



Stock Code: 06960.HK

2025

Environmental, Social
and Governance Report

CONTENTS

About the Report	01	About Shuangdeng Group	05
Chairman's Message	03	Annual ESG Performance	15
Statement of the Board	04		

Appendix	
Appendix I: ESG Performance Summary	101
Appendix II: The Stock Exchange of Hong Kong Limited ESG Reporting Code Content Index	108
Appendix III: Independent ESG Assurance Report	119
Appendix IV: Reader Feedback Form	122

01 Compliance and Governance

Corporate Governance	19
Risk Management and Internal Control	24
Anti-Corruption and Business Ethics	25

02 Safety First

Work Safety	31
Product Quality Safety and Stability	37
Privacy and Information Security	41
Employees	45

03 Green Intelligent Manufacturing

Green Production	59
Innovation-Driven Development	81
Green and Low-Carbon Products	87

04 Value Chain Collaboration

Supply Chain Management	91
Industry Collaboration	94
Social Contribution	97

About the Report

This Report, as the 1st annual Environmental, Social, and Governance (ESG) Report released by Shuangdeng Group Co., Ltd., systematically addresses key concerns of stakeholders with focus on the Company's sustainability philosophy, practices, and performance.

Report Principles

This Report is prepared in accordance with the "materiality", "quantitative", "balance", and "consistency" reporting principles set out in the *Environmental, Social and Governance Reporting Code* of the Stock Exchange of Hong Kong Limited:

- **Materiality:** The Company has conducted stakeholder engagement and materiality assessment to define the Report's content and scope based on the identified results, with detailed processes and material topics disclosed in the "Stakeholder Engagement" and "Materiality Assessment" sections.
- **Quantitative:** Statistical standards, methodologies, assumptions, calculation tools, and sources of conversion factors for quantitative key performance indicators are explained in the relevant sections where applicable.
- **Balance:** The Report presents the Company's ESG performance impartially, avoiding any selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
- **Consistency:** Consistent disclosure and statistical methodologies are adopted throughout the Report to ensure meaningful comparisons of ESG data over time.

Report Boundary

This Report discloses information on the fulfillment of social, environmental and corporate governance responsibilities by Shuangdeng Group Co., Ltd. and its subsidiary entities (consistent with the scope of the Company's audited financial statements). Unless otherwise stated, all data contained herein covers only the production and operations of Shuangdeng Group Co., Ltd within Chinese Mainland, and does not include its overseas production bases or international businesses. The reporting period runs from January 1, 2025 to December 31, 2025. Any narrative information beyond this range will be clearly indicated where it appears.

References

"Shuangdeng Group Co., Ltd." is hereafter referred to as "Shuangdeng Group", "the Company", or "we".

Preparation basis

This Report has been prepared with reference to Appendix C2, *Environmental, Social and Governance Reporting Code* (the "ESG Code"), of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* ("SEHK").

Data Sources

All information and data contained herein are obtained from Shuangdeng Group Co., Ltd. and its subsidiaries. The Board of Directors of Shuangdeng Group confirms that the Report contains no false records or misleading statements and assumes full responsibility for the authenticity, accuracy and completeness of its contents. Unless otherwise specified, all financial figures are presented in Renminbi (RMB).

Report Access and Feedback

This report is presented in English and published in electronic format that is available for viewing and downloading on the Company's website (www.shuangdeng.com.cn). Should you have any comments or suggestions on this Report, please contact us:

Address: No. 999, Tianmu West Road, Jiangyan Economic Development Zone, Taizhou City, Jiangsu Province, China

Email: huangxg@shuangdeng.com.cn

Tel: +86-523-88521888

Chairman's Message



Respected Shareholders, Partners, Colleagues, and Friends from All Sectors of Society:

Greetings to all!

As seasons change, we remain steadfast in our pursuit; with unwavering original aspiration, we embark on a new journey together. Today, as the global green and low-carbon transformation advances in depth and sustainability becomes the core foundation of corporate development, we are pleased to present the 2025 ESG Report of Shuangdeng Group Co., Ltd. so as to comprehensively review our practices and reflections on fulfilling responsibilities, deepening innovation, and empowering symbiotic growth, providing all stakeholders with a transparent account of our actions and achievements, as well as our commitments and vision for the future.

With decades of dedication in the energy sector, Shuangdeng Group has always deeply integrated the ESG concept into every link of our strategic planning, operation and management, and business innovation, realizing the coordinated development of economic, environmental and social benefits, and interpreting the connotation of our vision of "Storing Great Love and Green Energy" through practical actions. We firmly believe that the long-term value of an enterprise lies not only in the expansion of market share and the growth of operating performance, but also in the awe for the environment, the feedback to society, and the adherence to governance.

In terms of environmental (E) protection, we take "lifecycle green management" as the core and continuously lay a solid foundation for green development. Deeply engaged in the fields of AIDC energy storage, advanced power energy storage, and telecom energy storage, we strive to build a complete green circular industrial chain and promote the efficient use of resources through technological innovation. We actively create a green and environmentally friendly production environment, effectively reduce carbon emissions, and contribute to the achievement of the "dual carbon" goals. Meanwhile, we adhere to green design and green procurement to reduce environmental impact from the source, aiming to become a benchmark for green development in the industry and provide a replicable model for the sustainable development of the industry.

In terms of social (S) empowerment, we uphold the philosophy of "symbiotic prosperity", dedicated to conveying warmth and responsibility with sincerity. For our employees, we respect individuality and value growth, building diverse development and career advancement platforms while improving our talent cultivation system to provide broad development opportunities, creating a healthy, harmonious, and collaborative workplace environment. For our customers, we remain committed to quality excellence, continuously developing high-quality and efficient solutions to create value for customers and support their sustainable development. For society, we actively give back to our communities and engage in public welfare initiatives, while standardizing supply chain management to promote a fair, orderly, and collaborative competitive environment within the industry, contributing to the global energy transition process.

In terms of governance (G) enhancement, we adhere to the principles of "transparency, efficiency, compliance, and stability" to solidify the foundation of corporate development. Since our listing on the Main Board of The Stock Exchange of Hong Kong Limited, we have further improved our corporate governance structure, strengthened the Board of Directors' leadership and oversight of ESG initiatives, and established robust internal control and risk early warning mechanisms to ensure lawful and compliant operations with timely and transparent information disclosure. Embracing the agricultural philosophy of "sowing in spring, growing in summer, harvesting in autumn, and storing in winter", we remain committed to our operational bottom line and deeply integrate ESG management with business development, aspiring to become a trustworthy value partner in the international capital market. Meanwhile, we focus on the core track of Artificial Intelligence Data Center (AIDC) energy storage, deploying multiple technology routes to drive our transition from "product export" to "manufacturing export", thereby achieving high-quality development.

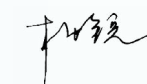
Looking back on our journey, every achievement we have made would not have been possible without the trust and support of our shareholders, the collaboration of our partners, the dedication and contributions of our employees, and even more so, the supervision and care from all sectors of society. On behalf of the Board of Directors and all employees of Shuangdeng Group, I would like to extend our most sincere gratitude and highest respect to all stakeholders who care about and support the development of our company!

Looking ahead, the global wave of energy transformation is surging forward, and the path of ESG development remains a long and significant journey. Shuangdeng Group will continue to uphold our core values of "delighting customers, persevering through challenges, embracing virtue like ascending a height, and achieving greatness through integrity", deepen green innovation, iterate environmental technologies, and perfect our circular industry chain, pursuing higher standards in environmental stewardship. We will continue to fulfill our social responsibilities, cultivate humanistic care, and empower the collaborative development of our industry chain, demonstrating greater commitment to social empowerment. We will continuously optimize corporate governance, strengthen compliance management, and enhance the quality of information disclosure, achieving better breakthroughs in governance enhancement. We will connect global intelligent computing and energy resources, honoring our promise to "let every watt of energy illuminate every step of human civilization's progress", striving to become a builder of the AIDC energy ecosystem, and work with all stakeholders to jointly paint the magnificent blueprint of a "Zero-Carbon Computing Earth".

Perseverance paves the way to a promising future. Shuangdeng Group will always remain true to our responsible origins, bravely embrace the mission of our times, and continue to advance on the path of ESG practice with an unrelenting spirit of climbing. Through professionalism and perseverance, we will create greater value and contribute Shuangdeng Group's strength to global green and sustainable development!

Shuangdeng Group Co., Ltd.

Chairman (Ph.D.)



Statement of the Board

Shuangdeng Group Co., Ltd. attaches great importance to sustainable development. The Board of Directors is committed to assessing and defining the Company's material ESG risks, as well as deliberating and deciding on significant ESG matters. To effectively formulate and implement ESG strategies, the Board has established an ESG Committee. This Committee is responsible for assisting in the formulation of ESG strategies, supervising the implementation of initiatives, regularly reviewing the achievement of ESG targets, and reporting significant ESG matters to the Board through routine and special meetings. At the execution level, an ESG Working Group, composed of representatives from multiple departments, operates under the guidance of the ESG Committee. This Group is tasked with identifying material ESG topics, implementing management measures, and promoting the integration of ESG into the Company's daily operations.

We maintain close communication with our stakeholders and systematically identify and assess material ESG topics through stakeholder engagement surveys. We take the ESG topics of common concern to both internal and external stakeholders as key directions for optimization and improvement, driving our ESG performance to reach new heights. In 2025, Shuangdeng Group made significant progress in the areas of AIDC energy storage expansion, ESG rating improvement, net-zero target setting, and environmental compliance management, fully integrating the ESG philosophy into our operations. We are fully aware that achieving sustainable development goals is not accomplished overnight. We are committed to building an industrial symbiosis ecosystem with our partners, injecting green momentum into high-quality development of the society.

This Report details the progress and achievements of Shuangdeng Group's ESG work in 2025, and was reviewed and approved by the ESG Committee and the Board of Directors on 25, March 2026.

About Shuangdeng Group

Shuangdeng Group Co., Ltd. (Stock Code: 06960.HK) is a National Single-Item Manufacturing Champion, a National-level "Little Giant" Enterprise (Specialized, Refined, Differential, and Innovative), a National Quality Benchmark Enterprise, a National Intellectual Property Demonstration Enterprise, a National-level Green Factory, and a National-level 5G Factory. It is also a Leading Manufacturing Enterprise and a Leading Innovative Enterprise in Jiangsu Province, and a TIER 1 Global Energy Storage Manufacturer recognized by BloombergNEF (BNEF).

The Company's core business focuses on the research and development (R&D), production, and sales of energy storage battery products. Our primary offerings include lithium-ion, sodium-ion, and lead-acid energy storage batteries, as well as comprehensive system solutions. These products are widely applied in the fields of AIDC energy storage, advanced power energy storag, and etelecom base station energy storage. Notably, the Company has consistently ranked first among Chinese enterprises in the global shipment volume of energy storage batteries for telecom base stations and data centers. The Company has established a National Enterprise Technology Center and a testing center accredited by the China National Accreditation Service for Conformity Assessment (CNAS). We also have an Academician Workstation, a Postdoctoral Workstation, the Engineering Research Center of the Ministry of Education for Cold Region Electrochemical Energy Storage and Carbon Neutrality, the Jiangsu Provincial Key Laboratory of Electrochemical Energy Storage Technology, and the Jiangsu Provincial Engineering Technology Research Center for High-Performance Chemical Power Sources. The Company has undertaken over 100 national and provincial science and technology projects, including the National High-Tech R&D Program (863 Program), the National Industrial Foundation Strengthening Project, and the New Intelligent Manufacturing Model Application Project initiated by the Ministry of Industry and Information Technology (MIIT). In recognition of our excellence, we have received numerous accolades, such as the First Prize of the Science and Technology Progress Award from the National Light Industry Council, the "Benchmark Product Award" at the National Advanced Energy Storage Technology Innovation Challenge, the First Prize of the Beijing Science and Technology Award, and the First Prize of the Science and Technology Progress Award from the State Grid Corporation of China. Furthermore, we successfully secured the open-call project for "Dual-Carbon" scientific and technological achievement transformation from the Jiangsu Provincial Department of Science and Technology, and have been repeatedly honored as one of the Top 10 Energy Storage Battery Enterprises in the industry.

No.1 by global shipment among data center energy storage battery suppliers (for consecutive years)

90% of China's top 10 third-party data center enterprises

~30%+ market share among global suppliers for telecommunication operators and equipment manufacturers

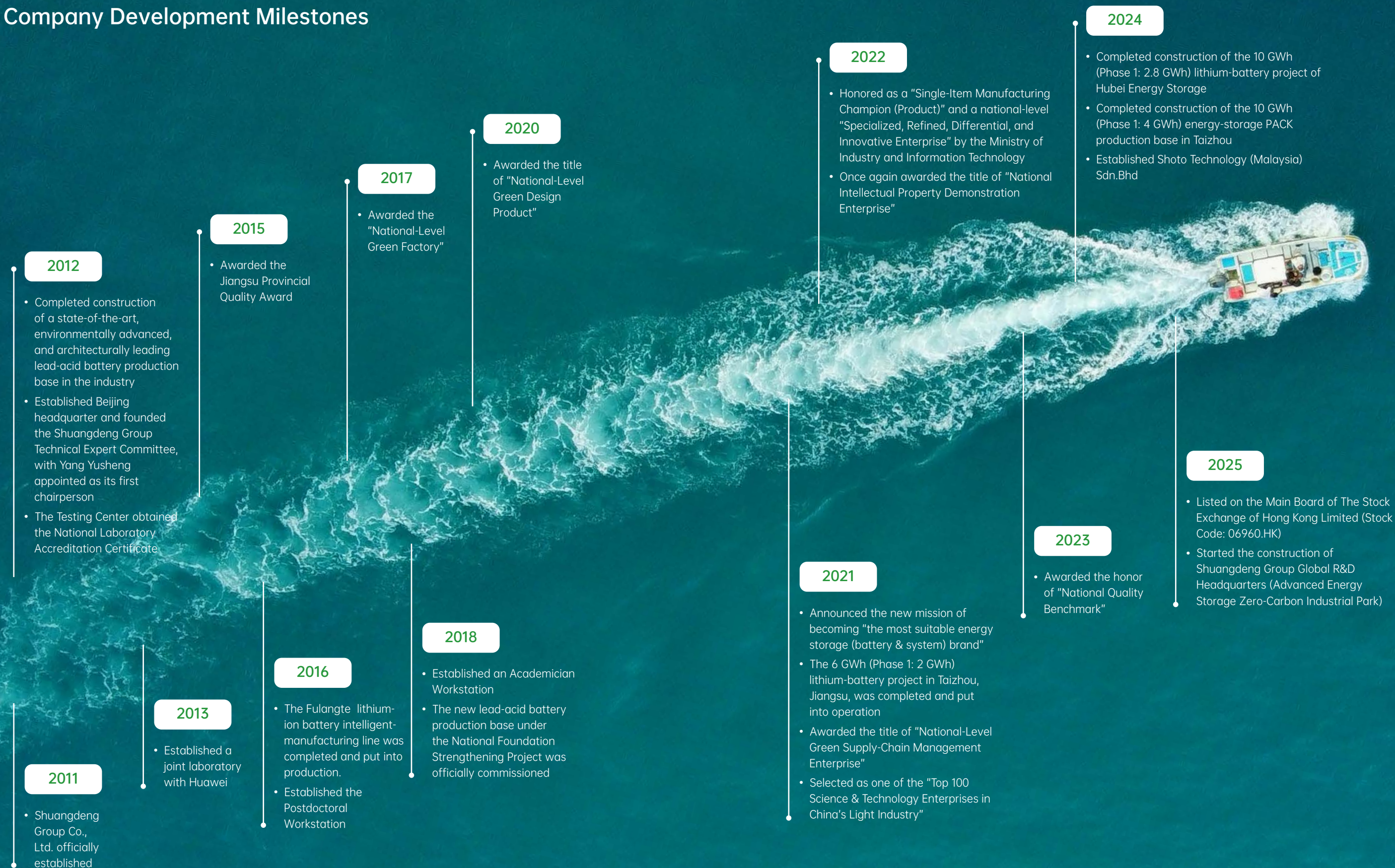
No.1 by global shipment among telecommunication energy storage battery suppliers (for consecutive years)

80% of China's top 10 owner-operated data center enterprises

10+ years average service tenure with the top five customers



⚡ Company Development Milestones



High-Rate Lithium-Ion Battery System



- Safety & Reliability: Triple-layer protection, intelligent monitoring, and full certification from recognized authorities
- Simplified Deployment: High power density and prefabricated logistics cutting TCO by 20 %
- Smart Energy Storage: Enabling innovative source-grid-load-storage applications to monetize idle assets
- Efficient O&M: Full-protocol communication and remote monitoring cutting OPEX by 80 %

Utility-scale energy storage



- Ultimate Safety: Semi-solid cell technology creating a zero-propagation barrier
- Peak Performance: Feed-forward thermal management with intelligent cooling
- Intelligent O&M: Panoramic monitoring and AI diagnostics for full-stack, hassle-free maintenance
- Optimal Returns: High energy-density design delivering lasting cost reductions and efficiency gains

Commercial and industrial (C&I) energy storage



- Ultimate Safety: AI-adaptive temperature management delivering system efficiency up to 90 %
- High Cost-Effectiveness: Standardized, elastic scaling plus algorithmic optimization cutting CAPEX by 15 %
- Smart & Efficient: Regional cluster control and smart dispatching with VPP integration
- Rapid Response: Millisecond-level dispatching improving grid friendliness

Residential energy storage



- Global Certifications: UL, IEC, RoHS and other approvals ensuring seamless global shipments
- Global Compatibility: Deep matching with leading inverter brands worldwide for application in various countries and regions
- Safe Operation: Four-layer protection—cell, module, system, and intelligent monitoring—for household safety
- Convenient Maintenance: On-site Bluetooth plus remote cloud platform for real-time battery status

Telecom Energy Storage



- Dual Chemistry Flexibility: Lithium-ion and lead-acid can be deployed in parallel to meet diverse needs
- Panoramic Adaptability: Covering all types of sites with flexible deployment options
- Long-Term Reliability: Multi-layer design ensuring stable, worry-free power supply
- Smart & Centralized O&M: Intelligent, centralized management lowering operating costs

High-Rate Lead-Acid Battery



- High Power: tailored for high-rate applications in data centers
- Long Service Life: Corrosion-resistant alloys and continuous casting processes extend battery life
- Excellent Uniformity: Continuous plate manufacturing process enhances consistency between plates
- High Reliability: Excellent resistance to high-current impacts

⚡ Six Production Bases

Global Enterprise Footprint

An end-to-end industry chain layout, spanning from battery cells and packs to integrated solutions and smart operations & maintenance energy management.



Taizhou, Jiangsu-Lithium-ion Battery Production Base



Xiangyang, Hubei-Lithium-ion Battery Production Base



Taizhou, Jiangsu-Energy Storage System Integration Base--Domestic



Johor Bahru, Johor, Malaysia-Energy Storage System Integration Base (Overseas)



Taizhou, Jiangsu-Lead-carbon & Lead-acid Production Base



Xiangyang, Hubei-Lead-acid Production Base



2,000+

Employees



6

Production bases



5

Overseas warehousing centers



380+

Patents



60+

Subsidiaries, branches and representative offices across the world



150+

Products exported to more than 150 countries and regions around the world



5,000,000+

Providing green energy support for the stable operation of more than 5 million AIDC, advanced power energy storage stations and telecommunication base stations worldwide

Global Presence

As a forerunner in the internationalization of China's energy storage industry, Shuangdeng Group has built a global business footprint, providing stable and green energy support for more than 5 million telecommunication base stations, data centers and energy storage power stations worldwide. It has established a global marketing and service network integrating sales and services, responding quickly to the needs of international customers through localized services and deeply integrating into the global energy market.

The energy of batteries is **limited**, but Shuangdeng's services are **unlimited**.



Products and solutions are applied in more than **150** countries and regions around the world, serving nearly **2** billion people globally.

Providing green energy support for the stable operation of over **5** million AIDC intelligent computing centres, advanced power energy storage stations, and telecommunication base stations worldwide

⚡ Awards & Honors

Scientific & Technological Innovation & R&D Capability

- First Prize of State Grid Science and Technology Progress Award
- National Intellectual Property Demonstration Enterprise
- National High-Tech Enterprise
- National-level "Little Giant" Enterprise (Specialized, Refined, Differential, and Innovative)
- Jiangsu Provincial Innovative Leading Enterprise
- State-Recognized Enterprise Technology Center

Green Development & Sustainable Development

- National-level Green Factory
- National-level Green Supply Chain Management Enterprise
- National-level Green Design Products
- 2025 "Dual Carbon" Initiative Contribution Award

Industry Influence & Market Position

- Advanced Collective in the National Battery Industry
- Top 10 Energy Storage Battery Enterprises in China
- Best Energy Storage Battery Supplier
- BloombergNEF TIER 1 "Global Energy Storage Supplier"
- Best Energy Storage Power Station Operator in China
- Most Valuable Brand in China's Telecommunications Industry

Comprehensive Strength, Quality & Credit

- National Single-item Champion Enterprise in Manufacturing
- Top 200 Enterprises in China's Light Industry
- Top 500 Enterprises in World's New Energy Industry
- Top 100 Enterprises in China's Electronic Information Industry
- Jiangsu Provincial Manufacturing Leading Enterprise
- National Worker Pioneer Award
- National Quality Benchmark Enterprise
- National Enterprise Abiding by Contracts and Promising Integrity
- Jiangsu Provincial Quality Award

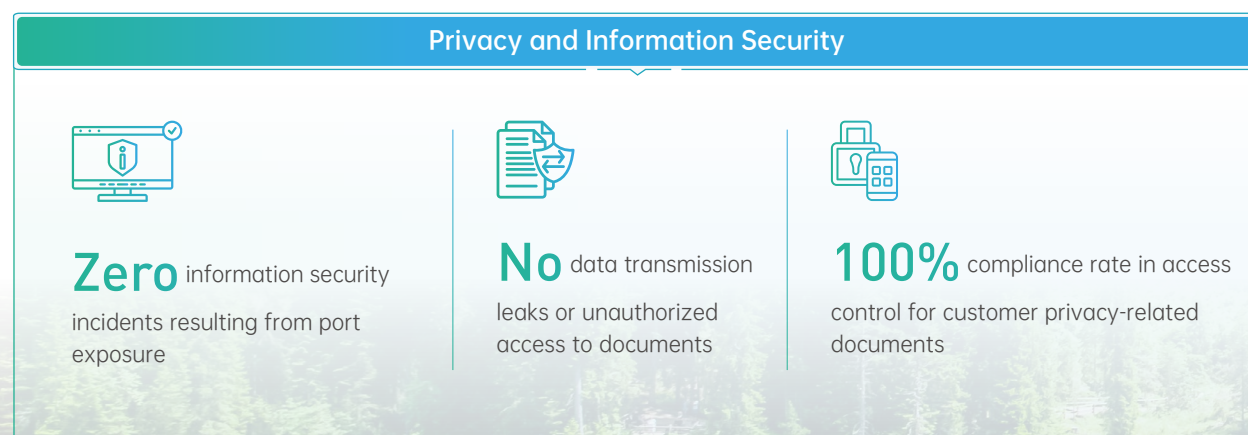
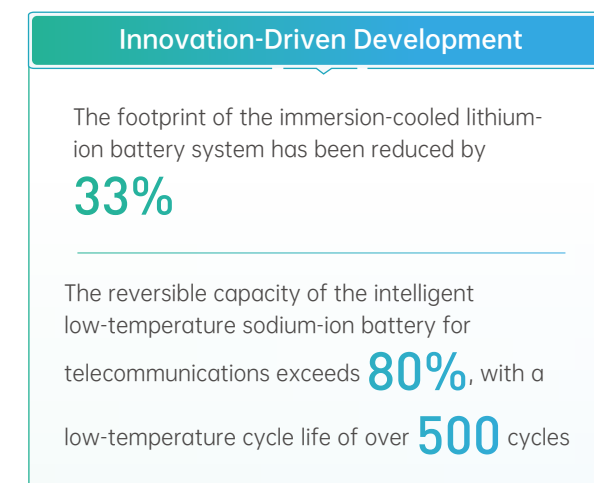
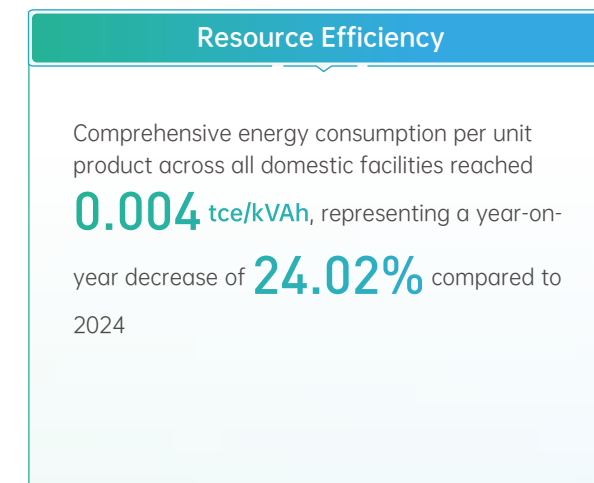
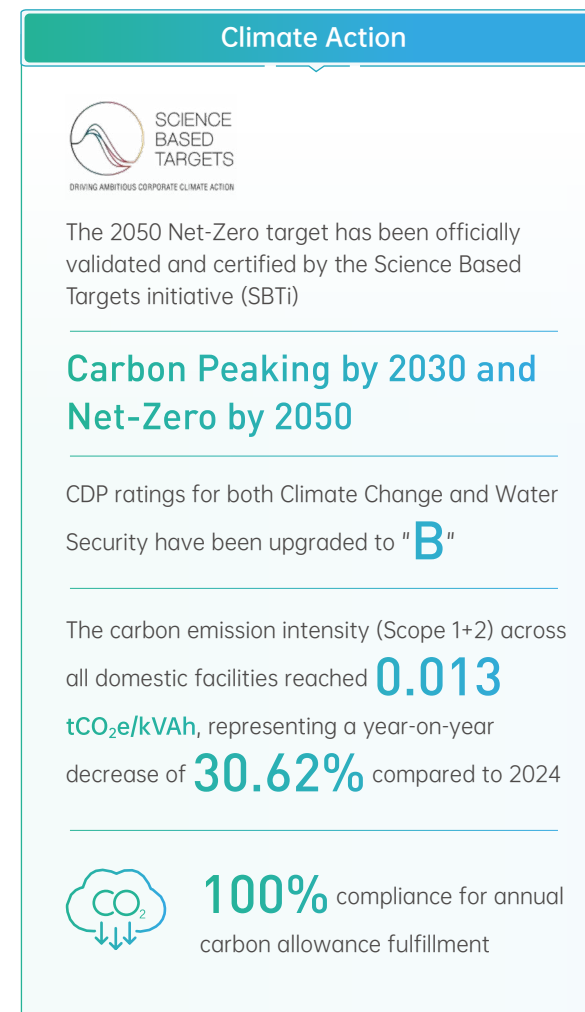
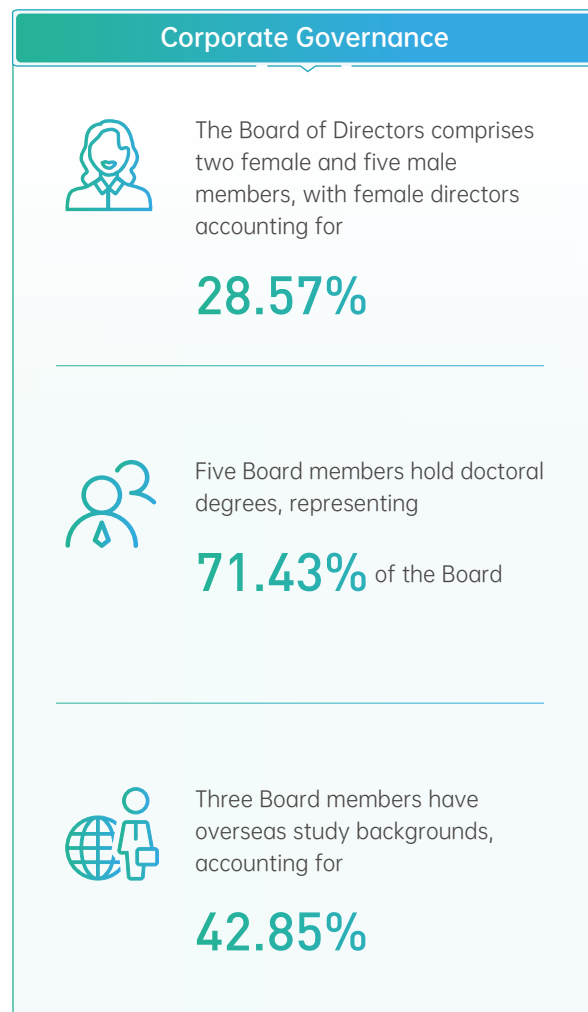
Intelligent Manufacturing & Digital Transformation

- National-level 5G Factory
- Hubei Provincial Unmanned Factory
- Jiangsu Provincial Advanced-level Intelligent Factory Project
- Jiangsu Provincial Industrial Internet Platform
- National Excellent Intelligent Manufacturing Scenario

⚡ Corporate Culture



Annual ESG Performance



Compliance and Governance

Shuangdeng Group continuously optimizes our corporate governance structure, integrating sustainable development concepts into top-level decision-making and responding precisely to external concerns through normalized stakeholder engagement. We are committed to maintaining a transparent, compliant, and efficient governance system, upholding business ethics and anti-corruption principles, and fostering a clean and upright business environment.

ESG Topics Addressed in this Chapter

- Corporate governance
- Risk management and internal control
- Anti-commercial bribery and anti-corruption



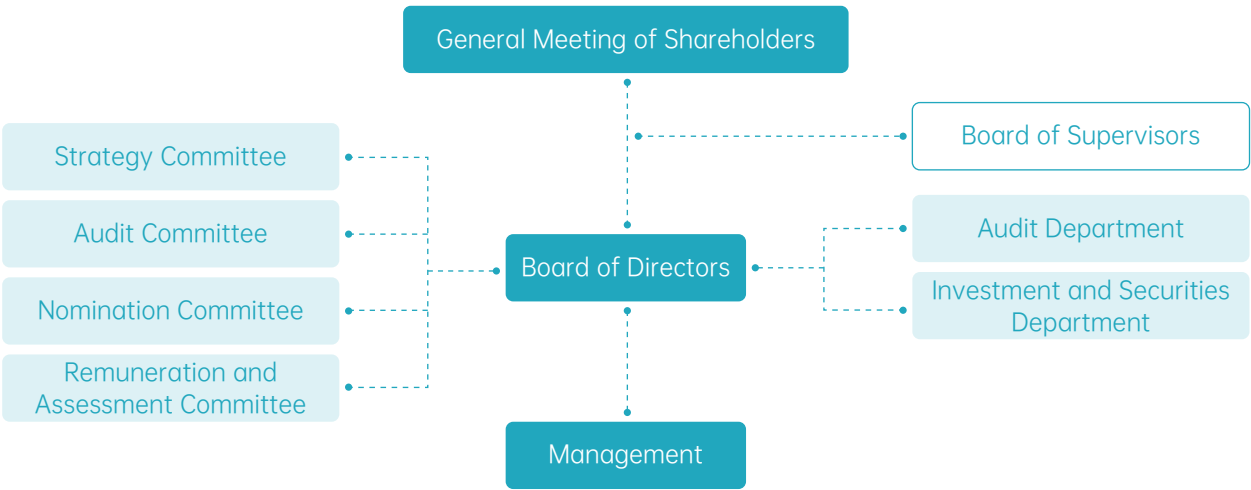
Corporate Governance

Based on full compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Shuangdeng Group continuously develops a clear, efficient and transparent governance system, while integrating diversity, inclusiveness and sustainable values into its governance framework to safeguard the steady and long-term development of the Company.

Corporate Governance

Corporate Governance Structure

The Company has established a governance structure composed of the Board of Directors, Supervisors and senior management, forming a well-defined and effectively balanced governance mechanism that provides solid support for scientific and impartial decision-making. During the Reporting Period, the Board of Directors comprised seven members, including three Executive Directors, one Non-executive Director and three Independent Non-executive Directors. Each term of office for the Board of Directors is three years, ensuring proactivity and stability in the Company's leadership.



Board Diversity

The Company complies with the *Corporate Governance Code* of The Stock Exchange of Hong Kong Limited and fully implements the Board diversity policy. The Nomination Committee regularly reviews and evaluates the effectiveness of the policy, sets clear and measurable phased targets for gender diversity, and actively builds a diversified talent pool of potential directors with balanced gender representation. When reviewing and evaluating director candidates, the Company adheres to the principle of diversity, taking into account gender background, unique perspectives, professional skills and industry experience. During the Reporting Period, the Board comprised two female directors and five male directors, with female directors accounting for 28.57%. Five members of the Board held doctoral degrees, representing 71.43% of the total Board members. In addition, three directors possessed overseas study experience, accounting for 42.85% of the Board.

During the Reporting Period



the Board comprised two female directors and five male directors, with female directors accounting for

28.57%



Five members of the Board held doctoral degrees, representing

71.43% of the total Board members



three directors possessed overseas study experience, accounting for

42.85% of the Board

Board Independence

To ensure independent and impartial decision-making by the Board, the Company has established a Board performance evaluation mechanism, where the Remuneration and Assessment Committee develops assessment criteria for directors, conducts assessments and makes recommendations, reviews the performance of directors (other than independent non-executive directors) and carries out annual performance appraisals. In respect of term management, the Company strictly complies with the regulatory requirements of The Stock Exchange of Hong Kong Limited. To date, no independent non-executive director has served on the Board for more than nine consecutive years.

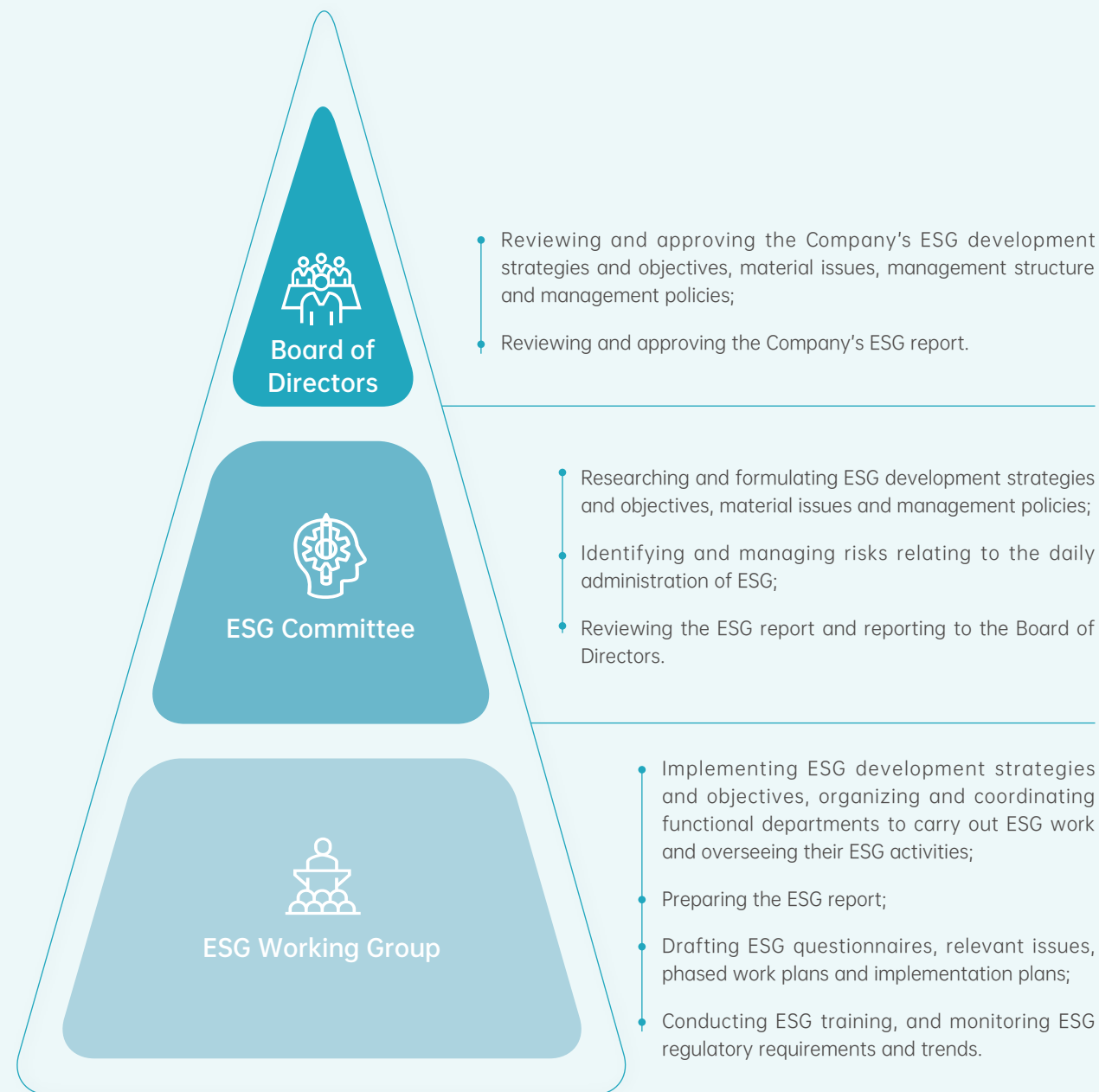
Board Remuneration Policy

The Company adopts a fair and transparent remuneration policy and has established the Remuneration and Assessment Committee, which consists of two independent non-executive directors and the Chairman. The remuneration of the Board of Directors and Supervisors is determined through lawful and compliant procedures and publicly disclosed to the public, subject to supervision by stakeholders. In terms of performance assessment, the Company balances economic benefits, safe operation and sustainable development performance, ensuring that the remuneration and incentive mechanism drives the sound operation of the Company and the active fulfillment of social responsibilities.

Sustainable Development Governance

Sustainable Development Governance

To systematically advance its sustainable development strategy and related initiatives, Shuangdeng Group has established a three-tier sustainable development governance structure: "Board of Directors – ESG Committee – ESG Working Group". As the top decision-making body, the Board of Directors is responsible for the top-level design and overall administration of sustainable development, while the ESG Committee formulating ESG strategic objectives and promoting their implementation. Members of the ESG Committee are diverse in terms of gender, age and professional expertise, providing decision-making support to address complex sustainable development challenges. In addition, the Company has set up an ESG Management Department, which is responsible for formulating carbon neutrality targets and plans, and undertaking the day-to-day implementation of the Company's ESG initiatives.



Stakeholders Management

Stakeholders Engagement

Guided by the philosophy of "Openness, Transparency and Mutual Benefit", Shuangdeng Group conducts regular engagement with various stakeholders to understand their feedback and expectations on the Company's sustainable development, and integrates such views into its sustainable governance strategy. Shuangdeng Group honors its commitments to stakeholders and has established long-term, trust-based cooperative relationships with all parties, achieving synergistic development together with its stakeholders.

Stakeholder	Communication Channels & Frequency	Expectations of the Company	Response Actions
 Governments & Regulators	- Panel discussions (ad hoc) - Supervisory inspections (ad hoc) - Site visits (ad hoc) - Routine work reports & exchanges (ad hoc) - Training participation (ad hoc)	- Lawful and compliant operations - Alignment with national strategies - Economic development contribution - Maintaining market order	- Strict adherence to laws and regulations - Leverage industrial strengths to advance energy transition - Create jobs and pay taxes in accordance with the law - Uphold business ethics and ensure fair competition
 Shareholders / Investors	- Annual General Meeting: 1 per year - Board meetings: ≥ 2 per year - Supervisory Board meetings: ≥ 1 every 6 months - Disclosures on corporate website (periodic reports & ad-hoc announcements)	- Efficient corporate governance - Solid economic performance - Timely information disclosure	- Enhance governance and optimize risk management - Maintain strong profitability - Publish annual reports, announcements and other public information on schedule
 Customers	- Customer visits (ad hoc) - Customer-satisfaction survey (annually) - Daily communication (ad hoc)	High-quality, safe and innovative products	- Drive industry and service innovation - Continuously improve product quality - Strengthen customer relations and gather feedback
 Suppliers / Service Providers	- Partner conference (annually) - Supplier audits & assessments (annually) - Routine communication (ad hoc)	- Sustainable procurement - Stable production - Integrity-based cooperation	- Establish robust supplier evaluation and management systems - Integrate ESG into supplier management - Conduct supplier exchanges and training
 Employees	- Training & education (ad hoc) - Employee networking events (ad hoc) - Internal communication platform (real-time) - Grievance channels (real-time)	- Protection of labor rights and interests - Equal, diverse and inclusive workplace - Competitive compensation & benefits - Clear training plans & career paths - Occupational health & safety	- Respect and safeguard legal labor rights - Foster a diverse and equal working environment - Build a fair, equitable and transparent compensation system - Provide comprehensive, multi-dimensional training resources - Ensure safe operations and prevent occupational hazards
 Communities	- Community volunteering (ad hoc) - Charitable donations (ad hoc) - Outreach visits (ad hoc)	- Positive local development - Philanthropic initiatives	- Practice green manufacturing - Carry out public-welfare and charitable programs
 Universities / Research Institutes	- Joint research projects (ad hoc) - Academic exchanges & seminars (ad hoc)	- Collaborative R&D and innovation - Active industry engagement	- Promote industry-university-research collaboration - Empower industry development

Strategies and Procedures

In its engagement practices, the Company adopts a strategy combining regular meetings, targeted surveys and business collaboration. It has established a dynamic response mechanism to address the diverse needs of stakeholders, ensuring targeted and effective communication channels, while integrating the expectations of all parties into its operational decision-making system.

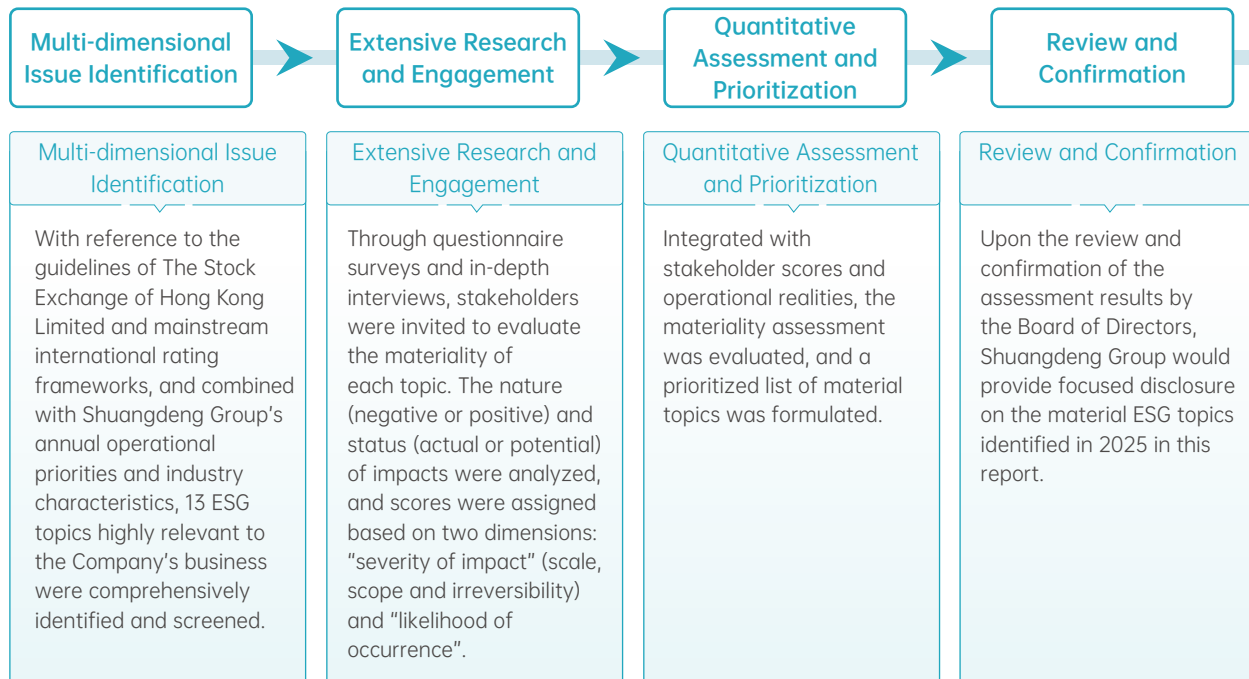
Stakeholder Communication Channels

Shuangdeng Group fully identifies the focuses of different stakeholders across various dimensions, including economic benefits, compliance governance, product quality and public welfare. The Company flexibly adjusts its communication methods by integrating diversified channels such as on-site visits, thematic training and questionnaire surveys, so as to deeply understand the underlying logic and core expectations of stakeholders. In this way, the Company achieves a deep integration of external expectations into operational decision-making, ensuring that its sustainable development strategy is consistent with the long-term aspirations of its stakeholders.

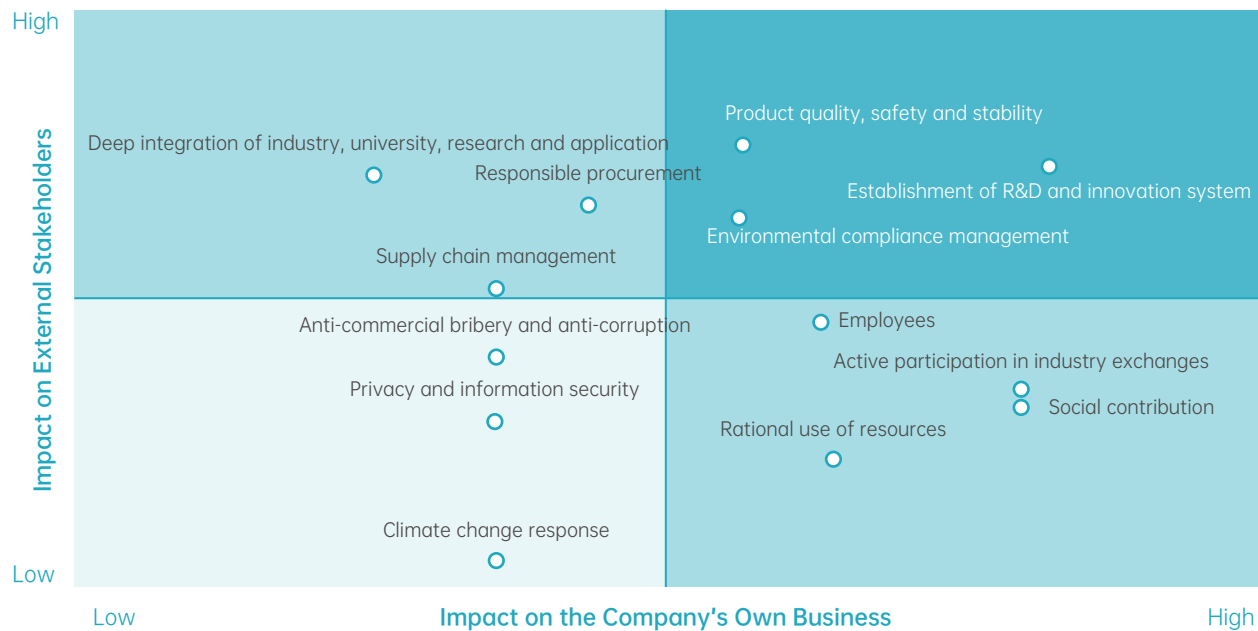
Materiality Assessment

Identification of material topics serves as the cornerstone of the Company's ESG governance, aiming to assist the Company in optimizing ESG resource allocation and setting priorities for its sustainable development strategy. In 2025, referring to relevant guidelines of The Stock Exchange of Hong Kong Limited, Shuangdeng Group conducted a materiality assessment on ESG-related topics and, based on industry characteristics and operational realities, fully identified the actual and potential economic, social and environmental impacts of its performance across 13 topics.

Procedure of Materiality Assessment



In 2025, the Company identified 3 environmental topics, 8 social topics, and 2 governance topics. Fifty stakeholders participated in the materiality assessment, covering suppliers, customers, employees, government and regulatory authorities, media, shareholders and investors, management and members of the Board of Directors. 3 topics were determined to be material to the Company.



Note: The employee topic covers multiple sub-topics including occupational health and safety, employee development, employee rights and interests, and employee support.

Risk Management and Internal Control

Shuangdeng Group has established a risk prevention and control system covering the entire business chain, with risk governance deeply embedded in basic management and operational processes. This system not only serves as a core safeguard to withstand external shocks and enhance operational resilience, but also acts as an effective mechanism to identify and defuse crises, providing stable support for the Company's daily operations and long-term value creation.

Risk Management Structure

The Audit Department of the Company is responsible for consolidating risk information reported by various business departments and establishing a risk information database, which forms the basis for the Company's risk management activities. The Audit Department also conducts routine inspections on the implementation of risk management policies and procedures, and promptly reports the inspection results to the Audit Committee, which, comprising one Non-executive Director and two Independent Non-executive Directors and responsible for overseeing the adequacy and effectiveness of the risk management system, provides forward-looking and continuous guidance based on such results. To respond to the increasingly complex international environment and regulatory requirements, the Company has engaged a professional team of legal experts, who are specifically responsible for monitoring potential sanction risks and reviewing sanction screening procedures, so as to ensure the rigor and robustness of the Company's compliance management mechanism.

Risk Management Procedures

In line with advanced industry practices, Shuangdeng Group integrates external experience with internal mechanisms and has established a full life cycle risk management model featuring "identification, preparedness and coordination". The Company conducts risk anticipation from multiple dimensions, including the international environment, customer demands and technological evolution. To better address risks, the Company formulates detailed resource assurance plans for differentiated scenarios and breaks down action objectives into various functional modules. Such a risk management procedure featuring "clear responsibilities, efficient collaboration and rapid closed-loop management" has significantly enhanced the Company's capability to resolve crises, safeguarding operational resilience.

Anti-Corruption and Business Ethics

Shuangdeng Group maintains a "zero-tolerance" stance toward any form of corruption through comprehensive anti-corruption training and diverse warning education programs. By deeply integrating ideological guidance with institutional constraints, we cultivate a clean and honest workplace environment and comprehensively enhance compliance and self-discipline across the organization.

⚡ Business Ethics Governance

Business Ethics Management System

Shuangdeng Group consistently adheres to the principle of "Establishing the Enterprise with Integrity, and Prospering the Business with Cleanliness", having established a business ethics management system covering all business processes. At the corporate level, the Company strictly complies with laws and regulations including the *Criminal Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, routinely implements the Internal Audit Management System, and regularly conducts in-depth business ethics risk assessments across all business lines to minimize corruption risks, thereby solidifying the compliance foundation for sustainable corporate development. Meanwhile, the Company is committed to building an international-standard compliance management system and has obtained ISO 37001 Anti-Bribery Management System certification, with 100% coverage at the Taizhou facility. During the reporting period, the Company carried out in-depth internal assessments and audits targeting specific business ethics risk points, ensuring 100% review coverage across all domestic operating sites. In the talent onboarding process, all new employees are explicitly required to sign integrity self-discipline, anti-bribery, anti-corruption, and anti-fraud commitment letters, locking in the compliance baseline from the source.

During the reporting period



the Company carried out in-depth internal assessments and audits targeting specific business ethics risk points, ensuring

100% review coverage
across all domestic operating sites

Supply Chain Anti-Corruption

To further strengthen value chain compliance, the Company implements an open and transparent bidding mechanism for major raw material suppliers and fixed asset procurement in accordance with the Bidding Management System. Meanwhile, to ensure fairness and impartiality in procurement activities and eliminate commercial bribery and unfair competition, the Company has embedded a special Integrity Commitment Agreement into bidding contracts, achieving 100% coverage of supply chain compliance management. At the annual partner conference, the Company conducts dedicated sessions explaining business ethics requirements and announcing reporting channels. Through education and communication, we work with suppliers to jointly build a fair, equitable, and transparent "Sunshine Supply Chain".

Anti-Money Laundering Governance and Risk Prevention

In the field of anti-money laundering, Shuangdeng Group strictly enforces its internal Anti-Money Laundering Management System and has established a money laundering risk management framework with clear responsibilities and authorities. By identifying, assessing, and monitoring potential risks, the Company deeply embeds anti-money laundering compliance requirements into customer admission and fund control processes, ensuring the legality and security of the Company's financial transactions.

Anti-Money Laundering (AML) Risk Management Governance Structure

Board of Directors (Decision-Making Body)

- Responsible for the top-level design and final review of AML management. Establishes management culture objectives, approves fundamental policies and risk strategies, and bears ultimate responsibility for the soundness of the company's AML efforts across the organization.

Senior Management (Executive Level)

- Responsible for the implementation and organizational coordination of AML work. Tasked with establishing the organizational structure, formulating execution mechanisms, and regularly reporting material risk incidents to the Board of Directors, and ensuring the effective implementation of management policies.

Internal Audit Department (Lead Department)

- Responsible for the daily monitoring and compliance inspection of AML. Identifies and assesses systemic risks, implements transaction monitoring and suspicious activity reporting, and guides various business lines in conducting awareness training and performance assessments.

Legal Manager (Specialized Function)

- Responsible for the dynamic management of AML watchlists. Specifically tasked with formulating and regularly updating high-risk lists of suspected money laundering entities, and providing compliance risk guidance.

Business Departments (First Line of Defense)

- Responsible for embedding AML requirements at the frontline and direct management. Strictly implements customer due diligence and record-keeping in dealer admission, payment management, and business operations; controlling money laundering risks from the source.

⚡ Business Ethics Training

Shuangdeng Group has consolidated the ethical foundation for sustainable development by establishing a systematic business ethics management system and a police-enterprise collaboration mechanism. To strengthen employees' anti-money laundering awareness, the Company conducted anti-money laundering empowerment training based on improvements to its internal Anti-Money Laundering Management System, and implemented a "training-examination linkage" mechanism to ensure dual enhancement of employees' knowledge mastery and risk prevention awareness. During the reporting period, no money laundering-related violations occurred. The coverage rate of business ethics training for non-piece-rate employees reached 95% this year.

During the reporting period



no money laundering-related violations occurred



The coverage rate of business ethics training for non-piece-rate employees reached

95% this year

Case | Police-Enterprise Collaboration Builds a Solid Defense for Integrity and Compliance in Business Operations

To promote employees' integrity in fulfilling their duties and upholding their original aspirations, in November 2025, Shuangdeng Group jointly organized with the local public security system a warning education and training program themed "Police-Enterprise Collaboration Builds Defenses, Integrity Risk Control Safeguards Original Aspirations". During the event, public security system leaders conducted in-depth analyses of high-risk areas such as fund management, commercial bribery, and breach of fiduciary duties, and delivered warning education through typical case studies. Taking into account Shuangdeng Group's operational characteristics, they emphasized building prevention and control solutions from three dimensions: "ideological awareness, institutional norms, and process supervision", and recommended further improving the normalized police-enterprise collaboration mechanism to consolidate the joint force for compliance governance. All employees were explicitly required to: firmly establish ideological defenses against corruption, strictly adhere to the red lines of rules and regulations, deeply embed the concept of compliance management throughout the entire process of duty fulfillment, and jointly build a corporate culture of integrity and uprightness.



⚡ Whistleblowing Handling Mechanism

Shuangdeng Group is committed to building an honest and transparent business environment. The Company has established the Anti-Corruption, Anti-Bribery and Whistleblowing Management Policy, aiming to crack down on bribery, corruption, and fraud across the organization. During the reporting period, the Board of Directors conducted two inspections of the whistleblowing mailbox and related channels, and no reports involving bribery or corruption were received.

Business Ethics Whistleblowing and Protection Mechanism



Safety First

In response to the energy storage industry's heightened demands for product safety, system stability, and operational reliability, we continuously refine our safety and quality management systems covering the entire product lifecycle, and build systematic, standardized, and digitalized management mechanisms to solidify our safety foundation, providing society with safe, reliable, and sustainable energy storage solutions.

Shuangdeng Group has established a rigorous and standardized human resources management system and continuously optimized and ensured comprehensive protection of employees' legitimate rights in recruitment, benefits, and career development, striving to enhance team cohesion and satisfaction to achieve mutual value creation for both the Company and its employees.

ESG Topics Addressed in this Chapter

- Work Safety
- Product Quality Safety and Stability
- Privacy and Information Security
- Employees

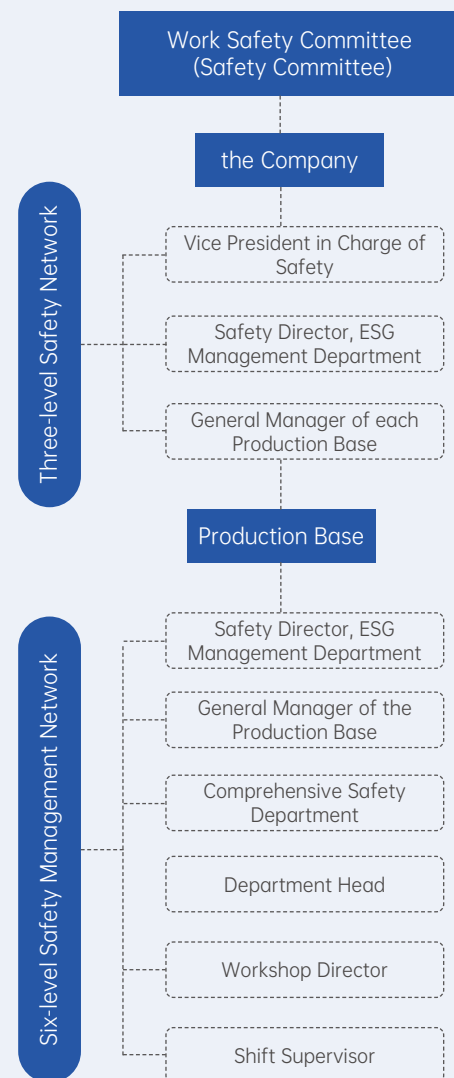


Work Safety

Shuangdeng Group, regarding safety as the lifeline of enterprise development, has taken the "zero-accident" safety management objective as the guidance and continuously improved its systematic, standardized, and normalized safety management system. The Company has obtained ISO 45001 Occupational Health and Safety Management System certification with 100% coverage. Relying on company-wide supervisory bodies, scientifically sound policies and systems, tiered implementation of safety responsibility systems, timely and effective emergency response mechanisms, and normalized hidden danger investigation mechanisms, the Company ensures that all employees enjoy a safe and reliable production environment.



ISO 45001 Occupational Health and Safety Management System Certification



Safety Governance Structure

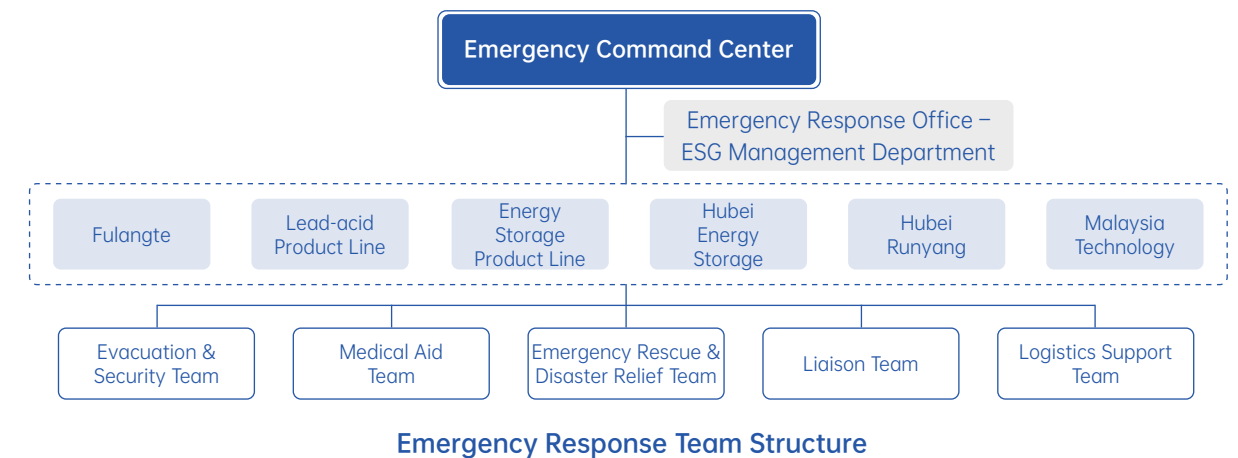
Shuangdeng Group has established a "Three-Level Safety Management Network". The Work Safety Committee (hereinafter referred to as the "Safety Committee") serves as the Company's leading group for safety in production, with the Vice President serving as Committee Chair and senior management and department heads as members. The Safety Committee is responsible for reviewing and issuing work safety policies, supervising the Company's safety in production, and making decisions on major safety-related issues. The ESG Management Department acts as the core department for daily safety management, fulfilling daily coordination and supervision responsibilities. General Managers of each production base are responsible for work safety at the base level and have established a "Six-Level Safety Management Network" at each production base.

Safety Management Mechanism

The Company strictly complies with the applicable laws and regulations on work safety in the places where it operates. It has formulated a series of internal documents, including the Safety Management System, Hazard Identification and Risk Assessment Control Procedure, Emergency Preparedness and Response Control Procedure, and Accident and Incident Investigation and Handling Management Procedure, which serve as the basic guidelines for the Company's safety management. During the reporting period, the Company strengthened the management requirements concerning safety inspections, hazard rectification, hazardous operations, and contractor safety. It also set the targets of zero major accidents and a 20% year-on-year reduction in general safety accidents compared with 2024.

Emergency Response

In accordance with the Emergency Preparedness and Response Control Procedure, the Company regularly revises its work safety emergency plans to ensure the compliance with the latest laws and regulations and consistency with the Company's actual production and operation. To comprehensively enhance its capability to respond to sudden safety incidents, the Company has established a four-level emergency response team, equipped with emergency facilities and supplies such as fire engines and fire-fighting suits. It has standardized the emergency response process and carried out regular safety emergency drills, so as to consolidate the Company's ability to respond to unexpected accidents in an all-round and multi-dimensional manner.



During the reporting period, the Company organized a total of 31 emergency drills of various types, covering fire evacuation, fire emergency response, chemical spill emergency, electric shock emergency, and confined space operation drills. The Company achieved 100% employee participation in production safety emergency drills, which effectively improved employees' emergency response capabilities and provided a solid guarantee for accident prevention and risk control.

⚡ Hidden Danger Investigation

The Company has established a "dual prevention mechanism" for work safety, effectively combining risk management and hazard control. Based on risk identification and assessment, and through hidden danger investigation and remediation as means, the Company aims to keep every category of risk within acceptable limits, address every hidden danger at its inception, and eliminate every accident in its embryonic stage.

The Company conducts regular risk identification, strengthens daily inspections and management, and has established a three-tier risk investigation and remediation mechanism comprising "ESG Management Department – Production Base – Workshop/Team", with clear provisions in the Safety Management System regarding the frequency and content of hidden danger investigations and the responsibilities of each tier.



Conducting shift-by-shift inspections by teams, daily inspections by workshops, and weekly inspections by departments to ensure zero hidden dangers at production sites.



Utilizing the Feishu intelligent hidden danger investigation system for online entry, automatic notifications push, online alerts, and verification to improve the timeliness and quality of rectification.



The ESG Management Department conducts verification, supervision, and rectification validation of safety inspections at all member companies.

During the reporting period



Shuangdeng Group carried out normalized hidden danger investigations, achieving a

100% hidden danger rectification rate

⚡ Occupational Health and Safety of Employees

The Company strictly complies with regulatory requirements such as the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and the *Regulations on the Supervision and Administration of Occupational Health in the Workplace*, systematically implements internal system documents including the Occupational Health and Safety Performance Monitoring and Measurement Control Procedure and the Employee Occupational Health Management Procedure, and has established a comprehensive occupational health protection system.

The Company comprehensively identifies occupational disease hazards in the workplace. Each production base is equipped with occupational disease protection facilities, and necessary personal protective equipment is provided to employees. The Company engages professional institutions annually to conduct monitoring of occupational disease hazards in the workplace, and promptly discloses monitoring results through announcements posted in workshops to ensure that all monitoring results of occupational disease hazards remain below standard limits.

The Company strictly implements the occupational health examination mechanism, and provides pre-employment, in-service, and post-employment physical examinations for employees in positions exposed to occupational disease hazards in compliance with the legally required frequencies. It maintains occupational health surveillance files and communicates examination results to employees, thereby effectively protecting their right to information and safeguarding their physical health. Through training sessions, the Company informs employees of occupational disease hazards present in the workplace, strengthens their awareness of occupational health protection, and ensures the full implementation of occupational health protection measures.

During the reporting period



No

instances of workplace occupational hazards levels exceeding regulatory limits



100%

of employees exposed to occupational hazards received occupational health check-ups



0

cases of confirmed or suspected occupational diseases



No

major work safety accidents, and zero cases of work-related serious injuries or fatalities

⚡ Contractor Safety

The Company continuously strengthens safety management for outsourced operations, further standardizing management requirements for external personnel conducting hazardous operations such as hot work within the Company premises, and unifying the approval and control of hazardous operations. The Company clarifies critical procedures for contractors before entering the plant for operations, including hazard analysis, safety briefings, qualification and health condition verification of special operation personnel, provision of personal protective equipment, and on-site supervision. This promotes standardized management of contractor operations in alignment with internal operations, reduces safety risks associated with outsourced work, and demonstrates Shuangdeng Group's equal commitment to the health and safety of its partners.

⚡ Safety Capacity Building

To ensure that all employees thoroughly understand and implement work safety-related procedural documents and enhance overall safety awareness, each production base organizes comprehensive safety training once a month. For new employees, the Company implements a three-tier safety training system covering the "company level, workshop level, and team level", ensuring that new employees fully understand the Company's safety culture, plant safety risks, and master safety operating procedures and emergency response measures through a layered, progressive, and systematic approach before officially assuming their positions. The Company annually signs safety target responsibility agreements from the General Manager down to frontline employees, clarifying safety responsibilities at each level.

During the reporting period



the signing rate of employee safety target responsibility agreements was

100%

Case | Training to Strengthen Foundations and Guard the Red Line

The Company conducted a "Lockout/Tagout" themed training session, providing in-depth analysis of the root causes of safety accidents, transforming abstract concepts into vivid warning education, weakening the fluke mind and habitual reliance on experience among operational personnel, and firmly establishing the safety red line.



Training on critical risks



Training on operations in confined spaces



Training on fire emergency response



Training on production safety operation



During the reporting period



the Company conducted a total of **78** safety and environmental protection training sessions



including **18** special safety training sessions



The employee participation in safety training reached

100%



the coverage rate of three-level education and training for new employees was

100%

Product Quality Safety and Stability

Upholding product quality, safety, and stability is our solemn commitment to customers and the cornerstone upon which Shuangdeng Group establishes itself in the energy storage industry. We deeply understand that excellence in quality encompasses not only performance parameters and technical specifications, but also meticulous management throughout the entire product lifecycle from design and manufacturing to delivery, ultimately manifesting in high safety standards and long-term trust during customer product usage. To this end, we have established a "Quality Management Mechanism" to safeguard the provision of reliable, durable, safe, and environmentally friendly products and solutions, contributing to the steady advancement of the global energy storage industry.

⚡ Product Quality Management System

The Company has established a Quality Management Mechanism comprising "system, institutional, organizational, management, and process" assurances, implementing refined management to lay a systematic foundation for quality stability and continuous improvement throughout the product lifecycle. This ensures strict quality control measures at every stage from product design and production to delivery.

System Assurance

Shuangdeng Group regards the establishment of a comprehensive quality management system as the cornerstone of product quality control, ensuring that every cell and every system can withstand the test of time and environment. Certified to ISO 9001 Quality Management System, along with product certifications for liquid-cooled lithium-ion battery racks and liquid-cooled containerized energy storage systems, the Company leverages advanced management frameworks as references to build a quality management system that covers the entire chain from incoming material control, R&D design, in-process inspection, and finished product testing, comprehensively driving continuous improvement in product safety, stability, and reliability.

The Company has additionally obtained multiple authoritative certifications related to energy storage battery quality and performance. These certifications not only objectively demonstrate the effectiveness of the Company's quality management system operation, but also further validate the excellent performance of the Company's products in safety and quality, providing a solid foundation of trust for expanding customer and partnership relationships.



ISO 9001 Quality Management System Certification



IATF 16949 Certification



UL 9540A Certification for Immersion Cooling Lithium-ion Battery



IEC 62619 Certification for Immersion Cooling Lithium-ion Battery



UL 1973 Certification for the SHVP256120A01 Series



UN 38.3 Testing for Liquid-cooled Containerized Energy Storage Systems

Institutional Assurance

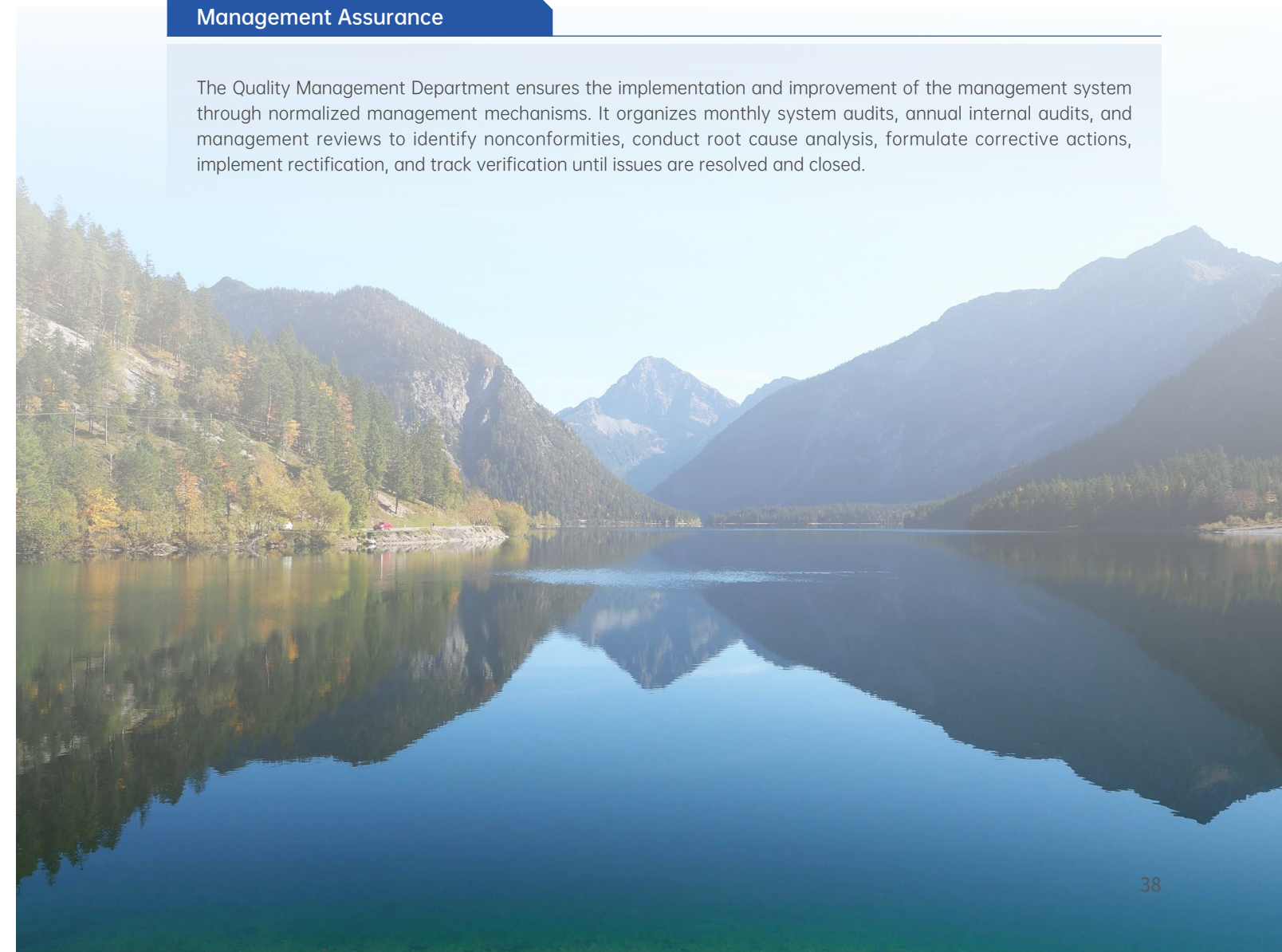
The Company has formulated more than ten internal policy documents covering quality management from raw material procurement to after-sales service, including the Quality Management System, Continuous Improvement Control Procedure, Supplier Management Procedure, Product Monitoring and Measurement Control Procedure, and Nonconformity Control Procedure. These documents provide clear guidelines and implementation standards for the effective execution of the quality management system, ensuring that all quality initiatives proceed in an orderly manner under a unified framework.

Organizational Assurance

To effectively supervise and implement quality assurance measures, Shuangdeng Group has established a Quality Management Department at the group level, led by a Vice President. This department is comprehensively responsible for supplier quality management, quality control throughout the entire production process, product inspection, and traceability and handling of major quality issues, laying an organizational foundation for the implementation of the quality management system and continuous improvement of product safety and stability.

Management Assurance

The Quality Management Department ensures the implementation and improvement of the management system through normalized management mechanisms. It organizes monthly system audits, annual internal audits, and management reviews to identify nonconformities, conduct root cause analysis, formulate corrective actions, implement rectification, and track verification until issues are resolved and closed.



Process Assurance

Strict Control of Raw Material Quality to Consolidate Quality Foundation

The Company operates a national-level CNAS-accredited testing laboratory, capable of conducting testing on raw and auxiliary materials, electrical performance, safety performance and reliability of batteries, providing authoritative, rigorous and comprehensive technical assurance to safeguard product quality and safety. The Company has established a differentiated full lifecycle quality control system for raw materials ranging from Category A to Category D. Annual audits are conducted for Category A material suppliers, and through mechanisms such as cross-departmental joint reviews, unannounced spot checks, and closed-loop rectification tracking, the Company ensures that raw material qualification rates consistently remain above 98%.



Strict Control of R&D Design Quality to Build a Safety Core

The Company attaches great importance to risk control during the design process, relying on multiple measures to systematically prevent end-product quality and safety risks. Meanwhile, the Company strictly implements verification of R&D product testing results, providing reliable data support for subsequent production and application.

Strict Control of Production Process Quality to Ensure Stable Output

The Company comprehensively implements automated inspection throughout the production process, constructing multi-level quality defense lines at critical processes and deploying monitoring and interception mechanisms. This ensures that defective products are promptly identified and removed on the production line, achieving precise control of nonconforming products during the manufacturing process.

To further supervise and verify the effectiveness of the quality management system, the Company has established a series of quality management-related target indicators, including supplier quality control, sample inspection pass rate, and the number of nonconformities occurring in external system audits. Monthly assessments are conducted on the achievement of relevant responsible departments to fully promote the efficient operation of the quality management system.

Quality Management Objectives and Indicators

Indicator	Target Value	Monitoring Frequency
Supplier Quality Control	First-time inspection pass rate for incoming materials $\geq 98\%$	Monthly
Sample Inspection Pass Rate	100.00%	Monthly
Number of Nonconformities Occurring in External System Audits	0	Monthly

Customer Health and Safety

The Company attaches great importance to customer health and safety during product usage and strictly controls the use of hazardous substances. The Company fully complies with international regulations such as the *EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment* ("RoHS"), systematically reducing restricted substances including lead, mercury, cadmium, and benzene throughout the entire R&D and production process to provide customers with safe, reliable, and sustainable products.

Case | Powering AI Computing: Battery Solutions Addressing the Efficiency-Safety Paradox in Data Centers

In collaboration with Fudan University, the Company has developed and launched the "Intrinsically Safe High-Rate Battery for Intelligent Computing Centers". Featuring aqueous zinc-based technology at its core, this battery offers advantages including intrinsic safety, high-rate capability, and high specific energy, well-suited to meet the safety requirements of 24/7 uninterrupted operation in intelligent computing centers. Furthermore, this battery system can effectively assist in managing computing load fluctuations, resolving the traditional trade-off between battery safety and efficiency, making it highly compatible with data center scenarios.

The Company has established documents such as the Service Control Procedure and Customer Satisfaction Measurement Procedure, laying an institutional foundation for relevant departments to promptly respond to customer complaints and provide standardized after-sales service. Customers can submit complaints and feedback through multiple channels including a 24-hour customer service hotline, technical service email, on-site service points, and third-party e-commerce platforms and the Company will formulate rectification plans within 24 hours. Shuangdeng Group conducts customer satisfaction surveys twice annually, covering four dimensions: quality, service, price, and delivery, and actively adopts customer opinions and suggestions to continuously improve product quality, safety, and stability.

Additionally, the Company attaches great importance to customer training and empowerment, combining hands-on practical operation with theoretical instruction to help customers quickly master equipment usage skills.

During the reporting period



the customer complaint closure rate was

100%



2025 Annual Customer Satisfaction Survey Result

94.70%

Case | Extending Service Boundaries: Technical Empowerment and Training from Source Manufacturing to Terminal Operations

To further deepen cooperation and empower Jiangsu Tower Company, the Company invited Tower employees to visit the lead-acid battery manufacturing production line on-site. Both parties conducted in-depth technical training and exchanges, assisting the Tower team in enhancing their professional capabilities related to product application and operations and maintenance.



Case | Deepening Localized Services: Bilingual Hands-on Training Tailored to Actual Needs of Kenyan Base Stations

The Company provided specialized training in Kenya for the technical operations and maintenance teams of local telecommunications operators, focusing on the operation and maintenance essentials of lithium battery systems in telecommunications base station scenarios. Using bilingual instruction closely aligned with the actual deployment environment and operational needs in Africa, this training received positive feedback from the customer.



Product Recall

Regarding full lifecycle management, the Company has formulated the Product Recall Management Regulations, clearly defining the recall mechanism and procedures for defective products to ensure information transparency and standardized handling. The Company objectively and impartially predicts recall effectiveness to prevent defective products from causing harm to customer health and safety. During the reporting period, no product recall incidents occurred.

Privacy and Information Security

As a key participant in the energy storage sector, we regard safeguarding personal privacy, customer data security, and commercial confidentiality as integral components of corporate operations. Shuangdeng Group has established a comprehensive protection system spanning policies, organization, performance assessment, audit, and cultural development to ensure that information security permeates the entire process of internal operations and customer service, providing a solid foundation for building a trustworthy digital energy ecosystem.

Information Security Management

To fortify the foundation of information management, build a stable, robust, and sustainable information management platform, and fully protect personal privacy and corporate data security, Shuangdeng Group has formulated policies including the Information Management System, Data Security Management System, Data Classification and Grading Management Measures, Data Security and Education Training System, Personal Information Protection Impact Assessment System, and Personal Information Protection Compliance Audit System, safeguarding the lawful and compliant collection, processing, and storage of data.

During the reporting period, the Company formally established the Data Security Management Committee, with the divisional head of the Intelligentization Department serving as the Committee Chair. Committee members include all personnel from the Intelligentization Department, all personnel from the Human Resources Department, and the Head of Legal Affairs from the President's Office. The Committee serves as the central command system for the Company's data security work, responsible for comprehensively coordinating, supervising, and managing information security and privacy protection across the Group and its member companies, ensuring that every data operation is conducted within a controlled and compliant framework, and fulfilling the custodial responsibilities for customer and corporate information security. The Intelligentization Department has established a Security Supervision Team, which operates under the guidance of the Data Security Management Committee to effectively implement a series of privacy and information security protection measures.

With the goals of "zero information security incidents" and "network equipment failure downtime less than 2 hours per month", the Company has established a multi-tiered information security supervision and assessment mechanism.

Decision-Level Supervision

The Data Security Management Committee convenes quarterly special meetings to review the implementation of data security and privacy protection measures, with particular focus on the effectiveness of control measures related to customer privacy.

During the reporting period



數據安全管理委員會累計召開專項會議

4 次

Execution-Level Supervision

The Data Security Supervision Team conducts real-time verification through log analysis of anomalous behaviors. Additionally, the Data Security Supervision Team organizes monthly data security compliance inspections, with spot checks focusing on the implementation of systems related to customer privacy protection, such as approval processes for sensitive document access permissions.

During the reporting period



the Data Security Supervision Team initiated a total of

28 data security verifications

Third-Party Supervision

The Company irregularly engages external professional firms to conduct specialized data security assessments. In September 2025, a third-party conducted effectiveness testing and assessment of bastion host deployment and Feishu encrypted transmission, identifying no high-risk vulnerabilities and rating the data security assessment result as "Excellent".

Driving execution through assessment, the Company incorporates indicators related to customer privacy protection compliance into annual performance assessments for both departments and employees, ensuring the rigid implementation of data security management mechanisms. In 2025, no departments or employees violated data security and privacy protection requirements.



Personal Information Security Audit

To thoroughly implement laws and regulations such as the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*, the Company has established a personal information security audit mechanism. Personal information protection compliance audits are conducted at least once every two years, led by internal Company institutions and delegated to external professional firms to systematically assess and review the compliance of personal information processing activities within the Company. If any issues or potential risks are identified during the audit process, the Data Security Management Committee serves as the responsible department for rectification, collaborating with the audit institution to formulate targeted improvement plans and drive closed-loop rectification implementation, ensuring that personal information protection work continuously meets regulatory requirements and Company commitments.

Data Security Protection

In the context of deepening digital operations, the Company is committed not only to strengthening technical barriers, but also to building a data security protection system integrated into the business bloodstream, ensuring reliable protection of customer privacy and corporate information at every circulation link, and forging a solid and trustworthy shield in the digital world.

Case | Optimizing Network Access Boundaries to Reduce Illegal Exposure Risks

During the reporting period, the Company effectively reduced its network attack surface by closing nearly 90% of non-essential externally exposed ports, significantly lowering the risk of external illegal access to customer data and corporate information storage systems. Internal business access behaviors—including employee remote work, third-party service provider maintenance, and cross-departmental system calls—are all subject to unified identity authentication. Any access automatically generates complete operation logs, forming a full-process control of "pre-authentication, in-process monitoring, and post-traceability", establishing a defensive boundary for privacy and information security.

Since the launch of the bastion host system



a total of
327 illegal access attempts including external IP scanning and brute force attacks have been intercepted

During the reporting period



the Company experienced
no information security incidents caused by port exposure

Case | Iterative Upgrade of Office Platforms for Encrypted Data Circulation and Storage

During the reporting period, the Company established a strict hierarchical data access permission system, with core data and customer-sensitive documents set to "visible only to designated personnel" by default. Any permission adjustments require approval from department heads, institutionally ensuring data security during circulation and storage.

During platform operation



the Company experienced
no data transmission leaks or unauthorized document access issues



The permission compliance rate for customer privacy-related documents reached
100%

Information Security Culture Development

The Company deeply recognizes that information security is a core element ensuring business continuity and customer trust. Beyond driving technological advancement and system upgrades, the Company actively integrates strengthening "human awareness" into its defense system. Through normalized information security attack-defense exercises, the Company tests defense capabilities, identifies weaknesses, and fortifies defenses. Through systematic and continuous education and training, information security awareness is internalized as employees' daily habits and voluntary actions, thereby forming a stable and reliable endogenous security force.

Information Security Drills

To continuously enhance the Company's practical information security protection capabilities, annual data security emergency plans and drill schedules are formulated in the first quarter of each year. The Company regularly conducts network risk assessments and attack-defense exercises with professional partners, performing stress tests on data and information security protection environments to verify the effectiveness of existing protection mechanisms and promptly identify and remediate potential security vulnerabilities.

During the reporting period, the Company conducted a total of 7 information security emergency drills, promoting prevention through practice and substituting practice for actual combat, continuously improving the Company's information security protection level and emergency response capabilities.

Information Security Training

To implement and standardize data security education and training at Shuangdeng Group Co., Ltd., enhance employees' professional competence and awareness in data security, and strengthen the Company's overall capability to safeguard data security, the Company has formulated the Data Security and Education Training Policy. In accordance with the Policy, the Data Security Management Committee is responsible for coordinating data security education and training, and shall organize at least one company-wide data security training session for all employees annually. Technical and management personnel related to data security are required to participate in training sessions for no less than 20 hours.

Case | Information Security Training for New Employees

In 2025, the Company systematically conducted "Computer Basics and Information Security" themed training for all new employees, with a total of 12 sessions held throughout the year. Through offline centralized instruction combined with online synchronous Feishu meetings, the training ensured that new employees at both headquarters and member companies could participate in real-time. Centered on two core dimensions—"basic knowledge training" and "information security awareness enhancement"—the training not only provided detailed interpretation of the Company's information management systems but also, combined with actual office scenarios, demonstrated data security operations and risk prevention techniques in depth, guiding new employees to establish correct values regarding information security protection.

During the reporting period



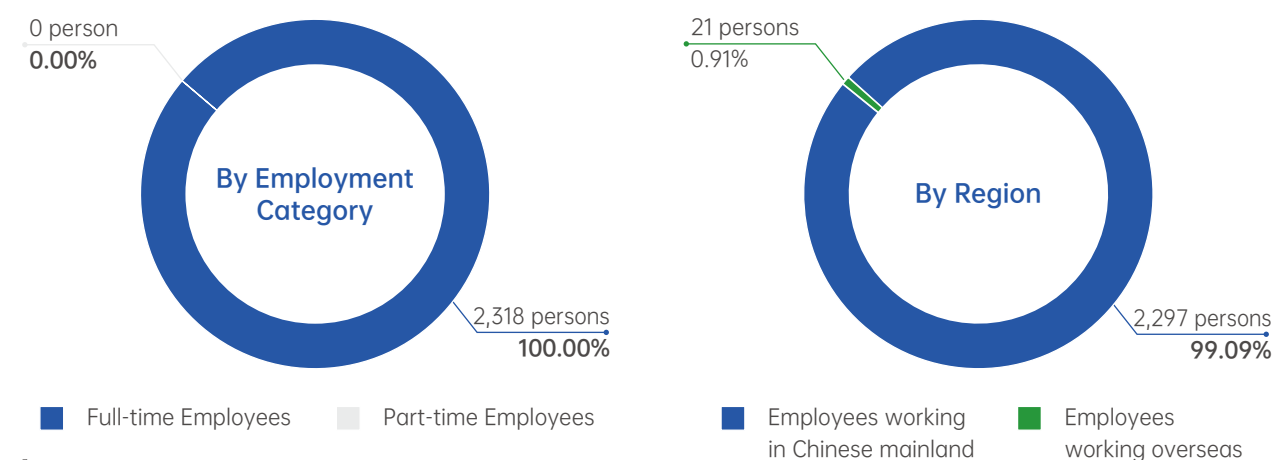
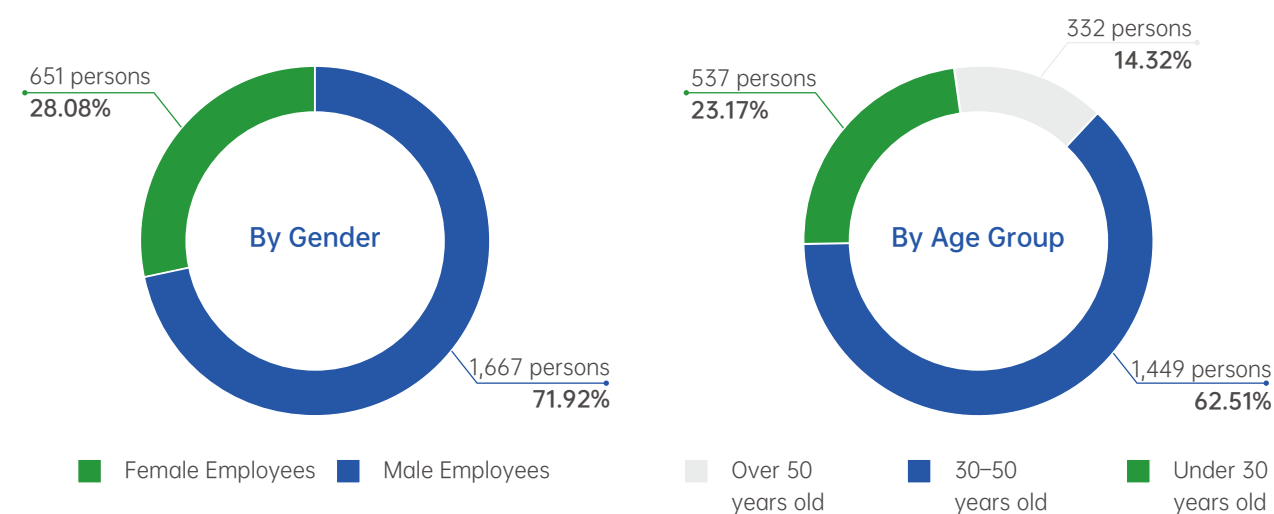
the coverage rate of information security training for new employees was
100%

Employees

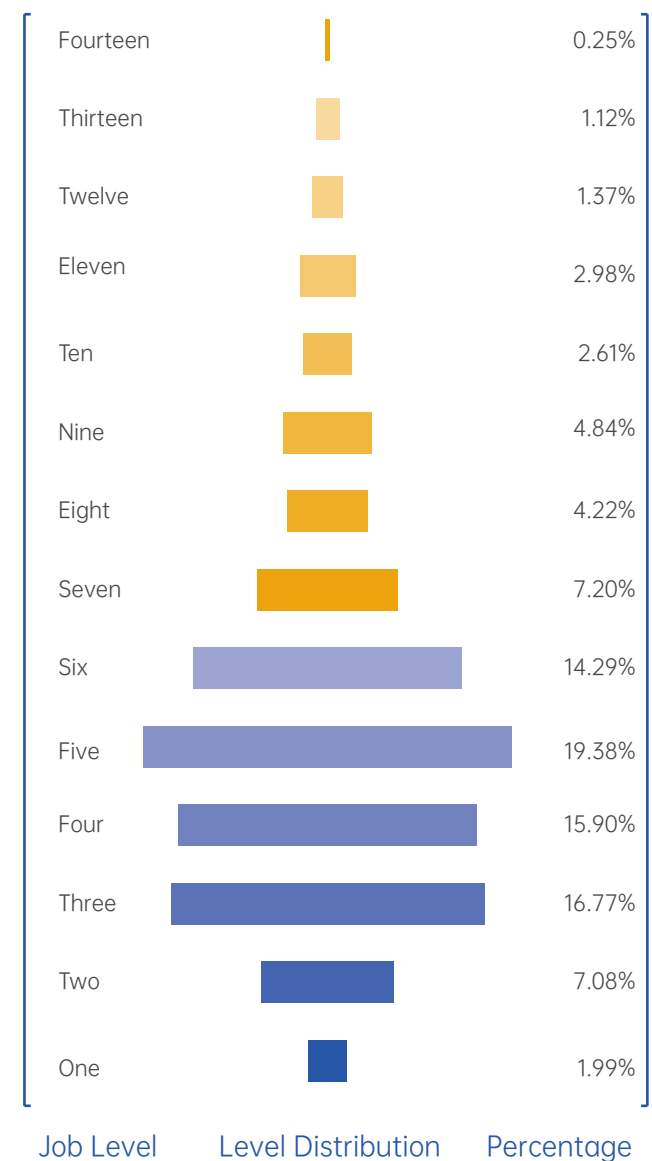
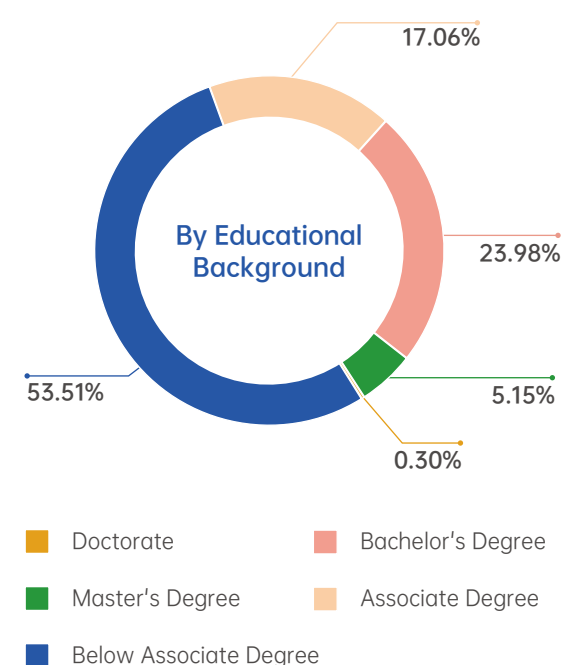
The Company adheres to a talent strategy of "diversity and inclusion, equal emphasis on recruitment and cultivation", building a diversified talent pool through a standardized and transparent recruitment system. Regarding talent development, the Company combines external recruitment with internal incubation to continuously strengthen professional talent reserves. Meanwhile, the Company is committed to building broad growth platforms for employees through unobstructed promotion channels and comprehensive empowerment training, achieving symbiotic prosperity between employee value and corporate development.

Employee Structure

As of the end of the reporting period, the total number of employees at Shuangdeng Group Co., Ltd. reached 2,318⁷. The Company firmly practices workplace principles of diversity, equality, and inclusion, dedicated to building a structurally balanced talent workforce. Among them, female employees account for 28.08%, demonstrating the Company's continuous efforts in ensuring gender equality; employees aged 30-50 account for 62.51%, forming the backbone of the Company's steady development and business innovation; there are 25 employees from ethnic minority groups, accounting for 1.08%, reflecting the Company's open attitude of embracing talents from all backgrounds and cultural integration.



⁷ It includes full-time employees and re-employed retirees.



Employee Turnover

During the reporting period



Career Development

Shuangdeng Group Co., Ltd. is committed to building a comprehensive talent growth mechanism, providing employees with multi-dimensional career development opportunities through four career advancement channels: management, professional, technical, and marketing. Based on the Qualification Management Measures, the Company has established a scientific rank system and dynamic review mechanism, which not only ensures the fairness and professionalism of talent selection but also provides a solid talent foundation for the sustainable development of the enterprise.

In terms of talent pipeline development, since 2021, the Company has continuously implemented the "Follow to Fly Plan" based on the "New Power Talent Program". Through the model of "mentor coaching + key experience", the Company assists outstanding new employees in steadily transitioning to management positions. In 2025, the Company further launched the "Key Position Talent Cornerstone Program", aiming to accelerate the cultivation of young, high-potential management backbones and proactively deliver talent for key positions such as ESG management, achieving deep integration between individual employee growth and the Company's long-term value.

Employee Eligibility Assessment Process



Simultaneously, we attach great importance to talent empowerment, establishing a full-tier training system covering new employees, grassroots backbones, and middle-to-senior managers. The content encompasses four dimensions: professional skills, policy implementation, professional competence, and specialized compliance. The Company adopts a "quarterly key breakthrough" planning model, progressing from policy implementation in Q1 to skill enhancement in Q2, followed by specialized cultivation in the second half of the year and annual compliance review, forming a full-cycle closed loop of "foundation—strengthening—advancement—consolidation". During the reporting period, the Company conducted a total of 91 training sessions with 9,244 participants, achieving a 100% training pass rate.

During the reporting period



Case | Shuangdeng Group New Power Trainees Trained in Hubei

Guided by the corporate spirit of "Climbing Never Ceasing", the 2025 "Shuangdeng Group New Power Talent Development Program" was advanced in depth. Trainees immersed themselves in Hubei Energy Storage and Runyang production workshop, conducting in-depth study and research in the dual-line production environments of lead-acid and lithium batteries, comprehensively mastering core manufacturing processes and quality control standards for battery production.



⚡ Rights Protection

Shuangdeng Group regards respecting human rights and safeguarding employee rights and interests as the baseline requirement for fulfilling social responsibility. The Company has built a rigorous management system, enhancing employees' sense of gain and security from dimensions including strict prohibition of child labor and forced labor, elimination of workplace discrimination, and continuous optimization of the compensation system, achieving symbiotic prosperity between the enterprise and its employees. In 2025, Shuangdeng Group conducted an employee satisfaction survey covering various job categories, departments, and tenure periods, fully reflecting employees' thoughts and suggestions, with employee satisfaction reaching 99.22%.

Anti-Discrimination

Shuangdeng Group has deeply embedded the cultural DNA of "diversity, equality, and inclusion", systematically integrating the core principle of "prohibition of discrimination and equal opportunity" into the Employee Handbook and the full lifecycle of human resource management. The Company clearly defines 12 categories of anti-discrimination bottom lines covering gender, age, ethnicity, and sexual orientation, ensuring substantive equality of rights and opportunities across dimensions including workplace access, promotion pathways, empowerment training, and incentive systems.

During the reporting period



No discrimination incidents occurred

Anti-Forced Labor and Anti-Child Labor

Shuangdeng Group strictly adheres to International Labour Organization conventions and Chinese laws and regulations such as the *Labor Law of the People's Republic of China*, establishing a comprehensive employment compliance system. Regarding the strict prohibition of child labor and protection of juvenile workers, the Company clearly sets the minimum employment age at 16 years old. Identity verification is conducted during the recruitment process, with original document inspection preventing the inadvertent use of child labor from the source. In eliminating forced labor, the Company strictly prohibits any form of forced, bonded, or involuntary labor.

In 2025



No incidents of child labor employment or forced labor occurred

Child Labor Remediation Procedure



Reporting and Verification

Should any department identify instances of child labor, prompt notification must be made to the Human Resources Department and senior management. The Human Resources Department shall contact the minor's guardians and relevant labor authorities, conduct thorough investigations to verify actual age and background, and officially declare the case to local labor administration authorities for registration.



Medical Care

During the remediation period, should the child laborer fall ill, the Company must provide free medical services and assume responsibility for treatment until full recovery, ensuring the physical health and safety of the child prior to repatriation.



Repatriation and Educational Support

In coordination with local labor authorities, the Company shall repatriate the child laborer to their place of origin and hand them over to their guardians, providing financial assistance. Meanwhile, the Company must monitor the guardians to ensure the child returns to school to complete the compulsory education.



Root Cause Analysis and Prevention

Regarding incidents of inadvertent child labor recruitment, the Company shall conduct in-depth analysis of underlying causes, identify vulnerabilities in hiring or verification procedures, and formulate specific preventive measures to prevent recurrence.



Documentation and Archiving

All relevant work concerning child labor remediation, handling procedures, contact details, and final outcomes must be thoroughly recorded in the Child Labor Rescue Log to ensure compliance and traceability.

⚡ Compensation and Benefits

Shuangdeng Group has established a compensation distribution mechanism of "position-based salary and performance-based reward", ensuring that employee's compensation is closely linked to position value and work performance. The compensation management system is approved by the Board of Directors, with key terms clearly disclosed in the Employee Handbook, ensuring institutional transparency and compliance. Additionally, the Company has established various employee incentive awards including the President's Special Award, Project Special Award, and Pioneer Award, fully stimulating employees' work enthusiasm and creativity. Meanwhile, the Company is planning to establish an employee stock ownership platform to implement equity incentives. During the reporting period, no labor disputes or complaints occurred.

In terms of employee benefits, the Company has built a dual-track benefits system of "statutory benefits as foundation plus enterprise-initiated welfare programs", comprehensively enhancing employee well-being.



Strengthening Statutory Protection

Building upon strict implementation of the "Five Insurances and One Housing Fund" and statutory holiday systems, we have further refined leave management policies for paid annual leave, marriage leave, maternity leave (including paternity and nursing leave), and sick leave, effectively safeguarding employee rights and supporting the achievement of work-life balance.



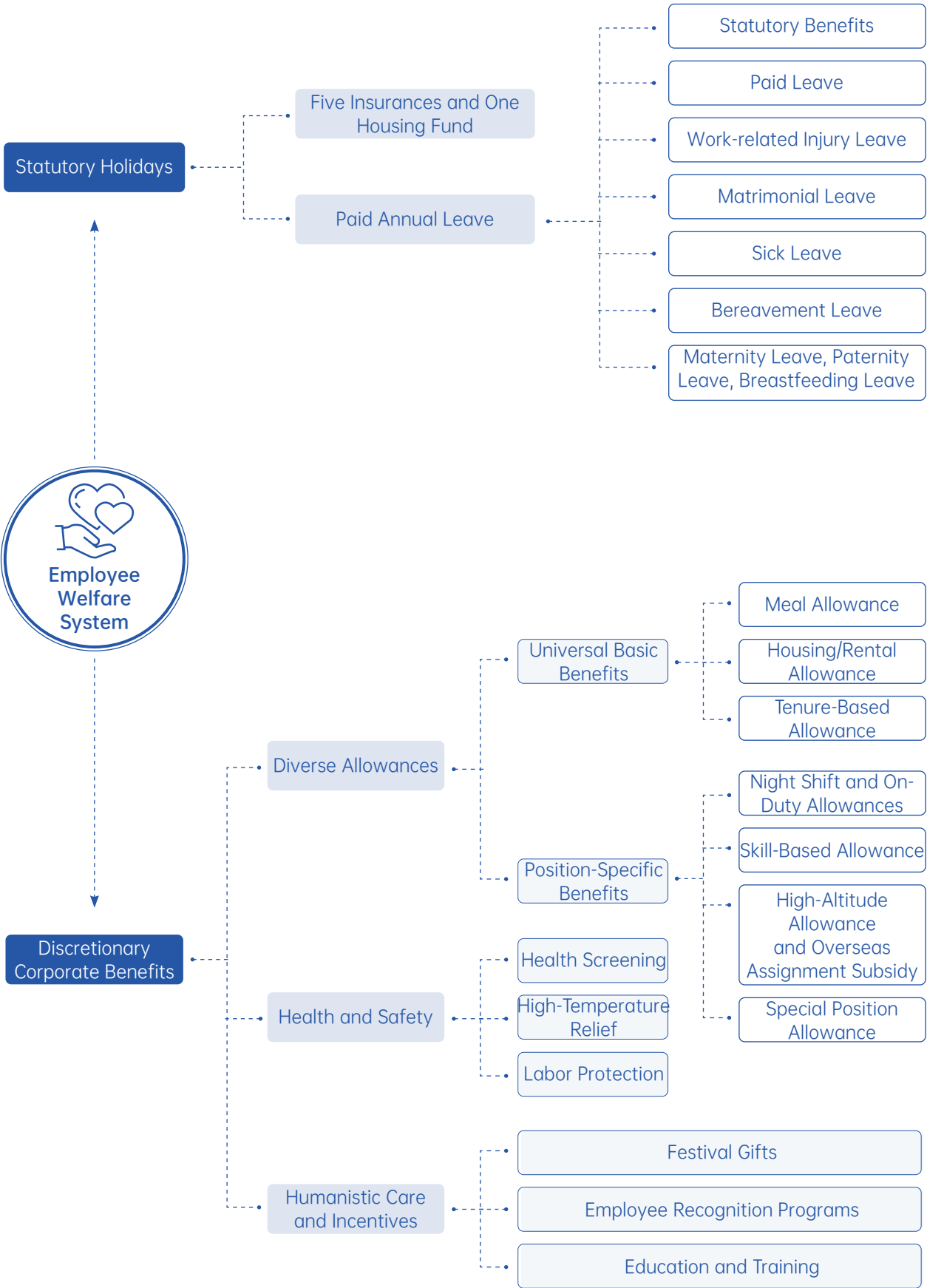
Enhancing Positive Incentives

We have established a multi-dimensional incentive framework encompassing tenure subsidies, skill allowances, and specialized honor awards. For special positions such as overseas assignments and high-altitude posts, we have instituted dedicated allowances and long-term incentive mechanisms, deeply aligning individual contributions with the Company's long-term value, thereby fully unleashing talent potential.



Deepening Care for Employees' Well-being

To alleviate employees' living burdens, we provide practical benefits including meal allowances, communication subsidies, and housing allowances. Meanwhile, we continue to implement company-wide high-temperature subsidies and customized gifts for the "Three Major Festivals", and offer domestic and international travel rewards to outstanding teams and individuals, enabling employees to share in the fruits of corporate development.



⚡ Employee Communication

The Company advocates good, harmonious, and simple interpersonal relationships, committed to building an open and transparent communication platform. To this end, the Company has established a diversified internal communication system through various channels including the President's mailbox, office meetings, internal WeChat groups, and employee interviews, encouraging employees to actively express opinions and suggestions, ensuring that every employee's voice is heard, and continuously optimizing internal governance and team cohesion.

Diversified Employee Communication Channels



► Heart-to-Heart Talks

The management and managers/supervisors at all levels hold various forms of heart-to-heart talks with different types of employees on an irregular basis. Through this format, employees can put forward opinions, views, and suggestions to the Company.



► President's Mailbox

Employees can submit various opinions, suggestions, and complaints in writing to the mailbox (or directly via email). Absolute confidentiality is maintained for employees, and investigations are conducted based on the feedback received, with results communicated back.



► Office Meetings

The Board of Directors, management, and departments convene office meetings as appropriate (to discuss opinions and suggestions raised by employees, propose improvement measures, and provide timely feedback).



► "Shuangdeng Group Thinker" WeChat Group

"Shuangdeng Group Thinker" is the Company's internal publication, issued weekly, providing employees with a platform to express personal views.



► Employee Interviews

The Human Resources Department regularly organizes employee interviews to listen to employees' voices, compiling, investigating, and tracking issues raised by employees.



► Grievance Channel

The Company fully respects and safeguards employees' freedom of speech, providing each employee with accessible channels for rights protection and grievances submission. If employees have objections regarding personnel promotion, performance assessment demotion, or salary reduction, they may submit a grievance with relevant evidence to their immediate supervisor, or escalate the matter to higher-level leadership, up to the (Executive) President, and even Chairman of the Board. The grievance receiving supervisors shall verify the facts presented and inform the grievant of the findings without delay.

⚡ Employee Care

The Company has established a comprehensive assistance mechanism, providing timely financial aid and spiritual support to employees facing special difficulties through various forms including trade union-organized and voluntary departmental donations. During the reporting period, the Company deeply carried out consolation activities, with focused care for employees in difficult circumstances. Through substantive heartwarming measures such as distributing consolation funds and special living subsidies, the Company effectively enhanced employees' sense of belonging and organizational cohesion.

Case | Breast Cancer Care Campaign

In October 2025, the Company partnered with Taizhou Jiangyan Hospital of Traditional Chinese Medicine to launch a "Delivering Health to Enterprises" free clinic campaign, focusing on women's health. Professional diagnosis, treatment, and consultation services for breast disease prevention and treatment were provided to all female employees. By bringing quality medical resources into the workplace, the Company achieved a transformation in care from "passive medical treatment" to "active prevention."



Case | "Cool Protection" Amidst the Summer Heat

Shuangdeng Group consistently pays attention to high-temperature working environments for frontline employees. During the reporting period, the Company launched a "Summer Coolness Delivery" special care campaign, going deep into major workshops to precisely distribute heat prevention supplies to employees persisting at their posts. Starting from practicality and functionality, the Company comprehensively met employees' protection needs for summer operations, effectively reducing health risks to employees from high-temperature weather.



Employee Activities and Corporate Culture Development

Shuangdeng Group is committed to building a diverse, inclusive, and harmonious corporate culture, deeply embedding the philosophy of "work-life balance" into organizational operations. By hosting high-quality cultural and sports activities such as National Day celebrations and art performances, the Company enriches employees' spiritual lives while effectively driving team cohesion improvement and fostering a positive organizational atmosphere. This enables employees to realize self-worth through joyful work, thereby driving mutual growth of individuals and the enterprise through co-creation and mutual advancement.

Case | Uniting Through Culture, Inspiring the Future Through Care

On September 28, 2025, Shuangdeng Group grandly held a National Day evening gala themed "Energy Storage Leadership, Boundless Energy". At the gala, employees from various product lines presented wonderful performances, vividly demonstrating the Shuangdeng Group people's spirit of upward climbing and team cohesion. Additionally, the "Shuangdeng Group Future Stars" scholarship awarding ceremony was held during the gala. This scholarship aims to recognize and support employees' children who have achieved academic excellence. By extending care from individual employees to their families, the Company strengthens the value community between the enterprise and employees while actively contributing to the sustainable development of societal talent.



Case | Building Strategic Consensus, Co-creating an Excellent Future

During the 2026 New Year period, Shuangdeng Group successfully hosted the annual training and summary commendation ceremony themed "Choosing Excellence: Focusing on AIDC Energy Storage, Making Certainty More Certain". The Company's Board of Directors and management, technical backbones, and New Power talent representatives gathered in Taizhou to systematically summarize the leapfrog achievements of 2025 and deeply communicate the 2026 business plan and three-year strategic blueprint.



Guided by corporate culture and united by shared values, the Company persistently nurtures organizational ethos and strengthens value alignment through a rich array of thematic initiatives and team-building endeavors. By elevating employees' sense of belonging, solidarity, and sense of purpose, we furnish robust ideological foundations and structural underpinning for the attainment of strategic goals.

Case | Team Building Leading Cultural Inheritance

In July 2025, the Company collaborated with relevant government departments and multiple alliance units to carry out the "July 1st" themed education activities, enhancing organizational cohesion.



Green Intelligent Manufacturing

Closely aligned with global energy transition and the "dual carbon" strategy, Shuangdeng Group Co., Ltd. has established the sustainable development vision of "creating green models for the industry, fostering green living for humanity, and storing a green future for the planet". We adhere to enable customer success through innovation, continuously integrating environmental-friendly concepts deeply into the entire product lifecycle, committed to building an efficient, low-carbon energy industry chain model, and empowering the efficient transformation of social energy structure.

With innovation at its core, Shuangdeng Group has built a full-scenario product matrix covering telecommunications base stations, data centers, power grids, and residential energy storage. Facing the energy transformation of the AI intelligent computing era, Shuangdeng Group has taken the lead in completing the leapfrog upgrade from traditional IDC to AIDC energy storage, establishing the industry benchmark position of "First AIDC Energy Storage Stock" with professional, safe, and green solutions. The Company will continue to lead industrial upgrading, expand new industry dimensions, and jointly paint a green energy future.

ESG Issues Addressed in this Chapter

- Green Production
- Innovation-Driven Development
- Green Low-Carbon Products

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Green Production

Shuangdeng Group regards green development as the cornerstone of corporate governance and is firmly committed to fulfilling the decarbonization pledge. We not only hold ourselves to stringent standards in implementing our own greenhouse gas emission reduction initiatives, but also fully leverage the green efficacy of our products throughout their entire lifecycle, injecting strong momentum into our customers' low-carbon transformation.

Climate Governance

Shuangdeng Group has established a well-structured and highly efficient climate governance architecture, featuring a top-down climate management system with the Board of Directors as the supreme decision-making body, the Corporate ESG Committee as the coordinating body, and the ESG Department as the executive hub.

Climate Strategy

Shuangdeng Group fully recognizes the severe challenges posed by global climate change to human society, and takes active response to China's "30·60" Dual Carbon Goals and the *Paris Agreement* as core strategic guidelines for corporate development. We view climate action as a key opportunity to drive sustainable business growth, and are committed to deeply integrating climate change response strategies into our top-level design and medium-to-long-term development plans.

The Company aligns closely with national macro-strategies, sets climate-related targets, builds a systematic climate governance framework, and dynamically identifies and manages climate-related risks. Relying on its profound accumulation in the new energy storage sector, Shuangdeng Group will unwaveringly promote the energy structure transition through technological innovation, contributing solid industrial strength to help the country achieve carbon peaking and carbon neutrality on schedule.

Climate Commitments and External ESG Ratings

Shuangdeng Group has always placed its sustainable development strategy within a scientific and rigorous framework, and is committed to driving continuous improvement of internal management through high-standard external evaluations. The Company actively participates in the Science Based Targets initiative (SBTi), the Carbon Disclosure Project (CDP) and EcoVadis assessment, aiming to build an internationally aligned trust mechanism. By benchmarking its performance against globally recognized evaluation systems, Shuangdeng Group provides strong evidence for global customers and stakeholders of its commitment to green practices.

SBTi

Shuangdeng Group actively participates in the Science Based Targets initiative (SBTi), sets emission reduction targets in line with climate science, and joins the global low-carbon endeavor.

During the reporting period, the Company's 2050 net-zero emission target was officially reviewed and certified by SBTi. This authoritative recognition marks that Shuangdeng Group's decarbonization pathway is fully aligned with the stringent 1.5°C warming limit set out in the Paris Agreement, representing a leap from qualitative planning to science-based quantification.

Validation Statement

NEAR-TERM UPDATE AND NET-ZERO

SCIENCE-BASED TARGETS

SBTi Services has validated that the greenhouse gas emissions reduction target(s) submitted by **SHUANGDENG GROUP CO., LTD.** conform with the **SBTi Criteria and Recommendations (Near-Term Criteria V5.3 Update And Net-Zero Criteria V1.3)**.

The official validated target language:

Net-Zero
SHUANGDENG GROUP CO., LTD. commits to achieve net-zero greenhouse gas emissions across the value chain by 2050.

Near-Term
SHUANGDENG GROUP CO., LTD. commits to reduce absolute scope 1 and 2 GHG emissions 54.6% by 2033 from a 2023 base year. SHUANGDENG GROUP CO., LTD. also commits to reduce scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, and employee commuting 61.07% per CNY value added within the same timeframe.

Long-Term
SHUANGDENG GROUP CO., LTD. commits to reduce absolute scope 1 and 2 GHG emissions 96.9% by 2050 from a 2023 base year. SHUANGDENG GROUP CO., LTD. also commits to reduce scope 3 GHG emissions 96.5% per CNY value added within the same timeframe.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

DATE OF APPROVAL: 13th January 2025

CDP

During the reporting period, Shuangdeng Group achieved a milestone leap in CDP ratings, with both Climate Change and Water Security upgraded to Grade B¹. This rating upgrade is not only an authoritative recognition of the Company's continuous efforts to deepen its climate governance structure and improve the maturity of environmental and water management, but also marks that Shuangdeng Group has reached an advanced industry level in terms of the transparency of carbon emission data and the resilience in responding to climate risks.

Shuangdeng Group Co., Ltd. 显示相关详情



EcoVadis

During this reporting period, Shuangdeng Group successfully maintained its EcoVadis Silver Medal rating, demonstrating robust sustainability management performance.



¹ The full version of the CDP questionnaire has merged the original Climate Change, Forest, and Water questionnaires into one. The questionnaire determines the applicability of each topic based on the relevance of the company's responses. Shuangdeng Group is not temporarily applicable to the Forest topic, so there is no score for the Forest topic for the time being.

Case | Low-Carbon Development, Industry Leadership

Shuangdeng actively participates in the JAC Global Telecommunications Industry Climate Change and Circular Economy Forum, adhering to the positioning of green environmental protection and low-carbon development, proactively assuming social responsibility, strengthening self-requirements, and leading industry development with green environmental concepts.



Climate Change Risks and Opportunities Analysis

In accordance with the requirements of The Stock Exchange of Hong Kong Limited, the Company, actively referring to international mainstream climate change disclosure frameworks including but not limited to the *IFRS S2 Climate-related Disclosures*, conducts qualitative screening and sorting of climate-related risks and opportunities, and preliminarily carries out assessment and analysis of climate change-related impacts.



Physical Risks of Climate Change

In the face of increasingly severe climate change, Shuangdeng Group fully recognizes the potential impacts and disruptions that extreme weather events may bring to its operations and upstream and downstream supply chains. We believe that through regular analysis and assessment of climate-related risks, the Company will shift from a reactive to a proactive stance, swiftly identifying and precisely addressing various potential threats, effectively safeguarding against business interruptions and asset losses caused by climate factors. This proactive management initiative will mitigate uncertainties for the Company on its green and low-carbon journey, providing solid operational security.

Type of Risk	Acute/Chronic	Potential Impact
Extreme Heat	Acute	Persistent extreme heat will significantly increase energy costs for factory temperature control, and may trigger production disruption risks due to regional power load restrictions. In addition, extreme environments pose severe challenges to the operational stability of outdoor energy storage equipment and the occupational health of employees.
Tropical Cyclones	Acute	Intense typhoons and secondary flood disasters may cause physical asset damage and severely disrupt supply chain and logistics networks. Extreme weather will directly impact the continuity of raw material supply and the delivery efficiency of finished products, weakening operational resilience.
Global Warming	Chronic	Long-term temperature rise will force manufacturing to increase capital expenditure on temperature control, driving up basic operating costs. Environmental changes also mandate product technology iteration, requiring sustained R&D investment to ensure performance reliability throughout the product life cycle.
Water Scarcity	Chronic	Regional water shortages will increase the extraction costs and supply uncertainty of upstream raw materials, leading to supply chain price fluctuations. At the operational level, water quota restrictions may constrain industrial cooling efficiency, thereby affecting the full release of production capacity.

Climate Change Transition Risks

In response to the accelerating transition toward a global low-carbon economy, Shuangdeng Group proactively embraces profound changes in policies and regulations, cutting-edge technologies and market demand. We are committed to establishing an agile risk identification mechanism and, through qualitative analysis, conduct an in-depth examination of the potential transmission effects of transition risks across the business chain, ensuring the Company takes the initiative in development amid transformation.

Type of Risk	Potential Impact
Policy and Legal Risk	Stricter global carbon pricing mechanisms and battery regulations will increase compliance costs and create export trade barriers. Delays in carbon footprint disclosure will directly restrict overseas market access and expose the Company to potential compliance litigation risks.
Technology Risk	Rapid iteration of energy storage technology routes may lead to premature impairment or stranding of existing assets. If low-carbon R&D investment fails to translate into market advantages, core competitiveness will be weakened and the dividends of green transition missed.
Market Risk	As customers raise access thresholds for green supply chains, insufficient supply of low-carbon products will directly result in the loss of key orders. In addition, price fluctuations in the raw material market caused by climate factors will continuously undermine the stability of supply chain cost management.
Reputational Risk	Failure to deliver on SBTi net-zero commitments as scheduled or environmental violations will severely damage brand credibility and undermine investor confidence. Reputational damage will also increase green financing costs and weaken the foundation for sustainable corporate valuation in the capital market.

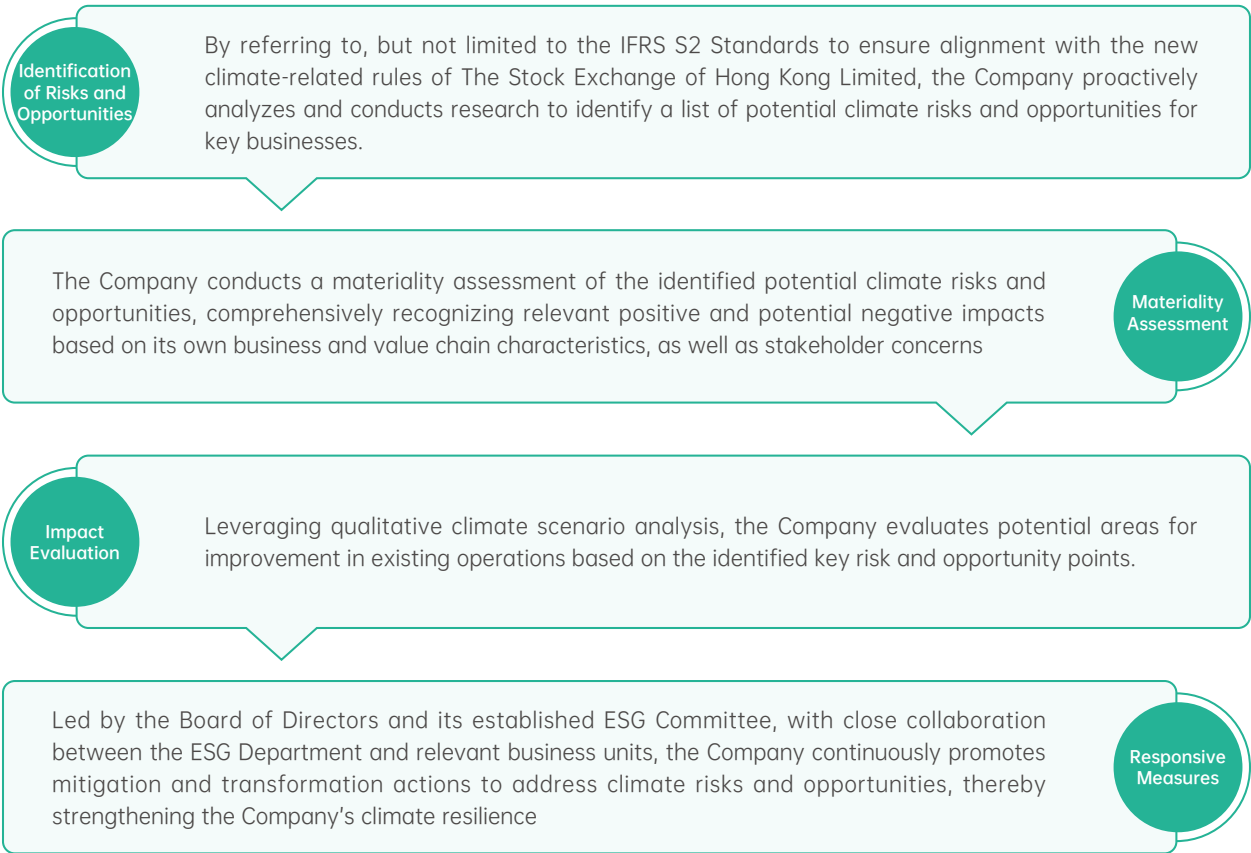
Climate Scenario Analysis

Shuangdeng Group attaches great importance to the potential impact of climate change on the Company's operations and strategies. Based on continuous attention to industry characteristics and global climate trends, the Company maintains a systematic understanding of major climate-related physical risks (such as the impact of extreme weather on equipment at production bases), transition risks (such as the implementation of the *EU Batteries and Waste Batteries Regulation*), and opportunities (such as the gradual growth of the green energy storage market), and incorporates them into the risk management framework.

To further enhance the scientific rigor and forward-looking nature of climate risk management, the Company plans to formally introduce climate scenario analysis models in 2026 to qualitatively and quantitatively assess financial impacts under different warming pathways, providing more solid data analysis support for strategic decision-making.

Climate-Related Risks and Opportunities Management

Shuangdeng Group fully recognizes the potential impacts of climate change on the Company's sustainable value, and remains committed to actively exploring the integration of climate risk management into the core framework of strategic decision-making. Drawing upon its business characteristics and external expert opinions, the Company has conducted a systematic review of key climate-related risks and opportunities, developing a preliminary list of risks and opportunities as well as a blueprint for response actions.



As a long-term endeavor, Shuangdeng Group will adhere to the principle of "holistic planning, phased implementation". With the accumulation of internal data and the enhancement of management maturity, we will progressively deepen the analytical dimensions of climate risks and opportunities on the Company's financial performance, ensuring that corporate climate resilience development remains steadily aligned with sustainability objectives.

Climate-Related Metrics and Targets

Climate Targets

As of the reporting period, in alignment with its 2050 net-zero target, Shuangdeng Group has established a decarbonization pathway with clear phases and distinct hierarchies, as well as key targets and indicators, systematically covering a step-by-step emission reduction strategy for the short, medium and long terms. The Company is committed to steadily advancing from carbon neutrality in its own operations to net-zero emissions across the full value chain by improving operational energy efficiency, optimizing the energy mix and collaborating on decarbonization throughout the value chain, honoring its climate commitments with solid actions.

Timeline	Target Details	Current Progress
Annual Climate Target	Taking 2024 as the base year, the Company will reduce its carbon emission intensity (Scope 1+2) by 6% by 2025.	In 2025, the carbon emission intensity (Scope 1+2) of all domestic bases of the Company reached 0.013 tCO ₂ e/kVA·h, representing a year-on-year decrease of 30.62% compared with 2024. This target has been achieved.
Medium-Term Climate Target	Taking 2023 as the base year, by 2033: - Reduce absolute Scope 1 and Scope 2 GHG emissions by 54.60% compared with the base year. - Reduce Scope 3 GHG emission intensity (per RMB of value added) from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel and employee commuting by 61.07%.	In Progress
Long-Term Climate Target	Taking 2023 as the base year, by 2050: - Reduce absolute Scope 1 and Scope 2 GHG emissions by 96.90%. - Reduce Scope 3 GHG emission intensity (per RMB of value added) by 95.50% over the same period.	In Progress



Greenhouse Gas Emissions

Shuangdeng Group regards accurate carbon emission accounting as the scientific foundation linking climate ambition to practical actions. We have established a two-dimensional carbon accounting system covering both organizational operational boundaries and the full product life cycle. Through years of consistent carbon performance tracking and review, the Company has set a clear and verified carbon emission baseline, providing solid and reliable data support for formulating science-based climate targets and optimizing decarbonization pathways.

During the reporting period, in accordance with standards including ISO 14064-1:2018, the Company conducted in-depth organizational-level carbon accounting for 5 production bases². Carbon verification was completed in line with ISO 14064-3:2019.

Shuangdeng Group's GHG Emissions in 2025

Emission Scope	Unit	2024	2025
Scope 1 (Direct emissions)	tCO ₂ e	6,468.44	9,360.96
Scope 2 (Indirect emissions)	tCO ₂ e	143,376.08	146,138.10
Scope 3 (Other indirect emissions) ³	tCO ₂ e	752,965.60	806,751.35
Total	tCO ₂ e	902,810.12	962,250.41

Note: The increase in GHG emissions in 2025 compared with 2024 was due to a 49.57% rise in production volume.

Climate Change

Faced with the systemic challenges posed by the global climate crisis, Shuangdeng Group adheres to the climate governance principle of equal emphasis on "mitigation" and "adaptation", and has established a response system that combines resilience and responsibility. On the one hand, we take the initiative to assume emission reduction responsibilities, control greenhouse gas emissions at the source, and gradually promote the company's low-carbon transition to address climate change; on the other hand, we remain highly alert to potential climate risks, and proactively "adapt" to the environmental impacts brought by climate change by strengthening infrastructure and emergency mechanisms, so as to enhance the company's climate resilience.

² It includes domestic bases under Shuangdeng Group Co., Ltd., Fulangta, Huber Runyang, and Hubai Energy Storage.

³ During this reporting period, the Scope 3 categories included in Shuangdeng Group's accounting comprise indirect GHG emissions generated from transportation, indirect GHG emissions from products used by the organization, and indirect GHG emissions associated with the use of the organization's products.

Climate Change Adaptation

Faced with the increasingly frequent challenges of extreme climate, Shuangdeng Group takes practical actions to ensure stable operation and delivery capabilities in complex climate environments by gradually strengthening infrastructure resilience construction, improving emergency response mechanisms for extreme weather, and conducting relevant training.

Climate Change Training

During the reporting period, the Company participated in multiple training sessions organized by government departments, such as special training sessions on carbon emission data quality management and the product carbon footprint public service platform; and carried out organizational-level carbon emission survey training with partners. In addition, the Company incorporated net-zero related content into the 2025 New Year's Day Training Conference.

Climate Change Mitigation

Shuangdeng Group focuses on the source governance of carbon emissions and insists on integrating the concept of green and low carbon into the entire production and operation process. By optimizing the energy structure, innovating manufacturing processes and improving production energy efficiency, we are committed to achieving substantive reduction of greenhouse gas emissions and promoting the implementation of net-zero commitments.

Promoting Low-Carbon Process Transformation

As a pioneer and dedicated player in the green energy sector, Shuangdeng Group has always regarded advancing the low-carbon transition of the energy structure as our core mission. Leveraging our profound expertise in energy storage and battery technology, we actively exert industry-leading influence. While empowering a global zero-carbon future, we continuously focus on implementing diverse energy-saving and carbon-reduction practices within our operations. Through multi-dimensional deep potential tapping and technological innovation, we embed low-carbon principles into every stage, from energy procurement to manufacturing, embodying our green commitment through concrete actions.

Exploring Technology-Driven Carbon Reduction

Shuangdeng Group unlocks energy-saving potential through cycle time reduction initiatives. During the reporting period, the Company completed process improvements and cycle optimization across the entire lithium battery production workflow. The team broke through traditional process bottlenecks, undertaking equipment upgrades, parameter optimization, and process reengineering for critical operations. Upon project implementation, the overall process cycle was significantly shortened by 33.50%.

Key Processes	Time Consumed Before Optimization (Days)	Time Consumed After Optimization (Days)	Efficiency Improvement	Annual Carbon Emission Reduction Contribution ⁴
Baking Process	0.82	0.54	+34.0%	About 1,032.00 tCO ₂ e
Formation and Aging	1.54	0.93	+39.5%	About 2,070.08 tCO ₂ e

⁴ Estimated based on an annual output of 2.8 million cells

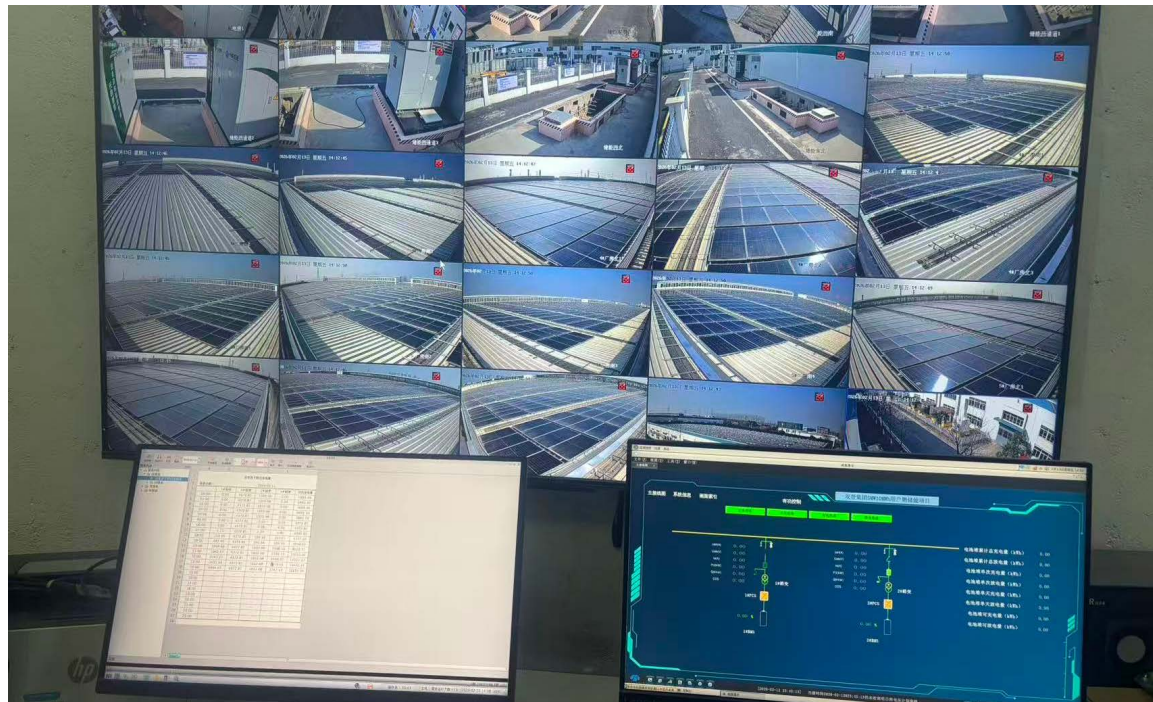
Promoting Clean Photovoltaic Energy

In 2025, the Company expanded its photovoltaic portfolio with a total installed capacity of 7,996 kW. The project is expected to generate approximately 9 million kWh of electricity annually, indirectly reducing carbon dioxide emissions by approximately 5,000 tonnes. To date, the project has completed acceptance inspection.

As of the end of this reporting period, the Company's total installed photovoltaic capacity reached 12.71 MW, with annual power generation capacity of 12.2 million kWh.

	Shuangdeng Group Co., Ltd. (Taizhou)	Fulangte New Energy	Hubei Runyang
Total Installed Capacity (MW)	9.51	0.20	3.00
Total (MW)	12.71		

The Company has established a normalized photovoltaic facility inspection mechanism, deploying professional personnel to implement precise management of existing facilities and on-site operations across all sites. Regular cleaning and performance monitoring are conducted to ensure modules consistently operate at optimal power generation status. Through refined control measures, the Company continuously reduces ineffective losses and maximizes the potential of green electricity generation.



Green Factory Logistics

To reduce direct carbon emissions from operations at the source, the Company conducted a comprehensive inventory and phase-out of high-energy-consumption, high-emission diesel forklifts and conventional logistics vehicles within the plant area, prioritizing electrification alternatives. A clean, low-noise green logistics network is being progressively established across the facility.

Expanding the Scope of Product Carbon Footprint Verification

Shuangdeng Group strictly adheres to authoritative international and domestic standards, including *Greenhouse Gases — Carbon Footprint of Products — Requirements and Guidelines for Quantification (ISO 14067:2018)* and *Environmental Management — Life Cycle Assessment — Requirements and Guidelines (GB/T 24044-2008)*. The Company has established a scientifically rigorous product carbon footprint accounting system. Upholding the Life Cycle Assessment (LCA) evaluation philosophy, we leverage professional digital models and authoritative databases to conduct granular tracking and quantification of full-chain data spanning raw material acquisition, manufacturing, transportation, and end-use phases.

The Company has completed carbon footprint accounting for its core products, including lithium-ion batteries SDA10-48100, SDA10-48200, sodium-ion battery SDNa10-48100, and lead-acid batteries GFM-500, 6-FMX-150B.



Confronted with rising compliance thresholds in the global battery sector and the trend toward supply chain transparency, Shuangdeng Group proactively embraces transformation by launching pilot construction of the "Battery Digital Passport" system. Adopting a "strategy-led, phased implementation" approach, we aim to build a full-process data traceability mechanism from pilot to scale, comprehensively enhancing product compliance penetration, carbon management maturity, and operational digitalization in international markets. This initiative provides global customers with transparent and trustworthy green product credentials.

Actively Participating in Carbon Market Trading

As the Company's pilot for participating in the carbon market, Hubei Shuangdeng Group Runyang New Energy Co., Ltd. has actively responded to Hubei Province's carbon trading mechanism. During the reporting period, the company legally completed the purchase and settlement of deficit quotas through the Hubei Carbon Emission Rights Trading Center platform, achieving 100% full performance of annual carbon quotas. This endeavor not only ensures regulatory compliance but also accumulates valuable practical experience for the Group to carry out in-depth carbon asset management and optimal allocation in the future.

During the reporting period



Promoting Supplier Emission Reduction

The Company regards upstream and downstream value chain partners as pivotal arenas for achieving Scope 3 emission reductions, dedicated to building green partnerships characterized by "mutual benefit and shared carbon reduction". The Company proactively extends carbon management capabilities to its partners, encouraging suppliers to offset carbon emissions from their production and operations through renewable energy use, thereby driving the low-carbon transition of key raw materials. Going forward, we plan to progressively require key suppliers to establish their own annual energy-saving and emission-reduction targets and report decarbonization outcomes.

⚡ Rational Resources Utilization

Shuangdeng Group Co., Ltd. firmly upholds the development philosophy of "resource-intensive utilization" and "circular regeneration", embedding green and low-carbon principles into the core architecture of production and operations while actively extending these practices across the upstream and downstream value chain.

Energy Utilization

Grounded in compliance, the Company strictly adheres to regulatory baselines including the *Energy Conservation Law of the People's Republic of China*, and has obtained ISO 50001:2018 Energy Management System certification, achieving 100% coverage at the Taizhou base. To ensure effective implementation, the Company has established a rigorous institutional framework, issued the Energy Management Manual and Energy Objectives and Targets Control Procedure, and instituted a normalized energy audit mechanism. Through a systematic management closed-loop, the Company provides solid institutional assurance for its energy-saving and carbon-reduction initiatives.

Leveraging the energy management system, the Company has scientifically formulated phased, quantifiable annual energy-saving and consumption-reduction targets.

Timeline	Target Details	Current Progress
Annual Energy Target	With 2024 as the baseline year, the Company aims to achieve a 10% reduction in comprehensive energy consumption per unit product by 2026	In 2025, comprehensive energy consumption per unit product across all domestic bases reached 0.004 tce/kVAh, representing a 24.02% year-on-year decrease compared to 2024.
Mid-term Energy Target	With 2023 as the baseline year, the Company targets a 30% reduction in comprehensive energy consumption per unit product by 2033, achieving industry-leading levels of energy efficiency	In Progress

	Indicator	Unit	2024	2025
Direct Energy	Natural gas consumption	m ³	533,187.00	4,500,907.00
	Diesel consumption	kg	115,330.00	102,460.39
	Gasoline consumption	L	18,614.70	20,644.95
Indirect Energy	Electricity consumption	kWh	153,998,181.00	224,301,565.53
	Steam consumption	t	107,682.00	112,126.94

備註：天然氣及電力消耗量增加系 2025 年度新增兩家工廠所致。

Energy Type	Unit	2025
Total Energy Consumption	GJ	1,303,566.85
Energy Consumption Intensity	GJ/kVAh	0.11
Total Renewable Energy Consumption	GJ	43,911.97

Optimizing Energy Management

The Company deeply focuses on high-energy-consuming core processes throughout the battery manufacturing workflow, enhancing overall energy utilization efficiency through iterative upgrades to low-energy-consumption equipment, optimization of equipment utilization strategies, and the establishment of energy management targets with supporting implementation mechanisms.

Formation
Process
Technology
Innovation

Targeting the formation stage, which accounts for the highest proportion of energy consumption, the Company vigorously promotes technological substitution by procuring new busbar-type charging machines to improve energy conversion efficiency. A single unit is projected to achieve annual electricity savings of 30,000 kWh⁵, significantly reducing process energy intensity.

Separator
Baking Process
Optimization

The Company innovated the separator pretreatment process by completely eliminating the original high-temperature baking stage. Traditional separator treatment relied on prolonged high-temperature baking, resulting in high electricity consumption and creating peak energy demand on the production line. Through systematic experimentation and environmental validation, the Company pioneered a "Precision Ambient Resting" approach, replacing active heating with controlled temperature and humidity resting.

Power Facility
Efficiency
Enhancement

The Company implemented a phased elimination plan for obsolete electromechanical equipment, upgrading to high-performance 12m³ units with Grade 2 energy efficiency. By improving the generation efficiency of the compressed air system, a single unit is expected to achieve annual energy savings of 40,000 kWh.

"Free Cooling"
Mode
Application
for Central Air
Conditioning

The Company integrated medium- and low-temperature water systems to directly utilize cooling towers for introducing natural cold sources for temperature reduction. Annual cooling system electricity savings are projected at 107,000 kWh⁶, substantially reducing energy and refrigerant consumption during the cooling process.

⁵ Estimated energy-saving performance calculated based on assumptions of 2V, 1,300W batteries operating approximately 5 days per cycle, and electricity price of RMB 0.68/kWh

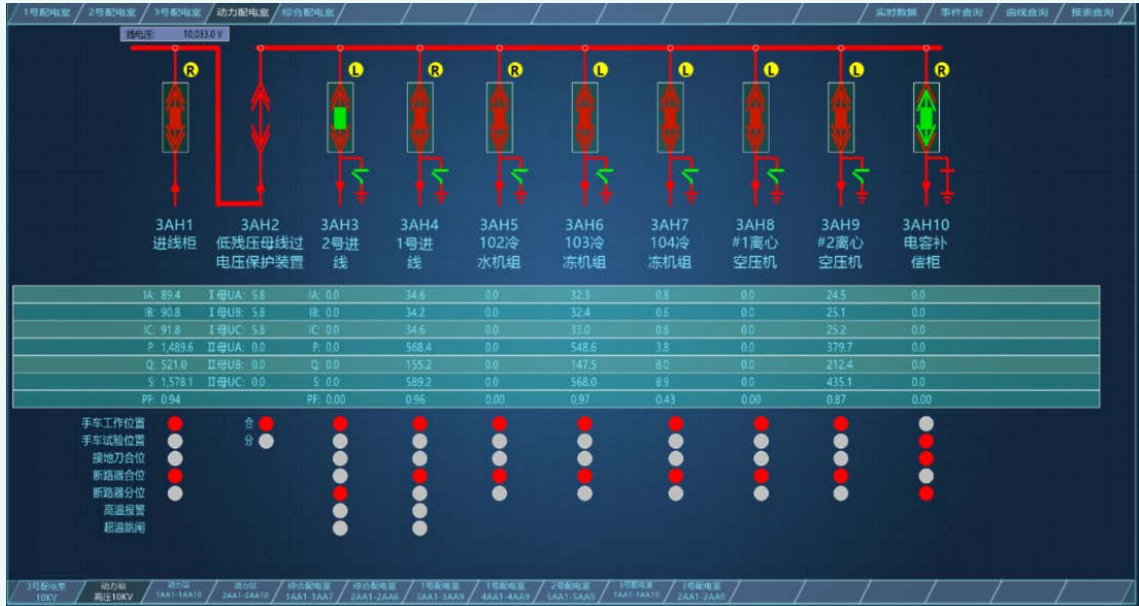
⁶ Estimated energy-saving performance calculated based on assumptions of 3,582.50 kWh savings per 48-hour period, with 2 months of cooling season annually



During the reporting period, the Company established comprehensive performance assessment indicators aligned with pre-set energy targets, directly linking energy-saving metrics to performance evaluation. This approach effectively enhances company-wide energy conservation awareness and ensures the tangible delivery of emission reduction objectives.

Case | Intelligent Energy Management and Control Platform

Shuangdeng Group has fully deployed an AI-powered intelligent energy management and control platform. Leveraging deep synergy between high-precision sensor networks and cloud-based data middleware, the platform achieves zoned, full-time dynamic monitoring of diverse energy media including cooling water, electricity, and steam. Through embedded intelligent early-warning engines, the system can accurately identify abnormal energy consumption patterns, effectively mitigate potential loss risks, and facilitate the achievement of energy targets of the Company.



Water Resource Utilization

Shuangdeng Group strictly abides by the requirements of laws and regulations such as the *Water Law of the People's Republic of China* and the *Water Conservation Regulations*. By building a scientific water resource management and control system, the Company is committed to reducing water consumption intensity from the source, resolutely eliminating water waste, and improving the recycling rate.

During the reporting period, the Taizhou Factory officially established an energy conservation working group, which is responsible for the special management of water resources and continuously improves the company's water use management system. The company revised the water use management system, implemented strict supervision on various water use equipment, and established an assessment mechanism to eliminate phenomena such as running water and water leakage. At the same time, in accordance with the principle of "hierarchical management and responsibility assigned to individuals", in-depth system publicity and responsibility definition were carried out to ensure that water-saving management has no dead ends.

Responsible Party	Responsibilities
Regional Manager	Establish normalized facility inspection mechanisms, respond promptly to issues and implement corrective actions, ensuring the integrity rate of public facilities and water use compliance
Workshop Director	Conduct gridded inspections of all water consumption points within their jurisdiction, enforce zero-tolerance management for continuous running water or leakages (running, dripping, spilling, or seeping), and directly incorporate control effectiveness into performance evaluation.
Equipment Operators	Strengthen equipment operators' awareness of Standard Operating Procedures (SOP), strictly implement the operational protocol of "turn on when needed, turn off immediately after use," and eliminate water resource waste caused by human operational negligence at the source

Lean Water Resource Management

Workshop Circulating Water System Retrofit

During the reporting period, the Company installed a new process circulating cooling water system adopting centralized energy management. Through integrated analysis of various data sensors, the system automatically generates and implements optimized energy-saving operation schemes. The system operates fully automatically on-site without manual attendance, with real-time fault alarm and upload. Real-time calculation via data sensors effectively improves water use efficiency.

The formation workshop upgraded the cooling circulating water system by installing a liquid-level bypass between the cold and hot water tanks and adopting an auto-triggered internal circulation confluence mode, achieving dual conservation of water resources and energy.

Promoting Water Resource Reuse

During the reporting period, the Energy Conservation Working Group carried out technical transformation on the reuse process of the sewage treatment station for the lead-acid product line and established a reclaimed water reuse system. The treated reclaimed water is further processed into pure water through ultrafiltration membranes, which is directly used for acid preparation and battery filling. Through this green and energy-saving technical renovation, the Company is expected to save approximately more than 100,000 tons of tap water per year, significantly reducing water resource consumption and wastewater discharge.

The Company has set a target of reducing water resource consumption intensity by 10% in 2025 compared with 2024. By the end of the reporting period, a 25% reduction in water consumption intensity has been achieved.

Indicator	Unit	2024	2025
Total Water Consumption	t	319,286.50	291,894.70
Water Consumption Intensity	t/kVAh	0.04	0.03

Packaging Materials and Recycling

Shuangdeng Group is firmly oriented towards building a circular industrial system and actively promotes the green transformation of the economic development mode. We strictly implement the Extended Producer Responsibility (EPR) system, and deeply extend the "Reduction, Reuse, Recycling" (3R) principle from the manufacturing end to the product disposal end, striving to tap the circular value of resources. The Company steadily promotes green packaging-related initiatives, establishes a comprehensive management standard of "lightweight design, reusability, recyclability, and degradability", and through the recycling and material innovation of packaging materials, significantly reduces the environmental load in the logistics link and promotes the effective conversion of waste packaging materials into renewable resources.

Category	Unit	2024	2025
Total Consumption of Packaging Materials	t	8,680.62	9,959.33
Packaging Material Consumption Intensity	t/kVAh	0.001	0.001

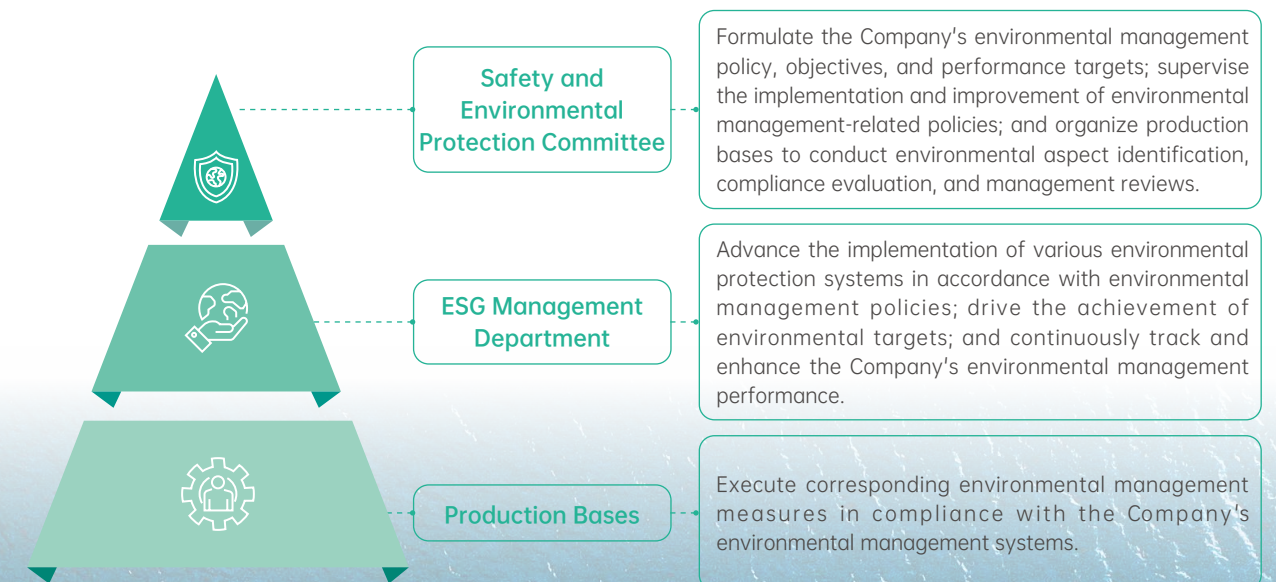
During the reporting period, the Company actively aligned with international standards such as the *EU Batteries and Waste Batteries Regulation* and built a visualized full-life-cycle traceability system for key raw materials. To reduce product carbon footprint and promote resource circulation, the Company is committed to gradually increasing the application ratio of recycled lead and recycled lithium in exported batteries. We have clarified the following phased compliance goals to ensure the green competitiveness of products in the global market.

Metal	2031	2036
Lead	85.00%	85.00%
Lithium	6.00%	12.00%

Environmental Compliance Management

Guided by the environmental management policy of "compliance with laws and regulations, risk prioritization; multi-domain efforts, global footprint; innovation-driven, eco-friendly development; transformative innovation, resource integration; employee-centric, environmental harmony; customer satisfaction, sustainable growth", Shuangdeng Group is committed to building a globally competitive green governance ecosystem. We continuously improve our environmental management institutional framework, comprehensively advance lean transformation of internal operational models, and support sustainable high-quality corporate development through systematic management enhancement.

To ensure the rigid implementation of environmental strategy, Shuangdeng Group has established a three-tier vertical environmental management architecture comprising the "Safety and Environmental Protection Committee—ESG Management Department—Production Bases". The Safety and Environmental Protection Committee serves as the supreme decision-making and leadership body, chaired by the Company Vice President with core executives and functional department heads serving as committee members, forming a governance pattern where the "top leader" takes charge with full-staff collaboration. The Company has promulgated a series of normative documents including the Environmental Protection Management System and Environmental Monitoring and Measurement Control Procedure. Through a top-down accountability system, every environmental management measure penetrates to the execution endpoint, effectively ensuring the efficient implementation of green operations. Leveraging this governance framework, the Company has obtained ISO 14001:2015 Environmental Management System certification.



Pollutant Emission Management

Shuangdeng Group regards environmental compliance as the red line of corporate operations, strictly adhering to the *Environmental Protection Law of the People's Republic of China*, *Air Pollution Prevention and Control Law of the People's Republic of China*, and other laws and regulations. We comprehensively benchmark against national, local, and industry standards including *Emission Standard of Pollutants for Battery Industry (GB 30484-2013)*, *Emission Limits of Air Pollutants for Lead-acid Battery Industry (DB32/3559-2019)*, and *Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008)*, implementing whole-process refined control over wastewater, exhaust gas, and noise. We are committed to reducing emissions at the source and continuously lowering the environmental footprint of our operations.

In accordance with *Technical Guidelines for Self-monitoring of Pollution Sources—Battery Industry (HJ1204-2021)* and other relevant regulatory requirements, the Company has formulated an environmental self-monitoring plan and conducts self-monitoring and external testing as required. During the reporting period, Shuangdeng Group Co., Ltd. recorded no instances of excessive emissions of exhaust gas, wastewater, or noise pollutants, and was not subject to major administrative penalties or criminal liability for pollutant emissions.

Wastewater Management

Sewage discharge is primarily categorized into industrial wastewater and domestic sewage. After treatment to meet discharge standards through self-built wastewater treatment facilities within the plant boundary, effluent is discharged into the municipal sewage network. All wastewater is transported via overhead PV pipelines with powered conveyance, eliminating environmental risks associated with buried pipeline leakage. Multi-stage sedimentation and inclined plate filtration processes are employed to achieve ultra-low concentration pollutant discharge. An initial rainwater collection pond has been constructed with intercepting drainage ditches to achieve stormwater and sewage separation. Online monitoring equipment is installed at all discharge outlets and connected to environmental protection authorities for real-time monitoring. A reclaimed water reuse system has been established to further treat qualified wastewater to produce pure water for electrolyte preparation, with excess wastewater utilized for plant landscaping, achieving water recycling. Lithium battery factories employ efficient, energy-saving, and environmentally friendly triple-effect evaporation processes for generated wastewater, realizing zero liquid discharge of industrial wastewater.

During the reporting period



recorded **no** instances of excessive emissions of exhaust gas, wastewater, or noise pollutants, and was not subject to major administrative penalties or criminal liability for pollutant emissions

realizing



lithium battery factory
zero wastewater discharge

Wastewater Discharge Management Requirements

- **Discharge Sources:** Industrial wastewater and domestic sewage. Primary pollutants include Chemical Oxygen Demand (COD), Ammoniacal Nitrogen (NH₃-N), and total lead.
- **Reduction Target:** In 2025, unit wastewater discharge at battery bases shall be reduced by 5% compared to 2024.
- **Pollution Prevention Facilities:** Industrial wastewater treatment station, domestic sewage treatment station.
- **Treatment Methods:** For industrial wastewater, an effluent discharge approval system is implemented. Self-inspection must be passed before submission to superior management departments for approval prior to discharge. Lithium battery factory wastewater employs efficient, energy-saving, and environmentally friendly triple-effect evaporation processes to achieve zero liquid discharge of industrial wastewater. Domestic sewage is discharged indirectly.

Waste Gas Management

To mitigate the environmental impact of exhaust gases, Shuangdeng Group continuously promotes the upgrading of waste gas treatment facilities. For metal-containing exhaust gases, a three-stage treatment process combining bag filtration, water bath, and spray scrubbing is employed. For organic exhaust gases, a condensation system is utilized for temperature reduction, adopting a combined process of "heat recovery + condensation recovery + high-tower absorption" to achieve efficient recovery through three-stage condensation, ensuring stable compliance emission of Volatile Organic Compounds (VOCs). Environmental protection experts conduct daily inspections and periodic maintenance of waste gas pollution prevention facilities, ensuring that all materials required for facility operation remain in optimal condition to maximize waste gas treatment efficiency. Meanwhile, monthly testing is commissioned to qualified third-party organizations, providing robust data support for stable facility operation and compliant exhaust gas emissions.

Waste Gas Discharge Management Requirements

- **Discharge Sources:** Boiler flue gas, dust-containing waste gas, NMP waste gas, canteen oil fumes, etc.
- **Reduction Target:** In 2025, the unit waste gas emission volume of the battery base shall be reduced by 5% compared with 2024.
- **Pollution Prevention Facilities:** High-efficiency dust removal equipment, activated carbon adsorption devices, canteen oil fume purification systems, etc.
- **Treatment Method:** Discharged up to standard after treatment by waste gas control facilities.

During the reporting period



the Company achieved remarkable results in air pollutant emission control, with all key indicators meeting standards stably, realizing **100%** compliant emissions

Noise Management

To ensure stable compliance with boundary noise standards, the Company has established two lines of defense:

Focusing on facility hardware

vibration-dampening base installations and independent acoustic enclosures are implemented for noise sources, significantly reducing equipment operational noise.

Focusing on environmental integration

we have constructed tall, dense vegetative buffer zones between plant boundaries and functional areas, leveraging the sound absorption and insulation effects of vegetation to minimize the impact of production operations on the surrounding environment, achieving harmonious coexistence between corporate and community acoustic environments.

Compliant Waste Treatment

Shuangdeng Group strictly conducts industrial solid waste management in accordance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Measures for the Management of Hazardous Waste Transfer, Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2023)*, and other laws, regulations, standards, and guidelines.

Hazardous wastes are classified and stored in designated areas based on their hazardous characteristics. Floors are hardened and corrosion-proofed, with emergency drainage channels installed, meeting environmental pollution prevention requirements for anti-loss, anti-dispersal, anti-rain, anti-leakage, and anti-erosion. Waste management ledgers are maintained on schedule, recording waste generation, storage, and transfer. A waste treatment service provider admission review and supervisory audit mechanism has been established to ensure compliant treatment of all hazardous waste. The Company continuously promotes solid waste reduction, progressively advancing toward a "zero-waste" sustainable development model.

During the reporting period, Shuangdeng Group was not subject to major administrative penalties or criminal liability for waste discharge issues.

Hazardous Waste

- **Waste Types:** Spent electrolyte, waste batteries, heavy metal-containing waste, used personal protective equipment, etc.
- **Reduction Target:** In 2025, hazardous waste generation per unit of production capacity at battery bases shall be reduced by 5% compared to 2024.
- **Pollution Prevention Facilities:** Hazardous waste warehouse
- **Treatment Method:** Harmless treatment or recycling entrusted to qualified disposal units

General Waste

- **Waste Types:** Waste aluminum foil, waste copper foil, etc.
- **Pollution Prevention Facilities:** General solid waste warehouse
- **Treatment Method:** Classified collection followed by harmless disposal or comprehensive utilization entrusted to downstream suppliers

Extended Producer Responsibility

To implement the requirements of the extended producer responsibility (EPR) system for lead-acid battery manufacturers, Shuangdeng Group Co., Ltd. and Jiangsu Yuecheng have established a standardized three-level recycling and utilization system for waste batteries through joint recycling, and have become a pilot unit for the waste lead-acid battery collection and transportation system in Jiangsu Province.

New Slag Reducing Agent Application

The Company actively adopts the combination of automatic temperature control technology and new slag reducing agent to minimize the generation of hazardous wastes such as lead slag. Throughout the year, the generation of hazardous wastes has been reduced by approximately 100 tons, which has lowered the environmental risks during the storage and transfer of hazardous wastes and improved the comprehensive utilization rate of resources.

	Indicators	Unit	2025
Exhaust Gas	Lead and its compounds	t	0.12
	Sulfuric acid mist	t	4.51
	Volatile organic compounds (VOCs)	t	1.26
	Nitrogen oxides (NO _x)	t	1.46
	Sulfur dioxide (SO ₂)	t	0.21
Wastewater	Wastewater discharge volume	t	220,584.60
	Wastewater reuse volume	t	438,650.70
	Ammoniacal nitrogen (NH ₃ -N)	t	0.76
	Chemical oxygen demand (COD)	t	2.43
Solid Waste	Total wastes	t	13,191.74
	Hazardous wastes	t	11,252.24
	Non-hazardous wastes	t	1,939.50
	Waste generation intensity	t/kVAh	0.001

Environmental Risk Management

Shuangdeng Group attaches great importance to the prevention and response of sudden environmental incidents, conducting environmental risk identification, prevention, and management in compliance with the *Measures for the Administration of Responses to Environmental Emergencies* and *Administrative Measures for the Filing of Environmental Emergency Plans by Enterprises and Institutions (Trial)*, among other requirements.

The Company has formulated the Environmental Emergency Plan and the Accident and Incident Investigation and Handling Management Procedure to guide responses to specific scenarios including chemical spills, hazardous waste leaks, industrial wastewater leaks, and fire-derived environmental pollution accidents. The emergency plan has been filed with the competent authorities. Furthermore, the Company has signed Emergency Rescue and Mutual Assistance Agreements for Emergent Environmental Pollution Incidents with surrounding related enterprises, further consolidating and enhancing its disposal and response capabilities in the face of sudden incidents.

In accordance with the annual training plan, the Company conducts company-wide environmental knowledge education, awareness enhancement, and capacity building. In 2025, employee environmental training coverage reached 100%, with training topics encompassing the Company's environmental management systems, national environmental laws and regulations, and environmental emergency response. Additionally, the Company actively carries out environmental and safety drills covering furnace-related exercises, dilute sulfuric acid leakages, and lead slag leakages, further strengthening employees' emergency response capabilities when facing sudden environmental incidents.

Target	Environmental Target Value	Responsible Department	Monitoring Frequency	Completion Status
Number of major environmental accidents	0	ESG Management Department and all sites	Monthly	Achieved
Number of environmental violations and illegal incidents	0	ESG Management Department and all sites	Monthly	Achieved

Innovation-Driven Development

Through the establishment of a systematic and institutionalized R&D innovation system, Shuangdeng Group provides solid institutional assurance for continuously enhancing independent innovation capabilities, driving the Company's business toward a new stage of sustainable, rapid, and high-quality development.

R&D Innovation System

R&D Strategy

Shuangdeng Group unswervingly implements the overall development policy of "Strengthening lithium batteries with industrial focus; Refining lead-acid batteries to expand applications; Optimizing systems to achieve scale advantages; Deepening partnerships to elevate standards". Guided by this strategic compass, the Company adheres to the dual empowerment of "technological innovation" and "market demand", comprehensively deepening the operational mechanism of "Innovation-Driven, Dual-Core Synergy". Converting technological potential into robust momentum for scaled development, the Company propels R&D innovation toward higher quality and deeper levels.

Innovation System

Shuangdeng Group adheres to the construction philosophy of a "specialized and collaborative" R&D system, with the Academic Committee of Experts steering macro-direction, establishing a dual-track R&D strategy of "Consolidating Foundations + Pioneering Innovations".

As the primary bastion of the Company's technological innovation, the Technical Center gathers 254 R&D talents, forming five core R&D teams: "Frontier Technologies, Lithium-ion Cells, Lead-acid Batteries, System Integration, and Energy Storage Technologies."



Forward-looking Technology R&D Team:

Focused on pre-research of novel battery technologies, deploying frontier domains including low-temperature sodium-ion batteries, solid-state batteries, and flow batteries, reserving next-generation energy storage technology solutions.



Battery Technology R&D Team:

Deeply engaged in lithium-ion and lead-acid battery technology iterations, covering core segments including material development, electrochemical testing, and structural design, possessing full-chain development capabilities from technology prototype to mass production introduction.



System Integration R&D Team:

Building integrated solutions for scenarios such as telecom energy storage and data center energy storage, constructing intelligent system management platforms.



Energy Storage Technology R&D Team:

Developing industrial energy storage system solutions for diverse scenarios, driving deep application of products in residential, commercial & industrial, and utility-scale energy storage domains.



BMS and Power Electronics Technology R&D Team:

With the goal of "building the safest BMS and most reliable power electronic products," deeply enhancing the Company's battery performance advantages, making system solutions more intelligent, efficient, and safe & reliable.

R&D Capabilities



Taizhou — National Accredited Enterprise Technology Center, National Accredited Testing Center, Academician Workstation, Postdoctoral Workstation, Jiangsu Provincial Key Laboratory of Electrochemical Energy Storage Technology

Intelligent lithium battery, high-rate lithium battery, residential energy storage, and various lithium battery solutions; advanced lead-acid battery product development and solution provision.



Taizhou — R&D Headquarters (Advanced Energy Storage Zero-Carbon Industrial Park) Under Construction

Directed R&D of customized energy storage batteries, intelligent dispatch algorithms, and integrated energy storage systems, addressing the dual pain points of "green power consumption" and "power supply security" for intelligent computing centers.



Hubei — R&D Platform

National-level 2025 5G Factory, large-capacity energy storage cell development, advanced lead-acid battery development.



Beijing — Offshore Innovation Platform

Development and design of various novel energy storage system solutions.



Shenzhen — Offshore Innovation Platform

Battery Management System (BMS) solutions.



Nanjing — R&D Platform

Sodium-ion batteries, fuel cells, solid-state battery R&D.



⚡ R&D Metrics and Targets

During the reporting period, based on the strict tracking and performance appraisal of the entire R&D life cycle, the Company's Technology Center successfully ensured that all new product development tasks were completed on schedule this year, with 100% achievement rate of new product development projects.

During the reporting period



with the achievement rate of new product development projects steadily maintaining

100%

Innovation Incentives

To fully activate the innovation momentum of the R&D system, based on the differentiated positioning of different R&D platforms, Shuangdeng Group has built a systematic assessment mechanism of "hierarchical classification and precise incentives", committed to promoting the "two-way improvement" of scientific research achievements and talent efficiency, thereby continuously enhancing the company's core competitiveness.

At the operational execution level, the Company has established a technical grade evaluation system covering the full R&D lifecycle, putting into practice the stratified management and incentives of technical talent. By constructing a value distribution chain where "capability determines position, contribution determines reward," the Company effectively ensures that core technical talent feels a sense of gain, injecting strong internal drive for the continuous advancement of R&D teams.

⚡ R&D and Innovation Achievements

Shuangdeng Group Co., Ltd. steadfastly regards technological innovation as the "primary driving force" for green development, demonstrating the commitment of an industry-leading enterprise in facilitating the transformation of energy structure, serving the national "Dual Carbon" strategy, and contributing to the building of a Beautiful China.

During this year, the Company added 17 new patents, bringing the cumulative total to 386 patents. Concurrently, focusing on three dimensions—AI computing power infrastructure, novel electrochemical systems, and green long-life materials—we have delivered impressive results in safeguarding the arteries of the digital economy and promoting sustainable resource utilization.

Immersion-cooled Lithium Battery System Development

The immersion-cooled lithium battery system employs full immersion technology, significantly suppressing cell thermal runaway. Flammable gas release is minimal, with batteries remaining non-combustible and smoke-free even under extreme conditions. Single-cabinet discharge power reaches 630 kW. While satisfying high-power demands, footprint is reduced by 33%—accommodating greater energy within less space, providing new possibilities for AIDC expansion.

Case | Ultra-Low Temperature Sodium-Ion Battery Technology

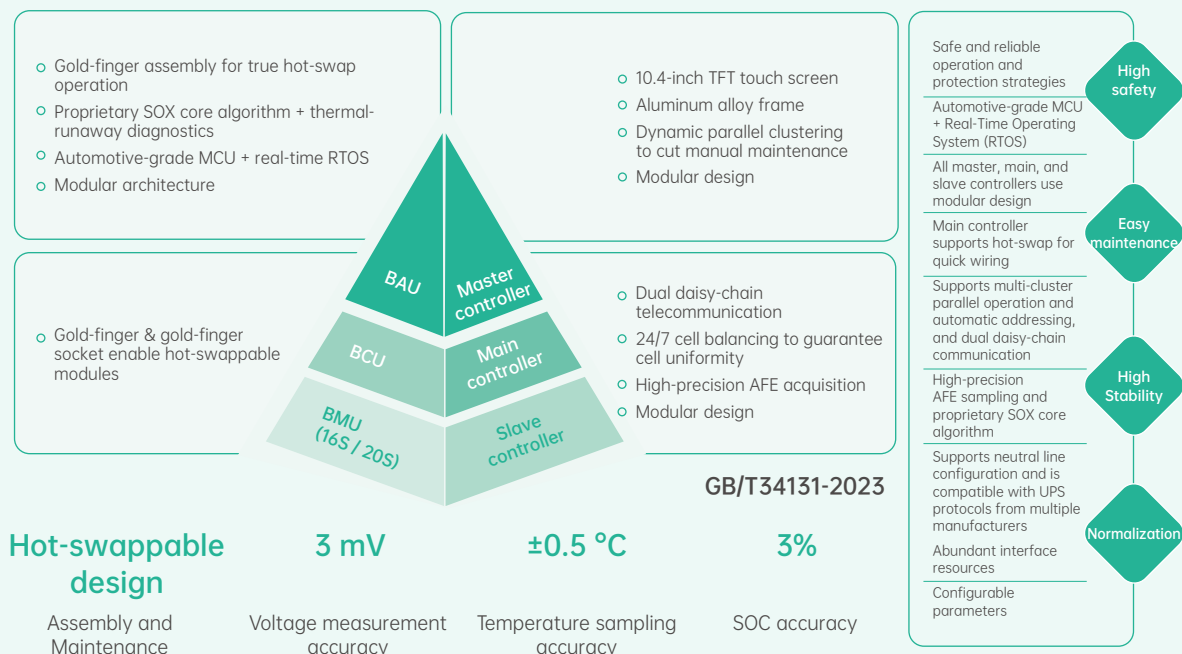
Sodium-ion batteries, featuring low cost, wide temperature range, and high safety advantages, represent an important solution for low-temperature energy storage applications.

- **High-Performance Anode Carbon Materials:** Through microstructural regulation and coating modification of biomass-based carbon materials, electrochemical kinetics are enhanced, significantly improving battery charge acceptance capability.
- **Separator Coating Modification Technology:** Composite coating of special materials on the separator surface effectively improves interfacial compatibility between the separator and electrodes.
- **Ultra-Low Temperature Special Electrolyte:** Addressing challenges such as slow ion transport and high impedance of electrolyte at low temperatures, a special low-temperature-resistant electrolyte formulation is designed to enhance sodium-ion conductivity at low temperatures, lower sodium-ion desolvation energy barriers, accelerate charge transfer rates, and effectively prevent irreversible sodium metal precipitation at low temperatures.
- The sodium-ion battery achieves normal charging at minus 30 degrees Celsius, with minimum discharge temperature reaching minus 40 degrees Celsius and cycle life exceeding 4,000 cycles. This effectively resolves industrial pain points such as low-temperature failure and short lifespan of energy storage batteries in cold regions, reducing the cost of low-temperature energy storage applications.



Case | High-Voltage Lithium-Ion BMS Driving the Transformation of Pollution and Carbon Reduction in IDC Backup Power

The high-voltage lithium-ion BMS is designed for energy storage systems in data centers. It enables precise management of battery systems through intelligent algorithms and supports the integration of green power for grid connection, thereby reducing carbon emissions in data centers. It provides an efficient and feasible path for the collaborative transformation of energy conservation and carbon reduction in internet data centers.



Case | Industry-University-Research Collaborative Driving Technological Transformation

Leveraging its profound industrial expertise, Shuangdeng Group has established an industry-university-research-application collaborative innovation system led by academicians, coordinated with universities, and dominated by enterprises. The Company conducts joint R&D with the Institute of Electrical Engineering, Institute of Physics of the Chinese Academy of Sciences, Harbin Institute of Technology, and Harbin Engineering University, and has set up an Academic Committee composed of more than 30 renowned experts from home and abroad, headed by 6 academicians. Meanwhile, the Company has maintained long-term and stable scientific research cooperation with experts from prestigious universities and research institutes, including China Electric Power Research Institute, Tsinghua University, Nanjing University, Huazhong University of Science and Technology, and Beijing Institute of Technology.

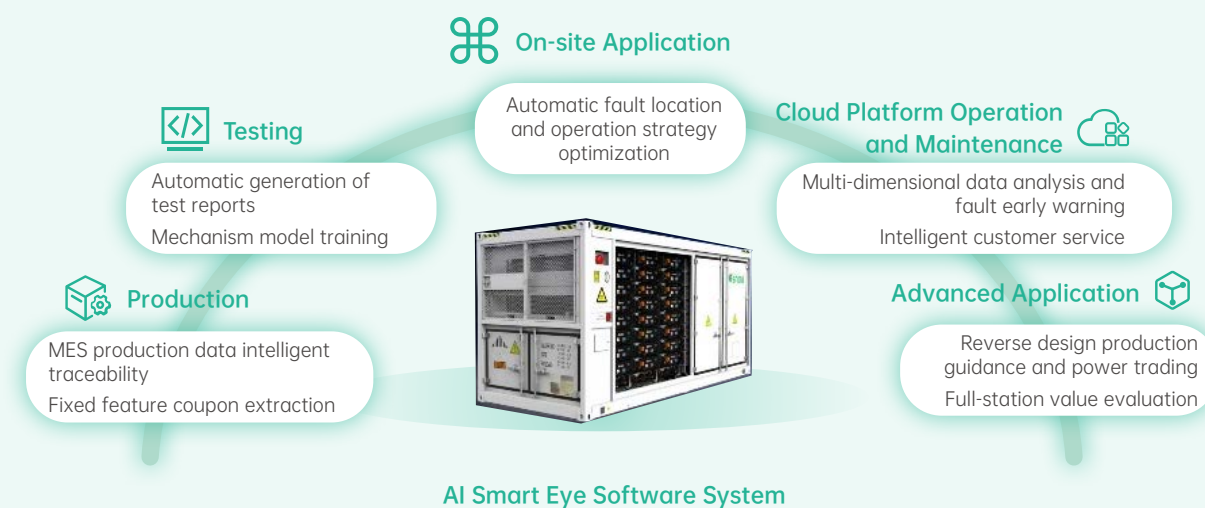


We have continuously tackled key and common technical challenges in the energy storage sector. To maintain sharp technological insight and a dynamic talent team, the Company holds an academic conference every two years, continuously releasing pioneering innovative achievements to ensure that it always stands at the forefront of technological transformation in the industry.

Case | Energy Storage AI Zhimou (Smart Eye) Software System

Shuangdeng Group's Energy Storage AI Zhimou (Smart Eye) System is built on a "cloud-edge-end" collaborative architecture. Combining the battery intrinsic mechanism model and deep learning algorithms, it constructs a full-dimensional intelligent protection system covering "cell-module-system", and creates the industry's first energy storage asset digital twin platform. It reduces resource waste and carbon footprint increment caused by equipment abnormalities, realizes closed-loop management from design optimization to benefit evaluation, and provides low-carbon, high-reliability technical support for clean energy infrastructure.

- **Safety:** As safety prevention and control is upgraded, it can early warn cell-level abnormalities 72 hours in advance, and the accuracy of system-level risk prediction is increased to 99.7%;
- **Efficiency:** With improved operation and maintenance efficiency, fault location time is reduced to less than 30 seconds, and the operation and maintenance response efficiency is 120 times higher than that of the traditional model;
- **Intelligence:** Integrated with the DeepSeek LLM to realize a vertical intelligent customer service, it can real-time analyze equipment operation data, provide multi-language maintenance plan suggestions, and increase the decision-making efficiency of on-site technical personnel by 300%.



Green and Low-Carbon Products

Shuangdeng Group has always regarded "green design" as the first process in product development, resolutely advancing low-carbon technology pathways for both lead-acid and lithium-ion batteries. We thoroughly practice the concept of full-life-cycle ecological management from the hazard-free raw material substitution at the source selection, through the extreme lightweight and structural optimization in product design, to the process innovation and resource recycling in the production and manufacturing, effectively promoting the energy storage industry towards sustainable development through a series of industry-leading green innovations.

Green and Low-Carbon Technology for Lithium Battery

Application of Copper Foil Thinning Technology

To further improve material utilization efficiency, the Company launched a 5-micron copper foil process upgrading project during the reporting year. On the premise of ensuring product performance and safety, it further improved the utilization efficiency of copper resources, reduced product carbon footprint, and alleviated the environmental impact of the supply chain.

Green and Low-Carbon Technology for Lead-Acid Battery

The Company has innovatively developed corrosion-resistant grid and alloy technology for batteries. This technology adopts a positive grid alloy with uniform grain structure, high mechanical strength and stable electrochemical performance. Combined with the scientific design of the grid structure, it improves the uniformity of current distribution and increases the corrosion-resistant life of the grid by more than 2 times. The application of this technology has increased the greenization rate of the manufacturing process to 78.40%, an increase of 30 to 40 percentage points.

It has increased the application of general parts, standard materials, components and equipment. At present, the generalization rate of the newly developed products in standard materials, components and auxiliary materials for equipment and tooling has reached more than 95%.

In the link of green product production, optimized design is used to improve formation efficiency and reduce the total formation charging capacity by 20%. It extends product life and improves energy utilization efficiency during operation. The long-life products developed for green energy storage can double the service life, reaching the advanced level of the same industry, and the charge acceptance efficiency is increased by more than 5%. The high-temperature product series customized and developed according to industry characteristics can save 30 to 50% of energy consumption of base stations.

N-Methylpyrrolidone (NMP) Recovery System

NMP is a solvent commonly used in lithium battery production, accounting for a large proportion in the production link. The Company has innovatively applied the positive electrode coating NMP recovery system technology, adopting the method of "pre-cooling (waste heat recovery) + condensation (circulating water cooling + chilled water cooling) + return air circulation + spray tower absorption (5~10% exhaust gas treatment)" to condense and recover NMP in the exhaust gas emitted by the positive electrode coater. All NMP condensate is collected in the waste liquid tank for recovery, with a recovery efficiency of more than 92% and a recovery rate of more than 99%.

In the return air circulation stage, about 95% of the return air is recycled as the air intake of the coater. The remaining small part of the gas used to maintain the vacuum negative pressure of the coater is treated by the spray tower process, so that the NMP concentration is reduced to less than 25 mg/m³, meeting the environmental protection emission standards and effectively reducing the emission of environmental pollutants.



Value Chain Collaboration

Amid the grand landscape of deeply interconnected global industries, Shuangdeng Group regards synergy and coexistence as the core driver of its sustainable development and value leap. We are committed to enabling two-way capability enhancement among value chain partners through a highly resilient supply chain network and open, inclusive industry engagement. Together, we foster a vibrant, mutually beneficial and win-win new industrial ecosystem.

ESG Topics Addressed in this Chapter

- Supply Chain Management
- Industry Collaboration
- Social Contribution



Supply Chain Management

Shuangdeng Group Co., Ltd. is committed to building a supply chain ecosystem that combines "stability, security, and growth potential". Relying on a full lifecycle management system, the Company has established strict global supplier admission standards and deeply implements three core mechanisms: tiered management, dynamic assessment, and continuous empowerment, achieving value symbiosis and long-term win-win outcomes with partners.

The Company has built a standardized institutional system covering the full lifecycle of supplier management, constructing a rigorous internal control defense line, and formulating and strictly implementing a series of normative documents including the Supplier Management Procedure, Supplier Tiered Management Measures, and Supplier Development Certification and Business Management System. The Company has successfully obtained ISO 28000 Supply Chain Security Management System Certification, marking that the Company's supply chain management level has achieved comprehensive alignment with international standards.

Supplier Admission



The Company implements a strict admission mechanism for new suppliers, extending comprehensively from traditional business performance, product technology, and management systems to key ESG indicators including social contribution, compliant operations, and low-carbon emission reduction, precisely identifying partners that possess both advanced technical capabilities and sustainable development capacity.

Supplier Assessment



The Company has established a tiered and normalized assessment mechanism for supplier management, driving continuous supply chain optimization and capability iteration through objective and data-driven approaches. Response speed to demands and improvement countermeasures are incorporated into key indicators, compelling suppliers to enhance agile coordination with urgent demands and technical changes. Through a competitive mechanism of "entry and exit for the fittest", the overall vitality of the supply chain is continuously activated.

Supplier Elimination



The Company has established a comprehensive supplier exit and elimination system, incorporating sustainable development commitments as red lines. For suppliers violating agreements such as the Environmental Protection Agreement, Conflict Minerals-Free Commitment, and Greenhouse Gas Emission Reduction Commitment, a veto policy is implemented with direct elimination.

Supplier Empowerment



Adhering to the cooperation philosophy of "value symbiosis and collaborative success", the Company is committed to driving the transformation of supply chain relationships from traditional unidirectional control to bidirectional empowerment. Through field research, experience sharing, and targeted assistance models, the Company deeply assists suppliers in resolving production bottlenecks and quality pain points, achieving long-term win-win outcomes and robust development for both the enterprise and suppliers in a turbulent market environment.

During the reporting period



the Company had a total of **291** suppliers among which **290** are from China (including Hong Kong, Macao, and Taiwan) and **1** overseas



The Company conducted assessments for **100%** of suppliers, including **45** audits of Category **A** raw material suppliers

Internal Audit Mechanism

The Company internally cultivates auditors to conduct audits on CSR standards including conflict minerals, identifying risks and compiling audit reports to ensure supply chain compliance.

Supplier Commitment Management

Suppliers are required to sign the Conflict Minerals-Free Commitment, pledging that metal raw materials used in products and packaging (such as gold, tantalum, tin, tungsten, etc.) do not originate from armed force-controlled areas in the Democratic Republic of Congo and its surrounding countries, ensuring raw material legality.

Raw Material Traceability and Management

Suppliers are required to strengthen internal management, formulate systems and regulations to effectively identify and trace raw material sources, eliminating conflict minerals from entering production.

Emergency Response Plan

An emergency response plan is formulated. Once conflict mineral risks are identified, immediate measures are taken, such as replacing suppliers or recalling products, to ensure supply chain sustainability.

Case | Annual Supplier Conference: "Gathering Energy for Overseas Expansion, Blossoming on the Other Shore"

Shuangdeng Group Co., Ltd. successfully held its annual partner conference themed "Gathering Energy for Overseas Expansion, Blossoming on the Other Shore". At the conference, the Company comprehensively showcased core achievements in quality management system transformation and quality leapfrog strategy, and released the latest ESG compliance guidelines to industry chain partners. To recognize excellence and inspire innovation, the conference presented multiple honors including the "Innovation Cooperation Pioneer Award", "Outstanding Contribution Award", and "Best Partner Award". This conference not only built a high-end platform for in-depth dialogue across the industry chain, but also further consolidated cooperation consensus through deepening strategic mutual trust and collaboration models, laying a solid foundation for Shuangdeng Group to accelerate global strategic layout and build a sustainable supply chain ecosystem.



Responsible Supply Chain

Shuangdeng Group Co., Ltd. is committed to building a transparent and compliant responsible supply chain system. By strengthening contractual spirit and deepening due diligence, the Company works hand-in-hand with upstream industry chain partners to jointly address global compliance challenges and build a green and ethical industrial ecosystem.

The Company requires suppliers to sign the Supplier Code of Conduct and Procurement Framework Agreement, incorporating the Environmental Protection Agreement, Conflict Minerals-Free Commitment, and Greenhouse Gas Emission Reduction Commitment into routine procurement agreement signing categories. This ensures that key ESG behaviors including environmental protection, labor rights, and climate response are transformed into legally binding clauses.

In 2025, keeping pace with international regulatory trends, the Company formulated the Supply Chain Due Diligence Policy and Due Diligence Management System, and preliminarily established a supply chain due diligence management system. The Company commissioned professional institutions to develop supplier ESG due diligence self-assessment questionnaires and supplier ESG due diligence audit checklists, clearly defining "zero tolerance" items. During the reporting period, the Company took the lead in completing ESG due diligence for 5 suppliers in key material fields including lithium iron phosphate, lead ingots, tabs (nickel), battery systems, and graphite.

During the reporting period



the signing rate of the Supplier Code of Conduct was

100%



and the signing rate of the Procurement Framework Agreement was

100%

Industry Collaboration

Leveraging its profound technical expertise and industry influence in the energy storage battery sector, Shuangdeng Group Co., Ltd. firmly upholds the concept of openness and cooperation and actively builds a new pattern of coordinated industrial development. The Company deeply integrates into the global industrial ecosystem, and promotes high-quality development and green and sustainable transformation of the industry through extensive participation in domestic and overseas association affairs, industrial standard-setting, technical seminars and exchange activities.

Building a Multi-Dimensional Collaboration Network to Deepen Industry Influence

The Company has constructed a three-tiered, three-dimensional industry collaboration system with "international vision, national stature, and regional synergy". As of the end of the reporting period, the Company has joined 41 domestic and international authoritative industry associations and academic societies, covering key industrial fields including battery technology, telecommunication standards, and green circular economy, as well as diversified topics such as business ethics, industrial development, technological innovation, and intellectual property.

As of the end of the reporting period



the Company has joined

41 domestic and international authoritative industry associations and academic societies



International Level

As an active member of the Global System for Mobile Communications Association (GSMA), Advanced Lead Acid Battery Consortium (ALABC), International Telecommunication Union (ITU), and International Electrotechnical Commission (IEC), the Company deeply participates in global technology governance and exchange.



Domestic Level

Serving as a Vice Chairman Unit in core organizations such as the China Battery Industry Association and China Industrial Association of Power Sources, the Company's senior executives hold key positions including Vice Chairman and Vice President in multiple associations, directly participating in top-level industry design and exchange.



Regional Level

Serving as Vice Chairman or Vice President Units in provincial platforms such as the Jiangsu Energy Storage Industry Association and Renewable Energy Industry Association, the Company plays a leading role in driving collaborative development of regional industry clusters.

Establishing Technical Benchmark and Leading Industry Standard Development

Shuangdeng Group is committed to transforming technological innovation achievements into industry common norms, actively promoting the formation and dissemination of industrial technology consensus. As of the end of the reporting period, the Company has cumulatively participated in the formulation of 32 national, industry, and international standards, constructing a comprehensive standard system covering lead-acid, lithium, sodium batteries, and power energy storage systems, making unremitting efforts for the standardization, normalization, and large-scale development and application of advanced energy storage technologies.

As of the end of the reporting period



the Company has cumulatively participated in the formulation of

32 national, industry, and international standards

Leveraging High-End Exchange Platforms to Promote Synergistic Industrial Development

The Company has constructed a diversified exchange matrix including global exhibition presences, high-end forum dialogues, technical summit seminars, and cross-border cooperation promotions. Shuangdeng Group frequently appears at well-known domestic and international energy storage exhibitions and authoritative industry forums, actively exporting company cases and successful practical experiences around core topics such as Chinese enterprise overseas expansion strategies, energy storage development trends, and green solutions. The Company is committed to breaking information barriers through open dialogue, sharing transformation opportunities with global partners, and driving value symbiosis and collaborative progress across the entire industry with a mutually beneficial and win-win posture.

Case | Summit Seminar: Shuangdeng Group Shines at the Energy Storage Summit, Jointly Discussing the New Global Industrial Ecosystem

In December 2025, Shuangdeng Group Co., Ltd. was invited to participate in the 2025 China Energy Storage CEO Summit. Dr. Yang Rui, Chairman of the Company, participated in the high-end roundtable dialogue and in-depth shared Shuangdeng Group's leading practices in addressing trade barriers through global layout and breaking through the power challenges of AI intelligent computing centers by exploring the AIDC energy storage field.

Targeting industry globalization challenges and new opportunities in the computing era, the Company shared strategic pathways for the leap from "product export" to "manufacturing export", as well as high-rate energy storage solutions tailored for AI intelligent computing centers. With a "deep localization" philosophy of "diving into the global market" and forward-looking AIDC technology deployment, Shuangdeng Group provides the industry with a highly valuable "Shuangdeng Group Paradigm" for breaking internal competition, navigating cycles, and opening incremental tracks, powerfully leading the energy storage industry's accelerated evolution toward globalization and high-end advancement.



Case | Forum Dialogue: Shuangdeng Group Embraces the Belt and Road Initiative to Jointly Open a New Chapter of the New Green Silk Road

In September 2025, Shuangdeng Group Co., Ltd. participated as an important contributor in the 10th Belt and Road Summit, delivering a speech at the "Hong Kong-Jiangsu Belt and Road Green Energy Project Cooperation Roundtable", engaging in dialogue with political and business leaders on a new chapter of green energy.

The development of Shuangdeng Group resonates in harmony with the Belt and Road Initiative construction. With dual identities as a Jiangsu-based manufacturing enterprise and a Main Board listed company on The Stock Exchange of Hong Kong Limited, Shuangdeng Group will actively leverage its "super connector" advantages as an international hub, proactively building resource-sharing platforms and joining hands with more Jiangsu manufacturing enterprises to promote China's energy innovation achievements globally, constructing an open and win-win industrial ecosystem under the Belt and Road framework.



Case | Cross-border Exchange: Shuangdeng Group Joins Jiangsu Delegation to Malaysia to Build New Advantages for Chinese Enterprises

In May 2025, Shuangdeng Group joined a Jiangsu provincial government delegation on an inspection visit to Malaysia. At the symposium, Dr. Yang Rui took the successful commissioning and localization strategy of the Malaysian production base as examples, systematically reviewing the practical path for enterprises to "go global". The Company is not only committed to its own international breakthrough but also voluntarily acts as a pathfinder for the industry's overseas expansion. It shares valuable experience without reservation, providing a replicable "Shuangdeng Group Solution" for other enterprises exploring internationalization, injecting new impetus into driving the upstream and downstream industrial chain and partners to go global, and jointly building the overall competitive advantage of Chinese manufacturing in the global market.



Social Contribution

Shuangdeng Group Co., Ltd. consistently uses technological innovation to drive social value creation, and closely integrates corporate development with national strategies and people's well-being. With the sincere philosophy of "never forgetting where we come from", the Company has established foundations and scholarships in education to light the way for outstanding teachers and students to scale the heights of science. It has never been absent from public welfare and philanthropy, interpreting the spirit of mutual assistance through concrete actions. In the cause of rural revitalization, it has taken an active part, leveraging industrial strength to support community development. The Company will continue to translate commercial success into social care, so that every technological advancement is accompanied by human warmth, keeping pace with the times and jointly painting a warm picture of a better life.

Case | Embracing Virtue Like Ascending a Height: Public Welfare and Education Support

On September 9, 2025, the inauguration ceremony of the "Cong Shan Ru Deng (Embracing Virtue Like Ascending a Height)" Charity Foundation initiated by Shuangdeng Group Co., Ltd. was successfully held at Jiangyan High School. Aiming to continuously support the professional growth of teachers, promote educational innovation, and build a "Vibrant Jiangyan", Shuangdeng Group donated two million yuan and will take the foundation as an important platform to keep fulfilling its social responsibilities and inject new momentum into the development of local education.



Case | Embracing Virtue Like Ascending a Height: Benefiting Talents

The Company has joined hands with Harbin Institute of Technology and Harbin Engineering University to establish the "Shuangdeng Group" and "Cong Shan Ru Deng (Embracing Virtue Like Ascending a Height)" special scholarships. Since 2022, the program has benefited more than 200 outstanding students. It not only provides financial support to young talents but also inspires them to embrace patriotism, aim high, and strive for excellence in scientific research and innovation, fostering strong momentum for the future of the industry.



Case | Joining Hands with the Charity Federation to Pool Love Together

Shuangdeng Group Co., Ltd. has continuously deepened cooperation with charitable organizations and focused on supporting vulnerable groups and addressing people's livelihood needs. In 2025, the Company donated 500,000 RMB to the Jiangyan District Charity Federation, ensuring that the benefits of corporate development truly reach those in need.

During the 15th Public Welfare Festival and ESG Influence Annual Conference, Dr. Yang Rui, Chairman of the Company, was honored with the Annual Public Welfare Figure Award, setting an example for the Company in giving back to society and proactively fulfilling social responsibilities.



Case | Partnering with Dalun Agricultural Cooperative to Innovate the "Adopt-a-Farm" Model

The Company highly recognizes the development philosophy and project creativity of Dalun Village Share Economic Cooperative in Dalun Town, Jiangyan District, Taizhou City. Approximately 900-950 square meters of collective village land is utilized for seasonal fruit and vegetable cultivation, with an innovative "Adoption + Cooperation" model adopted for distributing planting returns. The Company voluntarily leverages corporate strength to empower rural development, assisting in improving the quality and efficiency of rural agriculture and promoting steady income growth for farmers.



Leveraging its professional expertise in energy storage technology and energy management, the Company actively participates in the development of new-type power systems. Through high-quality energy storage solutions, it supports grid stability, new energy integration, and energy conservation and emission reduction in frontier regions. In 2025, Shuangdeng Group successfully delivered multiple large-scale energy storage projects in key areas such as Xinjiang and Inner Mongolia. With its robust technical capabilities, the Company ensures the safety of people's electricity consumption, and with its efficient execution capabilities, it supports the development of clean energy, providing solid energy security for regional economic and social stability. The Company consistently adheres to the philosophy of "letting technology serve society and green benefits reach the people", practicing the social responsibility of a new energy enterprise through concrete actions and demonstrating the corporate commitment to technology for good.

Case | Efficient Delivery Ensuring Frontier Energy Security

Shuangdeng Group Co., Ltd. constructed a 200MW/800MWh grid-scale energy-storage wind power project for Xinjiang Lixin Energy at Santanghu, which was successfully grid-connected by the end of December 2025. Through a highly integrated energy storage system solution, it significantly enhanced the stability of local power supply, providing reliable energy storage support for new energy integration in frontier regions. This not only addressed energy supply challenges in border areas but also promoted local sustainable development through technology transfer, further demonstrating Shuangdeng Group's commitment to putting its "New Energy, Circularity, High Technology" philosophy into practice.



Case | Grid-Forming Technology Safeguarding People's Livelihoods in Border Areas

The 100MW/400MWh grid-side grid-forming standalone energy storage station project undertaken by Shuangdeng Group in Hotan, Xinjiang was completed and commissioned in December 2025. Leveraging virtual synchronous generator technology to actively establish grid voltage and frequency references, this station releases stored electricity during peak demand periods, effectively alleviating power supply constraints and significantly enhancing grid disturbance resistance. It fortifies the defense line for stable operation of end-grid systems, providing solid power security for economic and social development in frontier regions.



Case | Green Energy Storage Benefiting the Ecological Environment

The 500MW/2000MWh standalone energy storage station in Huade County, Ulanqab, in which Shuangdeng Group Co., Ltd. participated, has been successfully grid-connected and commissioned. This station effectively smooths out fluctuations in wind and solar power output, with an estimated annual peak-shaving and valley-filling regulation capacity of approximately 600 million kWh. It holds significant importance for increasing the share of renewable energy consumption in the region and ensuring grid security.



Appendix

⚡ Appendix I: ESG Performance Summary

Environmental Performance

Climate Change Response

Indicator	Unit	2025
Total GHG Emissions	tCO ₂ e	962,250.41
Scope 1 GHG Emissions	tCO ₂ e	9,360.96
Scope 2 GHG Emissions	tCO ₂ e	146,138.10
Scope 3 GHG Emissions	tCO ₂ e	806,751.35

Energy Utilization

Indicator	Unit	2025
Basic Information of Energy Consumption		
Comprehensive Energy Consumption	GJ	1,303,566.85
Direct Energy Consumption	GJ	180,466.72
Indirect Energy Consumption	GJ	1,123,100.12
Renewable Energy Consumption	GJ	43,911.97
Basic Information of Energy Consumption – By Energy Type		
Direct Energy		
Natural Gas	m ³	4,500,907.00
Diesel	kg	102,460.39
Gasoline	L	20,644.95

Indicator	Unit	2025
Indirect Energy		
Electricity	kWh	224,015,701.53
Steam	t	112,126.94
Basic Information of Energy Consumption – Energy Consumption Intensity per Unit Product		
Energy Consumption Intensity	GJ/kVAh	0.11

Water Resources Utilization

Indicator	Unit	2025
Total water consumption	t	291,894.70
Water Consumption Intensity	t/kVAh	0.03

Packaging Material Utilization

Indicator	Unit	2025
Total Packaging Material Consumption	t	9,959.33
Packaging Material Consumption Intensity	t/kVAh	0.001

Pollutant Discharge

Indicator	Unit	2025
Exhaust Gas		
Lead and its compounds	t	0.12
Sulfuric acid mist	t	4.51
Volatile organic compounds (VOCs)	t	1.26
Nitrogen oxides (NO _x)	t	1.46
Sulfur dioxide (SO ₂)	t	0.21

Indicator	Unit	2025
Wastewater		
Wastewater discharge volume	t	220,584.60
Wastewater reuse volume	t	438,650.70
Ammonia nitrogen (NH ₃ -N)	t	0.76
Chemical oxygen demand (COD)	t	2.43

Waste Generation

Indicator	Unit	2025
Waste generation	t	13,191.74
Total hazardous waste generation	t	11,252.24
Total non-hazardous waste generation	t	1,939.50
Waste generation intensity	t/kVAh	0.001

Social Performance

Employment

Indicator	Unit	2025
Total number of employees	Persons	2,318
Employee Structure – by Gender		
Female	Persons	651
Male	Persons	1,667
Employee Structure – by Type of Employment		
Full-time	Persons	2,318
Part-time	Person	0

Indicator	Unit	2025
Employee Structure – by Age		
>30	Persons	537
30~50	Persons	1,449
<50	Persons	332
Employee Structure – by Region		
Chinese Mainland	Persons	2,297
Overseas	Persons	21
Total Employee Turnover Rate ⁸	%	17.71
Employee Turnover Rate – by Gender		
Female	%	17.59
Male	%	17.76

Equality and Diversity

Indicator	Unit	2025
Workforce Diversity – by Gender		
Female	%	28.08
Male	%	71.92
Workforce Diversity – by Ethnicity		
Han	%	98.92
Ethnic minorities	%	1.08
Management Diversity		
Female	%	6.45
Male	%	93.55

⁸ The formula for calculating employee turnover rate is: Number of employees who left / (Number of active employees at the end of the year + Number of employees who left).

Indicator	Unit	2025
Board Diversity		
Female	%	28.57
Male	%	71.43

Talent Training and Development

Indicator	Unit	2025
Percentage of Employees Trained	%	100.00
Percentage of Employees Trained – by Gender		
Female	%	100.00
Male	%	100.00
Percentage of Employees Trained – by Employee Category		
Senior Management	%	100.00
Middle Management	%	100.00
General Staff	%	100.00
Average Training Hours per Employee	Hours	90.00
Average Training Hours per Employee – by Gender		
Female	Hours	85.00
Male	Hours	95.00
Average Training Hours per Employee – by Employee Category		
Senior Management	Hours	20.00
Middle Management	Hours	30.00
General Staff	Hours	90.00
Employee Satisfaction	%	99.22
Percentage of Employees Receiving Performance and Career Development Reviews	%	100.00
Percentage of Employees Receiving Skills-related Training	%	100.00

Occupational Health and Safety

Indicator	Unit	2025
Number of Major Safety Accidents	Case	0
Number of General Safety Accidents	Cases	3
Number of Work-related Fatalities	Cases	0 (0 in the past three years)
Work-related Fatality Rate	%	0.00 (0 in the past three years)
Lost Working Days Due to Work Injuries	Days	200.00
Coverage of Safety and Environmental Protection Training for Employees	%	100.00
Coverage of Occupational Health Check-up ⁹	%	100.00
Number of Confirmed or Suspected Occupational Disease Cases	Case	0

Product Responsibility

Indicator	Unit	2025
Number of Product Recall Incidents Caused by Quality and Safety Issues	Case	0
Percentage of Products Sold or Shipped that Require Recall for Safety and Health Reasons	%	0.00
Number of Customer Complaints Received Regarding Products and Services	Cases	6
Customer Complaint Closure Rate	%	100.00
Overall Customer Satisfaction in the Annual Customer Satisfaction Survey	%	94.70

Innovation-driven Development

Indicator	Unit	2025
Total number of granted patents	Items	386
Number of new granted patents in the reporting year	Items	17

⁹ Occupational health examination coverage refers to the proportion of employees in positions exposed to occupational disease hazards who have received occupational health examinations among the total number of such employees.

Supply Chain Management

Indicator	Unit	2025
Total number of suppliers	Units	291
Number of suppliers – by region		
Chinese mainland, including Hong Kong, Macao and Taiwan	Units	290
Overseas	Unit	1
Supplier assessment ratio	%	100.00
Ratio of suppliers that have signed the Supplier Code of Conduct	%	100.00
Ratio of suppliers that have signed procurement framework agreements (including clauses on environmental, labor and human rights requirements)	%	100.00

Community Development

Indicator	Unit	2025
Public Welfare and Charitable Donations	Chinese Yuan	2500,000.00

Governance Performance

Anti-Corruption and Anti- Commercial Bribery

Indicator	Unit	2025
Ratio of employees who have received business ethics training	%	95.00
Number of confirmed corruption incidents	Case	0
Number of corruption lawsuits filed against the company or its employees	Case	0
Number of concluded corruption lawsuits filed against the company or its employees	Case	0

Appendix II: The Stock Exchange of Hong Kong Limited ESG Reporting Code Content Index

Subject Areas	Description	Section
"Comply or explain" Provisions		
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Compliance Management
KPI A1.1	The types of emissions and respective emissions data.	ESG Performance Summary
KPI A1.2	[Repealed 1 January 2025]	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Summary
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Compliance Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Compliance Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Rational Resources Utilization
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	ESG Performance Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Performance Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Rational Resources Utilization
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Rational Resources Utilization

Subject Areas	Description	Section
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	ESG Performance Summary
Aspect A3:The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Environmental Compliance Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Compliance Management
Aspect A4: Climate Change		
General Disclosure	[Repealed 1 January 2025]	
KPI A4.1	[Repealed 1 January 2025]	
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Corporate Governance Career Development Rights Protection
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Performance Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Performance Summary
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Safety Management System Occupational Health and Safety Assurance for Employees
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Performance Summary
KPI B2.2	Lost days due to work injury.	ESG Performance Summary
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety Assurance for Employees

Subject Areas	Description	Section
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Career Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Performance Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	ESG Performance Summary
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Anti-Forced Labor and Child Labor
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Anti-Forced Labor and Child Labor
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Anti-Forced Labor and Child Labor
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	ESG Performance Summary
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management ESG Performance Summary
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management

Subject Areas	Description	Section
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Quality, Safety, and Stability
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	ESG Performance Summary
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Quality, Safety, and Stability ESG Performance Summary
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Innovation-driven Development
KPI B6.4	Description of quality assurance process and recall procedures.	Product Quality, Safety, and Stability
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Privacy and Information Security
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-Corruption and Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption and Business Ethics ESG Performance Summary
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption and Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption and Business Ethics ESG Performance Summary
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Social Contribution
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Contribution
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Contribution ESG Performance Summary

Pillar Elements	Description	Section
Climate-related Disclosures		
Governance		
Governance	19. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Governance Will be gradually improved in the future
Strategy		
Climate-related risks and opportunities	20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Climate Strategy Will be gradually improved in the future

Pillar Elements	Description	Section
Business model and value chain	21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate Strategy Will be gradually improved in the future
	22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Will be gradually improved in the future
Strategy and decision-making	23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Will be gradually improved in the future
	Current financial effect 24. An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Will be gradually improved in the future

Pillar Elements	Description	Section
Financial position, financial performance and cash flows	Anticipated financial effect 25. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Will be gradually improved in the future
	26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Will be gradually improved in the future
Climate resilience		

Pillar Elements	Description	Section
Risk Management		
Risk Management	27. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Climate-related Risks and Opportunities Management Will be gradually improved in the future
	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	ESG Performance Summary

Pillar Elements	Description	Section
Greenhouse gas emissions	29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Climate-related Indicators and Targets
Climate-related transition risks	30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	It has not yet been compiled and will be gradually improved in the future
	31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	It has not yet been compiled and will be gradually improved in the future
Climate-related opportunities	32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	It has not yet been compiled and will be gradually improved in the future
Capital deployment	33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	It has not yet been compiled and will be gradually improved in the future
Internal carbon prices	34. An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	It has not yet been compiled and will be gradually improved in the future

Pillar Elements	Description	Section
Remuneration	35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	It has not yet been compiled and will be gradually improved in the future
Industry-based metrics	36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	It has not yet been compiled and will be gradually improved in the future
Climate-related targets	37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Climate-related metrics and targets
	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	Climate-related metrics and targets
	39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	It will be gradually improved in the future

Pillar Elements	Description	Section
Climate-related targets	40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	Climate-related metrics and targets
Applicability of cross-industry metrics and industry-based metrics	41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Climate-related metrics and targets

Appendix III: Independent ESG Assurance Report

SGS

ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN SHUANGDENG GROUP CO.,LTD'S ESG REPORT FOR 2025

NATURE OF THE ASSURANCE/VERIFICATION

SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by Shuangdeng Group Co., Ltd (hereinafter referred to as Shuangdeng Group) to conduct an independent assurance of Shuangdeng Group's ESG Report for 2025 (Chinese version) for the period of January 1, 2025 to December 31, 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Shuangdeng Group's Stakeholders.

RESPONSIBILITIES

The sustainability information in Shuangdeng Group's ESG Report for 2025 and its presentation are the responsibility of Shuangdeng Group's ESG governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in Shuangdeng Group's ESG Report for 2025.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard	Level of Assurance
AA1000AS v3 Type 2	Moderate

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria
AA1000 AccountAbility Principles (2018)
Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by Hong Kong Exchanges and Clearing Limited (HKEX)

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at No. 999, Tianmu West Road, Jiangyan Economic Development Zone, Taizhou City, Jiangsu Province, P.R. China, and remote at No. 666, Tianmu West Road, Jiangyan Economic Development Zone, Taizhou City, Jiangsu Province, P.R. China, Hubei Energy Storage and Hubei Runyang Factory, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of Shuangdeng Group and did not include traceability of all original data from subordinate institutions.

SGS

LIMITATIONS

Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

The greenhouse gas emission related data in Shuangdeng Group's ESG Report for 2025 has been directly adopted from the independent third party verification data and has not been double verified in this audit.

This assurance engagement was limited to conducting interviews with departmental managers and selected employees of Shuangdeng Group, in addition to reviewing relevant documents and records.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirm our independence from Shuangdeng Group, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we believe that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated. Shuangdeng Group's ESG Report for 2025 has been prepared in accordance with the Four Principles of AA1000.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

Shuangdeng Group's ESG Report for 2025 has demonstrated that the organization identified its stakeholders, collected their expectations and concerns, established methods for stakeholder communication and engagement, and undertaken various forms of dialogue and interaction with them.

MATERIALITY

Shuangdeng Group's ESG Report for 2025 has reasonably disclosed significant issues and indicators that actually and potentially affect stakeholder evaluations and decisions, reflecting the organization's most significant impacts on environmental, social, and governance matters based on the concerns raised by relevant stakeholders.

RESPONSIVENESS

Shuangdeng Group's ESG Report for 2025 has demonstrated the established channels for stakeholder interaction and has fully addressed stakeholder concerns and expectations. Additionally, it has provided transparent responses on material issues to an appropriate extent.

IMPACT

Shuangdeng Group's ESG Report for 2025 has provided an account of the monitoring and measurement of the principal activities' impacts concerning environmental, social, and governance issues.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the methodology described and the assurance work performed, we checked management documents, HR system data, receipts, minutes of meetings, ISO certifications, etc. We have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for Shuangdeng Group.

Appendix IV: Reader Feedback Form

Dear Reader,

Thank you for taking the time to review Shuangdeng Group Co., Ltd. 2025 Environmental, Social and Governance (ESG) Report. We sincerely value your opinions and suggestions regarding both the report and our ongoing efforts. Please complete this questionnaire and return it to us by mail or by scanning and emailing the filled form. Your feedback is highly appreciated!

Address:

mail:

Tel:

1. Which of the following best describes your affiliation with Shuangdeng Group?

☐ Shareholder ☐ Investor ☐ Employee ☐ Supplier ☐ Customer ☐ Government ☐ Community ☐ Academic Institution ☐ Non-profit Organization ☐ Other (please specify)

2. Did the report cover all the information you care about?

☐ Yes ☐ No

3. Overall assessment of Shuangdeng Group's 2024 ESG report:

Readability (clear language, attractive design, engaging, easy to find information)

☐ 3 – Good ☐ 2 – Average ☐ 1 – Poor

Credibility (information appears truthful and reliable)

☐ 3 – Good ☐ 2 – Average ☐ 1 – Poor

Completeness (balanced positive/negative disclosure and meets your information needs)

☐ 3 – Good ☐ 2 – Average ☐ 1 – Poor

4. Were you able to locate the information you were interested in without difficulty?

☐ Yes ☐ Fair ☐ No

5. Beyond what has already been disclosed, what additional information would you like to see in future reports?

