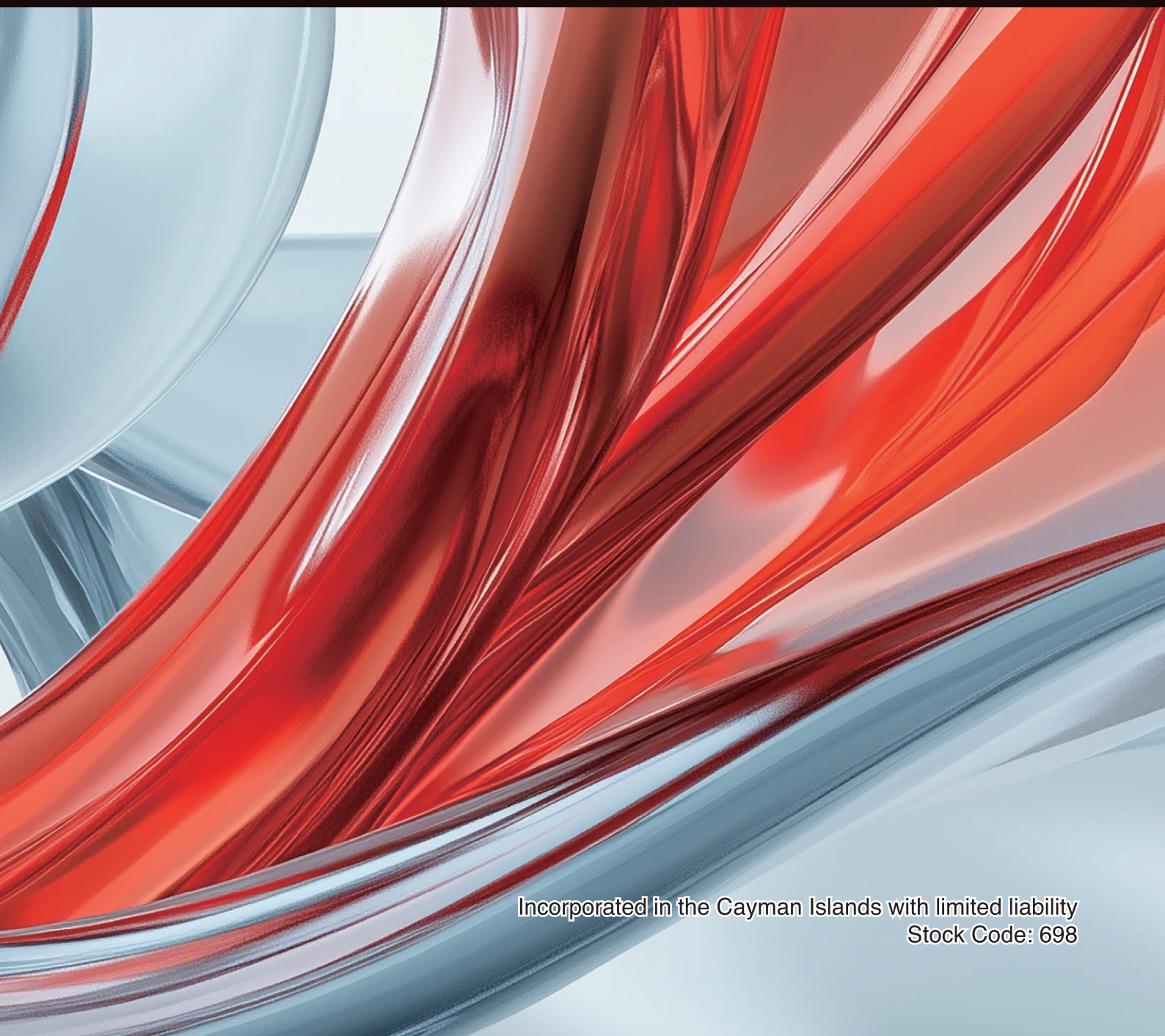
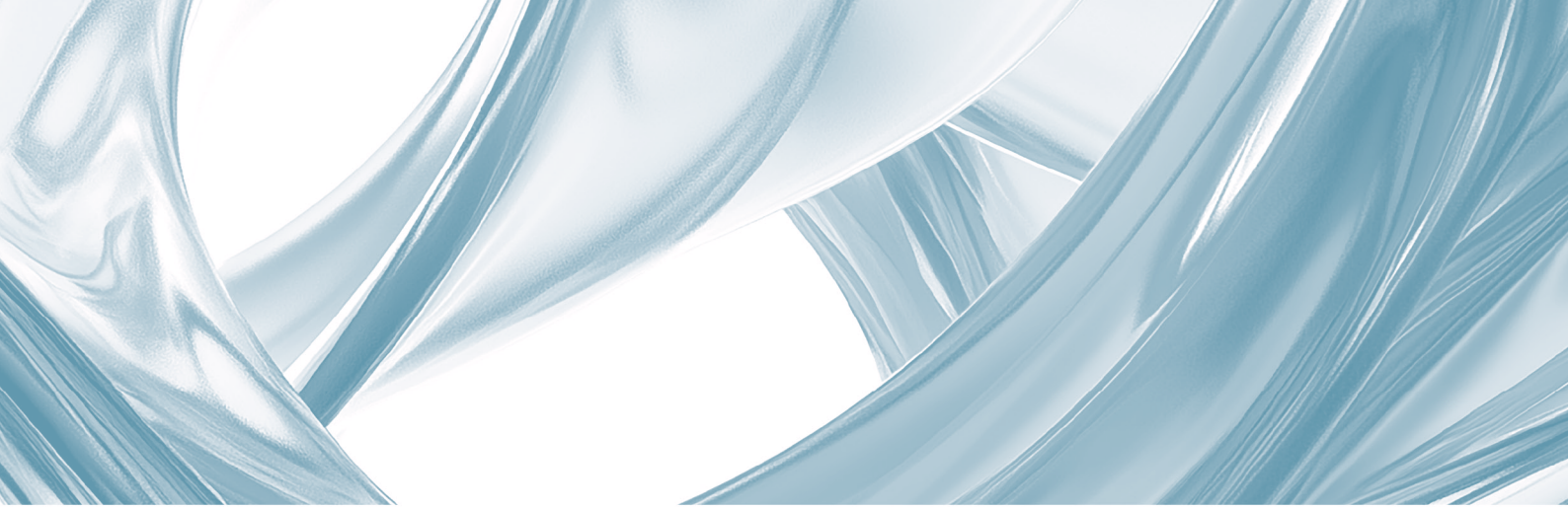
TONGDA GROUP

Environmental, Social and Governance Report 2024

TONGDA GROUP HOLDINGS LIMITED



Incorporated in the Cayman Islands with limited liability
Stock Code: 698



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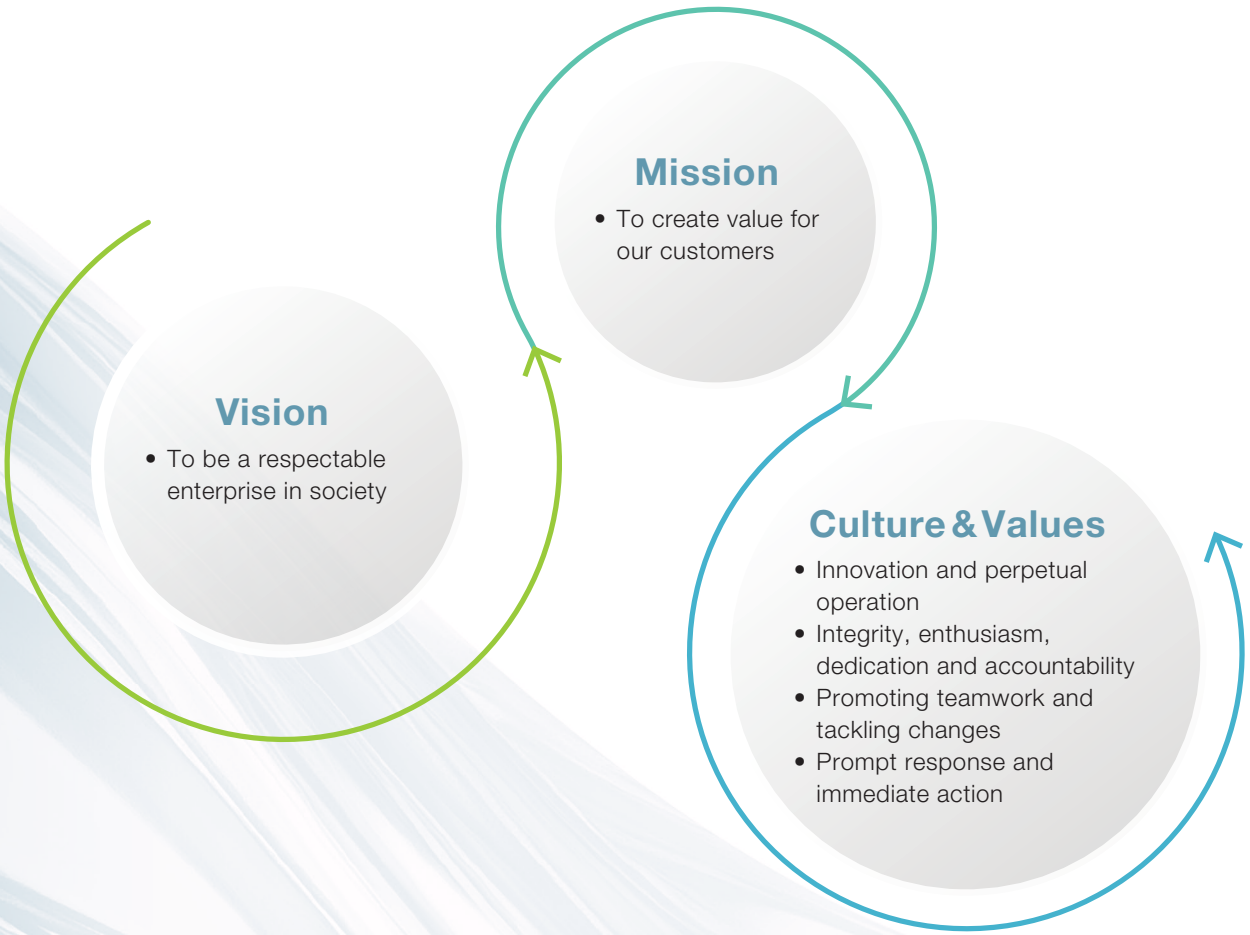
ABOUT THE GROUP

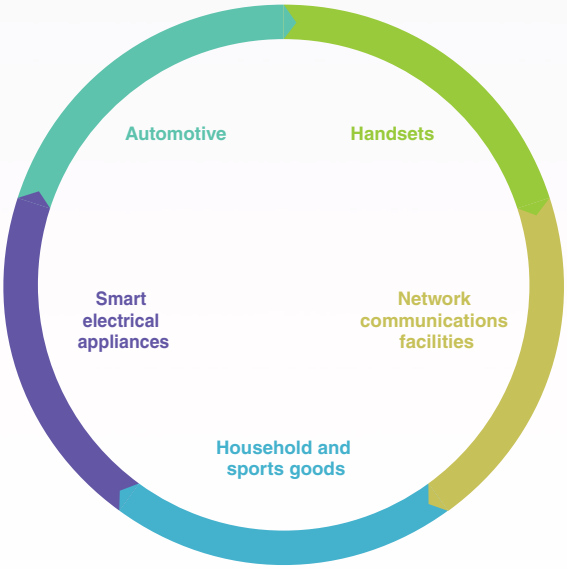
Tongda Group Holdings Limited ("Tongda" or the "Company") and its subsidiaries (collectively the "Group" or "Tongda Group") was founded in 1978. The Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEX") in 2000, and subsequently implemented a strategic transformation from a traditional home appliance manufacturer into a global leading solution provider of precision structural components for smart communications and consumer electronic products. We provide customers with comprehensive one-stop solutions covering product design, technical R&D, and manufacturing.

Leveraging years of accumulated patented technologies, the Group continues to develop its business diversification. As an industry leader, we focus on precision structural component solutions for smart mobile communications and consumer products, with an extensive product portfolio including handset casings, smart electrical appliances, network communication facilities, as well as household and sports goods.

Mission & Vision



Business Overview



Operation & Manufacturing

As an industry leader in precision structural component solutions for smart mobile communications and consumer products, the Group focuses on innovative technology and craftsmanship as its core, continuously exploring diverse paths for value creation. We consistently strengthen our technological advantages, enhance manufacturing process capabilities, and leverage our diversified production capacity and professional R&D team to expand market scale and improve product quality, thereby continuously improving operational efficiency.

The Group made an important strategic decision in 2023 and completed the sale of its precision components business in April 2024. This decision was primarily based on foreign brand customers gradually relocating their production bases overseas. If the Group were to continue operating this business, it would need to establish production facilities overseas, requiring not only substantial fixed capital investment but also carrying higher operational risks. This divestment decision brought multiple benefits to the Group: significantly reducing financing costs, improving liquidity, optimizing the asset-liability structure, thereby enhancing financial stability and overall profitability.

The Group's production bases are mainly located in Shishi, Xiamen, Guangdong in China, Vietnam, and Malaysia, with overseas offices established in Hong Kong, Korea, and Taiwan, building a multi-location service network with approximately 9,600 employees.

ABOUT THE REPORT

Tongda Group hereby presents our ninth Environmental, Social and Governance ("ESG") Report (the "Report"). As part of our commitment to ongoing transparency, this report details our strategies, approaches, and achievements in sustainable development. To ensure widespread dissemination of information, we have uploaded the complete report to Tongda Group's official website (www.tongda.com) and the Hong Kong Stock Exchange website (www.hkexnews.hk). The report is available in both Chinese and English versions for reference. In case of any discrepancy in interpretation, the Chinese version shall prevail.

Reporting Scope

This report provides detailed information about Tongda Group's core business operations from 1 January 2024 to 31 December 2024 (the "Year"). The report content covers the Group's main business segments, including production lines of handset casings, smart appliance casings, household and sports goods, and network communication facilities.

Geographically, the report focuses on our operations at production facilities in Shishi, Xiamen, Guangdong in China, and Malaysia. To ensure the report's materiality and accuracy, we have selectively excluded operational data from offices distributed across various locations, as these office premises primarily serve support functions and have relatively minor impact on the Group's overall sustainable development. Overall, except for the closure of Tongda Precision due to business adjustments, the scope remains consistent with last year's report.[1]

Reporting Principles

This report strictly adheres to the Environmental, Social and Governance Reporting Guide (the "Guide") issued by the Stock Exchange, which is set out in Appendix C2 of the Listing Rules. In our preparation process, we uphold the principle of materiality to ensure content is meaningful to stakeholders, employ quantitative indicators to accurately measure environmental and social performance, maintain a balanced approach to objectively present achievements and challenges, and maintain consistency to enable meaningful comparison with previous years' data.

Materiality	The Group maintains regular communication with key stakeholders and conducts annual questionnaire surveys and materiality assessments to identify and evaluate ESG issues significant to both the Group and key stakeholders, in order to determine report content and make Key Points disclosures.
Quantitative	Where feasible, the Group records and collects data for various ESG key performance indicators, disclosing relevant quantitative information and historical data in this report for comparison and evaluation. Additionally, appropriate explanations regarding the standards, methodologies, assumptions, calculation tools, and references used for each key performance indicator are included in this report.
Balance	This report adheres to the principle of impartiality, providing truthful and comprehensive disclosure of the Group's ESG achievements and challenges, allowing readers to evaluate performance objectively and fairly.
Consistency	This report has been prepared using consistent standards, with reporting scope, data statistics, and reporting methods remaining largely identical to the 2023 ESG report to ensure comparability. The Group has also provided explanations for any inconsistencies with previous reports, if any.

This report adheres to the disclosure requirements specified in the Guide and provides detailed explanations of compliance matters. Where any provisions cannot be fully implemented due to business nature or other reasons, we have provided sufficient explanation in the relevant sections of the report.

[1] Tongda Precision ceased operations after March 2024, therefore this year's report disclosure scope includes Tongda Precision's information up to March 31.

Confirm and Approval

The data in this report is primarily based on the Group's internal document records and statistical information, and all content has been carefully reviewed and formally confirmed by the Board of Directors. All information and data presented in the report are sourced from the Group's internal systems and documents, and have been fully reviewed and verified by the Board of Directors.

The Group hereby confirms that all information contained in the report is derived from internal company documents and statistics, and the Board of Directors has completed its review and approved all content.

Feedbacks and Comments

We value your opinion. Your valuable suggestions will help us continuously improve our sustainability performance. If you have any comments regarding the Group's sustainability work or this report, please email ir@tongda.com.hk. Your feedback will help us continue to optimize our corporate sustainability practices.

MESSAGE FROM CHAIRMAN

Dear Stakeholders:

As the world accelerates toward a low-carbon economic transition, the implementation of the EU Carbon Border Adjustment Mechanism (CBAM) presents unprecedented challenges and opportunities for the electronics manufacturing industry. As an industry leader, our Group understands that this policy will not only significantly impact product export costs but also fundamentally reshape the global supply chain landscape. In response to this significant change, we are actively deploying comprehensive strategies to maintain our competitive advantage while steadfastly promoting green transformation.

The Group has always prioritized environmental protection, continuously investing in green production technology and equipment upgrades. We implement comprehensive energy-saving and emission-reduction measures, focusing on minimizing our carbon footprint—from raw material selection and production processes to product packaging. Through advanced intelligent manufacturing systems, optimized energy management, environmentally friendly materials, and strict waste management, we have significantly reduced carbon emission intensity while improving production efficiency. These initiatives effectively respond to the growing international demand for low-carbon products while establishing the Group's crucial position in the global green supply chain.

While strengthening our environmental performance, we are also enhancing corporate governance. By establishing robust risk management systems, streamlining decision-making processes, strengthening internal controls, and adopting international best practices, the Group ensures an optimal balance between operational efficiency and compliance. We continually improve our ESG management framework, integrating sustainability throughout our strategic planning and daily operations to create long-term value for shareholders. We also prioritize stakeholder engagement, regularly collecting feedback and adjusting policies to ensure our strategy aligns with market demands and social expectations.

Looking ahead, the low-carbon transition presents both challenges and tremendous opportunities. The Group will increase investment in green technology innovation, optimize production processes, and improve resource utilization efficiency. We believe that by integrating sustainability into our core strategy, we can seize opportunities in the global low-carbon economic transition and achieve sustainable long-term growth. We will uphold the principles of openness, innovation, and mutual benefit, collaborating with all stakeholders to promote industry-wide green transformation and contribute to a more sustainable future.

Chairman and Chief Executive Officer
Wang Ya Nan
Tongda Group Holdings Limited

OUR APPROACH TO SUSTAINABILITY

The Group has always adhered to the core values of "innovation and perpetual operation", steadfastly pursuing the long-term goal of sustainable development, and firmly believes that it should create value for all stakeholders while achieving steady development.

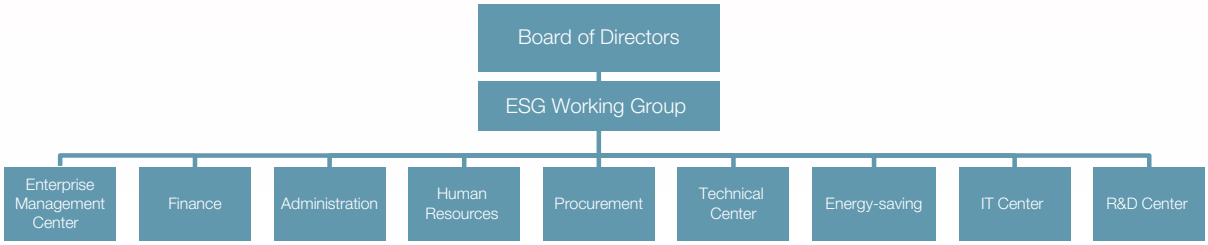
Sustainability Strategy

The Group's sustainability strategy rests on four pillars: environmental protection, employee care, customer service, and community contribution. We have implemented comprehensive ESG management policies and action plans to fulfill these commitments. By maintaining close partnerships with our stakeholders—including employees, shareholders, investors, suppliers, customers, government departments, and communities—we promote sustainable development through transparency and openness. We continuously monitor market dynamics and social expectations, adapting our ESG strategies and measures to seize opportunities and address challenges while driving our enterprise's sustainable growth.

Sustainability Governance

Governance Structure

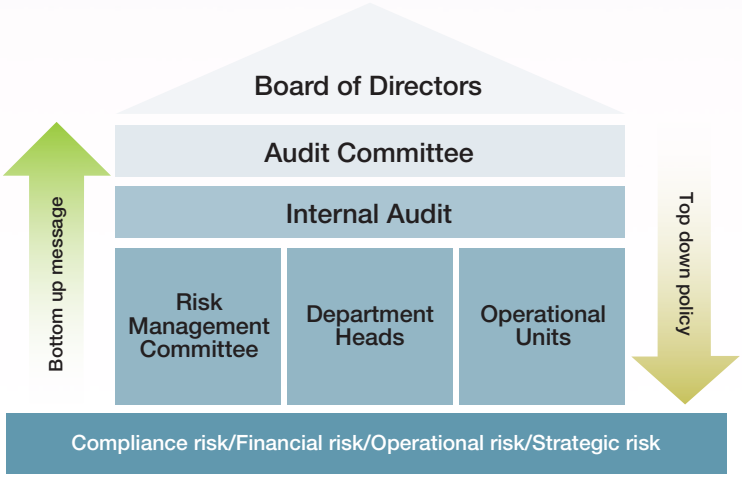
The Group has established a comprehensive sustainable development governance structure, led by the Board of Directors and implemented by a cross-departmental Environmental, Social and Governance working group, ensuring that sustainability principles are integrated into every aspect of business operations. This two-tier governance structure not only strengthens effective communication between decision-making and execution levels but also facilitates the implementation of corporate governance, environmental protection, and social responsibility in daily operations. Through this management model, we can pursue business growth while creating positive impacts for society and the environment.



	Responsibility	Task
The Board of Directors	Responsible for overall ESG strategy and supervision • Set direction • Monitor risks • Review effectiveness	• Develop sustainability strategy and vision • Assess and monitor ESG risks • Review ESG performance and target achievement • Approve ESG-related policies and reports
ESG Working Group	Authorized by the Board to execute and implement • Implement policies • Collect data • Prepare reports	• Execute ESG policies established by the Board • Evaluate ESG risks and provide improvement suggestions • Regularly report progress to the Board • Manage ESG data and prepare related reports

Risk Management

Tongda Group understands that risk management plays a crucial role in sustainable development. Through our comprehensive ESG management system, we actively identify and respond to various sustainability challenges and opportunities. The Board of Directors bears supervisory responsibility, regularly evaluating and reviewing the Group's risk management system through the Audit Committee to ensure its continued effective operation.



The risk management framework in Tongda Group

At the operational level, we have established a comprehensive internal audit mechanism covering areas such as environmental protection, social responsibility, and occupational safety. Through annual audits, we closely monitor the performance of each department to ensure their operations meet established standards. The management team evaluates the appropriateness of existing systems based on audit results and makes adjustments when necessary.

We develop detailed management plans annually, establishing the "Targets and Indicators Management Plan" and continuously update our risk assessment lists, including the "List of Major Hazard Sources and Risk Control Measures" and "List of Important Environmental Factors", to comprehensively identify and control potential risks. Through regular review and optimization of risk management strategies, we are committed to building a more robust ESG management system to drive the Group's sustainable development.

Pollutions

Risk Description	Corresponding measures
Pollution prevention measures failing to meet expected requirements, resulting in excessive emissions	• Assign dedicated personnel to regularly evaluate the effectiveness of environmental protection measures and adjust preventive measures when necessary • Closely monitor emission data and promptly report and rectify any anomalies
Failure to consider product lifecycle during new project development may lead to serious environmental pollution	• Require the development department to monitor each lifecycle stage to prevent environmental pollution or incidents • Conduct random testing of new projects periodically to ensure compliance with environmental requirements

Occupational health and safety

Risk Description	Corresponding measures
Failure to comprehensively understand the safety laws and regulations related to special equipment, causing violation of requirements during production process, which may lead to safety accidents	• Update relevant laws and regulations in a timely manner, and formulate operating procedures for various special equipment in strict accordance with relevant requirements • Regularly arrange external training for employees using special equipment and verify their working qualification with certificates • Regularly inspect special equipment and personal protective gears
Employees lack safety awareness due to inadequate safety training, resulting in occupational hazards	• Strengthen health and safety training, especially on the use and storage of chemicals, flammable and explosive materials, and the operation and maintenance of machines • Identify special and high-risk positions and arrange regular body check

Quality Control

Risk Description	Corresponding measures
Failure to comprehensively understand the safety laws and regulations related to special equipment, causing violation of requirements during production process, which may lead to safety accidents	• Carry out preliminary planning for product defect rate, strengthen on-site guidance and quality monitoring, and adopt corrective and preventive measures in a timely manner • Reasonably formulate production plans based on product characteristics and actual production capacity, and maintain close communication with customers to align with the order requirements

Compliance Management

Compliance is a fundamental cornerstone of our operations. As a responsible corporate citizen, we understand the importance of adhering to laws and regulations, and are committed to maintaining the highest standards of ethics and compliance. Any non-compliance not only potentially damages the company's operations and reputation but may also lead to serious legal consequences and financial losses. Furthermore, non-compliance can affect relationships with customers, suppliers, and investors, weakening the company's market competitiveness. To prevent such occurrences, we take a proactive approach by regularly evaluating and updating our compliance policies.

To this end, we have established a comprehensive and robust internal control system that covers all business segments and operational processes. This system is regularly reviewed and optimized by the Board of Directors and Audit Committee to ensure business operations comply with all relevant regulatory requirements. We also provide regular compliance training for employees to enhance their knowledge and understanding of relevant laws and regulations, fostering a compliance-conscious culture.

During this year, the Group has maintained a strong compliance record across all ESG aspects, with no incidents of legal violations or corruption litigation cases. We believe that a sound compliance culture not only protects company interests but also creates long-term value for stakeholders.

Environmental Aspects

- "Environmental Protection Law of the People's Republic of China"
- "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution"
- "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes"
- "Energy Conservation Law of the People's Republic of China"
- "Water Law of the People's Republic of China"
- "Water Pollution Prevention and Control Law of the People's Republic of China"
- "Law of the People's Republic of China on Environmental Impact Assessment"
- "Law of the People's Republic of China on Promoting Clean Production"
- "Circular Economy Promotion Law of the People's Republic of China"
- "Directory of National Hazardous Wastes"
- "Regulation on the Administration of Permitting of Pollutant Discharges"
- "Regulation on Urban Drainage and Sewage Treatment"
- "Administrative Measures for Urban Living Garbage"
- "Measures on the Management of Hazardous Waste Manifests"
- "Measures for the Administration of Carbon Emissions Trading (for Trial Implementation)"
- "Administrative Measures on the Prevention of Environmental Pollution by Electronic Wastes"
- "Emission Standard of Pollutants for Electroplating"
- "Integrated Emission Standard of Air Pollutants"
- "Emission Standard of Volatile Organic Compounds for Printing Industry"
- "Emission Standard of Volatile Organic Compounds for Industrial Surface Coating"

Social Aspects

Employment System and Labour Standards

- "Labour Law of the People's Republic of China"
- "Trade Union Law of the People's Republic of China"
- "Labour Contract Law of the People's Republic of China"
- "Law of the People's Republic of China on Employment Promotion"
- "Law of the People's Republic of China on the Protection of Disabled Persons"
- "Law of the People's Republic of China on the Protection of Minors"
- "Law of the People's Republic of China on the Protection of Rights and Interests of Wome"
- "Labour Insurance Regulations of the People's Republic of China"
- "Regulation on Paid Annual Leave for Employees"
- "Provisions of the People's Republic of China on the Prohibition of Using Child Labour"
- "Provisions of the State Council on Working Hours of Workers and Staff"
- "Special Rules on the Labour Protection of Female Employees"
- "Provisions on Minimum Wages"
- "Regulation on Public Holidays for National Annual Festivals and Memorial Days"

Social Aspects

Occupational Health and Safety	
• "Production Safety Law of the People's Republic of China" • "Regulation on Work-Related Injury Insurances"	• "Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases" • "Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases"
Product Responsibility	
• "Product Quality Law of the People's Republic of China" • "Waste Electrical and Electronic Equipment Directive" (WEEE) • "Model Toxics in Packaging Legislation" • "European Union 2009/251/EC Directive" • "Patent Law of the People's Republic of China" • "Cybersecurity Law of the People's Republic of China"	• "Restriction of the use of Hazardous Substance" (RoHS Directive) • "The Management measures of Limiting the Use of Hazardous Substances in Electrical and Electronic Products" (China RoHS) • "Registration, Evaluation, Authorization and Restriction of Chemicals" (REACH) • "Directive of Eco-design Requirements of Energy-using Products" (EuP Directive) • "Measures for the Administration of Internet Domain Names of China"
Anti-corruption	
• "The Contract Law of the People's Republic of China" • "Criminal Law of the People's Republic of China"	• "Anti-Unfair Competition Law of the People's Republic of China"

For details on risk and compliance management and other corporate governance practices of the Group, please refer to the "Corporate Governance Report" section of the Group's annual report.

STAKEHOLDER ENGAGEMENT

The long-term support and trust of stakeholders is an important factor for corporate sustainable growth, it also serves as the foundation for the Group in formulating sustainability strategies, policies and measures.

We firmly believe that effective two-way communication is key to success. Through establishing open and transparent dialogue channels, we continuously collect and integrate feedback from all parties to optimize our operational model and enhance governance effectiveness. This interactive exchange not only strengthens our connection with stakeholders but also drives our continued progress on the path of sustainable development.

Stakeholders	Communication channels	Issues of concern	The Group 's response and measures
Investors and shareholders	• Annual General Meetings and Extraordinary General Meetings • Investor presentation • Annual reports, interim reports and announcements • Investors' meetings	• Safeguarding shareholders' interests • Sustaining investment return • Ensuring business performance and prospects of The Group • Risk management and control	• Convene Annual General Meetings and Extraordinary General Meetings • Improve transparency of information disclosure • Promote healthy and sustainable development of The Group • Strengthen risk management and control
Customers	• Customer satisfaction surveys • Seminars • Customer complaint channels	• Product safety and quality management • Product R&D and technological innovation • Data security and customer privacy management • Customer services and complaint handling	• Strictly control on processes of R&D, procurement and production, etc. • Rapidly respond to customers' needs • Enhance quality management • Upgrade information and network security system • Accelerate product R&D and technological innovation

Stakeholders	Communication channels	Issues of concern	The Group 's response and measures
Suppliers	• Supplier conferences • Work meeting and daily communication • Site visits • Periodic audit	• Supply chain management and sustainable development • Anti-corruption and anti-fraud • Complying with the standard business conduct • Environmental protection and compliance • Product quality management	• Implement supplier admission and delisting mechanism • Conduct supplier training and audits • Sign a letter of commitment for integrity • Strengthen cooperation and communication
Employees	• Staff hotline, forum and Chairman mailbox • Staff care center • Employee satisfaction surveys • WeChat official accounts • Internal newsletter • Regular training	• Employment system and management • Employee welfare and rights • Occupational health and safety • Employee development and training	• Comply with labour regulations • Provide competitive salaries and welfare • Implement health and safety management system • Optimize career development and training system • Establish a smooth and transparent communication mechanism to understand employees' opinions • Organize employee activities
Government and community	• News reports • Monitoring information reporting and delivery • Forums and exchanges • Community activities	• Abiding by laws and regulations • Promoting employment • Environmental protection • Carrying out community charity activities	• Ensure operation compliance • Organize voluntary activities and encourage active participation of employees • Participate in community construction and services

Materiality Assessment

The Group values stakeholder input and conducts regular materiality assessments to understand their ESG concerns. This year, we again partnered with independent sustainability consultants to analyze ESG issues systematically using a three-step evaluation process.

Identification

Refer to the "Guidelines", reporting trends and industry practices, combine with the internal situation of The Group to screen, and identify 24 ESG issues closely related to the business of The Group.

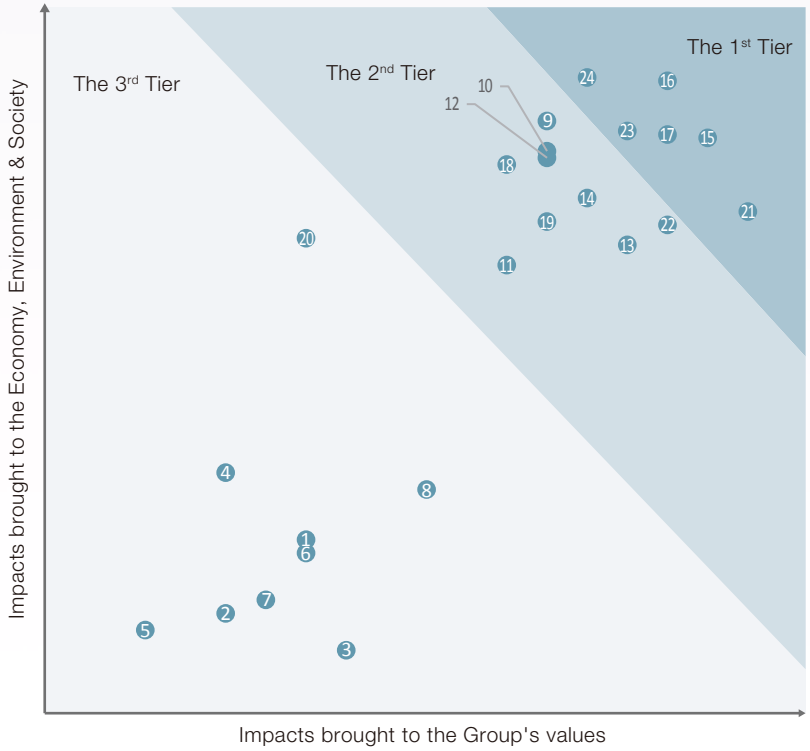
Prioritization

- Invite internal and external stakeholders to participate in online surveys and score the importance of ESG issues.
- Collect scores for the two dimensions of each ESG issue, including the impact on the corporate value of The Group (financial importance) and the impact of The Group on the economy, environment, and society (impact importance), to determine the overall importance level of each ESG issue.
- Develop an importance matrix and a priority list of ESG issues.

Confirmation

After the evaluation results are reviewed by the board of directors and senior management, The Group will make targeted responses and key reports.

Through the creation of a materiality matrix, we demonstrated how 24 ESG issues impact the Group's corporate value and our influence on different aspects of society. Based on the analysis results, we identified several key issues and incorporated them into our future development plans. These material issues not only receive focused attention and reporting but have also become important considerations in our strategy formulation and risk management.



Issues		Tier	Materiality
21	Business Ethics and Integrity	1	Material
15	Product and Service Quality and Safety	1	
16	Customer Engagement	1	
17	Privacy and Data Safety	1	
22	Risk Management	1	
23	Protection of Intellectual Property	1	
24	Innovations and Technology	2	Moderate
13	Occupational Health and Safety	2	
14	Labour Standard	2	
9	Employment Practices	2	
10	Employee Engagement	2	
12	Training and Development	2	
19	Responsible Supply Chain Management	2	
18	Responsible Sales and Labelling	2	
11	Diversity and Equal Opportunities	2	

Issues	Tier	Materiality
8 Product Lifecycle Management	3	Monitored
20 Community Engagement and Investment	3	
3 Waste	3	
1 Air Pollutants	3	
6 Materials	3	
4 Energy	3	
7 Climate Change and Resilience	3	
2 Greenhouse Gases Emissions	3	
5 Water	3	

Material Issues	Corresponding Chapters
Business Ethics and Integrity Product and Service Quality and Safety Customer Engagement Privacy and Data Safety	Commitment to Customers – Product Responsibility
Risk Management	Sustainability Strategy
Protection of Intellectual Property	Commitment to Customers – Product Responsibility

Stakeholder perspectives form the cornerstone of the Group's sustainable development. By deeply understanding and responding to diverse viewpoints, we make more informed and comprehensive decisions. We maintain close stakeholder relationships through open and varied communication channels to advance sustainable development together. Building lasting, strong partnerships with stakeholders drives both healthy corporate growth and broader societal value. Through ongoing dialogue and engagement, we continuously enhance our sustainable development strategy as we progress toward a better future.

COMMITMENT TO CUSTOMERS

As a forward-thinking enterprise, Tongda Group considers social responsibility a core value in its corporate development, continuously working to strengthen trust with partners and build a sustainable business ecosystem.

Tongda Group strictly adheres to the SA8000:2014 Social Responsibility Management Standard, committed to comprehensively enhancing corporate operational standards. We emphasize product quality and safety assurance, prioritize privacy and data security management, and continuously optimize supply chain systems and business ethics standards. To ensure effective implementation of various measures, we have established a comprehensive responsibility management system with regular risk assessments and systematic reviews. By deeply integrating sustainability concepts into daily operations, we strive to protect the interests of customers and suppliers, building long-term relationships based on mutual trust.

Product Responsibility

Quality and Safety

Policy of The Group and its subsidiaries	Key Points
• *Material Risk Level List"* • *"Hazardous Substance Review Form"* • *"Product Material Composition Declaration Form"* • *"Incoming Materials RoHS Testing Plan"* • *"Hazardous Substance Risk Assessment Form"* • *"Supplier Hazardous Substance Risk Assessment Standards Form"* • *"Hazardous Substance Total Waste Reduction Plan"* • *"Product Safety Requirements Identification and Evaluation List"* • *"Safety Performance Assessment Report"*	Through our quality management system, we have established clear product quality management standards covering all stages from design and development to incoming materials, manufacturing processes, shipping, and customer touchpoints. We have also developed management procedures for handling non-conforming products, promoting continuous improvement in product quality while meeting customer needs.

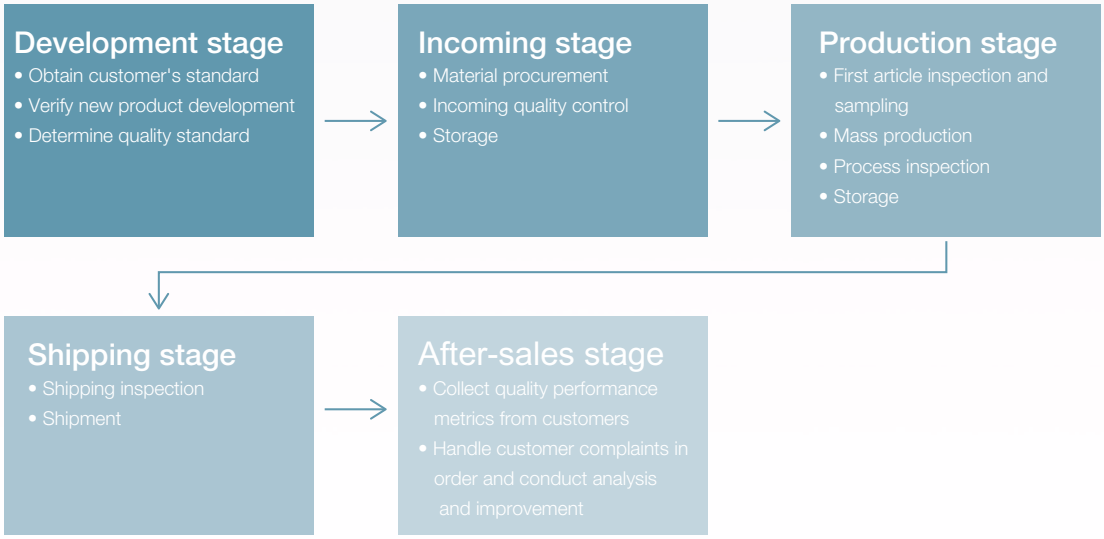
Policy of The Group and its subsidiaries	Key Points
• *"Hazardous Substance Identification and Evaluation Control Procedure"* • *"Product Safety Management Regulations"* • *"Safety Production, Occupational Health and Environmental Assessment Management Measures"* • *"Tongda Environmental Substance Control Requirements"*	We regulate hazardous substance control requirements to ensure that hazardous substances involved in development, procurement, and production processes comply with relevant laws, regulations, and standards, thereby reducing environmental and safety risks of our products.

Policy of The Group and its subsidiaries	Key Points
• *"Quality/HSPM/Environmental/Occupational Health and Safety Manual"* • *"Quality Control Plan Procedure"* • *"Product Monitoring and Measurement Control Procedure"* • *"Non-conforming Product Management Procedure"* • *"Corrective and Preventive Action Control Procedure"* • *"Identification and Traceability Control Procedure"* • *"Product Safety Management Regulations"*	We provide handling methods and procedures for identified problematic products and defective items to ensure that only high-quality products reach the market.

Tongda Group adheres to the management philosophy of "Quality First", integrating high technology, high quality, and high efficiency into every production process. We have established a comprehensive quality management system to ensure total quality control throughout the product lifecycle, from design and production to after-sales service. As an industry leader, we take pride in obtaining multiple international certifications, including IATF16949, ISO9001 Quality Management System certification, and QC080000 Hazardous Substance Management certification. These certifications not only demonstrate our pursuit of excellence in quality but also highlight our commitment to environmental protection.

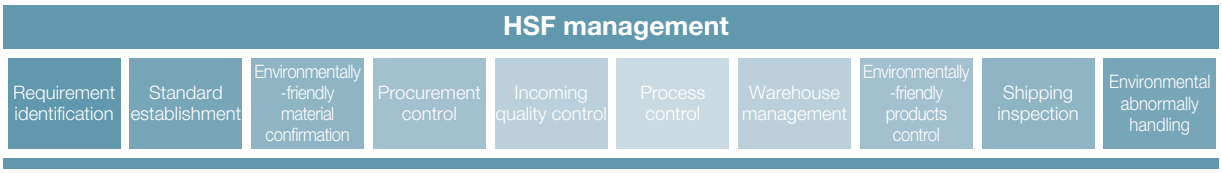
Our professional quality management team consistently adheres to strict quality control standards and continuously optimizes production processes to provide customers with the highest quality products and most attentive service. Through constant innovation and improvement, we strive to exceed customer expectations and set new industry benchmarks.

FULL PRODUCT LIFECYCLE QUALITY MANAGEMENT AND CONTROL



Standardized quality control	• Implement full-process product inspection, to strictly examine and control product quality, and ensure that the production quality is qualified • Carry out reliability testing during the development and mass production stages to avoid delivering poor reliability or defective products to the client • Continuously monitor the reliability test and review the reliability management on a quarterly basis to ensure accuracy of the experimental results
Closed-loop management of unqualified products	• Immediately respond and implement rectification in case of unqualified products • Carry out corrective and preventive measures such as tracing, identification, isolation, repair or selection, and subsequent improvement in accordance with established procedures • Re-inspection of batches with abnormal quality is required, which the quality of three consecutive batches will be tracked to ensure product compliance

The Group adheres to the management philosophy of "Compliance with regulations, environmental protection, customer satisfaction, and continuous improvement" and implements strict Hazardous Substance Free (HSF) management for product health and safety. Through an effective Hazardous Substance Process Management (HSPM) system, we ensure all products meet regulatory standards and customer expectations while striving to reduce environmental impact. We have established comprehensive mechanisms for hazardous substance identification, evaluation, and control, implementing tiered management based on risk levels to prevent environmental pollution and safety hazards from the source. Through continuous optimization of management systems, we are committed to maintaining high product safety standards and providing customers with quality and reliable products.



During the Year, the Group produced approximately 336 million units, of which about 4% of products required recall due to specific internal chemical control or quality issues, with no defective products reaching the market.

Customer Communications

Policy of The Group and its subsidiaries

- *"Operation Specification for Customer Complaint Handling"*
- *"Customer Satisfaction Survey Management Procedure"*

Key Points

Establish a systematic customer service management system to standardize customer feedback channels and handling procedures, in order to ensure closed loop handling of product quality issues and continuously fulfill customer requirements.

Tongda Group recognizes the importance of product and service quality in maintaining customer confidence. We are committed to exceeding customer expectations and continuously improving our service standards. Through our rapid response mechanism, we promptly address product quality issues and customer feedback to ensure service efficiency and customer satisfaction.

We employ diverse customer communication channels, including regular telephone interviews, questionnaires, and customer forums, to gain deep insights into customer needs. Through systematic collection and analysis of feedback, we can accurately assess the Group's performance and develop targeted improvement plans.

To ensure service quality, we have established a comprehensive customer complaint handling mechanism. Through regular review and monitoring of the complaint handling process, we continuously optimize service standards and incorporate lessons learned into staff training to enhance overall service levels.

Customer complaint handling mechanism
According to the nature of customer complaints, handle the case after classification and grading
▼
Respond to customers within 2 hours Propose and implement contingency and remedial measures within 24 hours Define the root cause within 48 hours, develop mid- and long-term improvement measures within 5 days Complete a "8D Improvement Report" as a formal reply
▼
Conduct continual scrutiny and tracking, which tracking of three consecutive production batches are required to confirm the improvement effect
▼
Carry out horizontal inspections to lower similar quality risks

During this year, the Group received a total of 261 customer complaints, all related to product quality. The relevant departments actively addressed the issues until customers were satisfied, and all cases have been properly resolved and closed.

To continuously improve product quality and customer service, the Group has launched the following improvement projects this year:

Subsidiary division	Product and service improvement plan
Home appliances division, Shishi	• According to the "Stakeholder Communication and Satisfaction Control Procedures", strengthen customer service management, conduct a customer return visit survey every half year on the five major Aspects of delivery, quality, response, technology, and cost. • Customer satisfaction measurement control procedures have been established to ensure that customer feedback can be collected through various channels, including annual questionnaires, media reports, and customer feedback, to analyze overall satisfaction levels and improve the Group's product quality and service standards. • This year, we maintained active and close communication with customers and adjusted our internal processes and mechanisms based on their feedback and complaints.

Subsidiary division	Product and service improvement plan
Handsets and automotives division, Shishi	• Initiate process reengineering projects, establish a customer satisfaction management system, and clearly regulate customer satisfaction management and customer complaint handling procedures • Establish satisfaction scoring KPI, include the scoring of key customers in the monthly performance review • Designate related departments to be responsible for interfacing, in order to monitor and track customer satisfaction responses, and organize internal countermeasure improvement work

Intellectual Property Rights

Policy of The Group and its subsidiaries	Key Points
• *"Patent Management System"* • *"Intellectual Property Protection and Control Procedures"*	Standardize the use, maintenance and supervision of intellectual property rights through the management system, in order to effectively protect all intellectual property rights involved in the Group's business operations, and prevent infringement risks.

Tongda Group considers innovative technologies and processes its core competencies and invests significant resources to protect these valuable assets. We have established a comprehensive intellectual property management system with strict guidelines for application, maintenance, and use. Our thorough intellectual property protection strategy not only safeguards our innovations but also drives continuous technological progress and strengthens our market position.

Intellectual property rights management system	
Evaluation and assessment	Novelty and search
Information file	Work filing
Confidentiality and commitment, contract-signing	Protection
Promotion and training	

The Group has a dedicated team managing intellectual property matters, with daily operations jointly overseen by the Human Resources Department and R&D Center. Through the establishment of comprehensive development plans, regular assessments, and continuous improvements, we consistently strengthen the Group's intellectual property assets. To ensure comprehensive protection of intellectual property rights, we require all employees to strictly maintain confidentiality and strictly prohibit unauthorized disclosure of confidential information. In terms of external cooperation, we implement a rigorous contract system with clearly stipulated intellectual property protection clauses to safeguard the interests of all parties. Furthermore, we emphasize employee training and regularly organize relevant activities to enhance team awareness and vigilance regarding intellectual property protection.

During this year, the Group successfully obtained 356 valid patents, including 45 new patents.

Responsible Marketing

The Group places high emphasis on standardized management of product identification and has specifically formulated comprehensive "Product Packaging and Design Specifications," which details the standards for product label information content and positioning to ensure full product traceability. Regarding advertising and label content management, the Group has established "Advertising and Fair Trade Management System" to ensure all promotional content issued by the Group is accurate and compliant.

Data Security and Privacy Management

Policy of The Group and its subsidiaries

- *"Information Security Management Manual"*
- *"Monitoring and Measurement Control Procedure"*
- *"Trade Secret Control Procedure"*
- *"Information Classification Control Procedure"*
- *"Removable Media Control Procedure"*
- *"User Access Control Procedure"*
- *"Security Area Control Procedure"*
- *"Malicious Software Control Procedure"*
- *"Network Security Control Procedure"*
- *"Data Security Control Procedure"*
- *"Information Security Incident Control Procedure"*
- *"Customer Confidential Document Control Specifications"*
- *"Computer Room Management System"*
- *"Network Security Management System"*

Key Points

- Standardize the security measures and procedures of data and confidential information, and delegate personnel responsible for management and control, in order to prevent losses caused by information system interruption, data loss, information leakage and other accidents.
- Set up management specifications on network configuration, use and information access to facilitate the safe and reliable operation of network, and hence holistically protect the confidentiality, authenticity and integrity of information.

Tongda Group prioritizes data security and customer privacy protection, guided by six core principles: "Data Confidentiality, Information Integrity, Risk Control, Continuous Optimization, Full Staff Engagement, and Performance Enhancement." Our management system adheres to the ISO27001 information security management standard, with oversight from our professional Information Management Center. We have appointed dedicated personnel in each department to protect the data security of suppliers, customers, and employees.

For cybersecurity, we employ comprehensive protective measures. Our robust information security management system maintains strict control over all IT facilities—from data center management to equipment maintenance, network security, and system configuration. The Information Management Center performs regular security assessments and system audits. We also implement multi-layered security controls, including access management, behavior monitoring, and network protection, ensuring our systems operate securely and reliably.

Information flow management	• Implement a graded management of all types of information and set up access permissions, while establishing secure areas for key protection. • Prohibit personnel with no relevant responsibilities or business scope from viewing confidential items, and arrange for a designated officer to handle documents, as well as encrypt and backup specific confidential items. • Require personnel who come into contact with confidential information to sign a confidentiality agreement, and undergo permission approval when accessing confidential data, while keeping relevant records. • Use codes and numbers to establish internal documents of sensitive information.
Network and Information System Management	• Monitor and periodically audit the data center, hardware equipment, firewalls, computer software, and network configuration. • Strengthen security by setting access control and entry and exit permissions for the data center. • Confidential data cannot be copied, transcribed, or taken out without approval. • Employees are required to change their passwords regularly, and are strictly prohibited from randomly storing confidential documents.
Handling of information security incidents	• Regularly perform information security audits; Immediately take appropriate corrective and preventive measures when potential security hazards or information leakage are discovered, and conduct investigation and reporting afterwards. • Those who divulged or illegally obtained confidential information shall be warned or dismissed, and if necessary, shall be handed over to the judicial organization while pursuing legal responsibilities.

In the Year, the Group did not experience any customer information leaks or cybersecurity incidents.

Anti-corruption

Policy of The Group and its subsidiaries	Key Points
• *"Integrity Construction Management System"* • *"Employee Grievance Management System"* • *"Employee Grievance Reception Record Form"*	Formulate clear specifications for the education, prevention, elimination, correction and handling of anti-corruption and antibribery through the establishment of probity management system, and implement internal control and monitoring mechanism, in order to guide the Group and all employees to act with integrity, honesty and self-discipline.

Tongda Group firmly believes that transparent and ethical business practices form the cornerstone of stakeholder trust and sustainable development. Founded on integrity, we strictly adhere to business ethics standards and maintain zero tolerance for misconduct—including corruption, bribery, and extortion. As a responsible corporate citizen, we are committed to establishing a robust integrity system and fostering an ethical corporate culture. Through comprehensive management structures and preventive mechanisms, we implement a systematic approach to combat corruption, ensuring our operations meet the highest ethical standards.

We believe that ethical operations are essential for winning long-term stakeholder trust and support in today's competitive market. To this end, we continuously refine our management measures to uphold strong business ethics and promote healthy corporate development.

Internal System

The Group has established a comprehensive anti-corruption system that focuses meticulously on both internal controls and external supervision. Our internal policies clearly define our stance on integrity and set precise boundaries for business ethics and responsibilities, particularly in sensitive areas such as conflicts of interest, gift acceptance, and asset usage. Every team member—from directors to staff—must uphold the highest ethical standards, sign the "Commitment to Integrity", and strictly follow the "Integrity and Self-discipline Regulations" and "Employee Code of Conduct".

To ensure effective implementation, we employ multiple monitoring mechanisms. The Financial Audit Center and Human Resources Department conduct regular joint reviews and random inspections to maintain operational compliance. We emphasize Key Points position management, requiring personnel to conduct regular self-reviews and complete the "Integrity Self-assessment Form" biannually. We evaluate business ethics practices through various methods, including symposiums and questionnaire surveys. When issues arise, departments must promptly implement and verify corrective measures.

Publicity and Education

Tongda Group understands that a sound integrity culture must start from within. To this end, we invest substantial resources in employee training to enhance the team's awareness of business ethics. The Human Resources Department coordinates various integrity training activities, ensuring all employees participate in at least one training course annually to understand the latest business ethics regulatory requirements. For key position personnel, we provide advanced training every six months and verify training effectiveness through assessments. This year, the Group's 3 directors and 6,981 employees completed a total of 4 hours and 9,442.5 hours of anti-corruption training respectively.

Beyond regular training, we also deepen employees' understanding of ethical business practices through diverse learning methods, including specialized lectures, case studies, and interactive workshops. This comprehensive training strategy not only strengthens employees' ethical awareness but also helps establish a long-term integrity culture, laying a solid foundation for the Group's sustainable development. We firmly believe that only through continuous education and training can we ensure that the culture of integrity permeates every level of the enterprise.

Supplier and Field Personnel Management

Tongda Group takes a rigorous approach to supplier relationship management and has established a comprehensive monitoring mechanism. All relevant personnel must proactively declare their relationships with customers and suppliers to ensure procurement transparency. The Group maintains zero tolerance for any form of improper benefit transfer, and will immediately terminate cooperation with suppliers found to be soliciting or accepting benefits.

To further regulate supplier behavior, the Group has implemented a comprehensive management system. Each supplier must sign the "Commitment to Anti-commercial Bribery" and explicitly pledge to comply with business ethics standards. Through various communication channels, including supplier networking events, procurement documents, and emails, we continuously convey the Group's ethical standards to suppliers and conduct regular monitoring and evaluation to ensure suppliers' operating principles align with the Group's core values.

Reporting Mechanism

To uphold corporate integrity, the Group has established a comprehensive whistleblowing system. Any employee or stakeholder who discovers suspicious violations can report through the "Integrity Reporting Mailbox" or "Integrity Hotline". All reports are handled by designated officers appointed by the Anti-corruption Work Leadership Team, ensuring strict confidentiality of the whistleblower's identity and protection from any form of retaliation.

Upon receiving a report, the integrity officers will conduct preliminary verification and carry out in-depth investigations as needed. Investigation results are submitted to the General Manager's Office, which determines subsequent actions, including internal follow-up or reporting to regulatory authorities. The Group implements a strict accountability system, with disciplinary actions taken against violators based on the severity of the offense. In serious cases, employment contracts will be terminated, and if illegal activities are involved, cases will be referred to judicial authorities, demonstrating the Group's firm commitment to ethical business practices.

During this year, the Group did not receive any business ethics reporting cases.

Supply Chain Management

Policy of The Group and its subsidiaries	Key Points
• *"Supplier Development and Management Procedure"* • *"Outsourced Processing Management Procedure"* • *"Supplier Assessment Management Regulations"* • *"Procurement Contract Management Regulations"*	Standardize supply chain management procedures from selection, daily management to review and evaluation, to promote long-term and stable procurement operations and continuously improve supplier performance, so as to ensure effective management and control of supply chain risks.

The Group places high emphasis on the crucial role of supply chain management in corporate operations. We have established a comprehensive and systematic supply chain management mechanism to ensure transparency and efficiency in procurement processes. Through stringent supplier evaluation systems and regular performance monitoring, we maintain excellent quality in our products and services. We regard suppliers as strategic partners and are committed to building long-term relationships based on mutual trust and benefit. Through frequent two-way communication and close collaboration, we jointly pursue the concept of sustainable development and work together to create greater business value. This synergistic cooperation not only enhances operational efficiency but also lays a solid foundation for the Group's long-term development.

Supplier Management

Our supplier management strategy emphasizes comprehensive evaluation and continuous monitoring. Through rigorous management procedures, we maintain efficient procurement operations while ensuring suppliers can align with the Group's sustainable development guidelines.

Supplier sourcing

- Conduct source research based on internal demand
- Carry out on-site inspection to further evaluate supplier's production equipment, supply capacity, quality and technology, environmental management, etc., and complete the "Supplier Evaluation Report" and "Supplier Social Responsibility Questionnaire" for approval
- After signing contracts and relevant social responsibility agreements, approved suppliers will be included in the "Qualified Supplier List"

▼

Supplier cooperation

- Carry out sample trial production and verification before confirming the purchase order
- Implement delivery control and quality control, to regularly inspect and monitor supplier's production progress, quality, and output performance
- Provide guidance and conduct rectification for suppliers with defects, and follow up and confirm the improvement afterwards

▼

Supplier evaluation

- Conduct quarterly and annual supplier evaluation, concerning quality, delivery, hazardous substances, environmental protection and services, etc., to update the list
- Carry out risk classification and control based on the evaluation results, and assign designated personnel to conduct on-site inspection for suppliers with medium and high risks
- Delist suppliers with continuously unsatisfactory evaluation performance, and blacklist suppliers who committed serious violation against the agreements

During this year, the Group engaged a total of 2,479 suppliers to provide materials and services, with over 99% from China, all of whom complied with relevant supplier practices.

By type classification, the Group has 247 service providers, 745 hardware providers, and 1,083 other suppliers. The regional classification is as follows:

		Percentage of Suppliers with Procurement Practices Implemented	Percentage of Suppliers with ESG Practices Implemented
China	2,457	92.96%	81.12%
Northern China	20	85.00%	85.00%
Northeast China	3	33.33%	33.33%
Eastern China	1,319	93.71%	83.24%
Central China	15	86.67%	66.67%
Southern China	1,089	92.38%	78.70%
Southwest China	11	100.00%	90.91%
Northwest China	0	0.00%	0.00%
Overseas	22	63.64%	63.64%

Sustainable Procurement

We firmly believe that sustainable development is a key element of supply chain management. To this end, the Group has specifically formulated comprehensive supplier environmental and social risk management regulations, dedicated to identifying and mitigating potential risks. Through the implementation of the "Supplier Corporate Social Responsibility Agreement", we have clearly established specific requirements for suppliers in areas such as labour rights, occupational safety, environmental protection, and business ethics. To ensure supply chain sustainability, we prioritize suppliers who have obtained relevant quality, environmental, and social responsibility management system certifications, thereby promoting the entire supply chain towards a more sustainable direction.

Managing environmental risks in the supply chain	
"Environmental Questionnaire for Related Parties"	Carry out environmental audits on suppliers, regarding environmental management system, environmental monitoring reports, regular internal audits, etc
"Supplier Corporate Social Responsibility Agreement"	Provides guidance on suppliers' fulfillment of social responsibilities, ensuring that supplier behavior meets the requirements of universal values
"Guarantee for Environmental Management of Substances"	Conduct hierarchical control of high-risk materials and regular sample testing, and require suppliers to submit third-party testing report
"Commitment for Not Using Poisonous and Hazardous Substances" *"Tongda Environmental Substance Control Requirements"* *"Notice to Cooperative Suppliers Regarding Quality, Environmental, and Occupational Health and Safety Management"*	Guarantee HSF suppliers have fulfilled requirements of related laws and regulations

Managing social and governance risks in the supply chain	
"Commitment to Integrity"	Require suppliers to abide by fairness, integrity, and oppose to bribery and unfair competition
"Human Resources Supplier Management Regulations"	Protects the rights and interests of recruitment agency employees
"Supplier Corporate Social Responsibility Agreement"	Regulates specific requirements for suppliers in fulfilling social responsibilities, clearly establishing concrete requirements for suppliers regarding labour rights, occupational safety, environmental protection, and business ethics
"Supplier Development and Management Procedure"	Provides rules and framework for supplier admission, cooperation, and management

The Group is committed to building a sustainable supply chain management system. We regularly evaluate supplier performance while fostering long-term partnerships to maintain environmental and social responsibility standards throughout the supply chain. Through ongoing communication and collaboration, we encourage suppliers to embrace sustainable practices and implement environmental protection and social responsibility in their operations. This comprehensive approach creates a supply chain system that balances economic benefits, environmental protection, and social contributions.

Additionally, the Group has established a green supply chain by implementing policies that prioritize environmentally friendly products and services across our operations.

Policy of The Group and its subsidiaries	Key Points
• *"Supplier Development and Management Procedure"* • *"Tongda Environmental Substance Control Requirements"* • *"Declaration of Non-use of Prohibited Substances"* • *"Stakeholder Organization Environmental Survey Form"* • *"Notice to Cooperative Suppliers Regarding Quality, Environmental, and Occupational Health and Safety Management"*	Systematically select and manage suppliers to ensure emphasis on green and environmental performance, using administrative and management measures to promote the adoption of green products and services

The Group firmly believes that achieving true sustainable development requires close collaboration with suppliers. We value each supplier's progress and provide essential support and guidance to help them enhance their operating models and reach higher sustainability standards. This mutually beneficial partnership strengthens the overall supply chain quality while setting a positive example for the industry.

COMMITMENT TO EMPLOYEES

The Group upholds the core value of "people-oriented", and is committed to building an excellent and diversified team.

The sustainable development of our company relies on the dedication and contributions of every employee. We prioritize our employees' career growth and well-being by fostering a fair, safe, and dynamic workplace through robust talent management and communication systems.

We make significant investments in talent development to support our employees' professional growth and skills. Our comprehensive training programs and clear career paths enable employees to develop personally while contributing to the company's sustainable growth. We believe that lasting success comes from the mutual advancement of both our employees and the organization.

Occupational Health and Safety

Management provisions for occupational health and safety

Policy of The Group and its subsidiaries

- *"Occupational Disease Medical Examination System"*
- *"Hazard Identification and Evaluation Control Procedure"*
- *"Accident Reporting, Investigation and Handling Procedure"*
- *"Hazardous Chemicals Control Procedure"*
- *"Emergency Preparedness and Response Control Procedure"*
- *"Work Safety Standardization Construction Procedure"*
- *"Labour Protection Equipment Management Regulations"*
- *"Exhaust Gas Management System"*
- *"Hazardous Waste Management System"*
- *"Noise Management System"*
- *"Underground Water Tank Management System"*
- *"Work Safety, Occupational Health and Environmental Assessment Management Measures"*
- *"Work Safety Management Organization System"*
- *"Work Safety Responsibility System"*
- *"Work Safety Fund Extraction and Usage System"*
- *"Work Safety Information Technology Construction System"*
- *"Workshop Safety Production Management System"*
- *"Hazardous Operations Management System"*
- *"Occupational Health Management System"*
- *"Hidden Danger Investigation and Control System"*
- *"Work Safety Reporting System"*
- *"Safety Signs Management System"*
- *"Work Safety Risk Classification Control and Assessment Management System"*

Key Points

Establish an occupational health and safety management system, standardize the Group's production safety management system, implement various safety control and supervision management policies through related objectives and indicator management programs, to effectively prevent, control and eliminate occupational hazards, and protect employee safety and health

Develop management regulations for safety protection equipment and facilities, production safety warnings, occupational health examinations, accident handling and other safety protection measures, clearly guide safety production work, and strengthen the protection of employee health and safety

Management provisions for safety training and education

Policy of The Group and its subsidiaries

Home appliances division

- *"Safety Training Education Control Procedure"*
- *"Safety Education Training Assessment System"*

Handsets and automotive division

- *"Safety Education Training Management System"*

Tongda Smart Tech division

- *"Safety Education Training Standards"*

Network communications facilities division

- *"Safety Education Training Standards"*

Key Points

Through standardizing safety training classification, content, requirements and assessments, establish management systems to comprehensively enhance employees' safety awareness and safety quality, and eliminate safety incidents or behaviors

Management provisions for safety protection

Policy of The Group and its subsidiaries

- *"Occupational Disease Medical Examination System"*
- *"Hazard Identification and Evaluation Control Procedure"*
- *"Accident Reporting, Investigation and Handling Procedure"*
- *"Hazardous Chemicals Control Procedure"*
- *"Emergency Preparedness and Response Control Procedure"*
- *"Work Safety Standardization Construction Procedure"*
- *"Labour Protection Equipment Management Regulations"*
- *"Exhaust Gas Management System"*
- *"Hazardous Waste Management System"*
- *"Noise Management System"*
- *"Underground Water Tank Management System"*
- *"Work Safety, Occupational Health and Environmental Assessment Management Measures"*
- *"Work Safety Management Organization System"*
- *"Work Safety Responsibility System"*
- *"Work Safety Fund Extraction and Usage System"*
- *"Work Safety Information Technology Construction System"*
- *"Workshop Safety Production Management System"*
- *"Hazardous Operations Management System"*
- *"Occupational Health Management System"*
- *"Hidden Danger Investigation and Control System"*
- *"Work Safety Reporting System"*
- *"Safety Signs Management System"*
- *"Work Safety Risk Classification Control and Assessment Management System"*

Key Points

Establish clear regulations to comprehensively identify and assess various occupational health and safety hazards, promote the implementation of safety risk control measures, prevent risks in all aspects, thereby reducing and eliminating occupational health and safety hazards

The Group considers occupational safety and health one of its primary responsibilities. We adhere to the occupational health and safety management principle of "Safety First, Prevention as Priority" and are committed to creating a healthy and safe work environment for our employees. We believe that employees can only reach their full potential in a safe and secure workplace.

Management System

Upholding the principle of "Safety First", we ensure employees work in a safe environment through systematic management approaches and rigorous implementation standards. Our Safety Production Committee strictly monitors the implementation of various measures and continuously evaluates and improves occupational safety and health performance. Additionally, the Safety Production Committee regularly reviews the effectiveness of the management system to ensure proper implementation of all safety measures. These efforts have enabled us to meet international standards in occupational health and safety management and earn ISO45001:2018 certification.

Risk Assessment

The Group emphasizes occupational safety risk management by conducting yearly comprehensive internal hazard identification and assessments. We enhance our risk response capabilities through comprehensive training programs, monitoring mechanisms, emergency response plans, and protective measures. To ensure workplace safety, we partner with professional occupational health testing institutions for regular hazard evaluation and testing. These include annual assessments and thorough evaluations every three years, helping prevent and control occupational diseases.

For daily management, we follow a strict 5S system— "Sorting", "Straightening", "Sweeping", "Standardizing", and "Sustaining". Regular weekly safety inspections and daily patrols help us quickly identify and address potential hazards, maintaining a safe and clean workplace. This ongoing monitoring helps us uphold high occupational safety standards, creating an ideal work environment for our employees.

Facility Equipment

Safety production protection	• When introducing, rebuilding or expanding projects, implement "three simultaneous" (simultaneous design, construction, and operation and use of labour safety and sanitation facilities with the main project) • Prioritize the adoption of new technologies, techniques and materials that are conducive to the prevention of occupational diseases and the protection of employees' health • Formulate safety guidelines for workplaces and equipment, electrical safety, flammable and explosive materials, elevators, fire work, fire safety, etc.
Safety Protection Facilities and Personal Protective Equipment	• Distribute up-to-standard personal protective equipment to employees • Regularly inspect protective facilities and labour protection equipment for timely repair and renewal
Safety label and occupational disease hazard warning logo	• Set up corresponding safety notification cards and reminders of protective equipment at the prominent location of places or facilities with flammable, explosive, toxic and harmful hazards • Set up fire safety signs, including public fire-fighting facilities, evacuation routes, safety exits • Incorporate the management of safety labels and occupational disease hazard warning logos into daily safety inspections

Health Check

We deeply understand the importance of occupational health to our employees, as good health is the cornerstone of maintaining work efficiency and quality of life. To this end, the company has established a comprehensive occupational health examination system that covers all stages of an employee's career. From pre-employment health assessments to regular check-ups during employment and health records upon departure, we conduct detailed follow-ups and documentation.

To effectively monitor and safeguard employees' health conditions, we have established a comprehensive personal health record system. This not only facilitates tracking each employee's health changes but also helps identify potential health risks early. When any occupational health issues are discovered, we immediately take appropriate measures, including timely job adjustments and providing comprehensive medical support and rehabilitation assistance, ensuring employees receive the best possible care.

Safety Training

The Group places great emphasis on employee safety training. We carefully develop comprehensive annual safety training plans and ensure all employees master essential safety knowledge and skills through regular assessments and evaluations. We provide targeted training for employees in different positions: new employees must complete three levels of safety production training, including factory level, second level, team level training; special operations personnel must undergo specialized training and assessments to obtain corresponding qualification certificates; additionally, all employees must participate in quarterly on-the-job safety training to continuously enhance safety awareness and professional skills. To ensure workplace safety, no employee is permitted to perform work duties before completing relevant safety training and passing the assessment.

Incident Handling

We maintain a comprehensive incident response system with first aid facilities, emergency rescue teams, and voluntary fire brigades to ensure swift responses to emergencies. To strengthen our response capabilities, we conduct regular emergency evacuation drills and fire safety training, helping employees master emergency procedures and develop strong crisis awareness.

For occupational health and safety incidents, we strictly follow established reporting protocols and immediately deploy emergency rescue measures. Following any incident, we conduct thorough investigations to analyze root causes and develop targeted improvement plans to prevent recurrence.

The Group is dedicated to improving employees' occupational safety and mental health, and has launched the following enhancement initiatives across divisions this year:

Subsidiary division	Occupational health and safety improvement plan
Home appliances division, Shishi	• Established the "Environmental and Occupational Health & Safety Performance Monitoring and Measurement Control Procedures" this year to develop effective monitoring and management systems through clear guidelines for areas with significant occupational health risks, thus reducing workplace safety hazards
Handsets and automotives division, Xiamen	• The Safety Office has held a Safety Committee meeting every month and conducted workshop safety inspections to ensure the safety of all machinery and protection equipment • The Safety Office has carried out in-depth publicity on various safety issues on a regular basis, and held emergency drills once a month to enhance safety awareness of all employees • A new occupational health examination institution was added to ensure the thorough and extensive inspection of all employees related to occupational hazards • Invite union professional psychologists to hold mental health lectures, allowing employees to understand how to manage stress and improve emotional health, etc • Invite third-party organizations to provide health consulting services, including healthy eating guidance, exercise suggestions, etc., to help employees improve their lifestyle

This year, the Group experienced 37 industrial injuries, all from workplace accidents. We provided immediate medical treatment and support to injured employees, along with compensation as required by law. To prevent similar incidents, we have intensified our employee training programs. The Group recorded zero work-related fatalities during this period.

Health & Safety	**2024**	2023	2022
Number of work-related injuries	**37**	54	55
Rate of work-related injuries	**0.41%**	0.37%	0.31%
Lost days of work-related injuries	**1,465**	2,192	1,178
Number of work-related fatalities	**0**	1	1
Rate of work-related fatalities	**0.00%**	0.01%	0.01%

Employment Management

Talents Recruitment and Retention

Aspect	Policy of The Group and its subsidiaries	Key Points
Management provisions for recruitment	• "Employee Handbook" • "Recruitment Management System" • "Labour Contract Management System" • "Resignation Management System" • "Discrimination and Disciplinary Measures Management System" • "Forced or Compulsory Labour Management System"	Use standardized and programmed recruitment processes to ensure the construction of the Group's employee team and promote reasonable and efficient employment management
Management provisions for remuneration and benefits	• "Tongda Group Employee Handbook" • "Rewards and Penalties Management System" • "Occupational Disease Medical Examination System"	Establish a management system for employees' remuneration, performance, rewards and punishments, to ensure the incentive and protection of salary and benefits with reasonable standards, in order to promote employee interests and corporate benefits
Management provisions for attendance and holiday	• "Tongda Group Employee Handbook" • "Attendance and Leave Management System"	Clearly regulate the working hours, overtime work and vacations of employees to strengthen attendance management and promote the balance of working and resting, so as to improve work efficiency in an orderly manner while safeguarding the legitimate rights and interests of employees

To support the Group's ongoing development, we have established a comprehensive human resources management system that covers recruitment, promotion, compensation, working hours, leave policies, and equal opportunity policies—creating a fair and well-structured work environment for all employees.

Our talent recruitment strategy follows the principle of "open recruitment, equal competition, selective admission, and internal before external recruitment". We prioritize developing our existing employees through internal promotions while actively seeking new talent through external channels. Our fair and transparent recruitment process ensures equal opportunities for all candidates through rigorous interviews and background checks. We maintain clear communication about job requirements and benefits, formalizing all employment relationships through contracts that protect both employer and employee rights.

Remuneration and Benefits

The Group values every employee's contribution and believes quality working conditions and comprehensive benefits are essential for unlocking employee potential. We continuously enhance our compensation and benefits system to stay competitive while fostering positive employer-employee relationships. Through regular reviews and improvements to our compensation and performance systems, we ensure employee rights are protected and maintain a fair, equitable workplace.

Remuneration and benefits	• Advocate reasonable compensation for work in accordance with skills, positions, working hours, performance and other factors, provide salary at a level not lower than the local minimum wage standard, and offer living allowances, high temperature subsidies, seniority subsidies, statutory benefits and other allowances • Regularly adjust salaries with reference to internal and external integral evaluations to attract and retain outstanding talents • Evaluate employee performance and provide bonuses based on monthly and annual assessments
Attendance and vacations	• Control working and resting, and manage and monitor employee attendance through clock-in system • Implement a strict overtime working approval system and provide overtime compensation • Employees are entitled to national statutory holidays, paid annual leave, marriage leave, funeral leave, maternity leave, work injury leave, sick leave, paternity leave, etc.

Employee Engagement

The Group is dedicated to fostering a harmonious work environment. We believe that maintaining work-life balance is essential for both productivity and team stability. To achieve this, we offer competitive benefits and organize diverse employee activities that strengthen team cohesion.

Employe Activities

The Group highly values employees' physical and mental well-being and team cohesion, regularly organizing diverse employee activities while striving to create a positive and uplifting corporate culture. We firmly believe that through organizing various activities, we can not only strengthen relationships between employees but also enhance work efficiency and team collaboration capabilities	• Organizing outdoor cultural activities through the union, including visits to Huashan ancient residences and Jinjiang's traditional Wulin village for outstanding staff and employee representatives to deepen their understanding of local culture and enrich their cultural knowledge • Hosting the annual "Tongda Cup" basketball tournament and other sports activities to encourage regular exercise habits and promote physical and mental well-being • Arranging wellness programs featuring hot spring activities to help employees reduce stress and achieve mental and physical relaxation

Employee Welfare

We firmly believe that quality employee benefits are key to retaining talent, and therefore strive to provide comprehensive and thoughtful care and welfare programs	• Launching the "Summer Cooldown" initiative during hot summer days, providing employees with various heat relief items and cold drinks, including cooling beverages, heat prevention packages, and ice treats, enabling employees to maintain comfortable working conditions in hot weather • Distributing festive gift packages during traditional holidays such as Mid-Autumn Festival and Chinese New Year, containing seasonal foods, beverages, and premium gifts to share the holiday joy with employees

As of December 31, 2024, the Group had a total of 9,600 group employees and employed 4,102 other workers. Please refer to "Key Performance Indicators Overview" for relevant employment data.

Employee Diversity and Equal Opportunities

Policy of The Group and its subsidiaries

- *"Tongda Group Employee Handbook"*
- *"Recruitment Management System"*
- *"Discrimination and Disciplinary Measures Management System"*
- *"Female Employee Labour Management System"*
- *"Forced or Compulsory Labour Management System"*

Key Points

Based on the principle of fairness and rationality, clearly formulate management specifications and procedures for equal opportunities, diversity, and antidiscrimination, in order to create a working environment of mutual respect, harmony, equality and diversity

The Group upholds the core values of "respecting human rights and equality for all" and is committed to creating a fair, inclusive, and harmonious workplace. We have established a comprehensive employment system that ensures equal opportunities for all employees in recruitment, hiring, compensation, training, and career advancement. The Group strictly adheres to the principle of equal pay for equal work, basing all employment decisions on professional capabilities, work performance, and development potential. We do not tolerate any form of discrimination in our decision-making process.

To protect employee rights and foster an inclusive culture, we emphasize workplace diversity. The Group believes each employee is unique and valuable—regardless of race, social class, nationality, religious beliefs, gender, age, sexual orientation, or other backgrounds. Everyone can find a sense of belonging and opportunities for development here. We promote cross-cultural exchange through regular diversity workshops, cultural activities, and team-building events to enhance mutual understanding, respect, and appreciation among teams.

The Group has zero tolerance for harassment, discrimination, or misconduct in the workplace. We maintain comprehensive grievance mechanisms and reporting channels that allow employees to voice concerns safely and confidentially. Management promptly investigates all complaints thoroughly and fairly, taking appropriate action when needed. We regularly review our policies and procedures to ensure continuous improvement of the work environment. These measures help us maintain a safe, harmonious, and respectful workplace where every employee can develop confidently and reach their full potential.

Accessible Workplace

We actively create a barrier-free work environment, providing comprehensive facilities and support for employees with disabilities. Each regional division implements relevant measures to ensure every employee can excel in a comfortable and safe environment:

- Providing comprehensive barrier-free facilities and workplace accommodations for employees with disabilities, including customized workstations, accessible pathways, and sanitary facilities
- Regularly organizing inclusion activities and workshops to promote mutual understanding and support among employees
- Proactively offering employment opportunities to people with physical and mental disabilities, and providing specialized vocational training programs

Ethnic Unity

The Group's Xiamen Handsets and Automotives Division has received the "Provincial Key Unit for Ethnic Unity and Progress" award, highlighting our dedication to ethnic inclusion. We lead by example through implementing targeted measures that foster ethnic integration and create a harmonious workplace:

- Operating multicultural dining facilities that serve diverse ethnic cuisines while honoring the dietary customs and cultural traditions of different ethnic groups
- Hosting regular cross-ethnic cultural exchanges, including festivals and holiday celebrations, to build understanding between employees of different backgrounds
- Maintaining dedicated communication channels and support groups to understand and address the unique needs of ethnic minority employees

Gender Equality

We recognize the importance of a gender-equal workplace and are committed to creating a fair and inclusive work environment for all employees. We pay special attention to the needs and rights of female employees through comprehensive policies and measures:

- Strictly adhering to fair recruitment and compensation principles to ensure female employees receive equal treatment and reasonable protection at all stages (including pregnancy, maternity, and nursing periods)
- Providing appropriate work arrangements for female employees:
  - Adjusting work intensity during special periods (such as menstruation, pregnancy)
  - Flexible working hours arrangement, especially for nursing employees
- Establishing comprehensive supporting facilities:
  - Setting up dedicated facilities such as nursery rooms and nursing rooms to provide childcare services, supporting working mothers

Development and Training

Management provisions for personnel change

Policy of The Group and its subsidiaries	Key Points
• "Tongda Group Employee Handbook" • "Personnel Transfer Management System" • "Employee Probation Assessment Management System"	Establish a reasonable employment management system to ensure the orderly processing of promotion, internal transfer and resignation, so as to promote the sound development of the Group's employment management

Management provisions for employee training

Policy of The Group and its subsidiaries	Key Points
• "Key Position Management System" • "External Training Management System" • "Internal Instructor Management System" • "Training Management System"	Bolster the work and management capabilities of employees at all levels and improve their knowledge, skills and attitudes through the formulation of training management specifications, in order to improve work efficiency and performance

Career Development

The Group is dedicated to providing broad career development opportunities for employees. We have implemented a comprehensive position management system that balances employees' personal aspirations with fair and equitable personnel practices. By enhancing our internal talent mobility program, we support both the Group's long-term growth and our employees' career goals.

We offer three distinct career paths: management, technical, and administrative. Position transfers consider multiple factors—business needs, staffing requirements, training history, individual capabilities, job performance, and personal preferences. Through open dialogue with employees, we facilitate both promotions and lateral moves to help each person find their optimal career path. Every transfer includes a probationary period with required training and assessments to maintain high standards. Our promotion system is dynamic, featuring both scheduled annual and quarterly reviews, as well as special promotional opportunities when circumstances warrant.

Training Management

At Tongda Group, we believe employees are our most valuable assets. That's why we invest heavily in talent development through a comprehensive training system that drives both personal growth and corporate advancement. Our systematic approach creates an ideal platform for professional development.

The training system spans key areas like quality management, professional skills, environmental safety, and leadership development. Through tailored programs, we give every employee opportunities to strengthen their workplace capabilities. This comprehensive approach enhances both professional excellence and the company's sustainable growth.

Type	Training Activities	Target Audience	Focus
Internal Training	New employee training	New employees	Including general knowledge, basic job knowledge training, aimed at letting new employees understand the Group's policies and requirements, mastering the necessary work skills and knowledge. After completing training and passing the assessment, new employees can formally start their jobs.
	On-the-job Training	Existing employees	Including job level, hierarchy level training, aimed at improving the professional skills and qualities of on-the-job employees, assisting them in fulfilling their job responsibilities, and promoting potential development.
External Training	Other positions	Non-specialized practitioners	To encourage continuous learning, support employees to participate in external training and bear the cost of training for them, in order to introduce excellent management experience and advanced technology from outside, improve individual professional ability, and the entire group's management and technical level.
	Position for special operation	Specialized practitioners	

Major On-the-job Training Categories

Management Techniques
Production, human resources, finance, sales, procurement and other management

Professional Techniques
Production and process, equipment maintenance and repair, network information, company-related system expertise, special expertise and other technologies

Environmental Protection & Safety
Environmental protection, recognition of important environmental factors, identification and prevention of hazards, unacceptable risks, Occupational Health & Safety, major equipment energy consumption, etc.

Quality Management
Quality control, material input, process, final product inspection methods, etc.

To ensure effective and continuously improving training programs, the Group maintains a rigorous management system. Each subsidiary's HR department prepares detailed annual reports evaluating training effectiveness. Using these insights along with our enterprise development needs, we design the following year's training plan to deliver the most relevant content to employees.

Throughout training, we use comprehensive evaluations to verify that employees master all required skills. Those who need additional support receive extra learning resources and opportunities for reassessment. HR oversees the entire process and maintains detailed records to ensure proper implementation of all training programs.

This year, the Group delivered the following training initiatives to support employee development:

Subsidiary division	Employee Training Programme
Home appliances division, Shishi **Handsets and automotives division, Shishi**	• In the spirit of "pursuing knowledge and passing on the torch", Tongda Group's Human Resources Department in Shishi conducted internal trainer training in August 2024, covering "Practical Skills for Corporate Internal Trainer Teaching", "Complete Guide to Internal Trainer Course Development", and "Behavioral Cultivation for Internal Trainers". The initiative resulted in the certification of three junior trainers and two intermediate trainers. This training program will help transmit Tongda Group's philosophy, knowledge, and culture, providing vital support for the company's growth.
Handsets and automotives division, Xiamen	• Cooperated with sub-district and judicial offices to conduct training after understanding internal needs for skill improvement • Carried out capacity enhancement training for managers, R&D employees, reserve talents and other key personnel to improve the competency of employees in key positions • Built a corporate sharing platform to regularly share knowledge, skills and other information

During the year, the Group achieved an employee training rate of 113.42%, with an average of 5.82 training hours per person. Please refer to the "Key Performance Indicators Overview" for relevant training data.

Employment Standard

Management provisions for labour standards

Policy of The Group and its subsidiaries	Key Points
• *"Tongda Group Employee Handbook"* • *"Recruitment Management System"* • *"Discrimination and Disciplinary Measures Management System"* • *"Female Employee Labour Management System"* • *"Forced or Compulsory Labour Management System"*	Prevent the employment of child labour and the occurrence of forced labour by establishing a clear recruitment system and labour management procedures

Management provisions for resignation

Policy of The Group and its subsidiaries	Key Points
• *"Tongda Group Employee Handbook"* • *"Recruitment Management System"* • *"Labour Contract Management System"* • *"Resignation Management System"*	Establish a reasonable employment management system to ensure the orderly processing of resignation, so as to promote the sound development of the Group's employment management

As a responsible corporate citizen, Tongda Group strictly adheres to labour regulations and firmly opposes child labour and forced labour. We prioritize employee rights, ensuring everyone works in a safe and voluntary environment. Our comprehensive employment system protects employees' legal rights while supporting their physical and mental well-being. Through standardized recruitment and fair employment policies, we provide all employees with equitable treatment and comprehensive social security benefits.

The Group believes that sustainable corporate development rests on respecting employee rights. We continuously refine our labour policies and maintain a fair, harmonious workplace where every employee can work confidently and achieve their personal potential.

Preventing Child Labour

Tongda Group strictly complies with relevant laws and maintains a zero-tolerance policy toward child labour. We implement rigorous recruitment procedures—including interviews, background checks, and identity verification—to ensure all job applicants meet the legal working age requirement. All applicants' personal information is securely recorded in both the HR and public security systems, with the Human Resources Department overseeing the review and management of this information to ensure full legal compliance throughout the recruitment process.

Should any case of child labour be discovered, the Group will take immediate remedial action. Our first steps include stopping the child's work arrangement, arranging medical examinations, and notifying labour authorities. We ensure the child's safe return to parents or guardians while providing educational support and necessary assistance. The Group monitors the child's well-being and conducts thorough investigations to identify root causes. We take strict disciplinary action against those responsible for violations and strengthen our preventive measures to prevent recurrence.

Protection of Minors and Student Workers

The Group prioritizes protecting the rights of minor workers and student interns. We maintain rigorous review processes to verify that all student interns have proper qualifications and sign compliant work agreements. To protect their health and safety, we implement comprehensive measures—including pre-employment health screenings, safety training, and regular medical checkups. We maintain strict workplace safety standards, prohibiting minor workers and student interns from performing heavy physical labour or any tasks with safety risks. Through consistent supervision and evaluation, we ensure all work arrangements meet legal requirements while continuously monitoring working conditions.

Preventing Forced Labour

The Group strictly complies with labour regulations and prohibits all forms of servitude, forced labour, human trafficking, and prison labour. We maintain complete transparency during recruitment, ensuring candidates fully understand their job responsibilities and benefits. The Group strictly forbids charging employees fees, withholding personal documents, or demanding guarantees, while fostering a respectful and humane work environment.

Upon discovering any instance of forced labour, the Group takes immediate and decisive action. We halt such practices at once, provide affected employees with necessary protection and support, and collaborate with law enforcement to address violations legally. The Group terminates the employment of any personnel involved in forced labour practices and reserves the right to pursue legal action against them.

Resignation Arrangement

Tongda Group handles employment termination with fairness and impartiality. All terminations require amicable consultation between employees and the company, following established procedures. Once a resignation is confirmed, the Human Resources Department arranges comprehensive work handovers and calculates compensation packages accurately. In cases of serious misconduct or negligence, the company will pursue appropriate legal action to protect its interests.

We prioritize the rights of departing employees and maintain a transparent, reasonable termination process. Upon completion of exit procedures, the company promptly pays all due wages and processes relevant documentation. We have also implemented a thorough evaluation system to ensure fair and compliant terminations while safeguarding the legal rights of both the company and employees.

When terminating employment due to policy violations, we adhere strictly to relevant laws and regulations, maintain procedural fairness, and keep detailed written records. These standardized practices help us foster positive employment relationships and support healthy corporate development.

Reporting and Supervision Mechanism

The Group has established diverse communication channels—including suggestion boxes, labour unions, and employee representative mechanisms—to encourage employees to express their work-related thoughts and suggestions. Our dedicated team reviews collected feedback weekly, holds meetings for thorough discussions, and develops improvement plans. Please refer to the diagram on page 53 for details.

To protect labour rights comprehensively, we implement extensive monitoring measures. Through regular internal personnel audits, employee interviews, and rigorous supplier evaluations, we maintain high labour standards. Tongda Group partners only with compliant suppliers and rejects any business relationships involving illegal labour or unauthorized subcontracting. These practices demonstrate our commitment to legal compliance while building corporate credibility and strengthening stakeholder trust. We continuously enhance our monitoring systems to ensure our entire supply chain meets labour standards.

Employee Communications

Management provisions for rights protection

Policy of The Group and its subsidiaries	Key Points
• *"Tongda Group Employee Handbook"* • *"Freedom of Association and Collective Bargaining Management System"* • *"Employee Grievance Management System"* • *"Employee Dispute Resolution System"*	• Establish a grievance and complaint mechanism to handle employees' feedback in a timely manner, in order to eliminate unethical behaviours and protect the legitimate rights and interests of employee • Establish a communication mechanism to encourage employees to express their opinions, so as to build a harmonious labour relationship

The Group believes that effective two-way communication forms the cornerstone of corporate success. We foster an open, transparent communication culture where employees can speak freely and express their views. Through various communication channels, we promptly address employee concerns while promoting team collaboration, creating a harmonious and inclusive workplace.

To achieve this, we continuously refine our human resources management system to enhance employee satisfaction and belonging. By regularly gathering feedback and improving communication processes, we better understand employee needs and provide targeted support. This people-centered approach boosts corporate efficiency while building employee loyalty—establishing a solid foundation for sustainable growth.

Employee monitoring, reporting, and communication channels:

Grievance and complaint mechanism

Available channels:

1. Suggestion boxes installed in non-monitored areas across all regions
2. Employee self-service platform on WeCom, providing complaint suggestions and support services
3. Dedicated reporting and complaint email address and hotlines

- After receiving relevant feedback, dedicated personnel will conduct a fair and independent investigation and submit a reply within the specified time
- Undertake confidentiality commitment to employees who express their opinions, and prohibit any forms of retaliation

Email and Hotline:

- Xiamen
  - Handsets and automotives division – nichm.xm@tongda.com/6893358
  - Smart Tech – tdcz01@xmcz.cn/6899306
- Shishi
  - Handsets and automotives division – td547@tongda.com/88686153 or 886889184
  - Home appliances division – lsj@tongda.com/88685805
- Guangdong
  - Network communications facilities division – gl18@tongdasz.com/82905888

Trade union and employee representative

- Recognize and respect employees' right to exercise freedom of association and collective bargaining in accordance with the laws; Support the development of employee representative elections, employee representative conferences and other forms of democratic participation
- Hold regular meetings with employee representatives to hear their demands and provide feedback to The Group leaders
- Protect the legitimate rights and interests of employees and prohibit any forms of interference and unfair treatment

Annual Labour Union Member Meetings:

1. Xiamen - Handsets and automotives division: Held 3 employee representative meetings with 46 employees participating
2. Guangdong - Network communications facilities division: Held 1 employee representative meeting with 39 employees participating
3. Xiamen - Smart Tech : Haicang District General Labor Union held a member meeting

Employee satisfaction survey

- Through interviews, questionnaires, complaint analysis and other methods, regularly investigate employees' perspectives on aspects such as operation management, employment system, environmental safety, corporate development and culture
- Summarize and analyze the results to examine the satisfaction trend and report to department heads for review and conclusion
- Set up monthly satisfaction survey on the WeCom platform

Regular employee communication channels

- Provide the latest information of The Group through media such as Company's newsletter, website, instant communication and internal forums
- Set up Employee Relations Department, mediation room, employee care room, psychological counseling room, etc., to understand employees' demands
- Set up employee care hotline, anonymous mailbox, Chairman mailbox, corporate WeChat, etc., to regularly collect employees' opinions and suggestions
- Facilitate mutual exchanges through channels such as employee representatives, employee forums and employee interviews
- Conducts confidential one-on-one interviews with relevant employees to gather in-depth feedback on specific issues, which ensures accurate responses to employee needs and helps maintain effective management practices over time.

COMMITMENT TO THE ENVIRONMENT

The Group upholds sustainable development as our core value and environmental protection as our fundamental corporate responsibility. We recognize the intricate connection between business operations and the environment, which drives us to take proactive steps to advance comprehensive environmental initiatives.

To realize our vision of green development, we have created comprehensive environmental management strategies. These include supporting national "dual carbon" goals, reducing our operational environmental impact, and strengthening climate risk management. Through our robust environmental management systems, we have made significant progress in pollution and carbon reduction, resource efficiency, and climate adaptation.

Our production bases have obtained ISO14001 and ISO50001 certifications, demonstrating our strong commitment to environmental protection. Following our principle of "protecting the environment, conserving energy, creating green spaces, and ensuring health and safety", we continuously innovate our environmental technologies and optimize production processes. This ensures all our operations meet strict environmental standards. Through yearly environmental assessments and monitoring, we consistently improve our environmental performance and advance sustainable development.

These environmental management measures showcase both our focus on environmental protection and our commitment to environmental excellence. Looking ahead, we will continue to enhance our environmental management practices to achieve higher environmental protection standards and contribute to a greener future.

Overall, the Group has established the following policies for environmental management:

Policy of The Group and its subsidiaries	Key Points
General Environmental Impact • "Continuous Improvement Control Procedure" • "Environmental Factor Identification and Impact Assessment Control Procedure" • "Energy Consumption Control Procedure" • "New Project Environmental Impact Assessment Control Procedure" • "Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure" • "Pollutant Control Procedure" • "Objectives, Targets and Management Program Control Procedure" • "Greenhouse Gas Management System" Noise • "Noise Management System"	To minimize our business operations' environmental impact, we have established comprehensive assessment and management policies. These ensure that our environmental impact not only meets regulatory requirements but is also reduced to the lowest possible level

During the year, the Group's business operations did not cause any significant negative impact on the environment.

Energy and Carbon Emissions

Policy of The Group and its subsidiaries	Key Points
• "Energy Consumption Control Procedure" • "Energy Conservation and Emission Reduction Management System" • "Energy Conservation and Consumption Reduction Management System"	Establish energy management specifications to ensure rational energy use, so as to effectively promote energy conservation and emission reduction, and improve energy efficiency for environmental protection

To achieve our environmental vision, the Group implements energy conservation and carbon reduction measures to create a green, low-carbon operation. We have established dedicated energy management teams across all divisions to oversee conservation and emission reduction efforts. These teams monitor daily energy usage, track consumption patterns, and conduct regular equipment inspections to maintain optimal efficiency. Through systematic goal-setting and performance reviews, we continuously refine our energy management system to prevent waste. These initiatives demonstrate both our environmental commitment and our determination to promote sustainable development.

New production project	• Energy-saving facilities should be designed, constructed, and put into operation at the same time as the main project, fully improving energy utilization
Electricity Conservation	• Clearly manage the electricity usage in offices, workshops, laboratories, and cafeterias, reducing equipment standby time • Implement a "responsible person system" to control the operation of air conditioning systems, and regularly clean and repair air conditioning lines
Technical Energy Saving	• Prioritize the purchase of equipment with good energy-saving and emission-reduction performance during the procurement process • Maintain equipment in a timely manner to reduce its energy consumption level • Strengthen the monitoring of the energy consumption situation of key energy-consuming equipment and old equipment, and regularly analyze the energy consumption situation • Actively develop, promote, and apply various new technologies and equipment for energy saving and emission reduction
Environmental Protection Training	• Carry out energy-saving and emission-reduction education and training for employees to raise awareness of conservation

Each division of the Group has set its own energy-saving and emission-reduction targets for this year, and carried out the following actions:

Energy Saving & Reduction Target	Energy-saving and Emission Reduction Management Projects
• Power distribution facility energy control target: maintain an average power factor of 0.9 or higher • Steam energy conservation target: keep steam energy consumption below RMB80 per ten thousand RMB of output value • Power consumption target: maintain power consumption per ten thousand RMB of output value below RMB210	• Adopt, replace, or upgrade energy-saving equipment, such as adding sound control and light sensor systems • Modify computer settings to enable standby or sleep mode, where monitors automatically shut off or enter power-saving mode after periods of inactivity; turn off personal computers (including monitors) after office hours • Replace inefficient old air conditioning systems with energy-efficient ones • Set air conditioning temperature to 24-26 degrees Celsius • Regularly clean dust filters and fan coil units; establish maintenance plans to ensure efficient operation of air conditioning systems • Install online energy monitoring systems for power distribution cabinets • Conduct annual inspections of power distribution rooms • Implement energy-saving measures such as power room pipeline optimization, staged air pressure parameter settings, and small vacuum modifications • Reasonably control steam flow to heating tanks and promptly shut off steam after production completion to reduce steam consumption • Track transformer loads quarterly, consolidate underutilized transformers during holidays to save on basic transformer usage fees • Analyze inefficient power distribution line planning, recycle cables for reuse to save on cable procurement costs while reducing losses from improper wiring

During this year, the Group's total greenhouse gas emissions were 176,604.69 tonnes of CO_2e-, with a greenhouse gas emission intensity of 31.59 KG of CO_2e-/HK$1,000.

GHG emissions[2]	Unit	2024	2023	Change
Direct emissions (Scope 1)	tonnes of CO_2e-	**8,843.98**	6,064.96	46%
Indirect emissions (Scope 2)	tonnes of CO_2e-	**167,760.71**	180,699.24	-7%
Total GHG emissions (Scope 1 and 2)	tonnes of CO_2e-	**176,604.69**	186,764.20	-5%
Total GHG emission intensity (Scope 1 and 2) (by revenue)	KG of CO_2e-/HK$1,000	**31.59**	28.64	10%

The Group's total energy consumption for the year reached 333,336.75 MWh, with an energy consumption intensity of 59.63 kWh per HK$1,000. Electricity was the primary energy source, mainly powering our production plants. Our factory operations also used various equipment—including boilers, vehicles, and mobile machinery—which consumed natural gas, diesel, and unleaded gasoline. Additionally, we incorporated wind-generated green electricity into our energy mix this year. During the year, the Shishi District Home Appliances Division did not use any LPG, as it had switched to alternative processing technologies like plasma treatment.

Energy consumption	Unit	2024	2023	Change
Purchased electricity	MWh	**282,069.35**	300,898.07	-6%
Purchased electricity (green power)	MWh	**15,469.37**	23,540.04	-34%
Purchased electricity (solar energy)	MWh	**2,038.57**	1,355.87	50%
Unleaded petrol	MWh	**844.27**	1,048.74	-19%
Diesel oil	MWh	**1,696.23**	1,522.51	11%
Pipeline natural gas	MWh	**13,803.41**	18,345.50	-25%
Liquefied Petroleum Gas (LPG)	MWh	**0.00**	9.06	-100%
Steam and heat	MWh	**17,415.57**	22,972.41	-24%
Total energy consumption	MWh	**333,336.75**	369,692.20	-10%
Energy intensity (by revenue)	kWh/HK$1,000	**59.63**	60.00	-1%

Air Pollutants

Policy of The Group and its subsidiaries

- *"Pollutant Control Procedure"*
- *"Air Emissions Management System"*
- *"Greenhouse Gas Management System"*
- *"Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure"*
- *"Energy Conservation and Emission Reduction Management System"*

Key Points

Formulate management norms for controlling exhaust emissions, and ensure that emissions meet standards through monitoring to reduce air pollution

To ensure community air quality and public health, the Group strictly follows national and local emission standards through continuous monitoring and management of air emissions. We have installed advanced air treatment facilities at all production sites that operate in sync with production equipment. This ensures all exhaust gases are systematically collected, processed, and released only after meeting emission standards.

Our comprehensive air emission management system includes regular facility inspections, maintenance protocols, and a thorough patrol system to prevent potential gas leaks. These measures demonstrate our commitment to maintaining high environmental protection standards and contributing to a cleaner environment.

Emission control	• Operate the exhaust gas system in strict accordance with the operating procedures, and carry out daily maintenance to ensure standard emissions • In any process where volatile chemicals are used, storage precautions must be carefully enforced to prevent leakage • Conduct regular inspections on relevant exhaust gas pipelines, report and handle any issues instantly to avert system failure • Regularly clean filters in the ventilation system, oil fume purification devices, air conditioning system, etc., to ensure standard emissions
Monitoring	• Entrust a qualified third-party testing organization to conduct monitoring of air emission level at least once a year • Regularly undergo environmental inspection by the governmental monitoring department
Maintenance of treatment facility	• Assign management personnel to regularly inspect, clean, maintain and replace necessary components and materials according to relevant plan, and keep record of the daily operation of exhaust gas facilities
Training	• Conduct factory-level environmental safety education for all employees, and require relevant employees to obtain operation certification
Emergency handling	• In case of accidents such as facility failure and exhaust gas leakage, immediately implement emergency measures according to the "Emergency Preparedness and Response Control Procedures", and suspend operations related to exhaust gas emissions for inspections and emergency repairs • When the emission level fails to meet the standards, investigate the cause according to relevant procedures and execute corresponding improvement measures

During the Year, the Group strived to reduce air pollutant emissions through the following improvement actions to improve air quality and protect the environment:

Air emissions target	Actions taken to achieve the targets
• Industrial exhaust emissions meet standards, including printing exhaust emissions complying with Fujian Province local standard "Emission Standard of Volatile Organic Compounds for Printing Industry" (DB35/1784-2018), spray coating exhaust emissions meeting Fujian Province local standard "Emission Standard of Volatile Organic Compounds for Industrial Surface Coating" (DB35/1783-2018), sulfuric acid mist emissions complying with "Emission Standard of Pollutants for Electroplating" (GB21900-2008), and phosphoric acid mist emissions meeting Shanghai's "Integrated Emission Standard of Air Pollutants" (DB31/933-2015)	• Conduct daily inspections of factory areas and promptly report any abnormalities to the workshop for handling • Establish "Operating Guidelines for Exhaust Gas Treatment Facilities" • Perform routine maintenance and upkeep of exhaust gas treatment facilities • Regularly monitor emission outlets using handheld VOCs testing devices, commission qualified third parties to conduct annual emission outlet monitoring • Develop "Emergency Response Plans for Exhaust Gas Treatment Facility Abnormalities", with annual emergency response drills for exhaust treatment facility anomalies

During the Year, air emissions of the Group were mainly from exhaust gas of vehicles and natural gas combustion, the data is detailed as follows:

Air emissions	Unit	2024	2023	Change
Nitrogen oxides (NOx)	kg	**5,943.36**	9,655.92	-38%
Sulfur oxides (SOx)	kg	**351.56**	2,048.73	-83%
Particulate matters (PM)	kg	**27.50**	51.19	-46%

During the year, while the Group's vehicle-related fossil fuel consumption remained similar to the previous year, overall exhaust emissions decreased. Notably, emissions of sulfur oxides and respirable suspended particles dropped significantly—primarily due to the sale of Tongda Precision's business, which led to a substantial reduction in direct exhaust emissions from precision manufacturing facilities.

Waste

Policy of The Group and its subsidiaries	Key Points
• *"Pollutant Control Procedure"* • *"Solid Waste Management System"* • *"Hazardous Waste Management System"*	• Establish clear classification, disposal, and recycling standards for effective, environmentally friendly, and safe management of all types of waste, to ensure that it does not cause environmental pollution, and to promote waste resource utilization • Establish clear guidelines for the classification, recycling, and management of hazardous waste to prevent pollution or accidents

The Group prioritizes waste management and environmental protection through comprehensive management systems and control measures. Following the core principles of "reduction, harmlessness, and resourcefulness", we actively promote energy conservation and pollution reduction in our production processes. Our innovative 6R waste management approach—"refuse", "reduce", "reuse", "recycle", "energy recovery", and "decomposition"—maximizes resource utilization.

To ensure compliance with environmental standards, we have established dedicated teams at each production base to oversee waste handling. We maintain specialized recycling areas organized by waste type and implement strict classification protocols. We also foster environmental awareness among employees through detailed sorting guidelines and environmental education, strengthening their commitment to environmental responsibility.

These measures have proven highly effective, with all waste treatment meeting environmental requirements and zero pollution incidents recorded during the year.

Each division of the Group has established targets for general waste production this year and has implemented the following projects to enhance waste handling:

Wastewater discharge target	Actions taken to achieve the targets
• Xiamen Smart Tech & Shishi Smart Tech: 100% compliance with testing requirements according to internal audits and customer audits	The Integrated Management Department is responsible for follow-up confirmation of disposal by qualified units • The Warehouse Logistics Department ensures solid waste is classified and disposed of according to requirements • All departments strictly implement the "Waste Disposal and Recycling Management" and "Chemical Management Regulations"

Hazardous waste

The Group's production processes generate various hazardous wastes, including sludge, waste oil, waste acids, waste organic solvents, waste activated carbon, and waste mineral oils. To safeguard both the environment and human health, we employ comprehensive and rigorous management measures for proper hazardous waste handling. We maintain strict monitoring throughout the entire process—from collection to final disposal—to minimize ecosystem impact.

As a responsible enterprise, we adhere strictly to environmental regulations through our comprehensive hazardous waste treatment system. We minimize environmental risks and ensure compliance with emission standards through professional waste classification, secure storage, safe transportation, and environmentally sound processing. This systematic approach reflects our unwavering commitment to environmental protection.

Management Approach of Hazardous Waste Management

Avoid or reduce the generation of hazardous waste	Encourage the reasonable use of hazardous waste
Implement harmless disposal of hazardous waste	Strengthen the prevention, control and supervision of hazardous waste pollution

Hazardous Waste Management Process

Collection

- Adopt the principles of classified collection and accurate placement, specifying the transportation of waste to designated locations for classified storage
- Clearly mark the storage sites and collection containers for different types of waste, while posting safety warning signs

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Storage

- A dedicated hazardous waste warehouse, all placed in the hazardous waste warehouse leakproof slot, separated from non-hazardous waste
- The storage area is far from crowded areas and flammable storage areas, and is equipped with fire prevention facilities
- Do not place it randomly or in the open air, and keep the storage site tidy and orderly
- Regularly conduct safety inspections on the hazardous waste warehouse to ensure compliance with standards, and rectify immediately if there are problems

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Handling

- Classify and handle according to different situations and material properties, and wait for a certain amount to be stored before legally transferring for processing
- Non-recyclable hazardous waste is regularly transferred and recycled by qualified processing units
- Take measures to prevent dispersion, loss, leakage, and other pollution prevention measures

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Recording

- Establish a hazardous waste management ledger to track the entire process of hazardous waste disposal
- Record the relevant data of hazardous waste truthfully for reporting to the environmental protection department
- Accept spot checks and annual inspections by the local environmental protection department at the production base, and conduct internal and external audits

Each division of the Group has set hazardous waste emission targets for this year and has implemented the following projects to strengthen hazardous waste management:

Hazardous Waste Management Targets	Actions taken to achieve the targets
• Xiamen Smart Tech & Shishi Smart Tech: Monthly hazardous waste weight (KG)/monthly production value of ten thousand RMB ≥1%	• Effectively implement "Waste Disposal and Recycling Management" and "Chemical Management Regulations" • Set up recyclable, non-recyclable, and hazardous waste collection stations in each distribution area, and cultivate employee awareness of waste sorting • Non-recyclable waste is handled by municipal services, recyclable waste is arranged for sale by the General Affairs Department, and hazardous waste is collected and processed by qualified third parties, achieving a 100% recovery rate • Conduct compliance analysis regarding full compliance with the requirements of the People's Republic of China's "Law on Prevention and Control of Environmental Pollution by Solid Waste"

The Group prioritizes safety and professional training for hazardous waste handling personnel. We provide comprehensive protective equipment and conduct annual training courses on operating procedures, legal regulations, professional skills, safety measures, and emergency response to ensure staff maintain high levels of expertise.

For hazardous waste incidents, we maintain a robust emergency response system. Relevant departments must report incidents immediately. Following resolution, they must submit detailed reports documenting the incident data, causes, process, and emergency measures—creating valuable references for future prevention and improvements.

Non-hazardous waste

Our daily operations generate various non-hazardous waste—general waste, paper, plastic, metal, and wood. We've implemented a thorough management system for proper waste classification and handling. Following environmental protection and cost-effectiveness principles, we focus on reducing waste at its source and maintaining minimal environmental impact.

Our dual-track classification system separates waste into recyclable and non-recyclable materials. Clear sorting guidelines on bins and dedicated oversight personnel ensure effective classification. Recyclable materials are processed for reuse or handled by qualified recyclers, while environmental protection units regularly clear non-recyclable waste. We maintain strict standards for waste storage areas, keeping them clean and properly segregated. We also partner with contractors to expand our recycling initiatives.

To boost environmental performance, we optimize our production processes through upgraded materials, improved workflows, and better raw material efficiency. These improvements reduce manufacturing waste and prevent hazardous waste pollution. Each division has established specific waste reduction targets and implemented the following actions:

Waste reduction targets	Actions taken to achieve the targets
• Hazardous waste output ratio reached RMB12 per ten thousand RMB of production value • Direct solid waste conversion rate of 86%	• Reduce waste generation, implement waste sorting and recycling, and reduce the use of disposable items • Supervise solid waste classification and collection across all departments, eliminating instances of mixing hazardous waste with general solid waste • Provide waste reduction and recycling guidelines to employees, conduct training for staff involved in solid waste cleanup and transfer, ensuring strict compliance with solid waste management regulations • Legally dispose of hazardous waste through the "Fujian Province Solid Waste Environmental Monitoring Platform" • Optimize production planning to minimize raw material input and control solid waste output • Select disposal units that implement solid waste recycling and reuse methods • Adopt new technologies to reduce solid waste generation and improve resource utilization • Process non-hazardous waste through classification and engage qualified disposal units for regular collection and recycling • Commission qualified disposal units for the harmless treatment of hazardous waste • Monitor waste treatment processes to prevent pollution

HIGHLIGHT OF THE YEAR

In waste management, Tongda Group introduced several innovative solutions this year. We implemented an advanced tubular membrane filtration and concentration system that revolutionized waste treatment for CNC machine tools, significantly reducing waste mineral oil disposal. We also developed a smart cutting fluid circulation system with cutting-edge filtration technology, greatly extending cutting fluid lifespan. Most importantly, we introduced phosphoric acid extraction equipment for chemical polishing that efficiently separates and concentrates impurities in high-phosphorus wastewater while enabling wastewater recycling—creating a new model for resource circulation. These innovations have delivered both environmental and economic benefits, demonstrating Tongda Group's commitment and strength in sustainable development.

During this year, the Group generated a total of 1,394.25 tonnes of hazardous waste and 10,272.36 tonnes of non-hazardous waste, with intensities of 0.25 kg/HKD thousand and 1.84 kg/HKD thousand respectively.

Waste	Unit	**2024**	2023	Change
Total amount of hazardous waste	Tonnes	**1,394.25**	1,706.40	-18%
Intensity of hazardous waste (by revenue)	KG/HK$1,000	**0.25**	0.26	-5%
Total amount of non-hazardous waste	Tonnes	**10,272.36**	9,246.06	11%
Disposed non-hazardous waste	Tonnes	**1,386.21**	1,630.29	-15%
Recycled non-hazardous waste	Tonnes	**8,886.14**	7,615.76	17%
Intensity of non-hazardous waste (by revenue)	KG/HK$1,000	**1.84**	1.42	29%

Water

Wastewater disposal

Policy of The Group and its subsidiaries

- *"Pollutant Control Procedure"*
- *"Wastewater Management System"*
- *"Rainwater Management System"*
- *"Soil and Groundwater Pollution Management Procedure"*
- *"Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure"*

Key Points

Regulate the management of various types of wastewater, formulate management guidelines for the operation and maintenance of wastewater treatment systems, and supervise wastewater discharge to ensure compliance with standards, avoiding excessive discharge and water pollution caused by wastewater leakage

The Group recognizes the vital importance of water resources and protects the environment through comprehensive wastewater treatment systems. Our daily operations handle two types of wastewater—industrial and domestic. Through ongoing optimization of treatment processes and management measures, we ensure all wastewater discharge complies with environmental standards. We've installed advanced treatment facilities at every operational site, with online systems that monitor discharge in real time. We also partner with professional third-party institutions for regular monitoring and submit to government environmental inspections to ensure our wastewater treatment meets the highest standards.

As a responsible enterprise, environmental protection is our highest priority. Through rigorous wastewater management and technological innovation, we actively promote sustainable water use and environmental conservation. We believe proper wastewater treatment is essential for ensuring the sustainable future of clean water resources.

Domestic wastewater	Industrial wastewater
• Wastewater is treated by recycled water treatment facilities for reuse, other sewage is treated in carburetor and septic tank and then discharged to municipal pipelines after meeting the discharge standard • To ensure compliant operation of sewage system, debris are prohibited to enter sewers to prevent blockage and damage • Regular management, inspection and maintenance of wastewater treatment facilities to ensure their effective operation	• Wastewater is stored in sewage circulation tanks designated for production plants; Discharge and recycling are controlled according to specific treatment procedures • Periodic inspection, maintenance and repair of industrial wastewater treatment system • Industrial wastewater is strictly prohibited from discharging into the domestic wastewater treatment system • Relevant management and operation personnel are provided with training on the operational requirements and techniques of wastewater treatment facilities

During this year, each division of the Group established specific wastewater discharge targets and launched several projects to enhance wastewater treatment:

Wastewater discharge targets	Actions taken to achieve the targets
• Xiamen Smart Tech & Shishi Smart Tech: 100% compliance in environmental factor monitoring	The Integrated Management Department oversees domestic wastewater management. We ensure 100% compliance with testing requirements through a comprehensive process that includes testing by qualified units and our own environmental factor identification, evaluation, and control procedures

During this year, the Group generated a total of 974,315.46 tonnes of wastewater, with a wastewater intensity of 174.30 KG/HK$1,000.

Wastewater discharge	Unit	2024	2023	Charge
Total domestic wastewater discharged	Tonnes	**492,647.43**	616,316.84	-20%
Total industrial wastewater discharged	Tonnes	**481,668.03**	562,363.84	-14%
Total wastewater discharged	Tonnes	**974,315.46**	1,178,680.68	-17%
Wastewater discharge intensity (by revenue)	KG/HK$1,000	**174.30**	180.00	-3%

Water usage

Policy of The Group and its subsidiaries	Key Points
• "Energy Consumption Control Procedure" • "Energy Conservation and Emission Reduction Management System" • "Energy Conservation and Consumption Reduction Management System"	Formulate management regulations for the Group's use of water resources, implement the principle of water conservation, continuously monitor and maintain the use of water resources, systems and related technologies, and promote water resource protection

Tongda Group uses water resources primarily for industrial production and employee daily needs. We take a proactive approach to monitoring and managing water usage to ensure sustainable utilization. The Group maintains strict water management systems, regularly evaluates efficiency, and explores innovative conservation solutions. Through advanced technology and management practices, we optimize water efficiency to benefit both the environment and our bottom line.

Water-saving technological innovation	Water usage and water-saving statistics
• Actively develop, promote, and apply new water-saving and recycling technologies, phase out production processes, technologies, and equipment with high water consumption to improve our water-saving efficiency • Regularly supervise, inspect, maintain, and repair water-using equipment, pipes, and appliances, promptly report repairs when damage or leakage is found, to avoid unnecessary waste of water resources	• Establish a complete water system at each production base, and use water metering instruments to monitor the use of water • Conduct monthly water consumption statistical analysis to better understand the water usage situation

Reward system for water usage	Water-saving publicity and education
• Establish a water management responsibility system, and set corresponding goals and performance evaluation standards, carry out internal water-saving inspections and assessments • Each subsidiary company has established related functional departments and units, responsible for implementing various water-saving measures, and continuously supervising to ensure that watersaving work effectively protects water resources	• Actively promote experiences, methods, and knowledge of water conservation to reduce water consumption and waste • Improve employee awareness of water conservation and cultivate good water usage habits

During this year, each division of the Group set their own water resource targets and launched the following initiatives:

Water consumption targets	Actions taken to achieve the targets
• Shishi Smart Tech: Water conservation control target: water consumption per ten thousand RMB of output value less than or equal to RMB34 per ten thousand RMB • Concentrated water reuse control target: greater than or equal to 75%	• Install water-saving faucets and sensors to control water flow • Conduct regular inspections of faucets and pipes for leaks, making immediate repairs when needed • Monitor purified water production rates, require approval for its use, and strictly limit usage to applications where tap water cannot be substituted • Use concentrated water—a byproduct of water purification—as an alternative to tap water for toilet flushing, cooling tower maintenance, surface cleaning, landscape irrigation, and other suitable applications to maximize water conservation • Perform regular inspections of all water pipeline networks, monitor water consumption, and address any anomalies or leaks promptly

During this year, the Group's main water source was municipal water supply, with no issues in accessing suitable water sources. The Group's total water consumption was 2,137,652.76 cubic meters, with a water intensity of 0.38 cubic meters/HK$1,000.

Water consumption	Unit	2024	2023	Change
Total water consumption	m^3	**2,137,652.76**	2,313,504.00	-8%
Water consumption intensity (by revenue)	m^3/HK$1,000	**0.38**	0.35	9%

Office supplies

Tongda Group prioritizes sustainable resource utilization through comprehensive energy-saving and consumption reduction programs in its offices. We implement various measures to reduce energy consumption, including optimizing water, electricity, and fuel efficiency, while introducing innovative office supply management solutions. Our paperless office initiative—a key strategic project—reduces paper consumption through electronic document systems, double-sided printing policies, and comprehensive waste paper recycling. To ensure precise resource management, departments submit regular paper usage budgets, which both controls consumption and advances our environmental protection goals.

Paper consumption target	Actions taken to achieve the targets
• Xiamen Smart Tech: Monthly paper consumption/monthly output value in ten thousand RMB ≥5%	• Double-sided printing is required for informal documents • Paper-based reporting processes for all departments have been eliminated and replaced with OA system submissions and approvals • Internal documents are circulated electronically to reduce the quantity of printed paper documents • Card readers are installed on printers, requiring employee badges to retrieve printed documents, preventing wasteful reprinting due to uncollected documents or mistaken pickups by others

Packaging materials

Management provisions for product packaging

Policy of The Group and its subsidiaries	Key Points
• *"Product Packaging and Design Specifications"* • *"Management provisions for product packaging"*	Standardize packaging design and materials, and formulate management specifications for purchasing packaging materials, so as to meet requirements in customer orders

We use a variety of packaging materials, including eco-friendly cartons, blister packs, corrugated paper, and vacuum bag paper. Our rigorous demand assessment and inventory management systems ensure efficient procurement of these materials. We also continually improve our packaging designs to optimize size and weight while maintaining product safety. Through active recycling programs, we maximize resource utilization and minimize environmental impact.

During this year, the Group used a total of 10,307.04 tonnes of finished product packaging materials, with a packaging material intensity of 1.84 KG/HK$1,000.

Packaging materials	Unit	2024	2023	Change
Paper	Tonnes	**6,600.38**	7,817.75	-16%
Plastics	Tonnes	**2,998.04**	13,655.52	-78%
Wood	Tonnes	**708.63**	522.94	36%
Metal	Tonnes	**0.00**	0.00	N/A
Total materials used in the packaging of finished products	Tonnes	**10,307.04**	21,996.21	-53%
Packaging material intensity	KG/HK$1,000	**1.84**	3.37	-45%

Tackling Climate Change

Policy of The Group and its subsidiaries	Key Points
Please refer to the "Energy and Carbon Emissions" section for the policies of Tongda and its divisions	Formulate climate change-related management to promote sustainable development and mitigate climate change, and foster the effective implementation of the Group's GHG management through emission reduction and energy-saving
• "Continuous Improvement Control Procedure" • "New Project Environmental Impact Assessment Control Procedure" • "Environmental Factor Identification and Impact Assessment Control Procedure" • "Emergency Preparedness and Response Control Procedure" • "Greenhouse Gas Management System"	Standardize risk assessment and control procedures for climate change-related risks to identify and respond to climate risks and opportunities in a timely manner, in order to enhance the Group's resilience to climate change Establish emergency response procedures and preventive measures corresponding to potential emergencies brought by climate change, so as to enhance the responsiveness to climate change

Global climate change poses unprecedented challenges to the economy and society. Mainland China is actively addressing this global issue through green economic transformation and clear energy consumption reduction targets aimed at achieving "carbon peak" and "carbon neutrality". As a responsible corporate citizen, Tongda Group fully supports this vision and contributes to these dual carbon goals through comprehensive low-carbon operational strategies. We continuously optimize our processes to reduce our environmental footprint while maintaining a robust internal policy framework that ensures all production facilities meet the highest standards in emissions management and resource utilization.

Our Shishi District Handset and Automotive Division serves as a model for practical implementation. We have established comprehensive "Greenhouse Gases Management Regulations" based on the internationally recognized ISO14064-1 standard to systematically monitor and manage greenhouse gas emissions. Our environmental management team conducts regular data collection and analysis across all relevant facilities and activities, building a solid foundation for future emission reduction efforts.

To address climate change challenges and opportunities, we take a proactive approach through detailed analysis of industry-specific climate risks and targeted response strategies. Our comprehensive risk assessment mechanism enables us to identify potential threats early while capitalizing on opportunities presented by green transformation.

This year, we commissioned external independent consultants to analyze climate-related risks and opportunities specific to our industry position and operational locations. Their findings will guide the Group's future climate transition planning. The climate-related impact analysis is as follows:

Climate risk & opportunities	Description	Impacts
Climate Risks		
Physical Risks		
Acute	• Extreme weather events, such as typhoons and rainstorms	• May cause damage to production facilities, supply chain disruption, and affect employee safety and normal operations • Lead to unstable raw material supply, potentially causing supply shortages or significant price fluctuations, affecting production cost control

Climate risk & opportunities	Description	Impacts
Chronic	• Rising average temperatures and increased frequency of extreme heat events • Increased flooding probability due to rising sea levels	• Rising temperatures may increase cooling demands and energy consumption in factories • Flooding from rising sea levels will affect logistics arrangements needed for group operations, impacting operational stability
Transition Risks		
Technology	• Technological improvements or innovations supporting transition to low-carbon, energy-efficient economic systems may create significant operational and development pressures for businesses	• To achieve low-carbon transition, companies need to invest heavily in equipment upgrades and technological modifications, including adopting clean energy and improving energy efficiency
Policy	• Rising carbon prices • Increasingly stringent carbon management policies • Stricter environmental regulations	• With the implementation of regional carbon pricing mechanisms and rising carbon prices, plus the introduction and tightening of related policies, operational costs and compliance expenses are expected to increase significantly
Market	• Increased market demand for low-carbon products	• Growing market demand for environmentally friendly products requires companies to adjust production processes and product structures promptly, creating development pressure • Companies may lose market share if they fail to meet market expectations

Climate risk & opportunities	Description	Impacts
	Market Opportunities	
Resources	• Carbon asset development may bring additional revenue streams • Green finance brings more financing options for group business expansion	• As carbon trading markets mature, companies can gain additional revenue through carbon trading markets, including various methods like carbon quota trading and carbon credit trading • With the flourishing development of green finance, companies can access more favorable loan rates, diversified financing channels, and support from innovative financial instruments like green bonds, thereby reducing financing costs and improving capital efficiency
Energy	• Adopt clean energy and new technologies to reduce traditional energy dependence • Improve operational efficiency through energy conservation and emission reduction	• By adopting advanced energy management systems and smart equipment, companies can significantly reduce dependence on traditional fossil fuels and improve energy supply stability and sustainability • Implement systematic energy-saving and emission reduction measures, including optimizing production processes, upgrading equipment efficiency, and improving technical processes to reduce energy consumption and operating costs

Climate risk & opportunities	Description	Impacts
Products or Services	• Increased market demand for low-carbon products	• Continuously invest in R&D resources to develop innovative products and solutions with environmental features, such as using recyclable materials and energy-efficient designs, to meet growing market demand for green products • Capitalize on strong market demand trends for low-carbon environmentally friendly products by developing new product lines and enhancing product environmental performance and market competitiveness through product upgrades and innovative design
Market	• Explore new markets and expand market share • Enhance brand competitiveness and market position	• Growing demand for low-carbon products provides opportunities for the group to explore new markets and expand market share • Develop environmentally friendly innovative products and solutions to enhance brand competitiveness and market position
Resilience	• Enhance supply chain resilience to reduce climate risk impacts • Gain first-mover advantage through early low-carbon transition planning	• Optimize supply chain management and establish diversified supplier networks to enhance supply chain adaptability and resilience, effectively responding to various challenges and risks brought by climate change • Early planning of low-carbon transition strategies, including technological innovation, management optimization, and business model innovation, to gain advantages in future stricter environmental policies and market competition, achieving sustainable development

To address increasingly frequent extreme weather events, we have established a comprehensive emergency management system to ensure business continuity and stability. The Shishi District Mobile and Automotive Division has developed an action plan for responding to extreme weather:

Strengthening bottom-line thinking	• Enhancing risk awareness, improving prevention and control capabilities, and focusing on prevention and mitigation of material risks • Strengthening emergency management training for relevant department heads at all levels to improve their awareness on extreme weather, and to enhance their emergency response capabilities
Strengthening forecasting and early warning	• Prioritizing prevention and increasing the frequency of extreme weather monitoring and forecasting • Establishing a point-to-point early warning and response mechanism to promptly remind relevant departments in performing prevention and response work • Circulating weather forecast information to employees for early hazard prevention and risk avoidance
Strengthening operability of plans	• Developing a comprehensive linkage mechanism of early weather warning and emergency response, quantifying relevant activating standards, and formulating specific extreme weather prevention and response measures
Strengthening unified command	• Enhancing the unified governance of disaster prevention, mitigation and relief work, and reinforcing relevant responsibilities of various departments • Fostering responsibilities of the emergency management department and other related departments, to facilitate leadership, commanding and coordination
Strengthening resources allocation	• On the basis of risk assessment, providing guidance and supervising relevant departments to deploy corresponding resources for high-risk areas in advance
Strengthening publicity and education	• Conducting extensive publicity and education on disaster prevention and mitigation to enhance employees' risk awareness and ability to avoid disasters

During the year, Tongda Group experienced typhoon impacts, including factory building damage, equipment failures, and fallen vegetation. We implemented proactive preventive measures, including timely typhoon alerts, enhanced safety training, pre-typhoon safety inspections, emergency supply stockpiling, and a robust emergency response system with designated departmental contacts and staff rotations. We have also developed specific typhoon response protocols and conduct regular drills to ensure swift post-typhoon recovery. These measures demonstrate our professional and forward-thinking approach to managing climate-related risks.

COMMITMENT TO THE COMMUNITY

The Group understands the importance of corporate social responsibility and is committed to giving back to society while developing our business. We not only focus on corporate growth but also emphasize creating value for local communities and promoting social inclusion.

We actively engage in various charitable projects and encourage employees to participate in community service, demonstrating corporate social value through concrete actions. Through diverse community engagement programs, we strive to bring positive influence to society and build a better future together.

This year, we mainly focused in investing resources in education development, poverty alleviation, and community care projects, contributing approximately RMB4.03 million to charitable causes, fully demonstrating our commitment to social development.

Educational charity	• Shishi District's Home Appliances division donated RMB4 million to Shuitou Village in Hanjiang Town, Shishi City, to support elderly activities and elderly care facilities, demonstrating the traditional virtue of respecting the elderly • The Home Appliances Division of Shishi District also donated 5,000 yuan to Hanjiang Central Primary School in Shishi City as a Teachers' Day contribution to express gratitude for teachers' hard work throughout the year
Caring for community development	• In January 2024, RMB30,000 were donated to support sporting activities for migrant workers

KEY PERFORMANCE INDICATORS OVERVIEW

Environmental KPIs

Air emissions[#]	Unit	2024	2023	2022
Nitrogen Oxides	kg	**5,943.36**	9,655.92	7,773.18
Sulphur Oxides	kg	**351.56**	2,048.73	1,825.54
Respirable Suspended Particulates	kg	**27.50**	51.19	48.41

Greenhouse gases	Unit	2024	2023	2022
Scope 1: Direct emissions	tonne of CO_2-e	**8,843.98**	6,064.96	5,372.27
Scope 2: Energy indirect emissions	tonne of CO_2-e	**167,760.71**	180,699.24	182,143.65
Total GHG emissions	tonne of CO_2-e	**176,604.69**	186,764.20	176,771.38
GHG intensity (by revenue)	KG of CO_2-e/ HK$1,000	**31.59**	28.46	22.70

Waste	Unit	2024	2023	2022
Total amount of hazardous waste	Tonnes	**1,394.25**	1,706.40	2,194.52
Intensity of hazardous waste (by revenue)	KG/HK$1,000	**0.25**	0.26	0.27
Total amount of non-hazardous waste	Tonnes	**10,272.36**	9,246.06	9,606.12
Disposed non-hazardous waste	Tonnes	**1,386.21**	1,630.29	1,040.25
Recycled non-hazardous waste	Tonnes	**8,886.14**	7,615.76	8,565.87
Intensity of non-hazardous waste (by revenue)	KG/HK$1,000	**1.84**	1.42	1.20

[#] During the year, while the Group's vehicle-related fossil fuel consumption remained similar to last year, overall exhaust emissions decreased. Notably, emissions of sulphur oxides and respirable suspended particulates fell significantly, primarily due to reduced direct exhaust emissions following the disposal of our precision components business and its manufacturing facilities.

Energy	Unit	2024	2023	2022
Purchased electricity	MWh	**282,069.35**	300,898.07	289,746.76
Purchased electricity (green power)	MWh	**15,469.37**	23,540.04	21,887.18
Purchased electricity (solar energy)	MWh	**2,038.57**	1,355.87	不適用
Unleaded petrol	MWh	**844.27**	1,048.74	1,060.40
Diesel oil	MWh	**1,696.23**	1,522.51	1,639.78
Pipeline natural gas	MWh	**13,803.41**	18,345.50	15,300.33
Liquefied Petroleum Gas (LPG)	MWh	**0.00**	9.06	6.91
Steam and heat	MWh	**17,415.57**	22,972.41	21,284.15
Total energy consumption	MWh	**333,336.76**	369,692.20	350,925.51
Energy intensity (by revenue)	kWh/HK$1,000	**59.63**	60.00	40.00

Water	Unit	2024	2023	2022
Total water consumption	cubic meter	**2,137,652.76**	2,313,504.00	2,474,068.09
Water consumption intensity (by revenue)	cubic meter/ HK$1,000	**0.38**	0.35	0.31

Wastewater	Unit	2024	2023	2022
Total domestic wastewater discharged	Tonnes	**492,647.43**	616,316.84	695,546.39
Total industrial wastewater discharged	Tonnes	**481,668.03**	562,363.84	398,286.35
Total wastewater discharged	Tonnes	**974,315.46**	1,178,680.68	1,093,832.74
Wastewater discharge intensity (by revenue)	KG/HK$1,000	**174.3**	180.00	140.00

Packaging Material	Unit	2024	2023	2022
Paper	Tonnes	**6,600.38**	7,817.75	5,598.50
Plastic	Tonnes	**2,998.04**	13,655.52	9,685.13
Wood	Tonnes	**708.63**	522.94	271.22
Metal	Tonnes	**0.00**	0.00	179.80
Total materials used in the packaging of finished products	Tonnes	**10,307.04**	21,996.21	15,734.65
Packaging material intensity	KG/HK$1,000	**1.84**	3.37	1.96

Social KPIs

Number of employee [3]		2024	2023
Gender [4]	Male	**6,344**	9,710
	Female	**3,174**	4,862
Employment types	Full-time	**8,688**	14,572
	Part-time	**60**	0
Age	18-30	**3,746**	7,036
	31-45	**4,362**	6,080
	46-60	**1,410**	1,456
Employment level	First-tier employee	**5,733**	9,093
	Technical employee	**2,387**	3,816
	Management employee	**1,398**	1,663
Geographical region	Shishi	**5,405**	5,523
	Xiamen	**3,336**	8,256
	Guangdong	**747**	793
Total		**9,518**	14,572

[3] As of the end of the reporting period

[4] The higher proportion of male employees compared to female employees is due to the fact that the Group's business activities are highly labor intensive and do not involve any discriminatory behavior.

Other workers [5]		2024	2023
Gender	Male	**2,761**	2,538
	Female	**1,341**	1,193
Employment types	Full-time	**4,102**	3,731
	Part-time	**0**	0
Age	18-30	**2,325**	2,177
	31-45	**1,087**	1,084
	46-60	**690**	470
Employment level	First-tier employee	**3,710**	3,710
	Technical employee	**300**	0
	Management employee	**92**	21
Geographical region	Shishi	**2,688**	2,612
	Xiamen	**860**	522
	Guangdong	**554**	597
Total		**4,102**	3,731

[5] According to "How to Prepare ESG Reports – Appendix 3: Social Key Performance Indicators Reporting Guidelines" issued by the HKEx, other workers include: employed by the issuer to work in workplaces or public places controlled by the issuer and/or at the issuer's clients Workplace work/agents/contract personnel/suppliers providing services: and interns/volunteers who perform unpaid work for the issuer.

New hire rate [6]		2024	2023
Gender	Male	**156.27%**	53.84%
	Female	**131.32%**	49.79%
Employment types	Full-time	**138.19%**	52.49%
	Part-time	**3,460.00%**	0.00%
Age	18-30	**225.07%**	66.74%
	31-45	**103.39%**	41.18%
	46-60	**80.92%**	30.84%
Employment level	First-tier employee	**228.89%**	75.88%
	Technical employee	**28.86%**	13.29%
	Management employee	**19.38%**	14.55%
Geographical region	Shishi	**126.83%**	77.33%
	Xiamen	**210.46%**	37.56%
	Guangdong	**19.14%**	34.93%
Total		**147.95%**	52.49%

[6] New hired employee ratio (percentage) = Number of new employees in the category / Total number of employees in the category at the end of the reporting period x 100%.

Employee turnover rate [7]		2024	2023
Gender	Male	**280.94%**	60.97%
	Female	**200.76%**	53.93%
Employment types	Full-time	**260.77%**	58.62%
	Part-time	**2,565.00%**	0.00%
Age	18-30	**433.18%**	73.59%
	31-45	**137.90%**	46.51%
	46-60	**138.51%**	36.81%
Employment level	First-tier employee	**404.73%**	83.98%
	Technical employee	**32.47%**	16.33%
	Management employee	**15.52%**	17.02%
Geographical region	Shishi	**323.16%**	84.36%
	Xiamen	**192.51%**	43.07%
	Guangdong	**33.20%**	41.24%
Total		**254.20%**	58.62%

Health and safety	2024	2023
Number of work-related injuries	**37**	54
Rate of work-related injuries	**0.39%**	0.37%
Lost days of work-related injuries	**1,465**	2,192
Number of work-related fatalities	**0**	1
Rate of work-related fatalities	**0.00%**	0.01%

[7] Employee attrition rate (percentage) = Number of lost employees in the category / Total number of employees in the category at the end of the reporting period x 100%. Employee turnover has increased significantly this year, primarily due to the closure of Tongda Precision. This represents an exceptional one-time event and not a typical pattern in our performance.

Number and percentage of trained employees [8]		2024	2023
Gender	Male	**7,351 (115.87%)**	9,633 (99.21%)
	Female	**3,444 (108.51%)**	4,896 (100.70%)
Employment level	First-tier employee	**7,744 (135.08%)**	9,269 (101.94%)
	Technical employee	**2,062 (86.38%)**	3,689 (96.67%)
	Management employee	**989 (70.74%)**	1,546 (92.96%)
Total		**10,795 (113.42%)**	14,529 (99.53%)

Average training house per employees (hour) [9]		2024	2023
Gender	Male	**5.86**	6.33
	Female	**5.72**	6.60
Employment level	First-tier employee	**7.25**	6.66
	Technical employee	**2.95**	5.84
	Management employee	**4.83**	6.44
Total		**5.82**	6.42

[8] Employee training figures include hired employees and departed employees of the Group in this year. The ratio of trained employees (percentage) = the number of trained employees in that category / the total number of employees at the end of the reporting period for that category x 100%.

[9] The average training time for employees = the total training time for employees in that category / the total number of employees at the end of the reporting period for that category.

HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects	Content		Page Number/ Remarks
Mandatory Disclosure Requirements			
Governance Structure	(i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) ow the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.		8-12
Reporting Principles	**Materiality:**	The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	5
	Quantitative:	Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	
	Consistency:	The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report		4-5

Aspects	Content	Page Number/ Remarks
A Environmental ***A1 Emissions***		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	13, 54-55, 58, 61
A1.1	The types of emissions and respective emissions data.	60, 79
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	57, 79
A1.3	Total hazardous waste produced and intensity.	66, 79
A1.4	Total non-hazardous waste produced and intensity.	66, 79
A1.5	Description of emission target(s) set and steps taken to achieve them.	56, 60-65
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	60-65

Aspects	Content	Page Number/ Remarks
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	55-57, 66-72
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	57, 80
A2.2	Water consumption in total and intensity.	70, 80
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	68-70
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	68-70
A2.5	Total packaging material used for finished products and per unit produced.	72, 80
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	54-55
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	55-72
A4 Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	72-77
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	72-77

Aspects	Content	Page Number/ Remarks
B Social		
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	13, 41-45
B1.1	Total workforce by gender, employment type, age group and geographical region.	81-83
B1.2	Employee turnover rate by gender, age group and geographical region.	84
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	14, 36-41
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	41, 84
B2.2	Lost days due to work injury.	41, 84
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	36-41

Aspects	Content	Page Number/ Remarks
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	46-49
B3.1	The percentage of employees trained by gender and employee category.	85
B3.2	The average training hours completed per employee by gender and employee category.	85
B4 Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	14, 49-51
B4.1	Description of measures to review employment practices to avoid child and forced labor.	49-51
B4.2	Description of steps taken to eliminate such practices when discovered.	49-51
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	30-34
B5.1	Number of suppliers by geographical region.	32
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	30-34

Aspects	Content	Page Number/ Remarks
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	30-34
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	30-34
B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	14, 20-27
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	23
B6.2	Number of products and service-related complaints received and how they are dealt with.	23-25
B6.3	Description of practices relating to observing and protecting intellectual property rights.	25-26
B6.4	Description of quality assurance process and recall procedures.	20-23
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	26-27

Aspects	Content	Page Number/ Remarks
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	14, 28-30
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	14, 28
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	28-30
B7.3	Description of anti-corruption training provided to directors and staff.	29
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	78
B8.1	Focus areas of contribution.	78
B8.2	Resources contributed to the focus area.	78