胜宏科技
VICTORY GIANT TECHNOLOGY

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Embrace AI, Run Towards the Future

www.shpcb.com

Chairman: **Chen Tao**
Victory Giant Technology (Huizhou) Co., Ltd.

Dear Shareholders, Employees, and Stakeholders,

Greetings to you all!

Time engraves glorious dreams, and struggle paints a magnificent picture. Looking back at the extraordinary year of 2025, Victory Giant Technology fought a beautiful battle relying on advantages in strategy, technology, quality, capacity, key accounts, and culture. Both output value and market capitalization hit record highs. The Company was included in the CSI 300, CSI A50, and CSI A100 indexes at one time, ranking 69th among the Top 100 Listed Companies in China, with an increasing influence in the capital market; we continued to expand our advantages in the fields of AI computing power and AI servers, won the trust of numerous top global customers, and established a veritable leading position in AI computing power printed circuit boards (PCBs).

Taking on social responsibility is an inevitable path for enterprises to achieve the unity of economic and social value, and it is also an inherent meaning of entrepreneurship. Victory Giant Technology unswervingly walks on the road of responsibility and innovation, solidifies the foundation of responsibility with ESG practices, and has delivered a solid answer sheet of high-quality development.

In the field of environmental responsibility, we continue to promote the reduction of carbon emissions and the improvement of energy efficiency through refined energy management. We completed the product carbon footprint certification, successfully passed the annual audit of the Alliance for Water Stewardship (AWS) standard system, and once again obtained the UL 2799 Zero Waste to Landfill Platinum certification and the annual certification of the energy management system.

At the level of social co-construction, we actively give back to society, continuously engage in public welfare undertakings, and broadly participate in public welfare projects such as education, medical care, the "Hundred, Thousand, Ten Thousand Project", and large-scale cultural and sports activities. During the reporting period, we donated and sponsored a total of RMB 12.67 million, of which RMB five million supported the relocation and construction project of Huidong Gaotan New Health Center; RMB five million supported the 15th National Games and the National Special Olympic Games, and RMB two million supported the second Huizhou Marathon.

In terms of corporate governance, we continuously strengthened global synergy and local operational capabilities, comprehensively promoted the hardware upgrades of domestic and overseas production bases, and continuously improved the working and living environments of employees. We adhered to a people-oriented approach, paid attention to employee growth and well-being, and strived to enhance employees' sense of happiness and belonging.

The great road is like a whetstone, and the walker has no boundaries. Victory Giant Technology will base itself on three major strategies and four innovations, act as a firm practitioner and long-term cultivator of ESG, and inject strong momentum into sustainable development. We are willing to work in the same direction and move forward hand in hand with all partners, write the answer sheet with hard work and responsibility, and jointly step towards a greener, fairer, and sustainable tomorrow.

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March 2026

Contents

CONTENTS

Section I

Preparation Instructions of this Report

I. Report Information Instructions

01 Report Description:

This report is the third Environmental, Social and Governance (hereinafter referred to as "ESG") report (hereinafter referred to as "this Report") voluntarily issued by Victory Giant Technology (Huizhou) Co., Ltd. (Chinese abbreviation "the Company") since its listing, which is used to comprehensively disclose the social responsibility practices and performance of Victory Giant Technology (Huizhou) Co., Ltd. in environmental, social, and corporate governance aspects in 2025.

02 Reporting Scope:

The organizational scope of this Report covers Victory Giant Technology (Huizhou) Co., Ltd., which is consistent with the scope covered by the Company's annual report; unless otherwise specified, the reporting period of this Report is from January 1, 2025 to December 31, 2025.

03 Information Sources:

All data and information involved in this Report are derived from the official documents and statistical reports of Victory Giant Technology (Huizhou) Co., Ltd., and have been reviewed by the management of the Company. Among them, the relevant operational and financial data in this Report are extracted from the Company's 2025 Annual Report.

04 Data Description:

If there is any discrepancy between the data in this Report and the 2025 Annual Report, the 2025 Annual Report shall prevail. Unless otherwise specified, the amounts disclosed in the report are measured in RMB.

05 Disclaimer:

This document may contain forward-looking statements. Due to uncertain factors in practice, actual results may differ from the forward-looking statements. Therefore, the information in this document is for reference only and does not constitute any offer or commitment. The Company may modify the above information without notice, please understand.

II. Basis for Report Preparation

This Report is prepared in accordance with regulations such as those of the Shenzhen Stock Exchange (hereinafter referred to as "SZSE"), the Rules Governing the Listing of Shares on the ChiNext Market (《創業板股票上市規則》), the Self-Regulatory Guidelines for Listed Companies No. 2 – Standardized Operation of Companies Listed on the ChiNext Market (《上市公司自律監管指引第2號 – 創業板上市公司規範運作》), the Self-Regulatory Guidelines for Companies Listed on the ChiNext Market of Shenzhen Stock Exchange No. 3 – Preparation of Sustainable Development Reports (《深圳證券交易所創業板上市公司自律監管指南第3號 – 可持續發展報告編制》), and Appendix C2 to the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Stock Exchange") - Environmental, Social and Governance Reporting Code (《香港交易所主板上市規則 – 附錄C2〈環境、社會及管治報告守則〉》), as well as other relevant requirements.

➢ Reporting Principles

This Report has complied with the "Mandatory Disclosure Requirements" and "Comply or Explain" provisions in the Code for reporting, taking the four reporting principles of materiality, quantitative, balance, and consistency as the basis of preparation.

Materiality: Following the materiality principle requirements of the Stock Exchange, this Report has identified and disclosed the process of determining material environmental, social and governance factors and the criteria for selecting these factors, the process of identifying material issues and material ESG issues, as well as the description of material stakeholders and the process and results of stakeholder engagement.

Quantitative: The statistical standards, methods, assumptions, and/or calculation tools, as well as the sources of conversion factors used in reporting emissions/energy consumption (where applicable) in this Report, are all explained in the definitions of the report.

Balance: This Report impartially presents the Group's performance during the reporting period, avoiding selections, omissions, or presentation formats that may inappropriately influence readers' decisions or judgments.

Consistency: Unless otherwise specified, the statistical methods and standards for data disclosed in this Report are consistent with those of previous years. If there are any changes that may affect the comparison with previous reports, we will provide explicit explanations.

III. Report Release and Access Methods

This Report is released in both electronic and printed formats, and is published through the Securities Times, Securities Daily, Shanghai Securities News, CNINFO website, (www.cninfo.com.cn), Shenzhen Stock Exchange website(www.szse.cn and, and the website of Victory Giant Technology (Huizhou) Co., Ltd www.shpcb.com. You can download and view it through the above channels.

Company Address: No. 13, Xinle Avenue, Danshui Subdistrict, Huiyang District, Huizhou City, Guangdong Province
Company Telephone: 0752-3723668
Company Website:http://www.shpcb.com

Section 2

Company Basic Information

I. Company Information

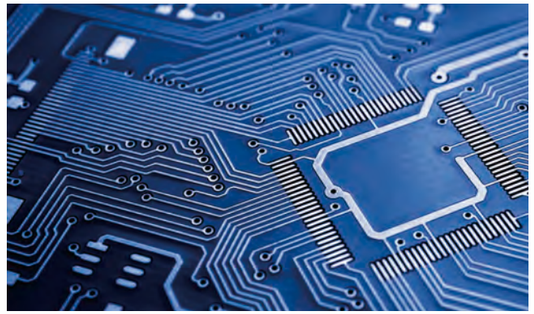
Stock Abbreviation	Victory Giant Technology	Stock Code	300476
Chinese Name of the Company	勝宏科技(惠州)股份有限公司		
Chinese Abbreviation of the Company	勝宏科技		
Foreign Name of the Company (if any)	Victory Giant Technology (HuiZhou) Co., Ltd.		
Registered Address	Hangcheng Technology Park, Xinqiao Village, Danshui Subdistrict, Huiyang District, Huizhou, Guangdong		
Postal Code of Registered Address	516211		
Historical Changes of the Company's Registered Address	None		
Office Address	Hangcheng Technology Park, Xinqiao Village, Danshui Subdistrict, Huiyang District, Huizhou, Guangdong		
Postal Code of Office Address	516211		
Company Website	www.shpcb.com		
Email Address	zqb@shpcb.com		

II. Contacts and Contact Information

	Secretary of the Board of Directors	Securities Affairs Representative
Name	Zhu Xiyao	Zhou Xianglai
Contact Address	Hangcheng Technology Park, Xinqiao Village, Danshui Subdistrict, Huiyang District, Huizhou, Guangdong	Hangcheng Technology Park, Xinqiao Village, Danshui Subdistrict, Huiyang District, Huizhou, Guangdong
Telephone	0752-3761918	0752-3761918
Fax	0752-3761928	0752-3761928
Email Address	zqb@shpcb.com	zqb@shpcb.com

III. Introduction to the Industry of the Company and Its Products

(I) Industry Classification



The industry in which the Company operates is the printed circuit board (PCB) manufacturing industry. According to the Industrial Classification for National Economic Activities (國民經濟行業分類) (GB/T4754-2017), the Company's industry is classified as "Electronic Circuit Manufacturing (Industry Code C3982)" under "Manufacturing of Electronic Components and Special Electronic Materials". According to the Guidelines for the Industry Classification of Listed Companies (《上市公司行業分類指引》) (revised in 2012) issued by the China Securities Regulatory Commission (CSRC), the Company's main business belongs to the "Computer, Communication and Other Electronic Equipment Manufacturing Industry", with the industry code C39.

(II) Company's Industry Position

The Company has focused on and deeply cultivated the printed circuit board (PCB) industry for more than 20 years, possessing rich industry experience and profound technological accumulation. It is a vice-chairman unit of the China Printed Circuit Association (CPCA) and one of the units participating in the formulation of industry standards; the Company has been shortlisted for many consecutive years in the ranking of top 100 global printed circuit board (PCB) manufacturing enterprises released by N.T. Information Ltd, a well-known global PCB market research institution. It is a national high-tech enterprise, a national intellectual property demonstration enterprise, a Guangdong provincial intellectual property demonstration enterprise, and an innovative enterprise in Guangdong Province. It possesses engineering technology research and development centers at the provincial, municipal, and district levels, as well as provincial and municipal enterprise technology centers, demonstrating robust scientific research strength. According to Prismark data, the Company ranks sixth among global PCB suppliers and third among domestic PCB manufacturers in mainland China.

After more than 30 years of industry accumulation, the Company's MFS Group possesses multiple independently developed key core technologies in the PCB field, and has become one of the manufacturers in the industry capable of supplying FPC products with stable quality and excellent performance on a large scale. Relying on excellent product quality and service quality, it has established long-term cooperative relationships with many internationally renowned customers. According to the Revenue Ranking of Major Enterprises in China's Electronic Circuit Industry for the 22nd Session (2023) promulgated by CPCA, MFS Technology (Hunan) Co., Ltd. ranks 38th among comprehensive PCB enterprises.

IV.Activities, Value Chain and Other Business Relationships

(I) Main Business

The Company is professionally engaged in the research and development, production, and sales of high-density printed circuit boards.

(II) Main Products and Their Applications

The Company's main products cover a full range of rigid circuit boards (with multilayer boards and HDI as the core) and flexible circuit boards (single- and double-sided boards, multilayer boards, rigid-flex boards), which are widely used in fields such as artificial intelligence, automotive electronics (new energy), next-generation communication technology, big data centers, industrial interconnection, medical instruments, computers, and aerospace.

(III) Value Chain and Operating Model

1. R&D Model: Technology-Led, Innovation-Driven

a. Centering on the key technology routes of "GPUs and CPUs", the Company carries out forward-looking technological layout. Closely following frontier fields such as artificial intelligence, AI servers, AI computing cards, AI Phones, AI PCs, intelligent driving, new energy vehicles, and next-generation communication technology, we tackle cutting-edge technical challenges including PCIe 6, Oak stream platform, 800G/1.6T and other high-speed transmission equipment, and 10mm thick boards for chip testing, proactively reserving technologies from multiple dimensions including materials, design, and process technologies. Guided by market demand as the core, we carry out technological innovation and product R&D work. Upholding the market strategy of "technology marketing, winning by quality", we actively undertake challenging new products and new projects to increase customer stickiness.

b. The Company efficiently integrates resources, fully leverages the talent advantages of professional technical personnel and industry technical experts, and relies on first-class production equipment and comprehensive laboratories to deeply conduct technical breakthroughs. We have successfully seized the technological commanding heights in emerging fields such as AI in the industry, continuously enhanced the core competitiveness of the enterprise, and shaped an industry-leading position.

c. To further enhance R&D efficacy, the Company continuously improves its R&D management system and operating mechanisms. By introducing advanced project management concepts and methods, we elevate the standardization and refinement levels of project management, guaranteeing the smooth operation of new product R&D processes from an institutional level, and comprehensively improving R&D efficiency.

d. The Company actively encourages R&D innovation and vigorously promotes intellectual property protection work. Leveraging the advantages formed during R&D innovation and technology accumulation, we take the lead in seizing opportunities in patent layout, construct a sound intellectual property protection system, and timely promote the industrialized application of patented technologies to maximize the value of technology.

2. Procurement Mode: System Escort, Cost Optimization

The Company's procurement center comprehensively coordinates the procurement business of raw materials and equipment. Its core functions include building a supplier management system, formulating procurement processes and institutional norms, strictly controlling the procurement process, and implementing cost control strategies. At the same time, it uses risk identification technology to conduct comprehensive risk management over the entire procurement process, building a sound risk control system. With the help of ERP and SRM systems, the procurement center has created an open and transparent digital procurement platform, realizing the normalization and standardization of the procurement process. The procurement team closely tracks real-time changes in the supply chain market, deeply combines customer product demands, and formulates a multi-level procurement control plan that is both scientific and flexible, ensuring that procurement activities accurately dock with the Company's production and operation needs. Procurement deeply analyzes the factors affecting competitiveness in the industry supply chain, continuously innovates procurement strategies, strengthens its own procurement competitiveness, strives to create long-term enterprise procurement advantages, continuously optimizes the Company's procurement costs, guarantees the timeliness and stability of material supply, and assists in the improvement of the Company's economic benefits.

3. Production Mode: Accurate Positioning, Efficient Delivery

Various electronic products have differentiated requirements for the engineering design, electrical performance, and quality standards of electronic components, and the product characteristics of different customers vary greatly. Especially for some key accounts, their product lines are extremely rich. Based on this characteristic and combining the technological advantages of each production line, the Company divides the production units into Multi-layer Board (MLB) Business Divisions (Divisions two to five), High Layer Count (HLC) Business Divisions (Division one and six), and HDI Business Divisions (HDI Division one, HDI Division two, and mSAP Division one). Each production unit has clear positioning in product fields, and they are all located in the same industrial park. This not only promotes mutual support among various units, but also allows the diverse product lines in the park to meet the production needs of different orders from various dimensions. This move significantly compresses the time for customers' early introduction and certification, highly aligning with the Company's development strategy. After receiving customer orders, various functional departments of the Company quickly and accurately formulate production scheduling plans with the help of internal mature ERP and MES systems. At the same time, they methodically prepare the required materials, tools, and equipment, and make personnel deployments ready for production. Through this highly efficient operating mechanism, the Company can deliver products with high quality and high efficiency, fully meeting customer needs.

4. Sales Mode: Global Layout, Value-Added Services

a. Faced with the full outbreak of AI, as well as accelerated global competition and technology iteration, the PCB industry is ushering in new transformations. In order to stand out in the fierce market competition and serve global customers well, especially international key accounts, we keep a close eye on cutting-edge development trends in the AI era and have constructed a 4S service matrix, namely Sales, CS, QS, and TS, creating a service system that runs through the entire customer value chain. The 4S team provides customers with comprehensive services from multiple dimensions, including customer relationship maintenance, customized technical solutions, business value creation, and delivery quality assurance. We strive to satisfy customers in key links such as NPI project introduction for strategic accounts and quality assurance after mass production, thereby winning high-quality orders.

b. Complying with the global supply trends of regionalization, peripheralization, and localization, the Company actively carries out a global layout. We have set up branches, subsidiaries, and offices in the United States, Singapore, Japan, Europe, Malaysia, South Korea, Thailand, Vietnam, etc., and formed a professional technical service team to provide customers with globalized sales services and technical support. By building a localized service network, we meet diverse needs, create excellent customer experiences, further enhance customer satisfaction, and strengthen the Company's influence in the international market.

5. Downstream Customers or Value Chain of the Company

The Company's products, printed circuit boards (PCBs), belong to electronic components. The Company's business scope extends to delivering products to downstream customers for use, such as assembling finished electronic and electrical appliances. The safety and quality reliability of the Company's products still affect the downstream value chain, such as the user experience regarding the relevant performance of the assembled finished electronic and electrical appliances, or the impact of the Company's products on the environment and humans during the scrapping process at the end of the finished product's life cycle; at the same time, the downstream value chain will conversely affect the Company's business. For example, regarding complaints about relevant product quality or safety, or feedback on new demands, the Company needs to take corresponding actions and coping strategies.

Section 3

Materiality Assessment of Issues

I. Double Materiality and Core Content

Before the preparation of this Report, with reference to the Self-Regulatory Guidelines for Listed Companies of Shenzhen Stock Exchange No. 2 – Standardized Operation of Companies Listed on the ChiNext Market, as well as the Self-Regulatory Guidelines for Listed Companies of Shenzhen Stock Exchange No. 17 – Sustainable Development Reports (Trial) (《深圳證券交易所上市公司自律監管指引第17號 – 可持續發展報告(試行)》) and the Self-Regulatory Guidelines for Companies Listed on the ChiNext Market of Shenzhen Stock Exchange No. 3 – Preparation of Sustainable Development Reports (hereinafter referred to as the Guidelines for Sustainable Development Reports), combining the characteristics of the industry and business operations of the Company, a total of 22 potentially relevant issues of environment, society and corporate governance were identified and summarized among the issues set by the Guidelines for Sustainable Development Reports. This was to evaluate whether the enterprise's performance on corresponding issues would have a significant impact on the economy, society, and environment (hereinafter referred to as the Company's impact on ESG issues, or impact materiality), and whether each issue has a significant impact on the enterprise's value (hereinafter referred to as the risks and opportunities of ESG issues to the Company, or financial materiality). This is the double materiality consideration of the issues. At the same time, according to the strategic height and direction of the Company, this Report also considers the attention of internal and external stakeholders as the third materiality consideration for relevant issues.

In addition, combined with the target market of the Company's products and the potential concerns of main customers, during the preparation process, this Report also referred to relevant requirements of international mainstream sustainable development reporting standards, and incorporated more specific and detailed topics or next-level topics that have high relevance to the Company's business operations and products into the consideration of the 22 issues, so as to increase the comprehensiveness of the perspective dimensions and contents of this Report.

The list of 22 potentially relevant issues on environment, society, and corporate governance is as follows:

– Responding to Climate Change	– Pollution Prevention and Control	– Energy Usage
– Protection of Ecosystems and Biodiversity	– Environmental Compliance Management	
– Water Resources Usage	– Circular Economy	
– Rural Revitalization	– Social Contribution	– Employee Employment and Legal Rights
– Employee Career Development	– Occupational Health and Safety	– Innovation-Driven
– Supply Chain Security	– Product or Service Safety and Quality	– Data Security and Customer Privacy Protection
– Equal Treatment of Small and Medium-sized Enterprises	– Science and Technology Ethics	– Taxation
– Stakeholder Communication	– Anti-Unfair Competition	– Anti-Commercial Bribery and Anti-Corruption

II. Due Diligence

A desktop-style due diligence was conducted on the selection of issues that may affect ESG in the operating ecosystem where the Company is located, as well as the related trends of risks and opportunities the issues may pose to the Company.

The due diligence included the sustainability context of the Company's operating locations and regions, as well as related industries and the Company's products, to plan the report content framework. Background review included selecting, problems, and trends of potential important ESG topics. The search for context considered megatrends and changes in sustainable development, recent global and regional developments, and local sustainable development challenges. For example, local guidelines, standards and regulations, and the important issue lists and weights given by mainstream international ESG rating agencies to the electronic component sub-industry in the past year.

It also referred to the topic selection in the ESG reports of two companies in the same industry in the past year, as well as one ESG report of a company in another industry.

III. Stakeholder Communication

The Company actively identified various stakeholders, and through effective communication methods, clarified the expectations and appeals of seven categories of stakeholders, and used these expectations and appeals as an important input for the materiality assessment of potential issues (due diligence), so as to ensure that the Company effectively strengthens its own capacity building, performs related sustainable development work well, and contributes to global sustainable development.

01 The identification of stakeholders was mainly conducted from two perspectives: external stakeholders and internal stakeholders.

External stakeholders considered partners such as suppliers (third parties or professional service agencies, etc.), communities (surrounding neighbors, residents, etc.), customers, government departments and regulatory agencies, industry organizations and media, and shareholders or investors.

Internal stakeholders considered the Company's senior management, middle management, grassroots management, and randomly selected employee samples from various departments.

Participation methods included conducting online surveys and interviews with internal and external stakeholders.

Stakeholders	Important Communication Issues	Communication Methods and Channels
Government	• Lawful Taxation • Compliant Operations • Anti-Corruption • Greenhouse Gas Emission Management • Waste Emission Management • Effective Resource Utilization • Safe Production • Social Contribution	• Daily Communication and Reporting • Project Approval • Government Supervision and Inspection • Submitting Statistical Reports
Shareholders and Investors	• Protecting Shareholders' Rights and Interests • Economic Benefits • Responding to Climate Change • Risk Management • Scientific Research and Technological Innovation • Compliant Operations • Safe Production	• Annual Reports and Other Statutory Information Disclosures • Earnings Presentations • Capital Market Meetings • Website, Hotline, etc.
Employees	• Protection of Employee Rights and Interests • Occupational Training and Development • Remuneration and Welfare Guarantees • Occupational Health and Safety	• Employee Satisfaction Surveys • Visits and Surveys • Regular Training • Union Activities • Employee Mailbox • Corporate Culture Activities
Partners such as Suppliers	• Honest Fulfillment of Contracts • Win-Win Cooperation • Assisting Industry Development • Compliant Operations • Safe Production	• Daily Business Exchanges • Regular Visits • Strategic Cooperation Negotiations • Supplier Audits • Supplier Training
Customers	• Product and Service Quality • Customer Privacy Protection • Product Innovation • Business Ethics and Transparency	• Visits, Communication and Promotional Activities • Customer Service Hotline • Satisfaction Surveys • Official Website, WeChat Interaction
Community	• Community Communication and Participation • Supporting Rural Revitalization • Participating in Social Public Welfare • Protection of Natural Resources	• Public Welfare and Charity Activities • Community Communication Activities • Project Environmental Assessment • Responding to External Surveys • Volunteer Activities • Official WeChat Accounts, etc.
Industry Organizations and Media	• Transparent Disclosure of Corporate Information • ESG Management Mechanism • Equal Employment	• Media Communication • Press Release Distribution • ESG Information Disclosure

02 The design of the questionnaire considered the following factors:

- Language – simplified Chinese was used for domestic stakeholders, and an English version was customized for overseas customers
- Ranking the importance of 22 potential issues – the Company's middle and senior management ranked both double materialities of the issues, while other stakeholders only ranked the importance of the issues affected by the Company's activities to themselves
- Ability to propose other issues not included in the list of 22 potential issues
- Scoring the Company's overall sustainable development performance
- Aspects in which the Company demonstrated outstanding overall sustainable development impact in the printed circuit board (PCB) manufacturing industry during the reporting period (feedback)
- Aspects in which the Company could do better in its overall sustainable development impact in the printed circuit board (PCB) manufacturing industry during the reporting period (feedback)
- The Company's middle and senior management were also invited to provide views or opinions on the risks and opportunities to the Company's business or operations
- Convenience and sufficient time of the online feedback method

03 Implementation of the questionnaire:

After the questionnaire was tested to be feasible, invitations were sent through the contact windows of relevant departments of the Company. A total of 804 invitations to internal and external stakeholders were sent, and 461 online questionnaires were recovered, with a recovery rate of 57.3%. Among them, 344 were recovered from internal grassroots management and employees of the Company, and 106 were recovered from internal middle and senior management personnel. The number of internal stakeholders participating in the online survey accounted for 5.5% of the total number of employees at the end of the reporting period of the Company (a total of 450 online survey feedbacks were recovered from internal stakeholders, and the total number of employees at the end of the period of the Company was 8,116).

The interview sample included five senior executives or department heads with relatively high relevance to potential issues within the Company, and three groups of external stakeholder representatives from government departments, surrounding community property management representatives, and management personnel of nearby schools.

IV.Issue Materiality Assessment Analysis

The quantified and weighted average feedback from internal and external stakeholders represented the high and low attention of stakeholders to the 22 potential issues. Values were assigned to them to obtain the total score of the high and low stakeholder attention for a single issue. Finally, they were sorted according to the total scores obtained by the 22 issues respectively. The highest score ranking first was assigned 22 points, the second highest score was assigned 21 points, and so on, and the lowest score was assigned one point.

At the same time, when assessing double materiality (the Company's impact on ESG issues, or impact materiality, and the risks and opportunities of ESG issues to the Company, or financial materiality), other inputs besides the impact materiality ranking of stakeholders were also considered. For example, the views or opinions of the internal middle and senior management on the risks and opportunities of relevant issues to the Company, or financial materiality, or the risks and opportunities pointed out by other internal and external stakeholders.

Methodology for double materiality assessment:

(I) Materiality Assessment of the Impact of Issues on Economy, Society, and Environment

The materiality of actual or potential impact is judged from four aspects, including the scale of the impact (i.e., the severity of the impact), the scope (i.e., how widespread the impact is), irremediability (the difficulty of offsetting or making up for the harm), and the likelihood of occurrence. Graded value assignments are given to each aspect to obtain four factors. The assigned values of the four factors of each issue are multiplied to obtain the total score of a single issue. Similarly, they are finally sorted according to the total scores obtained by the 22 issues respectively. The highest score ranking first is assigned 22 points, the second highest score is assigned 21 points, and so on, and the lowest score is assigned one point.

(II) Materiality Assessment of the Financial Impact of Issues on the Company

The likelihood of the actual or potential risks and opportunities respectively affecting the Company's finances and the degree of financial impact are given graded value assignments. The two values of the same issue are averaged, and then averaged with the standardized score of the corresponding online survey to obtain the total risk and opportunity score for a single issue. Similarly, they are finally sorted according to the total scores obtained by the 22 issues respectively. The highest score ranking first is assigned 22 points, the second highest score is assigned 21 points, and so on, and the lowest score is assigned one point. Risks and opportunities consider the degree of uncertainty that ESG issues may have positive or negative impacts on the enterprise's business model, strategy, goals, and ability to create value.

The basic data involved in the analysis and assessment of this Report were provided by various functional departments of the Company. To ensure the authenticity and objectivity of information disclosure, each department is responsible for the accuracy and reliability of the data provided; regarding abnormal or questionable data, the Company has conducted multiple rounds of clarification and review by relevant participants through internal audit/special re-visit procedures.

The above process yields the relative materiality ranking of the 22 issues, which are placed in a two-dimensional coordinate system. The horizontal axis (X-axis) represents the impact of the Company's activities on ESG issues, or impact materiality; the vertical axis (Y-axis) represents the risks and opportunities of ESG issues to the Company, or financial materiality; relevant issues are represented by dots, and the center positioning is determined by their issue's ranking scores on the horizontal axis (X-axis) and vertical axis (Y-axis). At the same time, the size of the dot diameter represents the level of stakeholder attention. The smallest is low, the next level up is medium, the next level up is high, and the largest is very high. **Green** represents environmental issues, **orange** represents social issues, and **purple** represents corporate governance issues. See Figure 1.

V. Conclusion of Issue Materiality Assessment

The process and methods of issue materiality assessment, analysis, and ranking were reported and explained to the Company's management for review, discussion, and questioning. The ESG Office answered questions, including correcting errors or omissions or having relevant departments clarify questionable factors or data, and then readjusted the weighted average values of the issues and confirmed the materiality ranking.

Combined with the strategic height of the Company, for example, the development goal is to become a top 10 enterprise in the global industry. The Company needs comprehensive development. Those ranking within five in double materiality can be defined as low materiality issues, those in the range of five to 15 can be defined as medium materiality issues, and those ranking 15 and above can be defined as high materiality issues. At the same time, the Company pays special attention to issues where stakeholder attention is high and very high. The management discussed and decided that low- and medium-materiality issues fall within the scope of voluntary disclosure.

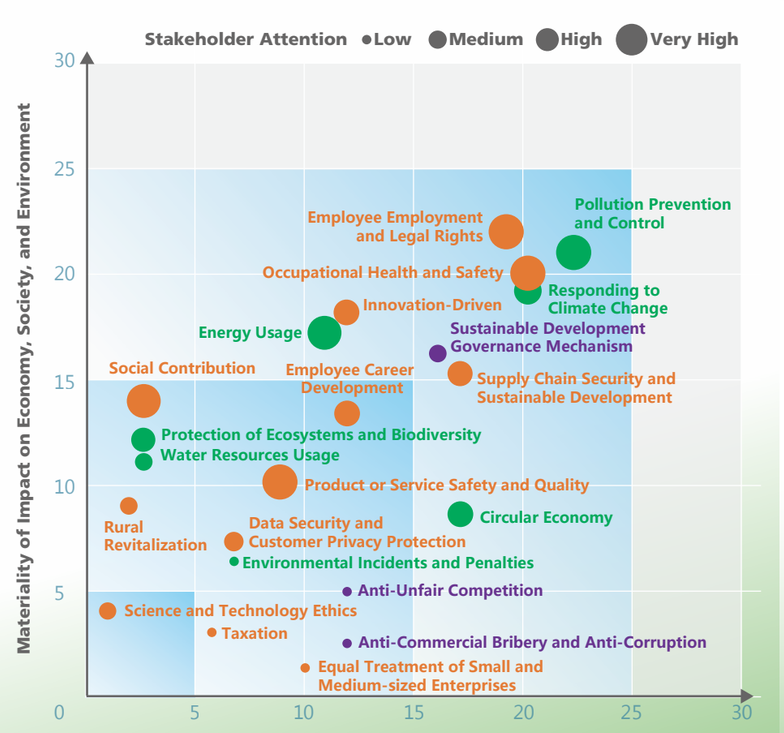


Figure 1: Illustration of Materiality Issues

Note: In this year, the external environment, regulatory requirements, Company business activities, products, etc. did not undergo major changes, so the identification and evaluation results of the previous year were adopted.

High Materiality Issues:
Responding to Climate Change
Pollution Prevention and Control
Energy Usage
Circular Economy
Employee Employment and Legal Rights
Occupational Health and Safety
Innovation-Driven
Supply Chain Security and Sustainable Development
Sustainable Development Governance Mechanism

Medium Materiality Issues:
Protection of Ecosystems and Biodiversity
Water Resources Usage
Environmental Incidents and Penalties
Rural Revitalization
Social Contribution
Employee Career Development
Product or Service Safety and Quality
Data Security and Customer Privacy Protection
Equal Treatment of Small and Medium-sized Enterprises
Taxation
Anti-Unfair Competition
Anti-Commercial Bribery and Anti-Corruption

Low Materiality Issues:
Science and Technology Ethics

Section 4
Company ESG Governance Arrangement

Company ESG Governance Arrangement

I. Company ESG Governance Structure

(I) Corporate Governance Structure

The Company strictly complies with laws, regulations, normative documents, and relevant regulations and requirements of regulatory authorities, such as the Company Law of the People's Republic of China (《公司法》), the Securities Law of the People's Republic of China (《證券法》), the Code of Corporate Governance for Listed Companies (《上市公司治理準則》), the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange (《深圳證券交易所創業板股票上市規則》), and the Self-Regulatory Guidelines for Listed Companies of Shenzhen Stock Exchange No. 2 – Standardized Operation of Companies Listed on the ChiNext Market, and constantly improves the Company's corporate governance structure. It has established sound rules of procedure and internal control management systems for the general meeting of shareholders, the Board of Directors, and independent directors, to further enhance the level of corporate governance. During the reporting period, the actual situation of the Company's governance complied with the requirements of relevant normative documents on the governance of listed companies issued by the China Securities Regulatory Commission (CSRC) and SZSE.

1. Shareholders and the General Meeting of Shareholders

The Company strictly follows the provisions and requirements of the Company Law of the People's Republic of China, the Rules for General Meetings of Shareholders of Listed Companies (《上市公司股東大會規則》), the Articles of Association (《公司章程》), and the Rules of Procedure for General Meetings of Shareholders (《股東大會議事規則》) to convene and hold general meetings of shareholders, treats all shareholders equally, and provides convenience for shareholders to attend the general meetings as much as possible, enabling them to fully exercise their shareholder rights. Regarding the relationship between the controlling shareholder and the listed company, the controlling shareholder of the Company strictly regulates its behavior in accordance with the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange, and the Articles of Association, exercises powers and undertakes corresponding obligations according to law, and does not directly or indirectly interfere with the Company's business decision-making and management activities. The Company possesses independent and complete business and autonomous operational capabilities, and is independent of the controlling shareholder in terms of business, assets, personnel, organizations, and finances. The Board of Directors and internal institutions of the Company operate independently.

In 2025, the Company held five general meetings of shareholders and reviewed 54 proposals.

2. About Directors and the Board of Directors

During the reporting period, the Company conducted the election of the new session of the Board of Directors. The Company's Board of Directors has eight directors, including three independent directors and one employee director. The number of people and personnel composition of the Board of Directors meet the provisions of laws, regulations, and the Articles of Association. Members of the Board of Directors strictly follow the Articles of Association, the Rules of Procedure of the Board of Directors (《董事會議事規則》), the Working Rules for Independent Directors (《獨立董事工作細則》) and other relevant systems to exercise their functions and powers, attend the Board of Directors and general meetings of shareholders, faithfully and diligently fulfill their duties and obligations, and actively participate in relevant training, continuously improving their ability to perform their duties, and promoting the healthy and stable development of the Company.

The Board of Directors has set up four specialized committees: the Strategy and Investment Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee. Each specialized committee strictly follows laws, regulations, and normative documents to fulfill its duties and promote the standardized operation of the Company.

In 2025, 14 Board meetings were held, and 95 proposals were reviewed.

Brief Introductions of the Company's Directors:

Mr. Chen Tao: Chinese nationality, EMBA, senior engineer, holder of a Hong Kong identity card, without permanent residency abroad; currently the Chairman of the Company; Chairman and General Manager of Shenghua Electronics (Huiyang) Co., Ltd.; Executive Director of Shenzhen Shenghua Xinye Investment Co., Ltd.; Executive Director of Huizhou Hongda Investment Development Co., Ltd.; Executive Director of Shenzhen Victory Giant Electronics Co., Ltd.; Director of Victory Giant Technology Group (Hong Kong) Co., Ltd.; Executive Director of Longshang Jiangnan Tourism Development Co., Ltd.; Executive Director of Gansu Longtai Liquor Industry Co., Ltd.; Executive Director of Wen County Chen's Manor Hotel Management Co., Ltd.; Executive Director of Huizhou Victory Giant Technology Research Institute Co., Ltd.; Executive Director of Huizhou Shenghong Precision Technology Co., Ltd.; Director of MFS Technology (Hunan) Co., Ltd.; Director of MFS Technology (PCB) Co.,Ltd.; MFS Technology (Yiyang) Co., Ltd. Previously served in the Third Detachment of the Armed Police Command of the Xinjiang Production and Construction Corps, the Service Company of the Second Light Industry Bureau of Kashgar City, Xinjiang, and Guangdong Huizhou Tongjiang Electronics Co., Ltd.

Ms. Liu Chunlan: Chinese nationality, EMBA, holder of a Hong Kong identity card, and holds long-term residency in Australia; currently a Director of the Company; General Manager of Shenzhen Shenghua Xinye Investment Co., Ltd., Executive Director and General Manager of Qianhai Lanchuang Investment Management Co., Ltd., and Supervisor of Wen County Chen's Manor Hotel Management Co., Ltd.

Mr. Zhao Qixiang: Chinese nationality, bachelor's degree, engineer, holder of a Hong Kong identity card, without permanent residency abroad. Previously served as Production Management Section Chief of Qunxiong Electronics (Huiyang) Co., Ltd.; Management Department Director of PLOTECH Electronics (Huiyang) Co., Ltd.; Assistant General Manager, Assistant to the Chairman, Vice President, and Secretary of the Board of Directors of Victory Giant Technology (Huizhou) Co., Ltd. Currently Director of Founder Technology Group Co., Ltd., and Director and President of Victory Giant Technology (Huizhou) Co., Ltd.

Mr. Chen Yong: Chinese nationality, bachelor's degree, holder of a Hong Kong identity card, without permanent residency abroad. Currently Director and Vice President of the Company; previously served as Business Department Manager of Shenghua Electronics. Currently Director and Vice President of the Company, and Director of Shenghua Electronics (Huiyang) Co., Ltd.

Ms. Wang Haiyan: Chinese nationality, bachelor's degree, without permanent residency abroad. Previously served as Engineering Department Manager of Suntak Technology Co., Ltd. Currently Director of the Engineering Division of the Company's Engineering Center, and Employee Representative Director of the Company.

Brief Introductions of the Company's Independent Directors:

Mr. Xie Lanjun: Chinese nationality, member of the Communist Party of China, bachelor's degree, Bachelor of Laws from Lanzhou University, without permanent residency abroad. From February 1989 to May 2000, served as Deputy Section Chief and Deputy Director Lawyer of the Law Firm of the Justice Bureau of Heyuan City, Guangdong Province; from May 2000 to February 2003, served as a lawyer at Guangdong Wanshang Law Firm; from February 2003 to April 2007, served as a lawyer at Guangdong New Orient Law Firm; from April 2007 to September 2010, served as a lawyer at Guangdong Ya'erde Law Firm; since September 2010, has served as equity partner, lawyer, and General Party Branch Secretary of Beijing Zhongyin (Shenzhen) Law Firm. Concurrently serves as a deputy to the Shenzhen Municipal People's Congress, arbitrator of the Shenzhen Court of International Arbitration, arbitrator of the Shenzhen Labor and Personnel Dispute Arbitration Court, Level 2 Administrator for bankruptcy and liquidation business of the Guangdong Court System, Director of Shenzhen Airport (Group) Co., Ltd., Director of Jiangxin Fund Management Co., Ltd., Independent Director of Rayitek Hi-tech Film Company Ltd., Shenzhen, and Independent Director of Shenzhen Institute of Building Research Co., Ltd.; currently an Independent Director of the Company.

Ms. Xie Lingmin: Chinese nationality, born in 1985, PhD in Accounting, Certified Management Accountant (CMA) of the United States. From July 2017 to June 2023, served as an Assistant Professor in the Accounting Department of Shenzhen University; since July 2023, has successively served as an Associate Professor in the Accounting Department and Deputy Director of the Finance and Accounting Experimental Center of Shenzhen University; since March 2024, has served as an Independent Director of Shenzhen Longood Intelligent Electric Co., Ltd., and Independent Director of Shenzhen Zhenye (Group) Co., Ltd.; currently an Independent Director of the Company.

Mr. Zhang Jihai: Chinese nationality, doctoral student, without permanent residency abroad, serves as a Professor at the School of Economics, Shenzhen University; currently an Independent Director of the Company.

Brief Introductions of the Company's President, Vice Presidents and Chief Financial Officer:

Mr. Wang Hui: Chinese nationality, without permanent residency abroad, bachelor's degree from Xi'an Jiaotong University. From July 1999 to July 2018, worked at COMPEQ Huizhou Manufacturing Co., Ltd., successively holding executive and division director positions in the equipment department, quality department, production department, planning department, and technical department. Joined Victory Giant Technology (Huizhou) Co., Ltd. since August 2019, and is currently the Executive Vice President of the Company.

Mr. Zhu Guoqiang: Chinese nationality, bachelor's degree, intermediate accountant, without permanent residency abroad. Previously served as Financial Supervisor of Tongjiang (Huiyang) Electronics Co., Ltd. Currently Chief Financial Officer of the Company, Chief Financial Officer of Shenghua Electronics (Huiyang) Co., Ltd., and Financial Head of Hongxing International Technology Co., Ltd.

Ms. Zhu Xiyao: Chinese nationality, without permanent residency abroad, master's degree. Previously served as a researcher at Donghai Funds Management Co., Ltd.; Investor Relations Manager of Victory Giant Technology (Huizhou) Co., Ltd. Currently Vice President and Secretary of the Board of Directors of Victory Giant Technology (Huizhou) Co., Ltd.

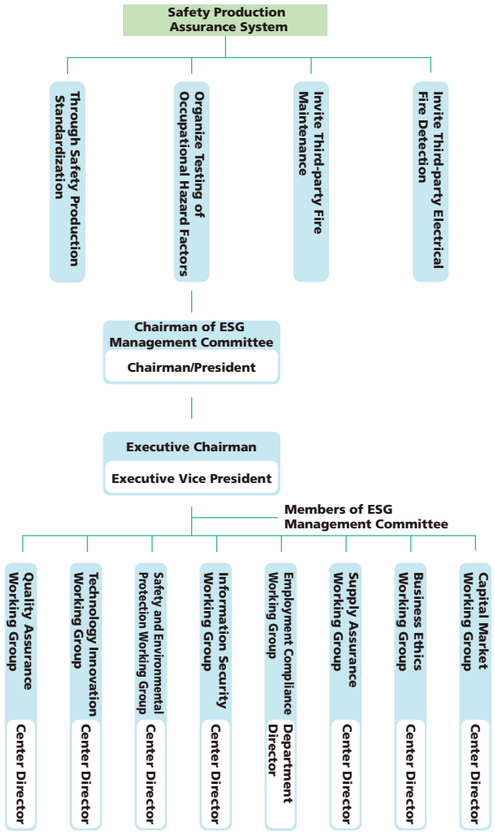
Mr. Zhou Dingzhong: Chinese nationality, bachelor's degree. From September 2004 to February 2014, worked at Shenghua Electronics (Huiyang) Co., Ltd., successively serving as Manufacturing Dry Film Section Chief, Manufacturing Director, Manufacturing Manager, and Director; from February 2014 to the present, worked at the Company, successively serving as Operations Director and General Manager of the Multilayer Board Business Division. Currently Vice President of the Company.

Mr. Victor J. Taveras: New Zealand nationality, graduated from Cornell University. Successively served as General Manager of SANMINA Malaysia; Plant Manager of UNIMICRON TECHNOLOGY CORPORATION Shenzhen Factory; General Manager of VIA SYSTEMS Guangzhou Factory, and Operations Director of SYNERGIE CAD Vietnam Factory; has experience in plant construction and technical leadership in the United States, Malaysia, China, and Vietnam. Currently Vice President of the Company.

(II) Company's ESG Governance Structure

The Company strictly follows the requirements of relevant laws, regulations, and normative documents, and continuously improves the Company's sustainable development governance system. The Company incorporates the identification and assessment functions of sustainability-related impacts, risks, and opportunities into the decision-making considerations of the Strategy and Investment Committee, and integrates sustainable development into the overall corporate governance structure.

1. ESG Governance Structure: (As shown below)



2. Relevant ESG Responsibilities:

1) The Company's decision-making level has set up a Strategy and Investment/Strategy and ESG Committee under the Company's Board of Directors.

It is mainly responsible for understanding, analyzing, and grasping the international and domestic industry status and sustainable development-related policies, understanding and grasping the comprehensive situation of the Company's operation and management; overseeing the assessment of the Company's sustainability-related impacts, risks, and opportunities; guiding and reviewing the Company's sustainable development policies, strategies, and goals; regularly monitoring the progress and completion of sustainability-related goals; approving the Company's Sustainable Development Report; supervising and inspecting the execution of sustainability-related work, and providing guiding opinions in due course, etc.

2) The Company's management level has set up an ESG Management Committee.

Main responsibilities of the ESG Management Committee: Responsible for managing the Company's key ESG issues to provide analysis and suggestions for discussion by the decision-making level to ensure oversight by the Board of Directors; determining and managing the costs and resources (such as employees, technology) required to identify, mitigate, manage, and monitor sustainability-related impacts, risks, and opportunities; formulating sustainable development work plans, as well as sustainable development incentive and assessment systems, and other sustainability-related matters.

Chairman of the ESG Management Committee: Chairman, President
Executive Chairman of the ESG Management Committee: Executive Vice President (ESG Management Representative)
Members of the ESG Management Committee: Vice Presidents
Standing Body of the ESG Management Committee: ESG Office (co-located with the Operation Management Office)
Main responsibilities of the ESG Office: Responsible for formulating stakeholder engagement plans and organizing stakeholder communication activities; coordinating the preparation of the Sustainable Development Report;

3) The Company's execution level has set up eight ESG professional working groups.

Main responsibilities of the ESG professional working groups: Responsible for assisting in formulating stakeholder engagement plans and organizing stakeholder communication activities; assisting in coordinating the preparation of the sustainable development report; responsible for capacity building in sustainability-related management, data statistics and analysis, and communication with investors and research institutions under their charge; assisting in improving sustainability-related management systems and executing sustainable development work plans; regularly reporting work results to the management; other sustainability-related matters.

Capacity building in sustainability-related management, data statistics and analysis, and communication with investors and research institutions; improving sustainability-related management systems and executing sustainable development work plans; regularly reporting work results to the management; other sustainability-related matters.

Leaders of each ESG working group: Heads of relevant centers or departments

II Company ESG-related Information Reporting

(I) Preparation and Disclosure of the Company's Environmental, Social and Governance (ESG) Report:

1. The reporting period of the report will be consistent with the annual report, covering a complete fiscal year.
2. The scope of the report will be consistent with the scope of the consolidated financial statements in the Company's annual financial report.
3. The report will be issued annually, and prepared and disclosed in accordance with the provisions of the Guidelines within four months after the end of each fiscal year.
4. The disclosure time shall be no earlier than the Company's annual report.

(II) Internal Reporting Mechanism for the Company's ESG Information

1. The Company establishes an ESG work plan and advances the Company's sustainable development work on schedule according to the plan.
2. The Company establishes a monthly reporting mechanism. Every month, the ESG Office tallies the achievement of the Company's ESG goals and the implementation of various measures and plans, and reports to the Company's ESG Management Committee.
3. The Company's ESG Office collects the materials required for the Company's annual ESG management review every year with reference to the Company's Annual ESG Management Review Procedure, and submits them to the Company's Strategy and Investment/Strategy and ESG Committee for review. The Company's annual ESG management review resolution report is released to the corresponding levels within the Company.
4. With reference to the Company's Annual ESG Target Management Procedure and the corresponding documents of each system, various systems of the Company regularly monitor and tally the achievement of ESG goals broken down by each system and the implementation of various measures, and conduct internal progress reporting on a monthly, quarterly, semi-annual, and annual basis.
5. During the operation of each system, relevant information reporting is conducted through special reports, progress statements, reporting meetings, etc.

III. Supervision and Assessment Mechanism

(I) Supervision of the Company's ESG Governance System

1. The Company has established the Annual ESG Work Plan Procedure. The Company's ESG Office uses this as a reference to formulate the Company's annual ESG work advancement plan, and promotes and supervises the carrying out of various ESG tasks of the Company according to this plan.
2. The Company has established the Annual ESG Target Control Procedure. The ESG Office refers to it to organize the setting and breakdown of the Company's annual ESG goals, and monitor their regular achievement.
3. The Company has established the Annual ESG Internal Audit Procedure. The ESG Office refers to it to organize the internal audit of the planning and implementation of the Company's ESG-related work, and promotes improvement through internal audits.
4. The Company has established the Annual ESG Management Review Procedure. The Company's Strategy and Investment/Strategy and ESG Committee organizes the annual ESG management review to evaluate the implementation and performance of the Company's annual ESG work.
5. The Company has established multiple systems, including quality, environment, occupational health and safety, information security, intellectual property, and RBA, and supervises and advances the carrying out of ESG-related work in each system with reference to their respective requirements.

(II) Company's ESG Governance Assessment Mechanism

1. Through the breakdown of ESG goals and monitoring of their achievement, the Company regularly assesses the performance of each system and department.
2. Relevant ESG performance assessments are incorporated into the performance evaluations of relevant personnel.

Statement of the Board of Directors

The Board of Directors of the Company is fully responsible for the oversight of ESG matters and has integrated ESG management into the corporate strategy and risk management and control system. Through regular materiality assessments, the Board of Directors identifies and prioritizes the ESG issues most relevant to the business (such as climate change, supply chain risks, and employee safety), and formulates corresponding management strategies to mitigate potential risks. At the same time, the Board of Directors has established ESG goals and regularly reviews the progress to ensure that the goals are closely linked to the Company's business growth and compliance requirements, thereby promoting sustainable value creation.

Section 5
Environmental Dimension Issues

Environmental Dimension Issues

I. Climate Change Strategies and Actions

(I) Governance Policies on Climate Issues

The Company is deeply aware of the importance of responding to climate change for humanity and sustainable development. We actively practice green production, carry out various energy-saving and emission-reduction activities, participate in environmental protection public welfare and other measures, using concrete actions to address the severe challenge of climate change. The Company has formulated the dual carbon goals of "carbon peaking by 2029 and carbon neutrality by 2050," and established and implemented the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, and ISO 14064 Greenhouse Gas Verification to strengthen the management of the environment, energy, and carbon emissions.

The Company has fully integrated its response to climate change into its corporate strategic development planning, corporate governance system, various risk management systems, and daily operational management. It has established a three-tier climate governance structure of "Board of Directors – Management Level – Execution Level," clarifying the responsibilities of each level to lay a solid foundation for enhancing the Company's climate change management and response capabilities.

Members of the Board of Directors have years of management experience in areas such as environmental compliance, and occupational health and safety. The Company continuously follows up on policies and best practices related to ESG and climate change through regular executive meetings and special training, in order to improve the governance level's ability to identify and make decisions regarding climate-related risks and opportunities.

Board of Directors

Strategy and Investment Committee	Nomination Committee	Remuneration and Assessment Committee	Audit Committee

The Board of Directors sets up a Strategy and Investment Committee/Strategy and ESG Committee, which is responsible for the overall planning and work coordination of the Company's ESG matters. The Chairman serves as the lead committee member. It holds at least one meeting every year to carry out the review and decision-making of major ESG matters, review the Company's annual ESG report, and propose relevant suggestions to the Board of Directors regarding the Company's other decisions based on the implementation of various ESG issues.

Management Level

ESG Management Committee

Responsible for identifying climate change-related risks, opportunities, and response measures within the management system, and reporting to the Board of Directors and the Strategy and Investment Committee.

ESG Working Groups

- Implement the Company's decisions related to "dual carbon," and be responsible for formulating the "dual carbon" goals and action plans for departments or workshops.
- Deeply implement the "Energy Efficiency Improvement" plan and green enterprise action plan, and strictly manage greenhouse gas emissions and energy efficiency goals.
- Comprehensively carry out carbon asset management, organize and implement carbon inventories and carbon verifications, and ensure the on-schedule implementation of various energy-saving and carbon-control goals and measures.

(III) Risks, Opportunities, and Measures in the Face of Climate Change

1. Impact of External Changes on the Company

Category	Risk	Opportunity	Impact Timeframe	Business/ Operations	Finance	Measures
Extreme Weather	The severity of extreme weather events such as typhoons and heavy rains increases, which may damage the "three wastes" (waste water, waste gas, and solid waste) treatment facilities, affect the treatment efficiency of the "three wastes" or cause leaks, and result in the mixed discharge of rainwater and sewage.	Rainwater recycling, which is conducive to saving water resources	Short-term	Production interruption	Increased maintenance and transformation costs of facilities; penalty costs	Regularly maintain the "three wastes" treatment facilities, regularly organize emergency drills, and increase experience in responding to extreme weather
	High and low temperature extreme weather causes an increase in energy usage and emissions.	/	Short-term	None	Increased costs	
Policy and Legal Risks	The promulgation or adjustment of new laws and regulations in the new energy sector will bring compliance management pressure; increased management costs, and penalties for non-compliance	Policy support from regulators, gaining recognition from society and customers under equal conditions	Long-term	Business volume fluctuation	High transformation costs and penalty costs	Update the list of laws and regulations every quarter
Renewable Energy Transition	Failure to meet requirements, causing customer dissatisfaction and penalties from regulatory agencies	Saving costs while being preferred by downstream markets	Long-term	Business volume fluctuation, good long-term trends	Reduce costs and increase financial revenue	Implement greenhouse gas carbon inventories; certify the energy management system
Efficient Resource Management	Inefficiency brings penalties from regulators, customer dissatisfaction, increased company costs, and increased carbon emissions.	Avoid resource waste, reduce operating costs, and reduce unit capacity emissions	Long-term	Business fluctuation	Reduce costs and increase revenue	Implement greenhouse gas carbon inventories; certify the energy management system

Note: Timeframe: short-term (1–3 years); medium-term (3–5 years); long-term (more than five years).

2. Impact of Internal Operations on Climate Change

Category	Impact on Global Climate if Poorly Controlled	Impact on Global Climate if Well Controlled	Impact Timeframe	Measures
Exhaust Gas Emissions	Causes air pollution and global warming	Conducive to global climate protection and the maintenance of green, clean air, benefiting the development of biodiversity	Long-term	Optimize exhaust gas collection management, ensure the normal operation of waste gas treatment facilities, and meet emission standards
Use of Clean Energy	Increased carbon emissions, causing global warming	Reduced carbon emissions, conducive to the improvement of the global climate	Long-term	Implement greenhouse gas carbon inventories and execute the Top Ten Zero-Carbon Strategies; on the basis of self-built photovoltaics, purchase green electricity and green certificates to meet customer needs, and complete science-based carbon targets in stages
Production Efficiency	Increased carbon emission equivalent per unit product, causing global warming	Reduced carbon emission equivalent per unit product, conducive to the improvement of the global climate	Long-term	Implement greenhouse gas carbon inventories and execute the Top Ten Zero-Carbon Strategies; on the basis of self-built photovoltaics, purchase green electricity and green certificates to meet customer needs, and complete science-based carbon targets in stages

Note: Timeframe: short-term (1–3 years); medium-term (3–5 years); long-term (more than five years).

3. Current and Expected Financial Impacts

Currently, the impact of climate-related factors on the Company's financial status is mainly reflected in aspects such as environmental compliance inputs, investments in energy-saving and emission-reduction projects, and the costs of using clean energy. Overall, they have not constituted a significant adverse impact on the Company's current profitability and cash flow. On the other hand, they also bring potential business opportunities through the growth in demand for green products and the application of low-carbon technologies. The Company is gradually establishing an internal mechanism to track and evaluate the medium- and long-term impacts that the above climate-related factors may have on revenue, costs, and capital expenditures, currently focusing on qualitative analysis.

(III) Transition Plans, Measures, and Progress for Responding to Climate Change Risks and Opportunities

1. Risk Management

Based on the existing risk management system, the Company has begun to identify climate-related transition risks and physical risks, and conduct preliminary assessments and management in conjunction with compliance requirements, production operations, and supply chain conditions. In the future, the Company will further improve its climate risk inventory, assessment methods, and monitoring mechanisms, gradually forming a more systematic internal control and reporting process.

2. "Top Ten Zero-Carbon Strategies"

1	Scientific Management Strategy: Joining CDP and SBTi organizations, promoting energy management systems, carbon inventories, carbon footprints, and ESG ratings	Under implementation
2	Green Concept Strategy: Ideological transformation, advocating green living, green offices, green commuting, etc.	Under implementation
3	Green Logistics Strategy: Using new energy and low-emission transport vehicles, and optimizing transport routes	Under implementation
4	Green Procurement Strategy: Procuring renewable materials and high-efficiency, low-emission equipment	Under implementation
5	Green Power Strategy: Building photovoltaic and wind power stations, and purchasing green electricity and green certificates	Under implementation
6	Green Design Strategy: Green design of products, and optimizing production processes	Under implementation
7	Green Supply Strategy: Establishing carbon reduction targets for the upstream and downstream supply chains	Under implementation
8	Waste Regeneration Strategy: Achieving waste recycling and recovery	Under implementation
9	Technical Transformation Strategy: Simultaneously improving energy efficiency and water efficiency in production processes	Under implementation
10	Carbon Sink Forest Strategy: Assisting the Company in achieving carbon peaking and carbon neutrality	Under implementation

3. Main Measures to Implement the "Top Ten Zero-Carbon Strategies" in 2025

1	Victory Giant Technology passed the first batch of National Green Factory certifications in the industry in February 2018, and passes the annual audit every year. MFS Technology passed the first batch of National Green Factory certifications in the province in 2022, and passes the annual audit every year.	Completed
2	Victory Giant Technology completed the CDP questionnaires, Climate Change 2024 (D) and Water Security 2024 (B-). MFS Technology completed the CDP questionnaires, Climate Change 2024 (B-) and Water Security 2024 (B).	Completed
3	Officially set SBTi science-based carbon reduction targets (officially submitted a commitment letter to join the SBTi organization in July 2023; submitted a certification application for "science-based carbon reduction targets" in February 2024, and officially set the targets in July 2024).	Completed
4	Implemented the dual control of energy consumption, and completed government assessment targets and requirements for dual control of energy consumption.	Completed
5	Actively carried out and implemented relevant energy-saving and carbon-reduction measures and projects (emission reduction projects and carbon verifications). Introduced magnetic suspension and air suspension energy-saving blowers, and replaced traditional cast blowers to achieve energy-saving effects, etc.	Completed
6	Passed the UL 2799 Zero Waste to Landfill Platinum certification (the highest level).	Completed
7	Awarded the "Excellence" Mark (the highest level) by the Hong Kong-Macao-Guangdong Cleaner Production Partnership.	Completed
8	Raw and auxiliary materials used in production, such as inks, are all stored in airtight cans, and are covered and sealed when not in use to maintain airtightness. Mixing, usage, and recovery are all operated within closed equipment and enclosed negative pressure workshops. Depending on the characteristics of the equipment, raw materials are conveyed through closed pipelines or closed containers respectively. Inside the production projects, character printing, solder mask printing, and screen washing are all operated in enclosed workshops. Tunnel furnaces are set up for both pre-baking and post-baking. Except for the inlet and outlet, the tunnel furnaces have an enclosed structure. The exhaust gases inside the drying furnace is collected through the exhaust gas collection pipelines set inside the tunnel furnace and drying furnace, and drawn out under negative pressure to reduce fugitive emissions of exhaust gases.	Completed
9	Obtained the ISO 50001 Energy Management System certification in 2025.	Completed
10	The Company vigorously advocates green living, green offices, and green commuting for employees.	Completed
11	Multiple categories of products declared by the Company were successfully selected for the Ministry of Industry and Information Technology's Green Design and Manufacturing Product List.	Completed
12	The printing and baking sections within the newly expanded Yiyang assembly plant project in 2025 all adopt an enclosed structure. The exhaust gases collected through pipelines is drawn under negative pressure to the roof for two-stage activated carbon adsorption treatment, reducing fugitive emissions of waste gas.	Completed

(IV) Carbon Reduction Actions and Effects

- Currently, the Company has not participated in the registration of national greenhouse gas voluntary emission reduction projects and Chinese Certified Emission Reductions (CCER).
- The Company officially set its SBTi science-based carbon reduction targets in July 2024, committing to reducing Scope 1 and Scope 2 emissions by 42% respectively, and reducing Scope 3 emissions by 25% by 2030, using 2022 as the base year.
- While purchasing external new energy-saving and carbon-reduction technologies and services, the Company actively carries out and implements relevant energy-saving and carbon-reduction measures and projects.
- In 2023, it completed the 5% emission reduction requirement for Scope 1 and Scope 2; in 2024, it completed the 10% emission reduction requirement for Scope 1 and Scope 2; and in 2025, it is currently completing the 15% emission reduction requirement.

1. Main Energy-saving Measures and Projects in 2025

No.	Energy-saving Measures	Energy Saved (tonnes of standard coal)	Emissions Reduced (tonnes of CO_2)	Annual Electricity Saved (10,000 kWh)	Remarks
1	Tunnel oven efficiency improvement	588.65	1,542.26	190.50	Victory Giant Technology
2	Introduction of high-speed energy-saving blowers into the horizontal line drying section	2,044.75	5,357.25	661.73	Victory Giant Technology
3	Installation of energy-saving blowers on some lines	599.09	1,569.63	193.88	Victory Giant Technology
4	Installation of energy-saving frequency converters on laminating presses	16.59	43.46	5.37	Victory Giant Technology
5	Electricity savings for character board baking	128.06	335.52	41.44	Victory Giant Technology
6	Dust collector modification	48.538	129.11	39.49	Shenghua Electronics
7	Modification of blowers for exhaust gas treatment facilities	12.16	32.345	9.894	Shenghua Electronics
8	Modification of blowers for wastewater treatment	18.29	48.645	14.88	Shenghua Electronics
9	Use of frequency-converting air compressors	0.75	3.26	6.075	MFS Technology
10	Use of energy-saving blowers	1.58	6.88	12.825	MFS Technology
Total		**3,458.458**	**9,068.36**	**1,176.084**	

2. Main Carbon Reduction Measures and Projects Completed in 2025:

No.	Specific Measures	Annual Emission Reduction Target (tonnes of CO_2)	Annual Emission Reduction Effect (tonnes of CO_2)	Difficulties Encountered	Remarks
1	Utilized 973,158 kWh of photovoltaic power generation	700	787.85	None	Victory Giant Technology
2	Tunnel oven efficiency improvement	1,000	1,542.26	None	Victory Giant Technology
3	Introduction of high-speed energy-saving blowers into the horizontal line drying section	4,500	5,357.25	None	Victory Giant Technology
4	Installation of energy-saving blowers on some lines	1,000	1,569.63	None	Victory Giant Technology
5	Installation of energy-saving frequency converters on laminating presses	30	43.46	None	Victory Giant Technology
6	Electricity savings for character board baking	200	335.52	None	Victory Giant Technology
7	Dust collector modification	120	129.11	None	Shenghua Electronics
8	Modification of blowers for waste gas treatment facilities	30	32.345	None	Shenghua Electronics
9	Modification of blowers for wastewater treatment	45	48.645	None	Shenghua Electronics
10	Utilized 4,221,255 kWh of photovoltaic power generation	2,000	2,265.13	None	MFS Technology
11	Added two Atlas Copco high-efficiency variable-frequency oil-injected screw air compressors to combine with existing equipment to reduce energy consumption; added the Atlas Copco EQ4.0 intelligent control system	5	6.075	None	MFS Technology
12	Introduced the latest Level 1 energy-saving blowers to gradually replace the original Level 3 energy-consuming blowers on production lines and power equipment (five sets), reducing energy consumption by 15%	10	12.825	None	MFS Technology
13	Utilized the preheating of air compressors for recovery to serve as a heat source for thermal air conditioning	1,000	1,064.40	None	MFS Technology
Total		**9140**	**13,194.5**	**/**	

3. Carbon Emission Status in 2025:

Based on the 2024 annual carbon verification, we have self-completed the carbon inventory of the total greenhouse gas emissions (Scope 1, Scope 2) for the year 2025 (reporting period); the work of inviting a third party for carbon verification in 2025 is already underway.

(1) Carbon Dioxide Emissions and Emission Intensity

Indicator	Unit	2023	2024	2025
Total greenhouse gas emissions	Tonnes of CO_2 equivalent	593,621.78	671,419.27	856,582.79
Scope 1 total greenhouse gas emissions	Tonnes of CO_2 equivalent	59,481.34	55,727.63	107,587.07
Boiler emissions	Tonnes of CO_2 equivalent	21,765.27	21,438.72	26,484.2
Other emissions	Tonnes of CO_2 equivalent	37,030.58	342,88.91	77,099.77
Scope 2 total greenhouse gas emissions	Tonnes of CO_2 equivalent	534,140.44	615,005.15	748,995.72
Electricity consumption	Tonnes of CO_2 equivalent	534,140.44	610,022.69	746,315.46
Steam consumption	Tonnes of CO_2 equivalent	/	4,982.46	2,680.26
Victory Giant's emission intensity	Tonnes of CO_2 equivalent/ MWh	0.877	0.883	0.931
Shenghua's emission intensity	Tonnes of CO_2 equivalent/ MWh	0.826	0.823	0.821
MFS's emission intensity	Tonnes of CO_2 equivalent/ MWh	0.514	0.537	0.537
Victory Giant (Thailand)'s emission intensity	Tonnes of CO_2 equivalent/ MWh	/	/	0.540

Note: 1. Total greenhouse gas emissions include Scope 1 and Scope 2 greenhouse gas emissions. The calculation of Scope 1 and Scope 2 greenhouse gas emissions refers to ISO 14064-1:2018 and the General Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions from Industrial Enterprises (《工業企業溫室氣體排放核算和報告通則》) (GB/T 32150-2015).

2. Consolidation method for emissions: Operational control. Shenghua Electronics is a wholly-owned subsidiary, and MFS and Victory Giant (Thailand) are wholly-owned sub-subsidiaries.

a) Victory Giant:

Indicator	Unit	2023	2024	2025
Total greenhouse gas emissions	Tonnes of CO_2 equivalent	526,879.82	602,284.72	743,487.35
Scope 1 total greenhouse gas emissions	Tonnes of CO_2 equivalent	46,088.24	53,958.74	101,382.74
Boiler emissions	Tonnes of CO_2 equivalent	21,299.82	20,996.8	26,019.98
Other emissions	Tonnes of CO_2 equivalent	24,788.42	32,961.94	75,362.76
Scope 2 total greenhouse gas emissions	Tonnes of CO_2 equivalent	480,791.58	548,325.98	642,104.61
Electricity consumption	Tonnes of CO_2 equivalent	480,791.58	548,325.98	642,104.61
Emission intensity	Tonnes of CO_2 equivalent/ MWh	0.877	0.883	0.931

b) Shenghua:

Indicator	Unit	2023	2024	2025
Total greenhouse gas emissions	Tonnes of CO_2 equivalent	26,082.68	26,084.68	35,471.49
Scope 1 total greenhouse gas emissions	Tonnes of CO_2 equivalent	685.49	686.49	743.03
Scope 2 total greenhouse gas emissions	Tonnes of CO_2 equivalent	25,397.19	25,398.19	34,728.46
Electricity consumption	Tonnes of CO_2 equivalent	25,397.19	25,398.19	34,728.46
Emission intensity	Tonnes of CO_2 equivalent/ MWh	0.826	0.823	0.821

c) MFS:

Indicator	Unit	2023	2024	2025
Total greenhouse gas emissions	Tonnes of CO_2 equivalent	40,659.28	43,049.87	46,625.42
Scope 1 total greenhouse gas emissions	Tonnes of CO_2 equivalent	12,707.61	1,768.89	2,201.23
Boiler emissions	Tonnes of CO_2 equivalent	465.45	441.92	464.22
Other emissions	Tonnes of CO_2 equivalent	12,242.16	1,326.97	1,737.01
Scope 2 total greenhouse gas emissions	Tonnes of CO_2 equivalent	27,951.67	41,280.98	44,424.19
Electricity consumption	Tonnes of CO_2 equivalent	27,951.67	36,298.52	41,743.93
Steam consumption	Tonnes of CO_2 equivalent	/	4,982.46	2,680.26
Electricity emission intensity	Tonnes of CO_2 equivalent/ MWh	0.5138	0.5366	0.5366

d) Victory Giant (Thailand)

Indicator	Unit	2025
Total greenhouse gas emissions	Tonnes of CO_2 equivalent	30,998.53
Scope 1 total greenhouse gas emissions	Tonnes of CO_2 equivalent	3,260.07
Scope 2 total greenhouse gas emissions	Tonnes of CO_2 equivalent	27,738.46
Electricity emission intensity	Tonnes of CO_2 equivalent/MWh	0.540

2) Sources of Emission Factors

Scope	Emission	Emissions (Tonnes of CO_2 equivalent)	Sources of Emission Factors
1	CO_2	31,168.4	Boilers, acetylene, executive vans, trucks/commuter buses, fire extinguishers, constant temperature and humidity chambers/ thermal shock chambers, sodium permanganate, potassium carbonate, sodium carbonate
	CH_4	11,146.31	Boilers, executive vans, trucks/commuter buses, factory septic tanks, industrial wastewater anaerobic treatment
	N_2O	116.41	Boilers, executive vans, trucks/commuter buses
	HFCs	45,597.79	Constant temperature and humidity chambers/thermal shock chambers, air conditioners, water chillers
	PFCs	19,558.17	Plasma cleaners
2	CO_2	748,995.72	Purchased electricity, purchased steam

Note: Evaluation base year: 2022

Reasons:
1. The Company began implementing its participation in the SBTi organization, submitted its commitment and targets in 2022, and officially set the SBTi science-based carbon reduction targets in July 2024;
2. The Company formulated the dual carbon goals of “carbon peaking by 2029 and carbon neutrality by 2050” and established the Top Ten Zero-Carbon Strategies in 2022;
3. Data for stationary and mobile sources refers to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories GWP values and the IPCC Sixth Assessment Report (2021).

a) Victory Giant – Sources of Emission Factors

Scope	Emission	Emissions (Tonnes of CO_2 equivalent)	Sources of Emission Factors
1	CO_2	27,255.85	Boilers, acetylene, executive vans, trucks/commuter buses, fire extinguishers, constant temperature and humidity chambers/ thermal shock chambers, sodium permanganate, potassium carbonate, sodium carbonate
	CH_4	9,248.89	Boilers, executive vans, trucks/commuter buses, factory septic tanks, industrial wastewater anaerobic treatment
	N_2O	92.92	Boilers, executive vans, trucks/commuter buses
	HFCs	45,226.92	Constant temperature and humidity chambers/thermal shock chambers, air conditioners, water chillers
	PFCs	19,558.17	Plasma cleaners
2	CO_2	642,104.61	Purchased electricity

b) Shenghua – Sources of Emission Factors

Scope	Emission	Emissions (Tonnes of CO_2 equivalent)	Sources of Emission Factors
1	CO_2	281.65	Natural gas, acetylene, executive vans, trucks/commuter buses, sodium permanganate, potassium carbonate, sodium carbonate
	CH_4	456.95	Executive vans, trucks, factory septic tanks, industrial wastewater anaerobic treatment
	N_2O	4.43	Executive vans, trucks
2	CO_2	34,728.46	Purchased electricity

c) MFS – Sources of Emission Factors

Scope	Emission	Emissions (Tonnes of CO_2 equivalent)	Sources of Emission Factors
1	CO_2	537.39	Boilers, acetylene, executive vans, trucks/commuter buses, fire extinguishers, constant temperature and humidity chambers/ thermal shock chambers, sodium permanganate, potassium carbonate, sodium carbonate
	CH_4	1,291.57	Boilers, executive vans, trucks/commuter buses, factory septic tanks, industrial wastewater anaerobic treatment
	N_2O	1.4	Boilers, executive vans, trucks/commuter buses
	HFCs	370.87	Constant temperature and humidity chambers/thermal shock chambers, air conditioners, water chillers
2	CO_2	41,743.93	Purchased electricity
	CO_2	2,680.26	Purchased steam

d) Victory Giant (Thailand) – Sources of Emission Factors

Scope	Emission	Emissions (Tonnes of CO_2 equivalent)	Sources of Emission Factors
1	CO_2	3,093.51	Mobile source fuel combustion, process reaction emissions from the PTH production line, R32/R22 refrigerant leakage, carbon dioxide (CO_2) fire extinguisher leakage.
	CH_4	148.9	Mobile source fuel combustion, fugitive emissions from factory septic tanks.
	N_2O	17.66	Mobile source fuel combustion
2	CO_2	27,738.46	Purchased electricity

II. Pollutant Emissions

The Company attaches great importance to pollution prevention and control, and strictly complies with national laws, local regulations, and relevant management requirements of project locations, such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Law of the People's Republic of China on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), the Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), and the Law of the People's Republic of China on the Prevention and Control of Noise Pollution (《中華人民共和國環境噪聲污染防治法》). The Company has established the environmental management system manual, the environmental management procedure, and such institutional documents as environmental operation management and emergency preparedness and response to regulate the emissions of various pollutants including exhaust gases (including greenhouse gases), wastewater, solid waste, and noise, effectively reducing environmental pollution during operations and comprehensively managing its environmental footprint. Currently, the public utility equipment in use by the Company has reached world-leading levels; for example, the water chillers are maglev centrifugal chillers and the air compressors are centrifugal high-pressure air compressors. The equipment on each production line also consists of the most advanced, energy-saving, intelligent, and information-based equipment in the industry.

While strengthening source treatment through measures such as technical renovation, the Company regularly monitors our pollutant emission status. In 2025, all monitoring results were compliant and met regulatory requirements.

(I) Pollutant Emission Monitoring

1. Victory Giant Technology

Item	Monitoring Plan	Monitoring Implementation	Result	Monitoring Date
Wastewater	Once/month	Conducted monthly	Compliant	20250110, 20250205, 20250320, 20250418, 20250512, 20250611, 20250710, 20250814, 20250902, 20251013, 20251106, 20251208
Exhaust gas	Once/quarter	Conducted quarterly	Compliant	20250208, 20250418, 20250705, 20251204
Noise	Once/quarter	Conducted quarterly	Compliant	20250220, 20250521, 20250728, 20251107

All types of waste are strictly disposed of in accordance with national laws and local regulations.

2. Shenghua Electronics

Item	Monitoring Plan	Monitoring Implementation	Result	Monitoring Date
Wastewater	Once/month	Conducted monthly	Compliant	20250107, 20250219, 20250321, 20250407, 20250512, 20250604, 20250702, 20250805, 20250901, 20251010, 20251110, 20251202
Exhaust gas	Once/half-year	Conducted semi-annually	Compliant	20250407, 20250901
Noise	Once/quarter	Conducted quarterly	Compliant	20250107, 20250407, 20250702, 20251010

All types of waste are strictly disposed of in accordance with national laws and local regulations.

3. MFS Technology

Pollution monitoring data for Changsha Factory are as follows:

Item	Monitoring Plan	Monitoring Implementation	Result	Monitoring Date
Wastewater	Once/month	Conducted monthly	Compliant	20250110, 20250214, 20250313, 20250401, 20250507, 20250610, 20250702, 20250826, 20250902, 20251013, 20251111, 20251203
Exhaust gas	Once/quarter	Conducted quarterly	Compliant	20250110, 20250401, 20250702, 20251009
Noise	Once/quarter	Conducted quarterly	Compliant	20250213, 20250521, 20250813, 20251111

Pollution monitoring data for Yiyang Factory are as follows:

Item	Monitoring Plan	Monitoring Implementation	Result	Monitoring Date
Wastewater	Once/month	Conducted monthly	Compliant	20250103, 20250206, 20250303, 20250407, 20250506, 20250611, 20250707, 20250805, 20250901, 20251021, 20251113, 20251202
Exhaust gas	Once/quarter	Conducted quarterly	Compliant	20250206, , 20250506, 20250805, 20251113
Noise	Once/month	Conducted monthly	Compliant	20250103, 20250206, 20250303, 20250407, 20250506, 20250611, 20250707, 20250805, 20250901, 20251021, 20251113, 20251202

All types of waste are strictly disposed of in accordance with national laws and local regulations.

4. Victory Giant (Thailand)

Item	Monitoring Plan	Monitoring Implementation	Result	Monitoring Date
Wastewater	Once/month	Conducted monthly	Compliant	20250108, 20250205, 20250305, 20250402, 20250507, 20250604, 20250702, 20250806, 20250903, 20251001, 20251105, 20251203
Exhaust gas	Twice/year	Conducted semi-annually	Compliant	20250508, 20250604
Noise	Once/year	Conducted annually	Compliant	20250508

(II) Pollutant Emissions Management

The Company's management attaches great importance to green manufacturing, consistently adheres to green development and operations, and strictly follows laws, regulations, policies, and standards in production and operations. The Company has invested heavily in the construction, upgrading, and renovation of pollution prevention and treatment facilities, ensuring that 100% of pollutants are treated and discharged in compliance with applicable emission standards.

		Latest Pollutant Discharge Permit Number	Latest Certificate Date	Validity Period
Victory Giant Technology		91441300791200462B001X	January 9, 2025	January 8, 2030
Shenghua Electronics		91441300747054402E002R	July 18, 2025	July 17, 2030
MFS Technology	Changsha Factory	91430100616600709E001W	April 24, 2024	April 23, 2029
	Yiyang Factory	hb4309005000006568001U	July 25, 2025	July 24, 2030
Victory Giant (Thailand)		Located within the Bang Pa-in Industrial Estate; Without direct discharge of wastewater.		

1. Wastewater Treatment and Discharge

1) The production base of Victory Giant Technology is located in Xinqiao Village, Danshui Street, Huiyang District, Huizhou City, and is not located along any water supply channels.
2) The production base of Shenghua Electronics is located at Xinle 3rd Road, Xinle Industrial Zone, Ma'an Town, Huicheng District, Huizhou City, and is not located along any water supply channels.
3) The production base of Changsha Factory is located at No. 10 Dong'er Road, Changsha Economic and Technological Development Zone, Hunan, and the production base of Yiyang Factory is at No. 268 Changchun East Road, Ziyang District, Yiyang City; neither is located along any water supply channels.
4) Victory Giant (Thailand) is located in the Bang Pa-in Industrial Estate, and there are no instances of non-compliant treated wastewater leaking into surrounding communities.
5) Each production line of Victory Giant Technology is fully automated. Multi-stage rinsing is applied to cleaning processes including electroplating or electroless plating, as well as pretreatment and post-treatment procedures, with countercurrent reuse of rinsing water. By maximizing the use of multi-stage countercurrent rinsing for product cleaning, we have improved our water reuse rate. The reuse rate of industrial water across the entire factory has reached 92%, reducing wastewater generation at the source.
6) Victory Giant Technology has built a wastewater treatment factory with a daily capacity of up to 12,000 tonnes. Treated wastewater meeting discharge standards is transferred to the Huiyang District Fourth Water Purification Factory for further treatment and discharge. The tailwater quality meets discharge standards. The Fourth Water Purification Factory has the necessary capacity and operates stably.

7) Shenghua Electronics has built a wastewater treatment factory. Treated wastewater meeting discharge standards is discharged into the Huizhou Ma'an Domestic Sewage Treatment Factory (Phase I) via the sewage pipe network for treatment and compliant discharge.
8) Changsha Factory has built a wastewater treatment factory with a daily capacity of 2,100 tons. In 2025, the average daily volume of treated wastewater reached 1,300 tonnes. Treated wastewater meeting discharge standards is discharged to the Xingsha Sewage Treatment Station for centralized processing. Yiyang Factory has built a wastewater treatment factory with a daily capacity of up to 1,200 tonnes. Treated wastewater meeting discharge standards is transferred to the New Material Industrial Park Sewage Treatment Factory for centralized processing.
9) The wastewater treatment system of Victory Giant (Thailand) has a daily capacity of 4,000 tonnes. Only after the company treats the wastewater to meet the industrial estate's discharge standards can it be discharged into the Bang Pa-in Industrial Estate's centralized sewage treatment system.
10) According to the Opinions on Further Strengthening the Prevention and Control of Heavy Metal Pollution (《關于進一步加強重金屬污染防控意見》) (Huan Gu Ti [2022] No. 17), the location of Victory Giant Technology is not a key area for heavy metal pollution prevention and control. The Company's projects do not involve heavy metals such as lead, mercury, cadmium, chromium, arsenic, thallium, or antimony. After meeting standards through on-site pre-treatment, the Company's industrial wastewater and domestic sewage are discharged into the Huiyang District Fourth Water Purification Factory for further treatment. This falls within the treatment capacity of the factory and does not increase the total discharge of water pollutants into the receiving water body, the Dan'ao River. This complies with the requirements of the Work Plan of Huizhou for the Implementation of the 13th Five-Year Plan for Comprehensive Prevention and Control of Heavy Metal Pollutants in Guangdong (《惠州市實施<廣東省重金屬污染物綜合防治十三五規劃>工作方案》).
11) According to the Opinions on Further Strengthening the Prevention and Control of Heavy Metal Pollution (Huan Gu Ti [2022] No. 17), the locations of MFS Technology's Changsha Factory and Yiyang Factory are not key areas for heavy metal pollution prevention and control. The company's projects do not involve heavy metals such as lead, mercury, cadmium, chromium, arsenic, thallium, or antimony.
12) The Company's internal discharge standards are strictly controlled at 80% of the statutory standards. In 2025, wastewater discharges were all within the standard range. The monitoring data for Victory Giant Technology were as follows:

Pollutant Name	Annual Average Emission Concentration (mg/L)			Total Emissions (t)	Excessive Emission	Treatment Technology	Prevention and Control Facilities	Operating Status
	2023	2024	2025					
Chemical Oxygen Demand (COD)	45.67	46.2	44.25	157.537	None	Physico-chemical and biological methods	Wastewater treatment facilities	Continuous and stable operation
Ammonia nitrogen	2.722	2.27	2.16	7.704	None			
Total nitrogen	12.51	11.242	10.88	38.726	None			
Total nickel	0.03	0.033	0.017	0.00033	None			
Total copper	0.07	0.138	0.13	0.463	None			
Petroleum	0.2	0.08	0.14	0.492	None			
pH	7.29	7.12	7.13	/	None			
Suspended solids	5.0	3.64	6.88	24.476	None			
Total iron	0.08	0.32	0.13	0.463	None			
Total aluminum	0.20	0.199	0.085	0.301	None			
Anionic surfactants	0.12	0.17	0.059	0.210	None			
Total organic carbon	16.35	16.67	16.64	59.247	None			
Sulfides	0.02	0.0082	0.016	0.558	None			
Total cyanide	0.006	0.0024	0.002	0.00712	None			
Fluorides	0.64	0.419	0.83	2.946	None			

13) In 2025, wastewater dischargeswere all within standard limits;

Monitoring data for Shenghua Electronics are as follows:

Pollutant Name	Annual Average Emission Concentration (mg/L)			Total Emissions (t)	Excessive Emission	Treatment Technology	Prevention and Control Facilities	Operating Status
	2023	2024	2025					
Chemical Oxygen Demand (COD)	29.39	27.7759	28.3738	1.7677	None	Physico-chemical and biological methods	Wastewater treatment facilities	Continuous and stable operation
Ammonia nitrogen	3.7715	0.6222	1.0305	0.0463	None			
Total nitrogen	6.1508	7.13	8.1725	0.5368	None			
Petroleum	0.1591	0.2	0.4258	0.0315	None			
Total copper	0.0242	0.05	0.0616	0.0041	None			
Total zinc	0.002	0.05	0.05	0.0033	None			
pH	7.17	7.07	7.28	/	None			
Suspended solids	5.83	12	8.5	0.5615	None			
Total iron	0.0669	0.18	0.1508	0.0099	None			
Total phosphorus	0.0766	0.2292	0.1525	0.0099	None			
Anionic surfactants	0.0575	0.08	0.07	0.0044	None			
Total organic carbon	13.27	7.6583	7.2583	0.4765	None			
Sulfides	0.003	0.0108	0.01	0.0006	None			
Total cyanide	0.0061	0.0057	0.004	0.0002	None			
Fluorides	0.2475	0.725	0.3525	0.0223	None			

14) MFS Technology's internal discharge standards are strictly controlled at 80% of the statutory standards. In 2025, wastewater discharges were all within the standard range. The monitoring data for MFS Technology were as follows:

Emission monitoring data for Changsha Factory:

Pollutant Name	Annual Average Emission Concentration (mg/L)			Total Emissions (t)	Excessive Emission	Treatment Technology	Prevention and Control Facilities	Operating Status
	2023	2024	2025					
Total copper	0.1057	0.1138	0.148	0.0595	None	Physico-chemical and biological methods	Wastewater treatment facilities	Continuous and stable operation
Total nickel	0.0669	0.0512	0.0313	0.000131	None			
Chemical Oxygen Demand (COD)	78.5124	95.2623	95.2664	18.7046	None			
PH	7.8	7.71	7.76	/	None			
Ammonia nitrogen	5.1605	6.4145	5.3771	0.716	None			
Suspended solids	9.917	5.5	6.75	2.7123	None			
Petroleum	0.225	0.1308	0.14	0.0569	None			
Fluorides	0.564	0.4841	0.4	0.1661	None			
Total cyanide	0.001	0	0	0	None			
Total tin	0	0	0	0	None			
Total thallium	0	0	0	0	None			
Total manganese	0.024	0.0117	0.04	0.0068	None			

Emission monitoring data for the Yiyang Factory:

Pollutant Name	Annual Average Emission Concentration (mg/L)			Total Emissions (t)	Excessive Emission	Treatment Technology	Prevention and Control Facilities	Operating Status
	2023	2024	2025					
Chemical Oxygen Demand (COD)	18.6106	19.9897	21.2867	2.8534	None	Physico-chemical and biological methods	Wastewater treatment facilities	Continuous and stable operation
Ammonia nitrogen	1.313	3.6833	3.7859	0.4994	None			
Total nitrogen	13.025	16.02	15.6991	2.0984	None			
Total nickel	0.106	0.0937	0.1079	0.0143	None			
Total copper	0.0878	0.092	0.07558	0.0101	None			
Petroleum	0.065	0.1425	0.24	0.0311	None			
pH	7.3298	7.283	7.2265	/	None			
Suspended solids	11.1666	5.5833	6.4166	0.8522	None			
Total iron	/	/	/	/	None			
Total aluminum	/	/	/	/	None			
Chlorides	45.6772	92.0083	108.2	14.6202	None			
Total manganese	0.1022	0.04583	0.0125	0.0017	None			
Sulfides	/	/	/	/	None			
Total cyanide	0.0005	0.001	0.0024	0.008	None			
Fluorides	1.2275	0.782	0.5799	0.0782	None			

15) Victory Giant (Thailand) strictly complies with relevant Thai laws and regulations to ensure that off-site pollutant emissions meet the emission standards set by the Bang Pa-in Industrial Estate.

Pollutant Name	Annual Average Emission Concentration (mg/L)	Total Emissions (t)	Excessive Emission	Treatment Technology	Prevention and Control Facilities	Operating Status
	2025					
Chemical Oxygen Demand (COD)	94.00	0.047	None	Physico-chemical and biological methods	Wastewater treatment facilities	Continuous and stable operation
Biochemical Oxygen Demand (BOD)	17.0	0.0204	None			
Total Nitrogen and Total Dissolved Solids	2024	1.619	None			
Total nickel	0.03	0.00006	None			
Total copper	0.30	0.00045	None			
Petroleum	2.08	0.001872	None			
pH	6.54	/	None			
Suspended solids	11.25	0.01125	None			
Temperature	29.2	/	None			
Lead	0.1	0.00025	None			
Color	17.49	/	None			
TKN	1.0	0.003	None			
E.coli	23	/	None			

2. Exhaust Gas Treatment and Emission (Excluding Greenhouse Gases)

Since 2015, the Company's chillers have used R134A eco-friendly refrigerant. In the same year, Victory Giant Technology was recognized by the Guangdong Provincial Association of Refrigeration and the Huiyang District Environmental Protection Bureau of Huizhou City for not purchasing or using ozone-depleting substances (ODS) and fluorinated substances in our production and operation activities beyond refrigeration needs, resulting in near-zero ozone depletion impact.

In 2025, all chillers of the Company used R134 eco-friendly refrigerants, and all chillers at Victory Giant (Thailand) used R32 eco-friendly refrigerants.

The Company attaches great importance to the impact of exhaust gas on employees' health and the surrounding communities and has taken several measures to effectively control emissions:

1) Strengthen exhaust gas collection and treatment, and implement closed management for areas such as production workshops and reaction tanks of wastewater stations;
2) Upgrade the acidic exhaust gas treatment system (from single-stage scrubbing to three-stage scrubbing), and build new high-efficiency VOC treatment facilities such as bio-filter beds and regenerative catalytic oxidizers (RCO);
3) Install online monitoring systems at the factory boundaries and sensitive areas to monitor key pollutants such as hydrogen chloride, odors, non-methane hydrocarbons, and benzene series in real-time, and publicly disclose data via electronic screens to ensure transparency.

On the basis of continuous compliance with emission standards, the Company invested an additional over RMB100 million to continuously improve our governance and effectively protect the health and environmental rights of employees and community residents.

Victory Giant Technology

Pollutant Name	Emission Concentration (mg/m³)				Total Emissions (t)	Excessive Emission	Treatment Technology	Source and Treatment Facilities	Operating Status
	2022	2023	2024	2025					
Nitrogen oxides	40.33	34.17	21.92	27.67	0.223	None	Low-NOx combustion	Low-NOx boiler burners	Continuous and stable operation
Sulfuric acid mist	3.12	0.14	0.14	0.16	1.66	None	Alkaline spray scrubbing and absorption method	Acidic exhaust gas treatment facilities	
Total volatile organic compounds	1.47	0.75	0.49	1.31	7.27	None	RCO catalytic combustion	Organic exhaust gas treatment facilities	

Shenghua Electronics

Pollutant Name	Emission Concentration (mg/m³)			Total Emissions (t)	Excessive Emission	Treatment Technology	Source and Treatment Facilities	Operating Status
	2023	2024	2025					
Nitrogen oxides	5.5	2.6	0.8	0.4035	None	Neutralization spray	Acidic exhaust gas treatment facilities	Continuous and stable operation
Sulfuric acid mist	0.6225	5	2.75	1.4282	None	Neutralization spray	Acidic exhaust gas treatment facilities	
Total volatile organic compounds	0.33	1.645	3.75	1.3312	None	Electrostatic adsorption + microwave + photocatalysis + bio-trickling filtration	Organic exhaust gas treatment facilities	

Exhaust monitoring data for Changsha Factory are as follows:

Pollutant Name	Emission Concentration (mg/m³)			Total Emissions (t)	Excessive Emission	Treatment Technology	Source and Treatment Facilities	Operating Status
	2023	2024	2025					
Nitrogen oxides	3	1.63	1.6	2.4599	None	Two-stage alkaline spray	Acid mist exhaust gas treatment system	Continuous and stable operation
Sulfuric acid mist	2.35	0.55	0.5	0.6827	None	Two-stage alkaline spray	Acid mist exhaust gas treatment system	
Total volatile organic compounds	23.52	6.09	7.55	0.4522	None	UV photodegradation – activated carbon adsorption	Organic exhaust gas treatment system	

Exhaust monitoring data for Yiyang Factory are as follows:

Pollutant Name	Emission Concentration (mg/m³) 2023	2024	2025	Total Emissions (t)	Excessive Emission	Treatment Technology	Source and Treatment Facilities	Operating Status
Nitrogen oxides	48.125	23.8571	20.43	0.5493	None	Alkaline spray scrubbing and absorption method	Acidic exhaust gas treatment facilities	Continuous and stable operation
Sulfuric acid mist	1.6525	0.675	0.4	0.0899	None	Alkaline spray scrubbing and absorption method	Acidic exhaust gas treatment facilities	
Total volatile organic compounds	24.4525	3.905	2.1075	0.3346	None	Activated carbon adsorption	Organic exhaust gas treatment facilities	

Victory Giant (Thailand)

Pollutant Name	Emission Concentration (mg/m³) 2025	Total Emissions (t)	Excessive Emission	Treatment Technology	Source and Treatment Facilities	Operating Status
Sulfuric acid mist	0.21	0.025	None	Wet scrubber	Wet scrubber	Continuous and stable operation
Hydrogen chloride	0.28	0.200	None			
Copper	0.14	0.030	None			

3. Noise Treatment and Emission

Victory Giant Technology

Low-noise equipment is strictly adopted, and noise reduction measures are implemented, including installing noise reduction devices on equipment, adopting enclosed workshops and factory buildings, and setting up sound barriers. Noise emission monitoring is conducted quarterly, with all results meeting the standard limits of 60 dB in the daytime and 50 dB at night.

Noise Monitoring Point	Emission Level (dB)	Emission Target (dB)	Exceedance	Treatment Technology	Facility Operation Status	Noise Source
1# at 1m outside the northeast factory boundary	57.475 dB in the daytime Nighttime 47.4	60 dB in the daytime Nighttime 50	None	Use of low-noise equipment and comprehensive noise prevention and control measures such as foundation vibration isolation, silencing, and factory building sound insulation	Continuous and stable operation	Equipment such as drilling machines, molding machines, air compressors, etc.
2# at 1m outside the eastern factory boundary	57.925 dB in the daytime Nighttime 47.075		None			
3# at 1m outside the southern factory boundary	58.475 dB in the daytime Nighttime 47.875		None			
4# at 1m outside the western factory boundary	57.6 dB in the daytime Nighttime 47.525		None			

Shenghua Electronics

Low-noise equipment is strictly adopted, and noise reduction measures are implemented, including installing noise reduction devices on equipment, adopting enclosed workshops and factory buildings, and setting up sound barriers. Noise emission monitoring is conducted quarterly, with all results meeting the standard limits of 60 dB in the daytime and 50 dB at night.

Noise Monitoring Point	Emission Level (dB)	Emission Target (dB)	Exceedance	Treatment Technology	Facility Operation Status	Noise Source
1# at 1m outside the northern factory boundary	Daytime 56.25 Nighttime 46.25	Daytime 60 Nighttime 50	None	Use of low-noise equipment and comprehensive noise prevention and control measures such as foundation vibration isolation, silencing, and factory building sound insulation	Continuous and stable operation	Equipment such as drilling machines, molding machines, air compressors, etc.
2# at 1m outside the eastern factory boundary	Daytime 57 Nighttime 47		None			
3# at 1m outside the southern factory boundary	Daytime 57.5 Nighttime 47		None			
4# at 1m outside the western factory boundary	Daytime 57.25 Nighttime 46.5		None			

MFS Technology: Low-noise equipment is strictly adopted, and noise reduction measures are implemented, including installing noise reduction devices on equipment, adopting enclosed workshops and factory buildings, and setting up sound barriers. Noise emission monitoring is conducted quarterly, with all results meeting the standard limits of 65 dB in the daytime and 55 dB at night.

Monitoring data for Changsha Factory:

Noise Monitoring Point	Emission Level (dB)	Emission Target (dB)	Exceedance	Treatment Technology	Facility Operation Status	Noise Source
1# at 1m outside the eastern factory boundary	Daytime 58.7 Nighttime 48.6	Daytime 65 Nighttime 55	None	Use of low-noise equipment and comprehensive noise prevention and control measures such as foundation vibration isolation, silencing, and factory building sound insulation	Continuous and stable operation	Equipment such as drilling machines, molding machines, air compressors, etc.
2# at 1m outside the southern factory boundary	Daytime 57.3 Nighttime 48.2		None			
3# at 1m outside the western factory boundary	Daytime 58.9 Nighttime 47.5		None			
4# at 1m outside the northeast Factory boundary	Daytime 57.1 Nighttime 46.3		None			

Monitoring data for Yiyang Factory:

Noise Monitoring Point	Emission Level (dB)	Emission Target (dB)	Exceedance	Treatment Technology	Facility Operation Status	Noise Source
1# at 1m outside the eastern factory boundary	Daytime 57.4 Nighttime 44.3	Daytime 65 Nighttime 55	None	Use of low-noise equipment and comprehensive noise prevention and control measures such as foundation vibration isolation, silencing, and factory building sound insulation	Continuous and stable operation	Equipment such as punching, air compressors, etc.
2# at 1m outside the southern factory boundary	Daytime 59.9 Nighttime 45.4		None			
3# at 1m outside the western factory boundary	Daytime 57.0 Nighttime 48.2		None			
4# at 1m outside the northeast Factory boundary	Daytime 54.4 Nighttime 46.5		None			

Victory Giant (Thailand)

Low-noise equipment is strictly adopted, and noise reduction measures are implemented, including installing noise reduction devices on equipment, adopting enclosed workshops and factory buildings, and setting up sound barriers. Thailand does not monitor noise at the factory boundary; it only monitors noise in production areas, and all results are compliant.

III. Waste Treatment

Various types of waste are strictly collected and stored in categories according to requirements. Storage sites are equipped with comprehensive anti-seepage, anti-leakage, fencing, and waterproofing measures.

(I) Collection and Disposal of Hazardous Waste

In strict accordance with national laws and regulations, qualified units are entrusted to conduct the transfer and comprehensive utilization of waste.

1) Victory Giant Technology set a target external comprehensive utilization rate of 95%, and the actual external comprehensive utilization rate reached nearly 100%. For two consecutive years, the waste diversion rate achieved the UL 2799 Zero Waste to Landfill Platinum certification (UL 2799 Zero Waste to Landfill certification consists of three certification levels: Silver, Gold, and Platinum, with Platinum being the highest level);

   In 2025, the volume of hazardous waste generated was 109,267.6752 tonnes, 100% of which was outsourced for disposal. Specific types of hazardous waste generated include:

Name	Quantity	Unit
Waste engine oil	11.176	Tonnes
Ink residue	2,337.169	Tonnes
Gold-bearing resin	4.2859	Tonnes
Palladium-bearing resin	1.25	Tonnes
Waste ion exchange resin	0.366	Tonnes
Waste film	17.693	Tonnes
Nickel-containing sludge	309.09	Tonnes
Silver-containing sludge	27.44	Tonnes
Palladium-bearing filter bags	1.725	Tonnes
Waste palladium solution	30.2896	Tonnes
Waste tin sludge	10.29	Tonnes
Tin stripping solution	968	Tonnes
Etching solution	56782.65	Tonnes
Copper-containing sludge	36,667.91	Tonnes
Alkaline etching solution	2,331.18	Tonnes

Name	Quantity	Unit
Glass fiber etching solution	106.15	Tonnes
Cyanide-containing waste solution	74.9068	Tonnes
Waste nitric acid	71.02	Tonnes
Waste acid	287.18	Tonnes
Waste alkali	603.17	Tonnes
Palladium-bearing activated carbon	0.6369	Tonnes
Waste activated carbon	6.171	Tonnes
Cyanide-containing cotton cores	2.334	Tonnes
Waste cotton cores	642.742	Tonnes
Waste ink paper	4.872	Tonnes
Waste empty drums	363.153	Tonnes
Empty gold salt bottles	0.3615	Tonnes
Waste Dust	2,205.86	Tonnes
Waste printed circuit boards	2,453.6475	Tonnes
Waste PCB frame	2,944.956	Tonnes

2) Shenghua Electronics – In 2025, the volume of hazardous waste generated was 4,622.3858 tonnes, and the specific hazardous waste types were as follows:

Name	Quantity	Unit
Etching solution	2,674.52	Tonnes
Copper-containing sludge	910.0565	Tonnes
Waste circuit boards and frames	670.2368	Tonnes
Waste tin stripping solution	236.2575	Tonnes
Ink residue	74.197	Tonnes

Name	Quantity	Unit
Waste filter cotton cores	19.6725	Tonnes
Waste packaging drums	16.836	Tonnes
Waste tin sludge	13.857	Tonnes
Waste mineral oil	0.65	Tonnes
Waste film	6.1025	Tonnes

3) Victory Giant Technology – In 2025, the volume of hazardous waste generated of the Changsha Factory was 5,977.698 tonnes, and that of the Yiyang Factory was 612.99245 tonnes, totaling 6,590.69 tonnes, 100% of which was outsourced for disposal. Specific types of hazardous waste generated include:

Name	Quantity	Unit
Copper-containing sludge	1,855.9055	Tonnes
Waste etching solution	3,646.183	Tonnes
Waste circuit boards	363.28435	Tonnes
Films and film residue	227.5335	Tonnes
Ink-contaminated rags	49.4234	Tonnes
Filter cotton cores	71.775	Tonnes
Nickel-containing waste	171.4335	Tonnes
Waste activated carbon	2.928	Tonnes

Name	Quantity	Unit
Chemical packaging	75.7542	Tonnes
Laboratory waste	1.437	Tonnes
Industrial waste oil	1.1975	Tonnes
Waste lamps	0.144	Tonnes
Tin-containing sludge	20.208	Tonnes
Waste organic solvents	0.7125	Tonnes
Drilling and milling resin powder	102.771	Tonnes

4) Victory Giant (Thailand)
In strict accordance with national laws and regulations, qualified units are entrusted for transportation and comprehensive utilization, with a recycling rate of 96.8%;
In 2025, the volume of hazardous waste generated was 4,662.6746 tonnes, 100% of which was outsourced for disposal. Specific types of hazardous waste generated include:

Name	Quantity	Unit
A4 paper	32,116	kg
CNC routing dust	5,214	kg
PCB positive gold frame 2L	8,333.2	kg
PCB positive copper frame 2L NO.3	19,322.4	kg
PCB positive copper frame 2L No. 2	327.2	kg
PCB positive copper frame 2L NO.4	27,070.2	kg
PCB negative copper frame 4L	22,551.2	kg
PCB frame (low tin content) 2L	508.4	kg
PCB copper frame (brown) 6L	23,751	kg
PCB frame (negative) 2L	135.4	kg
PCB frame (negative) 4L	294	kg
PCB frame (negative) 6L	224.2	kg
PCB frame (yellow-red) 2L NO.1	4,492.6	kg
PCB tin frame	63.6	kg
PCB gold frame 8	380.6	kg
PCB gold frame 4L	3,036.6	kg
PCB gold frame 6L	721.2	kg
Stainless steel	10,350	kg
Dummy board after copper stripping – small size	8,367.4	kg
Dummy board after copper stripping – large size	21,402.4	kg
Tin stripping solution	1,780	kg
Office desk	1	kg
Gold-containing solution	1	kg
Recycled copper sludge	765	kg
Substrate packaging paper	1,620	kg
Scrapped PNL board (returned from: AOI, plating & etching, dry film, and solder mask stations)	3,233	kg
Plastic	73,846	kg
Plastic (star-shaped, white; used for securing PP during supplier shipment)	154	kg
Plastic bottle (transparent)	256	kg
Plastic bag and scrap plastic	16,350	kg
Plastic bubble wrap	880	kg
Pressed board frames	11,093.2	kg
Large wire	5,102	kg
Small wire	7,008	kg
Scrap steel	115,180	kg

Name	Quantity	Unit
Kitchen waste	8	kg
Waste PCB (copper) 2L	14,673.2	kg
Waste PCB (copper) 4L	13,687.6	kg
Waste PCB (copper) 6L	11,348.8	kg
Waste PCB (tin) 2L	5,064.8	kg
Waste PCB (tin) 4L	5,589.6	kg
Waste PCB (gold) 2L	3,411	kg
Waste PCB (gold) 4L	3,509	kg
Waste PCB (gold) 8L	735.2	kg
Waste PCB (gold) 6	77	kg
Waste recycled paper	26,656	kg
Waste copper ball	1,059.2	kg
Scrap iron	557,990	kg
Scrapped equipment	3	kg
Damaged motors	8,828	kg
Display screen	1	kg
Sludge	934,562	kg
Scrapped test boards (laboratory)	613.8	kg
Scrapped test boards (customer test)	235.4	kg
Kraft paper	2,310	kg
Glass bottle	836	kg
Telephone system	1	kg
Copper sulfate	372	kg
Pure tin (Grade B)	606	kg
Cardboard box	86,808	kg
Paper cores	2,140	kg
Power distribution cabinets	9,700	kg
Acidic etching waste solution (copper chloride)	2,215,250	kg
Drill bit	825.6	kg
Silver film	1,028.4	kg
Copper foil	7,217.6	kg
Copper clad laminate (CCL) of 10" and above	22,656.8	kg
Copper clad laminate (CCL) of 3" and above	14,399.8	kg
Copper clad laminate (CCL) under 3"	21,673.4	kg
Copper clad laminate (CCL) of 5" and above	19,904.6	kg
Aluminum sheet	59,164	kg
Scrapped board after drilling	3,657.8	kg

Name	Quantity	Unit
Drilling dust	35,940	kg
Drill bit box	2,820	kg
Ferro-titanium	2,964	kg
Copper frame (4-layer) (tin-containing)	3,793.2	kg
Aluminum frame	4,980	kg
Boiler	1	kg

Name	Quantity	Unit
Wire	24,176	kg
Fan	84,980	kg
Alkaline etching waste solution	4,400	kg
Mylar/Mylar filter core	4,694	kg
Mylar plastic film	11,392	kg

Total hazardous waste generation:

Year	2023	2024	2025
Hazardous waste generation/tonnes	90,681.9772	101,961.3276	125,143.4309

(II) Collection and Disposal of Non-hazardous Waste

	Victory Giant Technology	Shenghua Electronics	MFS Technology		Victory Giant (Thailand)
			Changsha Factory	Yiyang Factory	
Recyclable waste	Entrusted to an environmentally approved recycling unit for classified recovery	Entrusted to an environmentally approved recycling unit for classified recovery	Entrusted to an environmentally approved recycling unit for classified recovery	Entrusted to an environmentally approved recycling unit for classified recovery	Sold to a legally qualified recycling unit.
Non-recyclable waste	Entrusted to the sanitation station for collection	Entrusted to the sanitation station for collection	Transported to municipal waste disposal sites	Entrusted to Ziyang Sanitation Station for collection	Handed over to disposal units legally licensed in Thailand
Kitchen waste	Huizhou Green Power Co., Ltd.	Outsourced to a qualified company for disposal	Hunan United Kitchen Service Co., Ltd.	Everbright Environmental Kitchen Waste Treatment (Yiyang) Co., Ltd.	Uniformly collected by Bang Pa-in Industrial Estate

Note: Victory Giant Technology has achieved 100% external waste recycling and obtained the UL 2799 Zero Waste to Landfill Platinum Certification.

Radiation Control

	Victory Giant Technology	MFS Technology	
		Changsha Factory	Yiyang Factory
Date of Certification	September 2025	January 2025	August 2025	December 25, 2025
Radiation Operation License	"Category III Radiation Device" Radiation Operation License	"Category II Radiation Device" Radiation Operation License	"Category III Radiation Device" Radiation Safety License	"Category III Radiation Device" Radiation Safety License
On-site facilities	On-site radiation monitoring and relevant protective measures are implemented.	On-site radiation monitoring and relevant protective measures are implemented.	On-site radiation monitoring and relevant protective measures are implemented.	On-site radiation monitoring and relevant protective measures are implemented.
Certificate No.	Yue Huan Fu Zheng [L2001]	Xiang Huan Fu Zheng [03026]	Xiang Huan Fu Zheng [A2059]	Xiang Huan Fu Zheng [H0523]
Validity Period	May 3, 2028	January 20, 2030	August 28, 2030	April 28, 2029

IV.Ecosystem and Biodiversity

We attach importance to the management of nature-related risks and opportunities to reduce our dependence on natural resources such as land and water. We conduct environmental impact assessments (EIA) for all projects before construction to assess their ecological impact. We strictly implement the "Three Simultaneities" requirement for environmental protection and formulate mitigation measures.

(I) Ecological Protection Red Line

1. Victory Giant Technology is located in Xinqiao Village, Danshui Street, Huiyang District, Huizhou City, and does not involve any ecological protection red line

1	No involvement in discharge of wastewater, sludge with excessive heavy metals or gaseous toxic and harmful substances to agricultural land, as well as dredged sediment, tailings, slag and other materials that may cause soil contamination;
2	No involvement in direct discharge of wastewater into water bodies and no involvement with drinking water source protection zones;
3	No involvement in key terrestrial or marine ecological functional zones, ecological protection red lines, or nature reserves;
4	No involvement in key controlled zones with sensitive atmospheric environmental receptors;
5	No involvement in key zones for heavy metal pollution prevention and control, and no involvement in key heavy metals (lead, mercury, cadmium, chromium and metalloid arsenic) in accordance with the Opinions on Further Strengthening the Prevention and Control of Heavy Metal Pollution (Huan Gu Ti [2022] No.17);
6	No involvement in key controlled zones for pollutant emission, and new projects not classified as restricted construction projects;
7	No involvement in wildlife protection zones and natural habitat protection and restoration zones;
8	No involvement in biological genetic resources;
9	No involvement in areas adjacent to protected areas and biodiversity-rich areas outside protected areas.

2. Shenghua Electronics is located in the Xinle Industrial Zone, Ma'an Town, Huicheng District, Huizhou City, and does not involve any ecological conservation red line

3. Changsha Factory is located in Quantang Subdistrict, Changsha Economic and Technological Development Zone, and Yiyang Factory is located in the New Material Industrial Park, Ziyang District, Yiyang City; neither involves any ecological conservation red line

4. Victory Giant (Thailand) is located in the Bang Pa-In Industrial Estate and does not involve any ecological conservation red line

5. Regarding Victory Giant Technology and Shenghua Electronics, according to the "Three Lines and One List" Ecological Environment Zoning Control Scheme of Huizhou (Hui Fu [2021] No. 23), their production bases are located within key controlled units of the Danshui River Basin in Huiyang

1) Main Control Measures for Wastewater:

1	Advanced electroplating equipment (such as VCP plating lines) are used in the projects of the companies; reclaimed water reuse is implemented, with the volume of reclaimed water reuse reaching 1.124 million tonnes by 2025, reducing the volume of discharged wastewater;
2	Wastewater requiring discharge strictly adheres to pipe network discharge standards. Production wastewater from Victory Giant Technology is treated to meet standards by self-built wastewater treatment facilities and then discharged through dedicated pipes to the Huiyang District Fourth Water Purification Factory for further advanced treatment; production wastewater from Shenghua Electronics is treated to meet standards by self-built wastewater treatment facilities and then discharged through dedicated pipes to the Huizhou Ma'an Domestic Sewage Treatment Factory (Phase I) for further advanced treatment;
3	Multi-stage rinsing is applied to cleaning processes including electroplating or electroless plating, as well as pretreatment and post-treatment procedures, with countercurrent reuse of rinsing water. By maximizing the use of multi-stage countercurrent rinsing for product cleaning, after expansion, the industrial water recycling rate of the entire factory reached 75.7%, the reclaimed water reuse rate reached 40%, and the indicators for fresh water consumption and production wastewater generation reached Level 1 of Cleaner Production.

2) Main Control Measures for Chemicals and Hazardous Waste:

Guide ditches, slopes and collection tanks have been installed in the chemical warehouse, temporary storage areas and hazardous waste warehouse of the project. Additionally, the factory area is equipped with an emergency response basin, ensuring environmental risks are controllable.

3) Main Control Measures for Exhaust Gas:

1	Enhance waste gas collection by enclosing the production workshop, installing additional mobile exhaust hoods in the central dosing area, and sealing the reaction tanks and biochemical tanks of the wastewater treatment station, so as to reduce fugitive odor emissions;
2	Deepen the pre-treatment of VOC exhaust gas by installing cyclone spray towers to enhance treatment efficiency and further reduce VOC emissions;
3	In 2023, VOC exhaust gas treatment efficiency was improved again by introducing an RCO treatment system to replace the existing biofilter bed treatment process;
4	Upgrade acidic exhaust gas towers from single-stage spraying to three-stage spraying to improve treatment efficiency and reduce the concentration of exhaust gas emissions;
5	Strengthen the maintenance of exhaust gas treatment facilities by replacing packing materials and spray nozzles, and increasing the frequency of inspections and spot checks to ensure treatment effectiveness;
6	Strengthen self-monitoring and install online monitoring systems at factory boundaries and sensitive points to monitor atmospheric pollutant parameters such as hydrogen chloride, odors, sulfuric acid mist, ammonia, nitrogen oxides, benzene, toluene, xylene, non-methane hydrocarbons (NMHC), and TVOCs in real-time; and set up electronic display screens to disclose online monitoring results to the public in real-time, ensuring openness and transparency;
7	Install online monitoring systems for organic exhaust gas and boiler exhaust gas to monitor indicators such as NMHC, TVOCs, sulfur dioxide, and nitrogen oxides.

6. Regarding MFS Technology, according to local regulations such as the Regulations on the Protection of the Xiangjiang River in Hunan Province (《湖南省湘江保護條例》) and Several Provisions on the Construction, Operation, and Management of Urban Sewage Pipe Networks in Hunan Province (《湖南省城鎮污水管網建設運行管理若干規定》), its Changsha Factory's production base is located within a key controlled unit of the Xiangjiang River Basin.

1) Main Control Measures for Wastewater:

1	Wastewater requiring discharge strictly adheres to pipe network discharge standards. Production wastewater is treated to meet standards by self-built wastewater treatment facilities and then discharged through dedicated pipes to the Xingsha Economic and Technological Development Zone Sewage Treatment Factory for further advanced treatment;
2	Multi-stage rinsing is applied to cleaning processes including electroplating or electroless plating, as well as pretreatment and post-treatment procedures, with countercurrent reuse of rinsing water. By maximizing the use of multi-stage countercurrent rinsing for product cleaning, the industrial water recycling rate of the entire factory reached 27.36%, and the company passed the mandatory cleaner production audit.

2) Main Control Measures for Chemicals and Hazardous Waste:

Guide ditches and collection tanks have been installed in the chemical warehouse, temporary storage areas and hazardous waste warehouse of the project the factory area is equipped with an emergency response basin, ensuring environmental risks are controllable.

3) Main Control Measures for Exhaust Gas:

1	Enhance waste gas collection by enclosing the production workshop, installing additional mobile exhaust hoods in the central dosing area, and sealing the reaction tanks and biochemical tanks of the wastewater treatment station, so as to reduce fugitive odor emissions;
2	Deepen the pre-treatment of VOC exhaust gas by adding a primary activated carbon adsorption stage to improve treatment efficiency and further reduce VOC emissions;
3	Upgrade acidic exhaust gas towers of HMFS from single-stage spraying to three-stage spraying to improve treatment efficiency and reduce the concentration of exhaust gas emissions;
4	Strengthen the maintenance of exhaust gas treatment facilities by replacing packing materials and spray nozzles, and conducting monthly scheduled water changes and twice-daily inspections of chemical dosing and pH levels to ensure effective treatment;
5	Intensify self-monitoring and entrust a qualified third party to monitor exhaust gas emission concentrations monthly as required.

7. Victory Giant (Thailand)

1	No involvement in discharge of wastewater, sludge with excessive heavy metals or gaseous toxic and harmful substances to agricultural land, as well as dredged sediment, tailings, slag and other materials that may cause soil contamination;
2	This project does not directly discharge wastewater into the Chao Phraya River. All wastewater must undergo pre-treatment and meet relevant standards before entering the secondary and final treatment systems, ensuring that the effluent finally discharged into the river does not adversely affect the ecosystem;
3	The factory location is not within any legally prohibited development zones, meaning it is not situated in nature reserves, water source conservation areas, groundwater source protection zones, or any other areas protected by law;
4	No involvement in key controlled zones with sensitive atmospheric environmental receptors.

1) Main Control Measures for Chemicals and Hazardous Waste:

Some hazardous chemicals are treated through the company's wastewater treatment system, while others are entrusted to qualified units that comply with relevant Thai laws and regulations for disposal. For hazardous waste, the company only commissions professional disposal units licensed by the Thai government and legally registered and filed for transportation and processing.

2) Main Control Measures for Exhaust Gas:

1	Within the production area, for exhaust gases generated during equipment operation, local exhaust collection pipes are installed at chemical dosing points; gas collection hoods are installed above equipment generating thermal steam for extraction. Meanwhile, for dust-generating equipment, exhaust collection pipes are installed directly inside the equipment to improve the collection efficiency of exhaust gas and dust, thereby reducing fugitive emissions.
2	The VOC exhaust gas treatment system utilizes an activated carbon adsorption process. Prior to entering the adsorption unit, DI water is added for pre-treatment to condense or settle some volatile substances first, thereby enhancing the subsequent adsorption efficiency of the activated carbon for volatile gases.
3	The SCR exhaust gas treatment system classifies and treats exhaust gases based on their properties: for acidic chemical gases, NaOH is added during the treatment process for neutralization; for alkaline gases, H_2SO_4 is added for neutralization, ensuring exhaust gas emissions meet standards.
4	The dust treatment system operates on a principle similar to cyclone separation, increasing the weight of dust particles and promoting their agglomeration and settling for centralized collection, followed by compliant disposal by government-certified units.

(II) Biodiversity Protection

1. Victory Giant Technology

The company's production base is located in Xinqiao Village, Danshui Subdistrict, Huiyang District, Huizhou City. As part of a mature industrial park, it has minimal impact on biodiversity. The company actively promotes the construction of green factories and cleaner production to mitigate the impact on biodiversity.

1	Victory Giant Technology was the first in the industry to be recognized as a National Green Factory in February 2018 and has passed annual reviews ever since;
2	Victory Giant Technology is an enterprise honored for Green Design Products, with 10 products recognized in April 2020;
3	Victory Giant Technology has passed the acceptance of five rounds of cleaner production audits, and has been awarded the "Superior" mark (the highest level) of the "Guangdong-Hong Kong Cleaner Production Partner" certificate jointly issued by the Department of Industry and Information Technology of Guangdong Province and the Hong Kong Productivity Council;
4	To advance "Double Carbon" goals, the company has maintained energy management system certification for 8 consecutive years;
5	Advanced Energy Conservation Unit of Huiyang District (2015); Advanced Energy Conservation Unit of Guangdong Province (2018–2019); Advanced Individual in Energy Conservation of Guangdong Province (Chen Tao, 2012).

2. Shenghua Electronics

The company's production base is located in the Xinle Industrial Zone, Ma'an Town, Huicheng District, Huizhou City. As part of a mature industrial park, it has minimal impact on biodiversity. The company actively promotes the construction of green factories and cleaner production to mitigate the impact on biodiversity.

1	An enterprise honored for Green Design Products, with 10 products recognized in February 2022;
2	Passed four rounds of cleaner production audits;
3	To advance "Double Carbon" goals, the company has conducted carbon footprint verification for 4 consecutive years;
4	Guangdong High-Tech Enterprise certification, Grade A Taxpayer (2023), Specialized, Refined, Differential and Innovative (SRDI) SME, and SRDI "Little Giant" enterprise;
5	Awarded the honorary title of "Excellent Waste-Free Factory" in Huizhou City in 2025.

3. MFS Technology

Its Changsha Factory is located in Quantang Subdistrict, Changsha Economic and Technological Development Zone, and its Yiyang Factory is located in the New Material Industrial Park, Ziyang District, Yiyang City. Both are situated in mature industrial parks with minimal impact on biodiversity.

The company actively promotes the construction of green factories and cleaner production to mitigate the impact on biodiversity.

1	Was recognized as a National Green Factory in 2022 (an early achiever in the industry) and passes annual reviews;
2	Passed the 2024 cleaner production audit;
3	Advanced Unit for Tax Revenue Per Mu in the Economic Development Zone.

Yiyang Factory was recognized as a Water-Saving Enterprise in Hunan Province in December 2022 (Xiang Gong Xin Jie Neng [2022] No. 588).

4. Victory Giant (Thailand) – Biodiversity

Its production area is located in the Bang Pa-In Industrial Estate in Thailand, a local industrial development zone designated as industrial land, thus having essentially no impact on the surrounding ecosystem.

The company actively promotes the construction of green factories and cleaner production to mitigate the impact on biodiversity.

1	The factory has obtained Level 1 "Green Industry" certification in Thailand and is currently working to upgrade to Level 2.

V. Energy Utilization

Victory Giant Technology

The company has established an energy management system that obtained third-party certification in 2016 and undergoes annual surveillance or recertification audits. Additionally, the company continuously introduces new environmental protection technologies and promotes green development through energy-saving renovations. In 2025, energy savings amounted to 3,377.14 tonnes of standard coal equivalent (TCE), achieving 355% of the annual energy conservation target and surpassing the fifth-year energy-saving goal of the company's 14th Five-Year Plan; total electricity consumption was 798,438,960 kWh, including 500.214 kWh for domestic use and 793,436,820 kWh for industrial use; natural gas consumption was 11,887,286 cubic meters.

Item	2021	2022	2023	2024	2025	Total
Energy Saving Target (TCE)	1,100	1,100	1,100	1,100	950	5,350
Actual Energy Savings (TCE)	1,360	1,359	1,487	1,741.22	3,377.14	
Energy Saving Target Completion Rate	123.64%	123.55%	135.18%	158%	355.49%	/
Energy Saving Target Completion Status	Completed	Completed	Completed	Completed	Completed	/
Total Energy Consumption Target (TCE)	81,819.5	106,365.4	116,574	116,573.99	116,573.99	/
Actual Total Energy Consumption (TCE)	75,849.87	78,683	85,538.75	95,307.66	112,393.01	/
Actual Total Industrial Energy Consumption (TCE)	84,945.24453					
Total Energy Consumption Completion Status	Completed	Completed	Completed	Completed	Completed	/
Energy Intensity Target per Unit of Multilayer PCBs (kgce/m^2)	11.03	10.84	10.65	10.46	10.27	/
Comprehensive Energy Consumption per Unit of Multilayer PCBs (kgce/m^2)	11.03	10.83	10.65	10.458	10.26	/
Intensity Target Completion Status	Completed	Completed	Completed	Completed	Completed	/
Energy Intensity Target per Unit of HDI PCBs (kgce/m^2)	41.66	40.94	40.22	39.50	38.78	/
Comprehensive Energy Consumption per Unit of HDI PCBs (kgce/m^2)	41.57	40.94	40.22	39.49	38.72	/
Intensity Target Completion Status	Completed	Completed	Completed	Completed	Completed	/

MFS Technology

Although MFS Technology has not yet established a formal energy management system, it has implemented relevant energy and carbon emission management policies. Meanwhile, the company continuously introduces new energy-saving technologies and promotes green development through energy-saving renovations. In 2025, energy savings amounted to 819.59 TCE, exceeding the 2025 energy-saving target of 408 TCE with a completion rate of 201%, thus surpassing the corporate goal; total electricity consumption was 69,226,984 kWh, including 747,846 kWh for domestic use and 68,479,138 kWh for industrial use; natural gas consumption was 159,087 cubic meters.

Item	2023	2024	2025	2026	Total
Energy Saving Target (TCE)	358	311	408	437	1,514
Actual Energy Savings (TCE)	1,276.79	184.73	819.59	/	2,281
Energy Saving Target Completion Rate	357.02%	59.34%	200.85%	/	/
Energy Saving Target Completion Status	Completed	Completed	Completed	/	/
Total Energy Consumption Target (TCE)	8,036.92	9,094.47	10,078.93	11,057.36195	/
Actual Total Energy Consumption (TCE)	1,276.788985	184.7311248	819.5925521	/	/
Actual Total Industrial Energy Consumption (TCE)	6,122.06	8,073.63	8,715.33		
Total Energy Consumption Completion Status	Completed	Completed	Completed	/	/
Energy Intensity Target per Unit of PCB (kgce/m²)	14.61	12.13	11.86	10.84	/
Comprehensive Energy Consumption per Unit of PCB (kgce/m²)	12.76	12.48	11.41	/	/
Intensity Target Completion Status	Completed	Completed	Completed	/	/

(I) Direct and Indirect Energy Consumption (e.g., Coal, Electricity, Gas, or Oil) by Type

Victory Giant Technology:

Year	Energy Type	Total Consumption (TCE)	% of Total Consumption	Production Capacity (sqm)	Total Energy Consumption Intensity (kg/sqm)
2021	Electricity	68,094.39125	89.78%	5,720,000	11.90
	Natural gas	7,755.4716	10.22%		1.36
	Total	**75,849.86285**	**100.00%**		**13.26**
2022	Electricity	68,187.28509	86.66%	5,984,250	11.39
	Natural gas	10,495.7112	13.34%		1.75
	Total	**78,682.99629**	**100.00%**		**13.15**
2023	Electricity	73,268.10333	86.25%	6,637,600	11.04
	Natural gas	11,677.1412	13.75%		1.76
	Total	**84,945.24453**	**100.00%**		**12.80**
2024	Electricity	83,123.31119	87.84%	6,538,000	12.71
	Natural gas	11,511.01753	12.16%		1.76
	Total	**94,634.32871**	**100.00%**		**14.47**
2025	Electricity	97,339.6543	87.22%	8,071,100	12.06
	Natural gas	14,264.86249	12.78%		1.77
	Total	**111,604.5168**	**100.00%**		**13.83**

Shenghua Electronics:

Year	Energy Type	Total Consumption (TCE)	% of Total Consumption	Production Capacity (sqm)	Total Energy Consumption Intensity (kg/sqm)
2023	Electricity	3,878.98	100%	1,281,977	3.026
2024	Electricity	3,893.717	100%	1,269,479	3.067
2025	Electricity	5,307.296	100%	1,292,387	4.107

MFS Technology:

Year	Energy Type	Total Consumption (TCE)	% of Total Consumption	Production Capacity (sqm)	Total Energy Consumption Intensity (kg/sqm)
2022	Electricity	6,858.6326	95.89%	465,000	14.75
	Natural gas	293.8388815	4.11%		0.63
	Total	**7,152.471482**	**100.00%**		**15.38**
2023	Electricity	5,939.577447	95.40%	487,791	12.18
	Natural gas	286.6684421	4.60%		0.59
	Total	**6,226.24589**	**100.00%**		**12.76**
2024	Electricity	7,810.630144	95.70%	653,863	11.95
	Natural gas	350.6524634	4.30%		0.54
	Total	**8,161.282607**	**100.00%**		**12.48**
2025	Electricity	8,503.498797	97.34%	765,589	11.11
	Natural gas	232.7217044	2.66%		0.30
	Total	**8,736.220502**	**100.00%**		**11.41**

(Group consolidated data)

Year	Energy Type	Total Consumption (TCE)	% of Total Consumption	Production Capacity (sqm)	Total Energy Consumption Intensity (kg/sqm)		
					Victory Giant	Shenghua	MFS
2023	Electricity	83,086.66078	87.41%	8,407,368	11.04	3.026	14.75
	Natural gas	11,963.80964	12.59%		1.76	/	0.63
	Total	**95,050.47042**	**100.00%**		**12.8**	**3.026**	**15.38**
2024	Electricity	94,827.65833	88.88%	8,461,342	12.71	3.067	12.18
	Natural gas	11,861.66999	11.12%		1.76	/	0.59
	Total	**106,689.3283**	**100.00%**		**14.47**	**3.067**	**12.76**
2025	Electricity	111,150.4491	88.46%	10,129,076	12.06	4.107	11.95
	Natural gas	14,497.58419	11.54%		1.77	/	0.54
	Total	**125,648.0333**	**100.00%**		**13.83**	**4.107**	**12.48**

1. Energy Consumption of Multilayer PCBs

Victory Giant Technology:

Energy Consumption of Multilayer PCBs					
Indicator	2023–2025 Actuals			YoY Change (%)	
	2023	2024	2025	2024	2025
Electricity consumption (10,000 kWh)	46,231.052	49,584.8	52,180.53	7.25%	5.23%
Biomass fuel (tonnes)	0	0	0	0.00%	0.00%
Natural gas fuel (10,000 m^3)	728.1246	666.2	690.06	-8.50%	3.58%
Energy consumption (TCE)	65,555.458	68,886.12	72,410.56	5.08%	5.12%
Product output (m^2)	6,155,500	6,587,075	7,054,500	7.01%	7.10%
Unit consumption (kgce/m^2)	10.65	10.458	10.26	-1.80%	-1.85%
Energy savings (TCE)	1,139	1,265.57	2,187.73	58.20%	72.87%

(Notes: Converted standard capacity)

Shenghua Electronics:

Energy Consumption of PCB Products					
Indicator	2023–2025 Actuals			YoY Change (%)	
	2023	2024	2025	2024	2025
Electricity consumption (10,000 kWh)	3,156.209	3,168.216	4,318.3857	0.38%	36.30%
Energy consumption (TCE)	3,878.98	3,893.717	5,307.296	0.38%	36.30%
Product output (m^2)	1,281,976.52	1,269,478.729	1,292,387.06	-0.97%	1.80%
Unit consumption (kgce/m^2)	3.026	3.067	4.107	1.35%	33.91%

MFS Technology (FPC & Rigid-Flex Board):

Energy Consumption of Multilayer PCBs					
Indicator	2023–2025 Actuals			YoY Change (%)	
	2023	2024	2025	2024	2025
Electricity consumption (10,000 kWh)	4,835.41	6,358.634	6,922.698,371	31.50%	8.87%
Biomass fuel (tonnes)	0	0	0	0.00%	0.00%
Natural gas fuel (10,000 m^3)	21.5288	26.334	17.4774	22.32%	-33.63%
Energy consumption (TCE)	6,226.2459	8,161.2826	8,736.2205	31.08%	7.04%
Product output (m2)	487,791	653,863	765,589	34.05%	17.09%
Unit consumption (kgce/m^2)	12.76	12.48	11.41	-2.21%	-8.58%
Energy savings (TCE)	1,276.79	184.73	819.59	-85.53%	343.67%

Thailand:

Energy Consumption of Multilayer PCBs	
Indicator	2025
Electricity consumption (10,000 kWh)	57,417,305.28
Product output (m^2)	473,683.39
Unit consumption (kgce/m^2)	121.215

1. Energy Consumption of HDI PCBs

Victory Giant Technology:

Energy Consumption of HDI PCBs					
Indicator	2023–2025 Actuals			YoY Change (%)	
	2023	2024	2025	2024	2025
Electricity consumption (10,000 kWh)	13,384.98	18,532.86	27,163.15	38.46%	46.57%
Natural gas fuel (10,000 m^3)	244.97	297.05	498.68	21.26%	67.88%
Energy consumption (TCE)	19,389.79	25,829.23	39,367.68	33.21%	52.42%
Product output (m^2)	482,100	654,000	1,016,600	35.66%	55.44%
Unit consumption (kgce/m^2)	40.22	39.49	38.72	-1.82%	-1.94%
Energy savings (TCE)	347	475.65	1,189.41	58.55%	150.06%

(Notes: Converted standard capacity)

(II) Use of Renewable Resources:

Victory Giant Technology:

Year	Clean Energy Type	Electricity Consumption (kWh)	Total Consumption (TCE)	Clean Energy Percentage	Clean Energy Intensity (kg/sqm)
2021	Solar energy	1911,446	234.917	0.31%	0.04
	GECs	0	0	0.00%	0.00
	Total	**1,911,446**	**234.917**	**0.31%**	**0.04**
2022	Solar energy	1,857,834.5	228.328	0.29%	0.04
	GECs	0	0	0.00%	0.00
	Total	**1,857,834.47**	**228.328**	**0.29%**	**0.04**
2023	Solar energy	1,672,446.1	205.544	0.29%	0.03
	GECs	84,107,000	10,336.750	13.99%	1.56
	Total	**85,779,446.1**	**10,542.294**	**14.28%**	**1.59**
2024	Solar energy	1,763,896.85	216.783	0.26%	0.03
	GECs	210,000,000	25,809.000	30.72%	3.95
	Total	**211,763,896.9**	**26,025.783**	**30.98%**	**3.98**
2025	Solar energy	973,158	119.601	0.12%	0.02
	GECs	18,000,000	2,212.200	2.20%	0.37
	Total	**18,973,158**	**2,331.801**	**2.33%**	**0.39**

MFS Technology:

Year	Clean Energy Type	Electricity Consumption (kWh)	Total Consumption (TCE)	Clean Energy Percentage	Clean Energy Intensity (kg/sqm)
2023	Solar energy	4,615,602.51	566.9577	9.11%	1.1623
2024	Solar energy	4,351,145.38	534.4731	6.55%	0.8174
2025	Solar energy	4,221,255	518.5180	5.94%	0.6773

(III) Energy Saving and Consumption Reduction Measures:

1. Use of energy-saving equipment and facilities

Currently, the public utility equipment in use has reached world-leading levels; for example, the water chillers are maglev centrifugal chillers and the air compressors are centrifugal high-pressure air compressors. The equipment on each production line also consists of the most advanced, energy-saving, intelligent, and information-based equipment in the industry.

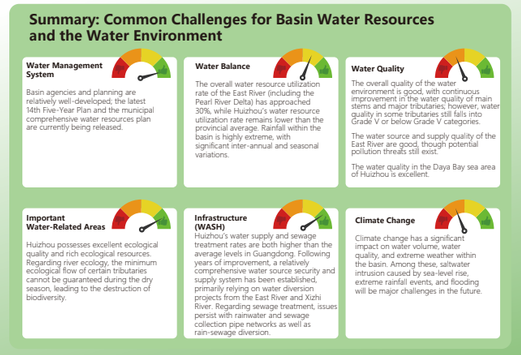
2. Use of Renewable Resources:

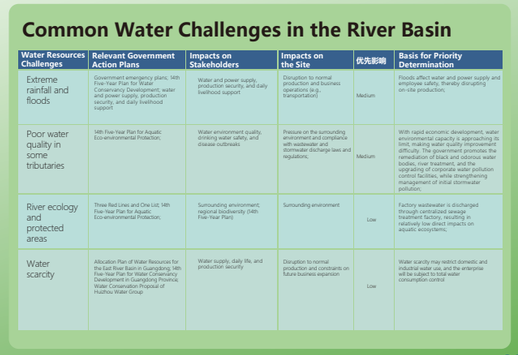
Photovoltaic (PV) power generation is limited by geographical factors; PV panels have been installed on the rooftops of some buildings within the company's campus, but the scale is limited.

3. Energy Saving and Consumption Reduction Governance Measures:

1 Purchase advanced production equipment with energy efficiency Grade 2 or above;
2 Use energy-saving LED lighting, and replace traditional mercury lamps in exposure machines with LED light sources;
3 Use precise and energy-saving temperature control for ovens and other production lines;
4 Recover and utilize waste heat from boilers and deploy energy storage batteries;
5 Increase the proportion of clean energy used;
6 Recover and utilize waste heat from air compressors;
7 Adopt high-efficiency energy-saving fans;
8 Add two Atlas Copco high-efficiency variable-frequency oil-injected screw air compressors to combine with existing equipment for reduced energy consumption;
9 Phase out energy-intensive air compressors, retain variable-frequency air compressors and keep fixed-frequency ones as backups;
10 Add Atlas Copco EQ4.0 intelligent control system;
11 Upgrade existing air compressor main pipelines to reduce energy loss;
12 Construct a new nitrogen station with a nitrogen supply capacity of 507 m3/h (14T*869/24) to replace the existing liquid nitrogen supply;
13 Introduced the latest Grade 1 energy-efficient fans to gradually replace the original Grade 3 fans on production lines and power equipment, reducing energy consumption by 15%;
14 Purchase the latest energy-saving cool-light LED lamps to gradually replace lighting fixtures in the factory area, achieving 40% energy savings.

VI. Use of Water Resources





(I) Total Water Consumption and Use Intensity

Victory Giant Technology:

Year	Water Target (m^3/m^2)	Total Water Consumption (10,000 m^3)	Use Intensity (m^3/m^2)	Challenges
2021	0.58	349.3351	0.494	
2022	0.564	332.1421	0.525	
2023	0.555	325.8	0.583	Operating rate reasons
2024	0.530	431.5815	0.660	Layer structure
2025	0.653	553.321	1.05	Layer structure, enterprise transformation

Note: In 2023, the increase in the number of board layers and insufficient operation rate led to a rise in water intensity.

Shenghua Electronics:

Year	Water Target (m^3/m^2)	Total Water Consumption (10,000 m^3)	Use Intensity (m^3/m^2)	Challenges
2023	0.22	24.2097	0.1888	
2024	0.22	23.1871	0.1826	
2025	0.22	25.8756	0.2002	

MFS Technology:

Year	Water Target (m^3/m^2)	Total Water Consumption (10,000 m^3)	Use Intensity (m^3/m^2)	Challenges
2022	1.200	54.7864	1.178	
2023	1.119	60.9379	1.249	
2024	1.187	76.3070	1.167	
2025	1.109	83.9458	1.096	

Thailand:

Year	Water Target (m^3/m^2)	Total Water Consumption (10,000 m^3)	Use Intensity (m^3/m^2)	Challenges
2025	1.27	726,196.00	1.43	

(II) Water Conservation Targets and Specific Measures for 2025

Victory Giant Technology:

Year	Target (m^3/m^2)	Measures	Performance (m^3/m^2)	Challenges
2025		7 volunteer activities were carried out; 42 trees were planted. Among them, the river patrol and beach cleaning volunteer activities in the waterfront park have enhanced the ecological protection and water conservation awareness of all participating stakeholders, setting a good example for others. It has also improved employees' environmental protection awareness and team spirit.	It has enhanced the ecological protection and water conservation awareness of all participating stakeholders	
2025		Wastewater recycling for horizontal process lines	It was completed in 2025, saving 23,400 m^3 of water annually.	
2025		Water-saving rectification for DP lines	Completed in 2025, saving 105,753.6m^3 of water annually.	
2025		Production wastewater, domestic sewage, and sewers within the factory area were inspected monthly, and rainwater wells, groundwater, and the Dan'ao River were inspected annually	Wastewater was inspected monthly, drinking water was inspected quarterly, and rainwater and other water sources were inspected annually to ensure drinking water safety and the quality of discharged water	
2025		On December 24, 2025, AWS training was conducted for suppliers, and a questionnaire survey on water resources and WASH was carried out among them, encouraging suppliers to obtain AWS certification and increase their attention to WASH.	A relevant online AWS supplier conference was organized to provide AWS training for suppliers and conduct a questionnaire survey on water resources and WASH, encouraging suppliers to seek AWS certification and increase their emphasis on WASH.	
2025		On December 2, 2025, an AWS training was conducted for MFS Technology, a subsidiary located in Hunan.	An AWS training session was organized for the subsidiary to provide system training for leaders in key positions, enhancing required capabilities and awareness to facilitate subsequent improvements and enhancement of water management performance and mitigate risks of water resource waste.	
2025 Shenghua	0.22	1. Overflow rinsing water was recycled for pumice scrubbing. 2. Performance control was implemented in production departments by linking performance with water and electricity costs, with penalties for overconsumption and rewards for conservation.	0.202 Grade 1 water efficiency standards for cleaner production were satisfied	

Year	Target (m^3/m^2)	Measures	Performance (m^3/m^2)	Challenges
2025 MFS	1.109	Some flow meters were replaced and the water usage of each production line was strictly controlled;	It was estimated to save water of 0.02 m^3/m^2	
2025	1.109	Old dormitory water dispensers were replaced with new ones. Old water dispensers were replaced with Grade 1 water efficiency dispensers equipped with automatic high-temperature protection;	Drinking water safety for employees was improved	
2025	1.109	Additional concentrate water outlets were installed in flower beds, and concentrate water from pure water production was used instead of tap water to reduce tap water consumption;	Water waste was reduced	

Note: The unit of calculation (m^3/m^2) refers to the cubic meters of water consumed per square meter of product.

(III) Challenges in the Use of Water ResourcesChallenges

1. The Company currently faces no challenges in the use of water resources.

Victory Giant Technology:
1. No challenges in the use of water resources
2. Tap water consumption in 2025: 5,533,210 m^3

Shenghua Electronics
1. No challenges in the use of water resources
2. Tap water consumption in 2025: 258,756 m^3

MFS Technology
1. No challenges in the use of water resources
2. Tap water consumption in 2025: 839,458 m^3

Victory Giant (Thailand)
1. No challenges in the use of water resources
2. Tap water consumption in 2025: 726,196 m^3

(Group Consolidated Data)
1. Total tap water consumption in 2025: 7,357,620 m^3
2. On January 17, 2025, the company passed the AWS International Sustainable Water Management Certification and achieved the Gold level (see figure on the right).
3. The company was recognized as a 2023 Huizhou Water-Saving Enterprise in September 2023 (Hui Shi Gong Xin [2023] No. 170 Announcement).

VII. Governance of Promoting Circular Economy and Other Issues

(I) Specific Targets and Plans for Promoting Circular Economy

1. Taking 2022 as the benchmark, the absolute value of Scope 1 and Scope 2 carbon emissions will decrease by approximately 5% per year.

By 2030, the goal of reducing the absolute total of Scope 1 and Scope 2 emissions by 42% will be achieved.

2. Specific Measures for Realizing Circular Economy in 2025

Emission Reduction Projects	Annual Emission Reduction Target/Tonnes of CO_2	Measures	Completion Time	Annual Emission Reduction Performance/ tonnes of CO_2	Challenges
Efficiency improvement for tunnel ovens	1,000	Replace with 34-grid frame baking plates to increase the efficiency of the tunnel oven by 36%. After efficiency improvement, shut down one tunnel oven for part of the time according to production needs to reduce the electricity cost of the tunnel oven.	January 2025	1,542.26	None
Introduction of high-speed energy-saving fans in horizontal process line drying sections	4,500	Replace the scroll blowers in the horizontal line drying section with high-speed fans, with a power saving rate of up to 40%. One high-pressure fan of the same power can replace 2–3 scroll blowers. Number of blowers shared by multilayer horizontal process lines 1–6 and plating lines: 681 units (2,990 kW); number of energy-saving fans after replacement: 251 units (1,498 kW).	March 2025	5,357.25	None
Installation of energy-saving blowers (Inner layer pre-treatment, inner layer DES line, and brown oxide line)	1,000	Upgrade existing blowers to energy-saving fans, reducing total power from 440 kW to 150 kW, with an overall electricity saving of over 60%.	March 2025	1,569.63	None
Installation of energy-saving frequency converters for lamination presses	30	Add frequency converter control to circulation pumps; once the target temperature is reached, the circulating motor can maintain the press temperature by operating at 30% power. After actual measurement with the installed frequency converter, the power saving rate of each circulating pump is 76%.	March 2025	43.46	None

Emission Reduction Projects	Annual Emission Reduction Target/Tonnes of CO_2	Measures	Completion Time	Annual Emission Reduction Performance/ tonnes of CO_2	Challenges
Reduction in electricity consumption for text board baking	200	For non-plugged solder mask boards, baking time was reduced to 70 minutes. For plugged solder mask boards, baking time varies by aspect ratio: for boards with an aspect ratio of less than 6:1, baking time was reduced to 240 minutes; for boards with an aspect ratio of less than 10:1, baking time was reduced to 300 minutes.	February 2025	335.52	None
Dust collector retrofit (Shenghua)	100	Dust collector retrofitting	November 2025	129.11	None
Retrofitting of fans for exhaust gas treatment facilities	25	Retrofitting of fans for exhaust gas treatment facilities	April 2025	32.345	None
Retrofitting of fans for wastewater treatment	40	Retrofitting of fans for wastewater treatment	May 2025	48.6459	None
Variable-frequency air compressors (Weisheng)		Two new Atlas Copco high-efficiency variable-frequency oil-injected screw air compressors were added and operated in combination with the existing equipment to reduce energy consumption; an Atlas Copco EQ4.0 intelligent control system was also added	April 2025	3.260	None
Energy-saving fans		The latest Grade 1 energy-saving fans were introduced to gradually replace the original Grade 3 energy-consuming fans used in production lines and power equipment (5 sets), reducing energy consumption by 15%	July 2025	6.882	None

VIII. Environmental Compliance Management and Response to Environmental Emergencies

The Company has established a stringent environmental management system with reference to ISO 14001 standards and strictly follows its implementation.

(I) Environmental Compliance Management

1. New, reconstruction and expansion projects shall be carried out in strict accordance with the national "three simultaneities" (三同時) requirements for environmental protection.

No.	Project Name	Construction Period	Environmental Impact Assessment (EIA) Information	Environmental Protection Acceptance Information
1	Victory Giant Technology (Huizhou) Co., Ltd. – Phase IV Expansion Project	2025	Yue Huan Shen [2022] No. 211	21 February 2025

2. Pollutants are strictly managed in accordance with relevant national environmental protection laws and regulations, with regular monitoring conducted to ensure standard discharge of pollutants.

For details, please refer to the description under point 2 of this section.

3. Energy and water resource usage strictly follows relevant national laws and regulations. For details, please refer to the descriptions under points 5 and 6 of this section.

(II) Environment-related complaints and major environmental incidents

From 2022 to 2025, no written complaints were received from any relevant stakeholders, no major environmental incident emergencies occurred, and no related administrative penalties or criminal liabilities were imposed.

Environment-related complaints

Victory Giant Technology, Shenghua Electronics, Weisheng Technology, Thailand VGT: In 2025, no written complaints were received from any relevant stakeholders.

Significant environmental incidents

Victory Giant Technology, Shenghua Electronics, Weisheng Technology, Thailand VGT: In 2025, no major environmental incident emergencies occurred, and there were no administrative penalties or criminal liabilities imposed.

(III) Response measures for environmental emergencies

1. The Company conducted risk assessments for potential environmental emergencies and has established preventive measures and contingency plans for environmental incident emergencies.

1) Risk analysis and assessment of environmental incidents::

Risk Unit	Source of Risk	Major Hazardous Substances	Type of Environmental Risk	Impact Pathway	Potential Impact
Production plant	Production equipment	Chemicals such as sulfuric acid, hydrochloric acid, tank solution	Material leakage, fire	Atmosphere Groundwater	Atmospheric environment Groundwater environment
Raw and supplementary materials storage tank area	Raw and supplementary materials storage tank	Acidic etching solution, alkaline etching solution, hydrochloric acid, sulfuric acid, etc.	Material leakage	Atmosphere Groundwater	Atmospheric environment Groundwater environment
Hazardous chemicals warehouse	Hazardous chemicals	Potassium permanganate, sulfuric acid, ammonia, etc.	Material leakage	Atmosphere Groundwater	Atmospheric environment Groundwater environment

Risk Unit	Source of Risk	Major Hazardous Substances	Type of Environmental Risk	Impact Pathway	Potential Impact
Chemical warehouse & ink warehouse	Chemicals	Raw and supplementary materials containing hazardous substances	Material leakage, fire	Atmosphere Groundwater	Atmospheric environment Groundwater environment
Waste liquid storage tank area	Waste liquid storage tanks	Acidic etching waste liquid, alkaline etching waste liquid, copper sulfate waste liquid, etc.	Material leakage	Atmosphere Groundwater	Atmospheric environment Groundwater environment Soil environment
Accident emergency pool for wastewater treatment system	Hazardous chemicals	Potassium permanganate, sulfuric acid, ammonia, etc.	Leakage	Groundwater	Atmospheric environment Groundwater environment
Exhaust gas treatment facilities	Exhaust gas treatment facilities	Organic waste gas and acidic/alkaline waste gas	Malfunction of exhaust gas treatment facilities	Atmosphere	Atmospheric environment

2) Response measures to major environmental risks:

Victory Giant Technology:

Risk type	Impact	Response measures
Wastewater/ waste liquid leakage	Soil Waterbody Ecology Atmosphere	1) Rain and sewage diversion, with shut-off valves installed at all three rainwater outlets; a throttle valve is installed on the main production wastewater discharge pipe. 2) Two underground accident emergency pools have been established, with capacities of 3,000 m³ and 6,400 m³, respectively. 3) Chemical raw and supplementary materials are stored in polypropylene (PP) containers equipped with leak-proof trays. Bunds have been installed around the waste liquid storage tanks, with diversion trenches and collection pits around them. 4) The hazardous waste warehouse is treated with anti-corrosion and anti-seepage measures, and is equipped with drainage trenches and collection pits. 5) All water-related workshops of existing projects are treated with anti-corrosion and anti-seepage measures and are equipped with trenches, enabling wastewater and leaked chemicals arising from spills, overflows, drips and leakages to be promptly conveyed to the wastewater treatment station. 6) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 7) An enterprise contingency plan for environmental incident emergencies was established in 2021. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results.
Leakage of hazardous chemicals, fire or explosion of flammable and explosive materials such as ink and thinner	Groundwater Surface water Atmosphere	1) Materials in the warehouse are stored according to their properties and storage conditions, with typical storage volume for 1–2 days of usage. During transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 3–4 days of usage. 4) An enterprise contingency plan for environmental incident emergencies was established in 2021. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results. (Sodium hydroxide, sulfuric acid, hydrochloric acid, nitric acid, potassium permanganate, sodium hypochlorite, hydrogen peroxide, etc.)
Hazardous waste leakage	Soil Groundwater Surface water Atmosphere	1) Hazardous waste is collected and stored by type according to its properties; during transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 1–2 days of usage. 4) An enterprise contingency plan for environmental incident emergencies was established in 2021. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results. 5) Measures such as leak-proof trenches, leak-proof trays, and leak-proof pits are in place.

Shenghua Electronics:

Risk type	Impact	Response measures
Wastewater/ waste liquid leakage	Soil Waterbody Ecology Atmosphere	1) Rain and sewage diversion, with shut-off valves installed at all three rainwater outlets; a throttle valve is installed on the main production wastewater discharge pipe. 2) Two underground accident emergency pools have been established. 3) Chemical raw and supplementary materials are stored in polypropylene (PP) containers equipped with leak-proof trays. Bunds have been installed around the waste liquid storage tanks, with diversion trenches and collection pits around them. 4) The hazardous waste warehouse is treated with anti-corrosion and anti-seepage measures, and is equipped with a slope and collection pits. 5) All water-related workshops of existing projects are treated with anti-corrosion and anti-seepage measures and are equipped with trenches, enabling wastewater and leaked chemicals arising from spills, overflows, drips and leakages to be promptly conveyed to the wastewater treatment station. 6) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 7) An enterprise contingency plan for environmental incident emergencies was established in 2025. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results.

Risk type	Impact	Response measures
Leakage of hazardous chemicals, fire or explosion of flammable and explosive materials such as ink and thinner	Groundwater Surface water Atmosphere	1) Materials in the warehouse are stored according to their properties and storage conditions, with typical storage volume for 1~2 days of usage. During transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 3~4 days of usage. 4) An enterprise contingency plan for environmental incident emergencies was established in 2025. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results. (Sodium hydroxide, sulfuric acid, hydrochloric acid, nitric acid, potassium permanganate, sodium hypochlorite, hydrogen peroxide, etc.)
Hazardous waste leakage	Soil Groundwater Surface water Atmosphere	1) Hazardous waste is collected and stored by type according to its properties; during transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 1~2 days of usage. 4) An enterprise contingency plan for environmental incident emergencies was established in 2025. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results. 5) Measures such as leak-proof trenches, leak-proof trays, and leak-proof pits are in place.

Weisheng Technology:

Risk type	Impact	Response measures
Wastewater/ waste liquid leakage	Soil Waterbody Ecology Atmosphere	1) Separate drainage systems are adopted for rainwater and sewage. Wastewater is discharged through a dedicated pipeline network, and shut-off valves have been installed at the rainwater discharge outlets. 2) Separate drainage systems are adopted for industrial wastewater and domestic sewage, which are discharged through separate pipeline networks. A backflow valve has been installed at the industrial wastewater discharge outlet. 3) Two underground emergency containment ponds have been established, with capacities of 200 m^3 and 500 m^3, respectively. 4) Chemical raw and supplementary materials are stored in PP containers equipped with leak-proof trays. Bunds have been installed around the waste liquid storage tanks, with diversion trenches and collection pits around them. 5) The hazardous waste warehouse is treated with anti-corrosion and anti-seepage measures, and is equipped with drainage trenches and collection pits. 6) All water-related workshops of existing projects are treated with anti-corrosion and anti-seepage measures and are equipped with trenches, enabling wastewater and leaked chemicals arising from spills, overflows, drips and leakages to be promptly conveyed to the wastewater treatment station. 7) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 8) The Changsha plant updated its enterprise contingency plan for environmental incident emergencies in 2025. The Yiyang plant updated its enterprise emergency response plan for environmental incidents in 2023. Both plants conduct personnel training and emergency drills annually, and improve their contingency plans based on drill results.

Risk type	Impact	Response measures
Leakage of hazardous chemicals, fire or explosion of flammable and explosive materials such as ink and thinner	Groundwater Surface water Atmosphere	1) Materials in the warehouse are stored according to their properties and storage conditions, with typical storage volume for 3 days of usage. During transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 3~4 days of usage. 4) The Changsha plant updated its enterprise contingency plan for environmental incident emergencies in 2025. The Yiyang plant updated its enterprise emergency response plan for environmental incidents in 2023. Both plants conduct personnel training and emergency drills annually, and improve their contingency plans based on drill results.
Hazardous waste leakage	Soil Groundwater Surface water Atmosphere	1) Hazardous waste is collected and stored by type according to its properties; during transportation, loading and unloading, use and storage, measures such as such as personnel protection, leakage prevention, anti-static, fire prevention, explosion prevention shall be inspected prior operation, and relevant processes monitoring shall be conducted. 2) Warning signs are posted on-site, and relevant operating personnel are provided with training and required certification. 3) Storage tanks are used throughout the tank storage area, with multiple segregated sections established according to the properties of the materials. Chemical turnover in the tank area is maintained for 3 days of usage. 4) An enterprise contingency plan for environmental incident emergencies was updated in 2025. Personnel training and emergency drills are conducted annually, and the contingency plan is improved based on drill results. 5) Measures such as leak-proof trenches, leak-proof trays, and leak-proof pits are in place.

3) Response measures to major external environmental risk:

Victory Giant Technology, Shenghua Electronics, Weisheng Technology:

Risk type	Impact	Response measures
Heavy pollution weather	Atmosphere	1) Establish level I–III (yellow) alert emergency response measures and contingency plans. The contingency plans prioritise safety while taking into account environmental and economic impacts. 2) Build an emergency response organisational structure with clearly defined responsibilities, and conduct regular personnel training, drills and material allocation. 3) Following each drill, enhancements are made to the contingency plan, along with subsequent retraining of personnel and reallocation of materials. 4) Regular carry out inspection, verification and updating of emergency facilities and materials.

Risk type	Impact	Response measures
Typhoon	Lightweight outdoor materials and production facilities	1) Monitor local weather changes according to seasonal variations. 2) Professional operators regularly reinforce rooftop exhaust-related facilities and promptly handle temporarily stored materials. 3) Establish typhoon warning emergency response measures and contingency plans. The contingency plans prioritise safety while taking into account environmental and economic impacts. 4) Build an emergency response organisational structure with clearly defined responsibilities, and conduct regular personnel training, drills and material allocation. 5) Following each drill, enhancements are made to the contingency plan, along with subsequent retraining of personnel and reallocation of materials. 6) Regular carry out inspection, verification and updating of emergency facilities and materials. 7) Send alert messages and emails to all plant employees, and post warning signs.

Thailand VGT:

Risk type	Impact	Response measures
Heavy pollution weather	Atmosphere	1) Establish level I–III (yellow) alert emergency response measures and contingency plans. The contingency plan prioritises safety while taking into account environmental and economic impacts. 2) Build an emergency response organisational structure with clearly defined responsibilities, and conduct regular personnel training, drills and material allocation. 3) Following each drill, enhancements are made to the contingency plan, along with subsequent retraining of personnel and reallocation of materials. 4) Regular carry out inspection, verification and updating of emergency facilities and materials.

2. Preparation and readiness of contingency plans for environmental incidents:

Victory Giant Technology:
1 The Company engaged a qualified professional entity to assist in preparing contingency plan for environmental incident emergencies, which were reviewed and accepted by an expert panel. Victory Giant Technology submitted its plan to the Huizhou Municipal Bureau of Ecology and Environment for record and approval on 11 August 2025. Shenghua Electronics submitted its plan to the Huizhou Municipal Bureau of Ecology and Environment for record and approval on 12 September 2025. Weisheng Technology – Changsha Factory submitted its plan to the Changsha Municipal Bureau of Ecology and Environment for record and approval on 10 July 2025. Welson Technology – Yiyang Factory submitted its plan to the Yiyang Municipal Bureau of Ecology and Environment for record and approval on 14 August 2023.
2 The Company allocates emergency materials for environmental incident emergencies as required, and conducts regular organisational emergency drills and plan enhancements on an annual basis as stipulated in the contingency plan.

(IV) Response measures for environmental incidents

1. The Company's management attaches great importance to feedback and opinions from related parties in the surrounding areas

Victory Giant Technology:
The Company has set up a special task force led by the CEO, which is responsible for handling environmental complaints in coordination with the Huiyang District Government and Danshui Subdistrict Office, thereby enabling timely responses to the public's legitimate environmental demands and resolving environmental protection issues that concern people in surrounding areas.

Shenghua Electronics:
The Company has set up a special task force led by the Director, which is responsible for handling environmental complaints in coordination with the Huicheng District Government and Ma'an Town Government, thereby enabling timely responses to the public's legitimate environmental demands and resolving environmental protection issues that concern people in surrounding areas.

Weisheng Technology:
The Company has set up a special task force led by the EHS Manager, which is responsible for handling environmental complaints in coordination with the Administrative Committee of the Economic and Technological Development Zone and Law Enforcement Bureau of Quantang, thereby enabling timely responses to the public's legitimate environmental demands and resolving environmental protection issues that concern people in surrounding areas.

2. measures taken in response to the odour emission issue raised by the residents in the surrounding areas in 2021

1 The wastewater treatment station's treatment structures, the hazardous waste warehouse and various production workshops have been enclosed with glass to reduce fugitive air emissions.
2 Activated carbon filter pads were added to the workshop recirculation system to purify the workshop environment, and 7 biological filter bed treatment systems were constructed.
3 For the Phase IV project, the treatment method for organic exhaust gas has been upgraded to "RCO catalytic combustion" to further reduce the generation of odours in the workshops.
4 Additional investment in the exhaust gas treatment system amounted to approximately RMB133 million, representing 5.6% of the total investment of RMB237.05 million for Phase IV.
5 Online monitoring systems have been installed at the plant boundary and sensitive receptor points to conduct real-time monitoring of atmospheric pollutant, including hydrogen chloride, odour, sulfuric acid mist, ammonia, non-methane hydrocarbons and VOCs. Display screens have also been set up to disclose the online monitoring results to the public in real time and to facilitate public oversight.
6 A mutual visit mechanism has been established with nearby residents, whereby the Company proactively accepts public supervision, actively communicates and engages with residents, and promptly communicates and resolves issues once identified.

Description of the installation locations of online monitoring systems at the plant boundary and sensitive receptor points installed by Victory Giant Technology:
- Air online monitoring system at the southwest corner of the plant area
- Air online monitoring system at the southeast corner of the plant area
- Air online monitoring system at Agile

IX. Strategy, Impact, Risk and Opportunity Management

The Company has established the "Procedure for Control of Internal and External Environment Analysis" (《內外部環境分析管控程序》), "Procedure for Control of Stakeholder Needs and Expectations" (《相關方需求和期望管制程序》), and the "Procedure for Control of Risks and Opportunities" (《風險和機遇控制程序》) to manage the relevant risks and opportunities that affect the Company's environmental strategy and environmental management performance.

(I) Key risks identified by the Company and response measures

Risk category	Risk name	Response measures
Pollution prevention	Risk to surrounding areas from exhaust gas emissions	The overall exhaust gas collection rate in the Company's production workshops is 99%, of which the RCO system achieves over 90% VOCs treatment efficiency. The Company will continue its efforts to reduce fugitive odour emissions, strengthen facility monitoring, enhance communication with surrounding residents in response to complaints, and pursue continuous improvement.

Risk category	Risk name	Response measures
Pollution prevention	Risk to surrounding water bodies from wastewater discharge	Install advanced wastewater treatment systems to ensure discharged water quality meets applicable standards; conduct regular water quality monitoring; maintain communication with local environmental authorities to respond promptly to any anomalies.
Pollution prevention	Environmental pollution resulting from improper solid waste management	Implement strict waste segregation and recycling systems; establish dedicated hazardous waste storage areas and ensure legal and compliant disposal; provide regular training to employees to enhance environmental awareness.
Climate change	Physical risk – risk to EHS treatment systems from extreme weather	Lightning: Install lightning protection devices on rooftop exhaust gas treatment equipment, and conduct regular inspection and maintenance. Heavy rain All exhaust gas treatment equipment is designed to be rainproof; pumps at the wastewater station are elevated, flood control pumps are installed, liquid level alarms are in place, rainwater and sewage pipelines are cleared in a timely manner, with regular inspection and maintenance conducted. Strong wind: Reinforced steel frames have been installed for all exhaust gas treatment towers, and regular inspection and maintenance are carried out, including rust prevention treatment and the addition of stay cables.
Climate change	Physical risk – risk of extreme high temperatures to cooling costs	Under extreme high-temperature conditions, cooling demand increases. Standby chillers are activated, production equipment efficiency is improved to reduce electricity consumption, and production is scheduled on an off-peak basis to avoid peak electricity demand periods.
Climate change	Physical risk – risk of extreme high temperatures to employees' health	During periods of extreme heat, outdoor operations are suspended, cooling herbal drinks are provided to employees, and the medical room is stocked with adequate heatstroke medication. During rainstorms, waterlogging or flash flood conditions, the frequency of the Company's shuttle bus services is increased, and employees are permitted to take leave.
Climate change	Transition risk – Green transition regulatory risk	In compliance with the national policy requirements for renewable electricity consumption under Fa Gai Neng Yuan [2023] No.1044 (發改能源[2023]1044號) issued by the NDRC, the Company purchases internationally recognised green electricity products generated domestically and verifies the authenticity of green electricity certificates. At the same time, the Company seeks to procure as much domestically generated green electricity as possible.
Climate change	Transition risk – Green electricity cost risk	The increase in green electricity prices results in higher costs, requiring continuous improvement in production equipment efficiency, reduction in electricity usage, and implementation of the Ten Major Strategies for Zero-Carbon.
Climate change	Transition risk – Impact of carbon tax policy changes on corporate costs	Closely monitor changes in national and local carbon tax policies; optimise production processes to reduce carbon emissions; consider participating in the carbon trading market to purchase or sell carbon allowances.
Pollution prevention – Weisheng	Risk to surrounding areas from waste gas emissions	The overall exhaust gas collection rate of the Company's production workshops is 95%. Acid mist exhaust gas is treated using dual alkaline-solution spray scrubbing, while VOCs exhaust gas is treated using UV photocatalytic oxidation + activated carbon adsorption, with treatment efficiency of over 90% in each case. The Company also conducts annual regular monitoring of major pollutant factors in relation to fugitive emissions at the plant boundary and exhaust gas outside the plant buildings, with no exceedances detected. The Company will continue to strengthen the supervision of its facilities going forward.

(II) Key opportunities identified by the Company and response measures

Opportunity category	Opportunity description	Response measures
Climate change	Green and low-carbon transformation	The Company implements green manufacturing, cleaner production, energy audits and energy conservation planning, promotes an energy management system, establishes dual carbon targets and the Ten Major Strategies for Zero Carbon, joins the SBTi and sets science-based carbon reduction targets, among other measures.
Climate change	Obtaining green certification	Obtain ISO 14001 and other international certifications to enhance brand image and attract more environmentally conscious customers.
Climate change	Investing in renewable energy	Construct solar photovoltaic facilities to reduce carbon emissions and lower long-term energy costs.

X. Disclosure of metrics and targets

The Company has established the "Procedure for Targets and Indicators and Control Programmes" (《目標與指標及管控方案程序》). Environment-related control targets and indicators are set annually with reference to this procedure, internally broken down, and action plans are formulated to achieve such targets and indicators. The EHS Equipment Centre regularly monitors the implementation of action plans and the achievement of targets and indicators.

For details on the disclosure of specific targets and indicators, please refer to Section VIII "1. ESG Data Table" of this report.

Section 6

Social Dimension Issues

Social Dimension Issues

I. Employee Recruitment and Legitimate Rights and Interests

(I) Job Creation and Employee Recruitment During the Reporting Period

During the Reporting Period, we did not employ any dispatched workers or part-time employees. The employees in the Logistics Department, including drivers, cleaners, security guards and dormitory attendants, are all full time employees formally recruited by us. The structure of the formally recruited employees is set out below. During the year, the Group had 15,729 domestic employees and 2,260 overseas employees.

(1) Composition of Employees by Gender, Age and Other Categories as at the End of the Reporting Period

Category	Sub category	Unit	Number of Employees	Percentage
Gender	Male	Person	11,742	65.27%
	Female	Person	6,247	34.73%
Education Level	Master's degree	Person	122	0.68%
	Bachelor's degree	Person	2,554	14.20%
	Associate degree	Person	3,358	18.67%
	Secondary / High school	Person	6,210	34.52%
	Below	Person	5,745	31.94%
Age Group	Below 30	Person	5,913	32.87%
	30–50	Person	11,527	64.08%
	Above 50	Person	549	3.05%
Total		**Person**	**17,989**	

(2) Talent Acquisition

During the Reporting Period, we have consistently regarded our talent strategy as a core driver of ESG development, attracting high-calibre talent from around the world by establishing a diverse and inclusive recruitment system.

Item	Category	Number of new hires in 2025
By function	Management	616
	Sales	29
	Technical	1,269
	Administration	547
	Operations	4,885

(3) In 2025, Our Annual Employee Turnover Rate Was 2.61%, Representing a Decrease of 0.45% Compared with 2024

Category	Sub category	Percentage
Turnover by gender	Male	72.66%
	Female	27.34%
Turnover by position level	Management	5.61%
	Technical	6.52%
	Sales	0.24%
	Administration	1.77%
	Employee (non management)	85.86%
Turnover by age	Below 30	48.77%
	30–50	50.74%
	Above 50	0.49%

During the year, the Group's employee turnover rate for domestic employees was 2.61%, while the turnover rate for overseas employees was 1.50%.

(II) Compliance, Fairness and Transparency of Recruitment and Hiring Procedures

(1) Recruitment Principles

- Principle of openness: We adhere to the principles of open positions, avoidance of nepotism, equal competition and merit based selection.
- Principle of health: Persons suffering from infectious diseases, a history of mental illness, or any other illness that may affect their ability to work shall not be employed by us. However, no employee or prospective employee shall be forced to undergo medical examinations or checks that may be discriminatory in nature.
- Principle of disqualification: We advocate integrity and honesty. Any applicant whose submitted information or credentials are found to be untrue shall be disqualified from employment.
- We prohibit the employment of children under the age of 16.

2. Labour Contract Signing Rate

We have fully implemented an electronic labour contract signing system, strictly comply with the Electronic Signature Law of the People's Republic of China and the Guidelines for the Conclusion of Electronic Labour Contracts issued by the Ministry of Human Resources and Social Security, and leveraged authoritative technology to ensure the full traceability of the signing process. The terms of the labour contracts have been reviewed and approved by the local human resources and social security authorities and are in full compliance with applicable laws and regulations. The archiving rate of electronic contracts reaches 100%, and employees may access the stored documents at any time through encrypted portals.

(III) Policy and Implementation Regarding Freedom of Career Choice and Prohibition of Forced Labour

We ensure that all employees are employed on a voluntary basis and resolutely refuse to employ any labour that is forced, bonded, mortgaged (including debt related), involuntary, exploited, such as prison labour, or labour that is enslaved or trafficked. No department or individual within the Company is permitted to collect any form of "entry deposit" from new hires, whether in cash or in kind, nor is it allowed to retain or impound employees' identity cards, temporary residence permits or other personal identification documents.

Employees are not required to pay any deposit or training fee upon joining or leaving the Company. We only need to make copies of employees' identification documents for record keeping and onboarding purposes, and the original documents are returned to the employee on the same day the onboarding process is completed.

During the Reporting Period, through a stringent management system, no operating sites or suppliers with significant risks of forced or compulsory labour were identified. For details on supply chain management, please refer to the "Supply Chain Security and Sustainable Development" section of this report.

(IV) Prohibition of Child Labour

During the Reporting Period, we strictly complied with all relevant laws and regulations and resolutely refrained from employing any child labour. To ensure that the age of job applicants is lawful and compliant, we have implemented a rigorous identity verification system, conducting dual identity and age checks at both the security office and the human resources department, so as to ensure that every new hire has reached the legal working age.

We have established an emergency response procedure for child labour and forced labour. Should such cases be identified, we will immediately cease employment, verify the circumstances and provide assistance and accommodation in accordance with the law, whilst also strengthening control measures to prevent recurrence.

Currently, we do not employ any minor workers under the age of 18. Given that our principal business involves PCB manufacturing, where various hazardous chemicals are used in the production process, we are fully aware of the importance of protecting minors. Therefore, even though we do not directly employ juveniles, we have nevertheless established comprehensive juvenile worker protection policies to guard against any potential risks.

During the Reporting Period, through a thorough and stringent management system, we have not identified any operating sites or suppliers with material risk of child labour incidents. For further details on supply chain management, please refer to the "Supply Chain Security and Sustainable Development" section of this report, which details the measures and outcomes of our efforts to ensure the absence of child labour within our supply chain.

(V) Minor Worker Protection Policy

The "Twelve Prohibitions" Protection Policy

- Not to arrange for minor workers to operate heavy machinery
- Not to arrange for night work
- Not to arrange for overtime work
- Not to arrange for minor workers to work in dangerous, unsafe or unhealthy working environments
- Not to engage in electrical work or heavy manual labour
- Not to operate any hazardous machinery
- Not to use chemical liquids
- Not to arrange for work involving toxic or hazardous substances, or any work classified as Grade 4 labour intensity under national regulations or otherwise prohibited for juveniles
- Not to arrange for work involving dust or toxic substances above Grade 1, high altitude work above Grade 2, or high or low temperature work above Grade 3 as specified in national standards
- Not to arrange for work involving exposure to radioactive materials or hazardous operations such as flammable or explosive substances
- Not to arrange for work requiring continuous heavy lifting exceeding 6 times per hour with each load exceeding 20 kg, or intermittent lifting with each load exceeding 25 kg
- Not to arrange for assembly line work that requires maintaining a forced posture (such as prolonged bending of the head) for an extended period, or with an action frequency exceeding 50 times per hour

The "Three Arrangements" Protection Policy

- Arrange regular health examinations for minor workers, with the costs borne by the Company
- Arrange for the implementation of a registration system, whereby the recruitment of minor workers is promptly registered with the local labour authorities in accordance with relevant procedures and regulations
- Arrange for relevant occupational safety education and training

(VI) Non-Discrimination and Anti-Harassment

(1) Non-Discrimination

We hereby solemnly undertake that in all employment-related aspects and matters, including but not limited to recruitment, remuneration and benefits, employee training, job promotion, termination and severance, and any other aspects relating to employment, we will strictly adhere to the principles of fairness, impartiality and transparency, and resolutely refrain from any discrimination based on race, colour, religion, gender, age, nationality, disability, marital status, sexual orientation, gender identity, genetic information or any other characteristic protected by law, as well as any unreasonable or socially undesirable discriminatory conduct. We are committed to providing all employees and job applicants with an equal, respectful and inclusive working environment, ensuring that everyone can obtain development opportunities and fair treatment on an equal basis.

(2) Ratio of Basic Salary and Remuneration between Male and Female Employees

Gender	Basic Salary	Ratio
Male	2,000	1:1
Female	2,000	

(3) Anti-Harassment

We solemnly declare that no manager or employee shall engage in any act that infringes upon the fundamental human rights or dignity of others in any work setting. Such acts include, but are not limited to, coercive, threatening, humiliating or exploitative conduct. In particular, sexual harassment is strictly prohibited. Sexual harassment covers not only direct physical contact but also inappropriate gestures, offensive language, and any other words or behaviour that may cause discomfort or humiliation to any employee. In addition, we specifically point out that actions such as security checks conducted by members of the opposite sex must be carried out with full respect for employees' dignity, avoiding any situation that may give rise to misunderstanding or discomfort.

To ensure the rigorous implementation of this policy, we have taken a series of measures, including but not limited to formulating detailed anti harassment policies, providing training for employees, establishing complaint channels, and maintaining a zero tolerance approach towards any conduct that violates this policy, thereby ensuring that all employees can work in a safe, respectful and harassment free working environment.

(4) Discrimination Incidents and Corrective Actions Taken

During the Reporting Period, no incidents of discrimination were identified from employee feedback or complaint records.

(VII) Humane Employee Disciplinary Measures and Implementation

(1) People Oriented Approach

We adhere to a "people oriented" core philosophy, focusing on creating a safe, healthy and respectful working environment for employees. We promote a management culture based on trust and tolerance, and strictly prohibit inappropriate practices such as corporal punishment, coercion and humiliation. By providing training, maintaining open communication channels, implementing fair performance evaluations and offering comprehensive benefits, we support employee development and work together with our employees to build a mutually beneficial future.

(2) Reward and Discipline Management

We resolutely refrain from deducting wages in any form as a disciplinary measure against employees, thereby safeguarding the economic rights and interests of every employee. We follow clear and reasonable reward and discipline standards and procedures, adhering to the principles of openness, fairness and impartiality. Outstanding performance is promptly recognized and rewarded, while inappropriate conduct is properly guided and corrected. This system is designed to regulate employee behaviour effectively, maintain good order in production and work, and at the same time stimulate employees' motivation and creativity.

(VIII) Protection of Vulnerable Groups

(1) Implementation of Protection for Female Employees During the Three Key Periods

For female employees during the three key periods, we provide various paid leaves in accordance with the law, including maternity leave, pregnancy check up leave, parental leave and leave for termination of pregnancy. In addition, we have specifically adjusted work shifts for female employees during these three periods and arranged daily breastfeeding time and reasonable rest breaks during working hours, effectively safeguarding the work life balance of female employees. Furthermore, we organize well planned care activities on specific festivals such as International Women's Day and Mother's Day each year, fostering a corporate culture that respects and cares for women in all aspects.

Reasonable work arrangements: For female employees who are seven months or more into their pregnancy, we do not arrange overtime or night shifts, provide a one-hour rest break each day, and avoid assigning them to hazardous or dangerous roles, thereby safeguarding the health of both mother and child.

Breastfeeding care: For female employees during the breastfeeding period, we also do not arrange overtime or night shifts, and provide one hour of breastfeeding time per day, ensuring that they can balance work and family life.

1.1 Protection Measures for Female Employees

We attach great importance to the protection of the special rights and interests of female employees, particularly pregnant employees and new mothers, and have implemented a series of detailed and comprehensive protection measures:

Risk assessment and prevention: A comprehensive risk assessment is conducted annually for the premises where pregnant employees and new mothers may work or engage in activities, ensuring a safe and hazard-free environment and promptly eliminating potential risks.

Well-equipped breastfeeding rooms: Comfortable and warm breastfeeding rooms have been set up for new mothers, fully equipped with chairs, tables, refrigerators, washbasins and other facilities, providing a convenient environment for breastfeeding.

Dedicated meal counter: To facilitate dining for female employees during the three periods, a dedicated meal counter has been established in our canteen, allowing pregnant employees priority access to meals.
These measures demonstrate our deep concern for the special rights and interests of female employees and represent an important manifestation of our commitment to building an equal, respectful and inclusive working environment.

(2) Employment Support for People with Disabilities

We fully recognize the importance of employment for people with disabilities and actively fulfil our social responsibilities by providing them with equal and respectful employment opportunities and a supportive working environment. During the Reporting Period, we achieved notable results in safeguarding employment for people with disabilities:
Recruitment and hiring: We hired a total of 87 employees with disabilities, providing them with stable employment opportunities and demonstrating our commitment to a diverse and inclusive culture.
Attendance support: To accommodate this special group, we have set up dedicated "access-friendly time clock" at the punch-in area, offering a more convenient way for employees with disabilities to record their attendance and avoiding difficulties caused by physical inconvenience.

(IX) Employee Complaint Channels and Handling of Complaints

(1) Employees May Submit Complaints via One of the Following Channels:

Channel	Description
Suggestion box	Suggestion boxes are placed in public areas and workshops
Report to management	Complaints may be raised with management at any level
Report to employee representatives	Each department has employee representatives
Suggestion and complaint email	yuchen@shpcb.com
Dedicated WeChat account	"Employee Voice" (WeChat QR code)
Complaint hotline	0752-3723668

(2) Employee Complaint Data During the Reporting Period

To ensure that employees' rights and interests are properly safeguarded, we have established diverse complaint channels and handling mechanisms, enabling employees to choose the most convenient and effective channel based on their own circumstances, with the aim of responding promptly and addressing all types of complaints fairly.

In 2025, we received and processed a total of 55 employee complaints and suggestions, covering areas such as logistics support, employee relations and remuneration management. Our management attaches great importance to these matters and actively responds, ensuring that each complaint and suggestion is carefully assessed and properly resolved. The following table sets out the detailed breakdown of the complaints:

Type	Number	Percentage	Description
Complaints	25	45.46%	15 regarding logistics support, 8 regarding remuneration and benefits, 1 regarding employee relations, 1 regarding other matters
Suggestions	16	29.09%	12 regarding logistics support, 3 regarding management, 1 regarding other matters
Inquiries	14	25.45%	7 regarding management, 4 regarding logistics support, 2 regarding employee relations, 1 regarding remuneration
Total	**55**	**100%**	

During the Reporting Period, we did not identify any operating sites or suppliers where the rights to freedom of association and collective bargaining might be at risk. For information on supply chain management, please refer to the "Supply Chain Security and Sustainable Development" section of this report.

(X) Working Hours and Overtime Policy

We operate on a five day work week with eight hours per day. Any hours worked beyond the regular working hours are compensated with overtime pay in accordance with relevant laws and regulations, and daily overtime shall not exceed three hours.

(XI) Wages and Benefits System

(1) Minimum Wage

The minimum wage standard set by Huizhou City is RMB1,850 per month, while we have set our minimum wage at RMB2,000 per month, which is higher than the local standard. In addition, we have implemented a seniority based stepped basic salary system, under which employees receive salary increases as their length of service increases, up to a maximum of RMB2,500. At the same time, we periodically review and adjust the minimum wage standard and the seniority based stepped basic salary system in light of changes in market salary levels and our operating conditions, so as to ensure the competitiveness and fairness of employee remuneration.

(2) Overtime Pay

Our overtime pay is calculated and paid strictly in accordance with legal provisions, i.e., 1.5 times the normal wage for overtime worked on normal working days, 2 times for weekends, and 3 times for statutory holidays. Specifically, for overtime worked on weekdays, we pay 150% of the employee's normal wage; for overtime worked on weekends, we pay 200%; and for overtime worked on statutory holidays, we pay 300%. These provisions are designed to fully protect the legitimate rights and interests of employees, ensuring that they receive due remuneration for their additional work.

(3) Social Insurance Coverage

We strictly comply with national laws and regulations and pay social insurance contributions for all employees, covering pension insurance, unemployment insurance, comprehensive basic medical insurance, supplementary basic medical insurance and work related injury insurance. During the Reporting Period, the social insurance coverage reached 100%, ensuring that every employee enjoys comprehensive social security.

(4) Leave Entitlements

In addition to national statutory holidays, employees are entitled to various types of paid leave in accordance with the relevant national labour laws and regulations, including but not limited to annual leave, marriage leave, maternity leave, paternity leave, sick leave and bereavement leave. These leave entitlements are designed to safeguard employees' legitimate rights and interests, balance their work and life, and enhance their sense of well being and belonging.

(5) Benefits Provided to Full Time Employees

Item	Description
Education allowance	Employees with a college degree or above receive a corresponding education subsidy
Foreign language allowance	Allowance granted to employees whose foreign language skills are beneficial to the Company's production and business activities and are relevant to their job functions
Position allowance	Corresponding allowances based on a comprehensive assessment of factors such as job skills, responsibilities, intensity and working environment
Professional title subsidy	Allowance granted to employees whose professional certifications (including technical, safety, management and other industry or government certificates) are beneficial to the Company's production and business activities and are relevant to their job functions
Management allowance	Employees holding management positions (including acting positions) receive a management allowance on the basis of exercising authority and fulfilling duties
Seniority pay	A seniority bonus is added to the basic salary based on the employee's length of service
Year end bonus	The year end bonus is determined based on the annual operating performance and is ultimately distributed upon approval by the Chairman of the Board
Expatriate benefits	Expatriate employees receive away from home allowances, communication allowances, travel allowances for family visits and family benefits
Free health check ups	We cover the cost of annual health check ups for employees at all levels
Company trips	Travel plans are arranged according to the Company's operating performance and are offered at different levels.
Free parking	We provide free parking for employees
Free shuttle bus	Free shuttle buses are provided to transport employees within the Danshui area
Marriage and bereavement support	In the event of an employee's marriage, childbirth, hospitalization or the death of an immediate family member, we offer support and condolences as appropriate, and provide the relevant leave entitlement.
Festival greetings	Cash gifts and presents are distributed on important festivals such as International Women's Day, the Spring Festival and the Mid Autumn Festival
Accommodation benefits	We provide accommodation benefits for employees.

(6) Employee Satisfaction and Employee Participation

In order to gain a more systematic understanding of employees' satisfaction with the Company's management, working environment and reward mechanisms, to identify the Company's current operational strengths and areas for improvement, and to enhance the employee experience, we conducted two employee satisfaction surveys during the Reporting Period, with an average annual satisfaction rate of 85.57%. Details are set out below:

Period	Average Satisfaction				Overall Satisfaction
	Work Rewards	Work Context	Work Group	Corporate Management	
First half	81.58%	87.59%	82.33%	86.84%	84.59%
Second half	81.27%	86.79%	90.32%	87.76%	86.54%
Average	**81.43%**	**87.19%**	**86.33%**	**87.30%**	**85.57%**

In addition, in response to the issues most frequently raised by employees in the survey, we have developed appropriate improvement measures and are following up on them. We will further to optimize relevant processes, improve our systems, and actively create a better working environment and conditions to meet the reasonable needs and expectations of our employees.

(7) Minimum Notice Period for Operational Changes

No such event occurred during the Reporting Period. Should any such event occur in the future, we will strictly comply with the provisions of Articles 39 and 40 of the Labor Contract Law of the People's Republic of China, issuing a written notice to the employees setting out the facts, reasons and legal basis for the changes.

II. Occupational Health and Safety

We have established a comprehensive occupational health and safety (OHS) management system, which has successfully passed annual third party ISO45001 audits for many years.

Our OHS management approach is as follows:

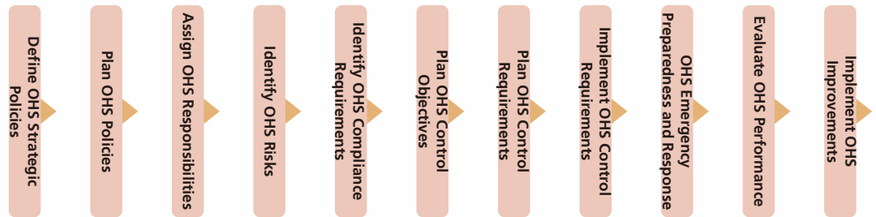
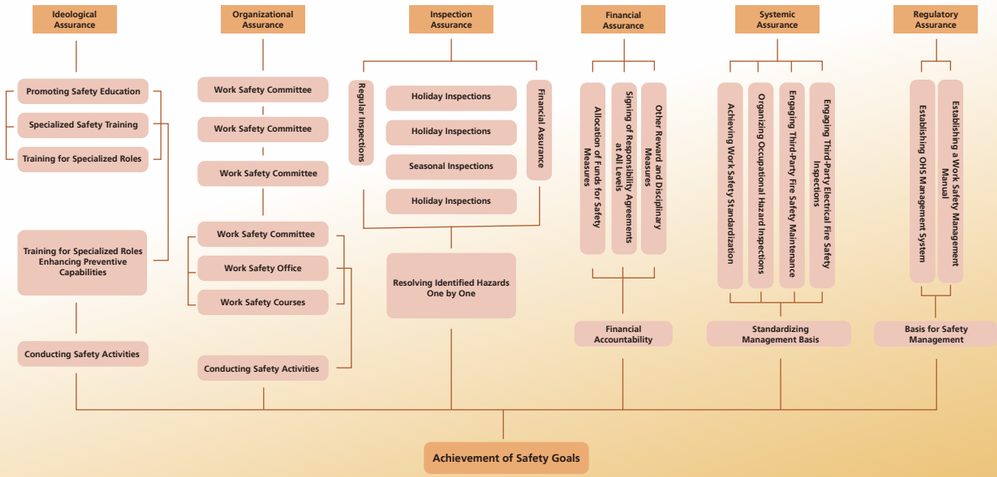


Diagram of our Work Safety Assurance System:

Diagram of our Work Safety Assurance System



Identification and Assessment of OHS Risks and Their Sources

In 2025, we strengthened and tightened the identification of safety risks, resulting in an increase in both the total number of safety risks identified and the number of key risks. In 2023, a total of 2,615 safety risks were identified, including 14 key risks. Additional key risk identification was carried out for chemical use risks, VOC pipeline fire risks, and the failure of over temperature protection for electroplating heating devices. In 2024, 2,622 safety risks were identified, with additional risk identification for incoming inspection and the failure of gas detection devices. In 2025, as we rapidly expanded our production scale, a total of 5,553 risks were identified across our Hunan factory, Thailand factory and Huizhou factory, including 18 key risks. New risks included those related to glass fibre etching lines, the use and storage of hydrogen peroxide, the disposal of waste contaminated with hydrogen peroxide, dust collection from steel plate grinding machines, and the charging area for electronic equipment such as AGVs. All of these risks have been brought under effective control measures, and ongoing monitoring and implementation are continuing.

Year	Total Safety Risks	Key Risks	Changes in Evaluation Criteria	Remarks
2023	2,615	14	Added identification of chemical use risks, VOC pipeline fire risks, and failure of over temperature protection for electroplating heating devices	
2024	2,622	14	Added risk identification for incoming inspection (chemical liquid testing) and failure of gas detection devices (flammable gas, hydrogen cyanide gas)	
2025	5,553	18	Added: glass fibre etching lines, storage of hydrogen peroxide, disposal of waste contaminated with hydrogen peroxide, dust collection barrels for steel plate grinding machines, charging area for electronic equipment such as AGVs	

(1) Main OHS Risk Response Measures

Risk Source	Category	Risk Measures	Implementation Status
Work at height	Falling	1. Establish special work management procedures and rules. 2. Conduct risk confirmation and work approval before operation, confirm emergency measures. 3. Carry out the operation in accordance with work rules and requirements. 4. Provide risk notification before operation, train supervisors and operators. 5. Inspect protective facilities and equipment. 6. Supervise during operation. 7. Clean up the work site and restore the area.	1. Measures strictly followed 2. Emergency measures in place on site
Welding operations	Fire, burns	1. Establish special work management procedures and rules. 2. Conduct risk confirmation and work approval before operation, confirm emergency measures. 3. Carry out the operation in accordance with work rules and requirements. 4. Provide risk notification before operation, train supervisors and operators. 5. Inspect fire extinguishers, protective facilities, tools, and personal protective equipment (PPE). 6. Check work environment – prohibit cross operations and hot work in hazardous areas. 7. Clean up the work site and restore the area.	1. Measures strictly followed 2. Emergency measures in place on site
Electrical work	Electric shock	1. Establish special work management procedures and rules. 2. Conduct risk confirmation and work approval before operation, confirm emergency measures. 3. Carry out the operation in accordance with work rules and requirements. 4. Provide risk notification before operation, train supervisors and operators. 5. Inspect fire extinguishers, insulating tools, and PPE. 6. Check work environment and implement Lockout/Tagout (LOTO) Management Procedures. 7. Clean up the work site and remove locks.	Before operation, the safety course construction supervisor inspects and confirms the safety protection and electrical tool safety at the work site; Measures strictly followed; emergency measures in place on site.
Hoisting operations	Falling	1. Establish special work management procedures and rules. 2. Conduct safety assessment before operation, allocate relevant PPE, provide hoisting safety notification. 3. Sign the Safety Technical Disclosure and Risk Notification Confirmation Card and the Hoisting Work Permit. 4. Verify the qualifications of personnel and cranes, inspect rigging before operation. 5. Isolate the work area with barriers. 6. Provide full time supervision during the operation. 7. Restore the work site after completion.	Before operation, the safety course construction supervisor verifies the qualifications of the hoisting unit; inspects the work environment at the hoisting site; checks the availability of on site supervisors and coordinators

Risk Source	Category	Risk Measures	Implementation Status
Confined space operations	Poisoning, suffocation	1. Establish special work management procedures and rules 2. Conduct safety assessment before operation, allocate relevant PPE, provide work safety notification 3. Sign the Safety Technical Disclosure and Risk Notification Confirmation Card and the Confined Space Work Permit 4. Ventilate before operation 5. Monitor concentration of hazardous substances before operation 6. Inspect protective equipment 7. Supervise during operation and monitor concentration of hazardous substances 8. Check for hazards and restore the site after completion	1. The safety course construction supervisor tests for hazardous gases in the work area. 2. Inspects the protective measures of workers. 3. Verifies the work permit at the construction site.
Gold salt addition (potassium gold cyanide addition)	Poisoning	1. Operators wear required protective equipment before operation 2. Install cyanide gas detectors at the work point 3. Provide annual safety training for chemical addition personnel 4. Equip the work area with antidote medicines 5. Provide annual Toxic Chemicals Training for operators 6. Conduct regular emergency drills for Cyanide Poisoning	1. The Company arranges external special training for employees in cyanide addition posts every year. 2. Cyanide addition is supervised on site by the safety department.
Gas supply room (compressed gases: nitrogen, oxygen)	Poisoning, fire	1. Regularly inspect alarm devices in the gas supply room 2. Assign dedicated personnel to control the gas supply room 3. Provide fire fighting equipment and protective gear 4. Implement anti vibration and anti toppling measures for gas cylinders 5. Store gas cylinders separately	Weekly safety inspections of the gas cylinder storage area in the gas supply room. Measures strictly followed; emergency measures in place on site.
Boiler room	Explosion	1. Assign dedicated personnel to manage facilities 2. Regularly inspect boilers and related accessories 3. Regularly calibrate flammable gas detectors	1. Qualified personnel are assigned to manage the boiler room. 2. The safety department conducts unscheduled supervision and inspections.
Solder Mask Workshop (Tunnel Oven Exhaust Duct)	Fire	1. Clean the exhaust duct every month and maintain cleaning records 2. Monitor the thickness of crystallized deposits in the exhaust duct every month to ensure it remains within a safe controllable range 3. Mark the opening angle of the exhaust duct damper to ensure air volume meets safety requirements, and regularly test air velocity	1. Clean crystallized deposits from branch exhaust ducts every month. 2. Arrange for external professionals to conduct a full cleaning of the main exhaust duct every quarter.
Solder Mask Ink Mixing Room	Fire, poisoning	1. Calibrate flammable gas detectors in the ink room annually to ensure proper function 2. Operators must wear gas masks as required during work 3. Electrical equipment in the ink room must be explosion proof 4. Use of tools or clothing that may generate static electricity is prohibited in the ink room	Measures strictly followed; emergency measures in place on site.
Environmental protection workshop (sodium persulfate feeding area)	Poisoning	1. Regularly calibrate hydrogen sulphide gas detectors in the feeding area to ensure proper function 2. Wear required labour protective equipment when handling chemical feeding 3. Regularly inspect emergency supplies and facilities in the area to ensure proper function	Measures strictly followed; emergency measures in place on site.
Dust collection room (dust collection pipes)	Fire, explosion	1. Designate responsible departments and personnel to regularly clean the dust collection room, ensuring the floor and equipment surfaces remain clean, and that safety facilities and fire fighting equipment are in good condition 2. Regularly clean dust from collection bags 3. Regularly maintain and protect dust collection room equipment to ensure electrical equipment meets safety requirements	Clean and replace dust collection bags and floors in the dust collection room daily. Measures strictly followed; emergency measures in place on site.
Chemical storage and use	Chemical burns, poisoning, explosion	Establish Hazardous Chemicals Management Procedures. Regulate the quantity of chemicals stored in the storage area. Post safety signs, occupational hazard notifications, and on site emergency response plans in chemical temporary storage areas. Provide regular training for chemical operators. Conduct regular special safety inspections for chemicals.	Conduct one special safety inspection for chemicals each month. Measures strictly followed; emergency measures in place on site.
Failure of over temperature protection on heating equipment	Fire	1. Establish Heating Equipment Maintenance Procedures 2. Production maintenance departments conduct comprehensive inspections and tests on heating equipment twice a month	The safety department conducts comprehensive tests of the over temperature alarm function of all heating equipment in the factory each month. Measures strictly followed; emergency measures in place on site.

Risk Source	Category	Risk Measures	Implementation Status
Production environment safety	Struck by object, mechanical injury, electric shock	1. Establish Safety Hazard Investigation and Management System 2. Organize joint safety inspections weekly with safety management personnel and workshop safety officers 3. Hold weekly factory level safety meetings to deploy key safety matters 4. Develop the "Hazard Snapshot" mini program to encourage employees to identify and report workshop hazards, and provide rewards	Weekly factory level safety meetings publish and evaluate hazard inspection data
Glass fibre etching	Chemical corrosion	1. Change chemical addition method to automatic 2. Install fluoride gas detection devices on the line 3. Enclose and manage toxic areas 4. Use double pipes for chemical inlet pipes and valves, and install check valves on inlet pipes 5. Install local exhaust for line equipment 6. Provide emergency supplies and emergency fans 7. Train operators on standard operating procedures	Safety officers inspect the safety status of fluoride use areas daily; maintenance personnel regularly test the effectiveness of equipment and facilities.
Hydrogen peroxide use	Explosion	1. Use automatic addition for hydrogen peroxide 2. Discharge waste liquid containing hydrogen peroxide through dedicated pipes 3. Gradually replace 50% concentration hydrogen peroxide with around 30% to reduce risk 4. Waste containing hydrogen peroxide must be soaked in water and then packed for transport to hazardous waste warehouse	Regular training for responsible department heads and operators, and safety meetings to raise safety awareness and standard operating skills
Steel plate grinding machine dust collection barrel	Fire	1. Fill dust collection barrels with water 2. Install low level alarm devices 3. Clean dust from barrels weekly 4. Regularly inspect filter devices and replace filter screens	Regularly clean dust from barrels to reduce dust accumulation
AGV charging	Fire	1. Designate a fixed AGV charging area away from combustibles 2. Provide fire fighting equipment	Regular safety inspections

(2) OHS Risk Response Measures

1	The factory building is equipped with comprehensive fire protection facilities and systems (including automatic fire alarm systems, automatic extinguishing systems, automatic detection devices, fire hydrants and fire extinguishers). We engage a professional third-party company each month to maintain and test the fire protection facilities, and conduct a full functional test of all fire protection facilities annually.
2	Production equipment is fitted with safety guards such as protective covers, safety light curtains and photoelectric interlocks.
3	Annual testing of occupational hazard factors is carried out in areas of the production site where such hazards exist, with an assessment of the current status of occupational hazards and workplace safety conducted every three years. The main occupational hazard factors include: noise, dust, chemical agents (acid mists, alkalis, alcohols), high temperatures and X-rays. Adequate personal protective equipment is provided for all positions exposed to occupational hazards.
4	In 2024, the Company applied for the Grade 2 Work Safety Standardization assessment. The on-site audit has now been completed, and the application is pending approval by the provincial emergency management authority.
5	In 2025, the Company passed the Guangdong Provincial Grade 2 Work Safety Standardization accreditation, which was announced by the Guangdong Provincial Department of Emergency Management on March 13, 2025.
6	In 2025, the Company's internal safety and emergency response organization was expanded, increasing 30 firefighters, 7 Certified Safety Engineers (CSEs) and 2 Level 1 Certified Fire Engineers.

(II) OHS Monitoring and Management

(1) Occupational Medical Examinations and Health Monitoring

Category of Occupational Hazard	Number of Employees in Exposed Positions	Number of Employees Receiving Medical Examination	Examination Rate	Number of Employees with Occupational Diseases	Percentage of Employees with Occupational Diseases
Dust	1,198	2,279 (including 1,081 duplicates)	100%	0	0
Chemical substances	2,962	3,316 (including 354 duplicates)	100%	0	0
Physical factors	1,925	3,514 (including 1,589 duplicates)	100%	0	0
Radiation	314	344 (including 30 duplicates)	100%	0	0
Total	**6,399**	**9,453 (including 3,054 duplicates across multiple categories)**	**100%**	**0**	**0**

(2) Assessment and Management of Physically Demanding Work

Heavy physical labour positions	Number of employees	Tools used	Remarks
Board transfer	309	Hand pushed board carts	Boards are transferred between processes using hand pushed carts and electric forklifts
Logistics personnel	109	Electric forklifts	Boards are transferred between processes using hand pushed carts and electric forklifts
Drilling board transfer	105	AGV	AGVs are purchased to replace manual handling
Punch die setting	12	Electric forklifts	Moulds are transferred using electric forklifts
Total	**535**		

(3) Investment in Work Related Injury Insurance and Work Safety Liability Insurance, and Coverage Rate

Year	Number of employees	Insurance premium	Coverage rate
2023	8,167	120,902,735.21	100%
2024	10,267	10,295,819.65	100%
2025	16,719	22,075,467.46	100%

(4) Details of Safety Incidents in 2025

In 2025, we had no major injuries or fatalities. The statistics on work-related injuries are as follows:

Year	Number of work related injuries	Total headcount	Injury rate	Working hours lost due to injury	Total working hours for the year	Loss rate per million working hours
2025	49	17,989	2.7‰	14,309.76	35,704,000.00	1.37

(5) Public Health, Safety and Health Communication, including OHS Training, Visitor Safety, etc.

Year	Number of training sessions	Number of trainees	Total attendances	Total training hours	Average training hours per trainee
2023	218	9,100	25,228	183,572	20.17
2024	283	9,428	28,284	175,047	18.57
2025	514	16,719	100,314	551,727	33

Our annual safety education and training programmes include: occupational health, fire safety, hazardous chemical safety management, fire and explosion prevention, forklift safety operation, emergency response training for hazardous chemical spills, etc.

Safety Education and Training (Selected Examples)

Specialized Safety Training

Number: 37 specialized safety training sessions in 2025, with a total of **2,053** participants

Effectiveness: Overall improvement in safety awareness and professional safety knowledge among all employees

Volunteer Firefighter Training

Number:8,200 persons received volunteer firefighter training in 2025

Effectiveness: Participants passed theoretical and practical assessments, becoming the Company's first-echelon rescue force, thereby ensuring work safety

Supplier Safety Training

Number: 16 safety training sessions for chemical suppliers in 2025, with a total of **181** participants

Effectiveness: Enhanced the safety operating practices of suppliers, ensuring the safe delivery of chemicals

In 2025, we organized 42 management level safety meetings covering the Huizhou, Hunan and Thailand factories, where detailed day to day control measures were formulated for high risk areas within the factories to ensure production safety.

Plant Manager Meetings: Total global plant manager safety meetings held during the year
42 Resolutions: 551 resolutions from the plant manager meetings

Key resolutions included:

❶ Install valve locks on acid and alkali drainage pipes in each workshop
❷ Implement lock up and control measures for chemicals that can be used to manufacture drugs or explosives
❸ Involve the safety department in the acceptance inspection of new equipment
❹Apply lock-up controls to areas where precious metals are used
❺ Conduct special inspections of equipment guarding measures
❻ Replace flexible hose connections on equipment inlet pipes with threaded fittings
❼ Perform daily thermal imaging inspections of power distribution facilities
❽ Replace contactors with non-contact types in heating sections

During Safety Month, we regularly monitor the implementation of these resolutions to ensure the effective implementation of these resolutions.

(6) Key Performance Indicators for Public Health, Security, Canteen and Dormitory Safety, and Visitor Management

Area	Key Performance Indicators
Canteen	The staff canteen on the factory premises is operated by a third party catering company. We have established comprehensive canteen management systems covering sample retention, staff health certificates, ingredient segregation, cleaning and hygiene protection, all of which are strictly enforced. No food poisoning incidents occurred in 2025.
Dormitory	The dormitories are managed by dedicated in house personnel under a complete set of management rules. No safety incidents occurred in the dormitories in 2025.
Visitors	A visitor management system is in place, requiring advance reservations for entry. Visitors are provided with relevant EHS notifications and are subject to visitor management protocols. No safety related irregularities occurred in 2025.
Security	Factories are equipped with a facial recognition system, and access to production workshops is controlled by a card access system, both of which are staffed by security guards. Security personnel conduct timed patrols and check ins in key areas. We have a total of 150 security staff, all of whom have received professional training.

(7) Promoting Staff Well-being

In 2025, we organized various employee clubs, including basketball, badminton, running, football and yoga, to provide employees with a rich variety of leisure activities.
In 2025, we also held a range of events and activities, such as Spring Festival celebrations, International Women's Day appreciation events, themed Party Day activities on 1 July, and events to mark the Army Day on 1 August.






(III) Response Measures for OHS Emergencies

We have established a Safety Hazard Investigation and Management System to identify and prevent various types of safety hazards at the workplace. In addition, we have developed an Emergency Response Management Procedure, an Emergency Rescue Plan Management System, an Emergency Rescue Materials and Equipment Management System, as well as various emergency response plans to guard against OHS emergencies.

(1) We organize multiple emergency drills and training sessions of various types each year






Drill Frequency

- **Fire emergency drills:** A total of **42** fire emergency drills were conducted throughout the year.
- **Chemical spill drills:** A total of **108** chemical spill drills were conducted throughout the year.
- **Volunteer firefighter training:** A total of **7,314** volunteer firefighter training attendances were recorded across the plant.

Effectiveness of Drills

- Tested the emergency response organization, alarm systems, evacuation procedures, and the capability of each workshop to handle initial-stage incidents.
- Identified deficiencies in the drill process, enabling targeted training to comprehensively enhance the response skills of the first-echelon emergency team.

In 2025, our fire emergency response teams conducted weekly fire emergency drills on a rotating basis across production workshops. Chemical spill drills were carried out 108 times by department. Monthly hands on training sessions on fire fighting equipment were held for 750 volunteer firefighters. These drills achieved notable results: workshop employees, volunteer firefighters, and personnel involved in chemical addition and use gained a clearer understanding of emergency procedures, including alerting, power cut off, evacuation, use of fire extinguishers, self contained breathing apparatus and indoor fire hydrants, as well as chemical spill response.

(2) Investment in Fire Fighting Equipment:

We procured a large span lifting jet fire truck in 2025

Functional capabilities:
Firefighting: Three-dimensional, full-space firefighting + precise and efficient firefighting
Water supply: High-rise water supply + suction water supply (drafting)
Heavy-load rescue: End-effector load capacity of 200 kg

(3) Expansion of the Safety and Emergency Response Team

In 2025, the safety and emergency response team was expanded by 53 personnel, comprising: 14 additional full time firefighters, 7 additional Certified Safety Engineers (CSEs), 2 additional Level 1 Certified Fire Engineers, and 30 additional security guards.

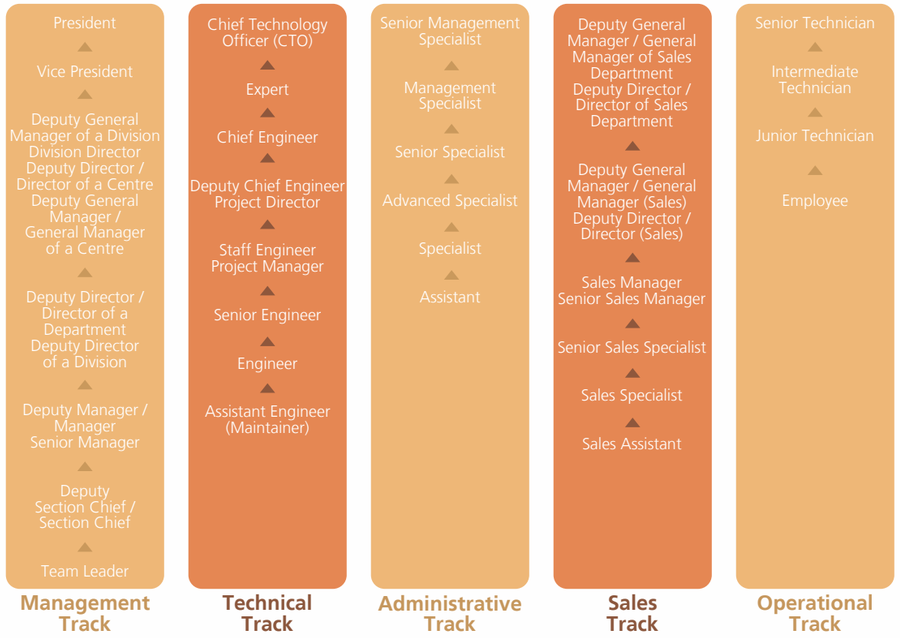
(1) Daily physical training for firefighters: Frequency – twice a week; duration – 1 hour per session.

(2) Daily professional skills training for firefighters: Two length hose connection drill; frequency: twice a week.

III. Employee Career Development

(I) The Company's Position Level System

We have built a comprehensive, open and diversified career development system, with five promotion paths covering management, technical, administrative, sales and operational roles. This meets the career development needs of employees in different positions and with different aspirations, while also unlocking their inner potential.



(II) Employee Promotion, Selection and Career Development Mechanisms

(1) Employee Skills Enhancement Programmes and Transition Assistance Programmes

To ensure a fair, impartial and transparent promotion process, we have implemented a rigorous performance review mechanism for promotions. This mechanism assesses not only employees' professional skills and work performance, but also their leadership, teamwork and innovation capabilities, among other multi dimensional qualities.

We have established a clear orientation across the organization that "the capable are promoted and the mediocre are demoted", encouraging employees to challenge themselves and continuously pursue excellence.
At the same time, we place great emphasis on providing customized training and development programmes for different levels and types of talent, helping them broaden their horizons, enhance their capabilities and better adapt to the Company's rapid development.

(2) Salary Adjustments and Promotions During the Reporting Period

Gender	Salary Adjustments		Promotions	
	Number of employees	Percentage	Number of employees	Percentage
Male	2,149	56.93%	1,404	61.02%
Female	1,626	43.07%	897	38.98%
Total	**3,775**		2,301	

(III) Employee Training Programmes and Annual Training Expenditure

(1) Percentage of Employees Receiving Regular Career Development Training

Our employee training programmes are primarily divided into: induction training, on the job training, annual training plans, promotion training, the Hong-related Project, quality specific training and other specialized training programmes.
The annual training plan is developed based on the actual needs of service departments, covering corporate level, divisional level, system level and departmental level courses, with content spanning management, technical and quality related knowledge.

(2) Description of Training Course Categories

No.	Category	Target Audience	Course Content	Internal/External
1	Induction training	New hires	Corporate culture, rules and regulations, work safety	Internal
2	On the job training	New hires	Operational skills, job specific safety	Internal
3	Promotion training	Employees eligible for promotion	Management, general	Internal
4	Hong-related Project	Employees selected for the Hong-related Project	Management, quality, general, technical	Internal + External
5	Quality specific training	Two business units and Quality Center (engineer to manager level)	Quality related	Internal
6	Annual training plan	All employees (employee to director level)	System level, management, general, technical	Internal + External

During the year, the training participation rates for female and male employees were 34.73% and 65.27%, respectively, while the training participation rates for junior employees, middle management and senior management were 95.23%, 4.60% and 0.17%, respectively.
During the year, the average training hours for both female and male employees were 17 hours, while the average training hours for junior employees, middle management and senior management were 15 hours, 19 hours and 10 hours, respectively.

IV. Innovation-Driven Development

(I) Technology Innovation Strategy

We have consistently placed innovation driven development at the core of our corporate development. Guided by the core innovation philosophy of "seeking development through innovation, winning customers with quality, pursuing green development and benefiting future generations!", we are committed to building a high quality enterprise. We adhere to a market-oriented approach, comprehensively expanding our production scale and enhancing our technological and product innovation capabilities, whilst intensifying market development efforts. We continuously improve our level of automation, digitalization and intelligent management to drive our transformation and upgrading.

(II) Details of Technology Innovation

1. Management System

We have established a comprehensive R&D management system, including the Project R&D Management System, R&D Investment Accounting Management System, Industry Academia Research Cooperation Management System, Organizational Implementation and Incentive Reward System for Technology Achievement Transformation, Intellectual Property Management System, Personnel Training and Further Education System, Talent Recruitment Management System, and Talent Performance Evaluation and Reward System, among others, to ensure that R&D activities are carried out efficiently and in an orderly manner.

2. Number and Proportion of R&D Personnel

We have built a strong R&D team with strong scientific research capabilities. We have 1,709 R&D personnel, accounting for 11.98% of our total workforce. We have established industry academia research cooperation relationships with Guangdong University of Technology, South China Normal University, Sun Yat sen University, Shenzhen University, and the Chinese Academy of Sciences Huizhou Institute, among others. In addition, we have set up a joint laboratory and a demonstration base for the joint cultivation of master's students with Guangdong University of Technology, and have engaged five external professors specializing in chemistry, electronic information and environmental science.

3. R&D Investment Amount and Proportion, and Application of Patents

In recent years, we have invested over 3% of our sales revenue in technological innovation. In 2025, our R&D expenditure reached RMB778 million, accounting for 4.03% of operating revenue, with a patent industrialization rate of 81.48%.

(III) R&D Progress and Achievements in Technology Innovation

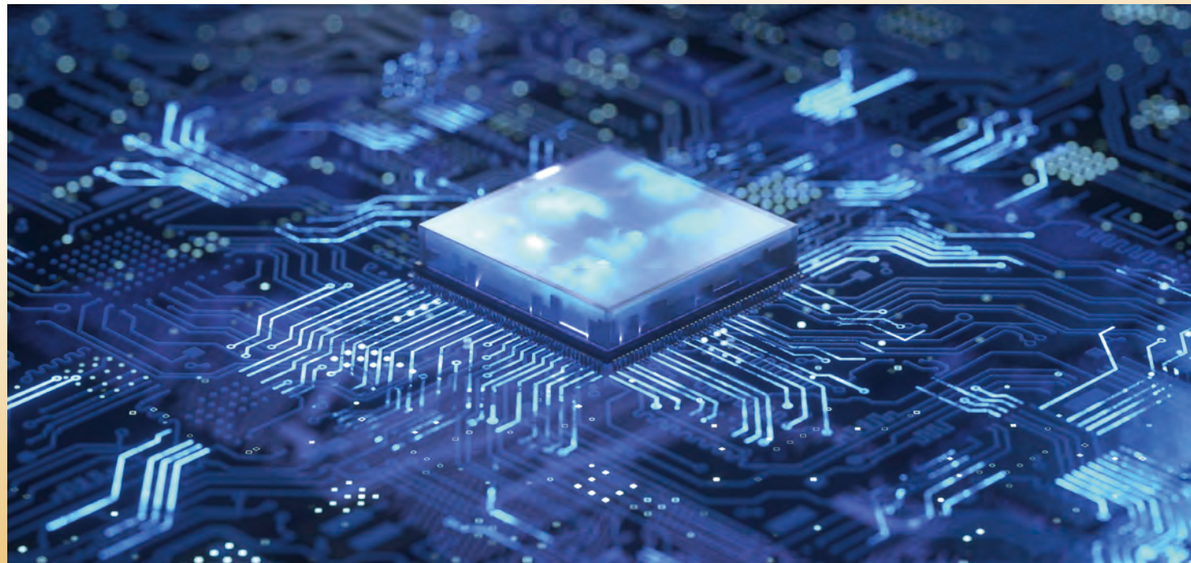
In 2025, we were once again recognized as a National High Tech Enterprise. During the year, we undertook 87 R&D projects and completed 29 of them, consolidating our technological advantages in automotive products and stepped gold finger technology, while achieving significant breakthroughs in the fields of computing power and AI servers. The 20-layer 5-step HD and 24LUB8E motherboard technologies have steadily matured, laying a solid foundation for the expansion of high-end server products. Among these, our high end graphics card board technology is world leading, earning us the title of Guangdong Provincial Single Champion Enterprise. Our high end segmented plug board process technology was awarded the First Prize of the Science and Technology Award by the Guangdong High tech Enterprise Association.

In 2025, the "Key Process Technology for High Speed High End AI Computing Power Circuit Boards" was assessed by an authoritative expert panel as reaching world leading level, and the product was recognized as a Guangdong Provincial Manufacturing Single Champion Enterprise Product for 2025. Currently, we hold 381 valid patents in the PCB field, comprising 194 invention patents, 3 PCT patents and 184 utility model patents. Of these, 96 patents were filed and accepted in 2025 through innovation initiatives, including 65 invention patents and 31 utility model patents.

(IV) Impact of Technology Innovation Achievements and Their Application on the Environment, Society and Stakeholders

Our world leading high end graphics card board technology has introduced the concept of PCS internal pull out process conductors, enabling a gold plated plug design that prevents the lead wire residual above the gold finger. The segmented manufacturing method using a dedicated anti electroplating liquid photosensitive circuit ink effectively ensures the smoothness and uniformity of the segmented sections. This technology won the Guangdong Provincial Science and Technology Progress Award in 2019, the First Prize of the Huizhou Dongjiang Star Science and Technology Award in 2021, and the 23rd China Patent Excellence Award in 2022 for "A Method for Making a Selected PCB Boards". In 2023, the product was recognized as a Guangdong Provincial Single Champion Enterprise Product, and the high end segmented plug board process technology won the First Prize of the Science and Technology Award of the Guangdong High tech Enterprise Association. This technology streamlines the process flow, uses fewer materials and reduces production energy consumption. By utilizing eco-friendly materials, it causes no pollution to the environment while providing customers with higher quality products.

Our world leading AI computing power circuit board technology, leveraging its core advantages of high reliability and high cost effectiveness, precisely meets the explosive global demand for AI computing power circuit boards. It has driven coordinated development across the industrial chain, generated significant economic benefits, and played an important role in promoting technological upgrading in the industry, implementing green development concepts, and expanding employment opportunities, aligning closely with global trends in the development of AI computing power circuit boards. In 2025, the "Key Process Technology for High Speed High End AI Computing Power Circuit Boards" was assessed by an authoritative expert panel as reaching world leading level, and the product was recognized as a Guangdong Provincial Manufacturing Single Champion Enterprise Product. This technology has generated extensive and far reaching social benefits.



V. Supply Chain Security and Sustainable Development

(I) Supply Chain Risk Management System

1. Onboarding of New Suppliers

When onboarding a new supplier, our Procurement, SQE and Finance departments conduct a risk assessment covering initial qualifications, registered capital, quality, delivery, trade security, source of supply, financial conditions, environment, social responsibility and other relevant dimensions.

2. Risk Assessment Rating for New Suppliers

The risk assessment results for new suppliers are classified as high risk, medium risk or low risk. High risk suppliers cannot be included in the list of approved suppliers, while those meeting medium or low risk criteria may proceed with the evaluation process.

3. Initial Qualification Risk Assessment Criteria for New Suppliers

3.1 Explanation of the Supplier Qualification Survey and Evaluation Form

Rating	Criteria	Result	Risk Level
A	>15 and ≤22 items met	Excellent	Low Risk
B	>11 and ≤15 items met	Qualified	Medium Risk
C	≤11 items met	Unqualified	High Risk

3.2 Explanation of the Trader/Distributor Qualification Survey and Evaluation Form

Rating	Criteria	Result	Risk Level
A	>14 and ≤19 items met	Excellent	Low Risk
B	>10 and ≤14 items met	Qualified	Medium Risk
C	≤10 items met	Unqualified	High Risk

4. Annual Comprehensive Quality Audit of Existing Suppliers

For existing suppliers, the SQE conducts an annual comprehensive quality audit covering quality, hazardous substances, information security and business continuity. Panel suppliers are required to collect greenhouse gas (GHG) data internally and provide us with a emission reduction plan, which they must implement accordingly.

In 2025, we planned to audit 106 suppliers in Categories A, B, C and D (classified by material type; see table below for details). A total of 102 suppliers were actually audited, all of which were rated as low risk (the remaining four suppliers with whom trading was temporarily suspended or whose pricing was deemed unsuitable). All non conformities identified during the Reporting Period have been closed.

Supplier Material Category Classification

Supplier Material Category	Product Category	Supplier Category and Definition	Risk Level
A	Substrates, PP, copper foil	Key primary materials Materials directly used in production	Low Risk
B	Solder mask ink, legend ink, via filling, conductive carbon ink, chemical solution, copper ball, tin ball, copper powder/copper base, nickel block, tin bar	Key auxiliary materials Materials directly applied to the product surface	Medium Risk
C	Drill bits, milling cutters, jigs, moulds	Tooling	High Risk
D	Inner layer ink, dry film, packaging materials, backing boards, aluminium sheets, kraft paper, cushioning pads	General auxiliary materials Materials that assist in product manufacturing	

5. Monthly Comprehensive Quality Risk Management of Existing Suppliers

We assess the risk level of existing suppliers monthly through performance evaluations, classifying them into four categories (A, B, C, D). Monthly key performance indicators (KPIs) are set, including quality (50 points), delivery (25 points), cost (15 points) and service (10 points). Performance results are linked to order allocation, and follow up analysis and on site verification of corrective actions are conducted as necessary.

6. Audit Criteria for New and Existing Suppliers

Explanation of Supplier On Site Audit Rating

Rating	Score	Result
A	90–100 points*	Qualified
B	≥80 and <90 points	Conditionally qualified (subject to closure of corrective actions)
C	≥70 and <80 points	One month deadline for improvement and re audit
D	<70 points	Unqualified

*Note: Percentages (%) must be converted to points when compiling audit results, with the total base set at 100 points.

(II) Ensuring Supply Chain Security and Strengthening Supply Chain Advantages

1. Strategic Cooperation Agreements

We have entered into strategic cooperation agreements with suppliers of PP substrates (Prepep, Pre-impregnate, prepreg), copper foil and drill bits to secure price protection/supply assurance amidst changing market conditions, thereby enhancing our supply chain advantages and safeguarding supply chain security.

2. Joint Technology R&D

We also engage in joint technology R&D with leading industry suppliers such as Sheng Yi, Atotech and Ding Tai/Mitsui, and apply the results to practical production. These R&D achievements have reduced costs and enhanced our competitiveness relative to industry peers.

(III) Supply Chain Sustainable Development Practices and Performance

1. Comprehensive Quality Performance Assessment

We conduct monthly comprehensive quality performance assessments of suppliers and manage them according to the assessment results and ratings. In 2025, we performed monthly assessments and annual summaries for the 166 active suppliers on our approved supplier list. No high risk suppliers were identified.

2. Risk Assessment in accordance with Responsible Business Alliance (RBA) Requirements

In 2025, we conducted an RBA aligned risk assessment for 140 suppliers. Among them, 25 were classified as high risk (based on their material type and processing), none as medium risk (based on their material type and processing), and 115 as low risk.

3. RBA Audits of Suppliers

In accordance with the audit frequency (high risk: once a year, medium risk: once every two years, low risk: once every three years), we audited 25 suppliers. Following on site guidance and verification of corrective actions, the improvements achieved met our requirements. All high and medium risk suppliers were audited (100% completion).

4. RBA Non Management System Audit and Scoring Rules

1) Full score: 140 points. Comprehensive score = (Total score/Full score) × 100
2) Risk levels: High-risk ≤60 points; Medium-risk >60 and <85 points; Low-risk ≥85 points
3) Audit frequency for supplier social and environmental responsibility (same as risk assessment principle)

High risk: comprehensive audit annually
Medium risk: at least once every two years
Low risk: at least once every three years

5. RBA Management System Audit and Scoring Rules

1) Full score: 40 points. Comprehensive score = (Total score/Full score) × 100
2) Audit results: Approved ≥90 points; Conditionally approved ≥80 and <90 points; Not approved <80 points
3) Suppliers with a score of ≥80 points are recognized as approved suppliers

6. Major Non Conformities Identified in Audits

The major non conformities (issues) identified during supplier audits during the Reporting Period and the corresponding corrective actions are set out in the table below.

Supplier Material Category	Product Category	Non Conformity	Corrective Action
A	Labour (0)		
B	Health & Safety (2)	1. Emergency response team list not posted in production area 2. Manual packers in packaging workshop not wearing gloves	1. Assist supplier in revising procedures to include relevant management requirements 2. Post their emergency response organization chart and contact numbers on a public notice board 3. Conduct internal awareness training and strengthen supervision of PPE use
C	Environment (1)	1. No fire emergency exit light in shipping/staging area; insufficient emergency exit route signs 2. "Emergency Exit" light in middle corridor exit not working	1. Provide internal training and post visual aids (e.g., labels) to raise awareness, and monitor implementation 2. Repair or replace exit lights to ensure functionality and eliminate safety hazards 3. Strengthen safety training and supervision
D	Ethics (0)		
E	Management System	Supplier has not established an RBA management system; only maintains standalone internal policies and procedures.	This is a challenging and time-consuming task. Our Procurement and SQE departments are actively working with suppliers to actively coordinate and communicate, and are continuing to drive forward the establishment of the RBA system.

No serious non conformities or issues (e.g., child labour, forced labour, discrimination) were identified during the audits conducted during the Reporting Period. Through the corrective actions described above, all suppliers have completed improvements and closed the identified gaps.

To encourage suppliers to adopt environmentally friendly products and services, we explicitly require all suppliers to sign the "Undertaking on the Non use of Prohibited Substances" and to ensure that procured materials meet environmental requirements. At the same time, we conduct testing for hazardous substances on incoming materials, and only those that pass the tests are accepted into stock; this serves to guide suppliers towards continuous compliance with environmental standards. Furthermore, suppliers are required to submit updated third party RoHS (Restriction of Hazardous Substances) test reports to the Supplier Quality Management Department annually; the Supplier Quality Management Department also conducts regular audits of suppliers' performance in areas such as environmental and social responsibility, incorporating environmental performance into the evaluation system to encourage suppliers to prioritize the use of environmentally friendly products and services.

7. Monthly Rating Guidelines

Rating	Risk Level	Score	Action	
A	Ultra low risk	≥90 points	Excellent.	Increase order volume as appropriate and grant priority for new projects
B	Low risk	≥80 and <90 points	Qualified.	Encourage further improvement; no sanctions or rewards
C	Medium risk	≥70 and <80 points	One month deadline for improvement and re audit.	Suppliers receiving a C rating must be notified in writing by SQE or Procurement departments to improve within one month. If no improvement is seen and a C rating is received for two consecutive months, the supplier will be disqualified.
D	High risk	<70 points	Unqualified.	Suppliers receiving a D rating will be suspended from further orders and disqualified.

Note: Suppliers with no transactions during the month are not subject to monthly performance assessment.

During the Reporting Period, the Group had a total of 494 suppliers covered by its business and with which relevant practices were implemented. Of these, 380 were based in Mainland China, 48 in Hong Kong, Macau and Taiwan, and 66 in other countries. No suppliers were removed from the approved supplier list during the Reporting Period.

8. Conflict Minerals Risk Management

Each year, we conduct a risk survey of relevant suppliers regarding six minerals that may involve conflict minerals – tantalum, tungsten, tin, gold, cobalt and mica – to ensure responsible sourcing throughout the supply chain. In 2025, we surveyed 140 suppliers on the approved supplier list. Of these, 16 suppliers used cobalt, 16 used tungsten, 2 used tin, and 1 used gold. None of the metal raw materials supplied originated from the Democratic Republic of the Congo or its adjoining countries.

(IV) Proportion of Procurement Expenditure from Local Suppliers

In 2025, Victory Giant Technology (Huizhou) Co., Ltd., together with its subsidiaries – Shenghua Electronics (Huiyang) Co., Ltd., Huizhou Victory Giant Precision Technology Co., Ltd., Hunan Weisheng Technology Co., Ltd., Hunan Weisheng Technology Circuit Board Co., Ltd., Yiyang Weisheng Technology Co., Ltd., MFS Technology (M) Sdn Bhd and Victory Giant Technology (Thailand) Co., Ltd. – placed purchase orders for raw materials (including equipment components) with multiple suppliers. Among these, suppliers located in Huizhou City accounted for approximately 4% of the total procurement value, while suppliers located in Guangdong Province accounted for approximately 40%.

VI. Product or Service Safety and Quality

(I) Product or Service Responsibility and Quality Management System

1. Quality Management System

Company Name	Quality Management System Description
VG Limited	Victory Giant Technology (Huizhou) Co., Ltd. has established a comprehensive quality management system that is aligned with international standards, covering four levels of standard management documents from strategy to execution, ensuring consistency and rigour in the operation of each production process. The system strictly follows the PDCA (Plan Do Check Act) cycle, achieving continuous process optimization through regular internal audits and corrective/preventive mechanisms. It undergoes annual surveillance audits by accredited third party bodies, maintaining key certifications such as ISO9001, IATF16949, AS9100D, TL9000, ISO13485 and QC080000, thereby providing customers with stable and compliant products.
Shenghua Electronics	Shenghua Electronics (Huiyang) Co., Ltd. has established its quality management system in accordance with ISO9001:2015 and IATF16949:2016 requirements, covering four levels of standard management documents from planning to execution, ensuring consistency in each production process ("say, write, do" alignment). The system strictly follows the PDCA (Plan Do Check Act) cycle, achieving continuous optimization through regular internal audits and corrective/preventive mechanisms. It undergoes annual surveillance audits by accredited third party bodies, maintaining key certifications such as ISO9001 and IATF16949, thereby providing customers with stable and compliant products.
MFS	MFS has established and continuously improved a full process quality management system from strategic planning to frontline production. Four level standard documents ensure that work requirements are implemented at every production stage, with clear and consistent operating standards for all processes. The system strictly follows the "Plan Do Check Act" management cycle, with regular internal reviews and timely corrective actions to drive continuous quality improvement. Annual audits by accredited third party bodies ensure that key certifications such as ISO9001 and IATF16949 are maintained, providing customers with stable and compliant products.
Thailand VGT	Victory Giant Technology (Thailand) Co., Ltd. has established a comprehensive quality management system aligned with international standards, covering four levels of standard management documents from strategy to execution, ensuring consistency and rigour in each production process. The system strictly follows the PDCA (Plan Do Check Act) cycle, achieving continuous process optimization through regular internal audits and corrective/preventive mechanisms. It undergoes annual surveillance audits by accredited third party bodies and has obtained certifications including ISO9001, IATF16949, ISO14001, ISO45001, QC080000, ISO13485, TL9000 and ISO27001. Its products are now used in AI, automotive, power/new energy, PC-NB. MB, network communications and cloud server applications, with customers across Europe, America, Japan, Korea and Southeast Asia. Against the backdrop of the parent company's strategic upgrade, the Thailand base serves as a key pillar of global expansion.

2. Quality System Management Review

Company Name	Management Review Description
VG Limited	Led by top management, an annual in depth review of the quality and operational systems is conducted. Review decisions are incorporated into a PDCA closed loop management system, ensuring 100% implementation and effectiveness of improvement measures, thereby enhancing global governance efficiency.
Shenghua Electronics	A multi dimensional management review mechanism is in place, focusing on quality, HSF (hazard substance free) and production compliance. A "management representative" system strengthens cross functional collaboration, ensuring the high adaptability and execution of the operational system.
MFS	Regular system audits and management reviews are implemented, with emphasis on EHS and quality performance. Performance linked tracking audits ensure that management decisions are deeply embedded into production operations, with a 100% improvement implementation rate.
Thailand VGT	Benchmarking international standards, annual management reviews are conducted for overseas subsidiaries. Compliance with local EHS and quality requirements is verified, ensuring that global quality standards are implemented locally with 100% closure.

(II) Quality Management Certifications Obtained by the Company

Company Name	No.	Certificate Name	Standard	Expiry Date of Certificate	Certificate No.
VG Limited	1	Quality Management System	ISO9001:2015	July 18, 2026	CN23/00003769
	2	Quality Management System for Automotive Panels	IATF16949:2016	July 18, 2026	IATF Cert No: 0479014 Cert No: CN23/00003768
	3	Aerospace Quality Management System	AS9100D AND ISO9001:2015	September 20, 2027	FM 752236
	4	Telecom Quality Management System	TL9000-H R6.2/R5.7	March 29, 2027	FM 688036
	5	Medical Devices Quality Management System	ISO13485:2016	October 27, 2028	CN22/00003664
	6	China Electronic Information Products Pollution Control Voluntary Certification	National RoHS	August 21, 2027	201201103012600988
	7	Hazardous Substance Process Management System	QC080000:2017	December 2, 2027	H644377 IECQ
	8	Business Continuity Management System	ISO 22301:2019	September 2, 2027	BCMS 752237
	9	Corporate Social Responsibility	RBA VAP	July 12, 2026	VAR 20240709 CN 07A01 5 (Silver, 169.2 points)
	10	Environmental Management System	ISO14001:2015	March 30, 2028	EMS 646212
	11	Occupational Health and Safety Management System	ISO45001:2018	March 30, 2028	OHS 646213
	12	Laboratory Accreditation	ISO/IEC 17025:2017	November 25, 2020	CNAS L21978
	13	Intellectual Property Management System	GB/T29490-2023	May 7, 2027	165IP150066R3L
	14	AEO Advanced Certification Enterprise	AEO	September 16, 2020	7912004620031
	15	Trusted Information Security Assessment Exchange	TISAX (Level 3 label)	July 7, 2026	S18305
	16	Information Security Management System	ISO/IEC 27001:2022	November 22, 2027	IS 638470
	17	International Water Stewardship	AWS	April 9, 2029	AWS-000356
	18	Zero Waste to Landfill Certification	UL2799	July 16, 2026	412597-4160
	19	Greenhouse Gas Verification Statement	ISO14064-1:2018	September 11, 2027	5WITGHG2025107R01
	20	Energy Management System	ISO 50001:2018	November 25, 2028	15/25En0334R00
Shenghua Electronics	1	Quality Management System	ISO9001:2015	December 25, 2027	45849
	2	Quality Management System for Automotive Panels	IATF16949:2016	December 25, 2027	T82674
	3	Hazardous Substance Process Management System	QC080000:2017	October 28, 2028	IECQ-H SGSCN 10.0052
	4	Environmental Management System	ISO14001:2015	May 4, 2026	1323E10119RSM
	5	Occupational Health Management System	ISO45001:2018	May 4, 2026	1323S10116R4M
	6	Greenhouse Gas Emissions Verification Statement	ISO14064-1:2018	August 7, 2027	15WITGHG2025137
MFS	1	Hunan Weisheng Technology Co., Ltd. (HMFS)–Quality Management System	ISO9001:2015	August 21, 2027	CN 13/31270
	2	Hunan Weisheng Technology Co., Ltd. (HMFS)–Quality Management System for Automotive Panels	IATF16949:2016	August 21, 2027	IATF Cert No: 0424140 Cert No: CN 13/31269
	3	Hunan Weisheng Technology Circuit Board Co., Ltd. (MFSP)–Quality Management System	ISO9001:2015	August 23, 2027	01110056779
	4	Hunan Weisheng Technology Circuit Board Co., Ltd. (MFSP)–Quality Management System for Automotive Panels	IATF16949:2016	July 24, 2027	IATF Cert No: 0533309 Cert No: 01111056779
	5	Yiyang Weisheng Technology Co., Ltd. (MFSY)–Quality Management System	ISO9001:2015	November 17, 2027	CN 21/21573
	6	Yiyang Weisheng Technology Co., Ltd. (MFSY)–Quality Management System for Automotive Panels	IATF16949:2016	November 17, 2027	IATF Cert No: 0555608 Cert No: CN 21/21572

Company Name	No.	Certificate Name	Standard	Expiry Date of Certificate	Certificate No.
Thailand VGT	1	Quality Management System	ISO 9001:2015	August 14, 2027	TH023186
	2	Information Security Management System	ISO/IEC27001:2022	December 18, 2028	HICISMS250056
	3	Hazardous Substance Process Management System	IECQ QC 080000:2017	December 21, 2028	IECQ-H LCIE 25.0023
	4	Medical Devices Quality Management System	ISO 13485:2016	December 17, 2028	IT348304-1
	5	Telecom Quality Management System	TL9000-H R6.3/R5.7	January 22, 2029	15/26T50265R00
	6	Quality Management System for Automotive Panels	IATF 16949 – FIRST EDITION	August 14, 2027	IATF Cert No: 0538586 Cert No: TH023222 – IATF
	7	Environmental Management System	ISO14001:2015	June 30, 2026	TH020836
	8	Occupational Health and Safety Management System	ISO45001:2018	June 18, 2026	TH020375

(III) Assessment of Health and Safety Impacts of Product Categories

1. Hazardous Substance Control

We strictly comply with global hazardous substance regulations (such as EU RoHS 2.0, REACH and US TSCA) and customer environmental standards. We have established and operate an HSF (Hazard Substance Free) management system to ensure green compliance throughout the product lifecycle, from design and procurement to manufacturing.

- Full coverage: We have established a regular third-party monitoring mechanism covering all product models manufactured at our global production bases (including VG Limited, Shenghua Electronics, MFS and Thailand VGT).
- Stringent monitoring: Each year, we engage accredited third-party laboratories to conduct comprehensive deep-level testing of key indicators, including RoHS (10 substances), REACH SVHC, TSCA (5 PBTs) and Halogen-Free (HF), ensuring 100% compliance with regulatory red lines.
- Dynamic updates: We closely track regulatory developments (e.g., REACH SVHC list updates) and adjust control strategies in real time, providing global customers with safe, environmentally friendly and sustainable PCB solutions.

Test Category	Test Items	Frequency	Result
RoHS 2.0	Plumbum (Pb)	Once/year	Pass
	Cadmium (Cd)		Pass
	Hydrargyrum (Hg)		Pass
	Chromium(VI) and its compounds (Cr(VI))		Pass
	Polybrominated biphenyls (PBB)		Pass
	Polybrominated diphenyl ethers (PBDEs)		Pass
	Dibutyl phthalate (DBP)		Pass
	Butyl benzyl phthalate (BBP)		Pass
	Di 2-Ethyl Hexyl Phthalate (DEHP)		Pass
	Diisobutyl phthalate (DIBP)		Pass
REACH	According to the latest REACH SVHC candidate list (now covering 253 SVHCs)	Once/year	Pass
HF	Fluorine (F), Chlorine (Cl), Bromine (Br), Iodine (I)	Once/year	Pass
TSCA (compliance with US EPA TSCA Section 6(h) PBT limits)	Decabromodiphenyl ether (DecaBDE)	Once/year	Pass
	Isopropylphenyl phosphate (3:1) (PIP 3:1)		Pass
	2,4,6-Tri-tert butylphenol (2,4,6-TTBP)		Pass
	Pentachlorothiophenol (PCTP)		Pass
	Hexachlorobutadiene (HCBD)		Pass

2. Customer Complaint Analysis

We have always regarded product quality as the lifeline of our business, and have established a rapid response and closed loop management mechanism for customer complaints covering all global production bases.

- Risk bottom-line control: In 2025, we conducted thorough root cause analyses for all customer complaints received across our four major production bases: VG Limited, Shenghua Electronics, MFS and Thailand VGT. After verification, 100% of the complaints related to appearance, functional or packaging quality defects. No incidents involved any adverse impact on human health, safety or the environment.

- Quality improvement focus: Through structured analysis of complaint data, we identified appearance-related and functional defects as the primary areas for improvement. We have launched a special quality improvement programme aimed at further reducing product defect rates and enhancing customer satisfaction through process optimization and upgraded automated inspection technologies.

(II) Quality Management and Product Responsibility Performance Indicators

Company Name	Total Number of Complaints	Defective Items by Category					Impact on Health & Safety	Complaint Resolution Rate
		Functional Defects	Appearance Defects	Dimensional Defects	Packaging Defects	Other Defects		
VG Limited	275	56	186	13	1	19	No	100%
Shenghua Electronics	87	37	31	9	0	10	No	100%
MFS	252	98	94	20	14	26	No	100%
Thailand VGT	54	8	37	2	3	4	No	100%

3. Product Information and Labeling

We strictly comply with the Product Quality Law and relevant regulations in the jurisdictions where we operate, and have established a full process product identification and traceability system.

- Compliance review: We regularly review our product labeling management mechanisms for compliance, ensuring that all product information disclosures (including specifications, safety warnings, environmental labels, etc.) strictly meet the requirements of applicable laws, regulations and global customer-specific requirements.

- Zero non-compliance record: During the year, we experienced no legal proceedings or administrative penalties arising from missing product labels, misleading statements or compliance deficiencies.

Company Name	Core Product	Product Information and Labeling Control Standards	Compliance Performance
VG Limited	PCB boards	Strict compliance with product labeling, UI certification labeling and customer specific traceability requirements	100% compliant
Shenghua Electronics	PCB boards	Strict compliance with product labeling, UI certification labeling and customer specific traceability requirements	100% compliant
MFS	FPC/PCA/FPCA	Strict compliance with product labeling, UI certification labeling and customer specific traceability requirements	100% compliant
Thailand VGT	PCB boards	Compliance with local regulations and international export labeling standards, ensuring the compliance and accuracy of cross border logistics labeling	100% compliant

(IV) Violations Related to Product Health and Safety Impacts

Company Name	Violations Related to Product Health and Safety Impacts
VG Limited	VG Limited's products are internal components of electronic or electrical end products, manufactured in accordance with customer design specifications. The products are delivered to downstream customers for assembly and are not circulated or sold separately in the market. We monitor product health and safety in accordance with national laws and regulations, target market requirements and customer standards. During the Reporting Period, no customer complaints regarding hazardous substances were received.
Shenghua Electronics	Shenghua Electronics' products are internal components of electronic or electrical end products, manufactured in accordance with customer design specifications. The products are delivered to downstream customers for assembly and are not circulated or sold separately in the market. We monitor product health and safety in accordance with national laws and regulations, target market requirements and customer standards. During the Reporting Period, no customer complaints regarding hazardous substances were received.
MFS	MFS's products are internal components of electronic or electrical end products, manufactured in accordance with customer design specifications. The products are delivered to downstream customers for assembly and are not circulated or sold separately in the market. We monitor product health and safety in accordance with national laws and regulations, target market requirements and customer standards. During the Reporting Period, no customer complaints regarding hazardous substances were received.
Thailand VGT	Thailand VGT's products are internal components of electronic or electrical end products, manufactured in accordance with customer design specifications. The products are delivered to downstream customers for assembly and are not circulated or sold separately in the market. We monitor product health and safety in accordance with national laws and regulations, target market requirements and customer standards. During the Reporting Period, no customer complaints regarding hazardous substances were received.

(V) After Sales Service and Product Recalls

We have established a Returns Management Procedure to standardize the product recovery and handling process. Upon receipt of a return request from a customer, the relevant departments verify the reason and quantity and arrange for the goods to be returned to the factory. The warehouse then verifies the documentation and stores the returned goods in isolation. The production, quality control and process engineering departments jointly lead the development of a disposal plan, and the returned goods may only be put into stock once they have passed inspection.

Company Name	After Sales Service and Product Recalls
VG Limited	In 2025, VG Limited had no product recalls or major customer complaints. No customer complaints regarding hazardous substances were received.
Shenghua Electronics	In 2025, Shenghua Electronics had no product recalls or major customer complaints. No customer complaints regarding hazardous substances were received.
MFS	In 2025, MFS had no product recalls or major customer complaints. No customer litigation regarding hazardous substances was received.
Thailand VGT	In 2025, Thailand VGT had no product recalls or major customer complaints. No customer complaints regarding hazardous substances were received.

Explanation regarding our engagement in science and technology research, development and other technology related activities, and our compliance with technology ethics norms

Our current principal business is the processing and manufacturing of PCBs for the electronics industry, with R&D efforts focused primarily on advancing PCB design and enhancing the layout and capability of our manufacturing facilities. As PCBs are components of electronic products, the primary applications of electronic products involve the design and development of products intended by our customers for end-user consumption.

The PCB manufacturing facility itself does not engage in R&D in the end use application fields of electronic products. Consequently, its R&D scope does not extend to cutting edge technological innovations such as life sciences, artificial intelligence or brain computer interfaces. Therefore, this issue is currently not applicable to us.

VII. Data Security and Customer Privacy Protection

(I) Establishment and Operation of the Data Security Management System, and Specific Measures

1. Information Security Management

Company Name	Information Security Management Description
VG Limited	We have established ISO27001 information security management system certification since 2015, operate the relevant policies and measures in accordance with the system, and undergo annual surveillance audits by third party certification bodies to maintain the certificate in good standing. TISAX (Trusted Information Security Assessment Exchange) – obtained Information Security Level 3 and Prototype Protection Level 3 labels in 2023.
Shenghua Electronics	Shenghua Electronics has not yet obtained ISO27001 information security management system certification.
MFS	Hunan MFS has established ISO27001 information security management system certification, operates the relevant policies and measures in accordance with the system, and undergoes annual surveillance audits by third party certification bodies to maintain the certificate in good standing. TISAX (Trusted Information Security Assessment Exchange) – obtained Information Security Level 2 label.
Thailand VGT	Thailand VGT has established ISO27001 information security management system certification, operates the relevant policies and measures in accordance with the system, and undergoes annual surveillance audits by third party certification bodies to maintain the certificate in good standing.

2. Data Security Management Methods and Measures

Company Name	Data Security Management Methods and Measures Description
VG Limited	All computers have activated firewalls and antivirus software. Files are subject to unified encryption management. Any external distribution of files requires an application for decryption and is accompanied by a watermark during transmission to ensure traceability. Access to databases and update operations on server data must be performed by logging into a bastion host, which automatically generates audit logs for review. We have established an off site disaster recovery center for critical information, storing backup data in different rooms on different floors at a remote location to ensure proper management. This center supports real time switching of business applications and can quickly recover data in the event of backup data loss, achieving off site backup and rapid disaster recovery. Even if both production data and local backup data are lost simultaneously, we can still quickly recover data from the off site backup and resume business operations, thereby effectively preventing permanent loss of information.
Shenghua Electronics	All computers have activated firewalls and antivirus software. Files are subject to unified encryption management. Any external distribution of files requires an application for decryption and is accompanied by a watermark during transmission to ensure traceability. It has established an off site disaster recovery center for critical information, storing backup data in different rooms on different floors at a remote location to ensure proper management. This center supports real time switching of business applications and can quickly recover data in the event of backup data loss, achieving off site backup and rapid disaster recovery. Even if both production data and local backup data are lost simultaneously, it can still quickly recover data from the off site backup and resume business operations, thereby effectively preventing permanent loss of information.
MFS	All computers have activated firewalls and antivirus software. Files are subject to unified encryption management. Any external distribution of files requires an application for decryption and is accompanied by a watermark during transmission to ensure traceability. Access to databases and update operations on server data must be performed by logging into a bastion host, which automatically generates audit logs for review. It has established an off site disaster recovery center for critical information, storing backup data in different rooms on different floors at a remote location to ensure proper management. This center supports real time switching of business applications and can quickly recover data in the event of backup data loss, achieving off site backup and rapid disaster recovery. Even if both production data and local backup data are lost simultaneously, it can still quickly recover data from the off site backup and resume business operations, thereby effectively preventing permanent loss of information.
Thailand VGT	All computers have activated firewalls and antivirus software. Files are subject to unified encryption management. Any external distribution of files requires an application for decryption and is accompanied by a watermark during transmission to ensure traceability. Access to databases and update operations on server data must be performed by logging into a bastion host, which automatically generates audit logs for review. It has established an off site disaster recovery center for critical information, storing backup data in different rooms on different floors at a remote location to ensure proper management. This center supports real time switching of business applications and can quickly recover data in the event of backup data loss, achieving off site backup and rapid disaster recovery. Even if both production data and local backup data are lost simultaneously, it can still quickly recover data from the off site backup and resume business operations, thereby effectively preventing permanent loss of information.

(II) Data Security Incidents

Company Name	Data Security Incidents Description
VG Limited	No data security incidents occurred during the Reporting Period.
Shenghua Electronics	No data security incidents occurred during the Reporting Period.
MFS	No data security incidents occurred during the Reporting Period.
Thailand VGT	No data security incidents occurred during the Reporting Period.

(III) Customer Privacy Protection System – Establishment, Operation and Specific Measures

1. Procedural Documents

Company Name	Procedural Documents Description
VG Limited	Under the ISO27001 information security management system, the procedural document Business and Technical Secret Management Procedure (SHZ-XXP-07) sets out the internal management rules for converting customer data into internal information.
Shenghua Electronics	Shenghua Electronics has not yet obtained ISO27001 information security management system certification.
MFS	Under the ISO27001 information security management system, the procedural document Information Exchange Management Procedure sets out the internal management rules for converting customer data into internal information.
Thailand VGT	Under the ISO27001 information security management system, the procedural document Business and Technical Secret Management Procedure (X2-0-L007) sets out the internal management rules for converting customer data into internal information.

2. Classification of Confidential Information for External Documents

Company Name	Classification of Confidential Information for External Documents
VG Limited	External documents (including online documents) are classified into four levels of confidentiality: “General”, “Confidential”, “Secret” and “Top Secret”.
	A. General (Asset confidentiality level 1 2): Includes information that may be disclosed to the public, public information processing equipment and system resources. External documents circulated within the Company should be delivered personally to the recipient where possible, or placed in an envelope marked “Personal” and sealed before sending as an internal document. Persons other than the addressee may not open such documents.
	B. Confidential (Asset confidentiality level 3): Includes information that may only be disclosed within the organization or within a specific department; disclosure outside may harm the organization's interests. Before issuing documents, each department should maintain an issuance register.
	C. Secret (Asset confidentiality level 4): Includes ordinary secrets of the organization; disclosure may damage the organization's security and interests. When receiving a document for internal analysis or preparation, if the document is designated as secret, the responsible person shall destroy the useless drafts during and after preparation in accordance with these rules.
	D. Top Secret (Asset confidentiality level 5): Includes specific, highly confidential secrets of the organization; disclosure may cause serious damage to the Company’s security and interests. Copying or reproduction of such trade secrets is prohibited without the approval of the department head. When used internally, such documents must be decrypted, and the use of copies or reproductions must be registered and recorded; copies or reproductions bear the same confidentiality level as the original.
Shenghua Electronics	External documents (including online documents) are classified into four levels of confidentiality: “General”, “Confidential”, “Secret” and “Top Secret”.
	A. General (Asset confidentiality level 1 2): Includes information that may be disclosed to the public, public information processing equipment and system resources. External documents circulated within the Company should be delivered personally to the recipient where possible, or placed in an envelope marked “Personal” and sealed before sending as an internal document. Persons other than the addressee may not open such documents.
	B. Confidential (Asset confidentiality level 3): Includes information that may only be disclosed within the organization or within a specific department; disclosure outside may harm the organization's interests. Before issuing documents, each department should maintain an issuance register.
	C. Secret (Asset confidentiality level 4): Includes ordinary secrets of the organization; disclosure may damage the organization's security and interests. When receiving a document for internal analysis or preparation, if the document is designated as secret, the responsible person shall destroy the useless drafts during and after preparation in accordance with these rules.
	D. Top Secret (Asset confidentiality level 5): Includes specific, highly confidential secrets of the organization; disclosure may cause serious damage to the Company’s security and interests. Copying or reproduction of such trade secrets is prohibited without the approval of the department head. When used internally, such documents must be decrypted, and the use of copies or reproductions must be registered and recorded; copies or reproductions bear the same confidentiality level as the original.
MFS	External documents (including online documents) are classified into five levels: “No Requirement”, “General”, “Confidential”, “Secret” and “Top Secret”.
	A. No Requirement: Information that may be disclosed to the public, public information processing equipment and system resources.
	B. General: Open within the Company. Information that may only be disclosed within the organization or within a specific department; disclosure outside may cause minor harm to the organization's interests. Mainly general management materials such as management documents, policies, non technical guidance documents, non financial or technical records, non product testing/ evaluation records. These may be circulated normally among departments but may not be carried out or circulated externally by employees without permission.
	C. Confidential: Open within the Company. Accessible to relevant personnel as needed for work. Loss or disclosure may cause localized disruption or impact on the Company’s operations and business. Mainly general technical or data materials.
	D. Secret: Open only to senior management or certain authorized persons; external circulation is prohibited. Loss or disclosure may cause business interruption or significant impact (e.g., product replication).
	E. Top Secret: Accessible only to senior management. Contains the most important secrets of the organization, related to its future development and decisive to its fundamental interests. Loss or disclosure may cause paralysis or severe impact on the Company’s operations. Mainly financial, market planning and intellectual property materials.

Company Name	Classification of Confidential Information for External Documents
Thailand VGT	External documents (including online documents) are classified into four levels of confidentiality: “General”, “Confidential”, “Secret” and “Top Secret”. A. General (Asset confidentiality level 1 2): Includes information that may be disclosed to the public, public information processing equipment and system resources. External documents circulated within the Company should be delivered personally to the recipient where possible, or placed in an envelope marked “Personal” and sealed before sending as an internal document. Persons other than the addressee may not open such documents. B. Confidential (Asset confidentiality level 3): Includes information that may only be disclosed within the organization or within a specific department; disclosure outside may harm the organization's interests. Before issuing documents, each department should maintain an issuance register. C. Secret (Asset confidentiality level 4): Includes ordinary secrets of the organization; disclosure may damage the organization's security and interests. When receiving a document for internal analysis or preparation, if the document is designated as secret, the responsible person shall destroy the useless drafts during and after preparation in accordance with these rules. D. Top Secret (Asset confidentiality level 5): Includes specific, highly confidential secrets of the organization; disclosure may cause serious damage to the Company’s security and interests. Copying or reproduction of such trade secrets is prohibited without the approval of the department head. When used internally, such documents must be decrypted, and the use of copies or reproductions must be registered and recorded; copies or reproductions bear the same confidentiality level as the original.

3 Determination of Confidentiality Scope and Level

Company Name	Determination of Confidentiality Scope and Level
VG Limited	4.1 Customer data and documents that are confidential shall be marked with the confidentiality level in accordance with section 5.3 of this policy. 4.2 For customer data and documents with a confidentiality level, the following measures shall be taken: Customer data shall be properly stored by designated personnel. Copying or extracting is not permitted without the approval of an Assistant Manager, Manager or department head. Dispatch, transmission and carrying outside the Company shall be handled by designated personnel, with necessary security measures. If customer data needs to be provided in external exchanges or cooperation, prior approval from the department head is required. Discussing market secrets or disclosing customer data in private communications or public places, or transmitting such information by other means, is strictly prohibited. If an employee discovers that customer data secrets have been or may be leaked, they shall immediately take remedial measures and report to their shift supervisor, up to the highest leadership, and contact the customer to report the incident, while notifying the IT Department’s Information Security Section for assistance. The document administrator shall, after identifying external documents, record them in the External Document Registration List and file them promptly.
Shenghua Electronic	4.1 Customer data and documents that are confidential shall be marked with the confidentiality level in accordance with section 5.3 of this policy. 4.2 For customer data and documents with a confidentiality level, the following measures shall be taken: Customer data shall be properly stored by designated personnel. Copying or extracting is not permitted without the approval of an Assistant Manager, Manager or department head. Dispatch, transmission and carrying outside the Company shall be handled by designated personnel, with necessary security measures. If customer data needs to be provided in external exchanges or cooperation, prior approval from the department head is required. Discussing market secrets or disclosing customer data in private communications or public places, or transmitting such information by other means, is strictly prohibited. If an employee discovers that customer data secrets have been or may be leaked, they shall immediately take remedial measures and report to their shift supervisor, up to the highest leadership, and contact the customer to report the incident, while notifying the IT Department’s Information Security Section for assistance. The document administrator shall, after identifying external documents, record them in the External Document Registration List and file them promptly.
MFS	4.1 Customer data and documents that are confidential shall be marked with the confidentiality level in accordance with the policy. 4.2 For customer data and documents with a confidentiality level, the following measures shall be taken: Management of customer information assets Management of customer information assets: Raw customer information, including trademarks, customer names, etc., must not be directly forwarded. Such information shall be processed and converted into internal data before forwarding (e.g., trademarks pixelated, customer names replaced with internal codes). Customer emails shall not be directly forwarded to relevant parties; any email to relevant parties shall not contain any customer information (name, identity, telephone, address, etc.). No person may disclose customer information to unrelated persons. In special circumstances where certain information must be disclosed externally, prior customer consent must be obtained.
Thailand VGT	4.1 Customer data and documents that are confidential shall be marked with the confidentiality level in accordance with section 5.3 of this policy. 4.2 For customer data and documents with a confidentiality level, the following measures shall be taken: Customer data shall be properly stored by designated personnel. Copying or extracting is not permitted without the approval of an Assistant Manager, Manager or department head. Dispatch, transmission and carrying outside the Company shall be handled by designated personnel, with necessary security measures. If customer data needs to be provided in external exchanges or cooperation, prior approval from the department head is required. Discussing market secrets or disclosing customer data in private communications or public places, or transmitting such information by other means, is strictly prohibited. If an employee discovers that customer data secrets have been or may be leaked, they shall immediately take remedial measures and report to their shift supervisor, up to the highest leadership, and contact the customer to report the incident, while notifying the IT Department for assistance. The document administrator shall, after identifying external documents, record them in the External Document Registration List and file them promptly

(IV) Customer Privacy Breach Incidents

Company Name	Customer Privacy Breach Incidents
VG Limited	No customer privacy breach incidents occurred during the Reporting Period.
Shenghua Electronics	No customer privacy breach incidents occurred.
MFS	No customer privacy breach incidents occurred during the Reporting Period.
Thailand VGT	No customer privacy breach incidents occurred during the Reporting Period.

VIII. Equal Treatment of Small and Medium Sized Enterprises (SMEs)

(I) Payment Terms for SME Suppliers

1.Contractual Payment Terms

We make payments to SMEs within the contractual payment terms.

Our payment terms for supplier accounts payable are determined by material type, subject to the supplier's compliance with the requirements for quality, quantity, price and on time delivery. They are mainly divided into two categories: materials requiring prepayment, such as gold salt (note: for special materials, prices are subject to market fluctuations and payment is due upon delivery of goods); and materials with monthly settlement after 120 days, such as conventional bulk chemicals and other auxiliary materials.

2. Equal Treatment

We apply the same payment terms to SMEs regardless of their size, and do not differentiate based on enterprise scale.

(II) Overdue Payments

During the Reporting Period, there were no overdue payments owed to SMEs.

IX. Rural Revitalization

(I) Supporting Rural Revitalization and Consolidating and Expanding the Achievements of Poverty Alleviation

(1) Supporting the "Hundred Counties, Thousand Towns, and Ten Thousand Villages High-Quality Development Project"

We have actively responded to the national rural revitalization strategy, actively participating in provincial and municipal rural revitalization efforts. We have made generous contributions to charitable initiatives focused on poverty alleviation and rural revitalization, thereby fully leveraging our corporate strength to consolidate poverty alleviation achievements and comprehensively implement rural revitalization.

We donated RMB5 million to support the relocation project for the new Gaotan Health Center in Huidong County, a key initiative under the "Hundred Counties, Thousand Towns, and Ten Thousand Villages High-Quality Development Project". Through this concrete action, we have precisely contributed to the upgrade of medical facilities in this old revolutionary base area, conveying our deep concern for this region and our high regard for public welfare through acts of kindness.

(2) Honors Received during the Reporting Period

- Awarded the title of "Outstanding Collective in Advancing the 'Hundred Counties, Thousand Towns, and Ten Thousand Villages High-Quality Development Project' in Huizhou City"
- Awarded the title of "National Advanced Unit in Mass Sports for 2021–2024"

(1) On August 22, 2025, the Huizhou Municipal Committee and the Huizhou Municipal People's Government issued a public commendation to collectives and individuals that had performed outstandingly in advancing the "Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project" in Huizhou City. We were honored with the title of "Outstanding Collective in Advancing the 'Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project' in Huizhou City".
(2) On November 10, 2025, during the 15th National Games of China, the General Administration of Sport of China and the Ministry of Human Resources and Social Security jointly held a grand ceremony at the Guangzhou Baiyun International Convention Center to honour advanced units and individuals in national mass sports, as well as advanced collectives and workers in the national sports system for the period 2021-2024. We were honored with the title of "National Advanced Unit in Mass Sports for 2021–2024" in recognition of our long-standing support for mass sports projects in both urban and rural areas.

(II) Supporting Local Employment

As at the end of the Reporting Period, we employed 435 local (Huizhou region) employees, thereby making a tangible contribution to local employment.

(III) Key Achievements during the Reporting Period

Through multi dimensional efforts including participation in the "Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project", sports related public welfare initiatives and employment generation, we have earnestly fulfilled our corporate social responsibility and contributed positively to consolidating poverty alleviation achievements and advancing comprehensive rural revitalization.

(IV) Incidents Potentially Involving Infringements of Indigenous Peoples' Rights

No incidents involving infringements of indigenous peoples' rights occurred during the Reporting Period.

Land acquisition for the Company's industrial park took place in 2006. The site was previously wasteland, and there were no matters involving infringements of indigenous peoples' rights or matters requiring compensation to indigenous peoples.

X. Social Contribution

(I) Charitable Activities During the Reporting Period

1. Donated RMB5 million to the Huidong County Charity Federation to support the relocation project of the Gaotan New Health Center in Huidong, a key initiative under the "Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project".
2. Donated RMB100,000 to the Huiyang District Charity Federation to support the Greeting New-Spring Running Event in Danshui Subdistrict.
3. Donated RMB20,000 to the Huiyang District Charity Federation to support community welfare activities in Xinya Community, Huiyang.
4. Donated RMB50,000 to the Huizhou Ganghui Kind Foundation to support the purchase of hearing aids and specialist consultation fees for hearing-impaired patients in Tianshui, Gansu.
5. Sponsored RMB5 million to support the 15th National Games of China and the National Games for Persons with Disabilities & Special Olympic Games.
6. Donated RMB500,000 to the Huiyang District Charity Federation to establish the "Victory Giant Teaching and Scholarship Award" at Huiyang No.5 Middle School.
7. Sponsored RMB2 million to support the 2nd Huizhou Marathon.

During the Reporting Period, the total amount donated and sponsored was RMB12.67 million, continuing to shape our image as one that actively fulfills our social responsibilities..

(II) Volunteer Activities During the Reporting Period

(1) "Green Mission, Planting Hope Together" Voluntary Tree-Planting Activity

On March 12, 2025, our Party Committee and Volunteer Service Team, in collaboration with Xinya Community, organized a voluntary tree-planting activity under the theme "Green Mission, Planting Hope Together". A total of nearly 50 people took part in this activity, planting 42 trees in total.

On March 16, 2025, a volunteer activity themed "Green Protection Action" was launched in response to the tree-planting activity on March 12, focusing on securing the trees with fixed stakes.

On April 25, 2025, our Volunteer Service Team organized another volunteer activity themed "Tree Care and Fertilization", focusing on fertilizing and further stabilizing the trees planted earlier

(2) "Clean the Waterfront Greenway, Enjoy the Natural Scenery" Environmental Clean Up Activity

On December 13, 2025, our Volunteer Service Team organized a volunteer activity themed "Clean the Waterfront Greenway, Enjoy the Natural Scenery". Volunteers went to the Huiyang Peninsula Waterfront Park to clean up plastic bottles, snack wrappers, cigarette butts and other litter from deep within the grass, along the edges of footpaths and on the riverbank.

(3) Other Volunteer Activities During the Reporting Period

3.1 Community Environment Clean Up near the Company

3.2 Community Public Interest Mosquito Control Activity

XI. Technology Ethics

Explanation regarding our engagement in science and technology research, development and other technology related activities, and our compliance with technology ethics norms

Our current principal business is the processing and manufacturing of PCBs for the electronics industry, with R&D efforts focused primarily on advancing PCB design and enhancing the layout and capability of our manufacturing facilities. As PCBs are components of electronic products, the primary applications of electronic products involve the design and development of products intended by our customers for end-user consumption. The PCB manufacturing facility itself does not engage in R&D in the end use application fields of electronic products. Consequently, its R&D scope does not extend to cutting edge technological innovations such as life sciences, artificial intelligence or brain computer interfaces. Therefore, this issue is currently not applicable to us.

XII. Taxation

For tax related information, please refer to our annual report for the same period.

XIII. Strategy, Impact, Risk and Opportunity Management

We have established a comprehensive and systematic governance framework, deeply integrating sustainable development principles into our core strategy and day to day operations. Through structured procedures (including the Internal and External Environment Analysis and Control Procedure, the Stakeholder Needs and Expectations Control Procedure, the Risk and Opportunity Control Procedure, and the Business Impact Analysis and Risk Assessment Control Procedure), we effectively identify, assess and manage material social and governance impacts, risks and opportunities.

(I) Principal Risks Identified by the Company and Corresponding Mitigation Measures

Risk Name	Risk Description	Mitigation Measures
Product quality compliance	Failure to keep up with evolving industry standards (e.g., IATF 16949, ISO 9001) may lead to process control failures, causing major quality incidents and legal compliance risks.	Establish a full-lifecycle quality monitoring system; conduct regular internal and process audits; and implement real-time monitoring and early warning of production parameters through a digital quality management system (QMS).
Product safety and defects	Hidden design or manufacturing defects could create safety risks for end users, leading to large scale recalls, substantial compensation claims and brand damage.	Strengthen the application of Failure Mode and Effects Analysis (FMEA) in R&D; establish a robust product traceability system; develop standardized defective product recall plans and conduct regular drills.
Supply chain quality fluctuations	Inadequate quality management systems or unstable production processes at raw material suppliers may introduce quality risks, affecting delivery consistency.	Implement rigorous supplier onboarding audits and performance evaluations; promote quality capability improvement programmes for tier-2 suppliers; develop alternative sourcing plans for key raw materials to ensure supply resilience.
Testing and verification capability	Insufficient accuracy in laboratory testing or failure to calibrate testing equipment in a timely manner may result in the omission of non-conforming products during inspection, causing losses in subsequent processes or during delivery.	Conduct regular Measurement System Analysis (MSA) and equipment maintenance management; enhance laboratory management standards (e.g. ISO/IEC 17025 accreditation); ensure the authenticity and integrity of test data.
Parent company/ shareholder needs and expectations	Non-compliance; subject to legal penalties.	Conduct an annual compliance evaluation.
Customer needs and expectations	1. Environmental non compliance could lead to customer complaints. 2. Quality failures could lead to customer complaints.	1. Sign environmental agreements as required by customers; provide compliant ICP test reports annually. 2. Survey customer satisfaction every six months; for scores below 90, analyse root causes and take corrective actions.
Government authorities	Failure to meet government requirements may result in penalties or deteriorated relationships.	Optimize processes to clarify the channels and procedures for receiving requirements from government departments; record and summarize information regarding whether the Company has met these requirements, and what resources are needed to do so; regularly compile this information and report it to senior management.
Procurement management	Lack of understanding of the market and policies; failure to rigorously vet supplier qualifications; failure to fulfil contracts; supplier bankruptcy.	Regularly monitor market policies; conduct on site supplier audits to gain an understanding of their actual circumstances. Where contracts are not fulfilled, endeavour to resolve matters through negotiation; where necessary, take legal action.
Emergency preparedness and response	Inadequate processes may result in an inability to respond effectively to genuine emergencies.	Engage professional bodies to reassess and optimize all emergency plans; file with the Work Safety Bureau; seek guidance from the Work Safety Bureau and the fire department regarding drills.
Third party certification bodies	Systems may fail to operate in accordance with relevant standards.	Conduct annual internal audits, management reviews and relevant external audits.
Neighbouring enterprises	Environmental impact, causing pollution.	Regularly collect complaints from neighbouring enterprises and take timely corrective actions.
Employees	1. Environmental or safety incidents. 2. Insufficient employee awareness or skills.	1. Conduct annual employee satisfaction surveys; address raised issues with targeted improvement actions. 2. Provide training and development opportunities.
Business environment risks	**Customer concentration risk:** Although the concentration of the top five customers is low at around 20%, certain major customers may account for a significant proportion of business. Should issues arise in our cooperation with these major customers, this could have a substantial impact on our revenue. **Intense market competition:** The PCB industry is highly competitive, and competitors may vie for market share through measures such as price cuts or service improvements, putting pressure on the Business Department to maintain or increase our market share. **Macroeconomic fluctuations:** Economic instability may lead customers to reduce orders or delay payments, affecting our revenue and cash flow. **Trade policy changes:** Changes in international trade policies (e.g., tariff adjustments, trade barriers) may increase our operating costs and reduce our product competitiveness; the Business Department must respond promptly.	**High quality customer base:** We maintain close partnerships with globally renowned companies. The sales department has access to this high-quality customer base, which helps to stabilize revenue and, through the demonstration effect of major customers, facilitates the acquisition of other potential customers. **Advanced sales model:** By adopting the 4S (Sales, CS, QS, TS) sales model, we are able to provide comprehensive, multi-dimensional customer service. This ensures customer satisfaction across areas such as customer audits, NPI and post-mass-production quality assurance, thereby enhancing customer satisfaction and loyalty. **Comprehensive global footprint:** We have established branches, subsidiaries and offices in the US, Singapore, Japan, Taiwan, Europe, Malaysia and South Korea, each staffed with dedicated technical service teams. The Business Department leverages this global network to provide international customers with comprehensive sales services and technical support, ensuring a prompt response to customer needs. Direct management on customers by the headquarters in Huizhou ensures the maximization of support resources.

Risk Name	Risk Description	Mitigation Measures
Human resources risks	**Low localization rate:** The localization rate for skilled workers at the Thailand factory is below 40%; senior engineers rely on the dispatch from China, increasing management costs and delaying decision making. **Compliance complexity:** The need to simultaneously comply with Chinese environmental regulations (e.g., past "construction without approval" penalties) and Thai BOI requirements creates a dual administrative burden for the compliance team. **Cultural differences:** Differences in work pace and decision-making styles between Thai employees and Chinese management may affect teamwork efficiency. **Geopolitical risks:** Sino-US trade tensions may impact raw material imports or product exports; alternative supply chain plans must be formulated in advance.	**Mature management system:** Through the acquisition of the subsidiary in Thailand, APCB, we inherited a mature production system, operating licences and a local talent pool, with highly standardized administrative processes enabling rapid response to production and compliance needs. **Unionization trend:** The increasing unionization in Southeast Asian manufacturing industry may lead to labour disputes and strikes, necessitating the improvement of employee communication mechanisms and systems for safeguarding workers' rights. **Cultural adaptability:** The management team has experience in Southeast Asian markets and can utilize a "mentorship scheme" to train local staff, thereby facilitating technology transfer and cultural integration whilst reducing cross-cultural communication barriers. **Regional synergy:** By forming a "dual-engine" layout with the Vietnam base, the Administrative Department can integrate Southeast Asian supply chain resources to improve regional management efficiency.
Employee Recruitment and Legitimate Rights Special Government Requirements Corporate Culture	Probation period compliance risk Where the Company places employees on leave, at least 75% of their wages must be paid Portions of corporate culture that may conflict with local Thai customs	Thai labour law does not specify a fixed duration for probationary periods. However, it is provided that an employee who has worked for less than 119 days is not entitled to severance pay upon termination. Accordingly, the Company has set the probation assessment period at not more than 80 days, which, together with the 30 day notice period, remains in compliance with the law. Monthly shift rotation plans shall be prepared in advance and submitted to the local labour department for approval. The formulation of corporate culture policies shall be confirmed in advance with local legal counsel and the competent authorities, and any elements that may conflict with local customs shall not be adopted.
Planning Department Risks	**Adaptability challenges:** In the face of rapid changes in market demand or unforeseen circumstances (e.g., urgent customer orders, delays in the supply of raw materials), the Planning Department may need time to adjust its plans, and its adaptability needs to be further improved. **Cross department coordination difficulties:** When coordinating and communicating with other departments, issues such as information asymmetry or conflicting departmental interests may lead to obstacles during the execution of plans, thereby affecting their smooth implementation.	**Leveraging robust systems:** We have robust ERP and MES systems in place, enabling the Planning Department to use these systems to efficiently draw up production schedules, allocate production resources appropriately, and improve production efficiency and planning accuracy. **Deep understanding of business:** The Planning Department shall possess an in-depth understanding of the Company's production processes, capacity, customer needs, etc., and be able to develop reasonable production plans and material requirement plans based on the actual circumstances, thereby ensuring the smooth running of production.
Quality Risks	**Changes in industry standards:** Quality standards and specifications in the PCB industry are constantly evolving. The Quality Department must keep pace with and master these new requirements in a timely manner; otherwise products may fail to meet market access conditions, affecting the Company's business development. **Competitors' quality improvement:** Competitors may strengthen their quality management and product quality, posing a threat to the Company's market position. The Quality Department must continuously strive to maintain the quality advantage of the Company's products.	**Comprehensive management system:** We hold multiple quality certifications (UL, IATF16949, ISO9001, etc.). The Quality Department operates a robust quality management system, ensuring stable and controllable product quality. **Strong quality awareness:** We regard "quality" as our lifeline from top to bottom. The Quality Department enjoys high recognition and influence within the Company, facilitating quality management efforts.
Environmental and Safety Risks	**Risks of aging equipment:** Some rigid PCB equipment has been in use for over 10 years, which may lead to reduced precision and rising maintenance costs. Capital investment for production line renewal is needed. **Process optimization bottlenecks:** The lamination and impedance control rely on support from the Chinese team. The local Thai team's process optimization capability is relatively weak, limiting yield improvement for high end products. **Energy cost pressure:** Automated equipment and air conditioning systems have high energy consumption. Volatile electricity costs in Thailand may affect production costs, necessitating the exploration of alternative clean energy solutions such as solar power.	**Solid automation foundation:** The Thailand factory boasts an automation rate of 95%, with equipment mainly consisting of German Schmoll drills and Orbotech inspection systems. The roll to roll continuous processing improves flexible board efficiency, with yields of 85%–90%. **Accumulated environmental protection technology:** As a "National Green Factory" in China, the Thailand factory may adopt technologies such as wastewater recycling and exhaust gas treatment, complying with Thai environmental regulations and reducing compliance risks. **Adaptation to high temperature environment**: The equipment is fitted with customized air conditioning systems to cope with Thailand's hot and humid climate, reducing equipment failures and process deviations caused by environmental factors.
Business environment risks	**Customer concentration risk:** Although the concentration of the top five customers is low at around 20%, certain major customers may account for a significant proportion of business. Should issues arise in our cooperation with these major customers, this could have a substantial impact on our revenue. **Intense market competition:** The PCB industry is highly competitive, and competitors may vie for market share through measures such as price cuts or service improvements, putting pressure on the Business Department to maintain or increase our market share. **Macroeconomic fluctuations:** Economic instability may lead customers to reduce orders or delay payments, affecting our revenue and cash flow. **Trade policy changes:** Changes in international trade policies (e.g., tariff adjustments, trade barriers) may increase our operating costs and reduce our product competitiveness; the Business Department must respond promptly.	**High quality customer base:** We maintain close partnerships with globally renowned companies. The sales department has access to this high-quality customer base, which helps to stabilize revenue and, through the demonstration effect of major customers, facilitates the acquisition of other potential customers. **Advanced sales model:** By adopting the 4S (Sales, CS, QS, TS) sales model, we are able to provide comprehensive, multi-dimensional customer service. This ensures customer satisfaction across areas such as customer audits, NPI and post-mass-production quality assurance, thereby enhancing customer satisfaction and loyalty. **Comprehensive global footprint:** We have established branches, subsidiaries and offices in the US, Singapore, Japan, Taiwan, Europe, Malaysia and South Korea, each staffed with dedicated technical service teams. The Business Department leverages this global network to provide international customers with comprehensive sales services and technical support, ensuring a prompt response to customer needs. Direct management on customers by the headquarters in Huizhou ensures the maximization of support resources.

Risk Name	Risk Description	Mitigation Measures
Intensified competition	Competition within the industry	Strengthen brand building, enhance corporate image and visibility; optimize internal management processes, reduce costs and improve competitiveness.
Rapid technology updates	High technology requirements risk.	Increase R&D investment to maintain technological leadership; actively introduce new technologies and equipment to improve production efficiency and product quality.
Economy	Rising labour costs Price war risks	Explore opportunities for further industrial automation, such as integrating digitalization and artificial intelligence into production equipment and processes to enhance production efficiency and energy efficiency. In line with the trend of downstream customers and peers investing in Southeast Asia, as well as customer demand,; we are planning to invest in this region to secure competitive advantages such as industrial clustering and lower factor costs.

(II) Principal Opportunities Identified by the Company and Corresponding Response Measures

Opportunity Name	Opportunity Description	Response Measures
Product quality compliance	Excellent compliance enhances brand credibility; high standard certifications serve as a ticket to the global high end industrial chain.	Actively participate in industry standard setting to establish leadership; promote a company-wide quality culture to achieve a transition from “inspection based detection” to “design based prevention”.
Product safety and defects	Build deep customer loyalty and create a differentiated competitive advantage by providing highly secure and reliable products.	Adopt **Advanced Product Quality Planning** (APQP); increase R&D investment in safety technologies; utilize big data to analyse user feedback, proactively identifying potential safety hazards and continuously iterating.
Supply chain quality fluctuations	Establish quality collaboration mechanisms with suppliers and achieve cost optimization and product innovation through joint technical research and development.	Conduct quality empowerment training for suppliers; establish a real time supplier quality monitoring platform; implement green and safe procurement strategies to raise quality levels across the entire value chain.
Testing and verification capability	The application of digital and automated testing technologies can significantly improve production efficiency and reduce cost losses caused by human misjudgment.	Introduce advanced automation such as AI visual inspection; perform in depth analysis of test data to provide data driven scientific support for process improvements.
Parent company/ shareholder needs and expectations	Strictly abide by regulations, ensure compliant operations, enhance corporate competitiveness, secure long term customer cooperation, and raise the Company’s profile.	Continuously monitor changes in laws, regulations and policies; actively seek support from the parent company to enable long term sustainable development.
Customer needs and expectations	Deepen partnerships by precisely aligning with customer needs, drive continuous improvement in system performance whilst securing market share and order growth, and demonstrate our commitment to corporate social responsibility.	Take proactive steps to optimize processes and clarify customer needs and expectations; regularly monitor relevant information and regulations published by customers to increase cooperation opportunities and secure more orders.
Business environment risks	**Customer diversification:** Retain top tier customers (accounting for 50% of global orders) while expanding domestic AI chip manufacturers and Southeast Asian local e commerce. **High end market positioning:** Accelerate PCB certification for 1.6T optical modules to capture orders; offer differentiated pricing leveraging Thailand’s cost advantage (labour costs approximately 60% of those in China). **Risk hedging:** Establish a customer concentration early warning mechanism; adopt a “dual operating system supply chain” (compatible with both Huawei and US standards) to mitigate geopolitical risks.	**Emerging market growth:** The rapid development of AI, NEVs and other emerging fields increases demand for high end PCBs. The Business Department shall actively expand into these emerging markets to broaden business scope and market share. **Industrial synergy:** The Thailand factory can generate synergies with local industries. The Business Department may leverage local industrial resources to explore new business collaboration opportunities and enhance the Company’s overall competitiveness.
Human resources risks	**BOI policy dividends:** Thailand’s BOI has expanded support for PCB supply chain enterprises; the Administration Department can apply for more tax reduction and exemption and preferential treatment on equipment imports to reduce long-term operating costs. **Regional synergy:** Together with the Vietnam base, the Administration Department can integrate Southeast Asian supply chain resources to improve regional management efficiency. **Accelerated talent localization:** Enhance local employees’ skills through “mentorship” and vocational training, gradually reduce reliance on Chinese technical teams and optimize labour cost structure.	**Policy early warning:** Establish a monitoring system for BOI policy changes; improve union communication channels to reduce labour dispute risks. **Compliance and efficiency:** Integrate APCB’s mature qualifications and teams to respond quickly to BOI approvals and labour compliance requirements; enhance cross border collaboration through the “Global Shared Service Center”. **Cultural integration:** Implement the “Localization Acceleration Plan” to raise the localization rate for senior engineers from less than 40% to 50% within 2026; establish a Chinese Thai bilingual management team.

Opportunity Name	Opportunity Description	Response Measures
Employee recruitment, legitimate rights Special government requirements Corporate culture	The law does not stipulate that a handover period is required when an employee leaves the company. In Thailand, companies with more than 50 employees are required to establish a welfare committee. Integration of Thai Buddhist and traditional culture.	Establish and improve the position succession systems, including manager designate training programmes. Minimize the impact of staff turnover in key positions on the Company's day-to-day operations through systems and processes. Form a welfare committee in accordance with regulations to enhance the professionalism and rationality of welfare decisions, improve the transparency and explainability of policies. Establish employee participation mechanisms to foster a greater sense of belonging Respect Buddhist festivals; these may be incorporated into public holidays in conjunction with statutory holiday arrangements. Allow employees to wear traditional attire on festival days and actively participate in local social activities to foster long-term relationships with the local community.
Planning department risks	**Data driven decision making:** As the company's digital transformation progresses, the Planning Department can utilize more data for analysis and forecasting, thereby enhancing the scientific rigour and accuracy of planning and better meeting market demands. **Strategic planning involvement:** The Company's global strategic layout and capacity expansion offer the Planning Department opportunities to contribute to strategic planning, playing a significant role in capacity planning and production layout, thereby enhancing its influence.	**Smart scheduling:** Utilize ERP/MES systems to achieve dynamic matching of orders, production capacity and materials, raising the capacity utilization rate of Thailand factory to over 80% and reducing response times for urgent orders to 24 hours. **Regional coordination:** Lead the capacity planning for the Vietnam factory; build an integrated Southeast Asian supply chain model; prioritize the production of high-margin orders such as AI servers. **Flexible contingency:** Establish a supply chain disruption simulation sandbox; maintain 3–6 months' safety stock of key materials (e.g., PTFE boards); sign logistics capacity sharing agreements.
Quality risks	**Rising customer quality expectations:** As market competition intensifies, customers are placing ever-higher demands on the quality of PCB products. By enhancing product quality, the Quality Department can meet customer needs, boost customer satisfaction and loyalty, and secure a greater market share for the Company. **Continuous improvement potential:** Leveraging the Company's investment in R&D and technological innovation, the Quality Department can continually refine its quality management methods, thereby improving product quality and reliability and enhancing the Company's brand image.	**Quality benchmarking:** Deepen IATF16949 certification; increase the yield rate of automotive electronics PCBs from 85%–90% to 92%; implement "Zero PPM" to meet customer delivery requirements. **Cost optimization:** Introduce automated inspection equipment (AOI) to reduce human misjudgment; quantify quality control cost as a percentage, targeting a reduction from 8% to 6%. **Certification expansion:** Pursue automotive grade (AEC Q100) and military certifications; strengthen brand trust through technical white papers.
Environmental and safety risks	**BOI green investment incentives:** Thailand's Board of Investment (BOI) offers an additional 10% subsidy for environmentally friendly equipment and technology. the Equipment Environment Department can apply for funds to upgrade wastewater treatment systems and introduce intelligent temperature control equipment, reducing long term operating costs. **Digitalization dividends:** Leveraging Industry 4.0 standard workshops, deploy MES and IoT sensors for real time equipment monitoring and predictive maintenance, enhancing production stability. **Regional industrial synergy:** Collaborate with local Thai equipment suppliers (e.g., electronic testing instrument manufacturers) to shorten spare parts procurement cycles and reduce supply chain risks.	**Intelligent maintenance:** Upgrade the IoT modules of equipment to enable predictive maintenance for critical machinery such as Schmoll drills, reducing failure rates. **Sustainable development:** Apply for BOI green investment subsidies to upgrade environmental equipment; introduce IoT for intelligent maintenance; and explore clean energy such as solar power to reduce energy costs. **Risk response:** Improve flood and earthquake preparedness plans; sign exclusive maintenance agreements with equipment suppliers to ensure spare parts supply.
Business environment risks	**Growing market demand:** Global demand for AI computing power is driving the expansion of the high-end PCB market, whilst the rising penetration of new energy vehicles is boosting demand for automotive PCBs. The Manufacturing Department can utilize the production capacity of the Thailand factory to meet market demand for high-end PCB products. **Localized delivery advantage:** The Thailand factory can reduce costs and shorten delivery lead times through Localized delivery, appealing to cost sensitive and time sensitive customers, helping expand customer base and increase market share.	**Capacity upgrade:** Leverage a 95% automation rate and equipment such as drilling machines to increase production capacity for high-end HDI (6-step, 24-layer) and high multilayer boards (32-layer). **Supply chain resilience:** Mitigate material and labour cost risks through the substitution of imported copper foil with domestic alternatives and the training of local technical workers (target localization rate: 50%). **Green manufacturing:** Introduce wastewater recycling and intelligent temperature control systems to build a benchmark "green factory" in Southeast Asia, in compliance with BOI environmental requirements.
Emerging technology development	Risk of insufficient emerging technology capabilities.	Invest in R&D, focusing on the development of high-value-added products such as high-frequency, high-speed boards and multilayer boards, whilst strengthening cooperation with research institutions and universities to secure cutting-edge technical support.
Smart manufacturing transformation	Risk of low automation and production efficiency.	Introduce intelligent production equipment and technologies to raise production line automation; establish digital management platforms to optimize production and supply chain processes.

XIV. Disclosure of Metrics and Targets

We have established a Targets and Indicators and Control Programme, and each year set control targets and indicators relating to the social dimension, break these down internally, and develop action plans for achieving them. Departments such as the Environmental and Safety Equipment Center, the Administration Center, the Supply Chain and Major Projects Center, regularly monitor the implementation of these action plans and the achievement of targets and indicators.

Specific information on relevant targets and indicators is set out in “Section VIII – ESG Data Tables” of this report.

Section 7

Sustainability-Related Governance Dimension Issues

Section 7

Sustainability Related Governance Dimension Issues

I. Anti-Commercial Bribery and Anti-Corruption

(I) Anti Commercial Bribery and Anti Corruption Management System

(1) Corporate Policy

We implement a "Ten Anti" policy covering anti-bribery, anti-corruption and anti-formalism, among other areas, to strengthen the prevention and management of corruption at the source, address both symptoms and root causes, and improve institutional frameworks.

The specific content of the "Ten Anti" policy is as follows:

- Anti-formalism: Do not mistake "paperwork" for "achievements"; do not remain on the surface; instead, go to the front line to investigate, identify and resolve issues.
- Anti-fraud: Have the courage to speak the truth, report facts bravely, strive to accomplish practical tasks, and achieve tangible results.
- Anti-corruption: Do not encroach upon the interests of the Company or its employees; do not abuse public power for private gain; do not solicit bribes or kickbacks; do not falsify accounts.
- Anti-arbitrariness: Do not engage in "one-man rule"; uphold a correct view of leadership, actively foster open communication, and seek collective wisdom.
- Anti-excessive paperwork: Simplify complex issues; hold fewer and shorter meetings, ensuring that every meeting results in a resolution and every document is implemented.
- Anti-bureaucracy: Refrain from empty slogans, putting on airs, or acting aloof; colleagues must treat one another with mutual respect and affection, fostering a close-knit and harmonious atmosphere.
- Anti-harsh management: Adopt a people-centred approach, implementing compassionate management through rigorous systems; no behaviour or language that undermines employees' dignity or self-respect is permitted.
- Anti-complaint and blame-shifting: When issues arise, conduct self-reflection, take proactive responsibility and make timely improvements; do not complain, shirk responsibility, or spread negative emotions.
- Anti-laziness and slackness: Fulfil the duties of one's position, ensure orders are obeyed and prohibitions enforced, and respond swiftly; standards must not be lowered nor progress slowed for approved projects.
- Anti-factionalism: Do not form cliques or engage in nepotism; individuals should create value through hard work to earn opportunities for development and promotion.

(2) Management of Sensitive Positions

On sensitive holidays and key dates, we send compliance and anti corruption reminders (e.g., SMS, email, DingTalk) to personnel in sensitive positions, and regularly check implementation. At the same time, we regularly conduct self inspection and self correction activities.

(3) Dedicated Reporting Email Address

We have established a dedicated email (VGT-sjb@shpcb.com) and telephone hotline (0752-3723618) for reporting commercial bribery and corruption. Upon receipt of any report, the Audit Department will work with other relevant departments to investigate and address the matter.

We encourage employees and business partners to expose corrupt acts. All aspects of the reporting process – from receipt to investigation – are strictly confidential. Disclosure of the reporter's name, department or company name is strictly prohibited, and the content of the report shall not be disclosed to the reported person or department. When investigating, the original or copies of reporting materials shall not be shown, and the reporter shall not be exposed. Anonymous letters and materials are not subject to handwriting analysis, and reporting materials are not casually lent to outsiders.

(4) Employee Commitment Letter

For key and sensitive positions, we require employees to sign the Employee Integrity and Code of Conduct Agreement as a commitment to prevent commercial bribery.

(5) Supplier Commitment Letter

All suppliers, service providers and contractors doing business with the Company must also sign a Supplier Integrity and Self Discipline Commitment Letter.

(II) Assessment of Commercial Bribery and Corruption Risks

Regarding anti monopoly and fair competition, we strictly comply with anti monopoly laws and regulations, prohibit any form of monopoly or unfair competition, actively accept government supervision and public oversight, and encourage stakeholders to report violations, thereby jointly maintaining a fair and orderly market environment. Regarding anti corruption and anti bribery, we have established a sound integrity governance system and formulated policies such as the Control Procedure for Anti Bribery, Anti Receiving of Bribes and Conflicts of Interest and the Business Ethics Code Procedure to regulate business operations and employee professional conduct. We implement a commitment to integrity in work, guide management and stakeholders to conduct business in accordance with the law and regulations, with honesty and integrity, and actively foster a corporate culture of diligence, professionalism and integrity.

(1) Number and Percentage of Management Personnel and Employees Receiving Anti Commercial Bribery and Anti Corruption Training

Our Anti Corruption Committee organizes training on corruption prevention for all personnel at or above team leader level and all employees who interact with external parties at least once a year. During the Reporting Period, 1,631 management personnel (11.9%) and 815 employees in key sensitive positions (6%) received such training.

(2) Commercial Bribery and Corruption Incidents

No commercial bribery or corruption incidents occurred during the Reporting Period.

II. Governance of Anti-Unfair Competition Issues

(I) Management System for Preventing Unfair Competition

(1) Corporate Policy

We take measures to prohibit unfair competition and create a favourable environment and conditions for fair competition.

(2) Cooperation with Regulatory Authorities

We cooperate with the government's industrial and commercial administrative authorities in the supervision and inspection of unfair competition.

(3) Social Oversight

We encourage, support and protect all organizations and individuals in exercising social oversight over unfair competition.

Through fair competition and voluntary cooperation, we will implement concentration in accordance with the law, expand our scale of operations and enhance our market competitiveness.

(II) Unfair Competition Incidents

During the Reporting Period, we did not receive any feedback from government authorities regarding unfair competition incidents.

(III) Litigation or Penalties Arising from Unfair Competition

During the Reporting Period, we did not experience any litigation or material administrative penalties arising from unfair competition.

(IV) Violations in Marketing Communications

During the Reporting Period, we did not have any violations relating to marketing communications.

III. Strategy, Impact, Risk and Opportunity Management

We have established the Internal and External Environment Analysis and Control Procedure, the Stakeholder Needs and Expectations Control Procedure, the Risk and Opportunity Control Procedure, and the Business Impact Analysis and Risk Assessment Control Procedure to manage our risks and opportunities related to the social dimension strategies and performance.

(I) Principal Risks Identified by the Company and Corresponding Response Measures

Risk Category	Risk Name	Response Measures
Sustainable development governance mechanism	Insufficient cross departmental synergy	Establish an ESG management system, including a risk identification and assessment system; identify root causes and formulate countermeasures; then continuously adjust and iterate until effectiveness is demonstrated.

(II) Principal Opportunities Identified by the Company and Corresponding Response Measures

Risk Category	Risk Name	Response Measures
Sustainable development governance mechanism	Unlocking and activating the organization's intrinsic motivation	1. Clearly define and assign departmental functions and employee responsibilities. 2. Review and optimize the organizational structure; practice empathy and job rotation. 3. Establish a top down system of rewards and punishments with clearly defined responsibilities.

IV. Disclosure of Metrics and Targets

We have established the Annual ESG Target Control Procedure, and set control targets and indicators relating to sustainability related governance dimensions, broken these down internally, and developed action plans for achieving them. The ESG Office, the Administration Center and other departments regularly monitor the implementation of these action plans and the achievement of the targets and indicators.

Specific information on relevant targets and indicators is set out in "Section VIII – ESG Data Tables" of this report.

Section VIII

ESG Data Table and Notes

I. ESG Data Table

Target/Indicator	Unit	Year 2023	Year 2024	Year 2025
Governance Performance				
Economic Performance				
Total Assets	RMB100 million	173.84	191.75	352.44
Operating Revenue	RMB100 million	79.31	107.31	192.92
Growth Rate of Operating Revenue	%	0.58%	35.31%	79.77%
Total Profit	RMB100 million	7.49	13.12	50.22
Growth Rate of Total Profit	%	-16.5%	71.96%	282.80%
Net Profit Attributable to Shareholders of the Listed Company	RMB100 million	6.71	11.54	43.12
Basic Earnings Per Share	RMB	0.78	1.34	5.01
Social Performance				
Employees				
Total Number of Employees	Person	8,116	8,805	17,989
Number of Female Employees	Person	2,490	2,663	6,247
Number of Female Managers	Person	69	82	278
Proportion of Female Managers	%	0.85	0.93	18.65
Number of Ethnic Minority Employees	Person	1,032	1,128	1,749
Number of Employees with Disabilities	Person	74	74	82
Number of New Hires	Person	1,419	1,685	8,391
Labour Contract Signing Rate	%	100	100	100
Paid Leave Days Taken	Day	61,664	50,203	82,601
Social Insurance Coverage Rate	%	100	100	100
Use of Child Labour	Person	0	0	0
Use of Forced Labour	Person	0	0	0
Overtime Pay Compliance Rate	%	100	100	100
Number of Vocational Training Sessions	Session	2,049	2,356	2,988
Number of Vocational Training Attendees	Person-time	66,999	135,408	189,624
Average Vocational Training Hours per Capita	Hour	18.5	20	20.8
Total Vocational Training Expenditure	RMB10,000	75.45	71.19	98.65
Employee Turnover Rate	%	3.44	3.06	2.61
Percentage of Employees Receiving Promotion or Salary Adjustment	%	30	23.7	33.78
Satisfaction with Work Rewards	%	81.47	81.76	81.43
Satisfaction with Work Environment	%	92.89	90.05	86.76
Satisfaction with Corporate Management	%	90.00	87.32	87.30
Occupational Health and Safety				
Number of People Receiving Occupational Health and Safety Training	Person	8,500	9,700	16,719
Average Occupational Health and Safety Training Hours per Capita	Hour	18.17	18.57	33
Occupational Medical Examination Coverage Rate	%	100	100	100
Number of Safety Drill Activities	Time	28	150	150
Major Employee Health and Safety Incidents	Incident	0	0	0
Lost Time Injury Frequency Rate (per million hours)	%	1.32	0.77	1.37
Work-related Injury Incident Rate	‰	2.5	2.3	2.7
Number of Work-related Injuries	Person	25	23	49
Number of Work-related Fatalities	Person	0	0	0

Target/Indicator	Unit	Year 2023	Year 2024	Year 2025
Innovation Driven				
R&D Investment	RMB100 million	3.48	4.50	7.78
Cumulative Granted Invention Patents	Item	111	131	194
Cumulative Number of Software Copyright Registrations	Item	20	20	20
Data Security and Customer Privacy Protection				
Number of Cybersecurity Training Sessions	IT	8	9	11
Number of Cybersecurity Training Attendees	Some employees from various offices and workshops	287	407	715
Supply Chain Security and Equal Treatment of SMEs				
Percentage of New Suppliers Receiving Anti Corruption Policy Communication	%	100%	100%	100%
Number of Supplier ESG/CSR Training Sessions Conducted Annually	Session	0	2	2
Percentage of New Suppliers Accepting an Onboarding Audit	%	13.2%	16%	8.4%
Percentage of New Suppliers Accepting an Environmental and Safety Assessment	%	13.2%	16%	8.4%
Number of Supplier Audits Conducted Annually	Audit	77	125	102
Supplier Risk Assessment Coverage Rate	%	100%	100%	100%
Audit Implementation Rate for High/Medium Risk Suppliers	%	100%	100%	100%
Overdue Payments to Small and Medium sized Enterprises	RMB	0	0	0
Rural Revitalization and Social Contribution				
Annual Rural Revitalization Investment	RMB10,000	300	300	500
Total Annual Charitable Donations and Sponsorships	RMB10,000	695	400	1267
Number of Employee Volunteer Activities	Time	1	5	7
Number of Employee Volunteer Attendances	Person time	7	86	68
Total Hours of Employee Volunteer Activities	Hour	27.5	233	202

Target/Indicator	Unit	Year 2023	Year 2024	Year 2025
Environmental Performance				
Total Environmental Investment	RMB10,000	7,565.59	9,899.24	17,793.54
Energy Consumption				
Total Annual Comprehensive Energy Consumption	Tonne of coal equivalent	105,600.71	120,425.11	194,473.44
1) Total Annual Electricity Consumption	Tonne of coal equivalent	83,086.66	94,827.66	153,528.74
2) Total Annual Natural Gas Consumption	Tonne of coal equivalent	11,963.81	11,861.67	14,497.58
3) Total Solar Energy Consumption	Tonne of coal equivalent	780.43	751.25	638.12
4) Total Green Electricity Consumption	Tonne of coal equivalent	10,337	13,519	25,809
Total Annual Energy Saved	Tonne of coal equivalent	2,762.79	2,038.73	4,196.73
Greenhouse Gas Emissions				
Total Carbon Dioxide Emissions	Tonne CO_2 equivalent	593,621.78	671,419.27	856,582.79
1) Scope 1 Emissions	Tonne CO_2 equivalent	59,481.34	55,727.63	107,587.07
2) Scope 2 Emissions	Tonne CO_2 equivalent	534,140.44	615,005.15	748,995.72
3) Scope 3 Emissions	Tonne CO_2 equivalent	995,864.69	/	/
CO_2 Emissions per Square Metre		0.0706	0.0794	0.0846
Water Use				
Total Water Consumption	10,000 m^3	420.86	546.91	735.56
Fresh Water Consumption	10,000 m^3	420.86	546.91	735.56
Total Recycled Water Consumption	10,000 m^3	5,468.04	5,573.59	6,408.52

Target/Indicator	Unit	Year 2023	Year 2024	Year 2025
Total Wastewater and Air Pollutant Discharge				
Total Wastewater Discharge	Tonne	2,303,898.45	3,816,936.28	6,747,122.57
Proportion of Wastewater Treated by Municipal Wastewater Treatment Plants	%	100%	100%	100%
Chemical Oxygen Demand (COD)	Tonne	100.65	193.81	274.87
Ammonia Nitrogen (NH3 N)	Tonne	8.08	9.73	8.96
Total Wastewater Discharge	Tonne	2,303,898.45	3,816,936.28	6,747,122.57
Waste Generation and Recycling				
Hazardous Waste Generation	Tonne	90,681.98	101,961.33	125,143.43
Non hazardous Waste Generation	Tonne	4,841.24	9,087.63	16,191.92
Waste Recycling Rate	%	100%	100%	100%

Other: For relevant information, please refer to our annual report for the same period.

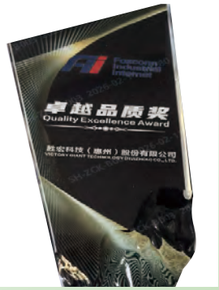
II. Awards and Other Achievements Received During the Year

ADATA Excellence in Contribution Award

53rd in the 2025 Guangdong Province Top 500 Manufacturing Enterprises

GIGABYTE's Best Strategic Partner

Huizhou Caring Enterprise for Blood Donation



FOXCONN Quality Excellence Award

Top 20 High-tech Enterprises with Strong R&D Capabilities

III. Notes

Term	Definition
VG Limited, the Company, we	Victory Giant Technology (Huizhou) Co., Ltd.
Reporting Period	From January 1, 2025 to December 31, 2025
Previous Corresponding Period	From January 1, 2024 to December 31, 2024
Company Law	the Company Law of the People's Republic of China
Securities Law	the Securities Law of the People's Republic of China
Listing Rules	Shenzhen Stock Exchange GEM Listing Rules
Governance Code	Corporate Governance Code for Listed Companies
Operation Guidelines	Self Regulatory Guidelines for Listed Companies on the GEM of the Shenzhen Stock Exchange No. 2 – Standardized Operation of GEM Listed Companies
Articles of Association	Articles of Association of Victory Giant Technology (Huizhou) Co., Ltd.
Sustainable Development Report Guidelines	GEM Self Regulatory Guidelines for Listed Companies No. 3 – Preparation of Sustainable Development Reports
ESG	Environment, Social and Governance
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It requires, while pursuing economic growth, that society satisfy human development by enhancing production potential and ensuring fair opportunities for all, and adopt policies to protect the environment and use resources rationally, so as to achieve coordinated development of the economy, society and the environment.
Issue	A topic that reflects a listed company's significant impact on the economy, society, environment and stakeholders.
Stakeholders	Individuals or groups whose interests are affected or may be affected by the activities of a listed company, such as employees, consumers, customers, suppliers, investors, nearby community residents, school teachers and students, etc.
Sustainability Risks and Opportunities	Uncertain environmental, social or governance factors that may have a positive or negative impact on a company's business model, strategy, objectives and ability to create value.
Material Impact	The materiality of an actual or potential impact can be assessed from three aspects: scale (severity), scope (extent) and irremediability (difficulty of offsetting or remedying the harm).
Scenario Analysis	A process and method for identifying and assessing the potential range of outcomes of future events under conditions of uncertainty. With respect to climate change, a company may use climate related scenario analysis to assess how the physical and transition risks of climate change may affect its future business, strategy and financial position.
Climate related Risks	Potential negative impacts of climate change on a company; they include physical risks and transition risks.
Climate-related Physical Risks	Include acute physical risks and chronic physical risks. Acute physical risks arise from weather related events such as storms, floods, droughts or heatwaves. Chronic physical risks arise from long term changes in climate patterns, including changes in precipitation and temperature, which can lead to sea level rise, reduced water supply, biodiversity loss and changes in soil productivity. These risks may have financial consequences for the company, such as direct asset losses and indirect impacts from supply chain disruptions.
Climate related Transition Plan	A company's targets, actions or resources for transitioning to a low carbon economy, including actions to reduce greenhouse gas emissions.
Climate related Transition Risks	Risks arising from a company's efforts to transition to a low carbon economy, including policy, legal, technology, market and reputational risks.
Climate related Opportunities	Potential positive impacts of climate change on a company, or opportunities that may arise from global efforts to mitigate and adapt to climate change.
Climate Resilience	A company's ability to adapt to climate related changes or uncertainties. Climate resilience involves the ability to manage climate related risks and benefit from climate related opportunities, including the ability to respond and adapt to transition risks and physical risks. A company's climate resilience includes its strategic adaptability and business adaptability in responding to climate related changes or uncertainties.
Greenhouse Gases (GHGs)	The seven greenhouse gases listed in the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF_3), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6).
Carbon Dioxide Equivalent (CO_2e)	A unit of measurement used to compare greenhouse gas emissions based on their global warming potential (GWP). The CO_2e of a gas is obtained by multiplying its metric tonnes by its relevant GWP.
Scope 1 GHG Emissions	Direct greenhouse gas emissions from sources that are owned or controlled by a listed company. For example, emissions from the combustion of fuel in owned or controlled boilers, furnaces, vehicles, etc.; emissions from the production and processing of chemicals, cement, steel, etc.; and intentional or unintentional releases of GHGs without physical control.
Scope 2 GHG Emissions	Indirect greenhouse gas emissions from the generation of purchased electricity, steam, heating or cooling consumed by a listed company.

Term	Definition
Scope 3 GHG Emissions	Indirect greenhouse gas emissions that occur in the upstream and downstream value chain of a listed company (excluding Scope 2 emissions). They include the following categories: (1) purchased goods and services; (2) capital goods; (3) fuel and energy related activities not included in Scope 1 or Scope 2; (4) upstream transportation and distribution; (5) waste generated in operations; (6) business travel; (7) employee commuting; (8) upstream leased assets; (9) downstream transportation and distribution; (10) processing of sold products; (11) use of sold products; (12) end of life treatment of sold products; (13) downstream leased assets; (14) franchises; (15) investments.
Value Chain	All activities, resources and relationships related to a listed company's business model and the external environment in which it operates. The value chain includes the activities, resources and relationships that the company uses and relies on to convert its products and services from concept to delivery, consumption and disposal. Relevant activities, resources and relationships include those within the company's operations (e.g., human resources); those of its supply, marketing and distribution channels (e.g., procurement of materials and services, and sale and delivery of products and services); and the financing, geographical, geopolitical and regulatory environment in which the company operates.
Supply Chain	A series of activities carried out by upstream entities that provide products or services to a listed company for the development of its own products or services.
Circular Economy	A resource circulating economic model that emphasizes resource conservation and recycling, and is in harmony with the environment. It organizes economic activities into a feedback loop of "resources – products – renewable resources", characterized by low extraction, high utilization and low emissions. All materials and energy are used reasonably and persistently within this continuous economic cycle, minimizing the impact of economic activities on the natural environment.
NPI	New Product Introduction
PCB	Printed Circuit Board
HDI	High Density Interconnect board
CPCA	China Printed Circuit Association
ERP	Enterprise Resource Planning
MES	Manufacturing Execution System
SRM system	Supplier Relationship Management system
RBA	The Responsible Business Alliance (RBA), founded in 2004 by a group of leading electronics companies and formerly known as the Electronics Industry Citizenship Coalition (EICC), is a non-profit organization comprising electronics, retail, automotive and toy companies, dedicated to promoting responsible business practices within global supply chains.
EHS	Environment, Health and Safety
SQE	Supplier Quality Engineer
Yuan	RMB, unless otherwise specified.

Full Name	Abbreviation	Relationship
Victory Giant Technology (Huizhou) Co., Ltd.	VG Limited, the Company, we	Parent company
Shenghua Electronics (Huiyang) Co., Ltd.	Shenghua Electronics	Wholly owned subsidiary
Huizhou Victory Giant Precision Technology Co., Ltd.	Victory Giant Precision	Wholly owned subsidiary
VICTORY GIANT TECHNOLOGY (SINGAPORE) PTE. LTD.	Singapore VGT	Wholly owned subsidiary
VICTORY GIANT TECHNOLOGY (THAILAND) Co., LTD.	Thailand VGT	Wholly owned subsidiary of Singapore VGT and PSL (formerly APCB Electronics (Thailand) Co., Ltd.)
Hunan Weisheng Technology Circuit Board Co., Ltd.	Weisheng Circuit Board	Wholly owned subsidiary of MFSS
Hunan Weisheng Technology Co., Ltd.	Weisheng Technology	Wholly owned subsidiary of MFSS
Yiyang Weisheng Technology Co., Ltd.	Yiyang Weisheng	Wholly owned subsidiary of MFSS

Indicator Content	Relevant Section
A. Environmental	
A1: Emissions	
General Disclosure	Environmental Compliance Management and Response to Environmental Emergencies
A1.1	Climate Change Strategy and Actions
A1.3	Waste Treatment
A1.4	Waste Treatment
A1.5	Climate Change Strategy and Actions
A1.6	Waste Treatment
A2: Use of Resources	
General Disclosure	Environmental Compliance Management and Response to Environmental Emergencies
A2.1	Energy Utilization
A2.2	Water Resources Utilization
A2.3	Energy Utilization
A2.4	Water Resources Utilization
A2.5	During the year, total packaging materials used amounted to 1,775 tonnes.
A3: Environment and Natural Resources	
General Disclosure	Environmental Compliance Management and Response to Environmental Emergencies
A3.1	Environmental Compliance Management and Response to Environmental Emergencies
B. Social	
B1: Employment	
General Disclosure	Employee Recruitment and Legitimate Rights and Interests
B1.1	Employee Recruitment and Legitimate Rights and Interests
B1.2	Employee Recruitment and Legitimate Rights and Interests

Indicator Content	Relevant Section
B2: Health and Safety	
General Disclosure	Occupational Health and Safety
B2.1	Occupational Health and Safety
B2.2	Occupational Health and Safety
B2.3	Occupational Health and Safety
B3: Development and Training	
General Disclosure	Employee Career Development
B3.1	Employee Career Development
B3.2	Employee Career Development
B4: Labour Standards	
General Disclosure	Employee Recruitment and Legitimate Rights and Interests
B4.1	Employee Recruitment and Legitimate Rights and Interests
B4.2	Employee Recruitment and Legitimate Rights and Interests
B5: Supply Chain Management	
General Disclosure	Supply Chain Security and Sustainable Development
B5.1	Supply Chain Security and Sustainable Development
B5.2	Supply Chain Security and Sustainable Development
B5.3	Supply Chain Security and Sustainable Development
B5.4	Supply Chain Security and Sustainable Development

Indicator Content		Relevant Section
B6: Product Responsibility		
General Disclosure		Product or Service Safety and Quality
B6.1		Product or Service Safety and Quality
B6.2		Product or Service Safety and Quality
B6.3		Innovation Driven Development
B6.4		Product or Service Safety and Quality
B6.5		Data Security and Customer Privacy Protection
B7: Anti corruption		
General Disclosure		Anti Commercial Bribery and Anti Corruption
B7.1		Anti Commercial Bribery and Anti Corruption
B7.2		Anti Commercial Bribery and Anti Corruption
B7.3		Anti Commercial Bribery and Anti Corruption
B8: Community Investment		
General Disclosure		Rural Revitalization and Social Contribution
B8.1		Rural Revitalization and Social Contribution
B8.2		Rural Revitalization and Social Contribution
Part D: Climate related Disclosures		
(I) Governance		Climate Change Strategy and Actions
(II) Strategy	20. Climate related risks and opportunities	Climate Change Strategy and Actions
	21. Business model and value chain	Climate Change Strategy and Actions
	22–23. Strategy and decision making	Climate Change Strategy and Actions
	24–25. Financial conditions, financial performance and cash flows: current and expected financial impacts	Climate Change Strategy and Actions Quantifying current and expected financial impacts: we have applied the financial impact relief because we consider that the measurement methods for assessing these impacts are subject to excessive uncertainty, and the quantitative information provided by the estimates would be of low reference value. Preparing expected financial impact disclosures: we have applied the reasonable information relief, as we will further assess the financial impacts of climate related risks and opportunities in the future.
	26. Climate resilience	Climate Change Strategy and Actions Use of climate related scenario analysis: This is the first year we have prepared climate related disclosures in accordance with the relevant requirements. We are steadily advancing the development of data collection mechanisms and analytical processes for climate related information, and are conducting relevant analysis in an orderly manner based on the reliable information currently available. Given that climate scenario analysis involves multi dimensional and specialized data, further accumulation and refinement of certain information will be needed as management processes are enhanced. Therefore, for this year, we have applied the reasonable information relief on the basis of currently available information. In the future, we will continue to strengthen our data foundation, optimize analytical methods and models, and continuously improve the completeness, accuracy and decision usefulness of our climate related disclosures.
(III) Risk Management		Climate Change Strategy and Actions
(IV) Indicators and Targets	28–29. Greenhouse gas emissions	Climate Change Strategy and Actions In the future, we will continue to collect more comprehensive data to gradually expand and improve the disclosure coverage of material Scope 3 sub categories that have a significant impact on the Group's business.
	30. Climate related transition risks	Climate Change Strategy and Actions Calculated indicators (particularly cross-industry indicator categories): All reasonable and supportable information we cannot obtain as at the reporting date without incurring unnecessary cost or effort.
	31. Climate related physical risks	
	32. Climate related opportunities	
	33. Use of capital	Climate Change Strategy and Actions We will further identify relevant data.
	34. Internal carbon pricing	Climate Change Strategy and Actions We do not apply carbon pricing in our decision making.

Indicator Content		Relevant Section
	35. Remuneration	Climate Change Strategy and Actions We have not incorporated climate related considerations into our remuneration policy.
	36. Industry based indicators	We do not currently disclose any industry based indicators, but will explore their feasibility in the future.
	37. Climate related targets	Climate Change Strategy and Actions
	38–40. Climate related targets	Climate Change Strategy and Actions
	41. Applicability of cross industry and industry based indicators	We do not currently disclose cross industry indicators, but will explore their feasibility in the future.

Dear Reader,

Thank you very much for taking the time to read this report. To better understand your expectations and needs regarding our sustainable development (ESG) efforts, to continuously improve our ESG work, and to raise our ESG performance, we sincerely hope to hear your views and suggestions. We kindly invite you to provide your feedback by completing the following questionnaire.

Your overall evaluation of our Sustainable Development (ESG) Report:
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor

Do you think this report reflects our material impacts on the economy, environment and society?
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor

How clear, accurate and complete are the information, data and indicators disclosed in this report?
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor

Which aspect of this report are you most satisfied with?
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor

What information would you like to see more of?
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor

Do you have any suggestions for our future reports?
○ Excellent ○ Good ○ Fair ○ Poor ○ Very Poor