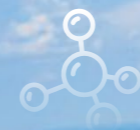




2025

Environmental, Social and Governance Report



Jinsanjiang (Zhaoqing) Silicon Materials Co., Ltd.

Address: No. 23, Yingbin Avenue, Gaoxin Technology Development Zone (Dawang), Zhaoqing City, Guangdong Province

Phone: 86-758-3681267

Company Email: ir@jsjgcl.com

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About the Report



Introduction

JSJ (Zhaoqing) Silicon Material Co., Ltd. (hereinafter referred to as "JSJ", "the Company," or "We") is pleased to release the 2025 Environmental, Social and Governance (ESG) Report ("the report"), aiming to provide stakeholders with information on JSJ's practices and performance in ESG aspects.

Basis of Preparation

The report draws on the GRI Sustainability Reporting Standards (GRI Standards) of the Global Sustainability Standards Board, and the United Nations Sustainable Development Goals (UN SDGs). At the same time, it is compiled in accordance with three guidelines of the Shenzhen Stock Exchange (SZSE), i.e. the Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies, the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange, and the Shenzhen Stock Exchange Guideline No.2 on Self-Regulation of Listed Companies on the ChiNext Board.

Reporting Period

The report covers the period from January 1, 2025, to December 31, 2025. To enhance comparability of the report and provide forward-looking information, the reporting period of some content is moderately extended.

Information Source

The statistics and cases in the report are mainly derived from the Company's official documents, statistical reports, and relevant public documents. The Company undertakes that there is no false record or misleading statement in the report, and bears responsibility for the truthfulness, accuracy, and completeness of its content. This report was considered and adopted by the Board of Directors on 24/04/2026.

Access to the Report

The report can be viewed and downloaded on the official website of SZSE (www.szse.cn), the Company's website (<https://www.gz-silica.com>), and CNINFO (<http://www.cninfo.com.cn>). In case of any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

For further inquiries or any questions or suggestions regarding the report, please contact the Company via email at ir@jsjcl.com.



Message from the Chairman



In 2025, JSJ has steadfastly adhered to its core value of being customer-centric, steadily advancing its "global development" strategy, actively exploring international markets, and helping its brand shine on the global stage. This year, the Company has garnered numerous authoritative accolades in the field of ESG for its outstanding practices and remarkable achievements, including "Wind ESG Rating - Grade A" and "Huazheng ESG Rating - Grade A". It has also been successfully selected as one of the "Top 100 Enterprises Golden Bull Award for ESG" and has won prestigious honors such as the "Aona Award - 2025 Sustainable Development Contribution Enterprise". These accolades not only recognize the Company's past efforts but also provide a strong impetus for its continuous endeavors in the future.

— Chairman Zhao Guofa



ESG as the Foundation, Strengthening Corporate Governance

ESG governance serves as a crucial cornerstone for the high-quality development of enterprises. JSJ actively responds to the United Nations Sustainable Development Goals (SDGs) and has established a three-tier ESG governance framework encompassing the governance level, management level, and execution level. With the board of directors as the highest decision-making body, the ESG committee oversees the overall work, and special task teams are set up to implement and execute initiatives in collaboration with various functional departments. This approach integrates the concept of sustainable development into the Company's business development and operational decision-making, demonstrating a commitment to environmental and social responsibilities through concrete actions. To ensure the Company's robust development and effectively implement the "high-quality development" strategy, JSJ continuously improves its risk management and internal control systems: optimizing the governance framework by comprehensively planning, steadily advancing, rigorously supervising, and meticulously inspecting ESG initiatives; enhancing risk prevention and control by strengthening internal audit and oversight and actively conducting compliance training. In the capital market, JSJ strictly adheres to information disclosure standards, fostering an open and transparent business model by disclosing information in a timely, accurate, and complete manner, thereby establishing a positive corporate image characterized by transparency and compliance.

Digital and Intelligent Empowerment, Driving Development through Innovation

Innovation is the core driving force that leads enterprises towards high-quality development and is also a key element for their growth. To keep pace with the times and unleash innovative potential, the Company has comprehensively launched three core projects: traditional system optimization, intelligent platform construction, and digital talent cultivation. These projects aim to enhance the intelligence level of production, R&D, sales, operations, and other aspects in an all-round way, injecting strong impetus into the Company's development. In terms of system construction, the Company actively builds a full-link automated production system and successfully integrates various application systems such as SAP, DCS, energy management, CRM, and OA. It has created a "five-in-one" digital management platform, achieving efficient information flow and optimal resource allocation within the enterprise and providing solid technical support for its efficient operations.

Pursuing Green Development, Guided by the "Dual-Carbon" Mission

Environmental protection is a key goal for high-quality enterprise development and the bottom line for sustainable development. The Company actively responds to the national "dual-carbon" strategy, comprehensively promotes green transformation, and makes coordinated progress in multiple dimensions such as energy conservation and emission reduction, clean production, and climate response, forging a path of green development. To instill a green mindset deeply among employees, the Company innovatively launches a "points-based" activity to stimulate their enthusiasm for participating in green development. Meanwhile, we promote the screening and introduction of local suppliers to shorten transportation distances, reduce costs, and effectively decrease carbon emissions along the value chain. In terms of technological innovation, the Company actively explores the use of carbonization technology to prepare high-performance silica products, which not only enhances product performance and market competitiveness but also reduces energy consumption and pollutant emissions, thereby unleashing green value. In 2025, the Company was recognized as a national-level green factory. Taking this opportunity, it will integrate green concepts into the entire product lifecycle, play an exemplary and leading role, and contribute to the green development of the industry.

Gathering Talents and Wisdom, Leading the Development Course

JSJ has always adhered to a people-oriented philosophy, comprehensively optimized its talent system covering selection, cultivation, utilization, and retention, actively built an efficient talent cultivation mechanism, and strengthened talent succession building. The Company places importance on corporate culture shaping, providing broad development spaces for employees from diverse backgrounds with a focus on diversity and equality. To enhance its innovation and technological capabilities, the Company actively expands external collaborations, establishing close industry-university-research relationships with South China University of Technology, Guangzhou Quality Supervision and Inspection Institute, and other universities and research institutes. This accelerates the transformation of cutting-edge research achievements and achieves mutual benefits and win-win outcomes. Additionally, the Company establishes a scientific incentive mechanism, offers various welfare subsidies, and provides a rich array of training courses, enabling employees to share in the Company's development achievements, stimulating their work enthusiasm and creativity, and facilitating their common progress with the Company.

Fulfilling Responsibilities, Building a Harmonious Development

Transmitting the concept of responsibility is crucial for building a harmonious future. JSJ earnestly fulfills its social responsibilities and promotes harmonious co-progress between the enterprise and society. In 2025, in terms of supply chain management, the Company conducted unannounced inspections on individual suppliers, accurately identified problems, and urged rectifications, achieving common growth with partners. In terms of industry collaboration, JSJ participated in industry standard formulation, engaged in industry-university-research cooperation, accelerated the transformation of research achievements, and actively participated in industry exchanges to promote resource sharing. Moreover, the Company enthusiastically contributes to public welfare undertakings, supporting education, caring for vulnerable groups, and participating in environmental protection, conveying positive energy with a high sense of social responsibility.

Looking ahead, JSJ will proactively embrace the transformations of the times, guided by three key areas: green development, technological innovation, and global collaboration. The Company will continuously enhance its environmental performance, strengthen its social responsibilities, and optimize governance efficiency. We will delve deeper into fields such as toothpaste, food, pharmaceuticals, high-end industrial applications, green and low-carbon high-performance tires, and polishing fluids, providing more competitive green silica material solutions to empower the sustainable transformation of downstream industries. By doing so, we aim to create long-term value for society and continue to stride resolutely towards the vision of becoming a global leader in silica materials.

About JSJ

Company Overview

JSJ (Zhaoqing) Silicon Materials Co., Ltd., formally established in 2003 and successfully listed in 2021 (Stock Code: 301059), is a customer-centric, innovation-driven provider of functional silica solutions. Through customised silica materials, the Company delivers solutions that exceed expectations to global clients across a wide range of industries, including toothpaste, food, pharmaceuticals, high-end industrial applications, green and low-carbon high-performance tyres and polishing liquids.



Vision

Becoming a global leader in silicon materials



Mission

Creating value for customers with customized silicon materials, fulfilling dreams for employees, and contributing to society



Values

Customer-centric, innovation-driven, long-term hard work, and persistent self-criticism

Research and Development Innovation

JSJ places great emphasis on product innovation and the optimization of process technologies. Through continuous investment and innovation, the Company has assembled a research and development team composed of doctors, masters, and technical experts, and established a high-standard R&D center covering 4,700 square meters, equipped with a series of advanced R&D equipment to ensure its technological leadership in the industry. The Company has successively received honors such as "Provincial Enterprise Technology Center," "Guangdong Provincial Engineering Technology Research Center for Functional Silica," "Guangdong Provincial Demonstration and Cultivation Enterprise for Innovation Method Promotion and Application," and "National Specialized, Sophisticated, and Innovative 'Little Giant' Enterprise." The Company has achieved several significant accomplishments and honors, including jointly establishing the Guangdong Postdoctoral Innovation Practice Base with South China University of Technology, being designated as the Zhaoqing High-Value Patent Cultivation and Layout Center for 2025, joining the Zhaoqing 100 Future Brands Initiative, being recognized as an Advanced Unit in Digital and Intelligent Construction, receiving the title of Advanced Private Enterprise in National Employment and Social Security, being named a National Intellectual Property Demonstration Enterprise, and being awarded the 2025 Sustainable Development Contribution Enterprise. In addition, the Company has been re-certified as a High-Tech Enterprise, and two of its silica products—abrasive silica for toothpaste and thickening silica—have been recognized as Guangdong Excellent High-Tech Products.

Lean Production

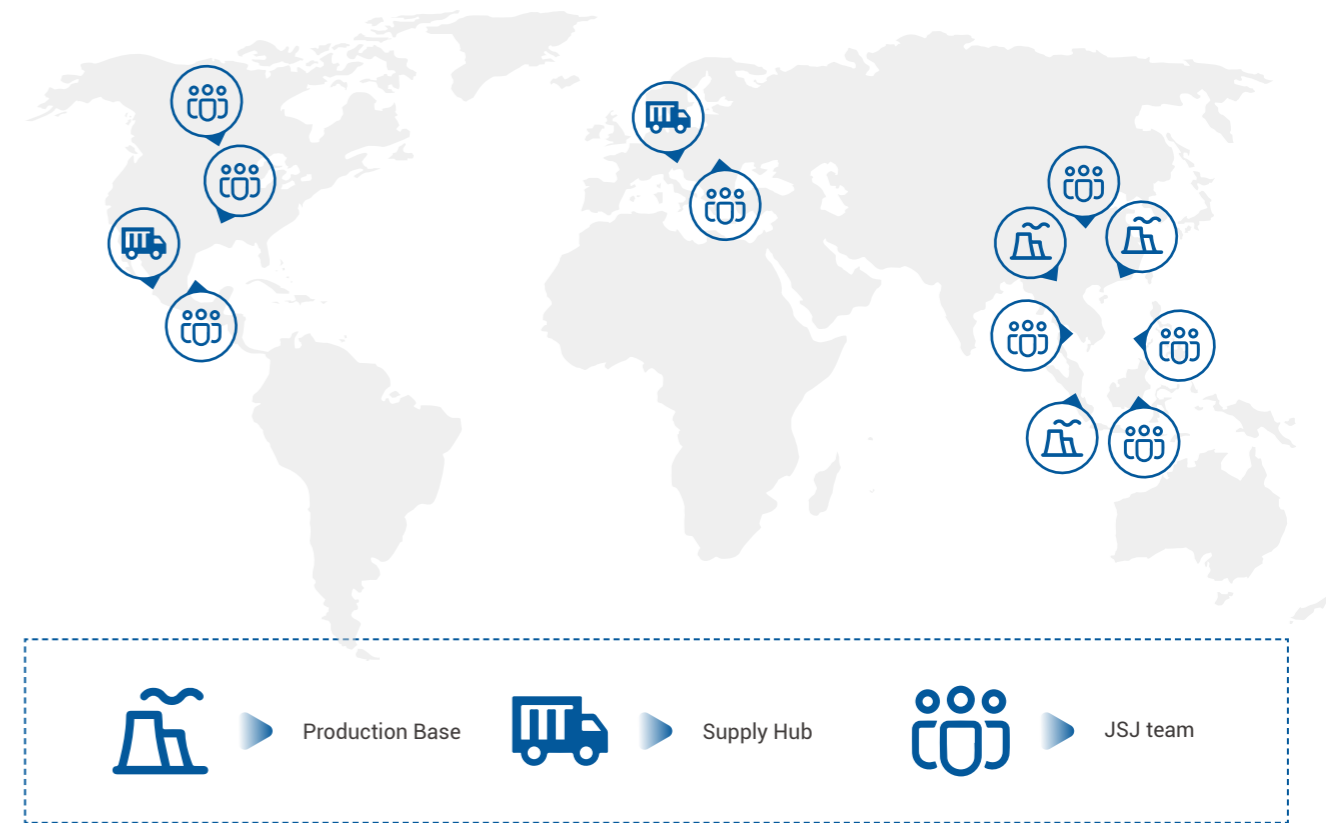
JSJ has two major production bases. The intelligent factory (Plant II), covering an area of 68,000 square meters, was completed in 2022 and officially commenced operations in 2023. Designed according to standards of informatization, intelligence, digitization,

and green manufacturing, the intelligent factory (Plant II) features smart production lines with a DCS distributed control system as the central "brain," high-precision instruments and meters as the "senses," high-performance production equipment as the core, and digital systems as the internal foundation. Additionally, the Company has installed green facilities such as distributed photovoltaic systems, online monitoring of wastewater and exhaust gases, zero solid waste discharge, steam and gas recovery, and waste heat recovery from drying processes, demonstrating its commitment to sustainable development. The Company has been awarded the title of "National Green Factory."

Global Sales

The Company continues to expand its customer base both domestically and overseas, creating value for the world through high-quality products. Within the domestic market, the Company will deepen strategic partnerships with key customers, elevating the collaboration to a new level. In addition, the Company has established subsidiaries in Hong Kong, China, the United States, Poland, Mexico, and Malaysia, and has formed dedicated overseas teams to specifically handle international market expansion. Meanwhile, the Company has accelerated the development of its overseas supply chain, formulated overseas delivery solutions, and enhanced its capability to provide service assurance to global customers.

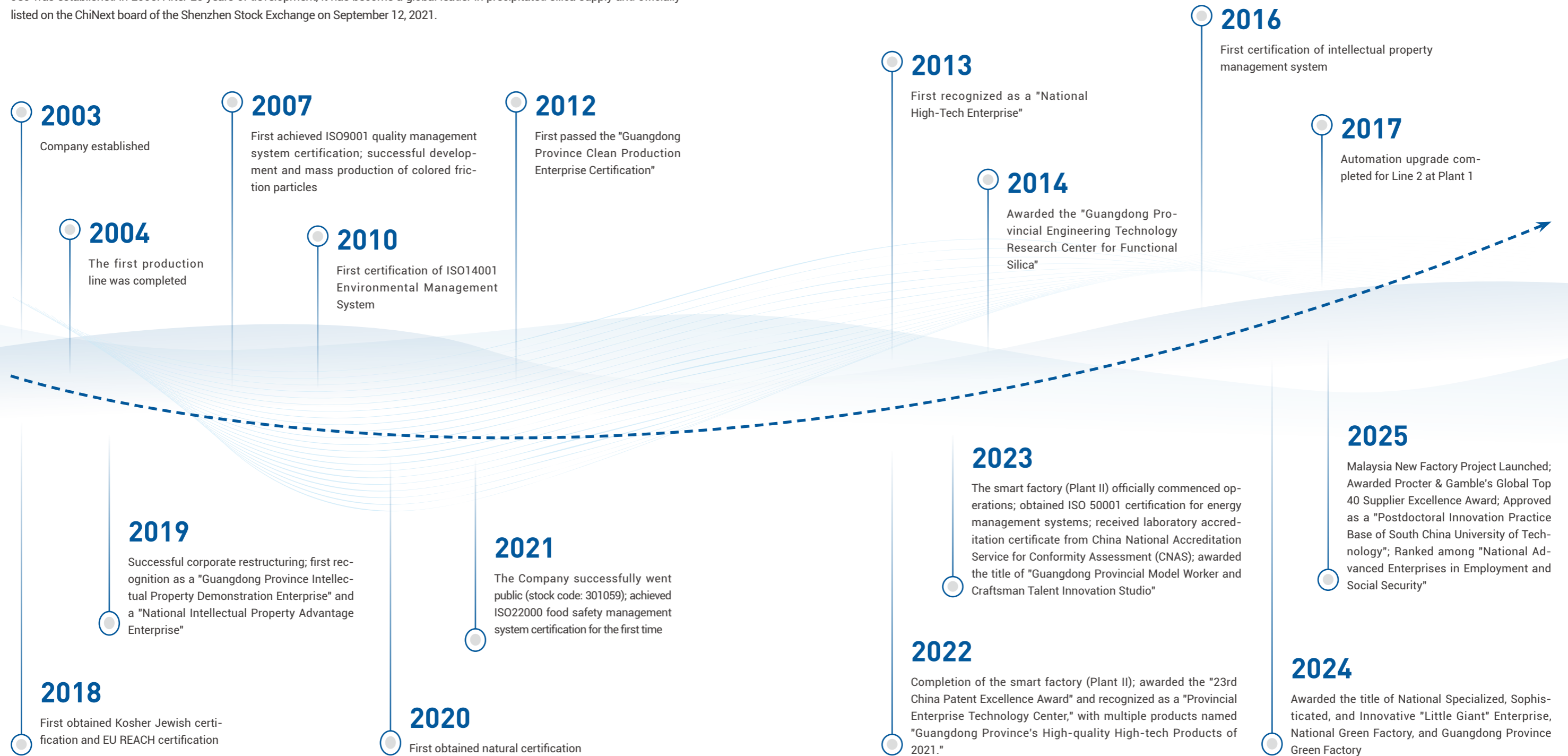
The Company focuses on its silica business, adhering to the corporate vision and pursuing a dual-driven strategy of "global expansion" and "high-quality development" to jointly build a healthy and sustainable corporate ecosystem. In the future, the Company will continue to provide customized silicon materials for toothpaste, food, pharmaceuticals, high-end industry, green low-carbon high-performance tires, polishing slurry providing silica solutions that exceed expectations for numerous industry clients, creating value for customers.



Golden Three Rivers Global Service System

Development History

JSJ was established in 2003. After 23 years of development, it has become a global leader in precipitated silica supply and officially listed on the ChiNext board of the Shenzhen Stock Exchange on September 12, 2021.



ESG Performance and Honors

Highlight the key ESG performance metrics and awards achieved by the Company in 2025.

Economic Performance

Operating revenue
44,814.86
million yuan

Total Assets
78,206.59
million yuan

Total profit
8,767.76
million yuan

Environmental Performance

Hazardous waste emission intensity
decreased compared to 2024
27%

Harmless waste emission intensity
decreased compared to 2024
4%

Water resource intensity slightly in-
creased compared to 2024
3%

The amount of environmen-
tal protection investment has
increased compared to 2024.
1%

The harmless treatment rate of
industrial solid waste
100%

Social Performance

R&D investment amount
1,765.73 million yuan

Number of R&D personnel
53 people

Cumulative patent authorizations
135 items

Business scope covered by the Company's ISO9001
quality management system certification
100%

Cumulative Invention Patents
109 items

Accumulated Intellectual
Property
154 items

Number of safety training
sessions
17 items

Number of employees partici-
pating in safety training
385 people

Occupational health exam- ination rate 100%	Number of work-relat- ed fatalities 0 people	Work safety accident From 0
Labor contract signing rate 100%	Social insurance coverage 100%	Employee training coverage rate 100%
Total employee training duration 16,038.36 hours	Employee training duration has increased compared to 2024. 301%	Total cumulative donation amount over the past three years 144,200 yuan
Leading the formulation of stan- dards related to silica 5 items	Publishing papers through indus- try-academia-research collaboration 4 articles	Joint patent application 4 items

Governance Performance

Disclosure Announcement
160 items

Periodic Report
4 items

Interim Report
156 items

The proportion of female members on
the board of directors
40%

System and Certification



Honors and Awards



Advanced Private Enterprises in
National Employment and Social
Security



National Intellectual Property Ad-
vantage Enterprise



ESG Golden Bull Award Top 100
Enterprises



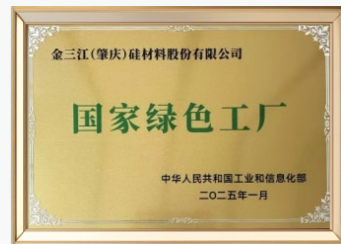
Silica for Toothpaste with Dentinal
Tubule Blocking Function, Guangdong
Province Famous and High-quality
High-tech Product



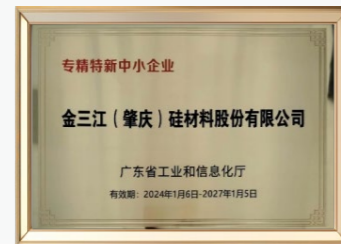
"Core-Shell Silica for Tooth-
paste" Guangdong Province
Renowned High-Tech Product



Zhaoqing 100 Future Brands
Program Certificate



National Green Factory



National Specialized and Sophisti-
cated "Little Giant"



P&G Global Top 40 Supplier - Ex-
cellence Award



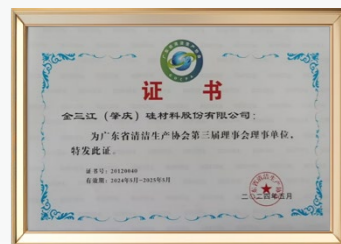
"Toothpaste Abrasive Silica" Guangdong
Province High-quality
High-tech Product



"Thickened Silica" Guang-
dong Province Famous
and High-quality High-tech Product



High-tech enterprise



Member Units of the Third Council
of Guangdong Provincial Cleaner
Production Association



Zhaoqing City Clean Production
Enterprise



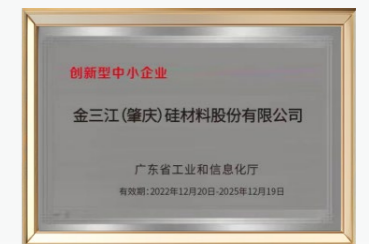
ONA Award - 2025 Corporate
Contributor for Sustainability
Development



Zhaoqing High-Value Patent
Cultivation Center





Award for Advanced Unit in Industry
Digitalization and Intelligence Con-
struction



Guangdong Province Innovative
Small and Medium-sized Enter-
prises



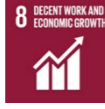




Sustainable Development Goals (SDGs) Response

Corresponding Chapter Advancing Governance with Leadership, Building a New Vision of Growth

UN SDGs  

UN SDGs Response The Company continues to improve its corporate governance system, strictly manages and controls compliance risks, resolutely adheres to business ethics standards, comprehensively implements the sustainable development strategy, strengthens information security safeguards, continuously enhances its risk resilience and governance efficiency, and builds a robust, transparent, and responsible ESG governance framework. It is committed to creating sustainable long-term value for all stakeholders.






Corresponding Chapter Smart Connectivity Drives Innovation, Ushering in a New Era

UN SDGs     
 

UN SDGs Response We always place customers at the core, continuously optimizing service experiences, accelerating the pace of R&D iterations, and advancing digital and intelligent transformation in depth. We are committed to establishing intelligent and efficient production lines, upholding our promise of craftsmanship quality, and reinforcing safety production defenses. By enhancing product quality and operational efficiency in all aspects, we strive to create greater value for our customers.







Corresponding Chapter Ecological Synergy Fuels, Shouldering the New Mission of the Times

UN SDGs     
 




UN SDGs Response We adhere to compliant and environmentally friendly operations, comprehensively promoting the construction of green factories, and actively responding to the challenges of climate change. We integrate low-carbon principles throughout the entire operational chain, continuously optimizing resource utilization and environmental management. We are dedicated to forging a green value chain and driving collaborative emission reductions across the entire industrial chain, contributing our efforts towards achieving a sustainable future.

Corresponding Chapter Empowering Employees, Gathering New Momentum for the Team

UN SDGs    

UN SDGs Response We consistently adhere to a people-oriented approach, fully safeguarding the rights and interests of our employees and fostering a diverse and caring workplace environment. By refining our training systems and expanding career development pathways, we support the growth of our employees. We prioritize health and safety, creating a warm and inclusive work atmosphere that continuously enhances employee well-being and team cohesion.

Corresponding Chapter Co-existence and Mutual Benefit, Building a Beautiful New Landscape

UN SDGs   

UN SDGs Response We are committed to continuously strengthening responsible supply chain management, practicing sustainable procurement, enhancing risk control, and promoting the green transformation of our supply chain. We actively integrate into the industry ecosystem, sharing development experiences and facilitating collaborative industrial upgrading. Meanwhile, we take the initiative to engage in social welfare initiatives, fulfilling our corporate citizenship responsibilities and giving back to society with practical actions to create shared value.

01

Advancing Governance with Leadership Building a New Vision of Growth



• Our Actions

- Improving Corporate Governance
- Strictly Controlling Compliance Risks
- Upholding Business Ethics
- Implementing Sustainable Development
- Ensuring Information Security

• Our Performance

- The Company has disclosed **160** announcements, including **4** regular reports and **156** temporary announcements.
- The proportion of female members on the board is **40 %**

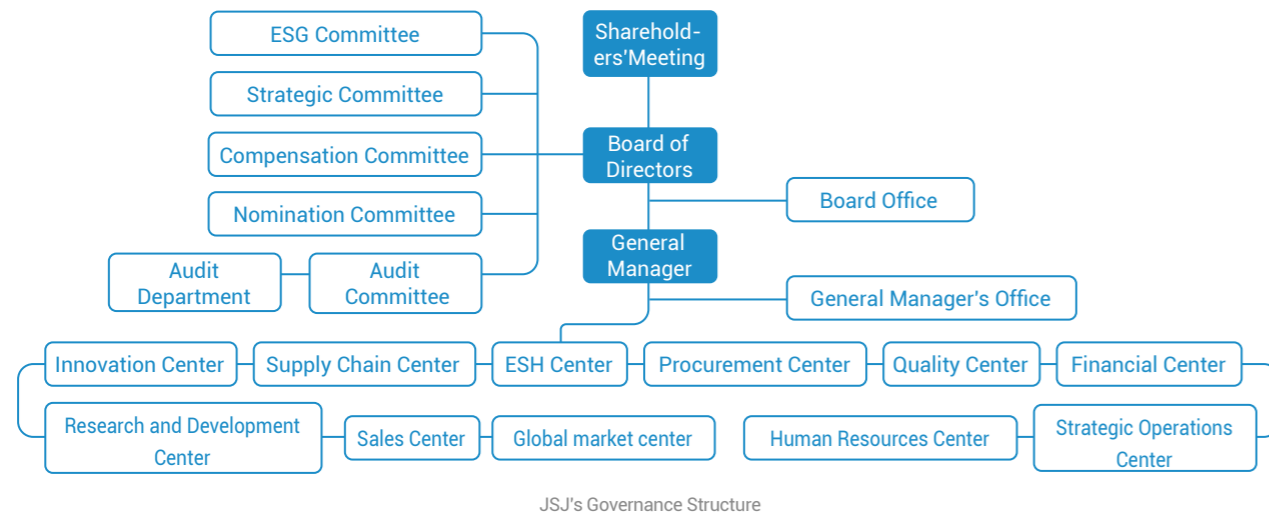


Improving Corporate Governance

JSJ has consistently advanced the development of its corporate governance system with high standards, strictly complying with applicable laws, regulations, and supervisory requirements, including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines on the Governance of Listed Companies, the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange, and the Guidelines for the Standardized Operation of Listed Companies on the ChiNext Market of Shenzhen Stock Exchange. We continuously optimize our governance structure and enhance governance effectiveness, deepening our practices in board diversity, investor rights protection, and information disclosure to lay a solid governance foundation for our sustainable development.

Governance Structure

During the reporting period, in accordance with the latest regulatory requirements such as the Company Law of the People's Republic of China, the Guidelines for the Articles of Association of Listed Companies, and the Transitional Arrangements for the Implementation of Supporting Institutional Rules under the New Company Law, we systematically advanced institutional development based on our actual business needs. In 2025, we revised 14 internal policies, newly established 16, and abolished 2, further refining a governance structure characterized by clear architecture and well-defined responsibilities. Through the dynamic improvement of our institutional framework, we continuously enhance our operational management and risk control capabilities, effectively safeguard shareholders' rights, drive sustained value creation, and ensure stable, high-quality, and long-term growth.



During the reporting period, the Company held

5 shareholders' meetings	10 board meetings	6 supervisory board meetings	6 audit committee meetings
2 compensation & appraisal committee meeting	2 nomination committee meeting	2 Strategy Committee meetings	2 independent directors' special meeting

Board Diversity

JSJ recognizes board diversity as a fundamental driver of its sustainable development. The Company implements a board rotation process every three years, with nominations undergoing a strict selection process. Key factors such as industry experience, professional expertise, educational and cultural background, age, gender, and other diversity elements are considered when electing board members to ensure that our board collectively brings broad, complementary perspectives and strong decision-making capabilities.

Our current board members possess deep expertise in areas such as silica materials, toothpaste, and corporate strategic planning, as well as solid competencies in enterprise management, financial oversight, and capital market operations. This diversity of background fosters multidimensional thinking and constructive dialogue, significantly enhancing the scientific rigor and forward-looking nature of our strategic decisions. Through inclusive governance, we strengthen our capacity for innovation and ensure resilient, long-term growth.



Investor Rights Protection

Investor Communication

JSJ maintains open and constructive dialogue with our investors. Through multiple channels including an investor hotline, dedicated email address, on-site visits, and online roadshows, we actively listen to investor needs and promptly respond to their inquiries regarding our operational performance and strategic development. Our communication process is structured as follows:

The Investor Relations team, under the Board Office, engages with investors through email, telephone, and in-person meetings. JSJ proactively coordinates internal resources and flexibly arranges virtual or face-to-face meetings based on investor needs, ensuring efficient and accessible communication.

During engagement sessions, the Secretary to the Board or designated personnel serve as the primary points of contact, providing comprehensive information on the Company's history, core products, technological advantages, and market applications. Interactive question and answer sessions are conducted on key topics such as financial performance, research and development activities, operational results, current developments, and future strategic plans.

Case On-Site Investor Visits

JSJ has hosted multiple on-site investor visits, during which participants are guided through the production facilities and presented with an overview of the Company's development journey, business operations, innovation initiatives, ESG achievements, and future roadmap. These visits enhance transparency, strengthen investor confidence, and foster deeper alignment between investor perspectives and the Company's long-term strategy.

Information Disclosure

JSJ has consistently regarded the protection of investor rights as a core component of corporate governance. The Company strictly complies with regulatory requirements such as the Management Measures for Information Disclosure of Listed Companies, and fully fulfills its obligations to disclose information in a timely, truthful, accurate, and complete manner. Through a transparent and standardized information disclosure mechanism, JSJ ensures that all investors have equal access to material information regarding the Company's operations and governance.

The primary platform for information disclosure is Juchao Information Network (<http://www.cninfo.com.cn>), where the Company regularly publishes official announcements, financial indicators, corporate policies, periodic reports, and corporate profiles. In addition, material disclosures are simultaneously published in authoritative financial media, including Securities Times, China Securities Journal and Shanghai Securities News, to broaden the reach of information and enhance public accessibility.

During the Reporting Period

The Company has disclosed a total of **160** announcements, including **4** regular reports and **156** temporary announcements.



Strictly Controlling Compliance Risks

Internal Control Construction

JSJ has consistently regarded a sound risk management system as a key enabler of sustainable development. We continue to strengthen our internal control framework and enhance the oversight function of auditing, with the aim of preventing and mitigating various compliance risks and improving governance effectiveness.

In accordance with the Notice on Strengthening Internal Control Construction for Listed and Pre-listed Enterprises and Advancing Internal Control Evaluation and Audit (Finance Accounting [2023] No. 30) issued by the Ministry of Finance, we have continuously optimized our Internal Audit Charter, refined internal control standards and processes, and further solidified the institutional foundation for effective governance.

To strengthen the implementation of audit outcomes, JSJ formally issued the Management System for Audit Findings and Rectification Implementation in February 2025. This system clearly defines the types of audit actions, approval authorities, and procedural requirements, and emphasizes the responsibility of audited departments as the primary parties accountable for rectification. These departments are required to regularly report progress and implementation status to the Audit Department. In addition, the introduction of the Corporate Culture Development System has clarified our core values: customer-centricity, innovation-driven growth, long-term dedication, and continuous self-critique. The system also established mechanisms such as executive dialogues and regular general manager forums, laying a strong foundation for a healthy governance environment.

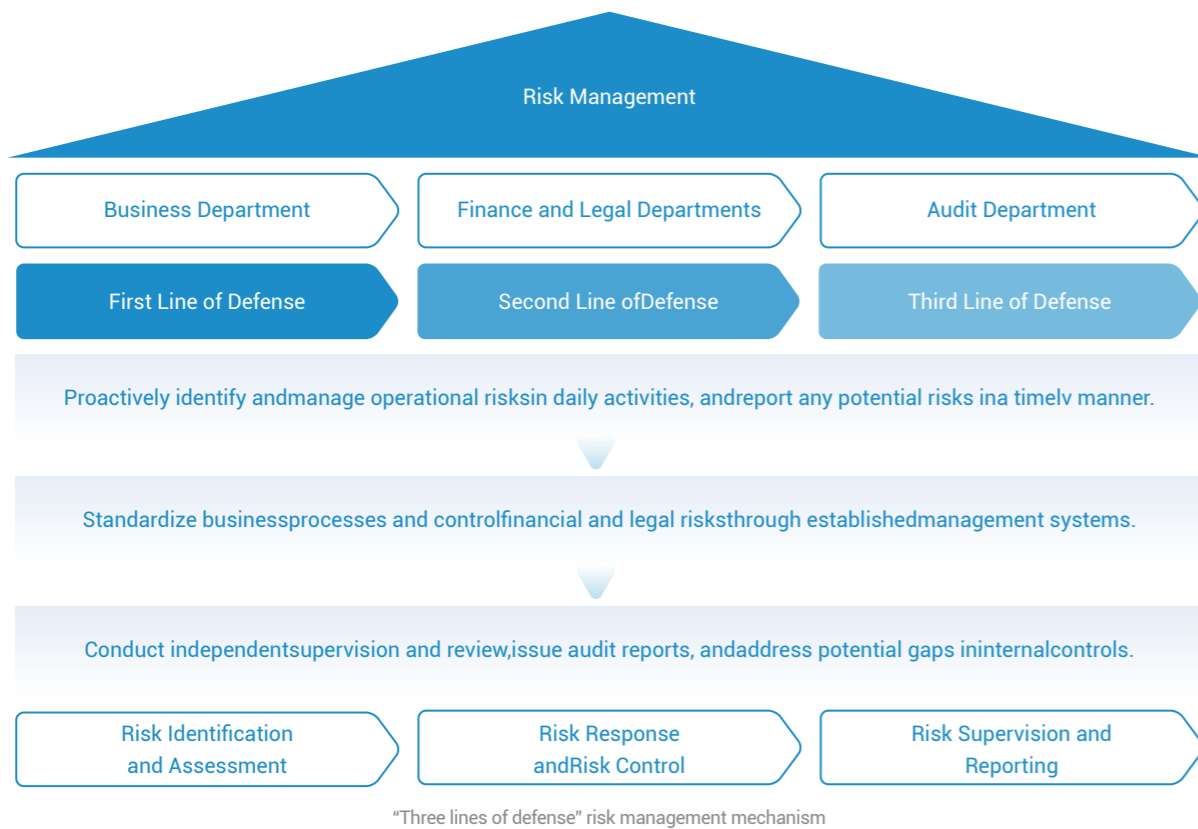
During the reporting period, we conducted multiple special audits focusing on key business areas such as procurement, logistics, and production planning. Practical improvement recommendations were provided for identified issues, driving management closure and operational efficiency. Meanwhile, we actively organized internal audit training sessions to promote understanding of audit procedures and compliance requirements, enhancing employees' awareness of internal controls and strengthening overall risk and compliance consciousness across the organization.

Internal Audit Training Case

On March 13, 2025, JSJ conducted a specialized training session on the Management System for Audit Findings and Rectification Implementation, targeting all employees at the associate level and above. The session covered principles of disciplinary actions based on audit results, approval workflows, and management requirements for rectification implementation. A post-training assessment was conducted to evaluate learning outcomes. The training effectively enhanced employees' risk management awareness and reinforced the foundation for effective enforcement of our internal control systems, supporting our stable and sound operations.

Three Lines of Defense

In 2025, JSJ continued to advance the construction of our "Three Lines of Defense" risk management framework. The first line of defense consists of business departments, which proactively identify and manage operational risks in daily activities and report any potential risks in a timely manner. The second line of defense is fulfilled by the Finance and Legal departments, which have comprehensively upgraded the Accounts Receivable Management Policy, the Contract Management Policy, and other related policies from a global perspective, in order to standardize the details of business transactions for both the Company and its subsidiaries. The third line of defense is carried out by the Audit Department, which independently conducts supervision and review, issues audit reports, and identifies potential gaps in internal controls. Through clearly defined responsibilities and close collaboration across departments, the three lines work together as an integrated mechanism to safeguard our compliant and resilient operations.



Upholding Business Ethics

JSJ strictly complies with the Anti-Monopoly Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Interim Provisions on Prohibiting Business Bribery, and other relevant laws and regulations, and continues to strengthen the construction of a compliance-based operating system. We have established and implemented internal regulations such as the Management System for Cadres, which clearly defines prohibited acts including commercial bribery, improper transfer of benefits, unauthorized solicitation or acceptance of benefits, and conflicts of interest, and specifies corresponding accountability and disciplinary mechanisms.

We maintain a zero-tolerance policy toward any form of commercial bribery, money laundering, or unfair competition. The Management System for Audit Findings and Rectification Implementation has been issued to formalize the handling process: if an employee is found to have engaged in acts such as commercial bribery, the Audit Department may, upon approval by the Executive Management Team (EMT) meeting, issue disciplinary actions including serious demerit, demotion, salary reduction, termination of employment contract, and claims for economic compensation. In severe cases, the matter will be referred to judicial authorities for legal prosecution.

Anti-Bribery

JSJ has formulated and updated multiple internal regulations, including the Management System for Cadre Organizational Capability and Work Quality and the Logistics Management System, further clarifying cadre management, supervisory pathways, responsibility allocation, and operational procedures. The Audit Department strictly follows established protocols to conduct regular reviews and investigations into potential violations, strengthening oversight and control mechanisms. In 2025, no legal cases arising from fraud or corruption were recorded, reflecting the continued reinforcement of our culture of integrity.

Anti-Money Laundering

JSJ strictly complies with the Anti-Money Laundering Law of the People's Republic of China and continuously improves internal compliance mechanisms to ensure that all business operations are conducted in accordance with the law. The Company actively enhances communication and collaboration with law enforcement agencies, regulatory authorities, and financial industry partners. We have organized anti-money laundering training sessions for employees in the Finance Center to deepen their understanding and strengthen their ability to implement anti-money laundering requirements, ensuring that related policies are effectively executed and deliver tangible results.

Anti-Unfair Competition

JSJ strictly adheres to the Anti-Unfair Competition Law of the People's Republic of China and other relevant laws and regulations, and firmly prohibits misleading advertising, commercial bribery, market confusion, and other unfair practices. We do not seek competitive advantage through consumer deception or the misappropriation of others' trade secrets. In 2025, the Company was not involved in any legal proceedings related to unfair competition or monopolistic behavior, maintaining an excellent compliance record.

Case Integrity Training

Integrity in professional conduct is a cornerstone of JSJ's compliance system. On July 11, 2025, the Company organized a specialized training session themed "Integrity as the Foundation, Law as the Guideline – Building a New Order in Corporate Management". The session systematically explained the meaning and boundaries of integrity discipline, clarified the legal and disciplinary consequences of violations, and conducted an in-depth analysis of typical misconduct cases. It also defined clear behavioral guidelines and implementation rules for maintaining integrity at work.

Through case-based legal education and law-driven integrity promotion, the training further strengthened employees' awareness of discipline and bottom-line thinking. It helped embed a culture of integrity into daily operations and established a solid ideological foundation for the Company's healthy and sustainable development.



Integrity Training Session

Supervision Channels and Cadre Supervision Mechanisms

Cadre Supervision Email ➔ A dedicated email box (ts@jsjgcl.com) has been established. All employees may report suspected violations or abnormal behaviors of company cadres via email, to promptly expose and correct improper conduct by cadres. The email box is personally managed and checked by the General Manager.

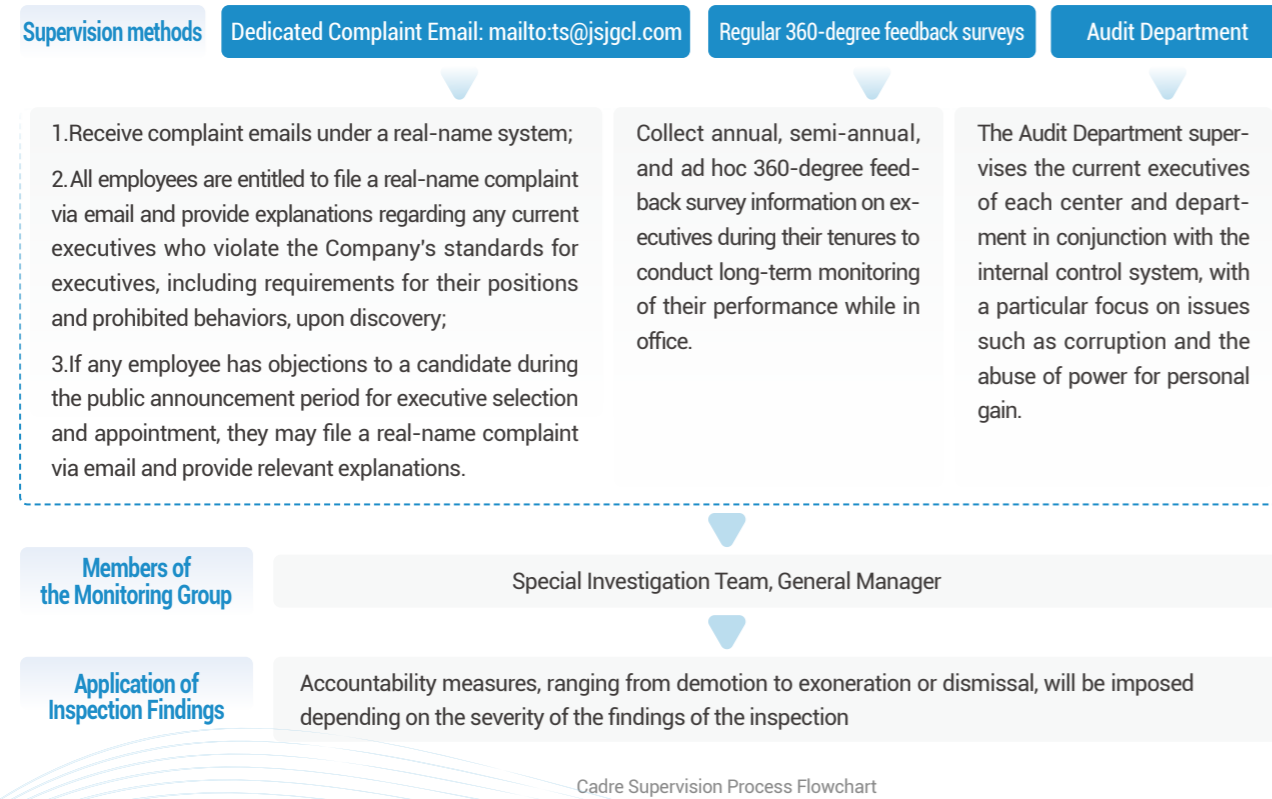
Special Investigation Team ➔ Assists the General Manager in responsibilities such as recording, auditing, analyzing, determining liability, imposing penalties, and providing rewards for reported incidents; supervises the conduct of cadres across all centers.

Human Resources Center ➔ Conducts periodic 360-degree evaluations on cadre supervision, and assists the General Manager in supervising cadres and handling violations.

General Manager ➔ Approves the results of cadre supervision.

Audit Department ➔ Conducts supervision and inspection on the daily conduct of cadres in all centers.

Decisions on violations or abnormal situations involving company cadres shall be jointly determined by the Special Investigation Team and the General Manager.



Whistleblower Protection Mechanism

JSJ places high importance on the protection of whistleblowers and continues to strengthen related safeguards. We strictly adhere to confidentiality requirements, and all relevant departments are required to implement full-process confidentiality management of whistleblower information. Under no circumstances will any personally identifiable information be disclosed or leaked without the whistleblower's consent.

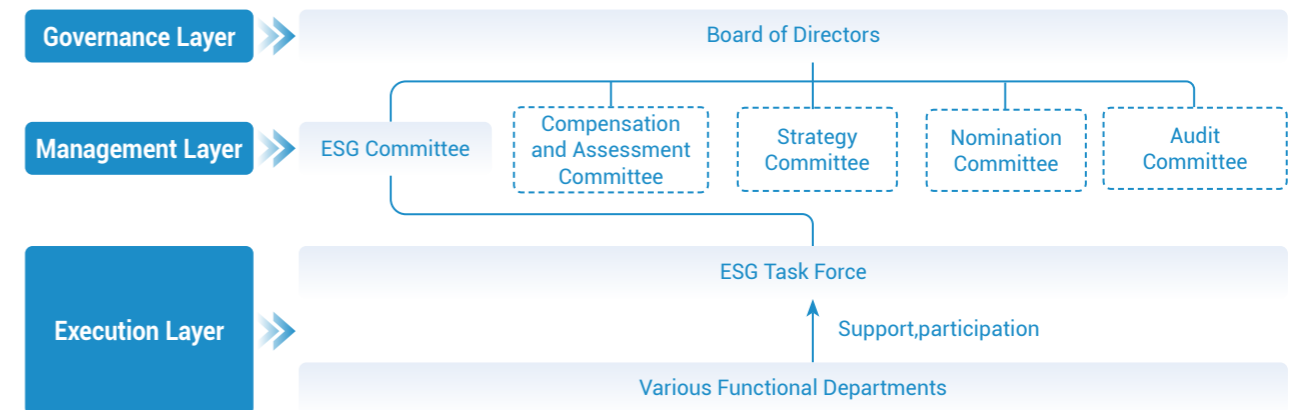
We strictly prohibit any form of discrimination, suppression, or retaliation against whistleblowers. The Company is committed to protecting their legitimate rights and interests, fostering a safe and trustworthy supervisory environment, and promoting the effective and sustainable operation of our internal oversight mechanisms.

Implementing Sustainable Development

JSJ views ESG as the cornerstone supporting high-quality corporate development. The Company continuously improves its ESG governance structure and management system, and is committed to achieving a synergistic relationship between sustainable development and business value growth. At the same time, the Company attaches great importance to the expectations of various stakeholders, actively responds to their concerns, and works together with a wide range of stakeholders to advance the green and low-carbon transition, steadily moving towards the "net zero emissions" goal.

Sustainable Development Governance

JSJ has established a three-level ESG governance structure covering the corporate governance level, management level, and execution level. The Board of Directors serves as the highest decision-making body. The ESG Committee coordinates the Company's ESG initiatives, and the ESG Specialized Team is responsible for implementation. With support and participation from functional departments, ESG actions are effectively carried out. Through a clear, well-defined, scientifically managed, and efficient ESG governance structure, the Company ensures that its ESG practices consistently align with the sustainable development concepts and objectives set internally.



Board of Directors

- Reviews proposals submitted by the ESG Committee and makes final decisions on ESG-related objectives and material topics.
- Oversees the review and approval of JSJ's annual ESG report to ensure its accuracy, completeness, and strategic alignment.

ESG Committee

- Conducts research on sustainable development trends and relevant ESG regulations, and provides recommendations to senior management.
- Identifies environmental, social, and governance impacts, risks, and opportunities, and guides management in developing appropriate response strategies.
- Studies, analyzes, and evaluates ESG-related initiatives, and proposes an ESG management framework, operational mechanisms, and strategic plans that align with JSJ's actual circumstances.
- Promotes enhanced communication between the Company and its stakeholders on material ESG matters.
- Monitors progress toward achieving established ESG goals, and regularly reviews the implementation of ESG policies and the execution of related tasks.
- Holds meetings to discuss and deliberate on action plans submitted by the ESG Specialized Team, communicates the outcomes to the Board of Directors, and provides feedback to the ESG Specialized Team.
- Reviews the draft ESG report and submits it to the Board for final approval.

ESG Specialized Team and Functional Departments

- The ESG Specialized Team drives the implementation of ESG objectives across relevant departments, organizes training sessions, and tracks policy developments.
- The team collects and consolidates ESG data, and leads the preparation of the annual ESG report.
- Functional departments are responsible for executing specific ESG projects and ensuring their effective implementation, while actively supporting the work of the ESG Specialized Team.

JSJ's proposed ESG governance structure and responsibilities

Stakeholder Communication

JSJ communicates deeply with stakeholders through multiple channels such as on-site research, interviews, and questionnaires, listens to the specific issues and demands that stakeholders are practically concerned about in terms of ESG, and responds to them in a timely manner.

Stakeholder Group	Communication Content	Communication Channels	Communication and Response Methods
Regulatory Bodies/Government Departments	Lawful Operation Tax Payment Energy Saving and Emission Reduction	Information Submission Visits Reception Government-Enterprise Meetings	Lawful and Compliant Operation On-time and Full Tax Payment Production of Green Products
Shareholders and Investors	Investment Returns Rights Protection Information Transparency Risk Control	Shareholders' Meeting Performance Explanation Meeting Investor Activities Company Website Hotline	Business Growth Corporate Governance Information Disclosure Internal Control Processes
Customers	Product Quality Product Innovation Service Experience Rights Protection	Hotline Email Customer Satisfaction Survey Customer Meetings	Quality Control R&D Investment Customized Solutions Customer Feedback Integrity and Anti-Corruption Employee Well-Being Green Operations
Employees	Employee Rights Career Development Salary and Benefits Health and Safety	Employee Activities General Manager Communication Email Internal Meetings WeChat Groups	Compliance Employment Employee Training and Advancement Opportunities Salary and Benefits Safety
Suppliers and Partners	Business Ethics Product Quality and Safety Fair Bidding Long-term Cooperation	On-site Inspection Supplier Audit Offline/Online Meetings	Supplier Management System On-site Factory Audit Project Procurement Supplier ESG Evaluation
Media	Environmental Protection Corporate Social Responsibility Compliant Operation	Media Interviews Public Information Disclosure	Green Products Public Welfare Activities Corporate Governance
Community and Public	Support for Social Welfare Protection of Natural Environment	Public Information Disclosure Community Activities	Public Welfare Activities Green Products

Analysis of Material Issues

During the reporting period, the Company reviewed and reflected on the results of stakeholder engagement and materiality analysis in light of its annual focus areas. It carefully assessed the rationality of the stakeholder communication process and the determination of material issues, and conducted a reasonable evaluation of the need for changes to the 2025 Material Issues. The assessment results show that the determination of the Company's Material Issues for 2025 remains consistent with the previous year. The identification of Material Issues provides strong support and directional guidance for the Company's ESG decision-making and implementation of actions.

Business Background Understanding and Stakeholder Identification

Gain an understanding of the Company's internal activities, business relationships, and external objective environment factors, comprehensively covering the upstream and downstream of the Company's value chain activities. Sort out the applicable sustainable development regulations and statutes as well as the key stakeholders mainly affected.

Issue Identification and Screening

Refer to the Global Reporting Initiative (GRI) Standards of the Global Sustainability Standards Board (GSSB), the United Nations Sustainable Development Goals (UN SDGs), and the Guidelines for the Preparation of Sustainability Reports of Listed Companies on the A-share Market. Combine policy analysis and peer benchmarking to preliminarily determine a series of important issues and use them as the basis for stakeholder assessment.

Issue Importance Assessment

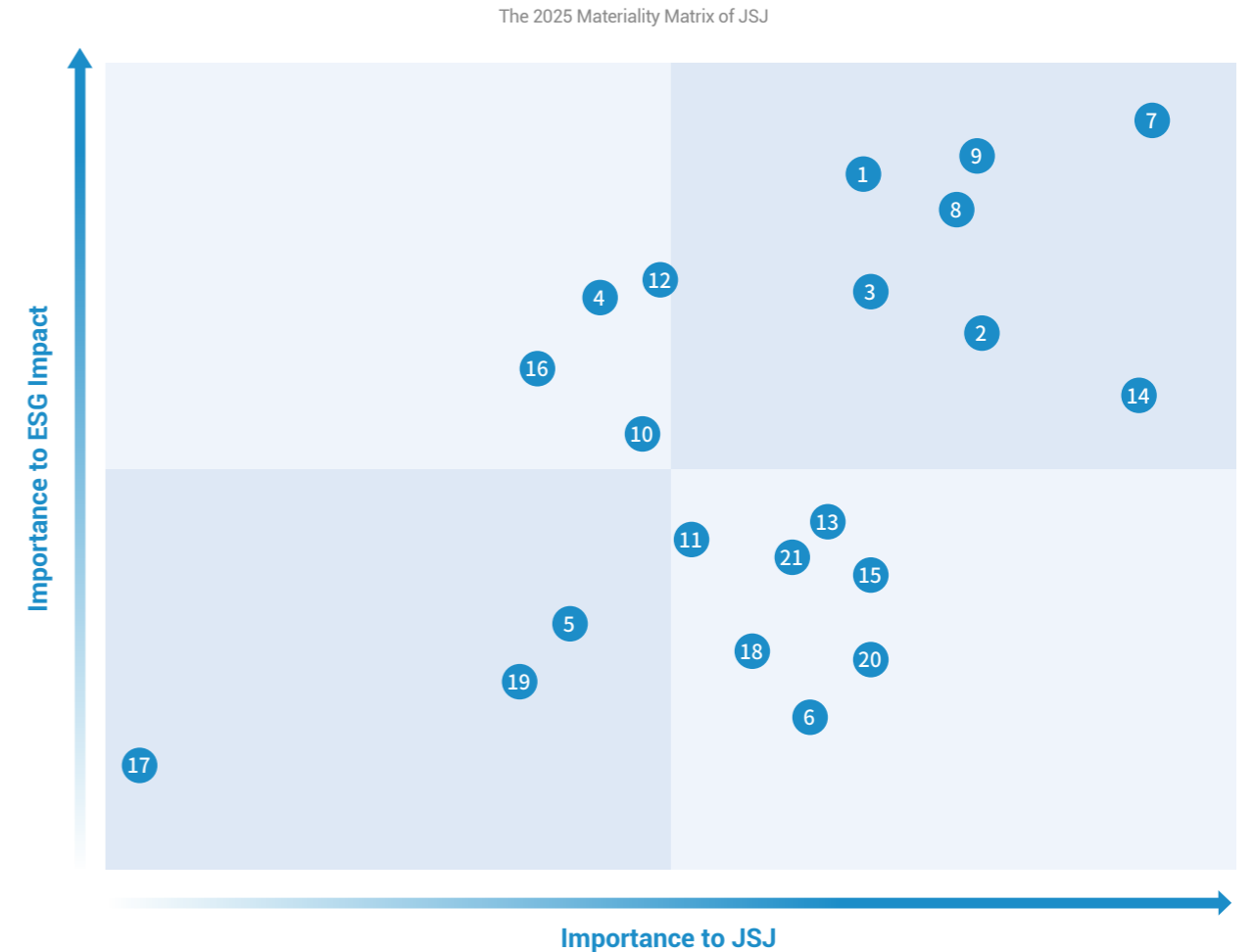
Conduct online surveys to understand the viewpoints of various stakeholders on important environmental, social, and governance issues that should be primarily considered by JSJ. Conduct in-depth interviews with representatives of selected stakeholder groups to further collect their viewpoints on environmental, social, and governance issues related to the Company. Based on the stakeholder research results, assess the importance of issues to internal and external stakeholders of the Company and preliminarily determine the ranking of issue importance.

Issue Confirmation and Disclosure

Verify the priority of each issue with JSJ's management, finalize the double materiality issue matrix, and disclose and report the matrix.

Process of identifying issues of importance on the JSJ Matrix

2025, the Company identified a total of 21 Material Issues, including 6 environmental issues, 11 social issues, and 4 governance issues.



Environmental

- ①. Green Operations
- ②. Energy Management
- ③. Emissions and Waste Management
- ④. Water Management
- ⑤. Climate Change
- ⑥. Biodiversity

Social

- ⑦. Product Quality and Safety
- ⑧. Technology Innovation and R&D
- ⑨. Employee Safety
- ⑩. Employee Rights
- ⑪. Employee Development
- ⑫. Employee Care
- ⑬. Diversity, Inclusion and Equality
- ⑭. Customer Benefits
- ⑮. Supply Chain Management
- ⑯. Chemical Safety
- ⑰. Social welfare

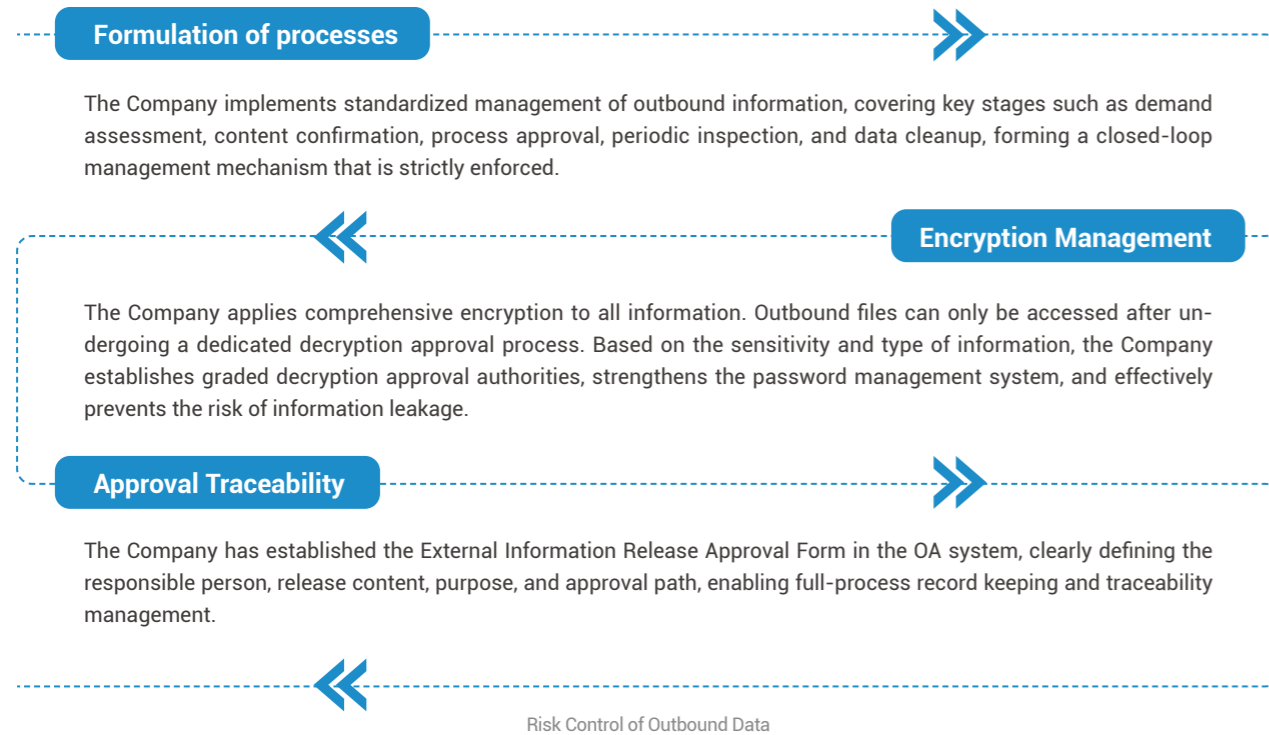
Governance

- ⑱. Business Ethics
- ⑲. Information Security
- ⑳. ESG Governance
- ㉑. Corporate governance

Ensuring Information Security

JSJ strictly complies with laws and regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Personal Information Protection Law of the People's Republic of China. The Company places high importance on the information security of customers, suppliers, and employees, and actively protects sensitive information belonging to customers, suppliers, and employees.

At the same time, the Company has established the Management System for Information Outbound Transmission, which implements classified and graded management of information assets and clearly defines the approval process and responsibility requirements for file external transmission. This system operates in coordination with the enterprise encryption system, forming a multi-layered information protection mechanism that effectively reduces the risk of data leakage and comprehensively enhances the Company's information security control capabilities.



Information System Security Protection and Incident Response

To ensure the continuous and stable operation of information systems and support the efficient development of digital business, the Company has built a comprehensive security system covering network architecture, data protection, access control, and emergency response. Through the dual drivers of technical measures and management mechanisms, the Company continuously strengthens system resilience and risk response capabilities, ensuring the confidentiality, integrity, and availability of critical business data.

Based on this, the Company implements a series of standardized and traceable measures to effectively strengthen the defense line of information security.

Data Backup Management

The Company has installed a dedicated Network Attached Storage (NAS) system on-site to back up files from the Manufacturing Execution System. A full backup is performed once daily to ensure production data is traceable and recoverable. At the same time, the Company implements cloud-based backup for the Office Automation (OA) system on the Huawei Cloud platform, executing a differential backup strategy every night to accurately capture daily data changes and ensure real-time data updates. Before any system change or upgrade, a complete backup process must be completed to fully preserve system data, effectively supporting business continuity.

Network Security Protection

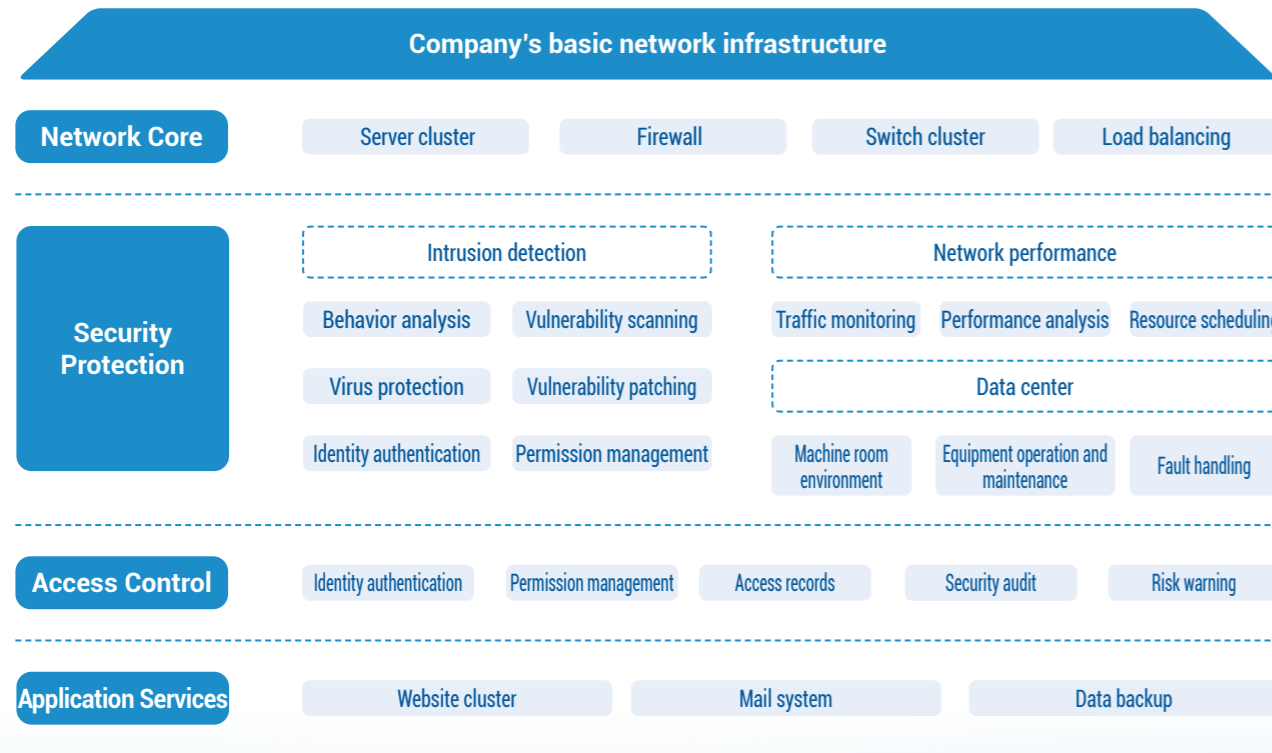
The Company enables host security policies on cloud-based OA servers, blocks unnecessary external ports, and deploys gateway firewalls at the local network entry point. Virus databases are updated regularly to reduce exposure risks at the network entry layer. In addition, AirTight anti-virus software is installed on servers to strengthen detection and defense against malicious programs, building a coordinated "platform + endpoint" protection system.

Access and Permission Control

The data server room implements an access control system, allowing entry only to key technical personnel and preventing unauthorized access. Employees sign confidentiality agreements upon onboarding, clearly defining their information security responsibilities. Confidentiality obligations are also reinforced for personnel in key positions. System accounts are regularly reviewed and audited to prevent misuse of permissions, ensuring critical information is under dual control at both the permission and access levels.

Security Incident Response

The Company has established a robust mechanism for responding to cybersecurity attacks. In response to a ransomware attack on the OA system, the technical team quickly identified the root cause as a vulnerability in the mobile client of the encryption software. The team immediately completed patch updates, deployed server-side anti-virus defense functions, and implemented distributed deployment of the OA application, separating the application server from the database server. The application server now accesses the database through a designated path, eliminating the risk of network attacks.



JSJ's Basic Network Architecture

Information Security Awareness and Collaborative Management

To enhance employees' awareness of information security, the Company organized multiple specialized training sessions on data security and privacy protection in 2025, promoting fundamental information security knowledge to all employees and improving their ability to properly handle information security matters. For information leakage incidents caused by individual misconduct, the Company will impose corresponding disciplinary actions based on the nature and impact of the incident.

At the same time, to strengthen information security management among suppliers, the Company has established clear requirements through confidentiality agreements and regular supplier evaluations, effectively mitigating data risks in external collaborations and building a secure and trustworthy cooperative ecosystem.

Case Cybersecurity Training for New Employees

In 2025, the Company continued to strengthen source-level information security management by providing systematic IT training to all new employees, with a focus on enhancing information security awareness and standardized operating capabilities. The training thoroughly covers clauses on data confidentiality responsibilities, security standards for office equipment usage, and emergency response procedures for security incidents, helping new employees establish a strong security mindset from day one.

At the same time, all new employees are required to sign confidentiality agreements, ensuring information security responsibilities are assigned to specific roles and individuals. Through this systematic onboarding training, the Company not only improves new employees' IT application skills but also integrates security culture into the very beginning of their careers, laying a solid foundation for the secure and stable operation of the Company's information systems.



02

Smart Connectivity Drives, Innovation Ushers in a New Era



• Our Actions

- Focus on Customer Service
- Accelerating R&D Iteration
- Building Intelligent Production Lines
- Adhering to Craftsmanship Quality
- Safeguarding Production Safety

• Our Performance

- **100%** of customer complaints resolved by 2025
- R&D expenditure of **17,657,300** yuan, with **53** R&D staff
- **3** invention patents were granted during the year, bringing the total number of granted patents to **135**, including one international invention patent
- **5** new registered trademarks obtained during the year, bringing the total number of intellectual property rights to **156**
- The Company's ISO 9001 quality management system certification covers **100%** of its business operations

Focus on Customer Service

JSJ has always taken customer demand as the core orientation for enterprise development. Adhering to the service philosophy of "customer first, pursuit of excellence," we continuously create value by establishing a full-life-cycle service system. We have set up a dynamic demand response mechanism to tailor solutions for different industry scenarios. We value customer demands and feedback, practice responsible marketing, and strive to safeguard customer rights and enhance customer experience and satisfaction.

Customer-Centric Approach

The Company has always placed customer health and safety at the strategic core. By establishing a four-in-one service model integrating "customized solutions + professional management system (CRM) + scientific service system + efficient response mechanism," we continuously improve customer experience satisfaction and fully implement a "customer-centric" approach.

Customer Health and Safety

JSJ firmly operates under the ISO 22000:2018 Food Safety Management System and the ISO 9001:2015 Quality Management System, using these dual systems as the cornerstone to establish a standardized control network that covers the entire process from research and development, raw materials procurement, production, inspection, to delivery. Leveraging over two decades of expertise in precipitation process technology and automated intelligent monitoring, the Company precisely controls product purity, microbial, and heavy metal indicators. Meanwhile, with continuous research and innovation as its driving force and customer needs as its starting point, JSJ consistently introduces safer, more stable, and better-suited customized products, thereby building a comprehensive safety barrier and effectively safeguarding the health and safety of end consumers.

Customer Satisfaction

Tailoring Solutions Based on Needs

JSJ builds a full-chain service system based on in-depth demand insight. By precisely matching customers' individualized needs, we continuously create measurable business value and expand our product lines and business scope.

Full Value Chain Demand Insight System: We have established a cross-departmental collaborative demand management mechanism. Through regular interaction among the market, R&D, production, and sales teams, and relying on regular customer visits, industry trend analysis, and big data analysis tools, we systematically explore customers' explicit needs to ensure that our products and services highly align with their actual requirements and respond efficiently to customer demands.

Individualized Solution Development Capability: As the "exclusive designer" for our customers, based on our understanding of customer needs and industries, we significantly shorten the customer development cycle through a multi-departmental concurrent engineering mechanism, enabling faster entry into the R&D phase and cycle. We develop high-value-added products that meet market and customer demands and tailor customized product and service solutions for our customers.

Closed-Loop Quality Assurance System: We promptly handle customer feedback and accurately convey customer issues to the factory to ensure understanding and analysis of the problems and the formulation of exclusive solutions.

Multi-Dimensional Customer Empowerment Platform: We establish an integrated "online + offline" training program to help customers master product applications and enhance their user experience.

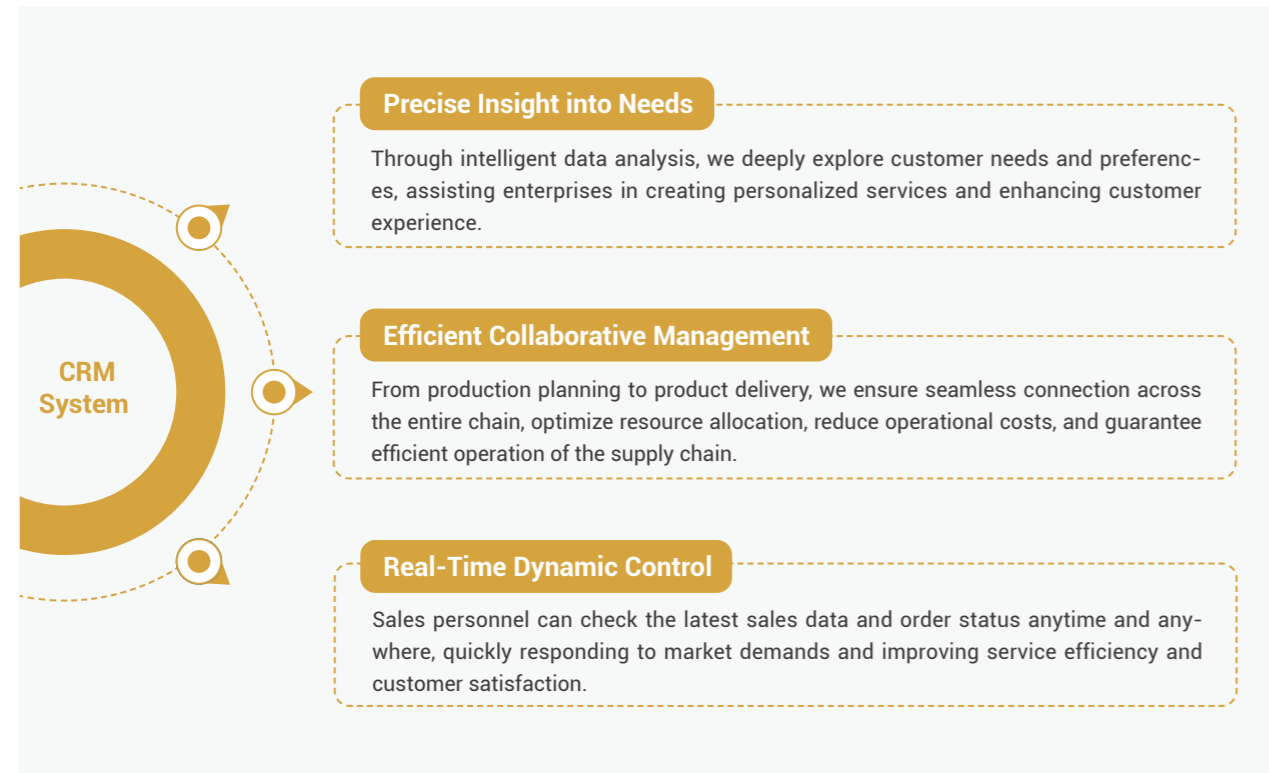
Case Empowering Customers with Professional Services - JSJ Launches Specialized Product Training

In May 2025, JSJ officially launched specialized silica product training covering all business lines, focusing on core application areas such as batteries, food, pharmaceuticals, cosmetics, oral care, and silicone rubber, to systematically enhance the professional service capabilities of our market and sales teams. This training, supported by R&D expertise, breaks down information barriers between technology and the market, providing in-depth explanations of the performance characteristics, application scenarios, and competitive advantages of various product series, and facilitating the efficient translation of technical language into customer communication language. Through cross-departmental interaction and case studies, the team further strengthened its understanding of customer needs, enabling more precise provision of customized solutions and enhancing response speed and service professionalism.



Enhancing Experience through Systems

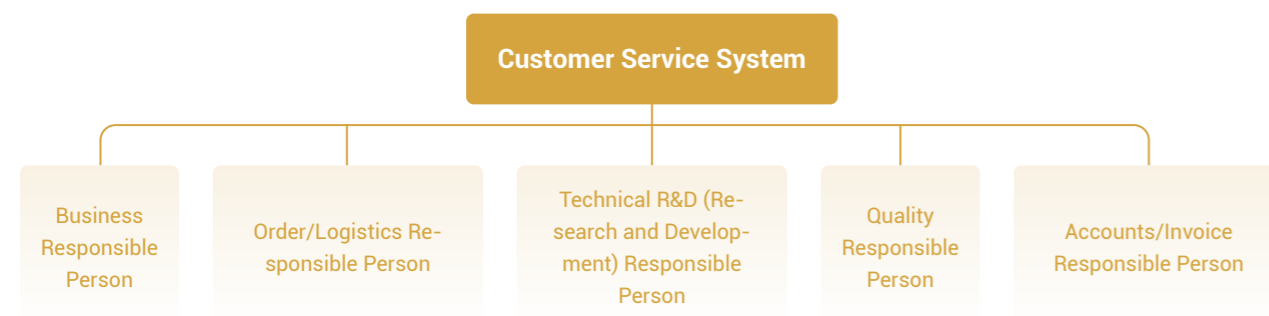
The Company relies on the Customer Relationship Management (CRM) system to continuously improve customer experience.



Introduction to CRM System Functions

Promoting Services through Systems

JSJ has formulated the Incentive Management System for the Sales Center. An efficient and collaborative customer service organizational system serves as the guarantee for us to provide high-quality services to our customers.



Customer Service Organizational System

Perfected Customer Complaint Management

JSJ has established the Regulations on Handling Customer Complaints and the Management System for Customer Complaint Incidents. The Quality Center coordinates and implements standardized management across all business units to ensure that customer demands receive professional responses within a closed-loop process.

During the Reporting Period

the Company further improved its customer complaint evaluation, analysis, and improvement system. Each month and quarter, the heads of product lines take the lead in organizing relevant departments to analyze complaint data, summarizing complaint types, high-incidence areas, handling effects, etc. Based on the analysis results, the root causes of problems are identified, and improvement measures such as optimizing product design, improving service processes, and strengthening employee training are formulated and tracked for implementation to prevent similar complaints from recurring.

Establishment of the "Zero Customer Complaint Team"

To achieve the goal of "zero customer complaints," the Company has established a "Zero Customer Complaint Team" composed of members from the Sales Center, Production Department, R&D (Research and Development) Center, and Quality Center. This team is specifically responsible for resolving customer complaints. After the establishment of the "Zero Customer Complaint Team," dedicated personnel are tasked with tracing and analyzing the causes of customer complaints, investigating and resolving quality hazards, thereby eliminating potential quality risks.



Satisfaction Survey Mechanism

JSJ has established a customer satisfaction survey mechanism to accurately capture customer demands from three major dimensions: product quality, delivery timeliness, and after-sales service. Feedback from domestic customers is summarized quarterly, while surveys for foreign customers are conducted semi-annually. By formulating a survey mechanism, we ensure that the samples cover the core customer base and are representative. During the reporting period, the Company incorporated customer service quality and satisfaction-related KPIs into the monthly performance assessment of sales personnel and set a target of customer satisfaction not lower than 98 points.

We attach great importance to every piece of customer advice and, through the customer service organizational system, precisely respond to customers' specific requirements regarding product technology and delivery services.

Case Quality Forum and Customer Complaint Prevention Management Seminar

To systematically address the pain points in cross-departmental quality control, JSJ organized a Quality Forum and Customer Complaint Prevention Management Seminar on December 30, 2025. The event focused on in-depth reviews of customer complaint cases and the establishment of collaborative optimization mechanisms, driving the transformation of quality management from "remedial actions after the fact" to "proactive prevention beforehand."

The seminar adopted a format of "case analysis + roundtable discussions." Led by the Quality Center and involving key departments such as the Supply Chain Center, Procurement Center, Marketing Center, and R&D Innovation Center, a comprehensive process tracing analysis was conducted around typical customer complaint cases.

Through this cross-departmental special discussion, the participating teams successfully broke down information silos and collaboration barriers between departments. They conducted full-process tracing analyses on typical customer complaint issues and jointly formulated improvement plans, significantly enhancing cross-functional collaboration efficiency. Simultaneously, the direction for strategic upgrading of quality management was established, shifting from a reactive "standardized handling" mode to a proactive "systematic prevention" system. Ultimately, three actionable plans were formulated, including establishing regular communication mechanisms, promoting standard optimization, and strengthening collaborative responsibilities at the sales end.



Responsible Marketing

JSJ has always adhered to the core values of integrity management and prioritizing responsibility, strictly complying with the legal and regulatory frameworks such as the Advertising Law of the People's Republic of China and the Law of the People's Republic of China on the Protection of Consumer Rights and Interests to ensure full-process compliance in marketing activities. To strengthen internal governance efficiency, the Company has systematically established three core management systems: the External Publicity Materials Management System, the Public Opinion Crisis Handling and Response System, and the Market Research Information Collection Management System. JSJ standardizes both online and offline communication channels, rigorously reviews promotional materials, and implements thorough management over key links such as market promotion and bidding to ensure transparent transaction conditions and traceable processes, eliminating exaggerated or misleading statements. The Company simultaneously improves its internal audit and accountability system, adopting a "zero-tolerance" policy towards violations in marketing activities, and will seriously hold those accountable according to laws and regulations once violations are verified. In the future, JSJ will continue to deepen responsible marketing to facilitate the synergistic advancement of commercial and social values.

Responsible Marketing Training

To continuously strengthen the compliance defense line of the marketing team, enhance professional service capabilities, and effectively prevent market risks, the Marketing Center planned and implemented a systematic compliance marketing themed training program in 2025, covering all positions including the sales team, marketing department, customer service team, and assistant team. The training focused on the following two core modules:

In-depth Interpretation of Regulations and Policies

Through scenario-based disassembly and in-depth analysis of key market supervision regulations such as the Advertising Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, and the Anti-Unfair Competition Law of the People's Republic of China, the red lines and key points for compliant operations are clarified.

Internal System Promotion and Implementation

Centered around internal systems such as the Power Grid Heavenly Rules Management System and the Customer Information Management and Review System, the compliance responsibility lists and standardized operation paths for each position in marketing activities are systematically sorted out to ensure that all staff know and abide by regulations and proceed steadily.

Accelerating R&D Iteration

Research and development (R&D) and innovation are the intrinsic driving forces behind a company's sustainable development. Since its inception, the Company has consistently prioritised independent R&D. In addition to established sectors such as toothpaste, the Company is actively developing silica products for the food, pharmaceutical, high-end industrial, green and low-carbon high-performance tyre, and polishing fluid sectors. Through a four-pronged approach encompassing 'R&D management – innovative products – R&D strategy – IP protection', the Company is consolidating its technological leadership within the silica industry. Currently, in response to the demands of global market development, the Company has established a variety of R&D models based on market demand, its own strengths, and the advantages of joint development. For further details on these R&D models, please refer to the "Principal Business Models" section of the Company's 2025 Annual Report.

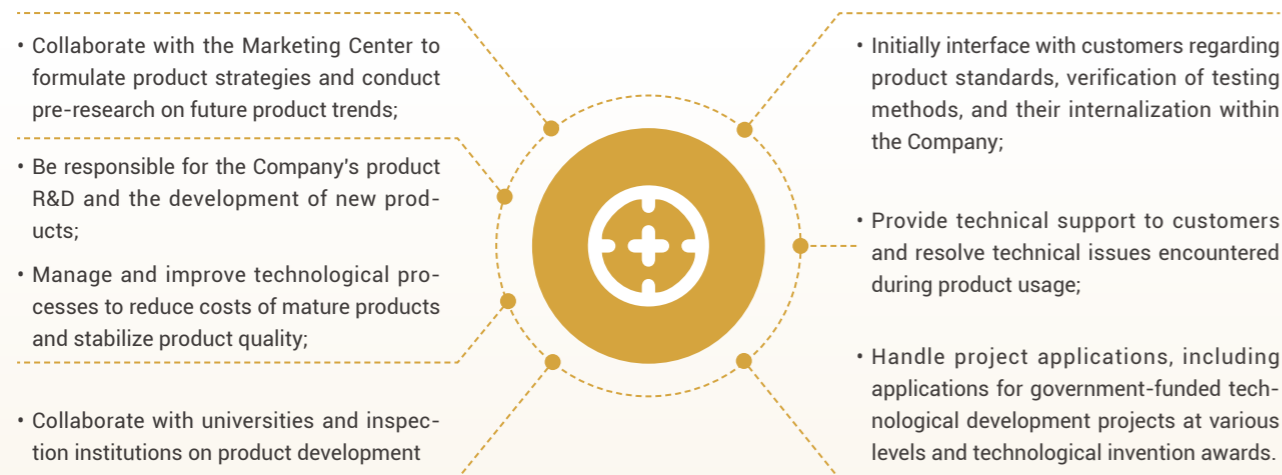
R&D Management

The Company ensures that core tasks such as R&D resource allocation, demand management, and new product development follow established regulations by establishing a comprehensive R&D management system and formulating and iterating normative documents including the R&D Center Management System and the R&D Demand Management Process Manual.

In 2025, the Company achieved remarkable results in the construction of its R&D system. We updated and released the Talent Development and Evaluation Plan for the R&D Innovation Center, which establishes a clear promotion and development pathway for various talents within the center. Specifically, the plan elaborates on the qualification standards for researchers, application engineers, and analysis and testing personnel from level 2 to level 11. Furthermore, the Company has formulated a system map plan for the R&D Innovation Center. Based on the center's development strategy and actual business needs, 16 system documentation plans have been systematically sorted out. Currently, some systems have completed their initial drafting, and multiple rounds of internal departmental system review meetings have been organized. It is anticipated that all systems will be published and implemented in 2026.

Responsibilities of the R&D Center

After years of development, the R&D Center of JSJ has established comprehensive functions:



R&D Resource Investment

In 2025, JSJ invested RMB **17,657,300** in R&D;

R&D Talent As of December 31, 2025, the Company had **53** R&D personnel, accounting for **13.77%** of the total workforce;

R&D Training During 2025, the R&D Center organized and conducted over **20** training activities, focusing on topics such as regulatory updates on silica, techniques for writing high-quality patents, technical essentials of silica for tires, frontier market development trends, time management methods for R&D projects, and laboratory safety regulations, aiming to comprehensively enhance the professional competence and integrated business capabilities of the R&D team;

R&D Equipment The Company has equipped its R&D laboratory with sufficient advanced analytical instruments and equipment, optimizing hardware facilities for research in various silica powder fields. The R&D laboratory in the intelligent factory (second plant) can accommodate **100** people for simultaneous experimentation;

R&D Incentives JSJ has formulated and implemented the Incentive Management System for the R&D Center, clarifying detailed rules for special incentive work and setting up **nine** awards, including project progress awards, new product market benefit awards, customer service awards, patent application awards, project application awards, high-quality product application awards, scientific and technological progress awards, and process improvement awards, providing substantial cash rewards for personnel achieving R&D results.

Industry-University-Research Cooperation The Company actively expands external cooperation channels and has established close industry-university-research cooperative relationships with renowned universities such as South China University of Technology. By integrating the advantageous resources of all parties, joint research on frontier technologies is conducted to achieve efficient transformation and application of scientific research achievements.

Key Honors in 2025

National Level

- National "Little Giant" specialized in sophistication (specialized, refined, peculiar, and innovative)
- National Green Factory
- National Intellectual Property Demonstration Enterprise
- China Patent Excellence Award

Provincial Level

- High-tech Products of Guangdong Province
- Green Factory of Guangdong Province

Municipal Level

- Zhaoqing 100 Future Brand Plan
- High-value Patent Cultivation and Layout Center of Zhaoqing City in 2025

The R&D Center focuses on building a high-quality team. This year, a total of 10 new talents have been introduced, including one doctor and five masters. We attach great importance to the training and development of our employees and have established a regular training mechanism, organizing themed training activities on a monthly basis. The training content is rich and diverse, closely centered around core areas such as actual work requirements, employees' personal growth plans, operation and maintenance of process equipment, and digital transformation, ensuring that the training is both targeted and forward-looking. Additionally, this year, the Company optimized the talent development and evaluation plan for R&D personnel and established exclusive career development pathways for R&D personnel in research, application, and testing categories, effectively mobilizing the enthusiasm and creativity of R&D staff.

Case JSJ Selected for the Zhaoqing 100 Future Brand Plan

From March 20 to 22, 2025, the 2025 Brand Power Pioneer Project Carnival was grandly opened in Zhaoqing. Leveraging its solid strength and brand accumulation in the field of functional silica, JSJ was selected for the Zhaoqing 100 Future Brand Plan and became one of the first batch of enterprises to be awarded relevant certificates, embarking on a new journey of brand development.



JSJ Awarded the Title of "High-Value Patent Cultivation Center"

Case



On June 18, 2025, at the conference on "Credit + Finance" Boosting High-Quality Development of the Real Economy, JSJ was awarded the title of "Zhaoqing City 2025 High-Value Patent Cultivation and Layout Center" and signed a project entrustment contract. This marks the government's authoritative recognition of the Company's patent R&D capabilities and technological transformation level in the field of silica materials. Leveraging the center's platform, JSJ will deepen patent layout around innovative application scenarios of silica and promote precise alignment between silica products and downstream industry demands.

R&D Layout

JSJ attaches great importance to R&D layout and continuously strives to create innovative products. The Company adopts a "dual-track parallel" R&D strategy.

Existing products

Delve deeper to discover new performances of existing products

Emerging products

Enrich the product matrix, explore new business formats, and benefit downstream customers and consumers

Dual-track parallel R&D strategy

During the Reporting Period

JSJ implemented several technological innovation initiatives centered around existing products. Some of these R&D achievements are nearing maturity and will soon be applied to new toothpaste products. Simultaneously, the Company continues to focus on fields such as food, pharmaceuticals, high-end industry, green, low-carbon, high-performance tires, and polishing fluids, accelerating its strategic layout in new technologies.

Product Layout

Technical Features (Partial)


Toothpaste Field


- Anti-sensitive silica: This product seals the dentinal tubules, thereby alleviating tooth sensitivity;
- Highly dispersible silica: An extremely low-viscosity, highly dispersible silica prepared using a special process, suitable for rapid dispersion scenarios such as electric toothbrushes, delivering a refreshing mouthfeel.


Food and Pharmaceutical Fields

- Food field: Acts as an anti-caking agent, effectively improving the flowability of powdered foods such as milk powder, coffee, and seasonings, preventing moisture-induced caking and extending shelf life.
- Pharmaceutical field: Serves as a novel excipient for pharmaceutical preparations, significantly improving particle flowability, shortening tablet disintegration time, and enhancing drug dissolution rate. It is particularly suitable for hygroscopic materials such as traditional Chinese medicine extracts, with precise control over product bulk density and particle size distribution.


High-End Industrial Field

- Silica products for PE battery separators: Primarily used as a filler, it is a porous insulating material located between the positive and negative electrodes, preventing short circuits while allowing free charge flow. It serves as the backbone of the separator, accounting for approximately 60% of the separator's composition.
- Silica rubber reinforcing agent: Features high purity, strong yellowing resistance, and high transparency. After adding silica to silica rubber, the tensile strength can be increased by 40-50 times, significantly improving the tensile strength, wear resistance, aging resistance, and tear resistance of rubber products, while also enhancing heat resistance and electrical properties.


Green, Low-Carbon, High-Performance Tire Field

- Primarily used as a wear-resistant and reinforcing agent, it offers advantages such as reinforcement, wet skid resistance, and reduced rolling resistance. Its function relies on its nano-scale particle structure and special surface properties, which not only improve grip and reduce rolling resistance but also enhance wear and aging resistance, as well as regulate tear and puncture resistance. It plays a central role in ensuring driving safety, energy conservation, emission reduction, and adaptation to complex working conditions. Green tires can significantly reduce rolling resistance and vehicle energy consumption by adding functional silica materials.


Polishing Fluid Field

- Silica Polishing Slurry is a core consumable specifically engineered for the Chemical Mechanical Planarization (CMP) process. It is formulated using high-purity colloidal silica as the abrasive component and is produced via a specialized preparation technique. The underlying mechanism relies on the synergistic coupling of chemical reaction and mechanical abrasion to achieve nanometer-scale planarization of material surfaces. Central to its performance is the dynamic equilibrium between chemical softening and physical material removal. This balance enables the efficient elimination of surface topography irregularities while minimizing the risk of scratching or subsurface damage. Consequently, silica polishing slurry constitutes an indispensable critical material in the fabrication of consumer electronics (3C products), semiconductor devices, and precision optical components.

Innovative Products

The Company continuously accelerates the commercialization of R&D achievements, with numerous core R&D results successfully filling industry technological gaps and adding new momentum to market development. Several self-developed silica solutions dedicated to the oral and cosmetic fields have been successfully launched into the market, creating breakthrough opportunities for innovative industry development.

In terms of technological innovation, the Company successfully prepared high-performance silica products using carbonization technology. This innovative achievement is significant, not only significantly improving product performance indicators, giving it a competitive edge in the market, but also effectively reducing energy consumption and pollutant emissions during the production process, achieving a win-win situation for economic and environmental benefits.

Meanwhile, the Company attaches great importance to resource recycling and actively carries out several recycling projects. For various wastes generated during the production process, the Company recycles and reprocesses them through advanced technological means and scientific management methods, transforming them back into reusable resources and achieving resource recycling and waste reduction. During the reporting period, the Company actively conducted R&D work dedicated to developing products and services that reduce negative environmental impacts, covering the following projects:

Project on "Research on Enhancing the Efficiency and Application Technology of Silica in Battery PE Separators":

During the project implementation, we focused on supplying high-performance raw materials to separator enterprises, thereby indirectly assisting in optimizing the performance of lead-acid batteries. Through a series of R&D practices, this initiative has achieved remarkable results, increasing the cycle life of lead-acid batteries by more than **20%**. Additionally, during the project advancement, the Company invested a total of over RMB **2** million in R&D expenses.

Project on "Research on Small-Particle-Size Spherical Silica":

In 2025, the Company invested over **3.5** million to initiate research on this project and successfully and independently developed a green silica microsphere production technology using water glass and sulfuric acid as raw materials. This technology exhibits significant environmentally friendly characteristics, eliminating the need for highly hazardous organic solvents that do not produce waste gas or liquid during the production process. Silica microspheres can be obtained simply by precisely adjusting the reaction process. Compared to traditional production methods, this process is simpler, more efficient, and highly aligned with the current national strategic orientation of green development.

Project on "Development and Application of High-Density Structural Loaded Silica":

This project focuses on an innovative composite functional material in the field of materials science, featuring both "carrier structure functionality" and "loaded component synergy." Its research background stems from the urgent need to break through the performance bottlenecks of traditional silica materials and the strong demand for efficient, stable, and multifunctional materials across multiple fields. Taking silica for laundry powder as an example, its market demand is directly linked to the development of the phosphate-free detergent industry, with the project's feasibility core logic resting on the dual support of "policy-driven substitution + product upgrade demand." During the R&D process, we invested a total of nearly RMB **2** million.

Case

Battery "Black Technology" - Silica Assists in Battery Performance Upgrade

JSJ's silica for battery separators features fine-tunable particle size and distribution, providing super mechanical strength and structural uniformity to the separator with its high reinforcing performance and good dispersibility, ensuring battery stability under various working conditions. With its neutral pH, high purity, low salt content, and ability to avoid side reactions (such as self-discharge) caused by impurities and reduce plate corrosion, it acts as a battery "guardian," providing solid protection for the safe operation of batteries.



White Carbon Black: Unlocking a New Key to Performance Upgrade for Liquid Silicone Rubber

Case

In today's polymer materials field, liquid silicone rubber (LSR) has become a key material in high-end manufacturing fields such as medical devices, smart wearables, AR/VR, electronic packaging, and automotive parts due to its excellent flowability, rapid vulcanization, safety, and environmental friendliness. Leveraging over two decades of technological accumulation in the field of functional silica, JSJ has developed a series of specialized white carbon black products for liquid silicone rubber, precisely meeting the stringent material performance requirements of different application scenarios.

This series of white carbon black is produced using advanced processes with strict quality control, exhibiting significant dispersibility advantages. With narrow particle size distribution and regular particle morphology, it can quickly and uniformly disperse in liquid silicone rubber systems, effectively exerting reinforcing effects and providing solid support for enhancing the performance of liquid silicone rubber products.



Intellectual Property Protection

JSJ has always strictly adhered to relevant laws and regulations such as the Patent Law of the People's Republic of China and the Trademark Law of the People's Republic of China, formulating and implementing a series of special intellectual property protection systems including the Confidentiality Management Procedure, Patent Management Policy, Trademark Management Policy, and R&D IP Control Procedure, as well as newly added procedures such as the Intellectual Property Compliance Obligation Control Procedure and the Intellectual Property Violation Disposal Control Procedure, further clearly defining multiple specific contents such as trademark application processes and patent application processes. JSJ passed the audit for compliance with the GB/T29490-2013 Enterprise Intellectual Property Management Standards in 2024, valid until 2027. In 2025, the Company comprehensively updated its intellectual property management system in accordance with the GB/T29490-2023 standard, covering the intellectual property manual, 22 program documents, and 2 operation documents. Meanwhile, in accordance with the new standard requirements, the Company added two program documents, namely the Intellectual Property Compliance Obligation Control Procedure and the Intellectual Property Violation Disposal Control Procedure.

During the Reporting Period

The Company did not encounter any litigation cases involving intellectual property infringement. Additionally, the Company also conducted intellectual property training for employees, continuously enhancing their awareness of protecting intellectual property and safeguarding the Company's legitimate rights and interests according to the law.

As of the end of the reporting period

The Company held a cumulative total of **135** valid patents, the information of the invention patents is as follows:

- Chinese invention patents: **108**
- American invention patent: **1**

Divided by application field:

- Invention patents related to silica for toothpaste: **59**
- Invention patents for silica used in food, pharmaceuticals, and cosmetics: **22**
- Invention patents for silica used in industry (such as batteries and silicone rubber): **25**
- Invention patent for silica used in polishing fluids: **1**
- Invention patents for manufacturing equipment and testing methods: **2**

With the continuous advancement of patent layout, the Company's patent portfolio is constantly being optimized, and its intellectual property protection system is becoming increasingly robust and perfect.



JSJ Conducts High-Value Patent Mining Skills Training to Boost R&D Innovation

Case

On July 10, 2025, JSJ organized a special training session on "High-Value Patent Mining Skills" for its R&D center team, inviting experts in the field of intellectual property to provide on-site instruction and systematically enhance the professional capabilities of R&D personnel in patent layout, technology refinement, and declaration practices. The training focused on the core characteristics of high-value patents and conducted interactive Q&A sessions targeting common difficulties encountered by R&D personnel in their practical work. The on-site exchanges were in-depth and efficient, significantly enhancing the team's practical understanding of intellectual property protection.



Building Intelligent Production Lines

JSJ has actively responded to the national strategic call for digital upgrading and transformation, establishing a full-link automated production system. The Company has completed the integration of the SAP system, DCS system, MOM system, energy system, CRM system, and OA system, creating a "five-in-one" digital management platform that integrates business management, intelligent manufacturing, energy management, R&D management, and collaborative office functions. Currently, the Company has basically achieved interconnection among production equipment, production processes, production orders, production plans, and material distribution, effectively driving upgrades in product quality improvement, green manufacturing development, and production safety assurance, thereby enhancing the overall level of the Company's intelligent manufacturing.

Intelligent Manufacturing Upgrade

At this critical stage of manufacturing industry transformation and upgrading, intelligence and green development have become core elements for enterprises to enhance their core competitiveness. JSJ has constructed a highly integrated intelligent production line, achieving automated control and management throughout the entire process from raw material input to finished product output through the DCS distributed control system. Leveraging high-precision data acquisition and equipment linkage technology, a traceable and optimizable digital production closed loop has been established.

Applications of JSJ's Intelligent System

Continuous Online Raw Material Preparation

Online detection instruments have been installed in both the sulfuric acid/water glass preparation processes, enabling continuous online preparation. Compared to traditional preparation methods, this significantly improves the accuracy and qualification rate of raw material preparation.

Fully Automatic Filtration and Purification Matrix

Equipped with online conductivity detectors and other equipment, and employing variable-frequency washing and hot water washing methods, the salt content in products is precisely controlled. Compared to traditional processes, this significantly improves material washing efficiency and ensures material qualification rates.

Intelligent Reaction Control Center

Equipped with various automatic detection devices such as electromagnetic flowmeters, level gauges, online pH meters, and temperature sensors to precisely control various important parameters of reactions. Compared to manual control methods, this significantly improves the uniformity of material reactions and the efficiency of reaction processes.

Flexible Packaging Collaboration System

An automatic packaging system is set up, equipped with metal detectors, re-weighing machines, online coders, film wrapping machines, and other equipment, reducing the risk of metal foreign objects while achieving efficient weighing, packaging, re-inspection, and film wrapping for storage. Compared to traditional methods, this significantly improves packaging efficiency, reduces the risk of package breakage, and makes product appearance more regular and aesthetically pleasing.

Intelligent Water Circulation Ecosystem

A fully intelligent controlled water softening treatment system equipped with ion exchangers, sand filtration towers, online pH meters, online ultraviolet disinfection instruments, and other equipment is adopted to efficiently remove impurities such as calcium and magnesium ions from industrial water. Compared to traditional methods, this better ensures product microbial and performance indicators.

Case

Manufacturing Industry Digital "Chain-style Transformation" Exchange Conference - JSJ's Intelligent Production Line Attracts Attention

On June 26, 2025, the Zhaoqing Manufacturing Industry Digital "Chain-style Transformation" Exchange Conference was held in the Zhaoqing High-tech Zone. As a benchmark enterprise in digital transformation, JSJ showcased its intelligent production line on-site to members of the Municipal Party Standing Committee, municipal government leaders, and heads of industry and information technology departments from various districts and counties during the conference.

The Company's intelligent production line is designed according to informatization, intelligence, digitalization, and greening standards, adopting the DCS distributed control system to achieve full-process intelligent control and management. Through high-precision instruments for real-time data acquisition and linking the operation of high-performance equipment, an efficient, stable, and traceable digital production system has been constructed.



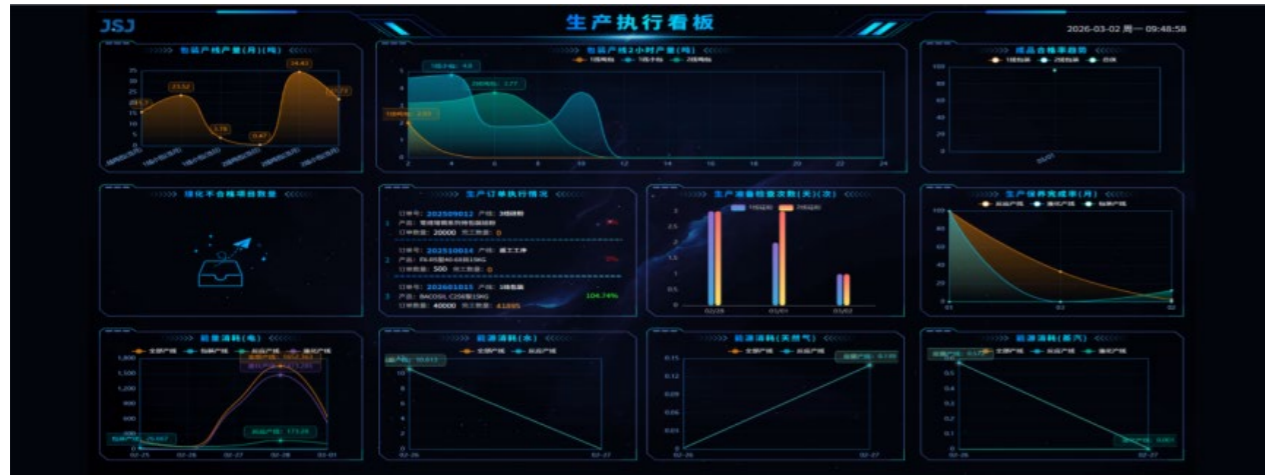
Digital Transformation

The Company actively and openly embraces digital transformation, striving to achieve "all business digitized, all data business-oriented," and making every effort to advance the digital transformation process. Focusing on this goal, the Company has concentrated its resources and efforts on three core initiatives: the legacy system optimization project, the intelligent platform construction project, and the digital talent development project.



Three Core Projects

Among them, the establishment of the MOM system serves as a cornerstone project in the Company's intelligent platform construction endeavors. Leveraging the Lean Manufacturing and Operations Management (LOM) system as its foundation, the MOM system enables the Company to oversee and control 11 functional modules, including those for process, production, quality, equipment, warehousing, logistics, energy, and personnel. This integration forms a unified intelligent manufacturing platform characterized by features such as "transparent production, controllable quality, traceable materials, observable processes, reliable equipment, and manageable inventory."



Currently, the Company has largely completed the migration of core business data to the cloud, achieving inter-departmental data interconnection and interoperability. Guided by the ESG (Environmental, Social, and Governance) concept, the Company is exploring the integration of environmental, social, and governance performance indicators into its project evaluation system to ensure that digital investments align with sustainable development goals.



★ Adhering to Craftsmanship Quality

As a research-oriented, customized, and growth-oriented high-tech enterprise, the Company has always adhered to the quality policy of "prioritizing quality, promoting technological innovation, implementing scientific management, and exceeding customer expectations." It has established a rigorous full-chain quality control system, building core competitive barriers with its robust quality capabilities. In terms of system construction, the Company firmly operates under the ISO 22000:2018 food safety management system and ISO 9001:2015 quality management system. In 2025, it actively advanced the certification process for the IATF 16949:2016 automotive industry quality management system, continuously constructing a more professional and targeted quality control model.

Quality Management System

JSJ strictly complies with laws and regulations such as the Product Quality Law of the People's Republic of China and the Food Safety Law of the People's Republic of China. The Company attaches great importance to product safety and quality and is committed to providing customers with healthy and safe products.

Quality Policy

JSJ adheres to the quality policy of "prioritizing quality, promoting technological innovation, implementing scientific management, and exceeding customer expectations."

Partial Quality Systems (2025)

Quality Representative Management System: Clarifies quality management responsibilities and establishes dedicated quality management positions in areas such as production, R&D, warehousing, and sales to ensure product safety and stability.

Design and Development Control Procedure: Stipulates the process for the design and development of new products, integrating quality control into all aspects from product planning, review, verification, confirmation, output, and mass production transformation to ensure new products meet customer requirements and maintain stable quality.

Hazard Control (CCP and OPRP) Plan: Formulates a hazard control plan for the production process of silica/food additive products, identifying and controlling potential hazards during production to ensure product safety and hygiene.

Change Control Procedure: Establishes a change control system to evaluate, review, approve, and implement changes affecting product quality, ensuring continuous stability of product quality after changes and facilitating product quality traceability.

Sample Management Regulation: Standardizes the operating procedures for internal sample delivery to customers, sample submission to third-party authoritative institutions for testing, R&D small-batch samples, and external sample inspection to ensure effective sample management.

Pilot Production and Mass Production Transformation Management System: Regulates the entire process of large-scale pilot production for new product R&D, including pilot production and mass production stages, to ensure effective control and smooth progress during the new product pilot production stage and the transition to mass production.

Case IATF 16949 Quality Management System Certification Project Officially Launched

To systematically enhance the quality management system and promote silica products for tires into the automotive industry chain and international market, JSJ officially launched the IATF 16949 quality management system certification project in July 2025. As a globally recognized quality management benchmark in the automotive industry, this standard focuses on process control, risk prevention, and continuous improvement, serving as a key threshold for enterprises to enter mainstream supply chains and achieve international development.

After the project launch, the Company swiftly formed a cross-departmental special team and invited industry experts in early August to conduct specialized training on the IATF 16949 standard, with core business departments deeply involved. This deepened the understanding of refined quality management specifications across departments and established a virtuous cycle of "standard learning - process optimization - efficiency improvement." JSJ will continue to enhance product quality stability and systematic management capabilities, laying a solid quality foundation for becoming a trustworthy international supplier in the high-end materials field.

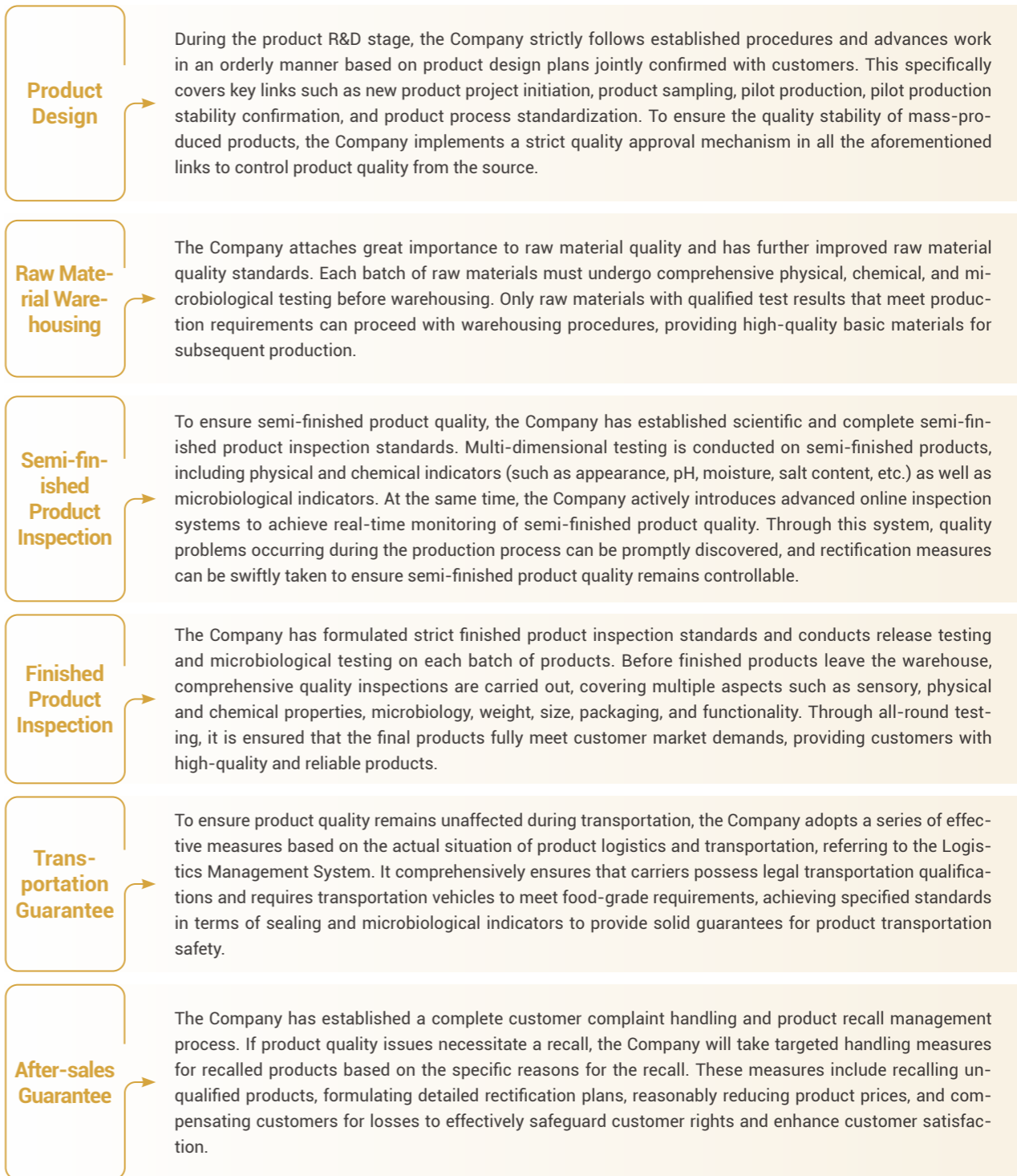


Quality Lifecycle Management

Full Lifecycle Management

JSJ implements strict quality control over products and carries out full-process lifecycle management from raw material warehousing to finished product delivery to ensure every product meets quality requirements. In 2025, the business areas covered by the Company's ISO9001 quality management system certification achieved 100% coverage.

The Company actively introduces the product full lifecycle management concept and deeply integrates the R&D management system into the entire product lifecycle, covering every stage from product design, development, and production to sales and service. Centered on this concept, the Company has constructed a comprehensive and meticulous management process and system to ensure precise and effective control and management of all links in the product full lifecycle. In 2025, the Company has basically completed the deployment of the product full lifecycle management system. The successful implementation of this system has achieved real-time sharing of R&D data and cross-departmental collaboration, effectively breaking down information barriers, significantly improving R&D efficiency, and providing strong guarantees for the steady improvement of product quality.



Optimization Plan for Foreign Matter Control at JSJ in 2025

To ensure product purity and efficient production, the entire-process control of foreign matter has been upgraded:

1. Hardware enhancement: Intelligent equipment such as magnetic separators and metal detectors have been added to enable real-time monitoring and automatic rejection of external impurities.
2. Source control: Incoming inspection and usage standards for auxiliary materials have been tightened to eliminate contamination risks at the source.
3. Process standardization: Cleaning and verification protocols for critical operational phases—including startup, shutdown, and changeover—have been refined to prevent cross-batch contamination.
4. Long-term governance: A monthly targeted investigation mechanism has been established to precisely identify weak points and dynamically update preventive measures, thereby ensuring both production safety and operational efficiency.

Quality Management Culture

To enhance employees' awareness and capabilities in quality management, JSJ continuously strengthens the cultivation of quality culture and proactively carries out various quality culture activities, striving to create a working atmosphere of "zero tolerance" towards quality issues. Meanwhile, the Company has formulated an annual quality training plan to provide employees with quality control-related training as scheduled.



- The Company regularly conducts production process training to ensure that employees master the entire process from raw material procurement and production processing to finished product inspection. Through training, employees gain an in-depth understanding of the key control points at each stage to ensure stable product quality.



- The Company emphasizes training on the application of quality tools, including the seven QC techniques, basic knowledge and control methods of microbiology, GMP management, and Hazard Analysis and Critical Control Points (HACCP). The aforementioned training effectively assists employees in utilizing scientific tools to analyze, diagnose, and improve quality issues, enhancing the efficiency and precision of quality management.

Quality Incentives and Recognition

- The Company has established the "Special Incentive Management System for the Quality Department" and carries out annual Quality Star selection activities to motivate all employees to actively participate in quality construction and solidify the foundation of corporate quality.
- The Company grants honors and rewards to selected quality management model employees to enhance the enthusiasm of all employees for quality management.

Quality Awareness Enhancement

- The Company values the construction of employees' quality awareness, including promoting quality policies at pre-shift meetings, reporting and rewarding daily quality incidents, etc. Through these activities, employees can maintain a high degree of attention to quality at all times and strengthen the work philosophy of "quality first."
- In 2025, the Company organized the "Safety, Quality, and Continuous Improvement Knowledge Contest," attracting numerous employees to actively participate. Through the form of a contest, employees learn quality knowledge in a relaxed and pleasant atmosphere, further enhancing their quality awareness.

Case

JSJ's Quality Culture Day and Inaugural Quality Forum Successfully Held

On September 1, 2025, JSJ, with "quality" at its core, hosted the Quality Culture Day and the Inaugural Quality Forum, integrating the pursuit of quality in the field of functional silica manufacturing into diverse activities and promoting the implementation of quality culture while enhancing the atmosphere of team collaboration. The event commenced with all employees reciting corporate values, fostering closeness through relaxed interactions, and providing new ideas for team collaboration and quality control through distinctive sessions. Through this event, the Company embedded quality culture into the team's DNA, accumulating strength to drive high-quality development in the field of functional silica.



Safeguarding Production Safety

Workplace safety serves as the fundamental underpinning for the implementation of corporate strategy and the core prerequisite for upholding the "people-first" development philosophy and achieving long-term sustainable development. Grounded in the overall situation of its globalized and diversified high-quality development strategy, JSJ has elevated workplace safety management to the pinnacle of its corporate strategic agenda. It has deeply integrated this with its environmental management strategy, creating a synergistic empowerment. By adhering to the bottom line of safe development, JSJ has established a modern workplace safety management framework characterized by "strategic guidance, systemic support, whole-process control, and all-staff participation." The Company comprehensively implements workplace safety responsibilities, refines its management system, strengthens risk prevention and control, and drives the upgrade of workplace safety management towards standardization, normalization, and refinement. This effectively safeguards the life and health of employees and the stability of corporate production and operations, demonstrating JSJ's strategic commitment to long-term development.

JSJ strictly adheres to the requirements of laws and regulations such as the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, and the Fire Protection Law of the People's Republic of China, establishing a systematic workplace safety management system. We have established a high-level Work Safety Committee, clarifying safety objectives and principles, and during the reporting period, upgraded the management structure, increased personnel allocation, and strengthened safe operations. By improving institutional guarantees, the Company has successively formulated a series of specialized management systems, including the Accident and Incident Management System, the Labor Protection Equipment Management System, the Safety Incentive Management System, the Safety Risk Assessment Management System, and the Hazardous Chemicals Management Regulations, forming a standardized system covering the entire business chain. To further enhance safety management levels and accurately identify and control potential hazard sources during operations, the Company newly added the Hazard Source Identification and Evaluation Control Procedure in 2025, providing more scientific and meticulous guidance for on-site safety management.

For more detailed information on JSJ's workplace safety policies and philosophies, please refer to the "Social Responsibility" section of the Company's 2025 Annual Report.

Work Safety Management

JSJ has always adhered to the production philosophy of "joint action, shared safety." In terms of work safety management, JSJ has established a Work Safety Committee, whose presidium comprises the Chairman, Deputy General Manager, and Factory Director, responsible for coordinating the Company's safety management work, formulating work safety policies and objectives, and supervising their implementation. Below the presidium of the Work Safety Committee, there is a committee office specifically responsible for supervising and implementing work safety management.

Safety Objectives

- Zero accidents
- Safety as the core



Safety Principles

- Everyone is responsible for their own safety: Management is responsible for providing a safe and healthy workplace.
- Training for all employees, contractors, and visitors is crucial for workplace safety.
- Working safely and in accordance with our rules and procedures is an important part of working at JSJ.
- Identifying hazards and assessing and controlling risks are key components of our safety culture.
- All employees and contractors will not turn a blind eye to "unsafe acts" and "unsafe conditions"; we will always correct them before leaving.
- As a learning organization, we will seize every opportunity to ensure continuous improvement in our safety performance and behavior.

Safe Operations

- The organizational structure level of the Safety and Environmental Protection Management Department has been upgraded from a secondary department to a primary department under the direct management of the General Manager's Office, responsible for the Company's overall safety management.
- Manpower investment in safety management has been increased, with the number of safety management personnel rising from **2** to **5**, enhancing their work efficiency and influence.
- To effectively promote safety management implementation, a safety coordinator team has been established, with one part-time safety coordinator assigned to each center/department to serve as a link and convey safety policies to every employee.
- To ensure the safe use of tools and equipment, the Company has provided additional European-standard scaffolding for the Maintenance Department, mobile platforms for the Production Department, installed safety canopies on forklifts in the Supply Chain Center, upgraded to new gas detectors, and added fall protection facilities.
- The Company has strengthened the management of labor protection equipment, established a minimum labor protection equipment wearing matrix for different positions, and further improved the comfort of labor protection equipment while ensuring its safety level.

Safety Inspection and Management

During the Reporting Period

The Company established an EHS (Environment, Health, and Safety) coordination and management platform as an important tool for enhancing the Company's environment, health, and safety management level. The platform integrates multiple functions such as real-time training, hazard investigation, risk control, special operation management, and file management, not only helping the enterprise establish a sound EHS management system to prevent and reduce accidents but also improving the Company's overall operational efficiency and competitiveness. Additionally, we have provided supporting inspection record tools, such as various inspection forms, violation records, and correction record forms, forming a complete closed-loop management to ensure that identified problems are promptly rectified and reported, safeguarding the effective implementation of safety inspection work and building a solid defense line for the enterprise's work safety.



The figure shows the EHS enterprise management background system interface.

Hazard Investigation

Within the overall framework of enterprise work safety management, management has deeply incorporated hazard investigation into its scope of business, further strengthening the intensity and breadth of hazard investigation and treatment to ensure the timely detection and effective treatment of potential safety hazards. JSJ has clearly set a target: the resolution rate of potential safety hazards must reach or exceed 80%. To achieve this goal, the enterprise fully leverages the advantages of the EHS platform to optimize management processes and innovate management mechanisms, comprehensively improving the efficiency and effectiveness of potential safety hazard management.

JSJ actively encourages employees to investigate and report hazards using the Safety Incentive Management System and rewards outstanding employees accordingly. In terms of reward modes, we have shifted from focusing on rewarding hazard reporters to strengthening the self-improvement mechanism, fully mobilizing the enthusiasm of all employees to participate in self-improvement. Additionally, the Safety and Environmental Protection Department utilizes opportunities and channels such as department morning meetings and hazard investigation review announcements to strengthen prevention and supervision, conducting special follow-up work for difficult hazards to ensure the orderly and effective completion of rectification work.

Regarding the hazard reporting mechanism, we have innovatively introduced a casual photography reporting mode, simplifying the process to save time. In 2025, the hazard reporting work achieved remarkable results, with a total of 1,108 hazards reported, of which 483 were reported by employees, accounting for 44%, and rewards were given to 194 person-times.

Case Focusing on Key Links and Comprehensively Investigating Hidden Dangers - JSJ Launches Special Production Safety Inspection

To ensure safe and orderly production operations, in May 2025, JSJ organized and conducted a comprehensive and in-depth special safety inspection campaign, covering key links such as production equipment, electrical circuits, fire-fighting facilities, chemical storage, and work environments, to systematically investigate potential risks. The inspection also focused on the closed-loop rectification of historical issues, verified the compliance of work processes, and assessed the operability of emergency plans to ensure the effective implementation of safety management.

For the issues identified, the responsible departments immediately formulated rectification plans, specifying rectification timelines and persons in charge, and implemented closed-loop management to ensure the timely elimination of hidden dangers. This special campaign strengthened the safety responsibility awareness of various departments and further consolidated the foundation of on-site management.



Hazardous Chemical Management

The Company strictly follows relevant regulations such as the Regulations on the Safety Administration of Hazardous Chemicals and has formulated and implemented the Hazardous Chemicals Management Regulations, the Chemical Experiment Purchasing and Management Regulations, and the Chemical Reagent Management Operation Instructions to standardize the entire process of chemical purchasing, storage, collection, and use, reducing the risk of accidents. Meanwhile, the Company has established a management mechanism in line with EU REACH regulations to identify and assess chemical safety and environmental risks, gradually phasing out high-risk chemicals to ensure product safety.



EU REACH Certification

Chemical Purchasing

Before purchasing hazardous chemicals, the Company must report to regulatory authorities in accordance with regulations and can only proceed with purchasing after obtaining approval. For chemicals listed in the Catalogue of Used Cosmetic Ingredients, purchasing can be carried out after passing the Company's internal approval process; if not listed, the R&D Center needs to review and confirm whether purchasing is possible. The R&D Center conducts special management on the purchasing of chemical experiments in accordance with the Chemical Experiment Purchasing and Management Regulations, strictly reviewing supplier qualifications to ensure the legality and safety of purchasing actions.

Chemical Collection and Use

The Company strictly implements the "Five Dual" (dual custody, dual-lock management, dual account recording, dual delivery, and dual collection) system for the collection of hazardous chemicals to ensure compliance in all operations. The Quality Center monitors the entire process of chemical reagent use in accordance with the Chemical Reagent Management Operation Instructions to reduce potential risks during use.

Supplier Safety Management

The Company has formulated template documents such as the Engineering Safety Construction Management Agreement, Work Safety Management Agreement, Contractor Safety Responsibility Commitment (for hazardous chemicals such as concentrated sulfuric acid), and External Personnel Operation Safety Commitment (signed by personnel entering the production area). Engineering suppliers and sulfuric acid suppliers are required to sign the aforementioned documents before entering the JSJ plant area to strengthen the standardization requirements for supplier occupational safety work. In 2025, no occupational safety accidents occurred among suppliers or employees within the Company's operational scope.

Strengthening Security Management

In the face of an increasingly complex security situation, the importance of security management has become increasingly prominent. To effectively improve the quality and efficiency of security work, effectively respond to various security challenges, and ensure the safety of personnel and property, the Company closely follows the development trend of security work and promotes the multi-dimensional transformation and upgrading of the security team.

Technical Level

Accelerate the transition from "single-point intelligence" to "global collaborative intelligence," achieve intelligent electronic management, and improve security response speed and accuracy. Monitoring coverage, equipment online rate, and video retention rate are all maintained at **100%**.

Personnel Level

Strengthen training to promote the transformation of security personnel from "physical laborers" to "composite safety consultants," enhancing their ability to respond to diverse safety issues such as fire protection and hazardous chemical disposal.

Ecological Level

Actively build a multi-party collaborative security ecosystem, collaborating with various forces to investigate hidden dangers and strengthen patrols. The timely evidence collection rate for incidents is **100%**.

Management Level

Improve the full-cycle risk management mechanism and refine the construction of systems such as visitor registration, vehicle access, monitoring viewing, and security duty to ensure relevant data security and privacy while preventing risks.

In 2025, relying on existing face recognition access systems, vehicle recognition systems, workshop access control systems, and public area video surveillance systems, the Company continues to strengthen equipment operation and maintenance and process management, achieving controllable personnel access, registrable vehicle access, approvable key areas, monitorable public areas, and traceable abnormal incidents, effectively ensuring the personal safety of plant employees and the security of Company property, providing solid guarantees for safe production and orderly operations.

03

Ecological Synergy Fuels Shouldering the New Mission of the Times



• Our Actions

- Compliant and environmentally responsible operations
- Building Green Factories
- Addressing climate change

• Our Performance

- Hazardous waste emission intensity decreased by **27%** compared to 2024
- The emission intensity of non-hazardous waste decreased by **4%** compared to 2024.
- **100%** harmless treatment rate of industrial solid waste
- The installed capacity of photovoltaic power generation equipment within the Company's plant area is **1,972.35** kilowatts.
- The cumulative power generation of distributed photovoltaic systems reached **2,030.44** megawatt-hour

Compliance and Environmental Operations

JSJ places great importance on environmental protection, consistently adheres to the concept of green development, strictly complies with laws and regulations such as the "People's Republic of China Environmental Protection Law" and the "Guangdong Province Environmental Protection Regulations," and continuously improves its environmental management system.

The Company continues to improve the construction of environmental protection facilities, including wastewater treatment, exhaust gas control, and dust suppression. It further optimizes its self-monitoring programs for environmental parameters and continuously engages qualified third-party agencies to conduct regular monitoring of stormwater, wastewater, exhaust gas, and noise in accordance with regulatory requirements, ensuring that monitoring frequency, parameters, and results comply with applicable laws and regulations. During the reporting period, the Company carried out environmental protection activities in accordance with internal procedural documents such as the "Environmental Factor Identification and Evaluation Control Procedure," "Environmental Operation Control Procedure," and "Organizational Context Control Procedure," effectively managing and addressing environmental matters to promote the effective implementation and continual improvement of its environmental management system. Additionally, the Company has established procedural documents including the "Emergency Response Plan for Sudden Environmental Incidents," "Risk Assessment for Sudden Environmental Incidents," and "Emergency Resource Investigation for Sudden Environmental Incidents" to effectively identify, assess, and respond to environmental risks, thereby comprehensively ensuring its capability in environmental risk prevention and emergency response.

To date

The Company has aligned itself with world-class safety management standards, obtained ISO14001 Environmental Management System certification, and is expected to undergo re-evaluation and recertification in 2026. Meanwhile, the Company's second plant has been recognized as a Clean Production Enterprise by Zhaoqing City.

During the Reporting Period

The Company did not incur any environmental penalties or fines.



ISO14001 Environmental Management System Certification



Company's Second Plant Recognized as a Clean Production Enterprise in Zhaoqing City

Waste gas management

JSJ strictly complies with the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, as well as relevant local laws, regulations, and standards. The Company has continuously improved its internal Air Emissions Management Policy and is committed to implementing precise control, standardised management, and efficient treatment of air emissions generated during production and testing processes, so as to reduce their potential adverse impacts on the ecological environment and public health.

1

The Company strictly implements national and local pollutant discharge standards, has established management protocols for the emission of waste gas, dust, and hazardous substances, and has engaged qualified third-party testing institutions to conduct regular monitoring in order to ensure compliance.

2

Throughout the production process, the Company applies full-process dust control measures. High-efficiency bag filters have been installed in key areas and an online monitoring system has been deployed simultaneously to collect emissions data in real time and ensure continuous compliance with applicable standards.

3

The Company places strong emphasis on preventive control by identifying abnormal operating conditions in dust removal facilities at an early stage, thereby ensuring the long-term stable and effective operation of environmental protection measures.

Wastewater Management

JSJ strictly complies with the requirements of the Law of the People's Republic of China on the Prevention and Control of Water Pollution, has established a sound internal Wastewater Management Policy, and ensures its effective implementation. Upholding the principles of separating clean and contaminated streams, classified collection, and quality-based treatment, the Company continues to optimise its wastewater treatment system. Online monitoring equipment for key indicators, including COD, ammonia nitrogen, and pH, has been installed at wastewater discharge outlets within the plant to enable real-time and continuous monitoring of discharged water quality. This allows for early warning and refined control of compliant wastewater discharge, thereby rigorously preventing environmental risks arising from wastewater treatment and disposal processes.

Waste Management

In the area of waste management, JSJ strictly complies with relevant laws and regulations, including the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Guidelines for Domestic Waste Classification. The Company has established an internal Waste Management Policy to systematically regulate the classification, storage, and disposal of waste, while maintaining proper records throughout the entire process through a dedicated waste register. At the same time, the Company actively promotes waste recycling and resource recovery, continues to explore pathways for waste reduction, and is committed to achieving the long-term goal of zero solid waste discharge.

Energy Management

JSJ fully recognises the importance of low-carbon development and has systematically integrated the national "dual carbon" goals into its corporate strategy. The Company's direct carbon emissions mainly arise from fossil fuel consumption in the production process, including natural gas, gasoline, and diesel, while its indirect carbon emissions primarily stem from purchased electricity. By proactively aligning with policy directions, continuously optimising energy management, upgrading production processes, and adjusting its energy mix, JSJ continues to advance innovation in low-carbon production technologies and actively embraces new opportunities arising from the green transition.

The Company has gradually phased out high-energy-consuming equipment and increased the proportion of renewable energy used in its operations. In 2025, it eliminated 12 high-energy-consuming motors with a total installed capacity of 171 kilowatts and replaced them with Grade 2 energy-efficient motors, achieving energy savings of 10%. In addition, the Company has prioritised the development of rooftop photovoltaic projects and steadily implemented a range of carbon reduction measures while safeguarding production efficiency.



ISO 50001 Energy Management System Certification

As of the end of the Reporting Period

the installed capacity of photovoltaic power generation equipment within the Company's premises reached **1,972.35** kilowatts.

During the Reporting Period

The distributed photovoltaic system generated a cumulative total of **2,030.44** MWh of electricity.

Through concrete actions, the Company has demonstrated its firm commitment to low-carbon transformation by improving and rigorously implementing its Energy Management Manual. By establishing a dedicated energy management task force and upgrading its energy management platform, the Company has achieved refined management of energy consumption data by energy type, enabling real-time monitoring of production energy use and immediate alerts for abnormalities. In addition, monthly meetings are held to analyse energy consumption data and propose optimisation measures, thereby fundamentally preventing energy waste. The Company has obtained ISO 50001 Energy Management System certification and expects to undergo renewal review and recertification in 2026.



Case

Energy Consumption Monitoring System

JSJ has implemented the Enterprise Comprehensive Energy Management System Cloud Deployment and Platform Integration project. Through the deployment of multifunctional data acquisition devices and a dedicated software platform, the system incorporates modules for real-time monitoring, energy consumption statistics, power quality analysis, abnormal waveform recording, optimisation recommendations, and report management. It provides the Company with comprehensive, real-time, and visualised energy data monitoring and analysis services, thereby supporting safe energy use control, economic optimisation, and reliable energy data management, and enabling the Company to achieve more refined and intelligent integrated energy management.

JSJ also places strong emphasis on equipment upgrading and process optimisation, and has established a comprehensive system for improving energy efficiency. While reducing operating costs and enhancing market competitiveness, these efforts also contribute green momentum to global ecological protection.

Waste Heat Recovery Unit for Drying Exhaust Gas

Case

To address the issue of high exhaust temperatures and the underutilisation of substantial thermal energy in the drying process on the first production line of Plant 1, the Company installed a waste heat recovery unit. Through a heat exchange system between exhaust gas and fresh air, waste heat is captured and reused, significantly improving energy utilisation efficiency. Following the implementation of this upgrade, the Company is able to reduce carbon dioxide emissions by over **1,000** tonnes annually, thereby effectively promoting energy conservation, lower energy consumption, and low-carbon operation in the production process.

Water Resources Management

The Company fully complies with the Water Law of the People's Republic of China and other applicable regulations on water resource management, and continues to strengthen its internal water use management framework by establishing a standardised and systematic approach to water resource control. In the area of production water use, the Company has implemented a full-process inspection and dynamic monitoring mechanism, strengthening the routine supervision of water-consuming equipment and the early warning of irregularities, so as to effectively prevent leakage, overflow, seepage, and dripping, thereby reducing water waste. At the same time, the Company actively advances water-saving technological upgrades. Through the replacement of high water-consuming equipment and the optimisation of production processes, it has significantly improved the efficiency of industrial water use.

Building a Green Factory

Building on its recognition as a Guangdong Provincial Green Factory, JSJ was officially recognised as a National Green Factory in 2025. This distinction signifies national-level recognition of the Company's achievements in developing a green manufacturing system. As a core implementation unit within the green manufacturing framework, a "Green Factory" emphasises intensive land use, harmless raw materials, cleaner production, waste resource utilisation, and low-carbon energy use throughout the entire production process. Guided by these principles, JSJ has comprehensively integrated green concepts into its daily operations and established a systematic green manufacturing system covering design, manufacturing, logistics, and other operational processes.



National Green Factory

Green Design

JSJ systematically integrates the concept of green development into all aspects of its daily production and operations. In terms of green design, the Company adopts a product life-cycle perspective and fully embeds eco-design principles into its practices. At the initial stage of product research and development, it comprehensively evaluates resource consumption and environmental impact, with a view to reducing the use of hazardous substances and strictly preventing leakage risks. To further strengthen the scientific basis of its green design practices, the Company has engaged an independent third-party institution to conduct product carbon footprint verification, thereby identifying key carbon-emitting stages in the production process and providing data support for the continuous improvement of environmental performance. Green design not only enhances the Company's alignment with growing market demand for low-carbon and environmentally friendly products, but also strongly supports compliance with the recognition criteria for eco-design products under the Requirements for Green Factory Evaluation, thereby facilitating the effective implementation of the Company's sustainable development strategy.



Product Eco-design

- During the product design stage, we strictly follow the General Principles for Product Eco-design (GB/T 24256-2009) to carry out eco-design for our products. The Company actively incorporates eco-design concepts and takes into account the environmental impacts generated throughout the entire product life cycle, from production and use to disposal.
- We adhere to six major design principles: intensification, reduction, circularity, low carbon, safety, and quality. We systematically consider the environmental impacts across the full life cycle of our products, covering conceptual design, material selection, manufacturing processes, packaging and transportation, functional optimisation, and recycling and dismantling. To ensure the effective implementation of our environmental protection objectives, the Company has established stringent green product evaluation and certification procedures, enabling new products to maintain an industry-leading level of environmental performance.



Eco-design Evaluation

- In accordance with the General Principles for Eco-design Product Assessment (GB/T 32161-2015), we conduct eco-design product assessments for our products based on life cycle assessment. On this basis, we prepared the Product Eco-design Assessment Report of JSJ (Zhaqing) Silicon Materials Co., Ltd. to guide product design improvement.

Green Manufacturing

In alignment with the global trend toward green and low-carbon development, JSJ has taken its designation as a National Green Factory as a key platform to systematically advance the development of its green manufacturing system and related industrial practices. At the production process level, the Company continues to phase out outdated production lines and traditional processes characterized by high energy consumption and high emissions, while comprehensively introducing cleaner production technologies to drive process iteration and equipment upgrades. In terms of resource and environmental management, the Company focuses on reducing resource consumption and pollutant generation at the source, while simultaneously optimizing its energy structure, improving the intensive use of energy, and establishing a sound waste classification, recycling, and resource utilization system to promote the internal circulation and coordinated disposal of by-products. For details on energy and waste management, please refer to the first subsection of this chapter, Compliant and Environmentally Responsible Operations.

Green Logistics

JSJ is comprehensively advancing the development of a green logistics system, with a focus on systemization, low-carbon development, and intensification, while continuously optimizing its transportation structure and supply chain coordination mechanisms. In terms of quality control management, the Company has strengthened quality monitoring and process control throughout the entire workflow, improving the first-pass acceptance rate upon delivery and reducing repeated shipments caused by quality issues at the source, thereby effectively lowering energy consumption and carbon emission intensity in the transportation process. At the same time, we have reasonably adjusted transport modes, for example by shifting from road transportation to maritime transport, so as to leverage the advantages of shipping in terms of large carrying capacity and low energy consumption. In addition, we have actively expanded warehouse deployment near customer locations to improve distribution efficiency and shorten delivery lead times.

JSJ has deeply integrated the concept of "green, low-carbon, and circular" into the establishment of its green factory and the entire product life cycle. The Company adheres to green packaging practices, prioritizing the use of eco-friendly materials such as paper bags and strictly controlling the utilization of disposable packaging. JSJ continuously explores packaging solutions that emphasize reduction, recyclability, and low carbon footprint, avoiding the use of multi-layered, hard-to-degrade materials like composite bags to minimize environmental burden at the source. Simultaneously, the Company advocates for the reuse and circular flow of packaging materials not in direct contact with products, promoting a management mechanism for recycling and reuse.



Addressing Climate Change

JSJ regards climate change as a major strategic issue affecting the Company's sustainable development. The Company has systematically carried out the identification and assessment of climate-related risks, proactively formulated and implemented response strategies, and worked to enhance its long-term climate adaptability and resilience. Climate change risks have been fully incorporated into the Company's overall risk management system, strengthening the precise identification and dynamic management of potential impacts, effectively reducing the operational uncertainty that climate factors may bring, and laying a solid foundation for the Company's steady and sustainable development.

Climate Governance

To actively address the challenges posed by global climate change, JSJ has continuously improved and deepened its climate governance structure by systematically integrating climate-related issues into its daily ESG management system and clearly identifying them as an important component of the Company's ESG governance. Looking ahead, the Company plans to establish a three-tier climate governance structure to form a working mechanism with clear responsibilities and coordinated interaction. As the highest decision-making body, the Board of Directors provides overall leadership and oversight of climate change-related issues and is responsible for reviewing strategic proposals and major matters related to climate governance. Under the guidance of the Board, the ESG Committee coordinates climate-related work, regularly convenes special meetings, discusses and reviews climate action plans and implementation proposals submitted by the ESG Working Group, and reports its review opinions and recommendations to the Board. The ESG Working Group is responsible for execution, including the implementation of climate-related management measures, data tracking, and daily coordination, thereby ensuring a closed-loop governance process and continuous improvement. Through this layered governance structure, JSJ is accelerating the development of an institutionalized and systematic climate response capability, providing solid organizational support for the Company's green and low-carbon transition.

Climate Strategy

JSJ adopts a scientific approach in establishing its climate change management strategy. Based on climate scenario analysis, the Company identifies and assesses climate-related risks and opportunities, including physical risks, transition risks, and opportunities associated with energy and products and services. Physical risks include both acute and chronic risks. For example, heavy rainfall and flooding may damage operating sites and infrastructure, and may also lead to power outages affecting equipment and facilities, thereby causing operational disruptions and asset losses. JSJ continues to improve its emergency management documents, including the Enterprise Emergency Incident Management System and the Emergency Preparedness and Response Control Procedures, by incorporating meteorological disasters, geological disasters, and sudden environmental incidents into a unified emergency response system, clearly defining emergency procedures, responsibilities, and response measures, and regularly conducting emergency pre-

paredness and drills to enhance environmental risk prevention and emergency response capabilities. Transition risks include policy and legal risks, technological risks, market risks, and reputational risks. For example, as more industries and companies are incorporated into carbon trading systems, the cost of excess carbon emissions is expected to continue rising; the transition to low-carbon technologies increases investment in clean technology research and development; and growing customer demand for low-carbon services and green products may reduce the market share of traditional high-energy-consuming products, thereby leading to revenue decline. JSJ continues to invest in energy conservation, emission reduction, and the research and development of sustainable low-carbon products, actively responding to the expectations of customers, the public, and other stakeholders, while maintaining and enhancing the Company's brand reputation.

In addition, we have identified the opportunities brought by climate change. For example, growing market demand for green and low-carbon products creates new opportunities for our green and low-carbon product offerings, while the use of more energy-efficient production equipment helps reduce operating costs. Based on the identified risks and opportunities, we have developed management strategies and implementation plans, and, in consideration of the identified risk exposure and development opportunities, combined with the Company's existing strategy, formulated a management approach to climate change.

Risks and Opportunities

JSJ has fully integrated the management of climate-related risks and opportunities into its corporate risk identification system, promoting the deep integration of climate factors into business decision-making. Through systematic review, the Company focuses on evaluating physical and transition risks that climate change may trigger, such as production interruptions and changes in policies and regulations, while also accurately identifying strategic opportunities arising from the green and low-carbon transition and emerging market growth. In doing so, the Company seeks to ensure that risks are preventable and controllable and that opportunities can be effectively captured, thereby providing strong support for sustainable development.

In terms of risk response, JSJ strictly complies with relevant laws and regulations, including the Emergency Response Law of the People's Republic of China, and has formulated and implemented internal policies such as the Emergency Preparedness and Response Control Procedures, which systematically cover response processes for various natural disasters, including meteorological disasters, earthquakes, geological disasters, and marine disasters. These measures strengthen the Company's emergency response capability for sudden environmental incidents and continuously enhance its climate resilience and emergency management capacity.

In response to the green development opportunities arising from climate change, JSJ takes proactive and targeted actions. Beginning with green design as the source, the Company systematically integrates environmental protection concepts into the research and development stage, carrying out full life-cycle environmental impact assessments of product structure, material selection, and process pathways, so as to minimize the ecological footprint of products from raw material acquisition to end-of-life disposal. Taking green manufacturing as the core driver, the Company continuously optimizes production processes, upgrades major energy-consuming equipment, and promotes energy-saving and low-carbon technologies, thereby comprehensively improving the efficiency of energy and resource utilization. Through these practical actions, the Company fulfills its green commitments and moves toward a new stage of harmonious coexistence and coordinated development between the enterprise and the environment.

For JSJ's 2025 greenhouse gas emissions performance, please refer to Appendix 1: 2025 Key Performance Table.

04

Empowering Employees Gathering New Momentum for the Team



• Our Actions

- Safeguarding Employee Rights and Interests
- Fostering Team Cohesion and Care
- Creating Growth Opportunities
- Strengthening Health and Safety Protection

• Our Performance

- 100% employee labour contract signing rate
- 100% social insurance coverage rate
- 100% employee training coverage rate
- Average training hours per employee: **41.66** hours
- Total employee training hours reached **16,038.36**, representing a threefold increase compared with 2024
- 100% occupational health examination rate

JSJ upholds a people-oriented philosophy, strictly complies with labour laws and regulations, and implements principles of equal and diverse employment while establishing a market-competitive compensation and benefits mechanism. Through diversified incentives, festive care initiatives, and cultural and sports activities, we enhance employees' sense of belonging and build a comprehensive employee care system. We also provide tailored support to employees facing difficulties, continuously improving the overall employee workplace experience. In response to both employees' capability development needs and the Company's talent cultivation objectives, we have established a tiered training system focused on professional skills and leadership development, while creating clear career development pathways. JSJ adheres to the safety policy of "safety first, prevention first, safe development, and people orientation", continuously improves its occupational health management system, regularly organises safety drills and knowledge training, strengthens whole-process risk prevention and control, and promotes the physical and mental well-being of employees.

Safeguarding Employee Rights and Interests

Compliant Employment

JSJ strictly complies with employment-related laws and regulations in the jurisdictions where it operates, including the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Implementation Regulations of the Labour Contract Law of the People's Republic of China, and the Employment Promotion Law of the People's Republic of China. By formulating and updating a series of internal management policies, including the JSJ Employee Handbook, the Company ensures that its employment practices in recruitment, hiring, and dismissal are lawful and compliant. In recruitment, the Company adheres to the principle of equality and does not engage in discrimination on the basis of gender, age, ethnicity, physical condition, or other factors.

At the same time, JSJ firmly prohibits child labour and forced labour. Relevant response measures are clearly set out in the JSJ Employee Handbook:

Child Labour

Cross-verification procedures are established and pre-employment reviews are conducted to ensure that individuals under the age of 18 are not employed by the Company.



Response Measures

Forced Labour

Clear provisions are in place regarding working hours, overtime, and compensatory leave. Any working time exceeding 40 hours per week is regarded as overtime, and employees may apply for compensatory leave. Employees are encouraged to make timely use of such arrangements.

During the reporting period

JSJ achieved a **100%** employee labour contract signing rate and **100%** coverage of social insurance and housing provident fund contributions, and no incidents involving child labour or forced labour were identified.

Talent Acquisition

JSJ enriches its talent pool and continuously optimises its talent structure through three channels: campus recruitment, social recruitment, and internal recruitment.

Campus recruitment

JSJ maintains long-term cooperative relationships with a number of well-known universities, including the South China University of Technology, Sun Yat-sen University, Jinan University, and The Hong Kong Polytechnic University. Through university-enterprise collaboration, the Company identifies high-potential talent, provides relevant internship opportunities and joint training programs, promotes the integration of industry, academia, and research, and cultivates specialised talent in a targeted manner.

Social recruitment

JSJ attracts talent through online platforms, executive search firms, and other recruitment channels. As the Company continues its rapid global development, social recruitment has become an important channel for meeting demand for high-calibre talent and capturing development opportunities.

Internal recruitment

The Company has established internal referral channels and corresponding incentive mechanisms, while also building an internal talent pool. For suitable positions, priority is given to identifying qualified internal candidates, thereby providing opportunities for employees capable of taking on different types of roles.

Case

Embracing Innovation and the Future | Launch of the JSJ 2025 Management Trainee Program

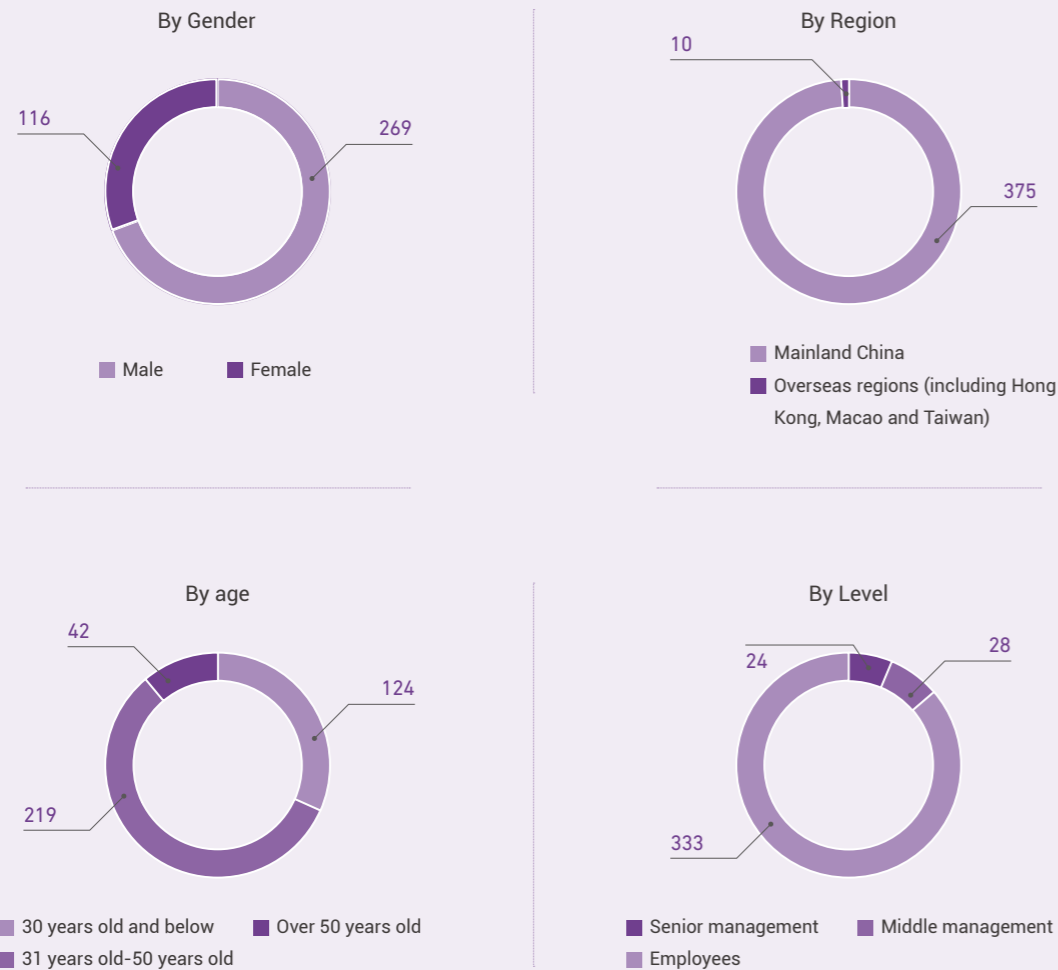
JSJ officially launched its 2025 Management Trainee Recruitment Program in January 2025, extending a sincere invitation to graduating students of the Class of 2025 at both undergraduate and master's levels. JSJ provides management trainees with diversified development pathways, with training directions covering core areas such as research and development, innovation, supply chain, sales, quality, strategy, marketing, and human resources. Each management trainee is able to develop along the track best suited to his or her strengths and aspirations. The management trainee recruitment program is one of the Company's key annual recruitment initiatives and serves as an important channel for building a pipeline of versatile, high-potential talent for the Company. In November 2025, the Company specially organised a Management Trainee Conference to recognise outstanding trainees during the reserve period. The event fully acknowledged the efforts of management trainees and their mentors, summarised past successful experience, reaffirmed the original aspirations behind their development journey, and empowered trainees to pursue long-term career growth.



JSJ adheres to the principle of “equal opportunities and merit-based employment”. The Company actively recruits veterans and persons with disabilities who are able to work, and makes appropriate arrangements in job assignments to ensure that every employee can fully utilise their strengths in a suitable position, thereby promoting inclusiveness and diversity across the Company.

As of 31 December 2025, JSJ had a total of **385** employees, including **4** employees with disabilities and 4 veteran employees. Female employees totalled **116**, representing approximately **30.1%** of the workforce.

Employee Diversity Data (Unit: Person):



Compensation Management

In 2025, the Company continued to deepen the optimisation and adjustment of its employee compensation, incentive, and performance management systems, with a view to building a fairer, more competitive, and more motivating institutional environment, thereby providing strong support for talent development and organisational effectiveness enhancement.

In terms of the compensation system, the Company officially updated its Compensation Management Policy in May in accordance with the revised job grade framework. The original five job categories – M, S, P, A and O – were consolidated into two main tracks: M (Management) and P (Professional), making the job grade structure more streamlined, clearer, and better aligned with business needs. The design of salary bands comprehensively takes into account multiple factors, including talent supply conditions, per capita output, employee turnover rate, the stage of industry development, market salary levels, and the Company's ability to pay. Differentiated salary ranges are designed for the M and P tracks and for professional positions respectively, with the aim of attracting and retaining core talent while balancing internal fairness and external competitiveness, thereby achieving effective alignment between the compensation system and business performance. Our compensation philosophy is built upon five core principles:

- 1 Position-based pay, compensation grades are determined based on job value to ensure internal equity
- 2 Performance-based rewards, fixed salary adjustments and performance bonus allocations are closely linked to individual and organisational performance, with a greater focus on high performers and contributors
- 3 Market-oriented benchmarking, compensation levels are benchmarked against industry standards to ensure that core talent receives externally competitive remuneration
- 4 Multi-track development, a compensation system aligned with dual career development pathways is established to encourage employees to achieve professional growth in different directions
- 5 Shared success, the Company shares the fruits of its development with employees, creating a virtuous cycle between improved corporate performance and employee income growth

Through this system, we are committed to building a compensation mechanism that is fair, transparent, and incentive-compatible, enabling the Company and its employees to grow together and share the benefits of development.

In the design of fixed compensation and short-term incentives, JSJ adheres to the principle of equal pay for equal work, and determines remuneration fairly based on position, performance, and capabilities, thereby safeguarding the rights and interests of every employee. In terms of long-term incentives, the Company actively implements employee share ownership schemes, giving full and prudent consideration to the scope of incentive recipients and the level of incentives, so as to leverage the talent retention advantages brought by long-term incentives.

JSJ 2025 Semi-annual Awards Ceremony

On 15 September 2025, JSJ held its Semi-annual Awards Ceremony, at which 64 individuals who exemplified the Company's cultural values, as well as outstanding individuals and teams in areas such as safety, quality, production operations, and teamwork, were recognised. Through this event, the Company further embedded its core values of "customer-centricity, innovation-driven development, long-term hard work, and commitment to self-criticism" into the organisation. At the ceremony, President Ren, guided by the Company's corporate culture, called on all employees to remain steadfast in their convictions and act with pragmatism and responsibility in the face of challenges, transforming ordinary efforts into an extraordinary driving force for the Company's advancement onto the international stage. In doing so, the event achieved the dual objectives of honour-based motivation and cultural cohesion.



At the same time, the Company continued to strengthen its performance-oriented approach by optimising the talent development program and commission system of the Marketing Centre. Employee income for sales personnel has been more closely linked to sales performance, and commission ratios for different products have been adjusted in light of business realities, thereby encouraging employees to exceed performance targets and promoting the coordinated growth of both personal income and the Company's business performance. In addition, the incentive system in the production department was upgraded, with the bonus scheme changing from a points-based system to a piece-rate system, directly linking employee performance to individual output. This fully reflects the principle of more pay for more work, effectively stimulating production efficiency and employee initiative, while providing front-line personnel with clearer direction for effort and a more defined expectation of rewards.

In addition to compensation and equity incentives, JSJ provides all employees with a wide range of comprehensive and caring benefits, which can be categorised into statutory benefits, general benefits, and incentive benefits. Statutory benefits are provided in strict compliance with relevant regulations, including the lawful payment of social insurance and housing provident fund contributions, as well as leave entitlements such as marriage leave, maternity leave, miscarriage leave, prenatal check-up leave, breastfeeding leave, paternity leave, annual leave, and bereavement leave. General benefits focus on employees' physical and mental well-being, daily living needs, and emotional support. Incentive benefits address employees' social needs and sense of team belonging. For more information on incentive benefits, please refer to Section 3 of this chapter, "Fostering Team Cohesion and Care."

Statutory Benefits	Social insurance, housing provident fund contributions, leave entitlements, labour protection, and other statutory benefits
General Benefits	Birthday benefits, festive benefits, health check-ups, meal subsidies, snack provisions, home-visit subsidies, and other general employee benefits
Incentive-based Benefits	Travel activities, outward-bound activities, departmental team-building budgets, and other collective activities and welfare benefits

Creating Growth Opportunities

JSJ actively responds to employees' expectations for clear promotion pathways and access to advanced skills and knowledge by establishing a comprehensive career development and training system.

New Employee Integration Program

JSJ recognises that talent development is a key driver of corporate sustainability. To this end, the Company has carefully developed a "full-cycle probationary companionship growth" new employee integration program. This program establishes a systematic development framework covering all stages from onboarding adaptation to efficient growth, and has supported 42 new employees in successfully integrating into the team.

Accelerated development: Supported by a three-tier training system, ranging from company-level to position-level empowerment, the program enables new employees to acquire skills quickly and become competent in their roles.

Collaborative efficiency enhancement: By breaking down departmental boundaries and leveraging a mentorship system and cross-departmental collaboration, the program integrates resources to provide all-round support for new employees and improve team collaboration efficiency.

Cultural alignment: Through a combination of theory and practice, including activities such as corporate culture interpretation sessions and tea gatherings, the program helps new employees develop a deeper understanding of and identification with the Company's values.

Retention optimisation: By providing full-cycle care and a positive probationary experience, the program enhances employees' sense of belonging, effectively improves talent retention, and strengthens the Company's talent pipeline.



This program is not only a pathway for the growth of new employees, but also a concrete demonstration of JSJ's people-oriented ESG philosophy. By empowering employee development, the Company promotes the simultaneous improvement of organisational effectiveness and sustainable competitiveness.

Promotion Mechanism

In 2025, JSJ issued the Job Grade System Management Policy and the accompanying Summary of Job Qualifications, formally establishing a dual-track development model centred on the Management sequence (M) and the Professional sequence (P). This framework clarifies parallel promotion pathways in both management and technical tracks. By specifying competency requirements and professional experience standards for each position, the Company provides employees with diverse options for both vertical advancement and horizontal development, enabling them to flexibly choose development paths based on their strengths and career plans. On this basis, the Company also optimised its promotion management system, reinforced the value orientation that "cadres are first and foremost accountable", adopted 360-degree comprehensive evaluation as the basis for assessment, and upheld equal emphasis on both integrity and performance to ensure that the promotion process is open, fair, and impartial.

In addition, the Company has established a reserve talent pool. Outstanding employees who do not yet fully meet the promotion criteria are placed in a "pending promotion" status for continued development. When vacancies arise, priority is given to qualified internal candidates, fully reflecting the employment philosophy of "promoting the capable, reassigning the average, and removing the underperforming." The Company also encourages cross-functional rotation and the development of versatile talent. Employees at manager level and above may submit development intentions annually, while employees at director level and above are subject to horizontal rotational assignments. By building a multi-level and multi-path promotion system, JSJ continues to inspire employee ambition and lay a solid talent foundation for sustainable development.

Talent Development System

The Company has established a systematic and multi-level talent development system that fully covers employees' growth pathways. Built around the three key dimensions of new employees, technical backbone personnel, and management talent, and based on an integrated online-plus-offline training model, the system provides employees with flexible and diversified learning resources. At the same time, the Company has developed systematic and differentiated development plans for a wide range of functions, including management, marketing, technical, operational, and administrative/logistics roles. In addition, the Company has established an internal trainer team to promote the accumulation and transfer of internal knowledge. JSJ continues to increase investment in training programs, providing strong support for the cultivation of outstanding talent for the Company. During the reporting period, JSJ recorded 16,038.36 employee training hours, with a 100% employee training coverage rate.

New employee mentoring

The Company arranges mentorship guidance for new employees to help them adapt to the working environment. At the same time, the Company provides a two-week training program for new employees, covering the Company's history and current status, organizational structure and departmental responsibilities, corporate culture, rules and regulations, and job skills, etc., to assist new employees in smoothly integrating into their new roles.

Training of technical backbones

The Company gradually improves the development projects for technical talents, establishes a professional learning ecosystem, and enriches the professional development paths and resources for employees.

Talent development in management

During the reporting year, the Company formulated the "Successor Cultivation and Management System". This system explicitly stipulates that for employees who perform outstandingly in their positions (potential successors), the Company will conduct special cadre training to enhance the capabilities of existing cadres and reserve potential leaders for the Company.

Case

Management Trainee Program

From 1 to 4 July 2025, JSJ organised the onboarding training program for its 2025 management trainees under the theme "Setting Sail with Youth, Letting Dreams Take Flight". The program included a welcome ceremony, comprehensive training sessions, and a closing ceremony. The training covered a range of topics, including corporate culture, internal rules and regulations, and career planning, helping management trainees integrate into the Company quickly. This training not only enhanced the trainees' knowledge and skills, but also strengthened team cohesion, laying a solid foundation for their future career development.



Management Trainee Program

"Fresh Flower Glory Competition" Cadre Development Program

Case

In October 2025, JSJ organised the "Fresh Flower Glory Competition" Cadre Development Program, which was implemented in 2025 and focused on enhancing cadres' capabilities in strategic management and organisational development. The training systematically covered four key modules:



"Fresh Flower Glory Competition" Cadre Development Program

- Strategic target setting, guiding cadres in mastering scientific planning and implementation methods

- Management systems, providing an in-depth analysis of the establishment and operation of efficient management systems

- Talent cultivation and team upgrading, with a focus on strengthening talent pipeline development and team leadership

- Organisational division of labour and process innovation, exploring how to optimise structures and processes to drive greater effectiveness

The program was delivered through a combination of intensive training sessions, workshop discussions, and practical assignments, with the aim of directly translating theoretical learning into practical capabilities that would support the implementation of the Company's 2026 strategy.

Case Internal Trainer Development Program

In 2025, JSJ advanced its Internal Trainer Development Program in three phases, with the aim of putting into practice the concept that "everyone can be a trainer" and strengthening the development of a learning-oriented organisation. Through systematic training, the program empowered the internal trainer team, with a particular focus on enhancing their capabilities in course development and case-based teaching, so as to effectively transmit the Company's culture and support the implementation of the annual training plan. By promoting the inheritance of internal knowledge and the embedding of corporate culture, the program has effectively enhanced employee skills and organisational cohesion, thereby providing solid talent support for strategic development.



Internal Trainer Development Program

Case Start-of-work Blessings to Unite the Team for a New Journey

In February 2025, JSJ held a start-of-work blessing event and a lion dance performance to welcome the new year in a festive and lively atmosphere. During the event, employees enhanced communication through performances and goal-sharing activities, while the Company distributed red envelopes and symbolic blessing gift bags, conveying New Year greetings and care. At the same time, the lion dance performance featured classic elements such as observing the greens, plucking the greens, and spitting the greens, symbolising prosperity and good fortune and injecting vitality and hope into the year ahead. This event not only promoted traditional culture, but also further strengthened team cohesion and created a positive start to the new working year.



Start-of-work Blessings to Unite the Team for a New Journey

Fostering Team Cohesion and Care

JSJ regards rich humanistic care and smooth, democratic communication channels as the basic principles for maintaining employee cohesion, and actively strives to create a workplace environment that is democratic, equal, diverse, and friendly.

Humanistic Care

Based on employees' actual needs, JSJ provides a variety of facilities to enhance employees' sense of well-being and belonging, such as reading rooms and fitness facilities. During major holidays, including the Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival, the Company distributes festive gifts to employees. In addition, the Company organises events such as commencement gatherings, sports meetings, team-building activities, and employee birthday celebrations to enhance employee satisfaction and loyalty.

Annual Spring Reception and Women's Day Celebration

Case



Annual Spring Reception and Women's Day Celebration

On 7 March 2025, JSJ held its annual spring reception and Women's Day celebration under the theme "Gathering Strength to Set Sail and Voyage Across the Silicon Sea." The event comprehensively reviewed the Company's development achievements and recognised annual outstanding performers, including Outstanding Employees and Sales Stars, thereby motivating the team. As the event coincided with Women's Day, the Company also expressed its care and appreciation by presenting bouquets and special gifts to senior female employees. The event further featured employee performances, interactive games, and lucky draws, effectively enhancing team cohesion and creating a joyful atmosphere, while injecting vitality and confidence for meeting future challenges.

Case Free Employee Dormitories

JSJ is committed to creating a comfortable and convenient living environment for employees. The Company provides well-equipped accommodation apartments within the industrial park for employees in need, free of charge, and also offers subsidies for utility expenses for resident employees. These measures further reduce employees' living costs and effectively enhance their sense of belonging and stability.



Free Employee Dormitories

While actively organising employee activities and enriching employees' lives, we also pay close attention to employees' physical condition and family circumstances, and proactively extend assistance to employees facing difficulties. In addition, during periods of extreme heat, JSJ provides supplies to employees to help safeguard their health.



Employee Sports Meeting

Employee Communication and Democratic Management

JSJ is committed to fostering an inclusive culture with a strong sense of belonging. The Company has established multiple channels for employee communication, including general manager interviews, employee discussion forums, an employee voice wall, and the labour union, in order to continuously improve the working environment and optimise the employee experience. In addition, we conduct an annual employee satisfaction survey to gain an in-depth understanding of employee views across dimensions such as career development, expectations for the Company's future, safety, logistics support, compensation, benefits, communication channels, and cultural identification, and then formulate targeted follow-up measures based on employee feedback.



Employee Discussion Forum

In 2025, the Company conducted its annual employee satisfaction survey across Plant 1, Plant 2, and the Guangzhou office area, covering a wide range of functions including production, technical, functional, sales, and management positions. A total of 138 valid questionnaires were collected, with the aim of genuinely listening to employees' voices and continuously improving management practices. The survey showed that the Company had achieved notable results in areas such as safety protection and clarity of job responsibilities, while the overall atmosphere of teamwork was positive. On this basis, the Company has placed commonly raised concerns, including compensation and benefits, career development, working environment, and cross-departmental collaboration, on its key optimisation agenda. Going forward, the Company will continue to refine its compensation and incentive mechanisms, expand career development pathways, improve working conditions, and strengthen cross-departmental coordination in response to survey feedback. JSJ remains committed to building a working environment with a stronger sense of belonging and greater growth potential, thereby promoting the common development of employees and the organisation.

Strengthening Health and Safety Protection

JSJ strictly complies with laws and regulations including the Work Safety Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and consistently places employee health and safety as its top priority. By establishing and implementing a sound environment, health and safety management system, we actively create a safe and reliable working environment. This not only helps effectively prevent accidents and safeguard operational efficiency and employee well-being, but also supports our continued compliance with regulatory requirements and lays a solid foundation for the creation of long-term business value.

Deepening the Development of Safety Culture

The Company consistently prioritises employee safety and health and has systematically built a safety culture framework. In 2025, to realise the safety vision of "Act Together, Stay Safe, and Build a Safety Culture of Initiative and Mutual Support", the Company used the implementation of safety culture as a key focus. Through regular safety production meetings, specialised training, team building, safety inspections, Safety Culture Month activities, and the selection of safety role models, the Company strengthened full employee participation in safety management and fostered a strong safety culture atmosphere.

To further enhance the effectiveness of safety culture development, the Company established a dedicated promotion task force. Focusing on six core dimensions — safety leadership, safety learning capability, safety motivation, safety assurance capability, safety behaviour, and safety communication — the Company developed a phased safety culture roadmap, defined milestone targets for each stage, and established a dynamic tracking and evaluation mechanism to ensure systematic advancement and effective implementation of safety culture initiatives.

Case

Building Defence Through Drills to Safeguard Intelligent Manufacturing – JSJ Continues to Conduct Emergency Drills

Safety is the lifeline of high-quality corporate development. Particularly in the field of functional silica manufacturing, strengthening the line of defence for production safety is both a corporate responsibility and a foundation for development. JSJ therefore continues to strengthen its production safety management system.

On 2 December 2025, the Company, together with the local fire rescue department of the High-tech Zone, conducted a full-process, practical firefighting emergency drill. The drill covered fire warning, initial fire suppression, personnel evacuation, and the practical use of firefighting equipment. Through a model combining theoretical instruction and practical drills, the Company comprehensively enhanced employees' emergency response capabilities and coordination skills. In addition, the Company regularly carried out specialised emergency drills for incidents such as poisoning, heatstroke during confined-space operations, hazardous waste leakage, and natural gas leakage, continuously improving its emergency response plan system and promoting the normalised and specialised implementation of emergency drills.



Promoting Learning Through Training and Action Through Competitions – JSJ Continues to Advance Safety Training and Knowledge Contests

Case



In 2025, to enhance employees' safety awareness and increase their safety knowledge, JSJ conducted internal safety training sessions ahead of major holidays, including the Spring Festival and the National Day and Mid-Autumn Festival holiday period. Through a combination of online live broadcasts and offline classroom sessions, the Company focused on topics such as production safety, fire safety, and travel protection, thereby strengthening risk prevention during holiday periods.

At the same time, the Company actively participated in external professional training and organised employees to attend specialised training sessions on topics such as special equipment management and confined-space operations, hosted by the Zhaoqing High-tech Zone Market Supervision Administration, the Work Safety Administration, and industry associations. These sessions enabled employees to gain a deeper understanding of regulatory standards and key accident prevention measures, while also completing continuing education assessments for special equipment safety officers, thereby continuously improving the competency of employees in specialised positions.

To better understand employees' mastery of safety knowledge and promote safety practices, the Company organised multiple safety knowledge competitions throughout the year across various business units. These activities effectively stimulated employees' enthusiasm for learning and helped embed safety knowledge across the organisation.

Case Driving New Heights in Safe Production Through the Power of Role Models

On 20 June 2025, JSJ recognised employees who had demonstrated outstanding performance in production safety work during May, affirming their positive contributions in risk identification, standardised operations, and the fulfilment of responsibilities. Through solid professional competence, strong risk awareness, and proactive working attitudes, the recognised employees promptly identified and helped eliminate potential hazards in their daily work, thereby effectively safeguarding production safety. Going forward, the Company will continue to improve its incentive mechanism so that excellent practices can be replicated and promoted, further enhancing all employees' sense of safety responsibility and action.



JSJ collaborates with the Red Cross to conduct practical training for first-aid certification

Case



To fortify the safety production defenses of the enterprise and enhance employees' emergency rescue capabilities, JSJ invited professional coach-instructors from the Red Cross in March 2025 to conduct practical training for first-aid certification. Over 20 employee representatives from various departments participated in the training.

Centered on practical operations, the instructors provided hands-on guidance to trainees on first-aid skills such as cardiopulmonary resuscitation (CPR) and the use of AED, meticulously correcting details like compression depth and frequency. Trainees practiced in groups, honing their skills in strict accordance with certification standards to effectively master first-aid response capabilities in emergency situations. This training effectively strengthened employees' safety awareness and emergency response skills, establishing a robust safeguard for the enterprise's safe production and the health of its employees.

The Company remains committed to its goal of zero occupational diseases and has established a health monitoring system covering the entire employee lifecycle, from pre-employment, during employment, to departure, in order to comprehensively safeguard employees' occupational health.

Standardised health examinations: The Company conducts annual testing and disclosure of occupational hazard factors in the workplace to accurately identify occupational health risks. It also organises occupational health examinations for employees throughout the full employment cycle in accordance with regulations, establishes occupational health records, and achieves dynamic tracking and management of employees' health conditions.

Improving practical protection capabilities: The Company regularly conducts specialised safety and environmental training to enhance employees' awareness of self-protection and their practical operational capabilities. In 2025, JSJ also cooperated with the Red Cross to carry out first-aid practical training and certification for first-aiders, strengthening emergency response capabilities and promoting emergency first-aid awareness.



Case Poisoning Emergency Drill

To strengthen employees' safety protection and emergency response capabilities during chemical operations, JSJ organised a specialised emergency drill for chemical poisoning incidents in January 2025. The drill simulated a toxic gas leakage incident at a production site and covered the full process, including incident reporting, personnel evacuation, site isolation, rescue of poisoned personnel, and environmental monitoring. Participants responded quickly and cooperated in an orderly manner, effectively improving their coordinated response and practical rescue capabilities under emergency conditions. The drill further reinforced employees' safety awareness, tested the operability of the emergency response plan, and provided strong support for the Company's safe production.



Poisoning Emergency Drill

05

Co-existence and Mutual Benefit Building a Beautiful New Landscape



• Our Actions

- Responsible Supply Chain
- Facilitating Industry Development

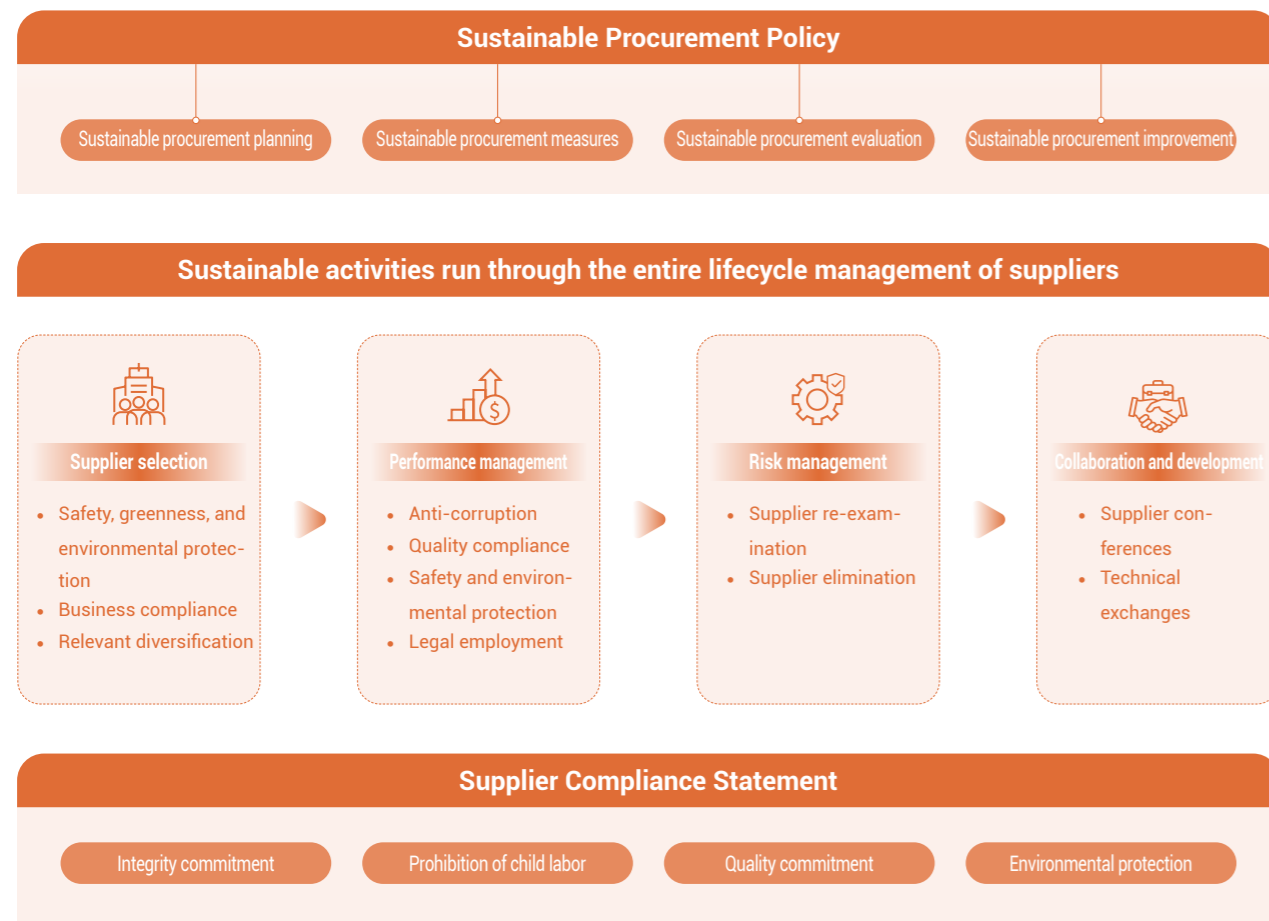
- Fulfilling Social Responsibilities

• Our Performance

- The signing rate of the "Anti-Bribery Pledge" among core suppliers reaches **100%**
- Cumulative donation amount over the past three years: **144,200** RMB
- Four academic papers published through industry-university-research collaboration
- Four patents jointly applied for
- Led and participated in the drafting of **8** standards, including **2** national standards, **2** industry standards, and **4** group standards.

Responsible Supply Chain

Against the backdrop of an era where the concept of sustainable development has been widely embraced, JSJ actively integrates sustainability into its corporate operations. In 2025, the Company will revise a series of institutional documents, including the Procurement Management System, Supplier Selection and Evaluation Control Procedures, Logistics Management System, and Supplier Quality System Audit Clauses and Requirements, making specific updates regarding the compliance of procurement requisition forms, the supplier development process, and the performance evaluation of logistics suppliers, among others. Additionally, this year, the Company has introduced two new procedures—Supplier Selection, Admission, and Evaluation Control Procedures - Direct Procurement Category and Supplier Selection, Admission, and Evaluation Control Procedures - Indirect Procurement Category—to cater to the diverse needs of its business operations. To enhance the effectiveness of these systems, the Company has further refined its comprehensive sustainable procurement management framework. By integrating supplier compliance declarations with a code of conduct, it has established a robust management system that spans the entire process from supplier admission to ongoing collaboration. This system sets stringent sustainability standards for each stage, clearly delineates the responsibilities of each component in driving the Company towards its sustainable development goals, and provides strong support for its sustainability strategy.



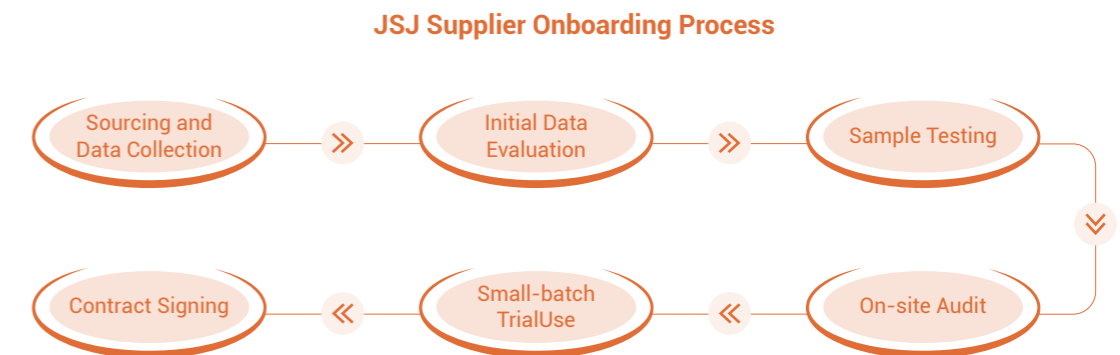
Sustainable procurement system

Supplier Selection

To effectively implement the requirements of relevant systems such as the Procurement Management System and the Supplier Selection and Evaluation Control Procedures, and to comprehensively strengthen supplier admission management, the Company has established a rigorous and all-encompassing comprehensive evaluation system. During the evaluation process, the Company conducts a holistic assessment of suppliers across multiple key dimensions, including product quality, compliance, delivery capability, environmental protection and safety, and pricing. A stringent monthly review and scoring system is strictly enforced. If a supplier scores below 90 points under this scoring system, it must implement effective corrective actions to enhance its overall performance.

To ensure that suppliers actively adhere to ESG standards, the Company explicitly requires them to sign a series of crucial documents, including the Supplier Quality Assurance Agreement, Supplier Environmental Agreement, Work Safety Management Agreement, Contractor Safety Responsibility Commitment Letter (for hazardous chemicals such as concentrated sulfuric acid), External Personnel Work Safety Commitment, Anti-Bribery Pledge, and Confidentiality Agreement, among others.

The Company has formulated the 2025 Supplier Audit Plan and conducted comprehensive audits of 13 suppliers with significant procurement volumes. The audit scope encompassed quality management requirements, Good Manufacturing Practice (GMP) requirements for pest control, environmental cleanliness, and other aspects. Detailed supplier audit reports were issued following the audits. In response to issues identified during the audits, suppliers are required to provide specific corrective actions within 15 days and implement these measures strictly to ensure the stable, reliable, and compliant operation of the supply chain.



To support the large-scale development of local suppliers, reduce transportation carbon emissions, and enhance the efficiency of natural resource utilization, the Company has optimized and adjusted its plywood pallet suppliers. Previously, our cooperating suppliers were concentrated in areas far from our company. These enterprises were small in scale with a limited product range, and the utilization of small boards remaining after plywood cutting was inadequate, resulting in a relatively high proportion of scrap materials. In 2025, after screening, we introduced a local supplier from Foshan, significantly shortening the transportation distance and effectively reducing transportation carbon emissions. Meanwhile, this supplier offers a diverse range of products, capable of producing plywood pallets and wooden boxes in various sizes, which improves board utilization efficiency. By using large boards for pallets and small boards for wooden boxes, the proportion of scrap materials is reduced, thereby enhancing the utilization level of natural resources such as timber.

Case Unannounced Inspections Drive Quality Improvement among Suppliers

In 2025, to strengthen supplier quality management and elevate the overall level of the supply chain, the Company conducted unannounced inspections on two suppliers, effectively facilitating improvements in their quality management.

During an unannounced inspection in July 2025, a potential risk of insect intrusion into the production environment was identified at one of the suppliers. The introduction of insects could contaminate products and compromise their hygiene and safety indicators. In response, the Company recommended that the supplier enhance physical protection measures in the production area. The supplier responded promptly by installing fine protective screens at key entrances and vents of the production workshop, effectively blocking insects from entering the production area and safeguarding product quality at the environmental source.

In October of the same year, an inspection of another supplier focused on the product packaging and transfer processes. It was found that lapses in the packaging process made it easy for foreign matter such as fallen leaves to be introduced during transfer, posing a potential threat to the product's performance. To address this issue, the Company guided the supplier in comprehensively optimizing its packaging process and assisted in improving manual inspections, environmental cleaning, and packaging methods. This effectively prevented the introduction of foreign matter during transfer and ensured the product's quality remained intact prior to delivery.

Quality Compliance

JSJ enforces stringent admission requirements for raw and auxiliary material suppliers. Suppliers must obtain ISO9001 quality management system certification and ISO14001 environmental management system certification, sign the "Product Quality Assurance Agreement" and the "Supplier Environmental Agreement," and commit to ensuring that the content of hazardous substances in their supplied products complies with the requirements of the EU RoHS Directive. They must guarantee product quality during transportation, preventing physical, chemical, and biological contamination. Products must be strictly controlled during production, processing, and transportation to prevent intentional damage and contamination. Packaging materials must be non-toxic, harmless, and free of pungent odors. Meanwhile, the Company regularly or irregularly audits suppliers' quality management systems to ensure a stable and reliable supply chain.

Safety and Environmental Protection

The Company requires core suppliers to provide system certificates such as ISO 45001 Occupational Health and Safety Management System and ISO 22000 Food Safety Management System. The "Supplier Environmental Agreement" is signed with core suppliers, requiring them to strengthen environmental protection efforts.

- **Raw materials:** Raw materials must comply with relevant national, local, and industry laws and regulations on environmental protection.
- **Production equipment:** Priority should be given to adopting pollution-free or low-pollution production processes and equipment. Production processes or equipment prohibited by national or local regulations must not be used.
- **Pollutants:** Measures must be actively taken to treat excessive pollutants (wastewater, exhaust gas, solid waste, noise, etc.) discharged during the production process. Feasible plans should be formulated to meet national or local discharge standards within specified time limits.
- **Packaging materials:** Priority should be given to recyclable packaging materials to avoid resource waste. Measures should be taken to prevent the operating environment from being polluted due to spillage, leakage, dripping, or overflow.
- **Transportation vehicles:** Exhaust emissions, noise, and washing wastewater from transportation vehicles must comply with relevant laws and regulations.

Legal Employment

In the "Procurement Framework Agreement," it is explicitly stated that suppliers are required to fulfill the following social responsibilities: The use of child labor, forced labor, and involvement in human trafficking are strictly prohibited. Compliance with regulations on working hours, remuneration, etc., and the purchase of social insurance for employees are mandatory. Products must be manufactured under the principles of environmental protection, occupational health, and safety. Environmental protection measures should be taken, and a sound safety management system should be established to protect employees from health and safety threats, thereby building a fair, sustainable, and responsible supply chain.

In 2025, to further strengthen quality management over suppliers, the Company established the SQE (Supplier Quality Engineer) position. This role carries multiple significant responsibilities, including conducting quality audits during the supplier development phase, performing annual audits and monthly performance evaluations of suppliers, as well as closely monitoring the quality of products supplied by them. For non-conforming raw materials, the SQE engages with suppliers to implement improvement measures, follows up on the completion of rectifications, and confirms the effectiveness of corrections, providing comprehensive guidance to enhance suppliers' quality management capabilities. Since the establishment of this position, remarkable results have been achieved, with the qualification rate of raw and auxiliary materials significantly rising from 88.93% in 2024 to 94.24% in 2025, demonstrating notable effectiveness.

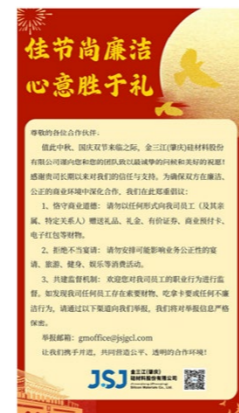
ESG Performance Management for Admission

Anti-Corruption

JSJ adheres to the principles of integrity and self-discipline, striving to create a fair, transparent, and efficient business cooperation environment. To establish a robust line of defense against corruption from the source, the Company solemnly signs the "Anti-Bribery Pledge" with its core suppliers, explicitly and strictly requiring them to establish a comprehensive anti-corruption management system and resolutely eliminate all forms of illegal and unethical conduct such as embezzlement, unfair competition, fraud, and bribery.

In terms of internal supervision and process standardization, JSJ adopts a multi-pronged approach. The Company conducts annual internal audits in an orderly manner, scrutinizing various business processes with a rigorous attitude. For direct and indirect procurement, the strictness of the processes is reasonably differentiated based on the nature of the procurement. Additionally, during special periods such as holidays when integrity risks are relatively high, the Company actively promotes the concept of integrity through channels like social media circles and WeChat communication groups, reinforcing the integrity awareness of both suppliers and internal employees.

To fully motivate suppliers' enthusiasm for participating in joint integrity-building efforts, JSJ strongly encourages them to report any violations of the "Anti-Bribery Pledge." To provide suppliers with convenient and unimpeded reporting channels, the Company has specifically included a reporting email address in the "Anti-Bribery Pledge." Once a supplier discovers any violation, they can directly report it via email. JSJ solemnly promises that all reported information received will be thoroughly investigated with a serious and impartial attitude, and effective corrective measures will be taken based on the investigation results to safeguard honest and clean cooperative relationships, thereby escorting the Company's sustainable development and the healthy and orderly development of the industry.



Risk Management for Existing Suppliers

Supplier Re-evaluation: For core suppliers, the Company continuously employs various methods such as on-site audits, questionnaires, and meeting communications to comprehensively evaluate their ESG performance. Based on the evaluation results, the Company actively provides robust support for suppliers' sustainable capacity building. Meanwhile, in accordance with supplier performance management requirements, suppliers are regularly assessed comprehensively across multiple dimensions including quality, compliance, delivery, cost, and ESG performance. For suppliers scoring below 90 points, the Company explicitly requests them to implement corrective actions.

Supplier Elimination: JSJ implements a grading management system ranging from Grade A to Grade D. Regular on-site audits are conducted at supplier factories, and corresponding actions are taken based on the assessment results: For suppliers scoring below 65 points for three consecutive months, being rated as Grade D annually, or having three or more non-conformance instances within the past year, the Company will resolutely revoke their qualified supplier status. The Company formulated the 2025 Supplier Audit Plan, auditing 13 suppliers and issuing supplier audit reports. Specific rectification requirements were clearly put forward for issues identified during the audits. Suppliers are required to respond with rectification measures within 15 days and strictly implement the rectification work in accordance with these measures.



Responsibility Transmission and Green Procurement

JSJ promotes the concept of sustainable development and shares experiences and methods related to ESG management with suppliers through procurement contracts and supplier meetings. We empower suppliers in building capacity for compliance resilience and sustainable development, assisting them in enhancing their ESG performance to jointly create a green supply chain. Externally, we regularly communicate with suppliers through meetings, forging closer partnerships to collectively drive sustainable development.

While upholding the bottom line of product quality and food safety, we consistently integrate the concept of sustainable development deeply into every aspect of corporate operations. Particularly in the selection and use of packaging materials, we actively explore and implement a series of innovative measures, striving for a win-win situation between environmental protection and business development. In the selection of packaging materials, we vigorously promote a leased shared pallet model. By establishing long-term cooperative relationships with professional pallet leasing service providers, we have gradually reduced the proportion of single-use pallets. Compared to single-use pallets, shared pallets offer significant advantages of being recyclable and reusable, effectively reducing the consumption of natural resources such as timber and significantly minimizing environmental pollution caused by the disposal of single-use pallets. For the packaging management of consumables such as alcohol, we have established a comprehensive empty container recycling mechanism, designating dedicated personnel responsible for the unified collection, classification, and storage of used alcohol empty containers.

Case

Introducing Eco-Friendly Pallets to Build a Low-Carbon Product Supply Chain

In active response to the sustainable development strategy and with a view to effectively reducing carbon emissions and energy consumption, JSJ has focused on optimizing its product supply chain by introducing eco-friendly molded pallets to replace some plywood pallets, achieving remarkable results.

In the selection of pallet materials, we opted for eco-friendly molded pallets. Using small-diameter timber and agricultural and forestry residues as key raw materials, these pallets are formed through a high-temperature and high-pressure molding process. This innovative process not only enables the recycling of resources but also significantly enhances the utilization rate of wood resources to over 95%, effectively reducing excessive reliance on and consumption of natural resources at the source. This characteristic not only streamlines the export process but also substantially reduces carbon emissions and energy consumption during transportation, laying a solid foundation for the Company's path towards green development.

In 2025, to enhance the sustainable development capabilities of the supply chain and strengthen suppliers' management of ESG issues such as product quality, labor safety, and human rights, JSJ conducted a series of communication and training activities.

Theme	Content
Product Quality	<ul style="list-style-type: none"> We engaged in in-depth communication and training with suppliers of paper bags, ton bags, and composite bags in Jiangmen, Shanghai, Wenzhou, and other locations regarding foreign matter identification and prevention. Following the implementation of the new national standard for sulfuric acid, the Company provided specialized training to four sulfuric acid suppliers on technical indicators and testing methods to ensure compliance with raw material quality standards.
Labor Safety and Human Rights Protection	<ul style="list-style-type: none"> We prioritize the safety of sulfuric acid transportation and organized all transportation staff from sulfuric acid suppliers to participate in safety training. The training covered safety regulations, and participants signed the "Contractor Employee Safety Responsibility Commitment Letter" to clarify safety responsibilities and safeguard employee rights.
Clean Energy Transition	<ul style="list-style-type: none"> The Company promotes suppliers' transition to clean energy for carbon reduction. We communicated with three sodium silicate suppliers regarding energy utilization transformation, with one already replacing bituminous coal with natural gas.

In addition, the Company engaged in comprehensive exchanges on ESG practices with a paper bag supplier in Shanghai that has obtained ECOVADIS certification, covering areas such as the environment, labor and human rights, business ethics, and sustainable procurement. Through mutual learning and sharing, both parties jointly improved their ESG management levels and advanced the sustainable development of the supply chain.

Facilitating Industry Development

Promoting Industry Prosperity

JSJ actively engages in technical cooperation with research institutions, industry associations, universities, and other entities, participating in the formulation of industry and enterprise standards, industry-university-research collaboration, and industry exchange activities to drive industry prosperity.

Industry and Enterprise Standard Formulation

JSJ is actively involved in the construction of industry standards. By the end of 2025, the Company has led and participated in the compilation of a total of eight standards, including two national standards, two industry standards, and four group standards.

The national standards Test Method for Abrasion Value of Toothpaste (GB/T 35832-2025) and Calcium Phosphosilicate for Oral Cleaning and Care Products (GB/T 45893-2025), in which we played a significant role in drafting, have been officially released. Additionally, we participated in the drafting of the industry standard Functional Toothpaste (QB/T 2966-2025), which has also been published, contributing professional expertise to the standardized development of the industry.

At the enterprise standard level, JSJ promptly updates enterprise standards such as Colored Silica Particles for Low-Abrasion Toothpaste and Silica-Coated Particles for Toothpaste, and publicly discloses enterprise standards including Abrasive Particles for Toothpaste and Silica as Feed Additive, continuously elevating the industry standardization process to new heights through practical actions.

Industry-University-Research Collaboration

JSJ has jointly established a Guangdong Provincial Postdoctoral Innovation Practice Base with South China University of Technology, focusing on national strategies and industrial upgrading needs. By leveraging the collaborative advantages of industry-university-research, the base empowers the new material industrial cluster in the Guangdong-Hong Kong-Macao Greater Bay Area and drives the industry's green transformation in areas such as low-carbon process innovation and renewable resource utilization.

In 2025, the Company published papers and applied for multiple patents through industry-university-research collaboration.

Jointly Published Papers:

- Structural control of carbon hollow spheres and its SiOC composite
- Fabrication of Densely Spaced Hollow Silica Spheres with Controlled Sizes Using Block Polymers for Applications as Aerogels
- Shape-stabilized polyethylene glycol composite phase change materials based on dendritic mesoporous silica sphere support for thermal energy storage
- Preparation and structural control of hollow porous carbon and silica nanofiber

Joint Patent Applications:

- Preparation Method and Application of Carbon-Coated Lithium Ferrosilicate (Application No.: 2025114828400)
- Phase Change Material Microcapsules and Their Preparation Method and Application (Application No.: 2025114961515)
- In-situ Carbon-Doped Modified Lithium Ferrosilicate and Its Preparation Method (Application No.: 2025115026483)
- Ceramifiable Silicone Rubber for Power Batteries and Its Preparation Method (Application No.: 2025115847803)

Industry Exchange Activities

The Company regularly organizes industry exchange meetings and thematic seminars, establishing an open and shared communication platform to discuss cutting-edge silica technologies with industry experts and jointly enhance the overall competitiveness of the industry.

Case

JSJ's Silica for Battery Separators Shines Brightly at a Major Event in the Storage Battery Industry

From April 21 to 22, 2025, JSJ makes an appearance at the 2025 Annual Members' Meeting of the Storage Battery Branch of the China Electrical Equipment Industrial Association garnered widespread attention within the storage battery industry. As an innovator in battery separator materials, JSJ showcased its silica material for battery separators, presenting its latest achievements in enhancing battery performance, safety, and lifespan. This event brought together industry elites to explore cutting-edge technologies, providing an excellent platform for exchanging insights and discussing development, with continuous displays of innovative technologies and products throughout.

JSJ became a focal point thanks to its high-quality products and technological prowess. The silica for battery separators boasts exceptional physical and chemical properties, effectively improving overall battery performance and enabling stable operation under various operating conditions.

This event was not merely a product showcase but also an opportunity for industry exchange. JSJ leveraged this occasion to engage in in-depth discussions with experts, scholars, and potential customers, gaining valuable insights into market demands that will inform future product development and technological innovation.



JSJ's Innovative Products and Industry Solutions Shine at in - cosmetics Asia 2025

Case

From November 4 to 6, 2025, in - cosmetics Asia 2025, a major cosmetic ingredients exhibition in Asia, was grandly held in Bangkok, Thailand. JSJ made a remarkable appearance with a variety of self - developed silica products specifically designed for oral care and cosmetics, along with industry solutions. It presented China's innovative breakthroughs in silica materials to the international stage, drawing extensive attention from international customers and partners.

During the exhibition, JSJ's booth maintained a consistently high level of popularity. The Company adopted a relaxed and open communication approach, organizing various themed exchange meetings. Through discussions on material and technology applications, it engaged in in - depth interactions and ideological exchanges with international industry peers.



Case JSJ Makes Its Debut at the BCI 2025 Annual Convention + Power Mart Expo in the United States

From May 4 to 7, 2025, JSJ made its debut at the BCI 2025 Annual Convention + Power Mart Expo, a highly influential industry event in North America. Organized by BCI, a leading trade association in the region, the convention focuses on cutting-edge technologies, industry trends, and sustainable development, thereby serving as a significant platform for demonstrating corporate capabilities and expanding international cooperation.



During the exhibition, JSJ achieved substantial outcomes in industry networking, product promotion, and partnership development, leading to a notable enhancement of its international visibility and influence. Moving forward, JSJ will take this exhibition as a new starting point to further strengthen internal management and increase investment in research and development to elevate product innovation capacity. Simultaneously, the Company will deepen collaboration with industry peers and research institutions to jointly address technical challenges. Adhering to a customer-centric approach, JSJ will continuously refine its service system and advance toward the international market with a more resolute and strategic pace.

JSJ Joins Hands with Global Pharmaceutical Elites at CPHI China 2025, a Grand Pharmaceutical Gathering **Case**

From June 24 to 26, the 23rd World Pharmaceutical Raw Materials China Exhibition (CPHI China 2025) was grandly held in Shanghai. As a highly influential event in the pharmaceutical industry across the Asia-Pacific region, this exhibition brought together over 3,000 pharmaceutical enterprises from around the globe.

As a professional supplier of silica for pharmaceutical use, JSJ made a splendid appearance with its high-quality products, demonstrating the innovative strength of Chinese excipient enterprises to global customers. The anti-caking agent series products showcased at the exhibition garnered the favor of numerous customers due to their exceptional fluidity and stability, while the flow aid products attracted widespread attention for their outstanding process adaptability.



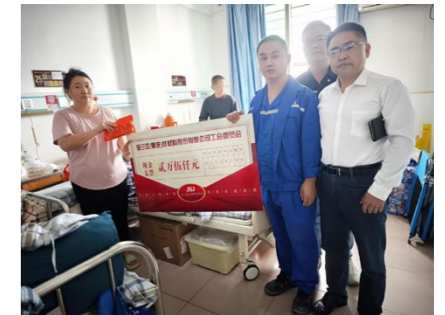
Fulfilling Social Responsibilities

In the course of globalization, JSJ has consistently placed emphasis on social welfare, striving to fulfill its corporate social responsibilities through business innovation, charitable donations, and employee volunteer activities aimed at improving community infrastructure and supporting the development of rural communities.

In the realm of community public welfare, JSJ has always upheld an attitude of active engagement and assumed responsibility with courage. By 2025, the Company had invested 113,600.00 yuan in community public welfare initiatives during that year, with cumulative donations over the past three years totaling 144,200.00 yuan. These figures vividly and powerfully demonstrate our sustained commitment and unwavering sense of responsibility towards community public welfare undertakings.

Case Warming Hearts – The Company's Trade Union Provides Urgent Assistance to Help an Employee Overcome Difficulties

In November 2025, a front-line production employee at JSJ faced an unexpected adversity at home when their child fell seriously ill, necessitating substantial medical expenses for treatment. Simultaneously, the family came under immense pressure due to daily living expenses, plunging their financial situation into immediate crisis. This sudden blow left the employee extremely anxious, severely disrupting their normal work state and life rhythm.



Upon learning of the situation, the trade union of JSJ responded swiftly and initiated emergency care procedures without delay. Union staff immediately conducted a thorough verification of the incident's authenticity and specific circumstances. After confirming the facts, adhering to the principle of caring for employees and facing difficulties together, the union decided to donate 25,000 yuan in assistance funds to the employee. This fund was earmarked specifically for the medical treatment of their child and the family's basic living expenses to address the urgent needs.

Furthermore, considering the dual financial pressures of medical expenses and family expenditures faced by the employee, JSJ also provided them with emergency loan services to further alleviate their financial burden and assist them in navigating through this challenging period smoothly.

Appendix I — Key Performance Data Sheet

Environmental Performance	Unit	2025	2024
Energy Consumption			
Comprehensive Energy Consumption	Tons of standard coal	17,044.44 ¹	16,695.00
Direct Energy Consumption	Tons of standard coal	11,006.24	11,194.35
Indirect Energy Consumption	Tons of standard coal	6,038.19	5,500.65
Comprehensive Energy Consumption Density	Tons of standard coal / 10,000 yuan revenue	0.38	0.43
Greenhouse Gas Emissions			
GHG Emissions (Scope 1+ Scope 2)	Tonnes of carbon dioxide equivalent	43,670.61	38,353.88
GHG emissions (Scope 1)	Tonnes of carbon dioxide equivalent	21,637.61	18,221.74
GHG emissions (Scope 2)	Tonnes of carbon dioxide equivalent	22,033.01	20,132.15
GHG Emissions Density (Scope 1+ Scope 2)	Tons CO ₂ e/ 10,000 yuan revenue	0.97	0.99
Water Resource Use			
Total Water Consumption	10,000 tons	114.39	95.36
Water Consumption Density	Tons/10,000 yuan revenue	25.52	24.73
Recycled Water Utilization Rate	%	7.01	7.76
Wastewater Discharge			
Sewage Discharge Quantity	10,000 tons	86.80	77.15
Sewage Discharge Density	Tons/ 10,000 yuan	18.05	20.01
Atmospheric Pollutants			
Particulate emission	Tons	10.65	7.95
VOCs	Tons	1,706.46	1,412.65
Nitrogen Oxides Emissions	Tons	4.745	3.135
Waste Management			
Hazardous Waste Emissions	Tons	1.5	1.76
Hazardous Waste Emissions Intensity	Kg/10,000 yuan	0.033	0.046
Non-hazardous Waste Emissions	Tons	786.92	659.56
Non-hazardous Waste Recycling Quantity (if any)	Tons	786.92	659.56
Non-hazardous Waste Emissions Density	Kg/ 10,000 yuan	16.36	17.11
The proportion of harmless treatment for industrial solid waste generated in production	%	100.00	99.73
Environmental Performance			
Number of Environmental Violation Penalties	Cases	0	0

1: Excluding self-generated and self-consumed photovoltaic electricity, consistent with 2024.

Governance Indicators	Unit	2025	2024
Number of Directors	People	5	6
Number of Non-Independent Directors	People	3	4
Number of Female Directors	People	2	1
Percentage of Female Directors	%	40	17
Number of shareholders' meetings held	Times	5	1
Number of board meetings held	Times	10	5
Number of supervisory board meetings held	Times	6	6

R&D Innovation	Unit	2025	2024
R&D investment	10,000 yuan	1,765.73	1,781.69
R&D investment as a percentage of company's revenue	%	3.94	4.62
R&D workforce	People	53	50
Number of new patents granted during 2025	/	4	7
Total patent authorizations	/	135	134
Total patents granted	/	109	105
Total intellectual property rights	/	154	150

Responsible Marketing	Unit	2025	2024
Lawsuits Related to False Marketing Claims	/	0	

Employee recruitment	Unit	2025	2024
Total number of employees	People	385	374
Divided by gender			
Total number of male employees	People	269	266
Total number of female employees	People	116	108
Divided by age			
The total number of employees aged 30 and below	People	124	126
The total number of employees aged 31-50	People	219	203
The total number of employees over 50 years old	People	42	45
Divided by region			
Employees in Mainland China	People	375	370
Staff from Hong Kong, Macau, Taiwan and overseas	People	10	4
Divided by level			
Senior management	People	24	21
Middle-level	People	28	28
Grassroots	People	333	325
Number of disabled employees hired	People	4	4
Proportion of disabled employees	%	0.01	0.01
Number of veteran employees	People	4	5
Proportion of veterans	%	0.01	0.01
Proportion of female executives	%	0.38	0.30
Rate of labour contract signing	%	100	100
Social insurance coverage rate	%	100	100
Employee turnover rate	%	32	21

Training hours received	Unit	2025	2024
Number of participants in employee training	People	385	374
Total duration of employee training	Hour	16,038.36 ²	4,003.00
Average training duration per employee	Hour	41.66	10.17
Number of trained individuals by gender			
Number of male employees trained	People	269	266
The number of female employees trained	People	116	108
Total trained hours divided by gender			
Total training hours for male employees	Hour	11,130.16	2,847.05
Total hours of training received by female employees	Hour	4,908.2	1,155.95

2: The significant increase in the number of safety training sessions at our company is primarily due to the breakdown of the previously lengthy training sessions into shorter, bite-sized learning and training modules.

Health and Safety	Unit	2025	2024
Amount of investment in safety production	Yuan	358,414	353,181
Number of people suffering from occupational diseases	People	0	0
Number of safety training sessions	/	54 ³	13
Number of employees participating in safety training	People	385	374
Average duration of safety training per person	Hour	82.4	81
Occupational health examination rate	%	100	100
Number of deaths due to work-related incidents	People	0	0
Hours of work-related injury loss	Hour	0	0

Number of suppliers	Unit	2025	2024
Total number of suppliers	Number	278	269
Divided by region			
East region	Number	216	210
Central region	Number	10	9
Northeast region	Number	3	3
West region	Number	9	8
South region	Number	40	39
Supplier localization ratio (local procurement ratio)	%	15	13

Community investment	Unit	2025	2024
Amount of investment in public welfare in 2025	Yuan	113,600.00	6,000.00
Total accumulated donation amount over the past three years	Yuan	144,200.00	46,200.00

Economic Performance	Unit	2025	2024
Total assets	10,000 yuan	78,206.59	73,085.00
Revenue	10,000 yuan	44,814.86	38,554.95
Total profit	10,000 yuan	8,767.76	6,058.93
Net rate of return to parent	%	17.05	13.84
TAX payment	10,000 yuan	3,121.83	2,968.68
Gearing ratio	%	19.23	19.31
Basic EPS	Yuan/share	0.33	0.23

3: This year, the Company has refined its methodology for collecting training data, this figure represents the total number of hours spent on both online and offline training.

Appendix II — GRI Standard

GRI	Description	Corresponding Chapter
GRI 2 General disclosure 2021		
The organization and its reporting practices		
2-1	Organizational details	About This Report
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency, and contact point	About This Report
2-4	Restatements of information	About This Report
2-6	Activities, value chain and other business relationships	Company Profile
Activities and worker		
2-7	Employees	Empower employees and unite the team with new momentum
Governance		
2-9	Governance structure and composition	Precision Management Leads the Way, Charting a New Vision for Development
2-12	Role of the highest governance body in overseeing the management of impacts	Precise Governance Leads the Way, Charting a New Vision for Development
2-13	Delegation of responsibility for managing impacts	Precision Management Leads the Way, Charting a New Vision for Development
2-14	Role of the highest governance body	Precise governance leads the way, shaping a new vision for development
2-16	Communication of critical concerns	Precise governance leads the way, shaping a new vision for development
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Precision leadership steers the course, shaping a new vision for development
2-27	Compliance with laws and regulations	Precise governance leads the way, shaping a new vision for development
2-28	Membership associations	ESG Performance and Honors
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Precise Governance Leads the Way, Charting a New Vision for Development
GRI 3 Material Topics 2021		
3-1	Process to determine material topics	Precise Governance Leads the Way, Charting a New Vision for Development
3-2	List of material topics	Precise Governance Leads the Way, Charting a New Vision for Development
3-3	Management of material topics	Precise governance leads the way, shaping a new vision for development
GRI 204 Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Appendix 1 Key Performance Indicators for 2025

GRI	Description	Corresponding Chapter
GRI 205 Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Precise Governance Leads the Way, Charting a New Vision for Development
205-2	Communication and training about anti-corruption policies and procedures	Precise governance leads the way, shaping a new vision for development
205-3	Confirmed incidents of corruption and actions taken	Precise Governance Leads the Way, Charting a New Vision for Development
GRI 206 Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Precise governance leads the way, shaping a new vision for development
GRI 302 Energy 2016		
302-1	Energy consumption within the organization	Eco-collaboration, shouldering the new mission of the era Appendix 1 Key Performance Indicators for 2025
302-3	Energy intensity	Ecological Collaboration, Embracing a New Era Mission Appendix 1 Key Performance Indicators for 2025
302-4	Reduction of energy consumption	Eco-collaboration, shouldering the new mission of the era
302-5	Reductions in energy requirements of products and services	Eco-collaboration, shouldering the new mission of the era
GRI 303 Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Ecological Collaboration, Shouldering a New Mission of the Era
303-2	Management of water discharge-related impacts	Eco-collaboration, shouldering the new mission of the era
303-4	Water discharge	Appendix 1 Key Performance Indicators for 2025
303-5	Water consumption	Appendix 1 Key Performance Indicators for 2025
GRI 305 Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Appendix 1 Key Performance Indicators for 2025
305-2	Energy indirect (Scope 2) GHG emissions	Appendix 1 Key Performance Indicators for 2025
305-3	Other indirect (Scope 3) GHG emissions	Appendix 1 Key Performance Indicators for 2025
305-4	GHG emissions intensity	Appendix 1 Key Performance Indicators for 2025
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix 1 Key Performance Indicators for 2025
GRI 306 Waste 2020		
306-1	Waste generation and significant waste-related impacts	Eco-collaboration, shouldering the new mission of the era
306-2	Management of significant waste-related impacts	Eco-collaboration, shouldering the new mission of the era
306-3	Waste generated	Appendix 1 Key Performance Indicators for 2025
GRI 308 Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Symbiosis and mutual benefit, building a new era of shared prosperity
308-2	Negative environmental impacts in the supply chain and actions taken	Symbiosis and mutual benefit, building a new era of shared prosperity
GRI 401 Employment 2016		
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Empower employees and unite the team with new momentum

GRI	Description	Corresponding Chapter
GRI 403 Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Intelligent Connectivity Drives Innovation into a New Era Empower employees and harness new team momentum
403-2	Hazard identification, risk assessment, and incident investigation	Intelligent Connectivity Drives Innovation into a New Era Empower employees and harness new team momentum
403-3	Occupational Health Services	Intelligent Connectivity Drives a New Era of Innovation Empower employees and harness new team momentum
403-4	Worker participation, consultation, and communication on occupational health and safety	Intelligent Connectivity Drives a New Era of Innovation and Exploration Empower employees and unite the team with new momentum
403-5	Worker training on occupational health and safety	Intelligent Connectivity Drives a New Era of Innovation and Exploration Empower employees and harness new team momentum
403-6	Promotion of worker health	Intelligent Connectivity Drives Innovation, Ushering in a New Era Empower employees and harness new team momentum
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Intelligent Connectivity Drives Innovation into a New Era Empower employees and harness new team momentum
403-8	Workers covered by an occupational health and safety management system	Intelligent Connectivity Drives Innovation, Opening a New Era Empower employees and unite the team with new momentum
403-9	Work-related injuries	Appendix 1 Key Performance Indicators for 2025
403-10	Work-related ill health	Intelligent Connectivity Drives a New Era of Innovation Empower employees and harness new team momentum
GRI 404 Training and Education 2016		
404-1	Average hours of training per year per employee	Appendix 1 Key Performance Indicators for 2025
404-2	Programs for upgrading employee skills and transition assistance programs	Empower employees and harness new team momentum
GRI 405 Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Precise governance leads the way, shaping a new vision for development Empower employees and harness new team momentum
GRI 406 Anti-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Empower employees and unite the team with new momentum
GRI 408 Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Empower employees and harness new team momentum
GRI 409 Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Empower employees and harness new team momentum
GRI 414 Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Symbiosis and mutual benefit, building a new era of shared prosperity
414-2	Negative social impacts in the supply chain and actions taken	Symbiosis and mutual benefit, building a new vision of prosperity
GRI 416 Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Intelligent Connectivity Drives a New Era of Innovation
GRI 417 Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Intelligent Connectivity Drives a New Era of Innovation
417-3	Incidents of non-compliance concerning marketing communications	Appendix 1 Key Performance Indicators for 2025

Appendix III — Abbreviation

- **SDGs:** Sustainable Development Goals;
- **GRI:** The Global Reporting Initiative;
- **CNAS:** China National Accreditation Service for Conformity Assessment;
- **CRM:** Customer Relationship Management;
- **DCS:** Distributed Control System;
- **MOM:** Manufacturing Operations Management;
- **SAP:** Systems, Applications, and Products in Data Processing;
- **EMS:** Energy Management System;
- **CCP:** Critical Control Point;
- **GMP:** Good Manufacturing Practice;
- **PPE:** Personal Protective Equipment;
- **COD:** Chemical Oxygen Demand;
- **VOC:** Volatile Organic Compounds;
- **TCFD:** Task Force on Climate-related Financial Disclosures;
- **ROHS:** Restriction of Hazardous Substances;