

2025

Environmental, Social and Corporate Governance Report



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About This Report

This report is the second environmental, social and corporate governance (ESG) report released by Jiangsu RCT Power Energy Technology Co., Ltd. (hereinafter referred to as "RCT Power", "the Company" or "we"). It outlines our ESG management practices and our performance in fulfilling our ESG responsibilities in 2025.

Reporting Scope

This is an annual report covering the period from January 1 to December 31, 2025 (hereinafter referred to as "the reporting period"). For ease of reference and readability, certain content or data may include that from previous or subsequent years.

Reporting Boundary

This report covers the implementation of environmental, social and governance (ESG) issues, as well as the operations of Jiangsu RCT Power Energy Technology Co., Ltd. and its subsidiary, Suzhou RCT Power Energy Technology Co., Ltd., during the reporting period.

Data and Information Source

The information and data disclosed in this report are sourced from official internal documents, statistical reports, and periodic reports from RCT Power and its subsidiary. Unless otherwise specified, all financial information in this report is presented in RMB.

Report Preparation References

The Sustainability Reporting Standards issued by the Global Sustainability Standards Board (GSSB) (hereinafter referred to as "GRI Standards").

Reporting Cycle

This report is published annually, subject to the specific release date in every calendar year.

Access to the Report and Feedback

This report is prepared in simplified Chinese and English. The electronic version is available for download and reading on the official website of RCT Power (www.rct-power.com.cn).



About Us

Company Overview

Established in July 2017, Jiangsu RCT Power Energy Technology Co., Ltd. (hereinafter referred to as "RCT Power") is a globally leading provider of energy storage systems listed in BNEF's Global Energy Storage System Tier 1 ranking. Guided by its mission of "delivering more reliable green energy, empowering a more beautiful future", RCT Power strives to become a global leader in energy storage solutions. The Company is committed to providing customers worldwide with safe and efficient energy storage products and system solutions across four major areas, i.e. residential energy storage systems (RESS), commercial energy storage systems (CESS), vessel energy storage systems (VESS), and grid-scale energy storage systems (GESS). The Company possesses proprietary intellectual property and boasts world-class technical performance, with products certified by international standards including UL, IEC and AS and put on the California Energy Commission (CEC) and the Australian CEC lists. Since its establishment, RCT Power has actively pursued a global presence and developed an industrial ecosystem covering R&D, production, sales and services. The Company has set up R&D, marketing and service centers successively in Konstanz (Germany), California (US) and Melbourne (Australia), and established modern manufacturing bases in Suzhou (China) and Penang (Malaysia), with business footprint across global markets. For outstanding technical capabilities and product reliability, RCT Power has secured the top position in SPI test rankings for six consecutive years, and has been repeatedly awarded EuPD Research's "Top Energy Storage Inverter Brand" and "Top Residential Energy Storage System Brand". The Company has successively received more than 100 honors, including National High-Tech Enterprise, National "Little Giant" Enterprise, and Jiangsu Four-Star Cloud-Enabled Enterprise, and has built Jiangsu Province's first "zero carbon factory" in the energy storage industry. Going forward, RCT Power will keep advancing innovation in energy storage technologies and contribute expertise to the global energy transition.

RCT Power provides comprehensive green energy solutions for RESS, CESS, VESS, and GESS applications. We are committed to enabling clean and safe energy utilization and contributing to global carbon neutrality.

15+ GWh

Cumulative Shipments

40 GWh

Planned Capacity

30+

Countries and Regions

100+

Successful Cases

A global network of integrated R&D, production, sales and services



Vision

To Be a World Leading Energy Storage Brand

Mission

Deliver Reliable Green Energy Power a Sustainable Future

Values

Customer Success, Collaboration & Win-Win, Integrity, Excellence, Enthusiasm, Innovation

Development Milestone



Highlights and Honors of the Year

International Honors	Awarded by	Provincial or Municipal Honors	Awarded by
Top Brand PV Inverters Germany 2025	EUPD Research	Potential Unicorn Enterprise in Jiangsu	Jiangsu Science and Technology Productivity Promotion Center
Top Brand PV Storage Germany 2025	EUPD Research	3A Green Factory in Suzhou	Suzhou Municipal Bureau of Industry and Information Technology
2025 Winner of HTW Energy Storage Inspection	HTW Berlin	Industrial Design Center in Suzhou	Suzhou Municipal Bureau of Industry and Information Technology



Industry Awards
2024 Excellent New-Type Energy Storage Product Award
2024 China Renewable Energy Pioneer — Outstanding Innovative Enterprise for New Energy & Energy Storage
TOP 10 Outstanding Application Projects in Key Commercial & Industrial Energy Storage Industries (Light Manufacturing Industry), 2024-2025
APVIA Award
Excellence Award for Energy Storage Applications
Global New Energy ESG Top 100 List
Energy Storage Innovation Enterprise Award at 2025 SNEC Energy Storage Exhibition
Outstanding Sustainability Officer
2025 Energy Storage Industry Innovation Star

Message from the General Manager

To all stakeholders:

2025 marked a pivotal year for the global energy storage industry as it advanced faster toward market-oriented and large-scale development. It was also a year in which RCT Power pursued innovation while staying committed to fundamental principles and built momentum for leapfrog growth. Amid the deepening energy transition across the world, guided by the philosophy of innovation-driven and green development, we achieved new breakthroughs in environmental, social and corporate governance (ESG) areas.

In terms of corporate governance, we consolidated foundations to support long-term development. We are firmly committed to deeply integrating the ESG concept into corporate strategy and daily operations, while continuously optimizing the corporate governance system, to lay a solid institutional foundation for sustainable development. We further strengthened the three-tier linkage mechanism of governance, management and execution, to ensure effective implementation of ESG initiatives across all organizational levels. We maintained regular engagement with shareholders, investors, customers and all stakeholders from society. Through transparent and standardized information disclosure, we demonstrated our commitment to our corporate social responsibility and strove to realize both corporate value and social value.



In terms of social responsibility, we worked in unity to drive shared development. We put equal emphasis on quality and innovation, and further deepened strategic cooperation with upstream and downstream partners to foster a mutually beneficial industrial ecosystem.

In July 2025, RCT Power signed a licensing agreement with Wärtsilä, marking an upgrade of our cooperation with Wärtsilä from product supply to technology sharing.

In the domestic market, we deployed a CESS for Schneider Electric SE, helping the latter build a globally certified energy efficiency benchmark and a smart and green factory. Meanwhile, we created an integrated "PV + energy storage" solution for the headquarters factory of Changzhou Noode Electrical Co., Ltd., providing strong support for the stable production and green transition of the precision manufacturing enterprise.

In Malaysia, our manufacturing base operated steadily, continuously creating local jobs and facilitating the coordinated development across regional industrial chains. We continuously improved employee incentive mechanisms and training systems, optimized working conditions and offered ample room for talent growth, so that every employee can benefit from the Company's development.

In terms of environmental protection, we implemented carbon reduction initiatives and upheld our commitment to green development. In 2025, we continued to practice the green development philosophy through concrete actions and achieved remarkable results in environmental protection.

The Company is one of the first enterprises in the energy storage industry to obtain TÜV Rheinland's "Zero Carbon Factory" certification, with the headquarters factory consistently implementing green manufacturing standards and making solid headway in carbon emission reduction by fully switching to green power, carrying out energy saving retrofits and investing in clean energy projects. In production and operations, the Company drove green and low-carbon transformation for more high-quality products by streamlining manufacturing processes and reducing carbon emissions, contributing its strength to technological innovation and green transition across the global energy storage industry.

Looking ahead, RCT Power will stay committed to the technical philosophy of "digital and intelligent energy storage, innovation for connectivity". With a broader vision and firm resolve, we will fulfill the mission of our time. We will meet market shifts and industry challenges with unwavering strategic focus, spearhead industry development through technological innovation, and fully advance energy decarbonization and intelligent transformation, to support low-carbon societal transition and high-quality economic development.

We will deepen cooperation and work closely with all stakeholders. With an open and win-win approach, we will explore more possibilities in the energy storage industry jointly with them, and march toward a greener, smarter and more prosperous era of energy.

Finally, we extend our sincere thanks to all stakeholders for their care and support for RCT Power!

Facheng Shi
General Manager, Jiangsu RCT Power Energy Technology Co., Ltd.
April 2026

01

Way of Governance: Building the Foundation for Sustainable Development

- Corporate Governance
- Compliance and Risk Management
- ESG Management
- Business Ethics
- Customer Privacy and Information Security

The Company consistently regards sustainable development as its core strategy. By improving its governance structure, strengthening compliance and risk management, advancing ESG management, and upholding business ethics together with customer privacy and information security, the Company has established a solid foundation for its long-term and stable development. During the reporting period, the Company achieved remarkable results in governance and sustainable development, such as optimizing the structure of the Board of Directors, refining the internal control system, establishing the ESG organizational structure, and strengthening protection for customer privacy and information security, thereby providing strong support for its high-quality development.

20 9

Categories of Content

Special Audits

95%

Rectification Completion Rate

Response to the United Nations
Sustainable Development Goals



Corporate Governance

Governance Structure

Strictly adhering to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and other relevant laws and regulations, RCT Power continuously enhances its internal corporate governance structure, strengthens its internal control systems, and clearly defines the responsibilities and authorities of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and senior management. By implementing the principles of independent decision-making, execution, and supervision, the Company has developed an effective mechanism of checks and balances to safeguard the legitimate rights and interests of investors.

General Meeting of Shareholders

The General Meeting of Shareholders is the Company's highest governing body, exercising its powers in accordance with the law, including deciding on the Company's business policies, electing or replacing directors and supervisors, and reviewing and approving major financial issues to provide clear guidance for the Company's development.

Board of Directors

The Board of Directors, consisting of five directors, is responsible for convening general meetings of shareholders, executing resolutions, and formulating business plans. Several specialized committees have been set up under the Board of Directors to enhance the scientific rigor of decision-making.

Board of Supervisors

The Board of Supervisors, consisting of three members including an employee representative, supervises the performance of directors and senior management and monitors financial matters, to ensure the compliance of operations with laws and regulations.

Senior Management

Senior Management, including the General Manager, Deputy General Managers, and Chief Financial Officer, is responsible for day-to-day operations, to drive business growth and achieve strong performance.

Board Independence and Diversity

Highly valuing the independence of its Board of Directors, the Company has established an independent director system as a key part of the corporate governance structure. The Board of Directors comprises five directors, including two independent directors, who play a pivotal role in major decision-making processes, reviewing related-party transactions, and overseeing corporate governance, safeguarding the legitimate rights and interests of the Company and its shareholders. The Company ensures that independent directors have the necessary information and support to perform their duties independently and objectively. The nomination process for members of the Board of Directors highlights diversity, covering the actual controller, internal employees, and external independent directors, which enhances the comprehensiveness and objectivity of decision-making. Meanwhile, the year-end performance evaluations of senior management include ESG-related performance to promote sustainable development. RCT Power will continue to optimize its independent director system, enhance corporate governance, and drive long-term sustainable development.

Compliance and Risk Management

Internal Audit

To ensure robust governance, RCT Power has established an internal control and risk management system in accordance with the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Audit Law of the People's Republic of China, Guidelines No.1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies Standardized Operations, the Regulations on Internal Audit from the National Audit Office, and Articles of Association of Jiangsu RCT Power Energy Technology Co., Ltd. This system provides a solid foundation for the Company's operations in compliance with laws and regulations and empowers its high-quality development. The Company attaches great importance to building its compliance and internal control systems, and conducts audits based on operational processes to ensure its operational activities are compliant with laws and regulations and transparent. The audits cover all business processes related to financial reporting and information disclosure in the Company's operations, primarily including:

General Audits

General audits cover compliance with national financial regulations, corporate governance, the effectiveness of internal control systems, execution of General Meeting of Shareholders and Board of Directors resolutions, the authenticity and legitimacy of financial revenues and expenditures, security of funds and assets, legality and benefits of financing, and fixed asset investments.



Special Audits

Special audits focus on fraudulent acts and key business processes, including sales, procurement, inventory management, asset management, fund management, and human resources management.



Under the national laws and regulations, financial accounting standards, and internal management regulations, the Company's internal audit department conducts independent and objective supervision and evaluation on the establishment and implementation of the internal control systems, the accuracy and completeness of financial information, and other key areas across internal departments, subsidiaries, and significant investee companies.

Internal Control Management

In 2025, the Company conducted planned audits and reviews across 20 categories, performed routine internal process audits on approximately six major categories each month, and carried out nine special audits. A total of 39 issues were identified, 37 of which have been improved, representing a rectification completion rate of 95%.



ESG Management

Management Structure

The Company places great emphasis on ESG management. To continuously enhance its ESG management capabilities and performance, the Company gradually established an ESG organizational structure and management system during the reporting period. This structure is centered around the Board of Directors, with the ESG Working Group acting as the primary executing body and supported by designated liaisons from key departments, which ensures the effective advancement of ESG initiatives through supervision, management, coordination and execution.

Decision-Making Level: Board of Directors

The Board of Directors serves as the highest decision-making body for the Company's ESG efforts, fully responsible for strategic planning and overall coordination of ESG work. The Board's key responsibilities include:

- Integrating ESG principles into the Company's strategies, ensuring that ESG objectives are aligned with the Company's overall development;
- Overseeing the implementation of ESG practices and facilitating the effective communication of ESG principles both internally and externally;
- Reviewing and approving major ESG issues and policies, providing strategic guidance for the Company's sustainable development.

Management Level: ESG Working Group

The Company has established the ESG Working Group, which consists of the General Manager and heads of relevant departments, responsible for coordinating and executing ESG management tasks. The ESG Working Group's primary responsibilities include:

- Leading discussions, evaluations, and reviews of major issues in ESG work, including but not limited to objective setting, information disclosure, and external reporting;
- Monitoring environmental and social issues within the Company, establishing priorities, identifying risks, and effectively managing them;
- Regularly monitoring and reviewing the Company's progress in environmental and social performance, and defining the direction and pathway for the Company's sustainable development;
- Guiding all departments in implementing ESG management requirements to ensure the orderly advancement of ESG initiatives.

Execution Level: ESG Execution Team

The ESG Execution Team consists of representatives from various business units and functional departments, responsible for the implementation of the Company's ESG policies and related requirements. The ESG Execution Team's main responsibilities include:

- Enforcing the Company's ESG policies and ensuring effective implementation of ESG management requirements in daily operations;
- Managing the collection, reporting, and archiving of all quantitative and qualitative ESG-related data within the Company, providing data support for ESG management activities;
- Assisting the ESG Working Group in the execution of its daily tasks and ensuring the effective functioning of the ESG management cycle.

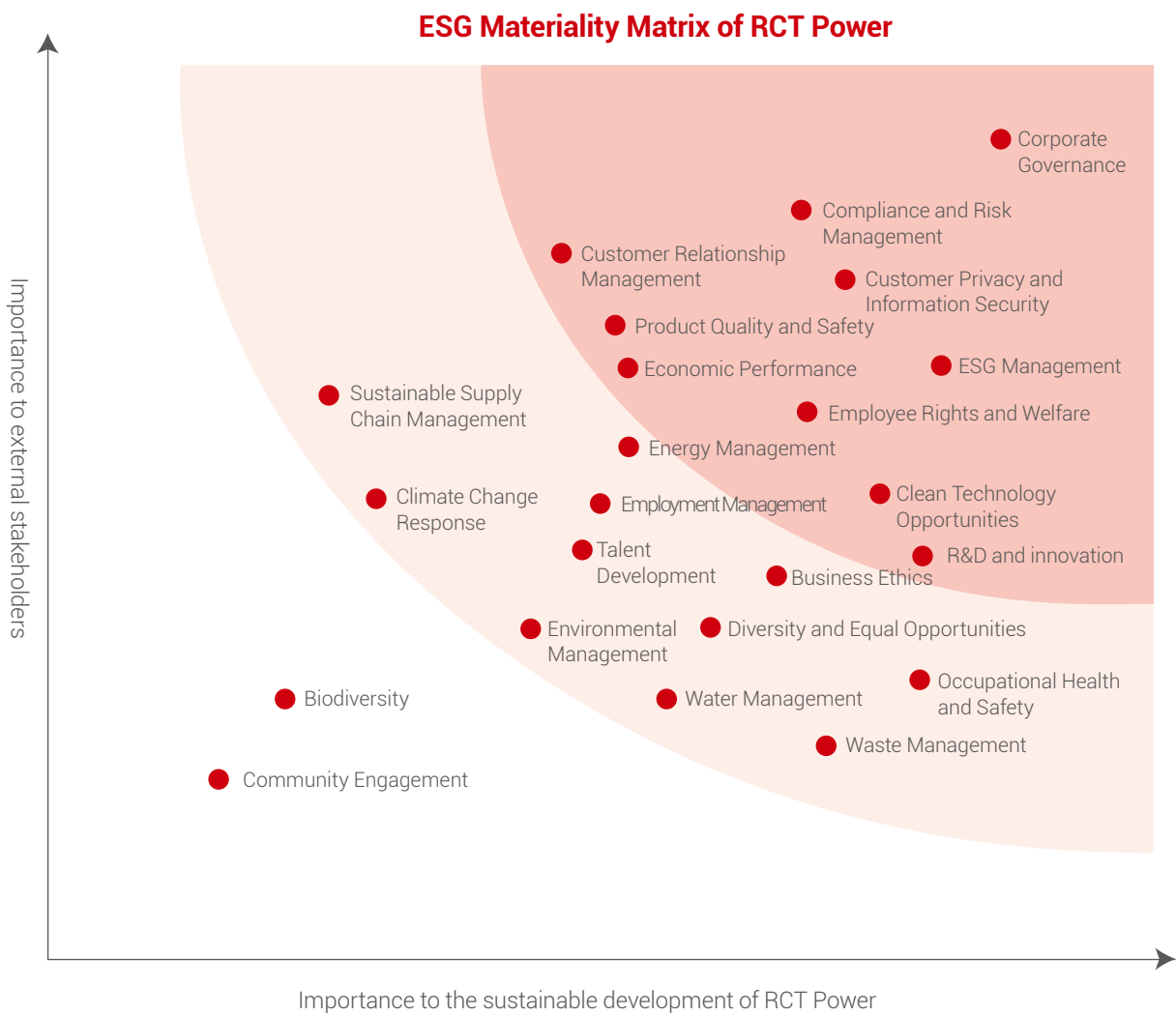
Stakeholder Engagement

The Company's ESG-related stakeholders include government and regulatory authorities, shareholders, customers, employees, suppliers and other business partners, communities and the public, media or industry associations. The Company is keenly aware that listening to and understanding the needs and expectations of these stakeholders is essential to its long-term development. Therefore, we actively establish and maintain a wide range of communication channels to foster effective dialogue with stakeholders and enhance their understanding of the Company's development strategies and operational policies. Meanwhile, the Company provides stakeholders with opportunities to offer suggestions and feedback, ensuring timely and effective responses to their concerns, thus strengthening cooperation with stakeholders and promoting the Company's steady growth and progress.

Major Stakeholders	Issues of Concern	Methods of Communication
 Government and Regulatory Authorities	Corporate governance Compliance and risk management Economic performance Environmental management systems Waste management Energy management	Information disclosure Official correspondence Official interviews and surveys Policy consultation and execution Law enforcement inspections Regulatory information platforms
 Shareholders	Corporate governance ESG management Economic performance Business ethics R&D and innovation Water management	General Meeting of Shareholders Information disclosure Visits, exchanges, and on-site investigations Conference calls Roadshows Official website and social media
 Customers	Product quality and safety Compliance and risk management Employment management Customer privacy and information security Customer relationship management (CRM) R&D and innovation Clean technology opportunities	Technical exchanges and cooperation Product exhibitions and press conferences Customer complaints and feedback Customer satisfaction surveys
 Employees	Employment management Employee rights and welfare Training and development Diversity and equal opportunities Occupational health and safety	OA system, emails, bulletin boards Irregular meetings and annual company events Education and training, career development platforms Employee care activities, complaint and feedback boxes, email Satisfaction surveys
 Suppliers and Other Business Partners	Responsible supply chain management Business ethics Clean technology opportunities	Supplier meetings Supplier training Supplier audits Emails Business exchanges and cooperation, thematic seminars
 Communities and the Public	Community engagement Environmental management systems Economic performance	Public welfare activities Community interactions Official website and social media
 Media or Industry Associations	Climate change response Energy management Biodiversity	Emails Press conferences Industry forums and exhibitions Official website and social media

Materiality Assessment

Identification of material issues: Identification of material issues was based on international initiatives and standards, industry and customer requirements, best practices from peer companies, and RCT Power's strategic objectives. Through this process, we successfully identified 25 issues that are of significant relevance to the Company. To further understand stakeholders' perspectives and expectations on these issues, we invited both internal and external stakeholders to participate in a survey.



ESG Materiality Assessment Results of RCT Power

Degree of Materiality	Issue Name	Issue Priority
High Materiality Issues No.1 to No.10	- Corporate Governance - Compliance and Risk Management - Customer Privacy and Information Security - Product Quality and Safety - ESG Management - Employee Rights and Welfare - Economic Performance - R&D and innovation - Clean Technology Opportunities - Customer Relationship Management	Strategic Issues
Moderate Materiality Issues No.11 to No.21	- Energy Management - Business Ethics - Employment Management - Occupational Health and Safety - Sustainable Supply Chain Management - Talent Development - Environmental Management - Climate Change Response - Water Management - Waste Management - Diversity and Equal Opportunities	Key Issues
Low Materiality Issues No.22 to No.23	- Biodiversity - Community Engagement	Routine Issues

Note: In the table, Issues No.1 to No.10 are considered highly material, Issues No.11 to No.21 are moderately material, and Issues No.22 to No.23 are relevant Issues.

Response to the United Nations Sustainable Development Goals

We actively respond to the United Nations Sustainable Development Goals by thoroughly assessing, reviewing, and aligning our operational activities with these goals, and we also work with all stakeholders to advance the achievement of these goals together.

Corporate Actions

Corporate Governance



- We focus on sustainable economic growth. We have established modern manufacturing bases in regions including China and Malaysia, which effectively enhances our overseas delivery capacity and creates local employment opportunities. The Company strictly complies with local labor standards and provides stable career development platforms for global employees.



- We actively collaborate with all stakeholders across the industrial chain to drive industry-wide progress. The Company has reached in-depth strategic cooperation with Wärtsilä, a globally leading provider of energy solutions. In addition, the Company has established partnerships with renowned enterprises including Schneider Electric SE and TÜV Rheinland, to jointly explore new development models for the energy storage sector.

Social



- We have in place an occupational health protection system covering all employees, implement mechanisms for work safety and occupational disease prevention and control, and are committed to maintaining a hygienic working environment to safeguard employees' occupational health and safety.



- We uphold the principle of equal employment, and eliminate gender discrimination across recruitment, promotion and compensation processes to ensure female employees have equal access to career development opportunities. We ensure the protection of female employees' rights and interests, provide supporting welfare facilities and organize exclusive cultural activities, to foster a workplace environment where women are respected.



- RCT Power respects diversity and advocates an inclusive culture, ensuring no employee is discriminated against or impeded in career development on grounds such as gender, age, region or religion. The Company continuously improves workplace health and safety and employee welfare, strictly implements its environmental, health and safety policy, and provides equal training and development opportunities for all employees.

Environmental



- We leverage energy storage products to boost the consumption of power generated from renewable energy, particularly photovoltaic power. We deliver energy storage solutions for regions with weak power grids such as Africa and Mexico to enhance power supply reliability, reduce reliance on high-cost diesel power generation, and cut pollutant emissions.



- We carry out climate change response and management initiatives to strengthen climate resilience, improve relevant management systems and target-setting mechanisms, and have completed the construction of a zero carbon factory.



- We actively carry out climate change response and management initiatives to continuously enhance climate resilience. Our Asia-Pacific headquarters factory has obtained the "Zero Carbon Factory" certification issued by TÜV Rheinland. By streamlining production processes and cutting carbon emissions across the supply chain, we drive the green transition of our products.

Business Ethics

The Company is committed to maintaining high standards of business ethics and ensures that all business activities are conducted in accordance with the principles of integrity, transparency, fair competition, and sustainable development. The Company has developed the Business Ethics Management Measures and Disciplinary Control Measures to regulate employee behavior, prevent unethical or illegal business practices, and protect the Company's interests and reputation while providing employees with clear codes of conduct and procedures for handling violations.

Integrity Management

The Company strictly enforces anti-bribery and anti-corruption policies and prohibits the offering or acceptance of any form of bribery in its business operations. All employees, suppliers, and partners are required to comply with applicable laws and regulations and refrain from any actions that may result in conflicts of interest or improper influence. The Company maintains zero tolerance for violations of its anti-bribery policy. Any breaches will be treated with the utmost seriousness and the Company reserves the right to report such violations to relevant authorities.

Whistleblowing and Protection Mechanism

The Company has established a robust whistleblowing and supervision mechanism to encourage employees, suppliers, customers, and other stakeholders to report any violations of business ethics. The Company treats all whistleblower information with strict confidentiality and offers protection to those who report, safeguarding them against any form of retaliation. The Company guarantees that reports of unethical behavior are thoroughly investigated, and corrective actions will be taken based on the findings of the investigation.

Whistleblowing and Complaint Reporting Channels

- Email: info@rct-power.com.cn
- Complaint Hotline: 86-512-66830096-8509
- Internal Reporting Channels: Beisen System, Inner Voice mailbox



Customer Privacy and Information Security

The Company always bears in mind the great importance of information security in safeguarding its assets, maintaining customer trust, and supporting sustainable development.

Cybersecurity Management

In compliance with relevant laws and regulations, we have formulated the Cybersecurity Management Policy (IT Management Policy) and relevant policies, to clearly define the responsibilities and technical requirements for information security management. Meanwhile, the Company has introduced relevant information security technologies, such as firewalls, encryption software, and security audit tools, to secure the operation of its networks and data. During the reporting period, no incidents of user privacy data breaches were reported.

To further enhance its information security management capabilities, the Company obtained the ISO/IEC 27001:2022 Information Security Management System certification during the reporting period. This enables the Company to establish a full-lifecycle security management framework at the organizational level, making security control measures systematic and incorporated into daily operations.

Data Security Management

Regarding data protection, the Company uses encryption software to securely encrypt sensitive documents, ensuring that data is only used within the Company's legitimate scope to prevent data leakage. Meanwhile, the Company has also established a comprehensive data backup system, which includes online backups, offline tape backups, and NAS backups. This ensures that data is stored across multiple security layers, minimizing the risk of data loss. Additionally, the Company has implemented a security defence system that continuously monitors network traffic, enabling the early detection and blocking of potential security threats and thus preventing security incidents.

On such a basis, the Company has introduced several more technical measures:

- **Deployed the Data Loss Prevention (DLP) system**, to conduct real-time monitoring and blocking of actions including external transmission, copying and printing of sensitive data, and generate audit logs for traceability;
- **Adopted the Zero Trust Network Access (ZTNA) architecture**, to enforce the principle of least privilege for access to all internal applications and resources, and strengthen identity authentication with Multi-Factor Authentication (MFA);
- **Implemented dynamic and static data masking permissions for databases**, to ensure that customer data in non-production environments such as testing and development cannot be restored to original information;
- **Deployed the Endpoint Detection and Response (EDR) platform**, to enable proactive hunting and rapid isolation of threats for endpoint devices.

Privacy Protection Management

The Company always bears in mind the great importance of information security in safeguarding its assets, maintaining customer trust, and supporting sustainable development.

In terms of technical measures, the Company strictly manages its core network devices and has clear requirements for network devices and access:

- Network devices must be clearly labelled, and a detailed list of all devices should be established.
- When internal computers are connected to the network, fixed IP addresses must be assigned by the IT department, and employees are prohibited from altering network settings.
- External devices connected to the Company's internal network must be verified by the IT department to ensure the security of the network environment.

Meanwhile, the Company has rolled out the following enhanced privacy protection measures:

- **Upgraded the Web Application Firewall (WAF) and introduced an intelligent rule engine**, to effectively defend against OWASP Top 10 attacks including SQL injection and cross-site scripting, and safeguard the security of customer interactive data;
- **Deployed an API security gateway**, to enforce authentication, rate limiting and sensitive-field masking for all external interfaces, and prevent customer information leakage caused by interface abuse;
- **Adopted the Privacy Impact Assessment (PIA) process**, to mandate privacy compliance reviews prior to the launch of new products and features, so as to mitigate risks at the source;
- **Established the strategy of minimization for customer data retention**, and leveraged automated scripts to periodically remove expired logs and redundant data to reduce unnecessary storage-related risks.

Emergency Response Management

The Company has developed an emergency response mechanism to ensure a swift and effective response to any information security incidents. Should such an incident occur, employees are required to immediately report it to the IT department. The IT department will then initiate the emergency response process based on the severity of the incident and take effective steps to prevent the situation from escalating.

To further improve emergency response capabilities, the Company has introduced the following additional measures:

- **Deployed a security information and event management mechanism**, to realize centralized log analysis and real-time alerts, shortening the time for threat detection and response;
- **Formulated an annual disaster drill plan**, to simulate real-world disaster scenarios and verify and optimize the effectiveness of emergency response plans;
- **Established backup emergency communication channels and an off-site disaster recovery switchover mechanism**, to ensure business continuity and data recoverability under extreme circumstances.

Throughout the reporting period, the Company has implemented a variety of effective measures to further strengthen its information security management capabilities, including:

- Upgraded the access control system and refined access permissions;
- Increased investment in the monitoring system to ensure full coverage of the factory area and enable video playback functions;
- Adopted the SANGFOR VPN for refined management to safeguard customer information security, and strictly managed overseas customer access, thus effectively protecting customer privacy and the Company's information security;
- Introduced the ISO 27001 certification system and leveraged it to comprehensively restructure the Company's information security system, covering the five dimensions of physical security, network security, application security, data security and personnel security.
- Deployed a linkage strategy for Next-Generation Firewall (NGFW) and Intrusion Prevention System (IPS) to enable automatic attack blocking; established a security orchestration, automation and response platform to improve daily security operation efficiency.

02

Trajectory of Responsibility: Empowering Social Value Co-Creation

- Product Quality and Safety
- R&D and Innovation
- Occupational Health and Safety
- Employee Rights and Welfare
- Talent Development
- Sustainable Supply Chain Management
- Community Engagement

The Company is committed to empowering social value co-creation with heightened social responsibility and exceptional actions. During the reporting period, the Company comprehensively advanced its high-quality development by enhancing the product quality control system, optimizing technological innovation mechanisms, improving customer service capabilities, and strengthening supply chain management. Concurrently, the Company actively fulfilled social responsibilities by participating in the formulation of industry standards, promoting collaborative innovation within the industry, and addressing social challenges, to embrace corporate social responsibility.

299 million
RMB Invested in Workplace Safety

59.57 hours
average training time per employee

3265 participants
Engaged in Safety Training and Drills

100% coverage
OHS Risk Assessments across All Workplaces

Response to the United Nations
Sustainable Development Goals



Product Quality and Safety

Quality Management

The Company upholds the quality policy centered on "quality focused, technology-first, continuous improvement, customer satisfaction, and establishing benchmarks for new energy." The Company considers product quality as the core competitive advantage for business development, strictly adheres to national laws and regulations as well as industry standards, and is dedicated to providing customers with high-quality, safe, and reliable products. We have developed a comprehensive quality management system to monitor product quality, encompassing every stage from raw material procurement to production and final product delivery, thereby ensuring compliance with quality standards.

Raw material procurement management

Raw materials provided by suppliers are rigorously inspected in accordance with the Incoming Inspection and Control Procedure to ensure compliance with quality requirements. For non-conforming materials, strict identification, isolation, and handling procedures are implemented as outlined in the Non-Conforming Product Control Procedure, and suppliers are required to take corrective actions. Additionally, an 8D report (SCAR) is initiated for problem tracking and improvement.

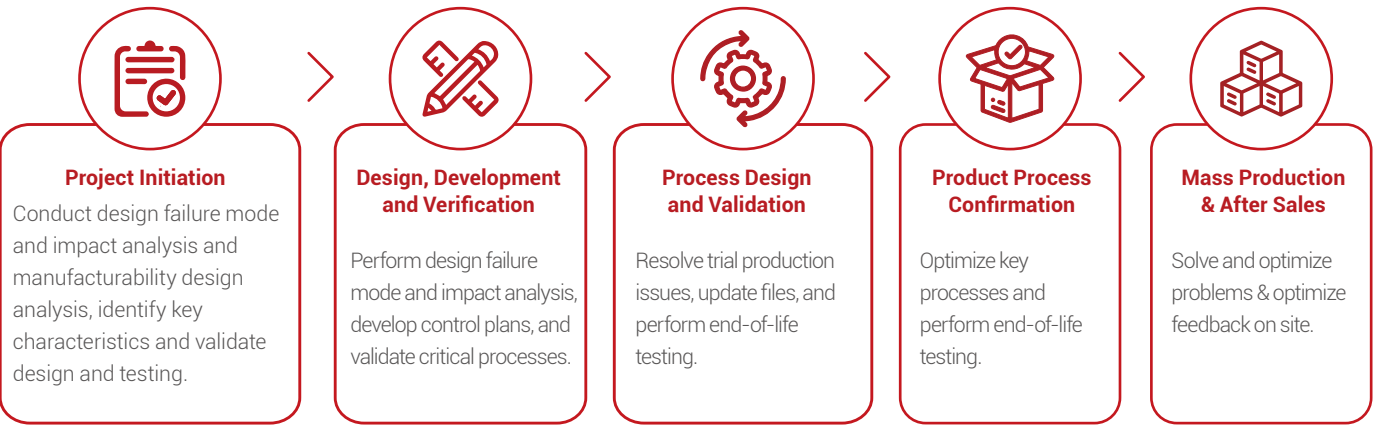
Process management

The Company complies with the Process and Finished Product Inspection and Control Procedure and conducts stringent quality monitoring throughout all production processes. Various methods, such as first article inspections, patrol inspections, and sampling inspections, are employed to promptly identify and address quality issues during production. For non-conforming products, we implement classified management and take appropriate actions based on the severity of the problems, including rework, scrapping, or special procurement. We also track and verify processing results to ensure effective resolution of issues. Furthermore, we conduct an in-depth analysis of quality problems in accordance with the Corrective Action Control Procedure and develop and implement corrective measures to prevent recurrence.

Product delivery management

In line with the Finished Product Inspection Standards, a comprehensive inspection of finished products is conducted to ensure compliance with quality requirements regarding appearance, size, function, and other criteria. For non-conforming products returned by customers, we strictly adhere to the Non-Conforming Product Control Procedure for re-evaluation and handling, analyze the root causes, and implement improvement measures to ensure customer satisfaction.

Throughout the product development process, we utilize a lifecycle management model that encompasses every critical stage from Project Initiation to after-sales service, ensuring that all aspects of the product, from concept to market, meet high-quality standards.



The Company has prepared the Product Design and Development Control Procedure and the Engineering Change Control Procedure to ensure that product change management, from design and development to production, adheres to relevant regulatory requirements. Through rigorous design reviews, sample testing, and trial production processes, we continuously optimize product design, enhance product reliability, and strengthen market competitiveness. For engineering changes, we ensure that information is accurately and promptly communicated to relevant departments. Through stringent reviews and verification processes, we guarantee the compliance and effectiveness of product modifications.

Production Quality Training

In 2025, the Company implemented a series of training activities focused on production quality control, aimed at enhancing employees' understanding and execution of production processes, quality standards, and safety regulations. The training content primarily includes:

Q/AD Process Explanation	Comprehensive training on the operating procedures and quality requirements for each process to ensure employees are well-versed in standard operating procedures.
Product Safety Training	Initiatives designed to strengthen employees' safety awareness and prevent production accidents.
Job Transfer Training	Specialized skills training for employees who have transitioned to new positions to help them quickly adapt to their new roles.

The training approaches combined both offline (including training rooms in Bonded Zone and conference rooms) and online platforms to meet diverse needs flexibly. Throughout the year, over 70 training sessions were conducted, involving team leaders, job transfers, and temporary workers, significantly enhancing employees' production quality control capabilities and providing robust support for production operations.



Capacity Assurance

The Company boasts comprehensive supply chain systems and superior manufacturing capabilities. Leveraging multi-scenario and systematic solutions, the Company has established an efficient and competitive supply chain network. Domestically, the Company operates two major production bases in Bonded Zone and Xiangcheng in Suzhou. Internationally, the Company has additional facilities in Malaysia. This robust global production framework ensures stable product delivery, with an annual production capacity of up to 40 GWh in 2025, thereby providing reliable capacity assurance for global customers.



Global Factory Planning

Factory in Bonded Zone



Factory in Xiangcheng



Factory in Malaysia

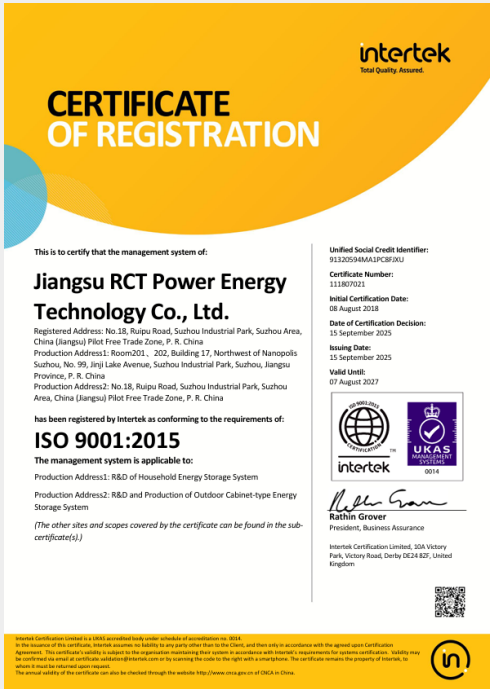


Quality Certification

By systematically adopting the requirements of ISO 9001:2015 and reshaping the management processes centered on "process-oriented approach" and "risk-based thinking", the Company took the following specific measures: comprehensively revised quality manuals and procedural documents, bringing the entire process chain, from customer need identification, design & development, supplier management, production & manufacturing, inspection & delivery, to after-sales service, under standardized control; rolled out tiered quality awareness training and position-specific skill assessments to ensure that critical process operators are certified to work; established a dual-cycle mechanism of internal audits and management reviews, with regular process performance monitoring and closed-loop rectification of non-conformities; adopted statistical process control (SPC) and the 8D problem-solving methodology to reinforce a data-driven culture of continuous improvement; simultaneously invested in upgrading inspection equipment and digital quality management systems to achieve full-process traceability from incoming material inspection to finished product release. Following multiple rounds of system pilot operation, internal audits, and rigorous on-site assessments by authoritative third-party bodies, the Company has officially obtained ISO 9001: 2015 Quality Management System Certification. This marks a new phase of institutional, standardized, and international development, laying a solid foundation for continuously enhancing customer satisfaction and market competitiveness.



ISO 9001: 2015 Quality Management System Certification Certificates



Green Products

Project Case 1 Australia-IKEA Project

IKEA, a global leader in home furnishing retail, has deployed five units of RCT Power's CESS RTerra Class 1.0 (233 kWh) at its MARSDEN PARK distribution center in Australia. The project features a total capacity of 2 MW rooftop PV + 1.1MWh energy storage system. As the core energy storage technology provider for the project, RCT Power leverages the safe, stable and high-performance energy storage solutions to help IKEA advance toward its "100% renewable electricity" goal, while practicing its corporate mission of "delivering more reliable green energy, empowering a more beautiful future" through tangible actions.



Project Case 2 Netherlands-Hazerswoude-Dorp Smart Farm Project

The project is equipped with three units of the LABEL Series CESS RTerra Class 1.0 (233 kWh), with a project capacity of 300 kW/699 kWh.

Leveraging PV-storage integration, the project uses energy storage systems to deliver sustained "green power" for agricultural production, protecting land resources from pollution while simultaneously advancing energy structure optimization at smart farms.



Project Case 3 Netherlands-Boskoop Villa Demonstration Project

This project pioneers the application of CESS RTerra Class 1.0 (233 kWh) in the residential sector (private villas). With an energy storage capacity of 100 kW/233 kWh, the system not only meets the daily electricity needs of private villas, but also generates additional economic benefits for homeowners, such as electricity market trading, government subsidies, and tax incentives. This practice upholds the green concept of bringing green electricity into homes and also contributes to sustainable social development.



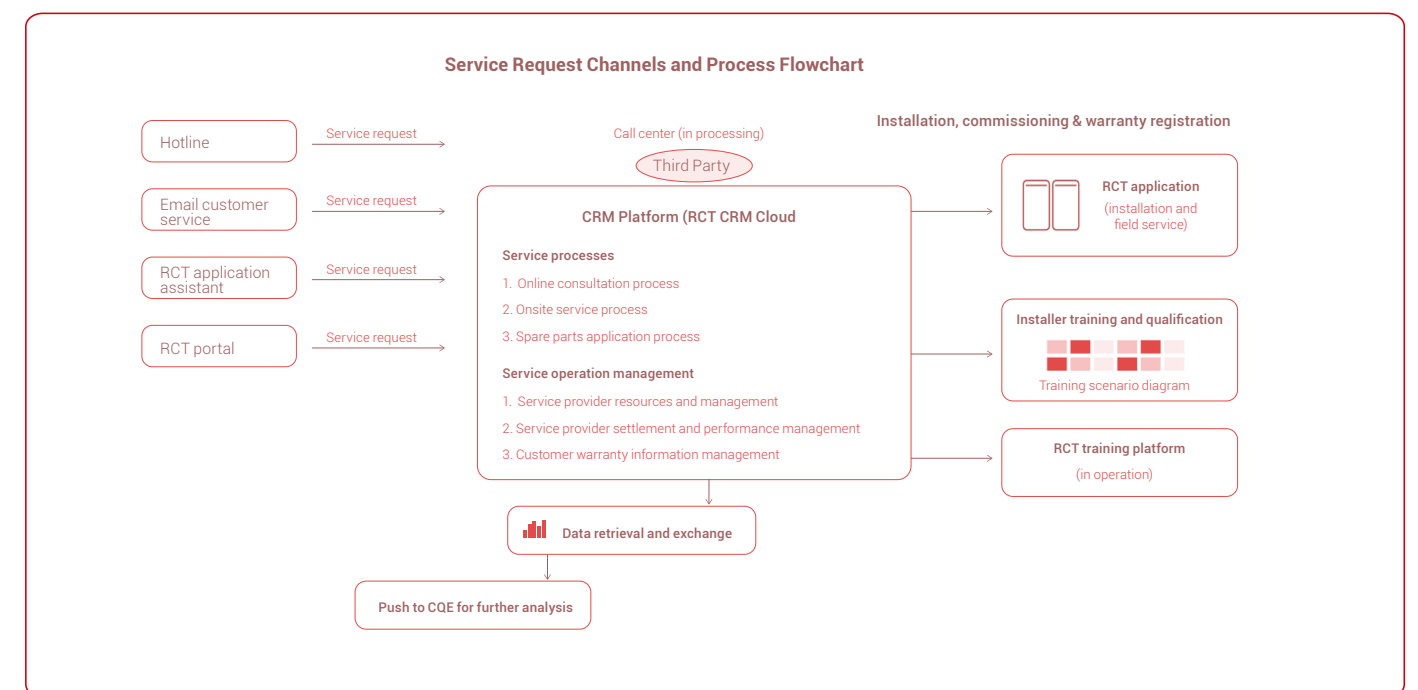
Project Case 4 Chad-PV-Storage-Diesel Intelligent Microgrid Project

Two PV-storage-diesel intelligent microgrid projects developed by RCT Power have been successfully completed in Iriba and Guéréda, Chad. Both projects utilize PV modules, PV inverters, and diesel generators, and are each equipped with RCT Power's Label Series liquid-cooled CESS RTerra Pro 1.0 (1500 kWh). Together, these components form an off-grid microgrid power generation system for electricity supply. The project deploys 9 energy storage units with a total capacity of 3.75 MW/11.93 MWh. Through multi-device coordination and the real-time monitoring of the RPEMS Smart Energy System, the project can achieve intelligent power station O&M in an efficient and convenient manner.



Customer Service

The Company has developed an after-sales service system that encompasses the entire product lifecycle, covering various aspects such as warranty services, technical support, spare parts management, and training and certification. Based on a robust after-sales service management system, the Company has achieved whole-process management from service requests to dispatch and subsequent satisfaction surveys. This system generates service orders through the unified access of both hotlines and email channels to ensure a prompt response to customer needs. Meanwhile, the Company has deployed a team of skilled technical personnel in China to oversee technical support, spare parts management, and training and certification. The Company has also planned to develop a network of overseas third-party service providers to further upgrade service capabilities and efficiently ensure the stable operation of customer power stations.



R&D and Innovation

R&D Investment

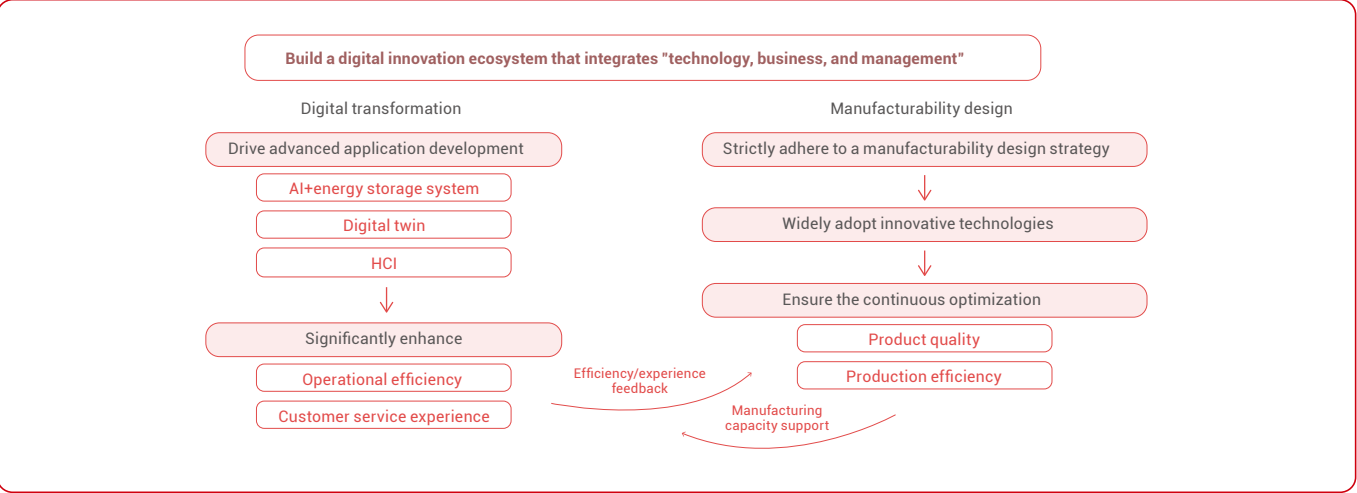
The Company attaches great importance to technological innovation and regards it as a key driving force for improving product quality. We continue to increase our investment in in-house technology R&D, actively attract and nurture high-quality talent, and build close partnerships with universities and industry-leading enterprises to jointly drive technological progress and innovation within our specialized domains.

R&D System and Innovation Framework

The Company has established a multidisciplinary collaborative R&D system, enabling the R&D center and business divisions of the Group to collaborate on cutting-edge technologies and bring products to market. Leveraging the R&D system, the Company is advancing technological and product innovation in a comprehensive manner. As of the date of this report, the Company has cumulatively filed over 260 patent applications, encompassing key technical fields such as simulation methods, structural design, system safety, and control algorithms. The Company ranks among the top players domestically in the CESS sector and also holds a leading position in the European RESS market.

Technological Innovation Achievements and Applications

By accelerating its digital transformation, the Company is dedicated to building a digital innovation ecosystem that integrates "technology, business, and management" to drive advanced applications such as "AI+energy storage" system development, digital twin, and human-computer interaction (HCI), significantly enhancing operational efficiency and customer service experience. Moreover, the Company strictly adheres to a manufacturability design strategy and widely adopts innovative technologies to ensure the continuous optimization of product quality and production efficiency.



Protection and Management of Intellectual Properties (IPs)

The Company entrusts third-party professional institutions with patentability searches to effectively avoid potential conflicts with existing patents. The Company formulates internal patent management measures and patentability search standards to strengthen system safeguards. Moreover, the Company systematically collates R&D records, IP contracts, right certificates, and other relevant materials, thereby establishing a complete IP documentation management system. The Company also implements classified and tiered IP management, establishes IP asset register and database, and conducts regular training on IP laws and regulations to enhance employees' awareness and protection capabilities, fostering an environment where all employees value IPs.

Patent Type	Applications Filed	Patents Granted
Invention patents	74	27
Software copyrights	21	21
Utility model patents	173	117
Design patents	19	17

Innovation Incentive Mechanism and Talent Development

The Company has established the Internal Reward System to provide rewards and recognition for employees' innovation achievements. Once an innovation is granted patent protection, the relevant teams and individuals will receive corresponding bonuses. At year-end, the Company held the "Artisan Star" selection program to recognize teams or individuals with outstanding performance in technological innovation. Innovation activities serve as a significant scoring bonus within the KPI assessment framework, allowing high-performing teams or individuals to receive additional rewards. The Company has also implemented technology equity incentive schemes and a comprehensive performance evaluation system, which effectively fostering talent development and retention, ensuring that innovation activities continuously deliver substantial benefits and competitive advantages to the Company.



The Company will remain committed to advancing innovation in green energy technologies, pushing the industry toward higher efficiency, lower costs, and a more sustainable future.

Green Technology Development

CESS

RCT Power is committed to driving the global energy transition toward a green, low-carbon future through technological innovation. Our next-generation CESS, powered by high-performance 314Ah LiFePO₄ battery cells, delivers enhanced energy density while significantly improving land use efficiency. By optimizing per-unit capacity costs, the system has significantly lowered the upfront investment barrier for SMEs to embrace the green transition, enabling them to achieve energy conservation and emission reduction while securing long-term economic returns.

Environmental Responsibility & Low-carbon Enablement

Boosting Clean Energy Accommodation, Enabling Enterprises to Reduce Carbon Footprints

Leveraging our self-developed RPEMS and smart energy cloud platform, the system fully supports multiple operating modes, including PV-storage microgrids, peak shaving & valley filling, and demand response. This not only helps customers maximize the accommodation of solar and other renewable energy sources, significantly reducing GHG emissions from their operations, but also alleviates peak grid pressure through intelligent dispatch, thereby enhancing overall societal energy efficiency.

Social Responsibility & Unparalleled Safety

Upholding the Safety Baseline, Securing Customer Assets and Community Environments

We recognize that product safety is the paramount responsibility to both customers and society. The system has innovatively established a multi-layered safety defense integrating "five-tier electrical disconnection protection + three-level fire suppression". Spinning from cell to cabinet level, the full-chain electrical safeguards, complemented by dual physical protection via aerosol and water-based fire suppression, enable precise and rapid isolation of thermal runaway risks. This not only safeguards customers' lives and assets to the greatest extent but also provides a robust safety barrier for local project communities.

Climate Resilience & Sustainable Design

Engineered for Extreme Environments, Committed to Full Lifecycle Management

In response to extreme weather challenges brought by global climate change, the product features high-protection IP54-55 battery packs (achieving IP67 full waterproof rating) and can be upgraded to C5 anti-corrosion grade based on project requirements, demonstrating superior climate resilience. Its modular, plug-and-play, and non-walk-in design not only significantly reduces environmental disruption during on-site construction, but also effectively extends equipment service life, lowering full-lifecycle O&M costs and resource consumption, thus demonstrating a firm commitment to the circular economy.



RESS

RCT Power is committed to bringing clean energy to millions of homes. Through efficient energy storage and smart dispatch, RESS not only enables energy independence for families around the world but also accelerate the low-carbon transition of the global energy structure.

Green Energy Accommodation & Emission Reduction Contributions

Driving Residential Zero-carbon Transition, Maximizing Clean Energy Values

Through deep integration with PV generation projects, the system precisely stores daytime green electricity for use during nighttime or peak demand periods. This mechanism significantly enhances the self-consumption rate of residential renewable energy, effectively reducing reliance on traditional fossil fuels. By empowering users to embrace a net-zero lifestyle, every system we have in operation is making a continuous contribution to reducing global carbon emissions.

Energy Safety & Community Resilience

Safeguarding Residential Electrical Safety, Enhancing Energy Resilience in Extreme Weather

In the face of increasingly frequent extreme weather and energy supply volatility, our system delivers reliable backup power, guaranteeing 24 hours of electricity security for homes during grid outages. Moreover, the product features an ultra-quiet design and LiFePO₄ battery cell, maintaining family quality of life while fortifying the baseline for residential energy safety and enhancing community-wide resilience against energy crises.

Excellent Quality & Industry Benchmark

Forging Trust through Rigorous Standards, Leading Industry Performance Rankings for Consecutive Years

Every product is manufactured in strict accordance with the precision standards of "German Engineering". RCT Power's RESS has been repeatedly recognized by EuPD Research as a "Top Energy Storage Inverter Brand" and a "Top Residential Energy Storage System Brand", and ranked first globally in HTW-Berlin performance tests for six consecutive years from 2020 to 2025. These recognitions from authoritative institutions not only demonstrate our technological leadership in energy conversion efficiency, but also reflect our enduring commitment to product reliability across the full lifecycle.



Occupational Health and Safety

Operational Control

The Company consistently adheres to relevant national and local laws and regulations, including the Workplace Safety Law of the People's Republic of China and the Occupational Disease Prevention and Control Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China, the Special Equipment Safety Law of the People's Republic of China, and the Work Safety Regulations of Jiangsu Province, to ensure that the Company's daily production and business operations meet fundamental compliance requirements..

Institutional System Building

The Company has obtained ISO 45001 Occupational Health and Safety Management System certification. Through annual management system reviews, we continuously refine our system documentation to drive ongoing improvement. Having passed Level 3 enterprise work safety standardization certification and operating in continuous compliance, the Company is actively advancing toward Level 2 assessment.

ISO 14001:2015 and ISO 45001:2018 Management System Certification Certificates



Overall Operations

With the EHS Committee as the core, the Company actively advances occupational health and safety management. Quarterly meetings are held specifically to deliberate on EHS-related topics, ensuring the effective implementation of all management measures. At the beginning of each year, the Company formulates routine management plans and implement them on schedule. These plans cover key activities such as routine safety hazard investigation, annual safety training programs, and annual emergency response drills, safeguarding a safe and stable environment for production and operations.

The EHS Committee holds regular meetings in compliance with relevant regulatory standards and encourages cross-departmental EHS participation, thereby enhancing vertical communication of EHS-related work across all organizational levels.

EHS Committee Special Meeting



Production Quality Training

Safety training combines online Beisen System with offline training sessions. In 2025, in line with the Company's annual training program and in response to the requirements arising from government guidance and support, customer feedback, and other third parties, the Company delivered a total of 142 specialized training sessions attended by 2,924 employees. The training covered key areas such as work safety laws and regulations, chemical usage, operating procedures, occupational health protection, and special equipment safety operations, ensuring employees acquire the necessary safety knowledge and skills. To further reinforce safety awareness, the Company maintained quarterly safety briefings by principal responsible persons and 5-min pre-shift safety lectures. Through such persistent safety promotion, the Company has built a solid foundation for workplace safety.



Safety Training Activities of the Company in 2025



142

specialized training sessions delivered in total



5-min pre-shift safety lectures delivered regularly



Annual training program developed and executed on schedule

Tiered Risk Control and Hidden Hazard Management

In accordance with the Company's procedural document the Control Procedure for Hazard Identification and Evaluation and the Catalogue of Major Work Safety Risks and Above for Metallurgical and Other Industrial Enterprises in Jiangsu Province, the Company has identified a total of 658 hazards and established targeted control measures and tiered control requirements to reduce the likelihood and impact of potential risks. Pursuant to the Hidden Work Safety Hazard Investigation Standards, the Company has performed multiple safety inspection activities, including routine, special, comprehensive, seasonal, and holiday inspections. Concurrently, the underwent external audits and reviews by government agencies, third-party organizations, and customers. All potential safety hazards identified have been fully rectified, effectively safeguarding a safe and stable production environment.



Risk Control and Hidden Hazard Investigation Campaign in 2025

Routine, special, comprehensive, seasonal, and holiday inspections were performed to implement hazard management, ensuring a safe and stable production environment. In cooperation with relevant governments and third-party audits, improvement recommendations proposed by professionals were promptly implemented to ensure workplace safety.





Specialized Drills

During the reporting period, the factory in Bonded Zone conducted specialized emergency drills for vehicle self-ignition in the EV charging area and food poisoning incidents. The drills covered process briefings and equipment operation, confirmation and reporting, on-site emergency response, and post-drill debriefings. All drills were conducted in full compliance with established safety standards.



On-site Emergency Disposal Drills

During the reporting period, the Company's factories in Xiangcheng and Bonded Zone conducted on-site emergency disposal drills to address scenarios such as electric shock in the FAT testing area and heatstroke at the production site. Through relevant procedures such as incident reporting, first aid, and on-site disposal, employees' readiness for emergencies was further enhanced.



Emergency Management

The Company has prepared the Emergency Response Plan for Work Safety Accidents and, in line with the plan and applicable regulatory requirements, developed an emergency drill program and executed it as planned. Workshops are equipped with diverse emergency response apparatus. A volunteer firefighting team is formed and conducts monthly training and drills. These measures strengthened the Company's emergency management mechanism, enabling rapid and effective control and disposal of potential incidents while safeguarding employee safety and company property.



Fire Evacuation Drill

In July 2025, the factory in Bonded Zone successfully conducted a fire evacuation drill in which all 142 employees completed the evacuation within 1 minute and 28 seconds, achieving a 100% success rate. The drill covered on-site fire scenario simulation and disposal, factory-wide evacuation, assembly, roll call, debriefing, as well as hands-on practice with fire extinguishers and hydrant water discharge.



Annual Testing and Special Equipment Inspections

In accordance with the annual inspection and testing plan, the Company has conducted workplace occupational hazard inspection, lightning protection inspection, fire protection facility inspection, and special equipment and safety accessory inspection. All results were qualified and in full compliance with relevant regulatory requirements.



Annual Testing and Special Equipment Inspections



Emergency Plan Exercises

Pursuant to the annual emergency response exercise plan, the Company has organized 45 emergency response drills, covering comprehensive emergency responses (such as fire evacuation drills), specialized emergency responses (including fire incidents, lithium battery accidents, special equipment failures, and natural disasters), and on-site response scenarios (such as mechanical injuries, lifting injuries, struck-by-object incidents, and electric shock). These practical exercises strengthened employees' emergency response capabilities and collaborative response capacity, ensuring rapid response and minimizing losses in emergency situations.

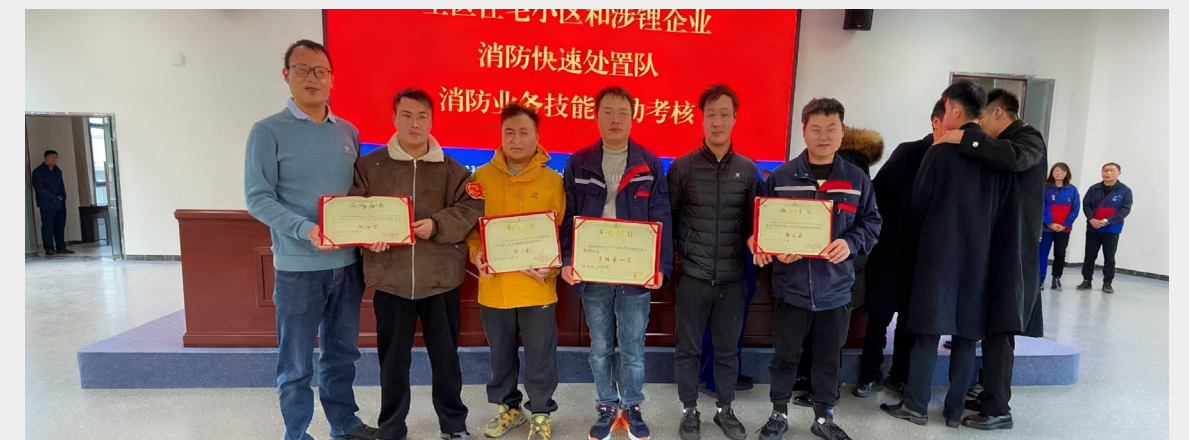


Emergency Safeguards

To improve on-site emergency response capabilities, lithium-ion battery-specific fire extinguishers have been positioned at processes involving lithium batteries, enabling rapid suppression of battery-induced fires. Fast movable containment bunds have also been installed to swiftly handle abnormal fires in battery modules while avoiding undue environmental pollution.



The factory's fire emergency response team is highly trained and conducts emergency drills twice monthly. At a firefighting competition in Xiangcheng, the team secured the team championship with an overwhelming advantage and claimed top honors in individual events, winning two first-place and one second-place awards.



Employee Rights and Welfare

Standardized Employment Management

In strict adherence to the Labor Law of the People's Republic of China and the Social Insurance Law of the People's Republic of China, RCT Power has established and improved labor rules and regulations to ensure that employees enjoy their labor rights and fulfill their labor obligations. The Company has developed an Employee Handbook that clarifies employment policies covering human rights protection, remuneration and welfare, anti-discrimination, prevention of forced labor, and prohibition of child labor, so as to safeguard the legitimate rights and interests of employees.



Prohibition of Child Labor

The Company strictly complies with national laws and regulations for prohibiting child labor and ensures that minors under the age of 16 are not employed. During the recruitment process, we carry out verification measures such as cross-checking the candidate's facial features against the photograph on their identity card to prevent the employment of child labor.



Anti-Discrimination

RCT Power firmly enforces its anti-discrimination policies to ensure that all candidates and employees are treated equally during recruitment and throughout their employment.



Anti-Harassment

The Company strictly prohibits any form of harassment, including inappropriate gestures, verbal remarks and conduct, fostering a safe, respectful and professional working environment.



Prevention of Forced Labor

RCT Power prohibits and does not condone any form of forced labor, ensuring that employees engage in work on a voluntary basis.

Equality and Diversity

RCT Power is committed to fostering a diverse and inclusive working environment that honors and values the differences among employees. We recognize that individuals with varying backgrounds, experiences and perspectives contribute to innovation and deliver competitive advantages for RCT Power. The Company pledges that every employee is treated equally in recruitment, promotion and daily work, irrespective of race, gender, religious belief, sexual orientation or disability. We actively promote open communication and mutual respect, ensuring that every individual can contribute their talents within a comfortable and respectful working atmosphere.

Holiday and Leave

Regarding employee care, the Company rigorously adheres to national laws and regulations and guarantees employees' rights to various types of leave. Employees are entitled to statutory holidays, paid annual leave, marriage leave, maternity leave, nursing leave, breastfeeding leave, parental leave, only-child care leave and bereavement leave. In addition, sick leave and unpaid personal leave are managed in accordance with relevant regulations to allow employees to have adequate time for rest and family care, thereby safeguarding their physical and mental health and fostering work-life balance.

Employee Communication

RCT Power ensures open communication channels through multiple avenues, including bulletin boards, company meetings, internal websites and platforms, and Inner Voice mailboxes. The Company has established clear communication systems and procedures to encourage employees to initially address issues with their immediate supervisors. If any issue remains unresolved, employees can escalate it through established procedures for mediation by the General Manager when necessary.

Moreover, RCT Power places a high value on employee suggestions and feedback. The Company holds employee representative conferences, senior management dialogue forums and employee satisfaction surveys on an irregular basis to actively gather employee insights regarding the working environment, working hour arrangements and management systems. Based on survey findings, management mechanisms are optimized to enhance employee well-being. This year's survey findings show a high level of overall employee satisfaction, with 96% of respondents expressing great satisfaction.



An Inner Voice mailbox



Employee conference



Employee Care

RCT Power strictly adheres to national laws and regulations and fully safeguards the legitimate rights and interests of employees regarding holidays, working hours, and other related matters. Concurrently, the Company prioritizes the needs of employees and commits to fostering healthy, comfortable, and enjoyable working and living environments. During the reporting period, we meticulously planned and successfully executed eight themed activities, including holiday celebrations and birthday parties, aiming to enhance employees' sense of belonging and recognition of corporate culture. All activities concluded successfully and received positive feedback.



Lantern Festival Celebration for A New Journey

To celebrate the Lantern Festival, the Company held a range of festive activities at all factories. Employees gathered together to solve lantern riddles, taste glutinous rice dumplings, and take part in fun-filled games. In a cheerful and lively atmosphere, participants experienced the unique appeal of this traditional festival and built stronger connections with one another. The celebration enhanced team cohesion and inspired employees to work hand in hand as the Company embarks on a new journey.



Women's Day Event with Flowers and Creative Gifts

To mark the International Women's Day, RCT Power carefully organized a heart-warming themed event to recognize all outstanding female employees in the energy storage sector for their dedication to their roles, drive for excellence, and gentle yet resilient spirit.



Mid-Autumn Festival Gathering with Sincere Wishes

The Company hosted a thoughtful Mid-Autumn Festival themed event, which conveyed heartfelt care through the festive charm and integrated traditional culture into daily workplace life. This gathering brought festive comfort to employees, relieved their routine work fatigue, and allowed all employees to experience the warmth and reunion sentiment of the team.



Employee Birthday Party with Shared Joy and Quarterly Warmth

The employee birthday party is held on a quarterly basis as the Company's warmest "mini-celebration". Leadership remarks, cake sharing moments and fun interactions brought employees closer amid laughter and best wishes, fostering a more caring team atmosphere. Employees gradually gained a stronger sense of belonging and well-being, with greater collaboration and team cohesion. These events lend a warm, solid touch to the corporate culture.



Talent Development

Talent Recruitment and Cultivation

RCT Power actively builds a diversified talent pool by attracting talents with diverse backgrounds and skills through campus and social recruitment. In terms of talent cultivation, the Company attaches great importance to the reserve and capacity building of young talents, launches internship recruitment and special training programs, and gradually rolls out a mentorship system with tailored growth plans for interns. Through one-on-one targeted mentoring, hands-on skill sharing and immersive on-the-job practice, we help young talents quickly adapt to the workplace, enhance their professional competencies and achieve steady growth, fostering a full-chain young talent cultivation system featuring "recruitment, cultivation, practice and growth".

We uphold open and fair recruitment and promotion policies, ensuring equal pay for equal work for both male and female employees, while providing eligible women with equal employment opportunities. Moreover, the Company commits to avoiding discrimination in employee hiring, remuneration, training and promotion based on ethnic group, race, gender, age, religious belief or disability, ensuring every employee can thrive in an equitable working environment.

Career Development Pathways

In the realm of employee career development, RCT Power has established relevant systems and requirements to encourage employees to grow alongside the Company. Where feasible, the Company prioritizes outstanding employees for promotion to higher positions or assigns them greater responsibilities. Employees' work attitude, competence, performance, integrity and educational background serve as key considerations in promotion decisions. Standout employees may be selected for short-term or long-term assignments or studies at overseas subsidiaries to foster their career growth and broaden their global perspectives.

Meanwhile, the Company has put in place management and professional career pathways. We offer tailored development paths and platforms based on employees' skills, personalities and career aspirations, supported by a full set of incentives including promotions, salary increases and equity incentives.



Performance-based Incentive Mechanism

RCT Power has established and rolled out fair, transparent performance appraisal and incentive mechanisms that cover all employees with tiered and categorized management, forming a complete closed-loop management system of "appraisal, incentive, improvement and development". Through a scientific and rational appraisal framework, the Company aims to improve overall operational efficiency, clarify the rights and responsibilities of employees, guide their work priorities, enhance work performance, and provide a basis for salary adjustments, position changes, and employee training. This policy applies to all employees except those under probation.

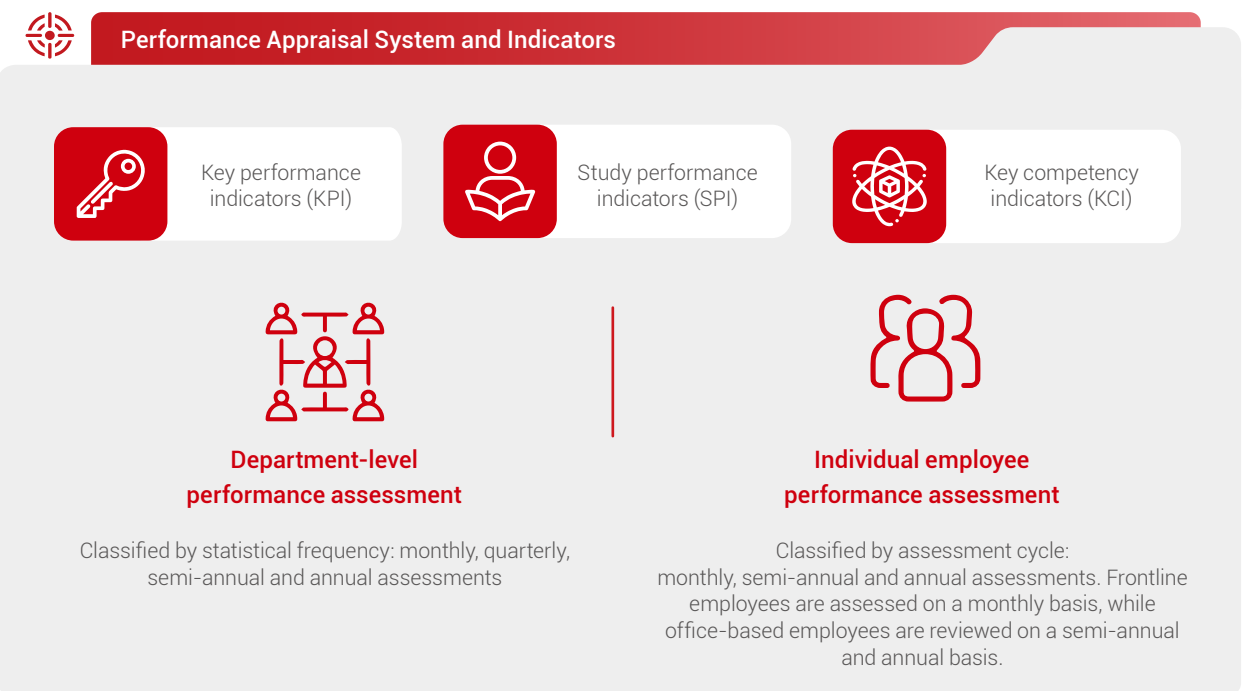
The appraisals cover all regular employees with differentiated assessment cycles. Frontline employees are assessed on a monthly basis, office-based employees are evaluated on a semi-annual and annual basis, and department-level performance reviews are conducted monthly, quarterly, semi-annually and annually.

The Company's performance appraisal index system comprises three weighted components: key performance indicators (KPI), key competency indicators (KCI) and study performance indicators (SPI). All performance appraisal indicators adhere to the SMART criteria, ensuring they are specific, measurable, achievable, relevant, and time-bound.

Performance appraisals are categorized into department-level and individual employee performance assessments. The Company addresses special circumstances in the appraisal process. For frontline employees, fixed performance bonuses and scoring criteria are defined covering attendance, quality, output, safety, standardized execution, regulatory compliance, fair suggestions and enthusiasm. Detailed performance scoring rules are established for various positions, including frontline production operators, frontline incoming quality control (IQC) employees, frontline process quality control (PQC) employees and frontline warehouse employees.

Throughout the appraisal process, the Company emphasizes fairness and objectivity, with results disclosed only to relevant employees and retained for filing. We also provide performance interviews and training opportunities to help employees formulate their personal development plans. Additionally, employees have the right to appeal against appraisal results. The Performance Appraisal Management Committee shall review and reply within a prescribed period. During the reporting period, all employees underwent performance assessments.

The Company is committed to fostering a fair, impartial and transparent performance management environment to motivate employees to continuously improve their work performance, achieving shared growth for individuals and the enterprise.



Sustainable Supply Chain Management

Supplier Management

In terms of supply chain management, RCT Power ensures the efficiency, transparency, and sustainability of the supply chain through systematic processes and stringent management measures. To standardize the supplier selection, development, assessment, and procurement processes, the Company has established relevant systems and procedures, including the Procurement Control Procedure, the Control Procedure for Nonconforming Products, and the Supplier Development and Management Procedure, ensuring that the sourced products and services comply with quality, environmental, and social standards.

216 suppliers
from the Chinese mainland

186 suppliers
from Hong Kong, Macau, and Taiwan

24 suppliers
from overseas

6 new suppliers

6 suppliers
with partnerships terminated

Responsible Procurement Management

Procurement Control

RCT Power has developed detailed procurement control procedures to ensure that the issuance and management of procurement orders align with corporate requirements, while monitoring suppliers' on-time delivery and raw material inventory. The Procurement Department releases procurement orders based on production requirements and procurement plans and verifies the accuracy of order details prior to order release to guarantee the alignment of orders, invoices, and material receipts. Furthermore, the department regularly checks outstanding orders with suppliers to maintain updated delivery dates, assess compliance with production requirements, and promptly report potential material shortage risks.

For returned nonconforming goods from suppliers, the Company has established a Return to Vendor (RTV) process. The Procurement Department contacts the corresponding suppliers for disposal based on information provided by the Quality Department. Meanwhile, we regularly analyze obsolete material inventory, and discuss disposal solutions with relevant departments, reducing excess inventory and waste.



Supplier Management

RCT Power categorizes suppliers into Class I (critical materials), Class II (materials with slight impacts), and Class III (auxiliary materials) based on the impact of materials on product quality. On-site audits are conducted for Class I and Class II suppliers in compliance with its management systems.

Additionally, the Company has established a supplier management system to ensure the sustainability, compliance, and accountability of the supply chain through rigorous assessment and audit processes. We conduct comprehensive assessments of suppliers across key areas, such as supplier quality systems, personnel management, contract review, new project development, document management, quality control, product inspection, inventory management, and environmental management using the Supplier Quality Management System Audit Form. The audit results are graded as pass (85-100%), conditional pass (70-85%), and fail (0-69%).

Every quarter, the Company scores suppliers from the dimensions of quality, cost, delivery, and engineering R&D support using the Supplier Performance Assessment Form and grades them as A (excellent), B (qualified), C (improvement required), and D (unqualified). For issues identified during audits and performance assessments, suppliers are required to respond within two weeks and provide corrective measures and supporting documents, with regular follow-ups on improvement progress.

Grade	Score	Rating	Measures
A	90-100	Excellent	Highly recommended; increase the procurement quantity
B	70-89	Qualified	Recommended; maintain the procurement quantity
C	60-69	Improvement required	Rectification within time limits; restrict the procurement quantity
D	<60	Unqualified	Disqualify the suppliers



Collaborations Across the Supply Chain

In supply chain collaboration and empowerment, RCT Power has developed a set of typical cases spanning multiple dimensions from global strategic partnerships to localized industrial chain layout.

Collaboration with Wärtsilä from Product Supply to Technology Sharing

RCT Power's collaboration with Wärtsilä, a world-leading energy solution provider, dates back to 2019. Over the past six years, both parties have continuously deepened collaboration in the grid energy storage sector, evolving their cooperation model from a "partnership" to a strategic alliance.



Collaboration evolution path:

Phase I (2019-2024): Both parties focused primarily on product supply. As a key supplier to Wärtsilä, RCT Power delivered efficient, smart energy storage solutions. In October 2024, both parties celebrated the roll-off of the 6,000th Quantum unit from the production line and signed an extended supply agreement, enabling Wärtsilä to expand its production capacity in Malaysia.

Phase II (July 2025 to present): Both parties signed a licensing agreement, marking the shift from product supply to technology sharing. In close alignment with Wärtsilä's global strategy, RCT Power integrates its technical strengths and platform resources for joint development of smarter energy storage solutions.

Collaboration outcomes in production capacity: After the 6,000th Quantum unit rolled off the production line in October 2024, the production capacity rose to 10,000 units in just over one year, reflecting rapid production growth. Collaboration outcomes in carbon emissions across the supply chain: RCT Power built factories both in Suzhou, China and Malaysia to jointly provide production and transportation services for Wärtsilä's global projects, effectively reducing carbon emissions across the supply chain. Meanwhile, its EPZ factory was certified as a net-zero factory by TÜV Rheinland in 2024, with its Quantum units rolling off this production line as "green products" from the source. Industry recognition: Standing out among thousands of suppliers, RCT Power received one of only eight Supplier Awards at Wärtsilä's global supplier event, and was the sole award recipient for the group's energy business segment.



Collaboration with Phoenix Contact in Sharing of Supply Chain Management Experience

Under a strategic partnership, RCT Power and Phoenix Contact held in-depth exchanges on the core theme of corporate management and business development. Phoenix Contact shared its advanced experience in supply chain management and corporate IT security management. Such cross-enterprise sharing of management experience serves as an important form of supply chain collaboration.



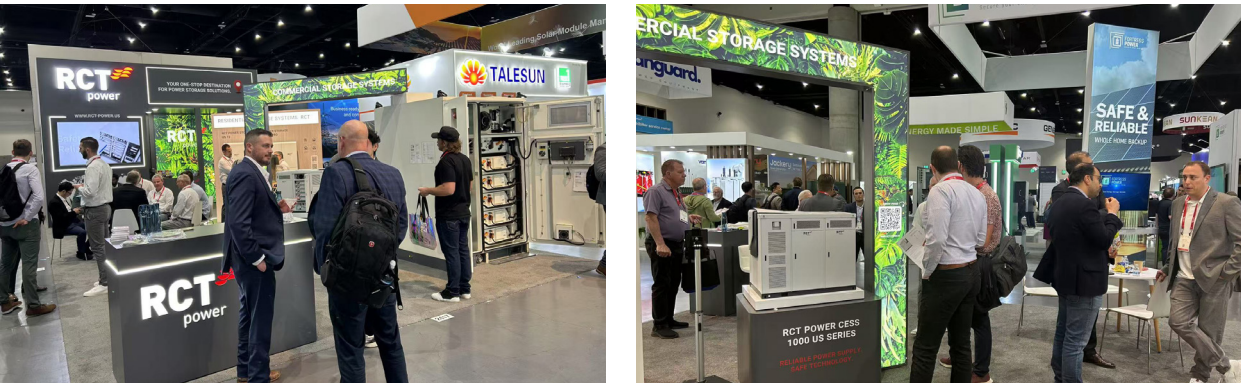
Community Engagement

Industrial Value Contribution

RCT Power takes an active part in industry events, fosters technical exchange and cooperation, and supports the development of industrial standards, demonstrating its positive contribution to driving collaborative innovation and high-quality growth in the industry.

Exhibition 1 Intersolar USA (IESNA) 2025

In February 2025, the Company showcased its latest residential storage product—Power Storage DC US 15.0 split-phase high-voltage hybrid inverter debuted at the Intersolar North America & Energy Storage North America (IESNA). The unit integrates multiple application modes including self-consumption, peak shaving, and emergency backup power. Its modular design supports parallel operation of multiple units, making it suitable for a wide range of home energy storage application scenarios.



Exhibition 2 The Smarter E Europe 2025

In May 2025, RCT Power presented its full series of energy storage solutions and innovative R&D achievements at the Smarter E Europe 2025. RCTerra Pro 1.0 (1000), a liquid-cooled commercial and industrial energy storage system, highlighted the overseas exhibition upon its debut. The product features modular design, intelligent operation and maximum safety, reaching new technical milestones.



Exhibition 3 SNEC PV+ 2025

In June 2025, the Company held the global debut of its 4,073kWh flagship product—RCTerra Max 1.0 (4000). Its multi-matrix product portfolio offers flexible adaptability for photovoltaic storage integration, large-scale industrial and distributed energy storage scenarios.



Exhibition 4 SNEC ES+ 2025

In October 2025, RCT Power displayed its full series of new energy storage products at Booth E1-370. Its disruptive technical solutions, diversified product matrix and excellent brand momentum drew widespread attention across the exhibition.



Exhibition 5 RE+ 2025

In September 2025, the Company unveiled RESS 15kW Series, a standout offering for the home energy storage segment. Tailored specifically for residential and small commercial photovoltaic systems, the series delivers outstanding expandability and flexibility, supporting a maximum power output of up to 90kW.



Exhibition 6 All Energy Australia 2025

In October 2025, RCT Power introduced its full series of star energy storage products at All Energy Australia 2025. The Company engaged in exchanges and cooperation with global peers to jointly advance the future development of clean energy.



Green Initiatives



Empty Bottle Recycling Program for A Cool Summer

Between July and August 2025, the Company launched the 2025 Empty Bottle Recycling Program. In the short span of one month, a total of 5,230 empty bottles were collected across the factory, delivering an approximate carbon reduction of 104,600g. All recovered bottles were converted into sustainable value, and the proceeds were donated to charitable causes. That summer, all employees gained far more than refreshing gifts through empty bottle redemptions. Rather, they honored a solemn commitment to the planet. With the efficient use of limited resources as a core priority, we are turning the "net-zero factory" vision into tangible actions through innovative practices.



Go Green Program for Sharing Eco-Friendly Power

In August 2025, the Company launched the Go Green Program online, inviting participants to share their green stories. Submissions could feature eco-friendly habits, low carbon lifestyles, or practical tips for addressing climate change. Within just 10 days, we received inspiring stories from more than 30 outstanding contributors.



撑绿手记:一只空瓶的“重生之旅”
位减碳这人!"从此,收集空瓶成了习惯:·层会带走会议室的饮料帮工位龟落的矿东水积了灰,我拧开矩盖倒尽残水,将它投入前台亮绿色的回收桶。“叮”一声脆响,行政递来印花:“您是今日第50午休去车问“寻宝”
·贫够30个咖啡經兑换防晒伞
活动收官时,全厂回收5230个空瓶,减碳104600g。更惊喜的是:所有空瓶由苏州建投变现,善款已捐苏州红十字会。如今四收间仍守在前台,空瓶静保新生,公益永续前行。当我再次投入玻璃。



洗于打肥皂时要关掉水龙头,洗菜水留着浇花,洗澡快点别磨蹈..这些小乎做起来根不类蹈。有次看到新可说有些地方产重缺水,更觉得我们浪着的水多可惜。现在全家用水都精打细算,水曲省了,心里也路实,这些画面让我想起刚刚到的“程球’信议。大来一起从小事做起,环境就会越来越好



环保于我,足融入生活的细碎温柔,山门白带布袋,拒绝塑料的"纠缠",随手关灯拔插头,让电能不再悄然溜走;旧物巧思改造,赋予它们所的生命,点满行动,汇聚成海,为地球添一抹清新新意。



正在实践:利用智能家层+电价时段,主动做家庭负荷转移!比如没定洗碗机、洗衣机、EV充电在光优发电旺或电价低的谷段运行。目真正的神器’是搭配储艇(像阿诗待这样的系统)!能把白天的光伏存起来晚上用,最大化白消费,月省电费X0元!应对气候立化?强烈建议家庭拥抱光伏+智能储能"组合!这不仅是省钱的硬通理,更躬平抑电网波动,提升社区供电韧性。阿诗特让每个家都成了微型绿色电厂。求抽中,给我的能源优化大业加点储能燃料”!



每天尽量减少使用一次性塑料制品,比如购物时使用环保爱代替塑料袋,喝水时携带可重复使用的水杯。这样不仅能减少垃圾产生还能节约资源,为保护环境贡献一份力量。

03

Excellence of Ecology: Spearheading the Green and Low-Carbon Transition

- Environmental Management
- Energy Management
- Water Management
- Waste Management
- Biodiversity
- Climate Change Response
- Clean Technology Opportunities

Guided by its mission of spearheading the green and low-carbon transition, RCT Power fully embraces the philosophy of sustainable development and strives to build a green, smart and efficient operating model. During the reporting period, the Company actively advanced energy transition and the circular economy, optimized waste management and addressed climate change by continuously improving its environmental management system. Beyond delivering the green and low-carbon transition of our operations, we promoted the widespread adoption of clean energy technologies through technological innovation and strategic cooperation, contributing to global sustainable development.

191.84

tCO₂e
emission reduction

The first net-zero factory in Jiangsu's energy storage industry

Response to the United Nations
Sustainable Development Goals



Environmental Management

RCT Power regards environmental management as a cornerstone of its corporate sustainable development. In strict compliance with applicable regulations such as the Environmental Protection Law of the People's Republic of China and the Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008), the Company commits to minimizing environmental impacts from its operations through scientific and systematic management systems, and fulfils social responsibilities proactively, fostering positive interactions between environmental protection and corporate development. We have set up a dedicated Environment, Health and Safety (EHS) department to oversee and implement environmental management policies and procedures. The Environmental Management Committee led by the senior management team conducts regular reviews of environmental policies and targets to ensure alignment with corporate strategies.

Environmental Management System

RCT Power actively implements environmental policies covering key areas including energy conservation, emission reduction, pollution prevention and resource utilization. The Company carries out regular environmental risk assessments and develops mitigation measures. Energy and resource consumption data are collected and monitored via its self-developed digital information system to track relevant environmental parameters in real-time. In addition, RCT Power delivers regular environmental protection training to continuously raise employees' environmental awareness and operational skills. Furthermore, qualified third-party test institutions are engaged annually to monitor three types of wastes (waste water, waste gas and solid waste), with all test results in compliance with applicable regulatory requirements. We reported no waste discharge violations during the reporting period.

For environmental emergencies, the Company has developed the Environmental Emergency Response Plan. Annual drills are organized based on the plan and regulatory requirements to strengthen environmental emergency response capabilities. The Company has been certified by the ISO 14001 Environmental Management Systems. We reported no significant environmental compliance violations during the reporting period.

Environmental Emergency Control

For environmental emergencies, the Company has developed the Environmental Emergency Response Plan. Annual drills are organized based on the plan and regulatory requirements to strengthen environmental emergency response capabilities. During the reporting period, on-site emergency response drills for chemical spills and typhoon and flood prevention were held at factories in Xiangcheng District and the bonded zone. Procedures including emergency reporting, first-aid treatment and on-site disposal were practiced to further enhance employees' environmental emergency handling capabilities.



Chemical Spill Emergency Drill

On December 24, 2025, a chemical spill emergency drill was successfully carried out at the factory in Xiangcheng District, with a total of five employees taking part in the on-site emergency response. Drill participants completed the full on-site emergency response process from raising the alarm, rushing to the incident site, assuming on-site command to conducting rescue operations within 10 minutes, followed by a drill summary.



ISO 14001 Environmental Management Systems

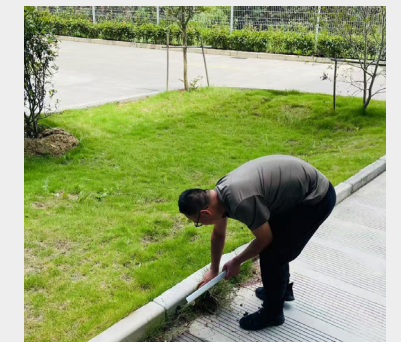
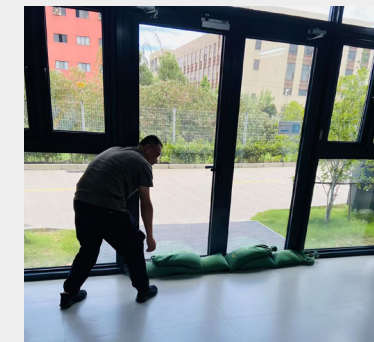


ISO 14001 Environmental Management Systems



On-Site Emergency Response to Typhoon and Rainstorm Events

On July 11, 2025, a typhoon and flood prevention emergency drill was successfully conducted at the factory in the bonded zone. Upon receipt of the meteorological hazard alert, the EHS Department promptly notified relevant departments to carry out patrol inspections, with key areas covering warehouses, offices, docks, the eastern workshop entrance, hazardous material warehouses, and power distribution rooms. Emergency response measures for each area were formulated in advance to address potential risks brought by the rainstorm.



Energy Management

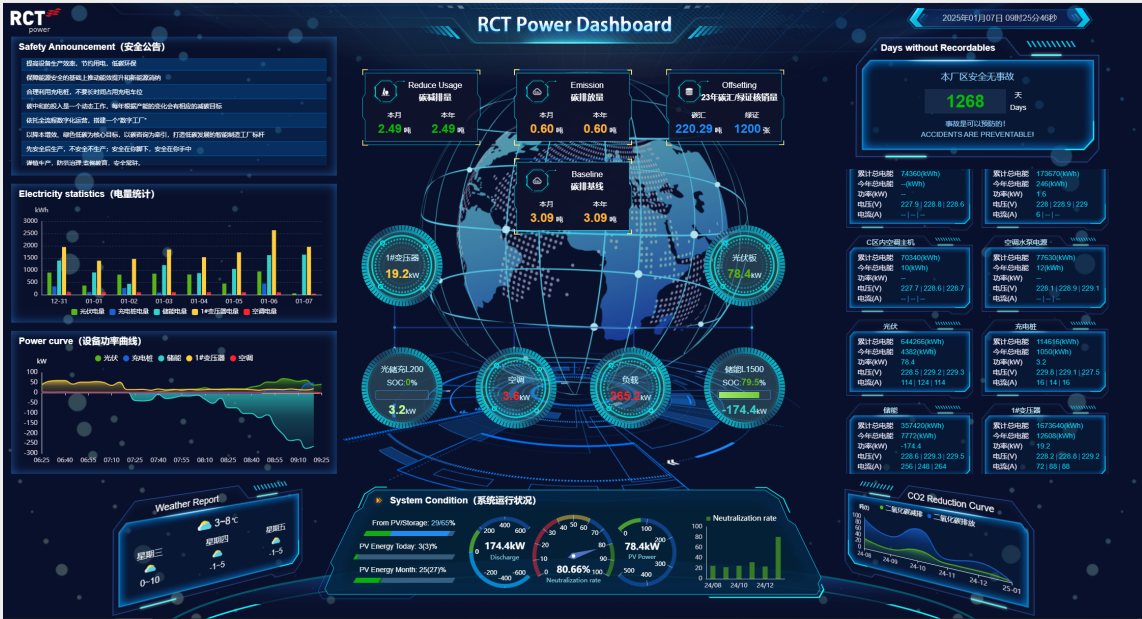
RCT Power firmly supports the national green strategic transition and actively engages in energy transition and circular economy development. The Company has been certified by the ISO 50001 Energy Management Systems, covering energy management activities related to the production of outdoor cabinet-type energy storage systems, and successfully passed the supervisory audits during the reporting period.

Simultaneously, the Company has implemented digitalized power data management at its factory in the bonded zone, with all relevant data efficiently collected and analyzed through its independently developed ROS (RCT Power Operation System) platform. The platform covers key metrics including electricity consumption statistics, real-time power output, photovoltaic power generation and total factory power consumption, delivering robust data support for the Company's energy management. Through these initiatives, we are steadily advancing towards achieving our green, intelligent and efficient energy management goals, demonstrating our firm commitment and clear direction on the path to sustainable development.



ISO 50001 Energy Management Systems

"Zero-Carbon Digitalization" Information Platform



500.28KWp Photovoltaic Power Generation System Project at the Factory in the Bonded Zone

Since its grid connection in May 2023 through December 31, 2025, the system generated a cumulative 1,175,916.9kWh of electricity, of which 1,055,328.9 kWh was consumed by the factory for on-site self-consumption.

During the reporting period, the system generated a total of 431,434.9 kWh electricity, with 423,714.9 kWh consumed on-site, accounting for 98% of the total power generation. The proportion of photovoltaic power generation in the factory's energy consumption rose from 28% in 2024 to 34%, significantly optimizing the energy structure.



500kW/1500kWh Energy Storage System Project at the Factory in the Bonded Zone



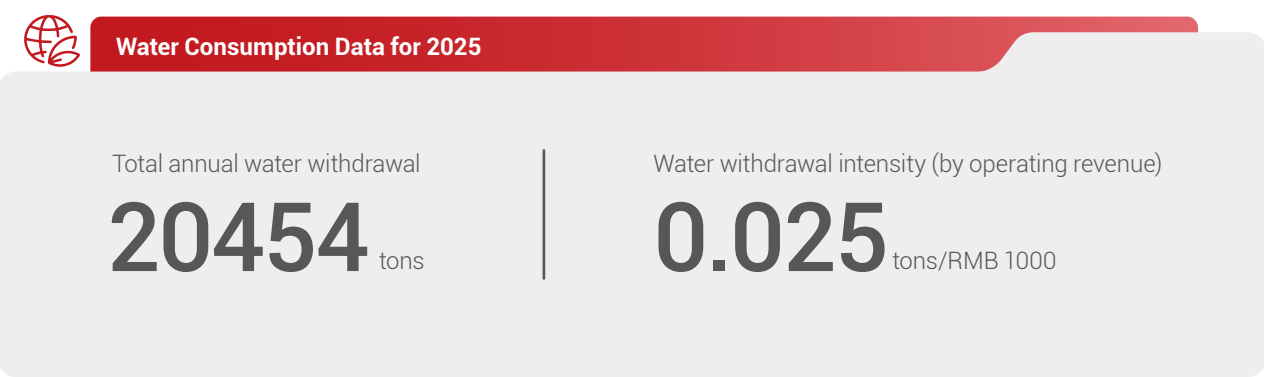
A 500 kW/500 kWh energy storage system was completed and put into operation at the factory of the bonded zone in 2023. During the reporting period, it recorded a cumulative charging capacity of 366,820 kWh and a discharging capacity of 310,597.2 kWh.

The factory adjusted the operating status of the energy storage system in a planned manner based on-site load demand and photovoltaic power consumption to improve system utilization. Compared with 2024, the proportion of energy used by the system in the factory's overall energy consumption increased from 15% to 24%, markedly optimizing the energy structure and further boosting energy utilization efficiency.

Quantitative Indicators	Unit	2025
Purchased Electricity	kWh	2,028,629.5
Diesel Consumption	ton	10.67
Gasoline Consumption	ton	0
Total Electricity Consumption	kWh	2,460,127.4
Electricity Consumption Intensity (by operating revenue)	kWh/RMB 1000	2.97

Water Management

RCT Power strictly complies with applicable laws and regulations for water utilization such as the Water Law of the People's Republic of China, Jiangsu Provincial Administrative Regulations for Water Resources and Jiangsu Provincial Taihu Lake Water Pollution Prevention Regulations, ensuring full compliance for all water-related activities. The Company primarily consumes industrial water and faces no water scarcity risks at present. To manage water resources efficiently, we conduct regular monitoring and compilation of water consumption data.



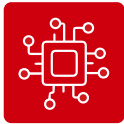
Waste Management

RCT Power strictly manages the generation, collection, storage, transportation and disposal of hazardous waste. The Company implements full-process tracking through Jiangsu Solid Waste Management Information System, covering filings for annual management plans, waste generation, warehousing, monthly reports and per-batch disposals. The whole process complies with applicable regulatory requirements.



Hazardous Waste

The Company strictly manages the generation, collection, storage, transportation and disposal of hazardous waste and implements full-process tracking through Jiangsu Solid Waste Management Information System, covering filings for annual management plans, waste generation, warehousing, monthly reports and per-batch disposals to comply with regulatory requirements. During the reporting period, we adjusted coolant packaging from 25-litre small barrels to 1-ton large containers, reducing approximately 140,000 empty waste barrels, with a total weight of around 9.18 tons.



Electronic Waste

The Company implemented special management measures for electronic waste, with disposal applications processed through the internal ROS system to ensure appropriate and safe disposal. Electronic waste such as decommissioned batteries is recycled through government-organized online auctions once sufficient inventory is accumulated.



General Waste

The Company standardizes the treatment of general waste such as refuse collected for administrative purposes and prioritizes recyclable waste management by incorporating it into a refined management system. Recyclable waste is meticulously categorized into six major types, including waste packaging materials, waste cardboard, and waste metal, with dedicated recycling channels and processing procedures defined for each category to ensure these recyclable resources are fully recovered and reused for resource circulation, alongside regular collection and resource-oriented processing. Additionally, for waste generated during office operations, we carry out routine awareness-raising activities. We promote environmental protection principles among employees through multiple approaches, advocate a paper-free workplace, and encourage employees to minimize the use of hard-copy documents. Where printing is required, double-sided black-and-white printing is prioritized to minimize the use of paper and ink. Digital approval workflows are also rolled out to reduce the circulation of physical documents. These measures cut office waste at source, and foster a green, eco-friendly office environment, contributing to sustainable development.

Biodiversity

RCT Power places great emphasis on biodiversity conservation and regards it as a vital component of corporate sustainable development. The Company complies with applicable laws and regulations including the Environmental Protection Law of the People's Republic of China, the Soil Pollution Prevention and Control Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Water Pollution, and keeps track of national policies such as the Opinions on Further Strengthening Biodiversity Conservation and the Technical Guidelines for Environmental Impact Assessment—Ecological Impact. During daily operations and construction activities, we monitor external environmental impact factors and take practical measures to reduce the impacts of our operations on ecosystems. In both project planning and implementation phases, we carry out rigorous environmental impact assessments for review and approval in accordance with the Environmental Impact Assessment Form for Construction Projects, ensuring that all infrastructure projects adopt effective measures to mitigate adverse impacts on the local environment.

Climate Change Response

Carbon Emission Accounting and Management

Faced with severe challenges posed by global climate change, RCT Power places high priority on climate governance and actively responds to global climate action initiatives as well as China's carbon peaking and carbon neutrality goals. The Company firmly advances the green and low-carbon transition across its entire industrial chain and internal operations, and integrates sustainable development deeply into its corporate strategy and daily business management.

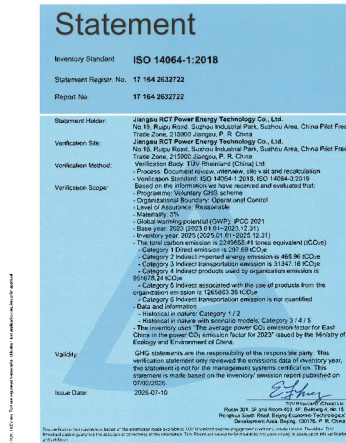
Upholding the development philosophy that "lucid waters and lush mountains are invaluable assets", RCT Power pursues coordinated progress of economic growth and ecological conservation. By establishing a green and low-carbon production system, the Company drives continuous innovation in production process optimization, efficient energy utilization and circular resource management to deliver comprehensive sustainability practices. Specifically, we keep upgrading manufacturing techniques to boost energy efficiency and reduce waste emissions, scale up the adoption of renewable energy to phase out conventional fossil fuels, and collaborate with upstream and downstream supply chain partners on low-carbon initiatives to build a green industrial ecosystem.

To advance its green and low-carbon transition in a scientific and efficient manner, RCT Power conducts systematic carbon emission and carbon footprint accounting in strict accordance with the ISO 14064 Greenhouse gases standards and the ISO 14067 Products Carbon Footprint standards. Beyond precise accounting of greenhouse gas emissions from its own operations, the Company carries out a full-lifecycle carbon footprint assessment for its products, covering raw material procurement, manufacturing, operation and maintenance, and end-of-life recycling, to identify critical emission reduction hotspots, and formulate science-based emission reduction targets and action plans, integrating such measures into routine corporate management.

In addition, RCT Power regularly discloses greenhouse gas emission reports and carbon footprint accounting results, voluntary accepting social oversight. Through a suite of robust initiatives, the Company strives to emerge as a model for green and low-carbon transition and sets an industry benchmark with tangible actions, contributing corporate support to global climate governance.

Quantitative Indicators	Unit	2025
Total Greenhouse Gas Emissions	tCO2e	1,660.63
Direct Greenhouse Gas Emissions (Scope 1)	tCO2e	520.98
Indirect Greenhouse Gas Emissions (Scope 2)	tCO2e	1,139.65
Greenhouse Gas Emission Reduction	tCO2e	191.84
Greenhouse Gas Emission Intensity	tCO2e/RMB 1000 (by operating revenue)	0.0020

Note: The table compiles data for the factories in the bonded zone (a net-zero factory) and Xiangcheng District.



Greenhouse Gas Verification Certificate

Carbon Neutrality Implementation Practices

RCT Power has formulated the Zero-Carbon Factory Construction Management System and issued a top management commitment for zero-carbon factories, setting the goals of "carbon peaking by 2030 and full-industrial-chain carbon neutrality by 2055". The Company plans to cut greenhouse gas emission intensity by 4% every year, targeting a cumulative emission reduction of 28% by 2030. Through energy-saving technical retrofits, continuous emission reduction and green supply chain management, the Company strives to meet the certification criteria for a Type I Five-Star Zero-Carbon Factory by 2030.

The Company commits to adopting low-carbon raw materials, processes, technologies and equipment, optimizing its management systems, delivering ongoing carbon reduction and steadily progressing toward its zero-carbon goals, while guaranteeing work safety, employee health, product quality and environmental protection.

During the reporting period, our headquarters factory was certified as a 2025 Zero-Carbon Factory.

The First "Zero-Carbon Factory" in Jiangsu's Energy Storage Industry

RCT Power demonstrates a strong emphasis on green and low-carbon development by implementing comprehensive energy-saving and emission reduction measures. The Company establishes smart micro-grid systems integrating photovoltaic generation, energy storage, charging, and monitoring capabilities, while deploying distributed photovoltaic storage power stations throughout industrial parks to maximize renewable energy utilization. During the reporting period, the headquarters factory reduced greenhouse gas emissions through on-site photovoltaic self-consumption, while participating actively in carbon sink projects to achieve a 100 % offset of greenhouse gas emissions. The factory offset a total of 298 tCO₂e throughout the year and obtained a Type I Four-Star Net-Zero Factory certification in May 2026, marking a significant milestone on its sustainable manufacturing journey.

As a responsible enterprise, the Company actively practices green and low-carbon development concepts. At its current development stage, RCT Power integrates "energy conservation, pollution reduction and carbon abatement" throughout all production and operation processes, and strictly controls its own energy consumption and greenhouse gas emissions. The Company continuously promotes distributed and constructs photovoltaic storage power stations and other comprehensive new energy utilization projects. Drawing on continuous practical experience, RCT Power thoroughly summarizes best practices for building net-zero factories and proactively extends these practices to all factories. Anchored in the vision of "becoming a global leader in energy storage solutions", we deliver green momentum to accelerate the development of the energy storage industry.

Clean Technology Opportunities

Keeping pace with the global energy transition, RCT Power actively seizes opportunities arising from clean technologies and commits to advancing the development and application of clean energy technologies. The Company has achieved remarkable progress in energy storage technologies, delivering innovative technologies and solutions for building a clean and low-carbon energy system.

To date, we have established partnerships with multiple industry leaders to jointly drive the development and deployment of energy storage services. Such collaborations enhance our technological capabilities and accelerate the market roll-out of clean energy solutions.

Strategic Partnerships



Strategic Partnership between RCT Power and Sinexcel

In June 2025, RCT Power and Sinexcel formally entered into a strategic cooperation agreement. Both parties will integrate their respective energy storage technology expertise and global market networks, establish full-industry-chain collaborative innovation mechanisms, and align global market resources, advancing the large-scale, standardized deployment of energy storage technologies and systems worldwide.



Strategic Partnership between RCT Power and C&D Emerging Energy

In June 2025, RCT Power and C&D Emerging Energy formally signed a strategic cooperation framework agreement. Both parties will share resources and information and leverage their respective strengths to pursue market and technical synergy, and take tangible joint measures to collaboratively develop overseas residential inverter, commercial and industrial energy storage and residential energy storage projects, advancing the roll-out of inverter and energy storage projects in target markets.



Strategic Partnership between RCT Power and Ecopowercell

In November 2025, RCT Power jointly concluded a cooperation framework agreement with Ecopowercell, a renowned Dutch company. Centered on the supply of customized energy storage products, the collaboration combines RCT Power's R&D and manufacturing strengths with Ecopowercell's market operation capabilities to deliver energy storage solutions tailored to European customers' needs.



Appendix

Key Performance Indicator Table

Indicator	Unit	2025	2024
Governance KPIs			
Number of Board Members	Person	5	5
Number of Independent Directors	Person	2	2
Number of Board Meetings Held	Session	2	4
Average Tenure of Board Members	Year	3	3
Average Attendance Rate at Board Meetings	%	100%	100%
Environmental KPIs			
Diesel Consumption	ton	10.67	250.34
Total Electricity Consumption	kWh	2,460,127.40	2,667,549.10
Total Photovoltaic Power Generation	kWh	431,434.90	458,398.00
Water Withdrawal	ton	20,454.00	25,984.00
Total Hazardous Waste Generated	ton	7.60	8.53
Hazardous Waste Disposed	ton	7.60	8.53
Total General Solid Waste Generated	ton	4,297.00	4,286.00
Purchased Electricity	kWh	2,028,692.50	2,285,347.10
Electricity Consumption Intensity (by Operating Revenue)	kWh/RMB 1000 (by operating revenue)	2.97	2.28
Water Withdrawal Intensity	ton/RMB 1000 (by operating revenue)	0.025	0.022
Greenhouse Gas Emission Reduction	tCO2e	191.84	218.91
Total Greenhouse Gas Emissions (Scope 1 + Scope 2)	tCO2e	1,660.63	2,564.49
Greenhouse Gas Emission Intensity	tCO2e/RMB 1000 (by operating revenue)	0.0020	0.0022

Indicator	Unit	2025	2024
Social KPIs			
Total Workforce	Person	351	399
Male Employees	Person	234	288
Female Employees	Person	117	111
Employees Aged over 50	Person	2	2
Employees Aged 30-50	Person	262	295
Employees Aged under 30	Person	87	102
Managerial Employees	Person	20	24
Non-Managerial Employees	Person	331	375
Employees in the Chinese Mainland	Person	349	396
Employees in Hong Kong, Macao and Taiwan	Person	2	2
Employees in Other Countries and Regions	Person	0	1
New Employee Hires	Person	78	128
New Male Employee Hires	Person	42	97
New Female Employee Hires	Person	36	31
Employees Entitled to Parental Leave	Person	33	34
Male Employees Entitled to Parental Leave	Person	24	24
Female Employees Entitled to Parental Leave	Person	9	10
Employees Taking Parental Leave	Person	33	34
Male Employees Taking Parental Leave	Person	24	24
Female Employees Taking Parental Leave	Person	9	10
Employees Returning to Work within the Reporting Period after Parental Leave	Person	26	30
Male Employees Returning to Work within the Reporting Period after Parental Leave	Person	20	22
Female Employees Returning to Work within the Reporting Period after Parental Leave	Person	6	8

Indicator	Unit	2025	2024
Number of R&D Employees	Person	108	117
Proportion of R&D Employees	%	30.77	29
Percentage of Employees Participating in Training	%	92	93
Average Training Hours per Employee	Hour	75.39	39.29
Number of Safety Violations with Significant Impacts	Case	0	0
Number of Work-related Fatalities	Case	0	0
Lost-Time Injury Frequency Rate per 200,000 Working Hours	/	0	0.4
Working Hours Lost due to Work-related Injuries	Hour	0	328
Cumulative Patent Applications	Patent	287	256
Cumulative Granted Patents	Patent	182	133
Economic KPIs			
Total Assets	RMB 100 million	18.69	15.51
Operating Revenue	RMB 100 million	8.27	11.68
Net Profit	RMB 100 million	0.54	0.38
R&D Investment	RMB 100 million	0.74	0.49

↘ GRI Content Index

Statement of use	Jiangsu RCT Power Energy Technology Co., Ltd. has reported the information cited in this GRI Content Index for the period from January 1 to December 31, 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosures	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Governance Structure
	2-2 Entities included in the organization's sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	Key Performance Indicator Table
	2-5 External assurance	Independent Assurance Statement
	2-6 Activities, value chain and other business relationships	Responsible Operation
		Sustainable Supply Chain
		Standardized Employment Management
	2-7 Employees	Governance Structure
	2-9 Governance structure and composition	Governance Structure
	2-10 Nomination and selection of the highest governance body	Governance Structure
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure
	2-13 Delegation of responsibility for managing impacts	Governance Structure
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure
	2-16 Communication of critical concerns	Compliance and Risk Management
		ESG Management
	2-22 Statement on sustainable development strategy	Message from the General Manager
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics
	2-27 Compliance with laws and regulations	Refer to respective chapters for details
	2-28 Membership associations	Stakeholder Engagement
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021	3-1 Process to determine the material topics	Stakeholder Engagement
	3-2 List of material topics	Materiality Assessment
	3-3 Management of material topics	Refer to respective chapters for details

GRI Standards	Disclosures	Location
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment and incident investigation	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Standardized Employment Management
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Incentive Mechanism
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employment Management
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employment Management
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Employment Management
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk of forced or compulsory labor	Employment Management
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	Community Engagement
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Management
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Responsible Operation
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Responsible Operation
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	High-Quality Service
	417-2 Incidents of non-compliance concerning product and service information and labeling	High-Quality Service
	417-3 Incidents of non-compliance concerning marketing communications	High-Quality Service
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Emergency Response Management

Third-party authentication statement



Independent Assurance Statement

Introduction

TÜV Rheinland (Shanghai) Co., Ltd., a member of TÜV Rheinland Group (hereinafter "TÜV Rheinland" or "We"), was entrusted by Jiangsu RCT Power Energy Technology Co., Ltd. (hereinafter "RCT Power" or "Company") to conduct an independent third-party assurance of its 2025 Environmental, Social and Governance Report (hereinafter "Report" or "ESG Report"). The Report disclosed RCT Power's sustainability information for the fiscal year 2025 (from 1 January 2025 to 31 December 2025).

Responsibilities

RCT Power is not only responsible for the preparation of ESG Report and the collection and reporting of sustainability information in accordance with applicable reporting standards but also has the obligation to implement and maintain effective internal control of information and data to support the report compilation process.

TÜV Rheinland implements sustainability information assurance activities under a quality management system that complies with the requirements of the ISO/IEC 17029:2019 Standard and adheres to the TÜV Rheinland Global Code of Ethics and Compliance Program. Our assurance service follows the principles of independence and impartiality and does not participate in the preparation of the Report of RCT Power. The assurance project was implemented by a team with expertise and assurance experience in the corresponding sustainability issues. The role of TÜV Rheinland is to carry out independent assurance work in accordance with the assurance agreement and the agreed scope of assurance work, and to make independent and impartial professional judgments on sustainability reporting.

Assurance Standard

TÜV Rheinland undertook assurance work for the sustainability information disclosed in the Report of RCT Power in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), Type-1 and Moderate level.

Assurance Objectives

The purpose of the assurance was to provide management of RCT Power and its stakeholders concerned with the company's sustainability information and performance with an independent view of the assurance, including that we review and assess the content of the Report adherence to the AA1000AP (2018) Assurance Principles (including inclusivity, materiality, responsiveness and impact).

Assurance Criteria

The following assessment criteria (including reporting frameworks or standards) were also used in undertaking the work:

- GRI Sustainability Reporting Standards (GRI Standards) of Global Sustainability Standards Board (GSSB)
- Adherence to the AA1000AP AccountAbility Principles, i.e., *Inclusivity, Materiality, Responsiveness, and Impact*

Methodology

Our assurance activities and procedures include:

- Inquiring management to understand the company's business and reporting processes, including sustainability strategy, philosophy and management.
- Interviewing relevant executive personnel in key functions to understand and assess the processes, systems and controls related to sustainability management, including key management procedures, stakeholder engagement processes, topic materiality assessment processes, impact assessments, etc.
- Assessing available performance information based on sampling principles and document review.
- Collecting and inspecting supporting evidence to assess the extent to which relevant disclosures within the scope of the assurance engagement and sustainability reporting support and adherence to AA1000AP assurance principles.
- Reporting assurance observations or recommendations to give the company's management an opportunity to correct errors before the assurance process is completed.

Limitations

TÜV Rheinland planned and executed the verification in accordance with the scope of the assurance agreed upon and obtained evidence information and necessary explanations to provide the basis for the conclusion of the assurance in accordance with the moderate level of AA1000AS v3. The nature and extent (scope) of the procedures involved in moderate level assurance engagement are lower than those required to obtain high level assurance.

Forward-looking information relates to events and actions that have not yet occurred and may never occur. Actual results are likely to be different because expected events often do not occur as expected. We did not guarantee the availability of forward-looking information.

The information and performance relating to the assurance is limited to the disclosure of the contents of this Report. Our assurance work did neither include financial report and its financial data, nor cover other information not related to the subject matters of sustainability and beyond the scope of the assurance.

Conclusions

Based on the above assurance procedures and methodology performed and the evidence obtained, we conclude that there are no instances or information that would be contrary to the following statements:

- RCT Power's 2025 ESG Report and its contents are in adherence to the AA1000AP AccountAbility Principles.
- Evidence of the use of relevant processes, systems and controls, and available performance information has been reviewed and assessed, and can reflect sustainability practices of the Company.

TÜV Rheinland shall not bear any liability or responsibility to a third party for perception and decision on RCT Power based on this Assurance Statement.

Adherence to the AA1000AP AccountAbility Principles

Inclusivity

The main stakeholders identified by RCT Power included governments and regulatory agencies, shareholders, customers, employees, suppliers or other business partners, communities and the public, as well as media or industry associations. We recommend that RCT Power establish stakeholder engagement mechanisms and strategies, and measure the effectiveness of engagement, to provide references for substantive issue assessments and adjustments to sustainability strategies.

Materiality

RCT Power evaluated and prioritized issues from two dimensions: "importance to stakeholders" and "importance to corporate sustainability." The topic matrix showed highly substantive topics, including but not limited to product quality and safety, employee rights and welfare, customer privacy and information security, waste management, and more.

Responsiveness

RCT Power's diversified communication channels with stakeholders typically included customer exchanges and satisfaction surveys, employee training and satisfaction surveys, supplier training and reviews, complaint and reporting mechanisms, and more. This Report disclosed quantitative data on ESG key performance indicators (such as energy consumption and greenhouse gas emissions, waste, occupational injury management, etc.), promptly addressing core concerns of stakeholders.

Impact

RCT Power valued the environmental and social impact of its operations, as well as related risk management (such as business ethics). We recommend that RCT Power conduct future analyses of impacts, risks and opportunities on material issues, and measure and manage the related impacts.

Daniel Pan
Technical Manager of Corporate Sustainability Services
TÜV Rheinland (Shanghai) Co., Ltd
Shanghai, China, 1 September 2026



Feedback from Readers

Dear Readers,

Thank you for taking the time to read this report. In our ongoing efforts to enhance the Company's sustainability management, we sincerely welcome your valuable feedback and suggestions. Please fill out this form and send us your feedback through one of the contact channels below.

Telephone: +86-512-66830096

Email: info@rct-power.com.cn

Address: No. 18 Ruipu Road, Suzhou Industrial Park, Suzhou Area, China (Jiangsu) Pilot Free Trade Zone

1. What is your overall assessment of this report?
- ☐ Good

☐ Fairly good

☐ Average
2. How would you assess the clarity, accuracy and completeness of information and data disclosure in this report?
- ☐ Good

☐ Average

☐ Poor
3. How would you assess the report's presentation of the Company's material economic, social and environmental impacts?
- ☐ Good

☐ Average

☐ Poor
4. How would you assess the Company's performance in protecting stakeholders' interests?
- ☐ Good

☐ Average

☐ Poor
5. Please provide your comments and suggestions on the Company's sustainability management:

If you wish, please provide your contact information:

Name:	Occupation:	Company/Organization:
Postal Code:	Email:	Telephone:
Address:		

We will fully consider your comments and suggestions and assure you that your personal information will be safeguarded appropriately.



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Pilot Free Trade Zone



RCT Power
Official Website



RCT Power Official
WeChat Public Account