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2030

**CHINT GROUP
SUSTAINABLE
DEVELOPMENT STRATEGY**

■ Report Preparation Explanation

This report marks the first sustainable development strategy report released by CHINT Group to the public. It is designed to inform stakeholders about CHINT Group's sustainable development practices and commitments. Furthermore, it demonstrates CHINT Group's determination to better respond to and meet the expectations of stakeholders.

■ Basis of Preparation

This report refers to the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), European Sustainability Reporting Standards (ESRS), and the United Nations Sustainable Development Goals SDGs, and is compiled based on the actual business characteristics and future strategic planning of CHINT Group.

■ Report Scope

The entities included in this report encompass CHINT Group and its main industrial companies under its business segments.

Contact Us



CHINT Group



CHINT Today

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Chairman's Message



To cope with severe energy crisis and climate challenges, sustainable development has become a trend that cannot be ignored worldwide. As an important force in promoting sustainable development, enterprises have to play a leading role and the industrial chain need to be empowered this way or that.

Over the past 40 years of innovation and entrepreneurship, CHINT Group has been consistent in the development of power industry and energy saving, sharpening our core competitiveness to become a multinational industrial pioneer and bellwether. We keep pace with the global trend of green development and digitalization, embracing the motherland's national strategies, such as carbon peak and carbon neutrality goals, rural revitalization, and common prosperity. We practice the ESG concept, and run the philosophy of sustainable development through our decision-making, management, and value setting processes. Through the "4+1" initiatives, namely, building a community of shared future, creating a value-sharing culture, innovating the photovoltaic model, developing an incubation platform, and engaging in charity and public welfare, we aim to enhance corporate influence and advance common development and prosperity.

To meet future challenges, we will prove ourselves an "explorer, advocate and practitioner" of green and low-carbon development, knitting the idea of sustainable development into every aspect of our business. Through our development, we will manage to improve the ecology, shape the multicultural environment, and modernize our corporate governance. We are willing to work side by side with global partners, sharing achievements and experiences, complementing clean energy with smart power, and writing a new chapter for the sustainable development of the world!

CHINT Group Introduction



CHINT Group Co., Ltd. (hereinafter referred to as "CHINT/CHINT Group"), founded in 1984, is a globally renowned provider of smart energy system solutions. For the past 40 years since its founding, CHINT has been dedicated to industrial pursuits, focusing on brand development and deeply implementing strategic initiatives such as "Industrialization, Technologization, Internationalization, Digitalization, and Platformization." The company has established three major sectors—Green Energy, Intelligent Electric, and Smart Low-carbon—and two significant platforms—CHINT International and Sci-Tech Incubation. It strives to develop the "211X" operational management capabilities, which include intelligent electrical and new energy industrial clustering, regional localization, integration of middle and back-end processes, and the cultivation of scientific and technological ecosystems. CHINT operates across more than 140 countries and regions, with 4 major global R&D centers and 6 significant international marketing regions. The company maintains over 25 domestic and international manufacturing bases and employs over 50,000 people worldwide. In 2023, CHINT Group's revenue reached USD 21.83 billion, securing its position among China's top 500 companies for over twenty consecutive years. The subsidiary CHINT Electrics (stock code: 601877), is the first A-share listed company in China to specialize in low-voltage electrical appliances as its main business.

CHINT is consistently expanding its "One Cloud & Two Nets" strategy, leveraging "CHINT Cloud" as a platform for smart technology and data applications. The company is at the forefront of developing platforms for both the energy internet of things and the industrial internet of things. By doing so, CHINT aims to be a leader, advocate, and active participant in the emerging fields of green and low-carbon development, exploring new opportunities in this vital area. Leveraging the system service capabilities of "Green Source, Smart Grid, Load Reduction, and New Storage," we aim to create a platform-oriented enterprise and build a regional smart energy industrial ecosystem. This approach provides comprehensive energy solutions to public institutions, commercial enterprises, and end-users, facilitating energy conservation, carbon reduction, and accelerating the energy transition.

CHINT Group 2030 Sustainable Development Strategy

Sustainable Development Vision and Mission

In the wave of globalization, CHINT has always adhered to the concept of sustainable development, committed to building a greener, fairer, and more prosperous future. Our sustainable development vision is "to become a global leader in smart and green energy solutions." We believe that through continuous technological innovation and management model innovation, we can maximize economic benefits while protecting the environment. Our mission is "to lead the green transformation of energy, making electric power safer, greener, more convenient, and more efficient". In this great journey, we will collaborate with value chain partners to jointly address the challenges of climate change, promote energy transformation, and build a sustainable development ecosystem.



Sustainable Development Strategy Framework

Based on its vision and mission of sustainable development, CHINT has developed the "EMPOWER" sustainable development strategy model, which begins with the actual needs of the business and its stakeholders. This model aims to empower our business, our customers, our industry, our value chain, our environment, and the world by leveraging CHINT's sustainable capabilities.



Sustainable Development Organizational Structure

To effectively achieve our sustainable development goals and implement our sustainability strategy, CHINT Group has established a three levels of sustainable development organizational structure covering governance, management, and execution. Through this organizational structure, we deeply embed the concept of sustainable development into our corporate culture, ensuring that every aspect, from strategic planning to daily operations, reflects our commitment to sustainability. We believe that the establishment of this organizational structure allows us to more effectively achieve our sustainable development goals and lay a solid foundation for the long-term development of the CHINT.



CHINT Group

Key Actions for Sustainable Development

CHINT places great importance on every interaction with stakeholders and maintains continuous communication through various methods. The goal is to align CHINT's sustainable development strategy more closely with the expectations and requirements of the market and stakeholders, thereby creating greater shared value.



Identification and Analysis of Material Issues

To effectively respond to the expectations and demands of various stakeholders, CHINT analyzes and assesses **ESG** material issues by referencing domestic and international policies and industry standards. The company also conducts surveys among both internal and external stakeholders to gather insights. This comprehensive approach helps in forming the CHINT Group **ESG** Material Issues Matrix.

Issue Identification and Selection

CHINT aligns its practices with international standards including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), European Sustainability Reporting Standards (ESRS), and the United Nations Sustainable Development Goals (SDGs). Additionally, the company adheres to the sustainability reporting guidelines of the Shanghai Stock Exchange. CHINT also integrates evaluation criteria from rating agencies such as MSCI, S&P, and Sustainalytics to initially identify ESG-related issues within the CHINT Group.

Stakeholder Surveys

The company communicates with internal and external stakeholders through questionnaires and interviews to fully understand their demands and expectations for CHINT's sustainability efforts based on the preliminary issues identified.

Issue Evaluation and Analysis

Based on the preliminary results of questionnaires and interviews, CHINT Group, in collaboration with external consulting agencies, has conducted strategic workshops involving the group's major functional departments and industrial companies. These workshops are designed to comprehensively assess the significance of each related issue and to develop the CHINT Group's Material Issues Matrix for sustainable development. This approach ensures a thorough understanding and integration of sustainability priorities across the company's operations.

Issue Confirmation and Assessment

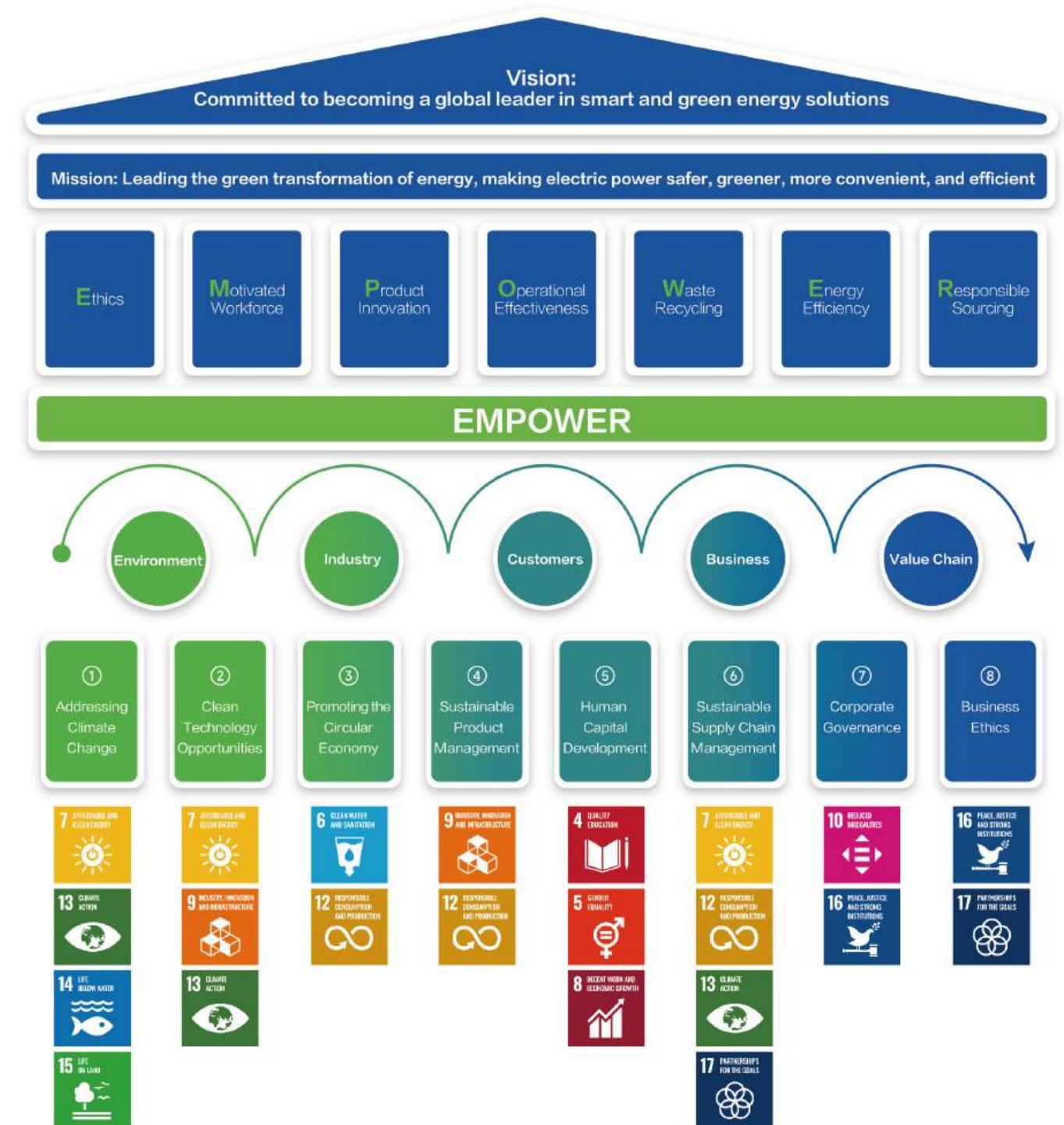
Based on the Material Issues Matrix and applying the dual importance principles of "importance to the company" and "importance to stakeholders," CHINT identifies the material issues that need special focus (as shown in the figure below).

CHINT Group Material Issues Matrix



CHINT Key Actions for Sustainable Development

In the grand blueprint of sustainable development, key actions are the bridges that help us achieve our vision. By identifying material issues, designing key actions, setting ambitious strategic goals, and planning implementation paths, CHINT is committed to continuously extending its influence in sustainable development. This strategy aims to empower the environment, industries, businesses, as well as customers, partners, and other stakeholders, while fully supporting the achievement of the United Nations Sustainable Development Goals (SDGs).



CHINT Group

Sustainable Development Action Goals and Pathways



Key Action 1

Addressing Climate Change

We are committed to reducing carbon emissions across the company's whole value chain, actively addressing climate change, and empowering the environment.

2030 Goals:

- ✓ By 2028, CHINT Electrics will achieve operational carbon neutrality (including carbon offsets), CHINT New Energy Technology (Astronergy) will gradually reduce operational carbon emissions;
- ✓ By 2035, CHINT Electrics will achieve net-zero carbon emissions in operations, Astronergy will achieve operational carbon neutrality;
- ✓ By 2050, CHINT Electrics will achieve net-zero carbon emissions across the whole value chain, Astronergy will achieve carbon neutrality across the whole value chain.

Information Sources: "CHINT Electric Carbon Neutrality White Paper" and "Astronergy 2023 Annual ESG Report"

As a globally recognized provider of smart energy system solutions, CHINT actively embraces the global vision of carbon neutrality, focusing on core areas such as green energy, intelligent electric systems, and smart low-carbon initiatives. By leveraging systematic service capabilities like "Green Source, Smart Grid, Load Reduction, and New Storage," CHINT has developed a cross-regional, globalized smart energy industrial ecosystem. The company strives to lead, advocate, and implement practices in the burgeoning field of green and low-carbon development, exploring new opportunities in this crucial area.

CHINT's Practices

in Addressing Climate Change



Organizational Support

1. The company has established a sustainable development organization covering governance, management, and execution levels to provide organizational support for mitigating and adapting to climate change.
2. The company has released the "CHINT Carbon Neutrality White Paper" and "Zero Carbon Declaration," committed to contributing CHINT's strength to the national "dual-carbon" goals.





Energy Saving and Carbon Reduction

1. The company has established digital carbon management platforms, energy management systems, and other solution platforms to facilitate carbon auditing and achieve carbon neutrality.
2. The company insists on conducting energy saving and carbon reduction projects, actively creating "green factories," "green product designs," and "green supply chains."

Biodiversity

The company insists on conducting ecological protection, biodiversity projects, promoting the coordinated development of economic growth and nature conservation.

Addressing Climate Change – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Addressing Climate Change	By 2028, CHINT Electrics will achieve operational carbon neutrality (including carbon offsetting), Astronergy will reduce operational carbon emissions	1. Perfect greenhouse gas accounting tools and workflows, actively conduct product lifecycle carbon footprint assessments.	   
	By 2035, CHINT Electrics will achieve net-zero carbon emissions in operations, Astronergy will achieve operational carbon neutrality	2. Increase the proportion of renewable energy usage, undertake energy-saving and carbon reduction projects, increase the number of zero-carbon factories.	
	By 2050, CHINT Electrics and Astronergy will achieve net-zero carbon emissions across the entire value chain	3. Build one-stop carbon neutrality solution capabilities, and empower the value chain to accelerate decarbonization.	

Key Action **2**

Clean Technology Opportunities

We are committed to developing clean technologies, improving operational efficiency, and empowering the value chain

2030 Goals:

- ✓ Renewable energy electricity share will reach **50%** at major industrial companies
- ✓ Main factories will achieve **100%** green/carbon neutral/zero carbon factory certification
- ✓ Continuous increase in the number of clean technology-related granted patents

"Clean Technology Opportunities" is one of the core ESG issues in the manufacturing industry. It encompasses, but is not limited to, renewable energy, environmental technology, energy-saving and emission reduction technology, and reducing resource consumption. The goal is to explore new applications of clean technology to comprehensively promote the green upgrade of enterprises. To achieve its 2028 goal of operational carbon neutrality, CHINT is advancing in clean technology fields such as renewable energy, industrial automation, energy efficiency management, and technology innovation. The company is continuously increasing the proportion of renewable energy used, actively boosting investments in innovation, deeply investing in low-carbon product R&D, and providing customers with renewable energy technologies and solutions. This approach not only enhances CHINT's green credentials but also offers clean technology advantages to its customers.

CHINT's Practices

in Clean Technology



Renewable Energy

In the field of green energy, CHINT has globally invested in over 31GW, annually providing more than 34 billion kWh of green electricity worldwide.

CHINT is committed to continuously optimizing its electricity usage structure by increasing the proportion of green electricity and reducing carbon emissions. In Astrnergy Yancheng base, 69.61% of the energy used now comes from renewable sources. Meanwhile, the Jiuquan base has achieved 100% renewable energy consumption for electricity and has offset 100% of its greenhouse gas emissions, exemplifying CHINT's dedication to environmental sustainability.

Industrial Automation

CHINT has successively invested in building intelligent manufacturing "Future Factories", smart low-carbon measurement parks, "Double Million" green smart factories, photovoltaic "Zero Carbon Factories", etc., achieving personalized customization and flexible production through digital technology innovation.




Energy Efficiency Management

The company has built an energy management platform and continues to advance the construction of Energy Management Systems (EMS), optimizing the monitoring and management of major energy-consuming equipment.

Technology Innovation

CHINT is advancing leading green and low-carbon technology research and application, including product carbon footprint certification, green product design evaluation, green supply chain evaluation, carbon trading technology certification, and green factory evaluation, among other environmental certifications.

Clean Technology Opportunities – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Clean Technology Opportunities	Renewable energy electricity share will reach 50% at major industrial companies	1. Optimize the electricity structure by gradually increasing the proportion of renewable energy use through the construction of new photovoltaic equipment and the purchase of Renewable Energy Certificates, reducing carbon emissions.	  
	Main factories will achieve 100% green/carbon neutral/zero carbon factory certification	2. Reduce energy consumption and lower the energy consumption per unit of output through optimizing production and operational processes, replacing high-energy-consuming equipment, promoting equipment retrofitting and upgrades, recycling mid-boxes, and advocating paperless office practices.	
	Continuous increase in the number of clean technology-related granted patents	3. Continuously advance the research and application of clean technologies, reduce the consumption of natural resources throughout the product lifecycle as much as possible, and maximize the reduction of ecological impact.	

Key Action 3

Promoting Circular Economy

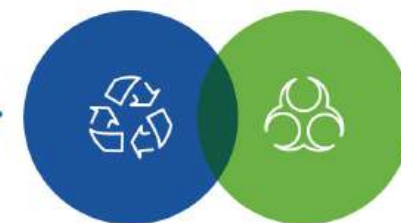
We are committed to advancing waste recycling, supporting and promoting the circular economy, and empowering the environment

2030 Goals:

- ✓ Main factories will achieve zero waste landfill
- ✓ Main factories will achieve **100%** harmless treatment of solid waste
- ✓ **100%** use of green packaging for main products

CHINT aims for efficient resource use and waste minimization by extending the lifespan of products and materials, reducing waste generation, and promoting the circulation of resources within the economic system. To minimize the environmental impact of packaging, CHINT has developed and published two corporate standards: "Technical Conditions for Product Packaging" and "Product Packaging Structure Design and Drawing Standards." These standards aim to enhance the overall usability of packaging materials and improve resource utilization. Additionally, CHINT has established "Environmental Control Management" and "Waste Management Regulations" to further reduce waste generation.

CHINT's Practices in the Circular Economy



Green Packaging

To reduce the environmental impact of packaging and lower resource consumption, CHINT has established packaging management and approval processes to enhance the overall universality of packaging materials and improve resource utilization.

Emissions Management

CHINT has developed and strictly follows "Environmental Control Management" standards, systematically classifying and managing wastewater, waste gases, solid waste, hazardous waste, and noise. The company has transitioned from a traditional "waste treatment" philosophy to a "value recovery" approach. This method involves treating some production solid waste for reuse in manufacturing to minimize waste, organizing usable solid waste for external sale to maximize residual value, and ensuring that non-recyclable solid waste is harmlessly disposed of through contracts with certified professional units.

Promoting Circular Economy – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Promoting Circular Economy	Main factories will achieve zero waste landfill	Implement the "3R" action plan:	 
	Main factories will achieve 100% harmless treatment rate of solid waste	1. Reduce emissions Strictly monitor and manage emissions of wastewater and waste gases in the park area to reduce wastewater and volatile organic compound emissions.	
	100% use of green packaging for main products	2. Reuse waste Classify and organize solid waste for reuse in production after treatment to achieve reduction. 3. Recycle green packaging Optimize packaging design, using recyclable and degradable materials to increase the usage rate of green packaging.	

Key Action 4

Sustainable Product Management

We are committed to enhancing product innovation and quality to empower customers

2030 Goals:

- ✓ Failure In Time will be $\leq 100\text{ppm}$
- ✓ Continuously increase investment in product R&D
- ✓ Increase the number of green design products/product carbon footprint certifications by 50%

Sustainable product management includes ensuring the sustainability of the product itself and the sustainability of the product lifecycle process, primarily reflected in product quality safety, product R&D innovation, and product environmental friendliness. CHINT views quality management as the lifeline of the enterprise's survival and development, striving for supreme quality to gain broad market recognition and praise. In recent years, guided by its strategy of "digitalization, intelligence, and greening," CHINT has adopted a forward-looking perspective, continuously increasing its investment in R&D. The company operates one group technology research institute, 24 specialized field research institutes, three technical service platforms, and four overseas R&D centers. It employs over 3,000 R&D and engineering personnel and has accumulated more than 8,000 authorized patents, underscoring its commitment to innovation and sustainable development.

CHINT's Practices

in Sustainable Product Management



Product Quality and Safety

The company prioritizes product safety and reliability, managing the safety throughout the product's entire lifecycle using a "process approach." This process involves interventions at various stages, including new product development projects, the introduction of new materials, and the integration of new suppliers, adhering to internal audit and control standards at each stage. After product validation, these products are moved into mass production, where quality and safety are continuously monitored and validated throughout the mass production phase. Additionally, there is regular analysis and improvement of mass production data to ensure optimal outcomes.

Product Research and Innovation

CHINT is committed to providing efficient and safe products through innovative technologies and designs, aiming to offer more intelligent, lower-carbon, and more reliable comprehensive solutions for new types of power systems, continuously driving R&D innovation.

CHINT Electric 10kV-750kV Natural Ester Oil-immersed Transformer: Compared to traditional mineral oil, Natural Ester Oil-immersed Transformer has a higher flash point for greater safety, stronger overload capacity for higher efficiency, and is biodegradable, making it more environmentally friendly.

Green Products/Carbon Footprint Certification

CHINT Electric, CHINT Electric, and Astronergy have multiple products that have received green product certification/product carbon footprint certification/EPD certification.

Sustainable Product Management – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Sustainable Product Management	Failure In Time will be $\leq 100\text{ppm}$	Carry out sustainable management across the entire product lifecycle from R&D, production, sales, to after-sales.	 
	Increase the number of green design products/product carbon footprint certifications by 50%	<ol style="list-style-type: none"> Product Development: Follow the principles of "green product design" to minimize energy consumption, waste, and environmental impact. Product Production: Use advanced production technologies and equipment to increase efficiency and reduce resource waste; strengthen the management and utilization of raw materials to reduce their consumption and waste. Product Sales: Promote green product design and product carbon footprint certification, enhance training for dealers and channel partners to guide the promotion and consumption of sustainable products. 	
	Continuously increase investment in product R&D	<ol style="list-style-type: none"> After-Sales: Establish a comprehensive product recycling system, carry out the recycling and resource utilization of waste products to reduce resource waste and environmental pollution. 	

Key Action **5****Human Capital Development**

We are committed to creating a positive, equal, and inclusive work environment, continuously empowering our employees

2030 Goals:

- ✓ Support **5%** of employees to complete continuing education
- ✓ Continuously increase the proportion of female employees
- ✓ Technical talent turnover rate \leq **15%**

CHINT places great emphasis on labor rights and human capital development, adhering to fair, just, and transparent employment principles, committed to building a competitive compensation and benefits system. Furthermore, CHINT actively embraces the DEI (Diversity, Equity, Inclusion) principles, fostering a boundless corporate culture that supports a diverse workplace environment for employees from various cultures and backgrounds. The company has been recognized for two consecutive terms as one of "Top Employer (China)" by Top Employers Institute. In July 2024, CHINT was also listed in the "Bloomberg Green DEI Human Kindness Loving Workplace" rankings, further underscoring its commitment to these values.

CHINT's Practices

in the field of Human Capital Development

**Labor Rights and Human Rights Protection**

CHINT adheres to the "United Nations Ten Universal Principles and International Labor Standards," upholds equal employment, protects employees' rights, and is committed to creating a harmonious, inclusive, and equal opportunity work environment.

Talent Strategy, Training and Development

CHINT actively conducts employee training, dedicated to enhancing their professional skills and overall quality, empowering employees for better career development, and promoting sustainable human capital development.

- Career Development Channels: Multi-gradient, self-selected M/P/S development channels;
- Career Training System: Based on the Zhipai Cloud Platform and five major training/learning centers, customized training programs are conducted for talents at various levels, forming a top-down comprehensive one-stop talent training system.

Occupational Health and Safety

CHINT actively advances the construction of an occupational health and safety management system, establishing a three levels management structure consisting of the company president, managers' representatives, and the execution.

- Establishes a comprehensive EHS training system, periodically conducts EHS safety training;
- Conducts hazard identification, assessment, and accident investigation to reduce production safety risks.

Human Capital Development – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Human Capital Development	Support 5% of employees to complete continuing education	1. Provide inclusive and fair training and educational opportunities, continuously support employees to complete continuing education, and enhance their qualifications.	<div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div>
	Continuously increase the proportion of female employees	2. Achieve gender equality, dedicated to empowering women with equal rights, continuously increasing the proportion of female employees.	
	Technical talent turnover rate \leq 15%	3. Build smooth career development channels, improve employee welfare, increase employee sense of belonging and satisfaction, and reduce the turnover rate of technical talent.	<div>8 DECENT WORK AND ECONOMIC GROWTH</div>

Key Action 6

Sustainable Supply Chain Management

We are committed to implementing responsible procurement, building a sustainable supply chain, and empowering partners

2030 Goals:

- ✓ **85%** of suppliers is included in the sustainable procurement management system
- ✓ **90%** of key suppliers pass sustainability development assessments and certifications
- ✓ **100%** of key suppliers sign and complete carbon reduction commitments

As issues of climate change and resource scarcity become increasingly severe, how to better build a sustainable and responsible supply chain becomes increasingly important. CHINT bases its approach on establishing a transparent, scientific, responsible, and digital sustainable procurement management system. Adhering to the fundamental principles of openness, fairness, justice, and quality priority, it implements sustainable and responsible procurement management. The company transitions business processes from offline to online through digital means, building a new corporate procurement management system that is online, standardized, transparent, intelligent, and fosters collaboration both internally and externally. At the same time, CHINT continuously strengthens communication with upstream and downstream partners, consistently enhances supply chain low-carbon awareness, actively empowers upstream partners in the supply chain to make carbon reduction commitments, and promotes collaborative carbon reduction in the supply chain.

CHINT's Practices

in Sustainable Supply Chain Management



Organization and System Construction

Establish the dedicated sustainable supply chain management organization to implement the sustainable development strategy and establish and implement a sustainable procurement management system.

- Continuously establish and perfect a transparent, scientific, responsible, and digital sustainable procurement management system;
- Promote zero-carbon commitments among suppliers, encourage suppliers to increase the proportion of renewable energy use, and support suppliers in carbon reduction.

Supply Chain Risk Management

CHINT actively identifies and assesses potential risks in supply chain management, taking proactive measures for risk transfer to minimize and avoid the impacts of supply chain fluctuations. The company continuously monitors both domestic and international policies, market trends, and customer demands related to sustainability. This vigilant approach helps CHINT better identify risks, seize opportunities, and intensify efforts to develop and introduce suppliers of low-carbon environmental materials.

Sustainable Supply Chain Management – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Sustainable Supply Chain Management	85% of suppliers is included in the sustainable procurement management system	1. Gradually establish a supplier sustainability assessment system in accordance with sustainable procurement management requirements.	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>
	90% of key suppliers pass sustainability development assessments and certifications	2. Develop and implement a training plan covering all suppliers, continuously empower suppliers for sustainable capacity building, and promote suppliers' sustainability-related certifications.	
	100% of key suppliers sign and complete carbon reduction commitments	3. Create a procurement cloud platform that allows real-time data interaction with key suppliers, and establish a supplier carbon management database.	
		4. Gradually promote zero-carbon commitments across all major suppliers, increase the proportion of renewable energy used by suppliers, and support suppliers in carbon reduction.	

Key Action 7

Corporate Governance

We are committed to strengthening corporate governance, fulfilling corporate responsibilities, and empowering business growth

2030 Goals:

- ✓ Improve the management mechanism of the Board of Directors
- ✓ Enhance corporate governance transparency

The company strictly follows the "Company Law," "Securities Law," "Shanghai Stock Exchange Stock Listing Rules," and other legal and regulatory requirements, has formulated the "Company Articles of Association," and legally established a three levels of governance structure including the Shareholders' Meeting, Board of Directors, and the Management. Since its establishment, the company has continuously improved internal management, forming a scientifically effective corporate management system and workflow, and has made effective institutional developments in internal control, risk management, incentive constraints, and information disclosure.

CHINT

Corporate Governance Practices



Organizational Structure

The company leverages advanced domestic and international organizational management experience to establish a comprehensive internal system, continuously implements organizational structure optimization, and constantly improves company organizational management efficiency, leveraging scale synergy advantages.

Information Disclosure

Industry companies under the CHINT Group, such as CHINT Electric, Astronergy, Jiangsu Tongrun Equipment Technology Co., Ltd strictly follow the regulations related to information disclosure to ensure the accuracy, timeliness, completeness, and fairness of regular reports and interim announcements. The company focuses on the timeliness of information disclosure while ensuring that other significant production and business matters are transparent, providing investors with comprehensive and effective market information.

Digital Management

CHINT vigorously promotes the "Digital CHINT, Latitude Engineering 2.0" digital strategy, planning and implementing 10 digital transformation projects to build agile R&D capabilities and enhance operational management capabilities through digitalization.

Corporate Management – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Corporate Governance	Improve the governance mechanism of the Board of Directors	1. Continuously optimize and improve the institutional system , establish risk assessment mechanisms before decision approvals to provide solid support for decision-making, and use multiple means such as internal control evaluations to comprehensively supervise and strengthen the effectiveness and applicability of the risk management and internal control systems.	10 REDUCED INEQUALITIES
	Enhance corporate governance transparency	2. Strengthen information disclosure , strictly follow regulations related to information disclosure, and ensure that significant production and business activities and management work are open and transparent.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Action 8

Business Ethics

We are committed to adhering to business ethics, strengthening anti-corruption efforts, and empowering our business

2030 Goals:

- ✓ Major industry companies establish anti-corruption systems and compliance systems in accordance with ISO37001 and ISO37301 standards
- ✓ Employee anti-corruption training coverage reaches **100%**
- ✓ Supplier "Integrity Commitment" signing rate reaches **100%**

Business ethics are crucial for establishing and maintaining trust between the company and customers, investors, partners, and employees. CHINT places high importance on business ethics, committed to creating a fair and efficient work environment. To support this goal, the company has issued a series of integrity and compliance programs. These include the "Integrity and Compliance Business Conduct Guidelines" and the "CHINT Business Partners Integrity and Compliance Conduct Guidelines," which specify codes of conduct for employees and business partners. This ensures that all relevant individuals adhere to the highest standards of compliance and integrity in business ethics. CHINT has zero tolerance for any improper conduct, establishing effective internal control and supervision mechanisms, as well as whistleblower protection and incentive mechanisms, to prevent, detect, and correct any unethical, non-compliant, improper behavior or violations of law.



Business Ethics – 2030 Goals and Action Pathways

Key Actions	2030 Goals	Action Pathways	UN SDGs
Business Ethics	Major industry companies establish anti-corruption systems and compliance systems in accordance with ISO37001 and ISO37301 standards	1. Establish an anti-corruption and compliance system for the enterprise based on the ISO37001 Anti-Bribery Management System standards and ISO37301 Compliance Management System Requirements and Use Guide, with major industry companies achieving ISO37001 and ISO37301 certifications.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Employee anti-corruption training coverage reaches 100%	2. Through training and advocacy, the company conducts anti-corruption and integrity education for employees and partners, promoting a corporate culture of integrity and self-discipline.	
	Supplier "Integrity Commitment" signing rate reaches 100%	3. Require all upstream and downstream suppliers and distributors to sign an "Integrity Commitment," with a signing rate of 100%. Supervisory Board and Legal Affairs supervise this, conducting regular compliance audits.	17 PARTNERSHIPS FOR THE GOALS

Together Creating a **Sustainable Future**

As CHINT Group continues on its path of sustainable development, we hope to join hands with you to create a greener, more harmonious, and prosperous future.

The Earth is our common home, and protecting the environment is our inescapable responsibility. Therefore, we are committed to optimizing product design, reducing product carbon footprint, promoting green energy, collaborating in energy saving and carbon reduction, and building a sustainable supply chain. We believe that through technological innovation and continuous improvement, we can leave a cleaner, more beautiful Earth for future generations.

Sustainable development is not just a concept; it is a social responsibility. What we need to do is to integrate sustainable development with our actual business, to bring a positive impact on society through our business models and operational practices. We are committed to providing high-quality employment opportunities, respecting and enhancing employees' rights, promoting gender equality, and supporting educational and health programs. Our goal is to promote social equity and enhance the welfare of our employees and all humanity through our efforts.

Good corporate management is the foundation of a healthy, sustainable enterprise. We are committed to establishing a transparent, fair, and efficient management system to ensure our decision-making processes meet ethical and legal standards. Our goal is to build a more responsible and sustainable enterprise by strengthening internal controls, increasing transparency, and encouraging stakeholder participation.

Every step on the path of sustainable development is a commitment to the future. We believe that through our joint efforts, we can achieve a greener, more equitable, and more prosperous world. Let's join hands and create a better future together.

