BK-2

Progress in Sustainable Development Management

Commitment

- Committed to becoming a benchmark for governance in the A-share market.

Objectives	Progress	
By the end of 2028, female Board members to exceed **28%** and independent directors to constitute **33.3%** of the Board composition.	Female Board members accounted for **22.2%** of the Board, and independent directors accounted for **33.3%**	⊖
By the end of 2028, maintain zero major risks, with **90%** of risks preemptively mitigated.	Risk management and internal control training coverage rate of **95%** Annual risk assessment and classification management, formation of a risk library and risk heat map, no significant risk occurrence.	◎
Ensure **100%** coverage of business ethics training, **100%** signing rate of the Employee Integrity Pledge, and **100%** resolution rate of ethical complaints.	**100%** signing rate of the Employee Integrity Pledge Conducted independent audit investigations of corruption and fraud. **100%** resolution rate of ethical complaints.	✓
Achieve **0** incidents in major information security breaches, critical system failures, and business continuity disruptions.	Completed **0** incidents in major information security breaches, critical system failures, and business continuity disruptions.	✓

◎ Exceeded the target ✓ Target achieved as planned ⊖ Ongoing e ort to achieve the target

Governance

- Establish a "Three Governing Bodies" operational support mechanism and implement the Board Diversity Policy.
- The Board oversees risk management, business ethics, and information security, with the Audit and Risk Management Committee responsible for strategic planning and goal setting.
- Operate three lines of defense for operational compliance and risk management, ensuring zero tolerance for corruption.
- The Chief Information Security O cer (CISO) leads information security initiatives, while directors of departments serve as primary accountability o cers, forming a layered management system to ensure compliance and data security.

Risks and Opportunities

Risks

- Increasing regulatory requirements in overseas markets and uncertainties in the global trade environment pose compliance risks.
- Ethical violations or data breaches could lead to reputational risks.

Opportunities

- Strengthening governance and risk management enhances ESG competitiveness, attracting long-term capital investment.
- A diverse Board o ers multi-faceted insights, driving technological and business model innovation.
- Upholding high standards of business ethics and robust data privacy measures strengthens brand trust.

Actions

- ESG TOP projects: ② information disclosure and stakeholder engagement, ③ risk management and internal controls.
- Host Investor Open Days, fostering transparent dialogue between company executives and investors.
- Conduct fraud risk assessments for sensitive positions, and perform quarterly self-assessments on key control measures.
- Implement tiered and segmented security controls to meet di erentiated customer requirements.

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Huaqin Technology strictly adheres to corporate governance laws and international conventions, building an e ective governance mechanism, enhancing Board functions, and protecting shareholder rights. We promote Board diversity, professionalism, and independence and implement a competitive and diverse executive remuneration policy to continuously enhance e cient and comprehensive decision-making abilities.

◆ Corporate Governance Structure

The Company strictly adheres to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Stock Listing Rules of the Shanghai Stock Exchange, the Corporate Bylaws, and other internal and external regulatory frameworks. The Company has established and operates a dual-layer governance structure comprising the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and Senior Management (the "Three Governing Bodies and One Executive Layer"). The Company has also formulated and published governance documents, including the Rules of Procedure for the Board of Directors, the Working System for Independent Directors, and the implementation guidelines for various specialized committees. Clear distinctions are made between the powers and responsibilities of the Company's governing bodies, decision-making entities, supervisory institutions, and management, ensuring coordination and mutual oversight, thereby laying a solid foundation for standardized corporate operations. During the reporting period, the Board of Directors approved amendments to the Corporate Bylaws to refine the organizational structure and enhance Board e ectiveness.

The Company operates under a governance mechanism comprising the General Meeting of Shareholders, the Board of Directors, and the Supervisory Board. As the highest authority, the General Meeting of Shareholders deliberates and decides on major company matters, with legal counsel in attendance to safeguard the rights of minority shareholders and ensure the legality and fairness of decisions. The Board of Directors, as the highest governing body, is responsible for convening the General Meeting of Shareholders and reporting its work to shareholders. The Supervisory Board, accountable to the General Meeting of Shareholders, independently exercises its supervisory authority in accordance with the law, overseeing the Company's financial a airs and the compliance of directors and senior management in fulfilling their duties. The Supervisory Board consists of three members, including one employee representative. To enhance corporate governance, the Board of Directors has established four specialized committees: the Strategy and Sustainable Development Committee, the Remuneration and Evaluation Committee, the Nomination Committee, and the Audit and Risk Management Committee. These committees assist the Board in improving governance standards, strengthening the scientific and e ective nature of decision-making, and supporting the Company's long-term strategic objectives and value growth.

For comprehensive information on the Company's governance structure and operational mechanisms, please refer to Chapter 4: Corporate Governance in the Huaqin Technology Annual Report 2024.

◆ Key Performance Indicators

During the reporting period, the Company held

3
General Meetings of Shareholders

8
Board of Directors meetings

6
Supervisory Board meetings

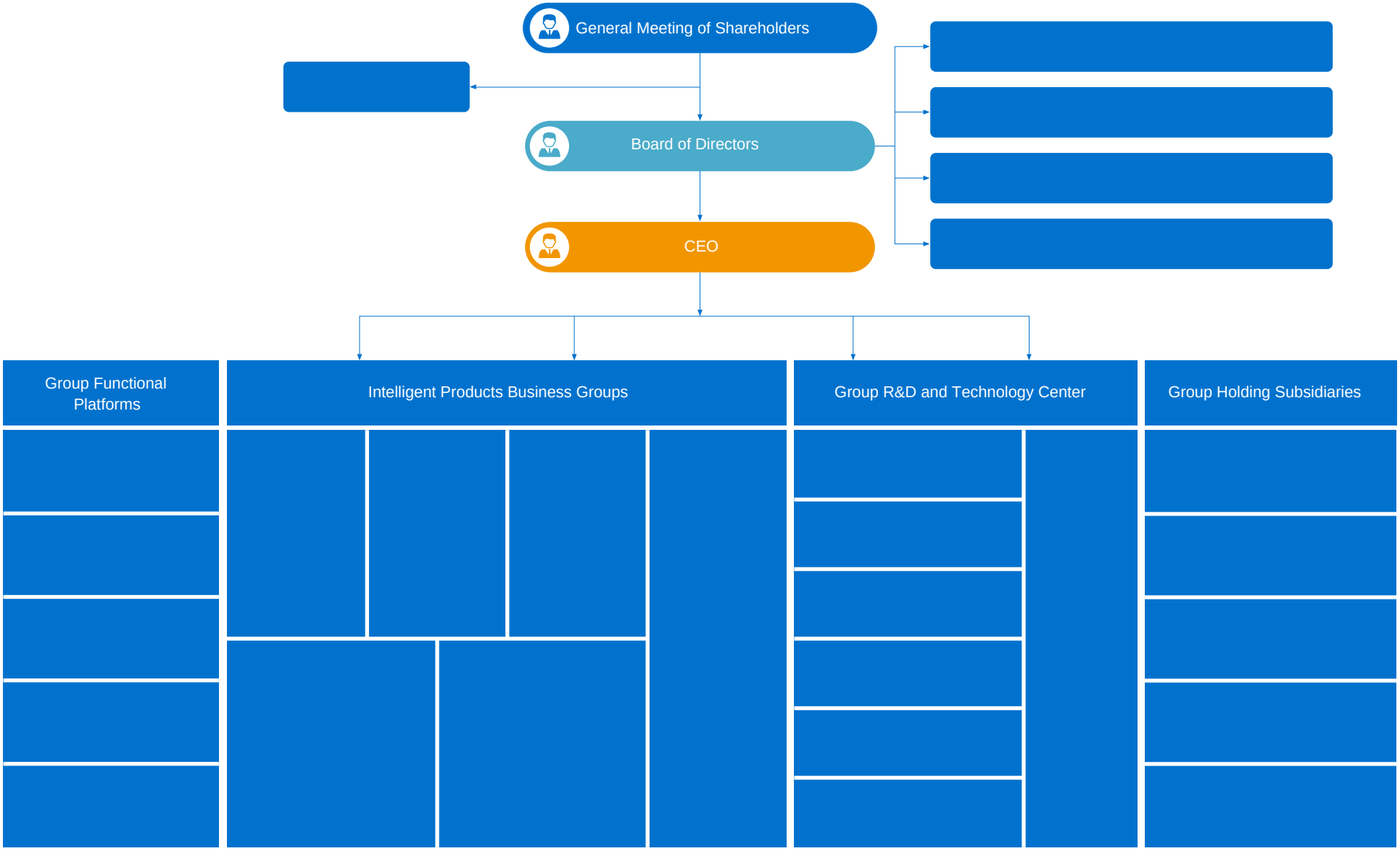
3
Remuneration and Evaluation Committee meetings

1
Nomination Committee meeting

3
Strategy and Sustainable Development Committee meetings

3
Audit and Risk Management Committee meetings

1
dedicated Independent Directors meeting



Organizational Structure

Nomination and Election of Board of Directors

The Company conducts the nomination and election of Board members through an open, fair, and transparent process, in compliance with the Company Law, Measures for the Administration of Independent Directors in Listed Companies, and the Corporate Bylaws. The Nomination Committee of the Board of Directors is responsible for formulating and improving the selection criteria and appointment procedures for Board members, based on the Company's strategic plan and operational activities, ensuring that the election process is scientific and democratic. The nomination process does not impose restrictions based on gender, age, nationality, or cultural background, but focuses on the nominee's professional background and capabilities in areas such as accounting and financial analysis, crisis and risk management, leadership, and international market vision, with a thorough evaluation of their industry experience and tenure.

Board Diversity and Expertise

The Company is committed to considering the diversity of Board members, including but not limited to gender, age, cultural and educational background, region, professional experience, skills, knowledge, tenure, and other regulatory requirements. Board members possess rich experience across academia, industry, and business, incorporating professional perspectives from industry, finance, accounting, and risk management into the Company's operations, e ectively driving business decision-making and development. During the reporting period, the Company organized multiple training sessions for directors, supervisors, and senior management, covering topics such as risk management, financial management, compliance, corporate governance, strategic planning, and ESG management, aligning with national development strategies, corporate governance requirements, and industry regulatory trends.

Board Independence

The current Board of Directors comprises 9 members, including 6 directors and 3 independent directors, with independent directors making up one-third of the Board. The Company's Independent Director Work System clearly outlines the shareholding and regulatory compliance requirements for independence and specifies that independent directors can serve as independent directors in no more than three domestic listed companies. Independent directors sign an Independent Director Candidate Declaration and Commitment and conduct an annual self-assessment of their independence. The Board of Directors issues a special report on the independence self-assessment of incumbent independent directors each year. The chairs (conveners) of the Nomination Committee, Remuneration and Evaluation Committee, and Audit and Risk Management Committee are all independent directors, with the chair of the Audit and Risk Management Committee being a professional in accounting.

Board Performance Evaluation

The Company evaluates the Board's performance in terms of compliance and e ectiveness annually, with the General Meeting of Shareholders reviewing the Annual Report of Board of Directors. This process strengthens the Board's functional positioning, improves top-level institutional design, ensures its e ective fulfillment of responsibilities, and enhances the quality of management development.

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To regulate related-party transactions and avoid conflicts of interest, the Company has formulated and implemented the Related Party Transaction Management System. According to this system, directors and connected parties who have any vested interest in related-party transactions must abstain from voting at the Board or General Meeting to ensure that conflicts of interest do not a ect judgment or independence. The Company discloses the annual estimated related-party transactions a year-over-year basis, including the review procedures, related party information, estimated transaction amounts, and the objectives of related-party transactions.

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Huaqin Technology places great importance on protecting investor rights by standardizing the procedures for convening, conducting, and voting at the General Meeting of Shareholders. The Company ensures equal treatment of all shareholders, allowing them—especially minority shareholders—to fully exercise their rights. At least one General Meeting of Shareholders is held annually, where shareholders (including their proxies) exercise voting rights based on their shares, with each share carrying one vote. Huaqin has established a strict Fundraising Management System to regulate the management and use of raised funds, ensuring security and e cient utilization. We also prioritizes market value management, with the Board of Directors approving the Market Value Management System, implementing proactive measures such as share repurchases, equity incentives, and cash dividends to strengthen market value management, safeguard investor rights and maintain investment stability.

Huaqin actively fosters two-way communication with investors through a diverse range of channels, including the investor relations section on the o cial website, the “Huaqin Technology Investor Relations” WeChat Subscriptions, investor hotlines and emails, the SSE e-Interaction platform, performance briefings, strategic meetings, online and o ine research activities, and roadshows. These e orts ensure that investors are well-informed about the Company's operations, financial performance, industry positioning, and sustainability strategies while addressing their concerns through in-depth discussions. The Company integrates live streaming, online Q&A, and in-person meetings in performance briefings, providing in-depth exchanges and comprehensive responses on key topics such as business growth, profit margin trends, and new product plans. During the reporting period, Huaqin Technology did not engage in any lobbying, representation of interests, or similar donation activities.

◆ Key Performance Indicators

During the reporting period, the Company held

2 investor open-day events

28 investment strategy meetings

94 reverse roadshows

25 research sessions

7 research sessions / m

3 performance briefing sessions

The Company received and responded to over

280 investor inquiries via phone and email,

conducted

82 online Q&A sessions through the SSE e-Interaction platform,

and shared

108 market insights & industry updates and

80 company news articles via the o cial “Huaqin Technology Investor Relations” WeChat Subscriptions

In 2024, Huaqin hosted multiple investor open day events, where executives guided investors through on-site visits to production lines, technology showcases, and business performance updates. These events provided direct engagement with the Company's operations and products. We also organized the “Understanding My Listed Company – Local Market Insights” Huaqin Technology special event, attracting institutional and individual investors as well as media representatives.

Case "Co-Creating Value, Advancing Long-Term Growth" Investor Open Day

In December 2024, Huaqin Technology held its H2 2024 Investor Open Day at its Global R&D Center in Shanghai. Investors toured the newly designed multimedia exhibition hall, learning about the Company's history, multi-business innovation achievements, strategic planning, and growth potential. The Chairman & CEO Qiu Wensheng and other senior executives attended and provided an in-depth interpretation of Huaqin’s “3+N+3” strategy and addressed investor questions comprehensively.

At the 2024 H2 Investor Open Day, Huaqin Technology's Chairman and CEO, Mr Qiu Wensheng, o cially unveiled the “3+N+3” Global Intelligent Product Platform Strategy for the first time

“Understanding My Listed Company – Local Market Insights” Huaqin Technology special event

Optimizing Risk Control

Huaqin Technology continues to optimize its risk management processes, strengthening the identification, assessment, monitoring, and response to various risks, e ectively improving its risk handling and prevention capabilities. The Company aims to enhance internal control quality and increase employees' awareness of compliance, ensuring the Company's operations remain standardized and continuous.

◆ Internal Control Governance

Three Lines of Defense for Internal Control

The Board of Directors of the Company is responsible for the results of internal control management and is supervised by the Supervisory Board. The Audit and Risk Management Committee is responsible for formulating the Company's internal control construction policies, strategies, and objectives, and for reviewing, supervising, and guiding the e ective implementation of internal control management. The Internal Control Committee, as a virtual organization responsible for the internal control construction and operation functions assigned by the Board, leads and drives the construction of the Company's internal control environment, guiding the establishment of the internal control system, implementing internal control environment construction requirements, and monitoring the internal control construction of all processes and business units. The Committee also makes decisions on significant related matters.

The Company has formulated the Internal Control Management System, Internal Control Framework, and Internal Audit Regulations to establish a three-tier internal control and compliance management system. This framework constructs three lines of defense for compliance while implementing mechanisms to inspect and monitor the compliant operation of all business processes. Concurrently, the Company conducts specialized training programs on internal control and risk management for senior executives and the internal compliance support teams. These initiatives aim to equip relevant personnel with enhanced capabilities in identifying critical risks and formulating response strategies within complex market environments, while fostering the sustained implementation of the internal control compliance system.

	Responsible Department	Job Duties
	Supervisory Board	Oversight of the Establishment and Implementation of Internal Control by the Board of Directors
	Board of Directors	Accountability for Internal Control Management results
	Audit and Risk Management Committee	Aligning with Corporate Strategy and Establishing Internal Control Objectives
	Internal Control Committee	Organization of Internal Control
First line of defense	Change Management Department; System Operation Platform; Business Unit	Process and Institutional Optimization Self-Inspection of Internal Control Implementation
Second line of defense	Quality Management Department, Information Security, Internal Control, Finance, Legal, Human Resources	Exporting Internal Control and Compliance Requirements Supervision of Internal Control Compliance
Third line of defense	Internal Audit	Audit of the E ectiveness of Internal Control and Compliance
	Supervision	Anti-fraud Investigations

Internal Control Compliance Governance Structure

Internal Control Management Supervision

The Company regularly checks the operation of internal controls and comprehensively evaluates their e ectiveness. The Change Management Department, in collaboration with operational platforms and business departments, serves as the first line of defense, responsible for process optimization, self-assessment, and self-checking. The Quality Management Department serves as the second line of defense, responsible for formulating test plans, reviewing the compliance of key business control activities, issuing evaluation reports, and supervising rectifications. The Information Security and Internal Control Department's Internal Audit and Monitoring Group serves as the third line of defense, responsible for auditing sensitive positions, performing audits for resigners and reassignments, conducting anti-fraud investigations, and cooperating with case investigations. This department also regularly reports the operational results to the Internal Control Committee and issues an annual internal control self-assessment report approved by the Board.

The Information Security and Internal Control Department and the Quality Management Department develop annual audit plans based on management system requirements, conducting special business audits and managing the audit findings through a closed-loop process. Audits cover critical operations, such as business ethics, information security, and quality management. The results and progress of these audits are reported quarterly to the Audit and Risk Management Committee.

◆ Key Performance Indicators

During the reporting period, the Company completed

12 internal audit projects

identifying

13 major non-conformities **62** critical non-conformities

all of which were corrected according to the audit recommendations.

◆ Risk Management

The Company has established an internal risk framework and process based on the COSO ERM-2017 Enterprise Risk Management Framework and the Basic Norms for Internal Control of Enterprises, covering the five elements of the internal environment, risk assessment, control activities, information and communication, and internal supervision. These elements are integrated into the management and business processes. Through continuous assessment, the Company ensures that internal controls operate e ectively to achieve the Company's strategic and operational objectives.

The Company operates a systematic risk management process, conducting annual risk assessments and classification management. This enables precise identification of both internal and external risks. The Company categorizes risks into significant, medium and low risks based on the likelihood of occurrence (1-5) and the severity of impact (1-5), creating a risk database and risk heat map. By integrating environmental changes and the Company's actual conditions (including incorporating risk standards into product and service development), the Company formulates risk assessment methods and operational guidelines, promoting the dynamic optimization of risk management. The Information Security and Internal Control Department, through executive-level interviews, identifies critical company-level risks, breaks them down to the responsible departments, and tracks their progress. They conduct quarterly self-inspections and corrective actions. The Quality Management Department reviews critical control points, while random audits are conducted on general control points. The Company's financial evaluation and performance system includes risk management-related metrics, and regular training on risk management principles is provided to employees, along with periodic risk management education for all non-executive directors.

Huaqin Technology's Risk Management Process

Emerging Risk Category	5LVN 'H‹QLWLRQ	Risk Scenario	Response Strategy
Economic Risk	Uncontrollable rise in product prices due to unstable market trends	Factors such as upstream capacity supply, adjustments in suppliers' business strategies, or other similar issues may cause significant fluctuations in the prices of key raw materials or result in raw material capacity constraints, supply shortages, or even a halt in supply. These situations could potentially negatively impact the Company's operational conditions and profitability.	• Establish strategic partnerships with upstream module and chip manufacturers, maintaining multiple independent suppliers for each material throughout di erent stages of the product lifecycle. • Innovate collaboration models and adopt digital management methods to enhance risk resilience for critical materials and improve the responsiveness and quality of the overall supply chain. • Leverage the Company's authority in material selection and specification to introduce cost-competitive suppliers in response to potential risks.
Geopolitical Risk	Economic, political, and/or technological competition between geopolitical powers, leading to bilateral tensions	Due to political factors, some countries may engage in targeted international trade protectionism by raising tari s, restricting imports and exports, and strengthening trade barriers. This could result in limited supply of certain raw materials for the Company and a ect the demand for its products from downstream customers due to the increase in tari s.	• Conduct quantitative assessments of geopolitical risks based on the Company's business markets, and establish a risk early-warning mechanism. • Adhere to a “multi-site manufacturing + flexible production and delivery” model, deploying overseas manufacturing bases through equity investment to lay the foundation for a global smart hardware manufacturing platform. • Build a globalized supply chain system by investing in high-quality upstream suppliers to achieve upstream-downstream synergy, actively promote the localization of key raw materials, and continuously enhance risk resilience in both product exports and raw material imports.

Emerging Risk Identification and Response

03

Green and Low-Carbon

+ SDGs

Huaqin Technology actively participates in environmental governance, making green and low-carbon development a key approach to enhancing its core competitiveness. The Company has established and operates a green supply chain and green manufacturing system throughout the product lifecycle, integrat- LQJ JUHHQ FRQFHSWV LQWR HYHU\ GHFLVLRQ %\ WDNLQJ DFWLRQ WR LPSOHPHQW WKH GxDO FDUERQ VWUDWHJ\ IXO‹OOLQJ its responsibility as a supply chain leader, thinking clearly, making bold commitments, and delivering on promises, Huaqin drives the entire value chain toward carbon neutrality and creates green value for society.

BK-2

Progress in Sustainable Development Management

Commitment

Identify and respond to the challenges and opportunities brought by climate change, take multiple measures to reduce greenhouse gas emissions, and promote the enhancement of the operational resilience of both the Company and its value chain.

Objectives	Progress	
Achieve carbon emissions peak in Company operations by 2030 and carbon neutrality by 2050.	Carbon greenhouse gas (scope 1 + Scope 2) emission intensity saw a year-on-year decrease of **16.29%**	⊖
Reduce carbon emission intensity by an average of 3% per year from 2023 to 2030 (with 2023 as the baseline year). **3%**		
Reach a 40% clean energy substitution rate by the end of 2028. **40%**	The proportion of clean electricity reached **15.11%**	⊖
Save a total of 500 million kWh through energy-saving measures in Company operations from 2024 to 2028. **500** million kWh	A total of 101.3 million kWh of electricity was saved through energy-saving technical upgrades. **101.3** million kWh of electricity	✓
Ensure **100%** participation in low-carbon training and achieve **10%** ORZ FDUERQ ŒLJKWV IRU EXVLQHVV WUDYHOHUV ZLWKLQ YROŒLJKWV ZHUH ORZ FDUERQ the end of 2026.	Held 2 low-carbon training sessions per month, with a total of **18,000** participants, and **54.84%**	✓
Maintain zero violations, zero anomalies, and zero accidents in hazardous substances and chemical management. **0**	There were 0 violations, anomalies, or accidents related to hazardous substances and chemical management. **0**	✓
Achieve a 98% responsible disposal and reuse rate for solid waste by the end of 2026. **98%**	Achieved a **98.5%** recycling rate for solid waste, and **100%** compliant disposal of hazardous waste.	✓
Reduce water consumption per capita water usage by an average of 5% per year from 2023 to 2028 (with 2023 as the baseline year). **5%**	The per capita water consumption in 2024 decreased by **6%** compared with that in 2023.	⊖

◎ Exceeded the target ✓ Target achieved as planned ⊖ 2QJRLQJ HŠRUW WR DFKLHYH WKH WDUJHW

Governance

· The Board of Directors and the Strategy and Sustainable Committee lead decision-making, while the ESG Executive Committee guides the implementation of environmental manage - ment and low-carbon transformation through the EHS and carbon neutrality modules. This includes promoting the establishment of environmental, energy, and greenhouse gas management systems at the R&D and manufacturing centers, and achieving the correspond- LQJ ,62 FHUWL‹FDWLRQ

Risks and Opportunities

Risks

· Green and low-carbon standards are continuously rising, requiring sustained investment in R&D resources to overcome challenges in clean technology.

· The adoption of advanced energy-saving equipment, the development of green technologies, DQG SDUWLFLSDWLRQ LQ HQYLURQPHQWDO SXEOLF ZHOIDUH D investment.

· 7KHUH DUH GLŠHUHQFHV DPRQJ SDUWQHUV LQ FDUERQ UHGXF GL•FXOW ZKLFK PD\ KLQGHULQJ H•FLHQW FDUERQ UHGXFWLRQ D

Opportunities

· (•FLHQWO\ WUDFN JUHHQ DQG ORZ FDUERQ GHYHORSPHQW SRO governments worldwide and actively seek policy support.

· Timely capture customer demands, launch more products that meet environmental standards, participate in the formulation of industry standards, and seize opportunities in the industry transformation.

Actions

· ESG TOP10 projects: : p Clean Transformation, q 5HVRXUFH (•FLHQF\ ,PSURYHPHQW r Climate Risk Management, s Green Operations, t Hazardous Substances and Chemicals

· Develop the "Dual Carbon" roadmap and action plan, implement carbon reduction in manufacturing and operations annually.

· Build digital carbon management tools to empower supply chain carbon management.

· Develop the "Dual Carbon" roadmap and action plan, implement carbon reduction in manufacturing and operations annually.

· Implement water risk analysis, actively adopt water-saving equipment, regularly check water-saving performance, and promote water-saving awareness daily.

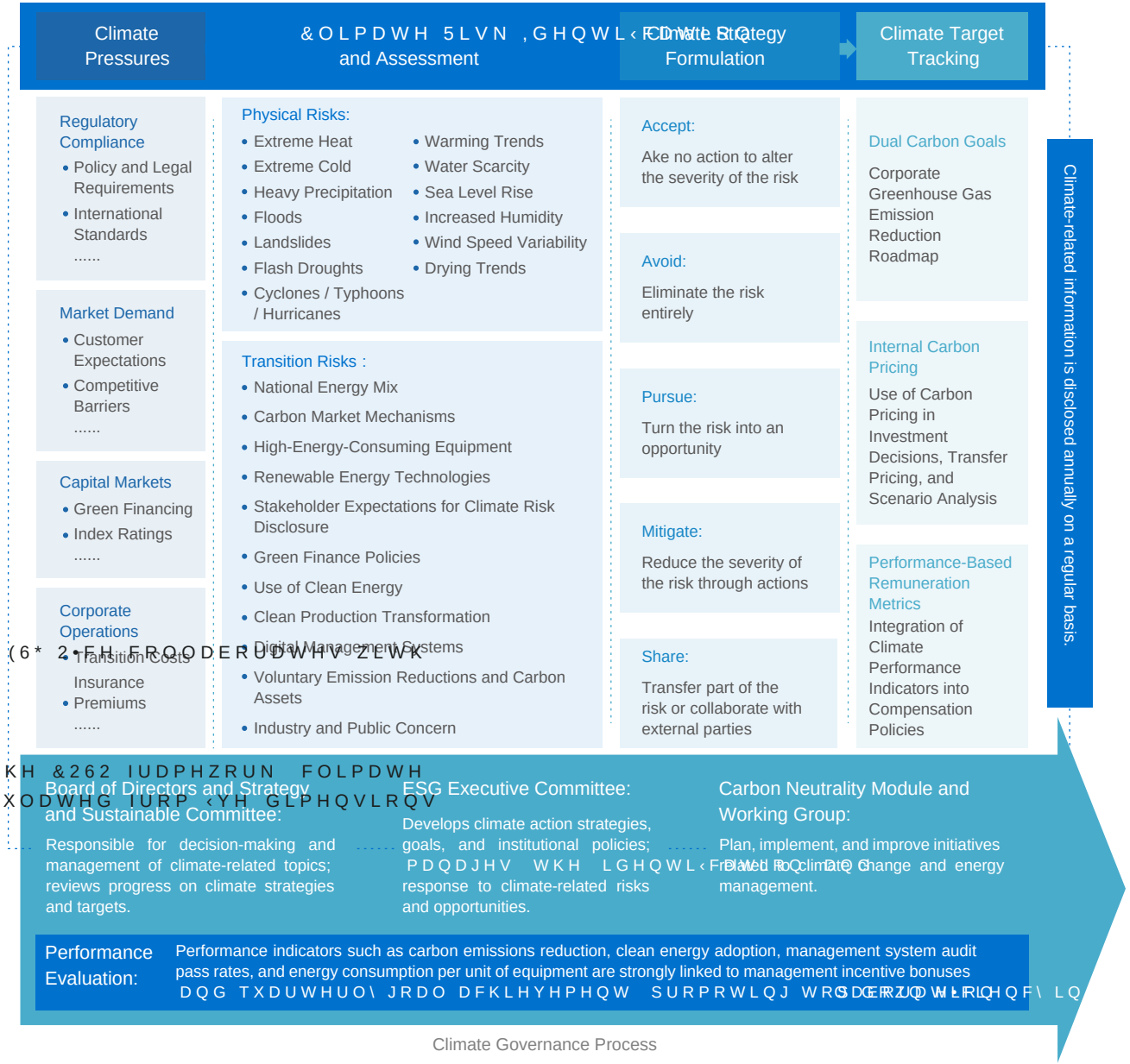
· Develop a reasonable hazardous substances control list and phase-out plan, with actions to reduce some substances starting in 2024, including banning 7 substances and limiting the use of 4 substances.

Climate Change Response

Huqin Technology actively practices the concept of green development, integrating climate change response into the Company's strategy and decision-making. By referencing the IFRS S2 disclosure recommendations and international cutting-edge decarbonization methodologies, the Company has set "zero-carbon" strategic goals, identifying and addressing the challenges and opportunities posed by climate change. Multiple measures are being taken to reduce greenhouse gas emissions and enhance climate resilience.

◆ Climate Governance

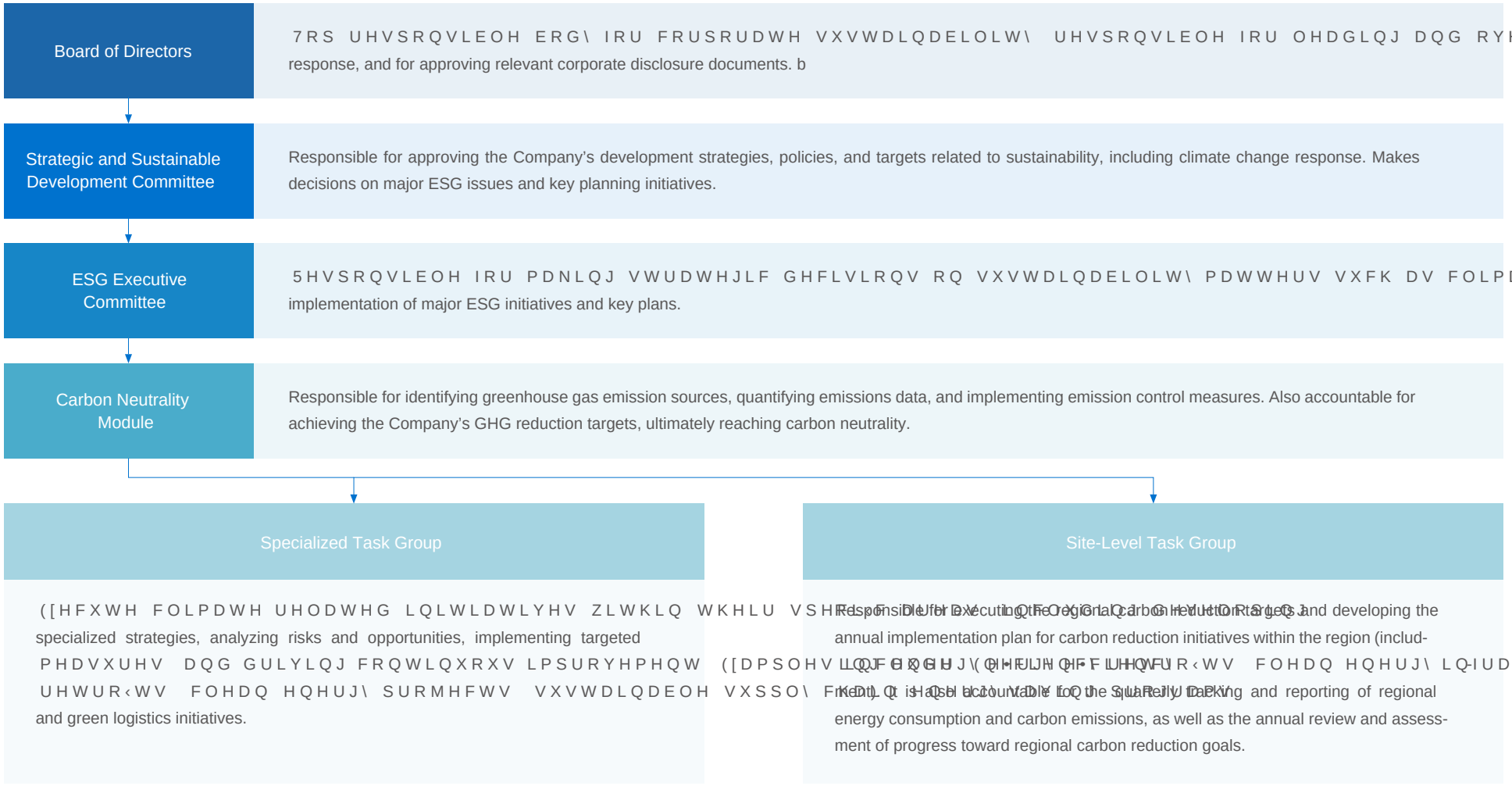
The Company maintains a high level of sensitivity and foresight regarding climate issues, actively identifying climate risks and exploring ways to maintain business continuity under various climate scenarios. At the same time, the Company explores potential opportunities brought by climate change based on industry, region, and business model. Using the four pillars suggested by the IFRS S2 disclosure recommendationst, the ESG ([HFXWLYH &RPPLWWHH OHDGV DQG WKH (6* 2•FH FRQGXFWV ZLWK relevant departments for discussion and evaluation. Climate risks and opportunities arising from regulatory compliance, market demand, capital markets, and internal and external operational FOLPDWH DUH LGHQWL‹HG %DVHG RQ WKH &262 IUDPHZRUN FOLPDWH ULVN UHVSRQVH VWUDWHJLHV DUH IRUPXODWHG IURP ‹YH GLPHQVLRQV "accept, avoid, pursue, reduce, and share." These strategies are integrated into the Company's existing risk framework, collaboratively setting climate-related performance goals, action plans, and management mechanisms. The Company will disclose progress on climate actions annually and track and ensure the results of climate governance in the long term.



Climate Governance Process

7KH &262 IUDPHZRUN LV GHYHORSHG E\ 7KH &RPPLWWHH RI 6SRQVRULQJ 2UJDQL]DWLRQV RI WKH 7UHDGZD\ &RPPLVVLRQ ,W LV D IUDPHZRUN IRU HQWHUS and governance (ESG) related risks. This framework is used for managing ESG risks in organizations.

7KH &RPSDQ\ LQWHJUDWHV FOLPDWH JRYHUQDQFH LQWR WKH (6* JRYHUQDQFH IUDPHZRUN FOHDUO\ GH‹QLQJ WKH UHVSRQVLELO
development, and production manufacturing, and is systematically extended to the supply chain, ensuring the orderly advancement of climate change-related matters and the achievement of goals.
$PRQJ WKH KLJKHVW GHFLVLRQ PDNLQJ ERG\ WKH %RDUG RI 'LUHFWRUV VRPH ERDUG PHPEHUV KDYH H[SHULHQFH LQ JUHHQ LQ
training on climate governance issues and expert advisory suggestions to enhance leadership in climate governance.



Climate Governance Mechanism

Climate Risk Management

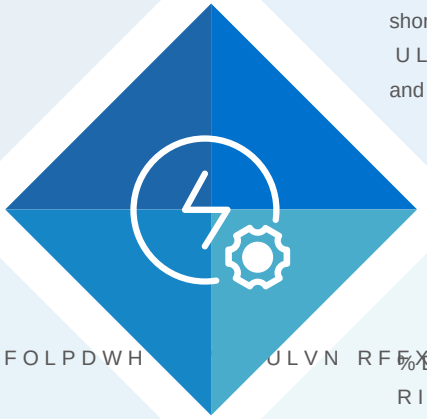
The Company aligns with its production and operation to identify climate risks and opportunities across its own operations and the upstream and downstream value chain. The Company conducts PDWHULDOLW\ DVVHVVPHQWV DQG VKRUW PHGLXP DQG ORQJ WHUP WUHQG DQDO\VHV IRU LGHQWL‹HG SURMHFWV %\ LQFRUSR &RPSDQ\ HQVXUHV WDUJHWHG GHFLVLRQ PDNLQJ ULVN SUHYHQWLRQ DQG H•FLHQW PDQDJHPHQW 7KLV DSSURDFK VWUHQJWKHQ

01 5LVN DQG 2SSRUWXQLW\ ,GHQWL‹FDWLRQ

Understand the relationship between the main business processes in operation(own operation links. upstream and downstream of the value chain) and entity risks and transformation risks,identify potential risk points,and form a list of climate risks and opportunities for Huaqin Technology.

Impact Path Analysis 02

Examine value creation processes and business models to understand the short-, medium- and long-term impacts and dependencies of all climate ULVNV DQG LGHQWLI\ WKH FRQGLWLRQV XQGHU ZKLFK W and their consequences.



04 Risk Response and Management

$FFRUGLQD WR WKH GLŠHUHQW OHYHOV RI FOLPDWH ULVN RFF[UUHQFH FRQGLWLRQV %DVHG RQ GLSHUHQW FOLPDWH VFHQDULRV WKH ‹QDQFL RI FRPSDQLHV XQGHU GLŠHUHQW IXWXUH FOLPDWH DVV and management priorities,corresponding coping strateaies should be adopted.

Financial and Strategic Impact Assessment 03

evaluated by using climate scenario analysis and evaluation methods so as to provide references for corporate decision,making and improve strategic resilience.

The Company follows the IFRS S2 recommendation framework and employs two Representative Concentration Pathways (RCPs) < from the Intergovernmental Panel on Climate Change (IPCC): for scenar- LR DQDO\VLV 7KLV KHOSV LGHQWLI\ SRWHQWLDO WKUHDWV RI DFXWH ŒRRG ULVNV DQG FKURQLF ZDWHU VKRUWDJHV LQ LWV RS

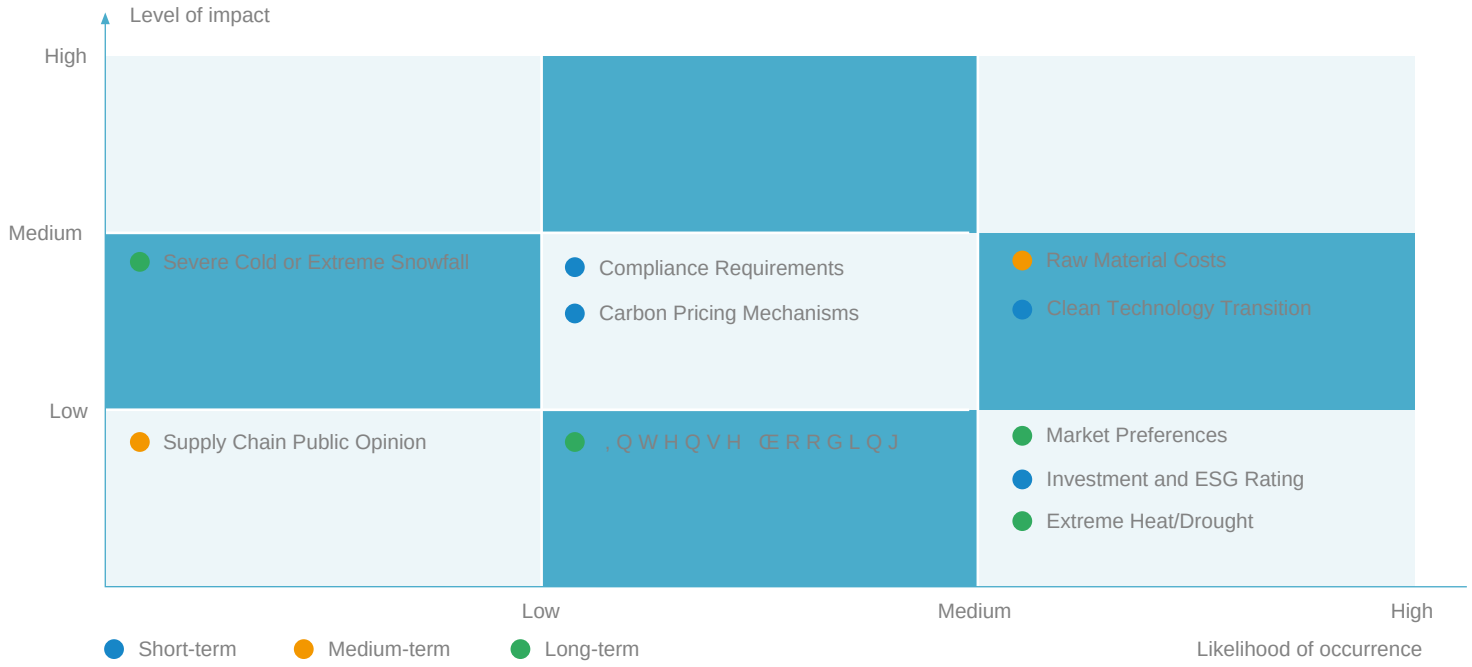
Through conducting a physical climate risk analysis on manufacturing centers in China = and overseas.' The Company has been found that, compared to acute risks, the manufacturing process is more susceptible to disruptions from chronic water shortages.

2 RCP4.5 (low-carbon scenario, 1.6 ö–2 ö) and RCP8.5 (high-carbon scenario, 4.1 ö and above).

7KH HLJKW PDQXIDFWXULQJ FHQWHUV LQ &KLQD LQFOXGHG LQ WKH SK\VLFDO FOLPDWH DQDO\VLV IRU WKH ‹UVW WLPH DUH 1DQFKDQJ)LUVW 0DQXIDFWXU Second Manufacturing Center, Dongguan Third Manufacturing Center, Huayu Precision, Xiqin Precision, and Chunqin Precision. The overseas manufacturing center included in the physical climate analysis is the Vietnam Manufacturing Center.

Risk/Opportunity Type	China				Overseas			
	Short-term		Long-term		Short-term		Long-term	
	RCP4.5	RCP8.5	RCP4.5	RCP8.5	RCP4.5	RCP8.5	RCP4.5	RCP8.5
Acute Risks								
River Flooding	Low Risk	Low Risk	Low Risk	Low Risk	No Risk	No Risk	No Risk	No Risk
Coastal Flooding	No Risk	No Risk	No Risk	No Risk	No Risk	No Risk	No Risk	No Risk
Chronic Risks								
Water Shortage	Medium-Low Risk	Medium-Low Risk	Medium-Low Risk	Medium-Low Risk	Medium Risk	Medium Risk	Medium Risk	Medium Risk

Overview of Flood Risk and Water Shortage Risk Exposure Assessment for Selected Assets



Climate Risk Category	Risk/Opportunity Factors	Operational Impact	Response Measures
Compliance Requirements	Global environmental regulations, information disclosure requirements	Increased Costs, Increased Expenditure	• Optimize energy structure and increase the share of renewable energy. • Develop projects for renewable energy such as photovoltaics. • &DUU\ RXW HQHUJ\ VDYLQJ WUDQVIRUPDWLRQV DQG HQKDQFH • Operate regular carbon emission data management systems. • Develop carbon management digital tools.
Carbon Pricing Mechanisms	Carbon pricing, Supplier management costs, Low-carbon subsidies and incentives, Carbon market transactions	Increased Expenditure	• 3URPRWH ,62 YHUL‹FDWLRQ DQG UHJXODUO\ WUDFN SURJ • Build carbon asset trading capabilities. • Explore rational paths for implementing internal carbon pricing.
Market Preferences	Green product development, Carbon footprint investigation requirements	Increased costs	• Research and develop low-carbon green products and solutions, stock up on clean technology solutions. • Control carbon emissions throughout the product lifecycle. • Collaborate with value chain partners for carbon reduction.
Raw Material Costs	Supply chain operational cost changes	Increased costs, Reduced revenue	• Avoid risks from relying on a single supplier, ensuring smooth supply. • Empower and manage suppliers and collaborate with value chain partners for carbon reduction
Clean Technology Transition	Clean technology R&D costs, Clean technology market opportunities	Increased costs, Reduced revenue	• Prioritize pilot projects for core technologies that align with business strategy (e.g., data server liquid cooling, clean energy vehicle parts). • Increase R&D investment and enhance innovation incentives. • Apply for clean technology-related patents.
Investment and ESG Rating	ESG Rating, Green Financing	Increased Financing Costs	• Improve ESG management and practices. • Enhance information disclosure quality. • Strengthen external communication and promotion.
Supply Chain Public Opinion	Supplier Carbon Reduction Cooperation	Increased Costs, Increased Expenditure	• Strengthen supplier carbon empowerment and management requirements. • Operate supplier regular carbon emission data management systems. • Develop supplier carbon management digital tools.

Climate Risk Category	Risk/Opportunity Factors	Operational Impact	Response Measures
Extreme Heat/Drought	Equipment Operational Failure, Equipment Maintenance Costs, Employee Protective Measures	Increased Costs	• Preparation for emergencies, regular emergency drills. • Stock up on supplies, medicines and labor protection, and reduce operating hours in extreme weather. • Increase equipment inspection and maintenance frequency and prepare cooling systems. • 0DLQWDLQ DQG UHSDLU DSSDUDWXV HTXLSPHQW ‹UH DQG GRP • Pay attention to weather warnings and seek support and rescue from government departments when necessary. • Implement temporary shutdown or work from home policies for employees.
Severe Cold or Extreme Snowfall	Equipment shutdown, Operational disruption, Production safety risks	Increase Costs	
,QWHQVH ARRGLQJ	Operational disruption, Equipment damage, Production safety incidents	Increase Costs, Asset impairment	

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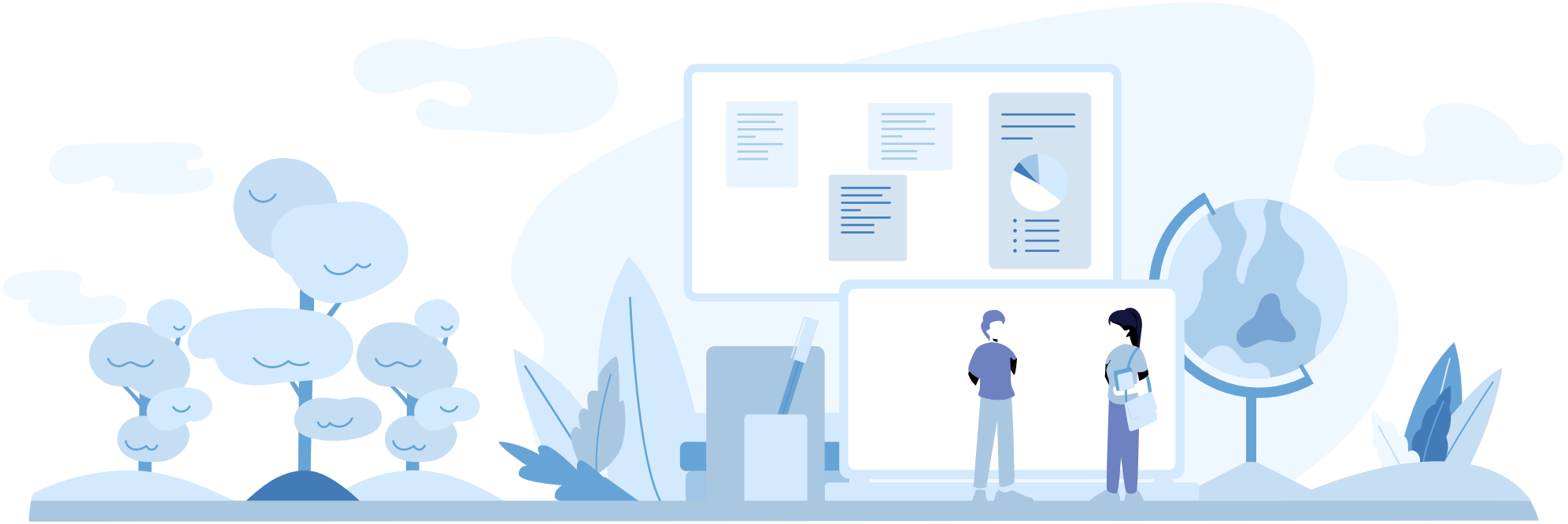


Climate Action Strategy

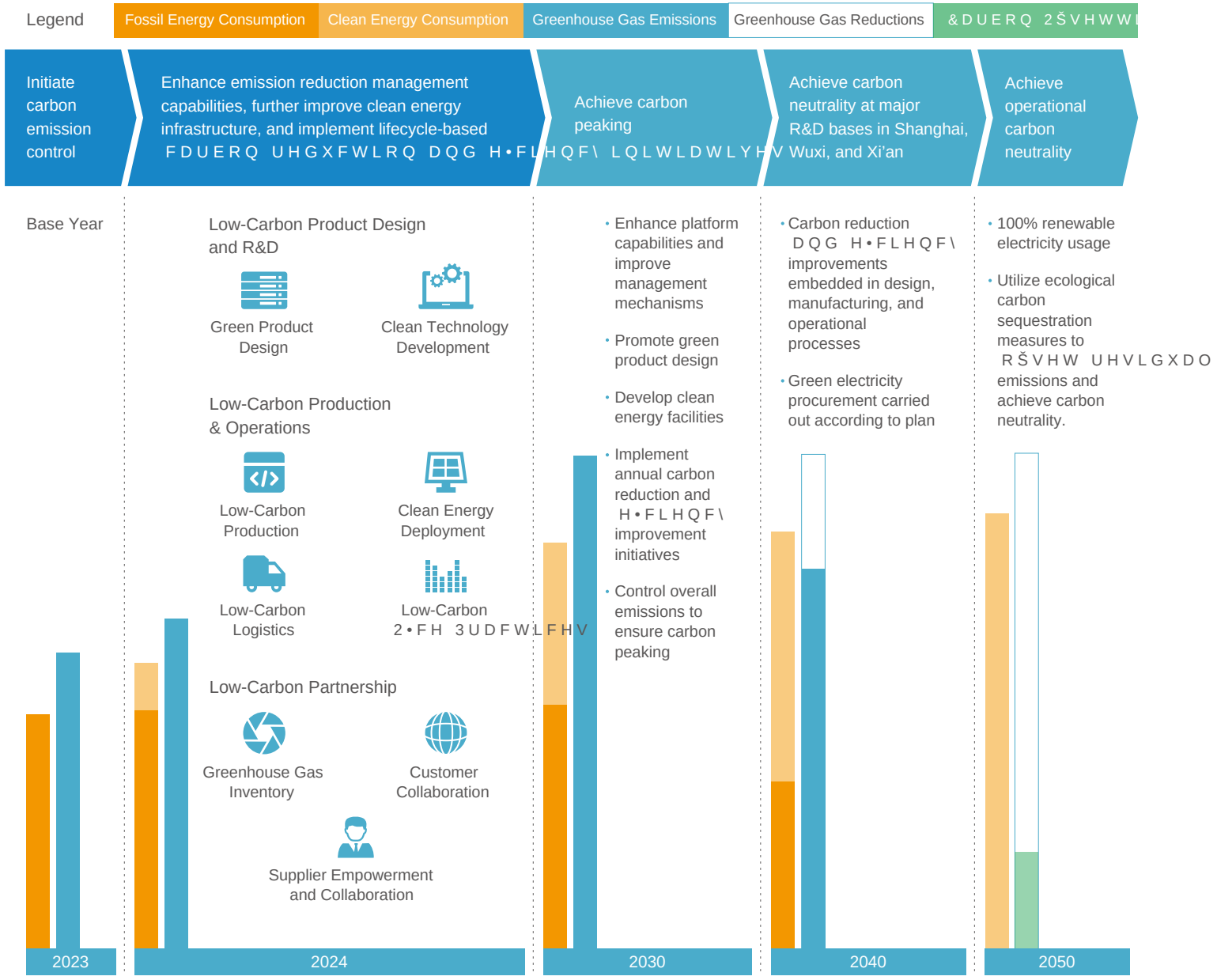
The Company integrates climate resilience into its business strategy and sustainable development goals, guided by its "zero-carbon" strategic target. Based on past carbon audit results and considerations of business and strategic development, the Company has developed a set of short-, medium-, and long-term goals, a roadmap, and 9 key emission reduction strategies in three categories to steadily achieve its climate commitments.

Zero-Carbon Strategic Target

Achieve carbon peak in its own operations by 2030; Achieve carbon neutrality in the Company's three major R&D centers in Shanghai, Wuxi, and Xi'an by 2040; Achieve overall operations carbon neutrality by 2050.

Carbon Emission Reduction Target

With 2023 as the baseline year, reduce carbon emission intensity by an average of 3% annually through 2030.



Case

Participation in the 2024 ICT Industry High-Quality Development Forum, Sharing Low-Carbon Development Practices

On October 17, the 2024 ICT Industry High-Quality Development Forum was successfully held in Nanchang. At the invitation of the client, Zhu Ronghui, a member of the Company's ESG Executive Committee, delivered a speech titled "Exploring Green Opportunities for Carbon Reduction, Advancing Towards a Zero-Carbon Future." During the forum, he shared the Company's sustainable development strategy, dual-carbon goals, performance execution, and collaborative projects with customers, RŠHULQJ LQVLJKWV DQG H[SHULHQFHV RQ +XTLQ 7HFKQRORJ\ V green development approach to over 300 attendees.

Indicators and Goal Progress

We have developed and implemented the Greenhouse Gas Control Management System, establishing the *UHHQKRXVH *DV (PLVVLRQ 6tion Table and Greenhouse Gas Emission Management Ledger. In accordance with the GHG Protocol greenhouse gas accounting system, we consistently track and calculate over 20 emission sources within the Company's operational scope.

Key Performance Indicators

During the reporting period,

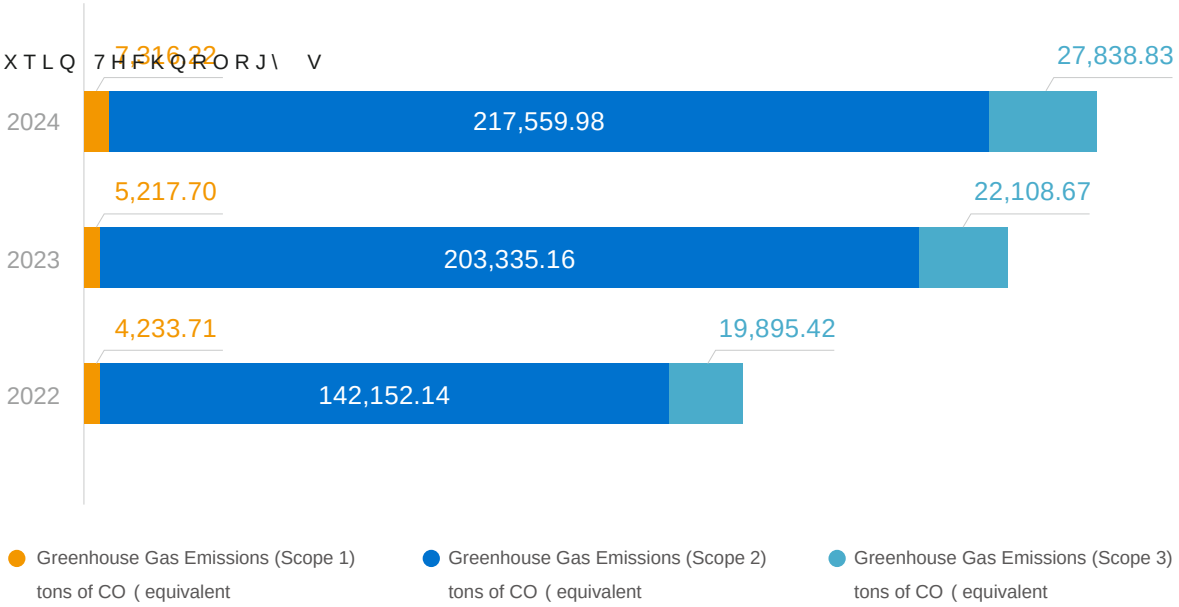
The Company's greenhouse gas emissions were

252,715.03 tons of CO (equivalent.

The greenhouse gas emission intensity was

2.30 tons of CO (equivalent per ten thousand RMB.

Greenhouse Gas Emissions Progress (Based on market) [1]



1 For details, refer to the explanations of data scope, calculation methods, and emission factor selection in the key performance table.

Clean Energy

The Company is actively advancing the use of clean energy by implementing deploying solar photovoltaic projects and gradually
UHGXFLQJ LWV UHOLDQFH RQ WUDGLWLRQDO HQHUJ\ VRXUFHV WKURXJK WKH DFTXLVLWLRQ RI WKH *UHHQ (OHFWULFLW\ &HUWL‹F

Photovoltaic Facilities

Three distributed photovoltaic projects were newly established at the South China R&D Center, Dongguan Second Manufacturing Center, and Dongguan Third Manufacturing Center

*UHHQ 3RZHU &HUWL‹FDWHV

Regularly assessed customer clean electric-
LW\ UHTXLUHPHQWV SODQHG JUHHQ FHUWL‹FDWH
purchases in advance, and purchased a total of 56.5601 million kWh of green
FHUWL‹FDWHV IRU IRXU PDQXIDFWXULQJ FHQWHUV

South China R&D Center Photovoltaic Project

Dongguan Second Manufacturing Center Photovoltaic Project

Dongguan Third Manufacturing Center Photovoltaic Projec

◆ Key Performance Indicators

During the reporting period,

Clean electricity usage amounted to **79.7245** million kWh

accounting for **15.11%**

There were **8** distributed photovoltaic projects

with a total installed capacity of **28.48** MW

Self-generated and self-consumed photovoltaic electricity **23.1644** million kWh

Water Resource Management

The Company's main production processes and manufacturing operations do not involve large-scale industrial water usage. All water is sourced from municipal supply. We strictly adhere to local laws and standards in all operational locations, regularly assessing and managing water resource risks. We avoid large-scale water extraction in areas under water stress and adopt YDULRXV PHWKRGV VXFK DV RSWLPL]LQJ ZDWHU XVH ‹[WXUHV LQVWDOOLQJ ZDWHU VDYLQJ GHYLFHV DQG VWUHQJWKHQLQJ ZDWHU PDQDJHPHQW WR LPSURYH ZDWHU H•FLHQF\ :H DOVR UHVSRQVLEO\ KDQGOH wastewater and waste liquids.

Water Risk Analysis	• Use the WRI (World Resources Institute) Aqueduct water risk tool to identify water risks across all manufacturing centers. Based on the assessment results, develop targeted control plans.
Water Management	• Conduct regular inspections, promptly replace aging water supply pipelines, install water-saving faucets, manage the valve opening levels for public water facilities, DQG VWDQGDUGL]H SLSHOLQH ZDWHU SUHVVXUH LQ ZDWHU XVH FRQWLQXRXV ZDWHU Œ RZ
Water-Saving Equipment	• Domestic Water Use: Public areas adopt automatic water-saving devices, prioritize ZDWHU H•FLHQW DSSOLDQFHV LPSOHPHQW UHFODLPHG ZDWHU V\VWHPV ZDWHU DQG SURPSWO\ ‹[OHDNV VSLOOV DQG GULSV • 3URGXFWLRQ :DWHU 8VH)RFXV RQ WKH H•FLHQF\ RI FRROLQJ WRZHUV DQG NH\ ZDWHU FRQVXPLQJ HTXLPHQW DQG VWXG\ IHDVLEOH UHWURI‹W SODQV IRU ZDWHU FRQVHUYDWLRQ
Recycling and Reuse	• Adopt recycled water processes for injection molding, gradually replacing traditional semi-closed systems with fully enclosed PCW (Process Cooling Water) systems to reduce water evaporation in cooling towers. Monthly average water savings were 10% to 25%.
Regular Audits	• Establish an audit system. Install water metering devices at all operation points and build a dedicated operations and maintenance team of engineers to conduct regular inspections.
Awareness and Training	• Enhance employee awareness of water conservation through training sessions and water-saving posters.

Case Huayu Precision Water Balance Test

东莞华誉精密技术有限公司
水平衡测试报告书

Water Balance Test Report

Huayu Precision established a dedicated water-saving leadership team to manage water resources. In the production process, it deployed three major water-saving systems: a cleaning water reuse system, a water curtain reuse system, and a spray circulation water system. In daily operations, it implemented employee water-saving awareness programs and a water resource waste monitoring DQG HYDOXDWLRQ PHFKDQLVP FUHDWLQ full-scenario control across both production and daily use.

7R VFLHQWL‹FDOO\ YDOLGDWH WKH H•FLHQF\ RI ZD Precision conducted a systematic water balance test during the reporting period. Monitoring data showed that the average daily water intake was controlled at 903.00 m³/day, with 85,693.00 m³/day of water reused, resulting in an overall water reuse rate of 98.96%. The indirect cooling water circulation system was particularly outstanding, with an average daily water usage of 77,531.43 m³/day DQG D UHXVH UDWH RI VLJQL‹FDQWO\ H[FHHGLQJ WKH Water Conservation Management Standard for Cooling Towers in Civil Buildings. Moving forward, the Company will continue to improve based on the analysis of this water balance test and promote the reuse of concentrated water to enhance ZDWHU UHVRXUFH XWLOL]DWLRQ H•FLHQF\

The Company's primary wastewater is domestic sewage, with a small amount of process wastewater generated at three precision manufacturing centers. Each year, we commission accredited third parties to conduct wastewater monitoring, tracking indicators such as Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Suspended Solids, Ammonia Nitrogen, and Total Phosphorus to ensure compliance with laws and regulations, and to prevent possible water pollution. During the reporting period, the Company had no violations related to water intake and usage.

Emissions Management

The Company strictly complies with environmental protection laws and emission standards in all regions of operation, carrying out standardized disposal of emissions. We have established management systems and reduction targets for waste and pollutants, regularly monitored various emission indicators, and continuously improved waste disposal and pollution control facilities to reduce the generation of pollutants.

Industrial Wastewater

- Increase the reuse rate of wastewater from air conditioning cooling towers and discharge from central air conditioning cooling towers to reduce overall wastewater discharge.
- Operate wastewater treatment facilities and reclaimed water utilization systems
- Transfer wastewater and liquid waste that cannot be treated internally to qualified third-party agencies for reasonable disposal

Domestic Wastewater

- Physically separate production activities from domestic water facilities and implement strict process controls; prohibit washing oil drums at domestic water faucets.
- Collect food waste and wastewater from the canteen in designated containers and transfer them to qualified third-party agencies for reasonable disposal.
- Entrust professional third-party agencies with compliance monitoring to ensure the entire process aligns with environmental regulations and sustainable development requirements.
- Domestic wastewater must undergo sedimentation and pre-treatment to meet discharge standards before being connected to the municipal sewage system.

General Solid Waste

Classification: Classified and categorized in designated areas according to the Solid Waste Identification Standards.

Disposal: Entrusted to qualified third-party organizations for disposal (recycling, reuse, thermal treatment, etc.)

Record: Maintained waste management logs, recording categories, quantities, transportation methods, and disposal organizations.

Audit: Conducted periodic visits to third-party organizations to trace and verify disposal paths of general waste.

Hazardous Waste

Classification: Categorized in a designated hazardous waste room by designated personnel in accordance with the National Hazardous Waste Catalogue" with clearly labeled containers for each type of hazardous waste.

Storage: Establish dedicated storage facilities for hazardous waste to prevent leakage and contamination of soil and water.

Disposal: Entrusted to qualified third-party organizations for hazardous waste storage, transfer, and disposal.

Evaluation: Conducted comprehensive assessments of the environmental impact of hazardous waste and eliminate potential pollution. Regular evaluations of hazardous waste management progress.

◆ Key Performance Indicators

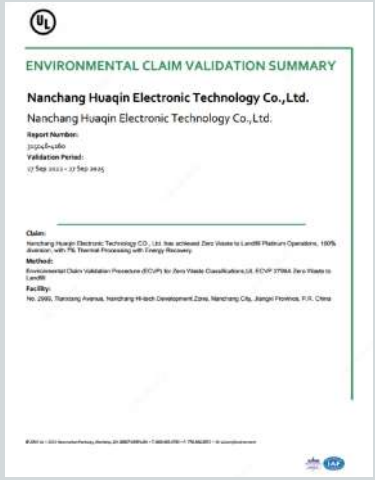
During the reporting period,

Total comprehensive utilization of waste: 42,304.33 tons

with a recycling rate of 98.5%

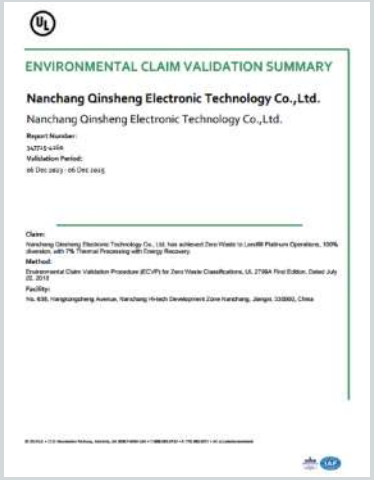
Number of chemical management violations, anomalies, and accidents: 0

During the reporting period, the Nanchang First Manufacturing Center and Nanchang Second 0DQXIDFWXULQJ &HQWHU REWDLQHG WKH 8/ 3ODWLQXP &HUWL‹FDWLRQ IRU =HUR :DVWH WR /DQG‹OO Of them, 100% of waste were transferred, and 7% was processed through thermal treatment for energy recovery, reducing the environmental negative impact of end-of-life waste.


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Nanchang Huaqin Electronic Technology Co.,Ltd.

Nanchang Huaqin Electronic Technology Co.,Ltd.


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Nanchang Qinsheng Electronic Technology Co.,Ltd.

Nanchang Qinsheng Electronic Technology Co.,Ltd.

Nanchang First Manufacturing Center and Nanchang Second Manufacturing Center 8/ 3ODWLQXP &HUWL‹FDWLRQ IRU =HUR :DVWH WR /DQG‹OO

Pollution Control

We strictly comply with the laws and standards of our operating locations, conducting full-process monitoring and control of pollutants. We hire accredited environmental monitoring agencies to regularly monitor air pollutants and noise pollutants, with each manufacturing center conducting at least one monitoring per year. During the reporting period, all pollution control facilities operated normally, and no related violations or illegal incidents occurred.

Air Pollution Control

- Ensure that all exhaust gas treatment facilities meet emission standards, and regularly clean and maintain the exhaust system and its treatment devices.
- 8VH GHGLFDWHG SXUL‹FDWLRQ GHYLFHV WR WUHDW FOHDQ DQG PDLQWDLQ WKH SXUL‹FDWLRQ GHYLFHV
- When using volatile hazardous chemicals like anhydrous ethanol plate-washing solvents, immediately seal containers after use and minimize evaporation.

Noise Pollution Prevention

- &RQGXFW VRXQGSURR‹QJ DQG QRLVH UHGXFWLRQ workshops to reduce noise interference with the surrounding environment, and regularly maintain relevant facilities to ensure the continued HŠHFWLYHQHVV RI SURWHFWLYH PHDVXUHV
- Provide employees with protective measures, strictly control noise OHYHOV ZLWKLQ WKH IDFWRU\ ERXQGDU\ UHGXFH SR employee health, and ensure production safety.
- Prioritize low-power equipment and noise-reducing devices to lower noise sources and overall noise levels.
- Regularly maintain all machines according to equipment maintenance manuals and maintenance schedules to ensure optimal operation and reduce additional noise caused by aging or malfunctions.

◆ *UHHQ 2•FH

7KH &RPSDQ\ SURPRWHV WKH FRQFHSW RI JUHHQ R•FH DQG [illegible] OLIHVW\OH HQFRXUDJLQJ HPSOR\HHV WR SDUWLFLSDWH LQ SDSHUOHVV R•FH SUDFWLFHV ORZ FDUERQ EXVLQHVV WUDYHO DQG FRPPXWLQJ :H OHDG WKH ZD\ LQ JUHHQ R•FH DQG OLIHVW\OH E\ LPSOHPH [illegible] &KDW SXEOLFL-ty, public announcements, and regular bi-monthly low-carbon-themed training sessions.

/RZ FDUERQ DQG (QYLURQPHQWDO 3URWHFWLRQ 3XEOLFLW\ WKUR [illegible] D $FFRXQWV DQG 2ŽLQH 3URPRWLRQV

◆ Key Performance Indicators

During the reporting period,

A total of low-carbon special training sessions were conducted every **2** months

attracting **18,000** participants

Case — Innovative Green Travel Points Program to Encourage Employees to Travel Sustainably

7KH &RPSDQ\ DFWLYHO\ H[SORUHV LQQRYDWLYH PHFKDQLVPV IRU JUHHQ R•FH DQG RSHUDWLRQV ,Q ZH ODXQFKHG D ORZ FDUERQ Œ LJKW LQWHOOLJHQW ODEHOLQJ V\VWHP LQ WKH WUDYHO V\VWHP WR HQFRXUDJH HPSOR\HHV WR FKRRVH ORZ FDUERQ Œ LJKWV ZKHQ WKH SULFH LV WKH VDPH $W WKH same time, we incorporated employees' green accounts into the Company welfare platform, linking travel behavior and travel choices to points to encourage low-carbon R•FH DQG OLYLQJ SUDFWLFHV 'XULQJ WKH UHSRUWLQJ SHULRG WKH SURSRUWLRQ RI WUDYHO PLOHDJH XVLQJ ORZ FDUERQ Œ LJKWV ZDV

Case — Qinduola Smart Electronic Reimbursement System Fully /DXQFKHG WR 8SJUDGH 3DSHUOHVV 2•FH

In 2024, the Company launched the Qinduola smart document receiving robot in Shanghai, Nanchang, and Dongguan, supporting the self-service collection of all payment GRFXPHQWV LQ WKH ‹QDQFLDO V service center system. Using this system, no printed electronic invoices or paper forms are required for reimbursement documents. The system operates 7*24 for immediate submission and review, improv - LQJ UHLPEXUVHPHQW H•FLHQF\ Z HŠHFWLYHO\ VXSSRUWLQJ SDS R•FH RSHUDWLRQV $Q DYHUDJH 7,798 sheets of paper are saved each month, resulting in a reduction of 730 kilograms of CO (emissions annually.

Green Technologies and Products

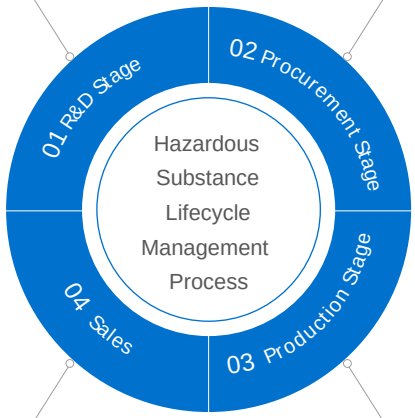
+XDTLQ 7HFKQRORJ\ VWUDWHJLFDOO\ IRFXVHV RQ FOHDQ WHFKQRORJ\ WUDQVIRUPDWLRQ ,Q OLQH ZLWK EXVLQHVV DQG VWUDWH
industrial automation, and green material application. We continuously allocate resources to advance green product and technology development, providing consumers with sustainable green products and solutions.

Green Products

The Company has developed a green product policy, "Create green products, comprehensively control hazardous substances, and enhance the environmental competitiveness of our products." We integrate green design concepts into the entire product lifecycle and enforce high standards in hazardous substance management, aiming to reduce the carbon footprint and environmental impact throughout the product lifecycle.

Hazardous Substance Management

The Company follows domestic and international regulatory requirements and standards such as RoHS, REACH, WEEE, POPs, TSCA, and California Proposition 65, establishing a comprehensive hazardous substance control system. We have developed and continuously improved the Hazardous Substance Control Standards and Huaqin HSF Inspection Control Operating Standards. These standards are strictly implemented throughout the product lifecycle, including product design, material procurement, material inspection, SURFHVV FRQWURO DQG VDOHV 'XULQJ WKH UHSRUWLQJ SHULRG DOO ‹YH PDQXIDFWXULQJ FHQWHUV SDVVHG WKH 4& +D]DU 3URFHVV 0DQDJHPHQW FHUWL‹FDWLRQ



Select materials according to environmental standards, eliminating hazardous substances that do not comply with regulations.

Establish a strict cooperation mechanism with suppliers. Issue hazardous substance standards through the SRM system, requiring suppliers to comply with relevant laws and identify and manage the use of hazardous substances.

Provide customers with detailed product material composition information to help them understand the safety and compliance of the products.

Strengthen supervision of the production line, conduct hazardous substance testing on incoming materials, and prevent hazardous substances from entering the production process.

Iteration of Hazardous Substance Control Standards

The Company continuously tracks regulatory requirements, industry standards, international conventions, and customer expectations, and regularly updates its Hazardous Substance Control Standards. During the reporting period, the standards were updated to version 8.4, which includes 103 banned substances, 337 restricted substances, and 19 declared substances.

Newly Banned Substances (14)

- Selenium and its compounds
- 6 [D] QDSKWKDOHQH FKORULQDWHG 6 \)
- Trimethyl phosphate (TMP)
- rel-1,3,5-Tris[(2R)-2oxiranylmethyl]-1,3,5-triazine-2,4,6 (1H,3H,5H)-
- 2-Naphthylamine hydrochloride
- Isopropanol
- 1,3-Butadiene
- Galaxolide (HHCB)
- 1,4-Dioxane
- Acetaldehyde
- Acrylonitrile
- C.I. Pigment Violet 29 (PV29)
- 2,2',4,4'-Tetrabromodiphenyl ether (BDE 47)
- 2,4,6-Tris-tert-butylphenol (2,4,6-TTBP)

Newly Restricted Substances (7)

- Bismuth and its compounds
- Magnesium
- Thallium and its compounds
- Limonene
- 2-Ethylhexyl diphenyl phosphate
- Trimethyl phosphate
- Phenyl mercury

Planned Restricted Substances (9)

- Melamine
- N-Ethyl-2-pyrrolidone
- Substituted diphenylamine (SDPA)
- Phosphate acid (1,1-dimethylpropyl) phenyl diphenyl ester
- Isodecyl diphenyl phosphate
- (Di-tert-butylphenyl) phenyl phosphate
- Triethyl phosphate
- Nanomaterials
- Cobalt

Phase-out Plan for Hazardous Substances Substances

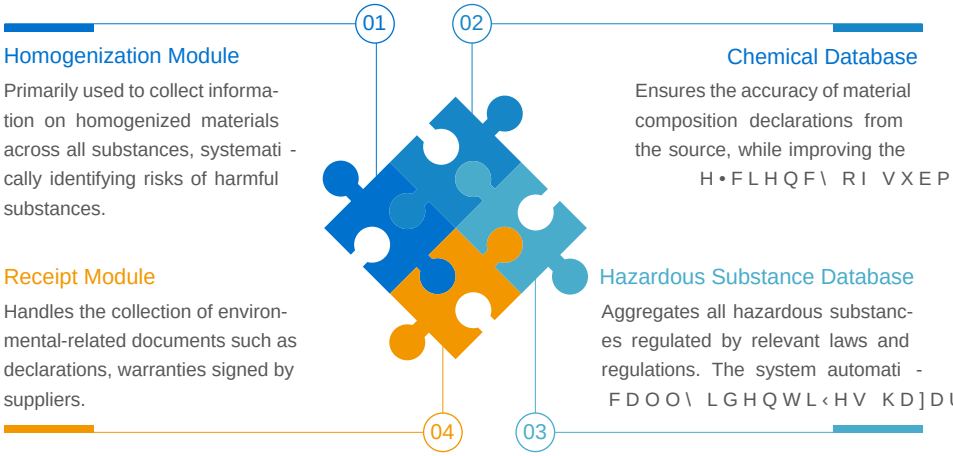
To reduce environmental pollution and minimize systemic health risks, the Company has established and continuously updated a list of substances to be eliminated, along with implementation plans for their reduction at the source.

Reduction Dimensions	Reduction Cycle	Reduction Content	Hazardous Substances	Applied Materials/Products
Proactively Hazardous Substances-free raw material substitution	Ongoing	In some projects, leaded copper alloys are replaced by lead-free copper alloys in structural materials, reducing the lead content in products that are exempt from regulations. In 2024, over 51KK lead-free copper nuts were used, reducing lead usage by 38.34 kg.	Lead	Copper nuts
Hazardous Substance Investigation and Phase-out	2024	Investigate the use of mineral oils in packaging LQNV RI FXUUHQW SURGXFWV FRQ‹UP FRPSOLDQFH ZLWK the second-phase requirements of the French PLQHUDO RLO UHJXODWLRQ HŠHFWLYH LQ promote the adoption of optimized ink formulations by two suppliers.	Mineral oil	Packaging ink
New Substance use survey for Regulation Update	Ongoing Updates	Investigate the use of SVHC in all current products as per the latest EU REACH SVHC list. Completed three batches of investigations covering a total of 7 QHZO\ DGGHG 69+& VXEVWDQFHV FRQ‹UPLQJ SURGXFW compliance with regulatory requirements.	New SVHC	All product in mass produce stage

2024 Hazardous Substance Reduction Plan Implementation Status

Supplier Hazardous Substance Process Management

The Company requires all partners to strictly comply with the Supplier Environmental Management Policy and Environmental Declaration Management Regulations, accurately identifying and controlling the key control points of environmental materials from the source, mitigating risks to the environment and human health. The Company has established a supplier environmental compliance declaration signing and management mechanism, independently developed an environmental module for the quality management systems, and dynamically updates suppliers on hazardous substance regulations and Company control requirements. This ensures that materials do not contain prohibited substances, minimizing hazardous substance risks from the source.



Environmental Modules Function in Quality Management System

In hazardous chemicals management, the Company has developed and implemented the &KHPLFDO 0DQDJHPHQW 6SHFLILFDWLRQ, Chemical Import Risk Assessment Form, and established a chemical source control team, which operates according to the principle of "systematic promotion of source restriction and prohibition, process control, and end treatment." We conduct quarterly assessments and special audits on chemical management compliance, record potential hazards, and set deadlines for corrections. We also organized regular chemical leakage drills to enhance emergency response capabilities. During the reporting period, we completed the substitution of key regulated substances in the industry as planned, and no incidents related to the handling or use of hazardous chemicals occurred.

◆ Key Performance Indicators

During the reporting period,

100% RI FKHPLFDO PDQDJHUV DUH FHUWL‹HG

Eco Product Design

The Company is committed to optimizing eco-friendly product design while ensuring quality and safety. We collaborate with customers and suppliers to develop sustainable, environmentally friendly products.

(QHUJ\ DQG 5HVRXUF | **L HQFDinable Perfromance**

- Low Energy Consumption Products
- Renewable Materials
- Lightweight and Plastic-Free Packaging
- Long Battery Life Products
- Modular Design for Repair and Reuse
- Lightweight Product Engineering

Environmental Protection and Health

- Low Environmental Impact
- Non-Toxic

Eco-Friendly Product Design Strategy

Raw Material Management	• Implement responsible sourcing by prioritizing environmentally friendly raw materials and collaborating with suppliers to develop high-quality recycled materials. • Reduce hazardous substances in products, continuously promoting their reduction and replacement.
Product Design Management	• Complying with regulations and customer requirements, we implement product planning and design that prioritize energy and resource conservation, sustainability improvements, and environmental safety while utilizing post-consumer recycled plastics, bio-based raw materials, and pre-consumer recycled aluminum.

Eco Product Management Process

Product Manufacturing Management	• (QKDQFH HQHUJ\ H•FLHQF\ SHU XQLW LPSURYH LQWHUQDO FLUFXODULW\ DQG UHXVH of materials such as pallets, and optimize production processes to increase HQHUJ\ DQG UHVRXUFH H•FLHQF\
Packaging & Logistics Management	• Reduce plastic use in packaging, implement lightweight designs, and develop 100% recyclable packaging solutions. Replace paper manuals with electronic labels/instructions for certain products. • Optimize transportation routes through the “One-Click Vehicle Dispatch” digital logistics system, saving 25,000 km in mileage. Deploy clean energy logistics vehicles, covering 9,301 km. Implement paperless warehouse deliveries, saving an average of 5,233 paper documents per month.
Product Usage Management	• Develop energy-saving technologies to reduce product energy consumption, ZLWK PXOWLSOH SURGXFWV DFKLHYLQJ (3($7 7HQ 5LQJ DQG 7&2 EHQFKPDUNLQJ • Improve product reliability and repairability, enabling consumers to extend product lifespan through maintenance and refurbishment.
End-of-Life Waste Disposal	• Provide disassembly information for certain products, including steps, tools, and techniques, to support the feasibility of end-of-life waste recycling. 3URGXFWV FHUWL‹HG XQGHU WKH :(((SURJUDP KDYH DQ DYHUDJH UHF\FODELOLW\ rate of 85%.

Eco Product Management Process

*UHHQ 3URGXFW &HUWL‹FDWLRQ	Quantity
(3($7 &HUWL‹FDWLRQ	24
ENERGY STAR	32
7&2 &HUWL‹HG 6XVWDLQDEOH 3UR	12
:(((&HUWL‹FDWLRQ	20
(8 (QHUJ\ (•FLHQF\	46
&KLQD (QHUJ\ &RQVHUYDWLRQ 3UR	15
China Environmental Labeling (Ten-Ring)	9
China Energy Label (CEL)	14

*UHHQ 3URGXFW &HUWL‹FDWLRQV

◆ Key Performance Indicators

During the reporting period,

Huayu Precision and Xiqin Precision achieved a

100%

internal reuse rate for recovered packaging materials.

Case Researching the Feasibility of Eco-Friendly Materials to Reduce Environmental Impact Across the Product Lifecycle

In response to increasingly stringent policies and growing customer expectations, we launched a specialized initiative to develop and implement high-performance post-consumer recycled 3&5 SODVWLFV LQ RXU SURGXFWV $V D FRVW HŠHFWLYH DQG HQ raw material properties play a crucial role in balancing product quality and sustainability. We FRQGXFWHG D WKRURXJK DQDO\VLV FRPSDULQJ PRGL‹HG 3&5 PDW ‹HG SRWHQWLDO SHUIRUPDQFH ULVNV GHYHORSHG VSHFLDOL]HG mance risks, and established recommendations and management processes for the applica- WLRQ RI PRGL‹HG 3&5 PDWHULDOV %\ WKH FRQFOXVLRQ RI WKH L duced projects incorporating over 35% high-performance PCR materials, achieving a 26% reduction in carbon emissions compared to virgin plastic products.

Case Implementing a Product Carbon Footprint Assessment Mechanism to Support Customers in Developing Low-Carbon Products

Following the ISO 14067:2018 standard Greenhouse Gases – Carbon Footprint of Products – 5HTXLUHPHQWV DQG *XLGHOLQHV IRU 4XDQWL‹FDWLRQ WKH &RPS Module Product Environmental Working Group, has established a comprehensive product-lev - el carbon footprint assessment process. This includes the development of key material carbon IRRWSULQW HYDOXDWLRQ SURFHGXUHV DQG LQYHQWRULHV HQD sources and activity levels across the full product lifecycle, from cradle to grave. During the reporting period, we conducted or assisted in carbon footprint assessments for 17 products, ZLWK SURGXFWV VXFFHVVIXOO\ DFKLHYLQJ FDUERQ QHXWUDO FH

Clean Technology

The Company proactively seizes opportunities in clean technology, actively expanding into areas such as new energy vehicle products, data center, high-performance computing, and industrial automation to deliver clean products and solutions for society.

Key Performance Indicators

'XULQJ WKH UHSRUWLQJ SHULRG ZH FRQWLQXHG WR LQFUHDVH LQYHVWPHQW LQ FOHDQ WHFKQRORJ\ $UHDV LQYROYHG L SURGXFW OLIHVSDQ :H SODQ WR LQFUHDVH RXU 5 ' LQYHVWPHQW LQ FOHDQ WHFKQRORJLHV E\ DQQXDOO\ RYHU WKH QH

Cleantech-related R&D investment

RMB83.8132 million

170

new cleantech-related patent applications

75

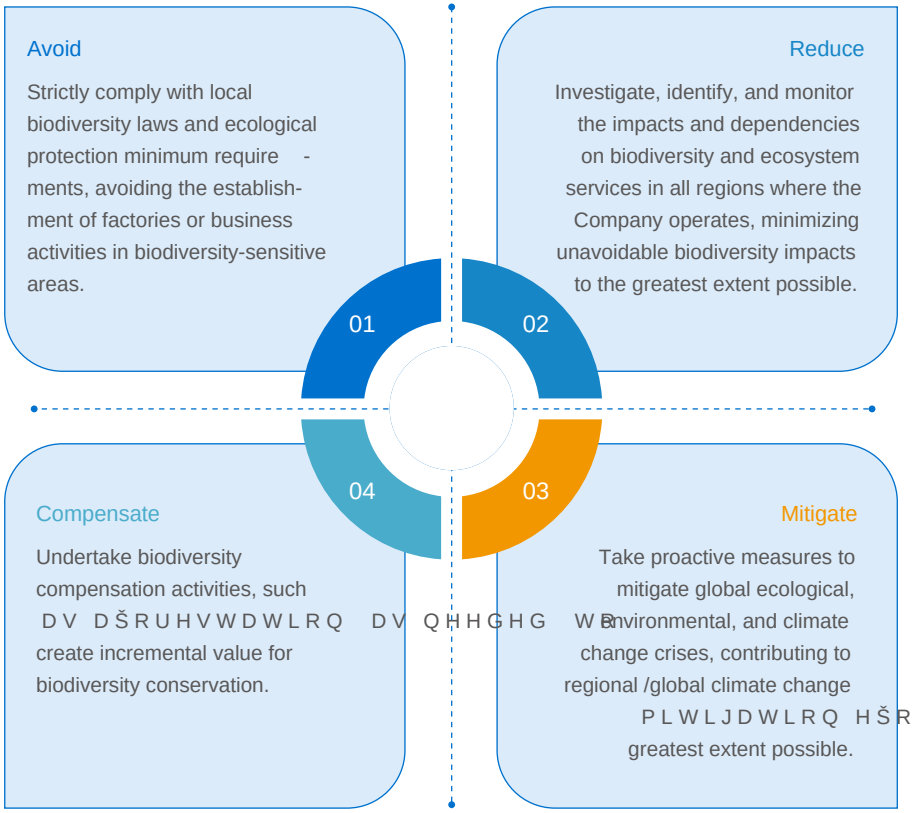
authorized

Field	(QHUJ\ (•FLHQF\ ,PSURYHPHQW
Clean Technology Solutions	**New Energy Vehicle Products** The Company develops comprehensive VROXWLRQV WR HQKDQFH HQHUJ\ HIILFLHQF\ LQ QHZ HQHUJ\ YHKLFOHV LPSURYLQJ SRZHUWUDLQ HIILFLHQF\ DQG H[WHQGLQJ GULYLQJ UDQJH DQG VXSSRUWLQJ WKH LQGXVWU\’V WUDQVLWLRQ WR]HUR-FDUERQ HQHUJ\ **Advanced Cooling Technology** 7KH &RPSDQ\ HPSOR\V KLJK H•FLHQF\ FROG SODWH LPPHUVLRQ OLTXLG FRROLQJ WHFKQ ddressing both performance optimization and energy savings.
Product Description	**Intelligent Driving Domain Controller**)HDWXULQJ KLJK HQHUJ\ H•FLHQF\ 7 QDQRPHWHU \‹UDVWDQXP V VHUVDO &38 passive cooling design, reduced energy consumption, lower costs, and noise reduction, providing users with a more comfortable and quieter driving experience. **Server Node-Level Single-Phase Cold Plate Liquid Cooling Design** The 6RUL6PU-T1A liquid cooling solution launched on the BHS platform. Featuring a lightweight design, it successfully reduces CPU cold plate weight by 40%. By integrating heat pipe thermal SODWHV 3, ‹OPV DQG SDGV enabling cost-effective liquid cooling needs of memory modules ZLWK GLŠHUHQW VSDFLQJ UHTXLUHPHQWV **High-Performance Computing Server with Liquid Cooling** The 6RUL6PU-T1A adopts a modular design, supporting multiple generations of liquid-cooled GPU cards and Intel EGS/BHS CPU platforms. It is compatible with various DPU models, enabling cost-effective liquid cooling platform integration, HŠFLHQW\ UHGXFLQJ HQHUJ\ FRQVXPSWLRQ DQG LPSURYLQJ H•FLHQF\ **PC Dual Actuator Booster Fan** The innovative combination of axial and centrifugal fan characteristics in one fan can realize improved fan PQ performance at the same noise level, which improves the cooling performance of the whole machine and reduces the noise of the whole machine.

Field	(Q H U J \ (• F L H Q F \ , P S U R Y H P H Q W		Recyclable Products
Clean Technology Solutions	+L J K (• F L H Q F \ 3 R Z H U 6 X S S O L H V D Q G 6 Z L W F K H V 7 K H & R P S D Q \ O H Y H U D J H V K L J K H • F L H Q F \ power supply and switch technologies, combined with K L J K U H O L D E L O L W \ Q H W Z R U N H T X L S P H Q W H Q K D Q F H G D W D F H Q W H U H Q H U J \ H • F L H Q F \ loss, and meet the dual demands of high performance and green energy savings.	/R Z & D U E R Q D Q G (Q H U J \ (• F L H Q W Products F R F X V L Q J R Q S R Z H U F R Q V X P S W L R Q R S W L P L] D W L R Q D Q G H Q H U J \ H • F L H Q F \ S U R G X F W L Q Q R Y D W L R Q software-hardware co-innovation to develop high-performance products with extended battery life and low energy consumption.	Industrial Automation From AIoT smart devices to industrial automation control electronics, including precision D X W R P D W L R Q ‹ [W X U H V cal automation equipment, and components.	Recyclable Products Exploring opportunities for reclaiming and reusing waste materials , implementing technological improvements in products to reduce raw material consumption.
Product Description	Titanium CRPS 2000W Server Power Supply This standard redundant power supply is designed to comply with the Intel x86 architecture, supporting global power grid input. It meets the 80 PLUS Titanium F R Q Y H U V L R Q H • F L H Q F \ U H T X L U H P H Q W V with the 2024 EU compliance requirements for server power supplies. DC-DC Power Supply 8 W L O] L Q J O L J K W O R D G H • F L H Q F \ D Q G D X W R P D W L F S K D V H R Š technologies, this power supply achieves ultra-high '& '& F R Q Y H U V L R Q H • F L H Q F \ 7 K H L Q Q R Y D W L Y H Y H U W L F D O S R Z H U G H O L Y H U \ W H F K Q R O R J \ V L J Q L ‹ F D Q W O \ U H G X F H V H Q H U J \ O R V V L Q W U D Q V P L V V L R Q O L Q H V H Q V X U L Q J H • F L H Q W energy utilization.	Long-Storage POS Products Self-developed power consumption debugging program to D F K L H Y H K L J K H • F L H Q F \ and precision power consumption, together with the software version of the automated current detection program, to create a stable and reliable long endurance core technology products.	Robot Product Development and Expansion During the reporting period, we incorporated “robotics” into our overall strategy and have begun research and development on industrial and humanoid robots.	Application of Recyclable Materials in Products Multiple mobile products incorporate a high proportion of PCR particles and recycled aluminum in their casings, along with a removable battery design to enhance product life.

Biodiversity Conservation

Huaqin Technology recognizes the essential role of ecosystems in supporting its operations and growth, integrating biodiversity conservation, an emerging topic into its sustainability management. The Company has formulated the Biodiversity Conservation and Zero Deforestation Policy, committing to the sustainable use of forest resources, minimizing negative impacts on biodiversity, and implementing an “Avoid-Reduce-Mitigate-Compensate” approach to biodiversity conservation. None of the Company's manufacturing and research and development centers are within the scope of the ecological protection minimum requirements, and QRQH KDYH D VLJQL‹FDQW LPSDFW RQ WKH HFRV\VWHP DQG ELRGLYHUVLW\



Biodiversity Conservation Process

Case

Huaqin Public Welfare Forest Building an Ecological Civilization Together

Huaqin Technology supports the global tree-planting initiative and continued the “Huaqin Public Welfare Forest” project in Minqin County, Gansu Province in 2024. The SURMHFW HVWDEOLVKHG DFUHV RI ZLQGEUHDN DQG VDQG saxauls and sweetvetch shrubs in a 9:1 mix. By the end of the reporting period, the survival rate reached 92.6%.

During implementation, the project provided 307 labor workdays, increasing local farmers’ income by RMB 181,200. Based on an estimated 32.3 kg of carbon sequestration per mature saxauls tree annually, the project is expected to reduce carbon emissions by approximately 952.204 tons per year. This initiative helps with local wind and sand control, supports ecological industrialization exploration, and contributes to the ecological security of the Hexi Corridor.

Huaqin will continue to collaborate with stakeholders to advance biodiversity conservation, contributing to ecological civilization development.

Huaqin Public Welfare Forest

Talent Attraction and Retention

Huaqin Technology upholds its employer value proposition: Enjoy (the Harder You Work, the Happier You Will Be), Grow (Own Your Development), and Inspire (Success Comes from Overcoming &KDOOHQJHV 7KH &RPSDQ\ UHVSHFWV DQG SURWHFWV WKH ULJKWV RI DOO HPSOR\HHV IRVWHUV DQ RSHQ IDLU DQG HTXLWDEO LQJ FOHDU FRPPXQLFDWLRQ FKDQQHOV IRU HPSOR\HH IHHGEDFN +XDTLQ SURYLGHV SODWIRUPV DQG RSSRUWXQLWLHV IRU WDOH their potential.

+XPDQ 5LJKWV

Huaqin strictly adheres to labor standards and complies with the laws and regulations of all its operating sites worldwide. The Company follows key international labor conventions and initiatives, including the Universal Declaration of Human Rights, the International Labour Organization (ILO) Core Conventions, the UN Guiding Principles on Business and Human Rights, the Responsible Business Alliance (RBA) Code of Conduct, the Global Sullivan Principles, and the Social Accountability 8000 (SA8000). Huaqin has developed and implemented stringent policies such as the Juvenile and Child Labor Protection Policy, Anti-Discrimination and Anti-Harassment Policy, and Prohibition of Discrimination and Forced Labor Management Policy. The Company establishes and operates an human rights protection mecha- QLVP IHDWXULQJ LGHQWL‹FDWLRQ SUHYHQWLRQ PRQLWRULQJ PLWLJDWLRQ DQG UHPHGLDWLRQ DQG VWULFWO\ SURKLELWV FKL individuals while maintaining zero tolerance for any form of discrimination, harassment, or bullying.

During the reporting period, we formulated and publicly released the Huaqin Technology Human Rights Policy and the Huaqin Technology Anti-Discrimination and Anti-Harassment Policy. These policies apply to the operations, products, and services of the entire group and its subsidiaries. Additionally, Huaqin requires its suppliers and business partners to uphold these commitments.

7KHPH	0DQDJHPHQW 3ULQFLSOHV	5LVN 0LWLJDWLRQ 0HDVXUHV
5HVSHFW IRU +XPDQ 5LJKW	• Respect all local laws, religious cultures, and historical FRQWH[WV LQ RSHUDWLRQDO ORFDWLRQV HQVXULQJ QR LQIULQJHPHQW RQ fundamental human rights	• Conduct empowerment training to ensure employees are aware of these matters • Establish open and transparent channels to encourage employees to report potential or actual violations • Take immediate corrective action upon receiving complaints and provide protec- WLRQ DQG VXSSRUW IRU DŠHFWHG LQGLYLGXDOV
)DLU (PSOR\PH	• Uphold fairness, justice, openness, and equality in recruitment, ensuring equal employment opportunities to candidates regardless of ethnicity, race, region, nationality, VRFLDO FODVV RU SROLWLFDO D•OLDWLRQ • Ensure equal pay for equal work	• Conduct self-checks in recruitment processes to ensure no discriminatory conditions or statements • Regularly assess the gender pay gap within the same job level and implement corrective measures • Safeguard female employees' rights and provide support for them

Human Rights Management Principles

7KHPH	0DQDJHPHQW 3ULQFLSOHV	5LVN 0LWLJDWLRQ 0HDVXUHV
3URKLELWLRQ RI Child Labor	• Strictly comply with national laws and International Labour Organization (ILO) standards, prohibiting child labor and HŠHFWLYHO\ VDIHJXDUGLQJ HPSOR\HHV OHJLWLPDWH interests • ,I FKLOG ODERU LV LGHQWL‹HG LPPHGLDWH DVVLVWDQFH DQG FRUUHF tive actions will be taken	• Adhere strictly to local regulations during recruitment, and conduct strict age checks • ,QKHQHYHU FKLOG ODERU LV LGHQWL‹HG WHUPLQDWH HPSO assist in returning the individual to his or her guardian for compulsory education
3URKLELWLRQ)RUFHG /DERU	• Do not employ any form of forced, bonded (including debt bondage) or indentured labor, prison labor, enslaved individ- XDOV RU WUD•FNHG SHUVRQV • Do not transport, harbor, recruit, transfer, or receive such labor or services through threats, coercion, force, abduction, or deception • Do not restrict employees 'personal freedom, withhold identi- ‹FDWLRQ GRFXPHQWV RU UHTXLUH HPSOR\HHV WR SD\ GHSRVLWV recruitment fees, or any other charges to the employer or agent	• 6LJQ HPSOR\PHQW FRQWUDFWV LQ DFFRUGDQFH ZLWK WKH O ment terms and conditions • Conduct empowerment training to ensure employees understand these matters • Establish and communicate clear resignation policies and procedures • Upon receiving any report, take immediate corrective actions and provide SURWHFWLRQ DQG DVVLVWDQFH WR WKH DŠHFWHG LQGLYLGX
'LYHUVLW\ DQG $QWL 'LVFULPL DW	• Strictly prohibit any form of discrimination, including but not limited to discrimination based on race, color, gender, JHQGHU LGHQWLW\ VH[XDO RULHQWDWLRQ PDUULDJH DQG DJH QDWLRQDOLW\ age, nationality, religion, political opinion, citizenship, ances - try, physical or mental disability, pregnancy, illness, or any other legally protected characteristics	• Ensure that recruitment and other employment practices are free from discrimi- QDWLRQ EDVHG RQ UDFH FRORU DJH JHQGHU VH[XDO RUL gender identity • Upon receiving a related complaint, conduct an immediate investigation, LPSOHPHQW FRUUHFWLYH DFWLRQV DQG SURYLGH SURWHFW individuals
2SSRVLWLRQ +DUDVVPHQW & 3XQLVKPHQW % DQG 2WKHU ,QK %HKDYLRU	• 3URKLELW DQ\ IRUP RI JHQGHU EDVHG YLRO HQFH PHQW VH[XDO DVVDXOW FRUSRUDO SXQLVKPHQW physical coercion, bullying, public humiliation, verbal abuse, or any threats of such behavior	• Eliminate all forms of harassment, discrimination, corporal punishment, and bullying, and enforce penalties for such behavior in accordance with the Employ- ee Handbook • Provide open and transparent channels for employees to report potential or actual incidents of such behavior • Upon receipt of a related complaint, immediately conduct an investigation and SURYLGH SURWHFWLRQ DQG VXSSRUW WR WKH DŠHFWHG LQG

Human Rights Management Principles

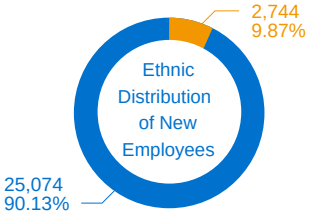
7KHPH	0DQDJHPHQW 3ULQFLSOHV	5LVN 0LWLJDWLRQ 0HDVXUHV
)UHHGRP RI $VVRFLDWLRQ DQG &ROOHFWLYH %DUJDLQLQJ	• Respect the rights of all employees to voluntarily form or join a union, engage in collective bargaining, and peacefully assemble, or to refuse participation in such activities	• Legally facilitate the establishment and operation of unions or other forms of employee organizations • Upon receipt of a complaint, immediately conduct an investigation and provide SURWHFWLRQ DQG VXSSRUW WR WKH DŠHFWHG LQGLYLGXDO
:RUNLQJ +RXUV DQG %DVLF 3URWHFWLRQ	• Strictly comply with the laws and regulations of the country or jurisdiction where operations are conducted regarding compensation, social security, working hours, and other requirements, providing employees with remuneration and EHQH‹WV WKDW PHHW OHJDO VWDQGDUGV LQFOXGLQJ PLQLPXP ZDJH DQG overtime pay, paid leave, and other legally mandated EHQH‹WV	• Prohibition of forcing employees to participate in work or related meetings or activities during non-work hours • Continuously monitor employees' working hours through attendance systems and timesheet reports • Implement wage audits to ensure compliance with wage payment regulations and the implementation of equal pay for equal work • Upon receipt of the complaint, immediately conduct an investigation and provide SURWHFWLRQ DQG VXSSRUW IRU WKH DŠHFWHG LQGLYLGXDO

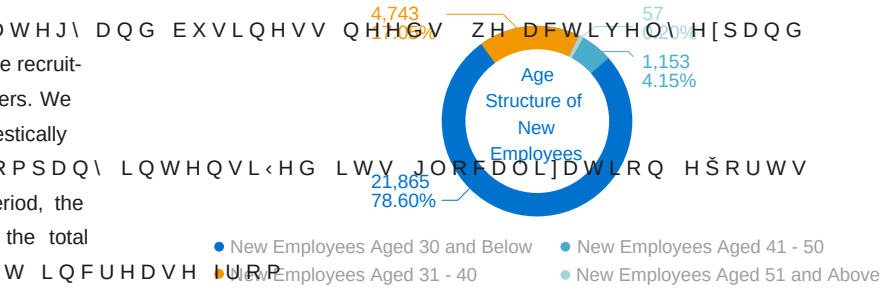
Human Rights Management Principles

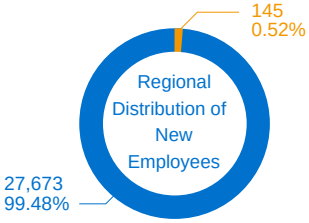
)DLU (PSOR\PHQW

The Company adheres to the principles of fair, just, and transparent talent selection and recruitment. We have developed and implemented policies such as the Recruitment Management System and Recruitment Channel Management Guidelines to standardize and streamline the recruitment process. The core criteria for recruitment are the professional abilities and technical skills of applicants, ensuring that any candidate who meets the job requirements has an equal opportunity for an interview.

7R DOLJQ ZLWK RXU GHYHORSPHQW VWUDWHJ\ DQG EXVLQHVV QHHGV ZH DFWLYHO\ H[SDQG diverse recruitment mechanisms, such as the "Future Sequoia" graduate recruitment program, local recruitment, internal referrals, and internal transfers. We also build and optimize our talent pool to attract outstanding talent domestically DQG LQWHUQDWLRQDOO\ ,Q WKH &RPSDQ\ LQWHQVL‹HG LWV JORFDOL]DWLRQ HŠRUWV hiring 145 overseas employees. As of the end of this reporting period, the Company had 3,729 foreign employees, accounting for 6.4% of the total ZRUNIRUFH UHSUHVHQWLQJ D VLJQL‹FDQW LQFUHDVH IURP







Employee Service Desk (Lark)

The Lark Service Desk integrates the HR, Administration, Finance, and IT platforms, providing all employees with consulting services on various questions VXFK DV +5 SURFHVVHV EXVLQHVV WUDYHO H[SHQ equipment. Employees can also provide feedback on any related suggestions and issues via the desk. In 2024, the service desk handled over 590,000 inquiries, more than 220,000 of which were resolved by human support.

Huaqin Internal Forum

In 2020, the Company has independently built the Huaqin Internal Forum, continuously improving platform functions based on employee feedback. In 2024, the platform updated to its version 2.5. The forum is not only a platform for employ- HHV WR DQRQ\PRXV\ UDLVH FRQFHUQV DQG RŠU communication hub for employee interactions, a space for the Company to share SROLF\ LQIRUPDWLRQ H[HFXWLYH YRLFHV DQG HPSOR\HH VWRULHV

Employee Representative Assembly

The Company has developed and implemented the Union Management Systemto encourage employee participation in democratic management and supervision. Every year in the fourth quarter, the Employee Representative Assembly is held to summarize the completion of union work and Company performance for the year. The assembly includes dedicated sessions for directly listening to employee feedback and addressing any concerns. Any unresolved issues raised during the meeting are monitored by the union and the responsible departments until they are fully resolved.

Satisfaction and Engagement Surveys

The Company conducts an annual employee satisfaction survey and a biennial employee engagement survey to gather feedback on various topics, including DVVRFLDWLRQ DFWLYLWLHV HPSOR\HH EHQH‹WV metrics are tracked quarterly and managed through a closed-loop system to continuously monitor and improve the quality of employee services

◆ .H\ 3HUIRUPDQFH ,QGLFDWRUV

During the reporting period,

the employee satisfaction rate achieved through channels such as the Lark Service Desk was

97.6%

Complaint Feedback

Various feedback channels are provided, including face-to-face LQWHUYLHZV HPSOR\HH VXJJHVWLRQ ERI and dedicated email. We commit to keeping the information, FRPSODLQWV DQG RDWHULDO SURYLGHG E\ ZKLVWOHEORZHUV FRQ and ensure that whistleblowers are protected from discrimination, coercion, job transfer, or any other disadvantageous impacts. We also guarantee the employees' rights to be LQIRUPHG SDUWLFLSDWH H[SHUW RSLQLRQV DQG VXSHUYLVH SOO complaints will be resolved within 3 days, and if there is no timely response or if the handling outcome is unsatisfactory, employees can continue to submit complaints until the issue is fully resolved.

$QQXDO ([HFXWLYH 0HHWLQJ

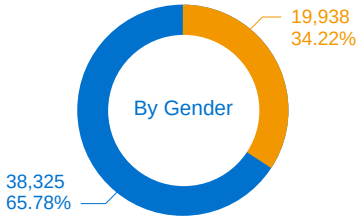
(DFK \HDU WKH H[HFXWLYH WHDP KROGV D PHHWLQJ ZLWK PDQDJHUV allowing senior management to communicate directly with DQG VHQLRU PDQDJHPHQW VXSSRUW 3HRSOHYDQW frontline managers about Company strategies and plans, and to listen to their concerns and provide solutions.

◆ (PSOR\HH &DUH

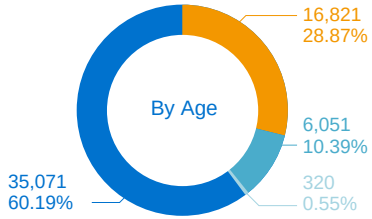
The Company is committed to creating an inclusive and warm workplace atmosphere with a sincere and open attitude. We continuously improve the employee welfare system and enhance the happiness and sense of belonging of all employees through various cultural activities and thoughtful infrastructure development.

,QFOXVLYH :RUNSODFH &

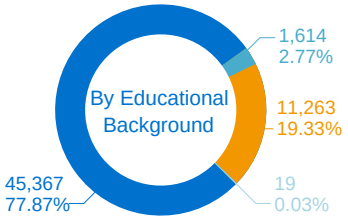
The Company fosters an equal and LQFOXVLYH ZRUNLQJ HQYLURQP from diverse countries, regions, ethnicities, and people with disabilities. We strive to bring together outstanding talents with GLSHUHQW EDFNJURXQGV DQG In 2024, the Company launched a disability employment program, creating job RSSRUWXQLWLHV IRU DSSUR[L people with disabilities.



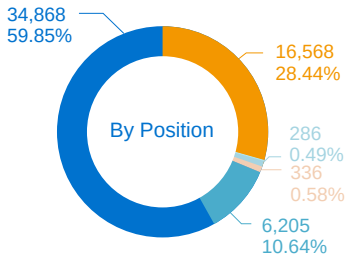
- Number of Male Employees
- Number of FemaleEmployees



- Number of EmployeesAged 30 and below
- Number of EmployeesAged 31 to 40
- Number of EmployeesAged 41 to 50
- Number of EmployeesAged 51 and above



- College and Below
- Bachelor's Degree Holders
- Master's Degree Holders
- Doctoral Degree Holders



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- 7 H F K Q L F D O 6 W D Š
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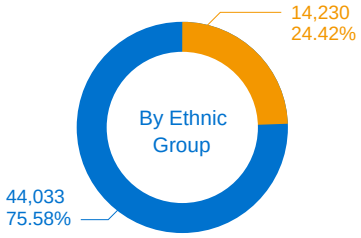
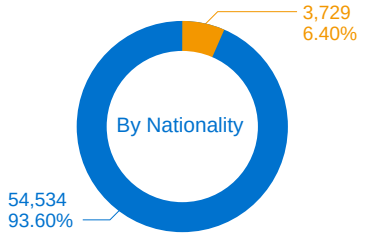
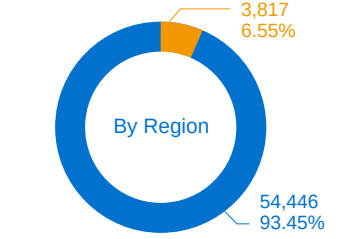


- Minority Employees
- Non-minority Employees



- Number of Chinese Nationality Employees
- Number of Foreign Nationality Employees



- Number of Employees within China
- Number of Employees outside China

◆ .H\ 3HUIRUPDQFH ,QGLFDWRUV

As of the end of the reporting period,

The Company employs a total of **58,623** employees

Employees come from **7** countries and regions

and represent **33** ethnic groups

In STEM (Science, Technology, Engineering, and Mathematics) related positions, women represent **28%**

In management positions in revenue-generating functions (such as sales), women represent **26%**

The number of employees with disabilities is **181**

)RVWHULQJ DQ ,QFOXVLYH &XOWXUH

The Company prioritizes corporate culture development and employee well-being by organizing diverse cultural and association activities. These initiatives cultivate an atmosphere of trust, inclusivity, and mutual respect among employees, strengthening cohesion and a sense of belonging.

(PSOR\HH &XOWXUDO $FWLYLWLHV

The Company regularly hosts a variety of cultural and team-building activities, such as outdoor team-building activities, anniversary celebrations, R&D Day, and family carnivals, enriching employees' professional and personal lives. Additionally, we curate internal cultural publications, including Qin Weekly and Role Model Spotlights, and facilitate cultural discussions. During the reporting period, we launched the "Qin Report" Cultural Monthly, which is distributed both online and in print to communicate the Company's core values and latest updates to employees and clients.

◆ .H\ 3HUIRUPDQFH ,QGLFDWRUV

During the reporting period,the Company published

1,610 cultural articles

organized Company-wide cultural events (covering all R&D and manufacturing centers)

3 events

organized cultural seminars (covering all R&D and manufacturing centers)

3 seminars

(PSOR\HH &OXE $FWLYLWLHV

The Company has established 33 employee interest clubs, including sports and arts and crafts FOXEV DFURVV ‹YH UHJLRQV 6KDQJKDL :X[L ;L DQ 1DQFKDQ membership stands at 8,590. In 2024, these clubs organized 1,900 events, engaging over 3,500 employees.

"Qin Report" Cultural Monthly

Huaqin Technology 19th Anniversary Celebration

1024 R&D Day

Parent-Child Carnival

Employee Club Activities

Technology R&D and Innovation

Huaqin Technology places technological innovation at the core of its strategy, focusing on the technological reserves and expansion in key business areas. The Company introduces advanced management systems, optimizes R&D platform development, continually increases R&D investment, strengthens intellectual property protection, and enhances convenience and accessibility through technological innovation, driving sustainable economic and social development.

◆ Innovative R&D Management

The Company emphasizes the parallel development of technological innovation and ethical practices. At every stage of product design and R&D, we strictly adhere to the six core principles of technology ethics, including “enhancing human well-being,” “reasonably controlling risks,” and “maintaining transparency,”. Through responsible R&D innovation, we ensure that technological development is closely aligned with social responsibility.

7KH &RPSDQ\ FRQWLQXRXVO\ RSWLPL]HV WKH ,QWHJUDWHG 3URGXFW 'HYHORSPHQW ,3' management system and the end-to-end product development process, achieving H•FLHQW FRRUGLQDWLRQ RI KXPDQ UHVRXUFHV LQIRUPDWLRQ ŒRZ DQG WHFKQRORJ\ 7KLV HQVXUHV KLJK GHYHORSPHQW H•FLHQF\ ZKLOH PHHWLQJ KLJK TXDOLW\ VWDQGDUGV DOLJQLQJ better with R&D management processes and responding to customer needs. During the reporting period, the Company continued implementing the “Ladder Plan,” focusing on IPD management improvements and process optimization to enhance the adaptability between project R&D management and business strategy across GLŠHUHQW SURGXFW FDWHJRULHV

The Company values the motivation and support of technical talent, implementing systems like the Innovation Reward Management System and Technical Innovation Management Guidelines. Various reward mechanisms, such as the Top Ten Technologists, Top Ten Management Award, Technical Innovation Award, and Patent Innovation Award, have been established to recognize innovative achievements and cultivate an innovation-driven culture.

◆ Key Performance Indicators

During the reporting period, the Company awarded

12 Top Ten Technologists	12 Top Ten Management Award	165 Technical Innovation Awards	22 Product Innovation Awards
12 ID Creative Awards	982 Intellectual Property Innovation Awards	RMB5.3381 million Amount of Innovation Incentives	

Elite R&D Team

The Company is committed to strengthening its reserves of cutting-edge technologies and continuously increasing investment in R&D resources. By focusing on frontier areas and attracting high-level technical talent, the Company is building a cross-institutional, cross-regional, and cross-national R&D layout and collaboration mechanism, based on the “1+5+5” strategic framework.

Xi’an R&D Center

Floor Area 133,374m²
Operational Since 2023

Wuxi R&D Center

Floor Area 110,000m²
Operational Since 2019

Shanghai R&D Center

Floor Area 26,000m²
Operational Since 2005

Shanghai Global Headquarters

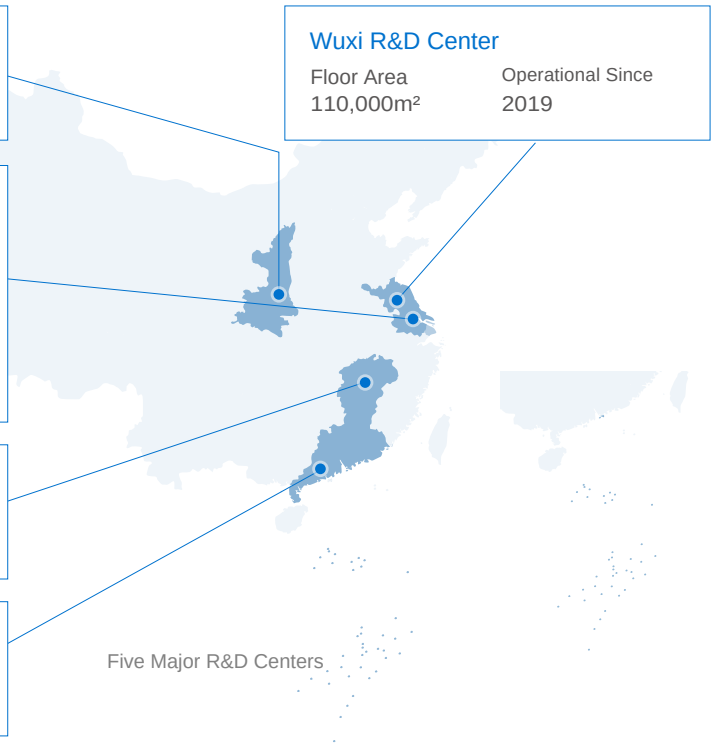
Floor Area 173,000m²
Operational Since 2024

Nanchang R&D Center

Floor Area 16,600m²
Operational Since 2020

Dongguan R&D Center

Floor Area 69,000m²
Operational Since 2018



Five Major R&D Centers

This map is for illustrative purposes only and does not represent the actual map.

X-LAB Innovation Center

Formed by a team of technical experts from the smart hardware industry, X-LAB is responsible for the research and development of innovative and applied technologies. It consists of four research areas: acoustics, optics, thermals, and radio frequency. The center is dedicated to continuously strengthening the Company’s technology reserves for commercialization while driving Huaqin to a leading position in cutting-edge technologies. During the reporting period, the Company invested RMB 89.5482 million in X-LAB, representing a year-on-year increase of 23%.

Huqin Software Center

Responsible for the pre-research of new products and technologies in the software and testing domains, the Software Center supports project human resource deployment, capability building, and manages the entire software lifecycle to ensure deliver. The company has 7 major labs, including hardware, environmental reliability, mechanical reliability, imaging, and power , and other specialized labs. The center is accredited by the China National Accreditation Service for Conformity $ V V H V V P H Q W & 1 $ 6

◆ Key Performance Indicators

During the reporting period ,

R&D Investment

RMB5.156 Billion

Leading Technology Development

Through years of continuous preliminary technology advancement and technological innovation, Huaqin Technology has developed a range of core competencies across hardware, software, and overall product design.

Software Design and R&D

- Expertise in circuit system design and cross-application capabilities, exceptional screen imaging and human-machine interaction sensor development, and design capabilities that balance functionality and performance to create an ultimate experience for customers.

Multi-Platform
Software Architecture Design
Camera Calibratio
Stability
Maintainability
Sensor calibration
• • •

Hardware Design and R&D

- Comprehensive software solution design, development, and system integration capabilities across multiple systems and platforms.

Multi-Platform
Low Power Consumption
5G
Global Operator & H U W L ‹ F D W L R Q V
Thermal Design
Optical Design
• • •

Complete Machine Structural Design

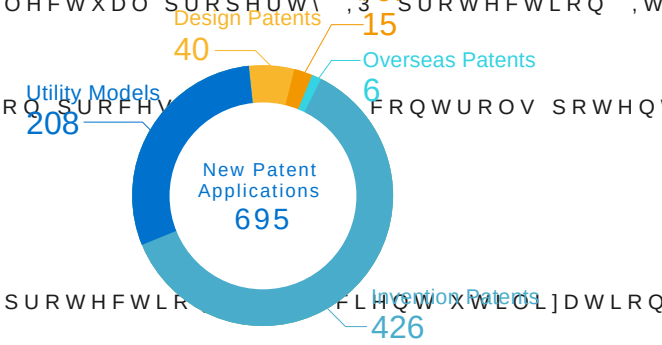
- Exceptional spatial design capabilities.
- Advanced materials and process development and application expertise.
- R&D capabilities for multi-category and multi-structure products.

Full Product Categories
5ATM & IP68 Ratin
Lightweight and Thin Models
Narrow Bezel Design
Gap and Step Control
New Material Development
• • •

Intellectual Property Protection

7KH &RPSDQ\ SODFHV JUHDW LPSRUWDQFH RQ LQGHSHQGHQW LQQRYDWLRQ DQG LQWHOOHFWXDO SURSHUW\ ,3 SURWHFWLRQ ,W is committed to establishing and improving its intellectual property management system, formulating and implementing intellectual property management system and IP risk management guidelines, and other relevant policies. The Company has established a dedicated intellectual property team and a panel of patent review experts to oversee the entire process from R&D, application, evaluation, and review to incentive mechanisms. The &RPSDQ\ VWULFWO\ DGKHUHV WR VFLHQWL‹F HWKLFV VWDQGDUGL]HV WKH DSSOLFDWLRQ SURFHVV PDLQWDLQV FORQWURO SRWHQWLDO risks, and continuously optimizes the full lifecycle management and quality of patents.

We require suppliers to sign an Intellectual Property Commitment Letter, ensuring that any materials, products, or technologies they directly or indirectly provide to the Company do not infringe upon the legal rights of any third party, domestically or internationally. During the reporting period, we further improved our intellectual property incentive mechanism by awarding employees on a quarterly basis for successful IP ‹OLQJV DLPLQJ WR VWLPXODWH LQQRYDWLRQ DQG VWUHQJWKHQ WKH FRPSUHKHQVLYH SURWHFWLR FLHQW XWLOL]DWLRQ across the Company.



Key Performance Indicators

During the reporting period,

The Company was recognized as a National Intellectual Property Demonstration Enterprise.

20
engineers were honored as “Mingzhu Engineers” in Pudong New Area , Shanghai

26
intellectual property training sessions were held

720
over covering participants

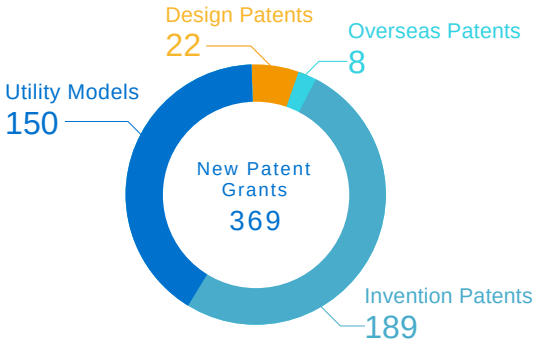
As of the end of the reporting period,

5,950
The Company held a total of 5,950 granted intellectual property rights

1,798
software copyrights were authorized

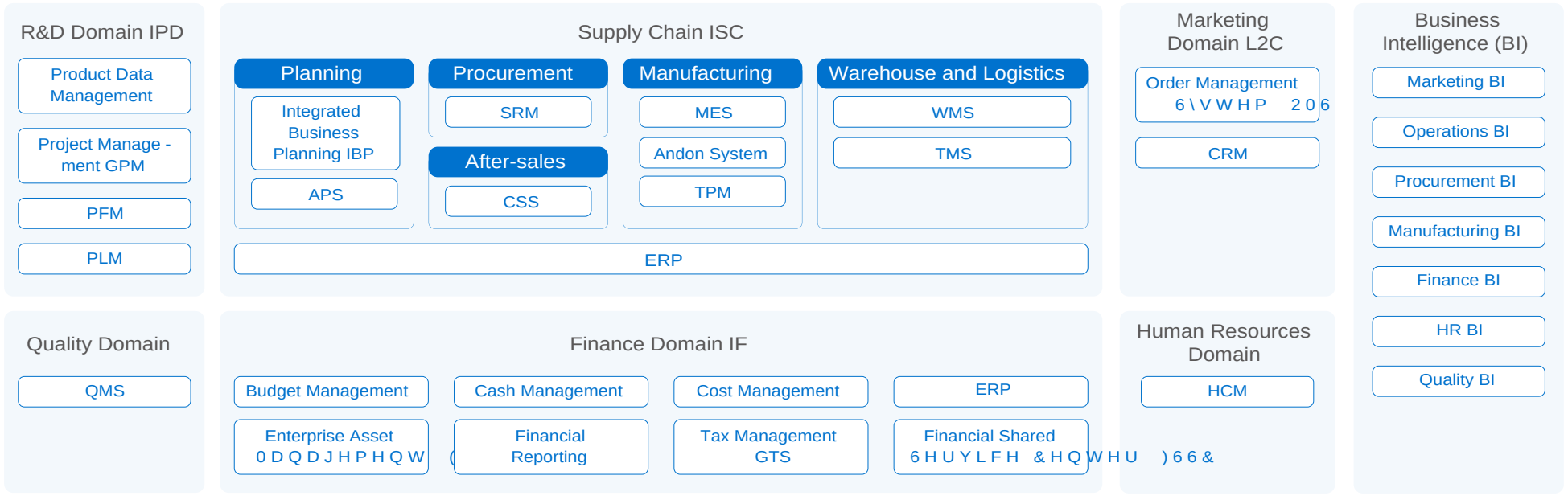
1,330
alid invention patents were granted

32
overseas patents were authorized

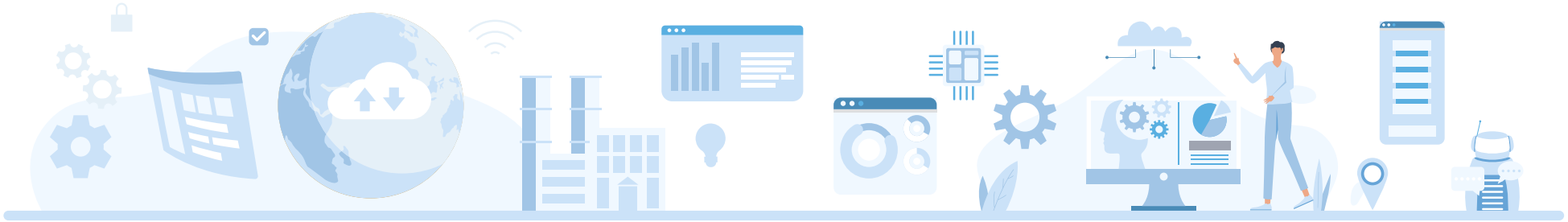


Intelligent Digital Transformation

7KH &RPSDQ\ KDV HVWDEOLVKHG D 'LJLWDOL]DWLRQ &RPPLWWHH %\ LQWHJUDWLQJ SURFHVVHV DQG GLJLWDO V\VWHPV EDVHG R
SODWIRUP WR LPSURYH RSHUDWLRQDO WUDQVSDUHQF\ HQKDQFH ZRUNIRUFH H•FLHQF\ UHGXFH FRVWV DQG LQFUHDVH HPSOR\HH
WLRQV 5 ' VXSSO\ FKDLQ PDUNHWLQJ TXDOLW\ ‹QDQFH DQG KXPDQ UHVRXUFHV ,W SURYLGHV GHHS VXSSRUW DFURVV DOO EX



Huaqin Digital Systems Landscape



Customer Relationships and Service

At HuaQin Technology, customer success is our primary mission. With core capabilities and reliable quality, we provide end-to-end services from product development to operational manufacturing for global technology brand clients.

The Company has established systems such as the Customer Satisfaction Management Process and Responsible Marketing Policy to create a comprehensive customer service system. We are committed to opposing any form of unfair competition and false advertis - LQJ HŠHFWLYHO\ VDIHJXDUG FXVWRPHU ULJKWV DQG KROL UL- ence. We operate both internal oversight and third-party evaluation mechanisms, committed to collecting customer information only through legal channels and with explicit customer authorization. This information is used solely to provide and improve services. Additionally, we regularly review the compliance of customer service and marketing activities. During the reporting period, the Company did not experience any incidents of false advertising, unfair competition, or privacy information leakage.

Customer Satisfaction

The Company places great emphasis on building a Company-wide quality culture. This is achieved through a series of initiatives, including quality training, setting up quality red and black lists, the organization of Quality Month events, and the selection and recognition of quality awards. These HŠRUWV HQFRXUDJH IXOO HPSOR\HH SDUWLFLSDWLRQ LQ TXDOLW\ culture is deeply embedded within the organization.

Key Performance Indicators

During the reporting period

100%
The customer complaint resolution rate was

7.771
The customer satisfaction score was[1]

75%
The survey coverage was

Pre-Sales

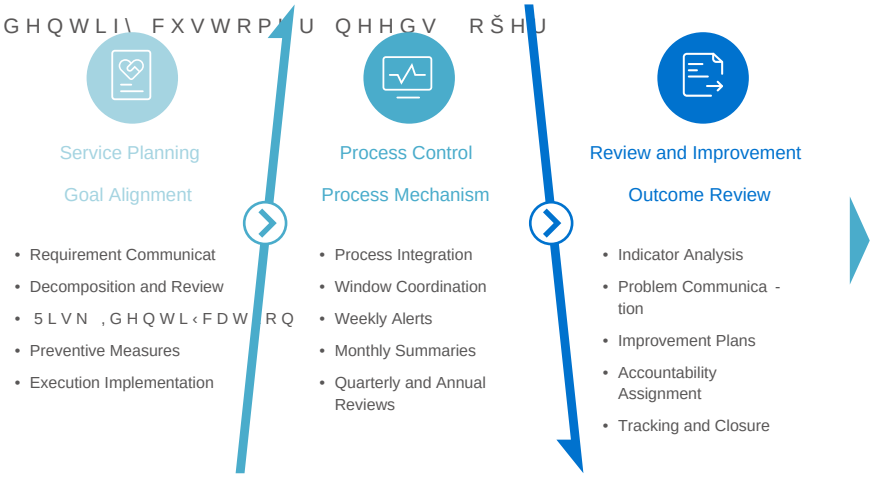
:H FRQGXFW VDWLVIDFWLRQ VXUYH\V WR DFFXUDWHO\ LGHQWLI\ FXVWRPHU QHHGV RŠHU customized solutions, and develop cross-departmental customer service strategy.

Sales

We establish project QBR objectives and break them down for implementation. By managing projects through QBR, we address process-related issues, ensuring high-quality and timely delivery.

After-Sales

We enhance service system infrastructure, strengthen customer complaint management with tracking and feedback mechanisms, and resolve issues quickly, In cases of product quality issues, we follow the product recall process to protect customer rights.



[1]The customer satisfaction evaluation has a maximum score of 10 points.

Social Performance	Indicator	Unit	2024	2023	2022
	3UHYHQWLRQ RI &KLOG /DERU				
	1XPEHU RI &KLOG /DERU ,QFLGHQWV	QXPEHU RI LQFLGHQWV			
	3UHYHQWLRQ RI)RUFHG /DERU				
	1XPEHU RI)RUFHG /DERU ,QFLGHQWV	QXPEHU RI LQFLGHQWV			
	$QWL 'LVFULPLQDWLRQ DQG +DUDVVPHQW				
	1XPEHU RI 'LVFULPLQDWLRQ D ,QFLGHQWV				
	1XPEHU RI 'LVFULPLQDWLRQ D ,QFLGHQWV 5HVROYHG				
	5HVROXWLRQ 5DWH RI 'LVFULP +DUDVVPHQW ,QFLGHQWV				
(PSOR\HH 5LJKWV 3URWHFWLRQ	)UHHGRP RI $VVRFLDWLRQ				
	7UDGH 8QLRQ &RYHUDJH 5DWH	%			
	7UDGH 8QLRQ 0HPEHUVKLS &R	%			
	&ROOHFWLYH %DUJDLQLQJ 5LJKWV				
	&ROOHFWLYH $JUHHPHQW &RYHUDJH 5DWH	%			
	/HJDO (PSOR\PHQW				
	1XPEHU RI ,OOHJDO (PSOR\PHQW ,QFLGHQWV	QXPEHU RI LQFLGHQWV			
	/DERU &RQWUDFW 6LJQLQJ 5DWH	%			
	(PSOR\HH %HQH‹WV				
	6RFLDO ,QVXUDQFH &RYHUDJH 5DWH	%			
	(PSOR\HH %HQH‹WV &RYHUDJH 5DWH	%			

Social Performance	Indicator	Unit	2024	2023	2022
(PSOR\HH 5LJKWV 3URWHFWLRQ	(PSOR\HH (QJDJHPHQW DQG 6DWLVIDFWLRQ				
	(PSOR\HH 6DWLVIDFWLRQ 5DWH	%			
2FFXSDWLRQDO +HDOWK DQG 6DIHW\	7RWDO :RUNLQJ +RXUV	0LOOLRQ +RXUV			
	&RYHUDJH 5DWH RI 3HUVRQQHO ZLWK :RUN ,QMXU\ ,QVXUDQFH DQG 6DIHW\ 3URGXFWLRQ /LDELOLW\ ,QVXUDQFH	%			
	(PSOR\HH +HDOWK &KHFN XS 5DWH	%			
	2FFXSDWLRQDO 'LVHDVH 3UHYHQWLRQ DQG &RQWURO				
	3DVV 5DWH RI 2FFXSDWLRQDO +HDOWK &KHFN XSV IRU (PSOR\HHV LQ +D]DUGRXV :RUN 3RVLWLRQV				
	5HFRUG‹FDWLRQ 5DWH RI 2FFXSDWLRQDO 'LVHDVH 5LVN 3RLQWV	%			
	&RQFLGHQFH 5DWH RI 2FFXSDWLRQDO 'LVHDVHV DPRQJ (PSOR\HHV	%			
	&RPSOLDQFH 5DWH RI +D]DUGRXV :RUN (QYLURQPHQWV $VVHVVHG E\ ([WHUQDO 7KLUG 3DUWLHV	%			
	(PSOR\HH :RUN 5HODWHG ,QMXULHV DQG)DWDOLWLHV				
	1XPEHU RI :RUN 5HODWHG ,QMXULHV	1XPEHU RI (PSOR\HHV			
	)DWDOLW\ 5DWH	%			
	1XPEHU RI :RUN 'D\V /RVW 'XH WR :RUN 5HODWHG ,QMXULHV	'D\V			
	1XPEHU RI (PSOR\HH)DWDOLWLHV 'XH WR :RUN 5HODWHG $FFLGHQWV	3HUVRQV			
	&RQWUDFWRU +HDOWK DQG 6DIHW\				
	1XPEHU RI &RQWUDFWRU)DWDOLWLHV 'XH WR :RUN 5HODWHG $FFLGHQWV	3HUVRQV			

Social Performance	Indicator	Unit	2024	2023	2022
	&RQWUDFWRU :RUN 5HODWHG ,QMXU\ )UHTXHQF\ ZLWK /RVW :RUNGD\V				
	6DIHW\ 5LVN $VVHVVPHQW				
2FFXSDWLRQDO +HDOWK DQG 6DIHW\	1XPEHU RI +D]DUG ,GHQWL‹FDWLRQ DQG 5HFWL‹FDWLRQ	,WHPV			
	&ORVHG /RRS 5DWH RI +D]DUG ,GHQWL‹FDWLRQ 6DIHW\ 1HFWL‹FDWLRQ	%			
	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ 7UDLQLQJ				
	$YHUDJH +RXUV RI 6DIHW\ 7UDLQLQJ 3HU (PSOR\HH	+RXUV SHU (PSOR\HH			
	1XPEHU RI)LUH 'ULOOV	6HVVLRQV			
	1XPEHU RI 3DUWLFLSDQWV LQ)LUH 'ULOOV	3DUWLFLSDQWV			
(PSOR\HH WUDLQLQJ DQG GHYHORSPHQW	(PSOR\HH WUDLQLQJ DQG GHYHORSPHQW				
	(PSOR\HH 7UDLQLQJ DQG (PSRZHUPHQW ,QYHVWPHQW	50% 7HQ 7KRXVDQG			
	1XPEHU RI (PSOR\HHV 6XSSRUWHG IRU (GXFDWLRQ DQG 4XDOL‹FDWLRQ	3HUVRQV			
	7RWDO (PSOR\HH 7UDLQLQJ +RXUV	+RXUV			
	$YHUDJH 7UDLQLQJ +RXUV SHU (PSOR\HH	+RXUV SHU 3HUVRQ			
&RPPXQLW\ 5HVSRQVLELOLW\	&RPPXQLW\ ,QYHVWPHQW				
	7RWDO &RPPXQLW\ ,QYHVWPHQW 6SHQW RQ 7HQ 7KRXVDQG	5HYHQXH 7KRXVDQG			
	1XPEHU RI &RPSDQ\ 9ROXQWHHU 3HUVRQ	3HUVRQ			
	$YHUDJH 9ROXQWHHU +RXUV SHU (PSOR\HH	+RXUV SHU 3HUVRQ			
	5XUDO 5HYLWDOL]DWLRQ				
	5XUDO 5HYLWDOL]DWLRQ ,QYHVWPHQW 7HQ 7KRXVDQG	5HYHQXH 7KRXVDQG			

Social Performance	Indicator	Unit	2024	2023	2022
&RPPXQLW\ 5HVSRQVLELOLW\	1XPEHU RI 3HRSOH %HQH‹WHG E\ 5XUDO 5HVLGHQWLDO	3HUVRQV			
	,QQRYDWLRQ DQG 5 ' 0DQDJHPHQW				
	5 ' ,QYHVWPHQW	50% 7HQ 7KRXVDQG			
	5 ' ,QYHVWPHQW $PRXQW DQG 3HUFHQWDJH RI 0DLQ %XVLQHVV 5HYHQXH	%			
	1XPEHU RI 5 ' 3HUVRQQHO	3HUVRQV			
	3HUFHQWDJH RI 5 ' 3HUVRQQHO LQ 7RWDO (PSOR\HHV	%			
	1XPEHU RI ,QYHQWLRQ 3DWHQWV $SSOLHG WR 0DLQ %XVLQHVV	,WHPV			
,QQRYDWLRQ DQG 5 '	3DWHQW 3HUIRUPDQFH				
	1XPEHU RI 3DWHQW $SSOLFDWLRQV LQ WKH <HDU	,WHPV			
	1XPEHU RI 3DWHQW *UDQWV LQ WKH <HDU	,WHPV			
	1XPEHU RI 9DOLG 3DWHQWV	,WHPV			
	,QYHQWLRQ 3DWHQW 3HUIRUPDQFH				
	1XPEHU RI ,QYHQWLRQ 3DWHQW $SSOLFDWLRQV LQ WKH <HDU	,WHPV			
	1XPEHU RI ,QYHQWLRQ 3DWHQW *UDQWV LQ WKH <HDU	,WHPV			
	1XPEHU RI 9DOLG ,QYHQWLRQ 3DWHQWV $XWKRUL]DWLRQ	,WHPV			
&XVWRPHU 5HODWLRQVKLS	$IWHU VDOHV 6HUYLFH				
	&XVWRPHU &RPSODLQW 5DWH	%			
	&XVWRPHU &RPSODLQW 5HVROXWLRQ 5DWH	%			

Social Performance	Indicator	Unit	2024	2023	2022
&XVWRPHU 5HODWLRQVKLS	&XVWRPHU 6DWLVIDFWLRQ 6FRUH	3RLQWV			
	6XSSOLHU 1XPEHUV				
	'RPHVWLF 6XSSOLHUV	,WHPV			
	2YHUVHDV 6XSSOLHUV	,WHPV			
	6XSSOLHUV ,QYROYLQJ 5HVSRQVLEOH 0LQHUDOV 7XQJVWHQ 7LQ 7DQWDOXP *ROG HWF	WHPV			
	7RWDO 1XPEHU RI 7LHU 6XSSOLHUV	,WHPV			
	6XSSOLHU $VVHVVPHQW				
	1XPEHU RI 6XSSOLHUV ZLWK $FWXDO DQG 3RWHQWLDO 6LJQL‹FDQW 1HJDWLYH (QYLURQPHQWDO DQG 6RFLDO ,PSDFWV	,WHPV			
	1XPEHU RI 6XSSOLHUV 7HUPLQDWHG 'XH WR 6LJQL‹FDQW $FWXDO 3RWHQWLDO 1HJDWLYH ,PSDFWV	WHPV			
6XSSOLHU 0DQDJHPHQW	3HUFHQWDJH RI 6XSSOLHUV ZLWK 6LJQHG &RQWUDFWV ,QFOXGLQJ (QYLURQPHQWDO DQG /DERU 5HTXLUHPHQWV	%			
	6XSSOLHU &DSDFLW\ %XLOGLQJ				
	7RWDO 1XPEHU RI 6XSSOLHUV 3DUWLFLSDWLQJ LQ &DSDFLW\ %XLOGLQJ 3URMHFWV'	WHPV			
	3HUFHQWDJH RI %X\HUV 7UDLQHG LQ 6XVWDLQDEOH 3URFXUHPHQW	%			
	&RYHUDJH 5DWH RI 6XSSOLHUV ZLWK 6RFLDO 5HVSRQVLELOLW\ &ODXVHV	%			
	6XSSOLHU $XGLWV				
	1XPEHU RI 6XSSOLHUV 8QGHUJRLQJ 6RFLDO DQG (QYLURQPHQWDO ,PSDFW $VVHVVPHQWV	WHPV			
	1XPEHU RI .H\ 7LHU 6XSSOLHU $XGLWV	WHPV			
	&RQWURYHUVLDO 3URFXUHPHQW				

Social Performance	Indicator	Unit	2024	2023	2022
6XSSOLHU 0DQDJHPHQW	3HUFHQWDJH RI 3URGXFWV ZLWK ([WHUQDO &HUWL‹HG 6WDQGDUGV $SSOLHG	%			
	3HUFHQWDJH RI 3URGXFWV ZLWK 7UDFHDEOH 5DZ 0DWHULDO 6RXUFHV	%			

Governance Performance	Indicator	Unit	2024
&XVWRPHU 5HODWLRQVKLS	%XVLQHVV (WKLFV &DSDFLW\ %XLOGLQJ		
	1XPEHU RI 'LUHFWRUV 3DUWLFLSDWLQJ LQ %XVLQHVV (WKLFV 7UDLQLQJ		
	1XPEHU RI 0DQDJHPHQW 3HUVRQQHO 3DUWLFLSDWLQJ LQ %XVLQHVV (WKLFV 7UDLQLQJ		
	1XPEHU RI (PSOR\HHV 3DUWLFLSDWLQJ LQ %XVLQHVV (WKLFV 7UDLQLQJ		
	%XVLQHVV (WKLFV 7UDLQLQJ &RYHUDJH 5DWH ,QFOXGLQJ 6XSSOLHUV DQG 3DUW WLPH (PSOR\HHV		
	1XPEHU RI 6XSSOLHUV 5HDFKHG E\ %XVLQHVV (WKLFV 7UDLQLQJ		

Governance Performance	Indicator	Unit	2024	2023	2022
,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ 3URWHFWLRQ	,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ 3URWHFWLRQ 7UDLQLQJ				
	1XPEHU RI 3DUWLFLSDQWV LQ ,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ 3URWHFWLRQ 7UDLQLQJ	3HUVRQV			
	3DUWLFLSDWLRQ 5DWH LQ ,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ 3URWHFWLRQ 7UDLQLQJ	%			
	+DQGOLQJ RI ,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ %UHDFK ,QFLGHQWV				
	1XPEHU RI ,QIRUPDWLRQ 6HFXULW\ ,QFLGHQWV	,QFLGHQWV			
	1XPEHU RI &XVWRPHU 3ULYDF\ %UHDFK ,QFLGHQWV	,QFLGHQWV			
	+DQGOLQJ RI ,QIRUPDWLRQ 'DWD 6HFXULW\ DQG 3ULYDF\ %UHDFK ,QFLGHQWV				
	)UHTXHQF\ RI ,QIRUPDWLRQ 6HFXULW\ 6\VWHP $XGLWV	7LPHV			
	6XSSOLHU &RYHUDJH 5DWH RI ,QIRUPDWLRQ 6HFXULW\ 6\VWHP $XGLWV	%			

Index of Indicators

GRI content index

Statement of use	+XDTLQ 7HFKQRORJ\ KDV SUHSDUHG WKLV UHSRUW ZLWK UHIHUHQFH WR WKH *OREDO 5HSRUWLQJ -DQXDU\ WR 'HFHPEHU
GRI used	*5,)RXQGDWLRQ

Topic Standards	Disclosure	Location
*5, *HQHUDO 'LVFORVXUHV	2UJDQL]DWLRQDO GHWDLOV	&RPSDQ\ 2YHUYLHZ
	(QWLWLHV LQFOXGHG LQ WKH RUJDQL]DWLRQ V VXVWDLQDELOLW\ UHSRUWLQJ	$ERXW 7KLV 5HSRUW
	5HSRUWLQJ SHULRG IUHTXHQF\ DQG FRQWDFW SRLQW	$ERXW 7KLV 5HSRUW
	5HVWDWHPHQWV RI LQIRUPDWLRQ	0DWHULDOLW\ $QDO\VLV .H\ 3HUIRUPDQFH 7DEOH
	([WHUQDO DVVXUDQFH	,QGHSHQGHQW $VVXUDQFH 5HSRUW
	$FWLYLWLHV YDOXH FKDLQ DQG RWKHU EXVLQHVV UHODWLRQVKLSV	&RPSDQ\ 2YHUYLHZ
	(PSOR\HHV	,QFOXVLYH :RUNSODFH &XOWXUH
	:RUNHUV ZKR DUH QRW HPSOR\HHV	,QFOXVLYH :RUNSODFH &XOWXUH
	*RYHUQDQFH VWUXFWXUH DQG FRPSRVLWLRQ	*RYHUQDQFH VWUXFWXUH
	1RPLQDWLRQ DQG VHOHFWLRQ RI WKH KLJKHVW JRYHUQDQFH ERG\	1RPLQDWLRQ DQG (OHFWLRQ
	&KDLU RI WKH KLJKHVW JRYHUQDQFH ERG\	&KDLU RI WKH KLJKHVW JRYHUQDQFH ERG\

Topic Standards	Disclosure	Location
	5ROH RI WKH KLJKHVW JRYHUQDQFH ERG\ LQ RYHUVHHLQJ WKH PDQDJHPHQW RI LPSDFWV	*RYHUQDQFH VWUXFWXUH
	'HOHJDWLRQ RI UHVSRQVLELOLW\ IRU PDQDJLQJ LPSDFWV	*RYHUQDQFH VWUXFWXUH
	5ROH RI WKH KLJKHVW JRYHUQDQFH ERG\ LQ VXVWDLQDELOLW\ UHSRUWLQJ	*RYHUQDQFH VWUXFWXUH
	&RQIOLFWV RI LQWHUHVW	&RQIOLFW RI ,QWHUHVW
	&RPPXQLFDWLRQ RI FULWLFDO FRQFHUQV	6WDNHKROGHU (QJDJHPHQW
	&ROOHFWLYH NQRZOHGJH RI %RDUG *RYHUQDQFH 3UDFWLFHV	%RDUG *RYHUQDQFH 3UDFWLFHV
	(YDOXDWLRQ RI WKH SHUIRUPDQFH RI WKH KLJKHVW JRYHUQDQFH ERG\	(YDOXDWLRQ RI WKH KLJKHVW JRYHUQDQFH ERG\
	5HPXQHUDWLRQ SROLFLHV	([HFXWLYH &RPSHQVDWLRQ 0DQDJHPHQW &RPSHQVDWLRQ DQG ,QFHQWLYH
	3URFHVV WR GHWHUPLQH UHPXQHUDWLRQ	([HFXWLYH &RPSHQVDWLRQ 0DQDJHPHQW &RPSHQVDWLRQ DQG ,QFHQWLYH
	$QQXDO WRWDO FRPSHQVDWLRQ UDWLR	([HFXWLYH &RPSHQVDWLRQ 0DQDJHPHQW

Topic Standards	Disclosure	Location
*5, *HQHUDO 'LVFORVXUHV	6WDWHPHQW RQ VXVWDLQDEOH GHYHORSPHQW VWUDWHJ\	&KDLUPDQ
	3ROLF\ FRPPLWPHQWV	(6* 6WUDWHJLF *XLGHOLQHV
	(PEHGGLQJ SROLF\ FRPPLWPHQWV	(6* 6WUDWHJLF *XLGHOLQHV
	3URFHVVHV WR UHPHGLDWH &RQVXOWDWLRQ &RPSODLQWV 5HVSRQVH DQG &ORVXUH	&RPSOLDQFH :KLVWOHEORZHU 3URWHFWLRQ &RPSODLQW &XVWRPHU &RPSODLQW 5HVSRQVH DQG &ORVXUH
	0HFKDQLVPV IRU VHHNLQJ DGYLFH RQ GHDOLQJ (QJDJHPHQW	*RYHUQDQFH (QJDJHPHQW
	&RPSOLDQFH ZLWK ODZV DQG UHJXODWLRQV 1R 9LRODWLRQV RU 1RQ&RPSOLDQFH $FWLYLWLHV E\ WKH &RPSDQ\	&RPSOLDQFH &RPSOLDQFH &RPSOLDQFH

Topic Standards	Disclosure	Location
*5, 0DWHULDO PDWHULDOV	5HFODLPHG SURGXFWV DQG ZDVWH PDWHULDOV	'HVLJQ
*5, (QHUJ\	(QHUJ\ FRQVXPSWLRQ ZLWKLQ WKH RUJDQL]DWLRQ	3HUIRUPDQFH 7DEOH
	(QHUJ\ LQWHQVLW\	.H\ 3HUIRUPDQFH 7DEOH
	5HGXFWLRQ RI HQHUJ\ FRQVXPSWLRQ	(QYLURQPHQWDO 3HUIRUPDQFH
	5HGXFWLRQV LQ HQHUJ\ UHTXLUHPHQWV RI SURGXFWV DQG VHUYLFHV	'HVLJQ 3URGXFWV
*5, :DWHU DQG (ŽXHQWV	,QWHQVLW\ ZLWK ZDWHU GLVFKDUJH UHVRXUFH	0DQDJH PHQW
	0DQDJHPHQW RI ZDWHU GLVFKDUJH LPSDFWV	6XSSOLHUHQYLURQPHQWDO (QYLURQPHQWDO $VVHVV PHQW
	:DWHU ZLWKGUDZDO	.H\ 3HUIRUPDQFH 7DEOH
	:DWHU GLVFKDUJH	.H\ 3HUIRUPDQFH 7DEOH
	:DWHU FRQVXPSWLRQ	.H\ 3HUIRUPDQFH 7DEOH
*5, %LRGLYHUVLW\	6LJQL‹FDQW LPSDFWV RI DFWLYLWLHV SURGXFWV DQG VHUYLFHV RQ ELRGLYHUVLW\	%LRGLYHUVLW\ &RQVHUYDWLRQ
	+DELWDWV SURWHFWHG RU %LRGLYHUVLW\ &RQVHUYDWLRQ 3DUWQHUVKLSV	(PSOR\HH :HOIDUH DQG &DUH
*5, (PLVVLRQV	'LUHFW 6FRSH *+* HPLVVLRQV	QGLFDWRUV DQG 3URJUHVV
	(QHUJ\ LQGLUHFW 6FRSH ,*+* HPLVVLRQV	QGLFDWRUV DQG 3URJUHVV
	2WKHU LQGLUHFW 6FRSH ,*+* HPLVVLRQV	QGLFDWRUV DQG 3URJUHVV
	+ HPLVVLRQV LQWHQVLW\	.H\ 3HUIRUPDQFH 7DEOH
	5HGXFWLRQ RI *+* HPLVVLRQV	.H\ 3HUIRUPDQFH 7DEOH

Topic Standards	Disclosure	Location
*5, (PLVVLRQV	1LWURJHQ R[LGHV 12 R[LGHV 62 DQG RWKHU VLJQL‹FDQW DLU HPLVVLRQV	.H\ 3HUIRUPDQFH 7DEOH
	:DVWH JHQHUDWLRQ DQG VLJQL‹FDQW ZDVWH UHODWHG LPSDFWV	:DVWH 0DQDJHPHQW
	0DQDJHPHQW RI VLJQL‹FDQW ZDVWH UHODWHG LPSDFWV	:DVWH 0DQDJHPHQW
*5, :DVWH	:DVWH JHQHUDWHG	.H\ 3HUIRUPDQFH 7DEOH
	:DVWH GLYHUWHG IURP GLVSRVDO	.H\ 3HUIRUPDQFH 7DEOH
	:DVWH GLUHFWHG WR GLVSRVDO	.H\ 3HUIRUPDQFH 7DEOH
*5, (QYLURQPHQWDO $VVHVV PHQW	1HZ VXSSOLHUV WKDW ZHUH VFUHHQHG XVLQJ HYHORSPHQW $FFHVV	
	1HJDWLYH HQYLURQPHQWDO LPSDFWV LQ WKH VXSSO\ FKDLQ DQG DFWLRQV WDNHQ	
	1HZ HPSOR\HH KLUHV DQG HPSOR\HH WXUQRYHU	)DLU (PSOR\PHQW
*5, (PSOR\HH :HOIDUH DQG &DUH	%HQH‹WV SURYLGHG WR IXOO WLPH HPSOR\HHV WKDW DUH QRW SURYLGHG WR WHPSRUDU\ RU SDUW WLPH HPSOR\HHV	
	(PSOR\HH :HOIDUH DQG &DUH	
*5, /DERU 0DQDJHPHQW 5HODWLRQV	0LQLPXP QRWLFH SHULRGV UHJDUGLQJ RSHUDWLRQDO FKDQJHV	(PSOR\HH 5LJKWV
*5, PHQW V\VWHP	2FFXSDWLRQDO KHDOWK DQG 6DIHW\ 0DQDJHPHQW V\VWHP	6DIHW\ 3URGXFWLRQ 2FFXSDWLRQDO +HDOWK 0DQDJHPHQW
*5, 6DIHW\ DQG LQFLGHQW	+D]DUG LGHQWL‹FDWLRQ ULVN DVVHVVPHQW DQG LQFLGHQW LQYHVWLJDWLRQ	6DIHW\ +D]DUG 3UHYHQ

Topic Standards	Disclosure	Location
*5, 2FFXSDWLRQDO +HDOWK DQG 6DIHW\	2FFXSDWLRQDO KHDOWK VHUYLFHV	2FFXSDWLRQDO 'LVHDVH 3UHYHQWLRQ DQG &RQWURO
	:RUNHU SDUWLFLSDWLRQ FRQVXOWDWLRQ DQG FRPPXQLFDWLRQ RQ RFFXSDWLRQDO KHDOWK DQG VDIHW\	&RQVXOWDWLRQ DQG &RPPXQLFDWLRQ RQ 2FFXSDWLRQDO +HDOWK DQG 6DIHW\
	:RUNHU WUDLQLQJ RQ RFFXSDWLRQDO KHDOWK DQG VDIHW\	6DIHW\ &XOWXUH DQG %XLOGLQJ
	3URPRWLRQ RI ZRUNHU KHDOWK	(PSOR\HH :HOIDUH DQG &DUH :RUN ,QMXU\ 0DQDJHPHQW
	3UHYHQWLRQ DQG PLWLJDWLRQ RI RFFXSDWLRQDO KHDOWK DQG VDIHW\ LPSDFWV GLUHFWO\ OLQNHG E\ EXVLQHVV UHODWLRQVKLSV	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ 0DQDJHPHQW
	:RUNHUV FRYHUHG E\ DQ RFFXSDWLRQDO KHDOWK DQG VDIHW\ PDQDJHPHQW V\VWHP	2FFXSDWLRQDO +HDOWK DQG 6DIHW\ 0DQDJHPHQW
	:RUN UHODWHG LQMXULHV	:RUN ,QMXU\ 0DQDJHPHQW .H\ 3HUIRUPDQFH 7DEOH
	:RUN UHODWHG LOO KHDOWK	2FFXSDWLRQDO +HDOWK DQG :HOOEHLQJ .H\ 3HUIRUPDQFH 7DEOH
*5, 7UDLQLQJ DQG (GXFDWLRQ	$YHUDJH KRXUV RI WUDLQLQJ SURYLGHG SHU HPSOR\HH	3HUIRUPDQFH &RPPHQWDU\ DQG $QDO\VLV
	3URJUDPV IRU XSJUDGLQJ HPSOR\HH VNLOOV DQG WUDQVLWLRQ DVVLVWDQFH SURJUDPV	3HUIRUPDQFH &RPPHQWDU\ DQG $QDO\VLV 7UDLQLQJ DQG (GXFDWLRQ
	3HUFHQWDJH RI HPSOR\HHV (PSOR\HH 5HWHQWLRQ DQG &DUHHU 'HYHORSPHQW SHUIRUPDQFH DQG FDUHHU GHYHORSPHQW UHYLHZV	&RQWURO +HDOWK DQG 6DIHW\
*5, 'LYHUVLW\ DQG (TXDO 2SSRUWXQLW\	'LYHUVLW\ RI JRYHUQDQFH ERGLHV DQG HPSOR\HHV	&RQWURO :DWHU DQG (IIOXHQW &XOWXUH
	5DWLR RI EDVLF VDODU\ DQG UHPXQHUDWLRQ ZRPHQ WR PHQ	(PSOR\HH 5LJKWV 0DUNHWLQJ DQG /DEHOLQJ
*5, 1RQ GLVFULPLQDWLRQ	,QFLGHQWV RI GLVFULPLQDWLRQ DQG FRUUHFWLYH DFWLRQV WDNHQ	&RQWURO :DWHU DQG (IIOXHQW &XOWXUH

Topic Standards	Disclosure	Location
*5,)UHHGRP RI $VVRFLDWLRQ DQG &ROOHFWLYH %DUJDLQLQJ	2SHUDWLRQV DQG VXSSOLHUV LQ ZKLFK WKH RUJDQL]DWLRQ LGHQWLILHV D VLJQLILFDQW ULVN WR IUHHGRP RI DVVRFLDWLRQ DQG FROOHFWLYH EDUJDLQLQJ PD\ EH DW ULVN	(QYLURQPHQWDO &RPSOLDQFH
*5, &KLOG /DERU	2SHUDWLRQV DQG VXSSOLHUV DW VLJQLÀFDQW ULVN IRU LQFLGHQWV RI FKLOG ODERU	(PSOR\HH 5LJKWV
*5,)RUFHG RU &RPSXOVRU\ /DERU	2SHUDWLRQV DQG VXSSOLHUV DW VLJQLÀFDQW ULVN IRU LQFLGHQWV RI FKLOG ODERU	(PSOR\HH 5LJKWV
*5, /RFDO &RPPXQLWLHV	2SHUDWLRQV ZLWK ORFDO FRPPXQLW\ HQJDJHPHQW LPSDFW DVVHVVPHQWV DQG GHYHORSPHQW SURJUDPV	&RPPXQLW\ &RQWULEXWLRQV DQG 5HVSRQVLEOH &RPPXQLFDWLRQ
	2SHUDWLRQV ZLWK VLJQLÀFDQW DFWXDO DQG SRWHQWLDO QHJDWLYH LPSDFWV RQ ORFDO FRPPXQLWLHV	
*5, 6XSSOLHU 6RFLDO $VVHVVPHQW	1HZ VXSSOLHUV WKDW ZHUH VFUHHQHG XVLQJ VRFLDO FULWHULD	HYHORSPHQW $FWLYLWLHV
	1HJDWLYH VRFLDO LPSDFWV LGHQWLILHG LQ WKH VXSSOLHU SKDLQ DQG DFWLRQV WDNHQ	,PSURYHPHQW
*5, 3XEOLF 3ROLF\	3ROLWLFDO FRQWULEXWLRQV	3URV
	$VVHVVPHQW RI WKH KHDOWK DQG VDIHW\ EHQHÀWV DQG LPSDFWV RI SURGXFW DQG VHUYLFH FDWHJRULHV	&RQWURO &RQWURO &RQWURO

- Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 14 — Sustainability Report (Trial)

Dimension	Topic	Location
(QYLURQPHQW	&OLPDWH FKDQJH WDFNOLQJ	(QHUJ\ VDYLQJ 7UDQVIRUPDWLRQ &OLPDWH &KDQJH 5HVSRQVH &OLPDWH 5LVN 0DQDJHPHQW ,QGLFDWRUV DQG 7DUJHW 3URJUHVV &OHDQ 7HFKQRORJ\ (FR 3URGXFW 'HVLJQ
	3ROOXWDQW GLVFKDUJH	3ROOXWDQW 3UHYHQWLRQ DQG Control
	:DVWH GLVSRVDO	:DVWH 0DQDJHPHQW
	(FRV\VWHP DQG ELRGLYHUVLW\	%LRGLYHUVLW\ &RQVHUYDWLRQ
	(QYLURQPHQWDO FRPSOLDQFH PDQDJHPHQW	*UHHQ DQG /RZ &DUERQ 6XPPDU\
	(QHUJ\ XVDJH	(QHUJ\ 0DQDJHPHQW
	8VDJH RI ZDWHU UHVRXUFHV	:DWHU 5HVRXUFH 0DQDJHPHQW
	&LUFXODU HFRQRP\	(FR 3URGXFW 'HVLJQ
6RFLHW\	5XUDO UHYLWDOL]DWLRQ	&RPPXQLW\ &RPPXQLFDWLRQ DQG 5HVSRQVLELOLW\
	&RQWULEXWLRQV WR WKH VRFLHW\	&RPPXQLW\ &RPPXQLFDWLRQ DQG 5HVSRQVLELOLW\
	,QQRYDWLRQ GULYHQ	,QQRYDWLRQ DQG 5 ' 0DQDJHPHQW

Topic Standards	Disclosure	Location
6RFLHW\	(WKLFV RI VFLHQFH DQG WHFKQRORJ\	QQRYDWLRQ DQG 5 ' 0DQDJHPHQW
	6XSSO\ FKDLQ VHFXULW\	6XSSO\ &KDLQ 0DQDJHPHQW 0HFKDQLVP
	(TXDO WUHDWPHQW WR VPDOO &KDLQ 0DQDJHPHQW enterprises	6XSSO\ &KDLQ 0DQDJHPHQW 0HFKDQLVP
	6DIHW\ DQG TXDOLW\ RI SURGXFWV DQG VHUYLFHV	3URGXFW 4XDOLW\ DQG 6DIHW\
	'DWD VHFXULW\ DQG FXVWRPHU SULYDF\	QIRUPDWLRQ 6HFXULW\ 0DQD &XVWRPHU 3ULYDF\ 3URWHFWLRQ
	(PSOR\HH 5LJKWV	(PSOR\HH 5LJKWV 6DIHW\ 3URGXFWLRQ 0DQDJHP 2FFXSDWLRQDO +HDOWK 0DQD (PSOR\HH (PSRZHUPHQW DQG (PSOR\HH :HOIDUH DQG &DUH
	'XH GLOLJHQFH	5HVSRQVLEOH 6XSSO\ &KDL
	&RPPXQLFDWLRQV ZLWK VWDNHKROGHUV	6WDNHKROGHU (QJDJHPHQW
*RYHUQDQFH	$QWL FRPPHUFLDO EULEHU\ DQG &RUUXSWLRQ	%XVLQHVV (WKLFV 0DQDJHP &RPSOLDQFH &XOWXUH 0DQD &RPSOLDQFH DQG :KLVWOHE
	$QWL XQIDLU FRPSHWLWLRQ	%XVLQHVV (WKLFV 0DQDJHP

IFRS S2 Index Table

	Recommended Disclosure Content	Location
*RYHUQDQFH	7KH JRYHUQDQFH ERG\ V ZKLFK FDQ LQFOXGH D ERDUG FRPPLWWHH RU HTXLYDOHQW ERG\ FKDUJHG ZLWK JRYHUQDQF RYHUVLJKW RI FOLPDWH UHODWHG ULVNV DQG RSSRUWXQLWLHV	&OLPDWH *RYHUQDQFH
	0DQDJHPHQW V UROH LQ WKH JRYHUQDQFH SURFHVVHV FRQWUROV DQG SURFHGXUHV XVHG WR PRQLWRU PDQDJH DQG RSSRUWXQLWLHV	
6WUDWHJ\	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ WKDW HQDEOHV XVHUV RI JHQHUDO SXUSRVH ‹ ‹ ‹ RSSRUWXQLWLHV WKDW FRXOG UHDVRQDEO\ EH H[SHFWHG WR DŠHFW WKH HQWLW\ V SURVSHFWV	
	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ WKDW HQDEOHV XVHUV RI JHQHUDO SXUSRVH ‹ ‹ ‹ RI FOLPDWH UHODWHG ULVNV DQG RSSRUWXQLWLHV RQ WKH HQWLW\ V EXVLQHVV PRGHO DQG YDOXH FKDLQ	
	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ WKDW HQDEOHV XVHUV RI JHQHUDO SXUSRVH ‹ ‹ ‹ DQG RSSRUWXQLWLHV RQ LWV VWUDWHJ\ DQG GHFLVLRQ PDNLQJ LQFOXGLQJ LQIRUPDWLRQ DERXW LWV FOLPDWH UHOD	
	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ DERXW WKH HŠHFWV RI FOLPDWH UHODWHG ULVNV DQG RSSRUWXQLWLHV RQ DQG FDVK Œ ERZV IRU WKH UHSRUWLQJ SHULRG DQG WKHLU DQWLFLSDWHG HŠHFWV RYHU WKH VKRUW PHGLXP DQG ORQ ODWHG ULVNV DQG RSSRUWXQLWLHV DUH IDFWRUHG LQWR WKH HQWLW\ V ‹QDQFLDO SODQQLQJ	&OLPDWH 5LVN 0DQDJHPHQW
	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ WKDW HQDEOHV XVHUV RI JHQHUDO SXUSRVH ‹ ‹ ‹ VWUDWHJ\ DQG EXVLQHVV PRGHO WR FOLPDWH UHODWHG FKDQJHV GHYHORSPHQWV DQG UHVLOLHQFH RI LWV EXVLQHVV PRGHO DQG YDOXH FKDLQ ULVNV DQG RSSRUWXQLWLHV	&OLPDWH 5LVN 0DQDJHPHQW
5LVN PDQDJHPHQW	$Q HQWLW\ VKDOO GLVFORVH WKH SURFHVVHV DQG UHODWHG SROLFLHV LW XVHV WR LGHQWLI\ DVVHVV SULRULWLVH DQG GLVFORVH WKH SURFHVVHV LW XVHV WR LGHQWLI\ DVVHVV SULRULWLVH DQG PRQLWRU FOLPDWH UHODWHG RSSRUWXQLWLHV ODWHG VFHQDULR DQDO\VLV LV XVHG WR LGHQWLI\ FOLPDWH UHODWHG RSSRUWXQLWLHV	&OLPDWH 5LVN 0DQDJHPHQW
	$Q HQWLW\ VKDOO GLVFORVH WKH H[WHQW WR ZKLFK DQG KRZ WKH SURFHVVHV IRU LGHQWLI\LQJ DVVHVVLQJ SULRUL DQG RSSRUWXQLWLHV DUH LQWHJUDWHG LQWR WKH HQWLW\ V RYHUDOO ULVN PDQDJHPHQW SURFHVV	
0HWULFV DQG WDUJHWV	$Q HQWLW\ VKDOO GLVFORVH LQIRUPDWLRQ UHOHYDQW WR WKH FURVV LQGXVWU\ PHWULF FDWHJRULHV	
	$Q HQWLW\ VKDOO GLVFORVH LQGXVWU\ EDVHG PHWULFV WKDW DUH DVVRFLDWHG ZLWK SDUWLFXODU EXVLQHVV PRGHO FKDUDFWHULVH SDUWLFLSDWLRQ LQ DQ LQGXVWU\	,QGLFDWRUV DQG 7DUJHWV 3URJUHVV
	$Q HQWLW\ VKDOO GLVFORVH WKH WDUJHWV VHW E\ WKH HQWLW\ DQG DQ\ WDUJHWV LW LV UHTXLUHG WR PHHW E\ ODZ FOLPDWH UHODWHG ULVNV RU WDNH DGYDQWDJH RI FOLPDWH UHODWHG RSSRUWXQLWLHV LQFOXGLQJ PHWULFV XVHG E PHDVXUH SURJUHVV WRZDUGV WKHVH WDUJHWV	

Certification Overview

Park	Operating Entity	ISO 9001	ISO 14001	ISO 45001	QC 080000	ISO 27001	IATF 16949	ISO 13485	ISO 50001	ISO 14064	ESD S20.20	Automotive SPICE	ISO/IEC 17025	SA 8000	BSCI	RBA 8.0	UL 2799	ISO 26262	SMETA
6KDQJKDL 5 ' Center	+XDTLQ 7HFKQRORJ\+&R +/WG	+	+	+	+	+						+	+						
	6KDQJKDL $QTLQ $XWR (OHFWURQLFV &R /WG	+	+	+	+	+												+	
;L DQ 5 Center	;L DQ <(3 7HOHFRPPXQLFD WLRQ 7HFKQRQORJ\ &R /WG			+	+	+													
6RXWK &KLQD 5 ' Center	*XDQJGRQJ +RQJ 4LQ 7HOHFRP 7HFKQRORJ\ &R /WG	+	+	+	+	+													
	*XDQJGRQJ ,QVWLWXWH RI ,QWHOOLJHQW 7HUPLQDO 'HVLJQ &R /WG												+						
:X[L 5 ' Center	:X[L 5XLTLQ 7HFKQRORJ\ &R /WG	+	+	+		+							+						
'RQJJXDQ)LUVW 0DQXIDF WXULQJ Center	'RQJJXDQ +XDEHO (OHFWURQLF 7HFKQRORJ\ &R /WG	+	+	+	+	+	+	+			+					+			
	'RQJJXDQ +HTLQ (OHFWURQLF &R /WG	+	+					+											
'RQJJXDQ 6HFRQG 0DQXIDF WXULQJ Center	*XDQJGRQJ 4L\DQJ 7HFKQRO RJ\ &R /WG	+	+	+	+	+									+				
	*XDQJGRQJ 'RQJTLQ 7HFKQRORJ\ &R /WG	+	+	+	+						+								
	'RQJJXDQ 4LQOLQJ $XWRPR WLYH (OHFWURQLFV &R /WG	+	+	+			+					+						+	

Park	Operating Entity	ISO 9001	ISO 14001	ISO 45001	QC 080000	ISO 27001	IATF 16949	ISO 13485	ISO 50001	ISO 14064	ESD S20.20	Automotive SPICE	ISO/IEC 17025	SA 8000	BSCI	RBA 8.0	UL 2799	ISO 26262	SMETA
'RQJJXDQ 7KLUG 0DQXIDF WXULQJ Center	*XDQJGRQJ 5XLTLQ 7HFKQRORJ\ &R /WG	+	+	+	+	+					+					+			
1DQFKDQJ)LUVW 0DQXIDF WXULQJ Center	1DQFKDQJ +XDTLQ (QHFWURQLF 7HFKQRORJ\ &R /WG	+	+	+	+	+			+	+	+			+		+	+		
1DQFKDQJ 6HFRQG 0DQXIDF WXULQJ Center	1DQFKDQJ 4LQJVKHQJ (OHFWURQLF 7HFKQRORJ\ &R /WG	+	+	+	+	+			+	+	+					+	+		+
9LHWQDP 0DQXIDF WXULQJ Center	54 7(&+12/2*< (/(&7521,&6 9,(71$0 &203$1< /,0,7('	+	+	+															
+XD\X 3UHFLVLRQ	'RQJJXDQ +XD\X 3UHFLVLRQ 7HFKQRORJ\ &R /WG	+	+	+	+	+	+	+		+									
;LTLQ 3UHFLVLRQ	*XDQJGRQJ ;LTLQ 3UHFLVLRQ 0DQXIDF &R /WG	+	+	+	+	+	+												
&KXQTLQ 3UHFLVLRQ	1DQFKDQJ &KXQTLQ 3UHFLVLRQ 7HFKQRORJ\ &R /WG	+	+	+	+	+													

Assurance Statement

SGS

SGS

ASSURANCE STATEMENT CN25/00002259

SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN HUAQIN TECHNOLOGY CO., LTD. 2024' 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 Chinese version of the *HUAQIN TECHNOLOGY CO., LTD. 2024' 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 Board of directors and the management 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 assurance with the intention to inform all HUAQIN TECHNOLOGY 's stakeholders, especially the verification of "Key Performance Table" in report.

SGS hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the AA1000 series of standards.

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

Assurance Standard Options	Level of Assurance
AA1000AS v3 Type 2	Moderate

SCOPE OF ASSURANCE AND REPORTING CRITERIA
The assurance engagement was conducted to evaluate the accuracy and reliability of the sustainability performance information included in the Report. Additionally, it assessed the extent to which the Report's content refers to the requirements of *GRI Standards 2021*.

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees in the headquarters of HUAQIN TECHNOLOGY (which located at No. 669, Lvke Road,Beicai Town, Pudong new District, Shanghai, P. R. China); documentation and record review and validation where relevant.

LIMITATIONS AND MITIGATION
Data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

SGS

The greenhouse gas emissions related data in the Report has not undergone verification by an independent third-party auditor. In the context of the present assurance engagement, our procedures were limited to sample-based validation.

This assurance engagement was restricted to the group level of HUAQIN TECHNOLOGY and did not include traceability of original data from all subordinate institutions.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. SGS affirm our independence from HUAQIN TECHNOLOGY , being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION
On the basis of the methodology described and the assurance engagement performed, the specified performance information included in the scope of assurance is accurate, reliable, and has been fairly stated.

CONCLUSIONS, FINDINGS AND RECOMMENDATIONS BASED ON *GRI STANDARDS 2021*

The assurance team concludes that the Report has referred to the requirements of *GRI Standards 2021*.

FINDINGS AND RECOMMENDATIONS
All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly documented in the *Internal Management Report on Sustainability Reporting Assurance*. This report has been officially presented to the relevant management divisions of HUAQIN TECHNOLOGY to serve as a reference for their ongoing efforts towards 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. 10th, 2025
WWW.SGS.COM

Reader Feedback

Scan the QR code to provide your feedback and suggestions.

'HDU UHDGHU

7KDQN \RX IRU VSDULQJ WLPH WR UHDG WKH 6XVWDLQDELOLW\ 5HSRUW RI +XDTLQ 7HFKQRORJ\ &R /W
PDWLRQ DQG LPSURYH RXU FDSDELOLWLHV RI SHUIRUPLQJ WKH (6* UHVSRQVLELOLW\ ZH DUH ORRNLQJ IR

Multiple-choice questions (Please tick the appropriate box)

:KDW V \RXU RYHUDOO LPSUHVVLRQ RQ WKLV UHSR:KDW V \RXU RYHUDOO LPSUHVVLRQ RQ WKLV UHSRU
☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG ☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG

<RXU HYDOXDWLRQ RI WKH VWUXFWXUH RI WKLV UHSRUW <RXU HYDOXDWLRQ RI WKH OD\RXW DQG SUHVHQWDW
☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG ☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG

<RXU HYDOXDWLRQ RI +XDTLQ V RYHUDOO SHUIRUP<RXU HYDOXDWLRQ RI +XDTLQ V RYHUDOO SHUIRUPDQ
☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG ☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG

<RXU HYDOXDWLRQ RI +XDTLQ V RYHUDOO SHUIRUPDQFH RQ JRYHUQDQFH LVVXHV LV
☐ ([FHOOHQW ☐ *RRG ☐ 0RGHUDWH ☐ 6XESDU ☐ %DG

Open-ended question

'R \RX KDYH DQ\ FRPPHQWV DQG VXJJHVWLRQV IRU +XDTLQ 7HFKQRORJ\ &R /WG LQ SHUIRUPLQJ VXVWDL

$GGUHVV %XLOGLQJ 1R /YNH 5RDG 3XGRQJ 1HZ $UHD 6KDQJKDL
3RVWFRGH
7HO
(PDLO LU#KXDTLQ FRP HVJ#KXDTLQ FRP