



2024

Environmental, Social and
Governance (ESG) Report
LongShine Technology Group Co., Ltd.

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About This Report

This report is the fourth Environmental, Social and Governance (ESG) Report issued by LongShine Technology Group Co., Ltd. Based on the principles of objectivity, standardization, transparency and comprehensiveness, it discloses in detail the practices and achievements of LongShine Group in advancing sustainable development.



Time Frame

The time frame of this report is from January 1, 2024 to December 31, 2024, with part of its contents traced back to previous years.

Organizational Scope

This report takes LongShine Technology Group Co., Ltd. as the principal part, and further includes its branches, subsidiaries and directly affiliated organizations.

Compilation References

This report is compiled and edited mainly on the *Shenzhen Stock Exchange Guidelines for Self-regulation of Listed Companies No. 17—Sustainable Development Report (For Trial Implementation)* and with extensive reference to the *Corporate Sustainability Disclosure Standards—Basic Standards (For Trial Implementation)*, the *Shenzhen Stock Exchange Guidelines for self-regulation of Listed Companies No. 1—Standardized Operation of Listed Companies on the Main Board Market*, GRI (Global Reporting Initiative) Standards and the S&P Global Corporate Sustainability Assessment (CSA) standards.

Abbreviation Description

For ease of expression and reading, LongShine Technology Group Co., Ltd. is also represented by "LongShine Group", "Company" and "we" in this report.

Data Description

All information and data quoted in this report are quoted from the Company's official documents, statistical records and financial reports. The content of this report is provided by employees and partners of LongShine Group. The sole purpose of this report is to disclose the progress of sustainable development management of LongShine Group, not for commercial purposes.

Report Acquisition

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Message from the Chairman



The year 2024 marks a critical phase in the strategic improvement of LongShine Group. We focus on growth propelled by energy digital intelligence and the Internet of Energy (IoE), continuously driving business innovation and upgrades, with the goal of becoming an AI-driven leading technology and energy enterprise.

The Company has optimized and restructured its business portfolio, resulting in strong growth momentum in its core businesses and laying a solid foundation for the development of the smart energy sector. Our power grid digitalization business has expanded to 29 provincial power grids and more than 10 countries. "Xindiantu," our aggregated charging platform, has attracted more than 18 million registered users, with over seven million new users added this year. The total annual charging volume reached 5.2 billion kWh, connecting more than 1.6 million charging devices. Meanwhile, the installed capacity of distributed energy that we have connected has exceeded 25 GW, providing strong support for the development of new power systems.

Technological innovation remains our core competitive strength. In 2024, we have invested heavily in AI technology research and applications, collaborating with multiple top universities to empower the establishment of new power systems of energy digital intelligence and drive the innovative development in IoE scenarios. We have launched several key AI-powered solutions, including the intelligent AI charging model Xindiantu Rabbit, intelligent site selection for charging operators, time-series forecasting models, and AI agents, which demonstrate our commitment to upgrading our AI-driven smart energy strategy. The R&D achievements of AI technologies have been applied in auxiliary power trading systems, driving a more than fivefold year-on-year increase in traded electricity volume and delivering a positive profit contribution.

We remain steadfast in green development. Xindiantu platform helps reduce our carbon emissions by over 3 million tons annually. The carbon-neutral demonstration parks have been officially certified. In addition, the green asset on-chain project, in collaboration with Ant Digital, has pioneered the tokenization of new energy physical assets. These efforts showcase our strong resolve in supporting the national "dual carbon" goals.

On the social responsibility front, we uphold the principle of "turning kind intentions into wise actions" and have established a public welfare framework based on "one vision, two mechanisms, and three focus areas". We have carried out initiatives in life care, rural revitalization, and support for vulnerable groups, under the LongShine Public Welfare Foundation and the Beijing Daisy Flower Charity. This year, we hosted the themed event for World Hospice and Palliative Care Day, organized by the Chinese Association for Life Care, to support the development of palliative care services. We also launched the inaugural LongShine Public Welfare Day and established the LongShine Volunteer Association, encouraging more employees to engage in public welfare initiatives and making "tech for good" a continuous source of momentum for our development.

Looking ahead, LongShine Group will stay committed to AI technological innovation and green development. We will deepen the research and applications of AI technologies, expand the connectivity of our IoE platform, and make electricity services smarter and greener.

Here, on behalf of LongShine Group, I extend my heartfelt thanks to all our partners, customers, and members of society who have supported us along the way. Let's continue working hand in hand to advance the development of green energy, and use technology to illuminate a greener and better life!

Chairman

About LongShine Group

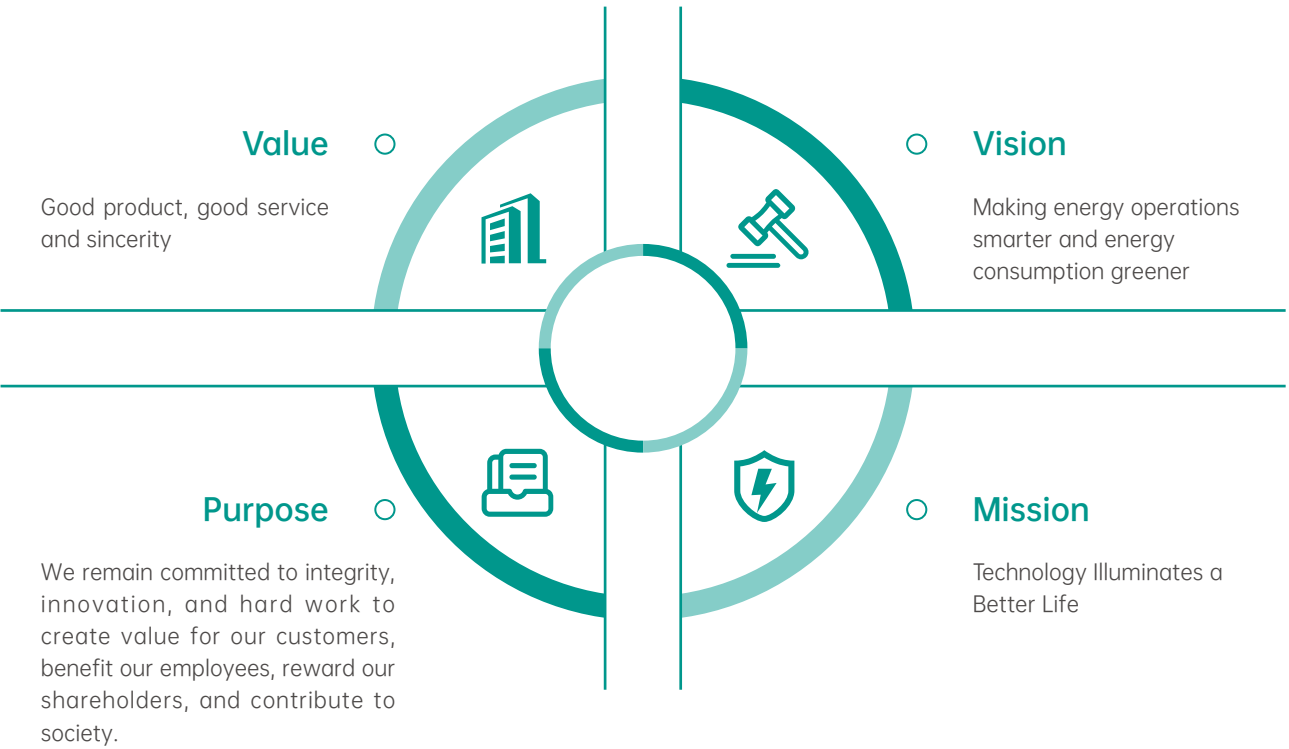
Company Profile

LongShine Group is a leading energy science and technology enterprise headquartered in Wuxi, Jiangsu Province. Our operations and branches extend across 31 provinces and regions within the nation, as well as spanning more than ten countries and regions globally. We provide long-term technical and operational services for more than 14,000 government and enterprise customers and more than 500 million household users across the country.

LongShine Group focuses its development strategy on energy digital intelligence and the IoE. We integrate AI technologies to deliver more convenient, cost-effective, and eco-friendly electricity services through digital-intelligent services, scenario-based connections, and platform-based trading. Committed to becoming an AI-driven leading technology and energy company, LongShine operates on two fronts. In the field of digitalization and intelligence, the company provides core business software solutions and digitalization services to customers such as State Grid Corporation of China, China Southern Power Grid, and Power Energy Group, supporting the development of new power systems. In the field of IoE, the Company builds electricity service scenarios including utility bill payments, integrated EV charging, virtual power plants, and microgrids, offering digital-intelligent operations and AI-powered electricity trading services for energy consumers.

With its technological advantages, innovative business models, and high-quality services, LongShine Group has been recognized as one of China's Top 500 New Economy for consecutive years. It has also received awards such as the MIIT Top 100 Software Companies, China ESG Pioneer Enterprise Award, Dual Carbon Action Award, Top 100 Software and IT Services Enterprises with Competitive Strength, and China's Leading Enterprise in Digital Energy Applications.

Corporate Culture



LongShine

LongShine: The sun rises and clears the sky, bringing a sense of brightness and freshness. Its meaning is to describe the fresh and clear weather of the universe's formation at the beginning of heaven and earth. LongShine Group continues to break new ground and embrace innovation, working hand in hand with all sectors of society to drive green transformation through digital intelligence for a better future together.

Performance Indicators



Corporate Qualifications

LongShine Group has established a comprehensive qualification system that spans multiple horizontal domains and vertical specializations. The Company actively builds a standardized capability moat with both breadth and depth, which demonstrates its integration strengths in cross-domain collaborative projects and leading technical expertise in specialized markets. By fully embracing AI technologies and extensively connecting resources, this system effectively supports the sustained and efficient growth of the Company's three major business groups. To date, LongShine Group has obtained 133 corporate qualifications across various areas, including quality management, IT services, information security management, environmental protection and occupational health, green and low-carbon development, intellectual property protection, and engineering and construction.

Awards and Honors



Leading Enterprise in ESG Comprehensive Practice
China International Fair for Trade in Services



2024 ESG Awards on Environmental Responsibility
Capital Week



2024 Scenario for Digital Consumption and Innovation in Jiangsu
Jiangsu Public Service Management Office



Top 100 Software and IT Services Enterprises with Competitive Strength in 2024
China Information Technology Industry Federation (CITIF)



Top 100 Distributed PV Service Provider
The Organizing Committee of the Wuxi International Renewable Energy Exhibition



2024 Leading Example for "Zero Carbon China" Initiative
Zero Carbon China of the Investment Association of China



2024 "BJX Cup" Influential Enterprise in Carbon Peaking and Carbon Neutrality Practice
www.bjx.com.cn



2024 Top 10 China EV Charging and Battery Swapping Brand
The Organizing Committee of the 10th China international EV Charging & Battery Swapping industry Conference 2024
<http://gcabc.chongdian360.cn/>



2024 Leading Model of Data Business Application
2024 Future Data Business Conference

Highlights

Smart Energy, Leading the Future

Energy Digital Intelligence

LongShine Group has been in the energy sector for **27** years.

In 2024, the Company added **4** new provincial-level power and energy customers in China, bringing the total to **29**.

The Company's overseas power business has expanded to **11** countries.

IoE

By the end of the reporting period, Xindiantu had reached **18** million registered users.

In 2024, the Company achieved a major breakthrough in its energy trading business, with total trading volume exceeding **1.9** billion kWh, including nearly **300** million kWh of green electricity, representing a more than sixfold year-on-year increase.

The platform now serves over **500** million energy users.

Digital-Intelligent Home

In 2024, the Smart Home Service Platform reached over **80** million internet TV users.

We collaborate with over **30** telecom, broadcasting and TV operators.

The platform covers **27** provinces and regions.

Driven by Innovation, Advancing with Determination

Center of Innovation, Hub of Intelligence

Total R&D investment in 2024 is
RMB **537** million, accounting for
11.98% of total revenue.

R&D team has
3,218 employees,
making up
57.97% of the total
workforce.

A total of
319 patents for
major and specialized
projects are in hand.

Commitment to Excellence, Building a Trusted Brand

Full coverage of major qualifications

A full-spectrum qualification
system is established across
the entire business chain.

31 project management
capability training sessions
with
3,271 participants have
been conducted.

100% of projects
have undergone quality
management review
sessions.

Putting Customers and Services at the Center

Customer complaint rate
remained below
5%.

Over **99%** of customer
complaints have been
properly resolved.

Customer satisfaction rate
was above
95%.

Improving Supply Ecosystem through Win-Win Collaboration

A comprehensive supplier management system

We have been improving
the comprehensive supplier
management system, covering
"access-review-evaluation-
classification" process.

100% of the suppliers
collaborating with the
Company signed the
*Honesty and Integrity
Agreement*.

We have partnered
with a total of
1,858
suppliers.

Responsible Business Practice, Building a Strong Foundation

Low-Carbon Pioneer, Leading the Green Trend

In 2024, LongShine
Group conducted its first
greenhouse gas verification
and was awarded a **carbon
neutrality certificate** by a
third-party certification body.

In 2024, LongShine Group
obtained ISO 14001 Environmental
Management System certification,
covering over
90% of its business operations.

In 2024, the Company
consumed
1,137,065
kWh of photovoltaic
electricity.

Strengthening Internal Controls as Governance Foundation

In 2024, female
directors accounted for
25% of the Board.

In 2024, independent
directors accounted for
37.5% of the Board.

As of the end of the reporting
period, the average attendance
rate of the Board was
100%.

Compliance Ensuring Steady and Sustainable Growth

During the reporting period,
the Company recorded
zero lawsuits related
to corruption.

In 2024, the Company did
not experience any lawsuits
or administrative penalties
related to unfair competition.

In 2024, the Company
investigated
16 integrity and
compliance cases.

Safeguarding Information and Data Security

0 incidents
of information
security
and privacy
protection
violations.

The Company passed
the annual audit for
ISO 27001 Information
Security Management
System, with
100% coverage of
relevant operations.

No major
cybersecurity
incidents
occurred.

100% of products
underwent security
testing and control, with
100% of the
middle-to-high risk
errors fixed.

Empowering Employees, Building a Shared Future

Warm Workplace: Building a Dream Home Together

All employees

We provide all employees with **12** days of paid annual leave.

Parental leave benefits a total of **729** employees, with a total of **7,097.7** days granted.

Employees completed **11,386** fitness check-ins.

Career Growth: Enabling Career Development

We conducted **223,539** hours of training.

Total training investment reached RMB **3,368,100**.

A total of **916** online courses were hosted on the "LongShine M-learning" platform.

Health Guarantee: Safeguarding Employees' Physical and Mental Health

Free Health Checkups

We organized free annual physical checkups.

Mental Health Support

Psychological counseling is offered through the Sunshine Chat Room.

Health care

We provided all employees with supplementary health insurance.



Demonstrating Responsibility, Benefiting Society

Public Welfare Strategy

One vision: Turning kind intentions into wise actions

Two mechanisms: Company-led initiatives and foundation-led initiatives

Three focus: Life care, rural revitalization, and support for vulnerable groups

Total public welfare investment reached RMB **3.5** million

18,894 people benefited from the public welfare programs

Total volunteer hours reached nearly **3,000** hours

Life Care

Collaboration with **25** hospices, provided special subsidies for **150** beneficiaries

Humanistic care services in hospice wards benefited **400** people

Life care awareness TV programs reached **9,000** viewers

Rural Revitalization

RMB **100,000** dedicated to senior-friendly home renovation in Huzhu County, Haidong City

RMB **900,000** in special support to a nursing home in Ganzi Tibetan Autonomous Prefecture, Sichuan Province

Support for Vulnerable Groups

884 elderly people who are in special conditions received assistance in LongShine Group's **24** volunteer activities.

Donation of **200** smart terminal devices to elderly care institutions in Wuxi City

Daisy Summer Camp for left-behind girls in Xinjiang, benefiting **50** children

Supported students in **50** low-income families, including material aid and educational subsidies

Signature Public Welfare Activities

The First LongShine Public Welfare Day

The First Annual Conference of LongShine Volunteer Association

Events for the World Hospice and Palliative Care Day

ESG Management

LongShine Group is committed to driving sustainable operations through comprehensive ESG governance. We believe that a well-structured ESG strategy is essential for creating both economic and social value. By continuously optimizing our ESG governance structure and management system, and actively responding to stakeholder needs, we ensure the Company's high-quality and stable development.

ESG Governance

In 2024, LongShine Group introduced the *Rules on the Work of the Sustainable Development Committee of the Board of Directors of LongShine Technology Group Co., Ltd.*, establishing a top-down, three-tiered ESG governance structure with clearly defined responsibilities at each level. The Company holds at least one Sustainable Development Committee meeting each year to discuss ESG-related matters, with special meetings held as needed to address urgent issues. This structure ensures the effective implementation of ESG-related work across the Company.

The Structure and Responsibility of LongShine Group’s ESG Sustainable Development

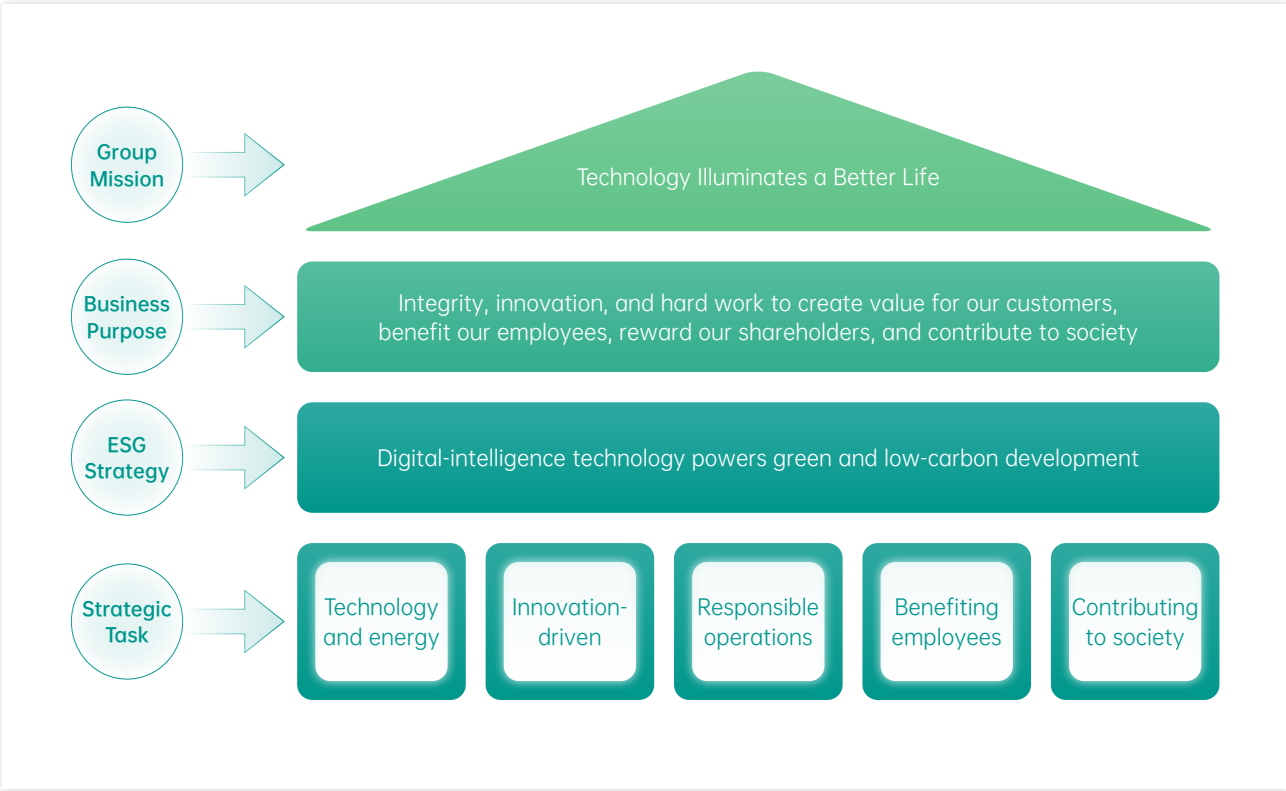


The remuneration and performance of our Board members, senior management, and ESG-related employees are linked to ESG indicators. According to internal policies, we adopt quantitative indicators to assess the effectiveness of our ESG management strategies. This approach not only measures the annual performance of relevant personnel but also recognizes and rewards their contributions to LongShine Group's ESG development.

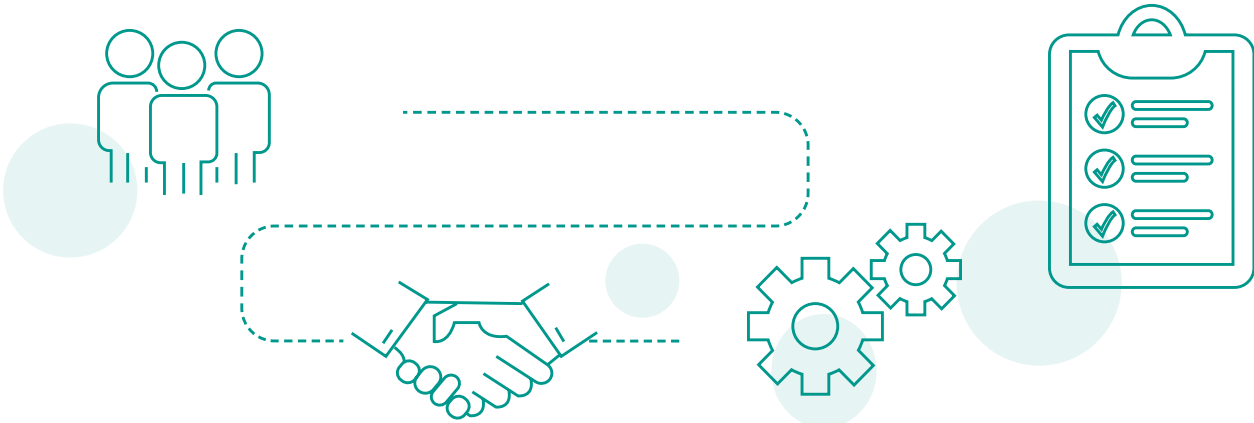
ESG Strategy

In 2024, based on its corporate value and business strategy while considering macro market conditions, development mission, and business direction, LongShine Group formulated the "1+5" Sustainable Development Strategy, which was approved by the Board of Directors. Closely aligned with the Company's core values, this strategy provides systematic guidance for our ESG-related work and empowers our business development.

We take "Technology Illuminates a Better Life" as our mission for sustainable development. Guided by our business purpose of "integrity, innovation, and hard work to create value for our customers, benefit our employees, reward our shareholders, and contribute to society", we have aligned our core business with the United Nations Sustainable Development Goals. In light of this, we have formulated our ESG strategy and defined five key strategic tasks. In addition, responsible departments have been designated, and clear action plans have been laid out to ensure the effective execution and implementation of the strategy.



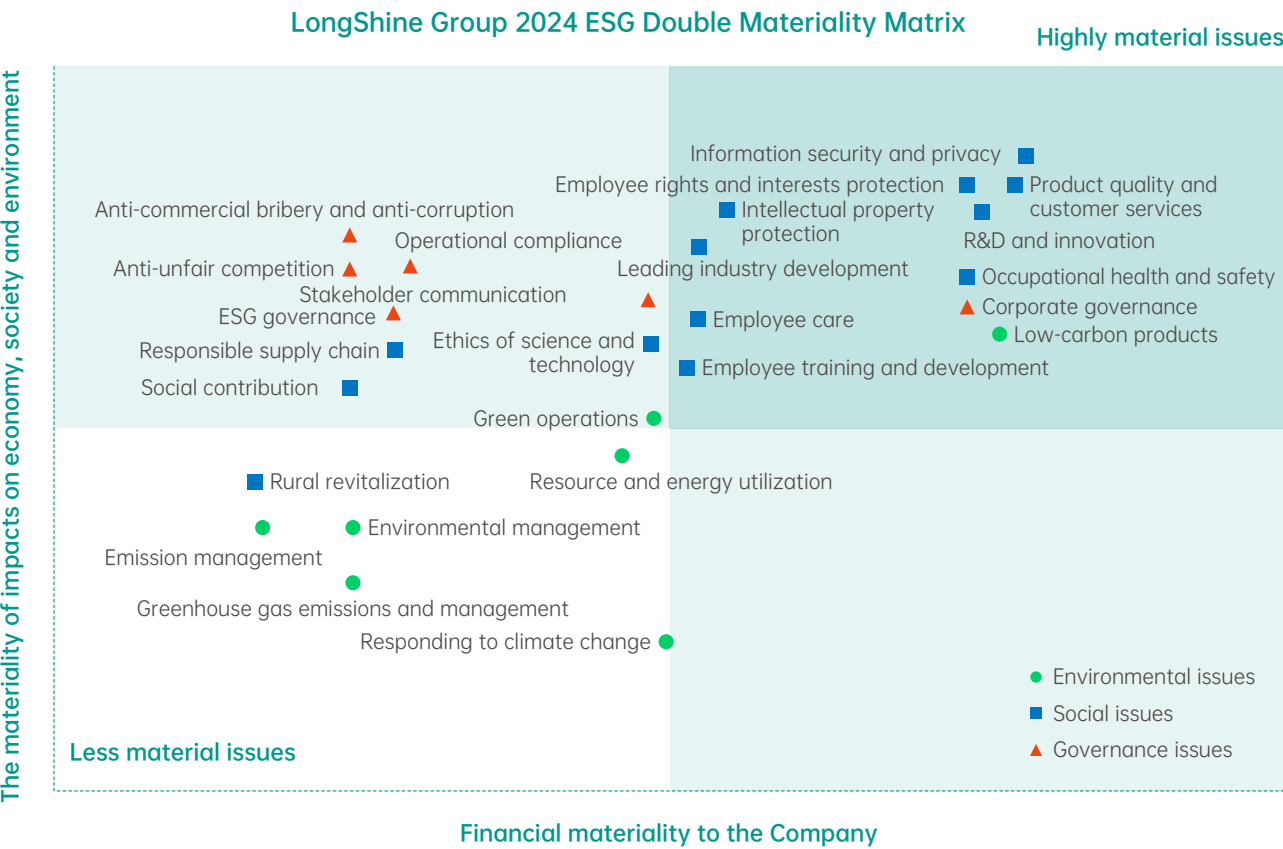
ESG Sustainable Development Strategy



5 Identification of Double Material Issues

LongShine Group actively listens to both internal and external stakeholders. By identifying material issues, analyzing their impacts and financial materiality, and seeking management input, we have finalized the 2024 double materiality matrix.

Identifying material issues	With reference to regulatory requirements, peer performances both domestically and internationally, media information analysis, and on-site research, key issues have been identified, consolidated, and refined to compile the Company's list of material issues for 2024.
Analysis of the issue's impact	An impact materiality assessment questionnaire is distributed to key stakeholders, including government and regulatory agencies, shareholders and investors, customers, and suppliers to gain deeper insights into their concerns, expectations, and demands regarding sustainable development.
Financial materiality	Based on research findings from various Company departments, the financial indicators associated with each issue are identified, and their financial materiality is assessed.
Confirming the priority of the issues	Input from the Company management is then gathered to evaluate the materiality of ESG-related issues from the Company's perspective, which results in a double materiality matrix. This matrix is subsequently reviewed and approved by the Board of Directors.



5 Stakeholder Communication

Stakeholder communication is a key aspect in our ESG management. Based on industry characteristics and the Company's situation, we identify key stakeholders and maintain regular communication with them through multiple channels and in various forms. This enables us to respond promptly to issues of concern. All stakeholders are encouraged to contact us directly at ir@longshine.com, and we will ensure a timely response to meet their expectations and demands.

Stakeholders	Issues of concern	Response channel	Communication effectiveness
 Government and regulatory authorities	<ul style="list-style-type: none">• Lawful operation• Pay taxes according to law• Business ethics and anti-corruption• Boost employment	<ul style="list-style-type: none">• Daily report and communication• Special research and onsite meeting• Information disclosure and report	<ul style="list-style-type: none">• Improve the Company's governance system• Create a good external environment for corporate development• Provide more jobs
 Shareholders and investors	<ul style="list-style-type: none">• Satisfactory return on investment• Good market value• Open and transparent information	<ul style="list-style-type: none">• Annual report and announcement• Roadshow• Shareholders' meeting	<ul style="list-style-type: none">• Establish good relationships with investors• Improve investor trust• Regularly release announcement
 Customers	<ul style="list-style-type: none">• Smooth communication• High-quality services• Quality product	<ul style="list-style-type: none">• Telephone service hotline• Customer satisfaction survey• Professional customer service	<ul style="list-style-type: none">• Address customers' demands in an effective and timely manner• Constantly improve customer service• Improve quality management system
 Suppliers	<ul style="list-style-type: none">• Fair procurement• Integrity and mutual benefit• Stable cooperation	<ul style="list-style-type: none">• Supplier conference• Strategic cooperation• Regular assessment	<ul style="list-style-type: none">• Strengthen supplier management• Improve supply chain efficiency• Establish sound cooperative relations
 Staff	<ul style="list-style-type: none">• Protection of interests and rights• Career development• Occupational health	<ul style="list-style-type: none">• Staff congress• Complain mailbox• Job satisfaction survey	<ul style="list-style-type: none">• Clear career development path• Create a harmonious working environment• Build a healthy and safe working environment
 Communities and the public	<ul style="list-style-type: none">• Community development• Help those in poverty and in need• Build a harmonious community	<ul style="list-style-type: none">• Community publicity• Donation• Voluntary activities	<ul style="list-style-type: none">• Establish good community relations• Create a good external environment for corporate development• Support rural revitalization
 Media	<ul style="list-style-type: none">• Financial performance• Corporate governance• Information disclosure	<ul style="list-style-type: none">• Annual report and announcement• Press conference• Press releases• Media interview	<ul style="list-style-type: none">• Establish good relations with the media• Maintain a responsible company's image• Obtain public recognition

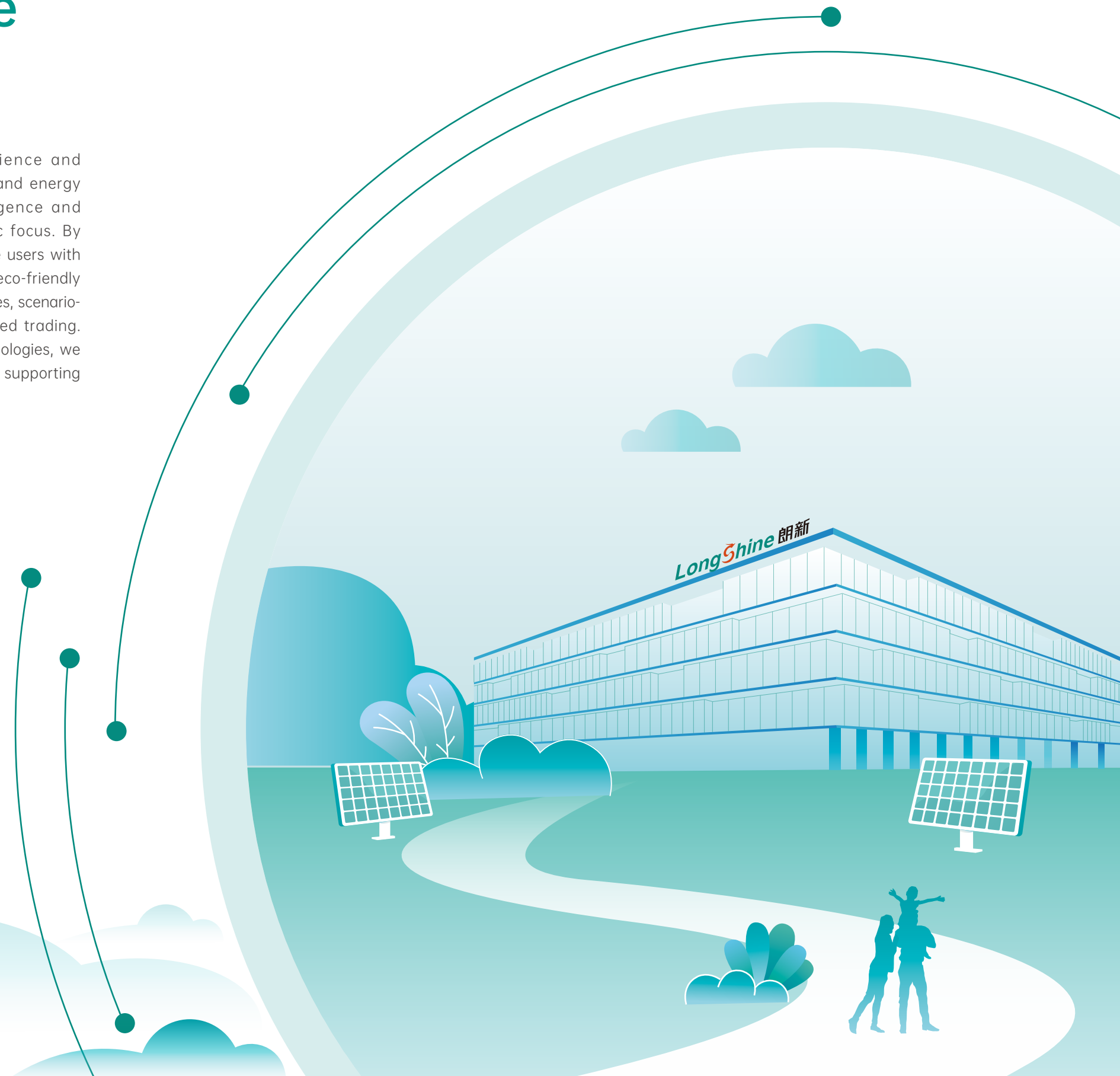
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• Smart Energy, Leading the Future

LongShine Group is a leading science and technology enterprise in the power and energy sector, with energy digital intelligence and the IoE as its development strategic focus. By integrating AI technologies, we provide users with more convenient, cost-effective, and eco-friendly electricity services through digital services, scenario-based connectivity, and platform-based trading. Leveraging digital and intelligent technologies, we are driving energy transformation and supporting green, low-carbon development.

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This chapter addresses four SDGs.



Empowering Energy Innovation Through Digital and Intelligent Technology

Overview

For 27 years, LongShine Group has been engaged in the power and energy industry, providing software solutions in electricity services to major customers such as State Grid, China Southern Power Grid, and CHN Energy. The Company plays a key role in the digital and intelligent transformation of the power grid, intelligent innovation and upgrades, and the construction of new power systems. With a strong presence in the power digital-intelligent services sector, LongShine Group has tapped into the domestic market, evolving from offering core marketing service systems to delivering a comprehensive suite of solutions including marketing, data acquisition, load control, EV charging platforms, data middle platforms, and AI-powered applications. We have supported innovative applications across multiple provinces. In the field of technological innovation, the Company has adopted a comprehensive "Cloud + AI" technological architecture, leveraging cutting-edge AI technologies to support the building of new power systems.

Key Milestones

Rapid Breakthroughs in Technological Innovation: In response to national strategies of building scientific and technological strength, and promoting science and technology in grid enterprises, the Company's market-facing units and middle platform departments have jointly explored opportunities in technological innovation, leading to exponential growth in project scale.

Deep Cooperation with State Grid Headquarters: New breakthroughs have been achieved in the cooperation with State Grid headquarters. We have played a leading role and participated in projects such as the Green State Grid initiative, electricity demand forecasting platform, energy big data platform, and the "95598" service support platform. Our efforts have been seen in the R&D and implementation of these headquarter-level projects, which mark the successful adoption of a collaborative model with the provincial-level markets.

AI Integrated Development Deployment: We have established an AI integrated organization and management mechanism, covering R&D coordination, strategic planning, brand promotion, internal and external collaboration, and market expansion, to achieve comprehensive deployment for AI integrated development.

Widespread Recognition and Awards: In 2024, we assisted customers in winning over 20 awards across international, national, and provincial competitions and programs, and received dozens of letters of commendation from customers. We also led the drafting of the industry standard of the *Specifications for the Construction, Operation, and Evaluation of Zero-Carbon Smart Parks*. These honors have not only enhanced customer satisfaction but also strengthened mutual success and laid a solid foundation for the Company's market expansion.

Highlights in Innovative Products: We have introduced the innovation management measures, encouraging all departments to enhance their product R&D capabilities. Major breakthroughs have been achieved in various projects, including Zhejiang Marketing Brain 2.0, an intelligent bidding evaluation system, the Xinjiang intensive management platform, DATAIDE 5.0, zero-carbon parks, electricity trading centers, and digital simulation training platforms, all of which have laid a strong foundation for the long-term development of energy digital intelligence solutions.

E-Power Qianwen—a Business Intelligence Product

LongShine Group participated in the development of the "e-Power Qianwen" intelligent data inquiry product, which has been launched at the State Grid Zhejiang Electric Power's Marketing Service Center and is currently being piloted in Hangzhou and Ningbo Power Supply Companies. The product is powered by the "Guangming Power Large Model + vertical marketing-specific small models", which enables natural language interactions for data queries, analysis, and report generation. It can accurately visualize "dynamic electricity usage profiles" for enterprises and provide data support for government decision-making. In the future, its application will expand to areas such as policy interpretation, knowledge Q&A, and business training, supporting the digital and intelligent transformation of power marketing.



Supply and Demand Interaction Research

In August 2024, LongShine Group, in collaboration with Yunnan Power Grid and several universities, participated in a national key R&D project, which focused on energy consumption and supply-demand interaction. We have completed the application validation analysis and performance evaluation of the energy-saving and supply-demand interaction system for energy intensive industrial users.

Zhejiang Marketing Brain 2.0

Zhejiang Marketing Brain 2.0 is an innovative product, which leverages cross-graph fusion computing technology to build a comprehensive business operation monitoring system. It features an integrated resource ledger, an integrated business dashboard, an integrated service map, an integrated alert checklist, and an integrated product access. This platform empowers the digital and intelligent transformation of marketing management, reduces frontline workload, and enhances operational efficiency. Its core technologies won the First Prize for Scientific and Technological Progress and the Second Prize for Power Science and Technology Advancement from State Grid.

Smart Q&A System

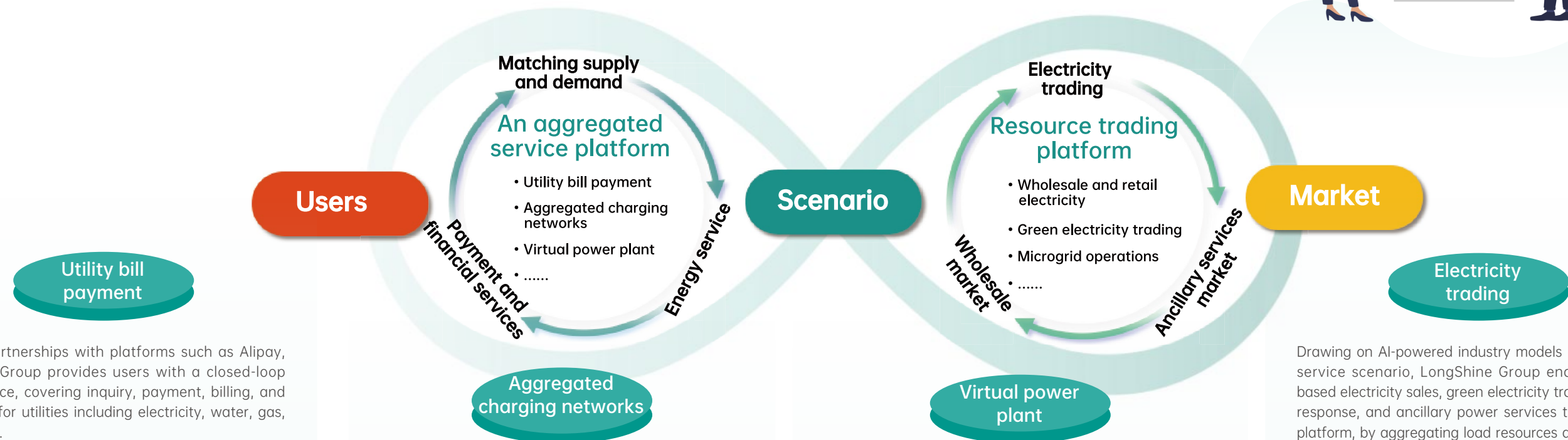
As part of the Shandong Knowledge Base Project, LongShine Group focused on developing a strong marketing knowledge base and enhancing service capabilities:

- Integrating domain knowledge across electricity rates, customer service, business expansion, and energy metering, and consolidating basic knowledge resources for marketing.
- Conducting knowledge processing, setting sample standards, completing the processing of knowledge samples and transforming knowledge into vectorized formats for further reporting and system.
- Training marketing LLMs, improving model accuracy through annotated sample data, and developing general-purpose applications such as knowledge Q&A systems, electricity rate explanation, and a digital "Smart Pocket Book".
- Establishing a chain of knowledge data for seamless collection, analysis, refinement, transformation, and application. A comprehensive marketing knowledge system is formed, serving as the knowledge base and laying the groundwork for a self-reinforcing, highly-efficient knowledge ecosystem. It helps cultivate a new quality productive force that "integrates marketing expertise with intelligent technologies."

Scenario-Based Power Trading System

Overview

LongShine Group has been innovating in the IoE sector for over a decade. It has built and now operates diverse electricity service platforms such as utility bill payment portals, aggregated charging networks, virtual power plants, and microgrids. As platform-based electricity trading becomes a regular practice, the Company leverages its rich portfolio of electricity service scenarios to connect a wide range of user loads and distributed energy resources. AI technology enables the Company to achieve platform-based power trading, driving the digital and intelligent transformation of the energy sector and promoting green and low-carbon development.



Through partnerships with platforms such as Alipay, LongShine Group provides users with a closed-loop online service, covering inquiry, payment, billing, and e-invoicing for utilities including electricity, water, gas, and heating.



Cumulative users served:

500 million

Number of connected public service institutions:

Over **6,500**

We use Xindiantu to integrate upstream and downstream industry resources, and enable interoperability with charging operators to deliver a high-quality and convenient charging experience for new energy vehicle owners.



Registered users:

Over **18** million

Total charging volume:

11.8 billion kWh

Number of aggregated charging devices:

Over **1.6** million

Leveraging energy IoT technology, LongShine Group provides end-to-end services for distributed PV stations from monitoring, settlement, and operation and maintenance, via a distributed PV cloud platform. By doing so, it enhances generation efficiency and reduces costs. The Company also offers low-carbon park operations based on its integrated solar-storage-charging solutions. We also deliver services across platform development, charging operations, energy management, user engagement, and asset operations for the integration of new energy vehicles, advancements in the new energy industry, smart highway infrastructure, and cloud computing technology. It supports the construction of the charging infrastructure network and enables intelligent and green transportation.



Number of connected PV stations:

Over **477,000**

Total connected capacity:

25 GW

Drawing on AI-powered industry models and electricity service scenario, LongShine Group enables market-based electricity sales, green electricity trading, demand response, and ancillary power services through its IoE platform, by aggregating load resources and distributed new energy of small and medium commercial and industrial users, charging plants and stations, and parks.



Total traded electricity:

Over **1.9** billion kWh

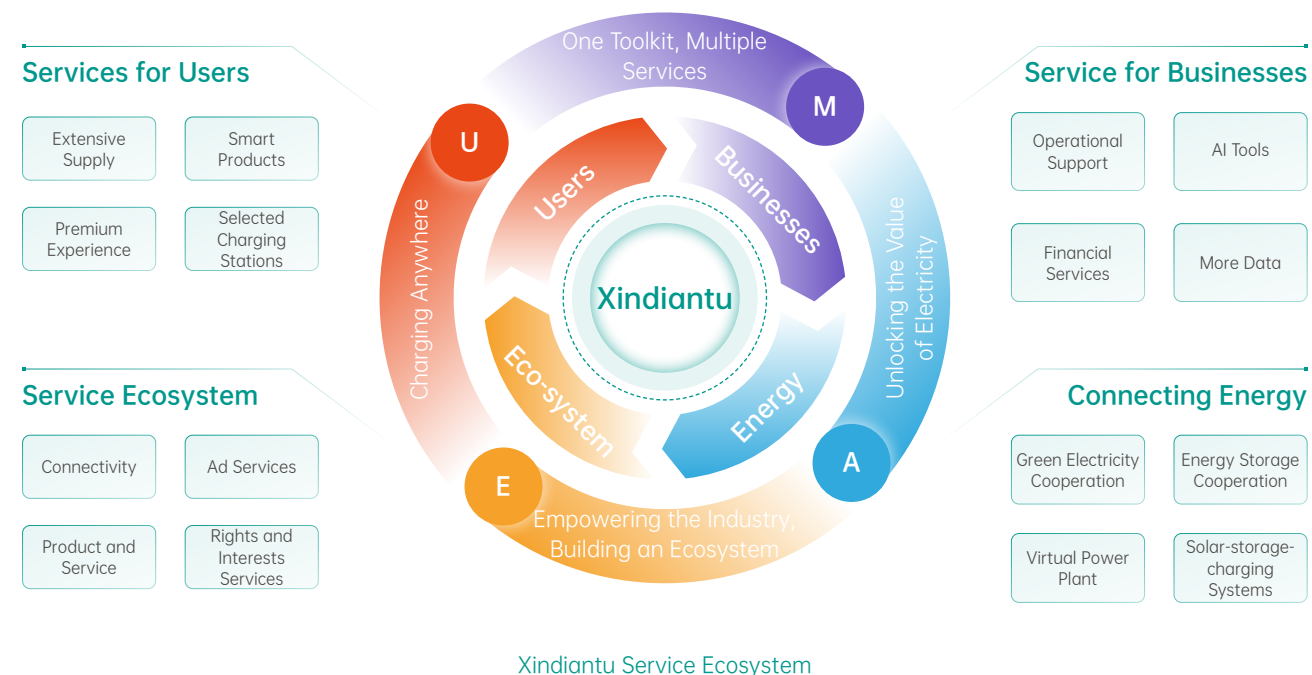
Green electricity traded:

Nearly **300** million kWh

Xindiantu

With the mission of “simplifying charging, enhancing operations”, LongShine Group has created Xindiantu, an aggregated charging platform. It has four core competitive strengths including ecosystem collaboration, electricity services, digital operations, and industrial connectivity, aiming to establish a “nationwide digital charging network.” By integrating upstream and downstream resources, including OEMs and B2B vehicle service providers, Xindiantu introduces an innovative business model that helps bridge supply-demand mismatches in EV charging. It provides efficient operational support for charging service providers and convenient charging solutions for EV owners, driving the high-quality development of the charging ecosystem. At the end of the reporting period, Xindiantu had 18 million registered EV owners.

Furthermore, Xindiantu has developed a fully integrated service ecosystem. With the help of its AI assistant Xindiantu Rabbit and Intelligent Site Selection, among other products, the platform delivers a convenient and efficient charging experience for both users and businesses. It is also connected to virtual power plants and integrated energy solutions, such as PV power generation-storage-charging systems, further enhancing energy connectivity and system efficiency.



Carbon-Neutral Park

LongShine Group's Zero-Carbon Park Comprehensive Solution is an integrated technical road map and a set of measures designed for manufacturing, logistics, and warehousing parks, helping the transition to “intelligent spatial services, clean energy consumption, low-carbon park development, and visualized panoramic data.” To empower the green and intelligent upgrading of all types of parks, the Company leverages solar-storage-charging microgrids and adopts a “build-manage-operate” model to establish a long-term governance framework for zero-carbon park to ensure efficient and low-carbon park operations.

Currently, the Zero-Carbon Park Solution has been implemented in locations such as: LongShine CPU Park in Wuxi, Jiangsu; SME Innovation Park in Yangzhou Economic Development Zone, Jiangsu; Tianfu Software Park Qingcheng Branch, Chengdu, Sichuan; Boao Zero-Carbon Demonstration Zone, Hainan; and Ganquanbao Economic and Technological Development Zone, Xinjiang. These practical applications help optimize energy structures and reduce carbon emissions. In regions like Yangzhou in Jiangsu and Ganquanbao in Xinjiang, LongShine Group has partnered with local state-owned investment platforms to create zero-carbon park operating entities, establishing these regions as demonstration zones for the development of new quality productive forces.



Gaozhou Zero-Carbon Digital Industrial Transfer Park

In 2024, LongShine Group partnered with the Gaozhou Municipal Government and local industrial investment companies to develop a zero-carbon digital industrial transfer park, which is a model of its kind. Within three to five years, the project aims to integrate over 500MW of PV capacity, install more than 20,000 EV charging stations, secure RMB 20 million in provincial industrial transfer funds, and attract RMB 200 million private capital in PV investments. This project has become a fine example of green development in county under the Guangdong Provincial “Hundred, Thousand, Ten Thousand” project, supporting regional green economic transformation, promoting sustainable consumption, and reducing carbon emissions.

Electricity Trading and Services

LongShine Group continues to expand its smart electricity trading system, reaching across major energy-consuming industries including industry, commerce, transportation, and public utilities. By leveraging trading contracts, digital platforms, and microgrid technologies, we ensure a dynamic balance between supply and demand for wind, solar, hydro and energy storage, across various consumption scenarios. In 2024, LongShine Group achieved a major breakthrough in electricity trading, with the total traded volume surging from 280 million kWh in 2023 to 1.9 billion kWh (with nearly 300 million kWh green electricity traded), marking a more than sixfold year-on-year increase.

Our power trading platform provides professional support such as market evaluation, volume-price analysis, load forecasting, price prediction, and bidding strategies, empowering intelligent operations of the electricity market. In August 2024, electricity traded on LongShine Group's platform exceeded 1 billion kWh for the first time.

Additionally, LongShine Group made significant technological advancements in power trading, winning the first prize in the inaugural Zhejiang Power Trading Simulation Competition in 2024.



Green Asset On-Chain Cooperation to Improve Service Scenarios

In August 2024, LongShine Group, in collaboration with Ant Digital, successfully completed China's first Real World Assets-tokenization (RWA) project based on renewable energy assets in Hong Kong. The project leveraged over 9,000 charging piles from Xindiantu and energy investment platforms as RWA-backed assets. Using blockchain technology and trusted data sources, digital assets were issued to represent these charging piles, creating an innovative financing mechanism that raised approximately RMB 100 million. The initiative not only provides a new financing channel for renewable energy assets but also enhances transparency and traceability through blockchain technology, setting a benchmark for the integrated development of green finance and renewable energy.



CM Financial Technology's Hebao Travel Carbon Credit Program

In December 2024, LongShine Group won the bid for China Mobile's Carbon Credit Program. A nationwide carbon credit system was launched via the China Mobile Super App and Hebao App. Super SIM technology enables the system to connect to buses, subways, and other public transit networks. The system handles carbon credit standards, data collection, carbon accounting, personal carbon footprints, and carbon asset trading. Now the system is available in most cities across the country, where we can explore new models of carbon inclusion in the field of transportation and travel. This digital platform also makes it easier for users to track and reduce their carbon footprint, promoting green travel and supporting the SDGs.

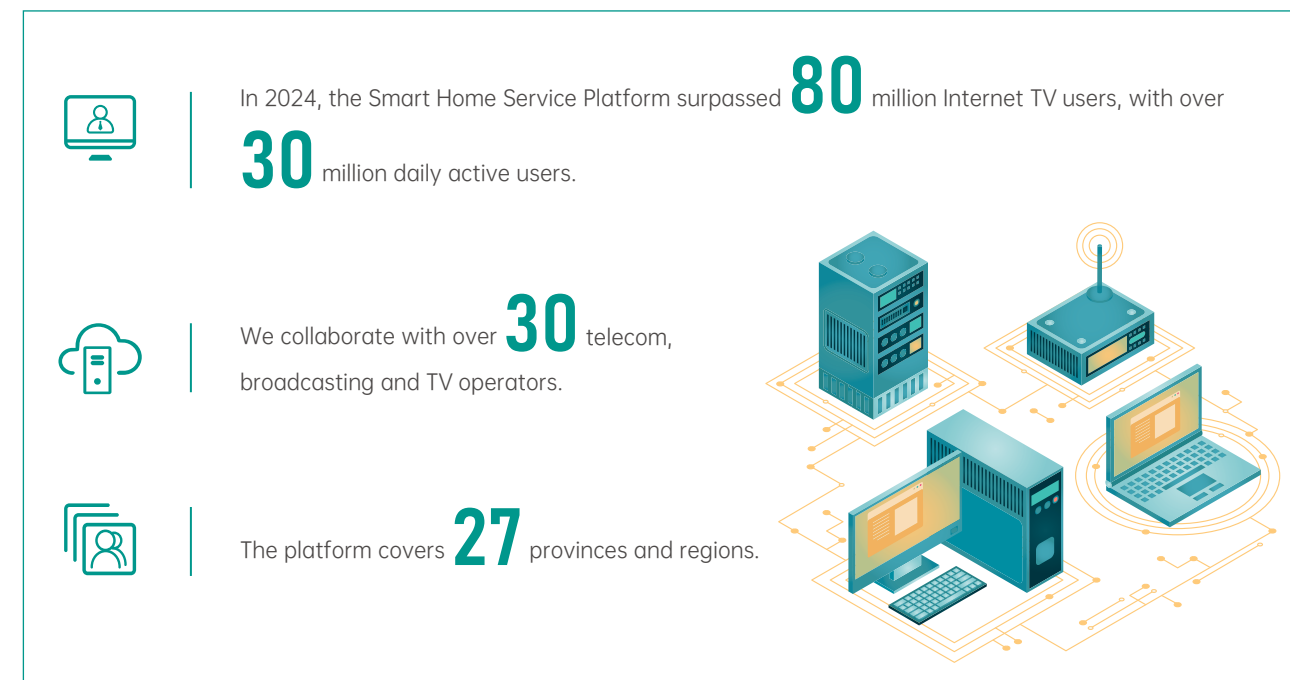
Exploring Smart TV, Redefining Digital Lifestyle

Overview

LongShine Group has established long-term, trusted partnerships with China Mobile and licensed smart TV operators, focusing on services and operations for large-screen and Internet-based home appliances. As a technology service provider, the Company ensures standardized, stable, and efficient operations of smart TV services by supporting platform development, system maintenance, and big data analysis. In collaboration with China Mobile, LongShine Group also explores AI-driven smart and intelligent living products to sustain user activity and improve user experience.

At the end of the reporting period, the Smart Home Service Platform had over 80 million Internet TV users, with more than 30 million daily active users, which makes the Company maintain its leading position in the smart TV market.

Key Performance



Business Focus

Home Entertainment Agent: enhancing video services end-to-end

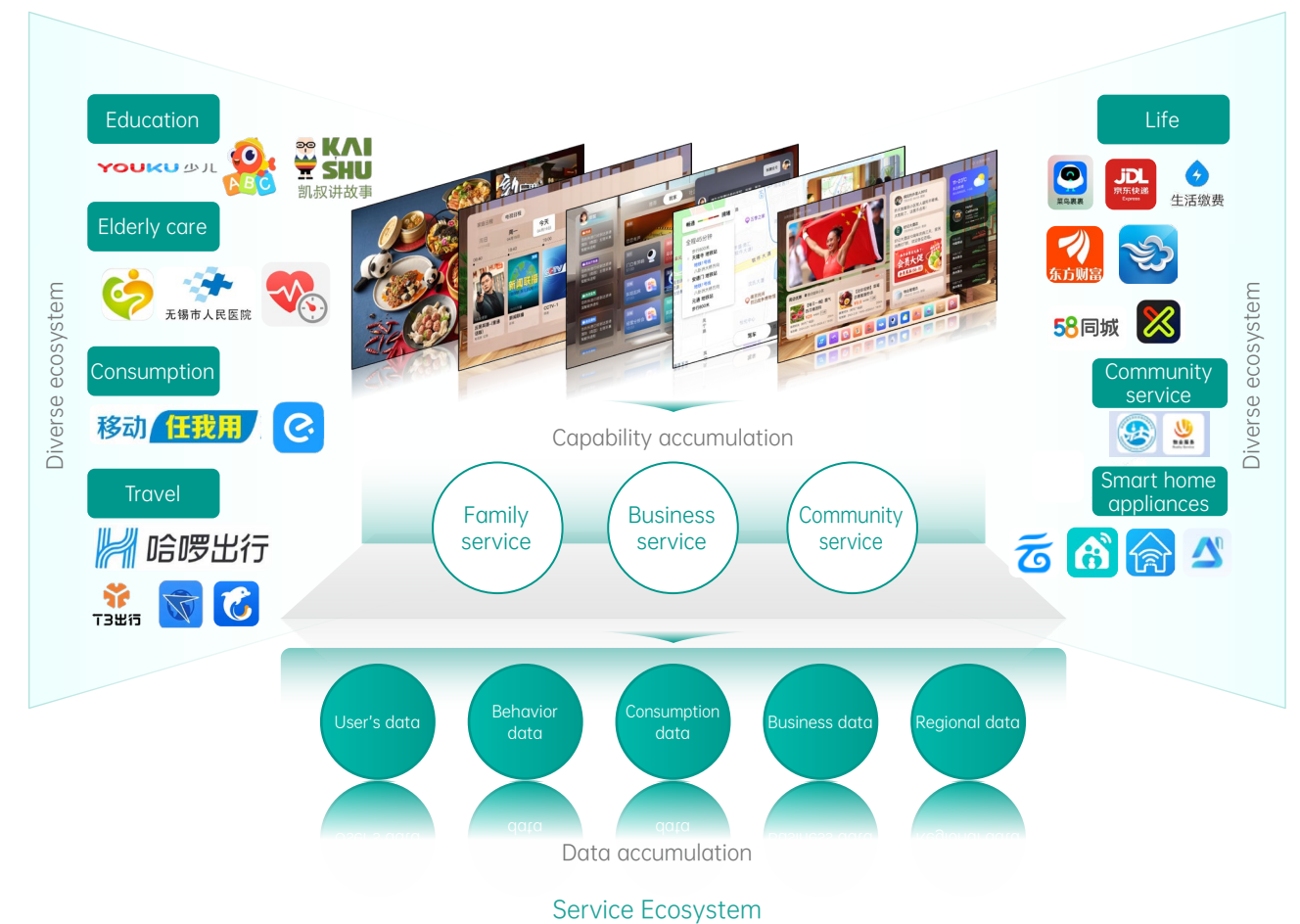
Leveraging AI technology, LongShine Group empowers the entire lifecycle of video content creation, from intelligent planning and automated production to precise content distribution. The upgraded full-chain delivers better audiovisual experience for users.



Home Entertainment Agent

Community Lifestyle Services: from technical support to service integration

Centering on households, LongShine Group is building a service ecosystem that meets diverse needs across households, businesses, and communities in multiple scenarios.



02

• Driven by Innovation, Advancing with Determination

LongShine Group embraces openness to build a mutually beneficial business ecosystem and drive innovation through both technology and business development. We continuously enhance product quality, deliver excellent services to our customers, and actively build a responsible supply chain to support the industry's development toward high-quality growth.

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This chapter addresses three SDGs.



Center of Innovation, Hub of Intelligence

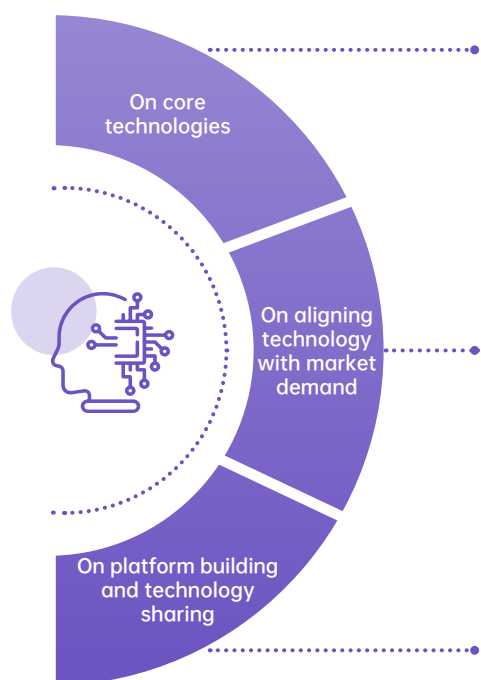
LongShine Group remains committed to innovation-driven development, striving to build a leading digital-intelligent technology and service ecosystem through technology and business innovation. We enhance innovation, R&D and AI development capabilities, strengthen intellectual property management, and deepen collaboration with excellent peers in the industry. By leveraging diverse resources, we contribute core strengths to the high-quality growth of the digital economy.

Innovation and R&D

LongShine Group has formulated the *LongShine Group Basic Business Innovation Management Measures V1.2* and other R&D systems, and has implemented a mature IPD¹ R&D management system. Focusing on stages including technology declaration, selection, review, process supervision, evaluation, and application of results, the Company has built a full-lifecycle management model to strengthen the innovation system and lay a solid foundation for innovation work.

In terms of AI research and development, the Company has established clear strategic focuses, focusing on core technologies, aligning technology with market demand, and strengthening platform building and technology sharing. These efforts have provided robust support for technological growth and have led to the widespread application of AI technologies across various business sectors. As a result, AI has significantly driven business development, thereby empowering the Company's operations in every aspect.

Strategic Focus in AI Research



■ We concentrate resources to deepen research in time-series forecasting technologies, enhance the accuracy and reliability of predictions, and expand their application in areas such as power trading and grid load forecasting.

■ With a focus on user experience, we offer customized agents for different business scenarios to ensure effective technological empowerment.

■ We constantly iterate and optimize the AI algorithm platform, and improve its performance, stability, and ease of use, such as refining the time-series algorithm repository and developing features for an online forecasting platform.

¹ IPD, Integrated Product Development.

LongShine Research Institute focuses on developing models for specialized areas in the energy sector. Time-series forecasting and intelligent agents are our dual core focus. By building a collaborative architecture of large and small models, the Institute is accelerating the digital and intelligent transformation of the energy industry.

Core AI Technologies and Application Scenarios

Time-series forecasting

High-Precision Forecasting Models

Leveraging multivariate Transformer models integrated with MoE architecture, LongShine Group overcomes traditional limitations in processing unstructured data to deliver accurate forecasts for key indicators such as power load, electricity prices, and renewable energy output. Spot price prediction accuracy reaches 90%, supporting daily rolling forecasts for the China Southern Power Grid and boosting trading revenue by 15%.

Full-Scope Coverage

It is applied across market-based electricity trading, renewable energy site recommendations, and grid load dispatching. Multi-granularity feature alignment techniques enable the models to capture impacts from seasonality, periodicity, and outlier incidents, providing a scientific basis for energy supply-demand balancing.

Agents

Smart Assistant for Energy Scenarios and AI Life Assistant for Large-screen TV

Through natural language interaction and knowledge retrieval, smart assistants support functions like home energy management and smart entertainment integration, and offering energy-saving advice and fault warnings, improving user operation efficiency by 40%.

"Xindiantu" Rabbit EV Charging Assistant

Combining real-time traffic data, charging station status prediction, and route planning, it offers a full-process smart service of "finding a charger, charging, and making payments" for EV users. It covers over 500,000 charging stations nationwide, increasing average charging efficiency by 25%.

Enterprise-Grade Intelligent Agents

The AI-powered smart query system is driven by RAG² technology for automatic data analysis and generation of actionable insights, providing support in use cases like energy efficiency optimization and grid operations analysis, with an accuracy rate of 98.7%.

² RAG, Retrieval-Augmented Generation.

Technology Innovation and R&D System

Large and Small model Collaborative Architecture

A hybrid framework combining general-purpose large models with domain-specific small models has been established. Large language models (LLMs) are used for knowledge inference, collaborating with small models tailored to the energy sector to ensure precise forecasting and strategy formulation, reducing deployment costs by over 50%.


Data Generation and Management System

A comprehensive multimodal database for the energy sector has been established, encompassing over 10 data categories, including power trading, user behavior, and device operations. With a daily data processing volume exceeding 10 TB, the system ensures model stability in handling complex commands and multi-turn conversations.


Technology Integration and Iterative Optimization

Technologies like RAG and knowledge graph enables the smart assistant to continuously improve its functions. Preprocessing and model fine-tuning have reduced system response time to 0.8 seconds, achieving 95% cross-scenario compatibility.


Application Achievements



The smart electricity trading platform now supports spot, mid-to-long-term, and green electricity trading, processing over **100,000** forecast requests each day. It has been deployed in pilot projects in Guangdong and Jiangsu provinces.



Over **200** industrial enterprises have been served, with an average energy-saving rate of **18%**.



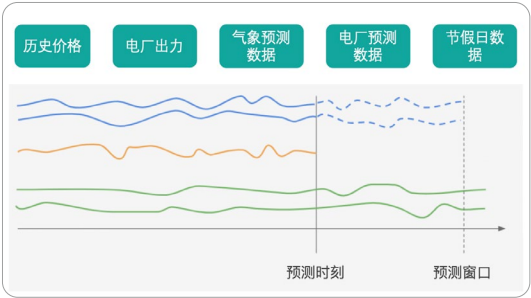
The AI charging assistant Xindiantu Rabbit has surpassed **5** million users, with annual electricity usage exceeding **1** billion kWh.

In the future, LongShine Research Institute will work closely with all business departments to timely understand industry needs and accelerate project implementation. This includes collaborating with domain experts and technical teams in electricity trading to fully enhance AI capabilities and identify key application scenarios. Ongoing efforts will be put into optimizing agent-based solutions including smart customer services, smart data query, and smart pricing, while building an agent platform to empower core business operations and further enhance user experience. Additionally, the Institute will boost its presence in the AI field through industry competitions, technology-sharing events, and high-level academic publications, continuing to play a leading role in the industry.

AI Roadmap

Future Plans

- Deepen the application of multi-agent collaboration frameworks in areas such as distributed energy management and virtual power plants. In the next three years, the Institute aims to roll out over 50 AI-driven scenarios, ushering the energy industry into an era of a fully intelligent "prediction—decision—execution".



AI Trading Algorithms Improve Forecasting Accuracy



Xindiantu Rabbit and Digital Home AI Assistants

Digital Management

LongShine Group is advancing "AI-powered corporate digital management" initiative, and implement an integrated digital operation platform. This platform comprehensively spans the front-, middle-, and back-office systems across all levels of the Company, with all systems and departments operating in tandem and relying on each other.



The Company has designed over 715 L5-level/end-level processes, each documented in detail, including activities, roles, inputs and outputs, operational guidelines, business templates, associated standards and policies, risks, and whether it is a KCP. Each activity is identified as either online or offline, with a large number of human-dependent and AI-applicable scenarios identified.

Based on the identified AI scenarios, practical applications have been developed and deployed across various business systems or platforms.

Operational data from these systems is collected to enable AI-based process visualization, process data modeling, and multidimensional analysis. These insights help assess how AI contributes to improve efficiency, enhance quality, and reduce cost, while continuously uncovering areas to be optimized in the process. By doing so, it establishes a sustainable operational mechanism that is continuously optimized.

To date, through a comprehensive review of business, processes, data, applications, and technologies, the Company has:

Designed **26** sets of institutional policies, business rules, and workflows

Mapped out over **715** business processes

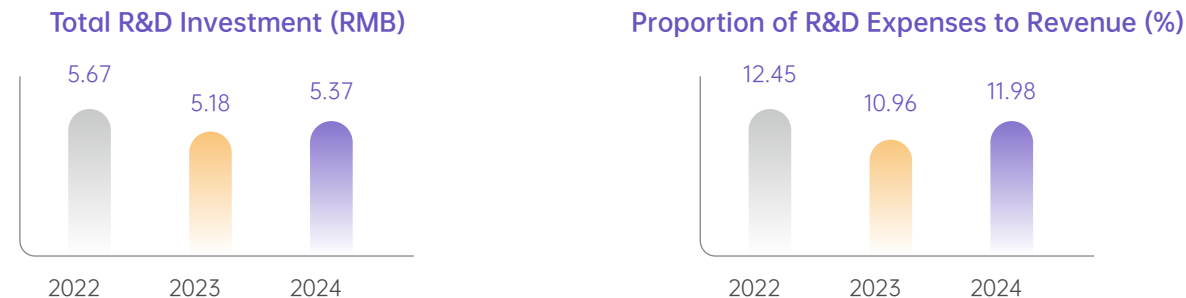
Developed **663+** application functions

Created **350+** logical data entities

Deployed **1** integrated technical and security architecture

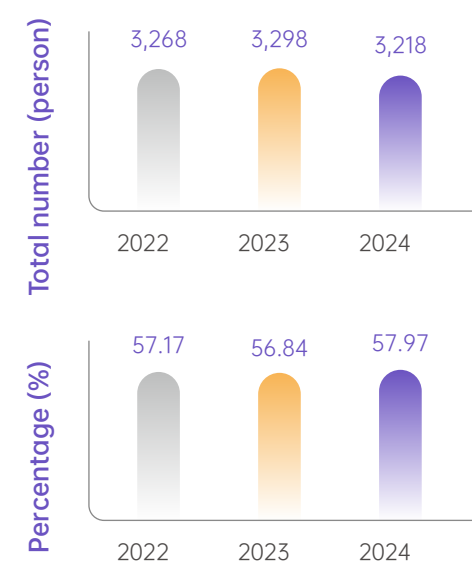
R&D Investment

The Company continues to increase investment in innovation and R&D, drive core technological advancements and deliver leading products and services in the industry. In 2024, the Company has significantly increased R&D investment in innovative areas in the energy sector such as energy digital intelligence, new power systems, EV, virtual power plants, integrated energy, energy big data, and AIGC³. These efforts have boosted our work in digital transformation, which has achieved positive results.



The Company is active in building a strong research team across three major business sectors, that is, energy digital intelligence, the IoE, and digital-intelligent home. We have a talent reserve in high-tech areas such as IoT, cloud computing, and blockchain, and is also attracting top innovation professionals from both inside and outside the industry. Through self-developed projects, ecosystem collaborations, and the execution of customer scientific innovation projects, we train and cultivate talent, forming a strong and capable team. Since the establishment of LongShine Research Institute in 2023, we have gradually built a comprehensive AI research and development team and significantly increased investments in AI research. At the end of the reporting period, LongShine Research Institute had a team of nearly 40 members, steadily advancing AI innovation.

In 2024, the Company had a total of 3,218 R&D personnel, accounting for 57.97% of the total workforce. Among them, there were 173 industry leaders with over 20 years of experience and over 1,039 senior experts with more than a decade of industry expertise.



Industry Cooperation

LongShine Group actively collaborates with major companies such as State Grid Corporation of China, China Southern Power Grid, CHN Energy, China Mobile, Ant Digital, Alibaba and Huawei on technological innovation projects, integrating the advantages of all parties to promote digital and low-carbon transformation in the energy sector. In 2024, the Company participated in multiple technology innovation projects, including national key R&D projects, provincial-level R&D projects, and headquarters-level R&D projects. We have empowered customers' digital transformation and implemented industry-wide innovation and collaborative development.

The Company has also partnered with Tsinghua University, Shanghai Jiao Tong University, Beijing Institute of Technology and the University of Electronic Science and Technology of China to form an industry-academia-research collaborative innovation and R&D model. We have leveraged RAG and Agent technologies to improve the accuracy of power marketing Q&A, established an energy technology digital-intelligent lab to focus on cutting-edge breakthroughs, and cultivated innovative talent, which further drive the strategic development of energy innovation.

³ AIGC, Artificial Intelligence Generated Content.



A Deep Strategic Partnerships with Leading Tech Enterprises

We maintain a strong ecosystem partnership with Huawei Kunpeng. In 2024, we completed compatibility certification testing between the Poseidon 3.1 application development platform and the Huawei Kunpeng 920 processor, further solidifying our leading position in the collaboration and setting a benchmark for innovation and technological advancement in the industry. Looking ahead, we will continue to work closely with Huawei to advance native development on the Kunpeng platform, and deliver secure, reliable, and efficient solutions to our users.



Huawei Enterprise Partner Solution Certificate

Intellectual Property Protection

LongShine Group has formulated the *Intellectual Property Management System* to optimize IP management system and standardize IP application, maintenance, and management, which effectively secures our technological achievements. By collaborating with professional institutions, we have introduced high-quality patent solutions, which have not only enhanced our patent search and analysis capabilities but also provided in-depth assessments of relevant technology patents and supported R&D advancements. These efforts have improved patent quality and application efficiency, and strengthened our strategic IP framework.

In 2024, we added 40 new patents, 122 copyrights, and 29 trademarks, bringing our total to 279 patents, 1,350 copyrights, and 505 trademarks. We achieved our annual goal of 105 new IP filings, with a completion rate of 182%.

LongShine Group is committed to exploring innovative AI applications in the energy sector, thus conducting research and practical implementations in large language models, time-series forecasting models, and AI agents. In 2024, we filed eight AI invention patents, five of which have already been granted. These patents cover areas such as table recall method and device, electronic equipment and storage medium; retrieval-augmented code generation methods and devices and electronic equipment, film recommendation methods, distributed model training methods, and more.

LongShine Group embraces a culture of innovation and encourage employees to engage in creative endeavors. Under the *Intellectual Property Reward System*, we have established a comprehensive reward mechanism for inventors, granting incentives based on the type and complexity of patent applications. In 2024, the Company allocated RMB 180,000 for patent incentives. Additionally, we conducted a variety of intellectual property awareness initiatives, offering specialized training for different employee groups. These sessions covered topics such as information security management, open-source legal risk prevention, and patent-related training, to enhance employees' IP awareness and professional expertise.



In 2024, we added
40 new patents,

122 copyrights
29 trademarks

We achieved our annual goal of
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105 new IP filings
182%



the Company allocated RMB
180,000 for patent incentives

Commitment to Excellence, Building a Trusted Brand

LongShine Group upholds the philosophy of "Quality First, Pursuit of Excellence" and has established a comprehensive quality management system and completed quality certifications. A range of events on quality management have been carried out to strengthen quality awareness across the company. In this way, we use our high-quality products and services to earn customer's trust and drive the Company's sound growth.

Quality Management

The Company has established a well-structured quality management structure to implement quality management in an orderly way. The structure is led by the PMO⁴, with the Quality Management Department, Operation Center, and Business Middle Platform responsible for executing and advancing specific tasks.

Project Quality Management Responsibility Structure



⁴ PMO, Product Management Office.

We prioritize customer satisfaction and have established a quality strategy, aiming at achieving high-quality and efficient product delivery, to support the long-term competitiveness and sustainable development of our business.

Customer-Centered

- ◉ We always prioritize customer needs, respond to customer issues promptly to enhance satisfaction and trust.
- ◉ Based on customer feedback, we identify areas for improvement. Through continuous optimization, we enhance the Company's brand value.

Company-Wide Quality Responsibility

- ◉ A company-wide responsibility system is established to ensure that every stage meets standards and goals.
- ◉ Cross-departmental collaboration is strengthened to form a rapid response mechanism and to improve delivery quality.

Classified and Tiered Management

- ◉ We implement a classified and tiered management system, as well as targeted monitoring and safeguarding measures, to avoid resource waste.

Data-Driven and Continuous Improvement

- ◉ We record and analyze the quality of the production and research process, as well as delivery status. By monitoring quality in real-time through quantitative indicators, we can promptly address any weaknesses.
- ◉ We regularly evaluate the effectiveness based on analysis results, continuously optimize processes, enhance production and research capabilities, and improve organizational efficiency to achieve a continuous improvement across the entire process.



We have established systems such as the *Quality Management Manual*, *Quality Accident Investigation, Handling, and Reporting System*, and the *System Fault Management Process* to refine quality management practices and ensure product quality delivery. In addition, we have formulated the *Quality Accident Investigation, Handling, and Reporting System* and its related emergency response plans to address potential incidents. In 2024, there were no responsibility accidents related to product quality.

We conduct regular equipment inspections and maintenance to prevent product quality issues caused by equipment malfunctions, and predict and address potential performance bottlenecks to improve system stability and reliability. Additionally, we regularly verify and restore backup data to ensure its effectiveness.

LongShine Group has established a qualification system centered around multi-dimensional professional capabilities, covering the entire business chain of the IoE, energy digital intelligence, and smart home services, and creating a cross-domain synergy. We have built a closed-loop capability system of "standards-implementation-optimization" across various sub-sectors. In addition, we have built a centralized group-level qualification repository that enables experience sharing in qualification and compliance across parent and subsidiary companies. This supports the sustained and high-efficiency development of the Company's three major business focus. To date, the Company has obtained a total of 133 corporate qualifications.

LongShine Group's Qualifications

Quality Management	ISO 9001, CMMI Level 5
IT Services	ITSS Level 2, ISO 20000, Security Engineering Design and Maintenance Capability
Information Security Management	ISO 27001, ISO 27701, ISO 29151, CCRC Secure Software Development Services
Environmental Protection and Occupational Health	ISO 14001、 ISO 50001、 ISO 45001
Green and Low-Carbon	Power Sales, Carbon Neutrality, LEED, Green Power Certificate
Intellectual Property Protection	IP Compliance Management System
Engineering and Construction	General Contracting for Construction Projects, Power Facility Installation (Repair and Testing) License, Work Safety License

Each year, we conduct one internal management review to assess the continuity, sufficiency, and effectiveness of the quality management system. We also invite third-party certification bodies for annual external audits to ensure the effectiveness of our management system. In 2024, 11 of our subsidiaries obtained ISO 9001 quality management system certification, covering over 90% of the Company's businesses.



ISO 9001 quality management system certification, covering over

90% of the Company's businesses








ISO 9001 Quality Management System Certification

Capacity Building

The Company places great emphasis on building quality capabilities. By organizing various training sessions and activities, we enhance the overall quality awareness and professional skills of our employees. In 2024, we organized 31 training sessions on the "Building of Project Management System" and "Project Management System Review", and other themes, which included theoretical knowledge, practical operations, and case studies. These activities have systematically improved employees' quality control abilities. A total of 3,271 participants attended the training, laying a solid foundation for the standardization and normalization of project management.



Project Management Training	Content
 The Building of Project Management System	The content included the basic concepts, building methods, and implementation steps of the system, helping employees gain a deep understanding of the essence and core elements of project management.
 The Promotion of Project Management System	The content included the promotion and implementation of the project management system as well as its effective application. By sharing successful practices and model examples, we aimed to inspire employees' enthusiasm and motivation for promoting the project management system.
 Project Management System Review	We conducted project reviews to analyze successful experiences and shortcomings, and proposed measures to improve project management.
 PMO Role Play	Through practical exercises and role-playing, employees can hone their project management skills in simulated project environments, improving their ability to handle complex projects and enhancing teamwork capabilities.



Upgrading Review Strategies from Strict Control to Self-Driven Initiatives

To enhance project management quality and teamwork efficiency, the Company optimized its review strategy in 2024. The approach shifted from the traditional model of strict control to a self-driven, results-sharing one. Through knowledge training, goal alignment, process tracking, evaluations, and experience sharing, we encouraged multiple departments to undertake reviews. 16 departments conducted review activities, achieving a 100% coverage rate and significantly improving project quality management across the organization.

Putting Customers and Services at the Center

LongShine Group always puts its customers first, striving to deliver an excellent service experience across support, after-sales management, and market engagement. In accordance with the *Law of the People's Republic of China on Protection of Consumer Rights and Interests*, as well as other applicable laws and regulations, the Company has established a comprehensive set of internal systems, including the *Operation and Maintenance Service Handling Process*, the *Customer Satisfaction Survey Standards*, and the *Customer Service Center's Complaint Handling Process*. These policies cover the entire product and service lifecycle, from consultation and planning to execution and after-sales support, ensuring a steady improvement in service quality.

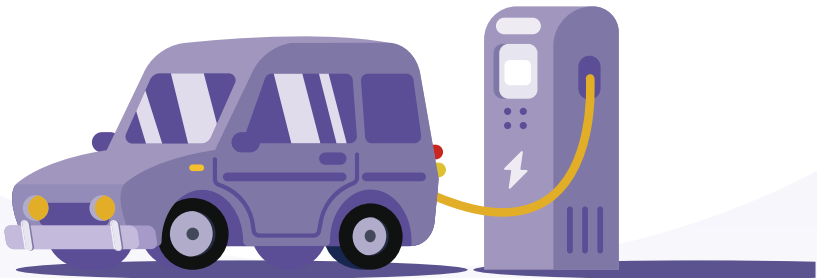
To facilitate seamless and efficient communication, the Company offers multiple support channels, including a dedicated 400 hotline and online feedback platforms, ensuring prompt responses to customer inquiries. Additionally, we have established a specialized Customer Response Center, backed by a 24/7 platform monitoring and reporting mechanism, which ensures that customer issues are addressed in real time with professional support and delivers a seamless and round-the-clock service experience.

Addressing Customer Complaints

The Company maintains a rigorous, pragmatic, and highly responsible approach to handling every customer complaint. We have established multiple complaint resolution channels, including Alipay complaints, WeChat complaints, and complaints through industry and commerce authorities, ensuring a comprehensive and standardized complaint handling process that adheres to high service standards. The Company has implemented a tiered complaint management system, where incidents are assessed based on urgency and impact. Complaints are categorized into four priority levels, with key evaluation indicators in place. These include average response time, customer satisfaction, fault recovery time, and same-day resolution rate. By integrating these indicators, we ensure the quality and efficiency of complaint resolution.



Complaint Handling Process



In addressing complaints, the customer service team prioritizes fulfilling reasonable customer requests. By analyzing the root causes of frequent problems and thoroughly reviewing business processes, we have formulated effective preventive measures to eliminate recurring problems.

Complaint Handling Performance

Business Sectors	Complaint Rate	Resolution Rate
Energy Digital Intelligence	0.46%	100%
IoE	5%	Over 99%
Digital-Intelligent Home	0%	/

To provide better customer service experience, the Company regularly conducts satisfaction surveys to collect feedback on product design, safety, reliability, and stability. This helps us continuously improve product quality and service standards. In 2024, we invited all customers to participate in the survey, with an overall satisfaction rate exceeding 95%, successfully meeting our goal for the year.

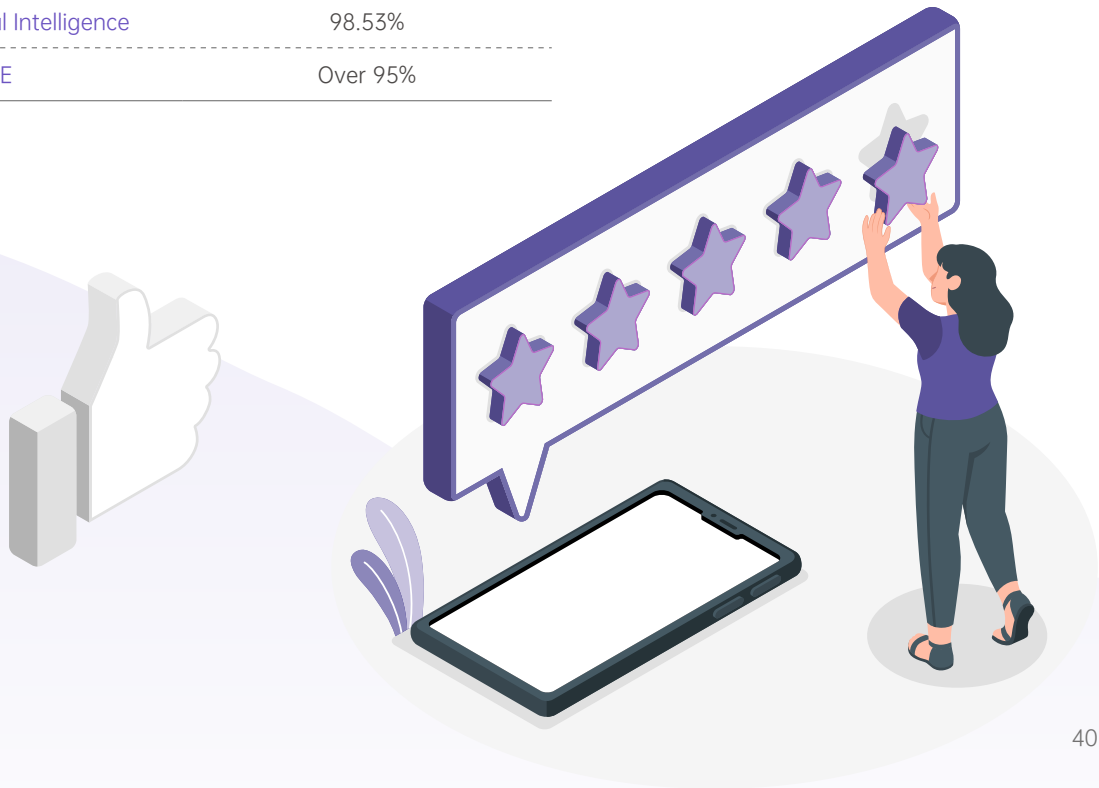


In 2024, with an overall satisfaction rate exceeding

95%

Customer Satisfaction Rate

Business Sectors	Satisfaction Rate
Energy Digital Intelligence	98.53%
IoE	Over 95%



Improving Supply Ecosystem Through Win-Win Collaboration

LongShine Group strives for excellence in supply chain management, focusing on creating an open, transparent, and efficient supply chain ecosystem. The Company continuously improves its comprehensive supplier management system, which includes access, review, evaluation, and classification processes. In 2024, LongShine Group collaborated with a total of 1,858 suppliers, of which nine were overseas suppliers.



In 2024, LongShine Group collaborated with a total of **1,858** suppliers

A Comprehensive Supplier Management System

Access

We extensively collect information from various channels such as news media and industry reports, and screen and categorize potential suppliers. Companies with non-compliant qualifications, poor trading histories, or records of dishonesty are strictly excluded to ensure quality control from the source.

Review

Suppliers are required to complete the *Supplier Survey Form* and submit relevant qualification documents. These documents are cross-checked through professional platforms. Only suppliers who pass the review process are added to the "Qualified Supplier Directory".

Evaluation

We have implemented an evaluation system that integrates daily assessments with annual reviews. On a daily basis, the Company tracks and regularly evaluates in-stock suppliers. If any issues are identified, suppliers are required to address them promptly. For long-term partners, we have established a comprehensive evaluation framework for periodic reviews. Special evaluations for project acceptance and large equipment are conducted to further enhance our multi-scenario evaluation system.

Classification

Based on evaluation results, suppliers are classified into different categories. Only suppliers rated from A to C can be included in the "Qualified Supplier Directory". Suppliers rated from D to E will be removed from the Directory. In this way, we can continuously optimize the supply chain ecosystem.

Supplier ESG Management

We continue to strengthen ESG risk management within the supply chain. In accordance with the ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System, we issue environmental and occupational health and safety notices to suppliers, encouraging them to enhance their ESG performance and prioritize environmental protection and employees' health.

LongShine Group opposes any form of commercial bribery to ensure that suppliers can compete in a transparent and fair environment, realizing the healthy and sustainable development of both the Company and its suppliers. In 2024, 100% of our partner suppliers signed the *Honesty and Integrity Agreement*.



In 2024, **100%** of our partner suppliers signed the *Honesty and Integrity Agreement*.



03

Responsible Business Practice, Building a Strong Foundation

LongShine Group consistently strengthens its corporate governance system. We uphold high standards of business ethics, implement clear risk management processes, and maintain a robust information security and privacy protection framework, to ensure the Company's resilience to risks. At the same time, the Company actively takes its social responsibility, enhancing its ability to adapt to climate change, fostering an energy-efficient and low-carbon operational environment, and promoting the development of a circular, low-carbon economy.

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This chapter addresses nine SDGs.



Low-Carbon Pioneer, Leading the Green Trend

In the face of increasingly severe global climate challenges, carbon neutrality has become a central goal for sustainable development worldwide. LongShine Group actively responds to China's "dual carbon" goals by promoting low-carbon industrial parks through technological innovation and green operations. By exploring multiple pathways to green and low-carbon development, LongShine Group is taking concrete action to fulfill its corporate social responsibility, drive the transition toward a green economy, and contribute to a harmonious and sustainable future where people and nature coexist.

Low-carbon Industrial Park

Phases I and II of the LongShine Group Industrial Park have been completed and put into operation, with a total construction area of approximately 180,000 square meters. Built to the two-star standard for green buildings, the park ensures energy efficiency and environmental sustainability throughout the entire building lifecycle. During the reporting period, the park was awarded a carbon neutrality certificate by a third-party certification body. Additionally, Phase II of the park has partially obtained LEED (Leadership in Energy and Environmental Design) Platinum certification.



LEED Platinum
certification for LongShine
Wuxi Industrial Park

The park is committed to promoting the use and adoption of clean energy, continuously developing PV power generation projects and procuring green electricity. In 2024, the park achieved 1,137 MWh of self-consumed photovoltaic power and purchased a total of 4,086 MWh of green electricity. Currently, the park hosts 2.1 MW of PV capacity, 1 MW of energy storage, and 172 EV charging piles (including two 600 kW liquid-cooled ultra-fast chargers, six 150 kW fast chargers, 12 70 kW fast chargers, two 15 kW V2G chargers, and 150 7 kW slow chargers). The park is also equipped with an integrated green energy management system, which has a carbon management "brain" combining PV power generation, energy storage and EV charging, and microgrids. The microgrid platform organically connects the carbon brain with various load devices across the park. AI-powered algorithms are used to optimize operational strategies, which enables the system to form a closed-loop energy cycle, from generation and storage to intelligent consumption, enhancing overall energy efficiency and significantly reducing the park's carbon emissions.



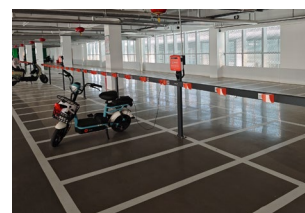
2.1 MW PV capacity



1 MW of energy storage

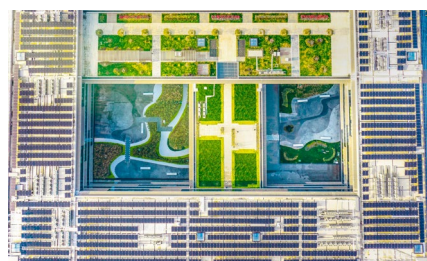


172 Charging Piles



224 charging ports for
non-motor vehicles

We actively contribute to ecosystem and biodiversity conservation. The park maintains a green space ratio of 30%, providing a relaxing and eco-friendly environment for employees and the surrounding community. To protect bird species, we have adopted low-reflectivity glass and improved building facade designs, significantly reducing the risk of bird collisions and promoting harmonious coexistence between the Company's operations and the natural ecosystem.



The park places great emphasis on the sustainable use of water resources. Sponge city systems and a river water circulation system have been introduced to enhance the efficiency of natural water resource utilization and reduce reliance on tap water.

Sponge city system

By integrating river water and harvested rainwater, the system provides recycled water for both landscape features and greenery irrigation, further decreasing the demand for domestic water and enhancing the park's overall ecological performance.

River water circulation system

By integrating river water and harvested rainwater, the system provides recycled water for both landscape features and greenery irrigation, further decreasing the demand for domestic water and enhancing the park's overall ecological performance.

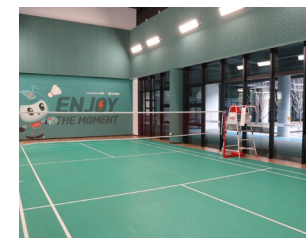
Smart Canteen

The park features an approximately 4,000-square-meter smart canteen that integrates live cooking, open kitchens, branded supply chains, and food traceability to ensure healthy and safe meals for employees. It offers a diverse range of dishes through specialty food stalls and self-service weighing stations, with new menu items introduced weekly to cater to varying tastes and preferences.



Fitness Space

The park includes approximately 5,000 square meters of professional fitness space and basketball courts, which are equipped with treadmills, rowing machines, strength training equipment, Pilates reformers, billiards, table tennis, and badminton courts. It also features a dedicated yoga studio and offers group fitness classes to meet diverse exercise needs. With a focus on smart technology and professional services, the gym is outfitted with intelligent body composition analyzers that provide precise measurements of body fat and metabolism, and generate personalized training plans. Professional coaches lead group classes in yoga and aerobics, while private trainers offer customized programs for fat loss, muscle building, and strength enhancement. Additional amenities include smart lockers and shower facilities, ensuring convenience and comfort. The gym operates with flexible hours to accommodate fragmented schedules, allowing employees to enjoy efficient workouts during breaks or after work.



Data Center

LongShine Group is committed to building green, low-carbon data centers. The LongShine Industrial Park Data Center, with a total planned area of 1,100 square meters, is the Company's largest facility of its kind. To enhance energy efficiency, the server rooms are integrated with the park's PV power generation and storage system. At full capacity, the stored energy can support emergency operations for approximately two hours, ensuring clean energy supply for critical data services. The data center adopts a modular and integrated design, enabling efficient support for core data operations while maintaining flexibility to accommodate future business growth. Its network architecture features multi-line cross-connections and automatic redundancy mechanisms, enhancing service continuity while minimizing energy consumption, which fully aligns with low-carbon and environmentally friendly development goals. In 2024, the Phase I Data Center of LongShine Group consumed a total of 1,092,524.6 kWh of electricity, of which 156,558.78 kWh came from renewable sources.

Green Operations

LongShine Group recognizes that green operations are crucial for the Company's sustainable development. We incorporate low-carbon practices into every aspect of our daily operations. We have established a comprehensive environmental management system that focuses on optimizing resource and energy efficiency, effective management of water resources, and strict emission control, all with the goal of minimizing the environmental impact of our operations. We continuously explore new models of green operations to inject innovative momentum into the green transformation of the industry.

Carbon Neutrality

LongShine Group remains committed to its green operations philosophy. At the LongShine Industrial Park, priority is given to PV power generation, with additional green electricity purchased monthly as needed. The park also implements various energy-saving and carbon-reducing measures to minimize the consumption of water, electricity, fuel, and oil, embodying our sustainable operational approach. In 2024, LongShine Group completed its first comprehensive carbon audit across the entire organization (covering Scope 1 and Scope 2 emissions), expanding its assessment beyond the Industrial Park to include the whole Group. By purchasing carbon credits and green certificates, LongShine Group achieved carbon neutrality in accordance with ISO 14068-1:2023 *Climate change management—Transition to net zero—Part 1: Carbon neutrality*, reaching its goal of organizational carbon neutrality.



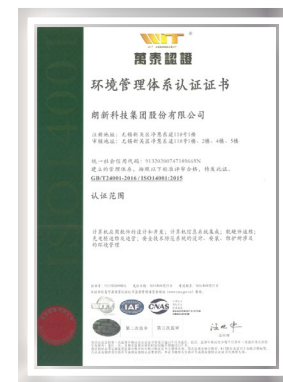
Carbon Neutrality Certificate for LongShine Group

Environmental Management

We strictly adhere to the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations, and continuously improve internal policies, such as the *Office Management System of LongShine Technology Group Co., Ltd.* By focusing on building a robust environmental management system, we strive to enhance our environmental management standards throughout production and operations.

We regularly conduct internal and external environmental audits to ensure that environmental management is integrated into the entire process of production and operations. During the reporting period, LongShine Group obtained ISO 14001 Environmental Management System Certification, covering over 90% of its business operations.

LongShine Group regularly conducts environmental risk assessments and has established internal environmental risk management policies, such as the *Administrative Emergency Management System of LongShine Technology Group Co., Ltd.* These policies clearly define the responsibilities and response processes for each department and personnel in the event of an environmental emergency. Additionally, we hold regular fire safety drills to enhance the emergency response abilities of all employees when facing environmental risks. In 2024, the Company did not experience any major environmental incidents.



ISO 14001 Environmental Management System Certification



In 2024, the Company
did not experience
any major environmental incidents.

Resource and Energy Use

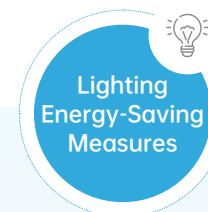
LongShine Group strictly adheres to the *Energy Conservation Law of the People's Republic of China* and other relevant laws and regulations. We continuously enhance our energy management system by establishing a digital energy consumption management framework that enables comprehensive control over energy usage. Regular internal and external audits are conducted to systematically identify opportunities for improving energy efficiency and to assess progress toward achieving our energy usage goals. This year, we were awarded the ISO 50001 Energy Management System certificate for the first time, covering over 60% of our business operations, laying a solid foundation for achieving our green and low-carbon development goals.

We consistently prioritize green and low-carbon development. In our office areas, garage, and unused spaces, we implement various measures to conserve energy and reduce emissions. These include using energy-saving and water-efficient technologies, optimizing indoor air quality, choosing eco-friendly materials, and incorporating smart systems and innovative designs to create environmentally friendly working environments. Additionally, we have enhanced energy management training for employees to raise their awareness of energy conservation and environmental protection and ensure the successful implementation of the Company's energy-saving and emission-reduction initiatives.

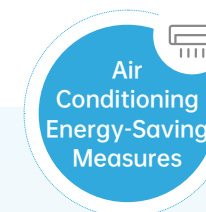


ISO 50001 Energy Management System certificate

LongShine Group's Energy-Saving and Emission-Reduction Initiatives



- **Office Area:** Labels are placed on light switches, and lighting is controlled by time intervals. In office areas, downlights and spotlights are turned off when not in use. Lights are turned off when the area is vacant.
- **Garage:** Sensor lights are installed to automatically turn off or dim when no one is present, leading to a 95% reduction in energy consumption.
- **Unused Area:** In control areas and newly constructed car-free zones, intelligent micro-breakers are used for timed, automatic management of lighting.



- An air conditioning usage management plan is formulated based on the number of people and power consumption during peak, flat, and off-peak hours:
- Ensure that doors and windows are closed before turning on air conditioner.
- The last employee leaving the office is required to turn off the air conditioner.
- Set air conditioning temperatures based on outdoor conditions. In summer, the temperature should not be lower than 26 Celsius.



- Waste printed paper is collected beside the printer and reused for printing.



LongShine Group firmly upholds the philosophy of combining innovation with practices, embedding environmental protection into all aspects of business operations and employee lifestyles through a series of green initiatives. From green commuting to eco-friendly workplaces, the Company actively reduces carbon emissions and resource consumption, contributing to sustainable low-carbon development. In 2024, LongShine Group launched part of its employee travel management system. Employees processed a total of 3,109 business trips on the platform, saving approximately 4,258 sheets of paper.

LongShine Group Introduces Shuttle Service Between Hangzhou and Wuxi to Promote Green Commuting

In November 2023, LongShine Group introduced a round-trip shuttle service between Hangzhou and Wuxi, facilitating employee commutes between Hangzhou East Software Park and Wuxi CPU Space. This initiative not only significantly reduced carbon emissions from daily commuting but also minimized paper consumption associated with individual reimbursements. In 2024, the service saved 3,600 sheets of A4 paper, reinforcing our commitment to sustainable, low-carbon transportation through tangible actions.

LongShine Group Launches Low-Carbon Initiative of Stair Climbing to Encourage Green Actions

In April 2024, LongShine Group launched the “Low-Carbon and Healthy Stair Climbing” mini-program, encouraging employees to reduce elevator usage and participate in stair climbing and check in at designated stairwell spots. By the end of 2024, a total of 347 employees had participated, climbing 26,129 times, covering 50,390 floors, and reducing carbon dioxide emissions by 10,980 kilograms. This initiative highlights LongShine Group's innovative approach to environmental sustainability while promoting green awareness and a healthier lifestyle among employees.

LongShine Group's “Bring Your Own Cup” Initiative

LongShine Group integrates environmental responsibility into every aspect of work life, striving to minimize resource waste and carbon emissions. In 2024, the Company's cafes launched the “Bring Your Own Cup” initiative, encouraging employees and visitors to reduce the use of disposable plastic and paper cups by bringing their own cup. This initiative significantly reduced single-use waste, with an average of 25 people bringing their own cups per month and a record high of 58 in a single month.

Energy Use Performance

Types of Energy	Unit	Data from 2024
Gasoline	Ton	6.30
Natural Gas	Cubic meter	53,829
Electricity ⁵	MWh	7,067.67

⁵ In 2024, the Phase II Data Center of the LongShine Industrial Park was put into operation, accompanied by an expansion of office space in the park. As a result, electricity consumption showed an increase compared to previous years.

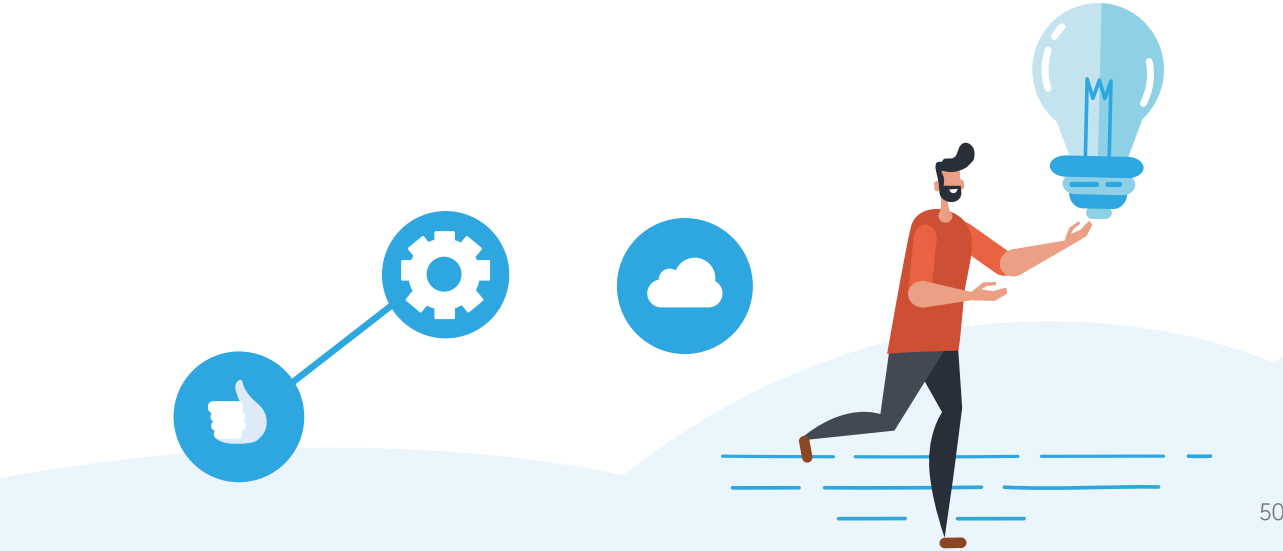
Emissions Management

We strictly abide by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste* and the *Environmental Protection Law of the People's Republic of China* and other applicable laws and regulations. We have improved the Company's emissions management system and treatment processes, ensuring standardized and compliant handling of wastewater, exhaust gases, and solid waste pollutants. We have set a target of 100% compliant disposal of hazardous waste to minimize the impact on the environment.

In daily operations, we have reduced resource consumption and enhanced the recycling rate of waste to minimize overall waste emissions. Strict waste sorting and recycling measures are implemented in office areas. For hazardous waste, dedicated recycling bins are provided, and employees are required to dispose of waste according to category. Items such as used batteries, toner cartridges, and ink cartridges are collectively recycled and processed for resource recovery and reuse. In 2024, the Company achieved notable results in reducing resource usage and waste generation.

Emission Performance

Types of Emissions		Unit	Data from 2024
General Waste	Household Waste	kg	239,320
	Kitchen Waste	kg	111,426
	Total	kg	350,746
	General Waste Intensity	kg/RMB 10,000 revenue	0.78
Hazardous Waste	Waste Batteries	kg	18.35
	Waste Toner Cartridges	kg	18.53
	Waste Ink Cartridges	kg	8.03
	Total	Kg	44.91
Hazardous Waste Intensity		kg/RMB 10,000 revenue	0.00010



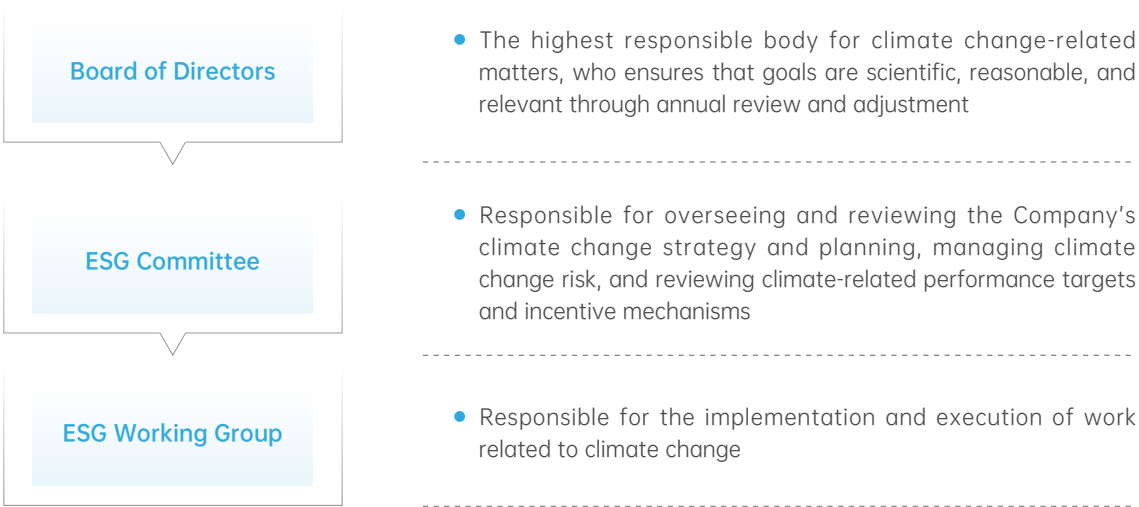
Responding to Climate Change

Climate change has emerged as a significant global challenge. LongShine Group is actively responding to this issue with a strong sense of responsibility. Through continuous optimization of energy management strategies, we are making notable progress in reducing greenhouse gas emissions and overcoming many challenges posed by climate change. Looking ahead, LongShine Group will remain driven by innovation, seeking out more sustainable solutions and contributing to global climate governance through our corporate actions.

Governance Structure

The Company places significant emphasis on responding to climate change and has established a governance system under our ESG governance structure. The Board of Directors, as the highest leadership body, oversees climate change management, while the ESG working group is responsible for executing specific climate-related initiatives. The Company incorporates energy-saving and emission-reduction performance targets into the performance evaluation systems for senior management and departments, ensuring that all measures are effectively implemented and continuously optimized.

The Three-Tiered Governance Structure for Climate Change



Response Strategy

The Company conducts climate-related risk and opportunity analyses to adjust its operational strategies, optimize resource allocation, and prepare for various potential climate risks. At the same time, we seize the opportunities presented by climate change, taking practical actions to support the global fight against climate change

The Company explores green development pathways under the "dual carbon" goals from multiple dimensions, contributing to the achievement of carbon neutrality. By deploying renewable energy and implementing integrated energy and carbon management, the park has successfully achieved carbon neutrality in the Park and received certificates from third-party bodies.

Risk Management

The Board of Directors at LongShine Group places great importance on managing climate change risks, and integrates them into the Company's risk management system. We actively engage in risk identification, assessment, and response, and develop feasible measures for different time scales.

Climate Change Risk Identification List

Risk Type	Risk Name		Risk Description	Response Measures
Physical Risks	Acute Risks	Extreme Weather	The frequency and intensity of extreme weather events, such as typhoons, heavy rainfall, floods, and droughts, have increased, potentially threatening business operational assets, equipment, and employee health.	Establish an emergency response team to monitor meteorological conditions and provide early warnings for extreme weather events, while developing emergency response plans to prevent potential risks. Send timely reminders in online working groups to ensure employees take necessary precautionary measures.
	Chronic Risks	Rising Temperatures	Frequent high temperatures in summer lead to increased energy consumption, reduced operational efficiency, and more power outages and fire hazards.	Strengthen factory inspections and ensure the safe operations with improved facilities.
Transition Risks	Policy and Regulatory Risks	Tightening Climate Policy	As the country establishes a policy system and implementation strategy for the "dual carbon" goals, the Ministry of Ecology and Environment, along with other relevant authorities, is setting stricter requirements for greenhouse gas emission management. As a result, carbon control standards will be tightened, leading to increased compliance costs for the Company.	Continuously monitor updates on relevant laws and regulations, and plan accordingly. Set carbon emission reduction targets and identify the main sources of current carbon emissions. Enhance awareness campaigns to promote resource conservation among employees.
	Market Risks	Market Demand Fluctuations	Customers may change their preferences and opted for environmentally friendly products.	Advancing the use of low-carbon and recyclable energies as well as low-carbon products.
	Reputation Risks	Attention from Stakeholders	Stakeholders demand the Company should take action on climate change. Failure to respond effectively could harm the Company's reputation.	Disclose greenhouse gas emissions data and efforts to reduce carbon emissions in the ESG report, actively maintaining the Company's image.

Indicators and Targets

The Company considers greenhouse gas (GHG) emissions a key indicator for measuring climate change. In 2024, we invited third-party bodies to conduct carbon inventory work, assess energy use, and gather data on carbon emissions. This helped identify direct and indirect greenhouse gas emissions, laying the foundation for setting greenhouse gas reduction targets.

GHG Emission Performance

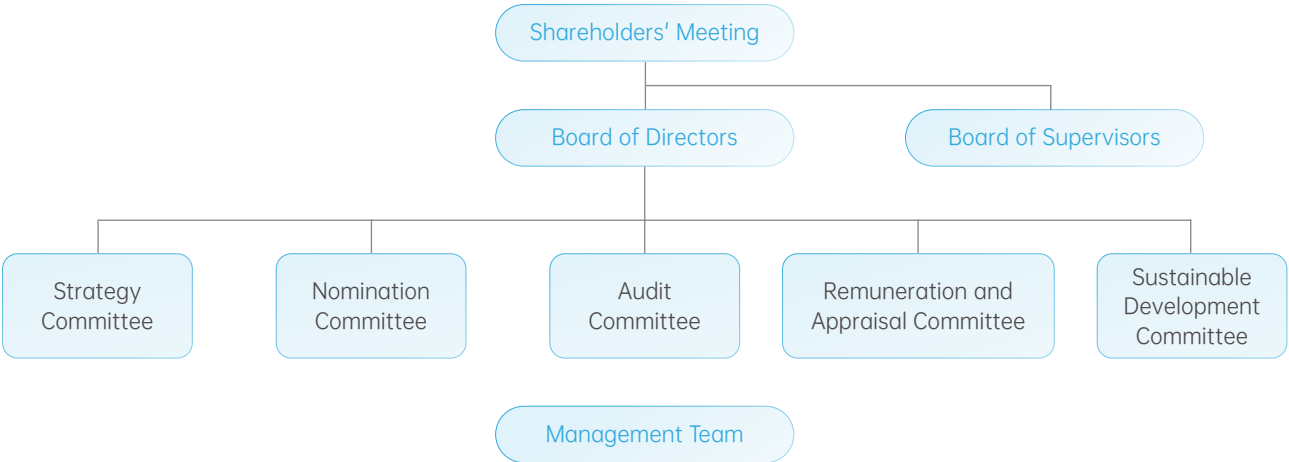
Metric	Unit	Data from 2024
Direct GHG Emissions (Scope 1)	tCO ₂ e	1,286.68
Indirect GHG Emissions (Scope 2)	tCO ₂ e	1,036.11
Total GHG Emissions	tCO ₂ e	2,322.79
GHG Emission Intensity	tCO ₂ e/ RMB 10,000 revenue	0.0052

Strengthening Internal Controls as Governance Foundation

The expertise and diversity of the Board of Directors are essential for ensuring the stable development of the Company. We have established a well-structured and efficient corporate governance framework while focusing on enhancing the Board of Directors' decision-making capabilities. By fostering a diverse board, we strive to maximize investor returns and drive the Company's sustainable development.

Corporate Governance

LongShine Group continuously optimizes its corporate governance system in line with its actual business conditions and the latest regulatory requirements. We strictly abide by the requirements of the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, among other applicable laws and regulations, and introduced the *Articles of Association of LongShine Technology Group Co., Ltd.* and the *Rules of Procedure of Shareholders' Meetings of LongShine Technology Group Co., Ltd.*, and other related policies to clarify the responsibilities of the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors, actively building a modern corporate governance system.



LongShine Group Governance Structure



Board of Directors meetings held

15

Number of proposals reviewed

77

Director attendance rate

100%

Board of Supervisors meetings held

8

Number of proposals reviewed

28

Supervisor attendance rate

100%

Annual and extraordinary Shareholders' Meetings held

6

Diversity of the Board of Directors

The Company considers a number of factors when nominating and appointing Board members, which include gender, age, industry experience, professional background, educational background, and tenure. This approach ensures a diverse range of skills and expertise across different business areas. The Company also remains committed to increasing the representation of female executives. In 2024, female directors accounted for 25% of the Board.

All Board members bring extensive industry experience and professional expertise in fields such as energy technology, accounting, risk management, and social science. Their diverse perspectives contribute to the Company's long-term stability and strategic growth.



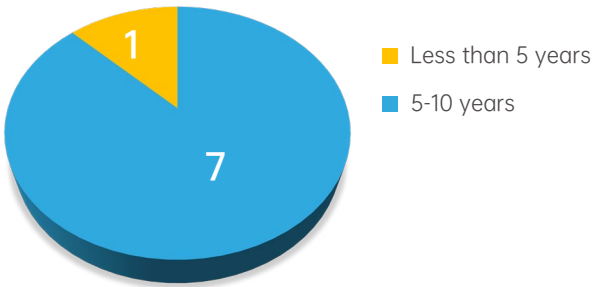
In 2024, female directors accounted for

25% of the Board

2024 Board Members Information of LongShine Group

Board Member	Gender	Independent Director or not	Executive Director or not	Strategy Committee	Nomination Committee	Audit Committee	Remuneration and Appraisal Committee	Sustainable Development Committee
Xu Changjun	Male	No	Yes	√				√
Zhang Mingping	Male	No	Yes		√			√
Zheng Xinbiao	Male	No	Yes					√
Peng Zhiping	Male	No	Yes				√	√
Ni Xingjun	Male	No	No	√				
Lin Le	Female	Yes	No	√	√	√		
Lin Zhong	Male	Yes	No			√	√	√
Yao Lijie	Female	Yes	No		√	√	√	

Number of employees by tenure



Independent non-executive directors

3

Independence of the Board of Directors

In accordance with the *Measures for the Administration of Independent Directors of Listed Companies* and the *Shenzhen Stock Exchange Guidelines for Self-regulation of Listed Companies No.2 - Standardized Operation of Listed Companies on the Growth Enterprise Market*, which outline the requirements for the independence of independent directors, the Company has issued the *Special Opinion of the Board of Directors of LongShine Technology Group Co., Ltd. on the Independence of Independent Directors*. This ensures the independence of the Board of Directors, and standardizes the duties and responsibilities of independent directors. In 2024, independent directors accounted for 37.5% of the Board.



In 2024, independent directors accounted for

37.5% of the Board

Compensation Incentive Mechanism of the Board of Directors

The Company has set performance assessment indicators for directors and senior management that are linked to their remuneration. We continue to improve the long-term equity incentive mechanism, with assessment metrics including the Group's net profit attributable to the parent company, the development evaluation of new businesses in the IoE, and the evaluation of AI applications within the Group. In addition, we review and evaluate the performance of directors and senior management each year to motivate them to fulfill their management duties more efficiently.

Investor Rights and Interests

LongShine Group has established internal management systems such as the *Investor Relations Management System of LongShine Technology Group Co., Ltd.* We regularly publish performance reports on a quarterly basis and annual performance reports, and will release other announcements as needed. Regarding shareholder returns, we develop shareholder return plans based on feedback from shareholders, independent directors, supervisors, and small and medium investors. These plans may include cash dividends, share repurchases, and cancellations to provide reasonable returns to shareholders and create long-term stable value for all shareholders.

Shareholder Return

The Company values shareholder opinions and safeguards their interests. In the process of formulating shareholder return plans, the Company takes into account the opinions of shareholders, independent directors, and supervisors, with particular attention to feedback from small and medium-sized shareholders. When formulating profit distribution policies, the Company is committed to meeting long-term development needs while balancing the interests of all shareholders. It prioritizes cash dividends to ensure stable and continuous benefit distribution, while aligning company development with shareholder returns. In 2024, the Company repurchased 17,292,627 shares for cancellation, amounting to RMB 139 million. Since its public listing in 2017, the Company has consistently distributed 7 consecutive cash dividends, totaling RMB 726 million.

Effectiveness of the Board of Directors

The Company rotates and re-elects Board members by the listing rules and the *Articles of Association*, and regularly conducts Board of Directors effectiveness reviews. As of the end of the reporting period, the average attendance rate of the Board was 100%, and the average tenure of Board members was 5.5 years.

Board of Directors Effectiveness Review

- Size and operational status
 - Expertise and experience of the Professional Committee
 - Governance structure and operational effectiveness
- Duties and rights
 - Business operations and finance
 - Attendance rate

Investor Communication

The Company maintains regular communication with investors through various channels, including investor mailboxes, hotlines, interactive platforms, new media, performance briefings, roadshows, and other ways of communication. We actively relay investor feedback on the Company's products, operations, and governance to the Company, ensuring that investor rights and interests are effectively protected. In 2024, we received and addressed investors' feedback on the Board of Directors, long-term incentive mechanisms, and other aspects of the Company's sustainable development.



Compliance Ensuring Steady and Sustainable Growth

LongShine Group places great emphasis on risk management and business ethics, and has established a robust risk prevention and control mechanism. We systematically and proactively identify, assess, and manage risks to ensure the Company's stable operations. In terms of business ethics, we integrate ethical standards into both internal management and external business partnerships, fostering compliant and sustainable business growth.

Risk Management

The Company follows the COSO⁶ Committee's Enterprise Risk Management Framework to develop internal management mechanisms, including the *Basic Norms for Corporate Internal Control*, the *Sales and Receivables Management*, *Procurement and Payment Management*, and other relevant rules and regulations. These frameworks enhance the entire risk management process, from risk identification, assessment, and response to issue resolution, review, and ongoing monitoring, forming a closed-loop risk management system. We have established a comprehensive risk governance structure that spans the entire Company, embedding risk management into all aspects of our operations to support the stable operations of all businesses.

Three Lines of Defense of Risk Management



In 2024, LongShine Group developed and launched an integrated digital operations platform. This platform focuses risk management across departments and business units, and provides a preliminary risk list. By doing so, we have strengthened business continuity and ensured the Company's stable growth.

Internal Audit

Each year, the Company formulates an internal audit plan based on international standards, local regulatory requirements, risk assessment results, and management decisions. In 2024, we developed an annual audit plan focused on conducting multiple risk audits across key business areas. These audits evaluate operational risks from various management perspectives. Meanwhile, for identified risks, we implemented targeted response solutions to ensure the effectiveness of our internal risk management system.

⁶ COSO: Committee of Sponsoring Organizations of the Treadway Commission, it serves as a guiding theoretical framework, providing companies with critical information on significant risks they may encounter and how to manage them effectively.

Emerging Risks

Anticipating potential risks is a critical component of effective risk management. By analyzing publicly available sources such as the annual *Global Risks Report* issued by the World Economic Forum and industry publications, we identify and assess emerging risks that could impact the Company over the next three to five years. We develop mitigation strategies to minimize the potential impact on the Company, our customers, business partners, and employees.

Emerging Risks and Mitigation Measures

Emerging Risk	Impact	Mitigation Measures
<div>Artificial Intelligence (AI) Risk</div>	<ul style="list-style-type: none">The integration of AI into our products offers numerous benefits to customers. However, if AI-related risks are not effectively managed during development and deployment, this could lead to legal liability risks, increased regulatory scrutiny, sales challenges for products and services, and reputational damage.	<ul style="list-style-type: none">Established the LongShine Research Institute to promptly assess and address AI-related risks.While managing other risks, strengthen internal processes for AI development, deployment, and usage to enhance safety, reliability, and compliance.Continuously analyze new regulatory requirements and legal frameworks to ensure compliance.Update the Company's contracts and develop comprehensive product documentation in line with audit requirements to meet customer needs and expectations.
<div>Frontier Technology Integration and Data Risk</div>	<ul style="list-style-type: none">Failure to successfully integrate cutting-edge technologies into our products or inevitable data risk could lead to customer attrition and loss of market share.	<ul style="list-style-type: none">Increased R&D investment to ensure the effective integration of frontier technologies into our products and avoid data risk, safeguarding customer rights and interests, as well as demands.

Risk Management Promotion

We regularly provide risk management training to relevant personnel, in order to strengthen all employees' awareness, enhance response efficiency in risk management practices, and further prevent and mitigate potential risks at the source.

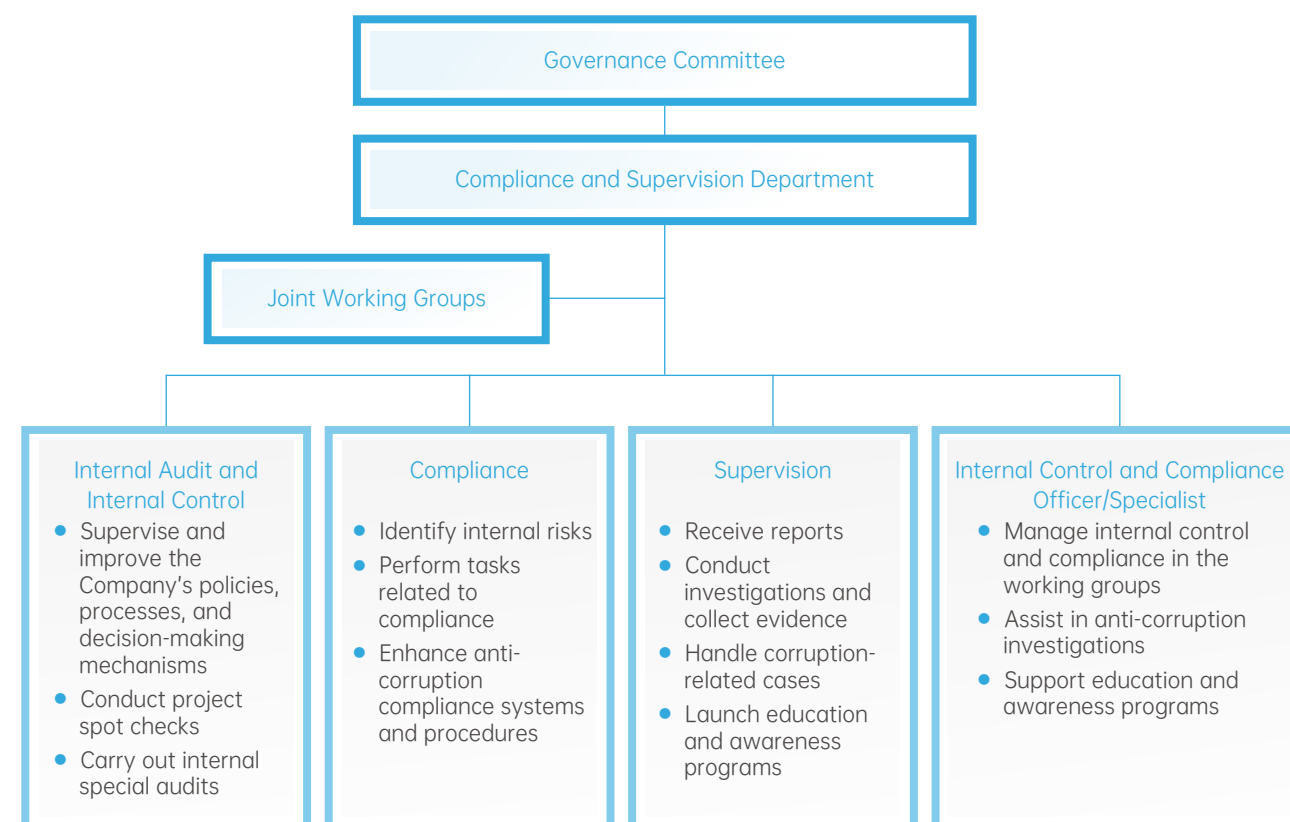
Employee Training on the Risk Management System

In 2024, the Company enhanced its risk management system by inviting consulting experts from system providers to conduct training sessions on risk control framework development, system implementation, risk lists, risk classification, and mitigation measures. This hybrid online-offline training has deepened employees' understanding of the risk management system and its applications. A total of 120 employees participated in the training.

Business Ethics

LongShine Group strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, along with other relevant business ethics and anti-corruption regulations. We have established internal policies such as the *Anti-Commercial Bribery System of LongShine Technology Group Co., Ltd.* and the *Integrity and Compliance Management Regulations of LongShine Technology Group Co., Ltd.*, which apply to all employees and business partners. These policies explicitly prohibit bribery, illegal kickbacks, and the exchange of non-compliant commercial gifts. To reinforce business ethics across operations, we require key personnel to sign the *Integrity Commitment*, which is also incorporated into new employee labor contracts. The Company has a zero-tolerance policy on violations of business ethics, and will carry out disciplinary actions for misconduct. During the reporting period, LongShine Group recorded zero lawsuits related to conflicts of interest, money laundering, insider trading, or corruption.

We have implemented a three-tier anti-corruption governance structure to clarify responsibilities at all levels, integrate business ethics and anti-corruption oversight into employee performance evaluations, and link ethical compliance to remuneration. This approach strengthens monitoring and accountability for both employees and business partners.



LongShine Group's Anti-Corruption Management Framework

Internal Audit on Business Ethics

Each year, LongShine Group conducts internal reviews to assess the effectiveness and compliance of its internal control system, providing a critical reference for bribery and corruption risk evaluations. In 2024, the Company conducted internal audits on Xindiantu connectivity, energy storage, and vehicle ecosystem businesses. The audit focused on marketing activities and pricing decision-making mechanisms in the connectivity business, and procurement and quality control of energy storage equipment and construction projects. The audit covered 38 connectivity suppliers, 18 energy storage stations, and 13 construction sites, and identified 7 key issues related to connectivity and energy storage. The Company is taking proactive actions to address these issues.

Whistleblower Protection

The Company has established a structured fraud complaint handling process and accepts both internal and external supervision by receiving reports from sources like reporting hotlines on the Company's website, reporting email, and online reporting platforms. Upon receiving a report, the Compliance and Supervision Department assigns dedicated personnel to investigate, and compile a final report for the Group Management Committee. We encourage real-name reporting while also accepting anonymous reports. If a report is deemed valuable after evaluation, we initiate an investigation and offer rewards to real-name whistleblowers. In 2024, the Company investigated 16 integrity and compliance cases, identified 8 violations, and dismissed 8 individuals for breaching integrity regulations.

We have established the *Integrity and Compliance Management Regulations*, which sets a clear whistleblower protection mechanisms and conflict-of-interest management mechanisms. All employees are required to maintain strict confidentiality regarding whistleblowers and the information they provide. If any retaliation against whistleblowers is confirmed during an investigation, the responsible individuals will be dealt with severely. Additionally, we conduct regular conflict-of-interest disclosures to prevent potential misalignment between employees' personal interests and the Company's interests. In 2024, the annual disclosure rate for key positions was 100%, with 1,617 key employees completing their declarations. Among them, 63 employees proactively disclosed 89 cases related to external investments, appointments, and other relevant activities.

LongShine Group Integrity and Compliance Reporting Channels

Address: Building No. 1, 118 Jinghui East Road, Xinqu District, Wuxi City, Jiangsu Province

Reporting Hotline: 0510-66676900

Reporting E-mail: compliance@longshine.com

Reporting via DingTalk: Mobile DingTalk APP-LongShine OMS-Integrity Reporting

Developing an Integrity Culture

We promote an integrity culture within the Company, strengthening the awareness among employees and suppliers while fostering a transparent and principled corporate culture. We provide extensive business ethics training and promotion programs for the Board of Directors, management at all levels, and all employees.

Additionally, we have joined the Trust and Integrity Enterprise Alliance and took an active part in an array of training and exchange activities organized by the alliance. Topics of the activities include fraud audit investigations and integrity culture development.

Anti-Unfair Competition

LongShine Group strictly adheres to laws and regulations on anti-unfair competition, explicitly prohibiting employees from using improper means to gain business opportunities or benefits. We continuously strengthen employees' awareness of compliance and integrity, ensuring honesty, integrity, and self-discipline in conducting businesses. During operations, we assess investment, acquisition, and other relevant activities to determine potential antitrust implications, to safeguard the legitimate rights and interests of both the Company and its partners. In 2024, the Company did not experience any lawsuits or administrative penalties related to unfair competition.

2024 Mid-Year Compliance and Supervision Meeting

On October 21, 2024, LongShine Group held its Mid-Year Compliance and Supervision Meeting, where the management provided guidance on the development of compliance and supervision work. The meeting focused on the latest anti-corruption developments, judicial case studies, and interactive discussions among compliance personnel. This initiative enhanced employees' awareness of integrity and compliance while further advancing the Company's compliance and supervision efforts.



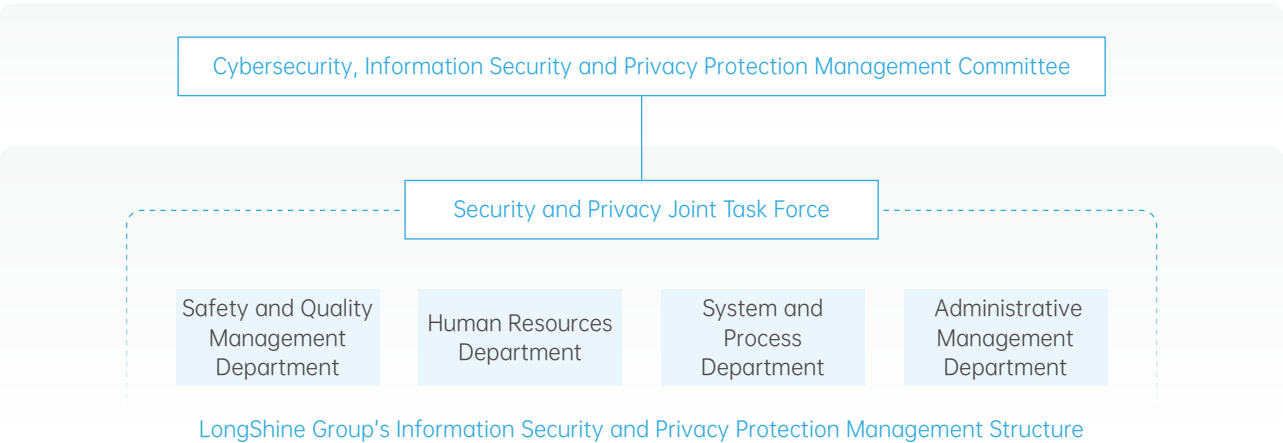
2024 Mid-Year Work Conference Training

Safeguarding Information and Data Security

LongShine Group strictly complies with standards for cybersecurity, information security, and privacy protection. We have established and continuously improved a system for cybersecurity, information security, and privacy protection, and have continued to innovate security protection technologies, reinforcing the Company's cybersecurity and information security defenses. We continuously enhance regular security management practices, reinforce security awareness among all employees, and foster a secure and orderly business operation environment.

Governance Structure

LongShine Group has established a three-tiered cybersecurity and information security management structure. The Board Committee for Cybersecurity, Information Security and Privacy Protection Management serves as the ultimate decision-making body, providing decision-making, guidance, and supervision on issues related to cybersecurity and information security, data security, and personal information protection. Under this committee, the Security and Privacy Joint Task Force, comprising the Safety and Quality Management Department, Human Resources Department, Process and System Department, and Administrative Management Department, leads the development of the Company's overall security and privacy management system, to ensure data and privacy protection, product and service security, cybersecurity and endpoint security, and infrastructure security.



Information Security

The Company strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and other relevant laws and regulations. We have established a comprehensive set of internal management systems, including the *Cybersecurity and Information Security Management Measures*, the *Security Management Measures for Data Use*, the *Data Security Management System*, and the *Personal Information Protection Management System*, ensuring standardized cybersecurity management processes. Thus, we have ensured data security, privacy protection, product and service security, cybersecurity and endpoint security, and infrastructure security. In addition, we have integrated cybersecurity and information security into employee performance evaluations. Each year, the Company conducts an information security assessment covering all products, services and employees across the Company and its subsidiaries, with evaluation metrics including the security development lifecycle of products, safe operations, work safety, on-site safety services, confidentiality management, and major security incidents.

The Company continues to strengthen its data security management foundation by implementing advanced defense technologies, conducting rigorous information security audits, and maintaining conducting information security certifications. In this way, we have effectively carried out cybersecurity and data security management practices.

Information Security Management Practices

Product and Security Services

- Based on business security priorities, we conduct at least one external vulnerability analysis and penetration test annually to simulate hacker attacks and continuously monitor product security risks, such as third-party supply chain security scanning.
- We conduct security assessments for all products before delivery and launch in accordance with the *Classified Protection of Cybersecurity 2.0*. In 2024, we completed baseline security testing and pre-launch security assessments for 1,026 projects.
- Ongoing monitoring of cybersecurity vulnerabilities is conducted, with immediate remediation measures taken upon detecting security defects or weaknesses to ensure timely resolution of medium-to-high-risk vulnerabilities. During the reporting period, security testing covered over 70 products across the Company and its subsidiaries.

Security Incident Emergency Response

- We have released *Network Security Incident Emergency Response Procedure V1.0*, establishing a multi-channel mechanism for reporting cybersecurity risks, including customer alerts, employee feedback, system monitoring alarms, and monitoring of third-party security forums.
- We have formed the Product Security Incident Response Team (PSIRT) to identify and assess potential cybersecurity risks and carry out targeted remediation efforts.
- In the event of a security incident, the first person to identify the issue must immediately notify the security team at the department via email. The security team will analyze the incident, escalate it to the security lead, and initiate an emergency response. Major incidents may be reported directly to higher-level management or the Company's Executive Management Committee/PSIRT.

Specialized Information Security Audits

- We conduct internal information security audits to identify security vulnerabilities and developed targeted remediation plans. In 2024, audits were conducted across 13 departments, covering 471 employees and reviewing 10,362 security items.
- We successfully passed the ISO 27001 Information Security Management System annual audit, achieving 100% certification coverage. Additionally, the Company has attained the ISO 20000-1:2018 IT Service Management System certification, covering 91% of its operations, and 2 subsidiaries obtained the ISO 29151 Personally Identifiable Information Protection certification.

Supplier Information Security Management

- Developed the *Outsourcing Security Management System* and the *Third-Party Supplier Technical Outsourcing Security Guidelines* to enhance supplier information security management, ensuring security and compliance within the supply chain.

Privacy Protection

The Company has improved its privacy protection strategies and management measures to ensure that privacy and data are protected in our daily operations. We strictly comply with the *Personal Information Protection Law of the People's Republic of China*, the *Information Security Technology and Personal Information Security Specifications* and other laws and regulations in our operational locations. To strengthen privacy protection management, the Company has developed internal policies including the *Sensitive Information Desensitization Standards*, the *Standards for Source Code Security Management*, and the *Assessment System for Personal Information Protection Impact*. Privacy policies are incorporated into the Company's risk management. We conduct regular internal and external audits to assess the implementation of privacy policies across all operational locations to ensure their effectiveness. During the reporting period, both LongShine Group and its subsidiary Bangdao obtained the ISO 27701 Privacy Information Management System certification.



Privacy Information Management
System Certification

The Human Resources Management Department is responsible for privacy and security management, ensuring that employees' privacy rights are legally protected and that their personal information is processed lawfully and appropriately. At the same time, in cases where employees violate privacy protection policies, we implement corrective measures and disciplinary actions to enhance awareness of privacy protection.

Key Performance

Indicator	Unit	2024 data
Number of customer privacy complaints	Set	0 (Not occurred)
Number of information security and privacy protection violations	Set	0 (Not occurred)
Financial impact of data security incidents	RMB 10,000	0
Number of customer data usage requests	Times	0 (Not occurred)
Proportion of requests disclosed	%	0

Privacy Protection Management Measures

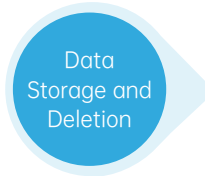
Employee Privacy Protection Requirements

- Procure transparent encryption terminal control software, achieving 100% installation and usage coverage among employees.
- Establish access control permissions based on employees' roles and needs, strengthening internal control systems and operational procedures.
- Procure a Zero Trust VPN to support remote work for employees.
- Require personnel in key positions to sign the *Data Security Responsibility Statement*.
- Implement a zero-tolerance policy for severe security incidents, standardizing disciplinary actions for violations.

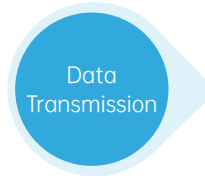
Customer Privacy Protection



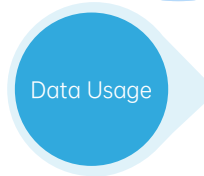
- We inform users about the collection, use, retention, and protection of personal information through documents such as our privacy policies and product/function descriptions. We also inform users of their relevant rights and how to exercise them.



- We do not use, store, share, or disclose our customers' personal information in cross-border business operations, nor do we transfer users' personal information overseas.
- The retention period of customer information complies with national laws, regulations, and industry regulatory requirements, ensuring the minimization of data storage duration. Once the retention period expires, customer information is either deleted or anonymized.



- Firewalls are deployed to monitor and control data flow entering and leaving the network, preventing unauthorized access and data breaches.
- We have implemented locally deployed tools for detecting source code leaks and introduced an open-source tool called code6.
- Procure the Lingfengyun Netdisk Retrieval Tool to conduct daily monitoring of source code and document leaks.



- We have established desensitization standards and guidelines for sensitive information, ensuring encryption and desensitization of sensitive personal data and critical information. In 2024, the Company received zero requests from the government or law enforcement agencies for customer data usage, accounting for 0% of all such requests.

Information Security Protection Training

To enhance employees' awareness and knowledge of information security and privacy protection, the Company regularly organizes promotion and training programs for all employees, enhancing their awareness of cybersecurity and information security.

LongShine Group's 2024 Information Security and Privacy Protection Training

New Employee Onboarding Training and Assessments

- Signing of the Security Commitment, distribution of New Employee Handbook and Fifteen Prohibitions for Security, and onboarding security training and assessments

Cybersecurity Awareness Week and Security Month Activities

- A series of activities including promotion of the Cybersecurity Knowledge Handbook, security knowledge competition, specialized security training, whistleblower protection activity, phishing email mock exercises, specialized exchanges on technical reviews of security risks, to enhance employees' security awareness and behavioral habits

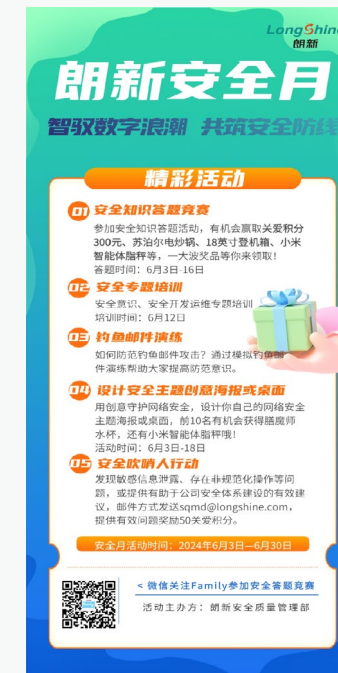
Specialized Security Training

- Specialized Training on Data Security and User Privacy Protection
- Specialized Training on Cybersecurity Awareness and Compliance Relevant Systems
- Specialized Training on Security Operations and Maintenance
- Specialized Training on New Employee Security
- Specialized Training in Operational Centers
- Specialized Training on Security Development



LongShine Group Actively Promotes Cybersecurity Culture

In 2024, LongShine Group organized Cybersecurity Awareness Week and Security Month Activities to enhance employees' security awareness and habits through engaging activities. The Company also disseminated security insights and best practices via security newsletters, cybersecurity bulletins, security preparedness manuals, awareness animations, security posters, and the LongShine Knowledge Library, creating a strong security culture.



LongShine Group Security Month



04

• Empowering Employees, Building a Shared Future

LongShine Group firmly believes that “success depends on employees” and regards employees as its core of development. We are committed to upholding fair employment principles, providing equal opportunities for career growth, and fostering a diverse and inclusive work environment. By prioritizing employee health care, we strive to enhance mutual value creation between the Company and its employees, growing together toward a shared future.

- Warm Workplace: Building a Dream Home Together 69
- Career Growth: Enabling Career Development 73
- Health Guarantee: Safeguarding Employees' Physical and Mental Health 78

This chapter addresses five SDGs.



Warm Workplace: Building a Dream Home Together

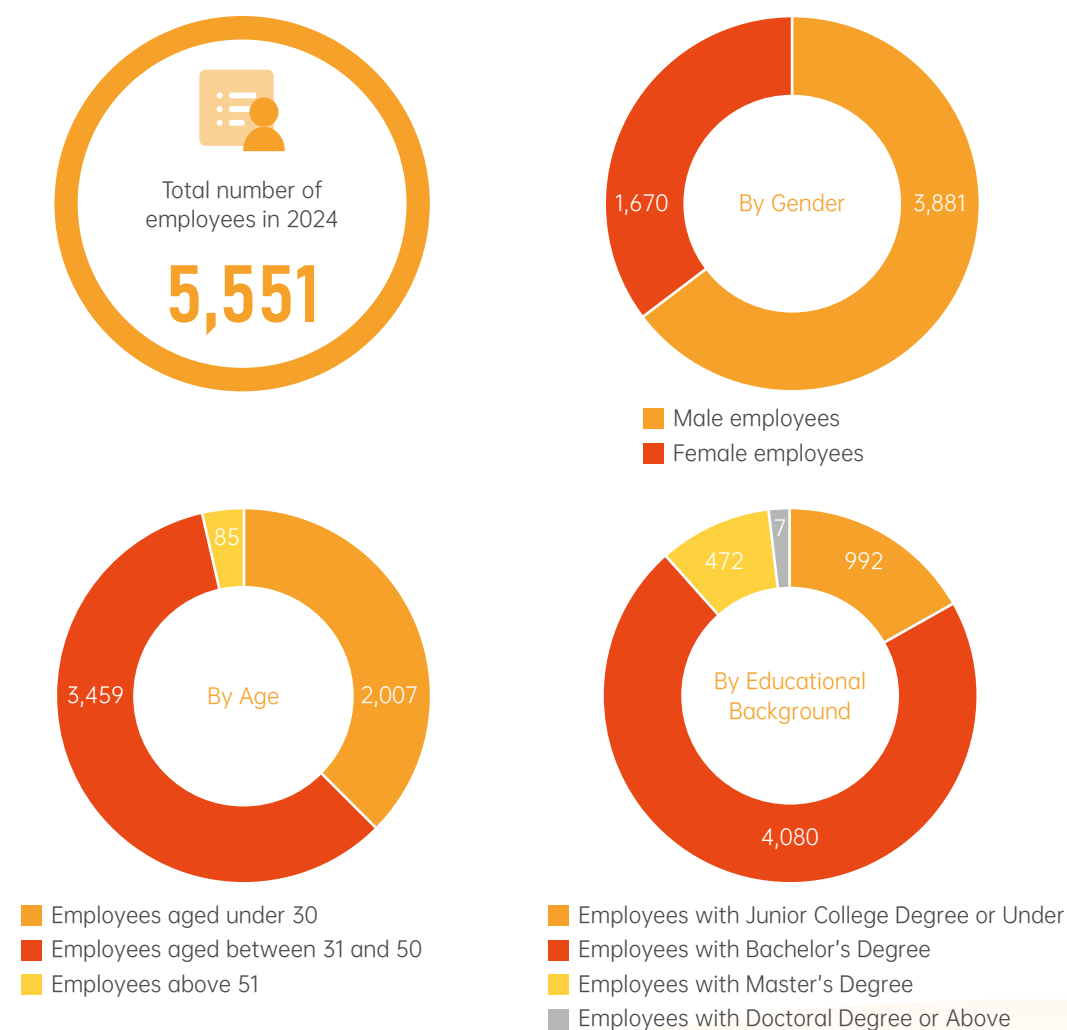
The Company emphasizes equality as the principle and inclusion as the culture, striving to attract diverse talent, foster team cohesion, and build a stable and harmonious work environment.

Employee's Rights and Interests

LongShine Group abides by the *Labor Law of the People's Republic of China* and other relevant laws and regulations, establishing recruitment policies that uphold equal employment principles. We strictly prohibit any form of discrimination based on gender, age, race, religion, or other differences in recruitment and promotion processes. In addition, the use of child labor is firmly forbidden. We are committed to fostering a fair and equitable recruitment environment.

The Company has developed a 2025 Campus Recruitment Plan, focusing on fresh graduates from top universities including the "985", "211", and "Double First-Class" universities, implementing a tiered and specialized talent recruitment approach. In terms of promotion strategy, we have built an integrated campus recruitment portal that combines internal and external resources while leveraging online platforms to consolidate resume databases and establish a private talent pool. Additionally, we have enhanced our referral mechanism, offering incentives to encourage employees to recommend suitable candidates. In 2024, the campus recruitment plan was successfully executed, attracting and selecting a large number of outstanding talents, and injecting fresh energy into the Company's growth.

LongShine Group's Employee Composition in 2024



Remuneration and Benefits

LongShine Group ensures comprehensive social security coverage for its employees, covering five types of social insurance and the housing provident fund, along with supplementary medical and commercial insurance. On this basis, we further increase the medical reimbursement ratio and coverage scope. Additionally, we offer employees 12 days of paid leave each year, as well as parental leave and caregiver leave, ensuring adequate rest for employees. By the end of the reporting period, a total 729 employees had benefited from parental leave, totaling 7,097.73 days, and 23 employees had taken caregiver leave for their parents, with a total of 133.75 days.

Upholding the principles of "aligning responsibility with rewards, ability with value, risk with returns, and performance with earnings," we have established internal management policies such as the *Remuneration Management System* and the *Working Hour Management System*, creating a remuneration incentive mechanism, ensuring equal pay for equal work and fair rewards for employees' contributions.

Employee Care

We practice the culture of "We Are Family" and has fostered a caring and supportive work environment. Through team-building activities, employee care programs, and open communication, we strengthen team trust and cohesion, inspire employees' sense of belonging and drive the Company's development.

Employee Care

The Company provides special occasion cash gifts to celebrate employees' significant life moments. In 2024, we distributed 174 wedding gifts and 191 childbirth gifts. These initiatives help create a warm workplace atmosphere.



Employee Assistance

We have established the "LongShine Love Association" to support employees in need. By the end of the reporting period, we had raised a total of RMB 263,700 in donations, assisting ten employees who met the standards. In 2024, over 1,500 employees participated in charitable donation activities, offering meaningful support to colleagues facing hardships.

We emphasize work-life balance, and encourage employees to participate in sports and family-friendly activities, creating a healthy and engaging workplace.

► Fitness Activities

- We operate multiple sports clubs nationwide, providing diverse fitness options to ignite employees' enthusiasm for physical activity and promote employees' physical and mental health.
- We partnered with external organizations to host the 2024 Wuxi Taihu International Tech-Park 3V3 Basketball Tournament and the 2024 "Happy IPARK" Badminton Competition, helping employees improve their physical fitness and sense of achievement.
- We organized a Fitness Challenge that attracted nearly 400 employees. During the event, employees competed a total of 11,386 fitness check-ins. Participants in the weight loss program lost a total of 1,820.7 jin (approx. 910 kg).

► Employee Celebration

- In 2024, we held the "Annual Excellence Awards Ceremony", continuing to honor outstanding contributions with awards such as the "Pioneering Contribution Award", "Innovation Breakthrough Award", and "Customer Achievement Award". Additionally, we introduced two new awards "Spring Breeze Award" and "Spark Award", dedicated to recognizing exceptional volunteers and promoting the values of public service and the positive impact of technology on society.

► Family Engagement

- In 2024, we welcomed over 300 employees' family members to the Wuxi CPU Space for the LongShine Group Family Open Day, and we had a joyful and unforgettable time. The Company planned interactive sessions and park activities, allowing employees and their families to fully experience our care, warmth, and commitment to a people-centered culture.
- We also host "Anniversary Celebrations", honoring employees who have been with the Company for three, five, and ten years with commemorative gifts. Each gift includes a handwritten letter from their supervisor, expressing sincere gratitude and recognition. Through these heartfelt messages, employees feel truly valued, appreciated, and cared for, fostering a strong sense of belonging and happiness.



Family Open Day



Trophies from the Annual Excellence Awards Ceremony



Anniversary Celebration Site

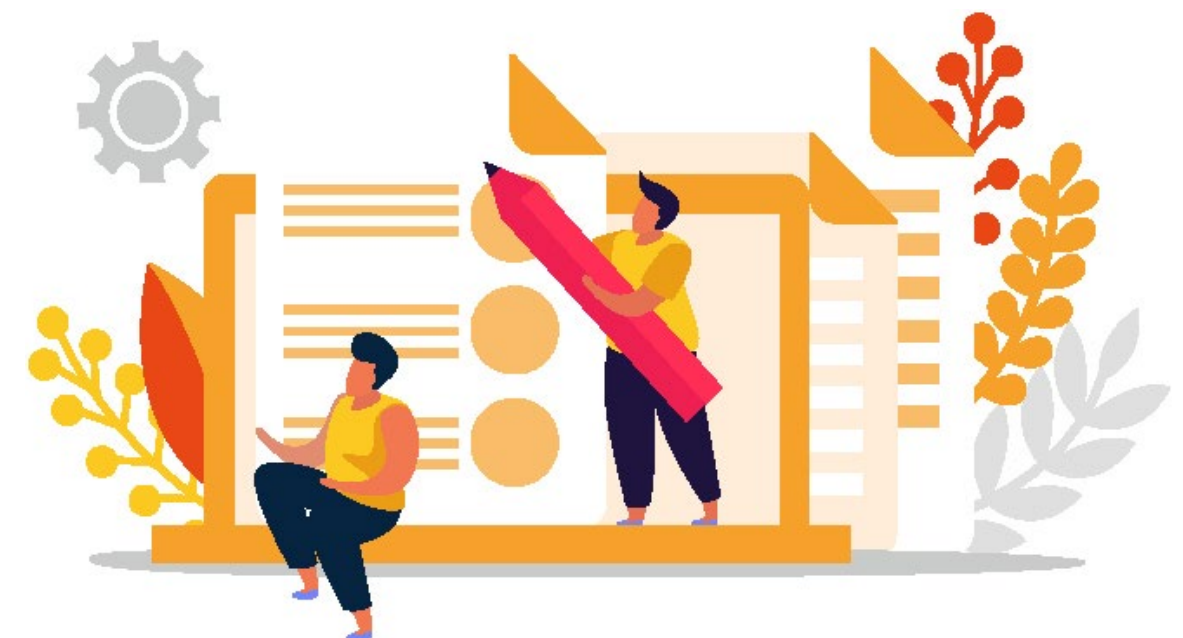
Open Communication and Inclusion

In compliance with the *Trade Union Law of the People's Republic of China* and the *Regulations of Jiangsu Province on Democratic Management in Enterprises*, we have established the *LongShine Technology Group Employee Representative Conference System* and other internal policies. These policies safeguard employees' rights to association, collective consultation, information access, participation, expression, and supervision. Employees are invited to freely share valuable suggestions and reasonable requests with their direct supervisors, relevant departments, or the Company's executives. Additionally, we conduct regular employee satisfaction surveys, with the satisfaction rate reaching 94.67% in 2024.

To fully leverage the role of employee representatives in democratic management and supervision, we hold an annual employee representative conference, with representatives selected from both mid-to-senior management and frontline employees. The proportion of female and ethnic minority representatives is aligned with the overall workforce structure.

Diversity Protection

The Company values diversity of employees, ensuring support and care for employees from different regions and backgrounds. Before hosting events, we routinely review the number of ethnic minority employees to ensure that cultural dietary preferences are respected such as such as by providing halal mooncakes and other culturally appropriate meal options. Additionally, we offer paid leave for ethnic minority employees, with 77 employees collectively applying for 348 days of paid ethnic minority special leave in 2024.



Career Growth: Enabling Career Development

As a technology-driven Company in the energy sector, LongShine Group firmly believes that "talent is the core driving force of innovation." We use performance management as a key tool to develop tailored career advancement plans, building a comprehensive and multi-level employee training system. This ensures that employees have a broad platform for growth, aligning personal development with corporate success.

Training System

LongShine Group has established a comprehensive and structured training system, covering five core categories: onboarding training, business training, professional skills training, technical training and management training. This tiered and systematic approach ensures tailored development strategies for different levels and types of talent, supporting the Company's business strategy.

We actively build a resource platform for talent development programs to enhance employees' expertise and competitiveness in the energy sector, providing strong talent support for the Company's sustained growth.

Diversified Training Resource Platform

Faculty Development and Management: Building a Professional Internal Trainer team

In 2024, the Company established a diverse team of 352 internal trainers across fields such as energy digital intelligence, the IoE, AI technology, and energy integration, enabling knowledge sharing and enhancing employees' professional skills and comprehensive capabilities in the s in energy digital intelligence and the IoE.

Curriculum Development and Management: Creating a Systematic and Structured Learning System

Hosted 916 online courses on the "LongShine M-learning" platform, covering group management, group capabilities, energy digitalization, internet TV, and the IoE, meeting the employees' diverse learning needs.

Employee Certification and Qualification Management: Strengthening Professional Expertise

Supported employees in obtaining certifications related to technology and energy in ITSS, high-voltage electrical work, construction electrical work, PMP, and other related credentials, meeting the professional qualification requirements of different positions and helping improve employees' qualification levels.

The Company offers a wide range of training programs, encouraging employees to actively participate in order to enhance their professional skills and management capabilities. In 2024, we conducted a total of 223,539 hours of training across 88 categories, covering all aspects of employee growth and business development. A total of RMB 3,368,100 was spent in training, with an average spending of RMB 606.76 per employee and an average training hour of 40.27 hours per employee. All employees, regardless of gender or job level, participated in training programs tailored to their needs, ensuring comprehensive training coverage for all employees.



we conducted a total of
223,539 hours of training



Training Categories
88



Total training spending
RMB **3,368,100**



Average training spending
RMB **606.76** per employee



Average training hours
40.27 hours per employee



Management Development Training

The "Future Team" Executive Training Program

The goal of this program is to cultivate a group of executives who can lead teams to create value, drive business innovation and growth, and guide the Company through economic cycles toward sustainable development, over a period of three to five years. The program has organized six specialized learning sessions, covering topics such as *LongShine Entrepreneurship History*, *Macroeconomics*, and *Strategy and Strategic Management*. A total of over 300 hours of training has been conducted, benefiting more than 120 participants. The program ensures that trainees grow simultaneously in both theoretical learning and practical experience.



Macroeconomics Course in the Future Team Program

"Digital-Driven Industrial Innovation" Learning Session

In August 2024, the Elite Class participants took part in a learning session themed "Digital-Driven Industrial Innovation", further honing their innovation capabilities through hands-on project involvement. Through systematic training and practical experience, the company has cultivated a future leadership team equipped with strategic vision, innovative thinking, and leadership skills, driving steady growth in innovation and business development.



"Digital-Driven Industrial Innovation" Learning Session

Business Enhancement Training

Project Management—PMO Engine Action Series

The program is divided into two main modules: "PMO Project Management System Construction" and "PMO Professional Skill Enhancement". It has achieved significant results in terms of training scale, participant quality, and project delivery outcomes. The "PMO Project Management System Construction" hosted eight sessions, training 1,939 participants. The "PMO Professional Skill Enhancement" held five sessions, training 1,332 participants. Participant satisfaction for each sub-projects generally exceeded 90 points, with several sub-projects achieving a satisfaction rate as high as 99 points.



"PMO Engine Action" Training Site

New Employee Growth Training

New Star Program for Fresh Graduates

In 2024, the Company upgraded its New Star Program, providing six months of systematic training to lay a solid professional foundation for 156 fresh graduates. The program adopts a strict training model of "mandatory exams for every lesson", combined with one-on-one mentoring and personalized IDP (Individual Development Plan) tracking. This ensures that each participant can grow rapidly through both theoretical learning and practical experience.



"Flying Camp" New Star Program

New Force Program for Newly Recruited Employees from the Society

The New Force program provides comprehensive and in-depth training for 919 new hires from various positions through 15 carefully designed online courses. The program not only covers professional knowledge and skills but also focuses on developing the newcomers' teamwork, innovative thinking, and problem-solving abilities.

Professional Technical Training

Star Sharing Sessions

The Star Sharing sessions, as the flagship program for internal professional knowledge and skill exchange, held ten high-quality live training sessions covering 33 departments, attracting over 3,100 participants. The program successfully identified 15 professional internal trainers, with an average satisfaction score of 4.8 out of 5.

Product Promotion/Launch Events

The "Product Promotion/Launch Events" serves as the core platform for the online promotion of new products. Through four live streaming events, it covered 29 departments and had over 3,372 views. The program successfully identified seven technical experts as internal trainers, with an average satisfaction score of 4.75 out of 5.

Employee Promotion

LongShine Group has developed an *Employee Performance Management System* that uses the OKR performance evaluation and incentive mechanism to provide employees with clear career development paths and fair promotion opportunities. We set multi-dimensional assessment criteria such as values, performance, qualities, and leadership, with performance levels categorized as "Excellent", "Good", "Satisfactory", "Needs Improvement", and "Underperforming". Combining semi-annual and annual assessment cycles, the system enhances employees' sense of responsibility and work capabilities, effectively improving performance and optimizing team competitiveness.

Application of Performance Results

Performance Bonuses

Tied to performance salaries, employees assessed as "Needs Improvement" may have their performance salary canceled, with year-end bonuses prioritized for "Excellent" and "Good" employees.

Position Adjustment

Employees assessed as "Excellent" or "Good" are given priority for promotion, while those assessed as "Needs Improvement" may be trained or have their positions adjusted. If performance does not improve, their contracts may be terminated.

Remuneration Adjustment

Employees assessed as "Excellent" or "Good" are given priority for salary increases, while those with consecutive "Needs Improvement" assessments will not be eligible for salary adjustments and may face salary reductions depending on the situation.

Employee Training

Employees rated as "Excellent" or "Good" are given priority for training opportunities, while those assessed as "Needs Improvement" will undergo targeted training to improve their performance.



Health Guarantee: Safeguarding Employees' Physical and Mental Health

LongShine Group has always placed great importance on the physical and mental health of its employees, strictly adhering to national occupational health and safety regulations and establishing comprehensive emergency response mechanisms to protect employees' occupational health and safety. In addition, the Company actively organizes various fitness activities and psychological courses to comprehensively care for employees' well-being, helping them to better engage in work and life.

Health and Safety

The Company strictly complies with the *Work Safety Law of the People's Republic of China* and the *Fire Control Law of the People's Republic of China*, as well as other laws and regulations. We have developed internal policies such as the *Office Management Regulations* and the *Emergency Response Plans for the Office* to ensure the safety of our employees.

Physical Health

- Organized annual free health check-ups, with diverse health check-up packages tailored to employees' specific needs in the internet industry, allowing them to understand their health status promptly.
- Set up convenient first aid kits in office areas to ensure employees can receive medical support quickly when it is needed.

Mental Health

- Formed the Sunshine Chat Room composed of a volunteer team with psychological counseling training or certification, to offer psychological counseling and services to alleviate work stress and enhance employees' sense of happiness in life and work. By the end of 2024, the team had provided personalized counseling to 16 employees, covering topics such as emotional issues, family dynamics, anxiety, and personal growth.

Health Education

- Conducted health promotion and education, releasing warm protective measures during peak flu and infectious disease seasons to remind employees to pay attention to personal hygiene and protective actions.
- Regularly invite medical industry experts to give lectures on occupational disease prevention and health maintenance, helping employees enhance their health awareness and master scientific wellness methods.

Emergency Drills

LongShine Group's CPU office area is equipped with advanced fire alarm systems, automatic fire suppression systems, and a 24-hour staffed central control/ fire control room to promptly detect potential risks. Additionally, we regularly conduct fire safety checks on office premises to address any potential fire safety hazards. In 2024, we carried out 12 safety inspections and four first aid and fire emergency drills, significantly enhancing employees' emergency response capabilities, and self-rescue and mutual rescue skills.

• Demonstrating Responsibility, Benefiting Society

"Pursuing goodness through business, and fostering business through goodness" LongShine Group always integrates business development with social responsibility. While leveraging technology to support customers in their digital and intelligent transformation and providing them solutions, the Company actively engages in public welfare efforts, giving back to society through concrete actions.

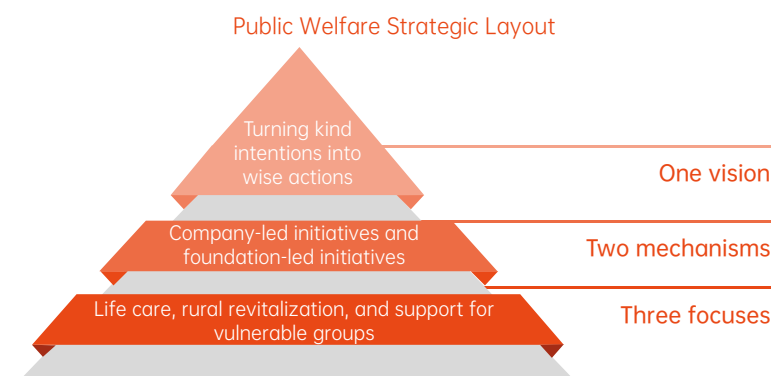
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- Life Care 83
- Rural Revitalization 85
- Support for Vulnerable Groups 86

This chapter addresses four SDGs.



Public Welfare Strategic Layout

LongShine Group has established a comprehensive public welfare strategy characterized by "one vision, two mechanisms, and three focus areas". Guided by the belief of "turning kind intentions into wise actions", the Company adopts a dual mechanism involving both the Company-led initiatives and foundation-led initiatives. It focuses on three key areas: life care, rural revitalization, and support for vulnerable groups. Through these efforts, LongShine Group continues to expand its presence in public welfare and has forged a public welfare path with distinctive characteristics of LongShine Group.



Two Mechanisms

To advance our public welfare services, LongShine Group has established two mechanisms featuring company-led initiatives and foundation-led initiatives. With support from volunteer associations across its branches, LongShine Group actively demonstrates its corporate social responsibility by launching company-led initiatives and engaging in public welfare activities across various sectors. In addition, the Company leverages the role of foundations, with LongShine Public Welfare Foundation and the Beijing Daisy Flower Charity act as the major channel delivering LongShine Group's efforts into public welfare services.

Company-led initiatives



LongShine
Group
Volunteer
Association

Following the steps of "99 Giving Day", we established LongShine Group Volunteer Association in September, 2024. LongShine Group is committed to a variety of public welfare initiatives, including life care, community development, and rural revitalization. A total of 150 participants took part in the activities, contributing a combined 447 hours of volunteer services. We value the quality of our volunteer services and actively organize volunteer training programs with an aim to drive social progress.

LongShine
Group
Volunteer
Platform

In May 2024, the LongShine Group Volunteer Platform was officially launched. Since then, LongShine Group's employees and caring people from all sectors of society have actively registered on the platform and participated in various volunteer activities. In 2024, a total of 65 activities were organized, contributing a combined total of 764 volunteer hours.



In 2024, the Company invested a total of

RMB **3.5** million in public welfare efforts

benefiting

18,894 people with nearly

3,000 hours of voluntary activities

Foundation-led initiatives



LongShine
Public Welfare
Foundation

Guided by the mission to "empower a greener, low-carbon lifestyle through technology, care for life and health, and support rural revitalization to make the digital world a better place," the LongShine Public Welfare Foundation focuses on three key areas: life care, community development, and rural revitalization. Through efforts in these areas, we are steadily advancing toward our vision of "using technology to illuminate a greener and better life"



Beijing Daisy
Flower Charity

Beijing Daisy Flower Charity aims to provide assistance to poor communities in remote areas so as to achieve an overall development of the public welfare services. The Charity focuses on left-behind children, addressing key issues such as the lack of parental companionship, limited access to education, psychological imbalance, and insufficient safety awareness. By tackling these challenges, we aim to broaden their horizons and support their healthy growth.



The First LongShine Public Welfare Day

On July 26, 2024, LongShine Group launched its first public welfare day under the theme of "Technology for Good, Let's Do Good Together". The event featured a series of activities, including a public welfare exhibition, sharing sessions, a wish wall, and an art show all highlighting the Company and its foundation's achievements in areas such as life care, education, health, and community services. As part of the public welfare day, the Fourth Daisy Summer Camp was held, bringing together a team of 62 participants for an educational and cultural exchange trip to Wuxi and Shanghai. The team included 50 girls and ten teachers from five primary and secondary schools in Xinjiang, along with a team leader from the Xinjiang Health Commission and a medical staff member. Through a wide range of activities, the children got the opportunity to broaden their views by visit cultural landmarks, explore museums, and experience local culture. Looking ahead, we will continue to explore sustainable practices in "technology for good" and inspire more volunteers to join us in public welfare services.



The First LongShine Public Welfare Day



The First Annual Conference of LongShine Volunteer Association

On December 31st, 2024, the First Annual Conference of LongShine Volunteer Association was held at Donglin Academy in Wuxi. The conference, theming "You've Brought Warmth", aimed to highlight the power of volunteers and the positive impact of public welfare.

The conference not only reviewed the achievements of the past year, but also set forth a vision for the future. LongShine Group will continue to act on its original aspiration and work with volunteers to drive social progress and harmony with its good heart and real action, and bring more warmth and hope to society.



The First Annual Conference of LongShine Volunteer Association

Three Focuses

Public welfare is an ongoing journey. LongShine Group will continue to explore and expand its efforts, focusing on three key areas: life care, rural revitalization, and support for vulnerable groups. Through tangible actions, we will demonstrate our corporate social responsibility and bring more warmth and positive energy to society.

life care,
rural revitalization,
and support for
vulnerable groups

Life Care

The Company has built a comprehensive life care system and launched a series of activities on palliative care, all in an effort to create a warmer and more compassionate society.

Events for the World Hospice and Palliative Care Day

On October 12, 2024, the 2024 World Hospice and Palliative Care Day hosted by Chinese Association for Life Care and organized by the LongShine Public Welfare Foundation, was held at the LongShine Technology Industrial Park. Nearly 180 attendees participated in the event, including representatives from relevant departments of the National Health Commission, the Jiangsu Commission of Health, the Wuxi Municipal Government, Wuxi National High-tech District, the Wuxi Municipal Health Commission, Chinese Association for Life Care, the LongShine Public Welfare Foundation, as well as experts from the healthcare field and professionals from hospice care institutions. At the event, the *Chinese Association for Life Care's Framework for Advancing the Development of Hospice Care Systems and 5-Year Action Plan* and the "Hospice Care · Spark Program" were released, which was covered by multiple media outlets. This event not only summarized our past efforts but also marked a new starting point for future work in life care. It inspired us to continue advancing on the path of caring for life and contributing to the development of hospice care in China.



World Hospice and Palliative Care Day

Rainbow of Dreams · Light of Wish Project

To further advance hospice care in China and bring warmth to patients in the terminal stages of illness and their families, the LongShine Public Welfare Foundation launched the "Rainbow of Dreams · Light of Wish" project. In the first phase of the project, the Foundation carried out a series of humanistic care activities in different wards including oncology wards and hospice care rooms. These activities include letter writing, family photos, birthday celebrations, meeting friends, enjoying food, watching movies, and providing companionship. In March 2024, the second phase of the project was launched. Building upon the first phase's activities, it introduced "Wishes-Come-True" service program. Together, the two phases have benefited over 400 individuals.

The LongShine Public Welfare Foundation is dedicated to fulfilling the wishes of patients in hospice care rooms, while also encouraging more people to care for and pay attention to the elderly in the terminal stages of life. Through these efforts, we aim to promote the continued development of hospice care in China.



Rainbow of Dreams · Love and Care Project

In April, 2024, LongShine Public Welfare Foundation officially launched its "Rainbow of Dreams · Love and Care" Project. It provided special financial support to the first 150 deceased individuals who received hospice care in 25 designated pilot medical institutions. This project also aimed to support the implementation of the third batch of national hospice care pilot programs. In addition, to support the development of a strong hospice care talent team in Wuxi, the Foundation compiled and edited a collection of case studies from pilot institutions. These cases served as practical models for learning and promotion and contributed to the high-quality development of hospice care.



"Lighting the Mind · Caring for Life" Public Welfare Program

In response to the Party's 20th National Congress call to "prioritize mental health and psychological well-being," the LongShine Public Welfare Foundation launched a public education program titled "Lighting the Mind · Caring for Life" on the China's Internet TV platforms in April 2024. By releasing expert-led video courses on a regular basis, it offered practical guidance on psychological adjustment, emotional management, and hospice care for the elderly and their families. As of December 2024, the series had garnered nearly 9,000 views, continuously promoting public awareness of life care, mental health, and psychological well-being among the elderly in the community.



Rural Revitalization

LongShine Group actively responds to the call for rural revitalization, carries out charitable donation activities and elderly-friendly renovation projects, effectively promoted the development of rural areas. In 2024, the Company invested RMB 1,225,232.8 in this effort, benefiting 2,922 people.

"Safe and Comfortable Living for Seniors" Public Welfare Program

The LongShine Public Welfare Foundation launched "Safe and Comfortable Living for Seniors" elderly-friendly renovation project, with an aim to improve the living standards for elderly individuals in need. With a dedicated fund of RMB 100,000, the Foundation supported home renovations for 20 vulnerable elderly individuals receiving subsistence allowances in Huzhu County, Haidong City. The project not only provided a safer and more comfortable living environment for these seniors, but also helped foster a culture of respect and care for the elderly in society.



"Across Miles · Supporting Seniors" Public Welfare Program

To help create a more comfortable care environment for the elderly, the LongShine Public Welfare Foundation, in collaboration with the Beijing Daisy Flower Charity, launched the "Across Miles · Supporting Seniors" project. Under the entrustment of designated donors, two donations of RMB 450,000 were made respectively to the Cuoa Elderly Care Home in Dege County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province, totaling RMB 900,000. The funds were designated to support daily operations and related project expenses, aiming to address the real-life challenges faced by seniors in Tibetan regions. Furthermore, it also combined public welfare efforts into the broader rural revitalization strategy.



Charitable Donation Activities

On April 16, 2024, the Beijing Daisy Flower Charity took part in the "Singing the *East Is Red* Again" activity, donating 4,000 books worth RMB 80,000 to Dazhuangke Township, an area with revolutionary tradition, and conducting research on topics related to rural revitalization. On October 7, 2024, volunteers visited three primary schools in Azak Town, Artush City, Kizilsu Kyrgyz Autonomous Prefecture, Xinjiang, and held discussions with teachers and students as part of early planning for the "Children's Day Little Wishes" and the "Summer Camp" activities in 2025. At the end of October 2024, the "Voices and Words of Love" donation campaign was held, encouraging volunteers to donate unused children's books and stationery for children in poverty-stricken areas. The campaign collected more than 550 children's books and 500 sets of stationery. On December 20, 2024, 1,219 professional books valued at RMB 60,000 were donated to Xinjiang College of Science and Technology.

Support for Vulnerable Groups

We always care vulnerable groups. We spread warmth through a series of charitable initiatives. Like stars illuminating the sky, our acts of love and care lighten every corner of society, converge into a powerful force that propels society forward with kindness.

"Hand in Hand · Heart to Heart" Public Welfare Program

To improve the quality of life for the elderly and share the benefit of technology, the LongShine Public Welfare Foundation launched the "Hand in Hand · Heart to Heart" public welfare project. It focuses on seniors in special need at eight elderly care institutions in Wuxi. In March 2024, the Company donated 200 Yiban smart terminal devices to better meet the diverse needs of these seniors. A volunteer team was also formed to provide continuous support. A total of 16 training sessions from March to December to guide the elderly in using the devices, making sure that the technology can be applied into their daily lives. This project demonstrated the Foundation's commitment to social responsibility and spreading love and warmth through real action.



School Visits in Xinjiang

At the end of September 2024, the Beijing Daisy Flower Charity launched the fifth round of its school visit program in Xinjiang. Volunteers visited Changji No. 13 Primary School, Tacheng No. 3 Primary School, and Qinghe County Junior High School to conduct on-site research and outreach. Material support and educational grants were offered to 50 needy families, helping them overcome difficulties in daily life.



"Hand in Hand with Heart · Companion with Love" Public Welfare Program

To extend warmth and care to elderly individuals in special need, the LongShine Public Welfare Foundation launched the "Hand in Hand with Heart · Companion with Love" project. In the first phase, the project hosted birthday celebrations and food tastings for seniors in special need, and have volunteers to talk with them. In July 2024, the project entered its second phase. We selected exemplary cases from both the first and second phases of the project and shared them across media platforms to raise public awareness and inspire broader community involvement in elderly care services. Across both phases, a total of 24 activities were carried out, benefiting 884 people.



"Fulfilling a Wish for Left-behind Children" Activity

We gathered "tiny actions" to fulfill "little wishes." On June 1, 2024, the Beijing Daisy Flower Charity launched the third phase of its "Fulfilling a Wish for Left-behind Children". The activity collected wishes from 502 left-behind and disadvantaged children across ten schools in remote areas such as Xinjiang and Ganzi. Each wish was picked by a volunteer, who helped make the child's dreams come true and gave them a joyful and memorable Children's Day.

Looking Ahead

In the process of achieving the national "dual carbon" goals and pursuing high-quality development, challenges in balancing security, economic growth and green development have emerged in the country's medium- and long-term energy development. China is steadily advancing the building of new power systems and other critical infrastructure, and deepening power market reforms to increase the consumption ratio of renewable energy. At the same time, power and energy systems are increasingly intertwined with digital technologies. Breakthroughs in AI technologies, such as Qwen and DeepSeek, are creating significant opportunities for application and innovation within the power and energy sector. In this context, AI technologies and innovative business models can drive the creation high-tech, efficient new quality productive forces, provided that the market serves as the premise, digital intelligence form the foundation, and a scenario-based approach acts as the method. This achievement will advance an all-round development in the power market, significantly increase the efficiency of renewable energies, resolve the impossible trinity of security, economic growth and green development, and unleash market vitality and business opportunities.

LongShine Group is a leading tech company in the power sector. We focus our development strategy on energy digital intelligence and the IoE. By integrating AI technologies, digital and intelligent services, scenario-based connections, and platform-based transactions, we aim to deliver more convenient, cost-effective, and eco-friendly electricity services. LongShine Group is committed to becoming an AI-driven leading technology and energy company. On one head, in the field of digitalization and intelligence, the company provides core business software solutions and digitalization services to customers such as State Grid Corporation of China, China Southern Power Grid, and Power Energy Group, supporting the development of new power systems. In the field of IoE, on the other hand, the Company builds electricity service scenarios including utility bill payments, integrated EV charging, virtual power plants, and microgrids to offer digital and intelligent operations and AI-powered electricity trading services for energy consumers.

Looking ahead, LongShine Group will remain steadfast in innovating and upgrading its business operations. The Company will shift from a customer-driven operational model to an AI-driven one, and upgrade from a project-based software service provider to a platform-based energy operator. LongShine Group will strengthen its "AI + Energy" strategy. By stepping up its research and practices in areas such as AI platform development, time-series forecasting models, and AI agents, the Company fully embraces AI technologies and aims to connect all aspects of electricity load resources, from generation, storage, to consumption. In this way, we can enhance resource regulation and better match supply and demand, expand the scale of power platform-based transactions.

In an era of rapid evolution of new energy and technologies, LongShine Group will continue to prioritize technological innovation and green development. The Company will build platforms, connect supply and demand, and facilitate transactions, with the goal of becoming a global leading provider in green electricity services. LongShine Group is committed to making energy operations smarter and energy consumption greener.



Appendix

ESG Key Performance Indicator

Environment Performance

Indicator			Unit	2024 data	2023 data	2022 data
Waste	General waste	Household waste	kg	239,320	242,120	/
		Kitchen waste	kg	111,426	147,840	/
		Total	kg	350,746	389,960	/
		General waste density	kg/RMB 10,000 revenue	0.78	/	/
	Hazardous waste	Used batteries	kg	18.35	9.70	11
		Used toner cartridges	kg	18.53	21.90	93
		Used ink cartridges	kg	8.03	/	/
		Total	kg	44.91	/	/
		Hazardous waste	kg/RMB 10,000 revenue	0.00010	/	/
Use of resources	Office paper consumption		Tonne	4.70	4.70	5.01
	Water consumption		Tonne	49,495	23,484	9,760
	Energy consumption	Gasoline	Tonne	6.30	/	/
		Natural gas	m ³	53,829	/	/
		Electricity	MWh	7,067.67	5,448.40	4,365.40
	Renewable energy consumption		MWh	5,223.07	/	/
	Non-renewable energy consumption		MWh	2,502.58	/	/
	Total energy consumption		MWh	7,725.65	/	/
	Comprehensive Energy Consumption per RMB 10,000 of Output		MWh/RMB 10,000 revenue	0.017	/	/
Number of Environmental Incidents or Administrative Penalties			set	0	/	/

Indicator		Unit	2024 data	2023 data	2022 data
Data Center	Total Energy Consumption of Data Centers	MWh	1,092.52	/	/
	Renewable Energy Usage in Data Centers	MWh	156.56	/	/
	Share of Renewable Energy in Data Centers	%	14.33	/	/
GHG emission	Direct GHG emission (scope 1)	tCO ₂ e	1,286.68	/	/
	Indirect GHG emissions (Scope 2)	tCO ₂ e	1,036.11	/	/
	Total GHG emissions	tCO ₂ e	2,322.79	/	/
	GHG emission intensity	tCO ₂ e/ RMB 10,000 revenue	0.0052	/	/

Social Performance

Indicator		Unit	2024 data	2023 data	2022 data
Product safety and responsibility	Customer complaint resolution rate	%	Above 99	/	/
Sci-tech innovation and Intellectual Property protection	Total R&D investment	RMB100 million	5.37	5.18	5.67
	Total R&D staff	Person	3,218	3,298	3,268
	Number of patents	Set	505	460	406
	Number of major patents applied	Set	319	288	264
	Number of authorized patents	Set	279	239	193
	Number of licensed copyrights	Set	1,350	1,228	1,033
Information Security and Privacy Protection	Number of trademarks	Set	505	476	483
	Number of complaints regarding customer privacy violations	Set	0	/	/
	Number of violations on information security and privacy protection	Set	0	0	0

Indicator			Unit	2024 data	2023 data	2022 data
Information Security and Privacy Protection	The amounts of money involved in data security incidents		RMB 10,000	0	/	/
	Number of customer data access requests	Number of requests	Times	0	/	/
		Proportion of disclosed requests	%	0	/	/
Employees	Total number of employees	Total number of employees	Person	5,551	5,812	5,716
	By types of labor contract	Number of full-time employees	Person	5,548	5,810	/
		Number of dispatched workers	Person	2	2	/
		Number of interns	Person	1	0	/
	By position	Senior management	Person	32	46	34
		Mid-level management	Person	197	911	436
		Junior management	Person	488	/	/
		General staff	Person	4,834	4,855	5,219
	By gender	Male	Person	3,881	4,142	3,987
		Female	Person	1,670	1,670	1,729
	By age	Below 30	Person	2,007	2,454	2,687
		31-50	Person	3,459	3,283	2,975
		Above 51	Person	85	75	54
	By educational background	Employees with College Degrees or Below	Person	992	1,229	/
		Employees with Bachelor's Degrees	Person	4,080	4,180	/
		Employees with Master's Degrees	Person	472	396	/
		Employees with Doctorate Degrees or Higher	Person	7	7	/
	By position	Female proportion in management	%	17.57	/	/
		Female proportion in senior management	%	15.63	/	/
		Female proportion in mid-level management	%	5.40	/	/
		Female proportion in junior management	%	17.01	/	/
		Female proportion in revenue-generating roles	%	27.71	/	/
		Female proportion in STEM positions	%	22.03	/	/
		Total number of employees with disabilities	Person	20	/	/
	Number of employees in minority groups	Male employees with disabilities	Person	11	/	/
		Female employees with disabilities	Person	9	/	/
		Total ethnic minority employees	Person	149	/	/

Indicator			Unit	2024 data	2023 data	2022 data
Employees	By ethnic groups	Total number of Han employees at management level	Person	701	/	/
		Han employees' proportion in management	%	12.98	/	/
		Total number of ethnic minority employees at management level	Person	16	/	/
		Ethnic minority employees' proportion in management	%	10.74	/	/
	Total number of new hires	Number of new hires in 2024	Person	817	/	/
	Number of new hires and cost	Total number of new hires through social recruitment	Person	661	/	/
		Total number of new hires through campus recruitment	Person	156	/	/
		Number of positions filled by internal employees	Person	0	/	/
		Average hiring cost per employee	RMB 10,000	0.16	/	/
	By age	Number of new hires aged 30 and below	Person	477	/	/
		Number of new hires aged 31–50	Person	339	/	/
		Number of new hires aged over 51	Person	1	/	/
		Number of internal transfers aged 30 and under	Person	0	/	/
		Number of internal transfers aged 31–50	Person	0	/	/
		Number of internal transfers aged above 51	Person	0	/	/
	By position	Number of new hires in senior management	Person	1	/	/
		Number of internal hires in senior management	Person	0	/	/
		Number of internal hires in mid-level management	Person	6	/	/
		Number of internal hires in mid-level management	Person	0	/	/
		Number of new hires in junior management	Person	10	/	/
		Number of internal hires in junior management	Person	0	/	/
		Number of new hires in general staff positions	Person	800	/	/
		Number of internal hires in general staff positions	Person	0	/	/
	By gender	Number of male new hires	Person	569	/	/
		Number of female new hires	Person	248	/	/
		Number of male internal hires	Person	0	/	/
		Number of female internal hires	Person	0	/	/
	By region	Number of new hires in Chinese Mainland	Person	816	/	/

Indicator			Unit	2024 data	2023 data	2022 data
Employees	By region	Number of new hires in Hong Kong, Macao and Taiwan regions of China	Person	1	/	/
		Number of new hires in overseas regions	Person	0	/	/
		Number of internal hires in Chinese Mainland	Person	0	/	/
	By region	Number of internal hires in Hong Kong, Macao and Taiwan regions of China	Person	0	/	/
		Number of internal hires in overseas regions	Person	0	/	/
	Total employee turnover rate	Total employee turnover rate	%	18.65	/	/
		Voluntary turnover rate	%	9.34	/	/
		Involuntary turnover rate	%	9.31	/	/
	By gender	Turnover rate for male employees	%	20.54	/	/
		Turnover rate for female employees	%	14.26	/	/
	By age	Turnover rate for employees aged 30 and under	%	19.34	/	/
		Turnover rate for employees aged 31-50	%	18.28	/	/
		Turnover rate for employees aged above 51	%	18.15	/	/
	By region	Turnover rate for Chinese Mainland employees	%	18.65	/	/
		Turnover rate for overseas and Hong Kong, Macao and Taiwan employees	%	0	/	/
	Percentage of employees covered by collective agreements (unions)		%	42	/	/
	Percentage of employees covered by five types of social insurance and the housing provident fund		%	100	100	100
	Employee health check-up rate		%	77.60	/	/
	Lost work hours due to work-related injuries		Hour	3,000	/	/
	Investment in training and development		RMB 10,000	336.81	/	/
	Total amount of training hours		Hour	223,538.97	82,573.52	119,134.76
	Average training hours per employee		Hour/person	40.27	14.01	20.25
	Number of employees trained by gender	Male employees	Person	3,881	/	/
		Female employees	Person	1,670	/	/
	Number of employees trained by position	Senior management	Person	32	/	/
		Mid-level management	Person	197	/	/
		Junior management	Person	488	/	/
		General Staff	Person	4,834	/	/
	Total training hours by gender	Male employees	Hour	953,836.56	/	/
		Female employees	Hour	403,659.25	/	/
	Total training hours by position	Senior management	Hour	16,507.30	/	/
		Mid-level management	Hour	56,885.42	/	/
		Junior management	Hour	140,914.15	/	/
		General Staff	Hour	1,143,188.94	/	/
	Employee absenteeism rate		%	1.09	1.03	1.12

Indicator			Unit	2024 data	2023 data	2022 data
Employees	Number of fire drills		times	2.0	/	/
	Number of participants in fire drills		10,000 people	0.1	/	/
Anti-commercial bribery	Number of corruption litigation cases		Set	0	0	0
	Total number of employees receiving business ethics and anti-corruption training	Directors	Person	8	/	/
		Management	Person	347	/	/
		General staff	Person	3,118	/	/
	Percentage of employees receiving business ethics and anti-corruption training	Directors	%	100	/	/
		Management	%	49	/	/
		General staff	%	64.50	/	/
	Total number of suppliers		-	1,858	1,663	934
Supply Chain Management	Number of suppliers by region	Domestic suppliers	-	1,849	/	/
		Suppliers from Hong Kong, Macau, and Taiwan regions	-	0	/	/
		Overseas suppliers	-	9	/	/
Social contribution	Life care	Total investment in life care	RMB	469,877.84	/	/
		Scope and number of people benefiting from life care projects	Individual	9,739	/	/
		Total time spent in life care projects	Hour	526	/	/
	Rural revitalization	Total investment in rural revitalization	RMB	1,225,232.81	/	/
		Scope and number of people benefiting from rural revitalization projects	Individual	2,922	/	/
		Total time spent in rural revitalization projects	Hour	70	/	/
	Community development	Total investment in community development	RMB	101,995.59	/	/
		Scope and number of people benefiting from community development projects	Individual	6,805	/	/
		Total time spent in community development projects	Hour	56	/	/
	Youth care	Total investment in youth care	RMB	691,107.78	/	/
		Scope and number of people benefiting from youth care projects	Individual	864	/	/
		Total time spent in youth care projects	Hour	1,747	/	/
	Cultural development	Total investment in cultural development	RMB	324,425.23	/	/
		Scope and number of people benefiting from cultural development projects	Individual	600	/	/
		Total time spent in cultural development projects	Hour	360	/	/
	Total investment	Total amount of social contribution	RMB 10,000	350	145	1,457
		Total number of people benefiting from social contribution programs	Individual	18,894	/	/
		Total number of hours spent in social contribution programs	Hour	3,000	/	/

SZSE's ESG Disclosure Guidelines

Dimensions	No.	Topic	Corresponding articles	Sections
Environment	1	Climate change tackling	Articles 21 to 28	Low-Carbon Pioneer, Leading the Green Trend
	2	Pollutant discharge	Article 30	Low-Carbon Pioneer, Leading the Green Trend
	3	Waste disposal	Article 31	Low-Carbon Pioneer, Leading the Green Trend
	4	Ecosystem and biodiversity conservation	Article 32	Low-Carbon Pioneer, Leading the Green Trend
	5	Environmental compliance management	Article 33	Low-Carbon Pioneer, Leading the Green Trend
	6	Energy usage	Article 35	Low-Carbon Pioneer, Leading the Green Trend
	7	Usage of water resources	Article 36	Low-Carbon Pioneer, Leading the Green Trend
	8	Circular economy	Article 37	Low-Carbon Pioneer, Leading the Green Trend
Social	9	Rural revitalization	Article 39	Rural Revitalization
	10	Contributions to the society	Article 40	Public Welfare Strategy Life Care Rural Revitalization Caring for Vulnerable Group
	11	Innovation-driven	Article 42	Center of Innovation, Hub of Intelligence
	12	Ethics of science and technology Article	Article 43	Center of Innovation, Hub of Intelligence
	13	Supply chain security	Article 45	Improving Supply Ecosystem for Win-win Collaboration
	14	Equal treatment to small and medium-sized enterprises	Article 46	Improving Supply Ecosystem for Win-win Collaboration
	15	Safety and quality of products and services	Article 47	Commitment to Excellence, Building a Trusted Brand; Putting Customers and Services at the Center
	16	Data security and customer privacy protection	Article 48	Safeguarding Information and Data Security
	17	Employee	Article 50	A Warm Workplace: Building a Dream Home Together; Career Growth: Enabling Professional Development; Health & Wellbeing: Supporting Body and Mind
Governance	18	Due diligence	Article 52	Compliance Ensuring Steady and Sustainable Growth
	19	Stakeholder communication	Article 53	ESG Management
	20	Anti commercial bribery and anti-corruption	Article 55	Compliance Ensuring Steady and Sustainable Growth
	21	Anti-unfair competition	Article 56	Compliance Ensuring Steady and Sustainable Growth

GRI Standards

GRI Standards/ Other Source	Disclosure	Sections
Universal Standards		
GRI 1: Foundation		
GRI 2: General Disclosures		
The organization and its reporting practices		
2-1	Organizational details	About This Report
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
Activities and workers		
2-6	Activities, value chain and other business relationships	About LongShine Group
2-7	Employees	A Warm Workplace: Building a Dream Home Together
2-8	Workers who are not employees	A Warm Workplace: Building a Dream Home Together
Governance		
2-9	Governance structure and composition	Strengthening Internal Controls as Governance Foundation
2-10	Nomination and selection of the highest governance body	Strengthening Internal Controls as Governance Foundation
2-11	Chair of the highest governance body	Strengthening Internal Controls as Governance Foundation
2-12	Role of the highest governance body in overseeing the management of impacts	Strengthening Internal Controls as Governance Foundation
2-13	Delegation of responsibility for managing impacts	Strengthening Internal Controls as Governance Foundation
2-14	Role of the highest governance body in sustainability reporting	Strengthening Internal Controls as Governance Foundation
2-15	Conflicts of interest	Compliance Ensuring Steady and Sustainable Growth
2-16	Communication of critical concerns	ESG Management
2-17	Collective knowledge of the highest governance body	Strengthening Internal Controls as Governance Foundation
2-18	Evaluation of the performance of the highest governance body	Strengthening Internal Controls as Governance Foundation
2-19	Remuneration policies	A Warm Workplace: Building a Dream Home Together
2-20	Process to determine remuneration	A Warm Workplace: Building a Dream Home Together
2-21	Annual total compensation ratio	A Warm Workplace: Building a Dream Home Together
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Message from the Chairman
2-23	Policy commitments	About This Report
2-24	Embedding policy commitments	About This Report
2-26	Mechanisms for seeking advice and raising concerns	A Warm Workplace: Building a Dream Home Together

GRI Standards/ Other Source		Disclosure	Sections
2-27		Compliance with laws and regulations	Strengthening Internal Controls as Governance Foundation
Stakeholder engagement			
2-29		Approach to stakeholder engagement	ESG Management
2-30		Collective bargaining agreements	A Warm Workplace: Building a Dream Home Together ESG Key Performance Indicator
GRI 3: Material Topics			
3-1		Process to determine material topics	ESG Management
3-2		List of material topics	ESG Management
3-3		Management of material topics	ESG Management
Topic Standards			
GRI 201: Economic Performance			
201-2		Financial implications and other risks and opportunities due to climate change	Low-Carbon Pioneer, Leading the Green Trend
201-3		Defined benefit plan obligations and other retirement plans	A Warm Workplace: Building a Dream Home Together
GRI 203: Indirect Economic Impact			
203-1		Infrastructure investments and services supported	Health Guarantee: Safeguarding Employees' Physical and Mental Health
203-2		Significant indirect economic impacts	Health Guarantee: Safeguarding Employees' Physical and Mental Health
GRI 205: Anti-corruption			
205-1		Operations assessed for risks related to corruption	Compliance Ensuring Steady and Sustainable Growth
205-2		Communication and training about anti-corruption policies and procedures	Compliance Ensuring Steady and Sustainable Growth
205-3		Confirmed incidents of corruption and actions taken	Compliance Ensuring Steady and Sustainable Growth
GRI 206: Anti-competitive Behavior			
206-1		Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Compliance Ensuring Steady and Sustainable Growth
GRI 302: Energy			
302-1		Energy consumption within the organization	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
302-2		Energy consumption outside of the organization	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
302-3		Energy intensity	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
302-4		Reduction of energy consumption	Low-Carbon Pioneer, Leading the Green Trend
302-5		Reductions in energy requirements of products and services	Low-Carbon Pioneer, Leading the Green Trend
GRI 303: Water and Effluents			
303-1		Interactions with water as a shared Resource	Low-Carbon Pioneer, Leading the Green Trend
303-2		Management of water discharge-related impacts	Low-Carbon Pioneer, Leading the Green Trend

GRI Standards/ Other Source		Disclosure	Sections
303-3		Water withdrawal	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
303-4		Water discharge	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
303-5		Water consumption	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
GRI 305: Emissions			
305-1		Direct (Scope 1) GHG emissions	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
305-2		Energy indirect/Scope 2 GHG emissions	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
305-3		Other indirect/Scope 3 GHG emissions	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
305-4		GHG emissions intensity	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
305-5		Reduction of GHG emissions	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
GRI 306: Effluents and Waste			
306-1		Waste generation and significant waste-related impacts	Low-Carbon Pioneer, Leading the Green Trend
306-2		Actions taken to prevent waste generation	Low-Carbon Pioneer, Leading the Green Trend
306-3		Composition of waste generated	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
306-4		Recovery operations used to divert waste from disposal	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
306-5		Disposal operations	Low-Carbon Pioneer, Leading the Green Trend ESG Key Performance Indicator
GRI 308: Supplier Environmental Assessment			
308-1		New suppliers that were screened using environmental criteria	Improving Supply Ecosystem for Win-win Collaboration
308-2		Negative environmental impacts in the supply chain and actions taken	Improving Supply Ecosystem for Win-win Collaboration
GRI 401: Employment			
401-1		Occupational health and safety management system	A Warm Workplace: Building a Dream Home Together ESG Key Performance Indicator
401-2		Hazard identification, risk assessment, and incident investigation	A Warm Workplace: Building a Dream Home Together
401-3		Guidance for Disclosure	A Warm Workplace: Building a Dream Home Together
GRI 403: Occupational Health and Safety			
403-1		Worker training on occupational health and safety	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-2		Promotion of worker health	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-3		Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health Guarantee: Safeguarding Employees' Physical and Mental Health

GRI Standards/ Other Source	Disclosure	Sections
403-4	Workers covered by an occupational health and safety management system	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-5	Work-related injuries	Health Guarantee: Safeguarding Employees' Physical and Mental Health ESG Key Performance Indicator
403-6	Work-related ill health	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-7	Occupational health and safety management system	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-8	Hazard identification, risk assessment, and incident investigation	Health Guarantee: Safeguarding Employees' Physical and Mental Health
403-9	Guidance for Disclosure	Health Guarantee: Safeguarding Employees' Physical and Mental Health ESG Key Performance Indicator
403-10	Worker participation, consultation, and communication on occupational health and safety	Health Guarantee: Safeguarding Employees' Physical and Mental Health
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Career Growth: Enabling Professional Development ESG Key Performance Indicator
404-2	Programs for upgrading employee skills and transition assistance programs	Career Growth: Enabling Professional Development
404-3	Percentage of employees receiving regular performance and career development reviews	Career Growth: Enabling Professional Development
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Strengthening Internal Controls as Governance Foundation
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Public Welfare Strategic Layout Life Care Rural Revitalization Support for Vulnerable Groups
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Improving Supply Ecosystem for Win-win Collaboration
414-2	Negative social impacts in the supply chain and actions taken	Improving Supply Ecosystem for Win-win Collaboration
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Commitment to Excellence, Building a Trusted Brand Putting Customers and Services at the Center
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Commitment to Excellence, Building a Trusted Brand
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safeguarding Information and Data Security

Feedback Form

Dear readers,

Hello! Thank you very much for reading the Environmental, Social and Governance (ESG) Report 2024 of LongShine Technology Group Co., Ltd. We attach great importance to and look forward to hearing your feedback on the sustainable development management, practice and information disclosure of LongShine Group. Your opinions and suggestions are an important basis for us to continuously promote the management and practice of sustainable development. We look forward to your reply

Selective questions (Please tick ☒ in the corresponding position)

1. Do you think this report can reflect the significant impact of LongShine Group on economy, society and environment?

Yes ☐ General ☐ No ☐

2. Do you think the analysis of the stakeholders identified in this report and their relationship with LongShine Group is accurate and comprehensive?

Yes ☐ General ☐ No ☐

3. Is the information provided in this report comprehensive?

Yes ☐ General ☐ No ☐

4. Is the information provided in this report readable?

Yes ☐ General ☐ No ☐

Open Questions

You are welcome to leave other comments and suggestions on the Environmental, Social and Governance (ESG) Report 2024 of LongShine Technology Group Co., Ltd.

Your contact information

LongShine 朗新