Health, and Safety (EHS) management system and an EHS management team, formulated the EHS Environmental Management Manual to define its environmental management philosophy and policies, and established a sound environmental management system to continuously reduce the impact of company operations on the environment.

Environmental management philosophy

- Establish green concepts
- Promote clean production
- Facilitate high-tech industry development for green intelligent manufacturing
- Achieve sustainable development of environment and business

Environmental management policy

- Comply with environmental regulations
- Fully participate in control
- Prevent environmental pollution
- Continuously improve environment

JSG practices clean production, implements green concepts, sets environmental management objectives based on its own development characteristics, and tracks and inspects the achievement of the targets every year. The Company decomposes tasks to involve all employees in environmental control and energy-saving initiatives. This approach ensures the effective operation of the environmental management system and includes assessing suppliers' environmental protection efforts to collaboratively enhance the environment and build a green, low-carbon industrial ecosystem.

2024 environmental management objectives and achievements

Environmental Management Objective	Index	2022 Achievement	2023 Achievement	2024 Achievement
Clean energy utilization rate	≥ 60%	≥ 60%	≥ 60%	≥ 60%
Recovery rate of total recyclable waste	≥ 80%	80%	82%	81%

Environmental Management Objective	Index	2022 Achievement	2023 Achievement	2024 Achievement
Recycling utilization rate of general solid waste	≥ 80%	82%	86%	85%
Three-waste emission compliance rate	100%	100%	100%	100%
Solid waste disposal compliance rate	100%	100%	100%	100%
Identification of important environmental factors and effective control rate	100%	100%	100%	100%
Major environmental pollution accident	0	0	0	0
Administrative punishment for environmental protection	0	0	0	0

To manage environmental risks effectively, JSG has developed management systems such as the *Emergency Plan for Environmental Pollution Incidents*. The Company advances environmental protection infrastructure, monitoring, and emergency management, and employs environmental impact assessments to identify, evaluate, and prevent environmental risks across all subsidiaries, supporting the Company's green and sustainable development.

Key Performance

In 2024, JSG conducted internal environmental risk audits, identifying **29** minor issues , all of which were rectified, achieving a **100%** correction rate.

The Company attaches importance to the compliance, standardization, and leadership of its environmental management system. While obtaining ISO 14001 Environmental Management System and ISO 50001 Energy Management System certifications, it continuously promotes the construction of a standardized environmental management system across the entire plant area. Additionally, three subsidiaries achieved ISO 14001 certification, and JSG has been rated as a unit with **an A-level environmental protection credit rating** by the Department of Ecology and Environment of Zhejiang Province for several consecutive years.



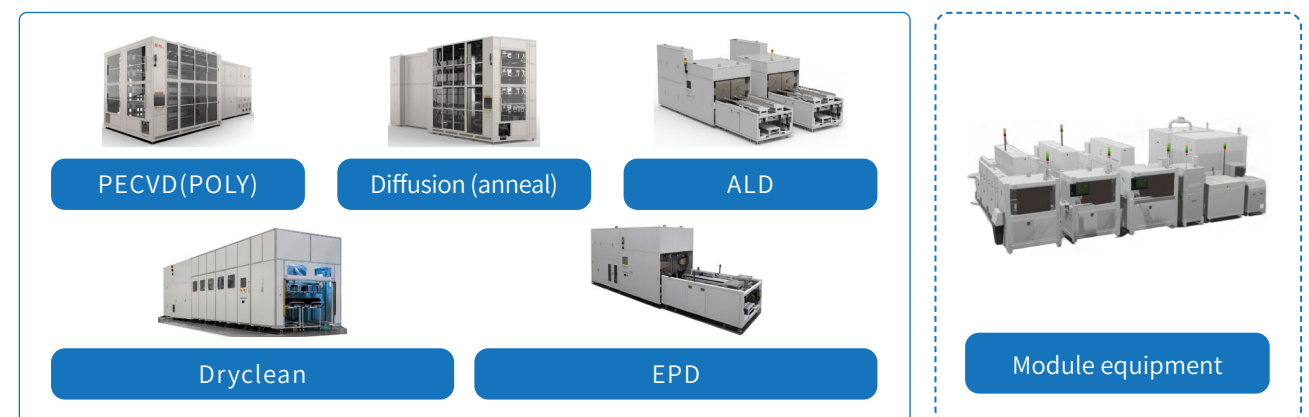
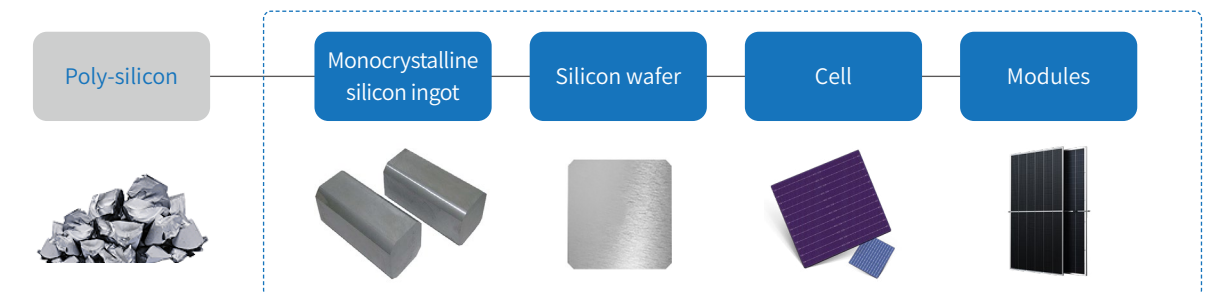
ISO 14001 Environmental Management System Certificate

ISO 50001 Energy Management System Certificate



Leading PV Equipment Supplier with Technological and Scale Advantages

JSG's core business lies upstream in the green energy industry chain. Leveraging its capability to supply core PV equipment across the entire industry chain - from silicon wafers and cells to modules - and its advantages in automation and consumables, the Company continues to drive industry cost reduction, efficiency improvement, and technological upgrades through innovative products. JSG leads and deepens collaborations across the upstream and downstream industrial chains, promoting the co-construction of a green industrial ecosystem.



Green Industry Development

JSG is committed to its mission of "To become a leading equipment supplier of semiconductor materials, to facilitate high-tech industry development for green intelligent manufacturing", focuses on a sustainable development strategy driven by the dual engines of "advanced materials" and "advanced equipment", and continually enhances its collaborative industrial layout of "equipment + materials". By increasing investment in technological innovation, JSG aims to improve the autonomy and controllability across the entire supply chain of semiconductor components and consumables. The Company strives to achieve digital and intelligent connectivity among its equipment, offering customers with comprehensive intelligent factory solutions that integrate automation, digitalization, and AI big data, all within a green and low-carbon development model driven by clean energy.

Key achievements

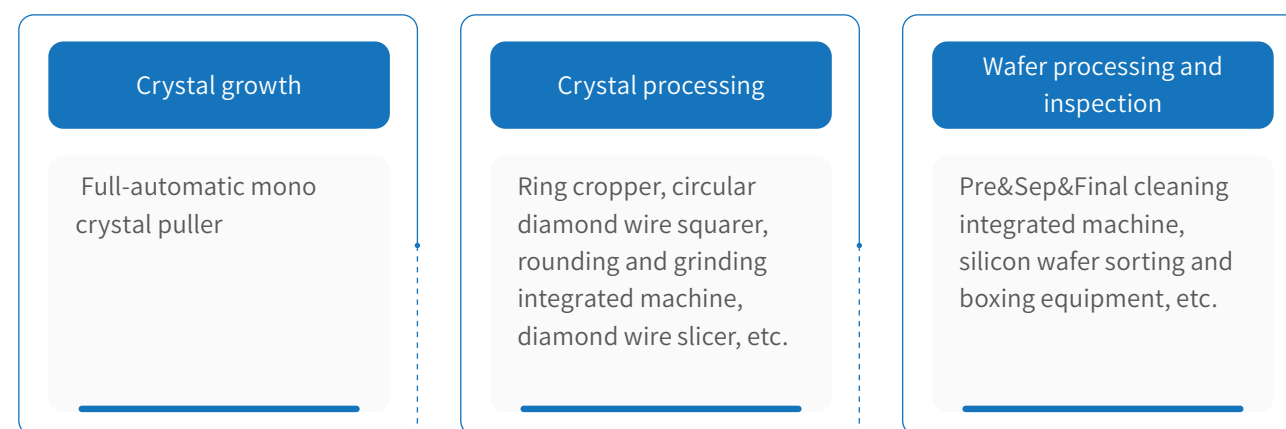
At the beginning of 2024, the Company set a goal of pursuing progress while ensuring stability clean technology investment (i.e. R&D investment) in combination with the overall plan of R&D work for the year, which was **successfully achieved by the end of the year**. The full-automatic mono crystal puller, **a core process equipment in the PV industry chain** produced by the Company, has cumulatively reduced greenhouse gas emissions by **400** million tons of CO₂ equivalent annually.

Note: The value was calculated based on the *Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors* issued by the Ministry of Ecology and Environment and National Bureau of Statistics of the People's Republic of China (Announcement [2024] No. 33), the *Construction and Operation of PV Power Generation in 2021* and *Construction and Operation of PV Power Generation in 2022* published by the National Energy Administration, the annual average power generation per GW of installed PV capacity obtained according to the *Cumulative Solar Power Generation in 2022* published by the National Bureau of Statistics, as well as the expandable PV installed capacity mentioned earlier.

◆ Silicon wafer segment: Technological leadership driving industry transformation

As a global leader in the supply of full-automatic monocrystalline silicon growth furnaces, JSG offers products such as full-automatic crystal growth equipment, crystal processing equipment, wafer processing equipment, and wafer sorting and testing equipment. These products enhance efficiency and yield through highly integrated automation, establishing a comprehensive core equipment system for the entire silicon wafer manufacturing process and continuously leading technological iterations in the industry.

Introduction to silicon wafer products and equipment



Key achievements

Fully-automatic mono crystal puller and series products:

- ◆ Recognized as a "Single Champion Product" in manufacturing by the Ministry of Industry and Information Technology;
- ◆ Listed as a national key new product by four ministries.

Fully-automatic PV mono crystal puller:

- ◆ Internationally leading in both technology and scale.

◆ Cell segment: Differentiated innovation driving efficiency breakthroughs

The company has focused on advancing high-efficiency battery technologies and successfully developed a series of core equipment, including PECVD (Plasma-Enhanced Chemical Vapor Deposition), diffusion furnaces, annealing systems, single-chamber multi-boat ALD (Atomic Layer Deposition) equipment, and edge passivation devices (EPD) for cell cutting. Notably, the tubular coating equipment compatible with both BC (Back Contact) and OPCon (Optimized Passivated Contact) technology routes, along with the EPD devices, have achieved differentiated competitive edge in performance through innovative design and process optimization.

Case

JSG's cell cutting edge passivation EPD equipment received 10GW batch order

In 2024, the battery cutting edge passivation EPD equipment developed by the Company received a bid-winning notification from a top 5 solar cell manufacturer, securing the first 10GW batch order. The Company has developed innovative EPD technology in collaboration with the customer, and adopted an industry-first airflow method to shorten airflow paths and increase exchange rates. The pure ALD mode effectively repairs cell cutting surface damage and extends the lifecycle of TOPcon products.



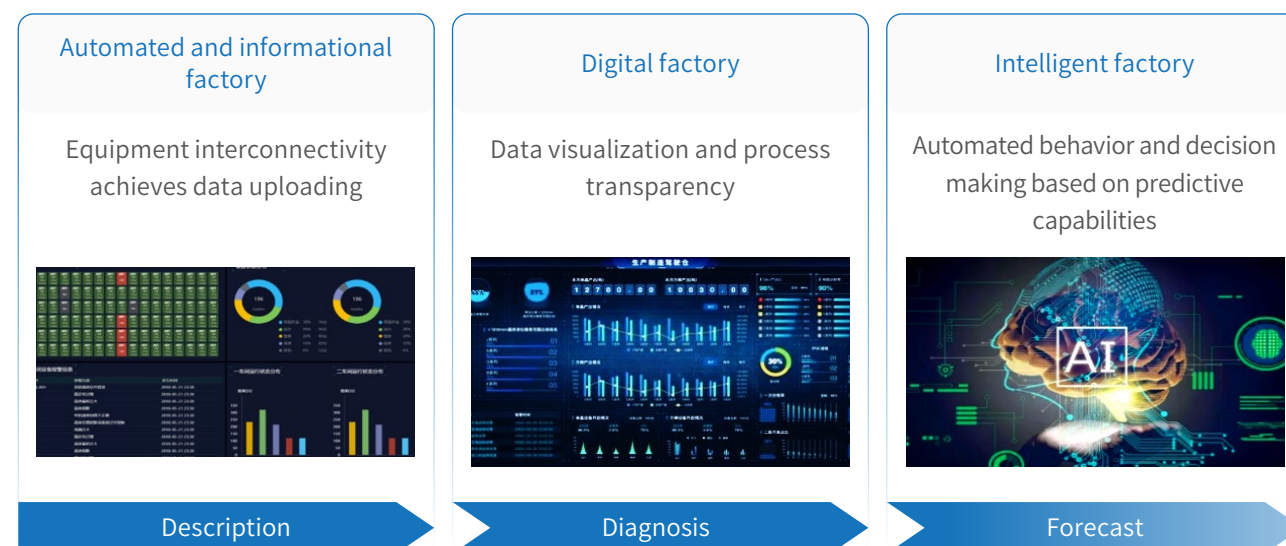
◆ Module and consumables segment: Intelligent whole-line solutions

From the module perspective, the Company has developed a production line for module equipment that includes multiple processes such as string welding machines, layout machines, automatic frame loading machines, and glue dispensing testers. Its innovative de-silvering module equipment significantly reduces silver consumption in the module production process, greatly lowering production costs. Additionally, the continuous development of the PV industry has rapidly increased the demand for consumables. JSG innovatively develops high-quality quartz crucibles by optimizing crucible dimensions, purity, and crystal pulling time to reduce consumable costs in silicon wafer production. The Company also leads tungsten wire diamond wire technology, breaking through carbon steel wire diameter limits to meet the cutting needs of large-size and thin silicon wafers.

Provider of Comprehensive Green and Intelligent Factory Solutions

JSG leverages cloud computing and big data applications to achieve automation and intelligence across its equipment chain. By focusing on integrating the industrial digital brain of future factories with intelligent manufacturing bases, JSG offers clients comprehensive intelligent factory solutions based on differentiated competitive strategies. It also continues to lead industry innovation by introducing highly intelligent products such as the ring cutter, Pre&Sep&Final cleaning integrated machine, and silicon wafer sorting and boxing equipment. These innovations, through highly integrated automation, enhance efficiency and yield, reduce costs, and support clients' green, efficient, intelligent, and sustainable development. This, in turn, drives the global PV manufacturing industry's shift towards intelligence and sustainability, contributing to the realization of "carbon peaking and carbon neutrality" goals.

JSG's intelligent solution



Advantages of intelligent solution

From an innovation perspective, JSG collaborates with downstream strategic customers in areas such as product technology, process, automation, and intelligent manufacturing models:

- ◆ Integrated products: Achieve internal intelligent integration within equipment;
- ◆ Integrated factories: Enable intelligent integration between equipment and integration of production processes.

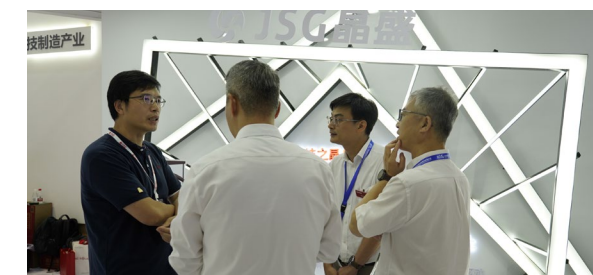
Case

Showcasing intelligent factory solution for the entire industry chain at SNEC Exhibition

In June 2024, JSG participated in the 17th SNEC (2024) International Photovoltaic Power Generation and Smart Energy Conference & Exhibition, showcasing its intelligent factory solution for the entire PV industry chain". The Company offered clients new perspectives on green, efficient, and intelligent development through lean manufacturing, digitalization, and AI big data solutions. This initiative supports the PV industry's transition from manufacturing to intelligent manufacturing, promotes digital transformation in PV manufacturing, and contributes to global energy transformation.



The Company presented at the SNEC Exhibition booth



Communication and negotiation with customers at the exhibition site

Addressing Climate Change

In the face of global climate change challenges, JSG regards addressing climate change as a fundamental responsibility. The Company actively aligns with national "carbon peaking and carbon neutrality" strategies, practices green development concepts, and integrates climate change considerations into corporate strategies and decision-making processes. Guided by standards such as the Guidelines No. 17 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies - Sustainability Report (Trial) of Shenzhen Stock Exchange and the Guidelines No. 2 International Financial Reporting Sustainability Disclosure Standard – Climate-Related Disclosures published by International Sustainability Standards Board, JSG identifies and addresses climate-related risks and opportunities. The Company employs multiple measures to reduce greenhouse gas emissions, enhance climate resilience, and promote a green, low-carbon industrial transformation.

Strengthening climate governance

To effectively address climate change, JSG has incorporated climate governance into its Environmental, Social, and Governance (ESG) framework. The Company has established an ESG governance structure that clearly defines the responsibilities of various organizational levels in addressing climate change. This structure operates under a management framework of "Board oversight, Strategic and Investment Committee management, and ESG Working Group execution," aiming to enhance the proactivity and sustainability of climate actions.

Identifying risk and opportunity

In compliance with both domestic and international standards, JSG systematically reviews its environmental performance. Considering its business operations and industry characteristics, the Company classifies climate-related risks into transition risks, associated with the shift to a low-carbon economy, and physical risks, stemming from climate change impacts. JSG has identified and analyzed potential significant risks and opportunities, enhancing its adaptability and resilience to climate change.

Risk Category	Description	Response Measure
Physical risk	Extreme weather such as typhoons, high temperatures, flooding, etc., with increased frequency and severity, may damage buildings at production and office operation sites, affecting normal production operations.	<ul style="list-style-type: none">➤ Develop emergency response plans to minimize losses from natural disasters.➤ Conduct regular infrastructure maintenance to bolster resilience against extreme weather.
	Acute risk Extreme weather like typhoons, high temperatures, and flooding may affect employee commuting safety, thereby impacting normal production operations.	<ul style="list-style-type: none">➤ Focus on employee life, health, and safety, provide protective gear for employees, and equip personnel working in high temperatures with cooling devices.➤ Implement extreme weather alerts and offer training on health, safety, and climate change awareness to enhance risk response capabilities.
	Extreme weather may affect supply chain stability and disrupt normal production and delivery.	<ul style="list-style-type: none">➤ Rely on existing circular pickup routes and real-time monitoring systems to actively track weather forecasts for supplier locations and areas along routes; develop emergency plans for business disruptions due to weather events like typhoons, and use AI algorithms to predict transportation risks, dynamically adjust pickup routes and reduce risks of sudden supply interruptions.
	Chronic risk Global warming, rising sea levels, and other climate anomalies pose challenges to long-term and stable business operations.	<ul style="list-style-type: none">➤ Continuously monitor operational site risks, conduct proper planning and risk management for new project site selection, construction, and daily operations, considering chronic climate change risks.

Risk Category		Description	Response Measure
Transition risks	Policy risk	The implementation of regulations like the Shenzhen Stock Exchange's "Guidelines", sustainable regulations in Europe, the US, and other regions, as well as carbon footprint requirements, has raised the standards for information disclosure and carbon management.	<ul style="list-style-type: none">➤ Pay attention to policies and regulations related to climate change, formulate climate response strategies, and collect greenhouse gas emission data every year to effectively respond to policy changes.
	Market risk	Customers are increasingly inclined to choose products from companies with strong ESG records and are raising requirements for suppliers.	<ul style="list-style-type: none">➤ Seize opportunities in clean technology, actively develop green, low-carbon products, and proactively meet customers' ESG requirements for suppliers and product supply.➤ Address climate change as a key topic and communicate with stakeholders through sustainability reports, stakeholder surveys, etc.
	Technology risk	Failure to identify and adopt green, low-carbon technologies in a timely manner may result in outdated product carbon performance, potentially reducing product value or losing orders.	<ul style="list-style-type: none">➤ Improve equipment efficiency, enhance product manufacturing efficiency, and continuously build recognized environmental and energy management systems both domestically and internationally.➤ Promote green, low-carbon design and application in products to enhance green R&D capabilities.
Opportunity Type	Climate Change Opportunity Description		Opportunity Response
Market opportunity	The market demand for energy conservation and emission reduction is rising, leading to an increase in demand for low-carbon products.		<ul style="list-style-type: none">➤ Seize the clean technology opportunities, launch various green products and provide customers with auto + digital + AI big data solutions, driving the global PV manufacturing industry's smart and green development to meet market demands.
Energy management	Reduce fossil energy consumption, increase the use and proportion of clean energy, and continuously optimize the energy structure.		<ul style="list-style-type: none">➤ Expand the use of renewable energy such as PV, introduce smart energy management systems to assist in the Company's energy usage structure transformation.

Opportunity Type	Climate Change Opportunity Description	Opportunity Response
Climate change adaptation	Deploy plans in advance to address climate change, mitigating and avoiding financial losses caused by climate risks.	➤ Plan emergency response measures for natural disasters and climate change and conduct capacity-building activities to increase business operation stability and earn customer recognition and long-term partnerships.

Climate change indicators and targets

As a leading high-end equipment manufacturing enterprise in the international PV industry, JSG actively responds to and promotes the achievement of national "carbon peaking and carbon neutrality" goals. The Company takes on the responsibility of advancing green development, conducting greenhouse gas (GHG) inventories based on domestic and international accounting standards, and setting targets of carbon peak by 2030 and carbon neutrality by 2055 , with 2022 as the baseline year. These targets guide future measures to reduce GHG emissions.

Greenhouse gas emissions

Category	Unit	2022	2023	2024
Total greenhouse gas emissions	tCO ₂	146,478	276,046	308,561
Greenhouse gas emission intensity	tCO ₂ /CNY10,000 revenue	0.14	0.15	0.18

Note: 1. It contained the GHG emission in JSG's operation and production in 2022, 2023 and 2024; 2. The value was calculated based on the "Notice on the Management of Greenhouse Gas Emission Reporting for the Power Generation Industry from 2023 to 2025" issued by the Ministry of Ecology and Environment of the People's Republic of China (HBQHH [2023] No. 43), the "Guidelines for Greenhouse Gas Emission Accounting and Reporting for Electronic Equipment Manufacturing Enterprises (Trial)" and the "Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions for Machinery and Equipment Manufacturing Enterprises (Trial)".

Efficient Resource Utilization

JSG is committed to promoting efficient resource utilization by regularly monitoring energy consumption, analyzing potential for energy and water savings, and implementing energy-saving and emission-reduction initiatives. The Company strives to minimize pollutants' impact on air, water, soil, and other environments, effectively enhancing resource efficiency and protecting the ecological environment.

Energy Management

The energy consumed by the Company includes diesel, gasoline, and purchased electricity, with electricity being the primary energy source. To continually reduce energy consumption and improve energy efficiency, the Company has established the *Energy and Resource Management Specification*, set energy-saving targets and actively engaged in various energy-saving activities. Measures such as equipment replacement, process upgrades, and prioritizing clean energy adoption are implemented to achieve emission reduction goals, promote energy structure transformation, and foster harmonious development between the Company and the environment.

JSG's energy-saving and consumption-reduction action strategy

Energy saving in production: Prioritize energy-efficient and low-energy auxiliary equipment. In 2024, projects like "Plate Heat Exchanger Cooling" and "Cooling Water Dehumidification" were initiated to enhance energy efficiency.

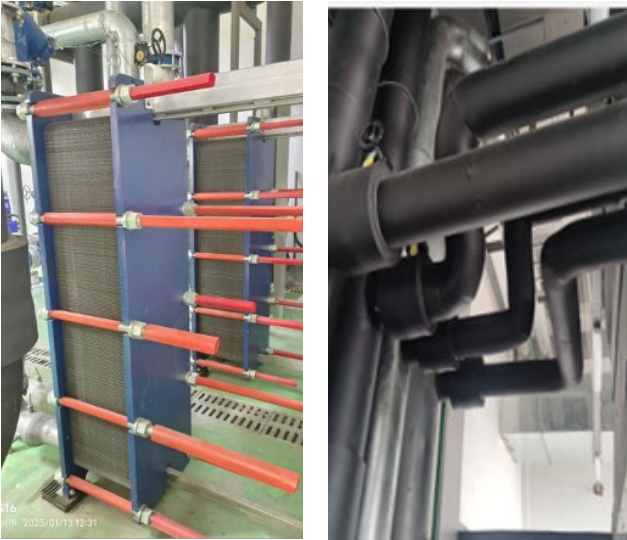
Energy saving in operation: Eliminate the diesel forklifts to reduce diesel usage and give priority to electric vehicles for business travel to reduce gasoline consumption.

Energy structure optimization: Continuously increase the proportion of clean energy used by expanding power generation systems and implementing PV projects.

Case

Carrying out equipment energy-saving improvement project to help reduce emissions and consumption

In 2024, Jingyu New Materials implemented the smart energy efficiency enhancement projects of "Plate Heat Exchanger Cooling" and "Cooling Water Dehumidification", establishing a low-carbon refrigeration model through dual-path transformation. From December to March each year, the 296kW plate heat exchanger system replaces the 772kW ice machine, improving unit energy efficiency by approximately 2.6 times, achieving gradient energy efficiency optimization. The "Cooling Water Dehumidification" project, active in April, May, October, and November, saves 200kW of cooling power and 100kW of electric heating power. Upon project completion, annual electricity savings of 1.76 million kWh are achieved, equivalent to 557 tons of standard coal, reducing CO₂ emissions by 1,024 tons.



Energy-saving improvement projects of "Plate Heat Exchanger Cooling" and "Cooling Water Dehumidification"

Energy consumption

Category	Unit	2022	2023	2024
Diesel consumption	Litre	166,056	34,710	25,526
Gasoline consumption	Litre	31,084	15,080	20,625

Electricity consumption

Category	Unit	2022	2023	2024
Purchased electricity consumption	Kilowatt-hour (kWh)	255,969,990	484,010,108	541,025,999
Operating income	CNY 10,000	1,063,831	1,798,319	1,757,661
Purchased electricity consumption intensity	kWh/CNY10,000 revenue	240.61	269.15	307.81
Floor area of all plants	10,000 m ²	89.14	128.88	142.03
Purchased electricity consumption intensity	MWh/10,000 m ²	2,871.55	3,755.51	3,809.24

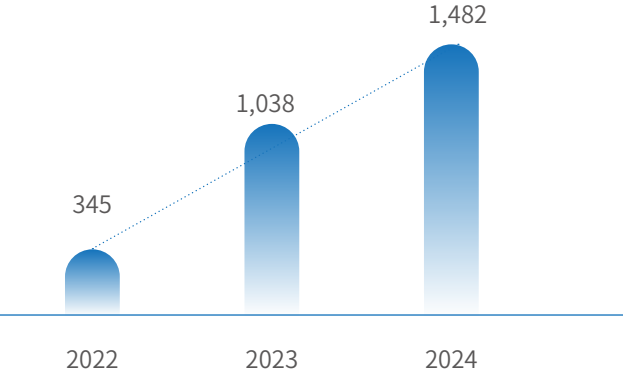
Building rooftop PV power station

To efficiently promote energy-saving and emission-reduction, and optimize energy structure, the Company has fully utilized the existing rooftops and sheds of each factory area to promote rooftop PV power generation through measures such as building power generation systems and laying PV panels. Currently, rooftop distributed PV power stations have been established in three parks located in Zhejiang, Inner Mongolia, and other regions to continuously improve energy efficiency and the proportion of clean energy, seize the opportunity of clean technology, and continue to explore and apply more green technologies.

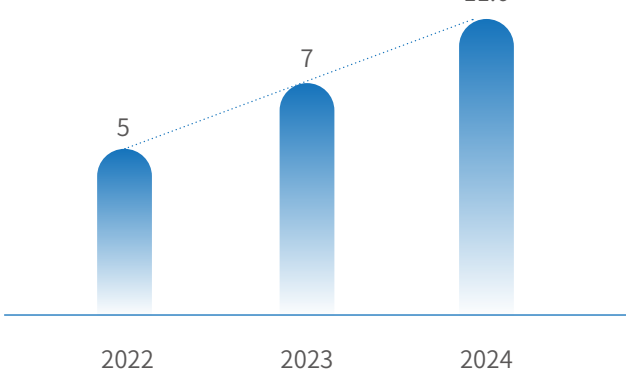
Key Performance

- ◆ As of December 31, 2024, the Company had invested a total of CNY**74.27** million in PV projects, with a total available PV power generation of **16.76** million kWh.
- ◆ In 2024, the Company's PV power generation reached **14.82** million kWh, with the PV installation area exceeding **116,000**m², saving **4,860** tons of standard coal, reducing CO₂ emissions by **8,623** tons, SO₂ emissions by about **385** tons, and NOx emissions by about **222** tons.
- ◆ Future plan: In 2025, the Company plans to invest an additional CNY**15** million in PV projects and plans to invest a total of CNY **40** million in the next three years for the construction of rooftop PV power generation projects, with an expected increase in total available PV power generation of **18.16** million kWh.

PV power generation of the Company (Unit: 10,000 kWh)



Cumulative PV power generation laying area (Unit: 10,000 m²)



PV Layout

Water Resource Usage

JSG is committed to minimizing water resource waste. In subsidiaries with high water consumption , the Company sets water usage and conservation targets. Measures such as introducing and improving water treatment equipment, exploring water-saving processes and technologies, and optimizing equipment efficiency are implemented to promote green production. The water resources used by the Company primarily come from municipal tap water and treated recycled/reclaimed water, serving the needs of production, operation, and daily life.

Water consumption

Category	Unit	2022	2023	2024
Purchased municipal water	m ³	922,323	3,028,793	3,096,422
Consumption intensity of water resources	t/CNY10,000 revenue	0.87	1.68	1.76

Case

Subsidiary Jingrui Electronic used reclaimed water system to promote water resource recycling

In 2024, the subsidiary Jingrui Electronic began using a reclaimed water system, investing a total of CNY 330,000 for the year. The ultrapure water station's waste water and some Class 100 clean water were connected to the reclaimed water system, producing 300 tons of reclaimed water per day. With stable output, it is estimated to save CNY 404,800 annually in costs, and save up to CNY 3 million wastewater index fees during stable operation periods.



Jingrui Electronic reclaimed water system

Case

Subsidiary Jinhong Precision launched water conservation project to reduce water resource consumption

Currently, Jinhong Precision has commissioned a set of reclaimed water facilities, with a total investment of CNY 980,000 and a daily processing capacity of 70 tons/day, saving an average of 2,000 tons of water per month. The process is as follows:

► Oxidation line

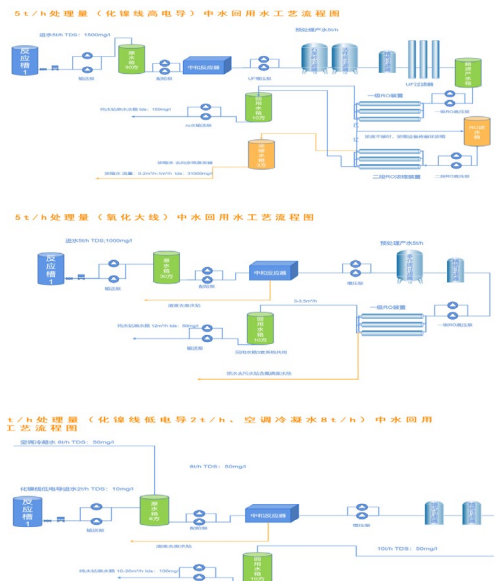
Designed a system consisting of "raw water collection tank -- neutralization reactor -- multimedia filter -- reverse osmosis equipment", producing 5 tons/hour of fresh water in a first-order two-stage integrated process.

► High-conductivity nickel plating line

Custom ultrafiltration + reverse osmosis filtration system (first-order two-stage) and a zero discharge concentration system, producing 4.8 tons/hour of fresh water. As the wastewater of the low-conductivity nickel plating line can be reused after simple treatment, the inflow to the concentration device is estimated at about 5.25 tons.

► Low nickel and air conditioning condensate water

The main pollutants in condensate water are particulate suspensions and metal ions, which after simple pretreatment can be reused in the raw water tank of the ultrapure water station.



Water conservation project workflow of subsidiary Jinhong Precision

Three Wastes Management

JSG is committed to strict compliance with relevant pollution discharge laws and regulations, continually improving and refining the management of three wastes. The Company actively invests in and manages waste treatment, with dedicated departments overseeing the handling of wastewater, waste gas, solid waste, and hazardous waste. Efforts are made to reduce emissions of waste gases, wastewater, and waste materials, while using environmentally friendly packaging to promote a circular economy and minimize environmental impact.

Waste water management

The Company has formulated *Code of Waste Water Management*, established a waste water reuse system to collect and treat various types of waste water. Measures such as equipment upgrades and secondary reuse of treated waste water are implemented to minimize discharge and reduce environmental pollution. The Company's waste water primarily consists of domestic and industrial waste water. Domestic waste water originates from office and residential areas, while industrial waste water mainly comes from the use of purified water and the preparation of concentrated water.

Key Performance

In 2024, the total waste water discharged by the Company was **1,026,122** cubic meters, and the total volume of recycled waste water was **201,212** cubic meters.

Waste gas treatment

The Company's waste gas mainly include acidic organic gases and particulate matter from production processes, as well as vehicle exhaust during operations. The Company has developed the Code of Waste Gas Management and employed measures like activated carbon adsorption and spray devices to effectively collect and treat production-related emissions. Additionally, the Company actively promotes green commuting by prioritizing the use of electric vehicles and has installed charging facilities within the plant area to reduce exhaust emissions. These efforts ensure that emissions during production and daily operations comply with national and local standards, preventing environmental pollution caused by non-compliant emissions.

2024 waste gas emission and management

Emission Category	Amount (Total Approved)	Concentration
Nitrogen oxides	≤ 8.874t/a	≤ 300mg/m ³
Sulfur dioxide	≤ 1.896t/a	≤ 200mg/m ³

Emission Category	Amount (Total Approved)	Concentration
Particulate matter	≤ 1.14t/a	≤ 30mg/m ³
Dust	≤ 1.240t/a	≤ 5.0mg/m ³
Fluoride	≤ 0.045t/a	≤ 0.3mg/m ³
Hydrogen Chloride	≤ 0.545t/a	≤ 3.2mg/m ³
Non-Methane Total Hydrocarbons	≤ 1.000t/a	≤ 5.0mg/m ³

Waste treatment

Adhering to the principles of reduction, resource utilization, and harmlessness, the Company has formulated the *Solid Waste Management System* and collaborated with qualified third parties to classify and dispose of waste materials. Our management practices ensure that environmental monitoring and waste recycling statistics are conducted scientifically and reasonably, maintaining compliance with relevant safety standards to ensure both compliance and traceability. Additionally, the Company offers various training programs to promote the use of recycling bins and recyclable packaging. These initiatives aim to reduce excessive packaging waste generated during product packaging and transportation, thereby fostering the development of a circular economy and achieving meticulous management of waste materials.

Waste management

Category	Unit	2022	2023	2024
Total recyclable waste	Ton	1,800	1,500	2,062
Total general solid wastes	Ton	600	1,100	2,915
Total general solid waste recycled	Ton	1,200	140	920

Key Performance

In 2024, the legal and compliant disposal rate of hazardous waste by all subsidiaries of the Group reached **100%**, including **83** types of waste such as waste packaging materials, waste cutting fluid, sludge, and waste acid, totaling **1,966** tons.



Hazardous waste treatment workflow

Case

Ningxia Jingchuang conducted hazardous chemical (MSDS) training to enrich employees' professional knowledge

In January 2024, Ningxia Jingchuang organized hazardous chemical safety training, focusing on the MSDS and emergency measures of hazardous chemicals, with 162 employees participating in the training, with a 100% pass rate in the assessment.



Hazardous chemical training site

Case

Jingrui Electronics conducted solid waste training to enhance employees' solid waste compliance awareness

In September 2024, Jingrui Electronic's EHS Department organized training for employees on solid waste classification, legal cases, current types of solid waste in the Company, and transfer precautions. A total of 17 people participated in the training, with a 100% pass rate in the assessment.



Solid waste training site

Green Operation

JSG always integrates the concept of green operation throughout the entire chain of corporate development, driving technological innovation and management upgrades with the original intention of environmental protection. The Company enhances environmental awareness through systematic energy-saving initiatives, manages energy consumption of office air conditioning and lighting systems, implements green office measures, and leverages intelligent manufacturing solutions to establish a digital green logistics network and automated green production lines. By integrating efficient transportation with low-carbon processes, it aims to reduce carbon emissions across all operations - from daily office activities to manufacturing. This comprehensive approach contributes to building a green operational system and sets a replicable benchmark for low-carbon transformation in the industry.

Green office management

JSG always adheres to the original intention of environmental protection, and adopts measures such as installing fresh air systems, waste sorting, and paperless office to improve the resource utilization rate of office environment and operation process. The Company has planned a series of specialized training covering in-depth interpretations of environmental protection policies and regulations, identification and management of environmental risks, and the latest knowledge on environmental protection technologies and processes, to enhance the environmental awareness and responsibility of all employees.

Green operation measures of the Company

- Install fresh air systems in all areas to effectively ventilate work areas and improve the working environment

- Conduct waste sorting, implement the "three reductions and four separations" method, and periodically carry out environmental inspections

- Reduce printing devices, centralizing to one device per floor and promoting double-sided printing

- Stagger air conditioning usage during summer and set temperature controls

- Install charging stations in the parks



Charging stations of the Company



Energy-saving promotion banners

Case

Ningxia Xinjingsheng conducted environmental protection training to enhance employees' environmental awareness

In 2024, Ningxia Jingchuang organized three focused annual environmental protection training sessions, with a total of 128 person-times completing the training. Employees' awareness of environmental protection was significantly enhanced, allowing them to conscientiously comply with environmental regulations and actively participate in the Company's environmental protection efforts. Frontline production staff mastered basic operations for hazardous waste collection and storage, effectively reducing environmental pollution during production processes; all departments increased their focus on environmental work, and environmental management systems were effectively implemented, significantly improving the Company's level of environmental management.



Ningxia Xinjingsheng's environmental protection training site

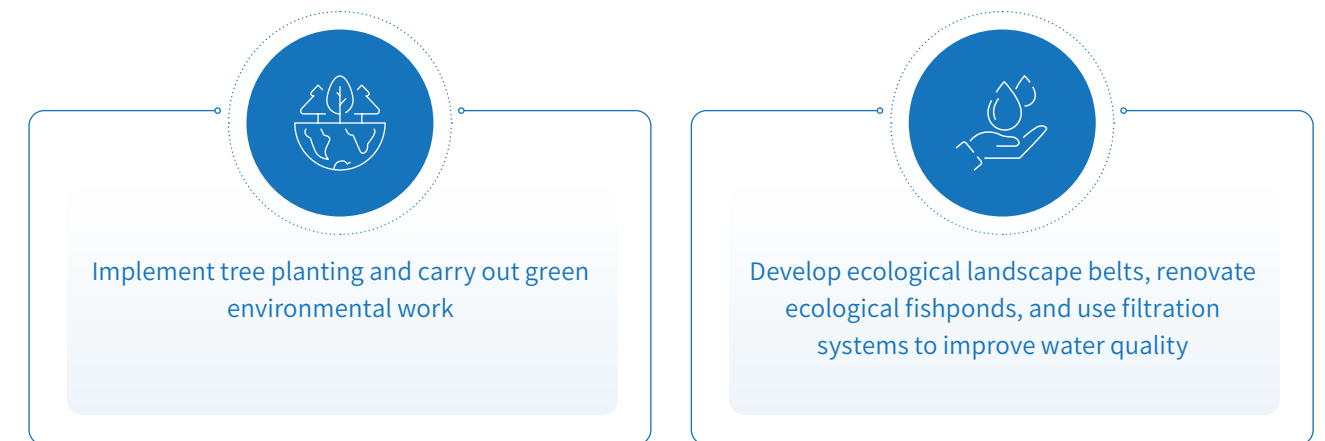
Biodiversity protection

With the global increase in attention to biodiversity, the Company endorses the "Kunming-Montreal Global Biodiversity Framework", strictly adheres to national laws and regulations such as the Opinions on Further Strengthening Biodiversity Conservation, the Soil Pollution Prevention and Control Law of the People's Republic of China, and the Groundwater Management Regulations. The Company continuously monitors the potential impacts of its operations and business activities on biodiversity, constructs ecological fishponds at operational sites, actively engages in afforestation activities, and strives to protect the surrounding ecological environment. Before establishing manufacturing facilities, the Company conducts environmental assessments in accordance with laws and regulations to ensure that subsidiaries are not located within ecological red lines and that there are no nearby natural reserves. In 2024, the Company did not identify any significant adverse impacts on biodiversity.



Ecological pool of the Company

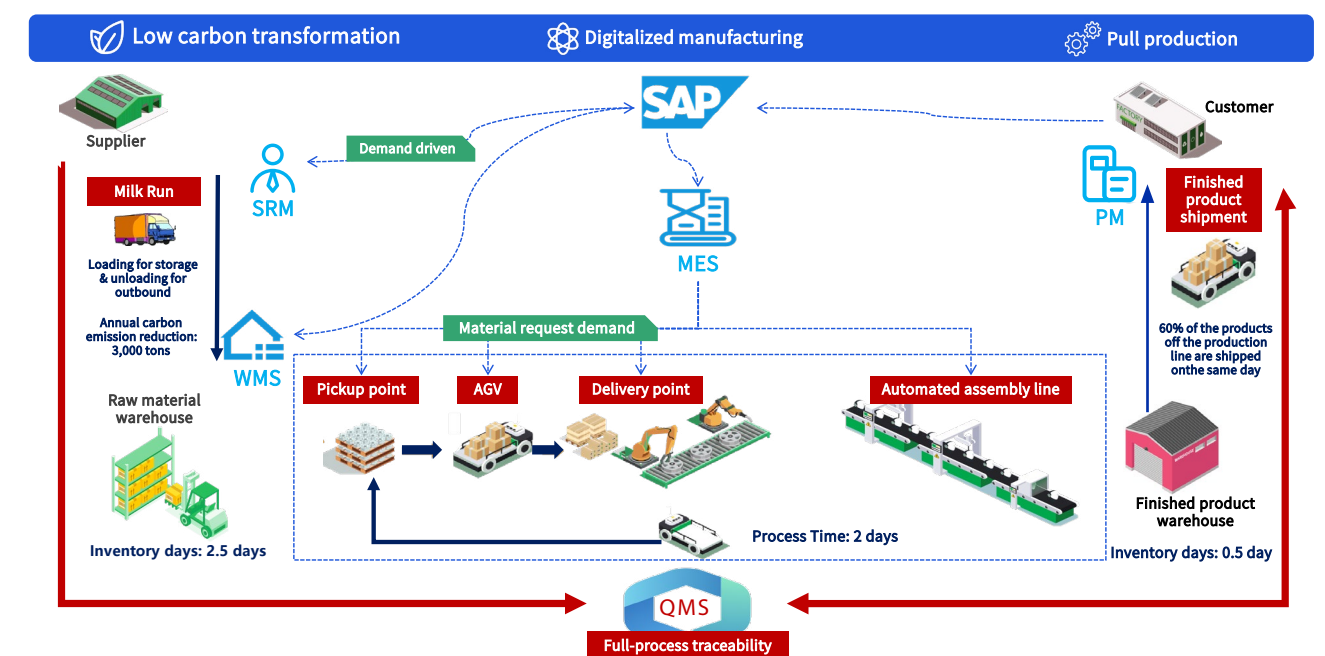
Biodiversity protection measures



Intelligent and green lean manufacturing

The Company adheres to the green circular development strategy of "carbon peaking and carbon neutrality", continuously optimizing and innovating the full-chain management of production and supply based on lean manufacturing principles. It aims to transform "silo operations" into "continuous flow" by implementing precise material distribution, WMS intelligent warehouse management, intelligent loading, and route planning, thereby establishing a fully traceable intelligent manufacturing model. This approach realizes efficient, agile, and lean-flexible digital factory management.

Intelligent manufacturing model with full process traceability



Advantages of lean and automated production in smart factories

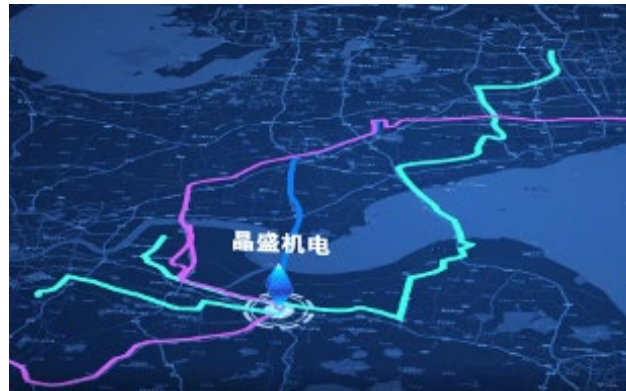


Through the interconnection of various business systems, the Company achieves end-to-end integrated fine management, enhancing the quality and efficiency of manufacturing development.

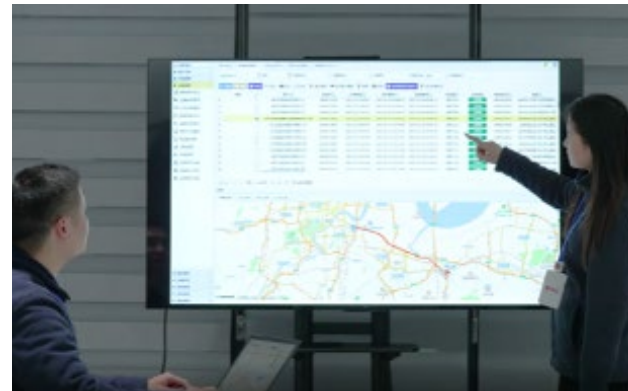


Leveraging cloud computing and big data, the Company constructs an industrial digital brain. Through highly intelligent advanced manufacturing and efficient organizational management, it achieves lean manufacturing and management, creating a sustainable competitive advantage.

The Company insists on green logistics. Inside the plant, circulating vehicles follow planned routes and time windows to pick up goods. Real-time monitoring is implemented along delivery routes, achieving integrated delivery and pickup, reducing waiting times and energy consumption within the plant, and improving spatial utilization of production areas.



Circulating pick-up route



The Company has fully completed the lean automation upgrade of production lines, and effectively implemented a series of lean improvements such as automatic vacuuming on seed crystal lines, RGV automatic circulation on crucible lines, automatic lifting of rotary plate valves, and automatic strapping and packing of composite boxes, to rapidly enhance plant capacity. Additionally, the Company requires suppliers to stock according to SRM requirements and use standardized green recyclable packaging for boxing, effectively reducing solid waste generation in the park and building a new advantage in green intelligent manufacturing. Furthermore, the Company has designed foolproof and ergonomic workstations to ensure work safety. Equipped with fixtures and inspection tools to ensure effective control of key points, the number of assembly staff is reduced by 35%, significantly lowering labor intensity, and further setting a new industry benchmark.



Circulating packaging and boxing



Lean automation upgrade of production line



Automatic vacuuming on seed crystal line



Automatic strapping and packing of composite boxes

Key Performance

- ◆ The Company has established **7** circular pickup routes, improving overall transportation efficiency by over **40%**, reducing transportation mileage by **40% to 70%**, and achieving an annual reduction of **3,000** tons in carbon emissions.
- ◆ By using standardized green recyclable packaging for boxing, the Company expects to complete full truckload loading and unloading within **15** minutes, improving loading and unloading efficiency by over **50%** and vehicle loading rate by over **30%**.
- ◆ The plant's daily production capacity has increased by **20%**, the total working hours per unit of mono crystal puller have improved by **20%**, and the solid waste output has decreased by **83%**.

3

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Igniting Innovation and Advancing Together

JSG focuses on technological R&D and quality leadership as its core strategy. The Company is committed to promoting the high-quality development of the PV and semiconductor industries through technological innovation and excellent management. JSG strives to continuously create high-quality products and improve its customer service system, contributing to the sustainable development of the entire industry chain and advancing it to a higher level.



Innovation-driven

JSG has always placed research and development at the core of its high-quality development process. The Company adheres to a dual-driven model of technological breakthroughs and deep exploration of customer needs, continuously strengthening R&D investment to enhance its R&D strength and innovation capability. This approach ensures the sustainability of the Company's core competitiveness, aiming to create greater value for customers.

R&D Management

JSG is dedicated to building a comprehensive R&D system, focusing on strategic R&D, product and technology R&D, and process and technical support R&D. By thoroughly studying national industrial policies and industry development trends, and keeping abreast of the latest developments in the PV and semiconductor industries, the Company collects and analyzes customer demands, market dynamics, competitive landscapes, and new technological information to accurately define R&D objectives and roadmap planning. On this basis, JSG has established core technology development platforms and product commercialization platforms, continuously developing new products and technologies that meet market demands and align with the Company's strategy. These efforts ensure the Company's leading position in the industry and provide high-quality capacity support to the nation and the industry.

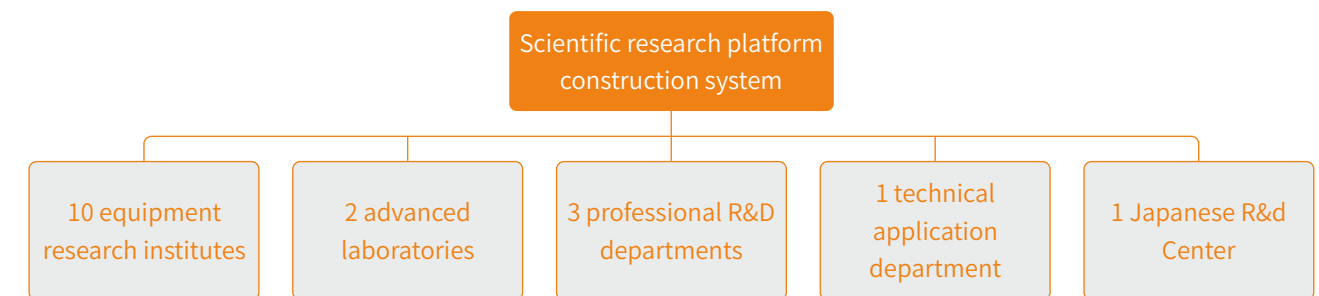
Key Performance

In 2024, the Company invested CNY **1,119.19** million in R&D, accounting for **6.37%** of operating revenue. The R&D team consisted of **1,588** personnel, representing **26%** of the total workforce, including **46** PhD holders and **476** master's degree holders.

R&D Platform

JSG continually optimizes its R&D organizational structure, operating national-level postdoctoral research stations, national enterprise technology centers and other research platforms, to enhance the construction of its research platform system. In 2024, the Company restructured its R&D center into **10** major equipment research institutes, **2** advanced laboratories, **3** professional R&D departments, **1** technical application department, and **1** Japan R&D center. Compared to 2023, **2** new equipment research institutes and **1** Semiconductor Technology Application Department were added. Additionally, in 2024, the Company received approval for the Provincial Key Laboratory of High-Performance Silicon Material Equipment, was honored as one of the Top 100 Enterprises in Electronic Information Competitiveness for the year, and **4** of its subsidiaries, Qiushi Chuangxin, Ningxia JingHuan, Jingyu New Materials and Ningxia Jingchuang were recognized as "National High-Tech Enterprises."

Scientific research platform construction system



Key Performance

In 2024, the Company added **2** subsidiaries, Zhejiang Meijing New Materials Co., Ltd. and Zhejiang Qiushi Semiconductor Equipment Co., Ltd., which were selected as the national-level specialized, refined, differential, and innovative "Little Giant" enterprises.

As of December 31, 2024, **5** subsidiaries of JSG have been selected as national-level specialized, refined, differential, and innovative "Little Giant" enterprises.

Scientific Research Breakthrough

JSG is committed to driving continuous breakthroughs in various application fields through technological R&D, ensuring stable and high-quality development. As a leading domestic high-tech enterprise in "advanced materials and advanced equipment", the Company leverages years of in-depth understanding of technologies and processes in the PV and semiconductor fields. It continues to increase investment in technological R&D, achieving multiple scientific research breakthroughs and providing strong support for industry development.

Case

JingHuan Electronic set new record with 1,000kg sapphire crystal

In May 2024, JingHuan Electronics' latest innovative achievement, a 1,000kg-class ultra-large-sized sapphire crystal, successfully came out, once again breaking the world record for the research and development of ultra-large-sized sapphires. This is another breakthrough following the establishment of the world record for a 750kg-class crystal in 2020, and it also represents the confidence and strength in the technology of ultra-large-sized sapphires and the mass-production process.

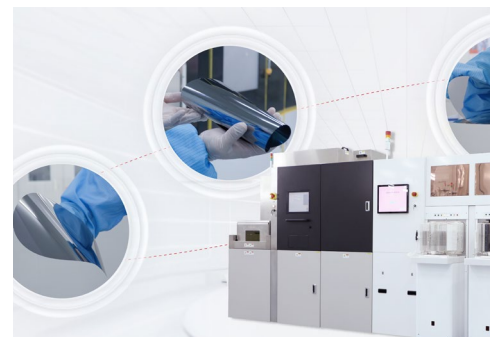


1,000kg-class ultra-large-sized sapphire crystal

Case

JSG achieved stable processing of ultra-thin wafers, providing strong support for the independent control of China's semiconductor industry

In August 2024, JSG's R&D team successfully developed the WGP12T thinning and polishing equipment, enabling stable processing of 12-inch, 30μm ultra-thin wafers. While ensuring wafer surface flatness and roughness, the Company effectively addressed challenges such as deformation, cracks, and contamination during the thinning process, truly realizing the efficient and stable processing technology of 30μm ultra-thin wafers. This breakthrough signifies JSG's important progress in semiconductor equipment manufacturing, providing strong support for technological advancement and independent control of China's semiconductor industry.



New WGP12T thinning and polishing equipment

Case

JSG released multiple new equipment models, accelerating the green and intelligent development of semiconductor equipment

In 2024, JSG introduced several new equipment models, including the 8-inch double-chip silicon carbide epitaxial equipment, 8-inch silicon carbide measurement equipment, and 12-inch fully-automatic thinning and polishing equipment. These additions expanded JSG's semiconductor equipment portfolio, promoting the industry's advancement towards high-end, intelligent, and environmentally friendly technologies.

• Silicon carbide epitaxial furnace

The Company developed 8-inch double-chip silicon carbide epitaxial equipment capable of processing two 8-inch wafers simultaneously in a single chamber, increasing unit capacity by 80%. It features the latest epitaxy doping process package, fully automated loading module, and AI big data analysis platform EAP interface, enabling large-scale epitaxy production based on the C2C model.



8-inch double-chip silicon carbide epitaxial equipment

• Silicon carbide measurement equipment

Utilizing Fourier transform infrared spectroscopy and grazing incidence phase-shifting interferometry, JSG developed SiC epitaxy optical measurement equipment and SiC wafer surface morphology measurement equipment for non-contact measurement of SiC materials. The EM200A-ZJS equipment incorporates two self-developed algorithms to calculate buffer and epitaxy layers, allowing users to adjust based on specific processes and wafer structures. The FM200A-ZJS equipment supports customized data analysis functions and user-defined sorting standards for measured wafers.



SiC epitaxy optical measurement equipment

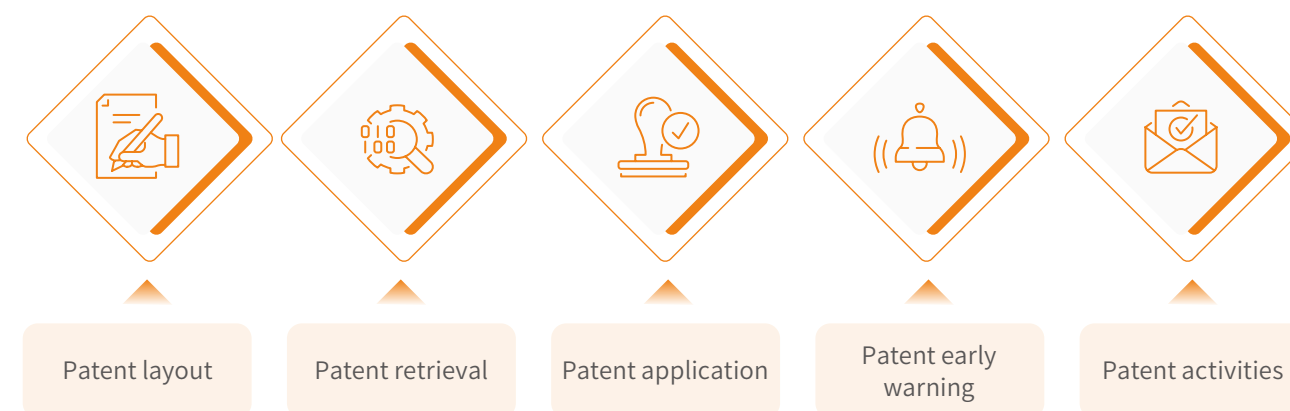
Scientific and Technological Ethics

JSG adheres to scientific and technological ethical norms. Throughout the R&D and business operations, it has always been pursuing independent innovation. Based on intellectual property rights, the Company does not develop or use scientific and technological means that may cause harm to the natural environment, life and health, public safety, and ethical and moral principles. It is committed to promoting social progress and positive development through research and development innovation. In the future development process, the Company will still attach great importance to the norms of scientific and technological ethics, ensuring that every technological breakthrough meets the requirements of scientific and technological ethics and contributing to the stable and healthy development of society.

IP Protection

JSG adheres to an independent intellectual property strategy, placing significant emphasis on the management and protection of intellectual property (IP). The Company has established an IP management system centered around policies such as the *Measures for the Protection of Intellectual Property Rights* and *Patent Management Procedure*, continuously standardizing IP management practices to foster technological innovation and the development of proprietary IP.

IP protection management process



Key Performance

As of December 31, 2024, the Company has a total of **1,069** valid patents, including **256** invention patents (including **13** international patents). During the year, **323** new patents were authorized, comprising **105** new invention patents (including **6** international patents).

The Company places high importance on independent research and technological innovation, implementing the *Measures for the Management of Patent Award Selection* and establishing an incentive mechanism for IP applications. These initiatives focus on inventive creations and adhere to principles of objectivity, fairness, justice, and transparency in selecting and rewarding R&D personnel who contribute patents, effectively motivating employee innovation and enhancing patent quality. This approach perpetuates the Company's culture of valuing research and maintains a robust research environment with favorable R&D conditions.

Four dimensions of patent award selection



Key Performance

In 2024, the Company awarded a patent award of CNY **2.04** million.

Quality Management

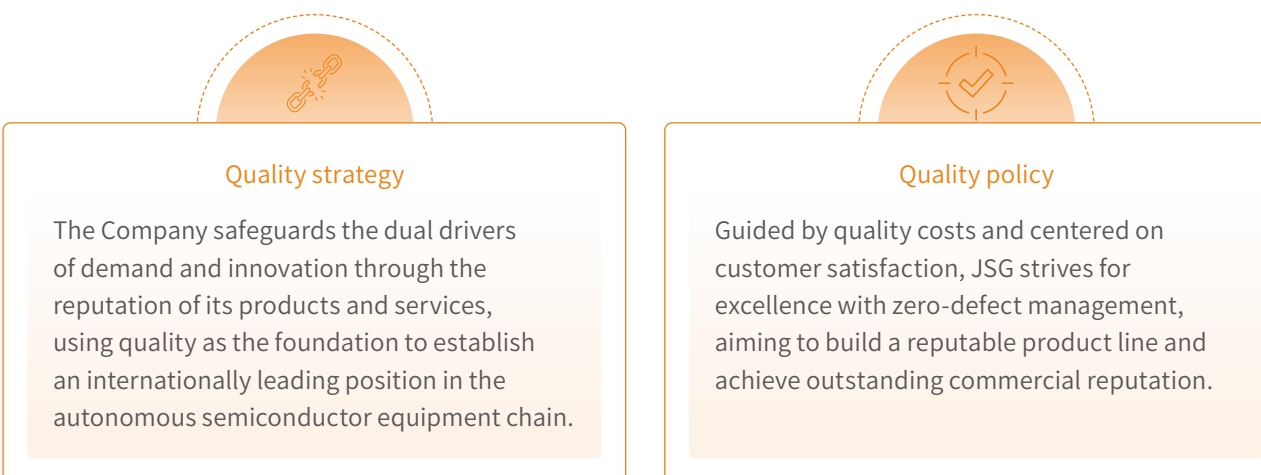
JSG upholds the principle of quality supremacy, formulating and optimizing a series of systems, including the *Planning and Control Procedure for Product and Service Realization*, *Quality Objective Management Procedure*, and *Product Protection and Control Procedure*, to construct a comprehensive quality management system. The Company employs intelligent and information-based methods to collect data, focusing on full-process quality risk control to achieve zero-defect quality management.

Quality Management System

JSG has established and continually refined its quality management system, integrating international quality standards into its product quality management. The Company applies the PDCA (Plan-Do-Check-Act) management principle to enhance strategic planning, goal decomposition, process management, and personnel training. This comprehensive approach promotes continuous improvements in market share, customer satisfaction, and management optimization.

Key Performance

In 2024, the Company **did not** experience any quality or safety-related adverse events.



Key Performance

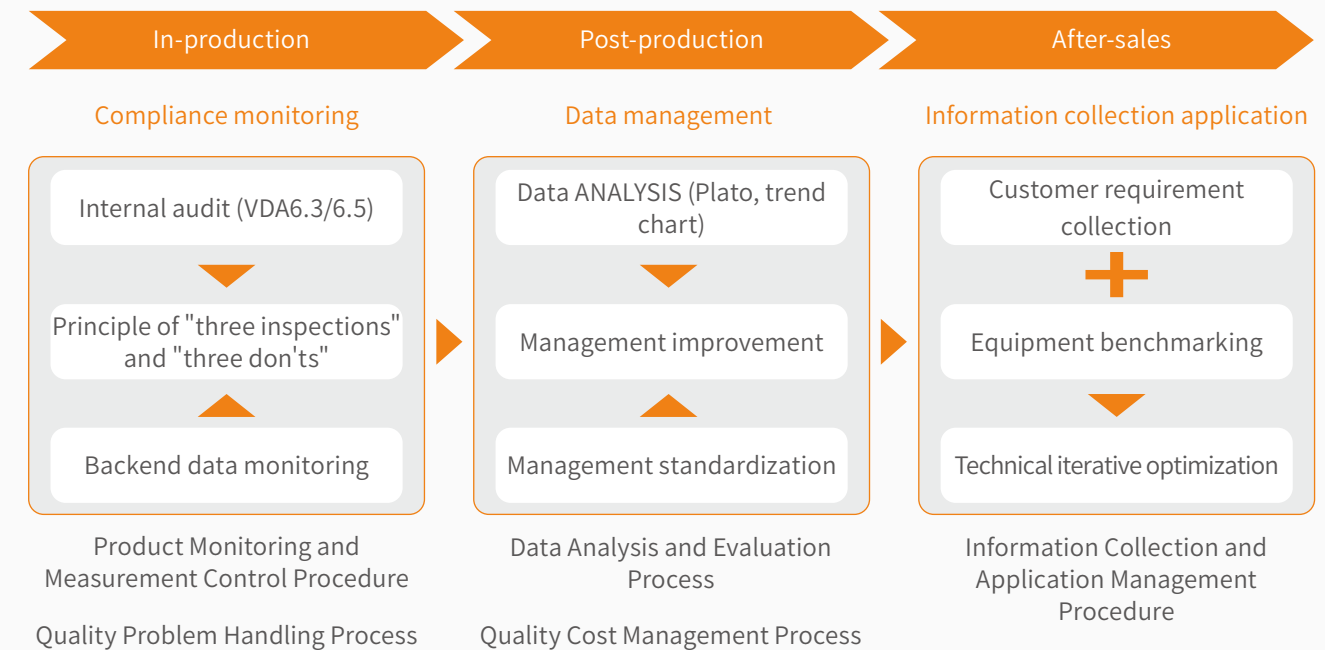
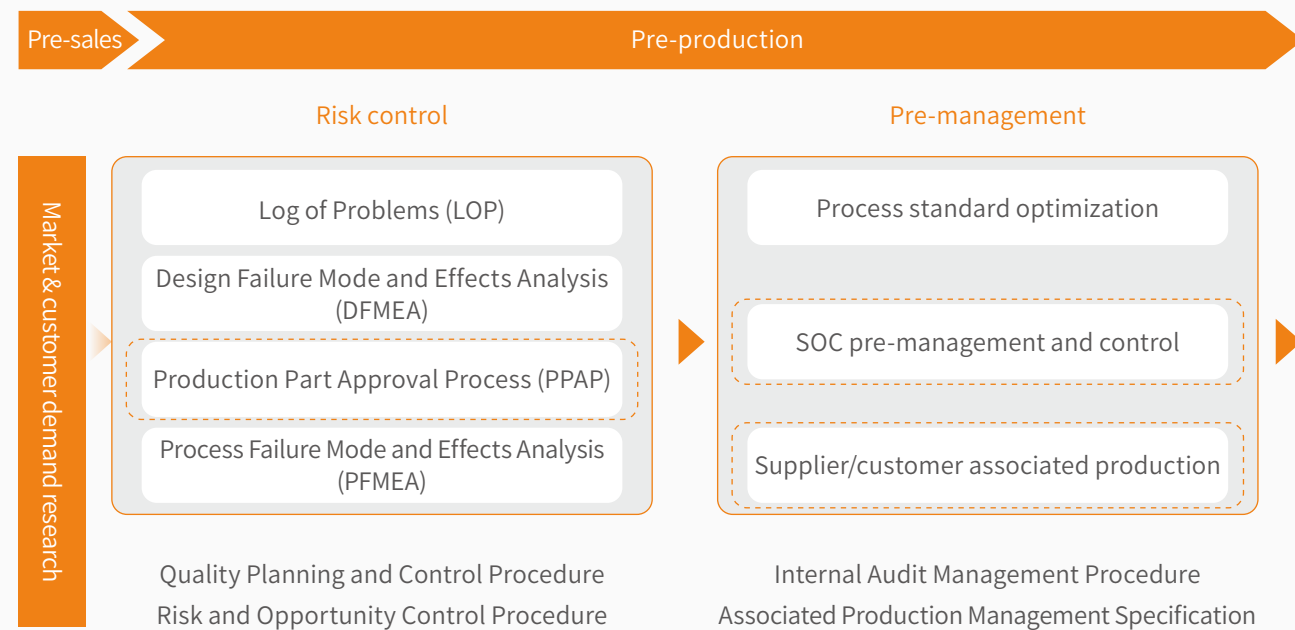
In 2024, the Company added **4** new quality system management documents, optimized and revised **26** quality system management documents.



Quality Management Process

JSG has established clear principles for full lifecycle quality management, implementing the APQP methodology across the entire process, including product concept, design and development, process development, production, and on-site validation. The Company systematically advances project quality planning and execution, continuously improving risk management, proactive management, compliance monitoring, data management, and information collection and application to ensure comprehensive lifecycle quality control.

Product lifecycle quality management procedure



Case

Subsidiary Huixiang E&H launched first "Quality Month" event to strengthen quality management

In October 2024, Huixiang E&H successfully hosted its first "Quality Month" event under the theme "Pursuing Zero Defects, Surviving on Quality, Developing through Quality". The initiative included a variety of specialized training activities, such as "Reviewing Past Quality Incidents", "Quality Experience Sharing", and "Quality Incident Warnings", helping employees gain deeper insights into the importance of quality and enhancing their quality awareness and skills. Additionally, a series of competitive events were organized, including quality contests, quality knowledge competitions, and daily quizzes on quality system fundamentals. These efforts reinforced the Company's "Quality-driven enterprise" strategy, strengthened the foundation of quality management, enhanced employees' quality consciousness, and propelled the Company toward continuous improvement and innovation.



Quality Month award site



Quality Month activity site

Key Performance

In 2024, the Company conducted a total of **20** quality training sessions, with a cumulative training time of **25** hours.

Customer Service

JSG adheres to a customer-first service philosophy and regards customer satisfaction as the core standard for measuring service effectiveness. The Company has established a series of systems like *Customer Complaint Management Process*, *Customer Satisfaction Management Process*, *Customer Training Management Process* and *Problem Solving and Customer Care Procedure* to optimize the complete customer service process comprehensively. These efforts provide high-quality service to customers, significantly enhancing their trust and loyalty, and laying a solid customer foundation for the Company's long-term development.

Customer Communication and Feedback

JSG attaches importance to customer feedback and holds regular customer satisfaction surveys to ensure timely awareness and implementation of customer suggestions or comments. It conducts quarterly satisfaction survey planning and monthly satisfaction research for project and spare parts customers, and regularly holds satisfaction weekly meetings to address customer issues, with relevant department heads analyzing causes, following up on processes, and implementing improvement measures to achieve an early detection, feedback, and closing loop for issues in all processes.

Product or service complaint management process



Key Performance

In 2024, the customer satisfaction rate was **97%**, with **no** customer complaints.

Case

JSG won the "Joint Effort Award" from TW Solar, earning high praise from partners

In November 2024, at the 7th China International PV and Energy Storage Industry Conference, JSG was awarded the "Joint Effort Award" by its partner, TW Solar, winning high praise from the partner.

JSG won the "Joint Effort Award" from TW Solar >>



Customer Training

JSG values empowering customers, establishes training processes, and specifies the needs identification, training plan, implementation, and continuous improvement during customer training. It provides comprehensive training on equipment technical specifications, operation instructions, and common fault handling to ensure the achievement of the expected training outcomes.

PDCA customer training process



4

Supply Chain Security

79

Coordinated Industrial Development

82

Striving for Win-win Cooperation and Building a Promising Future

JSG always adheres to the values of "Achieving Partnerships and Co-Creating Brilliance". By working hand-in-hand with various parties, JSG closely collaborates with a broad range of supplier partners in technological innovation and cultural co-construction, maintains close cooperation and contact with universities and associations among other entities, integrates exchanges, enhances organizational resilience, and boosts the Company's market competitiveness. It expands the realms of industry cooperation, aiding the Company in achieving precise and sustainable development.



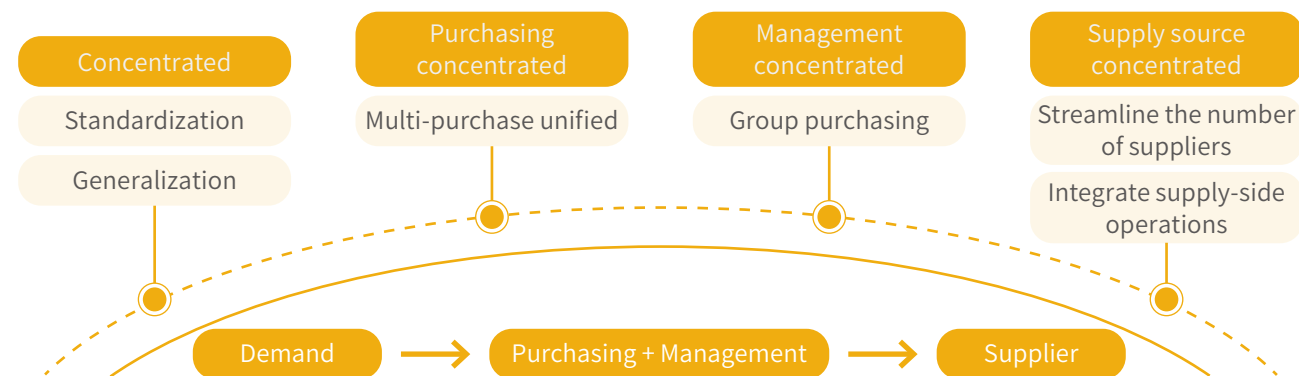
Supply Chain Security

JSG insists on "focusing on the deployment of the innovation chain along the industry and supply chains, continuously enhancing scientific and technological support capabilities". It has developed and refined a system of management processes encompassing the entire lifecycle of suppliers, including *New Supplier (Resource) Development Management Procedure*, *Supplier Management Process*, *Supplier Admission Management Process*, *Supplier Audit Process*, *Supplier Performance Evaluation Process*, and *Supplier Exit Management Process*. This system forms a management process centered around "PDCA", creating a flexible and resilient supply chain management system to ensure the safety and stability of the domestic supply chain while actively responding to the strategic trend of going global.

Supplier management process



Flexible supply chain procurement strategy



Sustainable supply chain management

To ensure effective control over ESG risks of suppliers, the Company continuously optimizes the supplier performance evaluation process. It maintains a "Qualified Supplier List" and incorporates ESG factors in the supply chain assessments and supplier on-site audit criteria using the *Supplier On-Site Inspection Scoring Form* to evaluate suppliers and issue corrective recommendations, ensuring the stability of the supply chain and compliance with ESG requirements. Additionally, the Company emphasizes product traceability management, requiring suppliers to provide a *Commitment to Non-Use of Banned Substances*, which includes terms from the *Requirements of Concentration Limits for Certain Restricted Substances in Electrical and Electronic Products*, to ensure that the products or services provided do not contain substances harmful to the environment and human health. For suppliers that excel in assessments, the Company implements rewards such as increasing purchase volumes and upgrades to qualified suppliers; for those performing poorly over three months and showing ineffective improvements, exit management measures are also employed.

Supplier performance evaluation indicators



Key Performance

In 2024, the Company had a total of **1,386** suppliers, of which **100%** of the suppliers signed agreements that included environmental and labor requirements; **94%** of the suppliers conducted social impact assessments; and **94%** of the suppliers conducted environmental impact assessments.

Transparent procurement management

The Company advocates for transparent procurement, treating integrity as the red line for supply chain construction. In accordance with anti-bribery laws and regulations from China and other countries and regions, such as the U.S. *Foreign Corrupt Practices Act* and the UK's *Anti-Bribery Act*, it has established and signed the supplier code of conduct of *Partners Integrity Cooperation Agreement* with suppliers, clearly defining responsibilities for integrity in procurement. The Company provides suppliers with an open, accessible SRM system for tendering and quoting. It offers reporting channels for partners, with dedicated personnel responsible for investigation and handling, and sets breach management measures for partners with integrity issues. Additionally, the Company regularly conducts integrity training, updates the qualified supplier list timely, and strictly enforces ethical business management requirements, truly practicing transparent procurement.

Measures for handling violations in supplier transparent procurement



Key Performance

In 2024, **100%** of the Company's suppliers signed the supplier code of conduct.

Empowering the supply chain cooperation circle

The Company focuses on supply chain empowerment management. For the professional capabilities of procurement staff, the Company conducts targeted training for procurement line employees from the perspectives of demand side, internal, and supplier angles, integrating modern supply chain management pain points. For supplier capability development, the Company actively conducts internal review meetings on supplier performance, holds annual supplier conferences, and collaborates with various parties to share experiences and perspectives, jointly innovating and launching new products and technologies that meet market demands. The Company builds an outstanding and sustainable supply chain system through a combination of internal procurement empowerment and external cooperative exchanges.

Key Performance

In 2024, the proportion of the Company's purchasers who have passed sustainable procurement training reached **100%**.

Case

JSG's 2024 Supplier Innovation Conference successfully concluded, discussing sustainable innovation ecosystem

JSG held its annual Supplier Innovation Conference in 2024, where it outlined future product layouts and plans, and shared experiences and provided empowerment support on improving supplier quality management, supply chain capability transformation, and development. Additionally, in various sub-forum sessions of the conference, senior company leaders engaged in one-on-one discussions with supplier representatives on supply chain innovation strategies and the construction of efficient delivery systems. The successful completion of this conference has profound implications for strengthening the value of the supply chain, building a more efficient and mutually beneficial supply chain cooperation circle, and paving the way for a future of superior quality, better benefits, and higher efficiency in the supply chain network innovation and development.



JSG's senior leaders communicate with suppliers



Summary Speech by Chairman Dr. Cao Jianwei



2024 Supplier Conference site

Coordinated Industrial Development

JSG, as a leading enterprise in the industry, always practices the social responsibilities of a leading company, gathering collective efforts to lead industry development and demonstrate corporate responsibility. The Company maintains good cooperation and communication with the government, universities, and upstream and downstream of the industrial chain, fostering high-quality technical talents in the industry, promoting industrial chain standardization and technological innovation. Together with various industry parties, it empowers global energy transformation through lean intelligent manufacturing and open cooperation, writing a new chapter of high-quality development in the "Chinese solution" global journey.

University-Industry Cooperation

JSG firmly believes that talent cultivation is one of the key factors driving industry development. It attaches great importance to talent cultivation, tirelessly explores new models of industry-academia cooperation, links academic resources from universities with its own technical experience and capabilities, and maintains close contact and active cooperation with universities. The Company has established a postdoctoral station and collaborates with universities on joint talent development projects. This not only helps the Company achieve technological upgrades and improve talent echelon construction but also trains professionals for the industry, promoting high-quality industry development.

Cooperative academy	Cooperative project
School of Mechanical Engineering, Zhejiang University	<ul style="list-style-type: none">Established "Innovation Research Center of Mechanical and Electrical Equipment"Carried out the "Joint Training Program of Full-time Professional Degree Master's Degree"Completed the scientific research project of "Development of 12-inch Czochralski Hard-axis Mono Crystal Silicon Growth Furnace"
School of Management, Zhejiang University	Support Zhejiang University's EMBA mutual talent cultivation
Institute of Crystal Materials, Shandong University	Jointly built a "Crystal Material Equipment Research Center"

Case

Supported Zhejiang University's EMBA mutual talent cultivation, exploring high-quality industry talent development

In November 2024, JSG, in collaboration with the Zhejiang University EMBA Finance Association and Professor Han from the School of Management of Zhejiang University, launched a "Zhejiang University EMBA" mutual talent cultivation event. This initiative is an important component of the Zhejiang University EMBA program, aimed at mutual visits, research, and learning through diverse, in-depth, and comprehensive training. The Company leader conducted a session on "Lean Management", explaining the core concepts and practical methods of lean management in depth and with clarity. Furthermore, the Company detailed JSG's development history, core technologies, and product applications. Through vivid explanations and rich displays, participants deeply and intuitively understood the cutting-edge technologies of the semiconductor industry, further fostering and promoting the technical capabilities of industry skilled talent.



Zhejiang University's mutual talent cultivation program site

Standard Setting

Based on advanced technology and extensive industry experience, JSG consistently maintains strong cooperation with government agencies, industries, and non-profit organizations, and continually participates in setting and researching national, industry, and group standards. It fully leverages its exemplary role in the PV and semiconductor industry to promote the standardization of lean manufacturing and industry development, driving high-quality development of the industry's technological innovation capability.

Key Performance

By the end of 2024, the Company had led or participated in the formulation of 4 new national, industry, and group standards, accumulating a total of 23 standards.

Standards jointly prepared by the Company (partial)

Standard	Standard No.	Standard Type
Terminology for Integrated Circuit (IC) Manufacturing Equipment	GB/T 40577-2021	National
High Purity Alumina for Sapphire Mono Crystal	GB/T 34213-2023	National
Monocrystalline Sapphire Bar	GB/T 31092-2022	National
Czochralski mono crystal puller for PV	SJ/T 11854-2022	Industry
Positive-pressure Float Zone Crystal Growth Furnace	SJ/T 11853-2022	Industry
TDR Series mono crystal puller	T/ZZB 0044-2021	Group
Multicrystalline Silicon Casting Furnace	T/ZZB 0061-2016	Group
Chemical Vapor Deposition (CVD) Epitaxial Equipment for Preparing Silicon Carbide Semiconductor Materials	T/ZJATA 0017-2023	Group
Quartz Crucible for Growth of Photovoltaic Monocrystalline Silicon	T/ZS 0596—2024	Group
Semiconductor Industry Nitrogen Oxide Emission Requirements	T/CIECCPA 007—2024	Group
High Purity Quartz Sand for Semiconductor Quartz Crucible Production	T/QGCML 4167—2024	Group
High Purity Quartz Crucible for Semiconductor Silicon Mono Crystal Production	T/ICMTIA CM0038—2024	Group

Industry Development

As the global energy system rapidly transitions to low carbon, JSG, a leader in technology and scale within the domestic PV industry, is deepening its internal circulation system to tap into the potential of the local market. At the same time, it integrates advantageous resources to actively respond to the trend of developing new growth poles with a global layout. This strategy forms a new economic ecosystem of synergistic development of both internal and external circulations, establishing a new benchmark for high-quality overseas expansion and contributing to the sustainable and high-quality development of the global PV and semiconductor fields.

Case

Jingsheng Photonics' products went global, embarking on a new journey for global clean energy development

Focused on the R&D and manufacturing of high-end equipment in the solar energy field, Jingsheng Photonics successfully exported three of its latest devices in July 2024: PECVD, LPCVD, and tube low-pressure phosphorus diffusion furnaces to overseas customers. It continuously expands into international markets, provides global customers with PV full-industry chain intelligent factory solutions with high-quality products and efficient services, injecting new vitality into the development of global clean energy.



Group photo of Jingsheng Photonics' cell equipment shipment

Communication at Home and Abroad

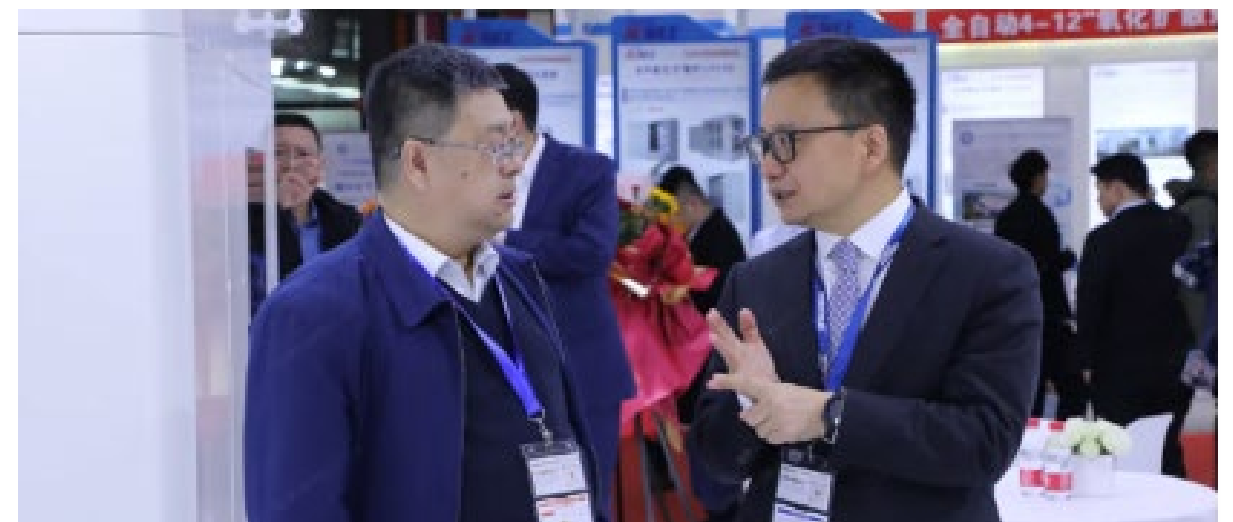
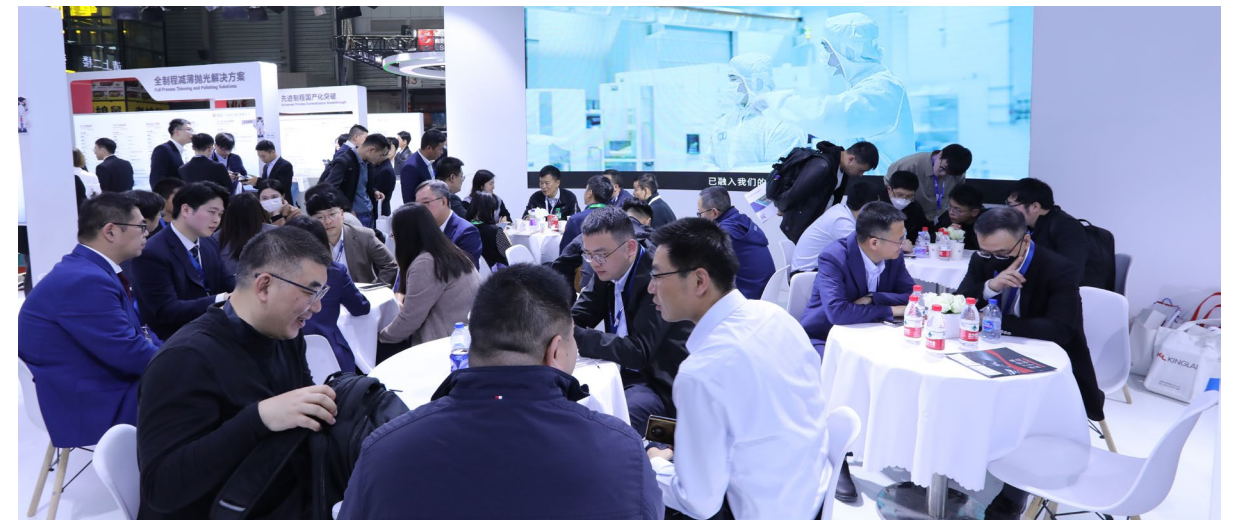
JSG leverages its strengths to actively participate in major international exchange activities such as alliances, forums, and summits, maintaining proactive communication and cooperation with companies within the industry and enhancing linkage with associations. In 2024, the Company participated in SEMICON China, SEMICON Japan, SEMICON Europe, SNEC International Photovoltaic Exhibition, China International PV and Energy Storage Industry Conference, CSEAC, International Conference on Silicon Carbide and Related Materials (ICSCRM) and other domestic and international exchanges. It continuously shared cutting-edge technological achievements and experiences, and joined forces with top domestic and international industry resources to contribute to the sustainable, low-carbon development of the global industry.

Domestic participation

Case

JSG participated SEMICON China in Shanghai, actively exploring domestic and international cooperation to aid industry development

In March 2024, the Company showcased several new products at SEMICON China 2024 in Shanghai and held a new product launch event themed "Innovative Chips, Intelligent Manufacturing, Leading the Way". Not only did it display the Company's cutting-edge technology and innovation achievements, but it also served as an important window for linking and exploring global semiconductor industry development opportunities, exchanging ideas with industry experts from around the world and creating more possibilities for the localization of the semiconductor industry.



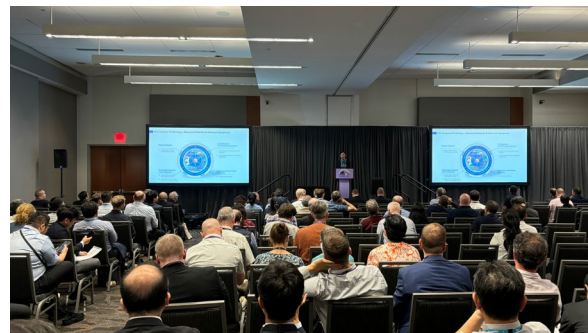
Exhibition site of the Company at SEMICON China in Shanghai

International exchange

Case

Jingrui Electronic showcased at ICSCRM 2024, strengthening exchange and cooperation with domestic and international peers

In October 2024, the International Conference on Silicon Carbide and Related Materials (ICSCRM 2024) was held in Raleigh, North Carolina, USA. Jingrui Electronic (SuperSiC) debuted, introducing its independently developed 8-inch silicon carbide substrates and the latest R&D achievements during the product presentation session. This showcased their R&D strength and technological progress in crystal growth defect and stress control, laying the foundation for expanding international markets and the global application of their products.



Presentation site of 8-inch silicon carbide substrate product

Case

Jingrui Electronic participated in SEMICON Europa in Munich, Germany, discussing the future of power semiconductor materials with global industry colleagues

In November 2024, the SEMICON Europa opened grandly in Munich, Germany. Jingrui Electronic (SuperSiC) participated with 6-8 inch SiC substrate wafers and 8-inch crystal ingots. As a significant player and contributor to the global third-generation semiconductor industry chain, its presence at the SEMICON Europa not only showcased its technological R&D and innovation capabilities but also expressed its determination and confidence to discuss cost-reduction and efficiency-enhancement strategies with global upstream and downstream partners.

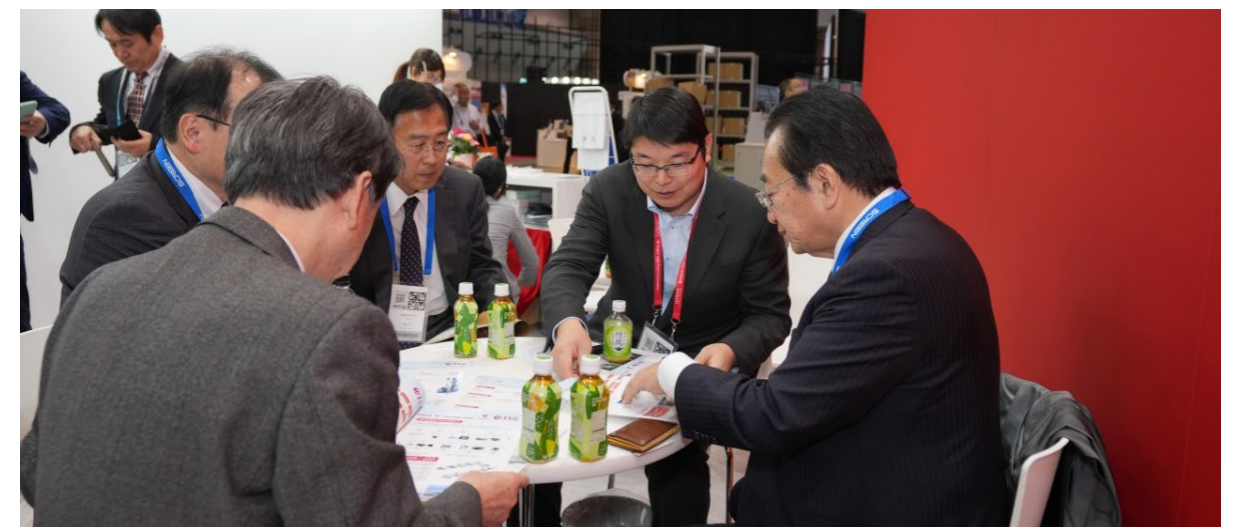


SEMICON Europa

Case

Participated in SEMICON Japan 2024, promoting domestic semiconductor equipment and materials to go global

In December 2024, SEMICON Japan, a semiconductor industry equipment exhibition, was held in Tokyo, Japan. The Company presented integrated circuit equipment for 8-12 inch large silicon wafers, as well as innovative achievements in sapphire materials, silicon carbide materials and equipment, diamond materials, and semiconductor components to semiconductor equipment suppliers, manufacturers, and professionals from around the world. Among the exhibits, the upgraded horizontal silicon carbide epitaxial equipment not only featured new overall disassembly components but also offered customized consumable batch cleaning services, achieving cost reduction and efficiency enhancement in silicon carbide epitaxial growth, thus boosting high-quality wafer production and continuously empowering industry innovation development.



Exhibition site of the Company at SEMICON Japan 2024 in Tokyo, Japan

5

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United in Strength and People-Centric

Talent is the core driving force for sustainable development. JSG consistently practices the value of "Struggle orientation and partner accomplishment", puts talent strategy at the forefront of corporate development, and improves the training system and long-term incentive mechanism by building a multi-dimensional growth platform and career development channel. Additionally, the Company develops comprehensive equity protection mechanisms and occupational health and safety management, implements diverse welfare policies, genuinely enhances employee sense of belonging, cares for the physical and mental health of employees, and achieves a symbiosis of employee value and corporate development.



Employee Rights and Benefits

JSG respects and protects the rights of every employee, always considering the selection, cultivation, and retention of talent as the foundation for propelling substantial corporate development and as a critical topic for sustainable development. The Company strictly adheres to the United Nations Global Compact, Universal Declaration of Human Rights, Declaration on Fundamental Principles and Rights at Work by the International Labour Organization, and fully implements the laws and regulations such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and the Law of the People's Republic of China on the Protection of Women's Rights and Interests, as well as national employment policies. This efficiently manages and develops human resources, enhances employee satisfaction and capabilities, and promotes robust corporate development.

Equal Employment

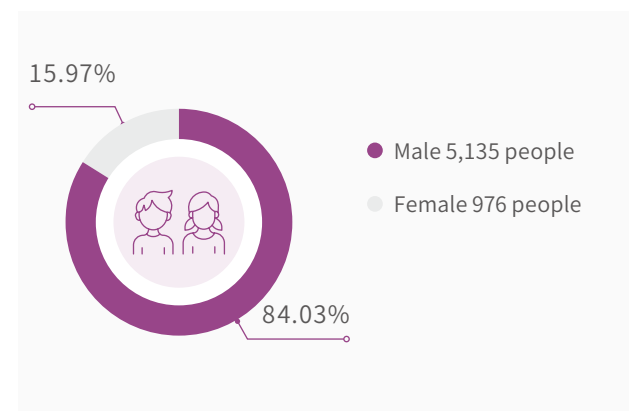
JSG implements an equal, non-discriminatory employment policy, and provides detailed explanations of its legal compliance in prohibiting child labor, resisting forced labor, and protecting democratic rights, actively fostering democratic and harmonious labor relations. The Company takes a zero-tolerance approach to any form of discrimination and unfair competition. The labor management system developed by the Company covers not only the entire Company but also suppliers and contractors, aiming to maintain a healthy order in the labor market.

Key Performance

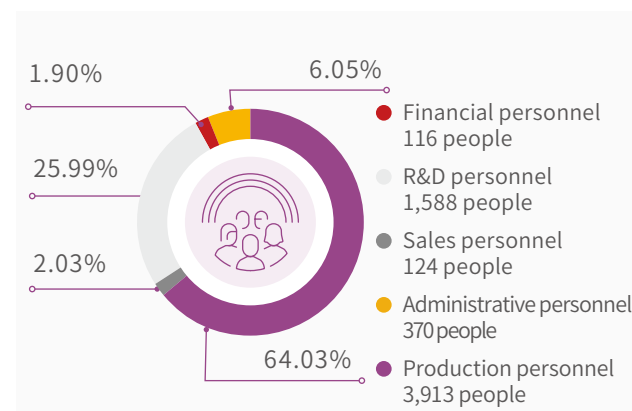
As of December 31, 2024, the Company had a total of **6,111** employees, with a **100%** labor contract signing rate and **6.67%** core employee turnover rate ^{Note}; there were **no** incidents of forced labor, child labor, or other violation events involving employee rights.

Note: Core employees refer to those with a job level of 7 and above at JSG.

Employee gender structure



Staff position structure



The Company values talent development and has established a talent development management strategy. For **campus recruiting, social recruiting, online submissions** and other external channels, the Company strives to ensure that job information is transparent and the recruitment process is fair and equitable, avoiding any form of discrimination. Additionally, the Company encourages **internal referrals** and the healthy internal mobility of outstanding talents, clearly defining the responsibilities, requirements, and compensation benefits of various positions. It also posts internal hiring notices to all employees through the intranet, establishes a talent referral mechanism and *Implementation Standard of Internal Referral Bonus for Recruitment of Internally Recommended Positions*, and sets up the "Bo Le Award" and bonuses, to stimulate employees' enthusiasm for referring talents for nearly 65 positions across 17 business lines, thereby broadly attracting talents of diverse backgrounds and professional fields to empower the Company and supporting the creation of long-term sustainable commercial and social value.



Internal hiring poster



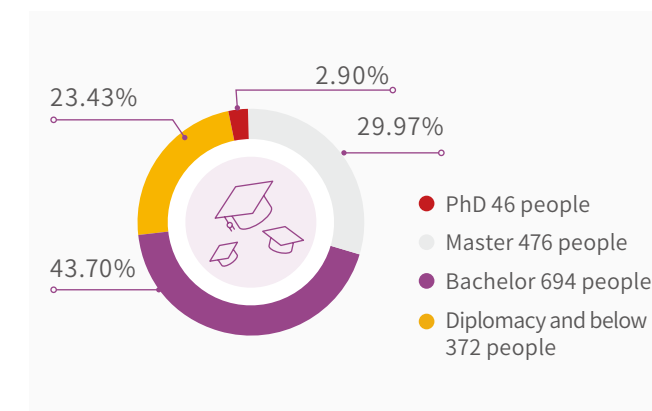
"Bo Le Award" and internal referral poster

Key Performance

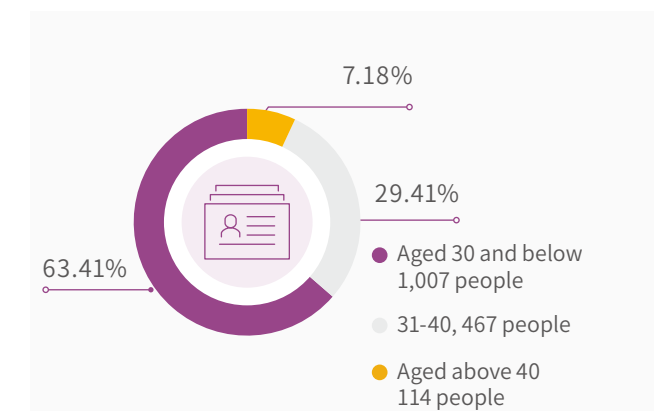


In 2024, the Company has **116** employees through internal referrals, and **51** employees won the "Bo Le Award".

Education degree of research personnel



Age structure of research personnel



Diversity and Inclusion

JSG fully recognizes, accepts, and values the differences and uniqueness between individuals, understanding the importance of a diverse and inclusive workplace culture in attracting excellent talent. The Company insists on equal pay for equal work, protects women's rights, and resolutely opposes discrimination and harassment based on race, culture, religion, age, disability status, or gender. The Company provides ample welfare and care for female employees, with facilities such as nursing rooms, and also closely monitors the development of disabled persons among other groups, offering suitable, equal job and promotion opportunities, allowing them to fully utilize their talents and achieve self-worth.

Key Performance

In 2024, the Company:
had **274** employees from minority ethnic groups and **7** employees with disabilities;
had **173** newly hired female employees, bringing the total number of female employees to **976**. Among them, **59** are in management positions^{Note 1}, and **17** are senior executives^{Note 2}.

Note 1: Management positions include employees at level 5 and above within JSG;
Note 2: Senior executives include positions such as Director, Deputy Director, General Manager, Vice General Manager, President and Vice President.



Nursing room of Qiushi Semiconductor

Case

Caring for female employees, celebrating women's day

In March 2024, the Company hosted a series of colorful festival activities themed "Vibrant Spring - Be Your Most Beautiful Self", including DIY workshops, coffee-making classes, and women's lectures, providing all female employees with exquisite desserts and gifts. This demonstrated the Company's care for women, deepening their sense of belonging and identity, and creating an equal, harmonious, and female-friendly corporate atmosphere.

· Coffee making:

The Company invited professional instructors to lead female employees in experiencing latte art, teaching the skills of hand-grinding coffee, allowing employees to enjoy the fun of coffee making.



Coffee making teaching experience

· DIY experience:

The Company organized DIY activities for female employees, including fan and handbag crafting, where everyone shared laughter and joy, spending a warm and meaningful holiday together.



DIY experience site

Case

Female health lecture:

The Company invited professional teachers to impart health knowledge and skills, encouraging female employees to cultivate good living habits and self-protection awareness. Additionally, the Company disseminated information on workplace discrimination and harassment, DEI (Diversity, Equality, and Inclusion), and related systems for inclusive management among employees, enhancing women's self-protection awareness and safeguarding their physical and mental health.



Female health lecture

Workers' Congress

The Company always adheres to the principles of "equality, democracy, openness, and consultation", regularly convenes the Workers' Congress to listen to and understand employees' needs, and jointly discusses labor management-related matters, to foster a more harmonious and united corporate culture, and enhance the Company's cohesion and creativity. In 2024, discussions were held regarding the annual trade union fee income and expenditure status, and norms for the use of union fees.

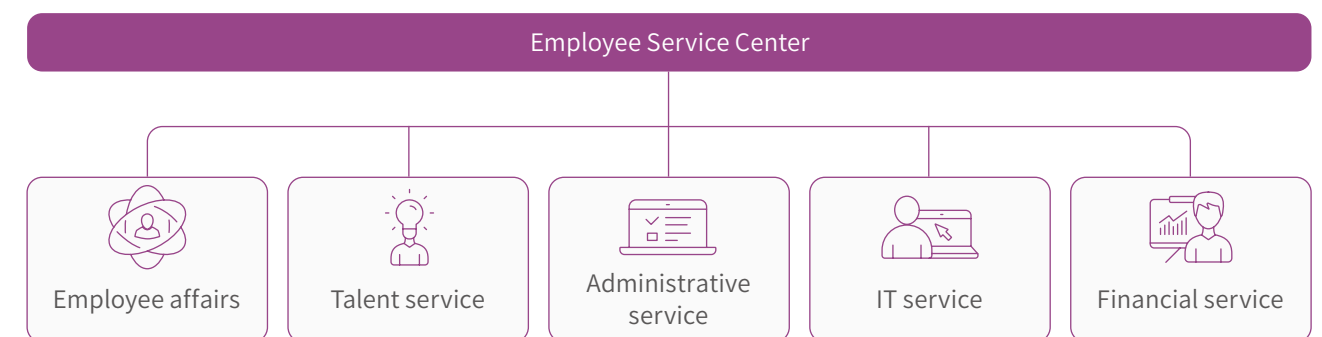


Deliberative materials of 2024 Workers' Congress

Employee feedback mechanism

The Company always prioritizes employee feedback, and has established an employee communication platform with employee sharing service center as the core, facilitating an upward feedback mechanism through various communication channels such as regular symposiums, soliciting opinions, and an employee mailbox. It has set up a formal employee grievance handling mechanism and process, allowing employees to provide feedback anonymously or openly on issues such as employment, discrimination, welfare protection, and working conditions. The responsible personnel listen to, respond to feedback and suggestions, and keep the personal information of the responders confidential, responding to and resolving employee issues promptly, collaboratively, and efficiently, and regularly publicizing the results of the issues handled, thereby safeguarding the legitimate rights and interests of employees.

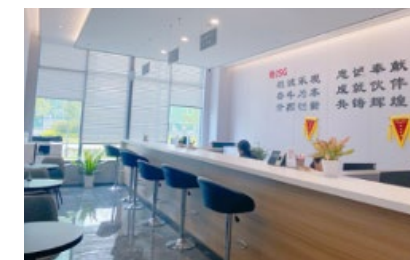
JSG's employee service center structure



Employee feedback and communication channel



Shangyu



Hangzhou



Hohhot



Windows of Employee Service Center and information bulletin board



Online feedback of service window

Key Performance

In 2024, the Company received **166** feedback through online and offline employee communication channels, with a feedback handling rate of **100%**; there were **no** incidents of leakage of employee information or feedback/complaint content.

Furthermore, the Company conducts an annual employee satisfaction survey to identify common issues and continuously improve and empower management. In October 2024, based on previous feedback on administration, human resources, cafeteria, etc., the Company further refined the satisfaction survey questionnaire, and added topics such as information security, performance assessment, employee development, and work environment, to genuinely research employees' views and suggestions on Company operations and their own development, thoroughly analyze employee opinions, propose and implement corrective measures.

Key Performance

In 2024, the Company conducted the *2024 JSG Employee Questionnaire Survey*, covering **100%** of employees, with a satisfaction score of **4.54** out of 5; The survey identified **15** suggestions for improvement in administration, environmental safety, information, human resources, etc., with **14** measures proposed and implemented, achieving a correction rate of **93%**.

Employee Development

JSG places talent development strategy at the core of the enterprise, viewing human resources as the key strategic asset for sustainable development. The Company has established a systematic talent cultivation mechanism and career growth paths, supported by a scientific and rational compensation incentive system, and relies on the "competition-based training, combining training with practice" model to forge PV and semiconductor equipment talent with innovative and practical capabilities. This solidifies the foundation for talent cultivation, builds the "Crystal Craftsman" pyramid, ensuring that "a strong base leads to a high peak," and injects a continuous stream of talent into the sustainable development of the PV and semiconductor industry.

Compensation Incentives

JSG strictly adheres to the wage management laws of each operational location, continuously enhances compensation levels, optimizes the incentive system, and guides and encourages employees to create more work results, achieving mutual wins for the Company and employees.

Compensation performance system

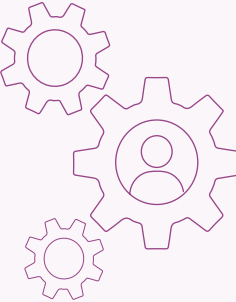
The Company has legally established a competitive, scientific, and rational compensation system, committing not to differentiate starting pay and rewards based on employee gender, religion, political, marital status, etc. It integrates a variable compensation mechanism that allocates salaries based on employee performance and contribution, to better attract, develop, retain, and motivate high-performing employees, igniting creativity and enhancing the company's overall competitiveness.

Employee compensation composition



The Company continually improves its performance management mechanism, forming a system that evaluates work performance, with regular performance assessments and feedback processes. Performance management serves as a tool to break down and achieve business goals, with performance indicators set according to the requirements of each business unit and role. Additionally, assessment results are linked to quarterly bonuses, excellent performance allowances, promotion evaluations, and other incentives, thus encouraging employees to improve work efficiency and create more excellent work results.

Key measures of performance appraisal personnel management

- 
- Determine annual performance indicators and target breakdown semi-annually
 - Performance assessment details are agreed upon with core department personnel and regularly determined by management, with full communication and signed confirmation by all employees
 - HRBP collects performance result feedback and handles appeals according to the assessment frequency of each business department
 - Regular performance discussions are conducted between performance evaluators and employees
 - According to the appraisal frequency of each business department, HRBP tracks and implements continuous performance improvements, and forms monthly performance improvement analysis report and quarterly performance analysis report to continuously improve the Company's performance appraisal mechanism

Incentive and commendation mechanism

The Company has established an incentive mechanism that includes promotion and salary increases, stock options, and bonus incentives, actively providing employees with reasonable and material returns, thereby motivating and retaining key talent. In response to the Company's strategic development needs, since 2015, the Company has implemented three phases of stock option plans and one phase of an employee stock ownership plan, benefiting over a thousand participants, effectively allow employees to share the Company's development achievements and promoting mutual progress between employees and the Company.

Employee incentive mechanism



Promotion and salary increase: Annual salary increase; twice-a-year promotion opportunities.



Stock incentive: Core talent stock incentive plans.



Bonus incentive: Performance bonus, year-end bonus, special bonus (for R&D positions), patent bonus, excellence award, and assistance fund.

The Company organizes the selection and commendation of outstanding employees, carries out the annual award and commendation conference, and recommends outstanding employees to the election of regional model workers, so that the positive work performance and professionalism of employees are fully affirmed by society as a whole, and employees are helped to obtain a sufficient sense of professional satisfaction and achievement.



Case

Held 2024 Annual Award Ceremony to commend outstanding award-winning employees

JSG held the 2024 Annual Award Ceremony themed "Striving for success and forging ahead". Awards were presented to teams and individuals from the group and its subsidiaries who made exceptional contributions in 2024. These included the Patent Gold Award, Patent Excellence Award, Technology Innovation Award, Technological Progress Award, and Management Progress Award. A total of over CNY 5 million in prize money was distributed, aiming to express gratitude for the hard work of outstanding employees, set a model for all employees, and further stimulate their enthusiasm and work potential.



JSG's 2024 Annual Award Ceremony site

Capacity Development

Talent is the core driving force for JSG's stable advancement and key to achieving strategic goals and promoting innovative development. JSG has established a comprehensive talent development system that covers all employees, focusing on core capabilities such as leadership, expertise, and general skills. Utilizing the platform of JSG Academy, the system precisely matches the needs of different categories and levels of employees and conducts diverse training activities. Combining online and offline methods, it comprehensively supports employee growth, creating a solid talent formation for the Company's long-term development.

Key Performance

In 2024, the Company invested CNY **1.63** million in training, achieving a **100%** coverage rate, and an average duration of **22** hours per employee.

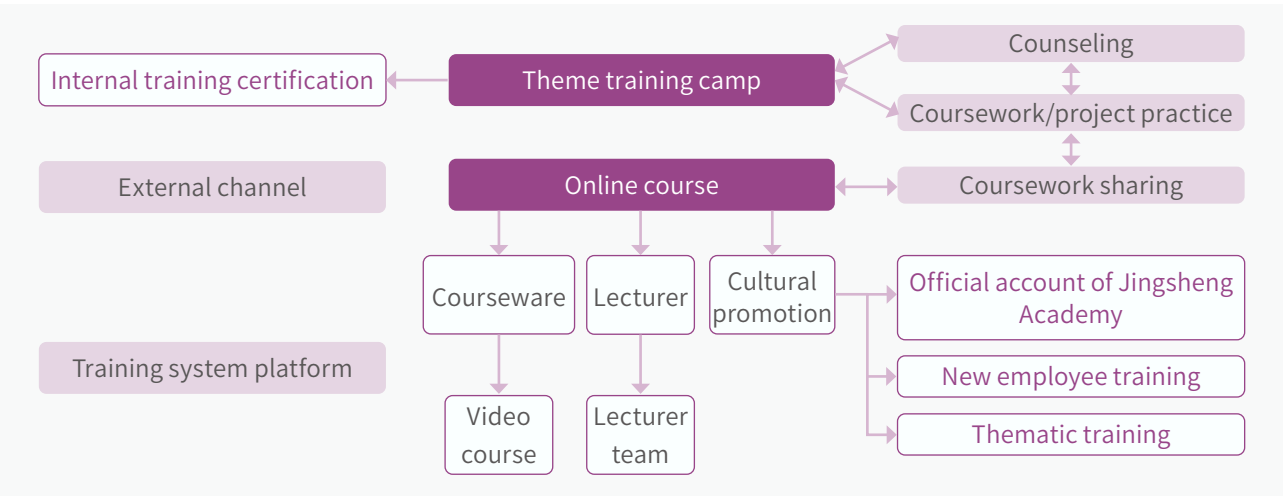
Jingsheng Academy

Jingsheng Academy is subordinate to JSG Group's HR Center and is an important part of JSG's talent development platform. The Company has established the *Code of Management for JSG Academy*, clarified related responsibilities and specific steps for educational training, continuously developed and enriched training resources, and created a corporate university-type of continuous vocational training and career pathways for employees. It adopts methods like integrated internal and external training, competition-based training, simulation-based training, lecture-based learning, examination-driven learning, and integrated training and practice, supplementing and deepening some of the weak links in the employee knowledge system, and enhancing the capabilities and skill levels of staff across various positions.

Organization chart of Jingsheng Academy



JSG's training system platform



Key Performance

In 2024, JSG Academy conducted **45** training sessions, with an average duration of **8.6** hours per person.

Management trainee program

JSG organizes the Management Trainee Program annually guided by the *Code of Management Trainee Camp and Continuous Training*. The Program selects new graduates from campus recruitment as management trainees, focusing on professional orientation and capability enhancement, offering a two-year management training period. Trainees are required to complete at least two professional training camp courses during their tenure and are comprehensively developed through internships, job rotations, and final presentations to cultivate professional skills, communication abilities, teamwork, and innovation. The objective is to transform them into high-quality talents capable of independently handling job responsibilities, thereby achieving the corporate goal of "Empowering employees, accomplishing the Company" and sustainable development.

Case

JSG conducted 2024 new employee orientation activities

In July 2024, under the theme "Converging everyone together, advancing with momentum", JSG held a week-long orientation for the 2024 cohort of new employees, including an orientation conference, management trainee training, and research center orientation, with over 200 new graduates participating. Leaders from various departments conducted sessions on Industry and Products, Grassroots Perspective, and Role Transition for all new employees, accelerating the induction into JSG's corporate culture and enhancing the newcomers' sense of belonging and loyalty to the Company.



Orientation group photo of 2024 fresh graduates

R&D Center orientation training themed "Forging ahead with dream oriented"

The Company detailed the training paths, organizational structure, management principles, project management processes, patent fundamentals, and professional solutions required for positions at the R&D Center, helping new employees grasp the basic knowledge relevant to their positions and laying a solid theoretical foundation for their integration into new roles.



Orientation training site of R&D Center

2024 management trainee training themed "Emerging talents brings a promising future"

The president of JSG Academy taught over 50 management trainees courses such as *Process Management*, *Identification of the 7 Types of Waste*, *Methods and Tools for Root Cause Analysis*, and *Effective Communication*, instilling the corporate ethos of "rigorous struggle". The Company invited former management trainees to share their career experiences and signed project initiation documents with the new trainees, marking the start of their professional careers.



Group photo of 2024 management trainees

The Company is committed to creating a high-quality mentor team, fully utilizing the mentorship potential of high-tech talents through one-on-one guidance, thus facilitating the rapid growth of young employees. In July 2024, a pairing ceremony themed "Core Craftsmanship, Bright Future" was held for new employees to better integrate them into teams and enhance their job skills.



Pairing ceremony site

Leadership training

The Company advocates for continuous learning among managers, offers training matched to all levels for many years, constantly strengthens leadership and management skills, and continuously enhances their sense of mission towards team management, thus better equipping them to identify, retain, and lead talents, helping all managers to continuously broaden their horizons, break boundaries, and improve their comprehensive business capabilities and strategic thinking to better shoulder greater responsibilities.

JSG leadership training system and course setting



Key Performance

- **Current managers' leadership training:**
Since 2019, the Company has continuously conducted leadership training for current managers for **6** years. In 2024, **4** sessions were held, covering **237** management personnel, totaling **10** hours.
- **New managers' leadership training:**
Since 2019, the Company has continuously conducted leadership training for new managers for **6** years. In 2024, **3** sessions were held, covering **59** management personnel, totaling **9** hours.

Case

Organized series of leadership trainings to assist new managers with role transition

In March 2024, the Company provided leadership training to 14 new managers, which included topics like becoming a coach-style leader, enhancing team cohesion, and the Roland Berger Skill Model. By integrating internal cases, group discussions, and sand table simulations, the Company imparted its management and leadership philosophies, assisting new managers in transitioning from individual contributors to managers.



New leader training site/teaching materials

Case

Conducted quality and capability enhancement training for team leaders, strengthening their management skills

In August 2024, Ningxia JingHuan specially invited the Party Secretary of the School of Mechanical Engineering at Ningxia University to conduct a quality and capability enhancement training for over 60 team leaders and section chiefs. The training included basic management knowledge, case studies, and group discussions for interactive learning, enhancing the team leaders' detailed management capabilities, solidifying the foundation for cultivating "gold medal" excellent team leaders, and enhancing their fundamental, exemplary, and leading roles in the Company's development, continuously driving new progress and achievements in the Company's operations.



Team leader training site

Professional and academic advancement

The Company values continuous education and personal growth of employees, and sets provisions in the training management system for supporting academic and professional certification attainment. In 2024, in collaboration with the China Certification Center, China Association for Quality Inspection, and Shangyu District Vocational Junior College Social Training and Examination Center, the Company organized key personnel from R&D, equipment, and safety departments to participate in various professional continuing education courses. A total of CNY 74,240 was invested in these courses, with 122 individuals earning professional certificates and a total of 454 employees holding professional titles.

2024 external professional education promotion training

SN	Training time	Business line	Training content	Training organization	Trainee
1	January 2024	R&D	Basic knowledge training of vacuum gauge & technical exchange	MKS	Hangzhou Jingsheng - R&D, Process, After-sales, Assembly, Quality, Procurement, SPE, relevant personnel of various projects
2	March 2024	Equipment	Knowledge of quality management & quality inspection	CAQI	Quality related personnel
3	April 2024	Equipment	High-altitude work training	Sheng'An Academy	Personnel involved in high-altitude work
4	May 2024	Jingrui Quality	Internal auditor qualification training	Shengwen Technology	Quality related personnel
5	June 2024	Equipment	High-altitude work training	Sheng'An Academy	Personnel involved in high-altitude work
6	June 2024	Equipment	Safety training for production and operation personnel	Street Organization	Workshop safety officers
7	June 2024	Equipment	First aid training	Red Cross in Shangyu District, Shaoxing	Volunteers
8	June 2024	JingHuan Security	Safety management awareness and capability enhancement training	Safety experts of Ningxia Autonomous Region	Key personnel, department heads, and safety management personnel of Ningxia JingHuan
9	August 2024	Equipment	Low-voltage electrician training	Social Training and Examination Center of Shangyu Vocational Secondary School	Personnel involved in live operations

SN	Training time	Business line	Training content	Training organization	Trainee
10	September 2024	Equipment	High-altitude work training	Sheng'An Academy	Personnel involved in high-altitude work
11	October 2024	JingHuan System	Audit capability enhancement training of quality, safety, and environmental system	China System Certification Center	Internal auditors of Ningxia JingHuan
12	November 2024	Equipment	High-altitude work training	Sheng'An Academy	Personnel involved in high-altitude work
13	December 2024	Equipment	Hazardous chemicals operation certificate training	Sheng'An Academy	Personnel handling hazardous chemicals

Case

Organized employees to obtain professional certificates, supporting career development for specialized positions

In July 2024, the subsidiary company Ningxia Jingchuang provided exam fees support and organized professional training for employees who need certifications for special positions (such as electricians, forklift operators, etc.). A total of 11 employees obtained electrician and forklift certificates, with a total training cost of CNY8,800.



Forklift license



Special operation certificate of electrician

105

106

Case

Organized external professional certificate training to enhance audit capabilities of quality, safety, and environmental system

In October 2024, Ningxia JingHuan entrusted the China System Certification Center to organize training for all internal auditors to improve their quality, safety, and environmental system audit capabilities. This training covered the improvement of quality, safety, and environmental system audit capacity, and 11 internal auditors received internal auditor certificates, effectively improving the professional capabilities of the internal audit team.

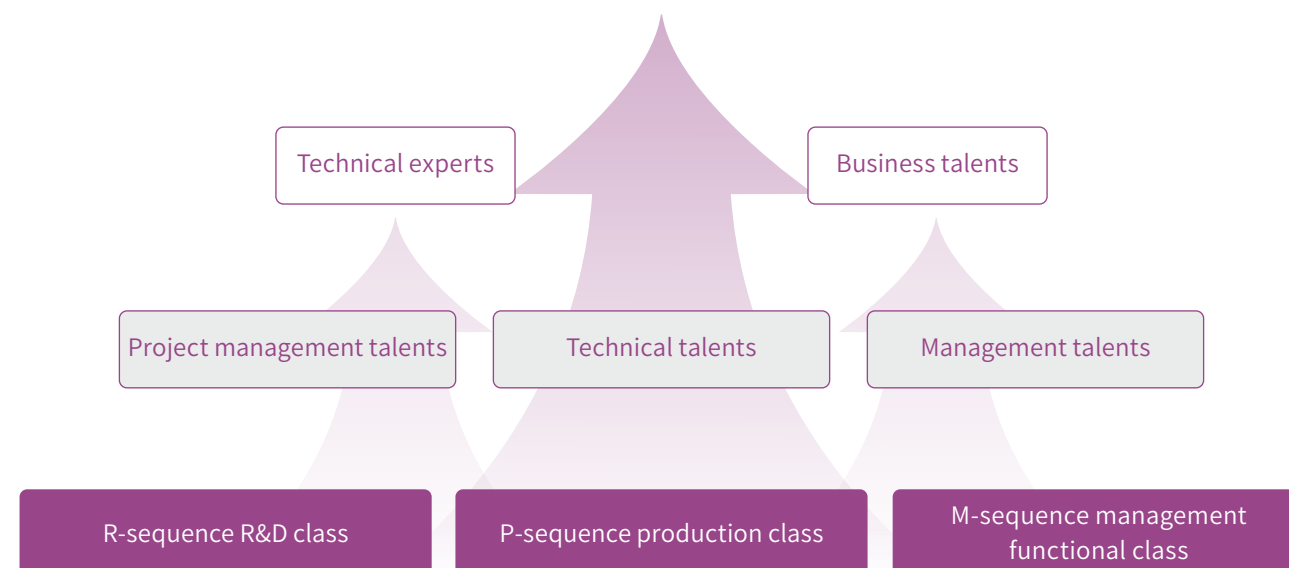
Internal auditor certificate>>



Development Path

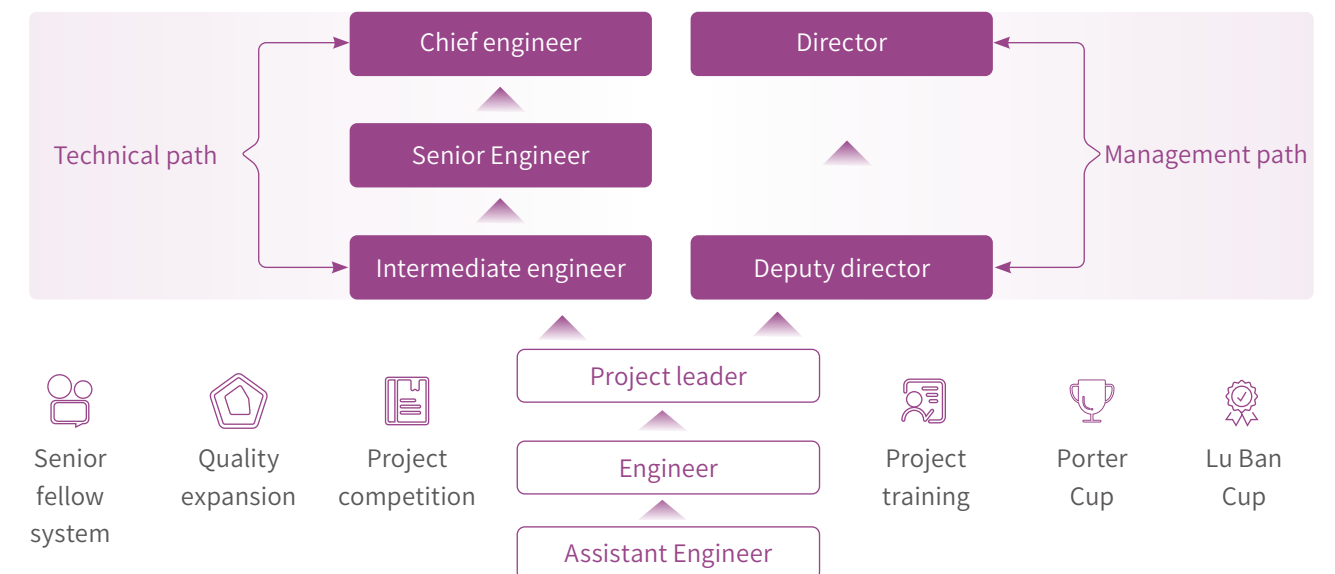
JSG has established a scientific talent development system, set up a full-cycle professional growth mechanism adhering to a performance-oriented principle, and formed a working mechanism and process of evaluating performance as the standard and providing regular performance evaluation and feedback to employees, providing all employees with performance evaluation and promotion opportunities twice a year. The Company offers three-sequence mode, allowing employees to develop towards technical experts and business talents through different sequence, achieving a synergy between individual career goals and corporate strategic objectives, continuously enhancing organizational talent density and core competitiveness.

Development path map of JSG's three-sequence talents



Additionally, the Company implements a differentiated cultivation strategy for the R&D team, establishes a dual-path career development model for professional engineers primarily based on multiple choices, supplemented by project training, competitions, and quality development measures to ensure targeted planning, enabling R&D talents to grow alongside the Company and fostering a healthy ecosystem of talent growth and strategic organizational development.

Two-path development path of JSG's R&D personnel



Case

"Passing down the spirit of Craftsmanship from generation to generation" - JSG held the seventh "Lu Ban Cup" Skills Competition

In December 2024, JSG held the seventh "Lu Ban Cup" Skills Competition themed "Taking flight and embarking on a grand journey". The competition required four teams, composed of mechanical engineers from the R&D Center and process engineers, measurement engineers, CNC engineers, and technicians from the manufacturing workshop, to design and produce high-precision, functional crafts within five days. The event aimed to train participants in design skills and manufacturing techniques through competition, enhancing their awareness of process standardization and teamwork.

Ultimately, the work "JingHong Takes Flight" stood out for its precision craftsmanship and beautiful design, winning the competition. This work fully demonstrated the excellent abilities in mechanical processing, assembly, welding, and surface treatment, while also strengthening the project collaboration skills of the teams, embodying the "Craftsman Spirit" always advocated by JSG.



All participants of "Lu Ban Cup" competition



Staff participating in the "Lu Ban Cup" studied carefully



Staff participating in the "Lu Ban Cup" studied carefully



Case

JSG's 19th "Porter Cup" concluded, ensuring the development of innovative, high-quality talent

The "Porter Cup" is a longstanding and significant event at the JSG R&D Center. In October 2024, the three-day event concluded, marking its nineteenth edition. Themed "Forging ahead, leading innovation", the Competition brought together over 40 mechanical and process engineers from the R&D Center. Through the "Porter Cup" competition, the Company helped employees quickly master project management knowledge and grow into outstanding project leaders, while also strengthening the comprehensiveness of the R&D team, improving team collaboration, and thereby enhancing the overall R&D and operational efficiency of the Company.



All participants of the 19th "Porter Cup" Competition

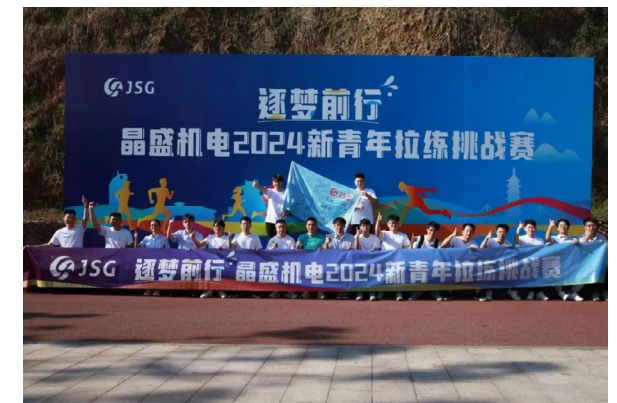


19th "Porter Cup" Competition site

Case

Pursuing dreams and keeping fighting, JSG hosted the 2024 New Youth Endurance Challenge

JSG has been holding the Youth Endurance Challenge for ten consecutive years. In September 2024, the Company conducted the "Pursuing Dreams - JSG 2024 New Youth Endurance Challenge", with top executives, heads of R&D, and over 200 new R&D staff completing a 30km expansion challenge together. All participants reached the finish line after more than six hours, successfully completing the challenge. The three teams with the shortest completion times were awarded honorary trophies, displaying a spirit of striving for excellence and competition.



New Youth March Challenge

Employee Care

JSG has fully considered the needs of employees and set up an influential welfare plan to provide welfare benefits for all employees, including but not limited to: social insurance, welfare holidays, holiday benefits, subsidies, and employee activities. The Company advocates a healthy lifestyle, encouraging employees to maintain balanced diets, moderate exercise, and regular sleep patterns. It organizes sports competitions and other activities to meet employees' material and spiritual needs for work and life, creating a happy and harmonious work atmosphere.

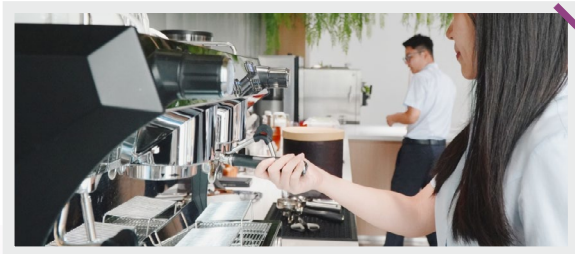
Key Performance

In 2024, the Company achieved a **100%** coverage rate for social insurance, a **100%** rate for labor contract signings. Employees have the option to join the union upon employment, with a union coverage rate of **96%**.

JSG's employee welfare system

Welfare type	Content	Beneficial group
Basic welfare	<ul style="list-style-type: none">Five social insurances and one housing fundMeal supplements provided in staff canteensPeriodic physical examinationDormitory availableShuttle bus available	<ul style="list-style-type: none">All members
	<ul style="list-style-type: none">Supplementary commercial insurance	<ul style="list-style-type: none">Frequent business travelers
Various subsidies	<ul style="list-style-type: none">Transportation subsidyTravelling subsidyHigh-temperature subsidy	<ul style="list-style-type: none">All members
Holidays	<ul style="list-style-type: none">Annual leave	<ul style="list-style-type: none">All employees
	<ul style="list-style-type: none">Welfare leave	<ul style="list-style-type: none">All employees
	<ul style="list-style-type: none">Various statutory holidays	<ul style="list-style-type: none">All employees, and all female employees on Women's Day

Welfare type	Content	Beneficial group
Trade Union welfare	<ul style="list-style-type: none">Employee wedding giftEmployee childbirth giftEmployee hospitalized visitNatural disaster visitFuneral expenses of active employeesTrade Union holiday benefits	<ul style="list-style-type: none">All Trade Union members
Other	<ul style="list-style-type: none">Employee purchasingCafe barGym	<ul style="list-style-type: none">All members



Employee cafe bar



Employee purchasing promotional poster



Staff badminton match promotional poster



Staff canteen



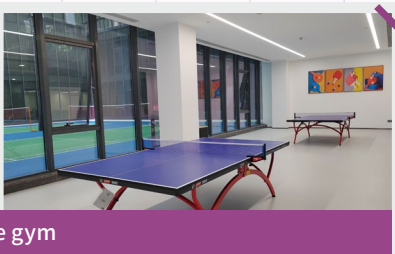
Staff dormitory of JingHong Precision



Sports Center



Employee gym



Staff badminton match



Employee gym



Staff badminton match



Staff badminton match



Staff badminton match

Occupational Health and Safety

JSG strictly follows the *Safety Production Law of the People's Republic of China* and is committed to providing a safe and healthy work environment for its employees. The Company has legally established and continually improves an occupational health and safety management system, sets safety management goals, and tracks the achievement of these goals. It constantly strengthens supervision and management of safety production, identifies and controls occupational health and safety risks, regularly reviews and updates emergency response plans for incidents, and has obtained the ISO 45001 Occupational Health and Safety Management System certification, effectively ensuring the health and safety of its employees.

Key Performance

In 2024, the Company invested a total of CNY **13.85** million in safety production.

2024 safety management objectives and achievements

Safety Management Objective	Index	Achievement
Identification and effective control rate of major hazard sources	100%	100%
Major production safety accidents/personal injury accidents	0	0
Rectification rate of hidden safety hazards	100%	100%
Complete rate of safety facilities and equipment	100%	100%
Special equipment inspection qualification rate/personnel certificate holding rate	100%	100%
Incidence of occupational diseases	0	0

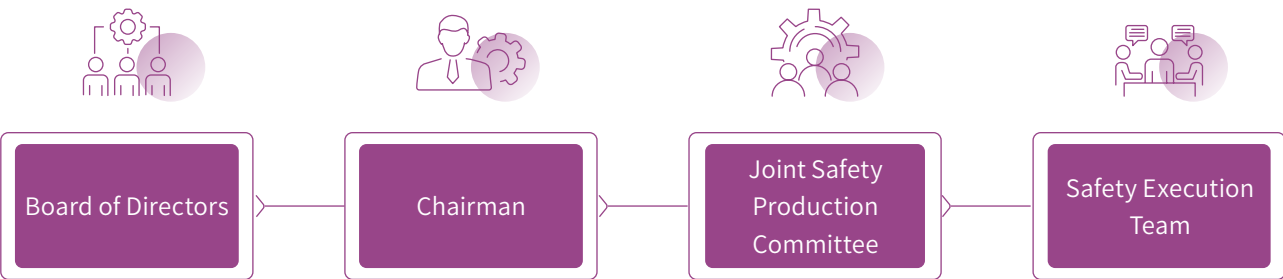
ISO 45001 Occupational Health and Safety Management system certification



Safety Management Organization

JSG consistently adheres to the philosophy of safety production. Under the EHS management system, JSG has established a Joint Safety Production Committee and a Safety Execution Team, implemented top-down occupational health management, meticulously planned safety management and audit work, and incorporated safety management objectives into the entire safety production process.

Safety management organizational structure



Responsibilities of joint safety production committee

Implement the principle of "safety first, prevention foremost, and comprehensive management", enforce all relevant laws, regulations, rules, and standards, study important issues on safety production, and report safety work to superior authorities and local safety committees in a timely manner;

Implement comprehensive management of safety work of companies in the joint area, and be responsible for coordinating, guiding and supervising safety production work;

Review and approve the safety production policies, objectives, management plans, regulations, safety measures, and plans of the affiliated companies and supervises their implementation.

Responsibilities of safety execution team

- Diligently implement national guidelines, policies, laws, and regulations on safety production and the Company's safety management regulations;
- Implement the work requirements conveyed by the Joint Safety Production Committee, and improve the supervision and management of safety, environmental protection, fire safety, special equipment, occupational health, and other safety supervision work in each regional company;
- Participate in formulating and revising various regulations on safety production and supervise their execution;
- Assist the Company leaders in organizing safety production meetings, regularly organize department heads for major safety inspections, organize accident investigations, and implement the principle of "no leniency";
- Be responsible for organizing the Company's safety production publicity, education, and job safety skills training, supervising the implementation of the three-level safety education for employees;
- Be responsible for organizing the compilation and improvement of emergency plans for production safety accidents, environmental and hazardous waste accidents, and organizing emergency plan drills;
- Organize the Joint Safety Production Committee to hold a safety special meeting semi-annually, the Safety Execution Team to hold a safety special meeting quarterly, and each area to organize a safety special meeting monthly, regularly collaborating with various departments for on-site safety production inspections.

Safety Emergency Response and Awareness Training

JSG vigorously promotes the construction of a safety culture, formulates and strictly implements emergency response plans and annual safety training programs. The Company regularly organizes employees to participate in various types of emergency drills and training, supplemented by diverse assessment methods such as Q&A, tests, practical operations, and certifications. This approach enhances all employees' awareness of production safety, strengthens their self-rescue and emergency skills in dealing with environmental incidents, minimizes accident hazards, reduces the impact of unforeseen events, and enhances employees' practical safety production capabilities, creating a safe enterprise.

Key Performance

In 2024, the Company conducted over **340** safety training sessions, including approximately **116** special emergency drills, with a total of about **10,645** participants, completing **100%** of the planned annual training according to schedule.

Case

Conducted the Safe Production Month activity to enhance all-employee awareness of safety production

In June 2024, JSG and its subsidiaries implemented multiple measures to closely follow the theme of Safe Production Month, which is "Everyone cares about safety and everyone can respond to emergencies", to effectively grasp all the work, implement the safety issues, and to organize and carry out a series of activities for safe production month. All subsidiaries have carried out fire evacuation of all employees, special drills for natural gas leakage in canteens, etc. In June, a total of 35 emergency drills were organized, with a total of 1,578 participants.



Series activities for safe production month

Case

Conducted three-level safety training to fortify the safety frontline for new employees

In 2024, JSG and its subsidiaries strictly implemented the pre-job safety access mechanism for new employees, and carried out 24-hour three-level safety training and education for new employees and transferred personnel. The company-level training covers the company-level, department-level, and team-level trainings, and adopts the "theory + practice + assessment" model to ensure that employees can only take up their posts after 100% mastering safety norms, effectively improving the safety literacy of all employees and consolidating the foundation of corporate safety production.



Three-level safety training.

Case

Enhancing firefighting practical skills to strengthen safety for all employees

To further solidify employees' fire safety literacy, the Company conducted comprehensive fire training drills. Through a "theoretical instruction + scenario simulation" dual-track approach, they enhanced the level of emergency response. Practical exercises included escaping from fire, operating fire extinguishers, and providing first aid to the injured. The training also covered fire case studies, causes of fires, evacuation sign recognition, and escape route planning. All participating employees passed the practical assessment, effectively mastering the abilities to "raise an alarm, evacuate, extinguish fires, and self-rescue," providing strong security for the Company's safety production. A total of 124 emergency drills were organized, with a total of 4,459 participants.



Fire safety drill training

Case

Building emergency medical skills to protect the health and safety of all employees

From March to June 2024, JSG and its subsidiaries jointly conducted special training on first aid skills to comprehensively enhance employees' emergency response capabilities, adding practical assurance to the Company's safety measures. In March, Jingyu New Materials organized full staff training on cardiopulmonary resuscitation (CPR), focusing on the process for handling sudden cardiac arrests. Concurrently, Qiushi Semiconductor invited emergency responders from the Linping District Red Cross to give on-site lessons on using first aid kits and trauma bandaging, disseminating CPR skills, with 64 individuals passing the assessment and obtaining first aid certificates. In June, JSG specially invited experts from the Zhejiang Red Cross to provide training, with 30 people earning first aid certificates, achieving a 100% pass rate.



CPR training



Paramedics teach on site of Zhejiang Red Cross Society and Linping District Red Cross

Occupational Health Management

JSG prioritizes employee health and safety, strictly adhering to the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Prevention and Control of Occupational Disease*. The Company has established and continually improves various occupational health management systems, such as the *Occupational Hazard Prevention and Control System*, *Occupational Hazard Notification System*, *Occupational Hazard Reporting System*, and *Occupational Health Operation Standards* for specific posts. Through graded management of safety and health, JSG continuously identifies, controls, and prevents occupational health and safety risks, prioritizing process optimization for positions with high labor intensity, potential periodic fatigue, and occupational hazards to reduce health and safety risks for employees.

The Company places high importance on employee occupational health and safety, strictly complies with national regulations and standards, and fully implements noise protection and on-site labor protection usage requirements. Noise protection involves regularly equipping employees with standard-compliant earplugs and other protective gear, ensuring correct wear and use. Additionally, to address dust hazards, the Company has installed dust removal facilities, such as local exhaust systems and dust collection devices, and maintains them regularly to ensure their normal operation. In dust-related work areas, employees are required to wear dust masks, protective goggles, and other labor protection supplies, effectively reducing the risk of dust exposure. This ensures that the work environment meets occupational health standards and genuinely protects the health and safety of employees.



Case

Organized occupational health training to improve employees' protection ability

In November 2024, JingHuan Electronic organized an occupational health site training, focusing on occupational health regulations, correct use of labor protection supplies, emergency response measures, and typical accident cases. A total of 18 employees participated the training, with a 100% pass rate in the assessment.



Occupational health training site

Key Performance

In 2024, a total of **117** person-times participated in occupational health-related training, with a **100%** pass rate in the assessment.

Occupational health management measures



Occupational hazard notification

- Employees are informed about occupational hazards and their effects, protective measures, and emergency procedures through the posting of occupational disease hazard notification cards at affected workstations and the placement of hazard information and warning signs.



Occupational hazard prevention and control management

- Identify and monitor occupational disease hazard factors consistently, establish a list of high-risk positions for occupational diseases, and continually improve routine monitoring and management
- Purchase and maintain safety, health, and environmentally friendly equipment and facilities, including special equipment inspections, to continuously conduct hazard protection maintenance and repairs



Provision of protective gear and safety equipment

- Depending on the hazard factors of different positions, provide labor protection supplies that meet local occupational health and safety protection requirements, including safety helmets, noise-reducing earplugs, specialized masks, safety shoes, protective goggles, and cut-resistant gloves.



Work injury accident handling

- Standardize the work injury accident investigation and handling processes, immediately transport the injured to medical facilities and establish an accident investigation team to investigate and formulate corrective and preventive measures, continuously monitoring the implementation of these measures.



Employee health check-up

- Ensure full-cycle coverage of pre-employment, during employment, and post-employment medical examinations for employees in positions with occupational contraindications
- Establish and maintain employee occupational health surveillance records
- Organize periodical health examinations for all current employees



Occupational health and safety training

- The Company develops an annual safety training plan, which includes occupational health training on topics such as noise and sound protection, proper use and wearing of on-site labor protection equipment, dust hazards, and protective measures and requirements for dust control facilities



Staying True to Original Aspiration, Feeding Back the Society with Gratitude

JSG is always grateful to the society, and actively organizes public welfare activities to repay the society through various practical actions. The Company focuses on education, sports, and healthcare among other sectors, conducting a variety of charitable activities to continuously contribute its strength and support the vibrant development of society. JSG employees actively participate in blood donation, make donations to elementary schools and universities to support the development of talents across various age groups, and assist in agricultural support to facilitate the smooth implementation of the rural revitalization.



Public Welfare

JSG is keenly aware of the symbiotic relationship between corporation and society and always actively practices social responsibility with gratitude. By sponsoring sports events, donating money to schools, and organizing blood donations, etc. JSG not only effectively feeds back to society but also highlights its commitment to corporate social responsibility and the concept of citizenship. These efforts make positive contributions to the construction of a more harmonious and caring social environment, and contribute JSG's power to the promotion of social sharing and sustainable development.

JSG fully supports the development of education

January 2024

Donation to Binjiang Elementary School

The Company established the "JSG Education Reward Fund", donating CNY 100,000 to Binjiang Elementary School in Shangyu District, Shaoxing City, to support the development of the school's educational and sports programs.

December 2024

Donation to Bowen Elementary School

The Company donated CNY 100,000 to the Bowen Elementary School to cultivate more outstanding students, and promote educational equity and social development.

December 2024

Donation to Zhejiang University Education Foundation

The Company participated in the donation to Zhejiang University Education Foundation, totaling CNY 7,000,000, to promote the cultivation of talents in universities and help the cultivation of national high-tech talents.



Case

JSG sponsored the Marathon activity

In April 2024, JSG sponsored and participated in the 2024 Shaoxing • Shangyu Half Marathon and the eighth Shaoxing • Shangyu Cao'e River Half Marathon, along with the third Shaoxing • Shangyu Marathon for Thousands of PhDs and Young Talents. The Company continued its sponsorship for the second consecutive year with a contribution of CNY 300,000, demonstrating its commitment to the development of local sports and showcasing its corporate social responsibility.



Marathon activity site sponsored by JSG



Case



Marathon activity site sponsored by JSG



Case

JSG organized employee's blood donation event

In October 2024, the Company organized a blood donation event, with a total of 200 employees actively participating in the blood donation. Over the years, the Company has organized several blood donation events, with employees conveying a spirit of love and charity to society, contributing to the continuation of life, and helping build a more harmonious and caring social environment.



Employee's blood donation event

Key Performance

In 2024, the Company's total donations amounted to CNY **7.5** million.



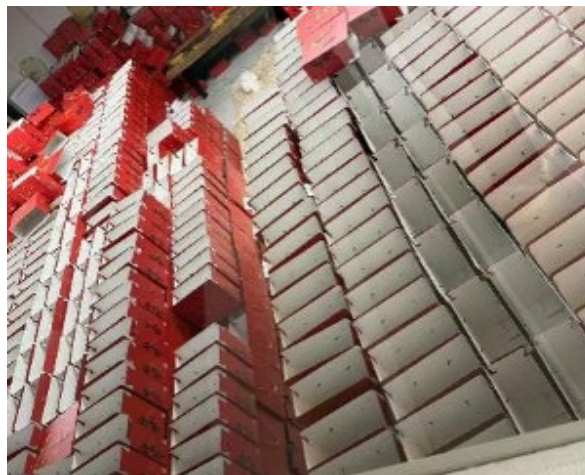
Rural Revitalization

JSG actively responds to the national strategy for rural revitalization, leveraging its technological and resource advantages to promote rural economic development and facilitate coordinated development between urban and rural areas. The company continuously works to consolidate and expand the achievements in poverty alleviation, contributing to the creation of a better rural environment.

Case

JSG Purchased special agricultural products to spread warmth during the Spring Festival

On the eve of the Spring Festival in 2024, the Company proactively connected with Shanqian Village in Wangcunkou Town, Suichang County, Zhejiang Province. JSG purchased over 7000 gift boxes containing local specialties such as dried bamboo shoots, ecological pork, and traditional sugar cakes as Spring Festival benefits for employees. This initiative helped open up market channels for local farmers, effectively addressing issues of unsold agricultural products, and supporting the socio-economic development of the rural area, thus fostering a better future together.



Centralized procurement of special agricultural products as employees Spring Festival benefits

Case

JSG supported Tonghe Village of Jinkouhe District to consolidate poverty alleviation achievements

In September 2024, JSG signed a "Village-Enterprise Pairing" donation agreement with the Red Cross of Shangyu District, Shaoxing, and Tonghe Village in Jinhe Town, Jinkouhe District. The Company donated the first installment of CNY 20,000 to support the area's efforts in consolidating poverty alleviation outcomes and promoting rural revitalization. This contribution showcases the Company's commitment to corporate social responsibility, helping to build a harmonious society and drive rural revitalization. Moving forward, JSG plans to explore more support models tailored to the sustainable development of Tonghe Village using its resource advantages.

Case

JSG continuously purchased grapes from Hongxing Village to support rural revitalization

JSG actively fulfills its social responsibilities by continuously purchasing grapes from the grape plantation in Hongxing Village, Pujiang County, Jinhua City, Zhejiang Province, as employee benefits, thus aiding local rural revitalization efforts. In 2024, the Company renewed its grape purchase agreement with Hongxing Village, acquiring a significant quantity of high-quality grapes for distribution to employees. JSG will continue to explore additional methods to support rural revitalization, actively contributing to the modernization of agriculture and rural areas and achieving mutual development with the community.



Purchase farmer products from Pujiang

Case

JSG held the sixth Lamb Roast Festival

In December 2024, the Company purchased specialty lamb meat from Ningxia and organized the sixth Lamb Roast Festival, a traditional cultural event for all employees. This event not only boosted employee job satisfaction but also supported rural industry development, contributing to local economic growth and increased income for farmers in alignment with the rural revitalization strategy.



Lamb Roast Festival

ESG Performance

Economy

Financial indicators				
Data item	Unit	2024	2023	2022
Operating income	CNY 10,000	1,757,661	1,798,319	1,063,831
Net profit attributable to parent company	CNY 10,000	250,973	455,751	292,437
Total asset	CNY 10,000	3,155,018	3,680,836	2,888,928
Amount of tax paid during the reporting period	CNY 10,000	138,383	165,275	150,184

Governance

Diversity of the Board of Directors				
Data item	Unit	2024	2023	2022
Members of the Board of Directors	Persons	9	9	9
Number of female directors	Persons	2	2	2
Number of independent directors	Persons	3	3	3
Business ethics				
Data item	Unit	2024	2023	2022
Number of reported incidents of anti-corruption	/	0	0	0
Coverage rate of employees receiving anti-corruption training	%	100%	100%	100%

Environment

Three wastes management (waste water, waste gas, solid waste)				
Data item	Unit	2024	2023	2022
Total recyclable waste	Ton	2,062	1,500	1,800
Total general solid wastes	Ton	2,915	1,100	600
Total general solid waste recycled	Ton	920	140	1,200
Total wastewater discharge	m³	1,026,122	958,057	763,947
Total wastewater circulation	m³	201,212	45,907	33,569
Water resource				
Data item	Unit	2024	2023	2022
Purchased municipal water	m³	3,096,422	3,028,793	922,323
Consumption intensity of water resources	t/CNY10,000 revenue	1.76	1.68	0.87
Water circulation	m³	88,375,469	34,571,430	29,567,698
Energy consumption and greenhouse gas				
Data item	Unit	2024	2023	2022
Diesel consumption	Litre	25,526	34,710	166,056
Gasoline consumption	Litre	20,625	15,080	31,084
Renewable energy consumption	KWh	8,389,021	11,764,975	7,948,948
Purchased electricity consumption	KWh	541,025,999	484,010,108	255,969,990
Total greenhouse gas emissions	tCO₂	308,561	276,046	146,478
Greenhouse gas emission intensity	tCO₂/CNY10,000 revenue	0.18	0.15	0.14
PV power generation	'0000 kWh	1,482	1,038	345
Safety and environmental investment				
Data item	Unit	2024	2023	2022
Amount of green environmental protection investment	CNY 10,000	3,582	3,833	2,875
Amount of safety production investment	CNY 10,000	1,385	904	855

Society				
Employee Retention ¹				
Data item	Unit	2024	2023	2022
Core employee turnover rate	%	6.67	3.39	5.56
Average years of employment of core employee: Male	Year/person	9.71	8.77	8.76
Average years of employment of core employee: Female	Year/person	8.83	7.85	8.89
Employee diversity				
Data item	Unit	2024	2023	2022
Total employees	Persons	6,111	7,495	7,688
Number of disabled employees	Persons	7	5	3
Number of minority employees	Persons	274	304	378
Female employee development				
Data item	Unit	2024	2023	2022
Number of female employees	Persons	976	1,165	1,032
Number of female management ²	Persons	59	57	34
Number of female executives ³	Persons	17	15	9
Training				
Data item	Unit	2024	2023	2022
Total number of trained employees	Persons	6,111	7,495	7,688
Total training hours of employees	hr	22	17.5	23

Note ¹: Core employees refer to those with a job level of 7 and above at JSG.

Note ²: Female management refer to those with a job level of 5 and above at JSG.

Note ³: Senior executives are selected for the positions of director, deputy director, general manager, vice general manager, president and vice president.

Society				
R&D				
Data item	Unit	2024	2023	2022
Total number of R&D personnel	Persons	1,588	1,678	1,354
Proportion of R&D personnel in total employees	%	25.99	22.39	17.61
R&D investment	CNY 10,000	111,919	114,540	79,633
Intellectual property				
Data item	Unit	2024	2023	2022
Cumulative number of patents as of December 31, 2024	Pcs	1,069	914	644
Cumulative number of invention patents as of December 31, 2024	Pcs	256	172	81
Number of new patents in 2024	Pcs	323	345	141
Number of new invention patents in 2024	Pcs	105	92	15
Industry development				
Data item	Unit	2024	2023	2022
Cumulative number of standards led or participated	Pcs	23	19	18
Supply chain				
Data item	Unit	2024	2023	2022
Total number of suppliers	/	1,386	1,504	1,094
Percentage of suppliers signed Supplier Code of Conduct	%	100%	100%	100%
Percentage of suppliers with clauses that include environmental and labor requirements	%	100%	100%	100%
Percentage of suppliers conducted social impact assessments	%	94%	93%	91%
Percentage of suppliers conducted environmental impact assessments	%	94%	94%	92%
Percentage of purchasers trained in sustainable procurement	%	100%	100%	100%

Index of Indicators

Self-Regulatory Guidelines for Shenzhen Stock Exchange Listed Companies No. 17—Sustainable Development Reporting (Trial) (April 2024) Benchmarking Index Table	
Index	Corresponding section of this report
Climate change tackling	Climate change tackling ESG Performance
Pollutant discharge	Efficient resource usage ESG Performance
Waste disposal	Efficient resource usage ESG Performance
Ecosystem and biodiversity protection	Not involved. The company's operational sites are not located within key protected areas, and its production and business activities do not have significant negative impacts on ecosystems and biodiversity. Therefore, this issue has not been included as an ESG topic by Yealink.
Environmental compliance management	Environmental compliance management ESG Performance
Energy usage	Efficient resource usage ESG Performance
Usage of water resources	Efficient resource usage ESG Performance
Circular economy	Efficient resource usage ESG Performance
Rural revitalization	Rural revitalization ESG Performance
Contributions to the society	Social welfare ESG Performance
Innovation-driven	Innovation-driven ESG Performance
Ethics of science and technology	Not involved. The company's core business does not involve gene editing, artificial intelligence ethics, or other related fields. There are no topics related to technological ethics in its business activities, and this issue has not been included as an ESG topic by Yealink.
Supply chain security	Supply chain security ESG Performance

Self-Regulatory Guidelines for Shenzhen Stock Exchange Listed Companies No. 17—Sustainable Development Reporting (Trial) (April 2024) Benchmarking Index Table	
Index	Corresponding section of this report
Equal treatment to small and medium-sized enterprises	Business ethics ESG Performance
Safety and quality of products and services	Quality management Customer services ESG Performance
Data security and customer privacy protection	Privacy and Information Security ESG Performance
Employees	Employee rights and benefits Employee development Employee care Occupational health and safety ESG Performance
Due diligence	Business ethics Climate change tackling
Communications with stakeholders	ESG Management
Anti-commercial bribery and anti-corruption	Business ethics ESG Performance
Anti-unfair competition	Business ethics ESG Performance

Reader Feedback

Dear Reader,
Greetings!

Thank you very much for taking time to read the 2024 Environmental, Social and Governance (ESG) Report. In order to provide you and other stakeholders with more valuable information and effectively promote the Company's ability and level of fulfillment of corporate social responsibility, we sincerely look forward to your comments and suggestions.

Choice Questions (please tick in the appropriate box)

1.What is your overall evaluation of this Report?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

2.How are the report responses and disclosures to stakeholder concerns?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

3.How do you think JSG is doing in terms of economic responsibility?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

4.How do you think JSG is doing in terms of environmental responsibility?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

5.How do you think JSG is doing in terms of safety management?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

6.How do you think JSG is doing in terms of employee responsibility?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

7.How do you think JSG is doing in terms of community responsibility?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

8.Are the information, indicators and data disclosed in the Report clear, accurate and complete?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

9.Do you find the organization and layout of this Report easy to read?

☐ Very Good ☐ Good ☐ Medium ☐ Relative Poor ☐ Poor

Open-ended Question

Do you have any comments or suggestions on the fulfillment of social responsibility by JSG and this Report?

