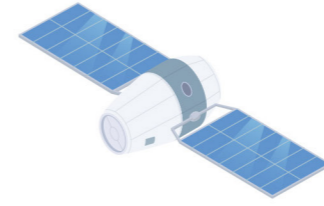


T&W



2025

Environmental, Social and Governance (ESG) Report

Shenzhen Gongjin Electronics Co., Ltd.



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About the Report

This is the fourth *Environmental, Social and Governance (ESG) Report* released by Shenzhen Gongjin Electronics Co., Ltd. It discloses the principles, management methods, efforts, and achievements of the Company in ESG topics during business operation to its investors and other stakeholders.

Reporting Scope

The Report covers Shenzhen Gongjin Electronics Co., Ltd. and its subsidiaries. Unless otherwise specified, the scope of the Report remains consistent with that in the consolidated financial statements of Gongjin (stock code: 603118) over the same period.

List of Company Names and Abbreviations Appearing in the Report

Full Name	Abbreviation Used in the Report
Shenzhen Gongjin Electronics Co., Ltd.	Gongjin, Shenzhen Gongjin, the Company
Taicang T&W Electronics Co., Ltd.	Taicang T&W
Haining T&W Electronics Co., Ltd.	Haining T&W
T&W Electronics (Vietnam) Co., Ltd.	Vietnam T&W
Shenzhen Haiyun Testing Co., Ltd.	Haiyun Testing
Shandong Winspread Communication Technology Co., Ltd.	Winspread
Dalian Gongjin Technology Co., Ltd.	Dalian Gongjin

Reporting Period

The Reporting Period is from 1 January 2025 to 31 December 2025. Unless otherwise stated, the data in the Report are those within this period.

Basis of Preparation

The Report is prepared on the basis of the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)* (April 2024) (hereinafter referred to as the SSE Guidelines), the *Guidelines No. 1 of Shanghai Stock Exchange for Self-regulation of Listed Companies - Standardised Operation* (May 2025), and with reference to *Guide No. 4 for Self-Regulatory Supervision on Listed Companies of the Shanghai Stock Exchange—Compilation of Sustainable Development Reports* (January 2026) (hereinafter referred to as the *Guide*).

Data Description

The data disclosed in the Report are derived from the official records of actual operations or financial reports of the Company. Unless otherwise stated, the financial data in the Report are all in RMB. The Report is disclosed concurrently with the Company's annual financial report. In case of any discrepancy with the annual financial report, the annual financial report shall prevail.

Access to the Report

The Report is available in both Chinese and English versions. In the event of any discrepancy between the two versions, the Chinese version shall prevail. The Report is published in electronic format and can be [the official website of the Shanghai Stock Exchange](#) and [the Company's official website](#).

Contact Us

If you have any suggestions on the Report, please contact us:

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Principles for Preparation

● **Materiality:**

The Report identifies, screens, and analyses material topics related to the Company's operations in light of the characteristics of the Company's industry and business, and takes the management of material topics as the highlights of the Report, in response to the concerns of various stakeholders. The process and results of the materiality analysis of topics are detailed in the "Topic Materiality Assessment" section of the Report.

● **Accuracy:**

It can be ensured that the information in the Report is as accurate as possible. The data standard, calculation basis, and reference documents have been explained in the quantitative information to ensure that users of the information have sufficient detail to assess the organisation's impacts. The data in the Report are all derived from actual operational records and do not involve assumed conditions or estimates. Quantitative information and supplementary notes are detailed in the "ESG Data Table and Notes" section of the Report.

● **Balance:**

The Report reflects objective and truthful facts and impartially discloses positive and negative information related to the Company. During the Reporting Period, no negative events were discovered that should have been disclosed but were not.

● **Clarity:**

The Report is published in both Chinese and English. The Report contains tables and diagrammatic figures, etc. as a supplement to facilitate a better understanding by stakeholders. To facilitate faster access to information for stakeholders, the Report provides a table of contents and a benchmarking index of ESG standards.

● **Quantification:**

The Report discloses key quantitative performance and historical data for three consecutive years, in order to present trends in ESG performance development. For the same indicator, the Report has maintained consistency in the statistical and calculation methods across different Reporting Periods. If there are updates to statistical scope, calculation factors and reference documents, they are fully explained in the notes to the Report to facilitate meaningful analysis by stakeholders.

● **Comparability:**

The Report maintains consistency in the statistical and disclosure methods for the same quantitative disclosure items across different Reporting Periods. If there are changes in the data collection, measurement, or calculation methods, the relevant data will be retrospectively adjusted, and the adjustments, along with their reasons, will be explained in the Report's notes, enabling stakeholders to conduct meaningful analysis and assess the development trends of the Company's ESG data.

● **Completeness:**

The scope of the disclosure object of the Report is in line with that of the Company's consolidated financial statements.

● **Timeliness:**

This is an annual report covering the period from 1 January 2025 to 31 December 2025.

● **Verifiability:**

The cases and data in the Report come from the original records or financial reports of the Company's actual operations. The data sources and calculation processes disclosed by the Company are traceable and can be used to support external verification.

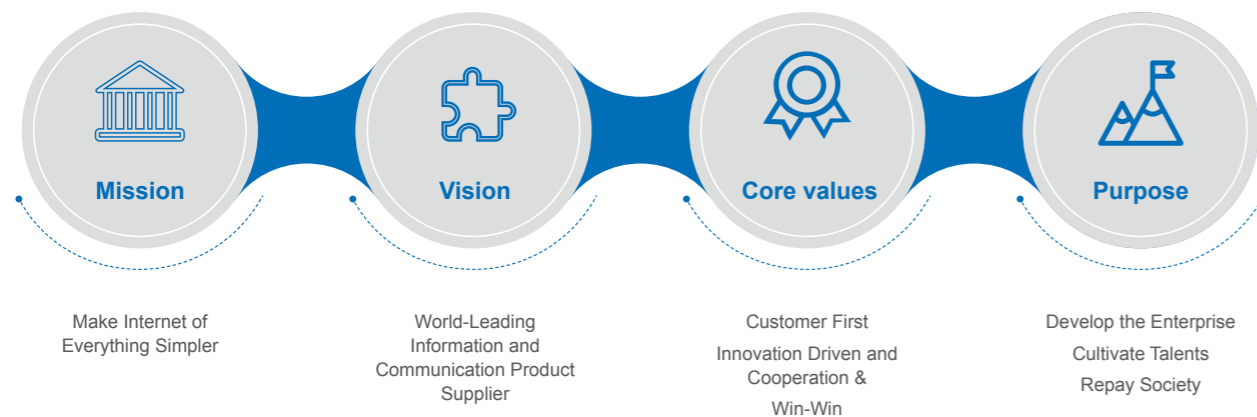
Technical Terms List

Technical Terms	Full Name of Technical Terms
PON	Passive Optical Network
AP	Access Point
DSL	Digital Subscriber Line
FWA	Fixed Wireless Access
VCU	Vehicle Control Unit
EMS	Electronic Manufacturing Services
ODM	Original Design Manufacturer
OEM	Original Equipment Manufacturer
JDM	Joint Design Manufacturer
PCBA	Printed Circuit Board Assembly
AVI	Automatic Vision Inspection
CBB	Common Building Block
FTTR	Fiber to the Room
FTP	File Transfer Protocol
FTPS	File Transfer Protocol Secure
BCM	Body Control Module

About Us

Company profile

Shenzhen Gongjin Electronics Co., Ltd. was established in 1998 and listed on the Shanghai Stock Exchange in 2015 (stock code: 603118). The Company principally engaged in the R&D and manufacturing of network communication, data communication and smart hardware products, and is committed to a global leading provider of information and communication products.



Main business and products

The business of the Company mainly involves network communication, data communication and smart hardware products, etc. The Company's business radiates globally, customers cover the China, Europe, Asia Pacific, America, Middle East and other regions.

Main Business and Products of Gongjin

Main business	Region	Main products
Netcom service	Shenzhen, Taicang, Shanghai, Haining, Vietnam, Dalian, Jinan, Beijing, Xi'an	R&D and manufacturing of network communication products such as PON, AP, DSL, Small Cell, FWA, and set-top boxes
Datacom service		R&D and manufacturing of data communication products such as switches, servers, and CR core routers
Smart hardware products	Taicang, Shanghai, Vietnam	Manufacturing of Automotive electronics automotive components , including LiDAR, millimetre-wave radar, power amplifiers, and domain controllers Manufacturing of cleaning and home robots, including hardware such as floor-sweeping robots and pool robots

General Information of Gongjin

 Company name Shenzhen Gongjin Electronics Co., Ltd. Headquarters No. 2 Danzi North Road, Kengzi Sub-district, Pingshan District, Shenzhen	 Main business Network communication, Data communication, Smart hardware products and others	 Major places of operation Shenzhen, Shanghai, Beijing, Taicang, Dalian, Xi'an, Haining, Jinan, Hong Kong, China, Vietnam, Europe and the United States	 Main production bases Production bases in Shenzhen, Taicang, Vietnam, and Haining	 Total assets RMB 11,242.35 million	 Operating revenue RMB 9,197.74 million	 Number of total employees 7,269 persons
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The clients of the Company include globally renowned brands and operators. Our netcom and datacom business mainly focuses on Original Design Manufacturer (ODM) and Joint Design Manufacturer (JDM), covering all OEM modes. The Company holds a leading market share among domestic telecommunications terminal manufacturers.



Awards and honours

Domestic and International ESG Ratings

CDP
Climate Change Questionnaire **A Rating**
Water Questionnaire **A- Rating**

CSINDEX ESG Rating
AA Rating

Wind ESG Rating
A Rating



SynTao Green Finance
A Rating



Shenzhen Gongjin **passed BSCI C-level audit**

Vietnam T&W **passed the RBA audit**

Key Qualifications

- Top 100 Chinese Electronic Information Enterprises
- Top 100 Competitive Enterprises in China's Electronic Information Industry
- High-tech Enterprise
- Top 50 Innovative Enterprises in China's Electronic Information Industry
- National Enterprise Technology Centre
- High-tech Demonstration Project
- National 5G Factory
- National Green Factory
- Top 100 Industrial Enterprises in Shenzhen
- China's Top 500 Private Manufacturing Enterprises
- Taicang T&W was awarded the title of "Private Technology Enterprise of Jiangsu Province"
- Winspread was recognised by the Shandong Software Engineering Technology Centre
- National Manufacturing Industry Single Champion Enterprise

Major Awards

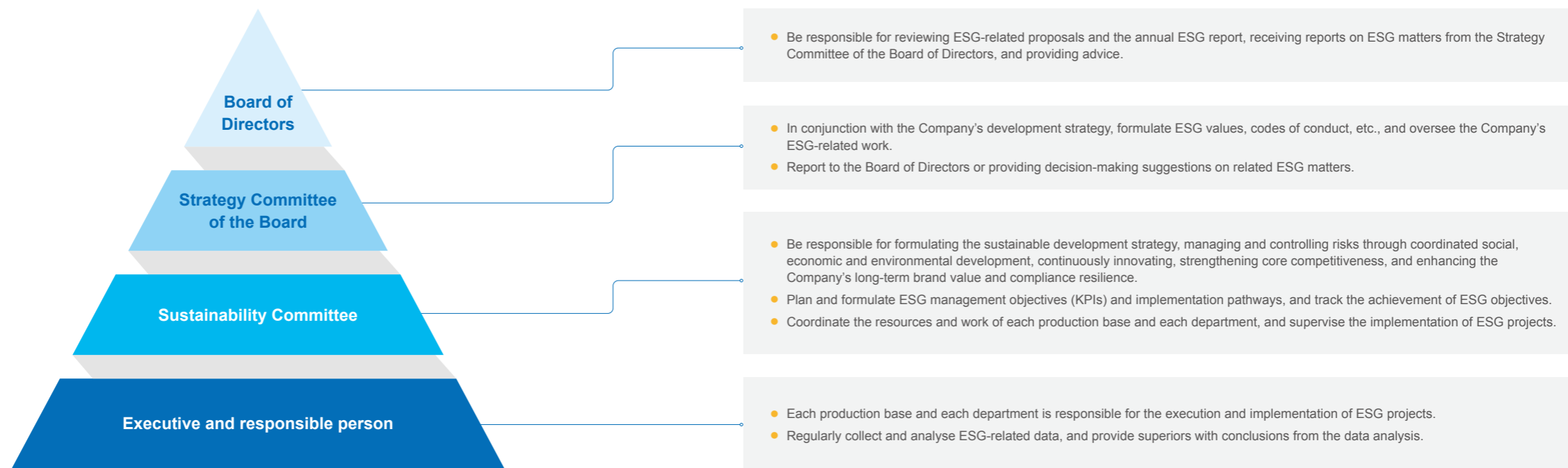
- 2025 Listed Company ESG Value Communication Award (Value Online)
- Most Socially Responsible Listed Company Award (National Business Daily)
- 2025 Listed Company ESG Value Communication Award (E-dong)
- Top 100 ESG Companies (Board Secretary Association)
- 15-Year Model Award for Business for Good (China Philanthropy Festival)
- 15-Year Special Tribute Award for Public Welfare (China Philanthropy Festival)
- 2025 Education Public Welfare Contribution Award (China Philanthropy Festival)
- Dalian Gongjin was awarded the national "Specialised, Sophisticated, Distinctive, and Innovative Little Giant" title (Ministry of Industry and Information Technology)
- Haiyun Testing was recognised as a technology-based small and medium-sized enterprise in Shenzhen (Ministry of Industry and Information Technology)
- Taicang T&W was included in the Provincial-Level Specialised, Sophisticated, Distinctive, and Innovative Small and Medium-sized Enterprises List (Industry and Information Technology Department of Jiangsu)
- Excellent Enterprise in the Electronic Information Industry - Outstanding Enterprise (China Electronics Enterprises Association)
- "Pangu Award" of China's Electronic Information Industry (China Federation of Electronic Information Industry)

Sustainability Management

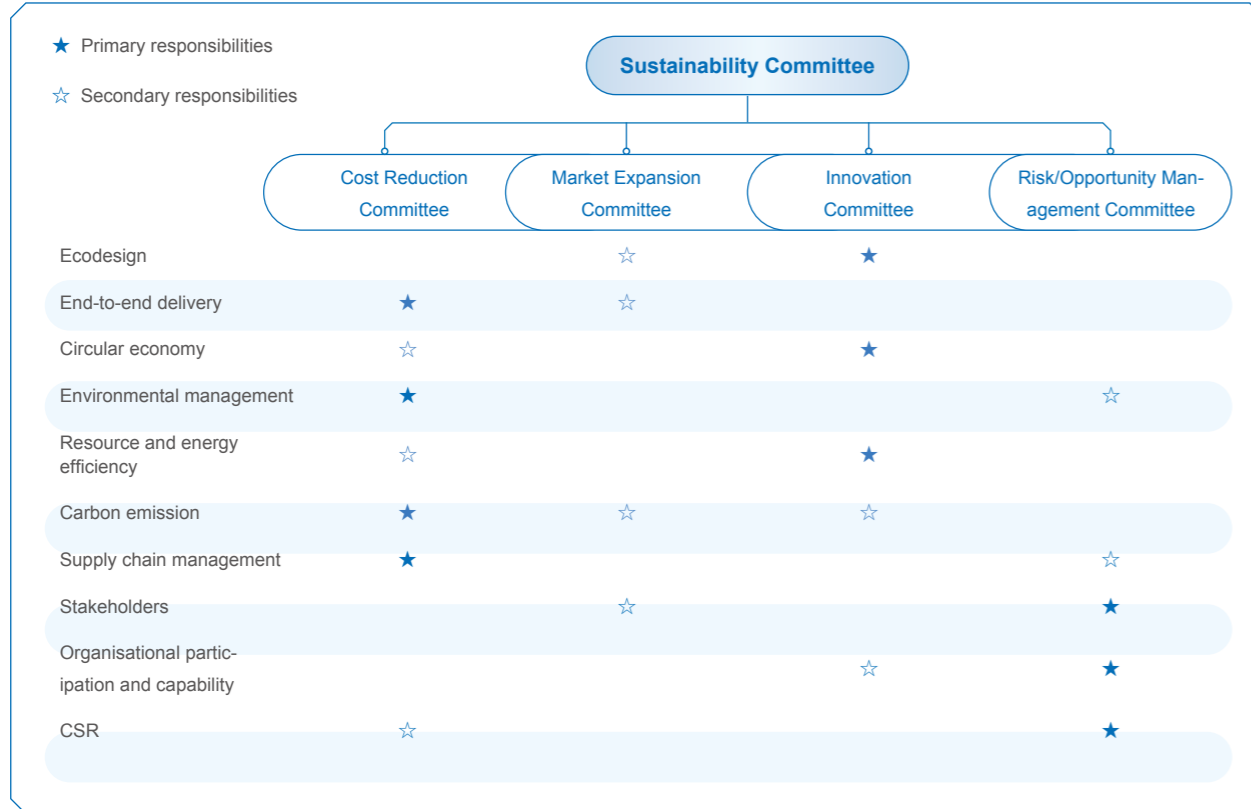
Sustainable development governance structure

Gongjin has established a top-down sustainable development governance structure, built a sustainable development framework and principles centred on ESG, and continuously improved and advanced the Company's various sustainable development initiatives. The Company has clearly defined the Board-level ESG management functions and decision-making procedures in the *Detailed Rules of Procedure for the Board Strategy Committee*.

Sustainable Development Governance Structure of Gongjin



Organisational Structure of the Sustainability Committee of Gongjin



Under the Sustainability Committee, there are the Cost Reduction Committee, the Market Expansion Committee, the Innovation Committee, and the Risk/Opportunity Management Committee. Each secondary committee formulates specific ESG task plans based on its respective functions. In 2025, the Company formulated its carbon targets with reference to the Science Based Targets initiative (SBTi), and integrated eco-design concepts into the product design stage to extend product lifespan and enhance product green attributes.

The Sustainability Committee holds regular meetings at least once a quarter, where the second-level committees or main project leaders report on the quarterly implementation of ESG work, track the progress of achieving ESG goals, analyse the reasons for non-compliant KPIs or non-implemented projects, and propose improvement measures; evaluates the indicators of projects that have met the standards every 3-6 months to ensure that the goals comply with the latest external standards requirements, and makes certain the next work plans.

Sustainable development strategy

Gongjin fully recognises that, in addition to obtaining economic benefits, enterprises should also promote the sustainable development of corporate development, employee development, society development, and environmental protection. With the vision of “Based on long-term development, continuously innovate products and serve global market; protect environment and fulfil social responsibility”, Gongjin established a social responsibility management system (SA8000), and complied with the ESG requirements of the Responsible Business Alliance (RBA) and Business Social Compliance Initiative (BSCI), integrating the sustainable development strategy into corporate culture and daily operations, and continuously improving and advancing the fulfilment of responsibilities.

Sustainable Development Strategy of Gongjin



Sustainable development goals and progress

Field	Region	Metric	Unit	Target for 2025	Progress in 2025
Water resources management	Shenzhen	Water consumption per 10,000 PCB points	m ³	First half: ≤0.13 Second half: ≤0.12	First half: 0.11 Second half: 0.13
	Taicang	Water consumption per pcs	%	flat year-on-year	up 4.45% year-on-year
	Haining	Water consumption per RMB10,000 of production value	m ³ /RMB10,000	≤0.60	0.07
	Vietnam	Water consumption per RMB1 million of sales	m ³ /RMB 1 million	≤38	23
Energy management	Shenzhen	Comprehensive energy consumption per unit output	tonnes of standard coal/10,000 pieces	≤1.22	1.55
	Taicang	Comprehensive energy consumption per unit output	tonnes of standard coal/10,000 pieces	≤1.86	1.71
	Haining	Comprehensive energy consumption per RMB10,000 output value	kWh/ RMB10,000	≤180	38
	Vietnam	Electricity consumption per RMB1 million of sales	kWh/RMB1 million	≤6,000	5,300
GHG emissions management	Shenzhen	Total GHG emissions (Scope 1 and Scope 2)	%	Down 21% compared with the base year (2021)	Down 20.06% compared with the base year
	Taicang	GHG emissions per RMB10,000 of industrial added value (Scope 1 and Scope 2)	%	Same as the base year (2021)	Up 44% compared with the base year
Waste management	Shenzhen	Amount of hazardous waste generated per RMB1 million of sales	kg/RMB1 million	≤8.00	4.15
		Year-on-year decrease in general waste generated per RMB1 million of sales	%	First half: ≥5 Second half: ≥8	12.72
	Taicang	Hazardous waste generated per unit of output	kg/1,000 pieces	≤3.00	2.80
		Year-on-year decrease in general waste generated per RMB1 million of sales	%	≥1.00	14.22
	Haining	Amount of hazardous waste generated from RMB10,000 of output value	kg/ RMB10,000	≤0.18	0.02
		Amount of general waste generated from RMB10,000 output value	kg/ RMB10,000	≤3.50	1.37
	Vietnam	Hazardous waste generated per unit of output	kg/1,000 pieces	≤9	4
		Amount of general waste generated per RMB1 million of sales	t/RMB1 million	≤0.25	0.10

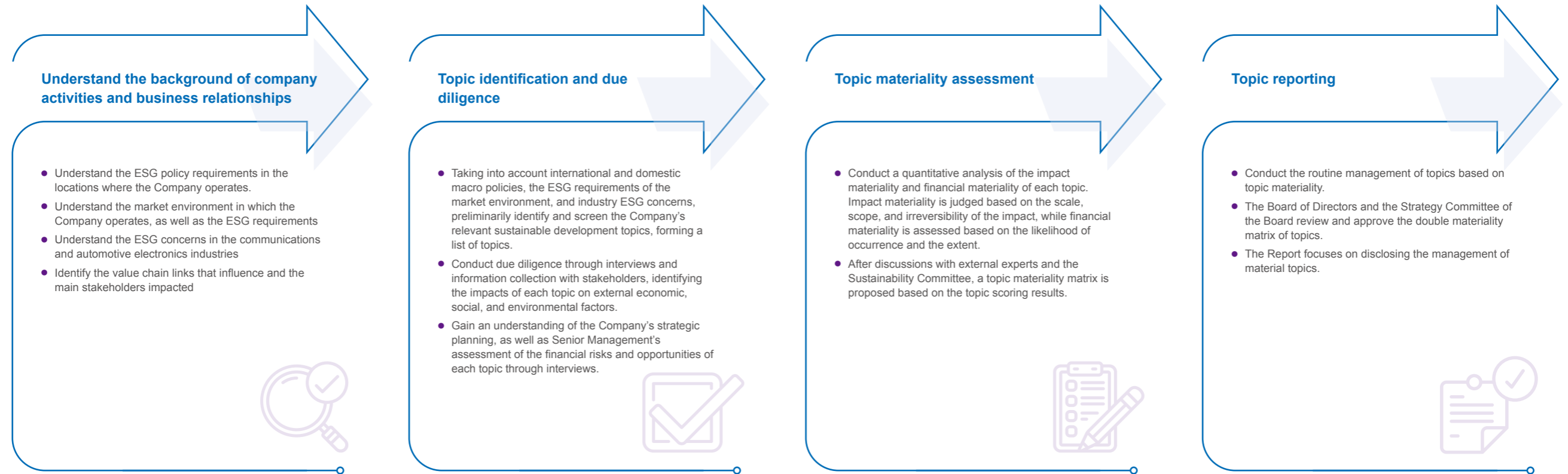
Field	Region	Metric	Unit	Target for 2025	Progress in 2025
Circular economy	All production bases	PCB occupancy ratio	—	≥3.00	3.47
		PCB panel utilisation rate	%	≥77	79
		Recyclable and reusable components	—	Both the PCBA and the casing are made of recyclable materials	Both the PCBA and the casing are made of recyclable materials
Quality management	Domestic production base (netcom, datacom business)	After-sales defective rate	%	≤0.15	0.11
		Product comprehensive yield	%	≥98.90	98.92
		Quality accident	/	0	0
	Domestic production base (automotive electronics)	First-pass yield	%	≥89.50	90.80
		Product comprehensive yield	%	≥99.70	99.81
		Customer inspection pass rate	%	≥99.00	99.10
	Vietnam production base	After-sales defective rate	%	≤0.06	0.05
		Product comprehensive yield	%	≥98.90	98.90
		Quality accident	/	0	0
Occupational health and safety	All production bases	Injury accident rate per 200,000 man-hours	%	≤0.18	0.09
		Number of serious injuries and fatal accidents	/	0	0
		Occupational poisoning and occupational disease incidents	/	0	0
		Number of fire and explosion accidents	/	0	0

Topic Materiality Assessment

Double materiality analysis

In 2025, the Company strictly conducted topic materiality analysis in accordance with the requirements of the SSE *Guidelines* and *Guide*. The Company invited external experts to participate and, taking into account policy trends, domestic and international ESG standards, key industry concerns and the actual circumstances of the Company's management, carried out topic identification and screening. From the dual perspectives of financial materiality and impact materiality, the Company assessed the impacts of each topic on the economy, society and the environmental, as well as the impacts on the Company's business model, business operations, development strategy, financial position, operating results, cash flows, financing methods and costs.

Double Materiality of Topics Analysis Process of Gongjin in 2025



Communication with stakeholders

The Company's stakeholders mainly comprised six key stakeholder groups, including government and regulators, shareholders and investors, customers, suppliers and partners, employees, and communities and the public. The Company continuously expands communication with stakeholders channels, establishes an investor communication section on its official website, systematically discloses records of investor activities, improves the e-interactive platform and investor contact details, and responds promptly to investors' concerns.

In 2025, the Company disclosed its greenhouse gas emissions and management commitments on its official website, and made public statements across five major areas, namely labour and human rights, health and safety, environmental, ethical standards, and supply chain management, requiring employees, suppliers, and partners to comply with international standards and conventions, and actively responding to the demands of all parties through transparent and efficient communication mechanisms.

Gongjin Stakeholder Concerns and Communication Methods

Main stakeholders	Government and regulators	Shareholders and investors	Customers	Suppliers and partners	Employees	Local communities and the public
Concerned topics	<ul style="list-style-type: none"> Corporate governance Climate change tackling Energy management Water resources management Pollutant and waste management Occupational health and safety 	<ul style="list-style-type: none"> Corporate governance Business ethics R&D Innovation 	<ul style="list-style-type: none"> Data security and customer privacy protection Circular economy Product and service quality R&D Innovation 	<ul style="list-style-type: none"> R&D Innovation Responsible supply chain Conflict minerals management Business ethics Circular economy 	<ul style="list-style-type: none"> Employees' rights, benefits, and welfare Talent attraction and retention Occupational health and safety 	<ul style="list-style-type: none"> Contributions to the society and rural revitalisation Fulfilment of responsibilities in overseas operations Ecosystem and biodiversity protection
Communication channels and frequency	<ul style="list-style-type: none"> Regular reports (annually, semi-annually, or quarterly) Carbon quota compliance clearing (annually) Company announcements (irregular) Obtain qualification accreditations, regulatory approvals, etc. (irregular) Submit pollutant and waste-related data (annually) Cooperate with on-site inspections by the work safety supervision and environmental protection departments (irregular) 	<ul style="list-style-type: none"> Convene shareholders' meeting (annually) Hold performance exchange meetings, roadshows, etc. (irregular) Respond to investors' questions on technological innovation and product portfolio on the exchange and the Company's official website e-interactive platform (irregular) Set up investor communication channels such as email and hotline (real-time) Receive securities firms and institutional research visits (irregular) 	<ul style="list-style-type: none"> participate in industry exhibitions such as the SNEC PV Power Expo and productronica China (irregular) Use environmental materials, recycling labels for product instructions (real-time) Cooperate with customer research, technical seminars, etc. (irregular) Make customer satisfaction surveys and collect feedback (annually) Conduct pre-sales, sales, and after-sales communication (real-time) 	<ul style="list-style-type: none"> Participate in industry events such as the China International Optoelectronic Exposition and the Mobile World Congress. Annual supplier audit and performance assessment (annually) On-site supplier audits (irregular) New suppliers' social responsibility assessments (irregular) Supplier conference (annually) 	<ul style="list-style-type: none"> Employee Representative Congress (annually) Anniversary celebrations, Spring Festival gala and other employee activities (irregular) Internal publications, OA system and other internal communication platforms (real-time) Employee training (irregular) 	<ul style="list-style-type: none"> Official website and official account of T&W Love Public Welfare Foundation. (real-time) Volunteer teaching at Tongwei Hope Primary School, the Tongwei Daqi Class, and other student support programs (annual) Public welfare programs including Kylin Youth, Lianxiang Youth, and Shenzhen Aite Orchestra (annual) Trade union welfare system, localized employment and procurement (real-time) Public welfare activities such as ancient tree support and maintenance (real-time)

Due diligence

The Company has established a routine due diligence mechanism led by the Sustainability Committee and formulated the *Organisational Environment, Stakeholder Management and Risk Control Procedures*. Based on the industry in which the Company operates and its actual business conditions, the Company has analysed the impacts, risks, and opportunities of each topic and compiled the *Organisational Environment Identification, Risk and Opportunity Assessment Form*. The Company coordinates with various departments to engage with stakeholders through interviews, information collection, and other communication methods to understand external policy requirements, market expectations, as well as risks and opportunities faced by departments in business activities, forming the *Stakeholder Needs and Expectations Analysis Report*. Targeted management measures are then developed based on the negative impacts and risks of each topic.

Gongjin’s 2025 Topic Impact, Risks and Opportunities Analysis Table

Topics	Affected stakeholders	Impact description	Risk/Opportunity type	Risk/Opportunity description	Timeframe of financial impact
Climate change tackling	Government and regulators, customers, suppliers and partners	The Company continuously reduces operational and product carbon emissions and mitigates climate change by promoting energy-saving transformations and renewable energy substitution, combined with full lifecycle product management (covering environmentally friendly material procurement, low-energy production, and end-of-life recycling). The Company meets regulatory requirements on carbon emission volume and intensity, supports customers in achieving carbon neutrality, zero-carbon, and carbon reduction targets, and cascades these targets to suppliers and other partners.	Physical Risk Operational Risk Policy and Regulatory Risk Market Risk	Climate risks include acute physical risks, chronic physical risks, policy and legal risks, and market risks. These risks may have negative impacts on the Company, such as business interruption, reduced product competitiveness, and increased operating costs. For details, see the topic Climate Change Tackling.	Short-term Medium-term Long-term
			Energy Supply Opportunity Product and Service Opportunity	Climate opportunities encompass the energy source opportunity, product and service opportunity, and resilience opportunity. Seizing these opportunities will help reduce the Company’s energy consumption costs and enhance product differentiation, increasing market share and revenue. For details, see the topic Climate Change Tackling.	Short-term Medium-term Long-term
Energy management	Government and regulators, customers, suppliers and partners	The Company’s energy-efficient utilisation practices can drive the energy-saving transition transformation of upstream and downstream enterprises and improve energy utilisation efficiency across the entire industrial chain. At the same time, developing green electricity and promoting energy-saving technologies are aligned with national and local low-carbon development policies.	Operational risk	The Company’s production and operations mainly rely on municipal electricity. If regional electricity supply and demand become imbalanced, peak-period power restrictions are imposed, or electricity prices rise, production lines may face phased shutdowns and reduced capacity utilisation. At the same time, costs in equipment operation, raw material processing and other links will increase accordingly, squeezing the enterprise’s overall profit margin.	Long-term
			Energy source opportunities	The Company implements lean production to improve energy efficiency in manufacturing, conducts energy-saving retrofits of high-energy-consuming equipment, installs distributed photovoltaic power stations on factory rooftops, and applies energy management platforms to optimise production processes through real-time energy consumption monitoring. Waste heat generated during production is recycled for workshop heating or auxiliary production processes. Traditional fuel vehicles are gradually replaced with new energy vehicles to reduce fuel consumption. These measures will continuously reduce electricity costs and overall production costs over the long term.	Short-term medium-term long-term

Topics	Affected stakeholders	Impact description	Risk/Opportunity type	Risk/Opportunity description	Timeframe of financial impact
Water resources management	Local communities and the public	The Company only uses domestic water, advocates that employees enhance water-saving awareness, selects water-saving appliances, and reduces water resource consumption.	Resource efficiency opportunities	Reducing water wastage can lower the Company's operating costs.	Short-term medium-term long-term
Pollutant and waste management	Government and regulators, communities and the public	If exhaust gases (such as VOCs and particulate matter) are not discharged in compliance with standards, they may exacerbate regional air pollution. Improper disposal of waste, such as random dumping or landfilling, may occupy land resources and damage soil structure. The long-term accumulation of non-degradable waste may contaminate soil and groundwater, affecting the surrounding environment.	Policy and regulatory risks	If the Company's pollutant emissions exceed national and local prescribed standards, the Company will face administrative penalties imposed by environmental protection authorities, including substantial fines, orders for rectification within a prescribed time limit, and even suspension of production for remediation, resulting in direct compliance costs and economic losses caused by production stoppages.	Short-term medium-term long-term
Environmental compliance management	Government and regulators, communities and the public	If the Company failed to strictly comply with environmental laws, regulations, or standards during production and operations, this could result in exhaust gas emissions or improper disposal of solid waste, thereby damaging surrounding water bodies and soil, affecting residents' quality of life and ecosystem health, and leading to penalties imposed by regulatory authorities.	Policy and regulatory risks	If environmental compliance management is inadequate, resulting in non-compliant pollutant emissions, or if environmental risk incidents are not properly addressed, causing adverse environmental impacts, the Company may face penalties such as fines and production suspension, and may even be subject to legal proceedings and public opposition, resulting in financial losses and reputational damage, and affecting long-term operations and development.	Short-term medium-term long-term
Circular economy	Customers, communities and the public	Through product eco-design, the use of recycled materials, extending product lifespan, and reducing product energy consumption, the Company reduces the carbon footprint and resource consumption across the entire value chain, helps downstream customers achieve the goals of recycled resource utilisation and circular use, and guides consumers to develop green consumption habits of purchasing products made from recycled materials and products with low power consumption and long service life.	Technological risks	Circular economy measures such as product eco-design, green products, and the application of recycled materials require sustained capital investment, including in research and development, testing, and implementation, and existing production lines need to be upgraded to accommodate new processes. If market acceptance of green products is insufficient, or if they have no price advantage compared with traditional products, the return on investment may fall short of expectations.	Long-term
			Product and service opportunities	The Company advances reduction and recycling throughout the product life cycle, reduces resource waste, establishes a recycling system for production offcuts, thereby lowering dependence on and consumption of raw materials, and reducing procurement and waste disposal costs.	Long-term
Ecosystem and biodiversity protection	Local communities and the public	The Company participates in ecological restoration projects such as public-benefit afforestation and the protection of ancient trees, which can enhance ecosystem stability and self-restoration capacity.	Reputational opportunity	By carrying out ecosystem and biodiversity protection activities, the Company can enhance our reputation and image among local communities and the public, thereby increasing operating revenue.	Medium-term long-term

Topics	Affected stakeholders	Impact description	Risk/Opportunity type	Risk/Opportunity description	Timeframe of financial impact
Employees' rights, benefits, and welfare	Employees	If employee rights and benefits are not adequately safeguarded, this may lead to high turnover among production line employees, talent loss, declining team morale, and reduced trust in the Company among customers, suppliers, and industry communities.	Reputational risks	A high employee turnover rate can reduce production and research and development efficiency, potentially leading to customer complaints and order delivery delays. It may also trigger negative public opinion due to employee dissatisfaction, adversely affecting the Company's reputation and resulting in a decline in operating revenue.	Short-term medium-term long-term
		By safeguarding employee rights and improving the benefits system, the Company helps maintain workforce stability, build a talent pipeline, ensure the stability of our production and operations, promote employees' work-life balance, and create a sound employment environment.	Employee retention opportunities	By enhancing remuneration and benefits and strengthening the promotion and career development system, the Company can reduce turnover, improve production efficiency and product quality, reduce repeated training and recruitment costs, thereby enhancing operational efficiency and lowering labour costs.	Short-term medium-term long-term
Occupational health and safety	Employees	If occupational health and safety management is inadequate, it may lead to frequent work-related injuries, occupational diseases, or accidents on the production line, which would not only reduce employee satisfaction and morale, but also affect product manufacturing efficiency and have a negative impact on the safety of surrounding communities and the corporate social image.	Policy and regulatory risks	Production delays caused by safety incidents, compensation for occupational diseases, and production stoppages will increase direct compensation and management costs, affect production efficiency and order fulfilment, and may also trigger regulatory penalties, reducing corporate profits and supply chain trust.	Short-term medium-term long-term
Talent attraction and retention	Employees	The Company provides clear guidance for employees' career development by establishing a systematic training system and defining clear career development pathways.	Operational risk	Untimely training may lead to employees' skills failing to meet requirements and work efficiency falling short of standards, thereby increasing production costs, while substandard product quality may result in rework risks.	Short-term medium-term long-term
			Product and service opportunities	The State promotes enterprises and technical colleges in carrying out integrated industry-education assessment, the new enterprise apprenticeship system, and occupational skill level certification, systematically establishing employee skills training standards and enhancing employees' capabilities, thereby improving work efficiency and helping to reduce operating costs.	Short-term medium-term long-term

Topics	Affected stakeholders	Impact description	Risk/Opportunity type	Risk/Opportunity description	Timeframe of financial impact
Product and service quality	Customers	If product quality management is inadequate, products may have safety risks or functional defects, increasing the number of returns, exchanges and complaints, and affecting end consumers' use.	Market risks	Product defects, quality complaints, or recalls may increase direct compensation, return, and rework costs, while also potentially leading to order losses and a decline in customer trust, thereby reducing operating revenue.	Long-term
		The Company improves product quality and safety, and reduces defect and return rates, through stringent raw material inspection, production process control, and finished product testing. At the same time, the Company enhances customer satisfaction by improving its customer service system, maintaining smooth customer communication channels, and handling returns and exchanges in a timely manner.	Market opportunity	By establishing a quality management system and introducing intelligent quality inspection tools, the Company can reduce rework and complaint rates, improve product qualification rates and customer satisfaction, lower rework costs, and create stable long-term financial returns for the enterprise.	Long-term
Data security and customer privacy protection	Customers	If data security or privacy protection is inadequate, it may lead to the leakage or misuse of customer information, causing customer dissatisfaction and a decline in trust.	Operational risk	Information security incidents or leakage of commercial information may lead to production interruptions or disruptions, directly resulting in operational cost losses. In addition, the security management, routine repair, and maintenance of the Company's IT systems require continuous cost investment.	Long-term
Responsible supply chain	Suppliers and partners	If supply chain security management is inadequate, it may lead to delays in raw materials, substandard quality, or the transmission of supplier non-compliant conduct to the production process, affecting product delivery and quality.	Supply chain disruption risk	Supplier delivery delays, material defects or non-compliant conduct may increase procurement costs, rework and inventory pressure, while also affecting order fulfilment and customer relationships, indirectly reducing operating revenue.	Short-term medium-term long-term
		By establishing supplier admission mechanisms, conducting regular reviews, and implementing raw material traceability management, the Company can reduce the risks of production interruptions and product defects, ensuring supply chain stability and security.	Resilience opportunities	By establishing a transparent and traceable supply chain management system, and strengthening supplier training and compliance audits, the Company can reduce material risks and delivery delays, improve production continuity and efficiency, thereby reducing costs and enhancing the enterprise's long-term financial returns.	Short-term medium-term long-term
Conflict minerals management	Suppliers and partners	If suppliers use conflict minerals, or may fund armed conflicts in conflict mineral regions, this may indirectly fuel human rights abuses and environmental damage.	Reputational risk	If the Company engages suppliers that use conflict minerals, the Company will face compliance penalties for violating relevant European and US regulations and may lose important customers. If the incident is exposed, it may affect the Company's reputation and result in reducing operating revenue.	Short-term medium-term

Topics	Affected stakeholders	Impact description	Risk/Opportunity type	Risk/Opportunity description	Timeframe of financial impact
R&D Innovation	Customers	R&D achievements in strategic emerging industries such as automotive electronics, EMS (robot contract manufacturing), and AI servers drive the development of new quality productive forces. Through technological innovation and stable delivery, the Company deepens collaborative win-win relationships with customers, partners, and suppliers, enhancing employment and industrial supporting capacity.	Market risks	Safety specifications in the automotive electronics industry, such as functional safety and cyber security, are continuously being upgraded. AI application products also impose extremely high requirements on computing power stability and heat dissipation reliability. Meanwhile, technological innovation and standards alignment are characterised by high investment and long cycles. If the Company's pace of R&D innovation lags behind and the Company is unable to keep up with the pace of updates to industry standards, the Company will lose market access qualifications in the relevant fields. At the same time, sustained high R&D investment will significantly increase our cost expenditure.	Short-term medium-term long-term
			Market opportunity	The Company's R&D direction closely follows the national science and technology development strategy, and the Company increases R&D investment in the new energy vehicle, robotics, and AI industries strongly supported by policy. In 2025, the Company captured market opportunities in 50G PON, intelligent computing servers and other areas. Through collaborative development with customers on 50G PON, the Company accumulated design experience and specifications, promoted the transformation of intelligent computing servers from PCB contract manufacturing to OEM, continuously enhanced production processes and technological reserves, strengthened industrial chain collaboration, and provided core momentum for the expansion of the Company's operating revenue.	Short-term medium-term long-term
Contributions to the society and rural revitalisation	Local communities and the public	By establishing Hope Primary Schools in rural areas and procuring products from local small and medium-sized enterprises, the Company improves the rural teaching environment and promotes the development of rural education.	Reputational opportunities	By continuing to invest in Hope Primary Schools in rural areas, improving teaching conditions, carrying out public welfare and local co-operation projects, promoting a charitable corporate culture, enhancing the Company's corporate social responsibility image, and increasing order volume, thereby increasing revenue.	Short-term medium-term long-term
Overseas business performance	Employees, communities and the public	The Company establishes cooperative relationships with local communities and trade unions, respects local cultural customs, and promotes local employment, infrastructure, and education. Through localised procurement, the Company facilitates coordinated development of the local supply chain.	Product/Service opportunities	By continuing to invest in Hope Primary Schools in rural areas, improving teaching conditions, carrying out public welfare and local co-operation projects, promoting a charitable corporate culture, enhancing the Company's corporate social responsibility image, and increasing order volume, thereby increasing revenue.	Short-term medium-term long-term
Corporate governance	Shareholders and investors, employees	If corporate governance is unsound or internal controls are weak, this may lead to decision-making errors, financial opacity, or compliance risks, reduce investor confidence, and affect the public's recognition of the Company.	Policy and regulatory risks	Governance deficiencies may lead to regulatory penalties, audit issues or internal management failures, increasing operating costs and legal expenses, while also reducing investor confidence and the ability to access capital, affecting long-term stable operations and potentially leading to increased operating costs.	long-term
Business ethics	Shareholders and investors, customers, suppliers and partners, employees	If the Company's business ethics management system is not sufficiently robust, issues such as commercial bribery, embezzlement, and other problems may arise in areas like procurement, sales, and human resources, resulting in harm to the interests of stakeholders.	Operational risks	Business ethics risks are often highly concealed. If the Company fails to implement effective business ethics management measures, once exposed, such issues may result in severe financial losses. Externally, this may lead to negative public opinion and termination of partnerships; internally, it may undermine trust within the Company, affect employee morale and work efficiency, and lead to economic losses and management disorder.	long-term

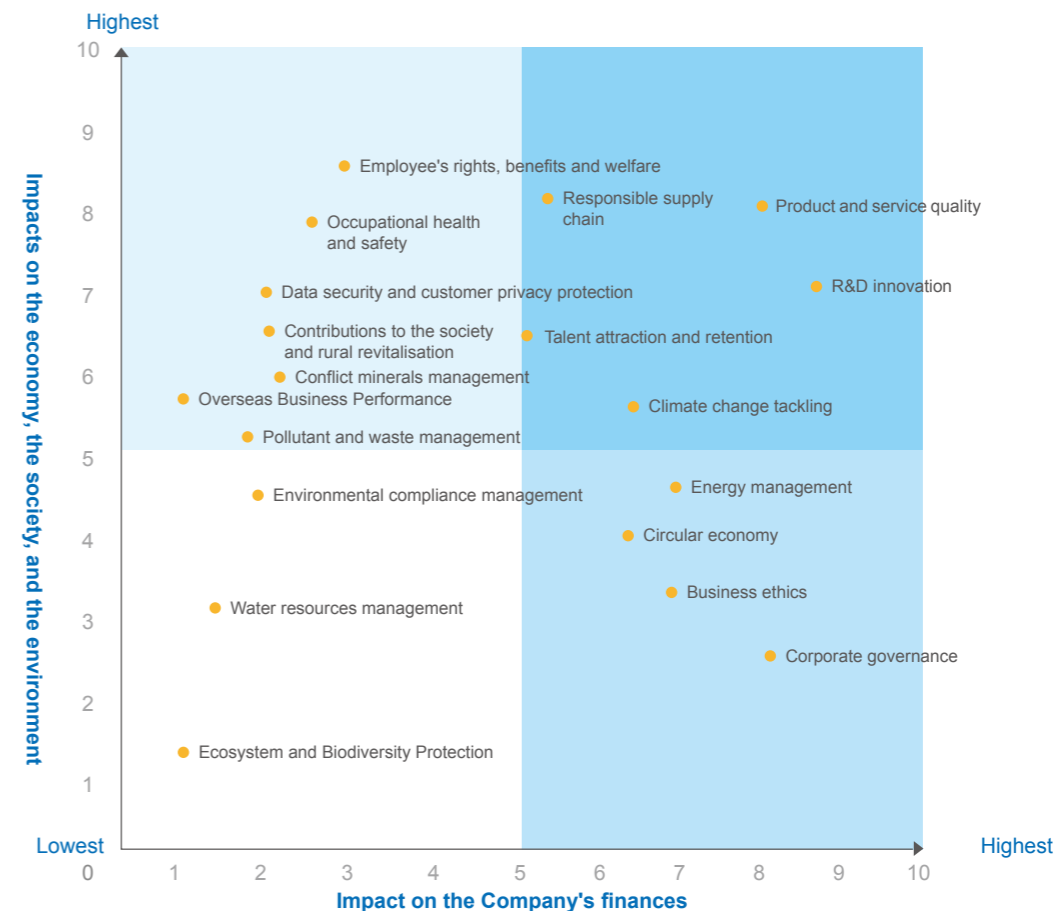
In response to the 21 topics specified in the *SSE Guidelines*, the Company identified the topic “technology ethics” as not applicable based on the Company’s actual situation. “Equal treatment of SMEs” is addressed in the index table and is not included in the double materiality matrix. “communication with stakeholders” and “due diligence” are necessary steps in materiality assessment and are therefore not included in the double materiality matrix. All other topics are addressed in the main body of the Report. In addition, the Company independently identified the topics of “corporate governance”, “conflict minerals management”, and “overseas business performance”. The changes in topics compared with last year are as follows:

Main Changes in Gongjin’s ESG Topics for 2025

Material topics in 2025	Material topics in 2024	Changes	Reasons
Ecosystem and Biodiversity Protection	—	New topic	Demonstrates the Company’s management practices for reducing impacts on the ecological environment, as well as public welfare projects for ecological protection.
Overseas Business Performance	—	New topic	Demonstrates the systematic efforts of the Vietnam factory to jointly create integrated economic, social and environmental value by establishing strategic partnerships with local communities, supply chain partners and stakeholders.

In 2025, among the 19 topics initially identified and screened by the Company, a total of five topics had double materiality, four topics had financial materiality only, seven topics had impact materiality only, and three topics had neither financial materiality nor impact materiality. The Company used half of the maximum value set for the materiality assessment score (50%) as the threshold for determining whether each topic was “material”, and presented the results of the materiality analysis in the form of a topic matrix.

2025 Topic Materiality Matrix of Gongjin



Both Financial Materiality and Impact Materiality	Only Financial Materiality	Only Impact Materiality	Neither Financial Materiality nor Impact Materiality
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Travelling Together with Low Carbon, Jointly Protecting the Ecosystem

Climate change tackling

The Group's greenhouse gas (GHG) emissions come from direct greenhouse gas emissions generated during operations from the combustion of fuels such as natural gas, diesel, and petrol, the use of fire extinguishers and refrigerants, and fugitive emissions from production processes; indirect greenhouse gas emissions generated from purchased electricity; and other indirect greenhouse gas emissions from the upstream and downstream value chain.

The Company deeply understands and endorses the significant social importance of reducing greenhouse gas emissions, actively responded to the international decarbonisation trend and the national dual carbon goals, and strictly complies with local laws and regulations related to greenhouse gas emissions at its operating locations, such as the Vietnamese Government *Regulations on Mitigation of Greenhouse Gas Emissions and Protection of the Ozone Layer*, and committed not to invest in fossil fuel expansion, not to finance activities that deny climate change or oppose climate regulations, and to strengthening stakeholders' capacity to participate in environmental issues.

In accordance with the requirements of the *SSE Guidelines*, the Company identified climate-related risks and opportunities, assessed the resilience of the Company's strategy and business model to climate change, and disclosed the response strategies, management measures, targets, and progress for addressing climate-related risks and opportunities.



Climate Change Management System of Gongjin

Governance

- **Management policies:** *Procedures for Greenhouse Gas Inventory Management, Guidelines on Energy Saving and Consumption Reduction Management Work, Energy Conservation and Consumption Reduction Inspection Form.*
- **Governance structure:** The Sustainability Committee is responsible for researching external policy and market requirements, incorporating greenhouse gas management into long-term development planning and strategic objectives, and fulfilling governance and disclosure obligations. Production bases in Shenzhen, Taicang, and Vietnam have established GHG inventory implementation committees responsible for data collection, verification, and execution of emission reduction actions.

Strategy

- **Impact:** By advancing energy-saving upgrades, renewable energy substitution and other initiatives, combined with product life-cycle management (covering the entire process from the procurement of environmentally friendly materials and low-energy-consumption production to waste recycling), the Company continuously reduces operational and product carbon emissions, helping to mitigate the process of climate change.
- **Risk:** The Company has identified two categories of climate-related risks: physical risks and transition risks, including four risks: acute physical risk, chronic physical risk, policy and legal risk, and market risk. These risks may cause operational disruptions, reduced product competitiveness, and lower revenue.
- **Opportunities:** The Company has identified three opportunities: energy source opportunity, product and service opportunity, and resilience opportunity. Seizing these opportunities will help reduce the Company's energy consumption costs and enhance product differentiation, increasing market share and revenue.
- **Response strategy:** The Company will implement a zero-carbon strategy, incorporate it into the Company's long-term development plans and strategic objectives, deepen emission reduction actions, increase the application of and investment in the research and development of low-carbon technologies, and strive to become a global low-carbon benchmark enterprise for green and sustainable development.

Impact, risk, and opportunity management

- The Company reduces greenhouse gas emissions through measures such as energy-saving retrofits, process optimisation, and the use of green electricity.
- The Company reduces the carbon footprint of products through measures such as eco-design and the use of recycled environmentally friendly materials.
- The Company carries out ISO 14064-3 greenhouse gas verification annually, analyses trends in changes in greenhouse gas emissions at each production base, and tracks progress towards achieving greenhouse gas targets.
- The Company gives priority to local suppliers, and encourages suppliers to enhance their climate management capabilities.
- The Company strengthens meteorological early warning and preventive measures, formulates emergency response plans, reinforce infrastructure, and guards against physical climate risks.

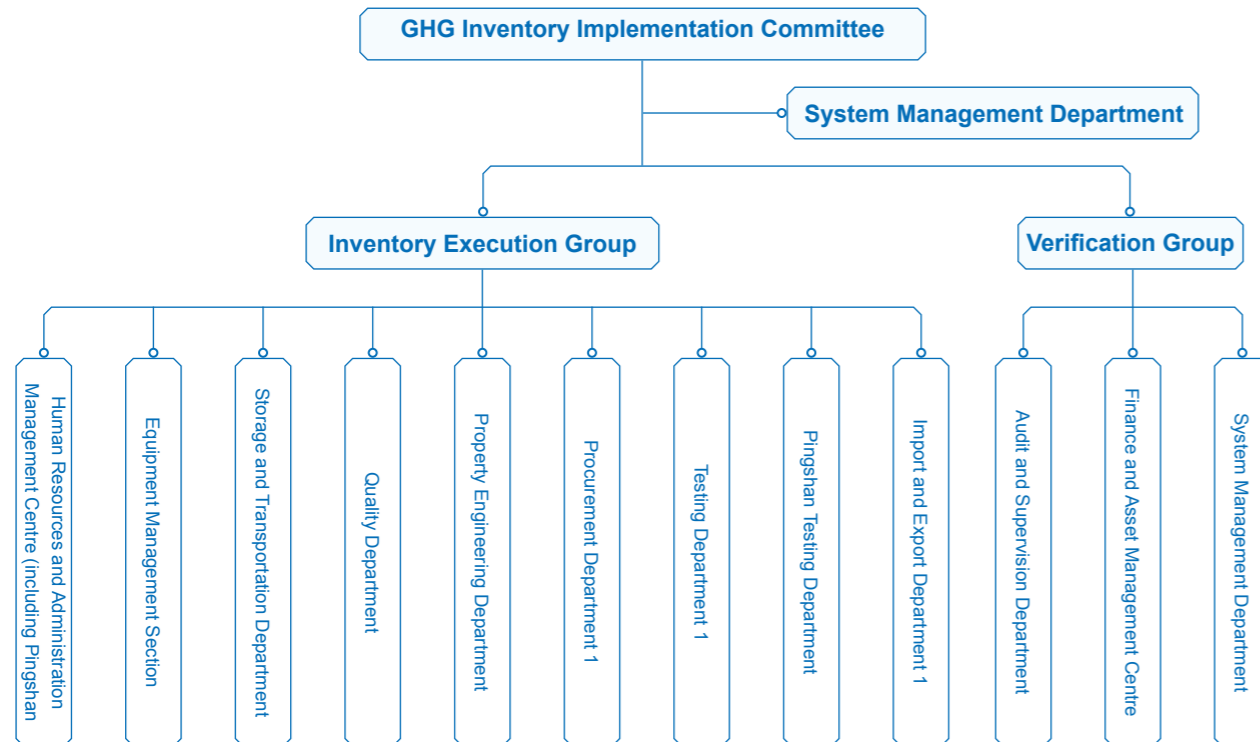
Metrics and targets

- Shenzhen Gongjin and Taicang T&W formulate short-term carbon targets for 2030 and long-term carbon targets for 2050 with reference to the SBTi (Science Based Targets initiative).
- Shenzhen Gongjin and Taicang T&W respectively set 2025 greenhouse gas emission reduction targets using 2021 as the base year.

To strengthen climate change management, each production base of the Company has formulated internal systems such as *Policy on Procedures for GHG Inventory Management* and *Guidelines on Energy Saving and Consumption Reduction Management Work*. Based on ISO 14064-1, each production base carries out greenhouse gas inventories and obtains ISO 14064-3 greenhouse gas verification statements, formulates energy management policies, assesses the effectiveness of energy-saving and emission-reduction measures, and enhances the effectiveness of greenhouse gas management.

Each production base of the Company has established a GHG Inventory Implementation Committee, which is divided into an inventory execution group and a verification group. The inventory implementation team collects carbon emissions data, and the verification team checks and verifies the data to ensure the accuracy and transparency of greenhouse gas inventory data. The GHG Inventory Implementation Committee is responsible for formulating carbon emission targets for each production base, and the System Management Department is responsible for establishing the climate change management system and coordinating departments in carrying out specific tasks.

Organisational Chart of GHG Inventory Implementation Committee of Shenzhen Gongjin



The Company continuously monitors climate-related policies and regulatory requirements, analyses the impact of climate change on both the industry and its own operations, and identifies two categories of climate-related risks: physical risks and transition risks, including four risks: acute physical risk, chronic physical risk, policy and legal risk, and market risk. To address this, the Company actively develops response strategies such as climate disaster emergency response, carbon inventory, and product ecological design, in order to reduce or avoid potential negative impacts on the Company, such as operational interruptions and reduced product competitiveness.

Identification of and Response to Climate-related Risks at Gongjin

Type of risk	Risk description	Financial impact	Response strategy
Physical risks	Acute physical risk The Company has multiple production bases located in coastal areas, which may be affected by extreme weather events such as typhoons and heavy rain, leading to damage to the Company's buildings, production facilities, and other infrastructure, or disruptions in power, drainage, water supply, and raw material and product transportation, resulting in production interruptions.	Depreciation of fixed assets	<ul style="list-style-type: none"> Emergency response to climate disasters such as typhoons and floods
	Chronic physical risk Long-term climate changes, such as rising temperatures and sea levels, may lead to an increase in extreme weather events, disrupting production facilities and the stability of supply chains, such as interruptions in raw material transportation and the inability to deliver goods to their destinations, forcing the company to adjust resource allocation and operational processes in response.	Decreased revenue	
Transition risks	Policy and legal risk Under the current domestic carbon quota management system, any portion of an enterprise's carbon emissions exceeding its carbon quota must be covered through the purchase of carbon credits and other products to meet compliance requirements.	Increased operating costs	<ul style="list-style-type: none"> Conduct ISO14064-3 carbon verification certification Complete carbon quota compliance clearing
	Market risks Overseas markets impose requirements on environmental attributes such as product carbon footprint and recycled materials. The Company needs to invest in green product research and development and product eco-design solutions to meet market requirements; otherwise, the Company will face the risk of losing orders.	Decreased operating revenue	<ul style="list-style-type: none"> Product ecological design Energy-saving retrofit

At the same time, the Company has identified three opportunities: energy source opportunity, product and service opportunity, and resilience opportunity. Through response measures such as the use of clean energy, energy-saving retrofitting of equipment, ecological design of products, and the development of a green supply chain, the Company leverages the opportunities brought about by climate change and enhanced the added value and market competitiveness of its products.

Identification of and Response to Climate-Related Opportunities at Gongjin

Opportunity type	Opportunity description	Financial impact	Response strategy
Energy source opportunity	Using rooftop photovoltaic (PV) self-generation during operations helps to reduce the Company's energy expenses in the medium to long term.	Reduced operating costs	<ul style="list-style-type: none"> Develop clean energy
Product and service opportunity	The Company develop low-power, highly integrated components, electively disable partial functions in standby mode through software analysis, using environmentally friendly materials to meet green standards and enhance product added value.	Increased revenue	<ul style="list-style-type: none"> Product ecological design Energy-saving retrofit
Resilience opportunity	The Company may adopt local suppliers to reduce transportation distance, decrease energy consumption, and lower transportation costs, while also promoting energy-saving and emissions-reduction practises among suppliers.	Reduced operating costs	<ul style="list-style-type: none"> Build a green supply chain

The Company actively assesses the adaptability of its current strategy and business model to climate-related risks and opportunities, identifies major uncertainties including the ability of plants and equipment to withstand extreme weather, greenhouse gas emission levels, and the green attributes of products, and uses these as a basis to adopt response strategies such as emergency response to climate disasters, conducting carbon inventories, fulfilling carbon quota clearing obligations, product eco-design, energy-saving upgrades, the use of clean energy, the development of a green supply chain, and climate information disclosure, thereby enhancing the adaptability of our strategy and business model to climate change.

Climate Response Measures of Gongjin in 2025

Aspect	Specific measures
Climate disaster emergency response	<ul style="list-style-type: none"> The Company closely monitored weather forecasts and warning information in its daily operations, staying informed about typhoon dynamics and impact areas, and conducted real-time monitoring to ensure timely warning measures. The Company reinforced factory roofs to prevent typhoon disasters. The Company developed extreme weather emergency response plans and organised drills regularly.
Conduct carbon inventory	<ul style="list-style-type: none"> The Company stayed informed about and comply with relevant regulatory laws and regulations. Each production base conducts ISO 14064-1 carbon inventory annually. The production bases in Shenzhen, Taicang and Vietnam perform ISO 14064-3 carbon verification and certification every year.
Carbon quota clearing	<ul style="list-style-type: none"> In compliance with the Interim Regulations on Carbon Emission Trading, and other relevant laws,, the Company completed compliance clearing on time by purchasing carbon credits for any emissions exceeding its carbon quota.
Product ecological design	<ul style="list-style-type: none"> The Company implemented ecological design planning throughout the entire product lifecycle, defined the product's carbon footprint, and developed green products by using green materials, recyclable designs, etc., to expand the market for green products. For products of certain overseas customers, local environmental policies, regulations, or subsidies require suppliers to use recycled materials. The Company uses recycled plastics for product casings to meet the requirements of specific suppliers regarding the proportion of recycled materials. By reducing product power consumption through ecological design, GHG emissions generated by users during product use were reduced.
Energy-saving retrofit	<ul style="list-style-type: none"> By upgrading process technologies and reducing equipment energy consumption, GHG emissions from the production process were reduced.
Clean energy	<ul style="list-style-type: none"> Solar water heaters were installed at the production bases in Shenzhen and Taicang to provide heating for employee dormitories. Solar power generation equipment was installed at the production bases in Taicang and Haining to increase the proportion of clean energy use and reduce GHG emissions at source.
Green supply chain	<ul style="list-style-type: none"> When seeking new supplier resources, priority was given to local suppliers; Suppliers were promoted to carry out ISO 14064 verification and urged to implement energy-saving and emissions reduction efforts.
Climate information disclosure	<ul style="list-style-type: none"> The Company systematically carried out climate change resilience assessments, proactively disclosed relevant information on climate management through the CDP Climate Change Questionnaire, and promoted collaborative climate change management across the supply chain. The Company received an A rating in the CDP Climate Change Questionnaire in 2025.

Low-power Product Design Case

The Company reduced product power consumption through both hardware design and software design, thereby reducing greenhouse gas emissions during users' use of products.

i. Select chip solutions or power devices with higher energy efficiency

- For the RF section of Product A at 2.4G and 5G, external power amplifier devices such as LNA and PA were removed, and a bare chip solution was adopted, saving about 1.5 W of power consumption per board. Assuming monthly shipments of 20,000 units of this product and that users use this product for 12 hours per day, carbon emissions can be reduced by 1,412.7 tonnes of CO₂e per year.
- Product B improved the power conversion efficiency of the whole machine by integrating the power supply topology, increasing efficiency from an average of 80% to an average of 85%. Based on a single board rated at 12 V/3 A, power consumption can be reduced by 1.5 W per board. Assuming monthly shipments of 24,000 units of this product and that users use this product for ten hours per day, carbon emissions can be reduced by 1,412.55 tonnes of CO₂e per year.
- Without affecting performance quality, Product C reduced the overall power consumption of the whole machine by replacing the original dual-core CPU main chip with a single-core chip. Based on a single board rated at 12 V/2 A, power consumption can be reduced by about 1.6 W per board. Assuming monthly shipments of 30,000 units of this product and that users use this product for ten hours per day, carbon emissions can be reduced by 3,139 tonnes of CO₂e per year.

ii. Analyse product usage status through software and selectively switch off certain functions in standby mode

- The BPI IPCamera product is a battery-powered portable low-power IPCamera. As it needs to support long-term operation, power-saving requirements are a particularly important product characteristic. From the perspective of software design, the Company distinguished between working mode and standby mode, and entered working mode through remote wake-up via the APP or triggering by passive infrared sensing, thereby minimising power consumption.



Shenzhen Gongjin ISO 14064-1:2018 Verification and Certification



Taicang T&W ISO 14064-1:2018 Verification and Certification

Shenzhen Gongjin and Taicang T&W, with reference to the SBTi (Science Based Targets initiative), have formulated short-term science-based carbon targets and long-term net-zero targets, clarified emissions reduction pathways and implementation measures, and steadily reduced carbon emissions intensity, worked with global stakeholders to jointly build a green, low-carbon industrial chain, providing global customers with more efficient and environmentally friendly communications terminal products.



- Short-term carbon target: By 2030, reduce Scope 1 and 2 carbon emissions by **42%** compared with the 2021 base year, reduce Scope 3 carbon emissions from purchased goods and services per RMB10,000 of output value by **7%** year on year, and reduce total emissions by **52%** compared with the 2021 base year.
- Long-term carbon target: Achieve **carbon neutrality** in the Company's own operations by 2040; achieve **overall carbon neutrality** by 2050 and reach **net zero emissions**.

The production bases in Shenzhen, Taicang, and Vietnam established clear quantified greenhouse gas emission targets for 2025. By tracking target achievement on an annual basis, the Company assessed the effectiveness of energy-saving and consumption-reduction measures, provided a basis for improvement for the next step of energy-saving and consumption-reduction actions, and continuously promoted the normalisation, refinement, and traceability of greenhouse gas emission management and control.

GHG Emission Metrics and Targets of Gongjin

Production base	Metrics	Unit	Goals for 2025	Progress in 2025
Shenzhen	Total GHG emissions (Scope 1 and Scope 2)	%	Down 21% compared with the base year (2021)	Down 20.06% compared with the base year 🔄
	GHG from purchased goods and services per ten thousand yuan of gross production value (Scope 3)	%	Down 5.23% compared with the base year (2021)	Down 16.46% compared with the base year ✅
Taicang	GHG emissions per RMB10,000 of industrial added value (Scope 1 and Scope 2)	%	Same as the base year (2021)	Up 44% compared with the base year 🔄



Energy management

Gongjin uses energy sources such as electricity, diesel, petrol and natural gas. Among them, the electricity comes from the municipal power supply and the photovoltaic equipment in the plant generates its own electricity, which is used for industrial production and employees' living. Diesel is purchased externally and stored at the plant for use in forklifts and generators. Petrol is used in private vehicles. The natural gas used is municipal natural gas used for cooking in the cafeteria.

The Company adheres to the energy management philosophy of "energy saving and consumption reduction, contributing to society, improving work efficiency, and continuous improvement", strictly complies with relevant laws and regulations such as *Law of the People's Republic of China on Energy Conservation*, firmly establishes awareness of green and low-carbon development, establishes an energy management system, steadily advances energy conservation, emissions reduction, and efficient resource utilisation, and continuously enhances energy management standards.

Energy Management System of Gongjin

Governance

- **Management policy:** *Energy Management Manual, Energy Review Management Procedures, Management Procedures for Setting Energy Performance Parameters and Energy Benchmark, Energy System Operation Control Procedures.*
- **Governance structure:** The Company has established an energy conservation inspection team, with equipment engineers, process engineers, and various departments specifically implementing energy management measures.

Strategy

- **Impact:** Energy efficiency practices can drive upstream and downstream enterprises to transition towards energy conservation, improving energy utilisation efficiency across the entire industrial chain. The development of green electricity and promotion of energy-saving technologies align with national and local low-carbon development policies, contributing to the achievement of the "dual carbon" goals and reducing environmental impacts.
- **Risk:** The Company's production and operations mainly rely on municipal electricity supply. In the event of regional imbalances between electricity supply and demand, peak-period power restrictions, or electricity price increases, production lines may face phased shutdowns and declining capacity utilisation rates. At the same time, costs in equipment operation, raw material processing, and other links will also increase accordingly.
- **Opportunity:** Expanding the scale of photovoltaic power generation can avoid the risk of price fluctuations in traditional energy sources, and energy-saving retrofits for high-energy-consuming equipment can reduce electricity costs in the long term.
- **Response strategy:** The Company will promote the improvement and internal driving force of energy management systems through certification. Guided by energy consumption per unit product, the Company will implement energy-saving management across multiple dimensions, including technological, managerial, and design-based energy conservation.

Impact, risk, and opportunity management

- Energy conservation and emission reduction will be achieved through multiple dimensions such as energy-saving lighting retrofits and optimisation of processes and procedures.
- The Company will apply energy management platform to achieve load adjustment and automatic start-stop, enabling the scientific management of energy consumption.
- The Company will establish electricity consumption norms for employees to reduce energy waste in production and daily life.

Metrics and targets

- The production bases in Shenzhen and Taicang will formulate "14th Five-Year Plan" energy-saving targets around the "comprehensive energy consumption per unit output value" indicator. The production base in Haining set a comprehensive energy consumption target of RMB10,000 output value, and the production base in Vietnam set a power consumption target of RMB1 million sales value.

Energy Management Structure of Gongjin

Management level	Responsibilities
Energy conservation Inspection Team	<ul style="list-style-type: none"> ● Led by the Product Engineering Department, the team is responsible for controlling and supervising all activities related to water, electricity, gas, etc.
Equipment Engineers	<ul style="list-style-type: none"> ● They are responsible for modifying, controlling, and maintaining the equipment in their respective areas.
Process Engineers	<ul style="list-style-type: none"> ● They are responsible for improving and optimising the production processes in their respective areas.
Departments	<ul style="list-style-type: none"> ● They are responsible for cooperating to control energy and material usage to save resources, energy, and materials, and reduce losses.

The Company carried out energy management system certification to improve energy use, monitoring and management processes in all aspects, further reduce the likelihood of energy management risks, and seized opportunities for energy transformation. In 2025, the production bases in Shenzhen and Taicang completed the renewal of ISO 50001 energy management system certification.

In 2025, the Company mainly carried out energy-saving management from two dimensions, namely technological energy saving and management energy saving, continuously promoted energy-saving upgrades to equipment and process flows, achieved real-time monitoring and precise optimisation of energy consumption through the energy management platform, and strictly regulated electricity use in production and office operations, thereby reducing electricity waste.

Technical Energy-saving Measures and Results of Gongjin in 2025

Aspect	Main measures	Performance results
Energy management platform	<ul style="list-style-type: none"> The platform monitors energy consumption of electricity and natural gas, including the energy efficiency ratio of the central air conditioning system, air compressor energy-to-power ratio, air handler cooling water ratio, etc., and enables load adjustment and automatic start-stop. The Company identifies high-energy consumption areas such as ventilation and exhaust systems, nitrogen generation systems, water supply and drainage systems, natural gas systems, dormitory electricity meters, ESS aging boxes, etc. The production bases in Pingshan and Taicang carried out software and hardware additions and annual maintenance for the energy management platform, with investments of RMB470,000 and RMB100,000 respectively. 	—
Energy-saving lighting retrofit	<ul style="list-style-type: none"> The production bases in Pingshan and Taicang carried out the replacement of ultra-efficient energy-saving LED tubes, with investments of approximately RMB80,500 and RMB45,000, respectively. The production base in Haining carried out energy-saving lighting retrofits in workshops, adopting ceiling lights with lower power consumption and higher brightness, reducing power consumption by 10 watts per light. The production base in Vietnam adopted energy-saving LED tubes, with each tube saving 16 watts, increasing the coverage rate of energy-saving LED tubes across the plant to over 95%. 	<ul style="list-style-type: none"> The production base in Pingshan saved 35 MWh of electricity annually, equivalent to 18.57 tonnes of carbon dioxide equivalent. The production base in Taicang saved 28 MWh of electricity annually, equivalent to 14.86 tonnes of carbon dioxide equivalent. The production base Haining saved 10 MWh of electricity annually, equivalent to 5.31 tonnes of carbon dioxide equivalent.
Process optimisation	<ul style="list-style-type: none"> The production base in Haining achieved combined work order testing of 79 pcs, applied for a reduction of 132 pcs in testing quantity, and reduced the cycle period by 586 pcs. By integrating assembly, testing, packaging and other processes, the Company reduced production and testing cycles, thereby lowering electricity consumption. The Testing Department established an automated testing platform to maximise equipment utilisation efficiency and intelligent operation, supporting unattended operation, automatic running and mode switching, reducing energy consumption losses and resource waste caused by the frequent start-up and shutdown of equipment, and improving overall operational efficiency and energy utilisation efficiency. 	<ul style="list-style-type: none"> The production base in Haining saved 246 MWh of electricity annually, equivalent to 130.53 tonnes of carbon dioxide equivalent.

Regulations on Employee Electricity Consumption of Gongjin in 2025

Aspect	Specific content
Regulations on production electricity consumption	<ul style="list-style-type: none"> Energy waste should be reduced during non-production periods. In the SMT workshop, the reflow oven heating system and transmission system should be turned off in a timely manner when there is no production plan. Production processes should be streamlined to reduce the number of energy-consuming devices. Soldering irons, blow welding stations, hot glue guns, forming machines, etc., used on the production line should be powered off if they are not used for more than one hour.
Regulations on office and daily electricity consumption	<ul style="list-style-type: none"> During work, computers not in use for more than two hours should be switched off, the monitor power should be turned off within 2 hours, and each computer should have the screen saver function enabled and automatically enter standby mode when unattended. During lunch breaks from Monday to Friday, all fluorescent lights must be turned off. It is necessary to try to reduce the frequency of elevator usage and manage the permissions for the freight elevator. In summer, air conditioning should only be turned on when the indoor temperature exceeds 26°C, and in winter, when the indoor temperature is below 15°C. Dedicated personnel control the switching of lighting in public areas, and implement a staggered electricity use plan for certain areas.



Clean Energy Usage of Gongjin in 2025

Production base	Clean energy usage
Shenzhen	<ul style="list-style-type: none"> The Company used solar water heaters to provide hot water for employees' daily use, with an annual heating supply of approximately 499.95 MWh.
Taicang	<ul style="list-style-type: none"> The rooftop photovoltaic system has a capacity of 56 MWh, generating approximately 372 MWh of electricity annually.
Haining	<ul style="list-style-type: none"> The rooftop photovoltaic system covers an area of 5,000 square meters, generating approximately 1,093 MWh of electricity annually.
Vietnam	<ul style="list-style-type: none"> The Company planned to use 15,900 square metres of factory rooftop area to build a 2.28 MW photovoltaic power generation project, with supporting construction of 2 MWh energy storage facilities.

The Company has established energy-saving goals for the 14th Five-Year Plan, and set up refined management indicators such as single production power consumption and living power consumption per square meter, to comprehensively manage energy consumption performance.

Energy-saving Goals of Gongjin for the “14th Five-Year Plan”

Production Base	Metrics	Unit	2021	2022	2023	2024	2025
Shenzhen	Comprehensive energy consumption per unit output	tonnes of standard coal/10,000 pieces	≤1.39	≤1.37	≤1.31	≤1.25	≤1.22
Taicang			≤2.10	≤2.04	≤1.98	≤1.92	≤1.86

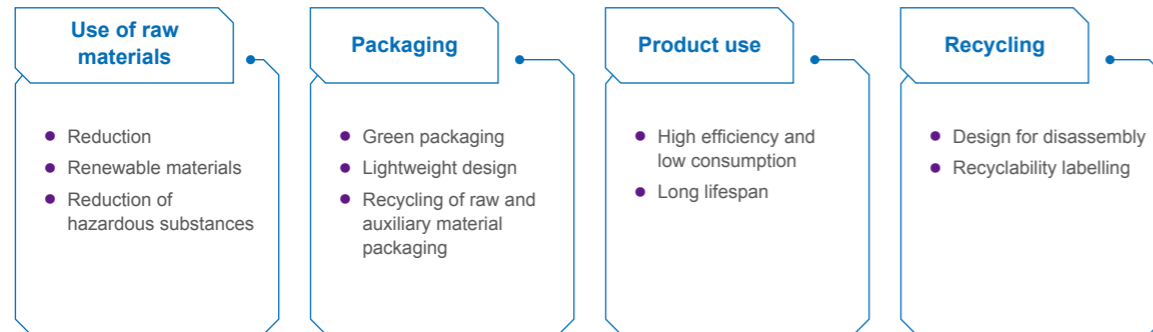
Energy Management Metrics and Targets of Gongjin for 2025

Production Base	Metrics	Unit	Annual target	Achievement
Shenzhen	Comprehensive energy consumption per unit output	tonnes of standard coal/10,000 pieces	≤1.22	1.55 🔄
	Comprehensive energy consumption per unit output	tonnes of standard coal/10,000 pieces	≤1.86	1.71 ✓
Taicang	Year-on-year decrease in electricity consumption per unit of production	%	≥5.00	11.66 ✓
	Electricity consumption per square meter of living area	kWh/m ²	≤4.50	3.65 ✓
Haining	Comprehensive energy consumption per RMB10,000 output value	kWh/ RMB10,000	≤180	38 ✓
Vietnam	Electricity consumption per RMB1 million of sales	kWh/RMB1 million	≤6,000	5,300 ✓



Circular economy

Gongjin adheres to the four major ecological design principles of simplicity and saving, making full use of materials, harmless substitution, and waste-free recycling. It complies with laws, regulations and requirements such as the *Directive on the Restriction of Use of Certain Hazardous Substances in Electrical and Electronic Equipment* (RoHS Directive), *Registration, Evaluation, Authorisation and Restriction of Chemicals* (REACH Regulation), *Waste Electrical and Electronic Equipment Directive* (WEEE Directive), *Energy-related Products Directive* (ErP Directive), and packaging directives. By integrating ecological design concepts into the product design process, and through measures such as material reduction, the use of renewable materials, and packaging recycling, the recycling of products and packaging is achieved..



Circular Economy Management System of Gongjin

Governance

- **Management policy:** Formulated *Green Packaging Design Specifications and Green Product Design Specifications, and added Standard Design Specifications for Plastic-Free Packaging in 2025.*
- **Governance structure:** Clear green design responsibility positions such as hardware engineers, packaging design engineers, structural engineers, and environmental engineers have been defined, with specific job responsibilities outlined to ensure the implementation of green design plans.

Strategy

- **Impact:** Through product eco-design, the use of recycled materials, extending product lifespan, and reducing product energy consumption, the Company reduces the carbon footprint and resource consumption across the entire value chain, helps downstream customers achieve the goals of recycled resource utilisation and circular use, and guides consumers to develop green consumption habits of purchasing products made from recycled materials and products with low power consumption and long service life.
- **Risk:** Circular economy measures such as product eco-design, green products, and the application of recycled materials require sustained capital investment, including in research and development, testing, and implementation, and existing production lines need to be upgraded to accommodate new processes. If market acceptance of green products is insufficient, or if they have no price advantage compared with traditional products, the return on investment may fall short of expectations.
- **Opportunity:** The Company advances reduction and recycling throughout the product life cycle, reduces resource waste, establishes a recycling system for production offcuts, and recycles and similar materials, thereby lowering dependence on and consumption of raw materials, and reducing procurement and waste disposal costs.
- **Response strategy:** The Company has built a green product research and development system, established a professional research and development team, formulated green design specifications for products and packaging, and clarified management objectives for product eco-design. The concept of circular economy is systematically integrated throughout the entire product development process, promoting the full implementation of green design requirements in the research and development stage, and strengthening green management across the product lifecycle.

Impact, risk, and opportunity management

- The Company adheres to ecological design principles, ensures product service life, and uses environmentally friendly materials.
- Reduced-material design should be used.
- The reuse rate of moulds, consumables, and components, and the proportion of recyclable materials can be increased.

Metrics and targets

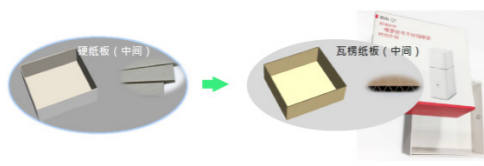
- The Company sets annual quantitative targets around indicators such as PCB duty ratio, PCB panel utilisation rate, the proportion of through-hole components, recyclable and reusable components, and product recycling period.

The Company follows the principles of circular economy and improves resource reuse rates through component recycling, dismantling, and reuse; reducing waste generation through waste reuse. It gradually abandons the traditional linear economic model of “extract-produce-consume-dispose” and builds a resource recycling system. During product research and development and production, the Company continuously improves material utilisation efficiency and the level of resource recycling and utilisation by promoting eco-design and plastic-free packaging, using recycled materials and lightweight designs, optimising production processes, and promoting standardised components and packaging recycling, among other measures.

Circular Economy Measures of Gongjin

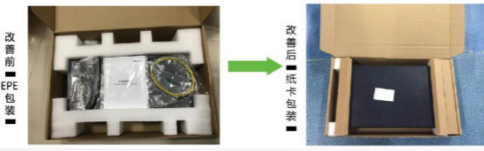
Packaging

Packaging reduction



- Through optimised packaging design, the weight of Customer M's new top-and-bottom premium gift box is reduced from 720 g to 320 g per unit


Packaging recycling



- Packaging cardboard replaces EPE, and a “plastic-free” design is adopted, achieving 100% recyclability of packaging materials.


Product design

Reduced PCB area and the number of components




- The layout of a small device is optimised to make full use of the front and back PCB space and remove the shielding cover, reducing the PCB size by 44%, from 150 * 105 mm to 98 * 90 mm

Product housing lightweighting



- By integrating the product button with the top cover or bottom cover, the design by one button component is reduced
- A thin-wall structure is designed at the light-transmitting areas of the top or bottom cover, allowing light to pass directly through the housing to achieve the desired effect; alternatively, a sleeve structure is formed directly on the top cover to achieve enclosure and light transmission, thereby reducing the use of light guide columns

Hot-melt fixing method changed to snap-fit fixing method



- In the design of buttons and light guides, changing the hot-melt fixing method to a snap-fit fixing method can save the consumption of hot-melt fixture materials and electricity used for hot melting, and the assembly is detachable, enabling repeated use.

PCR materials

- In response to EU policy requirements, post-consumer recycled (PCR) materials are used as raw materials, reducing carbon emissions by 3.1 tonnes of carbon dioxide equivalent per tonne of material
- In 2025, the Company achieved the use of PCR materials with 95% content in the casings of all products for Customer S

Dynamic ageing test

- Dynamic ageing test simulates real operating scenarios of “high temperature + high pressure + full-function operation”, accelerating the exposure of defects and failures that chips may develop after long-term use, and eliminating early-failure products, thereby ensuring product service life
- As of the end of 2025, a total of 26 products had adopted dynamic ageing testing

Logistics

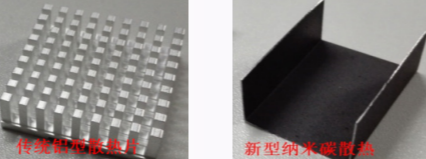
Improved logistics space utilisation

- The Company continuously optimises the packaging and logistics system. By optimising packaging box dimensions, pallet selection and stacking plans, the carrying capacity of each pallet has increased significantly, thereby raising the overall space utilisation rate of freight containers to 68%

Recyclable plastic frames


- The supply chain is encouraged to replace paper boxes with recyclable plastic frames. Plastic material turnover boxes can be reused over 200 times, while paper boxes can only be reused five times.

New lightweight heat dissipation sheets



- The Company replaces traditional aluminium heat dissipation sheets with nano-carbon heat dissipation sheets, eliminating the anodising process, reducing chemical usage and aluminium consumption, and saving more than 240 tonnes of raw materials each year

Reduced screw usage



- We change from using four screws to fix structural housing components to using two screws, saving two screws and reducing disassembly time during recycling

Process flow

SMT adopts movable stencils and an edgeless process

- In the Surface Mounted Technology (SMT) process, movable stencils are used to replace traditional fixed stencils. By reusing stencil frames, aluminium consumption in the manufacture of stencil frames is significantly reduced. While improving material utilisation, this also reduces costs by 25%
- The SMT process adopts a borderless board process. By optimising layout and process design, the reserved process edge on printed circuit boards is eliminated, reducing board material waste and decreasing the amount of hazardous waste generated

Standardised components

- We design product housings with standardised dimensions to accommodate different configurations of devices on universal casings, enabling multi-project sharing of housings and moulds, facilitating production preparation, and improving secondary material utilisation
- We use existing mould appearances on the market, modifying differentiation on original moulds, and share shielding covers for new projects

Recycling of tin

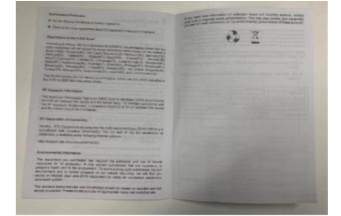
- During the use of tin wire, tin dross and tin beads are collected, recycled, and remelted at high temperatures, then filtered and reused in wave soldering

In accordance with the EU WEEE Directive, the Company prints environmental labels such as WEEE marks, recyclable marks, environmental usage period marks, and lead-free marks on product housings, packaging, and instruction manuals. These labels remind consumers to send products to appropriate facilities for recycling and reuse when disposing of them. At the same time, based on the four standard regulatory labels, the Company combines the remaining customer-required customised labels into one complete label or prints them together, thereby reducing spraying.

EU WEEE Directive: End users must send this product to appropriate facilities for recycling and reuse when they intend to dispose of it



Examples of WEEE and recyclable labels in the user manual



The recyclable label indicates that the product or its packaging is made from recyclable materials



Examples of WEEE and recyclable labels on product packaging outer boxes



- In 2025, the Company arranged **two** ecological design training sessions throughout the year. The training content included the concepts, principles, importance, steps and methods of product ecological design, as well as an introduction to environmental regulations and directives. A total of **100** employees participated, including staff from the structural, EDA, packaging design, thermal design, hardware, and PM departments.
- In 2025, the Company obtained the **“Industrial Product Green Design Demonstration Enterprise designation”**.

Circular Economy-Related Metrics and Targets of Gongjin for 2025

Metrics	Unit	Annual target	Achievement
PCB occupancy ratio	—	≥3.00	3.47 ✓
PCB panel utilisation rate	%	≥77	79 ✓
Through-hole component material ratio	%	≤7.0	6.3 ✓
Recyclable and reusable components	—	Both the PCBA and the casing are made of recyclable materials	Both the PCBA and the casing are made of recyclable materials ✓
Product recycling period	years	10	10 ✓

Ecosystem and biodiversity protection

The areas where the Company's production bases are located experience frequent human activities. In addition, due to factors such as urban construction, there is no wild vegetation in the area, nor are there any large wild animals or species of flora and fauna under national protection. Within the scope of the assessment, there are no ecologically sensitive targets such as rare and endangered wild animals and plants under key protection, key wetlands, nature reserves, scenic areas, and forest parks.

At the same time, the Company actively carries out environmental public welfare activities, integrating responsibility for ecological protection into public welfare practice. In August 2025, the Shenzhen T&W Love Public Welfare Foundation established by the Company responded to the "45+ Carbon Pathfinders" Shenzhen Ancient Tree Care Initiative and donated RMB50,000 in ancient tree care funds to the Shenzhen Charity Federation, supporting the scientific protection and rejuvenation of Shenzhen's ancient and notable trees, improving the growth environment of ancient trees, enhancing their health and survival rates, safeguarding the city's ecological and historical "living fossils", and conveying the concept of green public welfare through practical action.

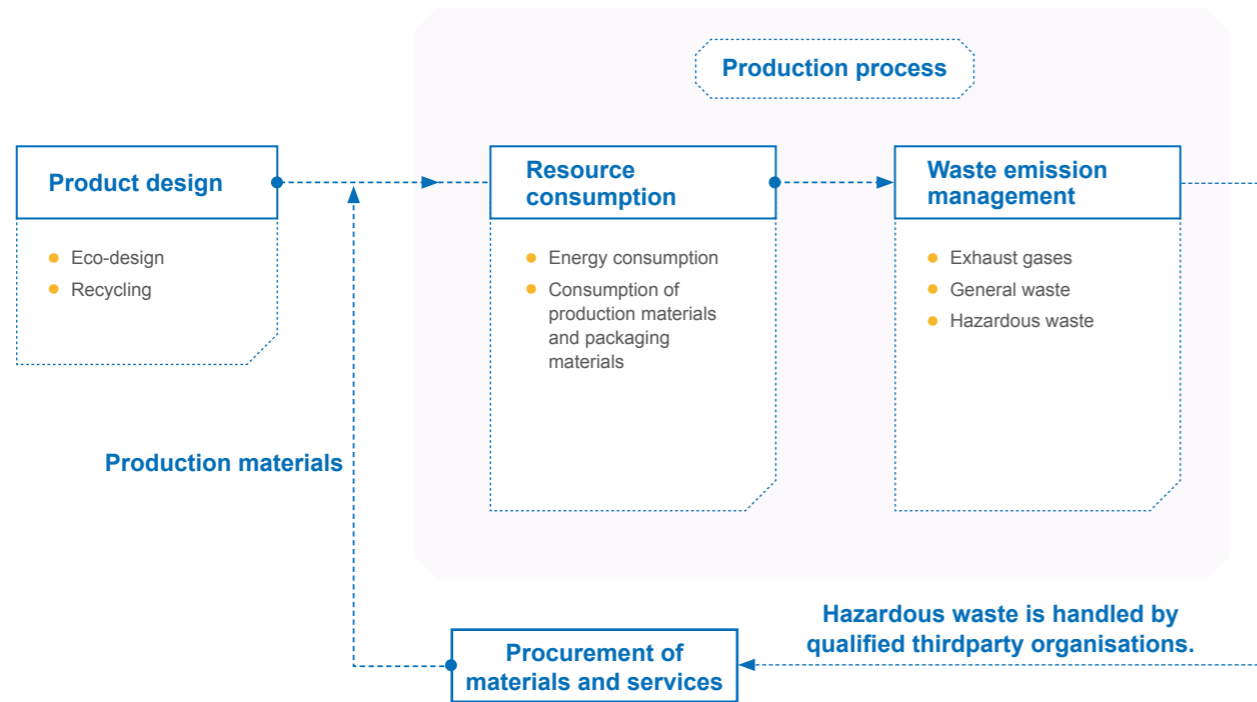


Being Environmentally Friendly, Implementing Green Production

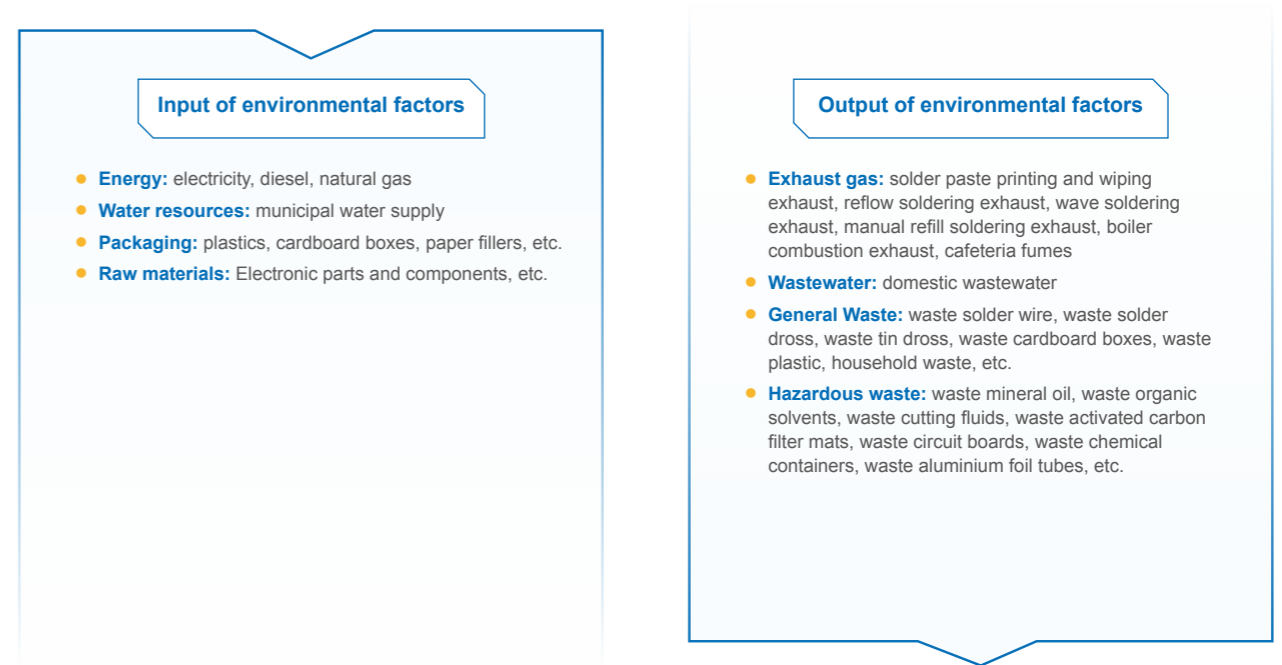
Environmental compliance management

Gongjin strictly adheres to the *Environmental Protection Law of the People's Republic of China*, the *Regulations on Ecological and Environmental Protection of Jiangsu Province*, the *Environmental Protection Regulations of Guangdong Province*, the *Environmental Protection Regulations of Shenzhen Special Economic Zone*, and other relevant laws, regulations and requirement. The Company has established management systems including the *Environmental Management Scheme*, *EHS Management Plan*, *Environmental Factor Identification, Evaluation, and Control Procedures*, and *Environmental Monitoring and Pollution Control Procedures*. In addition, the Company conducts quarterly updates on legal and regulatory changes to ensure that its environmental management measures comply with the latest regulatory requirements. The company has no production wastewater discharge. The primary source of industrial emissions is from welding, and none of the production facilities are included in the legally required environmental information disclosure list.

Key Environmental Management Aspects in Gongjin's Production Process



Environmental Inputs and Outputs of Gongjin



The Company has identified two major environmental risks: chemical spills and hazardous waste leaks, and has developed corresponding emergency response measures.

Major Environmental Risks and Mitigation Measures of Gongjin

Major environmental risks	Environmental hazardous substances	Environmental hazards	Emergency response measures
Chemical spill	Cleaning agents, flux, anhydrous ethanol	Pollution of the atmosphere, water bodies, soil, etc.	<ul style="list-style-type: none"> In the case of small leaks, cover and absorb the substance with fire sand. In the case of large leaks, use sandbags for containment. Use methods such as sealing or transferring to promptly relocate any unspilled materials in the surrounding area.
Hazardous waste leakage	Waste rags/gloves, waste printed circuit boards, waste empty containers, waste engine oil, waste organic solvents		<ul style="list-style-type: none"> Repair or replace the originally leaked packaging materials promptly, and timely transfer any unspilled materials. In the event of a leak, immediately use a shovel or broom to collect the material and transfer it to a designated container. After the emergency response, the generated waste will be transferred to a qualified hazardous waste disposal organisation for treatment.

The Company enhances its environmental management standards and environmental performance by carrying out environmental management system certification, promoting green factory development, conducting cleaner production reviews, preparing budgets for environmental management expenses, providing environmental protection training, completing environmental impact assessment acceptance for new projects, preparing emergency response plans, and conducting regular drills.

Key Measures and Results in Gongjin's Environmental Compliance Management

Aspect	Key measures/results
Environmental management system certification	<ul style="list-style-type: none"> All four production bases in Pingshan, Taicang, Haining, and Vietnam obtained ISO 14001:2015 environmental management system certification, with a coverage rate of 100%.
Environmental management expense budget	<ul style="list-style-type: none"> The EHS department and equipment management department prepare annual budgets for environmental management expenses such as environmental monitoring, hazardous waste disposal and equipment operation, so as to ensure funding for the Company's environmental management, pollutant emissions and hazardous waste disposal.
Environmental protection training	<ul style="list-style-type: none"> Each year, the Company conducts green environmental protection knowledge training for all employees at each production base, helping employees understand environmental regulations and requirements, and raising their environmental awareness.
Emergency drills	<ul style="list-style-type: none"> The Company has established emergency plans for various emergency situations, such as Emergency Response and Preparedness Management Procedures and Management Measures for Hazardous Chemical Leaks, regularly organises relevant personnel to carry out emergency response drills, and evaluates and summarises the drill results to ensure the applicability and effectiveness of the emergency plans. In 2025, the Taicang and Haining factories carried out plant-wide fire drills, chemical leakage incident drills, and hazardous waste leakage incident drills. In 2025, the Pingshan Plant conducted special emergency drills for sudden hazardous waste pollution incidents, special emergency drills for secondary environmental incidents caused by sudden fires, emergency response drills for interception and blockage at stormwater discharge outlets, emergency response drills for hazardous chemical leakage, emergency response drills for hazardous waste leakage, emergency response drills for excessive exhaust gas emissions, and added emergency drills for positions involving the use of hazardous chemicals.

Emergency Response Drills for Hazardous Chemical Spills, Poisoning, and Asphyxiation Accidents

In June and November 2025, Shenzhen Gongjin organised emergency response drills for hazardous chemical spills, poisoning, and asphyxiation accidents. Chemical managers, chemical material handlers, safety officers, departmental emergency teams, and health care doctors from the Storage and Transportation Department, Logistics Management Department, and other relevant departments participated in the on-site drill. The two on-site drills simulated the emergency response processes following alcohol and flux overflow. The drills included personnel evacuation, information reporting, area warnings, source control, donning of emergency gear, leak containment, and personnel rescue. The drills identified that the emergency response team had difficulty in timing their actions effectively. Training will be enhanced for emergency team members regarding their responsibilities and response procedures.



Photograph of the hazardous chemical leakage drill site



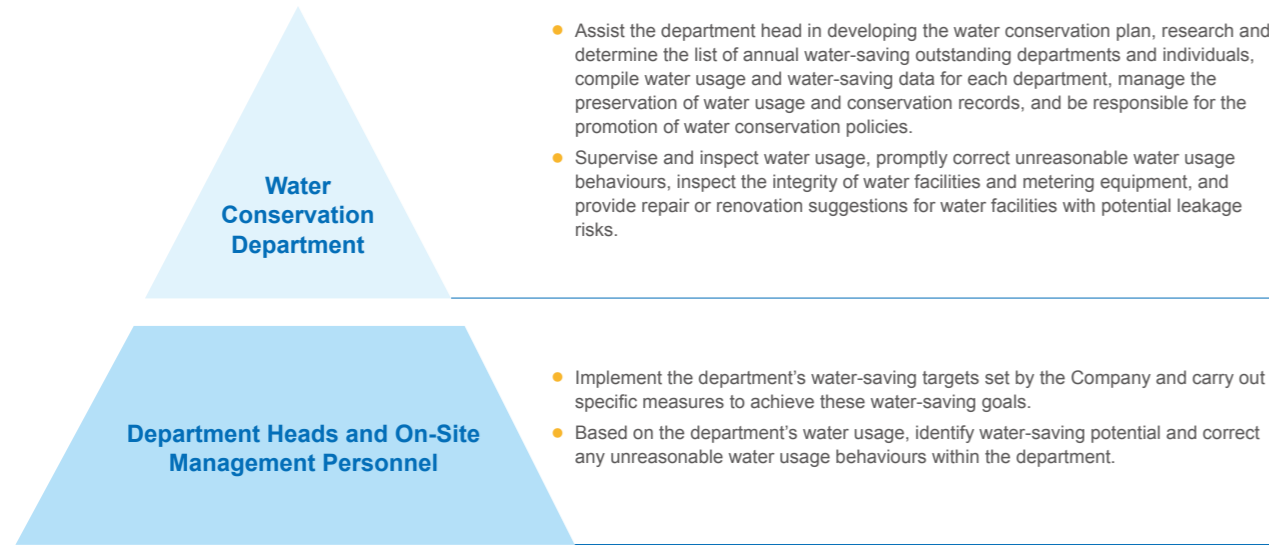
- Shenzhen Gongjin, Taicang T&W were awarded **the National Green Factory certification.**



Water resource management

Gongjin strictly adheres to the *Water Law of the People's Republic of China* and the *Regulations on Water Conservation of Shenzhen*. The Company has established management systems such as the *Water Conservation Management System*, *Water Saving Inspection System*, and *Water Conservation Plan by Quota Management*, and other relevant laws, regulations and requirement. The Company has established a responsibility system for water conservation management positions, organised the development of the Company's water conservation development plan, studied the feasibility of water resource complementary utilisation projects in various units, regularly held water conservation meetings, approved relevant regulations in water conservation management, and was responsible for the construction and management of water-saving projects.

Water Resources Management Framework of Gongjin



The Company's water source is municipal water, which is used for factory and dormitory employee life, and does not involve industrial water. In 2025, the Company continued to advance refined water resources management and implemented special optimisation of water-saving equipment to reduce water resource consumption at source. The Company also established a daily water use management system to standardise employees' water use behaviour, promoted rainwater recycling and reuse to improve the recycling rate of water resources, conducted water-saving publicity and training to strengthen water-saving awareness among all employees, and promoted the establishment of a water-saving management system with full participation and whole-process control.

Water Resource Management Measures of Gongjin in 2025

Aspect	Main measures
Water-saving equipment optimisation	<ul style="list-style-type: none"> Based on water use requirements and the condition of existing equipment in each operational scenario, the Company systematically inspects, upgrades and replaces water-saving equipment, prioritising the use of highly efficient water-saving equipment and accessories to reduce water resource consumption at source.
Daily water usage standards	<ul style="list-style-type: none"> The washbasins and toilets in the Company's restrooms are all equipped with water-saving fixtures that meet national standards, and strict control is implemented over public cleaning water usage. The Company has established a per capita water usage standard for dormitories and regularly conducts water-saving activities. Dormitories with low monthly water consumption are rewarded, while those exceeding the standard are subject to additional educational campaigns. The Company encourages all employees to participate in water conservation efforts. The Company strictly controls the air conditioning operating hours, ensuring that the temperature is set no lower than 26C. Different start times are established based on the air conditioning needs of each area, and efforts are made to minimise the usage time of air conditioners in order to conserve water consumption. Irrigation for landscaping is carried out manually, with dedicated water conservation personnel assigned to manage the green areas. The water usage for landscaping is controlled to be no more than 1.1 litres per square meter per day. Based on the actual situation in the cafeteria, water usage quotas are set for each floor's dining area. Floors exceeding the water usage quota are given warnings and public reprimands. Additionally, water conservation inspectors are assigned to conduct regular water-saving checks.
Rainwater recycling and utilisation	<ul style="list-style-type: none"> Rainwater is collected into rainwater storage tanks, and after mechanical filtration, it is stored in a clean water tank for outdoor landscaping, road sprinkling, and toilet flushing.
Water conservation awareness training	<ul style="list-style-type: none"> Special water-saving publicity is actively carried out. Every month, it is conducted irregularly through WeChat public accounts, LED screens, bulletin boards, and posted signs. Special environmental protection training sessions including water conservation advocacy were conducted, covering a total of 4,950 participants



• In 2025, the Company was awarded a CDP Water Questionnaire rating of **A-**.

The Company sets water-saving goals from both factory domestic water and dormitory domestic water dimensions to promote water-saving plan.

Gongjin 2025 Water Usage Metrics and Targets

Production base	Metrics	Unit	Annual target	Progress in 2025
Shenzhen	Water consumption per 10,000 PCB points	m ³	≤0.13 (the first half of the year)	0.11 (the first half of the year) ✓
			≤0.12 (the second half of the year)	0.13 (the second half of the year) ⌚
	Per capita dormitory domestic water consumption monthly	m ³	≤2.2	2.1 ✓
Taicang	Water consumption per pcs	%	flat year-on-year	up 4.45% year-on-year ⌚
Haining	Water consumption per RMB10,000 of production value	m ³ /RMB10,000	≤0.60	0.07 ✓
Vietnam	Water consumption per RMB1 million of sales	m ³ /RMB1 million	≤38	23 ✓

Pollutant and waste management

Pollutant management

The waste gases generated by Gongjin primarily come from the soldering fumes produced during the solder paste printing wiping exhaust gas, reflow soldering, wave soldering, and manual soldering processes. The main pollutants include tin and its compounds, volatile organic compounds (VOCs), and particulate matter. The Company complies with national laws such as the *Water Pollution Prevention and Control Law of the People’s Republic of China*, *Air Pollution Prevention and Control Law of the People’s Republic of China*, *Air Pollution Prevention and Control Regulations of Guangdong Province* and the *Water Pollution Prevention and Control Regulations of Guangdong Province*, and other laws, regulations and local management requirements. We have established management systems such as the EHS Management Manual. The Company installs fume collection devices above the reflow soldering, wave soldering, and manual soldering processes. The waste gas is treated using activated carbon and filter cotton, then released at high altitudes from the roof.

Waste gas types	Pollutants	Emission method	Treatment process
The waste gases from solder paste printing wipes, as well as those from reflow soldering, wave soldering, and manual soldering processes	Tin and its compounds, volatile organic compounds (VOCs), and particulate matter	Indirect emissions	Adsorption by activated carbon and filter cotton

The wastewater produced by the Company mainly consists of domestic wastewater. Employee domestic wastewater is collected via sanitary fixtures and discharged into the municipal sewage network. Wastewater from the canteen undergoes oil separation pre-treatment before being combined with domestic wastewater and discharged into the municipal sewage network, entering the urban sewage treatment plant. After treatment, the water is discharged into surface water.

Wastewater types	Pollutants	Discharge method	Treatment process
Domestic wastewater and canteen wastewater	pH, chemical oxygen demand (COD), suspended solids, ammonia nitrogen, total phosphorus, total nitrogen	Indirect discharge	After oil separation pre-treatment, the wastewater is discharged into the municipal sewage network along with domestic wastewater.

The Company conducts annual monitoring for compliance with standards on domestic wastewater and industrial waste gases. According to the monitoring results, pollution emissions in 2025 meet the requirements of the *Comprehensive Emission Standards for Air Pollutants*, *Air Pollutant Emission Limits of Guangdong Province*, *Comprehensive Wastewater Discharge Standards*, and *Standards for Wastewater Discharged into Municipal Sewers*. After effective disposal of the pollutants generated by the Company, there is no significant impact on the surrounding air quality or surface water.


Waste management


The Company follows the *Solid Waste Pollution Prevention and Control Law of the People’s Republic of China*, the *Storage Pollution Control Standards for Hazardous Waste*, *Solid Waste Pollution Prevention and Control Regulations of Guangdong Province*, *Hazardous Waste Transfer Management Measures of Shenzhen*, and other laws, regulations and local management requirements. The Company has established systems like the *Waste Pollution Control Procedures*, *Hazardous Waste Management Plan*, and *Factory Waste Classification Processing Summary* to regulate internal management.

The Company has established separate storage areas for hazardous and general waste, with regulated partitioned storage. It records the quantity of waste generated and transferred, and recycles or disposes of the waste in accordance with its nature and in compliance with relevant laws and regulations. For hazardous waste, the Company established an electronic system in 2025 to record the full life cycle of hazardous waste, and adopted QR codes for inbound and outbound storage management, comprehensively ensuring the compliant disposal and reuse of hazardous waste. General waste is sorted and collected by cleaners. General waste with recycling value is collected on-site by qualified third parties for recycling, while non-recyclable general waste is handled by the sanitation department or qualified third-party organisations.



Waste Categories and Treatment Methods of Gongjin in 2025

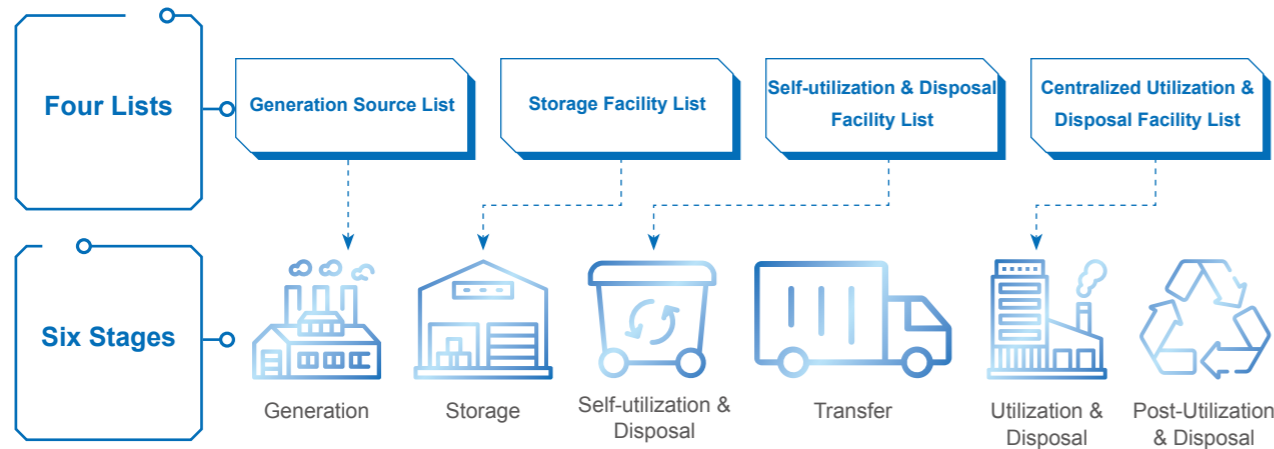
Type	Classification	Source of generation	Name of waste	Handling method
 Hazardous waste	Non-recyclable	Cleaning process	Waste organic solvents	<p>A full-process management model featuring Four Lists and Six Stages was adopted</p> <p>A designated department carried out unified registration, standardised labelling and information-based management, regularly engaged qualified third-party entities for transfer and disposal, and completed filing on the platform of the competent ecological environmental authority as required</p>
		Equipment maintenance and servicing	Waste mineral oil	
		Machining	Waste cutting fluid and cutting oil	
		Waste gas treatment	Waste activated carbon and filter cotton	
		Cleaning	Waste wiping cloths contaminated with chemicals	
	Packaging contaminated with hazardous waste from various stages	Waste solder paste, waste cleaning liquid bottles, waste chemical containers, waste aluminium foil tubes, etc.		
	Recyclable	Machine room power supply, forklift batteries	Waste lead-acid batteries	
	Defective products and scrap materials	Waste PCB and board edge trimmings		

Type	Classification	Source of generation	Name of waste	Handling method
 General waste	Non-recyclable	Production and office	Waste cleaning tools, waste office supplies, waste tableware, and other domestic waste	Collected by municipal sanitation services and centrally treated at urban waste treatment stations
		Cafeteria	Waste in the cafeteria	Entrusted to licenced third-party entities for transportation and treatment
		Production and office	Discarded refrigerators, washing machines, water heaters, etc.	The waste electrical and electronic products are recycled and reused by enterprises that have the qualification for centralised treatment of waste electrical and electronic products.
	Recyclable	Welding	Waste soldering wire, welding slag, and tin slag	Recycled through supplier take-back programmes
		Production and office	Waste toner cartridges, ink cartridges, scrap metal, plastic, paper, and wood boards	Recycled and reused by qualified operators



The Company completes the review of the inventory of hazardous waste generation sources, the inventory of storage facilities, the inventory of self-utilisation and disposal facilities, and the inventory of centralised utilisation and disposal facilities, clarifies the basic information on hazardous waste generation sources, storage carriers, disposal facilities, etc., and, based on these inventories, carries out whole-process control of hazardous waste across the six stages of generation, storage, self-utilisation and disposal, transfer, utilisation and disposal, and post-utilisation and disposal. The Company is required to declare by scanning a code at the hazardous waste generation stage, storage stage, hazardous waste pending outbound stage, self-utilisation and disposal and secondary hazardous waste stage.

Whole-process Management Model for Hazardous Waste



The chemicals used by the company mainly include flux, diluents, cleaning agents, hot melt adhesive, solder paste, alcohol, and other auxiliary materials. Auxiliary material suppliers are required to provide environmental compliance test reports issued by testing institutions recognised by the company. For flux, cleaning agents, and diluents, suppliers must provide permits such as the *Permit for the Transport of Flammable and Explosive Chemicals*. For volatile chemicals, the company is responsible for sending samples for mass spectrometry analysis to ensure the absence of hazardous substances before use.

The Company has established an independent chemical warehouse, which meets requirements for fire prevention, explosion prevention, and leak prevention, and is equipped with appropriate personal protective equipment at designated locations. The warehouse is managed by qualified chemical managers. The Company conducts waste classification training for cleaning personnel and other employees to enhance their knowledge and awareness of waste sorting and disposal.

Waste Management Metrics and Targets of Gongjin for 2025

Production Base	Metrics	Unit	Annual target	Achievement
Shenzhen	Hazardous waste generated per RMB1 million of sales	kg/RMB1 million	≤8.00	4.15 ✓
	Year-on-year decrease in general waste generated per RMB1 million of sales	%	First half: ≥5.00 Second half: ≥8.00	12.72 ✓
Taicang	Hazardous waste generated per unit of output	kg/1,000 pieces	≤3.00	2.80 ✓
	Year-on-year decrease in general waste generated per RMB1 million of sales	%	≥1.00	14.22 ✓
Haining	Amount of hazardous waste generated from RMB10,000 of output value	kg/ RMB10,000	≤0.18	0.02 ✓
	Amount of general waste generated from RMB10,000 output value	kg/ RMB10,000	≤3.50	1.37 ✓
Vietnam	Hazardous waste generated per unit of output	kg/1,000 pieces	≤9	4 ✓
	Amount of general waste generated per RMB1 million of sales	t/RMB1 million	≤0.25	0.10 ✓

Dual Improvement in Quality and Efficiency, Safeguarded by Innovation

Product and service quality

Gongjin adheres to the quality management philosophy of “Striving for Perfection, Achieving Excellence,” and has established a rigorous quality management system to meet compliance requirements, systematically identify and assess risks and opportunities related to product and service quality, and build a rapid response mechanism for product quality and customer needs, ensuring that strategic and operational adjustments are timely and effective, and continuously enhancing customer satisfaction and market competitiveness.

Each year, the Company reviews the list of local laws and regulations, such as the *Product Quality Law of the People’s Republic of China*, the *Standardisation Law of the People’s Republic of China*, the *Regulations on the Administration of the Recall of Defective Automotive Products*, the *Measures of Jiangsu Province for the Supervision and Administration of Product Quality*, Vietnam’s *Product Quality Law Implementation Regulations*, the *US Consumer Product Safety Act*, and the *EU General Product Safety Directive*, to ensure that product quality standards comply with policy requirements.



Gongjin Product and Service Quality Management System

Governance

- **Management policy:** In accordance with the requirements of the ISO 9001:2015, IATF 16949:2016, and TL 9000 systems, management procedures have been formulated for such stages as advanced product planning, incoming material management, production processes, inspection and delivery, and non-conforming product improvement.
- **Governance structure:** Each production base has a dedicated Quality Department and a Supplier Quality Management Section, and local Quality Departments have Production Quality Sections and Customer Quality Sections. The Production Quality Section is responsible for PCBA quality management and assembly, testing and packaging quality management. The Customer Quality Section is responsible for customer inspection.

Strategy

- **Impact:** If products have a short service life or are scrapped early due to quality issues, this will generate electronic waste and increase the burden of environmental governance. If the content of toxic and hazardous substances in products exceeds the standard, it will directly affect consumers’ health and safety.
- **Risk:** Product quality issues directly lead to operating costs such as rework, repair, and recalls. Meanwhile, against the backdrop of intense industry competition, if costs are cut in order to gain a price advantage and investment in intelligentisation is insufficient, resulting in a decline in product yield rates and difficulty in meeting customers’ delivery requirements, market share will be lost.
- **Opportunity:** As the automotive electronics market continues to grow, products such as LiDAR, millimetre-wave radar, power amplifiers, and domain controllers are gradually achieving domestic substitution. At the same time, domestic OEMs are showing a trend towards in-house development, bringing direct cooperation opportunities to the Company. By entering the direct supply chain of original equipment manufacturers (OEMs), we can enhance customer stickiness and bargaining power.
- **Response strategy:** Transform from a traditional PCBA contract manufacturing enterprise into a high-end manufacturing service provider with system solution capabilities and the ability to cooperate directly with OEMs, so as to seize the market opportunities brought by new energy vehicles and intelligentisation.

Impact, risk, and opportunity management

- The Company has formulated *Customer Special Requirements Management Procedure* and *Product Quality Advanced Planning Management Procedure* to proactively identify customer expectations, determine customers’ special optional configuration requirements, transform customer requirements into technical research and development directions, and establish long-term cooperative relationships.
- The Company has also formulated *2025–2029 Five-Year Development Plan for the Automotive Electronics Business*, focusing on high-growth segments, strengthening quality management, promoting process innovation, optimising supply chain and delivery, implementing lean cost control and other multi-dimensional strategies, and systematically addressing the product and service quality challenges in the automotive electronics industry.

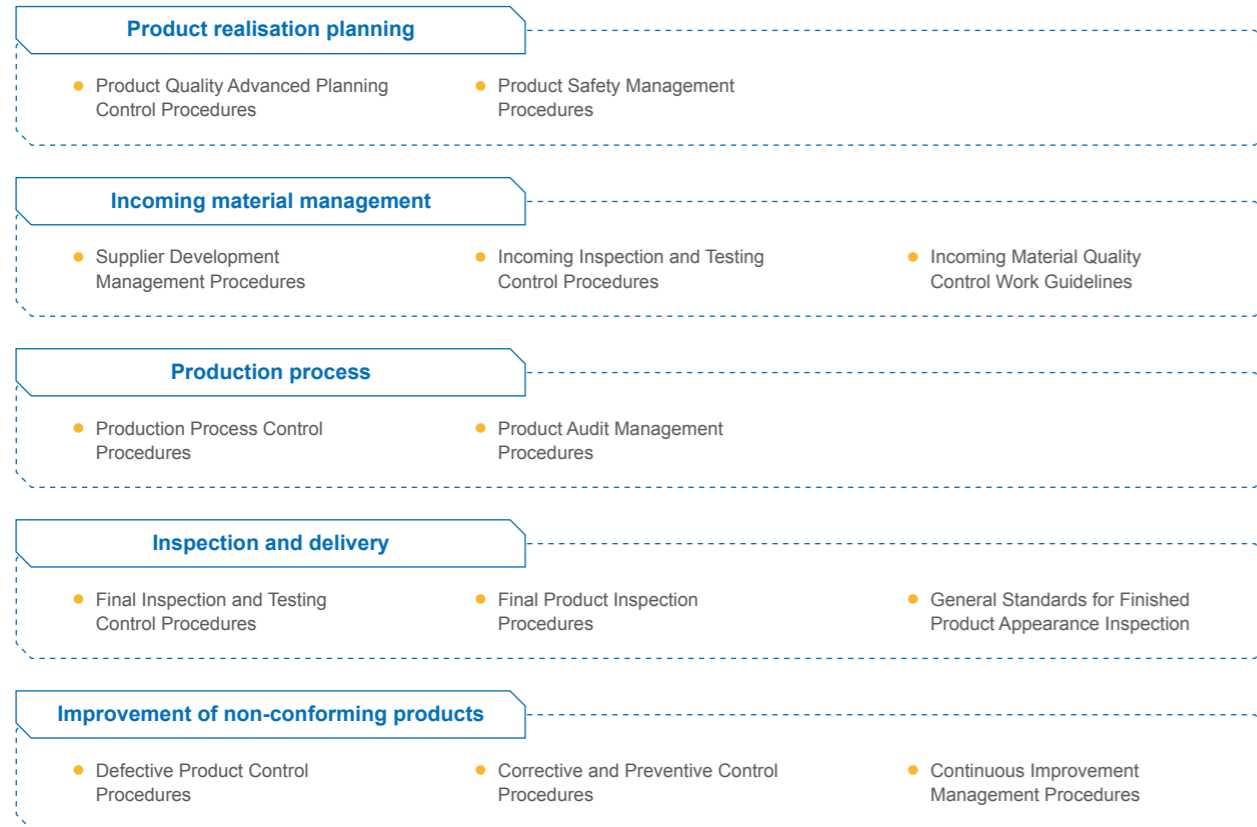
Metrics and targets

- Annual targets are set for indicators such as first-pass yield, overall product yield, customer inspection pass rate, after-sales defect rate, quality incidents, and customer satisfaction.

Enhancement of product quality

The Company has passed ISO 9001:2015 quality management system certification, IATF 16949:2016 automotive industry system standard conformity certification, TL 9000-HR6.3/R5.7 telecommunications industry quality system certification, ISO 17025:2017 laboratory quality management system certification, etc., and has integrated the requirements of quality management system certification into internal management systems, establishing quality management procedures covering the full lifecycle from project introduction, raw material control, production control, testing, to shipment, so as to ensure that each quality control link is advanced in a standardised and regulated manner.

Quality Management System of Gongjin



The Company, based on meeting quality standard requirements, continuously adapts to the challenges and opportunities of automotive-grade safety requirements and emerging market responses, and enhances mass production delivery capabilities and market competitiveness through intelligent quality control measures.

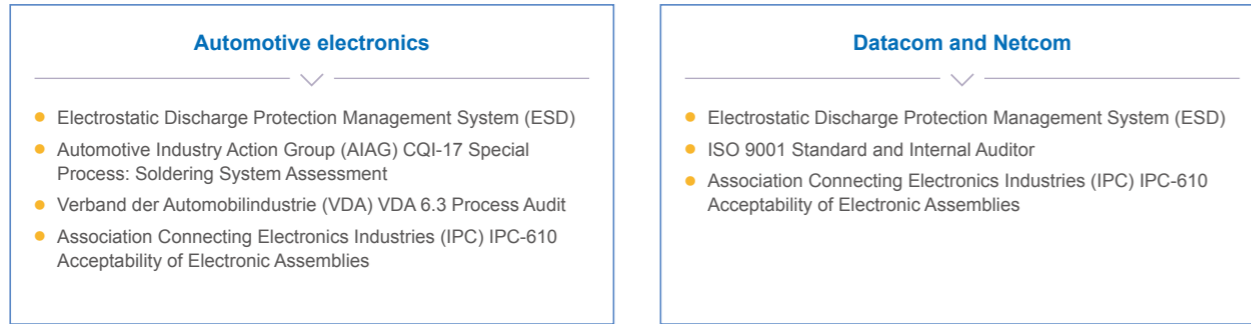
Identification and Response Measures for Product Quality Risks and Opportunities at Gongjin

Type	Description	Financial impact	Response measures
Risks	Products such as intelligent driving and domain controllers involve Automotive Safety Integrity Level (ASIL) assessment. Any quality defect may lead to safety incidents, and traditional manual quality inspection methods are difficult to meet vehicle-grade safety requirements.	Increased operating costs Decreased operating revenue	Automatic Visual Inspection (AVI) is introduced for automotive electronic products to improve the efficiency and accuracy of quality inspection. Advanced Product Quality Planning (APQP) is adopted to carry out quality analysis on a case-by-case basis.
Opportunities	Amid the domestic trend of in-house development by OEMs, customers have placed higher demands on response speed, product life, and customisation capabilities. If the Company can respond and deliver in a timely manner, it will gradually enter the direct supply chain of original equipment manufacturers (OEMs).	Increased revenue	The Company leverages coverage advantages across vertical domains to shorten the cycle for high-specification new products from research and development to mass production, and responds promptly to customers' delivery requirements.



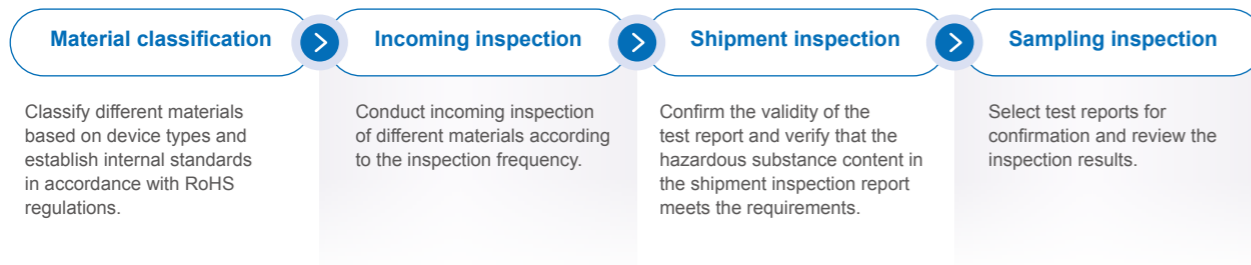
Each of the Company's business segments regularly organises product safety and quality training, communicates the latest quality requirements of international standards and industry standards, enhances employees' emphasis on quality management, and enables them to promptly grasp the key priorities of quality management.

Product Safety and Quality Training of Gongjin in 2025



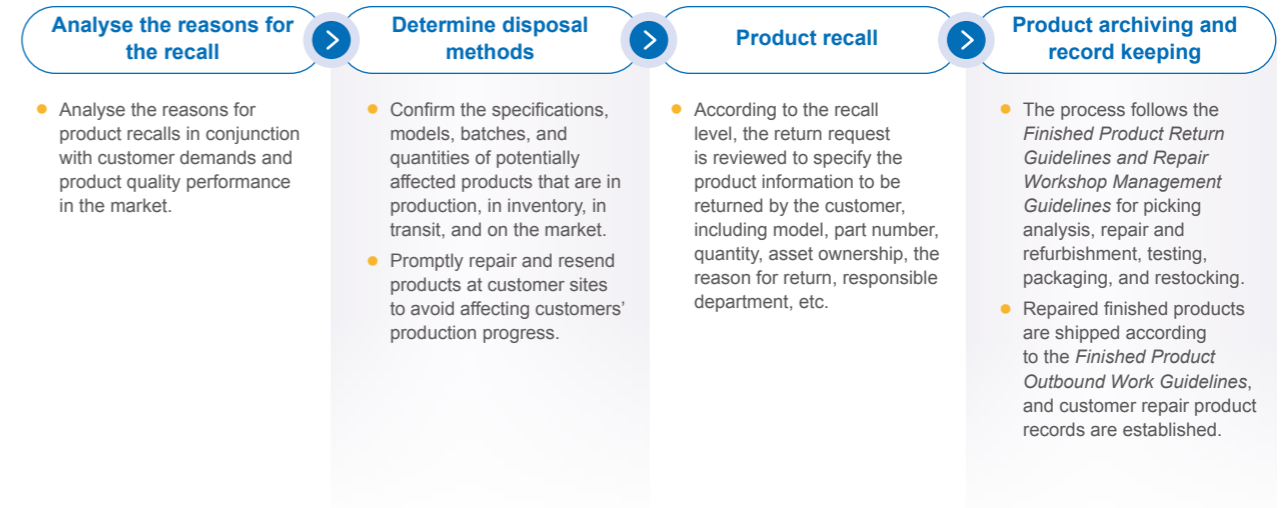
In accordance with the control requirements for toxic and hazardous substances under laws and regulations such as the *Administrative Measures for the Restriction of the Use of Hazardous Substances in Electrical and Electronic Products*, the EU's *Directive on the Restriction of Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS)*, and the *Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*, the Company strictly controls the content of controlled substances with carcinogenicity, persistence, and high bioaccumulation.

Toxic and Hazardous Substance Control Process of Gongjin



The Company has established a product recall mechanism. If quality issues arise in products after they have left the factory, recalls will be handled in accordance with the *Finished Product Shipment Recall Process*, and returns, exchanges, and replacement shipments will be arranged promptly to reduce customer losses.

Product Recall Mechanism of Gongjin

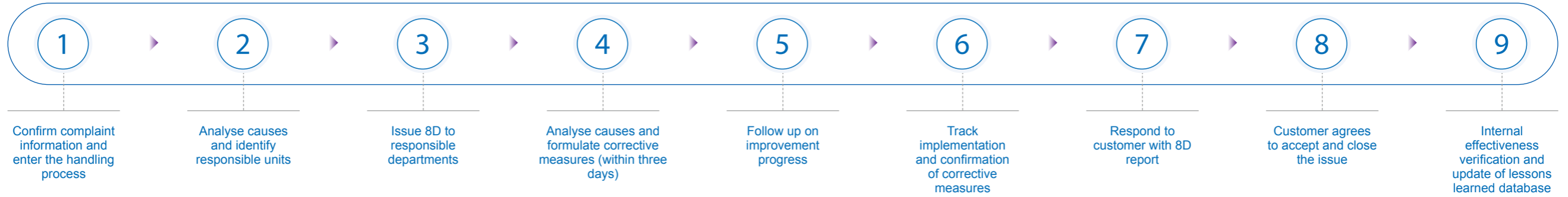


Improvement of customer service

Gongjin is committed to providing excellent customer service and improving service quality in all aspects. We formulated management policies such as the *Customer Service Control Program*, *Customer Complaint Handling Process*, *Customer Satisfaction Control Program*, and *Customer Special Requirements Management Procedure* to ensure proper management of pre-sale, return, warranty, and customer complaint work for all products.

For formal customer complaints, the Company implements *Customer Complaint Management Procedure* to classify complaints by severity and, through cross-departmental collaboration among customer service personnel, quality technical personnel, and R&D design personnel, promptly responds to customers with improvement measures and shares experience in customer complaint resolution.

Customer Complaint Handling Process of Gongjin



The Company conducts customer satisfaction surveys every year, assessing dimensions such as delivery, quality, questionnaire feedback and process performance, and based on the results of the previous year's satisfaction survey, plans the specific content of the current year's satisfaction survey, forming the *Customer Satisfaction Survey Planning Program*, to improve communication efficiency with customers.

Product and Service Quality Metrics and Targets of Gongjin in 2025

Production base	Metrics	Unit	Annual target	Achievement
Domestic production base (netcom and datacom business)	After-sales defective rate	%	≤0.15	0.11 ✓
	Product comprehensive yield	%	≥98.90	98.92 ✓
	Quality accident	/	0	0 ✓
	Customer satisfaction	points	≥85.00	87.10 ✓

Production base	Metrics	Unit	Annual target	Achievement
Domestic production base (automotive electronics)	First-pass yield	%	≥89.50	90.80 ✓
	Product comprehensive yield	%	≥99.70	99.81 ✓
	Customer inspection pass rate	%	≥99.00	99.10 ✓
	Customer satisfaction	points	≥90.00	95.40 ✓

Production base	Metrics	Unit	Annual target	Achievement
Vietnam production base	After-sales defective rate	%	≤0.06	0.05 ✓
	Product comprehensive yield	%	≥98.90	98.90 ✓
	Quality accident	/	0	0 ✓
	Customer satisfaction	points	≥85.00	87.50 ✓

R&D innovation

Since its establishment, Gongjin has consistently regarded “independent research and development and technological innovation” as its core development philosophy, complying with laws and regulations such as *Science and Technology Progress Law of the People’s Republic of China* and *Patent Law of the People’s Republic of China*, advocating technological innovation, and insisting on driving corporate development through technology.

R&D Innovation Management System of Gongjin

Governance

- **Management policy:** The Company has formulated the 2024–2026 *Science and Technology Development Outline of Gongjin* to comprehensively accelerate the Company’s high-tech development and the *Patent Reward System* and other policies to incentivise R&D personnel to achieve technological breakthroughs.
- **Governance structure:** The Company has established R&D teams based on the three product lines of network communication, data communication, and Original Equipment Manufacturer (OEM); annual product planning has been formulated by product line leaders, marketing personnel, and hardware leaders, while the R&D platform is responsible for supporting and implementing product development.

Impact, risk, and opportunity management

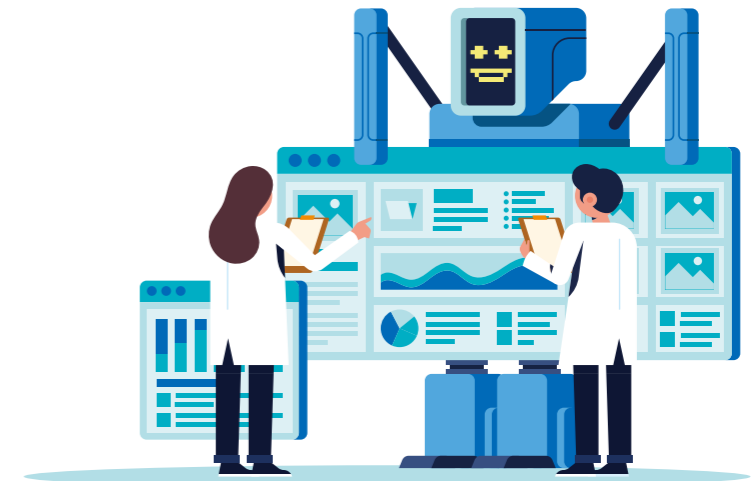
- The Company continues to advance the strategic preliminary research planning for new products and new technologies, carries out market demand analysis, technical route demonstration and feasibility studies, and lays the foundation for reserves for future product iteration and upgrading as well as technological innovation.
- By establishing a technology-sharing platform, carrying out specialised technical improvements, building CBB modular designs, and conducting pre-research on new technologies, the Company aims to reduce potential risks, seize relevant opportunities, and enhance innovation levels.
- The Company has upgraded the Intelligent Manufacturing Research Institute, established a New Product Development Department, and explored new directions for future product planning and development.

Strategy

- **Impact:** R&D achievements in strategic emerging industries such as automotive electronics, EMS (robot contract manufacturing), and AI servers drove the development of new quality productive forces. Through technological innovation and stable delivery, the Company deepens collaborative win-win relationships with customers, partners, and suppliers, and enhancing employment and industrial supporting capabilities.
- **Risk:** Safety specifications in the automotive electronics industry, such as functional safety and cyber security, are continuously being upgraded. AI application products also impose extremely high requirements on computing power stability and heat dissipation reliability. Meanwhile, technological innovation and standards alignment are characterised by high investment and long cycles. If the Company’s pace of R&D innovation lags behind and the Company is unable to keep up with the pace of updates to industry standards, the Company will lose market access qualifications in the relevant fields. At the same time, sustained high R&D investment will significantly increase our cost expenditure.
- **Opportunity:** The Company’s R&D direction closely follows the national strategic deployment for technological development, and the Company increases R&D investment in new energy vehicles, robotics, and AI industries strongly supported by policy. In 2025, the Company captured market opportunities in 50G PON, intelligent computing servers and other areas. Through collaborative development with customers on 50G PON, the Company accumulated design experience and specifications, promoted the transformation of intelligent computing servers from PCB contract manufacturing to OEM, continuously enhanced production processes and technological reserves, strengthened industrial chain collaboration, and provided core momentum for the expansion of the Company’s operating revenue.
- **Response strategy:** Guided by policies, the market, and customer needs, the Company focuses on design and R&D in new fields, new equipment, and new processes. The Company strengthens intellectual property protection through patent applications and continuously iterates products and process technologies to adapt to technological innovation in the industry. In 2025, the Company closely followed the launch schedule of Wi-Fi8 chips from the original chip manufacturer, adopted a reference design project model to rapidly advance the preliminary research and development of Wi-Fi8 products, launched products to customers ahead of others, and simultaneously optimised product performance and cost to build core product competitiveness featuring leading progress, optimal performance, and the lowest cost.

Metrics and targets

- The Company formulates indicators and targets for advanced product projects, specialised R&D topics, patent applications and grants, and R&D investment, to ensure that R&D directions align with market demand, R&D achievements are translated into value, and intellectual property rights are effectively protected.



Independent R&D innovation

The Company's Corporate Technology Centre, as a national-level enterprise technology centre, has a number of R&D centres in Shenzhen, Suzhou, Dalian, Shanghai, Xi'an, and Jinan. The Company organises each product line to apply for the Advanced Product Plan, establishes assessment criteria, determines the commercial value of projects through communication with the Marketing Department and the Operations Centre, and completes project closure according to the product status.

Key Advanced Products of Gongjin in 2025

Aspect	Specific measures and achievements
Data Centre Switches	<ul style="list-style-type: none"> The Company has accumulated extensive manufacturing experience in the contract manufacturing of high-speed data centre Ethernet switches (100G/200G/400G/800G). In 2025, a key customer's 100G switch (JDM in-house R&D model) was successfully mass-produced and launched on the market, and 800G data centre switches were delivered successively. Data centre switches now cover a range of specifications, including 100G, 400G, and 800G, meeting the application needs of various scenarios such as AI computing power.
Wi-Fi 7	<ul style="list-style-type: none"> Wi-Fi 7 AP products, such as the EXS27 series, have achieved technological iteration, supporting wireless speeds of up to 5Gbps, concurrent access for 45 devices, and intelligent roaming functions. In 2025, the overseas FWA+ Wi-Fi 7 project was mass-produced and launched. Compared with Wi-Fi 6, Wi-Fi 7 technology (802.11BE) has achieved significant improvements in speed, latency, and concurrency, meeting the needs of high-bandwidth scenarios such as high-definition video, cloud gaming, and remote working.
FTTR All-Optical Network	<ul style="list-style-type: none"> Fibre to the Room (FTTR) technology delivers transmission rates more than ten times higher than those of traditional network cables. It covers all-optical network scenarios for homes and enterprises, aligning with the needs of smart homes and enterprises' digital upgrades.



In 2025, the Company expanded the advantages of its core businesses, achieved technological leadership in network connectivity and data communications businesses, and completed the validation of business models and mass production in emerging segments such as automotive electronics, robot contract manufacturing, and high-performance switches. Through breakthroughs in research and development technologies, the Company created new growth curves and embedded the results of research and development into areas such as the completion of advanced products, the formulation of technical standards, and the development of automation tools.

Key R&D Achievements of Gongjin in 2025

Aspect	Specific measures and achievements
Technology topics	<ul style="list-style-type: none"> A total of 49 technical topics and 50 CBB modular designs were planned for the year. The technical topic focused on completing advance research into new technologies and consolidating fundamental technical capabilities across multiple technical fields, including hardware, software, antennas, thermal design, testing technology, structures, and R&D automated testing, and introducing and applying them in new projects, thereby achieving the results of capability enhancement, efficiency improvement, and cost reduction. The focus of CBB modular design is to achieve an optimal modular design in terms of performance and cost for the key hardware modules of each product type, and to enable rapid introduction and application in new projects, reduce repetitive design, ensure product performance, improve design efficiency, and shorten the R&D cycle.
Participation in standard formulation	<ul style="list-style-type: none"> During the year, a total of 18 international standards and industry standards were involved in the formulation. <i>Technical Requirements for 5G Mobile Communication Network User Premises Equipment and Test Methods for 5G Mobile Communication Network User Premises Equipment</i> have been issued. <i>Part 3 of Electromagnetic Compatibility Requirements and Measurement Methods for 5G + Industrial Internet Equipment: Coal Mining Industry, Technical Requirements for Multicast and Broadcast Base Station Equipment of 5G Digital Cellular Mobile Communication Networks, Part 5 of Electromagnetic Compatibility Requirements and Measurement Methods for 5G + Industrial Internet Equipment: Port Industry and Upgrading of Industry Standards for Wifi6 and Wifi7</i> and eight other standards were under development.
Testing technology upgrades	<ul style="list-style-type: none"> Developed new testing tools and integrated them into <i>RF Test Toolbox</i>, resolving the issue of fragmented tools and enhancing the team's testing and automation capabilities. Built an XGSPON automated testing system, and developed software to control oscilloscopes, spectrum analysers, optical switches, temperature chambers, power meters, attenuators and other equipment, enabling test prototype units to be placed in the temperature chamber and test result reports to be generated automatically.

Automated Upgrade of Testing Tools

The Company's testing team began developing new testing tools in 2025 and established a UI framework, integrating the new testing tools into *RF Test Toolbox* to comprehensively upgrade the team's testing capabilities. The testing tools include:

- **IQxel RF Calibration Tool:** an automated self-calibration and health detection tool specifically designed for the IQxel series of test instruments, capable of systematically verifying the core indicators of all ports. For a single instrument, the automated testing process can reduce eight hours of manual inspection to 20 minutes.
- **Tx/Rx Sweep Log Parser:** It automatically parses disorganised logs from BCM, MTK, QCA and other platforms, automatically converting raw data that could not previously be effectively analysed into standardised test results with a clear structure and consistent format. A data collation task that would manually require nearly 12 hours can be completed in two minutes through automation.
- **QCA RF Report Generator:** an automated conversion tool developed to address the pain points of Qualcomm QSPR raw reports being structurally disorganised and difficult to analyse, reducing manual data collation work that originally required at least 32 hours to completion within 30 minutes.

The newly launched automated tools underwent rigorous validation across multiple real-world projects, demonstrating stable and reliable functionality with remarkable results. When verifying the differences between ports A and B of the IQxel-MX instrument, the automated process compressed an eight-hour manual inspection task to 20 minutes. This transformative improvement in efficiency ensured that maintenance standards could be implemented regularly and at low cost, thereby guaranteeing the accuracy and reliability of all testing data at the source.

Intellectual property protection

Gongjin has always attached great importance to intellectual property protection, adhered to the core principles of respecting others' intellectual property rights and protecting our own intellectual property rights, and continuously improved the full-process intellectual property management system, so as to support the high-quality development of the Company's business through standardised intellectual property management.

The Company complies with the Regulations on Intellectual Property Protection of Shenzhen Special Economic Zone, and has formulated internal systems such as the Intellectual Property Management System, Reward Measures on the Company's Intellectual Property Invention and Standard System Construction, and the Administrative Provisions on Patent Application Procedures and Reward Standards, establishing a full-chain control mechanism covering the creation, management, application, and protection of intellectual property rights.

In 2025, the Company continued to advance its patent portfolio and applications around core technologies such as communications, antennas, and power supplies. Throughout the year, no incidents of infringement of others' intellectual property rights occurred, and the Company's reserves of proprietary intellectual property rights and compliant operations capabilities continued to strengthen.



Data security and customer privacy protection

Gongjin complies with laws and regulations such as the *Cybersecurity Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*, as well as local administrative regulations such as the *Regulations of the Shenzhen Special Economic Zone on the Protection of Technical Secrets of Enterprises*, when collecting, storing, processing, transmitting, and sharing information. The Company formulated the *Information Security Management Manual* to establish policies and objectives for data security and privacy protection, the *Information Security Reward and Punishment System* and the *Information Confidentiality Work Guidelines* to clarify confidentiality measures and management standards, the *Desktop System Security Policy* to standardise desktop system security policies and reduce security risks.

The Company uses digital management systems such as the e-business system (EBS), Product Lifecycle Management system (PLM), and Customer Relationship Management system (CRM), and regularly carries out information security risk management to identify potential information security and privacy risks, while implementing measures such as system controls, least privilege, and encrypted transmission to safeguard the information security of stakeholders including its own operations, employees, customers, and suppliers.

In 2025, the Company completed the surveillance audit for the ISO 27001:2022 Information Security Management System certification, and updated internal management systems in accordance with the implementation guidelines for information security management under ISO 27002:2022. The Company revised the *Information Security Management System*, updated provisions on information monitoring and exception handling, data backup and disaster recovery, and external access security management, and added regulations on secure identity authentication and the security management of corporate AI tools, so as to prevent data from being damaged, tampered with, or leaked.

In 2025, the company did not experience any customer privacy leakage or information security incident¹.

Note1: Information security incident:1. Unexpected cyberattacks or virus intrusions casing IT equipment or network abnormalities for more than two hours; 2. Cyberattacks or virus intrusions causing IT equipment or system disruptions for more than four hours.

Data Security and Customer Privacy Protection Measures of Gongjin

Aspect	Specific measures
Endpoint security protection	<ul style="list-style-type: none"> Regularly update the antivirus software virus definitions and engine versions to enhance defences against malicious programs such as ransomware and Trojans. Regularly conduct the screening and handling of high-risk hosts, and promptly rectify and strengthen endpoints with security vulnerabilities.
Email security and phishing protection	<ul style="list-style-type: none"> Assess the anti-phishing and anti-spam capabilities of third-party email systems, and migrate the corporate email system to a secure email platform. Optimise email security policies, and strengthen phishing email identification, interception, and warning mechanisms. Internal corporate emails are encrypted and transmitted via Exchange to ensure the confidentiality of email content.
Security awareness training	<ul style="list-style-type: none"> Organise information security awareness training to enhance employees' ability to identify phishing and prevent non-compliant operations. Conduct disaster recovery drills and internal audits of the information security system to ensure the effective operation of the security system. Cooperate with customers in carrying out external information security audits, and continuously meet compliance requirements.
Account and access rights management	<ul style="list-style-type: none"> Adhering to the principle of least privilege, the Company assigns, approves, and regularly reviews account permissions for each system. The Company standardises the processes for account creation, modification, and deactivation to avoid excessive permissions and unauthorised access.
Data backup and recovery	<ul style="list-style-type: none"> In accordance with the data backup schedule, automatic scheduled backups are performed for core system data. The availability of backups is regularly verified to ensure data recoverability and business continuity.
Transmission encryption and communication security	<ul style="list-style-type: none"> External file transfers are switched from standard FTP to encrypted FTPS transmission. Encryption mechanisms are adopted for key business data during transmission.

Stabilising the Supply Chain and Consolidating Foundations, Fulfilling Responsibilities and Advancing Goodness

Responsible supply chain

Gongjin classifies suppliers by procurement categories into raw material suppliers, auxiliary material suppliers, and fixed asset suppliers. Raw material suppliers can be further categorised as qualified, exclusive, or temporary suppliers based on their nature. The Company strictly complies with international and domestic environmental protection and labour-related laws, regulations, and relevant requirements. In 2025, the Company revised the *Environmental Technical Standards* in line with updates to external environmental regulations such as REACH and RoHS, added requirements for the control of restricted substances and specific substances, revised existing substance control requirements, and conducted supplier return-signature surveys through the Green Product Compliance Management system (GPCM).

List of Laws and Regulations Governing the Supply Chain Management of Gongjin

Environmental protection

EU RoHS2.0, REACH, POPs, WEEE, EU Packaging and Packaging Waste Directive, CP65, TSCA, TPCH, China RoHS2.0, China VOC, Norway PFOA Ban, Norway PoHS, Canadian Environmental Protection Act, etc.

Labour

BSCI (Business Supply Chain Initiative), *Universal Declaration of Human Rights*, *Convention on the Rights of the Child of the United Nations*, *United Convention on the Elimination of All Forms of Discrimination Against Women of the United Nations*, etc.

Responsible Supply Chain Management System of Gongjin

Governance

- Management policy: *Supplier Review Procedures*, *Supplier Management Guidelines*, *Rules on Suppliers' Performance Appraisal and Evaluation*, etc.
- Governance structure: Supplier management engineers are responsible for supplier development, qualification review, agreement signing, regular evaluation, and system maintenance. Supplier quality engineers are responsible for quality supervision, anomaly handling, review follow-up, system audits, and supplier guidance. A comprehensive quality control team is established to oversee new supplier audits, standard formulation, issue rectification, and supply chain optimisation management.

Strategy

- Impact: If the Company does not attach importance to ESG management in the supply chain and focuses only on quality and cost, it may have an adverse impact on suppliers' protection of employee rights and interests and environmental compliance management.
- Risk: If negative incidents such as forced labour or excessive emissions occur in the supply chain, resulting in regulatory penalties or suspension of operations for rectification, this will lead to supply disruption and discontinuity in production, bringing about a direct increase in operating costs and potentially affecting the reputation of upstream customers, thereby causing a decline in operating revenue.
- Opportunity: Strengthening supplier management in labour, environmental protection, and other ESG aspects benefits suppliers in improving long-term production stability and reduces the Company's long-term operational costs.
- Response strategy: Establish a comprehensive responsible supply chain management process from the perspectives of supply chain security and ESG management to reduce supply interruption risks and enhance the sustainable value of the supply chain

Impact, risk, and opportunity management

- For new suppliers, before admission, reviews are conducted in accordance with the *Supplier Review Procedure*, and red lines for supplier cooperation are established to ensure that suppliers meet the requirements of environmental management systems, hazardous substance control, conflict minerals management, and social responsibility management systems.
- For qualified suppliers, the *Annual Supplier Audit Plan* is formulated at the beginning of each year, and audits are conducted in accordance with the *Supplier Environmental Review Form*, the *Supplier Management System Review Form*, and the *Supplier Conflict Minerals Review Form*. Review content includes qualifications and financial status, environmental compliance, business ethics, system certification, etc.
- If supplier operation, safety, or ESG risk issues are identified, they are reported to the Supply Chain Risk Monitoring Group, and the BCM supply risk mechanism is activated in response. The Risk Emergency Group formulates corresponding strategies and plans based on the risks to ensure timely risk response and handling.

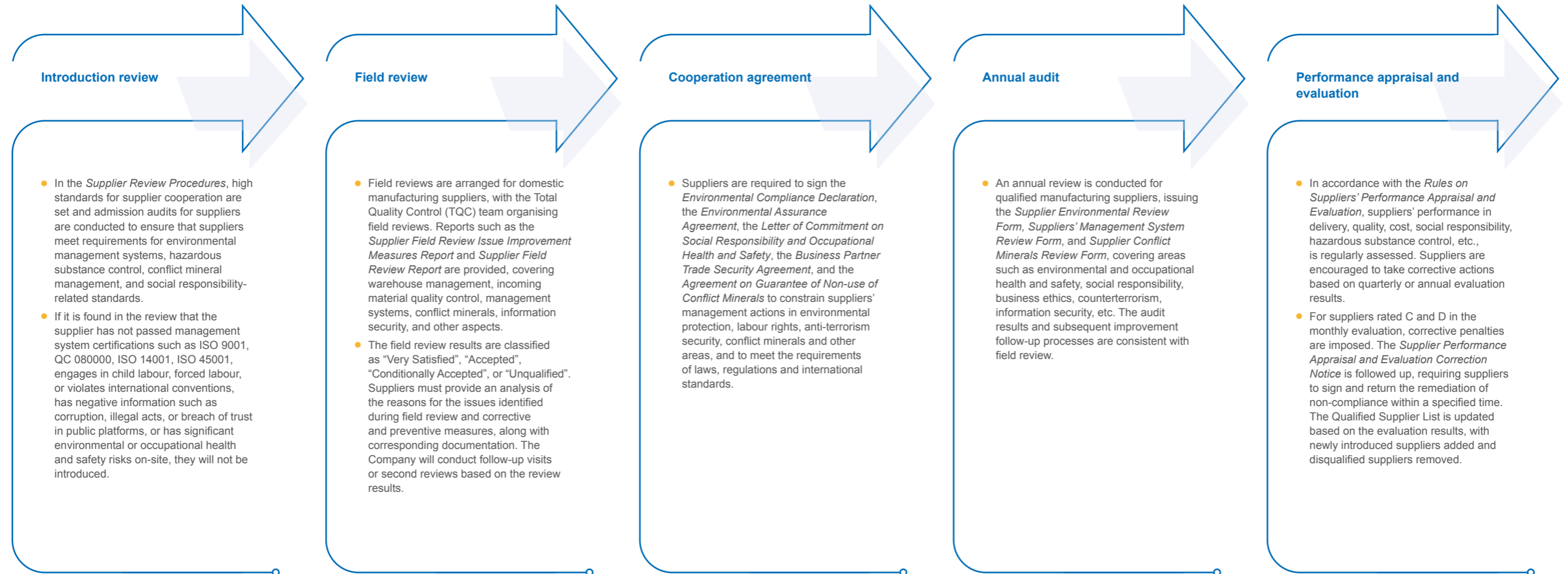
Metrics and targets

- Set up sessions of annual supplier audits, conflict minerals investigations, and supplier training-related metrics and targets to continuously monitor metrics progress and promote the orderly development of responsible supply chain

In response to the complex and changing market environment, the Company has established a comprehensive supplier selection and review process, conducts introduction reviews, annual reviews, on-site audits, and performance evaluations dynamically, and adjusts supplier risk rating based on IPE queries, AEO credit ratings, and other results to ensure supply chain stability and security.

In 2025, the Company continuously improved the internal Supply Chain Services (SCS) management system and Green Product Compliance Management (GPCM) system, and carried out targeted management and supervision of suppliers to drive improvements in their environmental and social performance. The Company prioritises cooperation with high-performance suppliers, deepens long-term partnerships with strategic suppliers, and continuously improves supply chain efficiency and quality levels.

Gongjin's Supplier Environmental and Social Responsibility Management Process



Sample Requirements for Supplier Social Responsibility Audits

Forced labour

- Employees must not be denied access to their identity documents by means such as withholding, destroying, concealing, or confiscating them, nor be prevented from resigning of their own accord.
- No portion of employees' wages, benefits, or property may be withheld in order to compel them to continue working.

Young workers and child labour

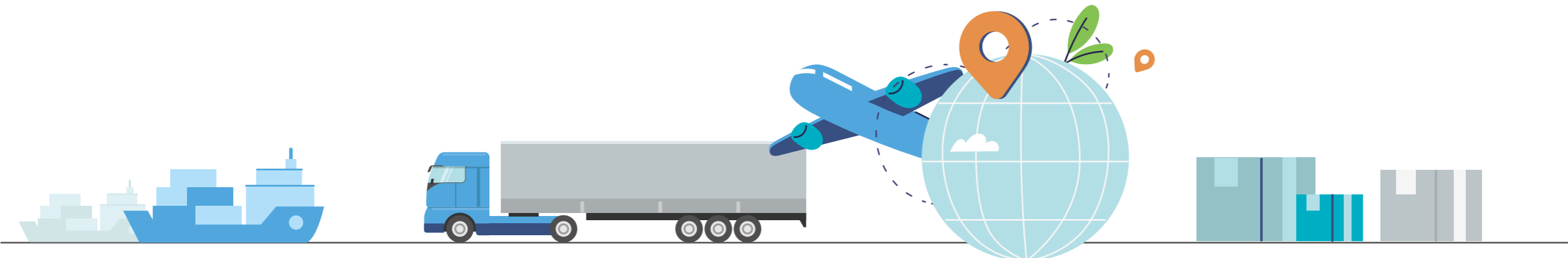
- If juvenile workers are employed (between the local minimum statutory working age and 18 years old), registration with the local labour authorities is required.
- Juvenile workers are restricted from working overtime, are not allowed to do night shifts, and are prohibited from working in positions that are hazardous, have high labour intensity or are otherwise contraindicated.
- The supplier should verify employees' actual ages, and take measures to identify situations such as fake identity cards and the fraudulent use of other people's identity cards.

Social responsibility system

- ISO45001 Occupational Health and Safety Management System
- ISO14001 Environmental Management System
- SA8000 Social Responsibility Management System
- ISO 27000 Information Security Management System, etc.

Empowering Suppliers' ESG Compliance Management

In October 2025, the Company held its annual supplier conference, with the participation of more than 150 suppliers, to communicate relevant requirements relating to product technology and quality, environmental protection, conflict minerals, anti-corruption, labour, carbon emissions, and other matters. Based on the results of supplier performance evaluations, outstanding suppliers were commended. At the same time, separate integrity training and conflict minerals training were provided to suppliers, clarifying the principles of transparent procurement and standardised measures for conflict minerals traceability.

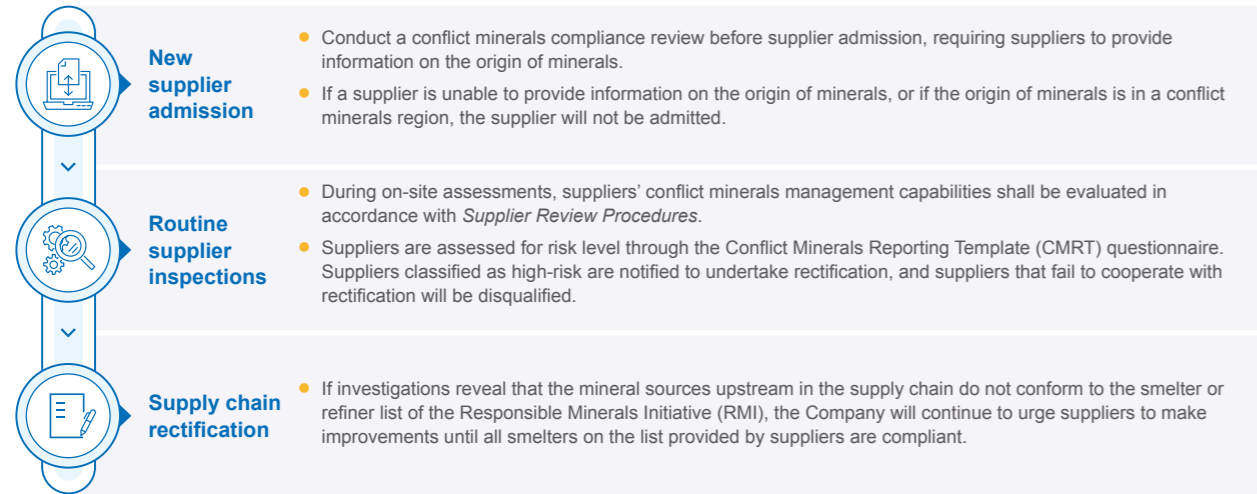


Conflict minerals management

Gongjin strictly complies with the relevant regulations of international organisations and the industry and, where reasonable, ensures that the products procured do not contain tantalum, tin, tungsten, and gold, and will not directly or indirectly provide funding to or benefit armed groups in the Democratic Republic of the Congo and its surrounding countries or regions that violated human rights.

In accordance with the due diligence framework of the *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* of the Organisation for Economic Co-operation and Development (OECD), the Company has established the *Management Procedure for Conflict Minerals* and signed the *Agreement on Guarantee of Non-use of Conflict Minerals* with suppliers, requiring suppliers to trace the sources of gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), and mica (Mica) contained in the products they manufacture, and to implement and retain process documentation for supply chain due diligence, in order to demonstrate the transparency of their supply chain management.

Supplier Conflict Minerals Management Process



In 2025, the Company completed conflict minerals investigations of 633 metal suppliers, and no violations of conflict minerals agreements were identified.

Contributions to the society and rural revitalisation

Through the Shenzhen T&W Love Public Welfare Foundation (hereinafter referred to as the Foundation) as our public welfare platform, the Company has continued to give back to society for more than 20 years. The Foundation originated from the "T&W Love Fund" in 2000, was officially established in 2012 with the approval of the Shenzhen Municipal Civil Affairs Bureau, and passed the Shenzhen 4A Social Organisation assessment in 2022.


The Foundation upholds the principle of "offering sincere love, accumulating fairness and virtue, helping students and the needy, alleviating poverty and disaster relief, and performing public welfare", with a focus on supporting education and caring for special groups. The Foundation strictly follows the Charity Law of the People's Republic of China and other relevant laws and regulations. It comprehensively improved its operation and management policies and internal governance system in accordance with the 4A standards of the Shenzhen Social Organisation Assessment Guidelines, and has developed a distinctive public welfare system. It has gained a certain level of recognition in public welfare education support in central and western regions, with more than 100,000 employees and members of the public from all sectors having cumulatively participated in charitable donations.

In 2025, the Foundation vigorously advanced poverty relief projects, focused on disadvantaged students in remote areas, continuously improved children's educational conditions, and helped children gain access to better educational resources.



Gongjin's Educational Assistance and Poverty Relief Projects in 2025

Project name	Project content and achievements
“Flowers, Green Shoots, and Seedling Protectors” Teaching Support	<ul style="list-style-type: none"> Organised 27 volunteers into nine teams and dispatched them to all ten T&W Hope Primary Schools, providing corresponding condolence funds to 183 primary school pupils, 99 junior secondary school students, and 33 senior secondary school students, and donating 2,794 sets of outdoor jackets and 293 sets of the <i>China History About 5000 Years</i> series of books. The total value of the donated items and funds amounted to RMB825,000. 18 volunteer teachers completed 198 class hours of moral education and science and technology courses. The third Hope Blossoms in Full Bloom Variety Performance of T&W Hope Primary School was grandly held in Eryuan County, Yunnan Province, where teachers and students from 10 schools across five provinces performed on the same stage.
“Sangyu” Teaching Support	<ul style="list-style-type: none"> Organised the Shenzhen “Sangyu Education Expert Group” to visit four T&W Hope Primary Schools in Congjiang, Guizhou; Eryuan and Xizhou, Yunnan; and Manchuanguan, Shaanxi, where they carried out “diagnostic support + immersive guidance” to support the professional development of frontline teachers. Distributed new academic year condolence payments to all 288 teaching and staff members at ten T&W Hope Primary Schools, conveying sincere respect for teachers and the value placed on education.
The Way of Being a Teacher	<ul style="list-style-type: none"> The fourth session of the second training programme with the theme of “The Way of Being a Teacher” was held in Shenzhen. A total of 49 headteachers, head teachers and key teachers from ten T&W Hope Primary Schools participated in a nine-day systematic training programme, including four days of on-the-job observation at nine primary schools in Pingshan District arranged by the Pingshan Institute of Education Sciences, enabling teachers to better experience the teaching models used by teachers in first-tier cities.
“Little Scientist” Summer Camp	<ul style="list-style-type: none"> The 10th Little Scientist Summer Camp was held simultaneously in Pingshan, Shenzhen and Taicang, Jiangsu. A total of 125 teachers and students from ten T&W Hope Primary Schools carried out seven days of scientific and technological exploration and practice centred on the theme of humanoid robots.
Improvement of Hardware Facilities	<ul style="list-style-type: none"> Conducted hardware upgrades and maintenance for eight T&W Hope Primary Schools in Zhenping, Shaanxi; Xizhou, Yunnan; Eryuan, Yunnan; Mabian, Sichuan; Wanyuan, Sichuan; Lixian County, Gansu; Congjiang, Guizhou; and Manchuanguan, Shaanxi. The Foundation’s sponsors conducted on-site inspections at two T&W Hope Primary Schools in Hezheng and Lixian, Gansu Province. In collaboration with the Hezheng Education Bureau, they jointly funded solutions for winter heating and renovation of toilet water supply and drainage systems at Hezheng T&W Hope Primary School. During the same period, the toilet renovation project at Lixian T&W Hope Primary School was completed and accepted. Donated air conditioners to Mabian T&W Hope Primary School.
Cloud-synchronised Classroom	<ul style="list-style-type: none"> In partnership with the Education Science Research Institute of Pingshan District of Shenzhen, Gongjin successfully carried out nine sessions of the “1+1” dual-teacher collaborative remote cloud-synchronised classroom for five T&W Hope Primary Schools in Zhenping, Eryuan, Lixian County, Hezheng, and Manchuanguan across Yunnan, Gansu, and Shaanxi provinces, effectively overcoming geographical constraints and sharing high-quality educational resources.
T&W Talent Class	<ul style="list-style-type: none"> A sponsorship agreement signing ceremony for the T&W Class was held with No. 1 Middle School of Eryuan, Yunnan, extending student aid support to the secondary school stage. The 2025 T&W Talent Class was officially launched, representing a deeper extension of the education assistance chain following the support and construction of T&W Hope Primary Schools.



- As at the end of the Reporting Period, the Foundation had received cumulative donations exceeding **RMB72 million**. It has supported the construction of **ten** T&W Hope Primary Schools across five provinces—Guizhou, Shaanxi, Yunnan, Gansu, and Sichuan—and has cumulatively assisted **2,587** high school students and **1,431** university students.

In 2025, the Foundation continued to invest in care programmes for children with special needs, caring for children with disabilities and people with autism, and supported the healthy and diverse development of children through innovative educational approaches.

Public Welfare Activity for Caring for Children with Special Needs of Gongjin in 2025

Aspect	Measures
Kylin Youth Programme	<ul style="list-style-type: none"> Through tripartite collaboration among the Shenzhen T&W Love Public Welfare Foundation, the Pingshan District Civil Affairs Bureau, and the Pingshan District Special Education School, an empowerment programme for children with disabilities in Pingshan District was launched. As one of the Drip by Drip Disability Assistance Programme projects, it innovatively adopted the model of “Party building leadership + public welfare and charity”, and was implemented at the Pingshan District Special Education School. Mr Huang Yaohua, inheritor of the Guangdong Province intangible cultural heritage Kylin Dance project, was specially invited to provide guidance, and Kylin classes and a Kylin special training camp were established for special children in Pingshan District.
Lianxiang Youth	<ul style="list-style-type: none"> The empowerment project with the theme of “Lianxiang Youth, Art Assistance” was jointly launched by the Shenzhen T&W Love Public Welfare Foundation and Taicang Special Education School. Centred on intangible cultural heritage empowerment + art therapy, it provided students with moderate to severe disabilities with instruction in intangible cultural heritage skills, art therapy courses, and social integration practice. Through specialised Lianxiang training, it improved students’ movement and concentration, enhanced their self-confidence and sense of identity, and, by relying on family support and social practice, helped children with special needs overcome growth challenges and integrate into society, allowing them to shine in life through love and heritage.
Caring for Children with Autism	<ul style="list-style-type: none"> The Foundation participated in the charity concert themed “2025 Hello, Children of the Stars: Make a Star Friend”, continuing to support the Shenzhen Aite Orchestra.
Services for Special Community Groups	<ul style="list-style-type: none"> The Foundation donated 8,000 caring lunches to Shenzhen Aizhijia Mutual Aid Association to support its daily care services for special groups in Pingshan District.

Fulfilling responsibilities in overseas operations

Gongjin's overseas production capacity was mainly based at Vietnam T&W. In fulfilling Gongjin's social responsibilities, Gongjin adapts to Vietnam's policy requirements and cultural customs, and has established a management system tailored to local conditions. In addition, Vietnam T&W passed the Responsible Business Alliance Validated Assessment Programme (RBA VAP) audit, ensuring that labour rights and interests complied with international industry standards and achieving a combination of localised compliant operations and international standardised management.

Vietnam T&W gives full play to the role of the trade union as a bridge for communication between the enterprise and employees, holds monthly meetings to understand and resolve employees' concerns, mediates conflicts and disputes between the Company and employees, and arranges reasonable solutions.

Vietnam T&W Social Responsibility Management System

Aspect	Measures
Compliance with labour rights	<ul style="list-style-type: none"> The Company complies with Vietnam's <i>Labour Code</i> and international labour conventions, prohibits forced labour and child labour, and safeguards employees' right to choose their employment freely. The Company has formulated the <i>Policy on Child Labour and Juvenile Workers</i>, and the <i>Recruitment Guidelines</i>, prohibiting the employment of employees aged under 16, and setting labour restrictions for juvenile workers.
Diversity and inclusion	<ul style="list-style-type: none"> The Company respects local Vietnamese cultural customs, and safeguards the equal rights of employees of different genders, ethnic groups, and religious beliefs. Public holiday arrangements are implemented in accordance with the laws and regulations of Vietnam. The Company fully respects the opinions of the trade union and supports the trade union in carrying out various employee culture-building activities.
Expatriate benefits	<ul style="list-style-type: none"> Chinese employees stationed in Vietnam are entitled to overseas assignment allowances and free board and lodging. Participation in Vietnam's social security and statutory holidays. Entitled to four additional family visit leaves per year beyond the statutory requirement.
Localised employment	<ul style="list-style-type: none"> The Company recruits local Vietnamese employees, creates employment opportunities for the local area, and cultivates local technical and management talent.
Localised supply chain	<ul style="list-style-type: none"> The Company advances the localisation of suppliers, drives the development of local supporting industries, and promotes regional economic prosperity.

Vietnam T&W Trade Union Welfare System

Aspect	Measures
Trade union rights	<ul style="list-style-type: none"> When paying social insurance for employees, 2% of it is used as trade union funds. The trade union organises activities such as sports events, lucky draws, and competitions every quarter. When formulating employee-related systems, it is necessary to seek the trade union's suggestions and obtain its confirmation before formally issuing them.
Benefits and subsidies	<ul style="list-style-type: none"> Employees receive a VND200,000 allowance on their birthdays, and a VND100,000 allowance for childbirth. Employees receive a VND100,000 gift on New Year's Day, and a VND200,000–300,000 gift for the New Year.
Holiday benefits	<ul style="list-style-type: none"> VND100,000 is distributed for Vietnam's Liberation of the South Day and Labour Day, and VND50,000–100,000 for National Day.
Hardship allowance for employees	<ul style="list-style-type: none"> Employees from families in hardship may apply for an allowance of VND1,000,000–5,000,000.

In terms of localised procurement, Vietnam T&W achieved 99% local procurement of packaging materials, 60% local procurement of plastics, and 50% local procurement of hardware in 2025. As certain products required designated suppliers in China to provide matching packaging materials, 100% localised procurement of packaging materials was not achieved. The Company fully promotes the localisation process of suppliers, arranges all new plastic moulds for local production, develops localised resources for metal heat sinks, and strives to increase the local procurement rate.

Nurturing Talent and Caring for Employees

Employee rights and benefits

Employee recruitment

Gongjin adheres to the recruitment principle of “fair recruitment, comprehensive assessment, and selective admission”, and strictly follows the *Labour Contract Law of the People’s Republic of China*, *Law of the People’s Republic of China on the Protection of Minors*, *Regulations of Shenzhen Special Economic Zone on Gender Equality Promotion*, and *Guangdong Province’s Measures on Implementation of the “Special Provisions on Labour Protection for Female Workers”*. The Company has developed the Employee Recruitment Management Policy to ensure fair and just recruitment, respecting employee freedom. In 2025, the Company did not have any instances of forced labour or the employment of child labour.

The Company’s primary recruitment channels are campus recruitment and social recruitment. Campus recruitment channels include dedicated campus presentations, campus job fairs, online presentations, online recruitment, and internship recruitment. Social recruitment channels include campus job fairs, talent markets, media advertisements, online platforms, headhunting firms, and employee referrals. The Company encourages employees to refer talent, implementing a *Talent Identification Award* internal referral incentive programme.

The Company employs full-time contract employees, full-time labour dispatch employees, and re-hired employees after retirement, and interns. The Company clearly stipulates in the *Employee Recruitment Management Policy* that discrimination based on race, social status, nationality, religion, disability, gender, etc., is prohibited during recruitment. In terms of diversified employment, the Company employs one disabled employee, provides assistance to 12 disabled individuals, and has 107 non-Vietnamese employees working in Vietnam.

In terms of employee rights protection, all employees sign labour contracts and enjoy social insurance and housing funds. For different positions, the Company has developed the *Employee Attendance Management Guidelines*, *Employee Leave Management Guidelines*, and *Comprehensive Working Hours Management System* to ensure flexibility and maximise efficiency in work arrangements. Employees working beyond regular hours due to overtime or other reasons are compensated with overtime pay according to relevant regulations.

Gongjin’s Working Hour System

Comprehensive working hours


Warehouse positions

- Working hours are calculated on a quarterly basis, with 62.5 working days and 500 working hours per quarter.
- The Company adopts appropriate working and resting methods such as concentrated work periods, concentrated rest periods, rotating shifts, and compensatory time off to ensure employees’ right to rest and leave.
- The maximum continuous working time per day is limited to 11 hours. Any working time exceeding the statutory total working hours is considered as extended working time.

Standard working hours

Others

- Monday to Friday, eight hours of work per day, with at least one day off per week.
- Certain departments may implement a two-shift or three-shift system as needed.
- After working for four consecutive hours, a ten-minute break is provided.

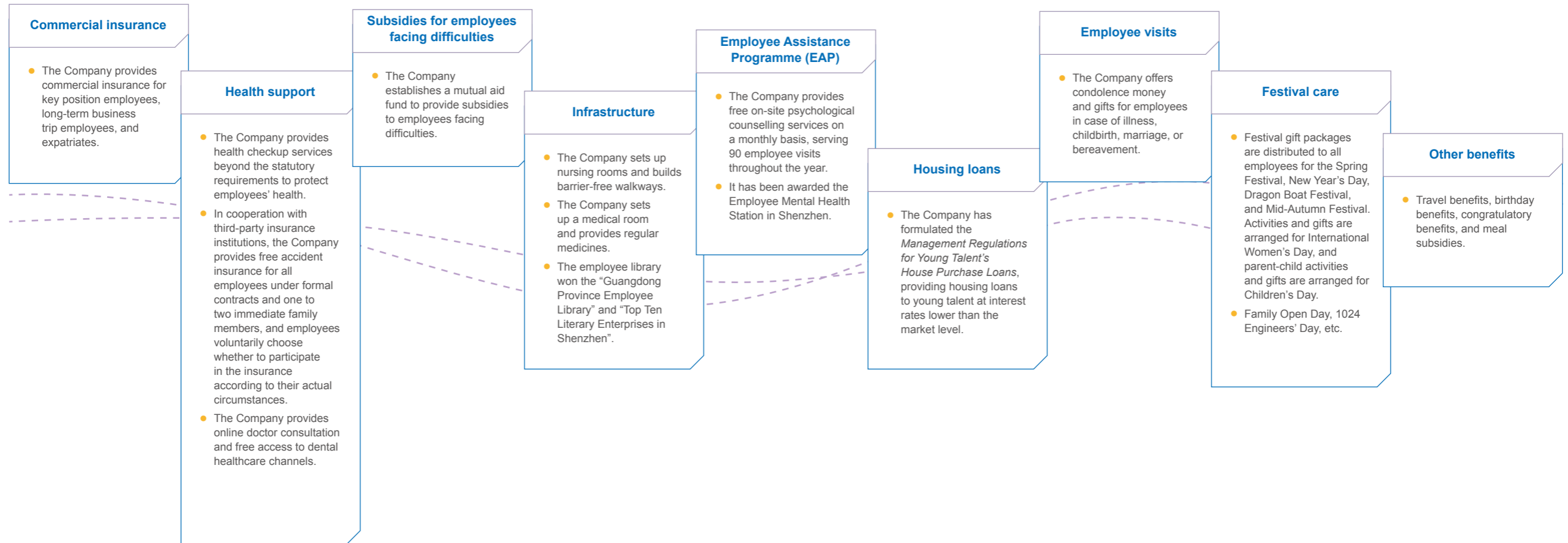


- Taicang T&W was awarded the title of **“Excellent Enterprise for Talent Recruitment from Campuses”** by the Taicang Human Resources and Social Security Bureau.

Employee welfare

The Company attaches great importance to safeguarding employees' lawful rights and interests, and has formulated the *Employee Remuneration and Benefits Management Policy*, building a remuneration and benefits system around “value creation, value evaluation, and value distribution”. In addition to statutory benefits, the Company provides employees with additional benefits and develops an Employee Well-being Map to record the benefits employees received from onboarding to departure, in order to enhance employee satisfaction. The Company has formulated the *Management Measures of Points for Employee Corporate Culture Activities*, awarding points to employees for participating in volunteer activities, club activities, public welfare activities, cultural and sports activities, and other corporate culture activities, further enhancing employee participation and fostering a positive and uplifting corporate culture atmosphere.

Gongjin's Employee Benefit Security System in 2025





Employee communication

The Company has established a multi-level employee communication mechanism and formulated institutional documents such as the *Workflow of Employees' Congress*, *Work System of Employee Communication*, and *Guidelines for the Work of Communication Groups*, creating an open and transparent communication environment, promoting two-way communication between employees and management, enhancing organisational cohesion, and stimulating employees' innovative vitality.

The Company has established a union management system in accordance with the *Trade Union Law of the People's Republic of China*, ensuring smooth communication channels for employee representatives, signing collective contracts with employees, and holding the union member congress and employees' congress every year.

The Company regularly conducts employee satisfaction surveys, extensively listens to employees' opinions and appeals, understands the problems and needs employees faced at work, and formulates targeted improvement measures in light of the Company's actual circumstances, continuously optimising the employee working experience. In 2025, the Company conducted two employee satisfaction surveys in the first and second halves of the year, respectively, in six dimensions: corporate culture, rules and regulations, work returns, work atmosphere, fulfilment of administrative service functions, and grievance mechanism.



In 2025, the Company

- By-election of 17 employee representatives.
- In April, the employees' congress was organised and convened to deliberate and approve institutional documents such as *Employee Handbook*, collecting the opinions of employee representatives and effectively safeguarding employees' lawful rights and interests.
- In April, the union member congress was organised and convened, and the members of the new Trade Union's "three committees" were elected, thereby providing organisational assurance for advancing the development of the enterprise trade union.



- In 2025, the employee satisfaction was **91.49%** in the first half of the year and **88.28%** in the second half of the year.

Talent attraction and retention

Gongjin upholds the fundamental talent philosophy of “equality, professionalism, inclusiveness, and responsibility”. Centred on attracting, retaining, and developing talent, the Company has established a talent management mechanism and built a high-quality talent team.

Guided by the strategic orientation of “promoting culture, empowering growth, and leading development”, the Company, driven by both business and talent, leads training for new employees, professional capabilities, manufacturing capabilities, and leadership. Training centres on four core activities - learning, practice, assessment, and application in real scenarios - and continuously advances the development of three major systems: training resource operation, cultural penetration, and digital operation, thereby establishing the Company’s “243” talent development system.

The Company has established a dual career development system for management and professional tracks. Cadres are selected based on basic job qualifications, attitude, performance, and capabilities. Through qualification standards, promotion pathways for positions and grades within the professional track are clarified, ensuring fairness and systematic talent selection while providing clear guidance for employees’ career development.

Gongjin’s Talent Attraction and Retention Management System

Governance

- **Management policy:** *Implementation Plans for Professional Skills Level Certification, Employee Position Qualification Management, Internal Selection and Appointment of Cadres, etc.*
- **Governance structure:** T&W Training School and the Human Resources Department formulate talent development plans and annual training work plans in line with the Company’s development strategy, and define the division of powers and responsibilities for carrying out training work.

Impact, risk, and opportunity management

- Targeted training programmes are designed according to different levels, professional fields, or functional categories.
- The Company closely follows national policies and industry development, and continuously increases investment in the introduction of high-end talent and the training of existing talent.
- The Company ensures legal compliance, enhances employee satisfaction and engagement, and reduces the turnover rate of key talent.
- The Company fosters a positive organisational atmosphere, builds harmonious labour relations, and formulates talent retention management metrics.

Strategy

- **Impact:** The Company provides clear guidance for employees’ career development by establishing a systematic training system and defining clear career development pathways.
- **Risk:** Untimely training may lead to employees’ skills failing to meet requirements and work efficiency falling short of standards, thereby increasing production costs, while substandard product quality may result in rework risks.
- **Opportunity:** The State promotes enterprises and technical colleges in carrying out integrated industry-education assessment, the new enterprise apprenticeship system, and occupational skill level certification, systematically establishing employee skills training standards and enhancing employees’ capabilities, thereby improving work efficiency and helping to reduce operating costs.
- **Response strategy:** The Company establishes a sound training and development system, improves talent retention mechanisms, formulates a reasonable talent structure in line with the Company’s strategy, and promotes the implementation of various policies.

Metrics and targets

- Specific targets such as employee training coverage and employee training credits are set, with continuous monitoring of the progress of these metrics.



Gongjin's Talent Attraction and Retention Strategy

Optimising talent structure

Dynamically monitor the talent structure using job grade, age, and years of service as the core dimensions, promote alignment between the talent mix and the Company's strategy and business development, build a sustainable talent pipeline that combines experienced, mid-career, and young employees, with young employees as the mainstay, and continuously stimulate organisational vitality and innovation capability.

Improving the career development system

Establish specialised training mechanisms for the three major sequences of management, professional, and operational roles, and conduct regular certification based on job qualification management and vocational skill level recognition, providing employees with clear pathways for capability enhancement and job grade promotion, so as to achieve person-post matching.

Improving talent retention mechanisms

Establish a comprehensive and standardised talent recruitment and selection system to ensure fairness and impartiality. Monitor talent stability through indicators such as engagement and turnover rates. Continuously optimise career development, compensation incentives, and retention strategies to enhance employees' sense of belonging and retention levels.

Talent attraction

The Company has established targeted training programmes for management talent, professional talent, and skilled talent, building a hierarchical and categorised talent development system with precise empowerment, and continuously enhancing the performance capabilities and core competitiveness of talent at all levels. Meanwhile, the Company broadens learning channels and enriches course resources through online learning platforms, enabling knowledge sharing and self-directed learning, and actively applies AI functions to optimise the learning experience and efficiency.

Gongjin's Key Talent Development Projects for 2025

Management Talent Training

Talent Selection Programme

- Launched AI leadership coaching practice for the first time.

Talent Training Programme

- A total of 41 trainees participated. Management potential and personality trait assessments were conducted. Two rounds of in-person intensive training covering six management courses and four sessions of classic management book sharing were held, producing 120 reading reflections + 52 book mind maps.
- The Individual Development Plan (IDP) and mentor guidance were implemented, the graduation defence was completed, and it is expected to develop more than ten outstanding management reserve talents.

Professional Talent Training

Zhaoyang Plan

- The Plan focuses on enhancing the professional capabilities of high-potential talent, with deep alignment between individual career aspirations and improvements in role-related capabilities, with a total of 57 trainees participating.

Backbone Talent Plan

- The Company launched a talent development system construction project based on position qualification standards, successfully established rapid onboarding competency systems for new employees in four pilot positions, revised four sets of new position qualification standards, and accurately aligned them with organisational capability requirements.
- The Company systematically reviewed 95 work tasks, distilled 28 typical tasks, produced four learning map manuals and 122 knowledge maps, innovatively developed 24 standard courseware packages, and established a closed-loop talent development management system integrating learning, practice, and assessment based on the integrated framework of "task-capability-development".

Skilled Worker Talent Training

New Apprenticeship Scheme and Industry-Education Technical Trainees

- Under the guidance of the Pingshan District Human Resources Bureau, the Company collaborated with Shenzhen Baoshan Technical School to advance the cultivation of enterprise new apprenticeship trainees and industry-education technical trainees. Throughout the year, a total of 545 senior worker training sessions were conducted, covering 137 trainees, with 99 completing the training, representing an overall training completion rate of 72.3%.
- Among the three training categories, 79 individuals participated in training for communication fixed terminal equipment assembly and commissioning, with 52 completing the programme; 20 participated in training for information and communication network terminal maintenance, with 17 completing it; 38 participated in quality inspector training, with 30 completing it.



- In 2025, the Company's E-learning platform recorded a total of **219,000** logins, with total learning duration reaching **351,000** hours. During the year, more than **3,200** courses were selected, with **597,000** learning participations, representing a year-on-year increase of **14.1%**. Training basically achieved **100%** online paperless sign-in. The Company developed and promoted the use of AI functions such as the AI course selection assistant, AI PPT, AI practice partner, AI question generation, and AI marking, enhancing the learning experience and the efficiency of training management.
- In November 2025, the Company was awarded the Outstanding Award for AI-Empowered Learning Innovation by online-edu.



Awards Related to AI-empowered Learning

The Company cultivates internal trainers to meet the course resource needs required for employee development. In 2025, the Company conducted three lecturer training sessions, with a total of 118 participants. There were 35 newly certified junior lecturers and 22 newly certified intermediate lecturers.

The Company is accredited for vocational skills level recognition and can assess the skill levels of communication network terminal maintenance workers and communication terminal equipment manufacturing workers at the primary, intermediate, and advanced levels, issuing nationally recognised skill certificates.

Talent retention

While the Company focuses on cultivating talents, it also places great emphasis on retaining talent. To achieve this, the Company has formulated a *Salary Management Policy* and prepares an annual salary plan at the beginning of each year. Different salary curves and performance-based incentive systems are established according to the position, providing competitive remuneration packages for employees. Meanwhile, the Company has established a scientific and well-developed promotion management system to ensure that talent of all types and across all job sequences have smooth promotion pathways and clear directions for development.

Employee Promotion Management System in Gongjin

Professional Channel Qualification Management System		Manager Promotion Management System	
Object	<ul style="list-style-type: none"> • Employees for R&D technology, marketing, professional, and manufacturing. 	Object	<ul style="list-style-type: none"> • Department Managers and above and their reserve personnel.
Promotion criterion	<ul style="list-style-type: none"> • The Company set scientific and reasonable qualification standard requirements for different grades. • Employees with outstanding contributions can apply for promotion under the conditions of green fast-track. 	Promotion criterion	<ul style="list-style-type: none"> • The Company set up the basic requirements of the position (such as knowledge, and skills and experience), attitude, performance, ability and potential and other assessment indicators. • Based on experience and other requirements, in case of special positions or outstanding abilities and the need to break the record, personnel may be appointed with the special approval of the General Manager of the Company.
Application method	<ul style="list-style-type: none"> • Employees can request certification from their Department Manager and Human Resources Department based on whether their personal growth and value contribution meet the requirements of the standards. 	Application method	<ul style="list-style-type: none"> • Self recommendation or recommendation from others.
Assessment frequency	<ul style="list-style-type: none"> • Employees have the opportunity to apply for promotion twice a year on a semi-annual cycle. 	Assessment frequency	<ul style="list-style-type: none"> • The Company centralises selection, evaluation and appointment from the end of one year to the beginning of the next. On a daily basis, the Company selects and evaluates appointments based on job requirements.

To better motivate and stabilise our talent, the Company has developed policies such as the *Orange Newcomer Stable Incentive Plan*, *Management Regulations for Young Talent's House Purchase Loans*, and the *Incentive Plan for Core Talents*. These policies provide specific incentives for orange newcomers, young talents, and core talents. For long-serving employees who have served the Company for many years, the Company awards the Long-term Dedication Award each year to long-serving employees who had completed 10, 20, and 30 years of service, thereby establishing a full-cycle talent incentive and support system covering new employees, young key talent, core talent, and senior employees, and continuously enhancing employees' sense of belonging, identity, and cohesion.

In 2025, the Company set multi-dimensional indicators and targets to ensure the implementation of its talent strategy. The Company established annual targets around indicators such as employee training coverage rate and training credit achievement rate, providing quantitative support and scientific assurance for the high-quality development of our talent pool.

Metrics and Targets for Gongjin's Talent Attraction in 2025

have	Unit	Targets	Progress in 2025
Employee training coverage	%	100	100
Annual training credit achievement rate for each job level			
Level 4-6: 80 credits	%	100	100
Level 7-8: 100 credits			
Level 9 and above: 120 credits			

Occupational health and safety

Gongjin adheres to the occupational health and safety management policy of “maintaining harmony and focusing on health and safety.” By strictly following the *Law of the Peoples Republic of China on Prevention and Control of Occupational Disease*, *Work Safety Law of the People’s Republic of China*, *Measures for the Management of Emergency Plans for Production Safety Accidents*, and *Regulation on Emergency Responses to Work Safety Accidents*, the Company has developed internal policies such as the *Work Safety Responsibility Policy*, *EHS Management Manual*, and *Work Guidelines for Employee Occupational Health Examination*. In 2025, the Company formulated the *Environmental, Health and Safety Management System*, reorganised the management procedures for new construction, modification and expansion projects, work-related injury management procedures, fire safety management procedures, and occupational health management procedures, and promoted the implementation of safety management through process-based, standardised, and closed-loop execution.

The Company has established a Safety Production Management Committee and set up the Environmental Health and Safety Department as a dedicated institution, responsible for managing and supervising occupational health and safety production. The Work Production Management Committee holds meetings every month to report to the management on the progress of occupational health and work safety. The Company establishes and improves the work safety accountability system, signing work safety responsibility statements at every level, promotes the progressive consolidation of work safety responsibilities and their implementation to each post, and ensures that personnel at all levels and in all positions fulfil their duties and responsibilities.



- Each of the Company’s production bases has passed the **ISO 45001:2018** Occupational Health and Safety Management System Certification. Specifically, Shenzhen Gongjin and Taicang Gongjin have received **AEO advanced enterprise** certification, Taicang T&W has passed the **Second Level of Work Safety Standardisation** Certification, and Haining T&W has passed the **Third Level of Work Safety Standardisation** Certification.

The Company has established and improved its occupational health and safety management system, strengthened source prevention, process control, and comprehensive management of occupational hazards, assigned dedicated personnel to follow up on and implement occupational hazard protection measures, and regularly carried out supervision and inspections of occupational hazard factors in workplaces and the control of major hazard sources, thereby enhancing the level of occupational hazard prevention and control. In 2025, the Company did not identify any occupational contraindications or confirmed cases of occupational diseases, and no incidents of violating occupational health and safety-related laws or regulations occurred.

Occupational Hazards Management System of Gongjin

Aspect	Measures
<p>Risk identification and control</p>	<ul style="list-style-type: none"> Entrust a qualified unit to conduct workplace occupational hazard factor testing at least once a year to ensure that workplace hazards meet legal and regulatory requirements. Formulate the <i>Procedures for Identification and Evaluation of Hazards</i>, carry out assessments for hazards, and ensure the effective identification of occupational health and safety risks. Conduct special analysis and evaluation of major hazards, develop corresponding control measures, and create the <i>List of Major Hazards and Their Control Measures</i>. Regularly engage external institutions to carry out assessments of the current status of occupational disease hazards.
<p>Electronic process for hazard management</p>	<ul style="list-style-type: none"> Employees may upload photographs of issues identified on site to the hazard management system at any time, and the Environmental Health and Safety Department conducts risk identification to determine whether they constitute hazards and their hazard categories. For matters confirmed as safety hazards, timely assign rectification tasks to responsible personnel for rectification within a specified period of time; after the responsible personnel have completed the rectification, they will upload the rectification results and photos. The Environmental Health and Safety Department will review and accept the rectification situation, and the implementation of the rectification will be included in the monthly performance assessment.
<p>Safety protection</p>	<ul style="list-style-type: none"> Provide corresponding labour protection equipment for positions with occupational hazardous factors and place appropriate risk warning signs on risk posts. Require employees to wear appropriate protective masks in workplaces with dust and harmful gases.
<p>Hazard investigation</p>	<ul style="list-style-type: none"> Conduct inspection, maintenance, and upkeep of exhaust treatment facilities to ensure treatment effectiveness. Conduct hazard investigations through departmental self-inspection and supervision checks by the Environmental Health and Safety Department, immediately notify remediation for any identified safety hazards, and supervise the remediation until it is completed.
<p>Occupational physical examination</p>	<ul style="list-style-type: none"> Regularly organise employee occupational health examinations before, during, and after their positions and inform employees of the results. If employees show signs of occupational disease contraindications, the Company will arrange for the affected employees to change positions.

Occupational Hazards and Protective Measures of Gongjin in 2025

Occupational hazards	Protective measures
Dust Grinding wheel dust, phenolic resin dust, etc.	<ul style="list-style-type: none"> Install protective devices such as top suction hoods and side suction hoods
Chemical hazards Acetaldehyde, dichloromethane, pentane, methanol, ethyl acetate, tin dichloride, isopropyl alcohol, etc.	<ul style="list-style-type: none"> Provide hearing protectors, protective gloves, dust masks, disposable activated carbon masks, laser protective glasses, and other protective equipment
Physical hazards Laser radiation, industrial frequency electric fields, high temperatures, noise, etc.	<ul style="list-style-type: none"> Strengthen control over the raw material procurement process

Posts at Risk of Occupational Diseases

Soldering workers, maintenance workers, silicone rubber workers, wave soldering workers, programme PCB workers, insertion workers, SMT technicians, laser engraving workers, maintenance workers, aging workers, cleaning workers, etc.

Occupational Health and Safety Prevention Measures and Achievements of Gongjin in 2025

Aspect	Measures and achievements
Strengthening of publicity and education	<ul style="list-style-type: none"> Conduct weekly occupational health and safety training, conveying knowledge through team-building exercises, promotional slogans, cartoons, etc.
Performance appraisal and evaluation	<ul style="list-style-type: none"> Develop the <i>Management Measures for Employee Training</i> to specify the three levels of safety training requirements, and use performance appraisals to ensure employees have the necessary skills and awareness.
Safety insurance	<ul style="list-style-type: none"> Provide work injury insurance for all employees, and purchase commercial safety production liability insurance for employees such as cafeteria workers, electricians, hardware workers, and drivers.
Emergency drills	<ul style="list-style-type: none"> Conduct fire drills annually, and carry out special contingency plan and on-site response drills monthly. Conduct emergency drills for hazardous chemical leaks, poisoning, suffocation, and other incidents to improve employees' emergency response capabilities.
Contractor safety management	<ul style="list-style-type: none"> Develop the <i>Guidelines for Contractor Work Safety</i>, specifying the detailed requirements and precautions for contractors' construction processes and ensuring construction safety.

Fire Drill conducted on National Firefighting Day

In response to the 34th National Firefighting Day, fire emergency drills were organised in November 2025 at the production bases in Taicang, Haining, and Pingshan. All drills were successfully completed and achieved the expected objectives.

- Taicang T&W:** Centred on the theme "Nationwide Fire Safety, Life First — Safe Use of Fire and Electricity", multiple scenario-based fire drills were conducted within the park, simulating typical fire incidents in workshops, warehouses, dormitories, and laboratories. Emergency teams responded efficiently. The Environmental Health and Safety Department explained fire escape and firefighting knowledge and organised hands-on practice, effectively improving employees' practical capabilities.
- Haining T&W:** Fire drills were conducted, with over 300 employees evacuating safely within three minutes. Safety training based on typical cases emphasised proper use of fire and electricity, and volunteer firefighters demonstrated the operation of firefighting equipment on-site.
- Pingshan plant:** Fire drills were organised for both day and night shifts, achieving rapid evacuation and assembly verification. On-site practical training on fire extinguishers and hydrants was conducted, enabling employees to master standard operating procedures.



On-site Fire Drill at Taicang T&W

The Company formulates the *Occupational Health and Safety Objectives and Indicators as well as Management Plan* each year, which is approved by the General Manager and decomposed to each department. The Company conducts monthly statistical monitoring and assessment of all targets. If any indicators fail to meet standards, responsible persons are promptly interviewed, root cause analysis is carried out, and corrective measures are formulated. Internal audits and management reviews are conducted simultaneously to systematically evaluate target implementation and system effectiveness. At year-end, a comprehensive annual evaluation is carried out, forming a full-process management closed loop with continuous improvement.

Occupational Health and Safety Metrics and Targets of Gongjin in 2025

Metrics	Unit	Targets	Progress in 2025
Injury accident rate per 200,000 man-hours	%	≤0.18	0.09 ✓
Number of serious injuries and fatal accidents	/	0	0 ✓
Occupational poisoning and occupational disease incidents	/	0	0 ✓
Number of fire and explosion accidents	/	0	0 ✓

Governing the Enterprise in Compliance with Regulations and Upholding Ethics

Corporate governance

Gongjin strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Listing Rules of the Shanghai Stock Exchange*, and other laws, regulations, and relevant provisions. The Company continuously tracks the latest regulatory requirements in its operational areas, improving the corporate governance policy, optimising the information disclosure mechanism, and enhancing the decision-making process for key matters to comprehensively improve governance levels.

Corporate Governance Management System of Gongjin

Governance

- **Management policy:** In 2025, the Company revised internal systems such as the *Articles of Association*, *Rules of Procedure for Shareholders' Meetings*, and *Rules of Procedure for the Board of Directors*, and newly formulated the *Remuneration Management System for Directors and Senior Management* and the *Exit Management System for Directors and Senior Management*.
- **Governance structure:** The Company's structure consists of the Shareholders' Meeting, the Board of Directors, and the core management team.

Impact, risk, and opportunity management

- The Company has continuously improved the corporate governance structure, standardise its operational mechanisms, safeguard its overall interests, and protect the legitimate rights and interests of all shareholders, especially minority shareholders.
- The Company has opened up investor communication channels, improved the level of information disclosure, and enhanced the transparency of corporate governance with a diversified communication mechanism.

Strategy

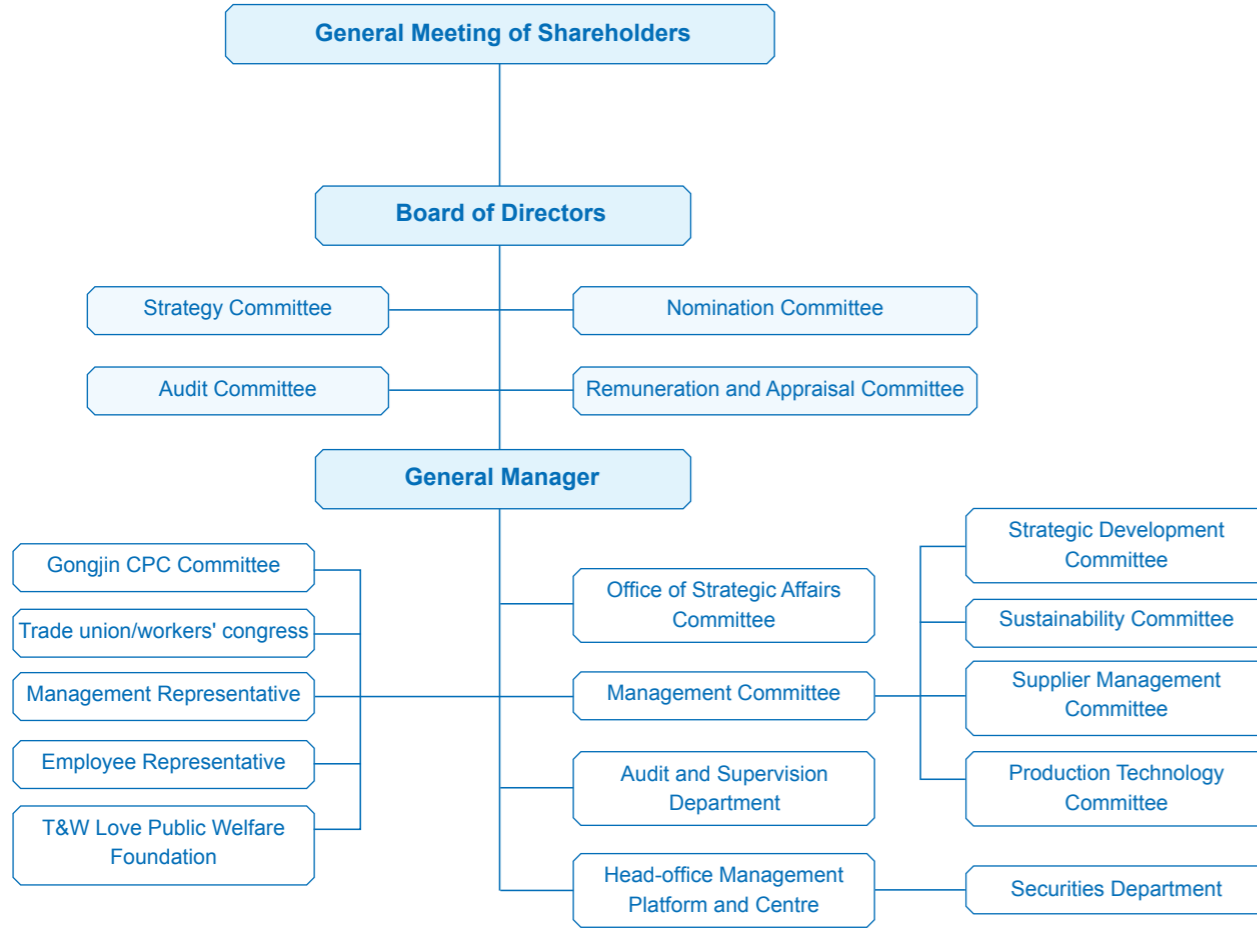
- **Impact:** Well-regulated and transparent corporate governance can boost investor and market confidence; poor governance may lead to market fluctuations and damage investors' interests.
- **Risk:** Related-party transactions and benefit transfers may harm the interests of minority shareholders. Delayed disclosure of financial data, major investments, or technological progress may lead to regulatory penalties, audit issues, or internal management errors, increasing operational and legal costs, reducing investor confidence and capital access, and affecting long-term stable operations, and may further increase operational costs
- **Opportunity:** Improving the corporate governance system, strengthening the quality of information disclosure, and effectively protecting the legitimate rights and interests of minority investors can enhance governance standards and capital market image, gaining recognition from regulators, capital markets, and society. This creates favourable conditions for broadening financing channels, optimising capital structure, attracting high-quality strategic resources, and enhancing long-term sustainable development capabilities.
- **Response strategy:** The Company has continuously monitored changes in laws and regulations in the operational area, and regularly assessed risks and opportunities in stakeholder communication, information disclosure, and investor rights protection.

Metrics and targets

- The Company has focused on indicators such as the Board of Directors' independence, frequency of information disclosure, and channels and frequency of investor communication.



Governance Structure of Gongjin



The corporate governance structure is the core mechanism for the internal allocation of power, distribution of responsibilities, and checks and balances. It plays a vital role in a company's development, protection of shareholders' rights, and maintaining market competitiveness. The Company has established a governance structure consisting of the Shareholders' Meeting, the Board of Directors, and the core management team. This structure protects the legal rights of all shareholders, maintains market competitiveness, and ensures the smooth development of the Company.

Decision-making and supervision

The Company regularly or irregularly holds Shareholders' Meeting and Board of Directors' meetings to review the scientific nature of proposals, enhancing the efficiency and transparency of corporate governance.



During the Reporting Period

- **Two** Shareholders' Meetings were held, during which **12** proposals were reviewed and approved.
- **Six** meetings of the Board of Directors were held, during which **30** proposals were reviewed and approved. **One** special meeting of the Independent Directors was held, during which **one** proposal was reviewed and approved.
- **Four** meetings of the Audit Committee were held, during which **19** proposals were reviewed and approved.
- **Two** meetings of the Strategy Committee were held, during which **two** proposals were reviewed and approved.
- **Two** meetings of the Remuneration and Appraisal Committee were held, during which **two** proposals were reviewed and approved.

Diversity of the Board of Directors

The Company continuously advances the optimisation and diversification of the Board's composition. By appointing individuals with diverse professional backgrounds, industry perspectives, and practical experience, the Company further enhances the comprehensiveness of deliberation, decision-making, supervision, and inspection, providing more multidimensional analytical perspectives and professional support for major operational and management matters, and effectively improving the scientific basis, reasonableness, and long-term planning capability of decision-making.



As at the end of the Reporting Period, the Board of Directors consisted of **12** members, including:

- **Three** female directors, accounting for **25%** of the total.
- **Four** independent directors, accounting for **33.33%** of the total, with expertise in accounting, data and information, microelectronics materials and technology, and law.

Investor communication

Investor relations management is an important link connecting listed companies and the capital market, playing an irreplaceable role in strengthening information communication, optimising corporate governance, stabilising market expectations, and promoting the long-term and steady development of enterprises. The Company has always placed investor communication in an important position. By establishing and strictly implementing relevant systems such as the *Management Policy for Investor Relations* and the *Management Measures for Media Visits and Investor Research Reception*, the Company continuously standardises work processes, improves the management system, and ensures that communication channels remain efficient and unobstructed.

To further enhance communication effectiveness, the Company actively builds diversified, multi-level, and regular communication platforms, making comprehensive use of various channels such as SSE e-interactive platform, the investor hotline, dedicated email, records of investor activities, results presentations, roadshows and reverse roadshows, thereby continuously deepening interactive communication with various types of investors and comprehensively enhancing the market's and investors' understanding and recognition of the Company's operating conditions, development approach, and long-term value.



During the Reporting Period

- A total of **61** announcements were disclosed, **48** announcement appendixes were uploaded, and **four** investor activity relationship record forms were submitted.
- **153** investor Q&A replies were made through SSE e-interactive platform, and more than **700** interactions with investors were made through the investor hotline.
- **Four** performance communication sessions were organised.
- **Three** performance briefings were held, and **one** collective reception day event for listed companies in the Shenzhen area was participated in.



2025 Listed Company ESG Value Communication Award

Value Online



Most Socially Responsible Listed Company Award

National Business Daily 2025 Reputation List of Listed Companies



2025 Listed Company ESG Value Communication Award

E-dong



2025 Top 100 ESG Companies

Board Secretary Association



Business ethics

Gongjin strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, the *Criminal Law of the People's Republic of China*, the *Interim Provisions on Prohibiting Commercial Bribery* and other laws, regulations, and regulatory requirements, upholds the bottom line of compliant operations, vigorously promotes a corporate culture of fair competition, integrity, and probity, incorporates anti-corruption and anti-commercial bribery efforts into the enterprise-wide risk prevention and control system, and continuously strengthens the solid defence line for clean practice and compliant operations. In 2025, the Company did not experience any incidents of commercial bribery or embezzlement, nor were there any lawsuits or significant administrative penalties resulting from the Company's unfair competition practices.

Business Ethics Management System of Gongjin

Governance

- **Management policy:** *Code for Business Conduct and Ethics, Anti-Fraud Policy of Gongjin, Management Regulations of Gongjin on Fraud Accountability*, and reward and penalty mechanisms.
- **Governance structure:** The Audit and Supervision Department is responsible for monitoring compliance of business activities with laws, regulations, and business ethics standards, and investigating complaints and violations related to business ethics. The Human Resources and Administration Management Centre is responsible for accountability management and organising employee ethics education to cultivate a culture of integrity.

Impact, risk, and opportunity management

- The Company establishes a fraud complaint and reporting handling process covering "case initiation, investigation, responsibility determination, execution, and rectification supervision", with whistleblower protection mechanisms in place.
- The Company implements business ethics management measures both internally and externally. Internally, special control measures are applied to positions with financial risk, alongside company-wide training. Externally, multiple business ethics risk control measures are implemented for suppliers.

Strategy

- **Impact:** If the Company's business ethics management system is not sufficiently robust, issues such as commercial bribery, embezzlement, and other problems may arise in areas like procurement, sales, and human resources, resulting in harm to the interests of stakeholders.
- **Risk:** Business ethics risks are often highly concealed. If the Company fails to implement effective business ethics management measures, once exposed, such issues may result in severe financial losses. Externally, this may lead to negative public opinion and termination of partnerships; internally, it may undermine trust within the Company, affect employee morale and work efficiency, and lead to economic losses and management disorder.
- **Opportunity:** Strengthening business ethics management helps establish a positive corporate image externally and gain investor trust; internally, it enhances management and supervision mechanisms, upholds fairness and justice, and improves employee morale and sense of belonging.
- **Response strategy:** The Company adheres to a "zero tolerance" principle for fraudulent activities such as commercial bribery and embezzlement, and implements multiple control measures to manage corruption risks in key positions, supplier management, and other processes.

Metrics and targets

- The Company has continuously monitored business ethics-related risks, and established metrics and targets for the number of business ethics training sessions, internal reports, and handling cases.



The Company has established procedures for handling complaints and reports relating to business ethics, and has implemented a whistleblower protection mechanism to safeguard whistleblowers' lawful rights and interests from infringement, fostering an integrity and compliance culture in which everyone adheres to the bottom line and everyone is empowered to exercise oversight.

Gongjin's Whistleblowing Management Mechanism for Business Ethics

Fraud complaint and reporting handling

The Company has established channels for reporting, complaints, and appeals, including public email, a supervisory complaint hotline, direct visits, public platforms, and a fraud reporting QR code, encouraging all employees to actively report issues and ensuring that complaints and reports are addressed in a timely manner.

Whistleblower protection

- The fraud handling departments and the relevant executing departments strictly adhere to the confidentiality principle, with a strict prohibition on disclosing information related to the reported matters, the handling process, and any details about the whistleblower.
- If there is a leak or spread of matters that have not been made public or other content that should be kept confidential, a public reprimand or warning will be issued. If serious consequences arise, a written reprimand will be imposed.



The Company integrates internal control and external collaboration to establish a comprehensive business ethics risk prevention and control system. Internally, the Company focuses on key economic risk positions with targeted controls and conducts regular company-wide ethics training to strengthen compliance awareness and behavioural constraints. Externally, the Company establishes multiple risk control mechanisms for suppliers to promote integrity and compliance across the supply chain.

Business Ethics Risk Control Measures of Gongjin

Aspect	Specific measures
Risk position	<ul style="list-style-type: none"> • Special control measures are implemented for employees in economic positions, such as job rotation, irregular work content audits, follow-up visits, and economic responsibility audits, to prevent corruption risks.
Company-wide training	<ul style="list-style-type: none"> • Business ethics training is provided to all employees.
Supplier management	<ul style="list-style-type: none"> • The Company requires suppliers to sign the <i>Cooperation Integrity Agreement</i>, provides business ethics training during the onboarding and collaboration process, and incorporates business ethics into the annual supplier audit.

In anti-unfair competition, the Company strictly complies with laws and regulations related to anti-unfair competition and anti-monopoly, adheres to the philosophy of fair, honest, and compliant operations, establishes a sound anti-unfair competition management system, and integrates compliance control throughout the entire process of market operations, business development, publicity and promotion, and price management. The Company resolutely eliminates violations such as false publicity, monopolistic behaviour, malicious low-price competition, and obtaining orders through improper means, and continuously upholds a fair and just market competition order and safeguards the steady and compliant development of the enterprise by strengthening the compliance awareness of all employees and enhancing daily supervision and risk prevention and control.

Business Ethics-related Targets and Achievements of Gongjin in 2025

Metrics	Unit	Target	Progress in 2025
Number of business ethics training	Time	1	1
Coverage of business ethics training	%	100	100

ESG Data Table and Notes

Economic Data Table

Metric	Unit	2023	2024	2025
Operating revenue	RMB 10,000	852,996.62	837,571.82	919,773.57
Basic earnings per share	RMB/share	0.08	-0.10	0.10
Social contribution value per share ¹	RMB/share	1.58	1.27	1.46

Note 1: Social contribution per share = Basic earnings per share + (Net profit of the Company + Tax revenue generated for the country during the year + Wages paid to employees + Loan interest paid to banks and other creditors + External donation and other value created for other stakeholders - Other social costs caused by environmental pollution, etc.) / Total number of shares issued by the Company.

Environmental Compliance, Circular Economy and Water Resources Management Data Table

Metric	Unit	2023	2024	2025
Annual environmental protection investment expenditure	RMB 10,000	112.27	84.14	64.69
Number of cases where the environmental incidents resulted in major administrative penalties or criminal prosecutions by relevant departments such as the ecological environment	/	0	0	0
Total amount of packaging materials used for finished products	Ton	12,839.00	12,458.20	14,325.00
Including: total amount of recyclable packaging materials	Ton	12,668.00	12,292.27	14,140.00
Total amount of disposable packaging materials	Ton	171.00	165.93	185.00
The proportion of recyclable packaging materials used ¹	%	98.67	98.67	98.71
Total water consumption	m ³	634,826.00	609,017.75	632,192.19
Water consumption per unit of revenue	m ³ /RMB 10,000	0.74	0.73	0.69

Note 1: The proportion of recyclable packaging materials used = (Total amount of recyclable packaging materials / Total amount of packaging materials used for finished products) × 100%.

Pollutant Management Data Table

Metric	Unit	2023	2024	2025	
Total wastewater discharge ¹	m ³	508,918.80	548,075.50	536,014.20	
Water pollutants	Chemical oxygen demand (COD) emissions ²	Ton	109.38	107.46	45.19
	Chemical oxygen demand (COD) emissions per unit of revenue	Kg/RMB 10,000	0.13	0.13	0.05
	Ammonia nitrogen (NH ₃ -N) emissions ²	Ton	7.01	16.32	7.76
	Ammonia nitrogen (NH ₃ -N) emissions per unit of revenue	Kg/RMB 10,000	0.0082	0.0195	0.0084
Total waste gas emissions ³	10,000 m ³	149,773.49	293,190.00	289,507.04	
Air pollutants	Particulate matter (PM) emissions ³	Kg	263.10	647.88	485.54
	Particulate matter (PM) emissions per unit of revenue	Kg/RMB 10,000	0.0003	0.0008	0.0005
	Volatile organic compounds (VOCs) emissions ³	Kg	4,578.00	8,744.17	8,304.92
	Volatile organic compounds (VOCs) emissions per unit of revenue	Kg/RMB 10,000	0.0054	0.0104	0.0090

Note 1: The Company's wastewater discharge type was domestic wastewater from employees, not involving production wastewater.

Note 2: The statistical scope of wastewater and water pollutants from 2024 to 2025 covers the four production bases of Pingshan, Taicang, Haining and Vietnam (hereinafter referred to as the four production bases). The statistical scope of chemical oxygen demand in 2023 is the Pingshan, Haining and Taicang production bases. Each production base conducts domestic wastewater testing once a year in accordance with regulatory requirements. Due to the irregular water use time and use of employees, the pollutant emissions fluctuate greatly from year to year, but all meet the regulatory emission standards.

Note 3: The statistical scope of waste gas and air pollutants from 2024 to 2025 covers four production bases. The statistical scope of total waste gas emissions and particulate matter in 2023 is Pingshan, Taicang and Vietnam production bases. The statistical scope of volatile organic compounds in 2023 is Taicang and Haining production bases. Each production base conducts manual monitoring of air pollutants once a year in accordance with regulatory requirements. The test results are affected by the production conditions at the time and have a large uncertainty. The pollutant emission concentrations of some exhaust pipes are lower than the detection limit. Therefore, the annual emissions estimated based on the test results of a few exhaust pipes fluctuate greatly from year to year, but all meet the regulatory emission standards.

Waste Management Data Table

Metric	Unit	2023	2024	2025
Total amount of general waste	Ton	1,992.25	2,014.15	2,012.68
Including: domestic wastes	Ton	862.77	890.32	684.65
Abandoned packaging materials	Ton	840.35	858.29	972.32
Waste plastics	Ton	270.55	249.88	340.71
Others	Ton	18.58	15.66	15.00
Amount of general wastes generated per RMB10,000 revenue	Kg/RMB 10,000	2.34	2.40	2.19
Total amount of hazardous waste ¹	Ton	58.84	77.80	105.25
Including: waste engine oil	Ton	2.35	0.35	0.40
Waste organic solvent ²	Ton	12.67	16.55	20.73
Waste wipes	Ton	0.21	0.34	1.35
Waste rags and gloves	Ton	0.33	0.30	0.13
Waste activated carbon and filter cotton ³	Ton	2.62	4.43	5.62
Waste circuit board ⁴	Ton	40.66	55.83	77.02
Amount of hazardous wastes generated per RMB10,000 revenue	Kg/RMB 10,000	0.07	0.09	0.11
Amount of wastes recycled ⁵	Ton	—	157.82	244.68

Note 1: There are many types of general waste and hazardous waste in the company, only the main types of general waste are listed.

Note 2: Due to product quality requirements, the cleaning frequency is increased, and the amount of cleaning agent used is increased, so the amount of waste organic solvents generated increases year by year.

Note 3: The adsorption medium was replaced several times from 2024 to 2025, resulting in an increase in the amount of waste activated carbon filter cotton generated.

Note 4: In 2025, Shenzhen Gongjin expanded the statistical scope of waste circuit boards to include PCB board edges in response to local regulatory requirements. As a result, the generation amount of waste circuit boards increased year over year in 2025.

Note 5: In 2025, Haining T&W began requiring suppliers to recycle waste cartons, resulting in a year-on-year increase in waste recycling volume.

Energy and GHG Emission Management Data Table

Metric	Unit	2023	2024	2025
Total energy consumption	Tce	9,551.45	8,789.99	10,488.88
Direct energy consumption	Tce	1,139.13	1,079.08	973.88
Indirect energy consumption	Tce	8,412.32	7,710.91	9,515.00
Total energy consumption per RMB10,000 revenue	Tce/ RMB 10,000	0.011	0.010	0.011
Natural Gas consumption	m ³	581,959.90	499,839.00	438,022.00
Diesel consumption	L	136,852.42	113,633.26	76,801.05
Gasoline consumption	L	62,618.89	53,140.50	47,682.05
Self-produced renewable energy ¹	MWh	1,126.20	1,827.06	2,021.28
Total purchased electricity ²	MWh	68,384.63	62,696.47	77,365.27
Purchased steam consumption ³	GJ	53.70	0.00	0.00
Clean energy consumption	Tce	912.52	889.49	831.16
By energy type				
Proportion of natural gas	%	84.82	74.74	70.09
Proportion of solar energy	%	15.18	25.26	29.91
Total GHG emissions (Scopes 1 and 2)	tCO ₂ e	40,728.72	35,123.31	42,299.81
Scope 1 GHG emissions ⁴	tCO ₂ e	1,723.06	1,480.38	1,249.80
Scope 2 GHG emissions ⁵	tCO ₂ e	39,005.66	33,642.93	41,050.01
GHG emission intensity per RMB10,000 revenue (Scope 1 and 2)	tCO ₂ e/RMB 10,000	0.05	0.04	0.05

Note 1: Self-produced renewable energy is the rooftop photovoltaic self-power generation of the Taicang and Haining production bases and the solar heating facilities of the Pingshan and Taicang production bases.

Note 2: In 2025, the expansion of the Phase II factory and the commissioning of the new office building at Vietnam T&W resulted in a year-over-year increase in total purchased electricity compared to 2024.

Note 3: The Haining production base briefly used purchased steam during its commissioning period in 2023, but did not use it again in 2024.

Note 4: Scope 1 GHG emission included direct GHG emission from the combustion of natural gas, gasoline, and diesel. The calculation coefficients for GHG emissions was based on the Guidelines for the Compilation of Provincial Greenhouse Gas Inventories (Trial) (2011) and the China Energy Statistical Yearbook (2023). The calculation coefficients for GHG emissions from the combustion of gasoline and diesel was based on the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Land Transport Enterprises (Trial) (2015).

Note 5: Scope 2 GHG emissions include purchased electricity and heat sources. The calculation coefficients for GHG emissions from purchased electricity were based on the national average CO2 emission factor, as published by the Ministry of Ecology and Environment and the National Bureau of Statistics in the Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factor in December 2025. The calculation coefficients for GHG emissions from purchased steam were based on the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Enterprises of Other Industries (Trial) (2015) issued by the National Development and Reform Commission.

Employee Recruitment and Employment Data Table

Metric	Unit	2023	2024	2025
Total number of employees	Persons	6,678	6,195	7,269
By gender	Female	2,443	2,253	2,748
	Male	4,235	3,942	4,521
By employment type	Full-time employees subject to labour contracts	5,683	4,991	5,764
	Full-time employees subject to labour dispatching	917	1,152	1,466
	Other forms of employment ¹	78	52	39
	Under 30	3,441	3,270	4,154
By age	30 to 50	3,105	2,810	2,992
	Over 50	132	115	123
Employee turnover rate ²	%	10.68	9.52	11.78
Physical examination coverage of employees ³	%	100	100	100

Metric	Unit	2023	2024	2025
Coverage of social insurance ⁴	%	100	100	100
Total amount of employee activity investment	RMB 10,000	422.53	359.11	383.03

Note 1: Other forms of employment include interns and retired returnees.

Note 2: Employee turnover rate = Number of employees who left during the Reporting Period / Total number of employees at the end of the Reporting Period × 100%.

Note 3: The statistical scope covers full-time employees under labor contracts and full-time labor dispatch workers. Physical examination coverage of employees = (Number of full-time employees under labor contracts and labor dispatch workers who received company-organized physical examination during the reporting period / Total number of full-time employees under labor contracts and labor dispatch workers at the end of the reporting period) × 100%.

Note 4: The statistical scope covers full-time employees under labor contracts. Social insurance for labor dispatch workers is paid by the labor dispatch agency, and therefore such workers are not included in the statistical scope. Social insurance coverage rate = (Number of full-time employees under labor contracts who paid social insurance during the reporting period / Total number of full-time employees under labor contracts at the end of the reporting period) × 100%.

Occupational Health and Safety Data Table

Metric	Unit	2023	2024	2025
Number of employees in positions at risk of occupational disease	Persons	646	388	392
Number of employees receiving occupational disease examination	Persons	646	388	392
Coverage of occupational disease examination for employees in positions at risk of occupational disease ¹	%	100	100	100
Number of work-related injuries ²	/	6	6	8
Working days lost due to work-related injuries	days	131	292	395
Number of employee deaths due to work-related injuries	Persons	0	0	0
Amount invested in work-related injury insurance	RMB 10,000	184.06	148.85	140.48
Coverage of work-related injury insurance ³	%	100	100	100

Metric	Unit	2023	2024	2025
Number of employees covered by production safety liability insurance ⁴	Persons	10	10	10
Amount of production safety liability insurance	RMB 1 million	0.46	0.46	0.41
Number of incidents penalised for violating occupational health and safety laws and regulations	/	0	0	0

Note 1: Coverage of occupational disease examination for employees in positions at risk of occupational disease=Number of employees receiving occupational disease examination/ Number of employees in positions at risk of occupational disease× 100%.

Note 2: In 2025, the Company's work-related injuries were primarily mechanical injuries (being struck by products, run over by material carts) and accidental injuries (missing steps on stairs, slips and falls) caused by distraction or improper operation, as well as traffic accidents during commute. The Company reduces risks of human error and unsafe conditions by implementing safety behavior management and warning education, conducting grid-based inspections and rectifying safety hazards, eliminating operation of equipment with defects, and strengthening on-site supervision and inspection by frontline managers.

Note 3: The statistical scope covers full-time employees under labor contracts. Work-related injury insurance for labor dispatch workers is paid by the labor dispatch agency, and therefore such workers are not included in the statistical scope. Work-related injury insurance coverage rate = (Number of full-time employees under labor contracts covered by work-related injury insurance during the reporting period / Total number of full-time employees under labor contracts at the end of the reporting period) × 100%.

Note 4: The company purchases production safety liability insurance for some personnel, including employees in positions such as equipment engineers, assistant engineers, quality engineers (CQE), logistics engineers/technicians, automation mechanical design engineers/directors, and administrative specialists.

Employee Training and Development Data Table

Metric	Unit	2023	2024	2025	
Employee training coverage ¹	%	100	100	100	
Average training hours of employees ²	Hours	71.00	84.11	84.88	
By gender	Average training hours of female employees	Hours	71.00	82.44	84.35
	Average training hours of male employees	Hours	71.00	85.05	85.21
Total training sessions	Sessions	2,703	2,817	2,888	
Total employee training expenditure ³	RMB 10,000	767.00	251.00	290.00	

Note 1: Employee training coverage = Number of employees trained during the Reporting Period / Total number of employees at the end of the Reporting Period × 100%.

Note 2: Average training hours of employees in this category = Total training hours of employees in this category during the Reporting Period / Number of employees in this category trained at the end of the Reporting Period.

Product and Service Quality Data Table

Metric	Unit	2023	2024	2025
Customer satisfaction survey results	%	88.50	86.33	89.28
Total number of product/service-related complaints received	/	12	26	12
Processing ratio of product/service-related complaints received	%	100	100	100
Amount involved in major safety and quality liability accidents related to products and services during the Reporting Period	RMB 10,000	0	0	0
Number of incidents of violations of laws and regulations related to products and services	/	0	0	0

R&D Innovation Data Table

Metric	Unit	2023	2024	2025
Number of projects in progress	/	276	186	217
R&D investment	RMB 10,000	36,248.14	37,107.21	27,202.98
Ratio of R&D investment to operating revenue ¹	%	4.25	4.43	2.96
Number of R&D employees	Persons	1,112	1,054	832
Proportion of R&D employees ²	%	16.65	17.01	11.45
Number of valid patents during the reporting period ³	/	1,216	1,084	680
Number of granted patents during the Reporting Period ³	/	126	146	71
Number of patent applications during the Reporting Period ³	/	207	121	89
Number of trademark approvals during the Reporting Period	/	2	2	0
Number of software copyright registrations during the Reporting Period ³	/	14	27	1

Note 1: Proportion of R&D investment to operating revenue = R&D investment during the Reporting Period / Operating revenue during the Reporting Period × 100%.

Note 2: Proportion of R&D employees = Number of R&D employees at the end of the Reporting Period / Total number of employees at the end of the Reporting Period × 100%.

Note 3: In 2025, the Company shifted the strategic focus of its intellectual property (IP) work from "quantity expansion" to "quality depth" and "value focus." The Company temporarily streamlined the filing and maintenance of patents, software copyrights, and other IP rights in non-core areas. As a result, the number of patents and software copyrights decreased year over year.

Supply Chain Management Data Table

Metric	Unit	2023	2024	2025
Total number of suppliers	/	813	876	946
Number of suppliers conducting environmental and social impact assessments	/	265	237	234
Proportion of suppliers conducting environmental and social impact assessments ¹	%	32.60	27.05	24.74
Number of suppliers identified as having actual or potential significant negative environmental and social impacts	/	0	0	0
Number of new suppliers	/	49	100	103
Number of new suppliers screened by environmental and social standards	/	9	12	27
Proportion of new suppliers screened by environmental and social standards ²	%	18.37	12.00	26.21

Note 1: Proportion of suppliers conducting environmental and social impact assessments = Number of suppliers conducting environmental and social impact assessments during the Reporting Period / Total number of suppliers at the end of the Reporting Period × 100%.

Note 2: Proportion of new suppliers screened by environmental and social standards = Number of new suppliers screened by environmental and social standards during the Reporting Period / Total number of new suppliers during the Reporting Period × 100%.

Public Welfare and Charity Data Table

Metric	Unit	2023	2024	2025
Donation amount	RMB 10,000	587.88	551.36	464.59
Amount of rural revitalisation investment	RMB 10,000	555.60	545.60	425.33
Total hours of volunteering services that employees participated in ¹	Hours	2,201.00	2,445.00	6,283.00
Per capita hours of employees' volunteer service ¹	Hours	0.33	0.39	0.86

Note 1: Per capita hours of employees' volunteer service = Total hours of volunteering services that employees participated in during the Reporting Period / Total number of employees at the end of the Reporting Period. In 2025, the Company's employees actively participated in volunteer activities such as student aid and teaching support organized by the Foundation. As a result, both total hours of volunteering services and Per capita hours of employees' volunteer service increased year over year.

Business Ethics Data Table

Metric	Unit	2023	2024	2025
Anti-commercial bribery and anti-corruption training hours for employees per capita	Hours	1.00	1.00	1.00
Anti-commercial bribery and anti-corruption training hours for management members per capita	Hours	1.00	1.00	1.00
Anti-commercial bribery and anti-corruption training hours for directors per capita	Hours	1.00	1.00	1.00
Proportion of employees covered by anti-commercial bribery and anti-corruption training ¹	%	100	100	100
Proportion of management members covered by anti-commercial bribery and anti-corruption training ¹	%	100	100	100
Proportion of directors covered by anti-commercial bribery and anti-corruption training ¹	%	100	100	100

Note 1: Proportion of employees(or management member, director) in this category covered by anti-commercial bribery and anti-corruption training = Number of employees (or management member, director) in this category who participated in anti-commercial bribery and anti-corruption training during the Reporting Period / Total number of employees in this category × 100%.

Benchmarking Index Table

Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) Benchmarking Index Table

Topics	Item	Corresponding chapter of this report
Chapter I General Provisions		
Article 4		About the Report
Article 5		Topic Materiality Assessment Independent identified topics: Conflict Minerals Management, Fulfilling responsibilities in overseas operations, Corporate Governance
Article 6		ESG Data Table and Notes
Article 7		Equal treatment to small and medium-sized enterprises. Ethics of science and technology are not applicable. For details on the reasons for non-applicability, please refer to Article 43 and Article 46.
Article 8		During the reporting period, no material changes occurred to the assumptions and prerequisites underlying the Company's relevant objectives and financial impacts.
Article 9		Communication with stakeholders
Article 10		During the reporting period, the Company employed methodologies commensurate with its capabilities, prior work outcomes, and resources to identify and analyze sustainability-related impacts, risks, and opportunities. For detailed analysis, please refer to the respective topics.

Topics	Item	Corresponding chapter of this report
Chapter II Disclosure Framework for Sustainability Information		
	Article 11	
	Article 12	
	Article 13	Climate Change Tackling
	Article 14	Energy Management
	Article 15	Circular Economy
	Article 16	Product and Service Quality
	Article 17	R&D Innovation
	Article 18	Responsible Supply Chain
	Article 19	Talent Attraction and Retention
		Corporate Governance
		Business Ethics
Chapter III Environmental Disclosure		
Section 1 Climate Response		Climate Change Tackling
Article 20		
	Article 21	Climate Change Tackling
Climate change tackling	Article 22	Climate Change Tackling
	Article 23	Climate Change Tackling

Topics	Item	Corresponding chapter of this report
Climate change tackling	Article 24	Climate Change Tackling ESG Data Table and Notes
	Article 26	ESG Data Table and Notes
	Article 27	Climate Change Tackling Energy Management
	Article 28	Climate Change Tackling
Section 2 Pollution Control and Ecosystem Protection Article 29		Pollutant and Waste Management Environmental compliance management Ecosystem and biodiversity protection
Pollutant discharge	Article 30	Pollutant and Waste Management ESG Data Table and Notes
Waste disposal	Article 31	Pollutant and Waste Management ESG Data Table and Notes
Ecosystem and biodiversity protection	Article 32	Ecosystem and biodiversity protection
Environmental compliance management	Article 33	Environmental compliance management
Section 3 Resource Utilization and Circular Economy Article 34		Energy Management Water Resources Management Circular Economy
Energy usage	Article 35	Energy Management ESG Data Table and Notes
Usage of water resources	Article 36	Circular Economy ESG Data Table and Notes
Circular Economy	Article 37	Circular Economy ESG Data Table and Notes

Topics	Item	Corresponding chapter of this report
Chapter IV Social Disclosure		
Section 1 Rural Revitalization and Social Contributions Article 38		Contributions to the Society and Rural Revitalization
Rural revitalization	Article 39	Contributions to the Society and Rural Revitalization ESG Data Table and Notes
Contributions to the society	Article 40	Contributions to the Society and Rural Revitalization ESG Data Table and Notes
Section 2 Innovation-Driven Development and Ethics of Science and Technology Article 41		R&D Innovation
Innovation-driven	Article 42	R&D Innovation ESG Data Table and Notes
Ethics of science and technology	Article 43	The Company is not engaged in significant R&D of artificial intelligence technologies; it is solely involved in the manufacturing of hardware products such as robotic vacuum cleaners and pool cleaning robots. This topic is not applicable.
Section 3 Suppliers and Clients Article 44		Product and Service Quality Responsible Supply Chain Data Security and Customer Privacy Protection
Supply chain security	Article 45	Responsible Supply Chain
Equal treatment to small and medium-sized enterprises	Article 46	The balance of accounts payable (including bills payable) at the end of the reporting period of the company does not exceed RMB 30 billion, and the proportion of total assets does not exceed 50%. This topic is not applicable.
Safety and quality of products and services	Article 47	Product and Service Quality ESG Data Table and Notes
Data Security and Customer Privacy Protection	Article 48	Data Security and Customer Privacy Protection ESG Data Table and Notes

Topics	Item	Corresponding chapter of this report
Section 4 Employees Article 49		Employees' Rights and Benefits Talent Attraction and Retention Occupational Health and Safety
Employees	Article 50	Employees' Rights and Benefits Talent Attraction and Retention Occupational Health and Safety ESG Data Table and Notes
Chapter V Corporate Governance Information Related to Sustainable Development Disclosure		
Section 1 Sustainability-Related Governance Mechanisms Article 51		Sustainability Management Communication with stakeholders Due diligence
Due diligence	Article 52	Due diligence
Communications with stakeholders	Article 53	Communication with stakeholders
Section 2 Commercial Behaviors Article 54		R&D innovation Business Ethics
Anti-commercial bribery and anti-corruption	Article 55	Business Ethics ESG Data Table and Notes
Anti-unfair competition	Article 56	Business Ethics
Chapter VI Supplementary Provisions and Interpretation		
	Article 57	Benchmarking Index Table
	Article 58	The company did not conduct an audit of the report.



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