

2024

Environmental, Social and Governance (ESG) Report

OPPLE Lighting Co.,Ltd

The background of the cover is a dark blue night sky with a city skyline at the bottom. A large, bright, glowing ring of light is centered in the sky, with the letters 'ESG' in a large, white, sans-serif font superimposed on it. The city skyline consists of various skyscrapers with lit windows, reflecting on the water in the foreground. The overall aesthetic is futuristic and high-tech.

ESG

About the Report

Report Overview

This report aims to objectively and fairly present the Environmental, Social, and Governance (ESG) performance of OPPLE Lighting Co., Ltd. and its subsidiaries (collectively referred to as "OPPLE Lighting", "the Company", or "we") in 2024. For corporate governance details, please refer to the "Corporate Governance" section (A Shares) in the *OPPLE Lighting Co., Ltd. 2024 Annual Report* ("2024 Annual Report").

Basis of Preparation

This report is primarily prepared in accordance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*. The Company has reported the information cited in the Global Reporting Initiative (GRI) index for the reporting period with reference to the GRI standards. It also references global frameworks, including the *Sustainability Accounting Standards* issued by the Sustainability Accounting Standards Board (SASB), and the United Nations Sustainable Development Goals (UN SDGs). The content is tailored to the Company's current development stage and ESG context. The report has been reviewed and approved by the Board of Directors (The Board) of the Company.

Scope & Boundaries of Report

This Report covers the period from January 1 to December 31, 2024, with some content extending moderately beyond this period. The timeframe of the report aligns with our *2024 Annual Report*. The disclosed information encompasses OPPLE Lighting's headquarters and subsidiaries. Unless otherwise stated, the scope of the report is consistent with the scope of the *2024 Annual Report*. All monetary values are denominated in RMB unless specified.

Sources & Reliability Assurance

Textual content and case studies are derived from internal statistics, documentation, and internal communications. Partial data is sourced from the *2024 Annual Report*, while other figures originate from internal systems or manual records. The Board of directors and all directors guarantee that the Report contains no false records, misleading statements or material omissions, and assume individual and joint liability for its authenticity, accuracy, and completeness.

Access & Feedback

This report is available in print and electronic formats. The electronic version can be accessed on:
Company website: <https://www.opple.com.cn/>
Shanghai Stock Exchange (SSE) website: <http://www.sse.com.cn/>

We value the feedback from stakeholders, and the readers are free to contact us via:

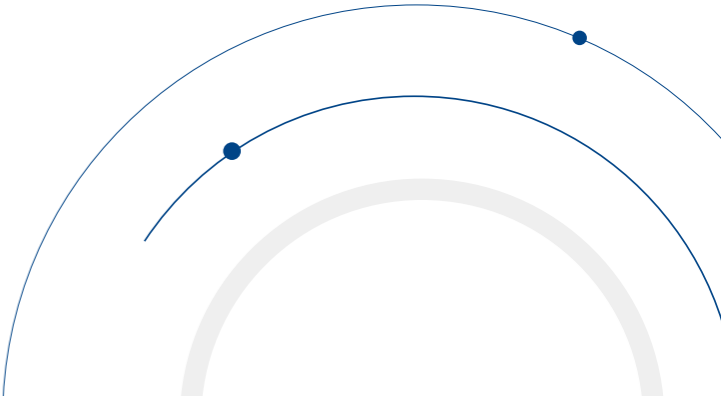
Tel: +86-021-3855 0000 (ext. 6720)

Email: Public@opple.com

Address: Building V1, MixC, No. 1799 Wuzhong Road, Minhang District, Shanghai

Contents

Message from the CEO	2	Talent Convergence, Building a Fulfilling Workplace Together	60
OPPLE Lighting: A Legend of Light	4		
Corporate Prologue	4	Employee Rights Protection	62
ESG Strategy	7	Empowering Employee Growth	65
2024 Key Performance Highlights	8	Employee Health & Safety	67
		Employee Care & Communication	72
Steady Progress, Building Governance Excellence	10	Win-Win Cooperation, Building a Sustainable Supply Chain	74
Optimizing ESG Governance	12	Supplier Management Optimization	76
Enhancing Responsible Governance	15	Ensuring Responsible Supply Chain	78
Upholding Business Ethics	19	Supplier Communication & Training	79
Responsible Marketing Practices	22		
Privacy & Security Protection	24	Commitment & Compassion, Fulfilling Our Social Responsibility	80
		Green City	82
Illuminating Lives, Leading a Brighter Future	28	Social Responsibility	82
Stringent Product Quality Control	30		
Empowering Product Innovation	34	Appendix	84
Enhancing Customer Experience	41	Index of SSE	84
Deepening Commercial Partnerships	45	GRI Content Index	84
		SASB Index	89
Embracing Green, Advancing Toward a Low-Carbon Future	48	Greenhouse Gas Verification Statement	90
Environmental Compliance Management	50		
Climate Change Responding	52		
Resource Optimization & Utilization	57		



Message from the CEO

2024 marked a year of steadfast progress in our sustainability journey. Guided by our mission to "Create Value out of Light", we have deeply integrated ESG principles into our corporate strategy, leveraging technological innovation and responsible practices to deliver healthier, smarter, and more sustainable lighting solutions for global users.

Our ESG disclosures focus on six key dimensions: Steady Governance, Illuminating Products, Green & Low Carbon, Talent Development, Collaborative Partnerships, and Social Responsibility.

Building Foundations through Governance Excellence

We recognize that sound governance is the cornerstone of sustainable growth. In 2024, we strengthened our ESG governance structure by establishing a three-tier management system: Board oversight, Strategy and ESG Committee coordination, and ESG Taskforce execution. This ensures seamless alignment between sustainability goals and business operations. We also prioritized transparent communication with internal and external stakeholders, reinforcing our commitment to ethical governance and compliance.

Illuminating Lives through Innovation

Staying true to our "Create Value out of Light" mission, we drive product innovation through cutting-edge R&D and rigorous quality control, delivering intelligent, health-centric lighting ecosystems. We invest heavily in technological advancement, safeguard intellectual property, and actively shape industry standards. By enhancing service excellence and customer experience, we are building a digital, end-to-end service ecosystem. Together with partners, we pioneer smart, low-carbon solutions, advancing the lighting industry while empowering sustainable living through light.

Pioneering a Low-Carbon Future through Green Innovation

Addressing climate change is a global imperative and a core responsibility for us. We actively support China's "Carbon Peaking and Carbon Neutrality" goal by reducing operational emissions through energy transition, solar infrastructure, efficiency upgrades, and energy-saving initiatives. Our integrated low-carbon solutions — spanning energy planning, energy-saving retrofits, and smart systems — drive green transformation across the entire value chain. During the reporting period, our Suzhou Industrial Park earned provincial-level Green Factory certification, while our high-efficiency streetlights and smart lighting systems were deployed in multiple cities, empowering urban decarbonization with intelligent solutions.

Empowering Teams through People-Centric Values

Our employees are our asset. We foster a diverse, inclusive, and fulfilling workplace by safeguarding rights, enabling career growth, offering tailored training, and conducting regular satisfaction surveys. In health and safety, we achieved full ISO 45001 compliance with zero major workplace accidents, demonstrating our unwavering dedication to employee well-being.

Forging a Sustainable Future through Collaboration

Collaboration lies at the heart of our success. We build resilient, transparent, and sustainable supply chains through rigorous supplier screening, tiered management, performance evaluations, and responsible procurement practices. By promoting green operations and integrity management, we co-create an eco-conscious supply chain ecosystem with partners. By regular engagement and capacity-building programs, we strengthen mutual growth, driving industry-wide sustainability.

Lighting Up Society through Responsibility

We harness our expertise to give back. In 2024, we expanded initiatives in education, health, and community support: donated healthy lighting systems to rural schools, conducted public awareness campaigns on household lighting environments, and organized elderly care initiatives in community centers. These actions not only spread warmth but also embody our pledge to grow together with society.

Looking ahead, guided by our vision of "Creating the World's Top Intelligent Lighting Brand", we will deepen partnerships in green innovation, technological advancement, and social responsibility. Together, we strive to illuminate a brighter, more sustainable future, where every beam of light contributes to human well-being and planetary sustainability.



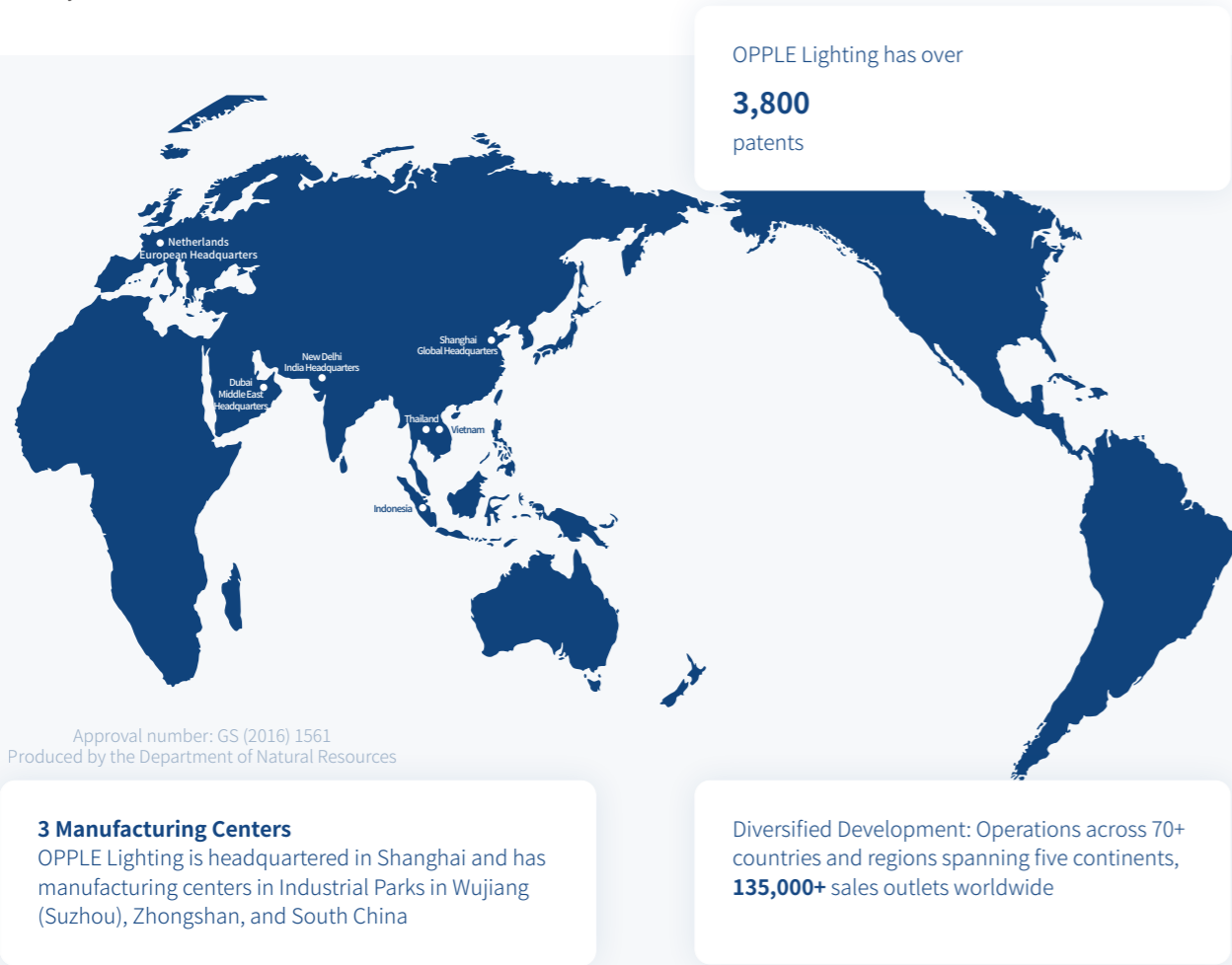
OPPLE Lighting: A Legend of Light

Corporate Prologue

Founded in 1996, OPPLE Lighting (Stock Code: 603515.SH) have adhered to our brand philosophy of "See Beyond" and the mission to "Create Value out of Light", striving to become a global leader in smart lighting solutions. As a trailblazer in China's lighting industry, we leverage our strengths in distribution channels, technology, service, and innovation to drive intelligent upgrades across the sector through healthy, tech-driven, and stylish designs.

With nearly 6,000 employees, we operate production and office bases in Shanghai (the headquarter), Zhongshan, Wujiang, and South China, forming a complete industrial chain spanning R&D, manufacturing, sales, and service. Our in-house R&D team holds over 3,800 authorized patents and supports industry-leading smart production lines. The product portfolio covers light sources, luminaires, and electrical appliances, offering full-scenario lighting system solutions for residential, commercial, and industrial applications.

Backed by a robust sales force and a global network, we now serve over 135,000 retail outlets, with operations spanning 70+ countries and regions across Asia-Pacific, Europe, the Middle East, and beyond. We have contributed to prestigious projects such as the World Expo Private Enterprise Pavilion, Beijing International Horticultural Exhibition Plant Pavilion, and Dubai Expo China Pavilion, while showcasing innovations at global events like the Frankfurt Lighting Fair. Driven by the vision of "Creating the World's Top Intelligent Lighting Brand", we have earned international accolades including Germany's Red Dot Award, iF Design Award, and Japan's G-Mark for consecutive years. Through relentless innovation, we continue to redefine the value of light and lead the industry's evolution.



Corporate Culture

- Brand Concept

See Beyond
- Brand Mission

Create Value out of Light
- Brand Vision

Creating the World's Top Intelligent Lighting Brand

Health

Leveraging SDL Smart Spectrum and circadian lighting technologies, we simulate natural light rhythms to regulate visual and emotional experiences, creating biologically aligned lighting environments for homes, offices, healthcare facilities, and other settings. Our near-natural light solutions enhance visual comfort while supporting physiological and mental well-being.

SciTech

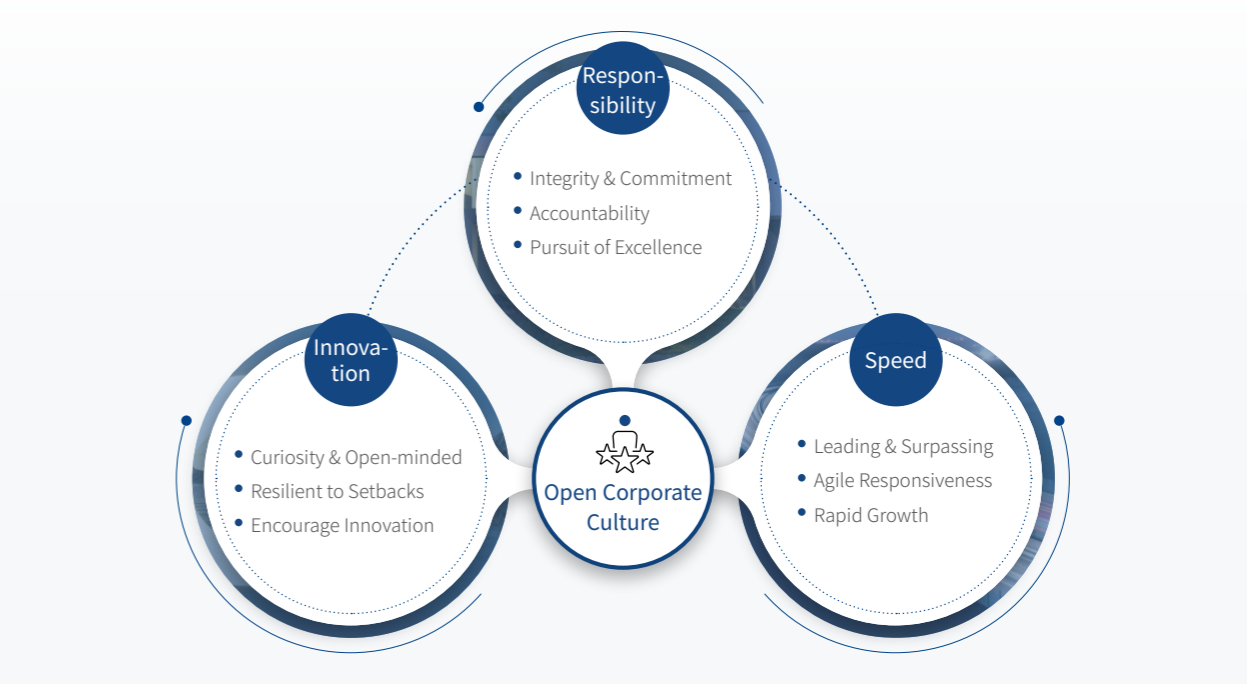
With annual R&D investment exceeding RMB 300 million, we pioneer innovations like intelligent algorithms and digital twins to build a "software-defined lighting" ecosystem. This drives the transition from single smart fixtures to holistic smart home lighting systems, seamlessly integrating lighting technology with smart home ecosystems. Our proprietary digital power system revolutionizes driver-controller interfaces through advanced digital protocols.

Expertise

As a leader in lighting research, we have led or contributed to multiple national and industry standards. Collaborating with institutions like Tongji University and Wuhan University, we developed landmark projects such as the "Antarctic Human-Centric Wellness Cabin", delivering professional full-spectrum and precision optical solutions for global users. After nearly 30 years of meticulous efforts in the lighting industry, we have established core strengths in branding, distribution, R&D, manufacturing, talent development, and management.

Design

We fuse minimalist aesthetics with intelligent interaction, using dynamic color temperature adjustments and scene-based lighting effects to craft tech-forward, artistic environments for homes and commercial spaces. Our youth-centric, personalized designs redefine premium living trends. We have earned international design authoritative awards, such as the Germany's Red Dot Award, the iF Design Award, and Japan's Good Design Award for consecutive years.



Development
Milestones

Intelligent Lighting Era

- 2024
- OPPLE Lighting's Precision Intelligent Manufacturing Base commences construction
 - Showcases SDL Smart Spectrum Technology at Frankfurt Exhibition, building an eco-interactive experience and ushering in a new era of smart lighting
- 2023
- Introduced industry-leading "Software-Defined Lighting" SDL Smart Spectrum Technology
- 2022
- Launched next-gen whole-home smart lighting solutions, ushering in a new era of intelligent lighting
- 2021
- Broke ground on South China Industrial Park, building a smart manufacturing hub as a strategic node for Southeast Asia
 - Ranked No.1 in lighting and electrical products during Double ELeven Shopping Festival for multiple consecutive years
- 2020
- Official lighting partner of China Pavilion at Dubai Expo 2020:Provided full-scenario smart lighting solutions, showcasing Intelligent Chinese Manufacturing to the world
 - Awarded national "Green Factory" certification
 - Expanded to 70+ countries, illuminating millions of homes globally

LED Lighting Era

- 2016
- Successfully listed on the A-share market (Stock Code: 603515).SH
- 2015
- The revenue exceeded RMB 4 billion, reaching new heights
- 2013
- Put the first LED automated production line into operation
 - Established Wujiang (Suzhou) R&D Center
 - Founded European subsidiary and operations team, officially entering mature lighting markets

Traditional Lighting Era

- 2012
- Wujiang (Suzhou) manufacturing center was put into operation, becoming Asia's largest lighting industrial park
- 2000
- Launched the OPPLE brand. Opened the first OPPLE-branded retail store
- 1996
- Zhongshan manufacturing center was established. Founders Wang Yaohai and Ma Xiuhui, putting their dreams into practice

OPPLE

ESG Strategy

We have deeply integrated ESG principles into our corporate strategy, dedicating to drive sustainable business growth while actively fulfilling corporate social responsibilities. Aligned with internal/external development trends, stakeholder expectations, and the UN 2030 Sustainable Development Goals (SDGs), we have established a comprehensive ESG framework. Moving forward, guided by our mission to "Create Value out of Light", we will continue to pioneer innovative ESG practices. These efforts will fuel progress toward our vision of "Creating the World's Top Intelligent Lighting Brand" while contributing to human well-being and global green transformation.

Building Governance Excellence

- Anti-Corruption
- Corporate Governance
- Information Security
- Anti-Unfair Competition
- Information Disclosure



Advancing Toward Low-Carbon Future

- Water Resources
- Energy Usage
- Raw Materials & Packaging
- Emissions & Hazardous Substances Management



Leading a Brighter Future

- Product Quality & Safety
- Intellectual Property Protection
- Product R&D Innovation



Building a Sustainable Supply Chain

- Supplier Management Optimization
- Ensuring Responsible Supply Chain
- Supplier Communication & Training



Building a Fulfilling Workplace Together

- Employee Development
- Occupational Health & Safety
- Labor Management



Fulfilling Our Social Responsibility

- Customer Service
- Philanthropy & Community Initiatives



2024 Key Performance Highlights

Building Governance Excellence

I Optimizing ESG Governance

Awarded **"A"** grade by Sino-Securities Index ESG Rating

"AA" by Straight flush ESG Rating

Responded to CDP questionnaire and EcoVadis assessment

Conducted **100+** roadshows to maintain close stakeholder engagement

I Responsible Governance Enhancement

Held **3** shareholder meetings **6** board meetings **6** supervisory board meetings

Audit Department completed **95** audit projects Including **30** large-scale non-production procurement reviews

Covering **13** Tier-1 departments **33.3 %** coverage of Tier-2 department **97 %** rectification rate

I Responsible Marketing Practices

Organized **57** after-sales service trainings

Benefiting **3,100+** participants

I Upholding Business Ethics

Delivered **14** anti-fraud training sessions, which cover all employees

I Privacy & Security Protection

Subsidiary Shanghai Qianlong Energy Conservation Technology Co., Ltd. obtained ISO/IEC 27001:2022 (Information Security) and ISO/IEC 20000-1:2018 (IT Service Management) certifications

Conducted cybersecurity awareness training for **3,269** employees

No incidents of customer privacy breaches, data leaks, or cybersecurity violations

Leading a Brighter Future

I Strict Product Quality Control

Achieved ISO 9001 Quality Management System certification

I Innovation-Driven Product Development

Held **4,532** valid patents by reporting period-end

Employed **526** R&D staff

Secured **596** new patents **20** trademarks

I Customer Experience Excellence

85.7 % distributor satisfaction rate

96.5 %+ end-user satisfaction rate

100 % complaint response rate

I Deepening commercial cooperation

Participated in drafting **10** industry standards

Advancing Toward a Low-Carbon Future

I Environmental Compliance Management

Suzhou OPPL Lighting Co., Ltd. certified as **2024 Jiangsu Provincial Green Factory**

Maintained ISO 14001 Environmental Management System certification

Total environmental protection investment RMB **3.4382** million

I Climate Change Responding

Wujiang Industrial Park passed ISO 50001 Energy Management System recertification

2024 energy consumption per RMB 10,000 output value **153.68** million yuan / RMB 10,000 output value

2024 energy consumption per unit of product **103.90** kgce/10,000 lighting units

2024 Solar PV generation **12** million kWh

I Employee Rights Protection

Total workforce **5,761** Female employee ratio **37.7%**

I Employee Growth Support

Total number of OPPL Lighting's full-time employee trainings is more than **400** covering tens of thousands of employees.

I Employee Health & Safety

5 companies and subsidiaries certified to ISO 45001 Occupational Health & Safety Standard.

I Employee Care & Communication

Satisfaction score **4.47** Vs. 2023 **+0.12**

Implemented **109** improvement initiatives

Building a Fulfilling Workplace Together

Building a Sustainable Supply Chain

I Supplier Management & Optimization

70 % of registered suppliers hold ISO 9001 certification

I Responsible Procurement

577 suppliers signed Anti-Corruption Code **78 %** signing rate

534 suppliers adopted *Sustainable Procurement Charter*

Fulfilling Our Social Responsibility

I Green Cities

Connected **1** million+ smart streetlights & multi-functional poles

I Social Responsibility

Lighting fixture donations for classrooms and dormitories in schools in Guizhou and Yunnan provinces benefited **572** students

Steady Progress, Building Governance Excellence

Response to SDGs



OPPLE Lighting recognize that a robust governance framework is the foundation for sustainable growth. Adhering to responsible business practices, we strictly comply with regulatory requirements and integrate sustainability into every aspect of our operations. Committed to safeguarding stakeholder interests, we actively foster a culture of integrity and transparency to drive shared progress and prosperity. By refining our governance structure, strengthening responsible marketing, and ensuring data privacy security, we deeply embed ESG principles into our business development, providing a solid foundation for long-term, stable growth.

- Optimizing ESG Governance
- Enhanced Responsible Governance
- Upholding Business Ethics
- Responsible Marketing Practices
- Privacy & Security Protection

Optimizing ESG Governance

OPPLE Lighting continuously enhances our governance framework by developing an ESG management system tailored to industry trends and our operational realities. Through clear role delineation and active stakeholder engagement, we proactively identify ESG risks and opportunities while deepening sustainable practices to elevate overall governance standards.

The Achievements of ESG Governance

Proactively participated in EcoVadis ratings and CDP questionnaire disclosures

Awarded grade by Sino-Securities Index ESG Rating

"A"

Awarded

"AA"

grade by Straight flush ESG Rating

ESG Governance Structure

OPPLE Lighting has implemented a three-tier ESG governance framework supervised by the Board of directors, with the Strategy & ESG Committee as the decision-making core, and ESG Working Group responsible for operational execution, ensuring coordinated implementation of ESG initiatives. The Board of Directors serves as the highest governing body for ESG matters, guaranteeing corporate decisions and actions adhere to the highest standards. Meanwhile, the Chairman of the Board concurrently chairs the Strategy & ESG Committee to provide leadership in ESG strategy development and execution, securing effective formulation and implementation of ESG objectives.



To ensure effective implementation of ESG management strategies, we hold regular meetings of the Strategy & ESG Committee. These meetings serve to review newly formulated ESG policies, assess material issues, monitor progress toward environmental targets, and evaluate other critical ESG matters.

Stakeholder Engagement

Dedicated to fostering comprehensive engagement channels, OPPLE lighting maintains active dialogue with key stakeholders including government agencies, regulatory bodies, shareholders, customers, employees, and media representatives. Through diversified communication approaches, we promptly address stakeholder concerns and facilitate mutual development between the Company and our stakeholders.

Stakeholders	Key Concerns		Engagement Methods	
Government/Regulators	• Anti-corruption • Corporate Governance • Information Disclosure	• Climate Change Response • Energy Usage	• Regular Communication and Report • Company Survey	• Information Disclosure • Policy Implementation
Investors/Shareholders	• Business Performance • Information Disclosure	• Corporate Governance	• Annual General Meeting of Shareholders • Company Research, Roadshows • Regular Reports & Earnings Briefings	• Investor Hotline/Email • SSE Interactive Platform
Suppliers	• Anti-unfair Competition	• Supply Chain & Responsible Procurement	• Strategic Partnerships • Regular Exchanges	• Participate in Industry Activities
Customers	• Compliance with Business Ethics • Product Quality & Safety • Customer Service	• Information Security • Sustainable Consumption	• Feedback Collection • Complaint Handling	• Conduct Customer Satisfaction Surveys
Community/Public	• Philanthropy • Emissions & Hazardous Materials Management	• Biodiversity	• Conduct Public Welfare Activities • Social Media	• Site Visits
Employees	• Labor Management • Diversity, Equality and Inclusiveness	• Career Development • Occupational Health & Safety	• Hold the Congress of Workers and Staff • Training Programs	• Solicit Opinions and Feedback from Employees
Media/NGOs	• Emissions and Hazardous Materials Management • Biodiversity	• Circular Economy • Water Resources	• Press Conferences • Media Interviews	• Social Media Engagement

During the reporting period, OPPLE lighting maintained close engagement with stakeholders through diversified communication channels, conducting over 100 roadshows, 3 shareholders' meetings, and 3 collective earnings briefings. We participated in the Shanghai Main Board Smart Home Appliances Collective Earnings Presentation, facilitating in-depth exchanges with investors, analysts, and media representatives on smart transformation, green development, and high-quality growth through dual online-offline platforms. In addition, the Company implements a stable dividend policy, shares the results of development with shareholders, continues to reinforce trust and collaboration with shareholders, laying a solid foundation for sustainable development.

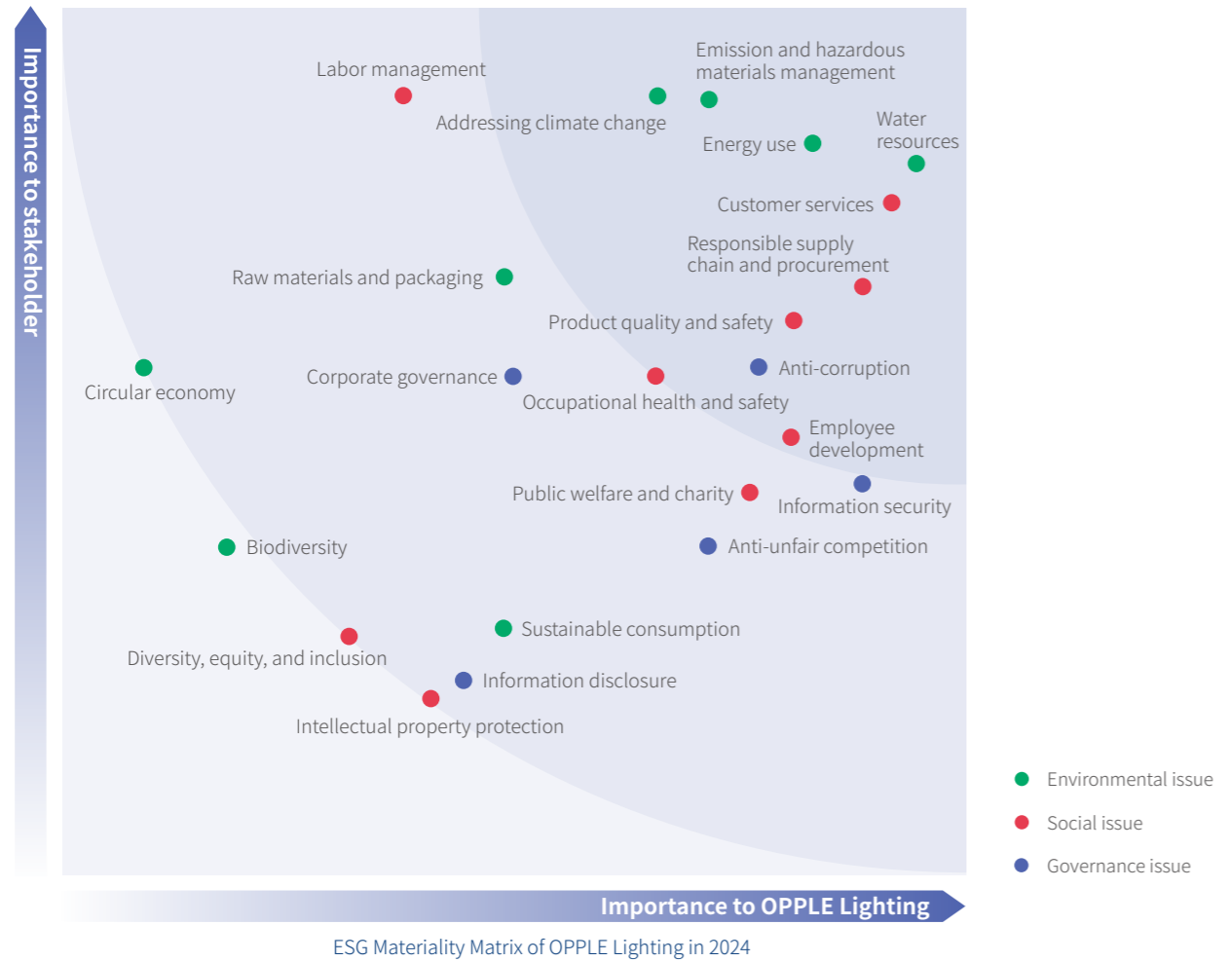
Adhering to principles of openness and transparency, we strictly complied with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, and *the Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, instituting our *Information Disclosure Management System* and *Information Disclosure Suspension and Exemption Management System* to standardize reporting processes and enhance governance compliance.

We disclosed 4 periodic reports and 62 interim announcements during the reporting period, and earned "Best Capital Market Communication Award".

Materiality Analysis

OPPLE Lighting proactively identifies material issues related to corporate operations to assess our environmental, social, and economic impacts, while evaluating the significance to stakeholders. By analyzing domestic and international regulatory policies and industry trends, benchmarking against global standards including the *GRI Standards* issued by the Global Reporting Initiative (GRI), the *Sustainability Accounting Standards* issued by SASB, and referencing the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, we have identified 22 material ESG-related issues. These issues not only guide our ESG management practices but also enhance our information disclosure standards.

In compliance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, we are progressively implementing dual materiality assessment. This approach evaluates issues through two dimensions: impact materiality and financial materiality. Impact materiality examines effects on the economy, society, and environment, while financial materiality assesses influence on business operations and financial performance. This methodology will optimize resource allocation, strengthen the integration of ESG strategy with core business, improve disclosure transparency, build investor confidence, and ultimately support long-term sustainable development.

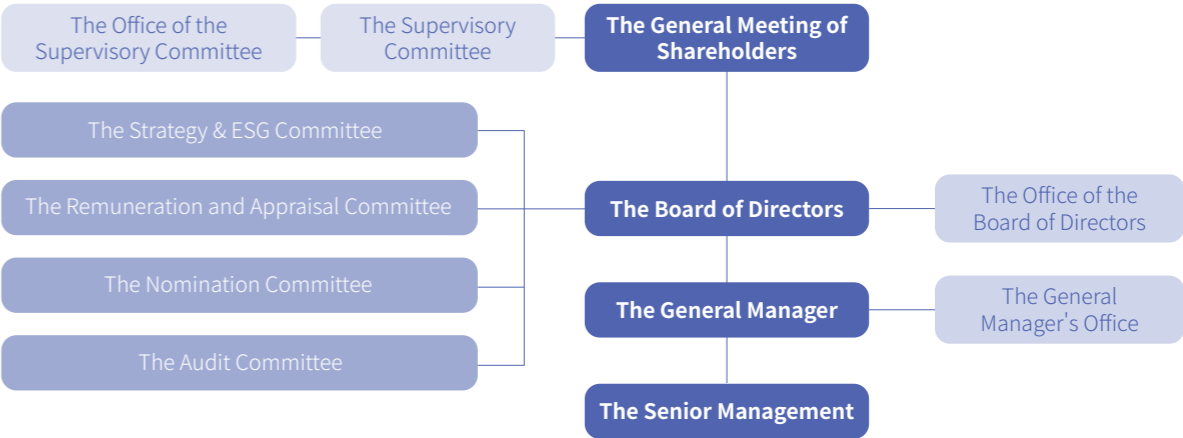


Enhancing Responsible Governance

- OPPLE Lighting continuously optimizes the corporate governance structure through a diversified Board of Directors and clearly delineated management framework, ensuring operational transparency and effectiveness. We further strengthen risk management and internal audit mechanisms to proactively identify, assess, and mitigate governance risks, thereby laying a solid foundation for sustainable long-term development.

Corporate Governance

In strict compliance with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Code of Corporate Governance for Listed Companies*, and the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, we consistently refine internal governance systems. This structured approach enables all organizational levels to fulfill their designated responsibilities collaboratively, safeguarding our stable operations.



OPPLE Lighting Governance Structure



The General Meeting of Shareholders

We strictly comply with *the Company Law of the People's Republic of China* and internal regulations including the *Articles of Association* and the *Rules of Procedure of the General Meeting of Shareholders* to properly convene and organize meetings. To ensure procedural legitimacy and transparency, we engage professional lawyers to witness proceedings, safeguarding shareholders' rights. Adhering to principles of fairness and equity, we treat all shareholders equally, promptly address inquiries and proposals, and actively adopt reasonable suggestions. For related-party transactions, we rigorously implement recusal procedures to guarantee independent and impartial decision-making.

The Board of Directors

OPPLE Lighting fully recognizes that board diversity is essential for enhancing corporate governance efficiency and decision-making quality. In accordance with the *Rules of Procedure for Board Meetings*, we have established a Board composed of members with diverse genders, ages, educational backgrounds and professional expertise to ensure comprehensive consideration of multiple perspectives and experiences in decision-making processes. Adhering to the merit-based principle, we consider multiple dimensions including candidates' industry experience, educational background, professional skills and career history when selecting directors, facilitating the exchange and integration of different viewpoints to maximize board governance efficiency. We have three independent directors, all seasoned professionals with expertise in accounting, management and business operations.

The Board has established four specialized committees: the Strategy & ESG Committee, the Audit Committee, the Remuneration and Appraisal Committee, and Nomination Committee, each with clearly defined responsibilities to ensure effective management and oversight. As part of the board's efforts to promote governance innovation, we upgraded the former Strategy Committee to the Strategy & ESG Committee to strengthen research, analysis and risk assessment of ESG-related matters, thereby enhancing our competitiveness and sustainable development capabilities. Except for the Strategy & ESG Committee, all other committees are chaired by independent directors, with independent directors constituting no less than half of the membership in the Audit, the Remuneration and Appraisal, and the Nomination Committee.

During the reporting period, our board members actively participated in training programs for directors, supervisors and senior executives of listed companies organized by securities regulators and exchanges. Additionally, we provided capital market compliance training to board members and relevant internal departments as needed.

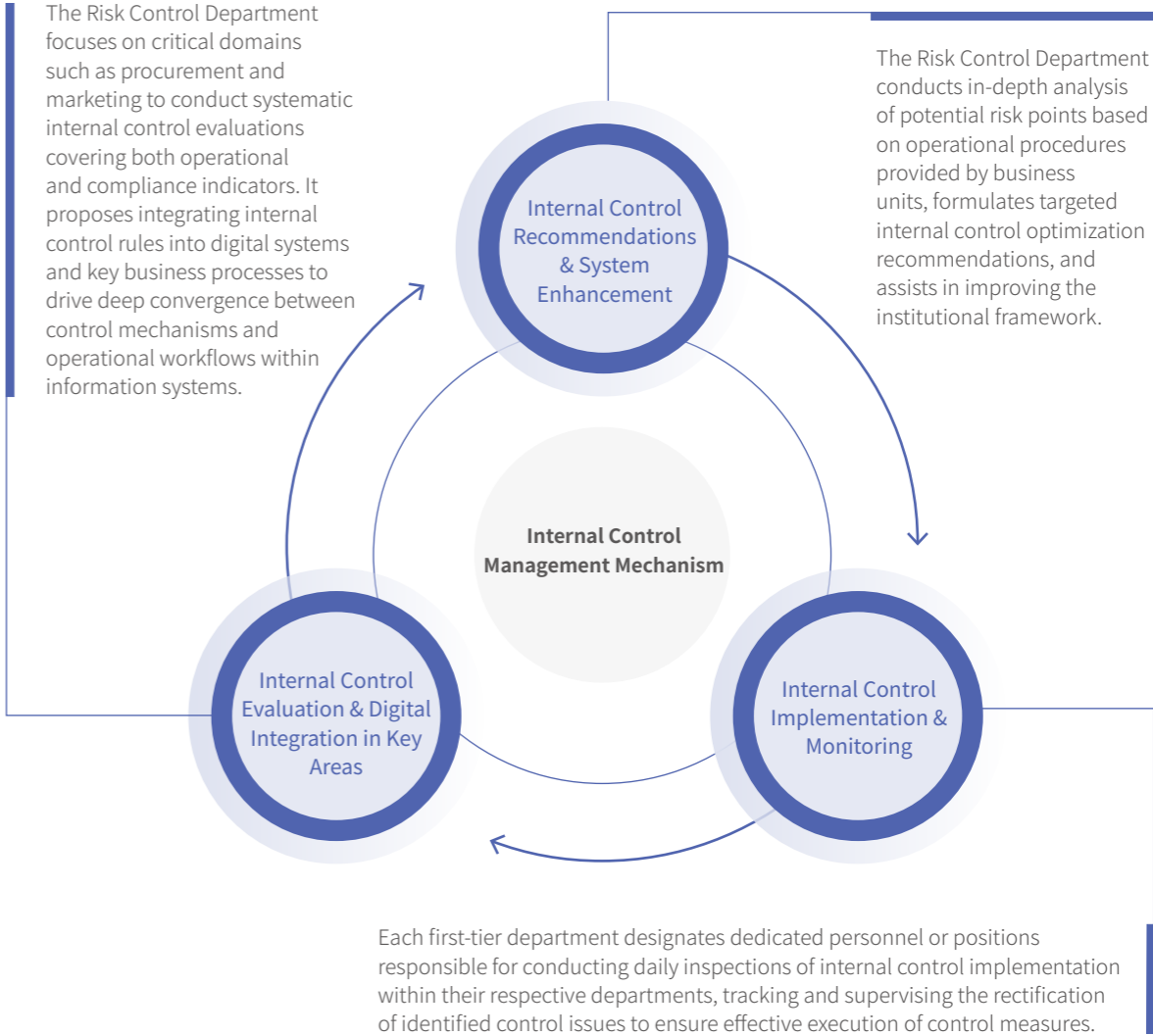
The Supervisory Committee

Regarding the Supervisory Board, we fully exercise our supervisory authority in compliance with internal regulations including the *Articles of Association* and *Rules of Procedure for Supervisory Committee*. The Supervisory Committee oversees our financial status and monitors the legality and compliance of directors and senior management in performing their duties, safeguarding the legitimate rights and interests of the Company and our shareholders. As of the end of the reporting period, our Supervisory Committee consists of three supervisors, including one employee representative supervisor.

Risk Management & Internal Control

OPPLE Lighting places paramount importance on risk management and internal control, having established a comprehensive system to effectively prevent and address various operational risks. We strictly comply with relevant regulations, including the *Basic Norms of Internal Control* and the *Code of Corporate Governance for Listed Companies*, and have formulated the *Internal Control and Evaluation System*. This system standardizes evaluation procedures and reporting processes, enabling us to promptly identify internal control deficiencies, uncover potential risks, and efficiently implement corrective measures, thereby continuously enhancing management effectiveness.

We persistently optimize our internal control mechanisms to effectively mitigate potential risks in risk management and internal control. Prior to and during business operations, we implement precise risk prediction and prevention measures to reinforce our first line of defense against risks.



During the reporting period, we intensified our focus on internal control and risk management to enhance operational stability and risk resilience across the company. Regarding internal controls, we significantly improved the effectiveness of risk identification, rectification implementation, and authorization management by establishing early-warning indicators for key business processes, creating a closed-loop system for alert resolution tracking, and verifying execution approval authority designs.

In 2024

We convened

3

General Meetings of Shareholders

6

Meetings of the Board of Directors

6

Supervisory Committee meetings

4

Audit Committee meetings

2

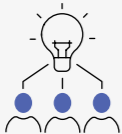
Nomination Committee meetings


6

Remuneration and Appraisal Committee meetings

2


Strategy & ESG Committee (formerly Strategy Committee) meetings






Early-Warning Indicators for Critical Operations

We developed self-service analytical tools to establish fraud warning indicators for procurement, sales and other key business processes



Closed-Loop Alert Resolution Tracking

We implemented a risk control system featuring tricolor (high/medium/low) risk alerts. Integrated with OA workflows to automatically notify responsible departments and personnel of alerts and mandate corrective action feedback, forming a complete monitoring-resolution loop



Authorization Design Verification & Execution Review

We conducted comprehensive audits of approval authority frameworks to identify and rectify design flaws and implementation gaps

Key Internal Control Initiatives

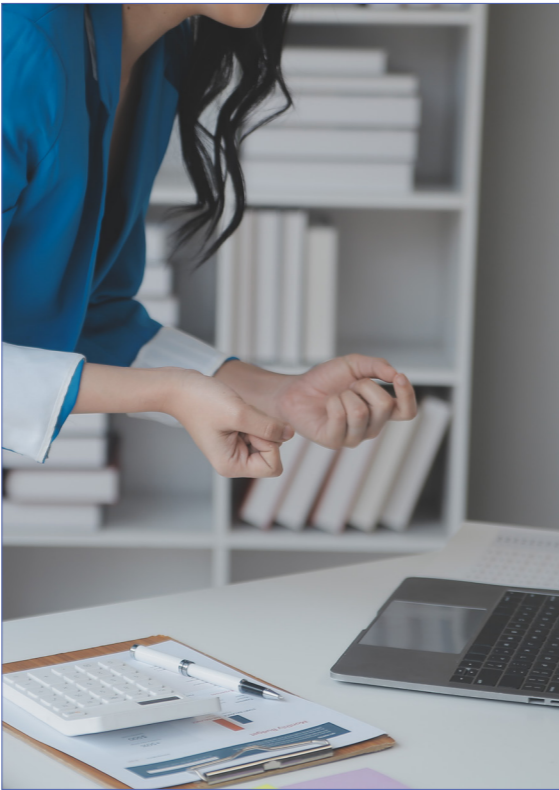
Building on these efforts, we advanced our risk management framework by completing the development and acceptance testing of a comprehensive risk control system. This system incorporates four core modules: risk database, risk assessment, risk early-warning, and rectification tracking. Moving forward, we will further enhance system functionality by developing an internal control evaluation module to institutionalize regular self-assessments by business units and elevate our overall risk management capabilities.

Internal Audit

We leverage our audit platform to comprehensively enhance internal control, compliance, and risk management while fostering corporate culture development. The platform enables systematic identification, measurement, analysis, and evaluation of operational risks, allowing us to implement effective mitigation and control measures that ensure business stability and regulatory compliance.

During the reporting period, the Audit Department successfully completed 95 audit projects, which included 30 comprehensive post-project reviews of significant non-production procurement activities. These audits encompassed 13 Tier-1 departments: Overseas Regional Sales Center, Human Resources and Administration Center, Supply Chain Center, Quality & Process IT Center, China Sales Center, Key Account Sales Center, Legal Affairs Center, E-Commerce Channel Department, Customer Service Center, Road Lighting Division, Government and Enterprise Business Department, Brand Center, and Procurement Center. The audit coverage extended to 33.3% of Tier-2 departments, achieving a remarkable rectification completion rate of 97%.

For specialized audits, we prioritized compliance operations and fraud prevention. We have conducted the targeted fraud audits across procurement, sales, and warehouse operations to reinforce compliance and transparency throughout all business processes.



Upholding Business Ethics

Anti-Bribery & Anti-Corruption

- OPPLE Lighting remain steadfast in ethical business practices, resolutely opposing all forms of corruption and unfair competition. We strictly comply with laws and regulations and are dedicated to building a fair and transparent business environment that fosters sustainable development for both the Company and our partners.

OPPLE Lighting rigorously adhere to regulations including the *Interim Provisions on Prohibiting Commercial Bribery* and have established comprehensive internal policies such as the *Regulations on the Declaration of Participation in Company-related Business Transactions by Current and Former Employees and Their Related Parties*, *Fraud Management Procedures*, and the *Compliance Guidelines for Anti-Commercial Bribery* to create transparent and equitable business practices. The *Whistleblowing Information Management Procedures* effectively prevent misconduct by specifying reporting channels, investigation processes, and disciplinary actions for violations, while the *Compliance Guidelines for Anti-Commercial Bribery* explicitly prohibit improper inducements to ensure operational legality.

To strengthen anti-corruption awareness, we have incorporated behavioral standards and disciplinary measures in the *Employee Handbook* and require all staff to sign *Letter of Commitment to Integrity*. We also mandate suppliers to sign *Integrity Agreement*, upholding equivalent ethical standards. Suppliers violating these agreements face immediate termination and blacklisting.

On this basis, we have established a sound multi-tiered management structure for dealing with fraud. Through clear division of responsibilities, we ensure all fraudulent activities are addressed promptly and effectively, thereby strengthening the company's culture of integrity.





During the reporting period, we implemented multiple measures to combat corruption and fraud. We migrated our fraud risk mapping to an online risk control system, enabling real-time monitoring and feedback of anomalies. Among the system's 10 operational indicators, two are specifically designed for fraud detection, identifying relationships between employees and external entities to ensure management transparency and compliance. Additionally, we conducted extensive anti-fraud training programs to foster a culture of integrity.

We extended anti-corruption requirements to our supply chain, conducting comprehensive due diligence on suppliers across procurement and sales functions. This included scrutinizing raw material and IT cloud service purchases, while addressing sales-side violations such as fraudulent project bidding by distributors, counterfeit product sales, and employee conflicts of interest through unauthorized investments. These efforts significantly enhanced the integrity of supply chain.

Case Anti-Fraud Training Program

In 2024, OPPLE Lighting organized 14 anti-fraud training sessions (both online and in-person) covering 100% of employees. The curriculum included corporate compliance redlines, case studies of fraud schemes promotion of our Sunshine OPPLE integrity culture, etc. Through these initiatives, we elevated organizational awareness of ethical conduct and strengthened our compliance culture.



Whistleblowing & Whistleblower Protection

OPPLE Lighting have established a comprehensive whistleblowing mechanism, offering diversified reporting channels for employees, clients, and partners. Our *Whistleblowing Information Management Procedures* clearly define the complete case-handling workflow from case review and investigation to follow-up and feedback.

We strictly adhere to confidentiality and non-retaliation principles, safeguarding whistleblowers' legitimate rights through rigorous information protection measures. All personnel involved in case handling must comply with confidentiality protocols to ensure whistleblowers remain unaffected and investigations proceed effectively. The dedicated reporting email is accessible only to the head and the direct superiors of Supervision Department, guaranteeing third-party isolation. For additional information, whistleblowers communicate exclusively with the Supervision Department head through a single-point contact channel to further protect the confidentiality of the information. If whistleblowers suffer retaliation, they can report directly to the Ethics & Compliance Center through designated channels, triggering immediate investigation and severe disciplinary action.



Full- Process of Whistleblowing Information Handling

President's E-Mail
jubao@opple.com; fraudrisk@163.com

Wechat
OPPLE-ECC

QQ
3037424194

Mailing Address
OPPLE Lighting Audit Department, Building V2,
1799 Wuzhong Road, Minhang District, Shanghai
(Postal Code: 201103)

Hotline
021-38550000-6814

Whistleblowers may visit the Ethics & Compliance Center office at the above address for verbal or physical submission of materials

Whistleblowing Channels

Anti-Unfair Competition

We steadfastly uphold fair competition principles. In compliance with *Anti-Unfair Competition Law of the People's Republic of China*, *Anti-Money Laundering Law of the People's Republic of China*, and *Anti-Monopoly Law of the People's Republic of China*, we have established the *Compliance Guidelines for Anti-Commercial Bribery* to ensure lawful business operations. During the reporting period, we implemented robust measures to investigate and rectify unfair competition practices in key regions, effectively safeguarding market fairness while protecting the legitimate rights of businesses and consumers. These actions demonstrate our zero-tolerance stance against unfair competition.

We further reinforced compliance through specialized training programs to enhance employee awareness and ensure adherence to fair competition principles.

Responsible Marketing Practices

- OPPLE Lighting strictly observe *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and *Advertisement Law of the People's Republic of China* to guarantee truthful and transparent marketing. Our *Channel Customer Access and Evaluation Standards* regulate distributor conduct, supplemented by *Integrity Agreement* to mitigate risks. Additional policies like the *Management Measures for Circulation Channel Business Behaviors* and *Management Measures for Business Behaviors of Sales Centers in China* establish detailed sales staff evaluation and disciplinary criteria, embedding responsible marketing throughout operations. Through dual focus on distributor management and product & service oversight, we ensure full-chain compliance from partners to consumers, fulfilling our commitments to all stakeholders and social responsibility.

Product Compliance Communication

We employ multiple communication channels to ensure customers fully understand potential health and safety considerations related to product packaging and usage, enabling informed purchasing decisions and safe product use.

Product Safety and Usage Guidelines

- Provide customers with product presentation plans, installation and usage operation guidelines, and product user manuals, and mention relevant information about product safety through the WeChat mini-program platform
- Inform users of the safety regulations and warning instructions of related products through the paper manual in the packaging box or the electronic product manual on the Opple Lighting WeChat mini-program platform, and remind users to cut off the power supply in advance before installation, and make safety warning labels to prevent electric shock
- Disclose complete after-sales policies, product specifications, warranty commitments, and technical support resources including common disassembly methods, troubleshooting guides and frequently asked questions, etc. on the official website

To further strengthen responsible marketing practices, we have implemented diversified training programs to enhance awareness among both employees and distribution partners. During the reporting period, OPPLE Lighting reported no incidents of penalties, sanctions or warnings related to violations of product and service labeling or information regulations.

Case Responsible Marketing Training

In 2024, OPPLE Lighting conducted 57 specialized training sessions focused on responsible marketing, comprising 55 sessions for distribution partners, one intensive workshop for internal after-sales teams and authorized service providers, and one professional exchange for metro industry specialists. The training curriculum comprehensively covered product knowledge, fault diagnosis, repair techniques, service standards, engineer certification requirements, and practical installation/commissioning procedures. These initiatives achieved cumulative participation exceeding 3,100 trainees, significantly elevating service capabilities and compliance awareness across our entire network.



Case Advertising Marketing and Promotional Compliance Training

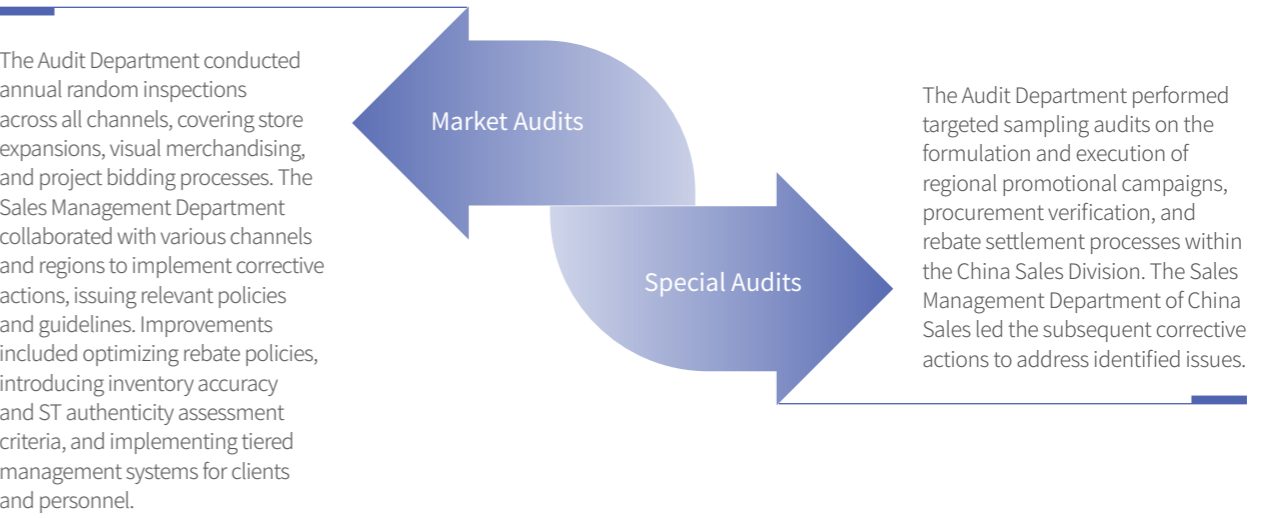
In July 2024, the Legal Affairs Center of OPPLE Lighting conducted specialized training for employees in key departments and critical positions, including the Product Marketing Department, Brand Department, Customer Service Center, and China Sales Division. This dedicated training on advertising marketing and promotional compliance provided detailed interpretations of important clauses and specific regulations under the *Advertisement Law of the People's Republic of China* and the *Law of the People's Republic of China for Countering Unfair Competition* to key business units. The session significantly enhanced the awareness and understanding of these departments, fostering cross-functional collaboration to ensure the legality and compliance of corporate advertising activities. This initiative effectively mitigates operational risks for the Company.



Distributor Compliance Management

OPPLE Lighting implements full lifecycle management of distributors to mitigate operational risks. We have established and enforced comprehensive standards for distributor onboarding, performance evaluation, and offboarding, with clearly defined partnership requirements and regular assessments to enhance operational quality. Through support policies such as annual, quarterly, and monthly rebates, along with capability-building training programs, we empower distributors to achieve business targets and strengthen their professional competencies.

In practice, since March 2024, the Audit Department has conducted random physical inventory checks at distributor locations, while the Sales Management and Quality Operations Department of the China Sales Center organized two comprehensive inventory audits across all regions. These initiatives significantly improved the accuracy of inventory data, enabling better business analysis and profitability enhancement for distributors. Additionally, through market compliance audits and special compliance reviews, we have comprehensively enhanced distributor management standards and market operational efficiency.



Case Hold the Distributor Sales Kickoff Conference to Implement Responsible Marketing

In January 2024, we successfully convened a sales kickoff conference themed "Breaking Through Ten Billion, Achieving Excellence" for our retail and new business channels, bringing together over 190 distributors. The conference focused on communicating our 2024 strategic deployment, covering key areas including retail strategy planning, product supply chain optimization, and omni-channel marketing promotion strategies. This collective effort further advanced the implementation of responsible marketing practices, ensuring our products and services better meet market demands.

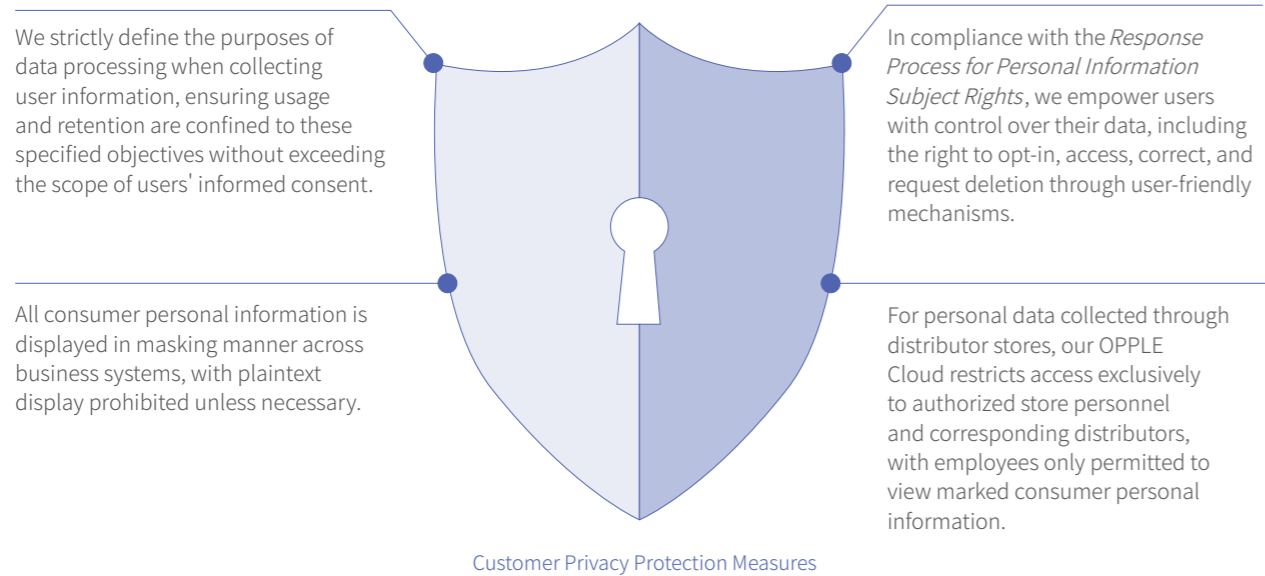


Privacy & Security Protection

- OPPLE Lighting consistently prioritizes information security and privacy protection as critical components of compliant operations, strictly adhering to national regulations including the *Personal Information Protection Law of the People's Republic of China*, *Cybersecurity Law of the People's Republic of China*, and *Data Security Law of the People's Republic of China*. We continuously optimize and update our policies and systems concerning network security, data protection, and personal information management to ensure comprehensive enhancement and effective execution of information governance measures, thereby safeguarding the rights of both customers and employees.

Privacy Protection

OPPLE Lighting rigorously complies with privacy protection protocols such as the *Response Process for Personal Information Subject Rights*, the *OPPLE Lighting Applet Privacy Policy*, *OPPLE Lighting User Operation Platform Agreement*, *OPPLE Lighting User Tier and Benefits*, and *User Interaction Management Regulations*. These policies clearly define our obligations to protect customer privacy rights and standardize the full lifecycle management of personal information, from collection, storage, and usage to processing, transfer, provision, disclosure, and deletion, ensuring robust protection of customer privacy.



OPPLE Lighting prioritizes information security and customer privacy protection in all third-party collaborations. We share user data with third parties only when legally compliant, strictly adhering to relevant regulations and obtaining explicit user consent beforehand. To ensure third parties meet required security standards, we implement external assessments, execute *Data Processing Agreement* and *Data Processing Security Compliance and Confidentiality Commitment*, and conduct ongoing monitoring and audits to prevent privacy breaches. These data protection requirements extend to all suppliers and partners through signed *Data Processing Agreement* and related documents, guaranteeing their strict compliance with data security management protocols.

During the reporting period, we updated the *OPPLE Home Privacy Policy*, specifically enhancing clauses regarding sharing user personal information with third-party service providers. The revisions clarified the scope, purposes, and security measures for data sharing, significantly elevating user privacy protection standards. These implemented measures have effectively safeguarded user data security and compliance, with no customer privacy infringement incidents occurring during the reporting period.

Data Security

We maintain rigorous data security management, strictly following internal policies including the *Regulations on the Categorized and Prioritized Security Management of R&D Data*, the *Regulations on the Categorized and Prioritized Management of Security Environment for R&D Information*, and *Data Security Management Standards*. During the reporting period, we added management systems such as *Information Security Incident Management Standards*, *Data Breach Response Procedures*, *Information Security Conduct Management Standards*, etc. ensuring comprehensive coverage of all data security management aspects.

Regarding certifications, Shanghai Qianlong Energy Conservation Technology Co., Ltd., a subsidiary of OPPLE Lighting, obtained ISO/IEC 27001:2022 Information Security Management System and ISO/IEC 20000-1:2018 IT Service Management System certifications. Additionally, our road lighting systems achieved Level 3 Cybersecurity Classification Protection certification, covering 25% of operational locations, further consolidating our information security practices.

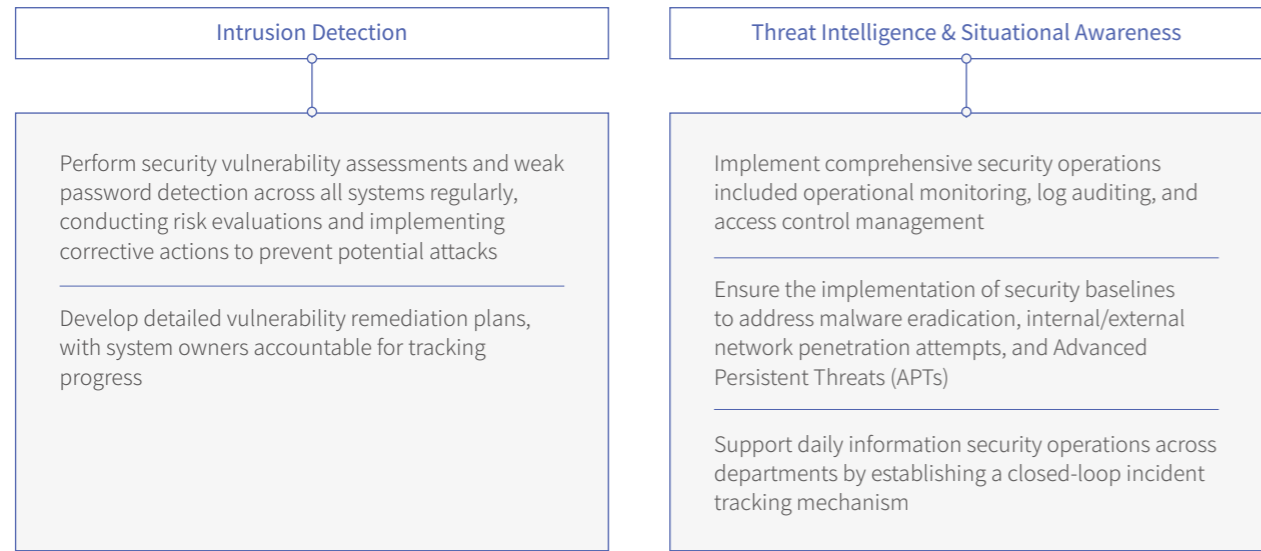
Building on this foundation, OPPLE Lighting have established a "1+5+2+3" information security governance framework through continuous improvements to our security management system, optimized organizational structure, enhanced business information security infrastructure, and implemented security review mechanisms. This comprehensive system provides enterprise-wide information security assurance, ensuring all business operations proceed within a secure and compliant environment.





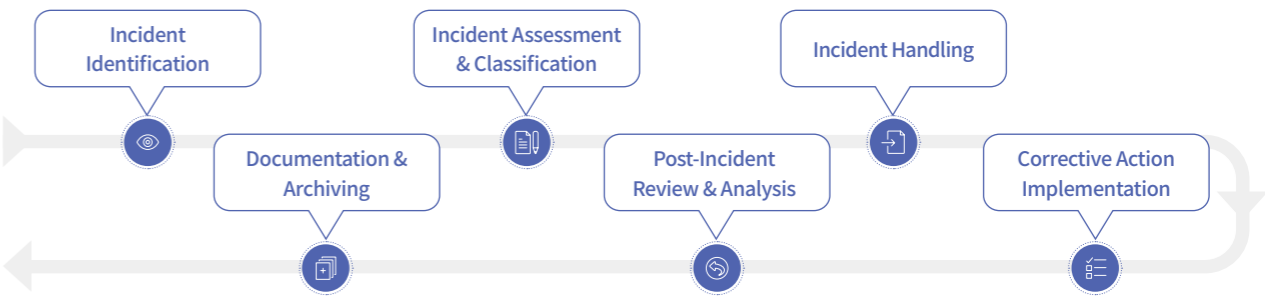
Core Working Principles of the "1+5+2+3" Information Security Governance Framework

Throughout the reporting period, we implemented multifaceted measures focusing on four critical areas, preventing external attacks, internal data leaks, regulatory violations, and privilege misuse. By proactively identifying and addressing potential risks, we continuously strengthened our security defenses. Regular information security audits were conducted to validate the effectiveness of cybersecurity measures. For newly launched systems, we performed comprehensive security testing and deployed Web Application Firewalls (WAF) to effectively mitigate potential attacks. Additionally, we conducted periodic security scans on existing infrastructure and applications, promptly addressing identified vulnerabilities. Leveraging threat intelligence and situational awareness capabilities, we maintained real-time monitoring of network threats to ensure comprehensive protection of system and network security.



Cybersecurity Protection Measures

OPPLE Lighting have established a robust emergency response mechanism, with procedures led by the Information Security and Data Compliance Management Office. For particularly severe and urgent incidents, escalation to the Information Security and Data Compliance Management Committee is required to ensure rapid and effective handling of cybersecurity events, minimizing potential impact.



Emergency Response Process

We are dedicated to fostering a strong cybersecurity culture among employees through comprehensive training and drills. We mandate annual information security training and certification for all staff to enhance threat response capabilities. During the reporting period, in accordance with the *Specification for Assurance of Application System Continuity*, we developed annual cybersecurity drill protocols and conducted both awareness training and emergency exercises, significantly improving employees' risk management competencies.

The reporting period concluded with no data breaches or cybersecurity incidents at OPPL Lighting.

Case Conduct Company-Wide Security Awareness Training to Foster a Culture of Security

Utilizing our cloud learning platform, we delivered information security training to 3,269 employees during the reporting period. The curriculum covered 14 critical areas including data breach risks, workstation security, pirated software risks, personal privacy protection, and cross-border data transmission risks. This systematic training and assessment program has strengthened organizational security awareness and risk prevention capabilities, reinforcing our cybersecurity defenses.

Case Organize Emergency Drills to Enhance Incident Response Capabilities

During the reporting period, our IT security team conducted simulated OA system outage drills replicating malware attack scenarios. These exercises evaluated team preparedness, cross-functional coordination, and threat containment capabilities, with identified gaps prompting immediate corrective actions to enhance overall incident response effectiveness.

Illuminating Lives, Leading a Brighter Future

Response to SDGs



Light stands as both witness to human civilization and architect of better living. Guided by our mission to "Create Value out of Light", we harness technological innovation to enhance product excellence, deliver heartfelt services, and transform every beam into a catalyst for elevated living.

- Stringent Product Quality Control
- Empowering Product Innovation
- Enhancing Customer Experience
- Deepening Commercial Partnerships



Stringent Product Quality Control

Quality forms the cornerstone of our enterprise. We pursue perfection through standards surpassing industry norms, safeguarding consumers' lifestyle with meticulous craftsmanship while setting new benchmarks for lighting experiences.

Our rigorous quality commitment has earned multiple authoritative certifications, validating technical leadership.



Suzhou OPPLE Lighting received the Quality Leadership Enterprise Certification



Wellsky Series Ceiling Light was awarded the industry's first Five-Star Healthy Light Quality Certification for luminaires and light sources



Bath Heater Quality BG Certification for Bath Heaters

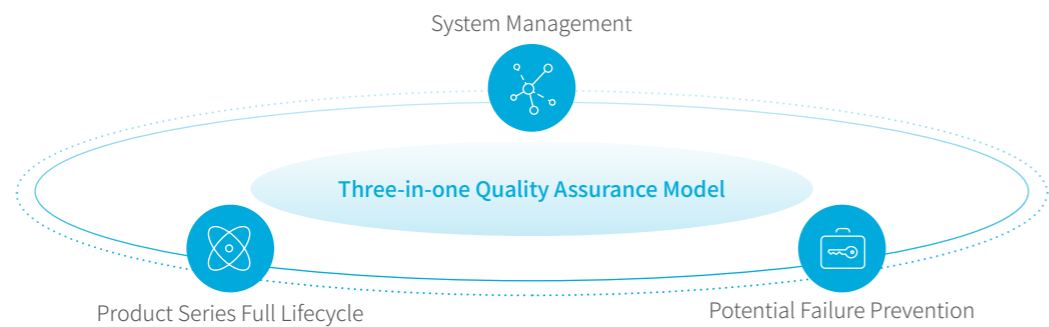


Bath Heater Innovation Certification Premium Product Certification for Maternal & Infant Bath Heaters

Management System

As a responsible enterprise, we strictly adhere to legal requirements including the *Product Quality Law of the People's Republic of China* and the *Law of the People's Republic of China on Protection of Consumer Rights and Interests*, placing product quality and safety management at the core of our operations. We continuously enhance our quality management framework by updating key documents such as the *Main Lighting Appearance Inspection Standard*, the *Product Storage Cycle Management Regulations*, the *Technical Review Evaluation Criteria*, and the *Market Defective Product Return Management Rules*, while introducing new standards including the *AOI (Automated Optical Inspection) Detection Point Setup Specifications*, the *New Fire Protection Battery Matching & Delivery Requirements*, and the *Faro Desk Lamp Inspection Standard* to strengthen end-to-end quality control capabilities.

In 2024, aligned with corporate strategy, we maintained our tripartite quality assurance model encompassing "systematic management, full product lifecycle oversight, and potential failure prevention". We established detailed key quality indicators, including quality failure costs, product pass rates, batch rejection rates, and return rates, cascaded across all functional departments to achieve zero-defect targets. The upgraded quality dashboard system now provides real-time monitoring of customer complaints, internal quality, and supplier quality performance, delivering precise decision-making data for management. Furthermore, we comprehensively reviewed quality management processes spanning product design, manufacturing, and after-sales service, conducting critical process evaluations and revisions to ensure alignment with evolving operational requirements, thereby systematically improving the effectiveness of quality governance.



Quality Process Optimization & Monitoring System

Incoming Material Inspection

Strengthen inspection of raw materials and components to ensure compliance with quality standards

Mass Production Reliability Testing

Expand reliability test items for mass-produced goods to enhance product durability and stability

In-Process Quality Control

Optimize monitoring methods and techniques to improve production process precision

Critical Process Control

Implement focused monitoring and strict quality controls for key manufacturing processes

Non-conforming Product Management

Refine handling procedures to ensure timely and effective disposition of non-conforming product

Sampling Inspection


Improve sampling methods and frequency to increase inspection accuracy and efficiency

Defect Management


Assign dedicated personnel for closed-loop system management with regular analysis of quality data monitoring metrics

During the reporting period, we have obtained ISO 9001 Quality Management System certification, with our product quality being recognized by authoritative domestic and international certification bodies, including 3C¹, CQC², CE³, GS⁴, ENEC⁵, RoHS⁶ certifications, as well as Green Building Evaluation Certification and China Green Product Certification.

Additionally, demonstrating outstanding quality management capabilities, we successfully achieved CMMI Capability Maturity Level 3 certification and IT Service Standard Level 3 certification.



CMMI Capability Maturity Level 3 Certificate



IT Service Standard Compliance Certificate (Level 3)

¹ China Compulsory Certification.

² China Quality Certification Centre.

³ CONFORMITE EUROPEENNE.

⁴ Germany Safety.

⁵ European Norms Electrical Certification.

⁶ Restriction of Hazardous Substances.

Key Point
Monitoring

We are dedicated to enhancing product quality control by strictly implementing manufacturability reviews from the initial R&D stage to ensure the quality and reliability of new products. By utilizing the Quality Management System (QMS) and focusing on critical quality control points, we achieve comprehensive quality management throughout the entire production process.

Enhanced New Product Manufacturability Review Mechanism

To ensure smooth transition from trial production to mass production, we conduct thorough manufacturability reviews during product introduction, covering product design, process routes, quality control, and supply chain reliability. This approach enables proactive risk management.

Defined Quality Control Priorities and Standards

Through systematic analysis of historical quality data, we have systematically established and prominently displayed quality control standards on production lines to strengthen on-site quality management. This ensures continuous compliance with national standards and customer requirements.

Establishment of QMS Process Monitoring Platform

The QMS enables end-to-end online monitoring and closed-loop management of incoming materials, production processes, and exception handling.

Quality Control Achievements

Implementation of CCD automatic detection equipment reduced missing parts by

64%

compared to 2023

Optimization of FPC welding for fan lights decreased defect rate from

40%

to 0.4%

Automated testing coverage for remotes/Wi-Fi/Bluetooth increased from 10% to

64%



Supplier and distributor quality management serves as a critical component of our end-to-end product quality control. On the supply side, we enforce strict quality standards for component suppliers in accordance with internal regulations such as the *Supplier Quality Manual*, requiring valid ISO 9001 certification to ensure the quality of their components meets international standard compliance. For non-certified suppliers, we conduct rigorous quality system audits and mandate certification attainment. Regarding distribution, we established clear access/offboarding criteria and partnership requirements while implementing regular performance evaluations to continuously elevate distributor operational standards.

During the reporting period, we experienced zero major health/safety incidents or compliance violations related to products and services.

Training
Empowerment

To continuously enhance quality management level, we have conducted a series of specialized training programs, including "Quality Failure Experience Database" training for new employees, "IPD (Integrated Product Development)" thematic training, "Closed-Loop Problem Resolution" practical training, "APQP (Advanced Product Quality Planning)" thematic training, etc. These initiatives comprehensively strengthen employees' quality awareness and professional competencies.



Case "Lighting the Future, Quality First" Quality Month Campaign

From September to October 2024, we organized the "Lighting the Future, Quality First" Quality Month campaign. The program combined online self-paced learning with offline team collaboration to holistically elevate employees' quality awareness and technical skills.

- **Quality Knowledge Dissemination:** All employees participated in general quality education and product-specific training, reinforcing the principle that quality is the foundation of corporate growth
- **Job-Skill Enhancement:** Role-specific training ensured employees mastered relevant product quality requirements
- **Cross-Department Collaboration:** Team-based offline activities improved interdepartmental communication and coordination, fostering a synergy in quality management
- **Innovation Mechanism Development:** An employee suggestion platform for quality improvements was established to encourage innovative thinking and drive continuous improvement

OPPLE
欧普照明

光启未来 质量先行

—2024欧普质量文化月—

质量月线上答题活动（个人赛）

质量月线下活动一览（团队赛）

活动内容

通过云学堂进行线上答题，每人三次机会，根据题库每人随机抽选50题进行答题
*考试之前提供刷题学习时间

活动时间

学习时间：9月13日-9月24日
比赛时间：9月25日-9月27日

评分规则

根据准确率和答题速度评出一二三等（一等奖10人、二等奖20人、三等奖30人）

奖品奖项

一等奖：蓝牙耳机
二等奖：保温杯
三等奖：自动伞

质量月线上题库（企微登录）

5-8人为一组共同完成以下游戏

质慧心声
质者见质
质趣相投
质同道合
质胜之道

活动时间

中秋节后，国庆之前
具体时间另行通知

评分规则

根据积分三地各评选
团队第1/2/3名
*具体奖励根据实际组队决定
一等奖：800
二等奖：500
三等奖：300

线下报名截止时间
9月19日

扫描下方二维码
拉上你的小伙伴
一起组队赢好礼



Empowering Product Innovation

In the era of intelligent connectivity, the rapid evolution of lighting technology is driving unprecedented industry transformation. Guided by our vision of "Creating the World's Top Intelligent Lighting Brand", we are dedicated to technological innovation, building a talented R&D team, and strengthening our intellectual property system. Through continuous breakthroughs, we are injecting new momentum into the intelligent transformation of the lighting industry.

Our cutting-edge R&D capabilities and innovative achievements have earned widespread industry recognition, including numerous prestigious awards.

Hard Tech Excellence Award (recognizing R&D investment, patent grants, and industry standard leadership)	GeekPark 2023 "InnoForce 50" List (honoring China's top 50 innovative companies)
TMTPost 2023 EDGE AWARDS Best Smart Home Product in the Annual Frontier Technology Products	"Outstanding Contribution to Whole-Home Smart" and "HarmonyOS Connect Excellence Partner" at the 2024 Huawei HarmonyOS Connect Summit
Multiple honors at the 7th IoT Lighting Conference & "Light of Wisdom Trophy" Awards	"Top 50 LED Industry IP Leaders" at the 11th China LED Innovation Awards
2024 German iF Design Award	



Innovation-Driven

From the warm glow of incandescent bulbs to the energy-efficient revolution of LEDs, and now into the era of smart lighting, we have consistently remained at the forefront of lighting technology innovation. In 2024, we expanded our "Softwarization, Digitalization and Intelligentization; Application of new structure, new model, new technology, new process and new material" R&D strategy, evolving from "Platformisation, Integration and Large-scale Production" to "Softwarization, Digitalization and Intelligentization", enhancing every stage from R&D to sales and service. This approach strengthens our product innovation and service quality, meeting diverse market demands for green and intelligent lighting solutions.

● **Softwarization:** Leveraging our proprietary SDL Smart Spectrum Technology, we developed an in-house optical engine and algorithm platform to enable multi-color LED intelligent synthesis and ultra-wide-range color temperature control, delivering natural-light illumination experiences.

● **Digitalization:** Implementing end-to-end digital integration across all business processes, we enhance operational efficiency through data flow optimization and systematic management.

● **Intelligentization:** Building full-scenario smart lighting systems for urban, residential, and commercial applications, offering users convenient and personalized lighting experiences.



New Structure > Driving industry transformation toward high-quality development and continuous product value enhancement

New Model > Pioneering customized service solutions and innovative commercial approaches

New Technology > Advancing digital-intelligent innovations to empower smart manufacturing

New Process > Optimizing production techniques for high efficiency and energy savings

New Material > Deploying eco-friendly materials to achieve dual upgrades in product quality and sustainability

Anchored in light's essence and guided by our "Softwarization, Digitalization and Intelligentization; Application of new structure, new model, new technology, new process and new material" strategy, we drive technological breakthroughs, delve into user needs, and continuously create value through light.



Technology

Posture Alert Technology

Powered by AI vision, this system captures real-time user images via cameras, analyzing posture with facial/body recognition algorithms. Based on a deep learning posture database, it achieves highly accurate posture assessment and provides timely reminders for correction through voice chips. This technology effectively prevents health issues such as myopia and hunchback caused by poor sitting posture.



Health

SDL Sky Light Technology

Simulating natural daylight with high-CRI SDL LEDs and smart spectrum control, this innovation, featured in our Screen and Wellsky series products, enables customizable scenarios. It creates skylight-like illumination, meeting modern demands for wellness-centric homes.



Low-Carbon

Ultra-High-Efficiency Streetlight Modules: Achieves 230lm/W, 97.5% optical efficiency, via RTF optimization, stray-light control, and yellow-spot elimination, slashing energy use.

Compact High-Efficiency Spotlights: Integrates various industry advanced technologies with our latest Guangyao platform to deliver 137lm/W, reducing fixture size by 46% while boosting brightness 50%+ at equal wattage, or cutting energy use > 50% at equal brightness, providing efficient and energy-saving solutions for commercial lighting sector.



Smart

Polaris Smart Emergency Lighting System

A unified fire-evacuation/lighting solution lowering total costs by 25%, deployed in Shanghai Metro and Beijing Info SciTech Innovation Park.




Professional

Commercial-residential lighting optimization for enhancing user experience


Our dynamic store lighting platform revolutionizes retail experiences by utilizing animated window displays to boost foot traffic, catering to advertising and cultural tourism needs. This innovation will expand to transportation hubs, exhibition venues, and other diverse scenarios. The Bath Heater Hug Warmth Technology, featuring platformization design with an advanced airflow system and inverter technology, delivers rapid heating at 11°C per minute while maintaining a uniform temperature (≤ 5°C variation within 5 minutes). Integrated into our Warm Ring and Compact Heater product lines, it has earned mother-and-baby safety certification.

We remain dedicated to creating premium lighting experiences and healthy luminous environments for our customers. Through continuous innovation in lighting technology, we comprehensively enhance our products' core competitiveness.



Case **Pioneering Industry Standards, Advancing Sky Light Simulation Technology**

We partnered with COMAC Aircraft Design & Research Institute, Aviation Electrical Equipment Research Institute, Fudan University, and other institutions to co-establish the *T-SIEATA 000004-2024 Sky Light Environment Simulation System (Part 1: Design Specifications)*. This groundbreaking standard defines design, manufacturing, and classification requirements for sky light simulation systems for the first time, laying a foundation for elevating industry-wide technical capabilities.



Case **Upgraded SDL Smart Spectrum Technology, Delivering Nature-Identical Lighting**

Responding to growing demands for health and intelligence, we further advanced our human-centric lighting solutions with the next-generation SDL Smart Spectrum Technology. By combining precision spectral engineering with innovative algorithms, we developed an ultra-wide-range, natural-light-mimicking spectrum system that synchronizes indoor lighting with natural daylight rhythms. This breakthrough provides users with more authentic, comfortable, and biologically attuned illumination.

The SDL technology now spans ceiling lights, panel lights, downlights, linear fixtures, and more, serving residential, commercial, and artistic lighting applications. From dawn to dusk, it offers full-day circadian lighting solutions, enabling intelligent, scenario-based light adjustments that enhance both well-being and spatial ambience.

R&D Team

Talent is the wellspring of innovation and the core driver of corporate growth. At OPPLE Lighting, we adhere to a "people-centric" philosophy, fostering a robust training framework and incentive system to continuously cultivate and attract top-tier R&D professionals. This commitment fuels sustained technological innovation and solidified our talent foundation for scientific advancement.

We are dedicated to advancing global R&D innovation by establishing a comprehensive, cross-regional research and development network. We have built four specialized R&D laboratories in Shanghai, Zhongshan, Suzhou and Europe, complemented by 15 professional testing facilities and dedicated labs for EMC and light distribution analysis. Demonstrating our strong commitment to technological advancement, we invest over RMB 300 million annually in research and development to continuously enhance our core competitive advantages and innovation capabilities.

As of the end of the reporting period

OPPLE Lighting's R&D team comprises

526

specialists

87

members hold postgraduate degrees

R&D personnel account for

9.13%

of total employees

We continuously refine our R&D innovation incentive system to stimulate the creative vitality of our research teams. We have implemented a multidimensional incentive policy framework encompassing both short-term and long-term rewards, strategically allocating resources to critical positions and exceptional talents. This precisely calibrated incentive mechanism effectively mobilizes employees' innovative potential and professional enthusiasm.

Short-term Incentives

- Year-end Bonus (for all R&D personnel)
- Bonus allocation is determined based on the Company's overall performance, revenue contributions from various product lines, and individual employee performance evaluations
- Process incentives (for members of product development programs)
- A performance-driven incentive system evaluates project delivery quality and timeliness, with bonus distribution aligned to each member's actual contribution

Long-term Incentives

- Stock Incentives (for key positions, key technicians, and experts)
- Stock-based programs align the career growth of core management and key technicians with our long-term value creation

In alignment with business growth and position requirements, we systematically implement training programs for new employees, professional tracks, and management tracks in product R&D. We foster a positive learning and training environment by implementing an internal trainer incentive and increasing investment in external training resources.

Training Category

• New Employee Training

Product introduction, processes, talent development, intellectual property, software development, embedded software, software testing, and case sharing

Participants

340Participants

• Professional Track

Mechanical, electrical, thermal, control, materials, processes, marketing, fluid dynamics, project management, standardization, and other specialized fields

Participants

1,093Participants

• Management Track

Team management and leadership, focusing on developing managers' leadership skills and team motivation techniques

Participants

44Participants

During the reporting period

During the reporting period, we allocated

RMB306.0238million

to R&D

Accounting for

4.31%

of total operating revenue

Intellectual Property

While driving product innovation, we consistently prioritize intellectual property protection. We strictly comply with Chinese laws including the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, while implementing internal regulations like the *Intellectual Property Training Management Procedures* to strengthen IP governance. These measures effectively mitigate infringement risks, safeguard our innovations and brand reputation, and contribute to maintaining healthy market competition.

Meanwhile, we have established a robust IP management framework featuring an IPBP (Intellectual Property Business Partner) structure within our Patent Department. This team of specialized IP advisors provides end-to-end legal support, from patent filings to litigation, for all business units. In 2024, we upgraded our IP management system to enable systematic management of patents, trademarks, copyrights, and technical secrets, significantly enhancing management quality and operational efficiency.

We uphold IP protection through ethical operations and fair competition, fostering sustainable industry development. Comprehensive risk monitoring and screening mechanisms are implemented across R&D, supply chain, and product launch processes to secure technological achievements. For any patent disputes or complaints, we initiate prompt and proper resolution to advance equitable industry competition.

Risk Prevention

- We strictly implement IP risk assessments during product R&D, conducting comprehensive reviews of technical solutions and product designs for each new product
- In 2024, we completed 109 risk assessments (69 technical, 40 design-related), maintaining a veto system for high-risk solutions through immediate avoidance or abandonment
- We mandate suppliers to submit risk assessment reports for our review and include IP infringement indemnification clauses in procurement contracts

Risk Identification

- At every critical R&D stage, from project initiation and development to prototyping and pre-launch, we conduct continuous risk screenings. These provide timely risk alerts and mitigation recommendations to ensure product compliance
- For the 2024 Frankfurt Light+Building exhibition, we performed specialized screenings on all exhibit products, generating 40+ infringement analysis reports to prevent exhibition-related risks

Risk Resolution

- A dedicated team handles patent litigation responses and e-commerce platform complaints, achieving a 98%+ success rate in platform appeals to safeguard our legal rights

Intellectual Property Risk Management

As a National Intellectual Property Advantage Enterprise, we have considered IP management as a core strategic focus, developing a comprehensive, multi-dimensional training system that covers key groups including R&D, supply chain, and new employees. Through regular specialized training programs focused on practical skills and risk prevention, we provide robust support for the protection and commercialization of technological innovations.

Specialized Training

IP Fundamentals

In 2024, OPPLE Cloud Academy launched Intellectual Property Basics, systematically covering patent fundamentals and legal risk prevention.



Patent Mining & Disclosure Training

Combining online and offline formats, this program enhances innovation awareness and patent mining capabilities for new hires, key talent, and software development teams. Tailored sessions address software-specific patent requirements and technical characteristics.



Supplier Training: Patent Infringement Analysis & Design-Around Strategies and Partial Design Protection & Innovation Sharing

Focused on IP protection across the supply chain, these sessions proactively address patent risks while fostering innovation capabilities.



In-Depth Software Patent Training

Customized for the Software Development Platform Department, this program details software patent eligibility, disclosure documentation standards, and technical point mining methodologies.

Through tiered empowerment and precision training, we have deeply integrated IP education into our innovation value chain. This approach accelerates the commercialization of patented technologies while building technical barriers, delivering sustained competitive advantages for the enterprise.

During the reporting period

Patent applications filled

500

Patents granted

596

Artistic copyrights registered

3

New trademark applications submitted

172

Trademarks successfully registered

20

As of the end of the reporting period, we hold

4,532

valid patents

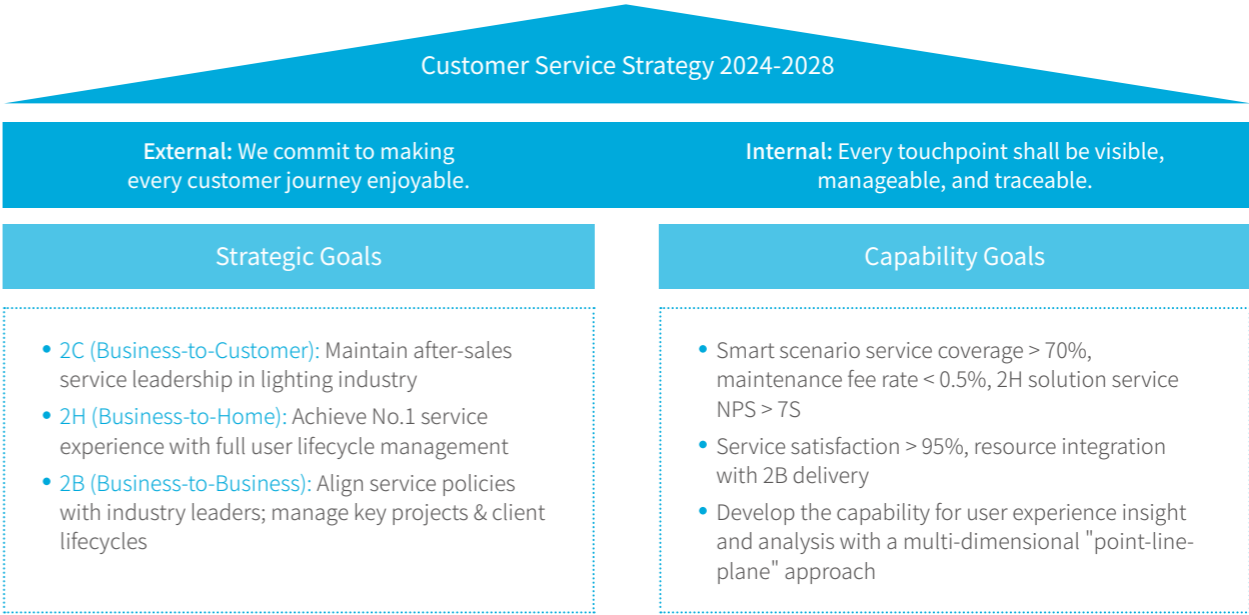
Enhancing Customer Experience

Premium Service

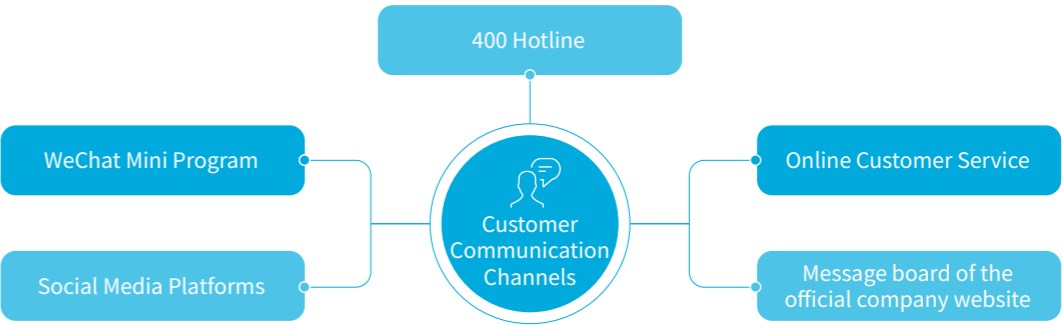
- Exceptional service embodies the warmth of a brand. Guided by the philosophy that "Service Creates Value", we set industry service standards through professional expertise and genuine care. We deliver thoughtful service experiences to every user, transforming service into a meaningful bridge that conveys our brand values.

Through deep customer insights, we have established a phased service enhancement mechanism, defining key objectives to continuously refine our service systems and innovate service models. This commitment elevates customer experiences and fosters mutual growth with our clients.

We have developed a 5-year customer service strategy, transitioning from "experience management" to "value creation" to achieve "service leadership in the smart lighting industry".



We enhance "Online + Offline" integrated services, and are advancing the integration of digital and physical services by collaborating with service teams and industry chain partners, leveraging digital tools to elevate service efficiency and deliver convenient, high-quality after-sales experiences for consumers.



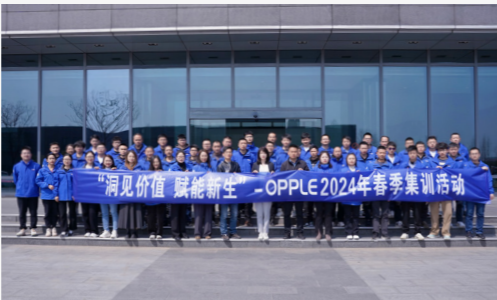
We continuously reinvent service models through digitalization, reshaping traditional after-sales support. From online smart scheduling to on-site technician visits, remote diagnostics to real-time service tracking, we have built a fully digital, end-to-end service system that provides customers with seamless one-stop solutions. Additionally, we conduct whole-home smart service training, equipping every service specialist with expertise to deliver intelligent living solutions.



Case Enhancing "Nationwide Warranty" Service Quality

We at OPPLE Lighting have continuously upgraded our nationwide warranty service network. By 2024, we established 40 service centers and 672 service outlets across 240 prefecture-level cities in China. To deliver more thoughtful service, we conducted spring training sessions for authorized service providers, optimizing service policies and management through experience sharing, enabling more consumers to enjoy premium in-home after-sales support.

By the end of the reporting period, our professional service team had visited over 127,000 households, achieving a 96.9% satisfaction rate for on-site services. We maintain strict professional standards to ensure every user receives reliable, high-quality service.



2024 Spring Training for Authorized Service Providers



Case Smart Service Talent Development

In 2024, we intensified smart home service training to build a specialized technical team. We launched a national smart engineer certification program and conducted 25 regional tripartite training sessions, covering 1,900+ frontline staff including smart engineers, designers, and store consultants. The curriculum focused on practical skills like TOH smart solutions, device installation/troubleshooting, using customized equipment and real-case simulations. Post-training assessments showed 97.8% satisfaction, with significantly enhanced service capabilities to deliver superior smart home experiences.

Our service center implements regular satisfaction surveys via online questionnaires and callbacks to deeply understand distributor and end-user needs, driving continuous service improvement.

Distributors


Survey covered 7 channels: retail, distribution, home, bundled solutions, commercial, projects, and street lighting, achieving > 25% coverage with 85.7% overall satisfaction. Dedicated teams track each channel's results and implement improvement measures to ensure effective issue resolution.


End Users

Surveys focused on installation, maintenance services, and complaint resolution, sampling 15% of total service orders. Results showed installation satisfaction of 97.6%, maintenance satisfaction of 96.5%, and complaint resolution of 96.8%. All metrics undergo closed-loop management with assigned personnel driving enhancements.


2024 Customer Satisfaction Survey Results

Thanks to our outstanding customer service management system, we were honored with the CCCS "Best Customer Contact Centre & Managers Best Practice Awards" in 2024, along with the China Certification (CQC) Five-Star After-Sales Service Certification.





Certification: Best Customer Contact Centre in China



CQC Five-Star After-Sales Service Certification

Customer Complaint Resolution

We prioritize customer safety by continuously refining internal policies such as the *Complaint Management Process Documentation* and the *Complaint Handling Regulations*. We have systematically enhanced our safety complaint risk assessment framework and upgraded resolution protocols to optimize complaint management procedures.

We have established a comprehensive service management mechanism dedicated to improving user experience. Through dedicated specialist management mechanism, we ensure timely follow-up and effective resolution of service issues. Our end-to-end closed-loop process transforms dissatisfied users into loyal brand advocates through targeted improvements. During the reporting period, we successfully resolved 326 service cases, reinforcing our reputation as a responsible brand.

Our multi-channel complaint response system accepts feedback via phone, official website, Weibo, and WeChat. Regional specialists handle routine issues promptly, while complex cases undergo joint analysis by complaint specialists and quality/technical teams to develop solutions. For smart control-related complaints, we implemented weekly review meetings where specialists collaborate with R&D and quality departments to analyze cases and ensure closed-loop resolution.

To enhance complaint handling efficiency, we have established an intelligent complaint response system that utilizes ticket alert functionality for issue categorization and implements tiered response protocols based on complaint severity: urgent cases (including safety-related complaints and critical project issues) receive initial solutions within 4 hours, while non-urgent cases obtain first responses within 2 days, ensuring comprehensive service response quality assurance.

2024 Key Service Metrics

Complaint response rate	Resolution cycle	Resolution satisfaction
100%	Target 15 days	Target 95%
External failure cost rate	Achieved 11 days	Achieved 97%

Product Recall

We at OPPLE Lighting prioritize product quality and consumer rights above all. By establishing a robust product recall management system, we ensure swift response to batch quality risks: immediately convening expert reviews to scientifically assess recall scope, developing action plans, and promptly issuing consumer notifications upon cross-departmental approval. Our professional and efficient actions safeguard consumer interests. Furthermore, we conduct regular training programs, including internal auditor workshops, to enhance staff emergency response capabilities and ensure standardized, effective recall execution.

In September 2024, we received market feedback regarding uneven light distribution in our Floating Cloud Series decorative lights. Following our recall protocol, we immediately organized a cross-functional review to evaluate scope, solutions, and market impact. After approval and countersignature by all unit heads, we activated the product replacement mechanism while advancing technical improvements. This efficient process resolved 334 cases within the month and completed product optimization by September, achieving closed-loop management.

Deepening Commercial Partnerships

- Distributors are pivotal to realizing our vision of becoming the global smart lighting leader. We continuously strengthen our support system through operational empowerment and capability-building initiatives to foster mutual growth.



Case OPPLE Lighting 2024 Distributor Summit

On January 10, 2024, we hosted the "2024 Retail & New Channel Sales Kickoff" at Zhengzhou Le Méridien, uniting 190+ distributors under the theme "Breaking Ten Billion, Achieving Excellence". The summit unveiled our five-year China sales strategy, channel optimization plans, and supply chain upgrades, featuring best practice sharing and omnichannel marketing discussions. We signed 2024 sales commitments and honored top performers, energizing our distribution network.



OPPLE Lighting 2024 Distributor Summit

We at OPPLE Lighting actively pursue multidimensional strategic partnerships to advance industry-academia-research innovation and digital transformation. In the digital commerce sector, we collaborate with industry leaders like JD.com, Huawei, and H World Group to develop cutting-edge solutions including supply chain energy-efficient lighting retrofits, smart factory illumination systems, and integrated "R&D-Production-Supply-Service" solutions for hotels. These initiatives significantly enhance energy efficiency and smart capabilities in commercial settings, not only helping partners achieve energy savings but also demonstrating our expertise in commercial lighting.

In R&D innovation, we have strengthened partnerships with leading institutions like Fudan University, combining academic research strengths with industrial applications. Through joint efforts in frontier technology research, talent development, and innovation incubation, we accelerate the commercialization of scientific achievements and drive lighting technology advancements. These collaborations continuously enhance our product innovation and market competitiveness, delivering greater value to customers.



JD Logistics Supply Chain Energy-efficient Lighting Retrofit Annual Framework Project




Huawei Wuhu Data Center Smart Lighting Solution

Case

OPPLE Lighting & Smartcom Strategic Partnership

In February 2024, OPPLE Lighting formed a strategic partnership with Smartcom (a Huawei company) to create an intelligent travel management model. Leveraging Huawei's digital capabilities, we collaborate on smart travel management, digital operation workflows, and global services, developing a customized one-stop digital travel solution to boost operational efficiency and accelerate digital and intelligent transformation.




OPPLE Lighting and Smartcom Signing Ceremony

Case

OPPLE Lighting & Leyard Strategic Partnership

On August 7, 2024, we joined forces with LED display leader Leyard to deepen digital transformation. Combining our lighting and display technologies, we conduct a comprehensive collaboration on digital synergy, resource integration, channel sharing, and global expansion. This partnership merges smart control and scenario-based innovations to advance the integration of digital and physical economies, driving industry-wide digital and intelligent upgrades. As an innovative leader in the lighting industry, OPPLE Lighting will leverage this strategic partnership as an opportunity to fully utilize its advantages in smart lighting, scenario applications, and channel networks, accelerating its digital transformation process and continuously injecting innovative vitality into the industry's development.



OPPLE Lighting and Leyard Signing Ceremony

Case

OPPLE Lighting & Fudan University Global Smart Lighting Joint Lab

On December 29, 2024, OPPLE Lighting partnered with Fudan University to establish a university-enterprise joint laboratory dedicated to smart lighting, deepening industry-academia-research collaboration. The lab will harness the research capabilities of Fudan's Electric Light Source Institute and OPPLE's market-driven expertise to focus on cutting-edge technologies in smart, low-carbon, and healthy lighting. Building on our robust R&D and industrial experience, we will leverage its robust R&D system and industrialization advantages to accelerate the commercialization of research outcomes, bringing market-leading innovations that steer the industry toward smarter, healthier, and more sustainable development.



Signing Ceremony for Fudan University - OPPLE Lighting "Global Smart Lighting University-Enterprise Joint Laboratory"

Case

2024 China Lighting Science and Technology Conference

China Lighting Science and Technology Conference, held on November 19, 2024, in Nanchang, Jiangxi, marked the launch of the Encyclopedia of Chinese Lighting and honored organizations for their contributions to public education and the industry. As a standing council member of the China Illuminating Engineering Society, we actively participated in the event. During the "Lighting Technology Innovation" forum, we shared innovative concepts of SDL lighting experience from the perspectives of product design and practical application, demonstrating our SDL lighting experience innovations, showcasing our expertise in light environment research and application while contributing its intellectual insights to advancing technological progress in the lighting industry.




OPPLE Lighting Sharing SDL Lighting Innovation Concepts at the Conference

Case

2024 3rd Yangtze River Delta Integrated Lighting Industry Eco-Development Forum

Held on March 28, 2024, in Shanghai, the 3rd Yangtze River Delta Integrated Lighting Industry Eco-Development Forum brought together government officials, economists, technical experts, and industry leaders to explore pathways for the transformation and upgrading of the Yangtze River Delta and China's lighting industry under themes like new economy, new technology, and new consumption. Recognized as the "2024 Best Collaborative Enterprise" for our contributions and innovative practices, we will continue to play its leading role in the industry, driving high-quality development through innovation.




2024 Yangtze River Delta Lighting Eco-Development Forum

Case

OPPLE Lighting & Canlead Technology Strategic Partnership

On April 18, 2024, OPPLE Lighting entered a strategic collaboration with Canlead Technology, an innovator in intelligent control systems, to advance scenario-based smart lighting solutions under the shared principles of smart, technology, and green energy efficiency. By integrating both companies' technical strengths, this partnership enables intelligent lighting control and energy consumption management, optimizing both user comfort and energy efficiency. We will leverage our expertise in product innovation, solution design, and channel resources to jointly propel smart lighting and energy-saving technological advancements with Canlead Technology, driving the industry's digital transformation and sustainable development.



OPPLE Lighting and Canlead Technology Signing Ceremony

In the process of lighting industry standardization and intelligent transformation, we fully leverage our technical expertise to collaborate with industry partners and deeply participate in the formulation of multiple professional and group standards. Through these concerted efforts, we drive the refinement of lighting industry standards and promote high-quality sector-wide development with our specialized capabilities.

- Quality grading and "Leader" evaluation requirements for LED vertical reading/writing lamps
 - Quality grading and "Leader" evaluation requirements for bathroom electric heating appliances (bath heaters)
 - Lighting fixtures for fresh edible agricultural products
 - Chinese offline voice-controlled indoor lighting fixtures
 - Green manufacturing: Implementation guidelines for green supply chain management in manufacturing
- Carbon peak and neutrality guidelines for the lighting industry
 - Sky light environment simulation systems – Part 1: Design specifications
 - Smart commercial LED control power supplies
 - Residential full-decoration design standards
 - Quality grading specifications for furniture and building materials Part 7: Indoor healthy lighting fixtures

10 Industry Standards Led by OPPLE Lighting in 2024

Embracing Green, Advancing Toward a Low-Carbon Future

Response to SDGs



Green development has become a core issue in the new era of economic and social progress, and an essential path for enterprises to achieve sustainable growth. As a leading enterprise in the lighting industry, we adhere to the philosophy of "Empowering Green Development through Technology", embedding sustainability deeply into our corporate strategy. We have established a comprehensive lifecycle green management system that addresses environmental compliance, climate change mitigation, and resource optimization. By consistently promoting energy conservation and emissions reduction, we take concrete actions to fulfill our corporate social responsibilities and lead the industry's transition toward a greener, low-carbon future.

- Environmental Compliance Management
- Climate Change Responding
- Resource Optimization & Utilization

Environmental Compliance Management

- We strictly comply with the *Environmental Protection Law of the People's Republic of China* and the *Environmental Impact Assessment Law of the People's Republic of China*, among other applicable regulations. Internally, we have implemented management systems such as the *Environmental Health and Safety (EHS) Management Measures* and developed targeted policies for environmental compliance and pollution control.



OPPLE Lighting invested in environmental protection with a total of

RMB **3.4382** million



Environmental incidents, pollutant exceedances, or violations were reported

Non-occurrence

A sound environmental management structure has been established, with both the Board of Directors and senior management regularly reviewing our environmental strategies and performance. Environmental KPIs are linked to executive performance evaluations, reinforcing accountability and fostering a strong environmental consciousness at all levels of management.

We actively promote both internal and external environmental audits and pursue ongoing certification of our environmental management system. Monthly internal audits cover all park-wide pollution prevention facilities, rainwater and wastewater pipelines, discharge outlets, and surrounding areas. In addition, we undergo quarterly inspections by local environmental regulatory authorities to ensure full compliance with laws and standards. In 2024, we continued to operate under the ISO 14001 Environmental Management System and successfully passed the annual certification audit. Suzhou OPPL Lighting Co., Ltd. was awarded the Jiangsu Province 2024 Provincial Green Factory Certification.

Our annual training program includes dedicated environmental training sessions, such as hazardous waste handling, exhaust emissions management, and emergency response drills. These sessions focus on identifying risks associated with solid waste, proper treatment of exhaust and wastewater, and improving employees' awareness of environmental compliance and incident response capabilities.

During the reporting period, we invested a total of RMB 3.4382 million in environmental protection. No environmental incidents, pollutant exceedances, or violations were reported.

We strictly comply with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant regulations. Based on our operational needs, we have established internal policies such as the *Water Pollution Management Regulations* to guide our wastewater treatment practices. On top of industrial wastewater discharge monitoring systems, we have developed a comprehensive wastewater monitoring framework that includes real-time tracking of key pollutants such as total phosphorus (TP) and ammonia nitrogen. This allows us to effectively control the total volume of wastewater discharged from our facilities. In 2024, we enhanced water recycling and significantly reduced the total amount of wastewater discharged.

During the reporting period, our total wastewater discharge amounted to 320 tons, with a wastewater discharge intensity of 0.0005 tons per RMB 10,000 of output value.

In accordance with the *Air Pollution Prevention and Control Law of the People's Republic of China* and related regulations, we have implemented the *Air Pollution Management Regulations* to strictly control air pollutant emissions. The primary air pollutants generated from our production processes include non-methane hydrocarbons (NMHCs) and particulate matter. The following table summarizes our air emissions performance in 2024.

Pollutant Type	Emission Concentration	Regulatory Standard	Compliance Status
NMHCs	2.5mg/m ³	60mg/m ³	Compliant
Low-Concentration Particulate Matter	1.0mg/m ³	20mg/m ³	Compliant

Waste Management

We strictly adhere to the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other related regulations. Internally, we have established the *Solid Waste Management Regulations* and *Hazardous Waste Management Regulations*, which govern the compliant collection, classification, storage, transfer, and disposal of various types of waste.

Waste Management Goal

Achieve a recycling and comprehensive utilization rate of total waste generated of

Over **90** %

General Waste Management

We actively promote the reduction, recycling, and harmless disposal of waste. Recyclable and reusable general waste is managed in a standardized manner to prevent pollution and resource waste. Additionally, we have sought qualified partners to recycle and reuse certain types of waste that were previously incinerated.

Hazardous Waste Management

Hazardous waste in our operations primarily originates from R&D, manufacturing, and warehousing processes. These include nine categories: paints, adhesives, fluxes, solder, silicone/silicone grease, conformal coatings, inks, thinners, and antioxidant-reducing powders. We ensure the safe handling of hazardous waste through rigorous controls over usage systems, storage management, and emergency response protocols. Suppliers transporting hazardous waste are required to use containerized vehicles to reduce the risk of spillage and contamination during transit.

Usage Management	Storage Management	Safety & Emergency Management
We employ automated systems for processes involving hazardous materials, such as automated spraying, wave soldering, and reflow soldering; All inbound and outbound hazardous waste is packaged in fully sealed containers. Leak-prone materials are handled using anti-leak pallets to prevent spillage during handling and transport.	Chemicals are categorized and stored according to their properties (e.g., acids, bases, organic, inorganic) and hazard characteristics (e.g., flammable, explosive, toxic, corrosive). Dedicated chemical storage warehouses are established at safe distances from production and residential areas; A dedicated hazardous waste warehouse is constructed to Class A standards, equipped with anti-leak flooring and containment pools to prevent environmental contamination.	All storage and usage areas for hazardous chemicals are equipped with appropriate safety equipment, including fire extinguishers, hydrants, absorbent pads, neutralizing agents, sand, protective gloves, safety goggles, and gas masks. Regular inspections and maintenance ensure functionality of all safety gear; Emergency drills, covering personnel evacuation, incident response, and rescue coordination, are conducted regularly to enhance emergency preparedness.

We conduct annual training sessions on hazardous waste management, covering all relevant personnel involved in handling and operations. The training focuses on topics such as types of hazardous waste, process management requirements and preventive measures, temporary storage protocols, and inbound/outbound inventory control. In 2024, our hazardous waste data was as follows:

Waste Management	Unit	2024
Total Non-Hazardous Waste	tons	1,420.00
Non-Hazardous Waste Intensity	tons / RMB 10,000 output	0.0020
Total Hazardous Waste	tons	311.91
Hazardous Waste Intensity	tons / RMB 10,000 output	0.0004

Climate Change Responding

● Addressing climate change is a central pillar of our environmental management approach and a key driver of long-term competitiveness. To support a smooth transition toward low-carbon operations, we have progressively strengthened our strategies for identifying, assessing, and responding to climate risks across all areas of production and business activities. During the reporting period, we actively analyzed climate-related risks and opportunities while implementing a series of energy-saving and emission-reduction measures. By enhancing energy efficiency and optimizing our energy structure, we effectively reduced carbon emissions and improved our overall climate resilience.

Governance

To strengthen ESG oversight, implementation, and development while elevating governance standards and sustainable competitiveness, we have established a three-tier governance framework comprising the Board (supervision), Strategy & ESG Committee leadership (chaired by the Chairman), and ESG Working Groups (execution). This structure ensures comprehensive ESG integration across operations, driving systematic performance improvement and long-term value creation.

Strategy

By aligning our business strategy with global trends and stakeholder expectations, and referencing the United Nations 2030 Sustainable Development Goals (SDGs), we have positioned "Driving Green Growth Together" as one of our four core strategic pillars. Guided by this strategy, we proactively engage in climate risk and opportunity identification, along with practical energy-saving and emission-reduction initiatives.



Climate Change Risk & Opportunity Identification

In 2024, we prioritized the identification of climate-related risks. We adopted a multidimensional approach, including data analytics, expert consultations, and scenario analysis, to regularly conduct systematic risk assessments. This helped us evaluate the potential impacts of climate change on business operations, supply chain stability, employee safety, and infrastructure resilience. Based on these insights, we formulated concrete response measures to prevent or mitigate negative outcomes and capitalize on emerging opportunities linked to climate trends. These efforts lay a solid foundation for long-term sustainable growth and ensure business continuity in the face of climate-related challenges.

Climate Change-related Risks				
Risk Type	Business Impact	Financial Impact	Time Horizon	Response Measures
Transition Risk – Policy & Regulatory Changes	As countries worldwide tighten carbon emission regulations, businesses may face stricter environmental laws and energy efficiency standards, requiring adjustments to production processes and product designs.	Increased R&D investments to develop energy-efficient products or upgrade production equipment to reduce carbon emissions, leading to short-term cost increases.	Short to Medium-term (1-5 years)	Plan for low-carbon technologies, optimize production processes, develop products that meet higher energy efficiency standards, and actively participate in industry standard development.
Transition Risk – Shifts in Market Preferences	Increased consumer demand for eco-friendly products. Failure to timely introduce green products may lead to a loss of market share.	Declining sales of products lacking low-carbon and environmentally friendly features, and the need for higher marketing costs to rebrand and reshape the company's image.	Medium-term (3-7 years)	Strengthen R&D for green products, launch low-carbon and recyclable lighting products, and enhance brand image through ESG reports and certifications.
Physical Risk (Acute Risk) – Extreme Weather Events	Extreme weather (e.g., floods, typhoons) may disrupt the supply chain, damage production facilities, or cause logistical delays.	Increased operational costs for facility repairs, supply chain stability, and dealing with production delays.	Short to Long-term (Can occur at any time)	Strengthen supply chain resilience assessments, build a diversified supplier network, assess climate risks for production facilities, and implement protective measures.
Physical Risk (Chronic Risk) – Long-Term Climate Pattern Changes	Global warming may increase energy costs (e.g., higher air conditioning usage) or impact employee working conditions.	Increased operational costs and potential decrease in production efficiency.	Long-term (5-10 years or more)	Optimize energy management, adopt energy-saving equipment, improve factory ventilation and cooling systems, and reduce dependency on climate change.
Climate Change-related Opportunities				
Opportunity Type	Business Impact	Financial Impact	Time Horizon	Response Measure
Green Product Innovation	Develop energy-saving lighting, smart lighting systems, and other green products to meet the growing demand for low-carbon solutions.	Enhance market share through differentiated competition, driving increased revenue.	Short to Medium-term (1-5 years)	Increase R&D investment, collaborate with research institutions to develop innovative technologies, and launch eco-friendly, green-certified products.
Energy Efficiency Improvement	Optimize production processes and adopt renewable energy to reduce energy consumption and operational costs.	Lower energy expenses, improving profit margins.	Medium-term (3-7 years)	Implement energy audits, invest in energy-efficient equipment, and explore renewable energy applications such as solar and wind power.
Carbon Market and Green Finance	Participate in carbon trading markets or secure green financial support, providing new income and financing channels for the business.	Generate additional revenue through carbon credit trading, or reduce financing costs through green bonds.	Medium to Long-term (5-10 years)	Set carbon reduction targets, participate in carbon trading pilot programs, and explore green finance tools.

Energy Conservation and Emission Reduction Practices

We uphold energy conservation and emission reduction as core principles, integrating them into every aspect of our production and business operations. Our commitment is to continuously improve energy utilization efficiency, actively adopt and implement low-carbon technologies, and fully drive the development of green factories. We not only advocate for low-carbon production methods but also ensure the practical implementation of this philosophy, achieving genuine low-carbon production.

In 2024, building on internal energy management systems such as the Electricity Management Regulations and the Green Factory Management Manual, we introduced the Energy Saving and Consumption Reduction Management Measures. These initiatives focus on process improvements and technological advancements in production, striving to create low-carbon campuses and ensure the sustainable operation of energy usage and infrastructure in all our production sites.



Case OPPLE Lighting Green Factory Development

We continue to make significant strides in building green factories, increasing investments in environmental protection. Through scientific planning and strict management, we have implemented comprehensive controls over energy use, water resources, gas emissions, and solid waste—leading to a substantial reduction in energy consumption. The Suzhou Industrial Park of OPPLE Lighting stands as a benchmark for green, harmonious, and low-carbon development, fully integrating advanced technologies, environmental protection principles, and intelligent management systems. The Park has adopted various energy-saving technologies and materials, including geothermal heat pumps, centralized heating and cooling systems, water-based cooling storage, breathable glass curtain walls, smart shading systems, rainwater harvesting systems, green roofs, and 100% LED energy-saving lighting. These initiatives have collectively contributed to a significant reduction in the Park's overall energy consumption, successfully achieving the goal of low-carbon manufacturing.



OPPLE Lighting Suzhou Industrial Park

Geothermal Heat Pumps

Centralized Heating and Cooling Systems

Water-based Cooling

Breathable Glass Curtain Walls

Smart Shading Systems

Rainwater Harvesting Systems

Green Roofs

100% LED Energy-Saving Lighting

Energy-Saving Measures in Suzhou Industrial Park

We have implemented multi-dimensional energy-saving and consumption-reduction projects, continuously strengthened energy management and reduced the overall energy consumption of our products. In 2024, we achieved the goal of reducing the comprehensive energy consumption of OPPLE products to below 121.77 kgce/10,000 units. Furthermore, we received certification from the China Quality Certification Center, confirming that the comprehensive energy consumption of our products is 103.90 kgce/10,000 units. Additionally, our Wujiang Industrial Park passed the annual audit certification for the ISO 50001 Energy Management System.



OPPLE Lighting Energy Saving and Consumption Reduction Projects

Energy Transition <p>In 2024, we began replacing traditional vehicles with new energy electric vehicles, continuously expanding the installation of charging stations within the campus to meet the convenient charging needs of employees' electric vehicles. We have also replaced diesel buses with electric ones for transportation within the campus.</p>	Solar Photovoltaic Installation <p>Solar photovoltaic panels have been installed at the Suzhou factory, with continued installations at locations such as Shanghai and Zhongshan. This initiative has resulted in a total power generation of 12 million kWh.</p>	Energy Efficiency Improvement <p>In 2024, several measures were taken to save energy and reduce carbon emissions, including the transformation of centrifugal compressor units and mid-wave ceramic infrared heating. These projects and improvements are aimed at reducing electricity consumption.</p>	Energy-Saving Awareness Campaigns <p>Internal campaigns were periodically held to raise awareness about energy-saving measures, especially during extreme seasonal temperature fluctuations such as high summer heat, winter warming, and variable seasonal temperatures.</p>
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In addition to our own energy-saving and low-carbon operations, we also help our clients achieve green transformation through low-carbon product solutions, reducing carbon emissions across the entire value chain. In 2024, our dual-carbon business focused on comprehensive energy management, building a one-stop low-carbon solution around "energy planning - energy-saving transformation - smart systems". Through three levels of energy-saving technologies, equipment-level, system-level, and scene-level (such as intelligent lighting dynamic dimming, air conditioning system optimization, carbon credit development, etc.), we help our clients achieve energy-saving goals. At the same time, by utilizing the energy performance contracting model, we have built a dynamic energy lifecycle management system, promoting the green transformation of energy structure. This not only reduces energy consumption costs but also accelerates the carbon neutrality process, helping industries build smart low-carbon demonstration benchmarks.

Currently, our dual-carbon business has successfully completed several projects, including the comprehensive energy transformation project in Heqing Town, Pudong New Area, the energy-saving renovation project for COSCO Shipping Building lighting, and the collaboration project with Aier Group. We are also accelerating the replication and implementation of large-scale scenarios such as Wuyue Plaza and Wanda Plaza, further expanding the application of low-carbon solutions. Through these projects, we will complete the full ecological chain cycle of "energy auditing - energy-saving transformation - carbon credit asset development". This will continue to enhance our technological advantages in comprehensive energy management and help expand our market share in the dual-carbon sector.

Impact, Risk & Opportunity Management

To enhance resilience in addressing climate change and effectively manage climate-related risks and opportunities, we have improved our climate change risk management system. We continue to strengthen our risk management capabilities to better anticipate, assess, and respond to the impacts of climate change, ensuring that we are well-prepared to navigate associated challenges and seize emerging opportunities.

Establishing a Climate Change Risk and Opportunity Disclosure List

- Based on the TCFD framework, we analyze climate change risks and opportunities.
- Relevant departments and risk owners are responsible for developing the climate change risk and opportunity disclosure list.

Analysis and Confirmation of Climate Change Risks and Opportunities

- Based on industry-specific analysis and benefits related to the departments concerned, we identify and confirm climate change risks and opportunities, ensuring the appropriateness of these analyses.
- We also look at factors such as the scientific principles, models, and weather scenarios to evaluate and identify specific climate change risks and opportunities.

Assessment and Management of Climate Change Risks and Opportunities

- We evaluate the likelihood of climate change risks and opportunities occurring, their impacts, and the effectiveness of management strategies.
- Combining industry practices and management priorities, we analyze the potential impacts on business and design corresponding strategies to address these challenges.

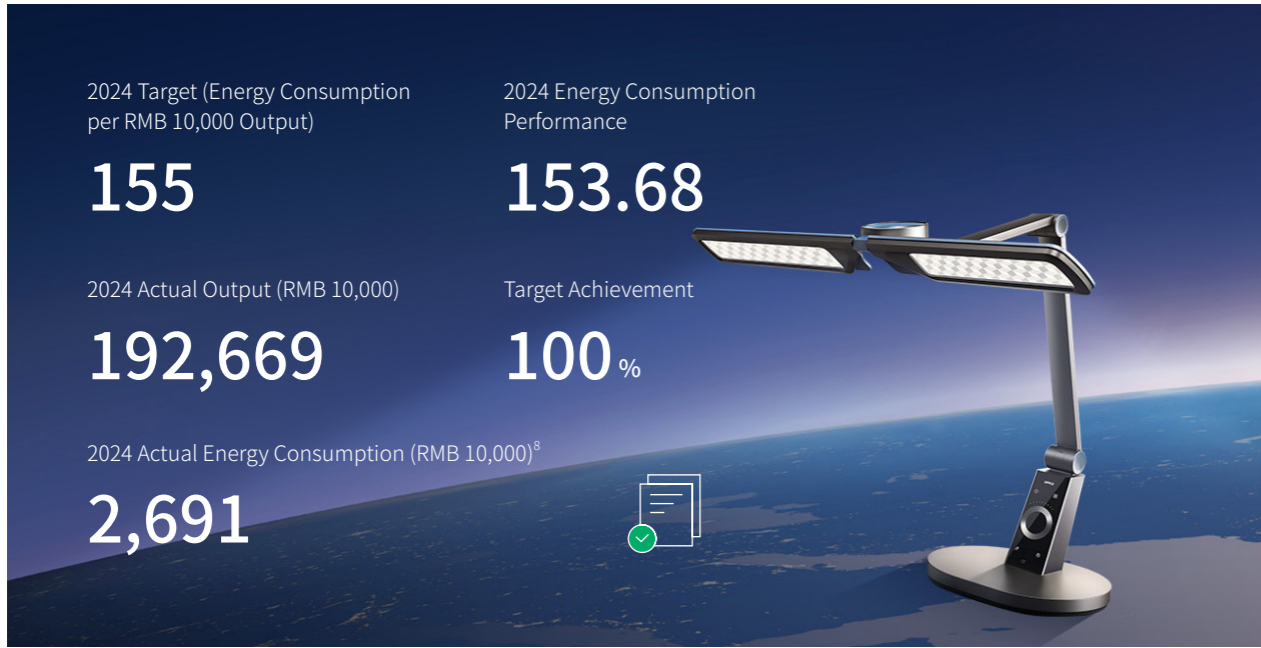
Climate Change Risk Management Process

Indicators & Targets

Guided by the "Carbon Peaking and Carbon Neutrality" strategy, we have established a greenhouse gas inventory project team. Based on the *ISO 14064-1:2018 Standards for the Quantification and Reporting of Greenhouse Gas Emissions and Removals at the Organizational level*, along with other applicable laws, regulations, and related standards, we have carried out carbon inventory actions for OPPLE Lighting Co., Ltd. and Suzhou OPPLE Lighting Co., Ltd. These actions cover part of the scope 3 greenhouse gas emissions. We have obtained the ISO 14064-1:2018 greenhouse gas verification statement certificate issued by SGS, an internationally recognized testing, inspection, and certification organization. During the reporting period, the carbon emission data for OPPLE Lighting is as follows:

Carbon Emission Management	Unit	2024
Total Scope 1 Emissions	tCO ₂ e	4,645.93
Scope 1 Emissions Intensity	tCO ₂ e per RMB10,000 output	0.007
Total Scope 2 Emissions	tCO ₂ e	42,841.61
Scope 2 Emissions Intensity	tCO ₂ e per RMB 10,000 output	0.060
Total Scope 3 Emissions ⁷	tCO ₂ e	11,487.74
Scope 3 Emissions Intensity	tCO ₂ e per RMB 10,000 output	0.016

In 2024, the target for energy consumption per RMB 10,000 output was successfully achieved, with the actual energy consumption performance meeting the set goal of being below 155.



⁷ Scope 3 data include category 3: indirect GHG emissions from imported energy.

⁸ Statistics by energy consumption cost.

Resource Optimization & Utilization

Water Resource Management

- We adhere to the principle of continuous improvement and are dedicated to enhancing resource management while reducing consumption. During the reporting period, we achieved efficient resource allocation by continuously optimizing water resource management, packaging material systems, and material management practices, further driving sustainable production across the company.

We comply with the *Water Law of the People's Republic of China* and other related regulations. During the reporting period, we implemented the *Water Conservation Management System for Equipment Services* and the *Water Conservation Management Responsibilities System*. Additionally, the newly introduced *Energy Saving and Consumption Reduction Management Measures* included requirements for water resource management, ensuring ongoing progress in the fine-tuning and efficient management of water resources.

We have set monthly and annual quota targets for departments with significant water usage. In 2024, we successfully met these targets. No fines or penalties were incurred during the reporting period for violations of water-related regulations.

Water Resource Optimization and Utilization Projects

Green Irrigation System Renovation: We upgraded the automatic irrigation system in the park, switching the irrigation water from tap water to recycled rainwater;

Pre-process Overflow of Hardware Powder Coating Line: We assessed the water consumption in the process and reduced the overflow of cleaning water, thereby decreasing the amount of tap water required for replenishment;

Cooling Tower Circulation System Retrofit: We upgraded the open-loop system to a closed-loop system and optimized the motor with variable frequency control, reducing evaporation and unnecessary losses.

To further assess the utilization of water resources in the daily production management of the supply chain, we began by addressing water resource risks and established a comprehensive water resource risk assessment process to fully identify and evaluate the potential impacts of water resource issues on our business operations. In 2024, we invited a third-party professional organization to conduct a water balance assessment of the Company, and they provided a corresponding water balance test report.

- Clearly plan and define the water usage for each unit to ensure that the water resources used by each unit are monitored
- Specify the water requirements for each unit to understand the actual water consumption situation
- Identify and forecast potential water resource issues, such as water shortages or water quality problems
- Analyze the potential negative impacts these issues might bring, evaluating their effects on production and the environment
- Based on this foundation, check the existing emergency preparedness measures to ensure they are sufficient and can effectively mitigate risks

Water Resources Risk Assessment Process

In 2024, the water resource usage of OPPLE Lighting is as follows:

Water Consumption	Unit	2024
Amount	Ton	324,429
Intensity	Ton / RMB 10,000 output	0.46

Packaging Material Usage & Material Management

We place great emphasis on the sustainable use of packaging materials and materials, and are dedicated to reducing the environmental impact of packaging and materials through process optimization, recycling, raw material management, and other measures. Moving forward, we will continue to explore more environmentally friendly solutions, striving to minimize resource consumption and contribute to protecting global resources and promoting the green transformation of the industry.

Regarding material usage, we advocate for paperless operations in our offices and have invested in corresponding support for process transformation, such as replacing offline paper-based expense verifications with electronic verifications. In production, we maximize material utilization through lean production and circular economy models to reduce waste generation.



Case Hollow Hot Melt Process

We optimized the fixing method for ceiling light source boards, which traditionally used six caps and six screws for fixing, resulting in excessive materials and complex assembly. During the reporting period, engineers upgraded the hot melt BOSS column process to directly utilize the existing structure for hollow hot melting, eliminating the use of screws and caps. This simplified the assembly process and reduced material consumption, showcasing our innovative results in optimizing material use and improving production efficiency.



Case Lamp Disc Light Source Board Pressure-Sensitive Adhesive-Free Fixing Process

We developed a new fast-drying, high-viscosity silicone that replaces the original dual fixation process using ordinary silicone and pressure-sensitive adhesive. The new process not only simplifies the assembly but also reduces the types of adhesives and equipment required, lowering technical support and maintenance costs. This improvement further demonstrates our ongoing efforts in resource optimization and process innovation, providing effective solutions for reducing energy consumption and material waste.



Case Use of Recycled Sheet Material

We actively explore the use of recycled sheet material, ensuring product quality while collecting waste material during the sheet processing stage, filtering out impurities, re-pelletizing, and adding the reprocessed material back into the sheet production. In 2024, the Wujiang factory's sheet workshop used 168.9 tons of MS recycled material and 85.8 tons of PMMA (polymethyl methacrylate) recycled material.

Currently the recyclable packaging materials used account for approximately

84%
of all packaging materials used by the Company



In terms of packaging materials, we prioritize recyclable and environmentally friendly materials, continuously optimizing packaging design to reduce excessive packaging and resource waste. The company has set a goal to reduce the packaging inventory units (SKU) by 30%, processing preferred materials into consolidated quantities to ensure material uniformity and scalability, which improves production efficiency. We use paper pallets for the turnover of injection molded semi-finished products, which can be reused more than 10 times, and currently the recyclable packaging materials used account for approximately 84% of all packaging materials used by the Company.

We also focus on the rational use of plastic packaging materials, such as EPE (expandable polyethylene), EPS (expandable polystyrene), and PE (polyethylene) bags, with the expected proportion controlled at 30%. This ensures that while product packaging requirements are met, the environmental impact is minimized as much as possible.

Ecological Protection & Biodiversity

We have always regarded ecological protection and biodiversity as a key foundation for sustainable development. In our daily operations, we actively practice the concept of green development, aiming to reduce our impact on the natural environment. At the same time, we encourage employees, partners, and all sectors of society to focus on biodiversity and foster a protective atmosphere involving all social sectors.

In 2024, we carried out environmental impact assessments for new projects, which were approved and publicly disclosed online. For existing projects, we conduct regular checks on pollution prevention equipment, covering external pollution prevention facilities, stormwater and sewage pipelines, discharge outlets, and surrounding conditions, and cooperate with the ecological environment supervision departments for quarterly inspections.



Talent Convergence, Building a Fulfilling Workplace Together

Response to SDGs



A high-caliber talent team is the key to keeping an enterprise's light burning bright for the long term. We uphold a people-centric philosophy, creating a fair and equitable development platform, safeguarding employees' legitimate rights, and fostering a vibrant, innovative team. We are dedicated to supporting employees' career growth and physical & mental well-being, moving forward together to build a brighter future.

- Employee Rights Protection
- Empowering Employee Growth
- Employee Health & Safety
- Employee Care & Communication

Employee Rights Protection

- We consistently uphold a people-centric approach and strive to enhance our ability to attract and retain talent. Through diversified talent acquisition strategies, an inclusive and equitable work environment, and a competitive compensation and benefits package, we fully protect the lawful rights of our employees. We also listen attentively to employee voices and provide mutual support for career development and personal growth, building a sustainable, long-term talent attraction and retention mechanism.

Compliance Employment

We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Protection of Minors*, and continuously improve our talent management system to ensure employees' rights are fully protected.

We recruit outstanding talent through both campus and social recruitment, maintaining an open and inclusive attitude. We successfully completed the campus recruitment for the graduates of 2025, expecting to onboard over 100 top university graduates, while establishing partnerships with numerous academic institutions. We successfully recruited outstanding bachelor's and master's graduates from diverse disciplines and regions across China through channels such as WeChat Official Account, online application platforms, campus presentations, and career fairs to broadly reach potential talent.



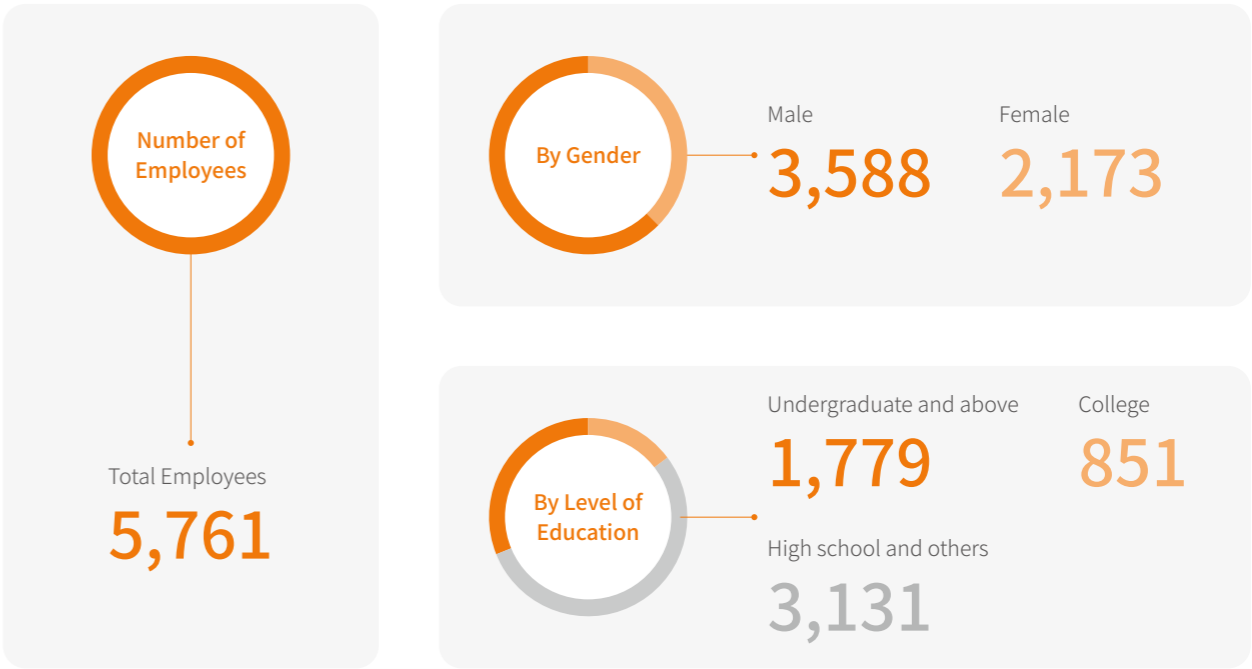
On-campus Recruitment Seminars



OPPLE Lighting – University-Enterprise Partnership Seminar with Chongqing University of Technology

We adhere to OPPLE Lighting's "Five-Dimensional" interview guidelines of "Structured, Behavioral, Professional, Humanized, and Brand-oriented", upholding principles of fairness and impartiality in recruitment. Regular certification training is conducted for interviewers to enhance their competency, and interview quality is routinely audited. If any non-compliance or substandard performance is identified, warnings and accountability measures are implemented, and the interviewer is required to undergo re-certification.

To foster a transparent, fair, and equitable workplace, we adhere to a merit-based approach in recruitment, promotion, and employee management. All forms of discrimination or unfair treatment based on race, gender, age, religion, or other factors are strictly prohibited, and the use of child labor or forced labor is categorically banned. Meanwhile, the Company actively create employment opportunities for persons with disabilities and continuously promote diversity and inclusion within our workforce. In 2024, there were no incidents involving child labor or forced labor at OPPLE Lighting, and the female employee ratio was 37.7%.



Compensation & Benefits

We strictly comply with laws and regulations such as the *Trade Union Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, the *Contract Law of the People's Republic of China*, and the *Local Regulations on Payment of Wages*. We fully safeguard employees' rights to freedom of association and strictly follow national regulations regarding working hours, statutory holidays, paid leave, and overtime compensation.


We are dedicated to continuously optimizing our compensation and benefits system and improving incentive mechanisms to energize our teams. By offering competitive salaries, comprehensive benefits, and diversified incentive programs, we fully support employees in their ongoing professional development and foster mutual growth between individuals and the Company. In 2024, we continued conducting external compensation benchmarking to analyze both market competitiveness and internal equity, and used these insights to refine our compensation structure, striving to offer fairer and more attractive rewards.

Employee compensation consists of base salary, overtime pay, personnel allowances, quarterly/semi-annual bonuses, year-end bonuses, and long-term incentive programs for selected high-performing key personnel. We adopt differentiated performance management mechanisms based on job characteristics and conduct regular performance evaluations on an annual, semi-annual, and quarterly basis. Bonuses are awarded according to evaluation results, reinforcing a performance-oriented culture that motivates employees to realize their potential and drives the Company toward high-quality development.

In addition, we have implemented an equity incentive mechanism to reward employees who have made outstanding contributions and demonstrated exceptional performance in our development. In 2024, we launched the second phase of our equity incentive plan, granting restricted shares to over 300 high-performing individuals in middle and senior management, key positions, and core managerial roles. This initiative further strengthens employees' sense of long-term responsibility and belonging, while supporting our stable and sustainable growth.


Compensation structure for the senior management

- Fixed compensation + short-term incentive + long-term incentive
- Set up annual performance goal, review semiannually
- Obtain corresponding bonus incentives based on annual performance assessment



Compensation structure for the employees

- Basic salary + overtime pay + allowance + quarterly/semi-annual bonus + year-end bonus
- Conduct annual, semi-annual, and monthly performance evaluation based on sales position and other positions
- Obtain corresponding bonus incentives based on routine performance assessment



The Employee Compensation Structure of OPPLE Lighting

We also place strong emphasis on employee well-being. Through a comprehensive range of benefits, including both statutory entitlements and additional perks, we aim to meet diverse needs in both work and life, enhance job satisfaction, and improve overall quality of life.

Statutory Benefits

Basic old-age insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund
Statutory holidays such as parental leave and nursing leave

Extra Benefits

High-temperature allowance
Commercial insurance
Overseas travel insurance
Flexible working hours

OPPLE Lighting Employee Benefits

Empowering Employee Growth

We are dedicated to talent development and have built a comprehensive learning platform to support employees' professional advancement. We aim to unlock individual potential, enhance personal value in all dimensions, and actively promote career development.

Employee Training



OPPLE Lighting Promotion Process

We encourage internal mobility to enhance diversity and flexibility in career development. On one hand, we focus on developing key positions and continue to promote job rotation programs as part of our structured talent cultivation strategy. During the reporting period, over 600 rotations were completed, and more than 400 employees were developed into talent that meets our requirements. On the other hand, we opened select positions for internal applications across the entire group, encouraging employees to actively engage, unlock their full potential, and support optimized talent allocation within the organization.

OPPLE Lighting has built a comprehensive tiered talent development system, covering employees at all levels from sales associates to senior executives. Through the OPPLE Academy digital platform 2.0, the Company has established 6 major course systems and over 4,600 boutique courses, comprehensively enhancing employees' professional and management capabilities. Meanwhile, we continuously improve our management mechanism, establishing systematic standards for selection, appointment, development, retention, and supervision of the management, promoting standardized and systematic management. Additionally, through our ongoing succession planning, the Company ensures sufficient reserve talent for key positions, achieving 100% coverage in talent pipeline, providing solid talent support for sustainable development.

This year, we comprehensively upgraded our employee training system with a series of enhancements. We introduced new core training modules and launched a new online learning platform to offer employees more accessible and well-rounded learning resources that support both professional growth and career development. Our training programs also extended to frontline employees and distributors nationwide, focusing on enhancing technical expertise and regional competitiveness to support business expansion and market development.

During the reporting period, we organized more than 400 training sessions in formats such as live online classes, video modules, and in-person courses. These sessions covered production line staff, new hires, business personnel, distributors, and executives, reaching over 10,000 participants with a coverage rate of 90%. The training content spanned company policies and processes, professional knowledge, product information, AI-powered applications, office skills, and leadership capabilities, comprehensively improving employees' competencies and effectively boosting business efficiency.

- Updated role divisions and supplemented corresponding job descriptions, including revised department and personnel titles
- Improved and completed the training process flowchart, identifying key approval personnel
- Optimized the internal trainer grading system at OPPLE Lighting by categorizing trainers into junior, intermediate, and senior levels based on cumulative teaching hours
- Established a trainer incentive mechanism with clearly defined compensation schemes to encourage more employees to join the trainer team

Training System Optimization Measures



Case Leadership M1 Reserve Manager Program

In 2024, OPPLE Lighting launched the "Leadership M1 Reserve Manager Program" as part of our leadership development initiative. A total of 56 participants successfully completed the program, which achieved an impressive average satisfaction score of 97.

The program featured 13 outstanding internal and external instructors and comprised 18 carefully designed courses. The curriculum focused on key areas such as management skill enhancement, strategic thinking, and leadership development. A variety of training formats were used, including video-based certification, project-based presentations, and comprehensive assessments, enabling participants to bridge theory and practice and enhance their overall competencies in a well-rounded manner.





Case Future Leaders - Torch Program Growth Camp

The Torch Program Growth Camp, part of our "Future Leaders" initiative, was designed specifically for second-generation distributor successors. A total of 20 participants joined the program, which was tailored to their learning needs and aligned closely with OPPLE Lighting's strategic direction. The curriculum integrated both training and practical exercises to comprehensively enhance participants' professional capabilities.

Beyond skill development, the program deeply embedded our corporate culture and values to help participants better understand our mission and growth trajectory. It also strengthened the connection between external distributors and internal regional sales teams, inspiring a strong sense of responsibility and motivation among participants to contribute to our development, injecting renewed momentum into our long-term sustainable growth.



Employee Development

In 2024, we provided comprehensive career development support to all employees. For non-operational staff, we developed individualized development plans (IDPs) for each employee, aligning them with target roles, identifying key competencies, setting actionable goals, and tracking progress. This structured approach enabled employees to systematically build core skills aligned with their roles and accelerate their career growth. For frontline employees, we offered open application opportunities and established clear promotion pathways into frontline management roles. These efforts encouraged employees to pursue breakthroughs in their careers, fully unlock their potential, and foster mutual growth between the individual and the Company.

Employee Health & Safety

- We regard employee health and well-being as a cornerstone of sustainable corporate development. We are dedicated to building a robust occupational health management system and implementing comprehensive protective measures to foster a reliable, healthy, and caring work environment. At the same time, we actively promote health training and benefit programs to enhance employee health awareness and quality of life, advancing sustainability for both employees and the Company.

Occupational Health

We strictly comply with the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, as well as relevant regional regulatory requirements. We have established 49 internal regulations, such as the *Electric Shock Emergency Response Plan* and the *Hazardous Operations Safety Management System*, which apply to suppliers, customers, and visitors. These measures form part of our continuous efforts to improve our occupational health and safety management system and strengthen institutional safeguards. During the reporting period, a total of 5 companies and subsidiaries⁹ ISO 45001 certification for occupational health and safety management systems. Major production bases, including the Suzhou Wujiang and Zhongshan Industrial Park, passed safety standardization evaluations.



Occupational Health and Safety Management System Certificate

We have implemented multiple measures to minimize employee exposure to occupational hazards. On one hand, we enhance control and protection by providing personal protective equipment to employees potentially exposed to harmful factors such as noise and dust. Warning signs and hazard monitoring results are posted in work areas to increase awareness. On the other hand, production line layouts are optimized to promote automation, physical isolation, or reduced human exposure to risks, addressing hazards at their source.



⁹ During the reporting period, the companies and subsidiaries that passed ISO 45001 occupational health and safety certification included OPPLE Lighting Co., Ltd., OPPLE Intelligent Lighting Technology Co., Ltd., Suzhou OPPLE Lighting Co., Ltd., OPPLE Lighting Appliances (Zhongshan) Co., Ltd., and OPPLE (Zhongshan) Smart Lighting Technology Co.,Ltd.

We proactively communicate with employees on health and safety matters. All employees sign safety responsibility agreements, while those in positions involving occupational hazards also sign hazard disclosure forms to clearly define risk awareness and required compliance. Production departments hold monthly safety communication meetings, deliver daily safety reminders at morning briefings, and conduct periodic BBS (Behavior-based Safety) observations to cultivate safe work habits and effectively prevent accidents.

We also provide continuous occupational health and safety training. In line with our 2024 training plan, monthly safety sessions were conducted covering topics such as fire safety and hazardous operations. Training coverage for relevant employees reached 97%. Additionally, daily morning meetings included 10-minute safety briefings to strengthen site-level safety awareness among production staff.

In 2024

The Company conducted monthly safety sessions covering topics such as fire safety and hazardous operations, with a training coverage for relevant employees of

97%



Case Specialized Training on Safety Awareness & Injury Prevention

In September 2024, OPPLE Lighting organized a monthly special safety training session themed "Safety Awareness & Injury Prevention" as part of our annual plan. The training led to corrective actions on 52 safety risk points, including 6 categorized as high-risk, further improving our safety management standards.



Furthermore, we continuously enhance employees' safety awareness and emergency response capabilities. Through various employee care initiatives, we foster a culture where "everyone values safety", effectively safeguarding the health and safety of our workforce.



Annual Emergency Response Plan

- Develop an annual emergency response plan covering fire protection, chemical management, confined spaces, and other emergency drills. The drill plan includes practical exercises and desktop simulations. Departments also organize targeted emergency response training and awareness campaigns to strengthen employee preparedness

New Employee Onboarding Training

- Every new hire receives onboarding training covering hazard identification, emergency response measures, and equipment recognition and operation, ensuring a smooth transition into the work environment

Employee Health Checkups

- Annual physical examinations are arranged for employees, with professional medical institutions providing detailed report interpretation to help employees better understand their health status

First Aid Training

- External organizations such as the Red Cross are regularly invited to deliver first aid and emergency response training, improving employees' emergency handling capabilities

Employee Wellness Activities

- To promote physical health and enrich employees' leisure time, the Company organize events such as badminton, basketball, table tennis competitions, and fun sports games. These initiatives enhance vitality, boost team cohesion, and help relieve stress

Mental Health Counseling

- Professional psychological counselors are available, and designated consultation areas have been established to provide emotional support and assistance. These services help employees manage stress and improve overall mental well-being

In 2024

We had

0

work-related fatalities or serious work injuries

The number of work-related fatalities and incidents due to occupational health issues was

0

In 2024, OPPLE Lighting reported zero work-related fatalities or serious occupational injuries. No incidents or deaths resulting from work-related health issues occurred during the reporting period.




Production Safety


In terms of production safety management, OPPLE Lighting strictly enforces a comprehensive system of safety inspections, covering all aspects of chemical usage on production sites, fire protection systems, safety devices on equipment, protective measures, and employees' safe operating behaviors. We conduct monthly and quarterly safety checks, daily pre-operation safety confirmations, and daily fire inspections in key areas. In addition, targeted inspections on machinery, chemicals, and fire safety are regularly organized to ensure all safety risks are effectively addressed. In 2024, a total of 287 potential hazards were identified, with a corrective action completion rate exceeding 98%. These efforts have significantly enhanced our overall safety management capabilities and effectively reduced risks in production processes.

This year, we completed the optimization and upgrading of three automatic blow molding production lines and introduced automated welding equipment. These upgrades have reduced hazardous exposures associated with manual welding operations and minimized direct contact with high-risk tasks. In addition, we strengthened noise control measures to further safeguard employee health and workplace safety.


Noise Control Measures




Prioritize low-noise production processes




Replace noisy operations with AI-powered equipment where possible



Perform daily checks to ensure proper use of personal protective equipment




Conduct regular on-site noise monitoring to strictly control employee exposure time

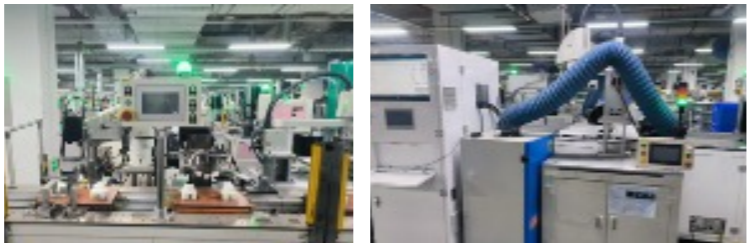


Isolate high-noise tasks in designated zones located away from areas with frequent employee activity

We conduct regular workplace safety risk identification and assessments each year, covering all aspects of production and operational activities as well as relevant stakeholders. During the reporting period, 21 risk identification items were updated, including 2 categorized as high-risk. A total of 745 safety risk items were identified, further reinforcing the foundation of our safety management system.

To prevent Repetitive Strain Injuries (RSI), we regularly carry out RSI risk assessments and develop corresponding improvement plans. RSIs refer to injuries of the musculoskeletal or nervous system caused by repetitive motion, prolonged vibration, excessive pressure, or maintaining a fixed posture for extended periods. In 2024, we continuously optimized several processes and equipment configurations, effectively reducing RSI risk and minimizing the occurrence of such injuries among employees.

- 
- Increased investment in automatic packaging machines
 - Expanded deployment of automatic blow molding equipment
 - Introduced automated screw installation devices
 - Upgraded unmanned guided vehicles



Investment in Automation Equipment

The Company strictly enforces the management of hazardous waste and chemicals by establishing a comprehensive regulatory framework to ensure standardized operations throughout the entire process. Through designated personnel, transparent information handling, environmental safeguards, personal protection measures, and risk assessments, we have significantly enhanced the safety and compliance of hazardous materials management, minimizing potential risks to both people and the environment.



Personnel & Training

- Implement dedicated personnel assignment system
- All relevant personnel must be trained and certified before assuming their roles



Storage & Registration

- Strict inbound and outbound registration for hazardous waste and chemicals
- Storage areas equipped with monitoring systems
- Explosion-proof cabinets installed at production sites



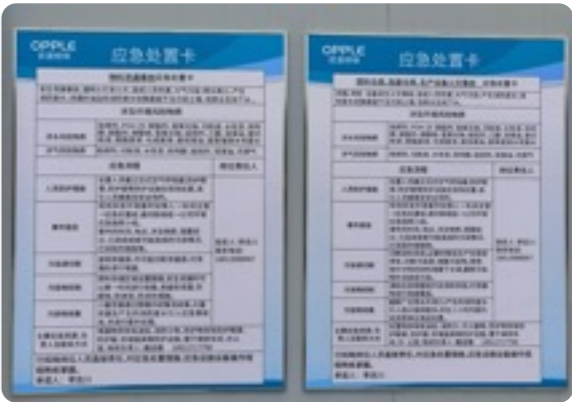
Information & Protection

- Material Safety Data Sheets (MSDS) and hazard notification cards visibly posted
- Maintain proper ventilation in work areas
- Emergency supplies readily available
- Personnel handling hazardous substances are required to wear protective equipment



Inspection & Monitoring

- Engage third-party agencies for regular environmental testing
- Conduct regular risk assessments and unscheduled inspections, with immediate rectification of identified hazards





Case Specialized Training on Chemical and Hazardous Waste Management

In April 2024, OPPLE Lighting organized a regular training session on the management of chemicals and hazardous waste, with full participation from all relevant operational personnel. The training covered standardized management requirements, common issues and preventative measures in daily operations, key precautions during handling, and emergency response procedures. This ensured that all participants acquired the necessary knowledge and skills to perform their duties safely and efficiently while being well-prepared to handle unexpected situations. No chemical-related safety incidents occurred at OPPLE Lighting during 2024.

Employee Care & Communication

● We also actively encourage employees to voice their opinions and maintain multiple online and offline channels to listen to their feedback, continuously improving the employee experience.

Offline Channels

Employee Exchanges

Regularly organized sessions involving new hires, current employees, and relevant functional departments to understand onboarding experiences and gather suggestions from long-term employees

Management Face-to-Face

Direct communication sessions between management and employees to listen to their concerns, understand suggestions, resource needs, and track progress on issue resolution

Online Channels

Employee Satisfaction Surveys

Conducted semi-annually to collect feedback on overall job satisfaction

"Heart Light Community"

An always-accessible digital platform where employees can leave messages or questions. Responsible departments are tasked with responding promptly



"Heart Light Community" Online Platform

The Company conducts annual employee satisfaction surveys to gather broad-based feedback on areas such as HR management, logistical support, career development, and workplace equipment. These surveys serve as a foundation for continuously enhancing the working and living environment, with the goal of creating a more comfortable and safer space for employees.

In 2024, a total of 2,444 suggestions were submitted by employees. The overall satisfaction score reached 4.47, with improvements recorded across all major categories compared to 2023. In response, we organized and developed 109 targeted improvement initiatives to ensure effective follow-up and phased implementation.



Employee Satisfaction Score

4.47

Increased from 2023

0.12

Number of improvement plans developed

109



Case "Smurf Training Camp" for Employees with Children

In 2024, OPPLE Lighting continued summer "Smurf Training Camp", a dedicated program for the children of OPPLE Lighting's employees. The camp offered a wide range of fun and educational skill-based courses, along with a final performance to showcase what participants had learned. This initiative not only brought joy and enrichment to the children's summer vacation, but also gave employees valuable quality time with their families, helping them strike a better balance between work and home life.



At each of our operational sites, we have established labor unions to support employees. We empower these unions to operate independently by enabling autonomous decision-making and elections, maintaining separate accounts, and organizing a variety of activities such as holiday celebrations and recognition events. Union representatives are elected based on membership size and are encouraged to review, comment on, and participate in the approval of internal company policies and documents. In addition, employees are free to join interest-based clubs, which receive funding support from the Company to enrich their leisure life and foster a vibrant workplace culture.



Employee Representative Conference



Employee Recognition Ceremony



Football Club



Fun Sports Games

Win-Win Cooperation, Building a Sustainable Supply Chain

Response to SDGs



OPPLE Lighting places great importance on supply chain management, recognizing it as a core driver of corporate growth. Grounded in principles of fairness and transparency, we continuously optimize our supply chain systems to build a network that is stable, efficient, and resilient. Through close collaboration with suppliers, we are dedicated to establishing mutually beneficial partnerships that drive sustainability across the entire value chain, contributing to industry prosperity and innovation.

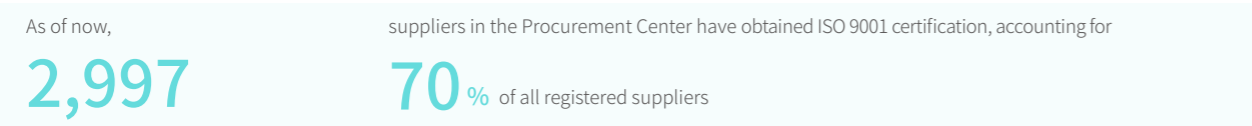
- Supplier Management Optimization
- Ensuring Responsible Supply Chain
- Supplier Communication & Training



Supplier Management Optimization

OPPLE Lighting views supply chain management as a key enabler of sustainable development and is dedicated to building an efficient, transparent, and responsible supply chain system. To this end, we have established a comprehensive set of supplier management policies, including the *Supplier Sourcing Procedure*, *Supplier Development Guidelines*, *Comprehensive Evaluation Procedure*, *Supplier Performance Evaluation Procedure*, and *Supplier Performance Improvement Process*. These frameworks aim to improve management efficiency and enhance the structure and standardization of supplier oversight, ensuring both supply chain stability and operational efficiency.

In line with our internal policies, we have implemented a robust supplier management strategy that spans all critical stages such as admission screening, tiered management, performance evaluation, partnership termination, etc. This comprehensive approach helps boost the overall effectiveness of our supply chain and ensures its long-term resilience.






Supplier Admission

- During the admission phase, we conduct rigorous reviews of potential suppliers, assessing their registered capital, annual revenue, product lifecycle, production capacity, and other key business credentials.
- ISO 9001 certification is a mandatory requirement for supplier qualification. As of now, 2,997 suppliers in the Procurement Center have obtained ISO 9001 certification, accounting for 70% of all registered suppliers.
- A two-tiered list system (long and short) is used to further screen and classify suppliers:
Long List: Suppliers who meet the basic *Category Supplier Admission Thresholds*
Short List: Suppliers selected from the long list based on evaluations of technical capability, quality, delivery performance, and key commercial terms
- Suppliers must meet our comprehensive standards across quality, delivery, cost, technology, service, and risk. Only those who pass the full assessment are eligible to collaborate.




Supplier Tiered Management

- Materials are categorized based on two dimensions: financial impact and sourcing difficulty, enabling targeted management strategies for different material types.
- Suppliers are scored on critical dimensions such as cost performance, quality and technical capabilities, and delivery reliability. Based on these evaluations, suppliers are classified into five categories: Strategic Suppliers, Key Suppliers, General Suppliers, Marginal Suppliers and Disqualified Suppliers. Corresponding management measures are applied to each category to ensure strategic alignment and continuous improvement.



Supplier Evaluation & Performance Appraisal

- Approved suppliers are subject to ongoing management, including routine assessments and on-site evaluations. Key suppliers are reviewed annually or as needed, with special attention to production capacity, quality control, and operational management. Assessment results are used as critical input for the following year's resource allocation and procurement planning.
- To reward high performers and phase out underperformers, we conduct performance evaluations of both production and non-production suppliers across the Company and our subsidiaries. Evaluation criteria include business performance, quality metrics, and delivery outcomes.



Supplier Rectification and Exit

- Suppliers who receive a D-grade performance rating are issued a rectification notice. They must analyze root causes of underperformance and submit corrective action plans. Performance review meetings are held to approve and monitor the execution of these plans, and performance is tracked continuously.
- In cases of disqualification or voluntary withdrawal, the supplier must submit a formal exit request to the Sourcing Engineer of the Integrated Management Team. The termination of cooperation must be approved by designated management and documented accordingly.

Meanwhile, OPPLE Lighting promotes healthy competition among suppliers by establishing a fair and transparent supply chain management system. We implement a scientifically designed supply allocation mechanism that considers multiple factors, including product quality, delivery capability, and cost control. Based on our procurement strategy, we reasonably distribute supply quotas between primary and secondary suppliers to ensure all parties receive equitable opportunities.



Supplier Quota Allocation Mechanism

To enhance supply chain reliability, OPPLE Lighting continues to strengthen supplier quality management. We have established the *Supplier Quality Management Specification*, which outlines standards, rules, and requirements for quality control, and incorporated a *Quality Assurance Agreement* into our procurement framework contracts. In addition, we adopt multiple quality oversight measures, including annual supplier audits, unannounced inspections, and corrective actions for quality issues. During the reporting period, we conducted 78 on-site audits of key suppliers, covering areas such as incoming material quality management, in-process quality control, and change management, ensuring that suppliers meet our quality standards and sustainability requirements across all stages.

To improve supply chain stability and mitigate potential risks, we implemented a localization strategy for aluminum extrusion and major hardware procurement, expanding local sourcing and broadening material categories. Meanwhile, to reduce dependency on single suppliers, we introduced a "de-exclusivity" strategy, encouraging the diversification of material sources. In 2024, our de-exclusivity rate reached 53%, successfully achieving the annual target and significantly strengthening the resilience of our supply chain.

As of the end of the reporting period		
Supplier De-Exclusivity Rate	Total Number of Partnered Suppliers	Total Number of New Suppliers
53%	743	87



Ensuring Responsible Supply Chain

Integrity in Procurement

Sustainable Procurement

- We work closely with suppliers to uphold ethical business conduct and promote green practices, progressively increasing transparency in procurement and supply operations. Our aim is to build a supply chain that is both efficient and environmentally responsible.

OPPLE Lighting regards integrity and compliance within the supply chain as a cornerstone of sustainable development and strive to create an open and transparent ecosystem. To regulate supplier behavior from the source, we incorporate clear ethical clauses into our procurement contracts, including the *Supplier Anti-Bribery Commitment* and the *Social Responsibility Commitment*. These requirements ensure that every part of the supply chain adheres to ethical and compliance standards. As of the end of the reporting period, 577 suppliers had signed our anti-corruption code of conduct, with a signing rate of 78%, reflecting a shared commitment to integrity throughout the supply chain.

Internally, we have established a structured integrity management mechanism. Quarterly anti-corruption training is provided to procurement personnel to continuously strengthen compliance awareness and professional skills. During the reporting period, we achieved full training coverage across the procurement team, which contributed to a systematic improvement in supply chain management capabilities. We also carried out compliance audits on procurement activities, covering key areas such as bidding document review, bidding strategy optimization, and contract clause evaluation. Furthermore, we optimized internal controls across procurement processes to ensure that all procedures are both compliant and efficient.

We view the construction of a green supply chain as a critical pillar of our sustainability strategy and actively promote low-carbon transitions across procurement activities. During supplier onboarding, we implemented a *Sustainable Procurement Regulations* that clearly requires suppliers to comply with local environmental regulations and ensure that all raw materials and products meet green standards. We prioritize partnerships with suppliers demonstrating strong environmental performance. As of the end of the reporting period, 534 suppliers had signed the *Sustainable Procurement Regulations*. Additionally, when signing procurement agreements with customers, we include a *Sub-supplier Safety and Environmental Agreement*, which mandates environmental and safety training for suppliers entering our premises and reinforces environmental compliance expectations.

During supplier audits, we consider environmental management system certifications, such as ISO 14001, as a key evaluation criterion. We encourage suppliers to obtain these certifications and conduct dynamic assessments of their environmental performance. When non-conformities are identified, we work jointly with suppliers to develop targeted improvement plans and help elevate their environmental management standards over time.

We also focus on the environmental impacts of key stages in the supply chain. In logistics, we collaborate with suppliers to optimize transportation solutions and enhance carbon emissions control. For hazardous raw materials, we require suppliers to comply with EU restrictions on hazardous substances, as outlined in our *OPPLE Lighting Supplier Quality Manual*. This includes strict management of auxiliary materials such as soldering tin and SMT adhesive. Suppliers are required to ensure these materials comply with REACH regulations and provide valid compliance reports, ensuring all raw materials meet environmental and low-carbon requirements.

Total number of suppliers screened using the environmental evaluation dimension

604

Total number of suppliers assessed using the social responsibility dimension (e.g. questionnaire)

534

Total number of suppliers having signed the supplier code of conduct with an anti-corruption component

577

Supplier Communication & Training

- OPPLE Lighting places high importance on ongoing communication with our suppliers and engage with them through a variety of channels, including routine interactions, focused discussions, ad hoc visits, and our annual supplier conference. These efforts deepen collaboration, promote mutual development, and help achieve win-win outcomes.



Case "Sustainable Growth and Long-Term Excellence" Procurement Center Supplier Conference

On November 8, 2024, OPPLE Lighting held the "Sustainable Growth and Long-Term Excellence" Procurement Center Supplier Conference at our Wujiang Industrial Park. The event featured a core supplier roundtable, guided tours of our product showroom, experience-sharing sessions from suppliers, and recognition of outstanding partners. These activities enhanced organizational alignment, built strategic trust, reinforced our mutual commitment to collaboration, and contributed to the stable and efficient operation of the supply chain.



Meanwhile, OPPLE Lighting is dedicated to empowering suppliers by enhancing their capabilities, thereby strengthening the overall resilience and competitiveness of the supply chain. We have established a comprehensive supplier development process that includes identifying capability gaps, designing targeted improvement plans, and executing them across quality, cost, delivery, and other key dimensions. In addition, we provide structured training programs that offer technical guidance and industry knowledge sharing, helping suppliers continuously upgrade their overall performance.

During the reporting period

Supplier Quality Training Sessions

3 Sessions

Participants

168 Persons

Average Training Duration Per Person

2 Hours



Commitment & Compassion, Fulfilling Our Social Responsibility

Response to SDGs




Light brings hope, and responsibility brings warmth. OPPLE Lighting actively fulfills corporate social responsibilities under the public welfare mission of "Caring Light to Illuminate the Future". Leveraging our professional strengths, we dedicate ourselves to public welfare efforts, contribute to building greener cities, and bring warmth to communities through concrete actions, working together to create a better society.

- Green City
- Social Responsibility

Green City

- OPPLE Lighting actively embraces the concept of green development and support urban low-carbon transitions through smart lighting solutions. Our new generation of high-efficiency streetlights delivers luminous efficacy of up to 200 lm/W, setting a benchmark in the industry. By innovating integrated control products, we have seamlessly combined power drivers and single-lamp controllers, enabling each streetlight to feature intelligent connectivity, dimming control, and automatic fault alerts, greatly enhancing the efficiency and convenience of digital upgrades in urban lighting infrastructure.
- Currently, our smart street lighting and multifunctional smart pole projects have been successfully implemented in cities such as Beijing, Shanghai, Shenzhen, Chengdu, and Suzhou. The number of connected smart lighting nodes has cumulatively surpassed one million, injecting intelligent momentum into urban green development.

Green and Energy-Efficient Road Lighting Retrofit Project in Nan'an District, Chongqing







The road lighting retrofit project in Nan'an District, Chongqing, adopted high-efficiency LED lighting to achieve

100%

coverage of energy-saving streetlights across the entire district

Key Results:

 <p>Annual electricity savings rate</p> <p>46 %</p>	 <p>Annual electricity cost savings</p> <p>approximately RMB 4 million</p>
 <p>Annual reduction in standard coal consumption</p> <p>approximately 1,727 tons</p>	
 <p>Annual reduction in carbon emissions</p> <p>approximately 4,802 tons</p>	

Significant improvement in road surface illumination uniformity


Social Responsibility

- OPPLE Lighting brings warmth through light and actively fulfills social responsibilities by continuously engaging in public welfare initiatives across areas such as community care, educational support, and health awareness.

In our daily operations, we remain dedicated to serving society, not only by delivering high-quality services to our customers, but also by sharing warmth and care. The Company has established the "Service Star" program to honor employees who demonstrate outstanding contributions in community service, expressing our gratitude and encouraging them to continue spreading warmth with professionalism and passion.




OPPLE "Service Star" Employee Recognition Campaign Poster




Case Community Care

OPPLE Lighting cares deeply about the well-being of all members of society. By bringing light into the lives of elderly citizens and sharing the laughter of children, we deliver warmth, connection, and compassion across generations.

On June 1st, 2024, International Children's Day, our employee volunteer team joined hands with the China Europe Alumni Public Welfare Association to organize a special intergenerational charity event at Changqiao Nursing Home in Xuhui District. Children delivered joyful performances of music and dance, engaging in heartfelt interactions with the elderly residents. Volunteers also donated 2,000 safety power strips with overload protection to elderly individuals living alone, effectively addressing electrical safety risks in their homes. The event not only brought warmth to the elderly during the holiday but also helped the children understand the value of love and giving. It reflected our commitment to caring for the elderly and our genuine dedication to serving communities with compassion.






Case Educational Support

OPPLE Lighting regards educational support as a vital component of its corporate social responsibility, focusing on healthy lighting environments to strengthen its impact in the education sector.


In January 2024, we supported educational development and student well-being by donating 456 high-quality lighting fixtures for classrooms and dormitories across three schools in Danzhai, Guizhou, and Binchuan, Yunnan. This initiative has enhanced the learning environments of 40 classrooms, benefiting 572 students with eye-friendly illumination designed to reduce visual fatigue and promote long-term eye health. By upgrading lighting infrastructure in schools, we are helping create more sustainable educational spaces—one light at a time.



Case Health Education

We place great importance on educating consumers. By sharing our professional expertise in healthy lighting, we help families create scientifically sound and comfortable home lighting environments.

On March 30th, 2024, we partnered with the Shanghai Consumer Protection Committee's Health Consumption Office to host a public education event on healthy lighting for households. The event was held at Shuxiang Quyang in Hongkou District and focused on improving lighting awareness in everyday family life. Our professional lighting designers conducted live demonstrations to compare different lighting scenarios and explained best practices in various settings. They also provided hands-on guidance on selecting lighting products tailored to individual needs. Citizens who participated expressed that the event helped them understand how to make informed choices about home lighting and deepened their appreciation for how a well-designed lighting environment can positively impact the physical and mental well-being of the entire family. This initiative showcased our ongoing commitment to promoting household health through professional, science-backed lighting solutions.



Appendix

Index of *Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Reporting*

Disclosure Requirements	Corresponding Chapter of This Report
Climate change tackling	Climate Change Responding
Pollutant discharge	Environmental Compliance Management
Waste disposal	Environmental Compliance Management
Ecosystem and biodiversity protection	Resource Optimization & Utilization
Environmental compliance management	Environmental Compliance Management
Energy usage	Climate Change Responding
Usage of water resources	Resource Optimization & Utilization
Circular economy	Resource Optimization & Utilization
Rural revitalization	Social Responsibility
Contributions to the society	Social Responsibility
Innovation-driven	Stringent Product Quality Control
Ethics of science and technology	N/A
Supply chain security	Supplier Management Optimization
	Ensuring Responsible Supply Chain
Equal treatment to small and medium-sized enterprises	Supplier Management Optimization
Safety and quality of products and services	Enhancing Customer Experience
Data security and customer privacy protection	Responsible Marketing Practices
Employees	Employee Rights Protection
	Empowering Employee Growth
	Employee Health & Safety
Due diligence	Enhancing Responsible Governance
Communications with stakeholders	Optimizing ESG Governance
Anti-commercial bribery and anti-corruption	Upholding Business Ethics
Anti- unfair competition	Upholding Business Ethics

GRI Content Index

Statement of use	OPPLE Lighting and its subsidiaries have reported in accordance with the GRI Standards for the period "January 1, 2024 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021

Disclosures	Disclosure topics	Index of sessions
GRI 1: Foundation 2021		About the Report
GRI 2: General Disclosures 2021		About the Report
The organization and its reporting practices		
2-1	Organizational details	About the Report
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-4	External assurance	N/A
Activities and workers		
2-6	Activities, value chains and other business relationships	OPPLE Lighting: A Legend of Light
Governance		
2-9	Governance structure and composition	Enhancing Responsible Governance
2-10	Nomination and selection of the highest governance body	Enhancing Responsible Governance
2-11	Chair of the highest governance body	Enhancing Responsible Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Optimizing ESG Governance
2-13	Delegation of responsibility for managing impacts	Optimizing ESG Governance
2-14	Role of the highest governance body in sustainability reporting	Optimizing ESG Governance
2-16	Communication of critical concerns	Optimizing ESG Governance
2-17	Collective knowledge of the highest governance body	Enhancing Responsible Governance
2-18	Evaluation of the performance of the highest governance body	Please refer to the <i>2024 Annual Report</i>
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Optimizing ESG Governance
2-23	Policy commitments	ESG Strategy
2-24	Embedding policy commitments	Optimizing ESG Governance
2-26	Mechanisms for seeking advice and raising concerns	Optimizing ESG Governance
2-27	Compliance with laws and regulations	Upholding Business Ethics
2-28	Membership associations	Deepening Commercial Partnerships
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Optimizing ESG Governance
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Optimizing ESG Governance
3-2	List of material topics	Optimizing ESG Governance
3-3	Management of material topics	For details, see the following table

Disclosures	Disclosure topics	Index of sessions
Economy		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Please refer to the 2024 Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Responding
201-3	Defined benefit plan obligations and other retirement plans	Please refer to the 2024 Annual Report
201-4	Financial assistance received from government	Please refer to the 2024 Annual Report
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Supplier Management Optimization
GRI 205: Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	Upholding Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Upholding Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Upholding Business Ethics
Environment		
GRI 301: Materials 2016		
301-3	Reclaimed products and their packaging materials	Resource Optimization & Utilization
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Climate Change Responding
302-2	Energy consumption outside of the organization	Climate Change Responding
302-3	Energy intensity	Climate Change Responding
302-4	Reduction of energy consumption	Climate Change Responding
302-5	Reductions in energy requirements of products and services	Climate Change Responding
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Environmental Compliance Management Resource Optimization & Utilization
303-2	Management of water discharge related impacts	Environmental Compliance Management Resource Optimization & Utilization
303-3	Water withdrawal	Environmental Compliance Management Resource Optimization & Utilization
303-4	Water discharge	Environmental Compliance Management Resource Optimization & Utilization
303-5	Water consumption	Environmental Compliance Management Resource Optimization & Utilization

Disclosures	Disclosure topics	Index of sessions
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Climate Change Responding
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Responding
305-3	Other indirect (Scope 3) GHG emissions	Climate Change Responding
305-4	GHG emissions intensity	Climate Change Responding
305-5	Reduction of GHG emissions	Climate Change Responding
305-6	Emissions of ozone-depleting substances (ODS)	Environmental Compliance Management
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Environmental Compliance Management
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Environmental Compliance Management
306-2	Management of significant waste related impacts	Environmental Compliance Management
306-3	Wastes generated	Environmental Compliance Management
306-4	Wastes diverted from disposal	Environmental Compliance Management
306-5	Waste directed to disposal	Environmental Compliance Management
GRI 307: Environmental Compliance 2016		
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance Management
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Ensuring Responsible Supply Chain
308-2	Negative environmental impacts in the supply chain and actions taken	Ensuring Responsible Supply Chain
Social		
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Employee Rights Protection
401-2	New employee hires and employee turnover	Employee Rights Protection
401-3	Parental leave	Employee Rights Protection
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Employee Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	Employee Health & Safety
403-3	Occupational health services	Employee Health & Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Health & Safety
403-5	Worker training on occupational health and safety	Employee Health & Safety

Disclosures	Disclosure topics	Index of sessions
403-6	Promotion of worker health	Employee Health & Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health & Safety
403-9	Work-related injuries	Employee Health & Safety
403-10	Work-related ill health	Employee Health & Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Empowering Employee Growth
404-2	Programs for upgrading employee skills and transition assistance programs	Empowering Employee Growth
404-3	Percentage of employees receiving regular performance and career development reviews	Empowering Employee Growth
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Employee Rights Protection
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supplier Management Optimization Ensuring Responsible Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	Supplier Management Optimization Ensuring Responsible Supply Chain
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Empowering Product Innovation
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2024, there were no significant breaches involving the health and safety impacts of products and services
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Responsible Marketing Practices
417-2	Incidents of non-compliance concerning product and service information and labeling	In 2024, the organization had no significant breaches involving product and service information and labeling
417-3	Incidents of non-compliance concerning marketing communications	In 2024, the organization had no significant violations involving marketing
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2024, the organization had no significant substantiated complaints related to violations of customer privacy and loss of customer data

SASB Index

SASB		Section
Water Management		
CG-HP-140a.1	(1) Total water withdrawn (2) total water consumed, (thousand m), percentage of each in regions with High or Extremely High Baseline Water Stress	Resource Optimization & Utilization
CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Resource Optimization & Utilization
Packaging Lifecycle Management		
CG-HP-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/ or compostable	Resource Optimization & Utilization
CG-HP-410a.2.	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Resource Optimization & Utilization
Product Environmental, Health, and Safety Performance		
CG-HP-250a.1	Revenue from products that contain REACH substances of very high concern (SVHC) and assessment of supplier REACH requirements	Sustainable Procurement

Greenhouse Gas Verification Statement

Statement of Conformity CN25/00002633

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in
01 Jan. 2024 to 31 Dec. 2024 of

OPPLE Lighting Co., Ltd.

Business address: Room 411, Building No. 1, 6111 Longdong Avenue, Pudong New Area,
Shanghai
Organization boundary: Detail organization boundary information has been listed in Annex,
for multi-site statement

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions

4,645.933 tonnes of CO₂e

Indirect Emissions

54,329.354 tonnes of CO₂e

Total Emissions Quantified

58,975.287 tonnes of CO₂e

The specific categories of indirect greenhouse gas emissions are detailed in the
appendix of this statement, which is an integral part of this statement



Authorised by
David Xin
Sr. Director - Business Assurance
DATE: 17 Apr. 2025

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century YuHui Mansion, No. 73 Fucheng Road, Beijing, P.R. CHINA 100142
t +86 (0)10 58251188 www.sgsgroup.com.cn



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Several statements have been issued for this scope, this is main statement
Page 1 of 5



超越所見
See Beyond

/ 90 /