

Goldcard



2025

Environmental, Social and Governance (ESG) Report

Goldcard Smart Group Co.,Ltd.

About This Report

The 2025 Environmental, Social and Governance (ESG) Report of Goldcard Smart Group Co., Ltd. ("the Company") marks the twelfth consecutive year in which we have disclosed our performance in fulfilling corporate social responsibility and advancing our sustainable development strategy. It is also the eighth corporate sustainability report that we have released to the public.



CORPORATE SOCIAL RESPONSIBILITY REPORTS



SUSTAINABLE DEVELOPMENT REPORTS



ESG REPORT



Purpose of the Report

This Report aims to systematically disclose our practices and performance in the areas of Environmental, Social and Governance (ESG) for the year 2025, respond to the concerns of stakeholders, including investors, customers, employees and the public, demonstrate our commitment and capabilities in sustainable development, and contribute to building a sustainable future together.

Scope of the Report

Reporting Period: From 1 January 2025 to 31 December 2025.
Reporting Scope: This Report covers our Group headquarters and major controlled subsidiaries, with a focus on ESG topics closely related to our business operations, including energy management, technological innovation, employee rights and welfare, supply chain responsibility management, and data security.

Basis for Preparation:

This Report has been prepared with reference to the "Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange — Sustainability Report (For Trial Implementation)", the Standards issued by the Global Reporting Initiative (GRI), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Sources of Data

All quantitative data in this Report are sourced from our internal statistical systems and verified by third-party audits, while qualitative information is obtained through management interviews and stakeholder surveys.

For ease of reference and readability, "Goldcard Smart Group Co., Ltd." is also referred to in this Report as "Goldcard Smart Group," "Goldcard," "the Company," "the Group," or "we."

Access Methods

The electronic version of this Report can be downloaded from the official website of Goldcard Smart Group Co., Ltd. (<https://jinka.cn/en/>), the Shenzhen Stock Exchange Information Disclosure Platform, and Hudongyi (the Shenzhen Stock Exchange investor interaction platform).

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2025

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Keywords for 2025

Navigating the Tide of Change in 2025

In 2025, Goldcard Smart Group has delivered a performance report written with wisdom and defined by commitment. This report not only chronicles our composed progress through industry cycles but also embodies our steadfast original aspiration to resonate with the era and advance alongside our customers.

01 Resilience Breakthrough: Product Excellence

This year, we have centered our efforts around "Intelligence, Security, and Autonomous Control." Through continuous technological breakthroughs and product innovation, we have deeply empowered resilient cities, driving the digital, secure, and efficient transformation of energy management.

- **Smart Gas:** Our secure smart kitchen solution powered by NearLink technology, reconstructs proactive protection systems through "meter-alarm linkage" to safeguard the well-being of millions of households;
- **Smart Water:** Our independently developed "Intelligent Water Supply Optimization Dispatching System" integrates IoT, Digital Twin, and AI technologies to help more water utilities achieve intelligent upgrades;
- **Process Measurement:** The TCF series Coriolis Mass Flowmeters have been selected for national projects, significantly enhancing our self-reliance in high-end instrumentation capabilities.



02 Global Smart Chain: Manufacturing Excellence



This year, we deeply integrated 5G, IoT, and flexible manufacturing technologies to build a new-generation smart manufacturing system, achieving dual breakthroughs in production efficiency and operational quality. Our Future Factory drives production through technology and empowers entire processes with 5G, setting a new industry benchmark. Our agile supply chain system ensures efficient global delivery and value transfer while continuously empowering localized manufacturing, services, and digital capability development overseas. From China to our first overseas production base in Kazakhstan, our global manufacturing footprint continues to expand and improve steadily.



Cumulative global shipments
of smart terminals

Over 78
million units

5G
Empowerment

Increased
by 30%

Production
efficiency

Over 99%

Product
qualification rate

03

Innovation-Driven: R&D Excellence

This year, we have continued to drive innovation through technological advancement, establishing a deeply integrated R&D system encompassing "fundamental research, technological breakthroughs, national projects, and frontier exploration." This approach fortifies our long-term competitive advantage and propels the industry toward high-quality and sustainable development.

①

The project "Key Technologies and Applications for Large-Diameter High-Pressure Natural Gas Flow Measurement" won the First Prize for Scientific and Technological Progress from the Chinese Society for Measurement.



TUS Ultrasonic Gas Flowmeter

TBQM Turbine Gas Flowmeter

②

The TCF series Coriolis Mass Flowmeter was selected as one of the "Top Ten New Products" at the 2025 MICONEX Conference.



③

"Intelligent Process Measurement Equipment" was selected for Zhejiang Provincial High-Value Patent Cultivation Program.



Vortex Flowmeter

Electromagnetic Flowmeter

④

"High-Pressure Ultrasonic Gas Measurement System" was recognized as Zhejiang Provincial Advanced Technological Innovation Achievement.



TUS Ultrasonic Gas Flowmeter

FC-III Flow Computer

⑤

"EsLink - Enhanced Intelligence AI Model" passed the National Administration of Generative Artificial Intelligence Services.



Intellectual Property Rights: **2,194**



Valid Patents: **1,155**



Standards and Specifications: **202**

Deeply involved in two National Key R&D Programs:

⑥

- Research and Demonstration of Key Technologies for Hazard Identification and Control in Urban Gas Systems (2024YFC3810700) under the Urban Sustainable Development Key Technologies and Equipment.

- Demonstration of Integrated Application of NQI Key Technologies for In-Service Pressure Regulation Equipment in Urban Gas Systems.



04

Pioneering and Dedicated: Marketing Excellence

This year, we have established a strategic global presence, participating in nearly 50 high-quality exhibitions and forums. We not only showcased our capabilities at prominent domestic industry events—including the GAS&HEATINGCHINA 2025, the Annual Conference of the China Urban Water Association, and MICONEX 2025—but also made a significant impact at premier international energy platforms such as WGC 2025 and Enlit Europe 2025. On these global stages, we systematically presented our smart terminal products and full-scenario solutions covering smart gas, water, process measurement, and energy sectors. Furthermore, we unveiled multiple cutting-edge achievements and innovative practices, collaborating with global industry leaders to explore sustainable and high-quality pathways for future development.



05

Value Symbiosis: Client Excellence

This year, being customer-oriented, we have continuously explored the deep pathways for value creation. Our international expansion has progressed steadily, leveraging China-Kazakhstan cooperation to introduce smart metering to Central Asia. For our overseas water meter business, we established a dedicated specialized team to systematically advance market expansion and operations. In China, a series of milestone events—including the 30th anniversary of Tancy-Goldcard, the Gas User Conference, the Water Utility Client Appreciation Meeting, and the Process Measurement Agent Conference—served as platforms to build consensus and foster a collaborative development ecosystem based on extensive consultation, joint contribution, and shared benefits. At the same time, we remain committed to providing timely and reliable response and support, along with full-lifecycle value-added partnership to our global customers.



06

Resilience and Kindness: Brand Excellence

This year, while achieving solid development, we have always embraced warmth as our foundation, integrating social responsibilities into brand development. Our official website was refreshed to connect the world in a more open way. For 11 consecutive years, we have published our Social Responsibility Report, deeply practicing long-termism and sustainable development. We have supported local education and sports initiatives including Zhejiang Basketball Association City League, demonstrating our commitment through concrete actions. We have garnered attention from central, provincial, municipal, and county-level media and institutions including Xinhua News Agency, Xinhuanet, People's Daily Online, Zhejiang Daily, and China Gas Association. Our sustained innovation and social contributions earned multiple provincial and municipal honors. These milestones collectively forged our brand's resilience, benevolence, and enduring strength.

- "Top 10 New Products" Award
- 2025 Second Prize of the China Instrument and Control Society Award for Scientific and Technological Progress
- Generative Artificial Intelligence Service Filing
- National-level Specialized, Refined and Innovation-Driven "Little Giant" Enterprise
- 2025 Zhejiang Provincial Outstanding Digital Enterprise



Over RMB 5.2 million were invested in public welfare initiatives, fostering industry-academia-research collaboration.

Over 150 media outlets and institutions featured our progress, driving continuous growth in brand visibility.



Vision for the Future

With our sights set on the long-term horizon, we continue to push boundaries and expand our global footprint. As we move into 2026, Goldcard Smart Group remains dedicated to our original mission and the power of innovation. By collaborating with our global partners, we will harness our collective strength to navigate the path ahead, striving toward a smarter, safer, and more sustainable future.

Message From the Chairman of the Board

Dear Partners, Colleagues, and Friends across all sectors of society,

In 2025, against the backdrop of an accelerating global green economic transition and the widespread pursuit of sustainable development, Goldcard has remained committed to advancing high-quality growth, prioritizing innovation, and upholding our social responsibilities. We actively implement the principles of Environmental, Social, and Governance (ESG), integrating our corporate development into national strategies and the global agenda.

1. Innovation-Driven, Digital Empowerment for Green Transition

We actively respond to the national “carbon peak and carbon neutrality” strategy and global climate action initiatives, continuously leveraging digital technologies to enable the low-carbon transformation of the energy system. By persistently advancing product quality and technological innovation, our cumulative global sales of smart terminals have exceeded 78 million units, maintaining our leading market share. With 2,194 intellectual property rights secured, we empower high-quality industry development through stringent standards. Meanwhile, under the framework of the Belt and Road Initiative, we have realized localized delivery in Central Asian markets and established our first overseas production base in Kazakhstan, showcasing the global green competitiveness of “Made in China” within the ongoing energy transformation.

2. Governance as the Foundation, Compliance Safeguarding Sustainable Growth

We firmly believe that compliant operations and integrity-driven development are fundamental to long-term corporate stability. In 2025, we further enhanced our governance framework by establishing a full-chain compliance management system, actively joining the Corporate Anti-Fraud Alliance, and setting up dedicated reporting channels to strengthen our anti-corruption defenses. We continuously raise compliance awareness and risk prevention capabilities among all employees, proactively engage with regulatory authorities, and ensure that all business operations are conducted legally and ethically, laying a solid institutional foundation for sustainable development.

3. Green Operations, Building a Sustainable Ecosystem Together

We have comprehensively advanced the development of our EHS management system. The photovoltaic projects at our Hangzhou and Wenzhou manufacturing bases now generate an annual electricity output of 2,140,000 kWh, reducing CO₂ emissions by over 2,000 tons per year.

We have also established a responsible supply chain by signing Corporate Social Responsibility Agreements with all suppliers. Through supplier conferences, technical assistance, and digital management, we collaborate closely with our partners to forge a transparent, win-win, and low-carbon industrial ecosystem.

4. Social Responsibility, Advancing Toward a Better Future Together

We regard our employees as our most valuable asset and continue to build a comprehensive training system and career development pathways that span the entire professional lifecycle. We are dedicated to fostering a safe, healthy, and inclusive working environment.

In addition, we systematically carry out public welfare initiatives, including education support and rural revitalization programs. Through the Goldcard Public Welfare Foundation, we actively give back to society with concrete actions.

Looking ahead, Goldcard will continue to uphold our vision of “Making Life Better,” driven by technological innovation and guided by responsible governance and green development. As a pioneer in the digital energy revolution, we are committed to working hand in hand with all stakeholders to create a future where humanity and nature coexist in harmony, and where business value and social value are fully aligned.



Yang Bin, Chairman of Goldcard Smart Group

About us



1 Corporate Profile

Goldcard Smart Group Co., Ltd. (Stock Code: 300349) is a leading digital energy products and solutions provider in China. Our businesses span digital gas, digital water, digital process, and digital energy sectors, continuously delivering integrated digital solutions for smart cities and the energy industry.

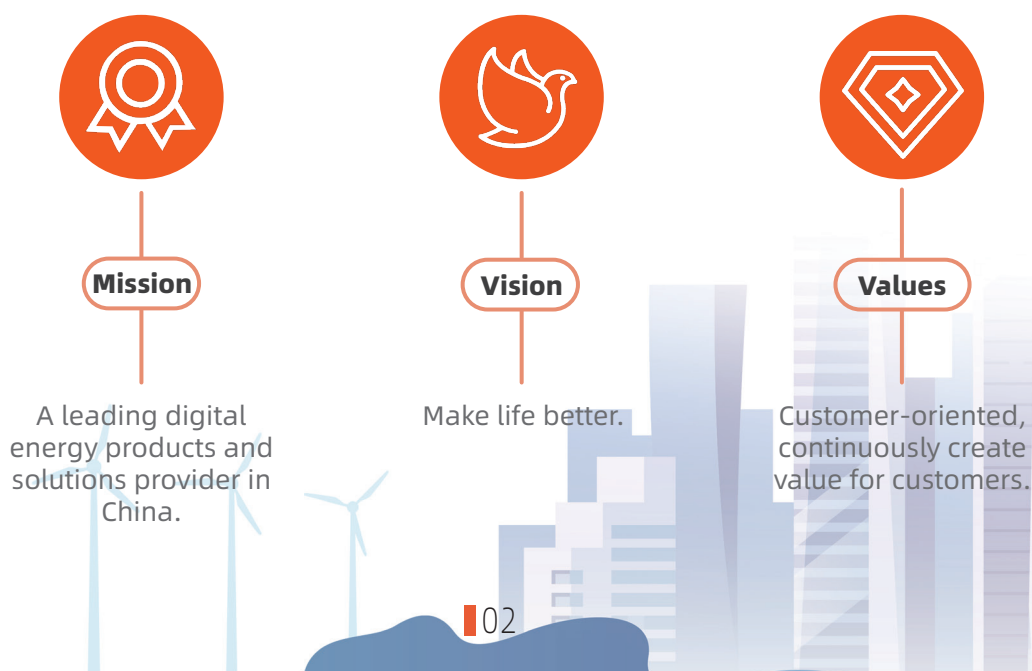
Since our establishment in 1997, we have consistently regarded innovation as the core driving force of our development and have continued to increase investment in research and development. Our business footprint spans more than 40 countries and regions worldwide. Our products have been deployed in over 2,000 cities, serving more than 3,500 energy enterprises and over 60 million urban users. To date, cumulative sales of our smart devices have exceeded 75 million units, ranking first globally in terms of market share.

As of the reporting date, we have obtained 2,194 intellectual property rights and over 200 invention patents, and have participated in the formulation of 202 national and local standards.

Leveraging years of expertise in precision measurement and digital technologies, we have established a comprehensive digital energy system, providing integrated digital solutions for the energy sector of smart cities. We have participated in urban gas infrastructure development projects in multiple regions and cities, including Guangzhou, Tianjin, the Guangdong-Hong Kong-Macao Greater Bay Area and Xiong'an New Area. We have also been involved in a number of major national and international projects, such as the Beijing Olympic Games, the Belt and Road Forum for International Cooperation, Beijing Daxing International Airport, the World Expo, the Baihetan Hydropower Station, the Chengdu FISU World University Games, and the 19th Asian Games Hangzhou 2022.

We firmly uphold the core value of "Customer-oriented, continuously create value for customers", sincerely adhere to the vision of "Make Life Better", promote digital transformation across the industry, and remain firmly committed to contributing to the achievement of the goals of carbon peak and carbon neutrality.

2 Corporate Culture Concept



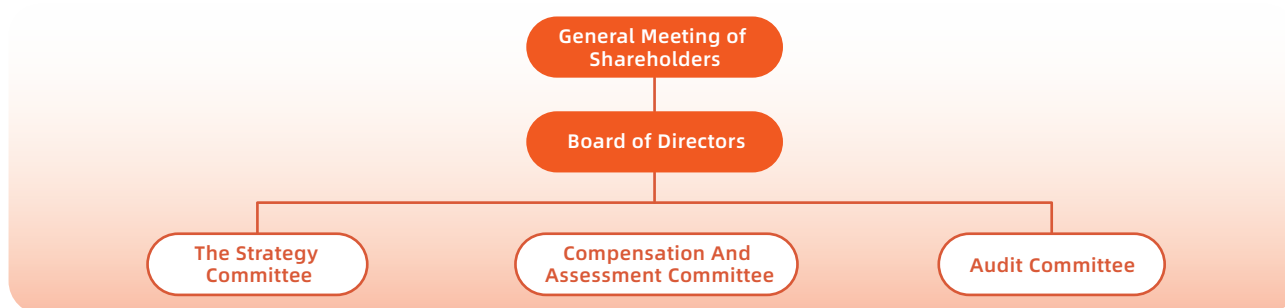
3 Corporate Governance

3.1 Company Organizational Structure

We strictly comply with the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Shenzhen Stock Exchange GEM Listing Rules" and other relevant national laws and regulations.

In accordance with such requirements, we have established a modern corporate governance structure under which the general meeting of shareholders, the Board of Directors, and the management team perform their roles with a clear division of responsibilities.

The Board of Directors has established three specialized committees, namely the Strategy Committee, the Remuneration and Assessment Committee, and the Audit Committee. Each committee performs its respective duties and responsibilities, collectively promoting the efficient, scientific and standardized operation of the Company.



3.2 Two Committee Operation

The general meeting of shareholders, the Board of Directors, the Supervisory Board, and the specialized committees under the Board of Directors their duties with due diligence and efficiency in strict accordance with the "Articles of Association of the Company", the "Rules of Procedure for the General Meeting of Shareholders", the "Rules of Procedure for the Board of Directors", and the implementation rules of each specialized committee, ensuring compliant and effective performance of all governance functions.

3.3 General Meeting of Shareholders

The general meeting of shareholders exercises its powers in strict compliance with applicable laws and regulations and the "Articles of Association" of the Company. With respect to the convening of meetings, we consistently adhere to standardized procedures by convening annual general meetings and extraordinary general meetings in a timely manner, and by duly implementing meeting notices, proposal review, voting and resolution procedures, as well as information disclosure obligations.

To safeguard the lawful rights and interests of all shareholders, we provide online voting channels and offer comprehensive facilitation in terms of document preparation, meeting formats, and voting mechanisms. These measures ensure that all shareholders are treated on an equal basis and are able to effectively exercise their rights to information, participation, inquiry, and voting.

3.4 The Board of Directors

The Board of Directors comprises 9 directors, including 3 independent directors. The independent directors serve as the chairpersons/conveners of the Remuneration and Assessment Committee, and the Audit Committee. In accordance with the Company's diversity policy and following the procedures of the Nomination Committee, we appoint suitable candidates in a scientific and prudent manner to fulfill the resolutions of the general meeting of shareholders.

Organization Name	Members	Independent Director Members
Strategic Committee	Three	One
Remuneration and Assessment Committee	Three	Two
Audit Committee	Three	Two

3.5 Data Performance

During the reporting period, we convened six meetings of the Board of Directors and three general meetings of shareholders.

4 Sustainable Development Management

We actively respond to China's carbon peak and carbon neutrality goals and proactively integrate our corporate initiatives with the advancement of the United Nations Sustainable Development Goals (SDGs). Guided by this strategic alignment, we have established and continuously enhanced our corporate governance framework, thereby promoting the coordinated and sustainable development of economic, social, and environmental value.

4.1 Sustainable Development Philosophy

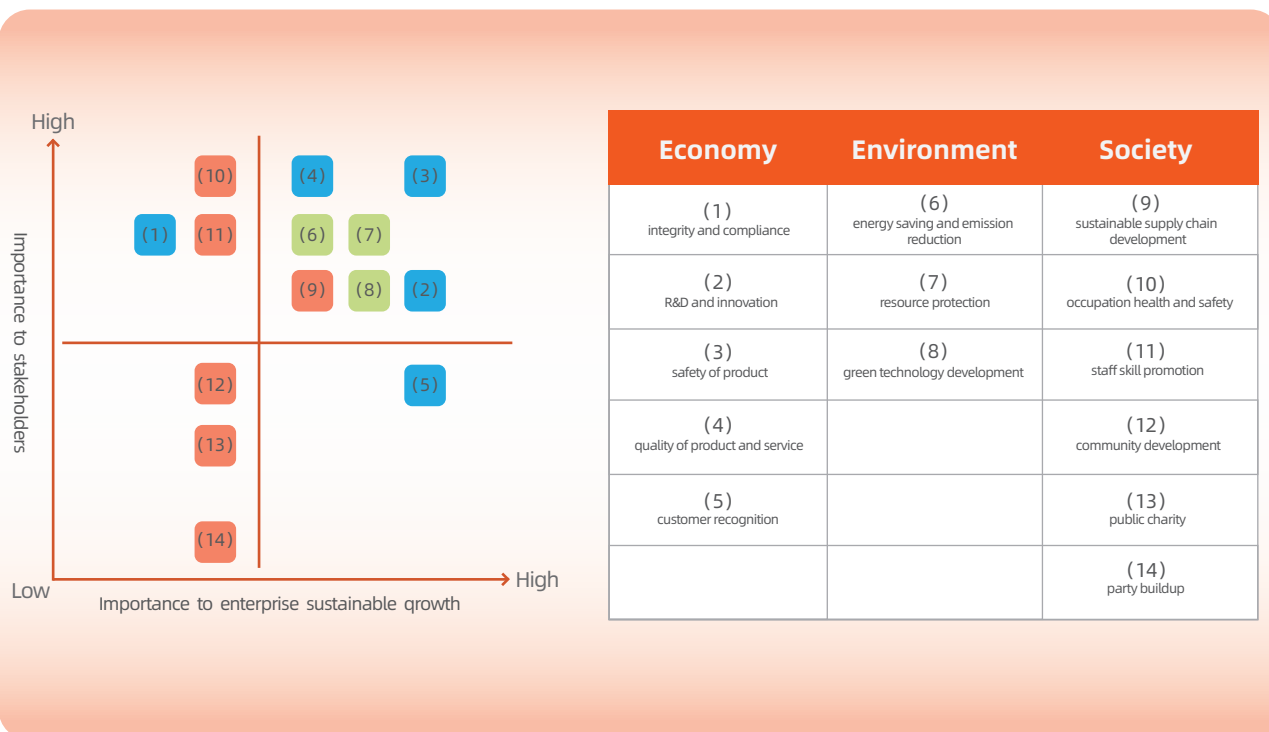
Our sustainable development philosophy is as follows:

Driven by "full perception," "full digitalization," "full security," and "full ecosystem" as the engines of energy development, we are committed to becoming a digital energy products and solutions provider evolving from a China benchmark to a globally recognized brand.

We regard innovation as a critical driving force and core competitive advantage for our long-term development, empowering the interconnected digital world through technologies, solutions, and application scenarios. We remain committed to a people-oriented development philosophy, strictly adhere to business ethics and compliance principles, place strong emphasis on environmental protection, actively fulfill our corporate social responsibilities, and consistently practice our commitment to sustainable development.

4.2 Substantive Issues Matrix

The screening and management of substantive issues constitute an important foundation for us to enhance our sustainable development management capabilities and achieve our sustainable development objectives. We analyze the impacts arising from our business operations and the issues of concern to stakeholders, and incorporate them into the substantive issues matrix. The matrix presents these issues along the vertical and horizontal priority axes to reflect their respective influence on stakeholder evaluation and decision-making, as well as their significance in terms of economic, environmental and social impacts.



4.3 Communication with Stakeholders

We actively listen to and proactively respond to the expectations of our stakeholders. Based on the characteristics of our business and operations, we have identified seven key stakeholder groups, including shareholders, government and regulatory authorities, customers, business partners, employees and communities, working committee of the party. We have established effective communication mechanisms and diversified communication channels for our stakeholders to ensure timely and accurate communication and feedback.

Stakeholders	Requirements&Expectations	Communication Mechanism
 Shareholders	Business performance results	Scheduled shareholders' conference and investor communication meetings
		Equal rights of all shareholders
	Business perspective and risk control	Improve the corporate governance mechanism
		Transparency in company information disclosure
 Government and Regulatory Authorities	Compliant operations	Law-based and compliant operations
		Communication through official channels and meetings
	Protection and efficient utilization of environment and resources	Implementation of the carbon peaking and carbon neutrality goals
	Promotion of regional economic development	Site inspections and information disclosure
 Customers	Supply safe and reliable product	Scheduled Goldcard customers conference
	Provide high quality service	Increase investment in the research and development of products and services
	Innovative and customized products and service	Adhere to the core value of "Customer-oriented, continuously create value for customers," and provide optimal services to customers
 Business partners	Supply chain management	Regularly convene suppliers' conferences
	Fair, impartial, and transparent procurement	Promote a healthy and orderly competitive environment within the industry
	Provision of relevant guidance and support	Engage in supply chain collaboration to achieve win-win outcomes across the entire industrial chain
 Employees	Employees health and safety	Provide healthy and safe working environment and health and safety training
	Employees development and training	Establish diversified career development pathways and implement diversified training programs
 Communities	Support community cultural activities and overall development	Conduct community public welfare activities
		Organize and conduct volunteer service activities
 Working Committee of the Party	Carry community public welfare activities	Implement foundation-based charitable projects
	Vigorously advance the development of grassroots Party organizations	Regularly conduct distinctive Party-building and trade union activities to strengthen the education and management of Party members
	Fully leverage the role of the Party Committee	
	Actively study and implement the guiding principles of the 21st CPC National Congress	

4.4 Recognition by Stakeholders

In 2025, we received a series of recognitions and positive evaluations from our stakeholders while maintaining steady and sound operations. Looking ahead, we will, as always, fully listen to stakeholder demands, continuously improve our management and practices, adhere to standardized operations, strengthen innovation and collaboration, promote the development and transformation of the industry, and uphold the principles of sustainable development.

Award Department	Recognition and Honors Received	Awarded Enterprises
All-China Federation of Industry&Commerce	2025 Top 500 Private Enterprises by Invention Patents	Goldcard Smart Group Co., Ltd.
Ministry of Housing and Urban-Rural Development of the People's Republic of China (MOHURD)	National Key R&D Program of China: "Critical Technologies and	Goldcard Smart Group Co., Ltd.
Chinese Society for Measurement	First Prize of Scientific and Technological Progress, Chinese Society for Measurement	Goldcard Smart Group Co., Ltd. Tancy Instrument Group Co., Ltd.
China Society for the Promotion of Science and Technology Commercialization	First Prize of Scientific and Technological Innovation Award, China Society for the Promotion of Science and Technology Commercialization	Goldcard Smart Group Co., Ltd.
China Machinery Industry Federation	Third Prize of the China Machinery Industry Science and Technology Award	Goldcard Smart Group Co., Ltd.
Department of Economy and Information Technology of Zhejiang Province;The General Association of Zhejiang Entrepreneurs	2025 Zhejiang Provincial Top 200 Private Enterprises by R&D Investment	Goldcard Smart Group Co., Ltd.
Department of Economy and Information Technology of Zhejiang Province;The General Association of Zhejiang Entrepreneurs	2025 Zhejiang Provincial Top 200 Private Enterprises by Invention Patents	Goldcard Smart Group Co., Ltd.
Zhejiang Association for the Promotion of Corporate Social Responsibility	2024 Benchmark Enterprises in Corporate Social Responsibility (Consumer Rights)	Goldcard Smart Group Co., Ltd.
Wenzhou Market Supervision and Administration Bureau	Wenzhou Key Trademark Protection Enterprises (Key Enterprises)	Goldcard Smart Group Co., Ltd.
Wenzhou Municipal Enterprises Federation (WMEF);Wenzhou Municipal Entrepreneurs Association (WMEA);Wenzhou Federation of Industrial Economics (WFIE)	2025 Wenzhou Top 100 Enterprises	Goldcard Smart Group Co., Ltd.
Wenzhou Municipal Enterprises Federation (WMEF);Wenzhou Municipal Entrepreneurs Association (WMEA);Wenzhou Federation of Industrial Economics (WFIE)	2025 Wenzhou Top 50 Manufacturing Enterprises	Goldcard Smart Group Co., Ltd.
Economy and Information Technology Department of Zhejiang	Third Batch of Zhejiang Provincial Pilot Enterprises for Chief Data Officer System Construction	Tancy Instrument Group Co., Ltd.
Economy and Information Technology Department of Zhejiang	First Batch of Zhejiang Provincial Manufacturing Individual Champion Enterprises — Product: Gas Flow Meters	Tancy Instrument Group Co., Ltd.
Economy and Information Technology Department of Zhejiang	2025 Zhejiang Provincial Advanced-Level Intelligent Factory	Tancy Instrument Group Co., Ltd.
Economy and Information Technology Department of Zhejiang	2025 Zhejiang Provincial Advanced Technological Innovation Achievements	Tancy Instrument Group Co., Ltd.
Economy and Information Technology Department of Zhejiang	2025 "Zhejiang Excellence" (Premium Products)	Tancy Instrument Group Co., Ltd.
Zhejiang Provincial Administration for Market Regulation	2025 High-Value Patent Project	Tancy Instrument Group Co., Ltd.
Zhejiang Provincial Administration for Market Regulation	2025 AAA-Level Zhejiang Provincial "Contract Abiding and Credit Worthy" Enterprise	Tancy Instrument Group Co., Ltd.
Zhejiang Provincial Administration for Market Regulation	Zhejiang Provincial Patent Industrialization "Golden Seed" (High-Potential) Enterprise	Tancy Instrument Group Co., Ltd.
Department of Science and Technology of Zhejiang Province	2026 Zhejiang Provincial "Pioneer Leader + X" Science and Technology Program	Tancy Instrument Group Co., Ltd. Goldcard Water Technology Co., Ltd. Zhejiang Tancy Instrument Technology Co., Ltd.
Zhejiang Association for Science and Technology	2025 Zhejiang Provincial Young Science and Technology Entrepreneur	Tancy Instrument Group Co., Ltd.
Wenzhou Municipal People's Government	Wenzhou Mayor's Quality Award	Tancy Instrument Group Co., Ltd.
Wenzhou Economic and Information Bureau	Wenzhou Premier Products	Tancy Instrument Group Co., Ltd.
Wenzhou Economic and Information Bureau	2025 Wenzhou First-of-its-Kind Equipment Recognition	Tancy Instrument Group Co., Ltd.
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Building a Foundation of Compliance for Steady and Sustainable Growth

Against the backdrop of global consensus on sustainable development and high-quality growth, governance and business ethics are fundamental to creating long-term corporate value. We regard compliant operations and a culture of integrity as strategic pillars. Through a sound organizational structure, strengthened internal audit systems, all-employee compliance education, and transparent supervision mechanisms, the Group integrates compliance into every stage of decision-making and operations. We actively practice social responsibility and are committed to building a sustainable and trustworthy corporate future.

1 Compliance Management

1.1 Organizational Development

We have established a Compliance Department, with the head of the department reporting directly to the Group President. The Compliance Department coordinates with the Legal Affairs Department, Internal Audit Department, and Project System Management Department to systematically carry out compliance management activities.

1.2 System Development

We have gradually established and continuously improved a comprehensive compliance management system, including the Internal Audit Policy, Anti-Fraud Management Policy, Goldcard Exit Audit Management Policy, Code of Business Conduct and Ethics, Ten Regulations on Employee Work Practices, and Information Confidentiality Policy, among others. These policies standardize the compliance responsibilities of each department and position, enabling the Company to adapt to an evolving compliance environment and providing legal and compliant safeguards for our business operations and management.

1.3 Compliance Review

The Compliance Department conducts rigorous compliance reviews of our business processes and key matters to mitigate potential legal risks and ensure compliance. In addition, we regularly carry out compliance audits across all business operations and promptly rectify identified issues to ensure that compliance requirements are effectively implemented.

Goldcard has applied to join the Enterprise Anti-Fraud Alliance (EAFA), demonstrating the Company's commitment to continuously improving our integrity management system, enhancing anti-fraud capabilities, and fostering a clean business environment. This initiative further elevates the level of our integrity culture and adds new anti-fraud momentum to the Company's integrity and compliance construction.



Corporate Member Certificate of the Anti-Fraud Enterprise Alliance

1.4 Compliance Training

We attach great importance to cultivating employees' compliance awareness by regularly organizing online and offline compliance training sessions. These initiatives comprehensively enhance employees' ability to identify and respond to risks across various dimensions such as market, operations, and legal affairs, further strengthening their risk awareness and providing a solid guarantee for the Company's steady operations.

1.4.1 Anti-Fraud Training

We incorporate anti-fraud training into our new employee induction, which aims to ensure compliance with laws, regulations, and the Company's policies. The training focuses on enhancing employees' legal awareness and professional ethics to effectively prevent fraud risks, safeguard corporate interests, and promote the Company's long-term steady development.

(1) Strengthening Legal Awareness: The training familiarizes new hires with relevant laws, regulations and company rules, clarifying prohibited conduct to prevent crossing legal red lines.

(2) Cultivating Ethical Values: The training helps new employees establish a strong sense of professional ethics, emphasizing integrity, fairness, and integrity—encouraging them to uphold moral baselines in daily work.

(3) Mitigating Fraud Risks: After understanding common fraud methods and their harms, new employees can better identify and prevent potential fraudulent behavior, reducing losses caused by such acts.

(4) Facilitating Cultural Integration: As part of our corporate culture, anti-fraud training accelerates new employees' alignment with company values, fostering a shared anti-fraud mindset.



"Goldcard Academy" Online Courses

1.4.2 Anti-Fraud Advocacy

We conduct offline compliance activities to promote compliance concepts through poster displays and other formats. This year, we focused on arranging offline anti-fraud advocacy through the deployment of roll-up banners. In high-traffic areas such as key office zones, production workshop entrances, and canteens of Goldcard, we continuously deployed 4 sets of anti-fraud themed roll-up banners, covering over 1,000 employee sessions.

This advocacy initiative intuitively presents the core requirements of anti-commercial bribery and integrity in employment, as well as cases of punishment for violations. It has effectively strengthened the vigilance of all staff against fraud risks, creating a strong atmosphere where "everyone understands compliance and everyone upholds integrity," thereby helping to prevent the occurrence of fraudulent behavior from the source.



Offline Anti-fraud Promotion Pull-up Banners

1.4.3 Legal Compliance Advocacy

To further strengthen and standardize our regulation and management of legal affairs, safeguard our legitimate rights and interests, and effectively adjust and manage cooperative relationships, we have established the Legal Dispute Management Policy. Furthermore, we conducted specialized training for employees on Trade Secret Protection, Precautions for Contract Signing, and Legal Risk Control Guidelines for Bidding and Tendering. These sessions have provided comprehensive and systematic instruction covering theoretical frameworks, regulatory requirements, and real-world case studies. This initiative has substantially promoted employees' compliance awareness, thereby providing a robust guarantee for preventing operational risks.



Sharing Session: "Definition and Protection of Trade Secrets"

1.5 Communicate with Regulatory Authorities

We actively communicate with regulatory authorities to stay abreast of the latest developments in policies and regulations, ensuring the legality and compliance of our business operations. Meanwhile, we proactively submit to regulatory inspections, collaborate with oversight efforts, and continuously enhance our compliance management capabilities.

1.6 Establish a Reporting Mechanism

We have established a dedicated whistleblowing email and hotline to encourage employees and all sectors of society to report unethical conduct, with a commitment to strict confidentiality for reporters and ensuring the effectiveness of reporting channels.

Contact Department: Compliance Department – Internal Audit Department
Address: No. 161 Yuancheng Road, Qiantang District, Hangzhou
Hotline: 19012868031
Email: jubao@jinka.cn

2 > Operating with Integrity

2.1 Honest and Trustworthy

We consistently uphold international business ethics standards, maintaining sincere and transparent relationships with employees, clients, and partners. We rigorously fulfill our contractual obligations to ensure that the interests of all stakeholders are protected.

2.2 Fair Competition

We strictly adhere to market competition principles, resolutely rejecting unfair practices such as malicious competition and predatory pricing. Meanwhile, we respect lawful rights and interests of our competitors and work together to maintain a healthy market order. Our commitment remains to securing market share through upgraded product quality and service enhancement.

2.3 Customer Orientation

We remain steadfastly customer-oriented, delivering high-quality products and services to meet evolving needs of our customers. Through surveys and customer feedback, we assess customers satisfaction and identify their demands, promptly adjusting, improving, and upgrading our offerings to enhance product usability and customer satisfaction.

2.4 Transparency

We prioritize transparency and openness, timely disclosing periodic reports in strict compliance with the "GEM Stock Listing Rules" to invite stakeholder oversight and enhance corporate credibility.

2.5 Responsibility

We actively assume our social responsibilities, focusing on environmental protection and public welfare initiatives. Through environment-friendly measures, we reduce ecological impact and reduce energy consumption. Meanwhile, we regularly engage in charitable activities as part of our commitment to giving back to society.

Excellence in Quality and Sincere Service

In response to global sustainable industrialization and China's "Quality Powerhouse" strategy, we regard quality as the lifeline of the enterprise. We have established a lean management system covering the full life cycle, leveraging our CMMI Level 5 R&D capabilities, CNAS-accredited laboratories, and more than 20 authoritative certifications. We continuously provide our customers with high-reliability products and excellent services, supporting sustainable development with systematic quality.

1 > Quality Management System

Quality is the cornerstone of our enterprise's survival and the core reason for our customers' continued trust. We have established and continuously operate more than 20 types of management systems covering critical areas such as quality, environment, occupational health and safety, information security, IT services, intellectual property, metrology, and greenhouse gas verification. These core systems include international standards such as ISO 9001, ISO 14001, ISO 45001, ISO/IEC 27001, ISO/IEC 20000, GB/T 29490-2023, ISO 10012, ISO/IEC 17025, and ISO 14064, as we continue to drive the iteration and upgrade of our systems.

In 2025, we successfully implemented the ISO 50001 Energy Management System and achieved a significant leap in CMMI maturity levels for our subsidiaries from Level 3 to Level 5. Meanwhile, we completed major version upgrades for ITSS, GB/T 23001/ISO 45341, and ISO/IEC 27001, ensuring the forward-looking nature and industry leadership of our management systems.

The Quality and Metrology Management Department oversees the construction and improvement of our quality and metrology management systems at the Group level. Through comprehensive quality and metrology management, we enhance our capabilities in product R&D, technology iteration, delivery assurance, and technical services. This ensures our leading position in China's metrology sector, gradually reaching international advanced standards, and leverages metrology as a key support to strengthen product competitiveness and safeguard consistent product quality.

Our standardization system operates efficiently and rigorously and has successfully passed the Standardization Good Practice Certification for several consecutive years. In 2025, the standardization department continued to deepen the unified management of standardization work, integrating standardization concepts into every position. We actively participate in the development and revision of international, national, and industry standards. By the end of 2025, we had deeply participated in the formulation of 202 standards, including 8 international standards and 72 national standards/regulations, fully demonstrating our outstanding innovation capability and high level of social responsibility within the industry.

With perfect management systems and solid management results, we have successfully passed more than 60 Chinese and international audits of various types, including internal audits (first-party), customer audits (second-party), and third-party authoritative agency audits, comprehensively enhancing our quality management level.

In terms of system construction and capacity building, we conducted special training on "Gas Meter Compliance," "Water Meter Compliance," and "Flowmeter Compliance." Simultaneously, we released management documents such as the "Measures for the Management of Registered Metrologists," "Quality Audit Management Procedures," "Customer Audit Management Specifications," "Market Supervision and Metrology Dispute Management Specifications," and "Management Regulations for Quality Incentives and Disciplinary Actions," building a full-process compliance control system.

In the field of brand promotion and science popularization, we actively organized events such as the launch of the AI Agent for Standard Interpretation, World Metrology Day promotions, and the Metrology Knowledge Quiz commemorating the 40th anniversary of the "Metrology Law." We also observed World Standards Day and raised metrology awareness through the promotion of metrology regulations, intermediate checks, and on-wall displays of key measuring equipment.

In terms of industry verification and international participation, we successfully completed provincial and municipal special metrology benchmarking for gas and water meters, and efficiently cooperated with special supervision spot checks by provincial and municipal bureaus. Furthermore, as the sole representative from the gas and water meter sectors, we participated deeply in the EU measuring instrument regulation review, demonstrating our industry-leading technical expertise and professional influence.

1.1 Goldcard Laboratory

Our laboratory mainly conducts tests on products such as gas meters, water meters, gas flowmeters, and liquid flowmeters. The testing fields cover specialties such as flow, electrical and electronic environment, electromagnetic compatibility, and communication. The laboratory has obtained CNAS accreditation. In accordance with ISO/IEC 17025:2017 "General Requirements for the Competence of Testing and Calibration Laboratories," CNAS-CL01:2018 "Accreditation Criteria for the Competence of Testing and Calibration Laboratories," CNAS-CL01-A025:2022 "Application of Laboratory Accreditation Criteria in the Field of Calibration," CNAS-CL01-A003:2019 "Guidance on the Application of Testing and Calibration Laboratories Competence Accreditation Criteria in the Field of Electrical Testing," as well as relevant CNAS accreditation regulations and applicable laws and regulations, we have formulated the "Quality Manual" and "Procedure Documents" to ensure the quality of our testing/calibration services and provide accurate and reliable testing/calibration results.

In 2025, we passed the review and assessment for the "Two-in-One Inspection" of water meters. As the first domestic manufacturer authorized by the Zhejiang Provincial Administration for Market Regulation for "Two-in-One Inspection" (merging factory inspection with the first mandatory verification) of both gas and water meters, we continue to lead the industry's testing and certification system. During the same period, our water meter testing capabilities successfully passed the CNAS reassessment, further strengthening our core advantages in quality control and technical certification. On the other hand, we invested nearly RMB 300,000 to upgrade metrology equipment and renovate testing platforms to ensure the quality of on-site measurements and provide accurate and reliable measurement results.

1.2 Quality Management

Based on the main factors affecting product quality, we continuously optimize procedural system documents such as "Monitoring and Measuring Resources Control Procedure", "Monitoring and Measuring Control Procedure", "Product Identification and Traceability Control Procedure", "Management System for Key and Special Processes", "Management Method for Verification of Purchased Samples", and "Nonconforming Product Disposal Process". By implementing measures such as tracking quality indicators, conducting quality activities, and controlling nonconforming products, we ensure comprehensive quality control. This approach guarantees also the improvement of the product first-pass yield index, and prevents the occurrence of quality accidents.

1.2.1 Product Quality Management Measures

Quality Indicator Tracking: We set multiple indicators such as the market rolling repair rate, supplier batch qualification rate, manufacturing process First-Pass Yield, quality improvement, and talent cultivation. We actively track the performance of these indicators and commit to their continuous improvement.

Related Activities: We conduct a series of quality initiatives, including pre-job training, case study education, skills competitions, mentor-apprentice pairing, and Quality Month activities.

Non-Conforming Product Control: We have established a rigorous quality management system to control non-conforming products. This includes incoming material inspection, process monitoring, and finished product testing to ensure that issues are detected and addressed promptly.

Non-conforming products will be isolated, labeled, and subjected to root cause analysis, with corrective measures taken to prevent the recurrence of problems. At the same time, we continuously optimize processes to improve product quality and reduce the production of non-conforming products, thereby safeguarding customer satisfaction and the Company's reputation.

In terms of quality management performance, in 2025, we implemented 517 proposal-driven improvement projects and over 110 process quality enhancement initiatives.

1.2.2 Process Quality

In line with our principle of "actively listening to customer needs to ensure product quality and customer satisfaction," we carry out the design of our quality management processes. During the management responsibility stage, we implement steps such as quality planning, internal audits, management reviews, and internal and external communication. In the resource management stage, we perform authorization and training management, facilities and equipment management, work environment management, and document management. In the measurement, analysis, and improvement stage, we cover non-conforming product management, product inspection, internal audits, continuous improvement, corrective and preventive actions, and data analysis. Finally, during the product realization process, we carry out market planning, identification of customer review requirements, procurement management, product process validation, product process design, manufacturing, metrology management, and delivery and collection. These steps ensure that our process quality and product quality are stably controlled, while we continuously enhance process capability and overall effectiveness through ongoing improvements.

We have established a comprehensive and efficient product recall system, covering strict quality control, rapid response, transparent communication, comprehensive after-sales service, and continuous improvement processes, to ensure consumer health and safety and uphold our corporate social responsibility.

1.2.3 Quality Traceability

We are committed to establishing an efficient and transparent product quality traceability system, assigning a unique identity to each product to achieve full traceability from raw material procurement to the end-user. This innovative measure not only significantly enhances our supply chain management efficiency but also demonstrates our firm commitment to product quality and social responsibility.

1.2.4 Quality Operations Management System

Our quality operation management system is composed of SAP, MES, SRM, QMS, WMS, and other modules. As the core system for production execution, MES primarily manages production work orders, process management, traceability management, and data collection throughout the production process. By interconnecting with automated production equipment, the system implements key applications such as meter number management, accuracy plan management, complete machine sealing inspection management, and packaging plan management. This allows us to provide comprehensive error-proof control over production materials and processes, guaranteeing order delivery accuracy and quality, and perfecting material traceability as well as production process quality traceability.

Our QMS system serves as an effective tool for quality management, comprehensively managing quality data to support incoming inspection, in-process inspection, and finished product inspection. Integrated with SAP, it ensures the effective implementation of our quality management strategies.

In 2025, the MES production support platform was launched, enabling linked access to process drawings, SOPs, and other documents, binding of process route operations, Andon call functions, and management of quality non-conformities, achieving multi-system information and data sharing.

Furthermore, we launched the monitoring and inspection management module, which significantly reduced manual operations and minimized error rates.

To further optimize operations, we improved order remark standardization to prevent errors in order entry, facilitate identification by workshop staff, and reduce rework and customer complaints. The QMS system underwent iterative updates, introducing functions such as differentiated IQC inspection, closed-loop management of supplier incoming material anomalies, and finished product shipment inspection to perfect our internal and external quality supervision.

1.2.5 Achievements in Software Product Quality Management

In 2025, while continuing to consolidate our existing quality management and security certification systems, our Software Center further focused on deepening and enhancing our ITSS (Information Technology Service Standards) standardized service capabilities. We have continuously optimized our operation and maintenance service processes and emergency response mechanisms, driving a dual improvement in service quality and customer experience. Throughout the year, we have maintained the validity of all core certifications, ensuring the steady operation of our systems and laying a solid foundation for the sustained high-quality delivery of our products and services.

CMMI Level 5 Quality Management System

Our Software Center continues to maintain the CMMI Level 5 quality management system, leveraging its highly mature process management framework to systematically implement project quality assurance and risk control. Through our routine process evaluations and continuous improvement mechanisms, we ensure that the entire software development lifecycle remains under controlled conditions, safeguarding the consistent delivery of products that meet high-quality standards.



1.3 Security System

1.3.1 Secure Development: CCRC Information Security Service Qualification

Our Software Center continues to maintain the CCRC Information Security Service qualification, fully integrating security activities into our development lifecycle. This coverage spans the requirements, design, coding, and testing phases, effectively mitigating the risk of vulnerabilities from the source.



1.3.2 Security Certification: Level 3 Multi-Level Protection Scheme (MLPS), a High-Level and Comprehensive Information Security Control System

We have maintained our Level 3 Multi-Level Protection Scheme (MLPS) certification, ensuring robust and continuous security assurance. Through our dual-dimensional security protection framework combining technology and management, we ensure that our systems possess the capability to resist attacks and achieve rapid recovery, thereby safeguarding business continuity and data security.



1.3.3 Security Management: ISO Cloud Service Information Security Management

We have maintained continuous compliance with the ISO 27017 cloud security certification, building a systematic cloud service security management framework. This framework allows us to strengthen data protection and access control, thereby effectively mitigating security threats.



1.3.4 Annual Focus: Comprehensive Enhancement of ITSS Standardized Service Capability

Continuous Strengthening of the Emergency Response System

Aligned with the ITSS Level 2 standard requirements and our unique business characteristics, we have continuously optimized our emergency response system. We have assembled a professional emergency response team that oversees core phases, including the formulation and review of emergency plans, regular emergency drills, emergency resource reserves, and standardized response procedures. By conducting regular practical drills and driving continuous system improvements, we have effectively enhanced both the efficiency and precision of our emergency responses, fully ensuring the stable operation of information systems and the uninterrupted continuity of our clients' business operations.

Dual-Driven Approach: Operational Service Quality and Culture

We strictly follow ITSS operational service standards and have built a fully standardized, end-to-end service management system. On one hand, leveraging standardized service procedures and refined quality control indicators, we have established a service quality evaluation mechanism. By performing regular service reviews and audits, systematically collecting client feedback, and formulating targeted improvement plans, we continue to optimize our operational service capabilities and steadily enhance service quality and customer satisfaction. On the other hand, we uphold the core service philosophy of "customer centric and quality as life." We have integrated ITSS requirements regarding customer orientation and continuous improvement into every service

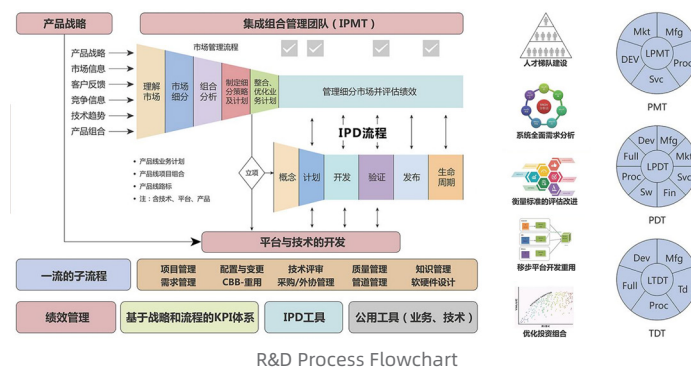
touchpoint. Through company-wide service awareness training and the promotion of benchmark service cases, we cultivate a service culture of excellence. This ensures that our operational services not only comply with industry standards but also precisely match actual client needs, ultimately achieving a dual enhancement of service value and customer experience.



1.4 Product Development Process

1.4.1 Operation of IPD 1.0

To ensure that our internal product development projects follow standardized procedures, regulate our product development process, and enhance R&D efficiency, we have implemented the Integrated Product Development (IPD) process. Under the IPD framework, we have divided our entire R&D process into five distinct stages: initiation, concept and planning, development, verification, and release. This structure allows us to strengthen overall development management and leverage process control to consistently improve our product quality.



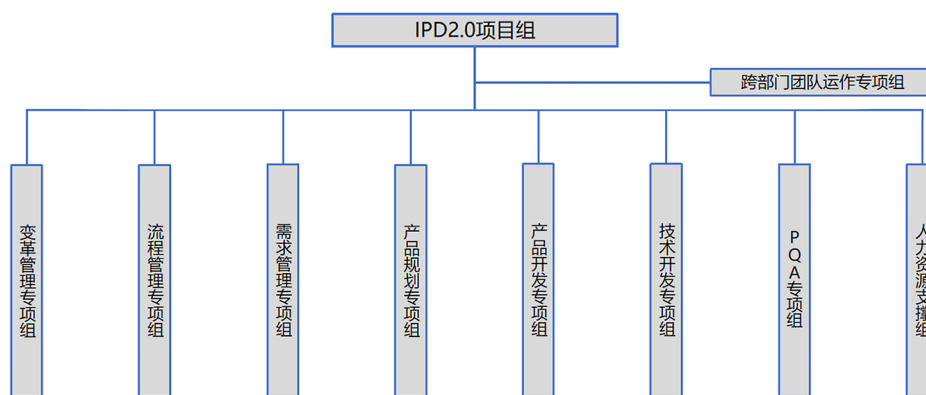
This transformation has brought significant optimization to our organizational structure, moving away from the traditional functional organization model and introducing a matrix management structure centered on the Product Development Team (PDT). This change allows us to address the limitations of functional organizations, which often lack strong business awareness and clear business objectives. At the same time, we have substantially reformed our performance management, enabling each of our teams to focus more sharply on business goals and achieve the principle of "aligned benefits, concentrated efforts."

1.4.2 Deepening Reform of IPD 2.0

At the end of 2023, we launched the IPD 2.0 project, aimed at further deepening reform and comprehensively enhancing management effectiveness to adapt to evolving market conditions and new business development needs. We established several dedicated task groups to coordinate and drive the transformation process.

In 2024, we conducted an in-depth diagnosis of the full-lifecycle process for new products and customized projects. By systematically examining key stages—from requirement input and solution design to implementation and pilot validation—we identified common issues such as process gaps, unclear responsibilities, and delays in information transmission, and subsequently developed targeted optimization plans. Simultaneously, we promoted cross-departmental training and communication on the new processes, covering our core teams in R&D, engineering, procurement, production, and quality, which effectively strengthened the understanding and execution consistency of the end-to-end process across our entire workforce.

In 2025, our focus shifted to the implementation, validation, and continuous refinement of these optimization outcomes. We selected typical projects for pilot implementation, employing an agile, iterative approach to conduct multiple rounds of adjustments on process nodes, delivery standards, and collaboration mechanisms. Currently, our optimized development process operates steadily and efficiently, with smoother coordination between stages. The cycle for our customized projects has shown a shortening trend, while the rework rate due to changes has declined significantly. Furthermore, the development guidelines (Pocket Cards) for new and customized products have been gradually standardized.



Organizational Structure under IPD 2.0

2 > Quality Culture

We actively promote the development of a robust quality culture and have established a distinctive quality management approach centered on the core principle that "quality is the foundation of survival and the reason customers continue to choose us." We have set up and real-time updated quality knowledge boards and quality case boards. Leveraging our digital platforms, we publish monthly Quality Honors and Improvement Rankings, share outstanding external articles, and conduct recognition and award programs, continuously strengthening quality awareness and communication across our entire organization.

Quality Activities:

(1) Skills Competition: Two competition tracks and eight categories were established, with a total of 92 employees participating. The competition topics were closely aligned with daily operations and practical scenarios, demonstrating participants' technical expertise and dedication. The event combined theory with practice and emphasized teamwork, serving not only as a platform for technical exchange but also as an opportunity for professional growth and capability enhancement.

(2) Skills Certification: In 2025, we conducted the eighth session of occupational skill level certification, covering four job categories: lathe operators, milling operators, fitters, and instrumentation assembly and adjustment technicians, with 41 employees registered to participate. Since the launch of the occupational skills evaluation program in 2020, 287 participations have been recorded, with 170 employees successfully certified, representing a pass rate of 60%. In 2025, we officially obtained the qualification for "Enterprise Occupational Skill Level Senior Technician (Level 1)" certification. At present, the proportion of highly skilled personnel among frontline employees has increased to 43%, including 2 Zhejiang Artisans, 3 Zhejiang Young Artisans, 1 Ouyue Artisan, and 1 Wenzhou Artisan.

(3) Quality Training: A total of 22 training sessions were conducted during the year, with five courses developed or optimized. Course topics included fundamental metrology knowledge, quality issue analysis, and inspector role based knowledge. More than 100 employees participated in training activities, with a cumulative total of 451 training hours dedicated to quality education.

(4) Mentorship Program: Focusing on skills development and product knowledge training, we have paired 20 mentors with 29 mentees under our mentorship program. This initiative promotes the inheritance of our corporate culture and supports new employees in integrating quickly into our teams and mastering job-related skills. Simultaneously, our mentors serve as role models, sharing their expertise through hands-on guidance to achieve mutual growth. This partnership fosters a "mentors and friends" dynamic, enabling both parties to learn from each other and advance their professional excellence in unison.

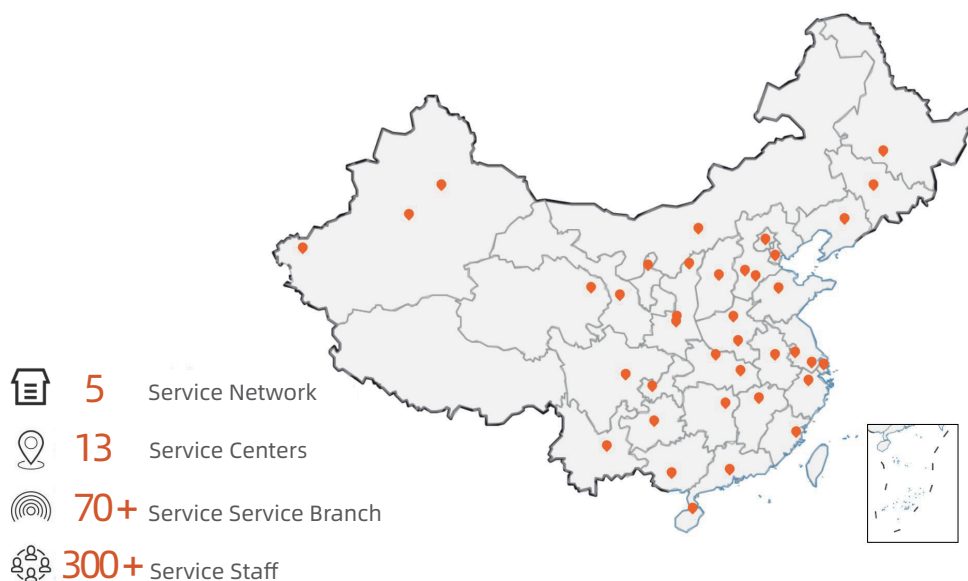
(5) Quality Excellence Recognition: We have established a "Monthly Quality Champion" program to incentivize company-wide engagement in quality management. The evaluation is based on multiple dimensions, including the number and severity of issues identified in workshops each month, as well as individual contributions to problem resolution. Through this initiative, we motivate our employees to actively engage in quality improvement efforts and strengthen their accountability for product quality.

(6) Recognition and Evaluation Initiatives: Every quarter, we conduct proposal improvement initiatives, 6S evaluations, "Striver" benchmarks, and excellence awards for outstanding teams.

(7) QRQC Activities: We strengthen our ability to quickly solve problems and establish an experience database; enhance the problem-solving capabilities of on-site team leaders to reduce non-operational time; reinforce the "Three Real Principles" (real place, real thing, real situation) for problem-solving, and boost the quality awareness of front-line employees on site.

(8) QCC Improvement Activities: Through teamwork, we identify and solve practical problems, thereby improving work efficiency and product quality. These activities bring considerable financial benefits by reducing costs and waste. At the same time, QCC programs enhance employees' overall capabilities and strengthen team cohesion, promote corporate culture development, and inject sustained momentum into our long-term and stable growth. In 2025, a total of 17 QCC projects were initiated, including 11 on-site improvement projects, 3 process improvement projects, 1 market issue improvement project, and 2 design improvement projects.

3 Service Quality



Goldcard National Technical Service Network

Service Philosophy

We consistently uphold "Customer-Oriented" as our core service value, focusing on client needs throughout the entire lifecycle to ensure maximum value realization for our customers.

Core Services

Professional Equipment Maintenance
Comprehensive Technical Training Across the Full Lifecycle

24/7 Support

We provide uninterrupted service 24 hours a day, 7 days a week, always on standby to respond to customer needs.

Rapid Response Mechanism

We guarantee a 30-minute rapid response, maintaining a transparent service process with real-time updates on processing progress.

Full Cycle On Site Service

Pre-Installation: We conduct on-site surveys of the operating environment and provide specialized training for installation and O&M.

Post-Deployment Support: We perform multi-dimensional follow-ups via on-site visits, phone calls, and doorstep consultations to dynamically track the operational status of our equipment.

Diversified Training Matrix

Our training covers all technical dimensions, including equipment maintenance, software operation, meter installation, on-site commissioning, technical support, solution planning, and remote assistance.

Service Satisfaction

2022:98.3% 2023:98.8% 2024:99.1% 2025:99.3%



Goldcard After Sales Service Commitments



After-Sales Service Certification
(Certification of After-Sales Service, After-Sales Service Maturity Certification)

Case Study >>> 2025 After-Sales Training and Skills Competition

Training Program	Work Content	Completion Status
Customer Training	• Basic principles and fundamental knowledge of flowmeters • Simple disassembly and assembly of flowmeters • Daily maintenance precautions for meters • Common flowmeter fault types and troubleshooting methods • Anti-theft technical exchanges	In 2025, a total of 100 customer training sessions were completed, with over 500 participants attending across all sessions.
Skills Competition	• Preparation of examination questions and assessment criteria	In 2025, we participated in and completed 5 Skills Competitions organized by the ENN Group, with over 500 participants from five provinces and cities taking part in these events.

Excellent After-Sales Service and Customer Recognition

With our professional, efficient and high-quality services, we have earned high recognition from various partner gas companies. ENN Energy Holdings Limited (Langfang), Huidong Pipeline Gas Company, and Xing'an League Zhongxing Industrial Gas Co., Ltd. have commended our service performance and sent letters of appreciation. Furthermore, Changchun Gas Co., Ltd., Towngas Smart Energy Company Limited (Jilin), Towngas Smart Energy Company Limited (Longkou), and Towngas Smart Energy Company Limited (Benxin) have respectively presented silk banners to Goldcard as a token of their gratitude.





Innovation-Driven Breakthroughs and Intellectual Property Empowerment

Technology and intellectual property are critical enablers for addressing climate challenges and advancing sustainable development. We actively support SDG 9 and initiatives advocated by WIPO by building a collaborative innovation ecosystem that integrates industry, academia, and research.

Leveraging our provincial-level research institutes and leading laboratories, we strengthen full-lifecycle intellectual property management. Through the application of smart technologies, we continuously enhance energy efficiency and promote industrial upgrading.

1 Innovation Model

With the in-depth advancement of the clean and low-carbon transformation of energy, various new forms of energy consumption are emerging continuously. In addition, with the release of policies such as The "Current Situation, Development Trends and Policy Recommendations of the Development of New Smart Cities in China" and "Notice on Deeply Promoting the Comprehensive Development of IoT", as a leading digital energy products and solutions provider, we continuously drive digital technologies to empower traditional energy management, support various forms of energy management and comprehensive utilization, continuously improve energy efficiency, and innovate product technologies.

In accordance with the ISO 56000, we have issued many documents including "Goldcard Innovation Management Measures", "Management Measures for Innovation Award Incentives", "Goldcard Integrated Product Development (IPD) Process", "Project Approval Management Specification", "New Product Development Process", "Design and Development Control Management Specification", etc.

We implement the Dean Responsibility system for the research institute and have established an organizational structure including a Decision-Making Advisory Committee, the Expert Advisory Committee and various functional departments. By extensively learning from the successful concepts and valuable experiences of domestic and international similar development centers, we have formed a comprehensive operation mechanism. The mechanism is based on system management and driven by the synergy of organizational development, financial support, talent incentives, environmental cultivation, and industry-university-research collaboration. The aim is to fully leverage internal and external resources to strongly support our strategic advancement.

We actively promote multi-dimensional collaboration and innovation in industry, education, research and application. We have partnered with many well-known domestic and foreign universities and research institutions to build practical education bases. Several of our technologies and achievements have reached leading levels in China and have been granted national patents, generating significant economic and social benefits.



"Goldcard Class" at the Annual Graduate Research Conference of China Jiliang University



Strategic Cooperation Agreement with the College of Control Science and Engineering of Zhejiang University

2 Research and Development Resources

We have established 12 provincial-level scientific and technological innovation platforms, including the Zhejiang Provincial Key Enterprise Research Institute. We have also built a high-level R&D and innovation team, which consists of 5 professors and PhD holders, 49 senior professionals, and 1 talent recruited under provincial-level high-end talent programs. There are more than 500 research and development personnel in the team who hold a bachelor's degree or above or have a professional title of intermediate level or above. Furthermore, our core team members have participated in the drafting of a number of national, industrial, and local standards, leading the development of gas metering and intelligent technology.

We have professional R&D and testing facilities and offer good working environment, integrating technical pre-research, product development, and product testing pre-verification. Our actual R&D facilities cover an area of 7,598 square meters, with the first floor serving as a technology achievement exhibition center, and the third and fourth floors dedicated to R&D and testing activities.

The Testing Center of our Research Institute comprises nine laboratories: Physical Laboratory, Chemical Laboratory, Environmental Laboratory, Simulation Laboratory, Temperature Adaptability Laboratory, IP Protection Laboratory, Electronic Laboratory, EMC Laboratory, and Real Gas Laboratory. These labs cover testing for water and gas terminal equipment, aiming to conduct comprehensive testing and validation of the overall design and compliance of our products. We also actively engage in quality activities such as component testing, new device specification approval, and daily incoming material characteristic tests.

We are equipped with state-of-the-art scientific research, inspection and testing equipment, including temperature adaptability testing standards, Spark-Optical Emission Spectrometer, Agilent Power Analyzer, High-performance Oscilloscope, Signal Generator, Signal Analyzer, Network Analyzer, Vibration Tester, EMC Tester, Piston-type Flow Standard Device and other scientific research equipment.

Our laboratories are CNAS-accredited and have been recognized as the Key Laboratory for Flow Metering Technology of Zhejiang Province. We are the earliest in China to engage in international CNAS mutual recognition and the earliest to establish a natural gas real-gas flow calibration device. Furthermore, we operate the only isothermal temperature adaptability test device, the only piston-type gas flow standard device with 0.07% accuracy, and the nation's first high-pressure loop device. These industry-leading capabilities allow us to set a new benchmark for laboratory construction within the industry.



High-Pressure Loop Test Facility



Thermal Adaptation Laboratory



Large-Scale Water
Loop Test Facility



Real Gas Laboratory

Key Devices in the Laboratory

3 Transformation of Results

Our long-term commitment to technical research and development has yielded significant returns in terms of technical achievements. We have introduced an internal flow analysis method for flow metering devices and integrated technologies such as NB-IoT communication and electronic metering into smart terminals, effectively addressing technical shortcomings within the industry. Our laboratory real-flow calibration technology for natural gas flowmeters and other flow standard device technologies are internally recognized as world-leading. Furthermore, we have established a large-scale intelligent pipeline network flow measurement and metering system, achieving digital measurement and metering of flow data across the entire network. Notably, we have overcome critical technical bottlenecks in high-pressure pipeline metering and testing, successfully ending the long-term foreign monopoly in this field.

During the reporting period, we successfully addressed 29 technical challenges, of which 23 have been applied in product development. Our Coriolis mass flowmeter products have passed various provincial and institutional tests, and the range ratio of 40:1 has achieved internationally recognized performance standards.



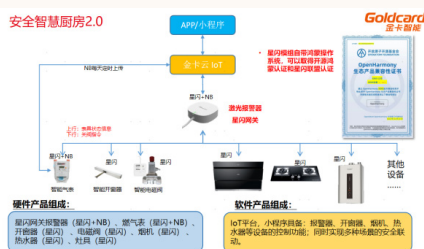
NB-IoT Smart Diaphragm Gas Meter

Based on the NB-IoT network, our smart gas meters periodically transmit metering data, device operating status, and other relevant information to the backend. The backend data center performs functions such as billing, settlement, and device anomaly alerts. The system integrates multimedia channels to enable services including remote recharge, payment, and business inquiries. Furthermore, the meters incorporate edge computing technology, which allows for automatic shut-off in the event of anomalies such as micro-flow, over-flow, or constant flow, thereby enhancing end-user gas safety.



Wireless Remote Electronic Ultrasonic Gas Meter

Our Residential JGU Series wireless remote transmission ultrasonic gas meters offer accurate and reliable measurement, wide measurement range, and compact design. Their performance complies with the standards of GB/T 39841-2021 "Ultrasonic Gas Meters" and JJG 1190-2022 "Ultrasonic Gas Meters." In 2025, this series successfully passed the OIML R137 certification by NMI (Netherlands), a world-leading authority in metrology, demonstrating that our products have reached international standards.



Safe and Smart Kitchen 2.0

The Safe and Smart Kitchen 2.0 uses the gas alarm as the central hub. Receiving commands from the Goldcard Cloud Platform via the NB-IoT network, the alarm pushes these instructions to various smart terminals—such as gas meters, window openers, and gas stoves—through NearLink communication. Conversely, these terminals can also transmit device data back to the alarm via NearLink, which is then relayed to the Goldcard Cloud Platform, creating a secure and intelligent modern kitchen environment.

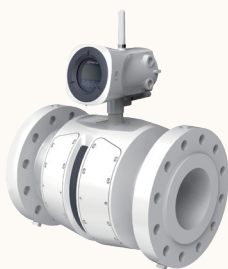
The NearLink technology is a new generation of short-range wireless connection technology that is native to China. When connecting with other devices, NearLink alarms offer several advantages, including lower power consumption, faster speed, lower latency, more stable connections, wider coverage, and greater networking capabilities.



Resident Combustible Gas Detector

Goldcard Residential Combustible Gas Detectors are equipped with high-quality laser-type gas sensors and feature a wide measurement range of 0-100% LEL. Supplemented by our self-developed full-range temperature compensation and anti-false alarm algorithms, these detectors achieve precise detection of natural gas concentrations, overcoming the false alarm issues commonly caused by water vapor, oil fumes, alcohol, and acetic acid in traditional household alarms.

We have pioneered a multi-device linkage solution between meters and alarms, which can directly trigger the shut-off valve of the connected gas meter without the need for an additional solenoid valve, making the system more convenient. Furthermore, the detector is the first in the industry to obtain NearLink Alliance certification, enabling linkage with other devices such as window openers and exhaust fans to ensure the personal safety of users when using gas.



TUS Ultrasonic Gas Flowmeter

The TUS Series ultrasonic gas flowmeter features independent intellectual property rights and is characterized by its high accuracy, reliability, and stability. This product achieves an accuracy class of 0.5; it is available in a minimum diameter of DN50 and can withstand a maximum working pressure of 42 MPa. With multiple acoustic path layouts and support for various communication methods, it meets the diverse needs of users. The built-in temperature sensor can detect changes in pipeline temperature to automatically correct the expansion coefficient of the meter body, thereby improving measurement precision under different operating conditions. Additionally, the TUS Series is equipped with 4G IoT technology, enabling data upload to cloud servers and facilitating full-lifecycle management of the product.



Coriolis Mass Flow Meter

Our TCF Series Mass Flowmeters are state-of-the-art Coriolis flowmeters that directly measure the mass flow of various fluids. We have integrated an advanced DSP-based electronics unit that combines excitation control, signal processing, calculation, and diagnostic functions. Our meters offer significant added value, including high accuracy, multi-variable measurement, expanded turndown, and high reliability.

They can directly and accurately measure the mass flowrate, density, and temperature of fluids without being affected by fluid characteristics such as density or viscosity. Furthermore, our products are independent of flow patterns, and no straight pipe sections are required for on-site installation. Notably, our expanded turndown of 40:1 has reached internationally leading levels.



Electromagnetic Flowmeter

Our TEF Series Electromagnetic Flowmeters are based on Faraday's law of electromagnetic induction and are designed to measure the volumetric flowrate of conductive fluids. Each meter consists of an electromagnetic flow sensor and an electromagnetic flow transmitter, available in both compact and remote (field) versions to meet various application requirements.

The products are stable and reliable, remaining minimally affected by flow patterns. By utilizing a 32-bit ultra-low power MCU with integrated FLASH memory, our meters demonstrate excellent performance in integration, high-speed operation, and calculation precision. We widely apply TEF Series for flow measurement of conductive liquids in closed pipelines across industries such as Chemical, Oil & Gas, Water & Waste Water, Metal, Textile, Paper & Pulp, Life Sciences, Food & Beverage, Environmental Protection, Power & Energy, and other process industries.



Vortex Flowmeter

Our TVF Series Vortex Flowmeters measure fluid flow based on the Kármán vortex principle. As one of the representative instruments in flow measurement, their theory is well-established, and they provide stable and reliable measurements. Within a certain Reynolds number range, the vortex frequency is unaffected by the medium's density or viscosity and maintains a linear relationship with flow velocity, while the instrument coefficient depends only on the bluff body and pipeline structure.

We widely apply this product to measure gases, liquids, and steam in industrial processes across industries such as Chemical, Oil & Gas, Metal, Food & Beverage, Life Sciences, and Power & Energy.

Examples of R&D Application

4 Cutting-edge Innovation

We implement the strategy of strengthening our enterprise through technology and talent, pursuing a path of comprehensive, coordinated, and sustainable development. We accelerate the transformation of our growth model, enhance our independent innovation capabilities, leverage our traditional strengths, and actively explore frontier technologies. We continuously conduct research on key technologies such as AI modeling for intelligent management of public utilities, edge intelligent processing of instrument terminals, intelligent networking, network security and information security. We have created a full-industry-chain product system covering "cloud-network

-edge-terminal-chip-intelligence-chain," developed competitive technological products and solutions, and focused on driving innovation through the integration of resources and digitalization. We aim to improve the comprehensive digital management ability of public utilities, create a model of safe, intelligent, clean, and efficient urban comprehensive energy services, and contribute to the achievement of the carbon peak and carbon neutrality goals for the whole society.

We address the market demand for process metering in sectors such as the West-East Gas Pipeline national network, petrochemical, and chemical industries, enabling the engineering and industrialization of intelligent flow metering instruments under complex media and high-stability working environments. We have achieved breakthroughs in key core technologies, critical equipment, and critical technical bottlenecks for various process metering instruments. We are also exploring and establishing a mechanism where production factors such as knowledge, technology, and data are evaluated by the market for their contributions and rewarded accordingly. By integrating innovation resources from upstream basic and applied research institutes, as well as our subsidiary research institutes, we serve as a bridge between industrial development and technological innovation. We are enhancing our industrial research and system integration capabilities and building an open and shared industry innovation service platform.

The NearLink-enabled smart gas meters and alarms developed by Goldcard have both been awarded the first batch of national NearLink certifications. Concurrently, in collaboration with China Telecom Quantum Information Technology Group Co., Ltd. (China Telecom Quantum Group) and E-Surfing IoT Tech Co.,Ltd, we released the nation's first integrated gas and water solution empowered by quantum technology. We develop high-end, high-performance self-diagnostic mass flowmeters, breaking the monopoly of international products. Additionally, we have developed hydrogen-blending metering devices and hydrogen-compatible instruments, strengthening our specialized capabilities in hydrogen-blended gas metering. To address gaps in AI and intelligent technologies, we are developing vertical large language models specifically for the gas industry.

Research Project	Main Contents
Core R&D Technology of Mass Flowmeter	Based on the technical breakthroughs in "digital-driven & precision sensing," we have enabled the mass flowmeter to diagnose and alarm for gas-containing multiphase flows, achieving stable measurement in complex fluid environments. We have also realized self-diagnosis and alarm for pipe damage such as erosion and corrosion. With high measurement accuracy and superior zero-point stability, our products are now benchmarking against international brands, effectively filling the gap for domestic mass flowmeters in the high-end market.
Core R&D Technology of Electromagnetic Flowmeters	We conduct terminal technology research on flow sensors, meter body structure, sensor layout, lining materials, and complex fluid metering. In parallel, we are advancing intelligent research in areas such as multiphase flow, signal noise optimization, AI-based fault self-diagnosis, and smart optimization control. Our goal is to develop electromagnetic flowmeters characterized by high stability, high precision, high applicability, and an expanded turndown.
R&D of Hydrogen Blending Metering System Solutions	We are committed to addressing the metering challenges of hydrogen-blended natural gas, thereby laying a solid foundation for the widespread application of hydrogen energy. Our R&D efforts include developing ultrasonic flowmeters suitable for hydrogen-blended natural gas, Turbine gas flowmeters, Tri-rotor gas flowmeter, and online gas chromatography analyzer. Furthermore, we are designing hydrogen-blending test devices, establishing a traceability system and standards, and developing a comprehensive management platform for hydrogen-blended natural gas.
R&D of Vertical Large-Language-Model for the Gas Industry	Based on General-Purpose Large Language Models integrated with professional knowledge in the gas field, we conduct Pre-Trained of mainstream models, prompt engineering, and model Fine-Tuning to capture the unique linguistic patterns and professional knowledge structures of the gas industry. We aim to develop vertical Large-Language-Models for the gas industry to enhance the intelligence level of gas system operations and provide precise and efficient data analysis and decision support for the gas sector.

Cutting-edge Innovation Technologies

During the reporting period, we were awarded 4 provincial and ministerial-level science and technology awards, including one First Prize of Scientific and Technological Progress Award from the Chinese Society for Measurement, one First Prize of Scientific and Technological Innovation Award from the China Society for the Promotion of Science and Technology Commercialization, 2025 Second Prize of the China Instrument and Control Society Award for Scientific and Technological Progress, and Third Prize of the China Machinery Industry Science and Technology Award. We have undertaken two National Key R&D Program projects and one science and technology project from the State Administration for Market Regulation (SAMR). We also spearheaded two major provincial-level research or intellectual property projects, including the Zhejiang "Lingyan" Applied Basic Research Program, and led one key municipal research project in Hangzhou.

Furthermore, we obtained one recognition for the Zhejiang Provincial First Unit (Set) Product and one recognition for the First Version Software in Hangzhou. Notably, one of our major scientific and technological achievements was appraised as reaching internationally advanced levels by an expert panel organized by the Economy and Information Technology Department of Zhejiang. Additionally, one of our AI services successfully completed the Generative AI Service Filing with the Cyberspace Administration of China (CAC).

Leading the way in national scientific research, we have played a pivotal role in the National Key R&D Program, specifically under the "Key Technologies and Equipment for Sustainable Urban Development" special initiative for "Research and Demonstration of Key Technologies for Hazard Identification and Control in Urban Gas Systems," and the "National Quality Infrastructure (NQI) System" special initiative for "Integrated Application and Demonstration of NQI Key Technologies for In-service Urban Gas Pressure Regulating Devices." We also participated in the Zhejiang Provincial Key R&D Program "Jianbing" project for "Research and Application Demonstration of Key Technologies for Hydrogen-Blended Natural Gas Metering" and undertook a science and technology program project from the State Administration for Market Regulation (SAMR) titled "Research on Key Technologies for Hydrogen-Blended Natural Gas Flow Calibration Based on Alternative Media."

5 Intellectual Property Protection

We have long prioritized intellectual property as a key focus of our operations, implementing comprehensive management across IP strategic planning, creation, utilization, and protection.

Furthermore, we conduct specialized management in areas such as the utilization of patent intelligence, high-value patent portfolio development, patent navigation analysis for technology roadmaps, the industrialization of patented technologies, and the global positioning of our commercial brands.

Based on IP categories (patents, trademarks, copyrights, trade secrets, etc.) and business characteristics (portfolio development, processes, operations, protection, etc.), we implement classified and hierarchical management of IP operations, supported by a comprehensive IP management system. In compliance with laws and regulations, including the "Patent Law of the People's Republic of China," "Trademark Law of the People's Republic of China," and "Copyright Law of the People's Republic of China," we have established an "Intellectual Property Management System" in accordance with the requirements of the "Enterprise Intellectual Property Compliance Management System-Requirements", which has been maintained in effective operation over the long

term. During the reporting period, guided by the indicators of the innovation and IP management capability evaluation system, we established innovation-IP management processes and built an indicator system based on ISO 56005 "Classification and Evaluation of Innovation and Intellectual Property Management Capabilities." And we obtained the certification of ISO56005 - Innovation and Intellectual Property Management (Level 3).



The Certification of ISO56005 - Innovation and Intellectual Property Management (Level 3)

We integrate patent management into both technology development and IPD (Integrated Product Development) projects.

In technology development projects:

Before project initiation, we collect existing patented technologies, learn and re-innovate current technologies, and formulate independent R&D plans. This approach avoids redundant R&D waste, mitigates potential patent risks, and ensures the development of more advanced technologies that can withstand market tests.

During the mid-stage of project development, we perform retrospective patent searches on existing technologies to avoid newly published patents.

Before project closure, we collate innovative achievements, complete patent applications, and incorporate the results into the our technology database for knowledge management.

In product development projects:

Before project initiation, we conduct detailed patent planning, investigate technological development trends, evaluate existing patents, identify and leverage the Company's technology database, and apply the resulting technologies to product development.

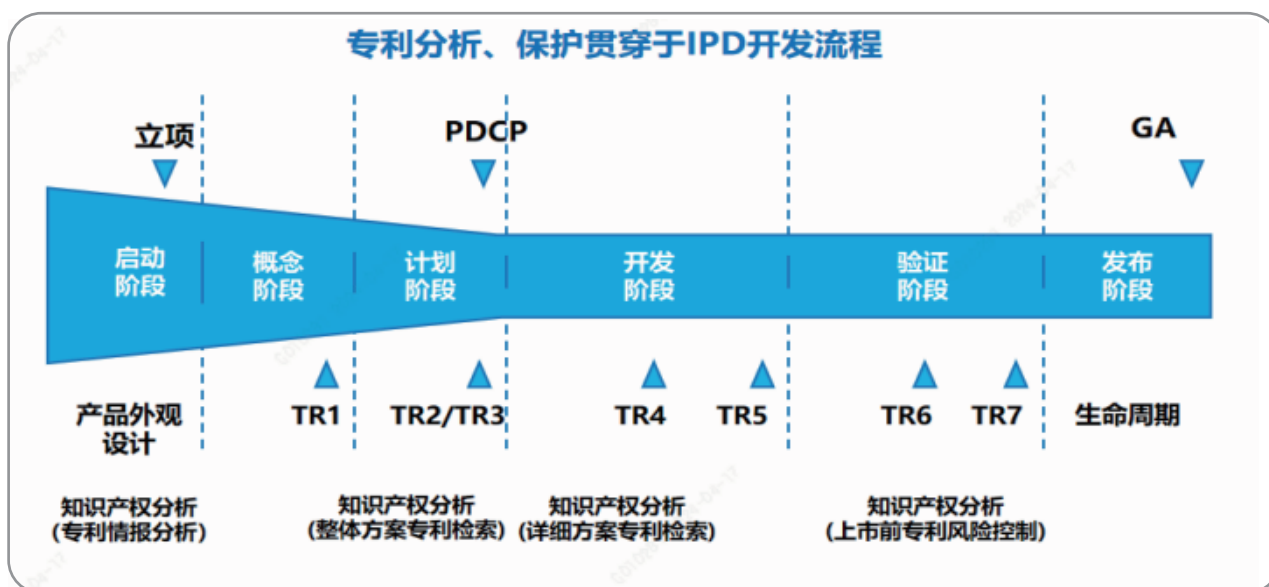
After project approval, we first conduct an appearance review to confirm no infringement risks for product designs and apply for protection of original design innovations.

During the TR3 system design and TR4 structural design stages, we perform FTO (Freedom -to-Operate) searches to proactively avoid prior technologies, reduce patent infringement risks, and timely apply for patents to protect innovation results.

At the TR6 stage (before product launch), we review the overall patent management of the project to confirm low infringement risks for market entry and revisit patent outputs to address any gaps in patent applications.

By integrating patent management with development processes, we ensure the rapid application of technologies generated during development and the effective implementation of related patents. Meanwhile, through patent-product project-based management, our marketing department can efficiently access patent authorization information, combine it with market promotion in a timely manner, and enhance product competitiveness.

We have obtained 2,194 intellectual property rights, including more than 200 invention patents, demonstrating our strong technological capabilities and continuous innovation performance.



Patent Analysis and Protection Are Integrated Throughout the IPD Development Process



Carbon Reduction, Driving a Green Future

Addressing climate change and advancing the green transition have become shared global priorities. We actively align with China's national carbon peaking and carbon neutrality goals and ecological civilization initiatives. We have embedded green development principles into our operational system, systematically established and continuously optimized our ISO 14001 Environmental Management System, and promoted pollution prevention and resource circularity, contributing to environmental protection and the transition toward carbon neutrality.

1 EHS Management

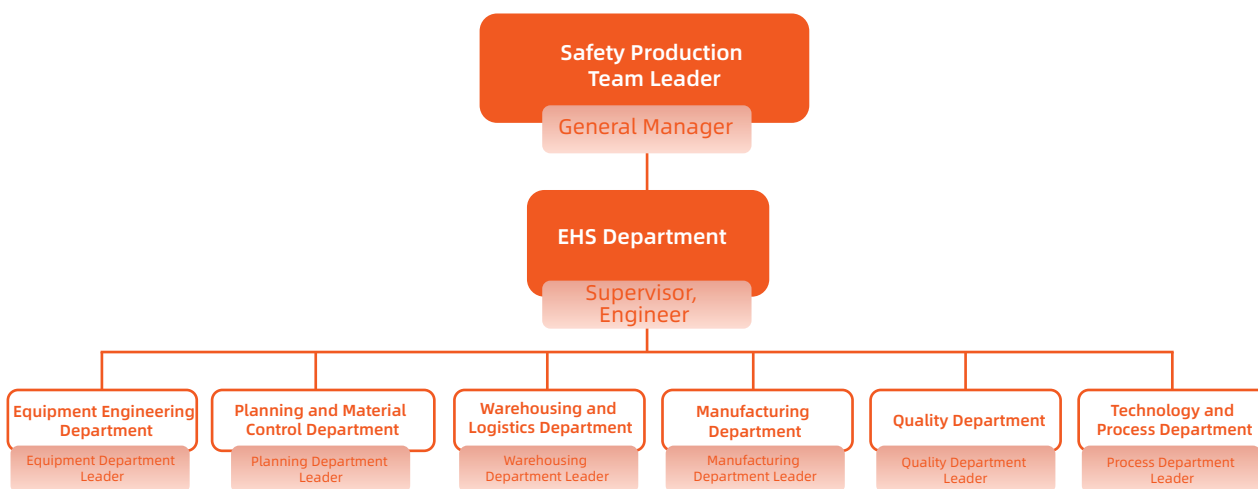
We strictly comply with laws including the "Work Safety Law of the People's Republic of China", "Prevention and Control of Occupational Diseases Law of the People's Republic of China", "Fire Law of the People's Republic of China", and "Environmental Protection Law of the People's Republic of China". In accordance with legal requirements and internal management needs, we have established an EHS system, which includes documents such as the EHS Management System and the Hazardous Waste Management System. We conduct annual assessments of legal applicability and set measurable EHS objectives to ensure full implementation of our EHS management requirements.

Items	Target	Actual Situation	Achievement Status
Employee occupational disease	0	0	Completed
Hazardous waste collection and compliance rate	100%	100%	Completed
Exhaust emission compliance rate	100%	100%	Completed
Company environmental pollution accident	0	0	Completed
External surveillance written serious non-compliance	0	0	Completed

1.1 EHS Management System

1.1.1 EHS Management Framework

We have established an EHS management framework with a dedicated Work Safety Committee, composed of the General Manager of the Manufacturing Center and relevant safety officers. The Committee is responsible for implementing EHS strategies, establishing work safety management systems, formulating safety protocols, and advancing EHS education and training programs, ensuring the comprehensive implementation of our EHS management practices across all operations.



Safety Production Management Network

1.1.2 EHS System Certification

We continuously strengthen our EHS system through certification and standardization, ensuring systematic governance across all operations. Our Group and all subsidiaries have established internal environmental management systems, achieving certifications including ISO 14001 (Environmental Management Systems) and ISO 45001 (Occupational Health & Safety), while our Manufacturing Center holds a Level II Work Safety Standardization Certificate.

We proactively conduct regular reviews and assessments of our EHS program to ensure the effectiveness of our management system. We implement routine compliance management for waste, wastewater, and exhaust gas, and engage independent third-party certification bodies for annual environmental management system compliance audits, with recertification reviews conducted every three years.



1.1.3 Security Risk Management

We have formulated systems including the "Hazard Identification, Risk Assessment, and Control Measures Procedure" and the "Hazard Investigation and Governance Management System." We actively conduct safety risk control and hazard inspections (including regular, holiday, and specialized checks) to continuously identify risk points. Through improved risk control measures, we manage environmental and safety risks. At the same time, we continue to improve our emergency management system by establishing the "Work Safety Accident Emergency Plan," clarifying emergency organizational structures and responsibilities, and conducting comprehensive drills to enhance our incident response capabilities.

1.1.4 Occupational Health Management

We strictly comply with laws including the "Prevention and Control of Occupational Diseases Law of the People's Republic of China" and the "Regulations on Occupational Health Supervision in Workplaces," creating healthy and safe working environments to provide our employees with comprehensive health protection. We conduct occupational health assessments, integrating health measures when introducing new processes and equipment. We regularly monitor occupational hazard factors, inform employees about the risks associated with their positions, provide necessary personal protective equipment (PPE), and conduct annual occupational disease screenings.

1.1.5 Environmental Protection Management

We strictly comply with laws including the "Environmental Protection Law of the People's Republic of China," working to protect and improve the environment, prevent and control pollution and other public hazards, safeguard public health, advance ecological civilization, and promote sustainable socioeconomic development. We have formulated the "Environmental Factor Identification and Evaluation Procedure" and actively identify environmental factors, implementing corresponding measures.

1.2 EHS Management Measures

1.2.1 Environmental Impact Management

We conduct regular compliance management for waste, wastewater, and exhaust gas, and undergo environmental management system compliance audits by independent third-party certification bodies. We have signed disposal contracts with qualified hazardous waste disposal entities to regularly dispose of hazardous waste.

1.2.2 Environmental Impact Assessment and Final Acceptance

To ensure the environmental compliance of our production, in 2025 we carried out the environmental impact assessment (EIA) and completion acceptance procedures for the technical upgrade project with an annual production capacity of 10 million smart gas meters.

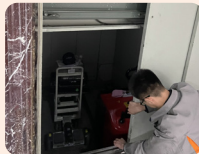
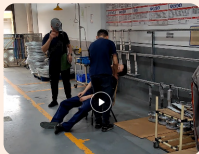
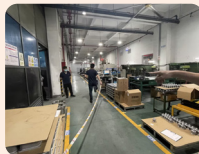
1.2.3 Security Check

Our Safety Department conducts daily on-site inspections, and the Work Safety Committee regularly organizes weekly, monthly, holiday, and specialized inspections. We cooperate with government authorities and their entrusted third-party departments for routine inspections, achieving a 100% hazard rectification rate.

1.2.4 Comprehensive Emergency Drill

We have formulated the "Work Safety Accident Emergency Plan" and regularly conduct drills as outlined in the plan, including fire evacuation, chemical spill response, and elevator entrapment rescue exercises.



Types of Emergency Drills	Objectives of the Drill	On-site Photographs
Elevator Entrapment Emergency Drill	1.To enhance our employees' self-rescue and mutual rescue awareness. 2.To verify the response speed of maintenance units and ensure the effectiveness and timeliness of rescue operations.	 
Confined Space Operation Emergency Drill	1.To strengthen employees' familiarity with rescue procedures. 2.To enhance employees' emergency response and rescue capabilities.	 
Emergency Response Drill for Hazardous Waste Leakage	To enhance employees' safety awareness and response capabilities in handling emergency incidents.	 
Emergency Response Drill for Radiation Source Leakage in the NDT Room	1.To verify the effectiveness of the interlocking system in the NDT room. 2.To enhance employees' emergency response capabilities. 3.To improve employees' emergency evacuation and risk-avoidance awareness.	 

1.2.5 ERT Construction

To handle our workplace emergencies, our Safety Department leads the establishment of the Emergency Response Team (ERT). All our members undergo quarterly internal and external emergency training, including Red Cross rescue training and fire hydrant operation drills.

1.2.6 Knowledge Training

All new employees are required to undergo EHS training and assessments before employment, while existing staff receive regular EHS training. The Work Safety Committee holds quarterly meetings to provide EHS legal and regulatory training for the leadership team, along with specialized environmental training for workshops handling hazardous chemicals and warehouse departments managing hazardous waste.



2 > Climate Change Response

Climate change is one of the primary global risks today. While continuously affecting the human living environment, it also impacts our business operations. We and our major subsidiaries actively respond to China's goals of reaching carbon peaking by 2030 and achieving carbon neutrality by 2060. Referring to the recommendations of the IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB), we have organized our climate change management system across four dimensions: governance, strategy, risk management, and metrics and targets. Through this approach, we identify climate-related risks and opportunities, incorporating climate change mitigation and adaptation into our daily management.

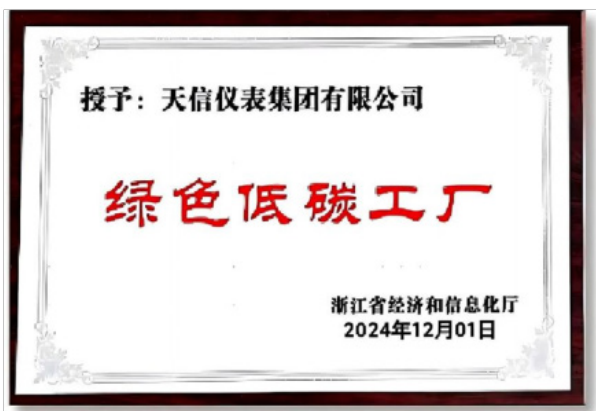


Third-Party Verification Statement of Greenhouse Gas Assertions

2025 年浙江省绿色低碳工厂名单

序号	工厂名称	所属地区
1	杭州炬华科技股份有限公司	杭州市
2	华立科技股份有限公司	杭州市
3	杭州海康威视数字技术股份有限公司	杭州市
4	华润雪花啤酒（浙江）有限公司	杭州市
5	杭州千岛湖康诺邦健康产品有限公司	杭州市
6	杭州西力智能科技股份有限公司	杭州市
7	杭州电缆股份有限公司	杭州市
8	西门子公司高压开关（杭州）有限公司	杭州市
9	浙江艾罗网络能源技术股份有限公司	杭州市
10	浙江万马股份有限公司	杭州市
11	杭州多宝电子股份有限公司	杭州市
12	杭州福恩股份（有限）公司	杭州市
13	杭州金卡智能系统有限公司	杭州市
14	浙江聚弘凯智能电气股份有限公司	杭州市
15	杭州杰牌传动科技股份有限公司	杭州市
16	杭州中泰源达科技股份有限公司	杭州市

Zhejiang Provincial Green and Low-Carbon Factory Certification



Zhejiang Provincial Green and Low-Carbon
Factory Certification (Tancy)

2.1 Governance

We attach significant importance to climate-related risks and opportunities, and have established a climate-related management framework and operational mechanisms to integrate climate-related risks into our Group's overall risk management work. Our relevant functional departments, branches, and subsidiaries incorporate climate change management into their daily management priorities.

2.2 Strategy

We identify climate-related risks to our operations and are integrating these risks and opportunities into our enterprise risk management. Our focus includes identifying the primary sources of greenhouse gas (GHG) emissions and continuously refining emergency plans for extreme weather. Furthermore, we promote regular climate risk assessments and optimization across all operational units to strengthen our overall climate resilience.

2.3 Risk Management

We encourage our employees to adopt paperless operations to reduce greenhouse gas emissions. We design energy-saving and consumption-reduction projects, continuously optimizing emission reductions through self-audits on energy conservation. Additionally, we implement technological innovations and automation equipment to enhance production efficiency, thereby lowering raw material and energy consumption per unit product.

2.4 Metrics and Targets

We have established a regular carbon data collection and disclosure mechanism to periodically track greenhouse gas (GHG) emissions and intensity, allowing us to objectively assess our climate management performance. Building on this foundation, we will utilize annual carbon footprint results to set science-based emission baselines, providing the essential data support needed to define clear and actionable carbon reduction targets.

2.5 Environmental Protection Investment

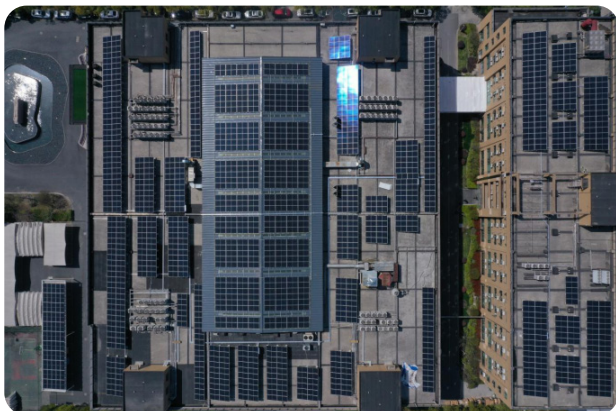
We strictly adhere to the environmental principle of "prevention first, combining prevention and control, and comprehensive utilization," alongside our safety management policy of "safety first, prevention foremost, and integrated management." We continue to increase our EHS investment to meet the evolving environmental, health, and safety management needs of our development. In 2025, we and our major subsidiaries invested a total of RMB 1.02 million in environmental protection, primarily for upgrading and maintaining environmental facilities and waste treatment. Our safety-related investment totaled RMB 2.57 million, mainly dedicated to the operation and maintenance of safety facilities and employee protection, thereby strengthening the foundation for our sustainable development.

2.6 Energy Conservation Management Measures in 2025

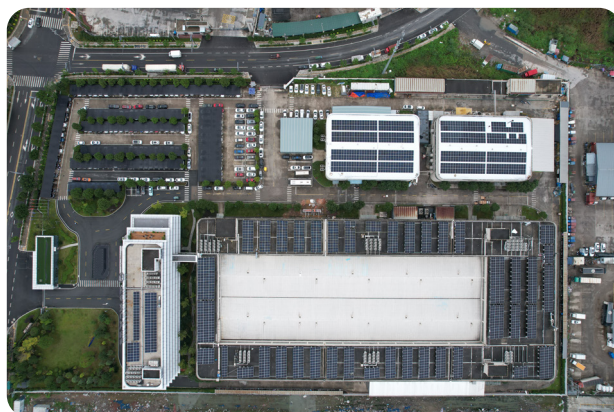
We achieve green and low-carbon development through process improvements, production equipment upgrades, energy structure optimization, production efficiency enhancement, the development and provision of green products and services, and strengthened management practices.

- Hangzhou Manufacturing Base: Following the implementation and grid connection of our rooftop photovoltaic (PV) project in 2024, we generated 540,000 kWh of electricity in 2025, saving 226 tons of standard coal and reducing CO₂ emissions by 421 tons.

- Wenzhou Manufacturing Base: By utilizing 7,300 m² of rooftop area for our PV project, we generate 1.6 million kWh of electricity annually, saving 640 tons of standard coal and reducing CO₂ emissions by 1,595.8 tons.



Hangzhou Photovoltaic Project



Wenzhou Photovoltaic Project

Energy Conservation:

Conversion of the oxidizing Roots blowers to air-suspended blowers, resulting in annual electricity savings of 80,000 kWh.



Energy Storage:

We utilize peak shaving and valley filling, with an installed capacity of 400 kW/860 kWh, achieving annual electricity cost savings of ¥400,000 and delivering significant economic and environmental benefits.



Welding Fume System Upgrade:

Before Implementation, our enclosed welding workshop suffered from significant fume and dust accumulation, as the original welding fume system failed to meet operational requirements.

After Implementation, by upgrading to an automated fume extraction system, we have achieved a smoke-free environment in the workshop, effectively ensuring the occupational health of our employees.

**Automatic Loading and Unloading:**

Previously, loading and unloading were performed manually.

After implementing robotic automated loading and unloading, combined with pneumatic fixtures for automatic clamping, the process now reduces manual operations, lowers energy consumption, and improves production accuracy.



3 Low Carbon & Energy Efficiency-Environmental Protection

We have designed the "Waste Gas Management Measures," "Wastewater Management Measures," and "Waste Management Measures," outlining detailed full-process management workflows for emission of waste gas, wastewater, and other wastes—from generation to treatment and disposal.

3.1 Wastewater Management

We comply with national and local regulations to obtain a Pollutant Discharge Permit, rigorously conduct discharge declaration and registration, and establish a wastewater treatment system. Wastewater generated during production operations undergoes neutralization, flocculation-sedimentation, and internal circulation anaerobic sludge bed (IC-ASB) process, and is discharged only after meeting the required standards.

- Industrial Wastewater: we adopt neutralization, flocculation sedimentation, and internal circulation anaerobic sludge bed (IC-ASB) process.
- Domestic Wastewater: Our kitchen wastewater is pre-treated in grease traps, then combined with domestic sewage for septic tank treatment. Once it meets discharge standards, it is discharged into the municipal sewer network.
- Online Wastewater Monitoring System: The system provides real-time automatic alerts if discharge levels fail to meet standards, ensuring compliant wastewater emissions.
- Self-Monitoring of Wastewater: Daily inspections are conducted, with monthly re-inspections for verification.

3.2 Waste Gas Management

We have formulated the "Waste Gas Management Measures" to provide detailed oversight of emissions generated primarily from welding, pickling, spray painting, and adhesive dispensing. Our management approach ensures full-process control, covering collection, treatment, and monitoring.

- Moisture-proof & Adhesive Dispensing Gases: Collection + Wet Scrubbing + Activated Carbon Adsorption + 18m Stack Discharge
- Welding Fumes: Collection + Pulse Filtration + 18m Stack Discharge
- Pickling Gases: Collection + Type II Water-Alkaline Water Wet Scrubbing + 12m Stack Discharge
- Spray Painting Gases: Collection + Wet Scrubbing + Activated Carbon Adsorption + 18m Stack Discharge
- Boiler Exhaust Gas: Monitored on a monthly basis
- Other Exhaust Gases: Monitored semi-annually



Fume Treatment System (Original)



Welding Exhaust Gas Treatment Facilities (Newly-added)

In 2025, recognizing that our original exhaust gas treatment facilities in the welding room were underperforming, we upgraded the fume treatment system. This new system achieves an air exchange rate of 25-30 times per hour, meeting rigorous environmental design standards. This investment has significantly improved the disposal of welding fumes, enhanced workshop air quality, and safeguarded the health and rights of our frontline employees.

3.3 Waste Management

We have established the "Waste Management Standard" and "Solid Waste Management Measures" to systematically advance waste reduction at source and resource recovery. By adhering to classified management and separate disposal practices, we ensure that all waste is properly sorted and handled in a standardized manner. This approach guarantees compliance throughout the treatment process, effective pollution control, and minimizes our environmental impact to the greatest extent possible.

- General Solid Waste: Classified Collection + Centralized Treatment
- Hazardous Waste: Centralized Collection + Agreement Signed, Entrusted to External Qualified Agencies for Treatment
- Domestic Waste: Entrusted to Sanitation Department for Treatment

At the same time, we implemented the Zhejiang hazardous waste digital coding system, enabling real-time data linkage between hazardous waste storage and dispatch volumes and the provincial hazardous waste management platform. Hazardous waste labels can be generated automatically, and operations are connected with the Environmental Protection Bureau's system to facilitate comprehensive monitoring and supervision of hazardous waste management activities.



Monitoring of the Zhejiang Hazardous Waste Digital Coding System



Ecosystem Collaboration and Supply Chain Resilience

Amid the restructuring of global industrial chains and the enhancement of supply chain resilience, we integrate ESG principles throughout the entire supply chain management process. Through stringent supplier admission standards, dynamic performance evaluations, green procurement practices, and digital collaboration, we strengthen responsible supply chain governance.

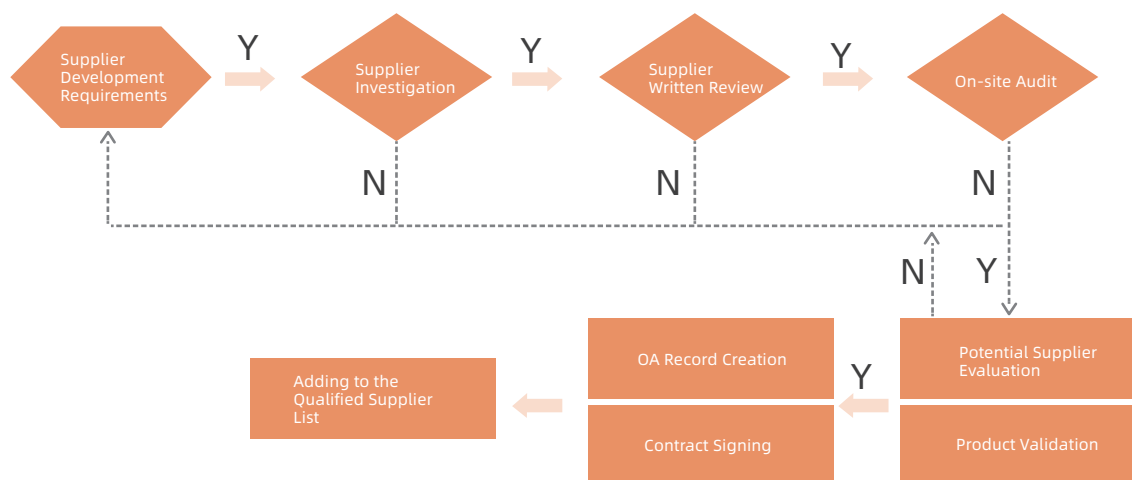
By signing the "Integrity and Transparency Procurement Agreement" and regularly conducting technical exchange and capacity-building initiatives, we work closely with suppliers to build a secure, resilient, and responsible industrial ecosystem, jointly undertaking long-term social and environmental sustainability responsibilities.

1 Supply Chain Management

1.1 Access Management

We implement a strict and standardized supplier access process. When selecting suppliers, we require them to complete the "Supplier Information Questionnaire." Based on the "Supplier Access Audit On-site Evaluation Form" from our professional team's factory audit, we select qualified suppliers according to product quality standards, testing verification, process testing, and stability, while strictly adhering to the basic threshold requirements for supplier access. Under the same conditions, we prioritize suppliers with high comprehensive evaluations and ISO series management system certifications, and continue to increase the proportion of high-quality suppliers.

Before a supplier is regarded as a qualified supplier, both parties sign the "Annual Procurement Framework Agreement", "Quality Assurance Agreement", "Non-Disclosure Agreement" and "Corporate Social Responsibility Agreement" to establish a high-quality, trustworthy, healthy, and secure supply chain cooperation relationship.



New Supplier Development Procedure Flowchart

1.2 Classification of Suppliers

We classify suppliers into four categories: strategic suppliers, core suppliers, potential suppliers, and general suppliers, based on factors such as purchase amount, material category, risk level, and irreplaceability. We develop different management strategies for each supplier category, and update the supplier classification list annually.



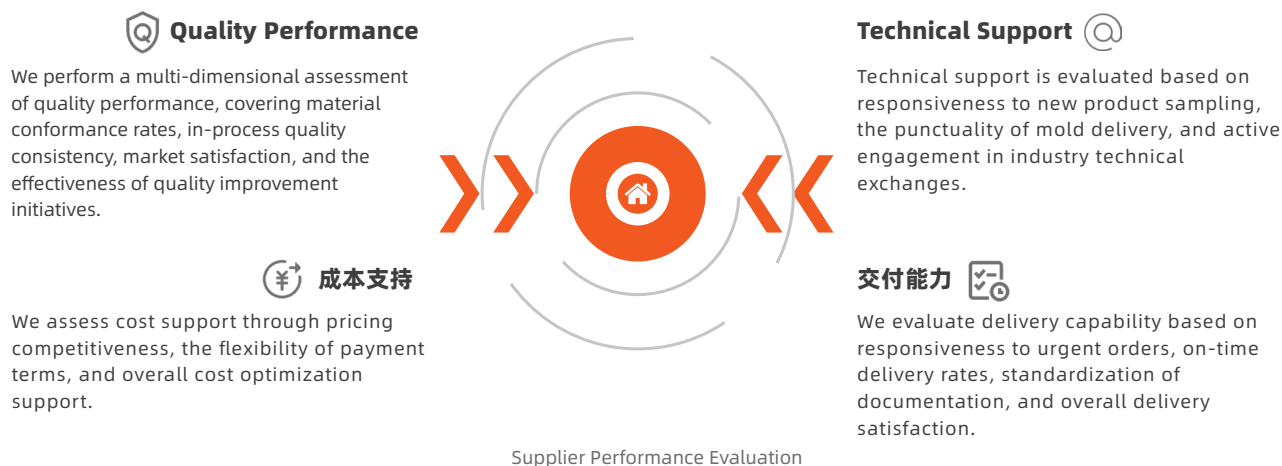
Supplier Classification and Management Framework

1.3 Establishment of A Supplier Evaluation System

We have established a comprehensive supplier evaluation system and conduct relevant evaluations annually based on the "Qualified Supplier Performance Management Process" and "Supplier Annual Audit." Our relevant departments (including R&D, Production, Quality, Finance, Supplier Management, etc.) are responsible for evaluating their respective areas and preparing annual evaluation reports, which are then summarized, scored, and reviewed.



Our Qualified Supplier Performance Monitoring and Management Process



The annual comprehensive evaluation results of suppliers are classified into four levels: A, B, C, and D. For Grade A preferred suppliers, we offer incentive policies such as priority involvement in new product development, increased procurement share, and favorable payment terms (including a higher proportion of telegraphic transfers).

For suppliers with substandard performance, we issue formal remediation requirements, guiding them to develop improvement plans with defined targets and timelines to enhance their performance. Suppliers who successfully meet these remediation standards may have their qualified status reinstated. However, for those who fail to implement timely or effective corrective actions, we will initiate a formal decommissioning process to remove them from our Qualified Supplier List and suspend all business cooperation.

2 Supply Chain Resilience

2.1 Ensuring Supply Chain Resilience

In 2025, we engaged in deep strategic cooperation with well-known domestic and international enterprises through on-site visits, friendly matches, supplier conferences, and daily business activities. These initiatives have played a pivotal role in bolstering the resilience, stability, and sustainability of our supply chain.

Case 1 IoT Leading the Way, NearLink Shaping the Future

We have forged a deep strategic partnership with HiSilicon Technologies Co., Ltd. to jointly develop, apply, and promote NearLink technology across the smart gas, smart water, and new energy sectors. Compared with traditional wireless communication protocols, NearLink delivers six times faster transmission speeds, twice the coverage range, and ten times the terminal connectivity capacity. Furthermore, it achieves decimeter-level positioning accuracy and a 40% reduction in energy consumption, while ensuring more stable connections. By applying NearLink technology to the gas sector, we have addressed the technical bottlenecks inherent in short-to-medium-range communications (such as Bluetooth), thereby bolstering the safety, efficiency, and reliability of the gas industry.



Case 2 Green Development

In 2025, we advanced our deep strategic layout in the lithium battery business alongside EVE Energy Co., Ltd., solidifying a long-term, stable, and cohesive partnership. By synergizing our efforts in product innovation and development, we are building a win-win collaborative platform to empower the high-quality development of the metering industry—striving to enhance quality of life and foster greener urban environments.



Case 3 Advancing Together

In 2025, we once again joined forces with Renesas Electronics Corporation to host a basketball networking event. Through these matches, we strengthened our strategic synergy with our partner, providing a healthy and proactive platform to foster physical fitness and team cohesion. By deepening the long-standing friendship between ourselves and Renesas, we are working in concert to drive win-win progress across the metering industry.



2.2 Supplier Capability Training and Enhancement

To bolster our suppliers' service capabilities, we maintain continuous engagement with our partners. In 2025, we conducted quarterly site-exchanges with 18 lean benchmark suppliers, culminating in bilateral engagements with 72 such suppliers annually to solidify our joint quality management achievements. Meanwhile, we leveraged both digital and on-site channels to deliver comprehensive training covering technical expertise, quality control, capacity optimization, and service excellence.

We continue to expand our supplier base across new product categories, implementing a diversified sourcing strategy. In addition, we optimize regional layouts in Jiangsu, Zhejiang, and Shanghai to reduce transportation cycles and shorten supply lead times. We have also introduced short cycle suppliers to improve response speed and enhance supply flexibility. Furthermore, we have established risk prevention mechanisms for suppliers under extreme weather conditions such as typhoons and high temperatures, ensuring supply chain stability. These measures aim to strengthen the resilience of our supply chain, enhance our ability to manage risks, maintain stable supply, and safeguard business continuity and sustainable development.

2.3 Industry-University-Research Collaboration

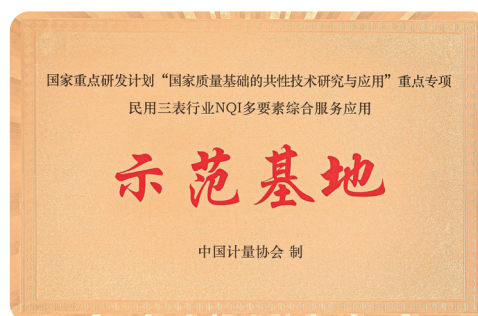
In 2025, we continued to engage in multiple industry-academia-research-collaborations with institutions such as the China Electronics Standardization Institute, Zhejiang University, and the Zhejiang Institute of Metrology. These collaborations focus on developing new product technologies, automated production line equipment, and flow standard devices.

Key projects included:

Zhejiang provincial postdoctoral research program: collaborated with Zhejiang University.

Zhejiang provincial "Jianbing" and "Lingyan" R&D breakthrough projects: collaborated with Zhejiang University of Technology, China Jiliang University, and Zhejiang Institute of Metrology.

The Ministry of Housing and Urban-Rural Development science and technology program: collaborated with North China Municipal Engineering Design&Research Institute Co., Ltd.



2.4 Digital Supply Chain Management

The digital transformation of the supply chain is a critical strategic initiative for us to address evolving user demands and internal operational optimization needs, aiming to enhance overall operational efficiency, responsiveness, and risk/cost reduction. By leveraging data to visualize supply chain operations, we use real-time data monitoring to identify and alert issues in business processes promptly, triggering hierarchical alerts to relevant personnel and intervening in outcomes to ensure process effectiveness and efficiency.

We integrate Vendor-Managed Inventory (VMI) and Just-In-Time (JIT) logistics models to continuously build cost competitiveness while maintaining on-time delivery and quality integrity, achieving win-win situation for all parties across the entire supply chain. Through Material Requirements Planning (MRP), Supplier Relationship Management (SRM), and Manufacturing Execution System (MES), we ensure full-process control and sustained improvement in user satisfaction.

3 Responsible Supply Chain

We require all our suppliers to sign the "Corporate Social Responsibility Commitment", which outlines clear management requirements for areas such as labor and human rights, anti-discrimination, forced labor management, child labor prevention, working hours, overtime pay, minimum wage compliance, freedom of association, and health and safety. Any breach of these provisions may trigger immediate contract termination, and we reserve the right to pursue legal recourse to ensure full accountability.

Integrity and Compliance	Suppliers must maintain unwavering adherence to all applicable statutory regulations within their operating jurisdictions.
Human Rights	We mandate the protection of individual dignity, personal privacy, and the inalienable fundamental rights of every person.
Labor Standards	Suppliers must uphold the human rights of their workforce, ensuring every employee is treated with dignity and professional respect in alignment with internationally recognized conventions.
Health and Safety	Suppliers shall strive to create safe and healthy working conditions for all employees, in accordance with internationally recognized occupational health and safety standards.
Prohibited Business Practices	We enforce a strict ban on corruption and all unethical commercial conduct, requiring suppliers to uphold fair competition and absolute business integrity.

Supplier Social Responsibility Commitment of Goldcard Smart Group Co., Ltd. (Partial Excerpt)

We not only integrate social responsibility practices into supplier onboarding and the ongoing management of qualified suppliers, but also continuously empower our suppliers to enhance their labor management capabilities. By organizing cross-industry benchmarking visits, we enable our suppliers to adopt best-in-class workforce governance. Furthermore, we facilitate knowledge-sharing forums focused on pivotal labor issues, including employee incentivization and optimized human-machine resource allocation.

Concurrently, we champion green procurement principles by systematically integrating environmental criteria into quality control, product design, sustainable packaging, and green logistics. Through the establishment of strategic incentive mechanisms, we actively encourage suppliers to mitigate the environmental footprint of our products throughout their entire lifecycle.



Growing Together: Our People and Our Future

We regard our employees as the cornerstone of our sustainable development. We are committed to fostering a fair, inclusive, and safe work environment, establishing a systematic training framework and career advancement pathways, rigorously implementing occupational health and safety management, and fully energizing our organization. These efforts provide solid support for our employees' growth and our long-term strategic development.

1

Employee Hiring and Compensation Policies and Implementation Status

During the reporting period, we strictly adhered to relevant national and local laws and regulations. Upholding the principles of fairness, impartiality and transparency, we formulated and implemented a series of employee hiring and compensation policies. We are committed to building harmonious and stable employment relationships, safeguarding employees' lawful rights and interests, and promoting the mutual growth of our employees and the Company.

1.1 Job Creation and Diversified Employment Opportunities

During the reporting period, we remained committed to supporting stable employment and economic vitality. By expanding our business footprint and optimizing our organizational structure, we sustained our contribution to the labor market. To address shifting market dynamics and evolving business models, we successfully added 209 new positions, providing tailored career options for a diverse workforce and fostering inclusive growth within the employment landscape.

1.2 Workforce Profile and Composition

We champion Diversity, Equity, and Inclusion and are dedicated to fostering an inclusive and multifaceted work environment. As of the end of the reporting period, our total headcount stood at 2,307 employees, with an average age of 36. Notably, 42.26% of our workforce holds a bachelor's degree or higher. This demographic profile reflects a highly experienced and structurally balanced team, providing a robust talent foundation to drive accelerated business expansion.

1.3 Compensation, Benefits, and Social Security

Social security and benefits: We strictly comply with legal requirements by providing comprehensive social security—including pension, medical, unemployment, work-related injury, and maternity insurance—alongside housing provident fund contributions for all eligible employees, maintaining a 100% coverage rate. Beyond statutory requirements, we provide a robust suite of supplemental benefits, such as annual health screenings, accident insurance, employee assistance programs, and festive benefits, as well as continuous professional development. These initiatives reflect our commitment to a holistic approach to employee well-being.

1.4 Labor Relations and Protection of Employee Rights

Labor Dispute Resolution: We consistently adhere to the principle of prioritizing prevention and negotiation in handling labor relations. During the reporting period, all labor disputes were properly resolved through internal communication, negotiation or statutory procedures. We have established open channels for employee grievances and communication to ensure timely feedback and resolution of employee concerns. Core employee retention rate remains at a healthy level. Through exit interviews and other methods, we actively identifies reasons for employee turnover and continuously optimizes strategies of talent retention.

For our workforce, we strictly adhere to relevant laws, regulations and platform rules to ensure them enjoy legitimate rights and interests commensurate with their job nature. Through clear agreements defining work scope, compensation standards, payment cycles and safety responsibilities, we strive to provide fair job opportunities and timely remuneration for workers while prioritizing their health and safety during work processes.

1.5 Compliance, Fairness and Transparency in Recruitment and Hiring Procedures

We have established a comprehensive Recruitment and Hiring Management Policy. All positions are recruited based on business needs and staffing plans, adhering to the principles of openness, equality, competition and merit selection. Recruitment information is primarily published through public channels such as the company website, mainstream recruitment platforms, and campus recruitment initiatives, ensuring equal access to information for all potential candidates.

During the recruitment process, we maintain standardized and objective job criteria. Our evaluation framework focuses exclusively on competencies, professional qualifications, and relevant experience, with a zero-tolerance policy toward any form of discrimination (including, but not limited to, gender, age, ethnicity, or religious beliefs). Hiring decisions are based on holistic assessments, with key positions requiring multi-round interviews and collective reviews to ensure impartiality. Furthermore, we provide timely feedback channels for unsuccessful candidates.

Looking ahead, we will continue to enhance our employment policies and practices, deepening the protection of labor rights and further optimizing a fair and transparent hiring environment. We remain committed to building a harmonious, inclusive, and sustainable employment relationship, securing a robust talent pipeline for our long-term stability while contributing to the stability and quality of the broader labor market.

2 Occupational Health and Safety Status

We strictly adhere to laws and regulations such as the "Occupational Disease Prevention and Control Law of the People's Republic of China" and the "Regulations on Occupational Health Supervision and Management in Workplaces" to create a healthy and safe working and living environment and provide more comprehensive and effective health safeguards for our employees. We perform regular occupational health impact assessments and integrate occupational health protocols into the deployment of new processes and equipment. Our management includes routine monitoring of workplace hazard factors, and we ensure that all employees are fully informed of potential occupational risks associated with their roles. Furthermore, we provide specialized Personal Protective Equipment and mandate regular occupational health screenings to ensure the long-term well-being of our workforce.

3 Insurance Investment and Coverage

To effectively safeguard employee rights and interests and mitigate occupational risks, we have fully paid work injury insurance for all workers in accordance with the law. During the reporting period, the total investment of work injury insurance amounted to approximately RMB 1.437million, achieving 100% coverage. To further bolster our risk resilience, we also maintained Work Safety Liability Insurance, with an investment of approximately RMB 60,300 during the reporting period, providing an additional layer of financial protection for our operational activities.

We have continuously optimized occupational health and safety management system, strengthened risk early warning and process control, deepened safety training and cultural cultivation, and persistently enhanced intrinsic safety levels. These initiatives are fundamental to protecting the health and safety of our people and ensuring the long-term sustainable development of the Company.

4

Empowering Employee Development through Strategic Training

We embrace a "Talent-Led Growth" strategy, dedicated to building a learning-driven organization and fostering a corporate culture rooted in proactive excellence and continuous innovation. Through a structured training framework, dual-track career development pathways, and bespoke growth support, we empower our workforce holistically. These initiatives are designed to unlock employee potential and foster synergistic growth between our people and the Company, thereby solidifying the intellectual capital necessary for our long-term prosperity and the creation of enduring social value.

4.1 Robust Training System and Resource Management

To ensure systematic and effective training, we have established and continuously refined the Training Management System, clearly defining management processes and responsibilities. As the coordinating department, the Human Resources Center, based on our strategic goals and business development needs, develops an annual training plan for all workers and adjusts it dynamically to meet talent development requirements at each stage.

Our flagship "Goldcard Academy" online learning platform serves as the centralized hub for convenient and high-impact professional development for all employees. The platform seamlessly integrates curriculum-based learning, knowledge management, and collaborative engagement. It features an extensive repository of proprietary case studies and premium external learning resources, enabling a culture of continuous improvement across the Company.

As of the reporting period, this platform has launched a total of 2,173 online courses, covering all employees. Through both this platform and offline formats, over 100 training sessions were conducted. The total online training hours reached 20,202.16 hours, with an average online learning duration of 15.81 hours per person. Based on incomplete statistics, the annual average training duration per person reached more than 40 hours, with learning engagement and commitment levels continuously increasing.

4.2 Strategic Training Initiatives and Talent Pipelines

Closely aligned with business strategy and talent cultivation, we have designed and implemented multi-tiered, multi-dimensional specialized training plans, ensuring that training content resonates with organizational needs.

Sailing Program (New Employee Training)	This program is tailored for campus recruit and experienced hires, designed to help newcomers quickly "understand the industry, integrate into the Company and define their career path." The curriculum encompasses core organizational pillars, including corporate heritage, cultural values, compliance and policies, operational workflows, and professional ethics. To ensure a seamless transition, every new hire is assigned a professional mentor. This is complemented by a digitized "Newcomer Growth Plan" that tracks progress throughout the probationary period, ensuring employees quickly build a sense of belonging and achieve role competency. In 2025, we successfully conducted four sessions of the "Sailing Program."	
Launch Initiative (Management Leadership Development)	This program focuses on the capability leap for frontline and mid-level managers. Through systematic theoretical learning, case studies, hands-on workshops, and mentor coaching, it aims to improve learners' core managerial abilities including team building, task execution, and cross-departmental collaboration. The initiative seeks to cultivate a cohort of high-efficient managers embodying the "Goldcard characteristics," thereby strengthening the Company's managerial backbone.	
Sword-Sharp ening Initiative (Product-Related Business Training)	This project is a strategic, business-centric program designed to bridge the gap between learning and operational execution. Over a three-month intensive cycle, the program utilizes a "Training-to-Action" model. The curriculum progresses from strategic product planning methodologies to practical simulations and the resolution of critical business pain points, concluding with outcome integration and a final performance review. This structured approach ensures that knowledge transfer is progressively deepened and solidly translated into operational impact.	
Pre-Sales Development Program	To accelerate the building of a versatile pre-sales talent team, we launched the innovative "Pre-Sales Development" initiative in Q3 2025. This program is strategically designed to eliminate knowledge silos between our gas and water utility business segments, fostering a cohort of pre-sales engineers with dual-sector expertise. By leveraging the transferability of cross-functional competencies, these specialists are equipped to drive market expansion and top-line growth through enhanced human capital capabilities.	

4.3 Personalized Support for Employee Development

We not only provide inclusive training resources but also prioritizes the personalized development for employees. In 2025, we formally launched the Individual Development Plan (IDP) for key personnel. High-potential and critical employees identified through talent reviews will launch the personalized IDPs together combining individual career aspirations and organizational development needs. This program includes comprehensive competency assessments, strengths and development identification, and specific action plans (such as specialized training, project exposure, job rotations, or mentorship). During the reporting period, the IDP covered more than 40 critical talents, providing clear and customized career roadmaps for core talents.

Meanwhile, we are committed to a dual-track career development pathway (professional and managerial sequences), providing diverse advancement opportunities for employees. To foster a culture of continuous improvement, we proactively support employees in pursuing advanced academic degrees and industry-recognized professional certifications. This approach ensures that individual intellectual growth is seamlessly integrated with the Company's strategic knowledge capital.

4.4 External Learning and Industry Engagement

We embrace an open and collaborative learning philosophy, actively cultivating a knowledge ecosystem that connects internal expertise with external insights. Beyond safeguarding and passing down our internal knowledge, we proactively bridge the gap between our team and the wider industry. By hosting seminars with industry authorities, participating in high-level forums, and sponsoring key talent for advanced training at top-tier institutions, we broaden our employees' strategic vision. This proactive engagement introduces cutting-edge ideas and ensures our organizational knowledge base is continuously refreshed and upgraded.

4.4.1 External Experts Invitation and Industry Knowledge Exchange

We place high importance on the dialogue and collaboration with leading academic and industrial institutions. During the reporting period, we actively dispatched representatives to participate in high-level industry exchange activities.

Project Name	Content	Status	Photos
International and Domestic Technical Standards Seminar for Diaphragm Gas Meters	This seminar featured in-depth technical sessions on international standards and advanced regulatory frameworks from the EU, US, Japan, and Australia. Key discussions also focused on the revision of Type Evaluation Outlines and Verification Procedures for diaphragm gas meters to ensure alignment with global benchmarks.	The event convened nearly 100 stakeholders from national metrology institutes, gas utility companies, and leading manufacturers. As the Chair Organization of the Gas Meter Working Committee, Goldcard played a leading role. Our senior experts, Mr. Weiming Dou (Head of Quality & Metrology) and Ms. Shuiyun Zheng (Senior Standardization Engineer), delivered keynote presentations sharing our latest technical insights.	
Workshop on Measurement Uncertainty Evaluation for Instrumentation and Metrology	Centered on "measurement uncertainty," we systematically explored the core methods of uncertainty evaluation by distinguishing the fundamental differences between metrology and measurement, and integrating theory with practice. After the training, a dedicated exchange session was held at the Group Flow Laboratory.	We organized a specialized seminar on "Evaluation of Uncertainty in Measurement for Instrumentation," featuring a lecture by Researcher Wang Chi from the National Institute of Metrology, China. Nearly 100 participants, including the Group's metrology-related personnel, faculty and students from Zhejiang Institute of Quality Science and China Jiliang University, as well as practitioners and researchers in the metrology field, attended the sessions both online and offline.	

4.4.2 External Training and Specialized Seminars

To systematically improve core talents' capabilities in strategic management, technological innovation, international operations and specialized functions, we dispatched key employees to participate in external high-quality training programs. In 2025, our external training initiatives covered several key domains.

Management and Organizational Buiding

We dispatched personnel to participate in the "DeepSeek-empowered Enterprise Innovation" specialized seminar at Zhejiang University and the "Huaying Excellence Organization Practice Training." These initiatives aimed to internalize advanced management philosophies, thereby empowering organizational transformation and fostering a culture of innovation.



Occupational Health and Safety and Sustainable Development

We participated in SCORE Program Training organized by the Emergency Management Bureau to develop our knowledge and skills in workplace safety risk management and strengthen our capability development about safety culture and sustainable development.



Professional Competency Enhancement

To align with our business development needs, we organized core employees to participate in a series of specialized training programs, including Quality Cost Control, Building a Management System for Service Excellence, Practical Intensive Course on the Global Model for International Human Resources, Overseas Operations and Contract Management, and Compensation System Design and Implementation. Through these initiatives, we continuously enhance the professional expertise of our various functional departments.



Through diverse external learning channels, we have effectively promoted the collision and integration of advanced external knowledge with internal practical experience, assisting our employees' continuous growth and reserving key capabilities for our strategic advancement and global operations.

In the future, we will continue to deepen the "Talent-Driven Enterprise" strategy and continuously increase our investment in employee training and development. We will further optimize our training system, innovate learning technologies, and enrich course content. By building a more attractive talent development ecosystem, we will constantly enhance employees' sense of gain and achievement, construct a high-quality and high-resilience talent pipeline, inject vitality into our sustainable and high-quality development, and create long-term value for stakeholders.

Public Welfare, Co-Creating Value

Corporate social responsibility is a vital component in achieving global sustainable development goals and China's strategy of "Common Prosperity." Through Goldcard Public Welfare Foundation, we systematically conduct philanthropic actions such as education support, healthcare, and rural revitalization. To date, we have implemented 180 projects and donated more than 28 million RMB, delivering warmth through our concrete actions and co-creating a beautiful future with society.

Case 1

We donated 1 million RMB to the Yueqing Charity Federation, and specifically allocated 900,000 RMB for the construction of the academy at Chengnan Middle School, actively supporting the high-quality development of education in Yueqing and contributing solid strength to local educational construction through our concrete actions.



Case 2

We donated RMB 1 million to the Cangnan County Education Foundation, specifically for promoting the development of education in Cangnan County, further improving school facilities and the educational environment, and contributing our corporate strength to cultivating more outstanding talents for Cangnan County.



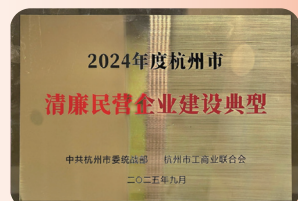
Case 3

We, in collaboration with Tancy Instrument Group Co., Ltd., jointly conducted a voluntary blood donation activity, in which a total of 64 employees actively participated, with a cumulative blood donation volume reaching 20,300 milliliters. We dedicated our love through this contribution of blood and conveyed the Company's warmth and responsibility through our concrete actions.



Case 4

With our outstanding practices in corporate governance and integrity compliance, we were honored with the title of "Incorruptible Private Enterprise." This not only highlights the significant results we have achieved in standardized operations and integrity system construction, but also reflects the high recognition from all sectors of society for our active fulfillment of corporate responsibilities and our efforts in fostering a clean and upright business environment.



Case 5

With our outstanding political leading role and solid achievements in Party building, our Party Committee was honored with the title of "Advanced Grassroots Party Organization" in Qiantang District and rated as a "Five-Star Grassroots Party Organization." These dual honors not only fully affirm our Party building work and the vanguard role of our members, but also reflect the exemplary performance of our Party Committee in serving development, uniting people, and promoting harmony.



Prospect of 2026

Facing a new era of deep adjustment in the global energy structure, the increasing urgency of climate action, and the deep integration of digital and real economies, Goldcard will continue to anchor our sustainable development goals. We actively respond to the national strategies of "high-quality development" and "carbon neutrality," with technological innovation as our core driver and open collaboration as our development path, leading the industry toward green, digital, and intelligent transformation.

We firmly believe that only by integrating corporate development into the progress of the times—safeguarding our environment through the power of technology and fulfilling societal expectations with a sense of responsibility—can a company truly achieve enduring growth. In 2026, Goldcard is committed to working alongside all stakeholders with wisdom and dedication, collaborating with global partners to co-create a green, low-carbon, and sustainable future.

Making Life Better—we are always on the move.

Goldcard Smart Group Co.,Ltd.

MAKE LIFE BETTER

Goldcard Smart Group Co.,Ltd.

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