Business Ethics and Anti-corruption

+XDTLQ DWWDFKHV JUHDW LPSRUWDQFH WR EXVLQHVV HWKLFV DQG LQWHJULW\ H‡RUWV ,W LPSOHPHQWV VXSHUYLVLRQ UHVSRQVLELOLWLHV LQ SUDFWLFDO ZRUN DQG DGRSWV D ³]HUR WROHUDQFH´ DWWLWXGH WRZDUGV FRUUXSWLRQ DQG EULEHU\ LQ DQ\ IRUP VR DV WR EXLOG DQ HFRV\VWHP RI FRPSOLDQFH DQG LQWHJULW\ :H KDYH FUHDWHG D ZRUN DWPRVSKHUH RI FRPSOLDQFH ZLWK UHJXODWLRQV DQG GLVFLSOLQHV DQG DGYRFDWLQJ LQWHJULW\ LQ WKH &RPSDQ\ E\ PHDQV RI PHFKDQLVP EXLOGLQJ LPSURYLQJ WKH VXSHUYLVLRQ V\VWHP VWUHQJWKHQLQJ SUHYHQWLYH HGXFDWLRQ HWF 0HDQZKLOH WKH &RPSDQ\ DGYRFDWHV IDLU FRPSHWLWLRQ DQG UHVROXWHO\ H‡RUWV LQ SXUVXLW RI FRPSHWLWLYH DGYDQWDJHV WKURXJK XQHWKLFDO RU LOOHJDO FRPPHUFLDO SUDFWLFHV

Integrity Mechanism Building

,Q RUGHU WR EXLOG DQ HQYLURQPHQW RI IDLU FRPSHWLWLRQ DQG FUHDWH D FXOWXUDO DWPRVSKHUH RI DQWL FRUUXSWLRQ DQG XSKROGLQJ LQWHJULW\ WKH &RPSDQ\ KDV IRUPXODWHG DQG VWULFWO\ LPSOHPHQWHG WKH Internal Control Management System UHJXODWLRQV LQFOXGLQJ WKH Integrity Management System WKH Business Ethics Management System DQG WKH Management Regulations on Handling Employee Violations WKURXJKRXW WKH ZRUOG XQGHU ZKLFK WKH LQWHUQDO DXGLW GHSDUWPHQW EHLQJ UHVSRQVLEOH IRU DQWL FRUUXSWLRQ DQG DQWL IUDXG H‡RUWV DFWLYHO\ SURPRWHV WKH H‡RUWV RI EXLOGLQJ DQG LPSHPHQWLQJ DQWL EULEHU\ DQG DQWL FRUUXSWLRQ SROLFLHV UHODWHG V\VWHPV 0HDQZKLOH WKH &RPSDQ\ KDV MRLQHG WKH ³7UXVW DQG ,QWHJULW\ (QWHUSULVH $OOLDQFH´ DQG HVWDEOLVKHG WKH LQWHJULW\ EODFNOLVW ZLWK VHYHUDO UHQRZQHG HQWHUSULVHV

7R HPSOR\HHV

- ,QWHJULW\ SRVWHUV DQG SXEOLFLW\ RI ZDUQLQJV XVLQJ LQWHUQDO DQG H[WHUQDO FRUUXSWLRQ FDVHV
- 5HOHDVH UHSRUWLQJ FKDQQHOV DQG HQFRXUDJH UHSRUWLQJ
- ,QFOXGH DQWL FRUUXSWLRQ HGXFDWLRQ DQG RDWK WDNLQJ LQ LQGXFWLRQ WUDLQLQJ IRU QHZ HPSOR\HHV
- $UUDQJH UHJXODU LQWHJULW\ HGXFDWLRQ DFWLYLWLHV DQG ZDWFK LQWHJULW\ YLGHRV

7R VXSSOLHUV

- $GG D VHSDUDWH WRSLF DW WKH VXSSOLHU PHHWLQJ WR DGYRFDWH KRQHVW DQG LQWHJULW\ SUDFWLFHV
- 6HQG HPDLOV WR VXSSOLHUV RQ PDMRU KROLGD\V WR UHPLQGHU +XDTLQ¶V UHTXLUHPHQWV RQ GLVFLSOLQH DQG DQWL FRPPHUFLDO EULEHU\
-)RUPXODWH DQQXDO VXSSOLHU YLVLW SODQ DQG FRQGXFW IDFH WR IDFH FRPPXQLFDWLRQ WR DGYRFDWH LQWHJULW\ WR VXSSOLHUV

7R &XVWRPHUV

- 5HTXLUH HPSOR\HHV DW NH\ SRVLWLRQV DQG GXULQJ FHUWDLQ SHULRGV RI WKH &RPSDQ\ DQG D^OLDWHV Communicate Integrity and Self-discipline LQFRUSRUDWLQJ LQWHJULW\ PDQDJHPHQW DV RQH RI WKH LPSRUWDQW WDVNV LQ GDLO\ PDQDJHPHQW
- 5HTXLUH VXSSOLHUV WR Supplier Commitment to Integrity and Self-discipline PDQDJLQJ VXSSOLHU LQWHJULW\ DV D UHG OLQH LVVXH

7R &RPSDQ\ (PSOR\HHV

- 1HZ HPSOR\HH(V SOOR LHWHHFODUDWLRQ)RUP RI $VVRFLDWLRQ 5HODWLRQVKLSV WKH &RPSDQ\ SURPLVHV WR NHHS WKH FRQILGHQWLDOLW\ RI LQIRUPDWLRQ DER HPSOR\HHV UHJXODUO\ GHFODUH DQG XSGDWH WKHLU DVVRFLDWLRQ UHODWLRQVKLSV HYHU\ \HDU LW LV SURKLELWHG WR FRQGXFW DQ\ GLUHFW RU LQGLU
- 1HZO\ FRQWUDFWHG VXSSOLHUV VKRXOG EH LQIRUPHG RI +XDTLQ $ûOLDWHG 6XSSOLHUV OLQJ RU H[SHULHQFLQJ UHWDOLDWLRQ FDQ GLUHFWO\ VHHN KHOS IURP WKH & UHJXODUO\ GHFODUH DQG XSGDWH WKH DˆOLDWLRQ UHODWLRQVKLS HYHU\ \HDU UHSRUWHG WKH ZKLVWOHEORZHU DQG PDQDJH UHOHYDQW LQIRUPDWLRQ LQ D VWULF

&RPSDQ\ &RQWUDFWRUV

- (VWDEOLVK DQG &DVK *LIW 5HJLVWUDWLRQ DQG $SSURYDO 3URFHGXUHV IRU WKH PDQDJHPHQW DQG DXGLW RI JLIWV

3XE DSSRLQWPHQW WDON ZLWK FDGUHV

- ,QWHJULW\ ZDUQLQJ WDON

Integrity Management Methods

Complaints and Whistleblower Protection

7KH &RPSDQ\ FOHDUO\ SURKLELWV HPSOR\HHV IU ?XQHUDW LQ DQ\ IRUP VXFK DV NLFNEDFNV RU FRPPL RU VXSSOLHUV E\ DQ\ PHDQV RU EULEHU\ WKRVH ZLWK W &RPSDQ\ RU SXEOLF RIILFLDOV RI MXGLFLDO DJHQFLH HPSOR\HHV KDYH WKH ULJKW WR UHSRUW XQHW HQLRU R RI WKH &RPSDQ\ 7KH &RPSDQ\ DFFHSWV FRPSO QGXFWV LQYHVWLJDWLRQ LQ DFFRUGDQFH ZLWK WKH 0DQ +DQGO SURFHGXUHV E\ DQ\ PHDQV RU LQWHUIHUH ZLWK OHJ UHSRUWV LQ JRRG IDLWK

Process of Handling Complaints and Reports

Fair Competition

7KH &RPSDQ\ VWULYHV IRU IDLU DQG KRQHVW FRPPHUFLDO FRPSHWLWLRQ DQG VWU WKURXJK XQHWKLFDO RU LOOHJDO FRPPHUFLDO SUDFWLFHV 7KH &RPSDQ\ SURK VHFUHW LQIRUPDWLRQ REWDLQHG ZLWKRXW WKH FRQVHQW RI RZQHUV RU LQGXFL UHOHYDQW LQIRUPDWLRQ 7KH &RPSDQ\ DGYRFDWHV WKDW HYHU\ HPSOR\HH VKD FXVWRPHUV VXSSOLHUV FRPSHWLWRUV HPSOR\HHV DQG RWKHU VWDNHKROGHUV E\ PDLQSXODWLQJ FRQFHDOLQJ DEXVLQJ SULYLOHJHG LQIRUPDWLRQ PLVUHSUHVH

Information Security and Privacy Protection

+XDTLQ VWULFWO\ DELGHV E\ ODZV DQG UHJXODWLRQV LQFOXGLQJ WKH Personal Information Protection Law DQG IRUPXODWHV DQG LPSOHPHQWV LQWHUQDO GRFXPHQWV VXFK DV Data Security Policy for Information DQG Main Information Security Manual :KLOH VDIHJXDUGLQJ LWV RZQ LQIRUPDWLRQ VHFXULW\ +XDTLQ UHVSHFWV DQG SURWHFWV WKH &RPSDQ\ KDV SDVVHG ISO FXVWRPHUV HPSOR\HHV DQG RWKHU VWDNHKROGHUV 0RUHRYHU WKH &RPSDQ\ KDV SDVVHG LQIRUPDWLRQ VHFXULW\ PDQDJHPHQW V\VWHP FHUWL¿FDWLRQ

7KH &RPSDQ\ VWULFWO\ Personal Information Protection Law Data Security Law DQG RWKHU ODZV DQG UHJXODWLRQV LQ SHUVRQDO LQIRUPDWLRQ FROOHFWLRQ DXWKRUL]DWLRQ HW¢ ,W KDV IRUPXODWHG Management Procedure for Personal Information Security Protection WR H‡HFWLYHO\ FRQWURO WKH &RPSDQ\¶V ULVNV LQ SHUVRQDO LQIRUPDWLRQ VHFXULW\ DQG SURWHFWHG WKH SHUVRQDO LQIRUPDWLRQ VHFXULW\ RI HPSOR\HHV FXVWRPHUV VXSSOLHUV DQG RWKHU VWDNHKROGHUV

+XDTLQ DQG ,WV 6XEVLGLDULHV 5DVKHG WKH ,62 6\VWHP &HUWL¿FDWLRQ

Information Security Management Measures

Intellectual Property Protection

:LWK JUHDW LPSRUWDQFH DWWDFKHG WR LQQRYDWLYH 5 ' DQG LQWHOOHFWXDO SURSHUW 5 ' WHFKQRORJLHV DQG FRQWLQXRXVO\ LPSURYHV WKH VL]H DQG TXDOLW\ RI SDWHQW C IRU LQWHOOHFWXDO SURSHUW\ SURWHFWLRQ DQG WKH LQWHUQDO PDQDJHPHQW RI LQWHOOHFWXDO SURSHUW\ WR VWDQGDUGL]H WKH UHTXLUHPHQWV RI SURMHFW ULVN PDQDJHPHQW DQG FRQWURO DSSOLFDWLRQV LQWHOOHFWXDO SURSHUW\ UHZDUGV HWF

+XDTLQ¶V 6HFXULW\ 0DQDJHPHQW &RQWURO &RPSOLDQFH &RQWURO

,QWHUQDO DXGLW RQ ,QIRUPDWLRQ VHFXULW\ ,Q WKH ODVW WZR \HDUV KDYH EHHQ UHFWL¿HG DQG SURKLELWHG DQG WKH \HDU FRYHUDJH DQG HIIHFWLYHQHVV RI WKH &RPSDQ\¶V LQIRUPDWLRQ VHFXULW\ PDQDJHPHQW V\VWHP DQG WKH FRQWURO HIIHFWLYHQHVV RI WKH SURFHVV KDYH EHHQ FRQ¿UPHG

1HWZRUN VHFXULW\ DWWDFN DQG GHIHQVH WHFKQRORJLHV DUH GHSOR\HG WKURXJKRXW WKH \HDU FRYHUDJH RI WKH &RPSDQ\¶V YXOQHUDEOHLWLHV ZHUH GHWHFWHG ZKLOH KLJK WKUHDW YXOQHUDEOLWLHV ZHUH ¿[HG 7KH GULOOV LPSURYHG WKH SUDFWLFDO DELOLWLHV DQG HPHUJHQF\ UHVSRQVH DELOLWLHV RI VHFXULW\ DWWDFN DQG GHIHQVH WHDPV

'DWD EDFNXS 'H¿QHG LQ GHWDLO WKH EDFNXS REMHFWV UHVSRQVLEOH SHUVRQV RSHUDWLRQ PHGLD QDPLQJ UXOHV UHWHQWLRQ SHULRG DQG YDOLGLW\ YHULILFDWLRQ EDFNXS FRPSOHWHG LQFOXGLQJ LQFUHPHQWDO EDFNXSV DQG DSSOLFDWLRQ EDFNXS LQFOXGLQJ LQFUHPHQWDO EDFNXSV

3HUIRUP VWULFW EDFNJURXQG VFUHHQLQJ ZLWK DFFHVV WR FXVWRPHU LQIRUPDWLRQ DQG UHVSRQVLEOH OHYHO NH\ SRVLWLRQV WR VLJQ SURMHFW VSHFL¿F FRPPLWPHQWV RU FRQ¿GHQWLDOLW\ DJUHHPHQWV

6SHFLI\ WKH VWRUDJH ORFDWLRQ DQG KDQGOLQJ SHUPLVVLRQV RI FXVWRPHU UHODWHG GRFXPHQWV IRU GRFXPHQW HQFU\SWLRQ SURKLELW DOO FRS\LQJ SHUPLVVLRQV IRU PRELOH VWRUDJH WKURXJK D WHUPLQDO FRQWURO\VWHP DQG VWULFWO\ SURKLELW HPSOR\HHV IURP VHQGLQJ WKH &RPSDQ\¶V PDWHULDOV WR SHUVRQDO PDLOER[HV

6XSSOLHUV VKDOO VLJQ D FRQ¿GHQWLDOLW\ DJUHHPHQW EHIRUH HQWHULQJ LQWR FRRSHUDWLRQ LQFOXGLQJ VXSSOLHU LQWURGXFWLRQ VWDJH

3HUIRUP LQIRUPDWLRQ VHFXULW\ VXSHUYLVLRQ DQG LQVSHFWLRQ RQ NH\ VXSSOLHUV DW OHDVW RQFH D \HDU Q D WRWDO RI NH\ VXSSOLHUV ZHUH WKURXJK VXFK SURFHGXUHV DQG WKH FRQWUROV RI VXFK SUREOHPDWLF SRLQWV KDYH EHHQ FORVHG

$OO VXSSOLHUV HQWHULQJ WKH &RPSDQ\ PXVW KROG D YDOLG LGHQWLW\ FHUWL¿FDWH WR SUHYHQW XQDXWKRUL]HG HQWU\

6WULFWO\ UHVWULFW DOO SK\VLFDO DQG ORJLFDO DFFHVVHV FRQGXFWHG E\ VXSSOLHUV

Key Performance

11 RYHUVHDV SDWHQW DSSOLFDWLRQV

5 3&7 DSSOLFDWLRQV

12 SDWHQW DSSOLFDWLRQV IRU GHVLJQV

11 RYHUVHDV SDWHQW DSSOLFDWLRQV

6 SDWHQWV IRU GHVLJQV

'XULQJ WKH UHSRUWLQJ SHULRG WKH &RPSDQ\

192 SDWHQWV

597

QHZ DSSOLFDWLRQV

237 SDWHQWV

433

XWLOLW\ PRGHOV SDWHQW DSSOLFDWLRQV

WKH &RPSDQ\ ZDV QHZO\ JUDQWHG

SDWHQWV

377 SDWHQWV

179 SDWHQWV IRU LQYHQWLRQV

DSSOLFDWLRQV IRU LQYHQWLRQV

$V RI WKH HQG RI WKH UHSRUWLQJ SHULRG ZH FRPSOHWHG DQ RQ VLWH

5,295

LQWHOOHFWXDO SURSHUW\ FRS\ULJKW

1,596

SURSHUW\ OLFHQVHV

1,137

H‡HFWLYH

23

RYHUVHDV SDWHQW LQYHQWLRQ SDWHQWV

'XULQJ WKH UHSRUWLQJ SH WKH &RPSDQ\ FRQGXFWHG

21

LQWHOOHFWXDO SURSH WUDLQLQJ VHVVLRQV

FRYHULQJ

620

SDUWLFLSDQWV

Environment Protection

+XDTLQ VWULFWO\ DELGHV E\ QDWLRQDO Environmental Protection Law DQG ORFDO Environmental Impact Assessment Law WKH Administrative Measures on Ecological and Environmental Standards HWF DQG KDV IRUPXODWHG WKH 0DQDJHPHQW 5HJXODWLRQV IRU (QYLURQPHQWDO Protection HV WKH Environmental Supervision and Control Regulations WKH Emergency Plan for Environment Incidents DQG RWKHU V\VWHPV WR SURPRWH WKH VWDQGDUGL]DWLRQ RI WKH &RPSDQ\¶V HQYLURQPHQW PDQDJHPHQW

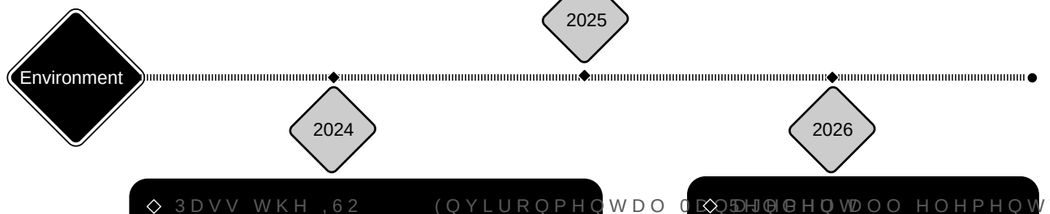
Green Operation

,Q RUGHU WR SURPRWH WKH FRQFHSW RI JUHHQ RSHUDWLRQV ZLWKLQ WKH &RPSD WKH &RPSDQ\ KDV SRVWHG HQYLURQPHQW SUR LPSRUWDQW LQIRUPDWLRQ RQ UHVRXUFH FRQVHUYDWLRQ DQG HQYLURQPHQW S HQFRXUDJHV HPSOR\HHV WR XVH UHQHZDEOH UHVRXUFHV UHDVRQDEO\ DQG HIILFLHQWO\ DQG

Management System

+XDTLQ KDV IRUPXODWHG WKH HQYLURQPHQW PDQDJHPHQW SROLF\ RI ³JUHHQ DQG HQYLURQPHQW SURWHFWLRQ WR HQVXUH VXVWDLQDEOH GHYHORSPHQW´ DQG HPSOR\HG PXOWLSOH PHWKRGV DQG WRROV LQFOXGLQJ ³GDLO\ PDQDJHPHQW UHYHUVH LPSURYHPHQW DQG V\VWHP PDWXULW\´ WR IRUPXODWH WKH ³(+6 ´ SODQ VR DV WR SURPRWH H‡HFWLYH LPSOHPHQWDWLRQ RI HQYLURQPHQWDO PDQDJHPHQW H‡RUWV

◇ 3DUWLFLSDWLRQ RI DOO HPSOR\HHV LQ DFWLYLWLHV IRU HQYLURQPHQWDO SURWHFWLRQ LPSURYHPHQW
◇ ([WHQVLYH LPSOHPHQWDWLRQ RI JUHHQ SURFHVVHV WR JUHDWO\ UHGXFH VWDJHV JHQHUDWLQJ ZDVWHV DW WKH IDFWRU\



◇ 3DVV WKH ,62 (QYLURQPHQWDO &DSDELOLW\ 6\VWHP &HUWL¿FDWLRQ DW WKH &RPSDQ\ QHYHO
◇ (QYLURQPHQW PRQLWRULQJ UHVXOWV PHHW VWDQGDUGV
◇ 5HGXFH ZDWHU GHPDQG DQG FRQVXPSWLRQ WKURXJK WHFKQRORJLFDO UHGXFH ZDVWHZDWHU JHQHUDWLRQ DQG GLVFKDUJH

Three-year Plan of Environment Management

◇ 3URPRWH WKH HQG RI DOO HOHPHQWV KDUPOHVV
◇ %HQFKPDUN JUHHQ IDFWRU\
◇ :KROH SURFHVV YLVLEOH FRQWURODEOH
◇ [illegible] SURWHFWLRQ

6LJQV 3RVWHG E\ WKH &RPSDQ\ IRU $GYRFDWLQJ *UHHQ 2ˆFH DQG *

Case: Advocating energy consumption management and control to enhance employees' awareness of energy conservation and consumption reduction

;L¶DQ 5 ' &HQWHU DGYRFDWHG HQHUJ\ VDYLQJ DQG HPLVVLRQ UHGXFWLRQ XQRFFXSLHG DUHDV HPSOR\HHV VKDOO SURDFWLYHO\ WXUQ HQHUJ\ OLJKWLQJ FRQIHUHQFH URRP HTXLSPHQW ODERUDWRU\ HTXLSPHQW HWF WR WKH &RPSDQ\ DOVR VWULFWO\ FRQWURONHG WKH VHW WHPSHUDWXUHV RI DLU LQ ZLQWHU“ DQG VXPPHU ,Q WKH HOHFWULFLW\ FRQVXPSWLRQ RI ZDV UHGXFH

&DVH 7LPH PDQDJHPHQW DQG FRQWURO RI ÀRRGOLJKWLQJ IRU H

;L¶DQ 5 ' &HQWHU DGMXVWHG LWV EXLOGLQJ IDFDGH OLJKWLQJ LQ UHDO WLPH WRWDO HQHUJ\ FRQVXPSWLRQ ZKLOH HQVXULQJ 2FWREHU WR 'HFHPEHU

Key Performance

No environmental penalty GXULQJ WKH UHSRUWLQJ SHULRG

$V RI WKH HQG RI WKH UHSRUWLQJ SHULRG DOO WKH PDQXIDFWXULQJ FHQWHUV 5 ' &HQWHU DQG :X[L 5 ' &HQWHU RI WKH &RPSDQ\ KDYH SDVVHG ,62 HQYLURQPHQW PDQDJHPHQW V\VWHP FHUWL¿FDWLRQ ,62 (QYLURQPHQW 0DQDJHPHQW 6\VWHP &HUWL¿FDWLRQ

114,163	
1,800	

Case: Waste heat of air compressors recycling and utilization

7KH RULJLQDO KRW ZDWHU VXSSO\ HTXLSPHQW LQ WKH GRUPLWRU\ EXLOGLQJ RI 'RQJJX
DLU KHDW SXPS ZLWK KLJK HQHUJ\ FRQVXPSWLRQ $IWHU LGHQWLI\LQJ WKLV LVVXH DFF
RI UHFRYHULQJ DLU FRPSUHVVRU ZDVWH KHDW VR WKDW WKH ZDVWH KHDW IURP WKH R
E\ D ZDVWH KHDW UHFRYHU\ GHYLFH LQWR KHDW HQHUJ\ IRU KHDWLQJ ZDWHU 7KLV DFK
150,000 N:K RI HOHFWULFLW\ WKURXJKRXW WKH \HDU

3LSHOLQHV IRU :DVWH +HDW 5HFRYHU\ :DVWH +HDW 5HFRYHU\ 6\VWHP

&DVH 0RGL¿HG WKH FRROLQJ V\VWHP RI WKH VPW UHÀRZ IXUQDFH IR

,Q RUGHU WR IXUWKHU LPSURYH WKH HIILFLHQF\ RI HQHUJ\ FRQVHUYDWLRQ DQG HPLVVLRQ UHGXFWLRQ 'RQJJXDQ 1R
0DQXIDFWXULQJ &HQWHU FDUULHG RXW D WHFKQRORJ\ XSJUDGH RI WKH UHÀRZ IXUQDFH LQ WKH 607 ZRUNVKRS E\ UHSODFLQJ WKH
RULJLQDO DLU FRROLQJ V\VWHP ZLWK D PRUH H ̂FLHQW ZDWHU FRROLQJ V\VWHP $IWHU LPSOHPHQWDWLRQ WKLV LPSURYHPHQW PHDVXUH
VLJQLILFDQWO\ UHGXFHG HQHUJ\ FRQVXPSWLRQ WR NHHS KHDW HPLVVLRQV LQ WKH ZRUNVKRS XQGHU HIIHFWLYH FRQWURO 'XULQJ
WKH UHSRUWLQJ SHULRG WKH UHÀRZ IXUQDFHV LQ WKH 540,000 ZRUNVKRS RI 3KDVH VDYHG DSSUR[LPDWHO\
HOHFWULFLW\

1DPHSODWH SRZHU IRU D VLQJOH [QLWLWH PZHDVXUHPHQW VWDWXV UHIHUHQFH GDWD

Case: Intelligent upgrade on boilers host

,Q :X[L 5 ' &HQWHU FDUULHG 112,969 FXELF PHWHUV
RXW DQ LQWHOOLJHQW PRQLWRULQJ
SURMHFW IRU ERLOHU KRVWV LQVWDOOHG
LQWHOOLJHQW FRQWURO VH GHYLFHV
RQ WKH ERLOHU KRVWV WR PRQLWRU WKH
RSHUDWLQJ SDUDPHWHUV R D ZHE
SDJH DQG PRELOH SKRQH L HDO
WLPH VR DV WR SURPSWO\ D XW WKH
QXPEHU RI XQLWV LQ RSHUD RQ DQG
VHW WHPSHUDWXUHV ZKLFK H FWLYHO\
UHGXFHG JDV FRQVXPSWLRQ

48%
58,326 FXELF PHWHUV
54,643 FXELF PHWHUV
OHVV WKDQ

7KH JDV FRQVXPSWLRQ LQ 7KH JDV FRQVXPSWLRQ LQ

Clean Energy

7KH &RPSDQ\ ¿UPO\ SURPRWHV WKH XVH RI FOHDQ HQHUJ\ ,W FRQWLQXRXVO\ GHYH
H‡HFWLYH PHWKRGV WR UHGXFH GHSHQGHQFH RQ FRQYHQWLRQDO HQHUJ\ E\ XVLQ
HOHFWULFLW\ DQG SXUFKDVH RI JUHHQ FHUWL¿FDWHV ,Q WKH &RPSDQ\ IXU
KHQFH LPSOHPHQWLQJ WKH FRQFHSW RI JUHHQ GHYHORSPHQW ZLWK SUDFWLFDO DI

6.63%
1.70%
1.72%
2021
2022
2023

Proportion of Clean Energy Used in the Last Three Years

Key Performance

$V RI WKH HQG RI WKH UHSRUWLQJ SHULRG WKH &RPSDQ\ RZQHG DQG RSHUDWHG
5 URRIWRS VRODU SKRWRYROWDLF SURMHFWV LQ RSHUDWLRQ DQG
6 RQHV XQGHU FRQVWUXFWLRQ
LQVWDOOHG FDSDFLW\ RI
19.5 0:

JHQHUDWHG SKRWRYROWDLF HOHFWULFLW\ LQ RYDOHQW WR UHGXFLQJ *+
14,320.7 P:K LQ
8,167.1 WRQV

Photovoltaic Project View

Clean Technology Opportunities

%\ LQFRUSRUDWLQJ WKH WUDQVIRUPDWLRQ RI FOHDQ WHFKQRORJLHV LQWR RXU VWUDWHJ\ +XDTLQ DEWLOHYHU SUHVVHV LWV FRPPLWPHQW WR FOHDQ WHFKQRORJLHV DQG FDWFKHV WKH VLJQLILFDQW RSSRUWXQLWLHV IURP FOHDQ WHFKQRORJLHV 7KH &RPSDQ\ FRQWLQXRXVO\ EHQFKPDUNV LWV SURGXFWV DJDLQVW WKH LQGXVWU\ EHVW SUDFWLFHV DQG PDNH JUHDW HIIRUWV WR SURPRWH WKH 5 ' DQG LQQRYDWLRQ RI FOHDQ WHFKQRORJLHV DQG DSSOLFDWLRQ RI UHOHYDQW LQWHOOHFWXDO SURSHUW\ ULJKWV

Key Performance

'XULQJ WKH UHSRUWLQJ SHULRG

WKH &RPSDQ\ LQYHVWHG RYHU DQG ZDV JUDQWHG

50% 78.00 ¿OHG 109 DSSOLFDWLRQV IRU LQWHOOHFWXDO SURSHUW\ ULJKWV UHODWHG WR PLOOLRQ LQ FOHDQ WHFKQRORJLHV 74 LQWHOOHFWXDO SURSHUW\ ULJKWV UHODWHG WR FOHDQ WHFKQRORJLHV

Clean Technology Products

	Clean Technology Products	Product Description	Key Cases
(QHUJ\ H˂FLHQF\ LPSURYHPHQW	1HZ HQHUJ\ YHKLFOHV	7KH &RPSDQ\ GHYHORSHG D VROXWLRQ WR LPSURYH IRU QHZ HQHUJ\ YHKLFOHV HQHUJ\ WUDQVIWLRQ IRU EDWWHU\ HQGXUDQFH FDSDELOLW\ DQG LQGXVWU\	DWWHULHQW YHKLFOH FRQWURO XQLW 9&8 WKLUG JHQHUDWLRQ LQWHOOLJHQW YHKLFOH FRQWURO XQLW IRU FRQWDLQ PXOWL GRPDLQ FRQWUROOHU DLU FRQGLWLRQLQJ V\VWHP &RQWUROOHU DQG VRIWZDUH SURJUDPPLQJ IRU FRQWURO XQLW &RQWUROOHU DQG VRIWZDUH SURJUDPPLQJ IRU FRQWURO XQLW
	+HDW GLVVLSDWLRQ WHFKQRORJLHV DQG PDWHULDOV	,Q YLHZ RI WKH LQFUHDVLQJ FRPSXWLQJ SRZHU DQG HQHUJ\ FRQVXPSWLRQ RI FRPSXWHU URRPV WKH &RPSDQ\ D PRUH HIILFLHQW DQG HQHUJ\ VDYLQJ VROXWLRQ WR ZRUN RXW D PRUH FRQWUDFW ZLWK WKH HQWLUH FDU LQGXVWU\ WR SURYLGH &RROLQJ 6ROXWLRQV IRU &RPSXWHU 5RRPV DQG &RPSXWLQJ &HQWHUV	KRQH EDELQHW ERROLQJ SODWH GHVLJQ
	'DWD FHQWHUV DQG UHGXFH HQHUJ\ VRZHU VXSSO\	7KH &RPSDQ\ VHOHFWV PDLQ VXSSOLHUV DQG DGRSWV RSWLPDO SURFXUHPHQW SUDFWLFHV WR DFKLHYH 6RZHU VXSSO\ DQG UHGXFH HQHUJ\ &RVWV	7LWDQLXP &536 Z VHUYHU SRZHU VXSSO\ 7KLV VWDQGDUG UHGXQGDQW SRZHU VXSSO\ WKH ,QWHO [DUFKLWHFWXUH VXSSRUWV LQ DURXQG WKH ZRUOG PHHWV WKH FRQYHUVLRQ SOXV DQG VWDQGDUG &RQWUROOHU DQG VRIWZDUH SURJUDPPLQJ IRU &RQWUROOHU DQG VRIWZDUH SURJUDPPLQJ IRU
5HVRXUFH FRQVHUYDWLRQ	3URGXFWV ZLWK UHF\FOLQJ SURFHVVHV	([SORUH RSSRUWXQLWLHV WR UHF\FOH DQG UHXVLQJ ZDVWH PDWHULDOV LQ SURGXFW LPSURYHPHQW LQ SURGXFWLRQ 3URGXFWV ZLWK UHF\FOLQJ SURFHVVHV	/LJKW ORDG KLJK H FLHQF\ DXWRPDWLF SKDV WHFKQRORJLHV ZHUH HPSOR\HG WR DFKLHYH RI '& '& FRQYHUVLRQ DQG WKH QHZ YHUWH WHFKQRORJ\ VLJQL¿FDQWO\ UHGXFHG HQHUJ\ OLQHV KHQFH HQVXULQJ H˂FLHQW HQHUJ\ XW
	'HVLJQ RI SURGXFWV IRU HDV\ GLVDVVHPEO\ DQG UHF\FOLQJ	0DGH LQ GHSWK SHUIRUPDQFH 'UDZVWU WR LQFUHDVH EDWWHU\ OLIH SRZHU ORVV YR DV WR FUHDWH SURGXFWV ZLWK UHOLDEOH DQG ORQJ EDWWHU\ OLIH	2SWLPL]DWLRQ RI 3RZHU &RQVXPSWLRQ 7XQLQ %\ GLVVHFWLQJ LPSOHPHQWLQJ DQG FRQVXPSWLRQ VWUDWHJLHV IRU 3& SURGXFWV ORZHU OD\HU GHVLJQ WR WKH XSSHU OD\HU 3& SURGXFWV WKDW FUHDWH SURGXFWV ZLWK UHOLDEOH DQG ORQJ EDWWHU\ OLIH
	3URGXFWV ZLWK UHF\FOHG RU UHQHZDEOH PDWHULDOV	3URGXFWV ZLWK UHF\FOHG DQG UHQHZDEOH PDWHULDOV IRU SURGXFW LPSURYHPHQW LQ SURGXFWLRQ 3URGXFWV ZLWK UHF\FOLQJ SURFHVVHV	8VLQJ UHF\FOHG PDWHULDOV IRU SURGXFWV 7KLV VWDQGDUG UHGXQGDQW SRZHU VXSSO\ DQG UHGXFH HQHUJ\ &RVWV LQ WKH QHZ (8 UHJXODWRU\ UHTXLUHPHQW UHF\FOLQJ RI HOHFWURQLF SURGXFWV

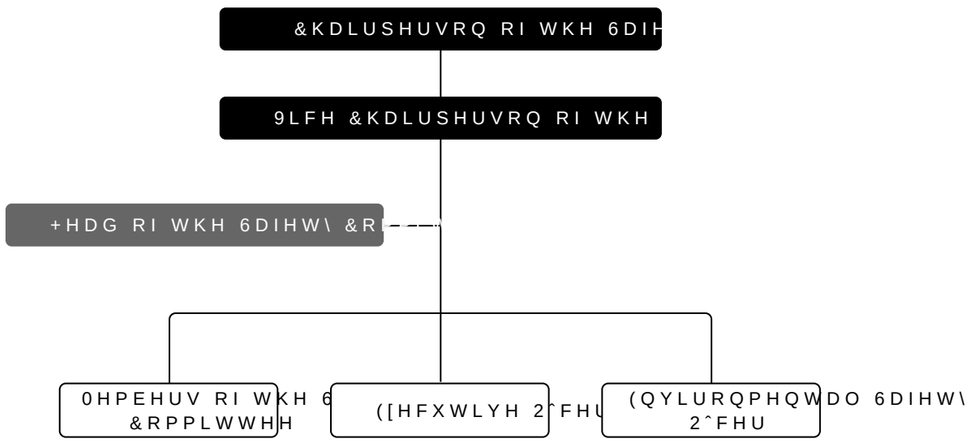
7KH &RPSDQ\ KDV HVWDEOLVKHG WKH *XDQJGRQ ,QWHOOLJHQW 7HUPLQDO ,QGXVWU\ HQWHUSULVH´ RSHUDWLQJ PRGHO WR FUHDWH D GHVLJQ LQQRYDWLRQ HFRORJLFDO KDYH HVWDEOLVKHG LQGXVWU\ XQLYHUVLW\ UHVHDUFK FRRSHUDWLRQ UHODWLRQV 6KHQ]KHQ WKH &KLQHVH $FDGHP\ RI 6FLHQFHV &HQWUDO 6RXWK 8QLYHUVLW\ WKHRUHWLFDO DQG WHFKQLFDO UHVHDUFK DQG FXOWLYDWH WHFKQLFDO VXSSRUW LQWHOOLJHQW PDQXIDFWXULQJ DQG RWKHU ILHOGV DQG ZRUN ZLWK DOO SDUW WHFKQRORJLHV LQ WKH FOHDQ WHFKQRORJ\ ¿HOG

Work Safety Management

,Q DFFRUGDQFH ZLWK WKH Work Safety Law of the People's Republic of China DQG Law of the People's Republic of China on the Prevention and Control of Occupational Diseases DQG ZLWK WKH ZRUN VDIHW\ FRQFHSW RI ³FDULQJ IRU HPSOR\HHV DQG VDIHJXDUGLQJ WKH KHDOWK DQG VDIHW\ RI HPSOR\HHV´ DQG ³UHVSOR\HU\ FRPSO\LQJ ZLWK WKH ODZ´ WKH &RPSDQ\ KDV SXW D ZRUN VDIHW\ PDQDJHPHQW V\VWHP LQ SODFH LVVXLQJ DQG LPSOHPHQWLQJ WKH ZRUN VDIHW\ PDQDJHPHQW SROLF\ DQG RUJDQL]DWLRQDO UXOHV DQG UHJXODWLRQV DV WKH (QYLURQPHQWDO 6DIHW\ 2ûFHU DUH GHVLJQDWHG WR &RPSDQ\ Management Code VR DV WR HQVXUH WKH H‡HFWLYH RSHUDWLRQ RI ZRUN VDIHW\ DQG DFKLHYH ZRUN JRDOV

Key Management Measures for Work Safety

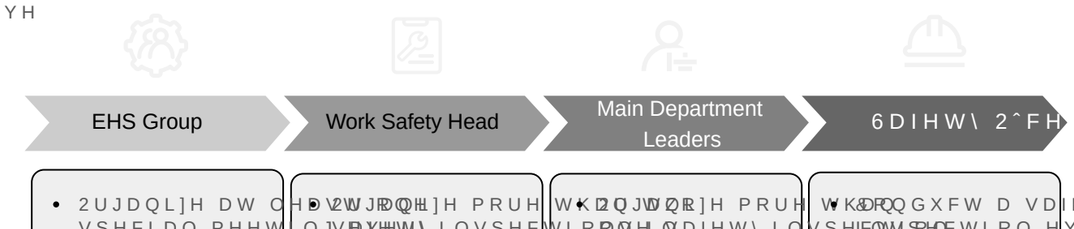
7R LPSOHPHQW WKH QDWLRQDO ZRUN VDIHW\ JXLGHOLQHV SROLFLHV DQG UHJXODWLRQV WKH &RPSDQ\ KDV HVWDEOLVKHG D :RUN 6DIHW\ &RPPLWWHH Work Safety Responsibility Code DQG Responsibility Code for the Work Safety Management Committee KDYH EHHQ SXW LQ SODFH HQVXULQJ WKH VDIHW\ KHDOWK RI HPSOR\HHV LQ ZRUN VDIHW\ 0HDQZKLOH ZH SXUVXH ZRUN VDIHW\ VWDQGDUGL]DWLRQ PDQDJHPHQW DQG LPSOHPHQW WKH ZRUN VDIHW\ UHVSRQVLELOLW\ V\VWHP IRU OHGHUV DW DOO OHYHOV IXQFWLRQDO GHSDUWPHQWV DQG HPSOR\HHV



Organizational Structure of the Work Safety Committee

Prevention and Control of Safety Hazards

7KH &RPSDQ\ IROORZV WKH SULQFLSOHV RI ³SXWWLQJ VDIHW\ ¿UVW DQG SODFLQJ RI VDIHW\ KD]DUGV RI GHSDUWPHQWV LQ SURGXFWLRQ 7KH UHVSRQVLELOLWLHV R WKURXJK GDLO\ VSHFLDO VHDVRQDO DQG KROLGD\ LQVSHFWLRQV DQG WKH VDI WKH ULVN RI VDIHW\ DFFLGHQWV LURP WKH VRXUFH



Safety Inspection Frequency and Responsibilities for Personnel at All Levels

7KH &RPSDQ\ KDV IRUPXODWHG W KH Risk Assessment and Control Management Code DQG RWKHU V\VWHPV GUDZQ VDIHW\ ULVN IRXU FRORU PDSV SRVWHG VDIHW\ ULVN QRWLILFDWLRQ ERDUGV DQG DVVLVWHG YDULRXV IDFWRU\ DUHDV LQ LGHQWLI\LQJ DQDO\]LQJ DQG HYDOXDWLQJ ULVNV LQ H[LVWLQJ SURFHVVHV SXEOLF IDFLOLWLHV HWF :LWK WKHVH HIIRUWV WKH OHYHO RI VDIHW\ ULVN SUHYHQWLRQ DQG FRQWURO KDV EHHQ FRPSUHKHQVLYHO\ LPSURYHG

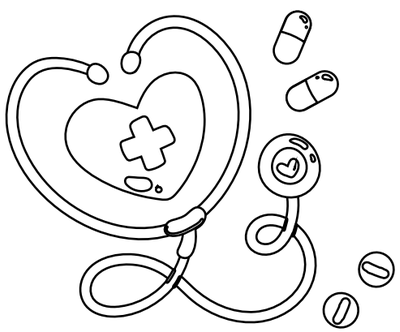
3 X E O L Fhe Law on the Prevention and Control of Occupational Diseases

Caring About Physical and Mental Health

7KH &RPSDQ\ KDV HVWDEOLVKHG YDULRXV VSRUWV DVVRFLDWLRQV DQG HQFRXUDJHV HPSOR\HHV WR HQKDQFH WKHLU SK\VLFDO ¿WQHVV DQG SURPRWH FRPPXQLFDWLRQ WKURXJK VEmployee Psychological Assistance Plan DWKOHWLF DFWLYLWLHV Sunshine Station DW WR JLYH FRPSUHKHQVLYH FDUH IRU HPSOR\HHV¶ PHQWDO KHDOWK

Case: Caring about the mental health of employees and alleviating their mental stress

:LWK JUHDW LPSRUWDQFH WR WKH SK\VLFDO DQG PHQWDO KHDOWK RI HPSOR\HHV WKH &RPSDQ\ GHYHORSHG DQG LPSOHPHQWHG WKH SV\FKRORJLFDO DVVLVWDQFH SODQ DQG RUJDQL]HG PHQWDO KHDOWK DFWLYLWLHV FDUHHU SODQQLQJ DQG GHYHORSPHQW PHQWDO WHVWLQJ DQG DVVHVVPHQW WR KHOS HPSOR\HHV UHOLHYH VWUHVV DQG HQKDQFH WKHLU VHQVH RI KDSSLQHVV



3V\FKRORJLFDO &RXQVHOLQJ $FWLYLW\

7HQQLV $VVRFLDWLRQ

)RRWEDOO $VVRFLDWLRQ

%DVNHWEDOO $VVRFLDWLRQ

<RJD $VVRFLDWLRQ

6ZLPPLQJ $VVRFLDWLRQ

%LOOLDUGV $VVRFLDWLRQ

Case: Huaqin organized the “Association Month” campaign, demonstrating youthful vitality and HQKDQFLQJ SK\VLFDO ¿WQHVV

7KH &RPSDQ\ KDV HVWDEOLVKHG VHYHUDO VSRUWV DVVRFLDWLRQV DQG FRQWLQXHOLVXUH OLYHV HQFRXUDJH WKHLU SDUWLFLSDWLRQ LQ VSRUWV DFWLYLWLHV +XDTLQ ³$VVRFLDWLRQ 0RQWK´ FDPSDLJQ WR HQFRXUDJH HPSOR\HHV WR JR RXW

7R HQVXUH WKH IRUHVLJKW RI WHFKQRORJ\ 5 ' DQG WKH UHOLDELOLW\ RI SURGXFW TXDOLW\ WKH &RPSDQ\ KDV HVWDEOLVKHG SURIHVVLRQDO ODERUDWRU\ UHVRXUFHV LQ 6KDQJKDL 'RQJJXDQ :X[L 1DQFKDQJ ;L¶DQ DQG RWKHU ORFDWLRQV $PRQJ WKHP WKH ODERUDWRULHV LQ 6KDQJKDL 'RQJJXDQ DQG :X[L KDYH VXFFHVVIXOO\ SDVVHG WKH ODERUDWRU\ FHUWL¿FDWLRQ RI WKH &KLQD 1DWLRQDO $FFUHGLWDWLRQ 6HUYLFH IRU &RQIRUPLW\ $VVHVVPHQW &1$6

Key Performance

6XEVLGLDULHV RI +XDTLQ REWDLQHG &1$6 /DERUDWRU\ $FFUHGLWDWLRQ &HUWL¿FDWH

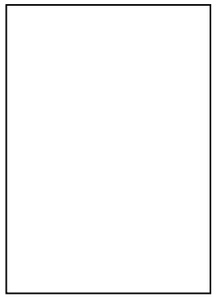
Professional laboratory resources

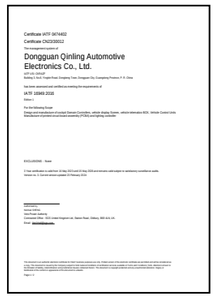
6LQFH WKH HQG RI WKH &RPSDQ\ KDV LQLWLDWHG WKH FRQVWUXFWLRQ RI WKH .QRZOHGJH 0DQDJHPHQW 3ODWIRUP .06 ,Q WKLV SURFHVV ZH WUDQVIRUP WKH H[SHULHQFH DFFXPXODWHG LQ SURGXFWV LQWR SRWHQWLDO HQHUJ\ IRU VXVWDLQHG DGYDQFHPHQW DQG JDLQ NQRZOHGJH DGYDQWDJHV WR VXSSRUW WDOHQW JURZWK DQG HQKDQFH WKH FRPSHWLWLYHQHVV RI HQWHUSULVH LQWHOOLJHQW PDQXIDFWXULQJ ,Q WKH &RPSDQ\¶V .06 ZRQ WKH &KLQD 0,.($ZDUG WKH 2VFDU IRU NQRZOHGJH PDQDJHPHQW LQ &KLQD

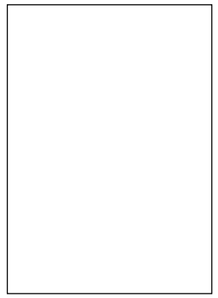
'DWD 'DVKERDUG RI .QRZOHGJH 0DQDJHPHQW 3ODWIRUP

Quantity System Construction

+XDTL¶V 5 ' DQG PDQXIDFWXULQJ FHQWHUV KDYH DOO SDVVHG ,62 TXDOLW\ PDQDJHPHQW :H GHVLJQ FRQ WKH FXVWRPHU GHPDQG DQG WKH &RPSDQ\¶V GHYHORSPHQW VWUDWHJ\ SODQ KDYH SDVVHG WKH VXFFHVVIXO DXWRPRWLYH LQGXVWU\ IRU TXDOLW\ PDQDJHPHQW DQG ,62 PHGLFDO GHYLFH TXDOLW\ FRQVWUXFW DQG V\VWHPV %\ DGRSW ZLWK EXLQHVV V\VWHPV UHFRUGLQJ TXDOLW\ GDWD FDSWXUH GDWD YLVXDOL]D WLPH SURFHVV SURJUHVV YLVXDOL]DWLRQ +XDTLQ JUDGXDOO\ SURPRWHV WKH LQVSHFWLRQ DQG WUDQVSDUHQW TXDOLW\ PDQDJHPHQW FRPSUHKHQVLYHO\ HQKD

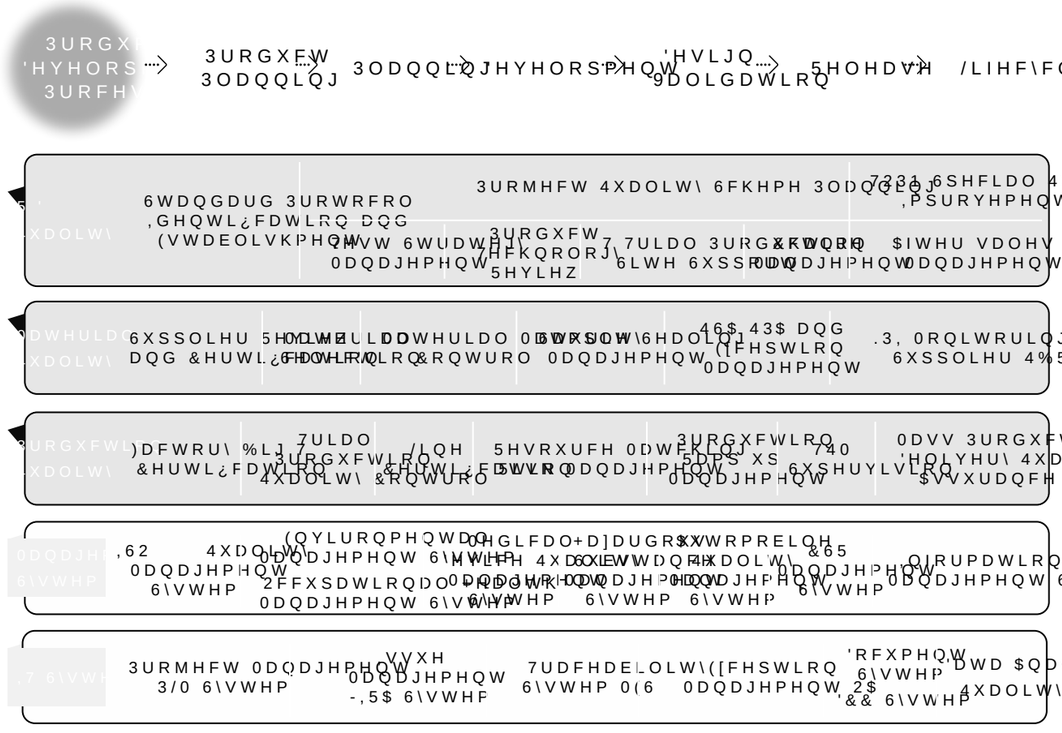






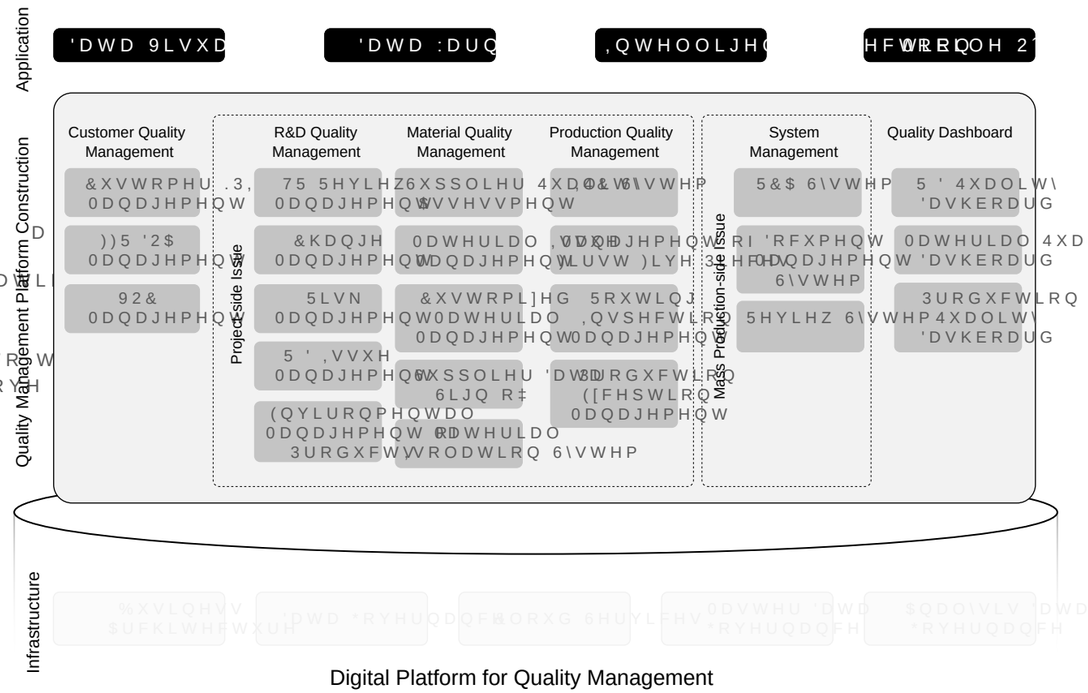
+XDTLQ DQG LWV 6XEVLGLDULHV DQG $VVRFLDWHV 4XDOLW\ &RQWURO &R /WG D 6XEVLGLDU\ RI 2EWDLQHG ,62 4XDOLW\ 0DQDJHPHQW &HUWL¿FDWLRQ /WG D 6XEVLGLDU\ RI 2EWDLQHG ,62 6\VWHP &HUWL¿FDWLRQ 4XDOLW\ 6\VWHP &HUWL¿FDWLRQ

7KH &RPSDQ\ IXOO\ LQWHJUDWHV WKH FRQFHSW RI SURGXFW TXDOLW\ PDQDJHPHQW LQWR WKH 5 ' SURGXFWLRQ UHOHDVH DQG DIWHU VDOHV WR FRPSUHKHQVLYHO\ PDQDJH DQG LPSURYH



Quality Management Throughout the Entire Lifecycle of Products

Quality Digitalization



Digital Platform for Quality Management

Empowerment by Quality Culture

7R HQKDQFH WKH TXDOLW\ DZDUHQHVV RI DOO HPSOR\HHV WKH &RPSDQ\ SXPS IRU VWUDWHJ\ PHHWLQJV PRQWKO\ DQG SURPRWHV GLVFXVVLRQV RI W\SLFDO FDVHV LQ PLQG WKURXJK DFWLYLWLHV VXFK DV TXDOLW\ UHG DQG EODFN OLVWV TXDOLW\ LPSURYHPHQW 723 1 VPHFLDO SURMHFWV 4&& 6L[6LJPD 5&$ HFF DQG TXDOLW

Case: Six Sigma capability building

,Q WKH &RPSDQ\ DGRSWHG D GXDO FKDQQHO PRGHO RI ³TXDOL¿FDWLRQ FH 6L[6LJPD FDSDELOLW\ EXLOGLQJ SURMHFW WKHUHE\ SURPRWLQJ WKH LPSURYH RSWLPL]DWLRQ 7KURXJK GDLO\ NQRZOHGJH SXPS SURIHVVLRQDO WUDLQLQJ JX VDORQ HWF ZH KDYH IRUPHG D QHWZRUN OHYHO´ DFKLHYHPHQWV RI WKH &KLQD 0DQDJHPHQW %ODFN %HOW DQG HDFK RSHUDWLQ WKH &KLQD 4XDOLW\ $VVRFLDWLRQ %HOW TXDOL¿FDWLRQ

Honor

%\ LQVLVWLQJ RQ GHOLYHULQJ KLJK TXDOLW\ SURGXFWV DQG VHUYLFHV WKH &RPSDQ\ KDV EHHQ ZLGHO\ UHFRJQL]HG E\ FXVWRPHUV 'XULQJ WKH UHSRUWLQJ SHULRG ZH UHFHLYHG PXOWLSOH KRQRUV VXFK DV 2XWVWDQGLQJ 6XSSOLHU DQG ([FHOOHQW 4XDOLW\ $ZDUGV SUHVHQWHG E\ FXVWRPHUV

Amazon

%HVW &RQWLQXRXV ,PSURYHPHQW $ZDUG

Lenovo

4XDOLW\ 2SHUDWLRQ $ZDUG

Lenovo

4XDOLW\ 0DQDJHPHQW $ZDUG

OPPO

4XDOLW\ 3URFXUHPHQW $ZDUG

realme

4XDOLW\ 3URMHFW 7HDP $ZDUG

Xiaomi

$QQXDO ([FHOOHQW 4XDOLW\ 7HDP $ZDUG

vivo

([FHOOHQW 4XDOLW\ $ZDUG

Industry Leadership and Cooperation

$GKHULQJ WR WKH FRQFHSW RI RSHQ FROODERUDWLRQ +XDTLQ DFWLYHO\ SDUWLFLSDWHV H[SDQGV WKH VFRSH RI FRRSHUDWLRQ GHHSHQV FRRSHUDWLRQ DQG ZRUNV ZLWK LQGXVWU\ PDNLQJ JUHDWHU FRQWULEXWLRQV WR WKH SURVSHULW\ DQG SURJUHV

Case: Expanding data product collaboration scenarios, and signing the Memorandum of Understanding with Digital China

,Q 0DUFK WKH &RPSDQ\ DQG WKH of Understanding ZLWK 'LJLWDO &KLQD 7KH WZR SDUWLHV DJUHHG WR HVWDEOLVK D ORQJ WHUP DQG LQ GHSWK EXVLQHVV FRRSHUDWLRQ UHODWLRQVKLS LQ DUHDV VXFK DV GDWD FHQWHU SURGXFWV FKDQQHOV WHFKQRORJ\ DQG GLJLWDO HFRV\VWHP LQWHJUDWLRQ &DSLWDOL]LQJ RQ WKH GDYDQWDJHV RI HDFK RWKHU ZH ZRUN WRJHWKHU WR EURDGHQ WKH PDUNHW OD\RXW GHYHORS HIILFLHQW DQG FROODERUDWLYH LQQRYDWLYH WHFKQRORJLHV DQG VROXWLRQV DQG FUHDWH D QHZ HFRV\VWHP IRU WKH GDWD FHQWHU LQGXVWU\

6LJQLQJ &HUHPRQ\ EHWZHHQ WKH &RPSDQ\ D

Case: Creating an ecosystem, and jointly launching specialized gaming devices

7KH &RPSDQ\ GHHSHQV LWV JOREDO VWUDWHJLF SDUWQHUVKLS ZLWK 4XDOFR SURFXUHPHQW UHODWLRQVKLSV DQG FDUU\ RXW FRPSUHKHQVLYH FRRSHUDWLR SODWIRUPV 0RUH DQG EHWWHU VSHFLDO]HG JDPLQJ GHYLFHV EDVHG RQ WKH SURGXFW SODWIRUP ZLOO EH MRLQWO\ ODXQFKHG HQDEOLQJ SOD\HUV WR HQ HFRV\VWHPV

Case: Industry-research cooperation to empower the new infrastructure of the digital economy

7KH ZKLWH SDSHU Strengthening Digital Infrastructure IRU 0RYLQJ 7RZDUG D)XWXUH ,QWHOOLJHQW :RUOG SURGXFHG E\ WKH &RPSDQ\ DQG WKH ,QWHUQDWLRQDO 'DWD &RUSRUDWLRQ ,'& ZDV UHOHDVHG %DVHG RQ \HDUV RI LQGXVWU\ LQVLJKWV RI WKH ,'& WHDP WKH DFFXPXODWLRQ RI +XDTLQ LQ WKH ILHOG RI VPDUW KDUGZDUH DQG H[WHQVLYH UHVHDUFK WKH ZKLWH SDSHU V\VWHPDWLFDOO\ DQG ULJRURXVO\ HODERUDWHV RQ WRSLFV VXFK DV ³)XWXUH %OXHSULQW RI WKH 'LJLWDO (FRQRP\´ ³/D\RXW RI 'LJLWDO ,QIUDVWUXFWXUH (FRV\VWHP´ ³&XUUHQW 'HYHORSPHQW)DFWRUV RI DWD &HQWHUV´ ³2SSRUWXQLWLHV IRU)XOO 6WDFN 2'0 LQ 1HZ ,QGXVWU\ 0RGHOV´ 7KDQNV WR WKH ZKLWH SDSHU PRUH LQGXVWU\ IRUFHV DUH JDWKHUHG WR MRLQW\ SURPRWH WKH FRQVWUXFWLRQ RI GLJLWDO LQIUDVWUXFWXUH FRQWULEXWH WR HFRQRPLF JURZWK DQG LPSURYH TXDOLW\ DQG HIILFLHQF\

Strengthening Digital Infrastructure for Moving Towards a

)XWXUH ,QWHOOLJHQW :RUOG

Case: Huaqin Closed Salon of Automotive Electronics

'XULQJ WKH WK 6KDQJKDL ,QWHUQDWLRQDO $XWRPRELOH ,QGXVWU\ ([KLELWLRQ WKH &RPSDQ\ KHOG +XDTLQ &ORVHG 6DORQ RI $XWRPRWLYH (OHFWURQLFV IRFXVLQJ RQ ³1HZ 6HFHLVH 1HZ 6WUHQJWK DQG 1HZ 3DUWQHUV´ +RQJ <LHQJ WKH VHQLRU YLFH SUHVLGHQW DQG WKH JHQHUDO PDQDJHU RI WKH DXWRPRWLYH HOHFWURQLFV EXVLQHVV XQLW RI WKH &RPSDQ\ DORQJ ZLWK WKH PDUNHW SURGXFW DQG 5 ' WHDPV RI WKH DXWRPRWLYH HOHFWURQLFV H[SORUHG QHZ FRRSHUDWLRQ PRGHOV ZLWK QHDUO\ XSVWUHDP DQG GRZQVWUHDP SDUWQHUV VR DV WR FUHDWH D QHZ HFRV\VWHP IRU WKH DXWRPRWLYH LQGXVWU\

+XDTLQ &ORVHG 6DORQ RI $XWRPRWLYH (OHFWURQLFV

Case: Attending the Intel IPDC Summit with new products

7KH ,QWHO 3URWRFRO 'DWD &HQWHU ,3'& 6XPPLW ZDV KHOG LQ :XKDQ LQ 6HSWHPEHU 7KH &RPSDQ\ ZDV LQYLWHG WR DWWHQG DV DQ HFRV\VWHP OHDGHU $W WKH FRQIHUHQFH ZLWK LWV VWUDWHJLF SURGXFWV WKH &RPSDQ\ VKDUHG DQG H[FKDQJHG WKH ODWHVW LQGXVWU\ WUHQGV SURGXFW IHDWXUHV QHZ FRRSHUDWLRQ PRGHOV DQG QHZ WHFKQRORJ\ ODQGLQJ VROXWLRQV ZLWK JOREDO SHHUV FXVWRPHUV H[SHUWV DQG PHGLD IRFXVLQJ RQ WKH LQQRYDWLYH WUDQVIRUPDWLRQ RI /DUJH /DQJXDJH 0RGHOV //0 WHFKQRORJ\

%RRWK RI WKH &RPSDQ\ DW WKH ,QWHO ,3'& 6XPPLW

Case: Attending the Fortune China 500 Summit to discuss “Accelerating Industrial Interconnection”

,Q 1RYHPEHU WKH &RPSDQ\ DV WKH WK)RUWXQH &KLQD FRPSDQ\ ZDV LQYLWHG WR DWWHQG WKH &KLQD 6XPPLW DQG SDUWLFLSDWH LQ WKH URXQGWDEOH GLVFXVVLRQV $W WKH FRQIHUHQFH WKH &RPSDQ\ WDONHG DERXW KRZ DQ HQWHUSULVH FDQ DFFHOHUDWH LQGXVWU\ LQWHUFRQQHFWLRQ DQG SURPRWH GLJLWDO WUDQVIRUPDWLRQ EDVHG RQ LWV OHDGLQJ LQGXVWU\ DGYDQWDJHV DQG H[SHULHQFHV

Sustainable Supply Chain

$GKHULQJ WR WKH FRQFHSW RI ZLQ ZLQ FRRSHUDWLRQ +XDTLQ KDV HVWDEOLVKHG SURFHVV :H SODFH JUHDW LPSRUWDQFH RQ WKH GHYHORSPHQW RI D UHVSRQVLEOH UHVSRQVLELOLW\ PDQDJHPHQW DQG HPSRZHUPHQW RI VXSSOLHUV DQG ZRUN ZLWK DQG VXSSRUW DQ HFRV\VWHP

Supply Chain Management

+XDTLQ LV FRPPLWWHG WR HVWDEOLVKLQJ WUDQVSDUHQW WUXVWZRUWK\ IDLU UHOLDEOH VXSSOLHUV ZLWK JRRG FRPPHUFLDO UHSXWDWLRQV :H KDYH SXW VXSS &RPSUHKHQVLYH DVVHVVPHQWV DQG DXGLWV DUH FRQGXFWHG RQ SRWHQWLDO SD DQG UHTXLUHPHQWV RI WKH &RPSDQ\

Operating Requirements for Tier - 1 Supplier Access Management System

Product Technology Management System

+LJK SURGXFW WHFKQLFDO PDWXULW\ DQG DELOLW\ WR SURYLGH UHO UHSRUWV ZLWK WHFKQRORJ\ PDQDJHP HQW V\VWHPV WKH

Product Quality Management System

4XDOLW\ $VVXUDQFH 6\VWHP SDVVHG ,62 FHUWL¿FDWLRQ RU HTXLY 5HOLDEOH TXDOLW\ DQG DEOE WR SURYLGH WKH UHOLDEOH SURGXFW

Product Environment Management System

4& V\VWHP FHUWL¿FDWH RU GRFXPHQWV DYDLODEOH

Occupational Health and Safety Management System

3DVV ,62 V\VWHP FHUWL¿FDWLRQ ,I QRW D FRPPLWPHQW RQ FHUWL¿FDWLRQ VKDOO EH FRPSOHWHG ZLWKLQ PRQWKV

+DYH QR ODERU DQG VDIHW\ YLRODWLRQV LQ WKH SDVW WZR \HDUV

%H OLVWHG RQ WKH JRYHUQPHQW ZHEVLWH ZLWK FRUUHVSRQGLQJ TXDOL¿FDWLRQV

Environmental Management System

3DVV ,62 V\VWHP FHUWL¿FDWLRQ ,I QRW D FRPPLWPHQW RQ FHUWL¿FDWLRQ VKDOO EH FRPSOHWHG ZLWKLQ PRQWKV

+DYH QR ODERU DQG VDIHW\ YLRODWLRQV LQ WKH SDVW WZR \HDUV

%H OLVWHG RQ WKH JRYHUQPHQW ZHEVLWH ZLWK FRUUHVSRQGLQJ TXDOL¿FDWLRQV

Corporate Social Responsibility (CSR) System

&RPSO\ ZLWK UHJXODWLRQV DQG 5%$ UHTXLUHPHQWV KDYH QR YLRODWLRQV RI +XDTLQ¶ V &65 DQG HQYLURQPHQWDO DQG VDIHW\ KHDOWK UHJXODWLRQV IRUFHG ODERU XVH RI SULVRQ ODERU FROOHFWLYH ODERU GLVSXWHV PDVV FDXDO DQG YLRODWLRQV RI EXVLQHVV HWKLFV

+DYH QR QHJDWLYH UHFRUGV RQ WKH ,3(ZHEVLWH ,I DQ\ VXFK UHFRUGV H[LVW ZLWKLQ PRQWKV

$JUHH WR VLJQ WKH &65 DJUHHPHQW DQG DFFHSW WKH DQQXDO &65 UHSRUW RQ WKH DGGLWLRQDO &65 UHTXLUHPHQWV

1RW XVH FRQÀLFW PLQHUDOV WXQJVWHQ WLQ WDQWDOXP JROG FREDOW

Information Security System

(VWDEOLVK DQ LQIRUPDWLRQ VHFXULW\ PDQDJHPHQW RUJDQL]DWLRQ DQG RSHUDWH UHJXODU\ 'HYHORS DQG LPSOHPHQW UHOHYDQW VWDQGDUGV SROLFLHV DQG V\VWHPV IRU LQIRUPDWLRQ VHFXULW\ PDQDJHPHQW

&ODVVLI\ DQG PDQDJH LQIRUPDWLRQ DVVHWV

6WULFWO\ LPSOHPHQW WKH SULQFLSOHV RI ³MRE UHOHYDQFH PLQLPXP DXWKRUL]DWLRQ DSSURYDO DQG GLVWUXVW´ LQ WKH DFFHVV DQG XVH RI LQIRUPDWLRQ DVVHWV

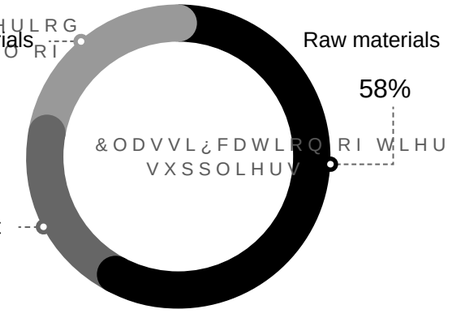
Key Performance

'XULQJ WKH UHSRUWLQJ SHULRG WKH &RPSDQ\ KDG D WRWDO RI

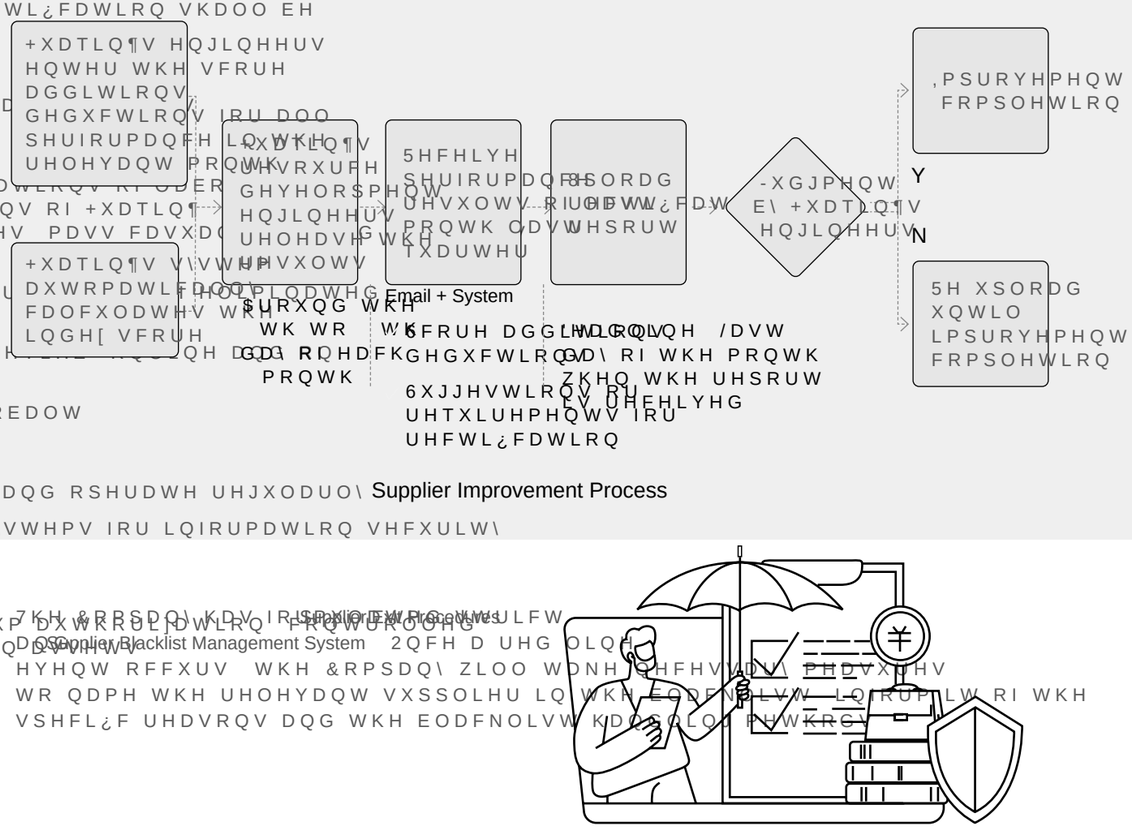
2,013 WLHU VXSSOLHUV

LQFOXGLQJ

105 QHZ WLHU RQH



7KH &RPSDQ\ KDV HVWDEOLVKHG Supplier Red Yellow Light Management Code DQG IRUPHG D VXSSOLHU UH FRPSRVHG RI EXVLQHVV SURFXUHPHQW GHYHORSPHQW PDWHULDO TXDOLW\ GHSDUWPHQWV :H FRQGXFW UHJXODU UHYLHZV DQG UDWLQJV RI VXSSOLHUV FRQ PDQQHU DQG JXLGH VXSSOLHUV WR IXO¿OO WKHLU UHVSRQVLELOLWLHV DLPLQJ W



Supplier Improvement Process

7KH &RPSDQ\ KDV IRUPXODWHG D Supplier Blacklist Management System 2QFH D UHG OLQH HYHQW RFFXUV WKH &RPSDQ\ ZLOO WDNH FRUUHFWLYH PHDVXUHV WR QDPH WKH UHOHYDQW VXSSOLHU LQ WKH EODFNOLVW LQFRUSRUDWH RI WKH VSHFL¿F UHDVRQV DQG WKH EODFNOLVW GXUDWLRQ PHWKRGV

Key Performance

'XULQJ WKH UHSRUWLQJ SHULRG WKH &RPSDQ\ R‡HUHG D WRWDO RI FRYHULQJ

5 VXSSOLHU WUDLQLQJ VHVVLRQV 2,377 WUDLQHHV

Case: Global Core Partner Conference titled “Joints Hands Together for a Win-Win Future”

OREDO &RUH 3DUWQHU &RQIHUHQFH RI +XDTLQ ZDV KHOG LQ 1DQFKDQJ LQ 1RYHPEHU $W WKH FRQIHUHQFH WKH &RPSDQ\ DZDUGHG PXOWLSOH RXWVWDQGLQJ FRQWULEXWLRQV WR SURGXFW GHYHORSPHQW GHOLYHU\ HIILFLHQF\ TXDOLW\ FRQWURO DQG VWUDWHJLF FRRSHUDWLRQ LQ :H DOVR HQFRXUDJH PRUH VXSSOLHUV WR SDUWLFLSDWH DFWLYHO\ LQ WKH &RPSDQ\ DLPLQJ WR DFKLHYH LQGXVWULDO XSJUDGHV SURPRWH WKH FRRUGLQDWHG GHYHORSPHQW RI (6 DQG EXLOG D V\PELRWLF DQG ZLQ ZLQ HFRV\VWHP

*OREDO &RUH 3DUWQHU &RQIHUHQFH

&DVH 2‡HULQJ 5%$ WUDLQLQJ WR VXSSOLHUV DQG SURPRWLQJ V

supply chain

,Q WKH &RPSDQ\ R‡HUHG 5%$ WUDLQLQJ WR PDWHULDO VXSSOLHUV ,Q WKH WUDLQLQJ ZH LQWURGXFHG WKH HYROXWLRQ DQG VSHFL¿F UHTXLUHPHQWV RI 5%$ DQG FRPPXQLFDWHG WKH LPSRUWDQFH RI VXVWDLQDEOH GHYHORSPHQW DQG VRFLDO UHVSRQVLELOLW\ WR VXSSOLHUV 7KLV WUDLQLQJ LPSURYHV FRPSOLDQFH OHYHOV DQG FRUSRUDWH UHVSRQVLELOLW\ RI VXSSOLHUV DQG SURPRWHV WKH VXVWDLQDEOH GHYHORSPHQW RI WKH VXSSO\ FKDLQ

50$ 7UDLQLQJ IRU 6XSSOLHUV

Outlook

/RRNLQJ EDFN RQ WKH \HDU WKH &RPSDQ\¶V SXEOLF OLVWLQJ HPEDUNHG RQ W

/RRNLQJ DKHDG ZH EHOLHYH WKDW ZH ILJKW WR ZLQ ,Q ZH ZLOO VWULYH SURVSHULW\ IRU WKH HQWHUSULVH DQG FRQVWDQWO\ HQJDJH LQ HQYLURQPHQWDO

,Q WKH HQYLURQPHQW ZH ZLOO FRQWLQXH WR LQFUHDVH LQYHVWPHQW LQ HQYLU ³FDUERQ SHDNLQJ DQG FDUERQ QHXWUDOLW\´ :H ZLOO DFWLYHO\ SURPRWH WKH 5 DQG UHVRXUFH H^FLHQF\ DQG GHYHORS FOHDQ HQHUJ\ IDFLOLWLHV WR H‡HFWLYH DOVR SOD\ DV DQ LQGXVWU\ FKDLQ OHDGHU DQG ZRUN ZLWK XSVWUHDP DQG GRZQ DFKLHYH WKH VXVWDLQDEOH GHYHORSPHQW RI WKH LQGXVWULDO FKDLQ

,Q VRFLHW\ ZH ZLOO DZD\V XVH WHFKQRORJ\ WR GR JRRG WXUQV DFWLYHO\ XQ WHFKQRORJLFDO LQQRYDWLRQ :H ZLOO IRFXV RQ GHYHORSLQJ PRUH LQWHOOLJH VRFLDO SUREOHPV DQG EHQHILW HYHU\RQH¶V FRPPXQLFDWLRQ DQG OLIH $GGL WRZDUGV FXVWRPHUV HPSOR\HHV VXSSOLHUV DQG RWKHU VWDNHKROGHUV DQ RXWVWDQGLQJ PDQDJHPHQW PRGHOV

,Q JRYHUQDQFH ZH ZLOO NHHS LPSURYLQJ RXU JRYHUQDQFH VWUXFWXUH DQ FRPSOLDQFH DQG WUDQVSDUHQF\ RI RXU EXVLQHVV RSHUDWLRQV DOZD\V PDLQ WKHP ZLWK JRRG FRUSRUDWH SHUIRUPDQFH

:LWK D EULJKW MRXUQH\ DKHDG ZH ZLOO XVKHU LQ D EULJKW IXWXUH :H EHOLHY ZLOO FRQWLQXH WR PRYH WRZDUGV QHZ KHLJKWV DQG FUHDWH PRUH YDOXH IRU V

Key Performance Table

(QYLURQPHQWDO 3HUIRUPDQFH		8QLW	
(QYLURQPHQWDO SURWHFWLRQ	(QYLURQPHQWDO SHQDOW\ HYHQWV	QXPEHU	
+ HPLVVLRQV	*+* HPLVVLRQV VFRSH	WRQV RI &2 HTXLYDOHQW	
	+ HPLVVLRQV VFRSH	WRQV RI &2 HTXLYDOHQW	
	+ HPLVVLRQV VFRSH	WRQV RI &2 HTXLYDOHQW	
	7RWDO *+* HPLVVLRQV	WRQV RI &2 HTXLYDOHQW	
	+ HPLVVLRQV LQWHQVLW\	WRQV RI &2 HTXLYDOHQW SHU 50% UHYHQXH	
	$QQXDO UHGXFWLRQ LQ *+* HPLVVLRQV GLUHFWO\ UHGXFHG E\ WHFKQRORJLFDO LPSURYHPHQWV RI &2 HTXLYDOHQW		
(QHUJ\ 0DQDJHPHQW	*DVROLQH FRQVXPSWLRQ LQ VHOI RZQHG YHKLFOHV IRU R^FLDO XVH	/	
	'LHVHO FRQVXPSWLRQ LQ VHOI RZQHG ORJLVWLFV IUHLJKW YHKLFOHV	/	
	7RWDO QDWXUDO JDV FRQVXPSWLRQ	P	
	7RWDO HOHFWULFLW\ FRQVXPSWLRQ	0:K	
	(OHFWULFLW\ FRQVXPSWLRQ SHU XQLW RI SURGXFW	0:K SHU XQLW RI SURGXFW	
	7HFKQRORJLFDO LPSURYHPHQWV IRU HQHUJ\ FRQVHUYDWLRQ	($	
	(OHFWULFLW\ VDYLQJV DUH GLUHFWO\ UHDO]HG E\ WHFKQRORJLFDO LPSURYHPHQWV IRU HQHUJ\ FRQVHUYDWLRQ	0:K	
	,QVWDOOHG FDSDFLW\ RI 39 SURMHFWV SXW LQWR RSHUDWLRQ	0:K	
	3URSRUWLRQ RI FOHDQ HQHUJ\ XWLOL]DWLRQ		
:DWHU 5HVRXUFH 0DQDJHPHQW	7RWDO ZDWHU FRQVXPSWLRQ	P	
	:DWHU FRQVXPSWLRQ LQWHQVLW\	P SHU 50% UHYHQXH	
	5HF\FOHG UHXVHG ZDWHU	P	
	:DWHU FRQVXPSWLRQ SHU XQLW SURGXFW	P SHU 50% UHYHQXH	
	$QQXDO ZDWHU VDYLQJV GLUHFWO\ UHDO]HG E\ ZDWHU VDYLQJ PHDVXUHV	P	
	7RWDO ZDVWHZDWHU GLVFKDUJHV	P	
:DVWH DQG 5HF\FOLQJ	7RWDO ZDVWH JHQHUDWLRQ	WRQ	
	+D]DUGRXV ZDVWH JHQHUDWLRQ	WRQ	
	6ROLG ZDVWH JHQHUDWLRQ	WRQ	
	,QFLQHUDWHG ZDVWH	WRQ	
	5HF\FOHG ZDVWH	WRQ	
	:DVWH WUHDWHG LQ RWKHU ZD\V	WRQ	
	6WRUHG ZDVWH	WRQ	
	:DVWH UHF\FOLQJ UDWH		
	12[HPLVVLRQV	NJ	
	92&V HPLVVLRQV	NJ	

6RFLDO 3HUIRUPDQFH		8QLW	
'LYHUVLW\ DQG (TXDO 2SSRUWXQLW\	7RWDO HPSOR\HHV	SHUVRQ	
	SHU FDSLWD LQFRPH JHQHUDWLRQ	50% UHYHQXH SHUVRQ	
	'LVDEOHG HPSOR\HHV	SHUVRQ	
	)HPDOH HPSOR\HHV	SHUVRQ	
	0DOH HPSOR\HHV	SHUVRQ	
	(PSOR\HHV DJHG DQG DERYH	SHUVRQ	
	(PSOR\HHV DJHG WR	SHUVRQ	
	(PSOR\HHV DJHG WR	SHUVRQ	
	(PSOR\HHV DJHG DQG EHORZ	SHUVRQ	
	3URGXFWLRQ VWD‡	SHUVRQ	
	6DOHV VWD‡	SHUVRQ	
	7HFKQLFDO VWD‡	SHUVRQ	
	)LQDQFH VWD‡	SHUVRQ	
	$GPLQLVWUDWLYH VWD‡	SHUVRQ	
	(PSOR\HHV KROGLQJ D GRFWRU¶V GHJUHH	SHUVRQ	

'LYHUVLW\ DQG (TXDO 2SSRUWXQLW\	(PSOR\HHV KROGLQJ D PDVWHU¶V GHJUHH RU KLJKHU	SHUFHQW	
	(PSOR\HHV KROGLQJ D EDFKHORU¶V GHJUHH	SHUFHQW	
	(PSOR\HHV KROGLQJ MXQLRU FROOHJH GHJUHH RU ORZHU	SHUFHQW	
	+DQ QDWLRQDOLW\ HPSOR\HHV	SHUVRQ	
	(WKQLF PLQRULW\ HPSOR\HHV	SHUVRQ	
3URWHFWLRQ &RY HPSOR\HH U LJKWV DQG LQWHUQDWLRQDO SXEOLF¶DUH	RYHUDJH RI ODERU FRQWUDFWV		
	QWHUQDO HPSOR\HHV LQ LQWHUQDO SXEOLF¶DUH	50%	
2FFXSDWLRQDO +HDOWK DQG 6DIHW\	(PSOR\HH SK\VLFDO H[DPLQDWLRQ FRYHUDJH		
	,QFLGHQFH UDWH RI RFFXSDWLRQDO GLVHDVHV		
	:RUN VDIHW\ YLRODWLRQV VXEMHFW WR RFFXSDWLRQDO UHYLHZV		
	6DIHW\ KD]DUG DXGLWV	($	
	5HFRUG¿FDWLRQ UDWH RI VDIHW\ KD]DUGV		
	6DIHW\ HPHUJHQF\ GULOOV	VHVVLRQ	
	1XPEHU RI ZRUN UHODWHG DFFLGHQWV	QXPEHU	
	1XPEHU RI GHDWKV IURP ZRUN UHODWHG LQMXULHV	QXPEHU	
	1XPEHU RI ¿UH DQG H[SORVLRQ DFFLGHQWV	QXPEHU	
7DOHQW 7UDLQLQJ DQG 'HYHORSPHQW	,QYHVWPHQW LQ HPSOR\HH WUDLQLQJ DQG HPSRZHUPHQW		
	7RWDO SHUVRQ WLPHV UHFHLYLQJ WUDLQLQJ	QXPEHU	
	7RWDO WUDLQLQJ GXUDWLRQ	KRXU	
	3HU FDSLWD WUDLQLQJ GXUDWLRQ	KRXU	
	1XPEHU RI LQWHUQDO WUDLQLQJ LQVWUXFWRUV	QXPEHU	
&RPPXQLW\ UHVSRQVLELOLW\	,QYHVWPHQW LQ SXEOLF ZHOIDUH	50% ¶	
	,QFOXGLQJ LQYHVWPHQW LQ UXUDO	50% ¶	
,QQRYDWLRQ DQG 5 ' WHFKQRORJ\	5 ' LQYHVWPHQWV	50% PQ	
3URGXFW 4XDOLW\ DQG 6DIHW\	&XVWRPHU VDWLVIDFWLRQ VXUYH\		
	1XPEHU RI WLHU VXSSOLHUV	QXPEHU	
6XVWDLQDEOH 6XSSO\ &KDLQ	3HUFHQWDJH RI WLHU VXSSOLHUV ZKR KDYH VLJQHG WKH FODXVHV FRQWDLQLQJ WKH HQYLURQPHQW DQG ODERU UHTXLUHPHQWV		
	1XPEHU RI WLHU VXSSOLHUV ZKR KDYH FRQGXFWHG VRFLDO LPSDFW DVVHVVPHQWV	QXPEHU	
	1XPEHU RI WLHU VXSSOLHUV ZKR KDYH EHHQ LGHQWL¿HG DV KDYLQJ DFWXDO DQG SRWHQWLDO VLJQL¿FDQW QHJDWLYH VRFLDO LPSDFWV	QXPEHU	
	3HUFHQWDJH RI WKH SURFXUHPHQW WKH VXVWDLQDEOH SURFXUHPHQW WUDLQLQJ	‡ ZKR KDYH SDVVHG	
	1XPEHU RI VXSSOLHUV ZKR KDYH FRPSOHWHG WKH FRQÀLFW PLQHUDOV VXUYH\	QXPEHU	

*RYHUQDQFH	3HUIRUPDQFH	8QLW	
(FRQRPLF 3HUIRUPDQFH	2SHUDWLQJ UHYHQXH	50% PQ	
	1HW SUR¿W DWWULEXWDEOH WR 6KDUHKROGHUV ¶ 0HWULQJ	WLPH	
2SHUDWLQJ %RDUG	6KDUHKROGHUV ¶ 0HWULQJ	WLPH	
	0HHWLQJV RI WKH %RDUG RI 'LUHFWRUV	WLPHV	
	3HUFHQWDJH RI LQGHSHQGHQW GLUHFWRUV		
	3HUFHQWDJH RI IHPDOH GLUHFWRUV		
7UDQVSDUHQF\ RI ,QIRUPDWLRQ 'LVFORVXUH	1XPEHU RI GLVFORVHG UHSRUWV	FRS\	
%XVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	QWHUQDO DXGLWV	SFV	
	+DQGOLQJ UDWH RI EXVLQHVV HWKLFV LQFLGHQWV		
,QWHOOHFWXDO 3URSHUW\ 3URWHFWLRQ	1HZ SDWHQW DSSOLFDWLRQV	FRS\	
	1HZ SDWHQWV JUDQWHG	FRS\	
	$FFXPXODWHG LQWHOOHFWXDO SURSHUW\ DSSOLFDWLRQV	FRS\	
	$FFXPXODWHG LQWHOOHFWXDO SURSHUW\ OLFHQVHV	FRS\	
	,QWHOOHFWXDO SURSHUW\ WUDLQLQJ	QHVVLRQ	
	&RYHUDJH RI LQWHOOHFWXDO SURSHUW\ WUDLQLQJ	SHUFHQW	

&HUWL¿FDWLRQ 2YHUYLHZ

3DUN	2SHUDWLRQ (QWLW\	,62 ö;	,62 ö;	,62 ö;	4& ö;	,62 ö;	,$7) ö;	,62	,62	,62 ö;	(6' 6 ö;	$XWR PRWLYH 63,&(	,62 ,(& ö;	6$	%6&,	5%$	8/
6KDQJKDL 5 ' &HQWHU	+XDTLQ 7HFKQRORJ\ &R /WG	✓	✓	✓	✓	✓						✓	✓				
	6KDQJKDL $QTLQ =KL[LQJ $XWRPRWLYH (OHFWURQLFV &R /WG					✓											
;L¶DQ 5 ' &HQWHU	;L¶DQ <(3 7HFKQRORJ\ &R /WG				✓	✓											
6RXWK &KLQD 5 ' &HQWHU	*XDQJGRQJ +RQJTLQ &RPPXQLFDWLRQ 7HFKQRORJ\ &R /WG					✓	✓										
	*XDQJGRQJ %D\ $UHD ,QWHOOLJHQW 7HUPLQDO ,QGXVWULDO 'HVLJQ DQG 5HVHDUFK ,QVWLWXWH &R /WG												✓				
:X[L 5 ' &HQWHU	:X[L 5XLTLQ 7HFKQRORJ\ &R /WG	✓	✓	✓		✓							✓				
'RQJJXDQ 1R 0DQXIDFWXULQJ &HQWHU	'RQJJXDQ +XDEHL (OHFWURQLF 7HFKQRORJ\ &R /WG			✓	✓	✓	✓			✓							
	'RQJJXDQ +HTLQ (OHFWURQLFV &R /WG	✓	✓						✓								
'RQJJXDQ 1R 0DQXIDFWXULQJ &HQWHU	*XDQJGRQJ 4L\DQJ 7HFKQRORJ\ &R /WG	✓	✓	✓	✓	✓									✓		
	*XDQJGRQJ 'RQJTLQ 7HFKQRORJ\ &R /WG		✓	✓	✓					✓							
	'RQJJXDQ 4LQOLQ $XWRPRWLYH (OHFWURQLFV &R /WG					✓											
'RQJJXDQ 1R 0DQXIDFWXULQJ &HQWHU	*XDQJGRQJ 5XLTLQ 7HFKQRORJ\ &R /WG		✓	✓	✓												
1DQFKDQJ 1R 0DQXIDFWXULQJ &HQWHU	1DQFKDQJ +XDTLQ (OHFWURQLF 7HFKQRORJ\ &R /WG		✓	✓	✓		✓		✓	✓			✓		✓		✓
	1DQFKDQJ 4LQVKHQJ (OHFWURQLF 7HFKQRORJ\ &R /WG		✓	✓						✓					✓		✓
+XD\X 3UHFLVLRQ	'RQJJXDQ +XD\X 3UHFLVLRQ 7HFKQRORJ\ &R /WG		✓	✓	✓	✓			✓								
;LTLQ 3UHFLVLRQ	*XDQJGRQJ ;LTLQ 3UHFLVLRQ 0ROG &R /WG		✓	✓	✓												

GRI Standard Index

6WDWHPHQW RI XVH	HQXTLQ KDV UHSRUWHG WKH LQIRUPDWLRQ FLWHG LQ WKLV *5, FRQWHQW ZLWK UHIHUHQFH WR WKH *5, 6WDQGDUGV		
*5, XVHG	*5,)RXQGDWLRQ		
GRI STANDARD	Disclosure	Chapter	Page
2UJDQL]DWLRQDO GHWDLOV			
	2UJDQL]DWLRQDO GHWDLOV	&RPSDQ\ 3UR¿OH	
	(QWLWLHV LQFOXGHG LQ WKH RUJDQL]DWLRQ¶V VXVWDLQDELOLW\ UHSRUWLQJ	$ERXW 7KLV 5HSRUW	
	5HSRUWLQJ SHULRG IUHTXHQF\ DQG &RQWDFW 3RLQW	$ERXW 7KLV 5HSRUW	
	5HVWDWHPHQWV RI LQIRUPDWLRQ	*RYHUQDQFH DQG ,QYHVWRU\	
	([WHUQDO DVVXUDQFH	,QGHSHQGHQW $VVXUDQFH DQG 6WDWHPHQW RI 2SLQLRQ	
$FWLYLWLHV DQG ZRUNHUV			
	$FWLYLWLHV YDOXH FKDLQ DQG RWKHU EXVLQHVV UHODWLRQVKLSV	&RPSDQ\ 3UR¿OH	
	(PSOR\HHV	'LYHUVLW\ DQG (TXDO 2SSRUWXQLWLHV	
*RYHUQDQFH			
	*RYHUQDQFH VWUXFWXUH DQG FRPSRVLWLRQ	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	
	1RPLQDWLRQ DQG VHOHFWLRQ SURFHVV IRU WKH JRYHUQDQFH ERG\	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	
	&KDLU RI WKH KLJKHVW JRYHUQDQFH ERG\	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	
	5ROH RI WKH KLJKHVW JRYHUQDQFH ERG\ LQ RYHUVHHLQJ WKH PDQDJHPHQW RI LPSDFWV	(6* 0DQDJHPHQW 6\VWHP	
	'HOHJDWLRQ RI UHVSRQVLELOLW\ IRU PDQDJLQJ LPSDFWV	(6* 0DQDJHPHQW 6\VWHP	
	5ROH RI WKH KLJKHVW JRYHUQDQFH ERG\ LQ VXVWDLQDELOLW\ UHSRUWLQJ	(6* 0DQDJHPHQW 6\VWHP	
	&RPSHQVDWLRQ RI FULWLFDO H[HFXWLYHV	(6* 0DQDJHPHQW 6\VWHP	
	&ROOHFWLYH NQRZOHGJH RI WKH KLJKHVW JRYHUQDQFH ERG\	(6* 0DQDJHPHQW 6\VWHP	
	(YDOXDWLRQ RI WKH SHUIRUPDQFH RI WKH KLJKHVW JRYHUQDQFH ERG\	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	
	5HPXQHUDWLRQ SROLFLHV	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	
	3URFHVV WR GHWHUPLQH UHPXQHUDWLRQ	2SHUDWLRQ RI WKH 6KDUHKROGHUV¶ 0HHWLQJ %RDUG RI 'LUHFWRUV DQG 6XSHUYLVRU\ &RPPLWWHH	

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6WUDWHJ\ SROLFLHV DQG SUDFWLFHV			
	6WDWHPHQW RQ VXVWDLQDELOLW\ VWUDWHJ\	0HVVDJH IURP WKH &KDLUPDQ	
	3ROLF\ FRPPLWPHQWV	(6* 6WUDWHJ\ DQG *XLGHOLQHV	
	(PEHGGLQJ SROLF\ FRPPLWPHQWV	(6* 6WUDWHJ\ DQG *XLGHOLQHV	
	3URFHVVHV WR UHPHGLDWH QHJDWLYH LPSDFWV	3URGXFW &XVWRPHU 6HUYLFH (QYLURQPHQW (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
	0HFKDQLVPV IRU VHHNLQJ DGYLFH DQG UDLVLQJ FRQFHUQV	&RPPXQLFDWLRQ ZLWK 6WDNHKROGHUV	
	&RPSOLDQFH ZLWK ODZV DQG UHJXODWLRQV	1RQ9LRODWLRQ RI /DZV DQG 5HJXODWLRQV	
	0HPEHUVKLS DVVRFLDWLRQV	(6* 0DQDJHPHQW 6\VWHP %XVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	
6WDNHKROGHU HQJDJHPHQW			
	$SSURDFK WR VWDNHKROGHU &RPPXQLFDWLRQ ZLWK 6WDNHKROGHUV		
	&ROOHFWLYH EDUJDLQLQJ DJUHHPHQWV	3HUFHQWDJH RI (PSOR\HH 5LJKWV DQG ,QWHUHVW	
0DWHULDO 7RSLFV			
	3URFHVV WR GHWHUPLQH PDWHULDO WRSLFV	$SSURDFK WR 0DWHULDO 7RSLFV	
	/LVW RI PDWHULDO WRSLFV	$QDO\VLV RI 0DWHULDO 7RSLFV	
(FRQRPLF 3HUIRUPDQFH			
	'LUHFW HFRQRPLF YDOXH JHQHUDWHG DQG GLVWULEXWHG	3HUIRUPDQFH 'DWD 7DEOH	
	)LQDQFLDO LPSOLFDWLRQV DQG RWKHU ULVNV DQG RSSRUWXQLWLHV GXH WR FOLPDWH FKDQJH	*RYHUQDQFH DQG &OLPDWH 5LVNV DQG 2SSRUWXQLWLHV	
	'H¿QHG EHQH¿W SODQ REOLJDWLRQV DQG RWKHU UHWLUHPHQW SODQV	3URWHFWLRQ RI (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
3URFXUHPHQW 3UDFWLFHV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	6XSSO\ &KDLQ 6XVWDLQDEOH 6XSSO\ &KDLQ	
$QWL FRUUXSWLRQ			
	0DQDJHPHQW RI PDWHULDO WRSLFV	%XVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	
	&RPPXQLFDWLRQ DQG WUDLQLQJ DERXW DQWL FRUUXSWLRQ SROLFLHV DQG SURFHGXUHV	%XVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	
	&RQ¿UPHG LQFLGHQWV RI FRUUXSWLRQ DQG DFWLRQV WDNHQ	%XVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	

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$QWL FRPSHWLWLYH %HKDYLRU			
	0DQDJHPHQW RI PDWHULDO WRSLFV	RSXVLQHVV (WKLFV DQG $QWL FRUUXSWLRQ	
	/HJDO DFWLRQV IRU DQWL FRPSHWLWLYH EHKDYLRU DQWL WUXVW DQG PRQRSRO\ SUDFWLFHV	1R 5HOHYDQW /DZVXLWV &RQFHUQLQJ WKH &RPSDQ\	
0DWHULDOV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	RSHUDWLRQ 3URGXFWV DQG 'HVLJQV	
	5HF\FOHG LQSXW PDWHULDOV XVHG	3URGXFWV DQG 'HVLJQV	
	5HFODLPHG SURGXFWV DQG WKHLU SDFNDJLQJ PDWHULDOV	*UHHQ 3URGXFWV DQG 'HVLJQV	
(QHUJ\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	QHUJ\ 0DQDJHPHQW	
	(QHUJ\ FRQVXPSWLRQ ZLWKLQ WKH RUJDQL]DWLRQ	.H\ 3HUIRUPDQFH 7DEOH	
	(QHUJ\ LQWHQVLW\	.H\ 3HUIRUPDQFH 7DEOH	
	5HGXFWLRQ RI HQHUJ\ FRQVXPSWLRQ	0DQDJHPHQW	
:DWHU DQG (‰XHQWV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	5HVRXUFHV 0DQDJHPHQW	
	,QWHQVLW\ ZLWK ZDWHU ZLWKGUDZDO VRXUFHV	0DQDJHPHQW	
	0DQDJHPHQW RI ZDWHU GLVFKDUJH DQG ZDVWHZDWHU	0DQDJHPHQW	
	:DWHU GLVFKDUJH	.H\ 3HUIRUPDQFH 7DEOH	
	:DWHU FRQVXPSWLRQ	.H\ 3HUIRUPDQFH 7DEOH	
%LRGLYHUVLW\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	%LRGLYHUVLW\ 3URWHFWLRQ	
	6LJQL¿FDQW LPSDFWV RI DFWLYLWLHV SURGXFWV DQG VHUYLFHV RQ ELRGLYHUVLW\	%LRGLYHUVLW\ 3URWHFWLRQ	
(PLVVLRQV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	&RPPLWPHQW DQG 2EMHFWLYHV RI 7DFNOLQJ &OLPDWH &KDQJH	
	'LUHFW 6FRSH *+* HPLVVLRQV	,QWHQVLW\ ,GHQWL¿FDWLRQ DQG ,QYHQWRU\	
	(QHUJ\ LQGLUHFW 6FRSH *+* HPLVVLRQV	,GHQWL¿FDWLRQ DQG ,QYHQWRU\	

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	2WKHU LQGLUHFW 6FRSH *+* HPLVVLRQV	,GHQWL¿FDWLRQ DQG ,QYHQWRU\	
	+ HPLVVLRQV LQWHQVLW\	.H\ 3HUIRUPDQFH 7DEOH	
	5HGXFWLRQ RI *+* HPLVVLRQV	(QHUJ\ 0DQDJHPHQW	
	1LWURJHQ R[LGHV 12[VXOIXU R[LGHV 62[DQG RWKHU VLJQL¿FDQW DLU HPLVVLRQV	.H\ 3HUIRUPDQFH 7DEOH	
:DVWH			
	0DQDJHPHQW RI PDWHULDO WRSLFV	RSHUDWLRQ DQG 5HF\FOLQJ	
	:DVWH JHQHUDWLRQ DQG VLJQL¿FDQW :DVWH UHODWHG LPSDFWV	:DVWH DQG 5HF\FOLQJ	
	0DQDJHPHQW RI VLJQL¿FDQW ZDVWH UHODWHG LPSDFWV	:DVWH DQG 5HF\FOLQJ	
	:DVWH JHQHUDWHG	.H\ 3HUIRUPDQFH 7DEOH	
	:DVWH GLYHUWHG IURP GLVSRVDO	.H\ 3HUIRUPDQFH 7DEOH	
	:DVWH GLUHFWHG WR GLVSRVDO	.H\ 3HUIRUPDQFH 7DEOH	
6XSSOLHU (QYLURQPHQWDO $VVHVVPHQW			
	0DQDJHPHQW RI PDWHULDO WRSLFV	6XSSO\ &KDLQ 6XVWDLQDEOH 6XSSO\ &KDLQ	
	1HZ VXSSOLHUV WKDW ZHUH VFUHHQHG XVLQJ HQYLURQPHQWDO FULWHULD	6XVWDLQDEOH 6XSSO\ &KDLQ	
	1HJDWLYH HQYLURQPHQWDO LPSDFWV LQ WKH VXSSO\ FKDLQ DQG DFWLRQV WDNHQ	6XVWDLQDEOH 6XSSO\ &KDLQ	
(PSOR\PHQW			
	0DQDJHPHQW RI PDWHULDO WRSLFV	(PSOR\HH &DUH DQG (TXDO 2SSRUWXQLWLHV	
	%HQH¿WV SURYLGHG WR IXOO WLPH HPSOR\HHV WKDW DUH QRW SURYLGHG WR WHPSRUDU\ RU SDUW WLPH HPSOR\HHV	3URYLGLQJ %HQH¿WV DQG &DUH IRU (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
/DERU 0DQDJHPHQW 5HODWLRQV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	3URWHFWLRQ RI (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
2FFXSDWLRQDO +HDOWK DQG 6DIHW\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ &KDLQ	
	2FFXSDWLRQDO KHDOWK DQG VDIHW\ PDQDJHPHQW V\VWHP	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ &KDLQ	
	+D]DUG LGHQWL¿FDWLRQ UL VN DVVHVVPHQW DQG LQFLGHQW LQYHVWLJDWLRQ	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ &KDLQ	
	2FFXSDWLRQDO KHDOWK VHUYLFHV	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ &KDLQ	

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	:RUNHU SDUWLFLSDWLRQ FRQVXOWDWLRQ DQG FRPPXQLFDWLRQ RQ RFFXSDWLRQDO KHDOWK DQG 6DIHW\	2FFXSDWLRQDO +HDOWK DQG 6DIHW\	
	:RUNHU WUDLQLQJ RQ RFFXSDWLRQDO KHDOWK DQG VDIHW\	2FFXSDWLRQDO +HDOWK DQG 6DIHW\	
	3URPRWLRQ RI ZRUNHU KHDOWK	2FFXSDWLRQDO +HDOWK DQG 6DIHW\	
	3UHYHQWLRQ DQG PLWLJDWLRQ RI RFFXSDWLRQDO KHDOWK DQG VDIHW\ LPSDFWV GLUHFWO\ OLQNHG E\ EXVLQHVV UHODWLRQVKLSV	2FFXSDWLRQDO +HDOWK DQG 6DIHW\	
	:RUNHUV FRYHUHG E\ DQ RFFXSDWLRQDO KHDOWK DQG VDIHW\ PDQDJHPHQW V\VWHP	.H\ 3HUIRUPDQFH 7DEOH	
	:RUN UHODWHG LQMXULHV	.H\ 3HUIRUPDQFH 7DEOH	
	:RUN UHODWHG LOO KHDOWK	2FFXSDWLRQDO +HDOWK DQG 6DIHW\	
7UDLQLQJ DQG (GXFDWLRQ			
	0DQDJHPHQW RI PDWHULDO WRSLFV	0DWHULDO 7RSLFV	
	$YHUDJH KRXUV RI WUDLQLQJ SHU \HDU SHU HPSOR\HH	7DOHQW 'HYHORSPHQW	
	3URJUDPV IRU XSJUDGLQJ HPSOR\HH VNLOOV DQG WUDQVLWLRQ DVVLVWDQFH SURJUDPV	7DOHQW 7UDLQLQJ DQG 'HYHORSPHQW	
	3HUFHQWDJH RI HPSOR\HHV UHFHLYLQJ UHJXODU SHUIRUPDQFH DQG FDUHHU GHYHORSPHQW UHYLHZV	7DOHQW 7UDLQLQJ DQG 'HYHORSPHQW	
'LYHUVLW\ DQG (TXDO 2SSRUWXQLW\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	'LYHUVLW\ DQG (TXDO 2SSRUWXQLWLHV	
	'LYHUVLW\ RI JRYHUQDQFH ERG\ DQG HPSOR\HHV	'LYHUVLW\ DQG (TXDO 2SSRUWXQLWLHV	
1RQ GLVFULPLQDWLRQ			
	0DQDJHPHQW RI PDWHULDO WRSLFV	'LYHUVLW\ DQG (TXDO 2SSRUWXQLWLHV	
	,QFLGHQWV RI GLVFULPLQDWLRQ DQG FRUUHFWLYH DFWLRQ WDNHQ	'LYHUVLW\ DQG (TXDO 2SSRUWXQLWLHV	
)UHHGRP RI $VVRFLDWLRQ DQG &ROOHFWLYH %DUJDLQLQJ			
	0DQDJHPHQW RI PDWHULDO WRSLFV	2SHUDWLRQV LQ (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
	2SHUDWLRQV DQG VXSSOLHUV LQ ZKLFK WKH ULJKW WR IUHHGRP RI DVVRFLDWLRQ DQG FROOHFWLYH EDUJDLQLQJ PD\ EH DW ULVN	6XSSO\ &KDLQ 0DQDJHPHQW	
&KLOG /DERU			
	0DQDJHPHQW RI PDWHULDO WRSLFV	2SHUDWLRQV LQ (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
	2SHUDWLRQV DQG VXSSOLHUV DW VLJQLÀFDQW ULVN IRU LQFLGHQWV RI FKLOG ODERU	6XSSO\ &KDLQ 0DQDJHPHQW	

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)RUFHG RU &RPSXOVRU\ /DERU			
	0DQDJHPHQW RI PDWHULDO WRSLFV	2SHUDWLRQV LQ (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
	2SHUDWLRQV DQG VXSSOLHUV DW VLJQLÀFDQW ULVN IRU LQFLGHQWV RI IRUFHG RU FRPSXOVRU\ ODERU	6XSSO\ &KDLQ 0DQDJHPHQW	
6HFXULW\ 3UDFWLFHV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	2SHUDWLRQV LQ (PSOR\HH 5LJKWV DQG ,QWHUHVWV	
5LJKWV RI ,QGLJHQRXV 3HRSOHV			
	,QFLGHQWV RI YLRODWLRQV LQYROYLQJ ULJKWV RI LQGLJHQRXV SHRSOHV	1R YLRODWLRQV RI ULJKWV RI ,QGLJHQRXV 3HRSOHV E\ WKH &RPSDQ\	
/RFDO &RPPXQLWLHV			
	0DQDJHPHQW RI PDWHULDO WRSLFV	&RPPXQLW\ 5HVSRQVLELOLW\	
	2SHUDWLRQV ZLWK ORFDO FRPPXQLW\ HQJDJHPHQW LPSDFW DVVHVVPHQWV DQG GHYHORSPHQW SURJUDPV	&RPPXQLW\ 5HVSRQVLELOLW\	
6XSSOLHU 6RFLDO $VVHVVPHQW			
	0DQDJHPHQW RI PDWHULDO WRSLFV	6XSSO\ &KDLQ 0DQDJHPHQW	
	1HZ VXSSOLHUV WKDW ZHUH VFUHHQHG XVLQJ VRFLDO FULWHULD	6XSSO\ &KDLQ 0DQDJHPHQW	
	1HJDWLYH VRFLDO LPSDFWV LQ WKH VXSSO\ FKDLQ DQG DFWLRQV WDNHQ	6XSSO\ &KDLQ 0DQDJHPHQW	
&XVWRPHU +HDOWK DQG 6DIHW\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	3URGXFW 6XEVWDQFH 0DQDJHPHQW	
	$VVHVVPHQW RI WKH KHDOWK DQG VDIHW\ LPSDFWV RI SURGXFW DQG VHUYLFH FDWHJRULHV	+D]DUGRXV 6XEVWDQFH 0DQDJHPHQW	
	,QFLGHQWV RI QRQ FRPSOLDQFH FRQFHUQLQJ WKH KHDOWK DQG VDIHW\ LPSDFWV RI SURGXFWV DQG VHUYLFHV	6DIHW\ DQG 4XDOLW\ RI 3URGXFWV DQG 6HUYLFHV	
&XVWRPHU 3ULYDF\			
	0DQDJHPHQW RI PDWHULDO WRSLFV	&RQVXPHU 3URWHFWLRQ 6HFXULW\ DQG 3ULYDF\	
	6XEVWDQWLDWHG FRPSODLQWV FRQFHUQLQJ EUHDFKHV RI FXVWRPHU SULYDF\ DQG ORVVHV RI FXVWRPHU GDWD	3URGXFW 6DIHW\ DQG 4XDOLW\	

Independent Assurance and Statement of Opinion

ASSURANCE STATEMENT

SGS-**CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE** HUAQIN TECHNOLOGY CO., LTD. 2023 Sustainability Report

NATURE OF THE ASSURANCE/VERIFICATION
SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereinafter referred to as SGS) was commissioned by HUAQIN TECHNOLOGY CO., LTD. (hereinafter referred to as HUAQIN TECHNOLOGY) to conduct an independent assurance of the 2023 Sustainability Report (hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all HUAQIN TECHNOLOGY's Stakeholders.

RESPONSIBILITIES
The information in the Report and its presentation are the responsibility of the management, governing body of HUAQIN TECHNOLOGY. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all HUAQIN TECHNOLOGY's stakeholders, especially the verification of the "Key Performance Table" in the report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognised assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2: General Disclosure 2021 for organisation's reporting practices and other organisational detail, GRI 3: 2021 for organisation's process of determining material topics, its list of material topics and how to manage each topic, and the guidance on levels of assurance contained within the AA1000 series of standards.

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

- SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)

Assurance has been conducted at a moderate level of scrutiny.

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

- GRI Standards 2021 (Reference)

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees located at Shanghai Headquarters (located at Building 1, No. 399 Keyuan Road, Pudong New Area, Shanghai, P.R. China) for onsite assurance, and Dongguan No.1 MFG Center (located at No.9, Industrial Northern Road, Songshan Lake Park, Dongguan City, Guangdong Province, P.R. China), Nanchang No.1 MFG Center (located at J No.2999, Tianxiang Road, Nanchang High-Tech Industrial Development Zone, Nanchang City, Jiangxi Province, P.R. China) and Wuxi R&D Center (located at No.28, Qingyuan Road, Xinwu District, Wuxi City, Jiangsu Province, P.R. China) for remote interviews.

LIMITATIONS AND MITIGATION
Financial data drawn directly from independently audited financial accounts has not been checked back with source data as part of this assurance process.
The onsite assurance scope only covered Shanghai Headquarters of HUAQIN TECHNOLOGY, and remote interviews with the heads of relevant departments of Dongguan No.1 MFG Center, Nanchang No.1 MFG Center and Wuxi R&D Center. The data for assurance of report information was from the above scope.
The assurance process only involved interviews with the heads of relevant departments and certain employees and consultation with relevant documents did not involve external stakeholders.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than many countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirms our independence from HUAQIN TECHNOLOGY, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with CCAA Registered ISO 9001 auditor, ISO 14001 auditor, ISO 45001 auditor, Greenhouse Gas Verifier, SAI Registered SA 8000 auditor, CSR assuror, ISO 37001 auditor, etc.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION
On the basis of the methodology described and the verification work performed, the information and data in the Report have been verified to be accurate and reliable, and they provide a fair and unbiased account of HUAQIN TECHNOLOGY sustainability activities in 2023.

The assurance team is of the opinion that the Report has referred GRI Standard.

Reporting Principles

Accuracy
HUAQIN TECHNOLOGY's report content is accurate and can publicly disclose multiple qualitative and quantitative information on performance to stakeholders.

Balance
HUAQIN TECHNOLOGY presented the balance reporting rule in the Report and reported the environmental, social and governance issues truthfully.

Clarity
The report uses a variety of expression methods such as text descriptions, data tables, graphics, photos, etc., and is combined with case analysis narratives to make it easy for stakeholders to understand.

Comparability
HUAQIN TECHNOLOGY conducted the statistics and analysis for KPIs, and reported the disclosures' impacts and purposes. In the Report, some data were compared with historical years, which to better assist stakeholders in evaluating and making decisions about the effectiveness of management systems.

Completeness
HUAQIN TECHNOLOGY's report covers the identified material issues and their boundaries, reflecting the important impacts on the economy, environment and society, allowing stakeholders to evaluate HUAQIN TECHNOLOGY's performance during the reporting period.

Sustainability Context
HUAQIN TECHNOLOGY demonstrates its efforts in sustainable development from the economic, environmental and social aspects, and displays these performances in the context of sustainable development.

Timeliness
Verification shows that reported data and information are timely and valid during the reporting cycle. HUAQIN TECHNOLOGY publishes sustainability reports regularly every year starting from 2021, which has good timeliness.

Reliability
All data and information within the scope of verification can be traced and verified.

Management Approach
HUAQIN TECHNOLOGY's report discloses the management approaches of the selected special topics.

General Disclosures
HUAQIN TECHNOLOGY's report disclosed some indicators according to GRI 2: General Disclosure 2021.

Topic -specific Disclosures
The specific issues involved in the identified important economic, environmental and social substantive issues were disclosed in accordance with the requirements of GRI Standards 2021.

Findings and Recommendations
Good practices and recommendations for the Report and management process were described in the internal management report which has been submitted to the management of HUAQIN TECHNOLOGY for continuous improvement.

Signed:

For and on behalf of SGS -CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

Apr. 11th, 2024
WWW.SGS.COM

Reader Feedback

'HDU UHDGHU

7KDQN \RX IRU VSDULQJ WLPH WR UHDG WKH 6XVWDLQDELOLW\ 5HSRUW RI +X VWDNHKROGHUV ZLWK PRUH YDOXDEOH LQIRUPDWLRQ DQG LPSURYH RXU FDSDELOI IRUZDUG WR \RXU FRPPHQWV DQG VXJJHVWLRQV

0XOWLSOH FKRLFH TXHVWLRQV 3OHDVH WLFN WKH DSSURSULDWH ER[

:KDW V \RXU RYHUDOO LPSUHVVLRQ RQ WKLV UHSRUW"

([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

:KDW V \RXU RYHUDOO LPSUHVVLRQ RQ WKLV UHSRUW"

([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

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([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

<RXU HYDOXDWLRQ RI WKH OD\RXW DQG SUHVHQWDWLRQ RI WKLV UHSRUW LV

([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

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([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

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([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

<RXU HYDOXDWLRQ RI +XDTLQ¶V RYHUDOO SHUIRUPDQFH RQ JRYHUQDQFH LVVXHV

([FHOOHQW *RRG 0HGLXP 6OLJKW %DG

2SHQ HQGHG TXHVWLRQ

'R \RX KDYH DQ\ FRPPHQWV DQG VXJJHVWLRQV IRU +XDTLQ 7HFKQRORJ\ &R /WG L UHSRUW"