

KINWONG 2024

Environmental, Social and Governance Report



CONTENTS



Introduction



About the Report	1
Message from the Management	3
Kinwong at a Glance	5
Kinwong's Performance in 2024	9
Honors and Awards	13

Sustainability Blueprint

ESG Governance System	16
Response to the United Nations SDGs	17
ESG Risk Management	19
Stakeholder Communication and Engagement	20
Materiality Assessment and Analysis	21

01 Governance

Integrity and Compliance in Operations 26

Improving Governance Structure	26
Investor Relations Management	29
Compliance Operations	31
Business Ethics and Anti-Corruption	36
Equal Treatment of SMEs	39
Ensuring Information Security	39

02 Social

Craftsmanship and Lean Production 46

Product Safety and Quality	46
Innovation-Driven Development	55
Intellectual Property Management	57

Industry Collaboration and Win-Win Cooperation 59

Building a Sustainable Supply Chain	59
Customer Service and Responsible Marketing	65
Collaborative Development of the Industry	69

People-Centered, Shaping the Future Together 71

Standardized Talent Introduction	71
Employee Development and Training	73
Enhancing Employee Well-being	82
Creating a Healthy Work Environment	87
Social Contributions and Feedback	92



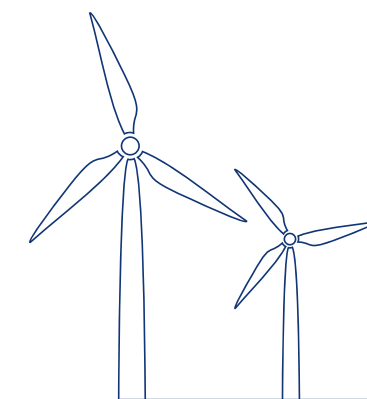
03 Environmental

Environmentally Friendly and Green Innovation 96

Environmental Management System	96
Toxic Emissions and Circular Economy	102
Improving Resource Utilization Efficiency	104
Climate Governance and Low-Carbon Transformation	106
Ecosystem Protection	112

Conclusion

Key Performance Indicators	113
Report Standard Index	118
Reader Feedback Form	121



Introduction

| About the Report

Report Overview

The 2024 Environmental, Social and Governance (ESG) Report of Shenzhen Kinwong Electronic Co., Ltd. is the third ESG report released by Shenzhen Kinwong Electronic Co., Ltd. (hereinafter referred to as "Kinwong", "the Company", or "we") (stock code: 603228). This report objectively and truthfully discloses the Company's performance in environmental, social, and governance matters during 2024. All currency amounts in this report are expressed in Renminbi (RMB).

Report Scope and Boundaries

Time Period: The time period covered by this report is from January 1st, 2024 to December 31st, 2024 (hereinafter referred to as "the reporting period"). Some content is extended to previous and subsequent years when appropriate.

Report Boundary: Unless otherwise specified, this report covers Shenzhen Kinwong Electronic Co., Ltd. and its subsidiaries.

Reporting Basis

Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) issued by the Shanghai Stock Exchange (SSE)

Morgan Stanley Capital International (MSCI) ESG Ratings

GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB)

Sustainability Accounting Standards Board (SASB) Standards

Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

United Nations Sustainable Development Goals (SDGs)

Data Sources

The information and cases disclosed in this report are sourced from our official documents, statistical reports, or publicly available materials. We guarantee that the contents of this report do not contain any false statements, misleading claims, or significant omissions. In the event of any inconsistency between the data in this report and the financial report, the data in the financial report shall prevail.

Company Names and Abbreviations

Company Name	Abbreviation	Company Type
Shenzhen Kinwong Electronic Co., Ltd.	Shenzhen Kinwong, Kinwong, the Group, the Company, we	Shenzhen Headquarter
Jiangxi Kinwong Precision Circuit Co., Ltd.	Jiangxi Kinwong	A wholly-owned subsidiary of Kinwong
Kinwong Electronic Technology (Longchuan) Co., Ltd.	Longchuan Kinwong	A wholly-owned subsidiary of Kinwong
Kinwong Electronic Technology (Zhuhai) Co., Ltd.	Zhuhai Kinwong	A wholly-owned subsidiary of Kinwong
Zhuhai Kinwong Flexible Circuit Co., Ltd.	Zhuhai Kinwong Flexible	A majority-owned subsidiary of Kinwong
Kinwong Electronic Technology (Ganzhou) Co., Ltd.	Ganzhou Kinwong	A wholly-owned subsidiary of Kinwong
Kinwong Electronic (Thailand) Co., Ltd.	Kinwong Thailand	A wholly-owned subsidiary of Kinwong's subsidiary

Report Access

This report is published in electronic format and can be accessed via our website (<https://www.kinwong.com/>) or the Shanghai Stock Exchange website (<http://www.sse.com.cn/>).

| Message from the Management

Dear shareholders, partners, employees, and friends from all sectors of society,

In the challenging yet opportunity-rich year of 2024, sustainable development has accelerated its shift from a strategic vision to a concrete action plan for the enterprises. As a leading player in the global electronic circuit industry, Kinwong has always adhered to its environmental, social and governance (ESG) philosophy of "lean production, technological innovation, environmental protection, sustainable development, and giving back to society", continuously exploring the depth and breadth of ESG practices. Here, we would like to extend our heartfelt gratitude to all stakeholders who have supported our growth while sharing the key progress and future commitments in ESG.

Shaping a sustainable future with strategic leadership and compliance assurance

Faced with the dual challenges of global climate change and industrial transformation, Kinwong has continued to optimize its ESG governance structure, defining an ESG strategy centered around "adhering to a value-driven approach, focusing on technological innovation, consistently delivering high-quality products and services to our customers, and building a green, low-carbon modern enterprise". We have continuously improved our ESG management system consisting of the Board of Directors, the Strategy and ESG Committee, and the ESG Task Force. This system has ensured the effective operation of the full "leadership and oversight–decision-making–execution" process, further advancing the implementation of our ESG governance and integrating it into daily business operations and development. Our efforts have been recognized by the broader community. In 2024, Kinwong was selected for the "Excellent Practice of the Board Office of Listed Companies" by the China Association for Public Companies, received the Panorama Gold Award for Investor Relations (2023)–Outstanding Shareholder Return Award, and won the Cailian Press Zhiyuan Award–ESG Pioneer Award.

We have established a comprehensive compliance governance and risk management system, enhancing management effectiveness and reducing operational risks through digital systems. A multi-level internal control structure comprising the Board of Directors, the Board of Supervisors, and the Audit Committee has been established, and the Internal Control Management Measures have been formulated. With ERP, MES, and EAP systems at the core, we have integrated the entire data loop across the supply chain, production, and customer service, driving a transition from "experience-driven" to "data-driven" business decision-making.

Achieving a full breakthrough from low-carbon operations to a circular economy through energy conservation, consumption reduction, and green development

We are committed to "peaking carbon emissions by 2025 and achieving carbon neutrality by 2050", continuously tracking, assessing, and updating short-term, medium-term, and long-term environmental performance goals each year. Under the guidance of the "carbon peaking and carbon neutrality (dual carbon)" goals, Kinwong will make sustained efforts to build a carbon-reduction system covering the full lifecycle of "production–products–supply chain" with a focus on the building of green factories.

In 2024, Kinwong successively launched the integrated photovoltaic, energy storage, and power consumption project and the photovoltaic power generation project at its production bases, while promoting distributed photovoltaic projects, with a goal of installing 15 MW of photovoltaic capacity by 2026. We have carried out centralized procurement of International Renewable Energy Certificates (I-RECs), corresponding to green electricity consumption of 141,950 MWh, representing about 17.5% of our total electricity consumption. The Jiangxi Xinfeng High Layer Count PCB Intelligent Manufacturing Base was put into production in January 2025. This new base employs internationally advanced intelligent equipment and green processes, achieving visual management and efficient resource utilization throughout the entire production process through the deep integration of the Internet of Things (IoT), big data, and artificial intelligence (AI), with an expected reduction in energy consumption per unit product by about 20% compared to traditional factories. Kinwong has conducted greenhouse gas emissions verification for three consecutive years and has proactively joined the Science-Based Targets initiative (SBTi) and the Carbon Disclosure Project (CDP).

Furthermore, we have established and improved the long-term water conservation mechanism to effectively reduce water intake and improve water resource utilization efficiency. In 2024, all production bases met the set quantitative water conservation targets. Zhuhai Kinwong passed the "Water-Saving Enterprise" acceptance in Zhuhai, and Jiangxi Kinwong was honored as a "Provincial Water-Saving Benchmark Enterprise".

Giving back to society and striving for enduring success through our people-oriented philosophy and win-win collaboration

Every step forward for the Company is inseparable from the value creators who have overcome challenges along the way. Kinwong has established a mature talent development system, with a total of approximately 170,199 training hours and 2,707 training sessions in 2024. Placing great importance on fostering a positive work atmosphere, we have conducted annual organizational atmosphere surveys for all employees, continuously improving the overall organizational atmosphere.

Sustainable development relies on collective efforts across the entire value chain. Kinwong has developed sustainable procurement policies, strictly controlled the risk of conflict minerals, and enhanced supplier integrity. In supplier performance evaluations, a "green supply chain" bonus point system has been introduced, with 600 suppliers signing integrity agreements, achieving a signing rate of 100%. Additionally, we have encouraged 538 suppliers to conduct social and environmental impact assessments.

At the same time, we have actively participated in public welfare activities such as ecological construction, educational support, voluntary blood donations, and charitable donations, striving for a win-win development with society. In 2024, the total amount of our charitable donations reached RMB 2.98 million.

The future is filled with both challenges and hope. With a more open mindset and stronger actions, we will actively embrace the transformation of the technological industry and seize market opportunities, while consolidating and raising our leading position in the global market through high-quality products and services. Firmly committed to sustainable development principles, we will continue to walk side by side with global partners, creating synergies for mutual benefit and jointly shaping the future of green intelligent manufacturing.

| Kinwong at a Glance


Company Profile

Shenzhen Kinwong Electronic Co., Ltd. (603228.SH, Kinwong), founded in 1993, is a national high-tech enterprise specializing in the research, development, production, and sales of printed circuit boards (PCBs), with the capability to provide comprehensive product solutions. Our products are widely used in various fields including automotive, next-generation communication technologies, data centers, AIoT, consumer electronics, industrial Internet, medical devices, new energy, and satellite communication. With superior product quality and services, Kinwong has established long-term strategic partnerships with many globally recognized clients, with its business extending across the world.

Product Overview


Our products cover diversified categories, including multi-layer PCBs, heavy copper PCBs, high-frequency and high-speed PCBs, metal-based PCBs, FPCs, and rigid-flex PCBs. We have also actively expanded into higher-value-added products such as HLC, HDI, and SLP, forming a clear and multi-layered product matrix.

Key Application Areas of Kinwong Products




Automotive Electronics

Millimeter-wave radar, cameras, LiDAR, advanced driver-assistance systems (ADAS), ADCU, lighting systems, new energy charging and distribution, in-vehicle information entertainment systems, body electronics systems, BMS battery systems, etc.




Data Centers

General servers, AI servers, switches, optical modules, storage devices, etc.




Industrial Control and Healthcare

Robotics, industrial automation equipment, power control systems, drones, electronic cigarettes, medical monitoring instruments, medical devices, implantable medical devices, etc.



Consumer Electronics

Smartphones, smart wearables, laptops, smart TVs, smart speakers, intelligent home control systems, etc.



Communications

Switch routers, optical fiber equipment, communication base stations, satellite communications, etc.

Market Layout

Kinwong has established six production bases in China, located in Shenzhen and Longchuan County in Guangdong Province, Jishui County and Xinfeng County in Jiangxi Province, as well as Jinwan District and Fushan Industrial Park, Zhuhai. An overseas production base in Thailand is currently under construction. The Company has also set up multiple offices globally, achieving an international strategic layout with cross-regional, differentiated, and sustainable supply capabilities. Through continuous optimization of its excellent management system, Kinwong has expanded its global market presence and diversified product portfolio, establishing a robust international brand image.

Introduction to Kinwong's Seven Major Production Bases



This base serves as the Company's headquarters and pivot, mainly focusing on small to medium batch, multi-variety production, with products mainly used in automotive, industry, power supply, healthcare, intelligent terminal, and other fields.



This base is equipped with the most comprehensive range of product lines in the Company, focusing on medium to large batch production, with products widely applied in communications, power supply, automotive, industry, 5G, intelligent terminal, and other fields.



As an industry-leading factory in automation and intelligence, this base primarily focuses on mass production, with products mainly used in sectors demanding rigorous traceability and quality control, such as automotive electronics, industrial control, healthcare, and high-end consumer products.



As a highly automated factory with cost leadership, this base was put into production in January 2025. Its products are expected to be used in ICT equipment, automotive electronics, communication devices, industrial control, and other fields.



With HLC and HDI (including SLP) factories, this base mainly offers cutting-edge products and technologies. Its products are primarily applied in servers, high-end consumer electronics, AR/VR, communications, automotive, and other fields. The HDI factory supports any layer interconnection and mSAP capabilities.




This base is mainly engaged in large-scale FPC production, with products primarily used in fields such as new energy power batteries, wireless charging, display modules, consumer electronics, and network devices.


Kinwong Thailand (Under Construction)

This base aims to meet the overseas demand for high-end products such as HLC and HDI in automotive electronics, high-end consumer electronics, AI servers & data centers, and other fields.


Corporate Culture

Core Philosophy


Elaborate and Quality Products

Mission


Circuits connect the world, creating the internet of things

Vision


To become the most reliable printed circuit board manufacturer in the world

Core Values


Customer oriented, caring about value creators, self-reflection, integrity, responsibility, cooperation, innovation

Business Philosophy

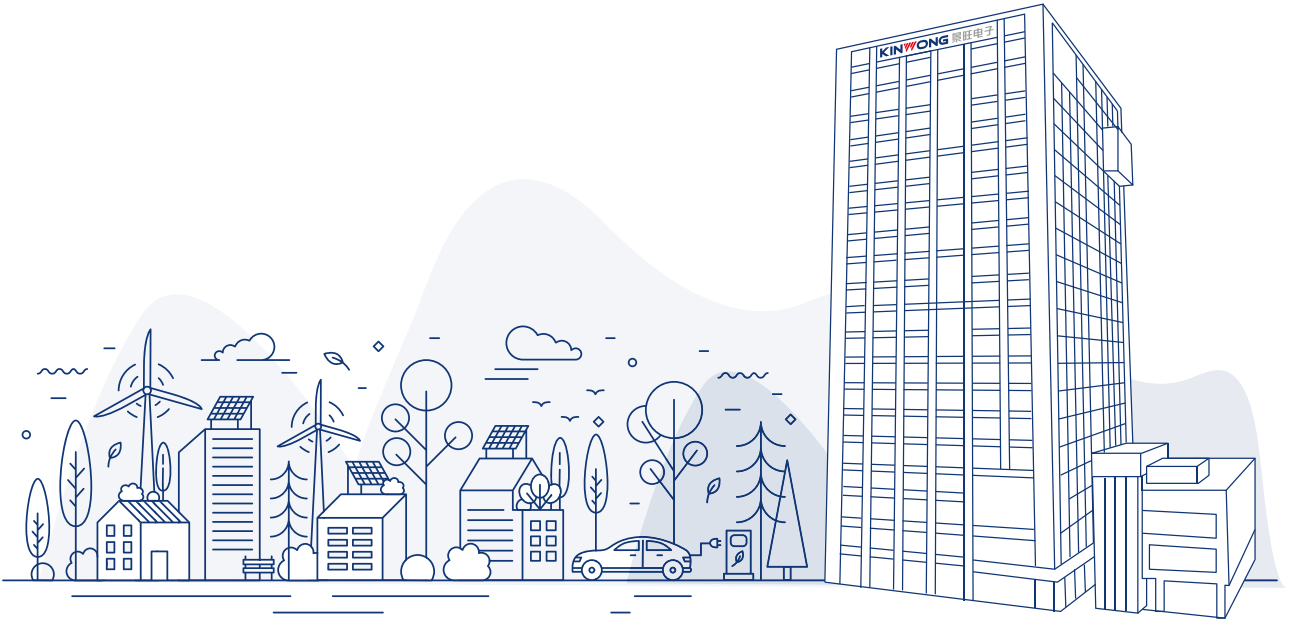
People foremost, manufacturing competitive products, expanding the enterprise, and repaying the society

ESG Strategy

Adhering to a value-driven approach, focusing on technological innovation, consistently delivering high-quality products and services to our customers, and building a green, low-carbon modern enterprise

ESG Philosophy

Lean production, technological innovation, environmental protection, sustainable development, and giving back to society



Organizational Structure

Kinwong's First-Tier Organizational Structure



Development Strategy

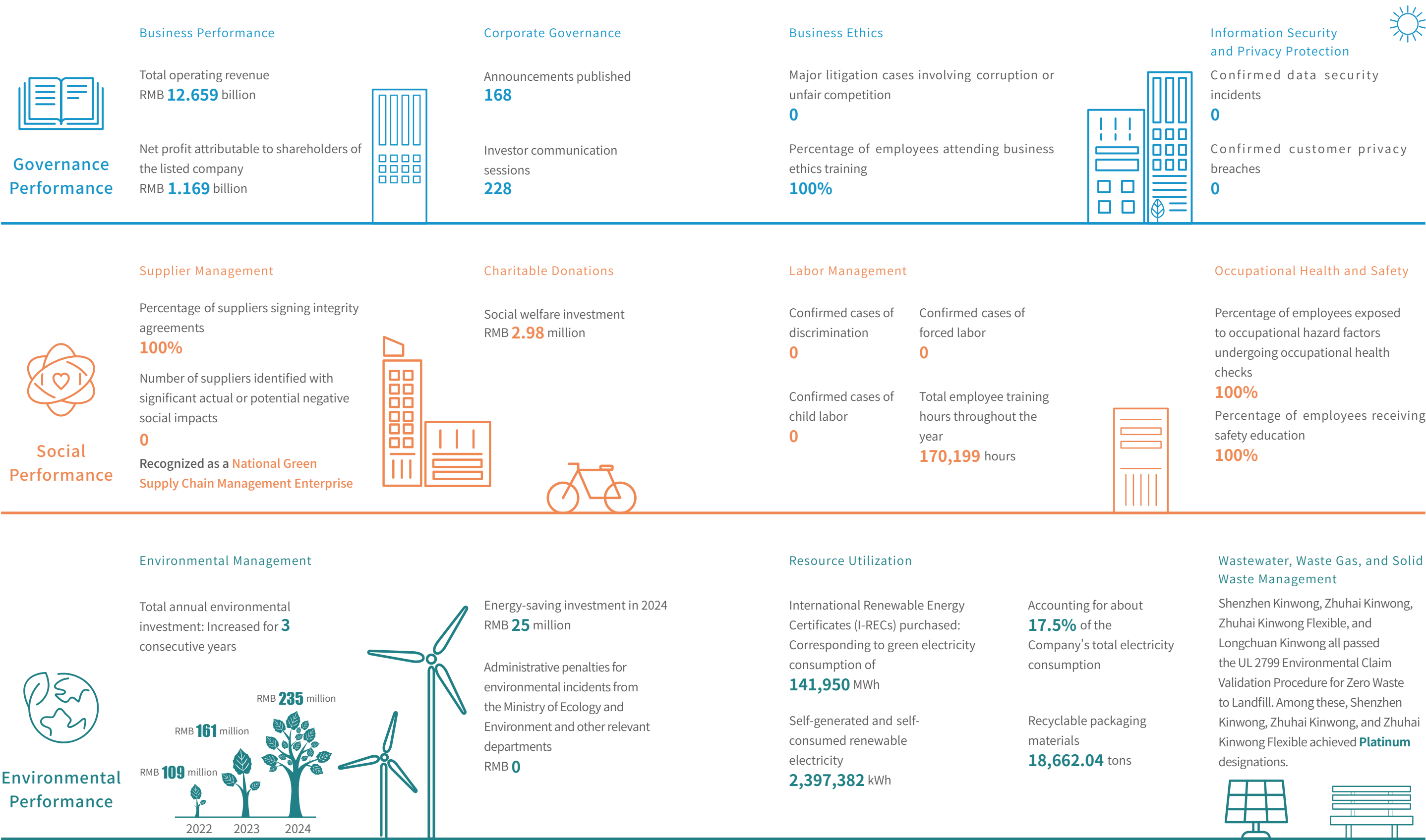
In 2023, Kinwong clarified its strategic goal for the next five years, which is to **realize the high-quality "Double Hundred Project"**.

Key Performance Indicators

The Company aims to achieve revenue of over RMB **20** billion by 2028 and become one of the top five PCB suppliers globally.



| Kinwong's Performance in 2024



Milestones in 2024

January

- Ganzhou Kinwong completed the construction of its main structure.



July

- Kinwong was listed among the Top 100 Guangdong Enterprises in the Electronics and Information Manufacturing Industry for Overall Strength in 2024.
- The Jingjia Intelligent Manufacturing Tower celebrated the construction completion of its main structure.



September

- Kinwong's first megawatt-level integrated photovoltaic, energy storage, and power consumption project was put into operation.



November

- Jiangxi Kinwong won the 4th Ji'an City Mayor's Quality Award.

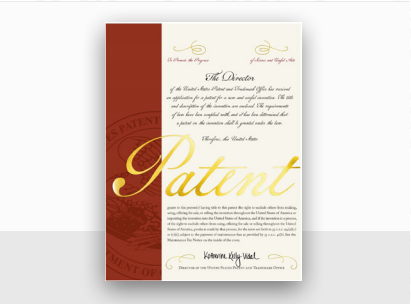


June

- Jiangxi Kinwong was approved for the establishment of a National Postdoctoral Programme.

July

- Kinwong's two innovation patents, US17826501 Asymmetric Board and US17768665 Method for Fabricating Asymmetric Board, were granted U.S. patents.



October

- The Zhuhai Key Laboratory of Printed Circuit Boards for Intelligent Connected Vehicles and High-Performance AI Servers and the Zhuhai Key Laboratory of Flexible Circuits for New Energy Batteries were recognized as "Zhuhai Key Laboratories".
- The Thailand factory held a groundbreaking ceremony.



December

- Six products of Kinwong were newly selected as Guangdong Famous High-Tech Products.
- Kinwong received the Recognition for Intel® Automatic In-Board Characterization (AIBC).



- Kinwong was recognized as a National Green Supply Chain Management Enterprise.

| Honors and Awards



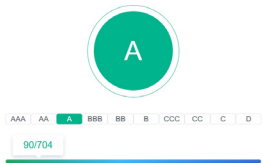
The 59th among the Top 100 Guangdong Enterprises in the Electronics and Information Manufacturing Industry for Overall Strength



Top 100 Private Manufacturing Enterprises of Guangdong Province



National (Shenzhen) Excellent Enterprises with Foreign Investment-Shenzhen Top Ten Turnover Enterprises



CSI ESG Ratings A



China Securities Index ESG Ratings A



SynTao Green Finance ESG Ratings A-



Wind ESG Ratings BBB



Green Manufacturing and Environmental Protection Excellence Enterprise



Ji'an City Mayor's Quality Award



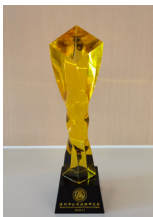
Postdoctoral Programme



2024 Excellent Practice of the Board Office of Listed Companies



2024 Board Secretary Performance Evaluation "4A" Rating



2024 Listed Company Governance Award of the Greater Bay Area



ESG Pioneer Award



High-Tech Enterprise Certificate



Digital Transformation Maturity-3-Star Level



Customs Authorized Economic Operator (AEO) Advanced Certification



Gold Award for Investor Relations (2023)-IR Progress Award



Gold Award for Investor Relations (2023)-Outstanding Shareholder Return Award




Best ESG Newcomer Award



2024 Listed Company Excellent Investor Relations Award


Sustainability Blueprint

A clear ESG strategy and philosophy form the theoretical foundation for Kinwong's value-driven approach, while a robust and comprehensive ESG governance system serves as the internal pillar for effectively fulfilling our environmental and social responsibilities. To achieve our sustainable development goals, we have fully integrated the ESG philosophy into our corporate development strategy and operational decision-making. We have continuously intensified our efforts to pursue technological innovation, consistently deliver high-quality products and services to our customers, and build a green, low-carbon modern enterprise. Our efforts aim to maximize the integrated economic, social, and environmental value.



ESG Strategy

Adhering to a value-driven approach, focusing on technological innovation, consistently delivering high-quality products and services to our customers, and building a green, low-carbon modern enterprise



ESG Philosophy

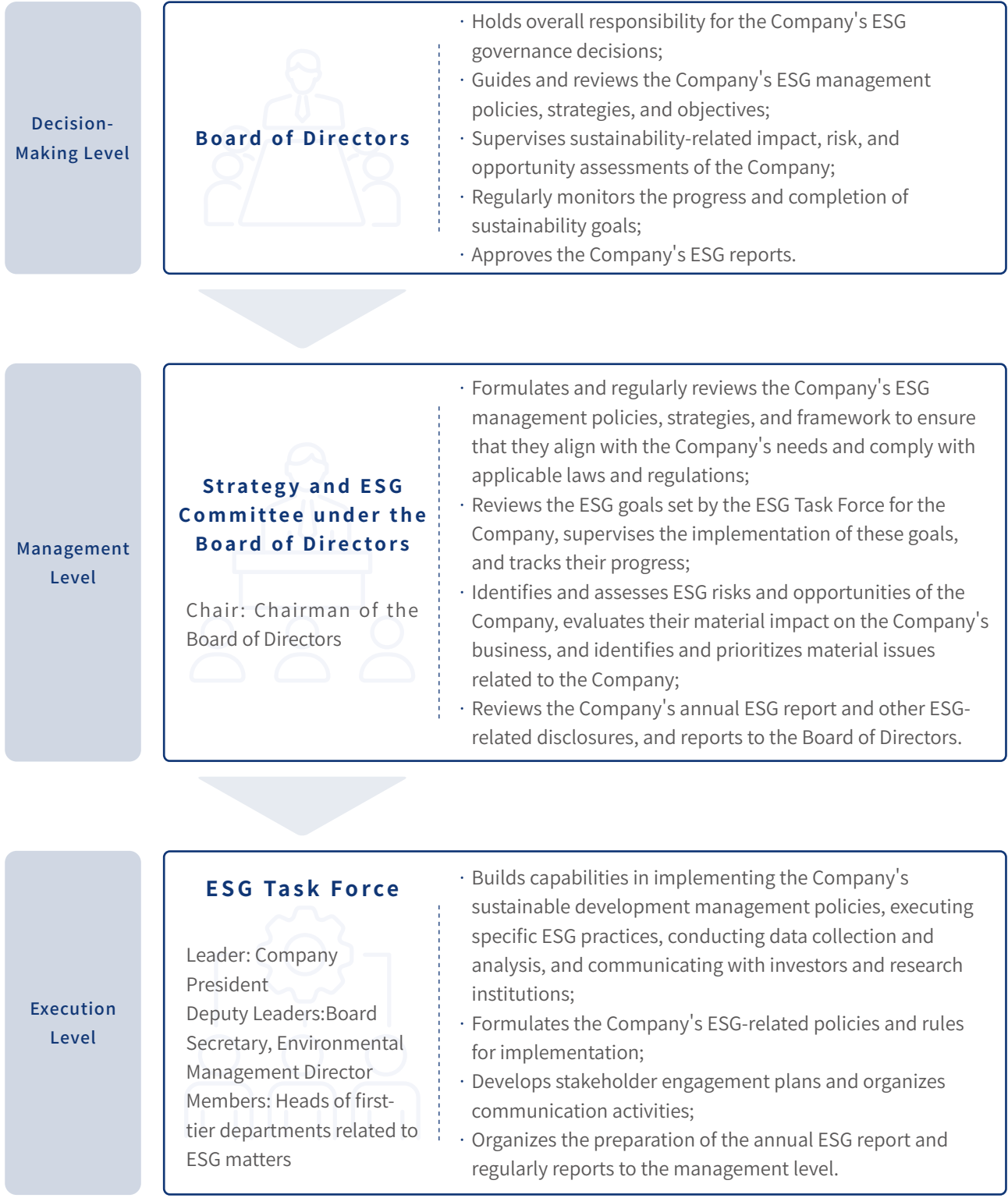
Lean production, technological innovation, environmental protection, sustainable development, and giving back to society

We are committed to strengthening the Board's supervision and management of ESG matters, formulating and adjusting ESG strategies and policies as needed, regularly reviewing ESG progress, and soliciting feedback from all stakeholders. This enables us to continuously improve our ESG performance to meet stakeholder demands and expectations better.



ESG Governance System

Kinwong has established a three-tier ESG governance structure from top to bottom, consisting of the decision-making level, management level, and execution level, ensuring the clear assignment of ESG management responsibilities at all levels and the effective promotion of our sustainability goals.



| Response to the United Nations Sustainable Development Goals

SDGs	Goal Details	Corresponding Report Section	Actions in 2024
	End poverty in all its forms everywhere.	Social Contributions and Feedback	We have participated in public welfare activities such as educational support and rural revitalization and engaged in non-targeted assistance work through charitable donations, strengthening infrastructure construction, and investing in industries to contribute to rural development.
	Ensure healthy lives and promote well-being for all at all ages.	Creating a Healthy Work Environment	We have developed a strategic safety management system, established a vertical management system for the Workplace Safety Committee across five production bases, maintained the ISO 45001 Occupational Health and Safety Management System certification, and provided safety training for all employees.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Employee Development and Training	We have implemented an all-round training system with diverse training plans and established a scientific performance evaluation mechanism and comprehensive career development pathways.
	Achieve gender equality and empower all women and girls.	Standardized Talent Introduction Enhancing Employee Well-being	We uphold equal employment and provide a fair, inclusive work environment for employees regardless of ethnicity, race, gender, and belief. We ensure employment opportunities for key and special groups, including hiring people with disabilities and offering them equal benefits and promotion opportunities. Additionally, we place a high priority on the protection of female employees' rights and interests as well as their physical and mental well-being, with dedicated welfare and care programs for women.
	Ensure availability and sustainable management of water and sanitation for all.	Toxic Emissions and Circular Economy Improving Resource Utilization Efficiency	We have established a long-term water conservation mechanism through a robust water conservation management system, investigation of water use data, inspection of water supply and drainage networks, maintenance and renovation of water-using equipment, water balance tests, abundant water conservation awareness campaigns, and enhanced daily inspections. Moreover, we strictly ensure that wastewater discharge meets relevant standards to reduce pollution to surrounding water bodies.
	Ensure access to affordable, reliable, sustainable and modern energy for all.	Climate Governance and Low-Carbon Transformation	We have increased investment in energy conservation, initiated multiple energy efficiency improvement projects, and promoted energy-saving equipment optimization, upgrading, and technology transformations. We have successively launched the integrated photovoltaic, energy storage, and power consumption project and the photovoltaic power generation project and carried out centralized procurement of International Renewable Energy Certificates (I-RECs) to increase the proportion of clean energy use.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Standardized Talent Introduction	We have established and improved the labor management system to ensure compliance management in employee recruitment, employment, dismissal, compensation and benefits, working hours, and holidays. We strictly prohibit child labor and resist all forms of forced labor. Furthermore, we make all-around efforts to create a safe, healthy, and comfortable working environment.

SDGs	Goal Details	Corresponding Report Section	Actions in 2024
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Toxic Emissions and Circular Economy	We have promoted the concept of green office across the board, adopted remote work practices, held low-carbon and environmentally friendly work exhibitions, and popularized the idea of the circular economy.
	Ensure sustainable consumption and production patterns.	Environmental Management System Improving Resource Utilization Efficiency	Our production bases have carried out key water-saving projects to increase the reuse rate of wastewater in production lines. We have optimized raw material inventory management to improve inventory turnover while setting and keeping track of phased targets for carbon emission reduction.
	Take urgent action to combat climate change and its impacts.	Climate Governance and Low-Carbon Transformation	We have established an organizational structure and working mechanism for the greenhouse gas emissions management system, identified climate change risks and opportunities, and developed response strategies. Moreover, we have participated in initiatives such as the Science-Based Targets initiative (SBTi) and the Carbon Disclosure Project (CDP) to improve the transparency of carbon disclosure.
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.	Ecosystem Protection	We ensure that all construction activities are conducted away from nature reserves, ecological conservation habitats, and important or sensitive biodiversity areas. We encourage and support employees to actively participate in biodiversity-related activities and foster an awareness of biodiversity conservation among them.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Compliance Operations	We have continuously improved a strict, standardized, comprehensive, and effective internal control system, and established a sound internal control supervision and evaluation mechanism. We have also identified internal and external risks and assessed risk levels using a risk matrix, while developing risk response plans.
	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Equal Treatment of SMEs Collaborative Development of the Industry	We fully respect and protect investors' legal rights and interests, strengthen communication with suppliers, and treat small and medium-sized enterprises (SMEs) equally. We have joined industry associations, participated in industry exchanges, and engaged in the formulation and review of industry standards.

| ESG Risk Management

We fully recognize that potential ESG risks have a profound impact on the long-term sustainable development of the business, the protection of stakeholder rights and interests, as well as our brand image and financial stability. Therefore, Kinwong places a high priority on identifying ESG risks, systematically assessing opportunities and potential risks in both the internal and external environments, and developing targeted risk prevention and control strategies. Our goal is to comprehensively enhance the Company's ability to withstand risks and improve market competitiveness.

Material Issues	ESG Risk Factors	Risk Level	Risk Response Measures
Response to Climate Change and Carbon Emissions Management	Extreme weather or long-term environmental changes impact business operations.	Medium	The Company has conducted a systematic analysis of risks and opportunities brought about by climate change, continuously performed greenhouse gas emission verification, improved carbon management performance, enhanced the carbon management system, and strengthened carbon emissions disclosures.
Energy Management	Failure in energy management leads to increased energy pressure.	Medium	The Company has adopted various energy-saving measures to reduce fossil fuel use, initiated multiple energy efficiency improvement projects, and promoted energy-saving equipment optimization, upgrading and technology transformations.
Resource Utilization and Circular Economy	Improper handling of waste generated during production may have negative environmental impacts, thereby affecting the Company's reputation.	Medium	The Company has established a comprehensive waste classification, recycling, and treatment system to reduce waste emissions and pollution, minimizing environmental and regulatory risks arising from improper waste disposal.
Product Quality and Safety	Quality management projects related to products, materials, manufacturing, and packaging fail to meet the standards.	Low	The Company has improved its quality management system, optimized process workflows, strengthened quality control, and introduced advanced technologies while offering product safety training to quality-related personnel.
Sustainable Supply Chain	Suppliers fail to meet Kinwong's or regulatory requirements.	Medium	The Company has expanded its supplier base, optimized supply chain management, implemented digital inventory management, and collaborated with supply chain partners on sustainable development of the enterprise.
Optimizing Customer Service	Product performance and technical services fail to meet customer needs.	Low	The Company has regularly conducted customer satisfaction surveys, improved the customer complaint handling process to ensure timely resolution of customer issues, and established a systematic talent development framework for delivery roles.
Employee Training and Development	Employee skills fail to keep up with industry trends.	Low	The Company has implemented an all-round training system with diverse training plans, cultivated employees' self-learning awareness, and established a scientific performance evaluation mechanism and comprehensive career development pathways.
Product R&D and Innovation	R&D capabilities and innovation technologies cannot align with industry trends.	Low	The Company has continued to invest in R&D to enhance its technological strength and seize opportunities arising from PCB industry upgrades.

| Stakeholder Communication and Engagement

Kinwong places great importance on communication and engagement with both internal and external stakeholders. We aim to establish long-term, trust-based partnerships with our stakeholders by establishing regular communication mechanisms, making stakeholder importance analyses, and understanding the demands and expectations of various stakeholder groups through multiple channels. We evaluate the impact of the Company's business value chain on external stakeholders and engage in targeted communications and responses to continuously improve the quality of ESG management.

Stakeholder Group	Demands and Expectations		Primary Communication Channels
Shareholders and Investors	· Open and transparent information disclosure · Investor relations · Steady investment returns	· Protection of shareholder rights and interests · Company performance · Compliance operations and risk management	· Information disclosure (e.g., interim announcements, regular reports) and shareholders' meetings · SSE E-interactive platform (sns.sseinfo.com), investor hotline, email correspondence · Performance briefings and roadshows · On-site research and investor reception days
Government Departments/Regulatory Bodies	· Compliance with laws and regulations · Compliance operations and tax payments according to the law	· Corporate governance · Business layout and development · Anti-corruption and integrity	· Work reports/meetings · Field visits · Industry exchange forums · Regulatory questionnaire filling and submission · Information disclosure
Customers	· Product quality and innovation · Professional services	· Protection of customer privacy · Data security	· Service satisfaction surveys · Information disclosure · Official website · Complaint and reporting channels · Company WeChat · TEL
Employees	· Diversity, fairness, and inclusivity · Employee care · Employee training and development · Occupational health and safety	· Employee rights, interests, and benefits · Ensuring employee work environment and conditions	· Labor Union · Employee satisfaction surveys · Employee training · Employee development · Employee visits · Employee assistance
Value Chain Partners	· Transparent and good faith cooperation · Fair trade	· Win-win development · Sustainable supply chain	· Public tendering · On-site research · Supplier meetings · Supplier audits
Community	· Social welfare activities	· Driving community development	· Exchange activities · Volunteer services and communication
Media/Public	· Transparent and public information	· Corporate news	· Press releases · Media interviews · Official website · Special articles

| Materiality Assessment and Analysis

Guided by the Strategy and ESG Committee under the Board of Directors, the ESG Task Force, starting from the Company's development strategy, has fully integrated viewpoints from various departments and suggestions from internal and external experts, and referred to national policies and guidelines on sustainable development, mainstream international ESG disclosure standards, capital market ESG rating focus, and internal and external stakeholder concerns. This comprehensive approach allows for the comprehensive, systematic identification of the Company's ESG material issues for the year. Through survey questionnaires, management interviews, and other methods, the importance of these issues has been evaluated and analyzed, enabling the Company to define its annual work priorities and respond to the demands of stakeholders in a targeted manner.

Materiality Assessment Process

01

Issues Identification and Screening

Based on national macro policies, regulatory rules, industry trends, and capital market ESG rating focus, we identified 28 material issues that have a significant impact on both the Company's development and stakeholders.

02

Stakeholder Communication

To ensure the accuracy and objectivity of the materiality assessment, we engaged experts and invited stakeholders to participate in questionnaire surveys to understand their concerns on ESG issues. In-depth interviews were also conducted with the Company's senior executives and functional and business department heads to assess the progress of ESG management practices and the completion of goals for 2024.

03

Comprehensive Analysis of Results

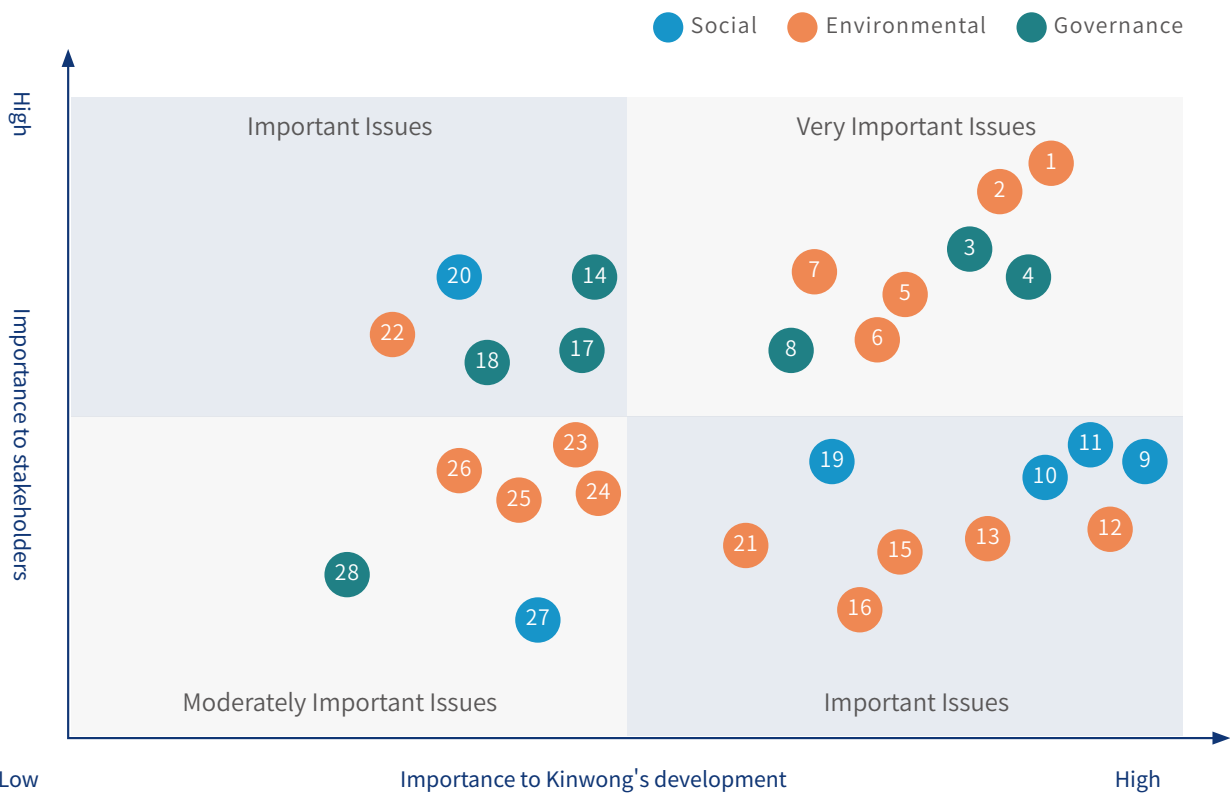
Based on the survey results, we conducted statistical analysis on the importance of each issue, determined the priority order, and focused on addressing the issues of particular concern to stakeholders in the report.

04

Formation of Importance Matrix

We assessed the importance of each issue from two dimensions: "importance to Kinwong's development" and "importance to stakeholders". This led to the creation of Kinwong's 2024 ESG Materiality Matrix and the ranking of each issue's importance

After analyzing the material issues for this year using this "four-step method", we identified 8 very important issues, 14 important issues, and 6 moderately important issues, which will serve as key reference points for the Company's future sustainable development management work.



Very Important Issues	Important Issues	Moderately Important Issues
1.Product Quality and Safety	9.Improving Corporate Governance	23.Industry Collaboration and Exchange
2.Optimizing Customer Service	10.ESG Governance	24.Intellectual Property Protection
3.Response to Climate Change and Carbon Emissions Management	11.Strengthening Risk Prevention and Control	25.Responsible Minerals
4.Energy Management	12.Protection of Employee Rights and Interests	26.Supporting Community Development
5.Employee Training and Development	13.Occupational Health and Safety	27.Tax Governance
6.Product R&D and Innovation	14.Environmental Management System	28.Ecosystem and Biodiversity Protection
7.Sustainable Supply Chain	15.Employee Welfare and Care	
8.Resource Utilization and Circular Economy	16.Employee Equality and Diversity in Employment	
	17.Clean Technology Opportunities	
	18.Emissions Management	
	19.Business Ethics	
	20.Data Security and Privacy Protection	
	21.Chemical Safety Management	
	22.Rural Revitalization	

Impacts of Material Issues on the Value Chain

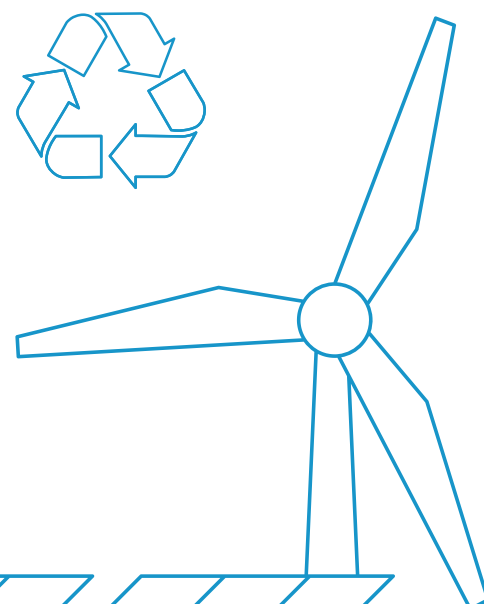
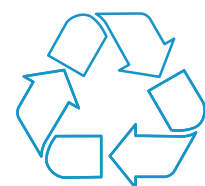
Issue Category	28 Material Issues	Production and Operations	Products and Services	Supply Chain	Employees	Social Engagement
Social	Product Quality and Safety	●	●			●
Social	Optimizing Customer Service		●	●		
Social	Employee Training and Development	●	●		●	
Social	Product R&D and Innovation	●	●	●	●	
Social	Sustainable Supply Chain		●	●		
Environmental	Response to Climate Change and Carbon Emissions Management	●	●	●		●
Environmental	Energy Management	●		●		●
Environmental	Resource Utilization and Circular Economy	●			●	
Social	Employee Equality and Diversity in Employment	●			●	
Social	Protection of Employee Rights and Interests	●			●	
Social	Employee Welfare and Care	●			●	
Social	Occupational Health and Safety	●		●	●	
Social	Chemical Safety Management	●	●	●	●	
Social	Rural Revitalization					●
Social	Data Security and Privacy Protection	●	●	●	●	

Issue Category	28 Material Issues	Production and Operations	Products and Services	Supply Chain	Employees	Social Engagement
Environmental	Environmental Management System	●	●	●		●
Environmental	Emissions Management	●				
Environmental	Clean Technology Opportunities	●	●			
Governance	Business Ethics	●	●	●	●	●
Governance	Strengthening Risk Prevention and Control	●	●	●		●
Governance	Improving Corporate Governance	●	●	●		
Governance	ESG Governance	●	●	●		●
Social	Responsible Minerals		●	●		
Social	Intellectual Property Protection	●	●			
Social	Industry Collaboration and Exchange	●	●	●		
Social	Supporting Community Development					●
Governance	Tax Governance	●	●	●	●	●
Environmental	Ecosystem and Biodiversity Protection	●	●	●	●	●
● Direct impact ● Resulting impact ● Contributory impact						

01

Governance

Kinwong is fully committed to advancing corporate governance in a legal and compliant manner, ensuring the standardized and efficient operation of the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors, enhancing the transparency of information disclosure, and protecting the rights and interests of investors. To deepen internal control compliance, we have built a comprehensive internal control system, effectively managing risks and maintaining fair competition. At the same time, we have strengthened our information security system and raised awareness of security across the organization, providing a solid foundation for the Company's long-term development and promoting high-quality development and steady progress in ESG matters.

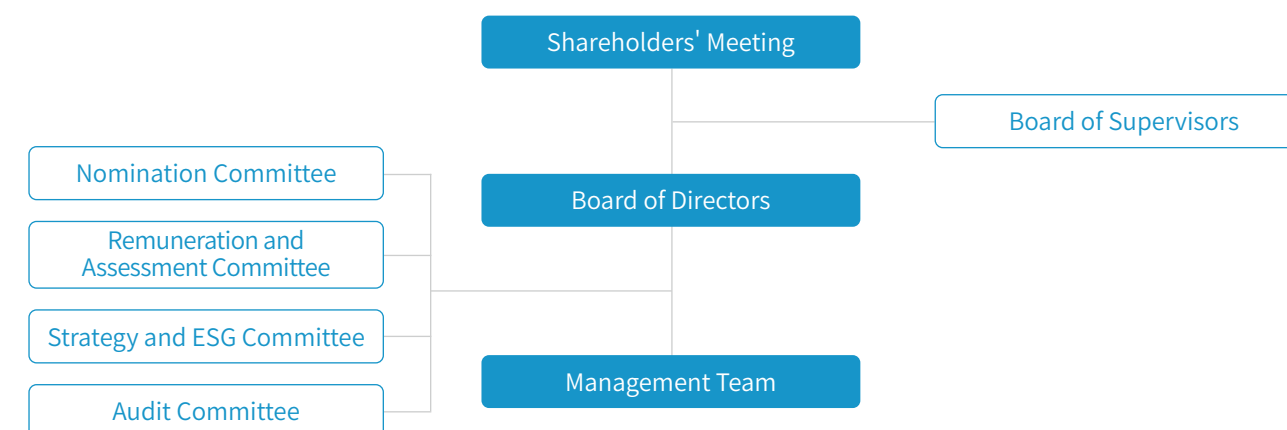


Integrity and Compliance in Operations

Improving Governance Structure

Kinwong complies with the requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, the *Guidelines for Articles of Association of Listed Companies*, the *Code of Corporate Governance for Listed Companies*, and other laws, regulations, and normative documents. We standardize operations, continually improve our corporate governance structure, and fully leverage the roles of the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors in major decision-making, business management, and supervision, ensuring that the Company operates in compliance.

Kinwong's Corporate Governance Structure



Operations of Three Governance Bodies

Our directors, supervisors, and senior executives strictly comply with regulatory requirements by regularly attending compliance training sessions organized by regulatory authorities, the Shanghai Stock Exchange, and internal departments, so as to ensure zero violation or error in critical processes such as major decision-making, information disclosure, and related-party transactions.

During the reporting period, the procedures for convening and holding meetings of the Board of Directors and the Board of Supervisors strictly complied with the *Company Law of the People's Republic of China* and other relevant laws and regulations, as well as the *Articles of Association*. All incumbent directors diligently performed their duties, fully reflecting the standardization and effectiveness of our corporate governance.

Kinwong's Board of Directors rigorously follows the requirements of the *Company Law* and other laws and regulations, as well as the *Articles of Association* and other management systems. It has fully implemented resolutions made by the Shareholders' Meeting, carefully fulfilled the responsibilities entrusted by the Shareholders' Meeting, and contributed remarkably to the scientific decision-making and effective implementation of major corporate matters.



Board Diversity

The Board of Directors plays a central role in strategic decision-making and overseeing the management. Board members are elected through legal procedures at the Shareholders' Meeting, and their qualifications and removal must be approved by the Shareholders' Meeting. The term of office for directors is three years, and they may be re-elected following legal procedures. Independent directors are subject to term limits according to the regulatory requirements and may serve a maximum of six years cumulatively.

In terms of the director selection mechanism, the Company strictly follows modern corporate governance principles and has established a systematic standard for selecting and appointing Board members. In addition to ensuring professional competence, we focus on the scientific diversity of the Board's composition. We consider factors such as gender ratio, age distribution, educational background, industry experience, and professional expertise to create a decision-making team with strategic foresight and complementary skills.

Name	Position	Gender	Age	Professional Knowledge & Skills	
				Science and Technology	Laws, Finance, and Accounting
Liu Shaobai	Chairman	Male	62	✓	✓
Zhuo Yong	Vice Chairman	Male	57		✓
Huang Xiaofen	Director	Female	61		✓
Zhuo Jun	Director	Female	58		✓
Liu Yu	Director	Male	39	✓	
Deng Li	Director	Male	47	✓	
He Qiang	Independent Director	Male	72		✓
Zhou Guoyun	Independent Director	Male	39	✓	
Cao Chunfang	Independent Director	Male	39		✓

Board Committees

Kinwong's Board of Directors has four specialized committees to assist the Board in fulfilling its decision-making and supervisory functions in the areas of strategy and ESG, nomination, remuneration and assessment, and audit. These committees are also responsible for implementing and promoting their respective specialized tasks. Each committee, adhering to the principles of independence, objectivity, and fairness, performs its duties and exercises its authority to support the sustained and stable development of the Company.

Strategy and ESG Committee

Members: Liu Shaobai (Chair) | Zhuo Yong | Zhou Guoyun

Main Responsibilities

This committee is responsible for coordinating the strategic plans for long-term development and the establishment of the ESG system. Its duties include researching major strategic directions, formulating and reviewing an ESG management framework that complies with regulations and meets the Company's needs, and supervising the implementation of ESG goals along with risk and opportunity assessments. The committee provides decision-making recommendations on critical matters such as investment, financing, and capital operations. Additionally, it reviews the ESG report and information disclosures, ensuring that sustainable development, compliance operations, and strategic decisions are synergistically advanced in the Company, thereby fully supporting the Company's high-quality development.

Nomination Committee

Members: Cao Chunfang (Chair) | He Qiang | Liu Yu

Main Responsibilities

This committee is responsible for establishing the selection criteria and procedures for Board members and senior executives. It handles the selection and review of candidates for directors and senior executives as well as their qualifications, and provides recommendations to the Board regarding the nomination, appointment, or dismissal of directors, as well as the hiring or termination of senior executives.

Remuneration and Assessment Committee

Members: He Qiang (Chair) | Cao Chunfang | Liu Shaobai

Main Responsibilities

This committee defines the assessment criteria for directors and senior executives, implements the assessment process, and formulates and reviews their remuneration policies and plans. It advises the Board on matters such as the setting of remuneration for directors and senior executives, the development or changes to equity incentive plans and employee stock ownership plans (including the granting of equity rights and exercise conditions), as well as stock ownership arrangements for directors and senior executives in spun-off subsidiaries. The committee ensures that all decisions comply with legal requirements, regulatory standards, and the Company's Articles of Association.

Audit Committee

Members: Cao Chunfang (Chair) | Zhuo Yong | Zhou Guoyun

Main Responsibilities

This committee oversees and evaluates external audit work (including recommending the engagement or replacement of external audit agencies) and internal audit activities. It coordinates collaboration between internal and external audits, reviews the Company's financial information and the compliance and accuracy in its disclosure, and supervises and assesses the effectiveness of the Company's internal control system. The committee ensures that financial operations and information disclosures comply with relevant laws, regulations, and the Company's Articles of Association.

Performance of Specialized Committees under the Board in 2024

Committee	Number of Meetings	Attendance Rate
Audit Committee	4 times	100%
Nomination Committee	1 time	100%
Remuneration and Assessment Committee	4 times	100%
Strategy and ESG Committee	2 times	100%

Investor Relations Management

Information Disclosure

Kinwong strictly adheres to the principles of information disclosure, fulfilling its disclosure obligations in a truthful, accurate, complete, timely, and fair manner. We continue to enhance the institutional and standardized level of information disclosure, strengthen the disclosure of ESG information, and improve corporate transparency. In 2024, in accordance with applicable laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Regulations on Information Disclosure of Listed Companies*, and the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, Kinwong established the Information Disclosure Management System to standardize the information disclosure practices of the Company and other obligated parties, enhancing corporate governance and standardized operations, and protecting the legitimate rights and interests of shareholders, creditors, and other stakeholders.

Key Performance Indicators

During the reporting period, the Company published announcements: **168**.

Investor Protection

In 2024, Kinwong conducted daily investor relations management in accordance with the *Investor Relations Management System*. Additionally, a new *Public Opinion Management System* was released to establish and improve the rapid response and emergency handling mechanism, ensuring that any public opinion impacts on the Company are addressed in a timely and appropriate manner, and further enhancing the Company's ability to respond to various public opinions.

We have established comprehensive investor communication channels, including the SSE E-interactive platform (sns.sseinfo.com), Shareholders' Meetings, performance briefings, online/telephone meetings, brokerage strategy meetings, investor exchange activities, roadshows, and other legal and effective communication methods. We also ensure that reasonable suggestions and opinions from investors are promptly communicated to the management. During the reporting period, the Company strictly followed the China Securities Regulatory Commission (CSRC) and exchange regulations on information disclosure in all interactions with investors, ensuring fairness in information disclosure.

Investor Communication Methods

- SSE E-interactive platform
 - Performance briefings
 - On-site research/Exchange activities
 - Roadshows
- Shareholders' Meetings
 - Online/Telephone meetings
 - Dedicated phone communication



Case

"I Am a Shareholder"—BOCI Securities and the SSE Visit Kinwong, a Listed Company on the SSE

On the afternoon of June 20, 2024, BOCI Securities, in collaboration with the Shanghai Stock Exchange (SSE), organized the "I Am a Shareholder" event to visit Kinwong, a listed company on the SSE, where over 20 investors visited Kinwong's Shenzhen production base.

During the event, Kinwong's Securities Department, while ensuring the fairness of information disclosure, communicated extensively with investors regarding topics such as company performance, digital transformation, global market expansion, and future plans. Investors expressed confidence in the Company's growth prospects and technological advancements, hoping to see a further increase in the share of high-end products and international business, and looking forward to Kinwong becoming a benchmark in China's high-end manufacturing sector and providing more high-quality returns for shareholders and society.



Investors' Visit to Kinwong

Key Performance Indicators

During the reporting period:

The Company held performance briefings	Hosted investor research activities/reverse roadshows	Responded to questions on the SSE E-interactive platform
3	195	132
Communicated with investors a total of over	Participated in brokerage strategy meetings	
1,400 times	33	

Compliance Operations

Kinwong places great emphasis on compliance operations and considers internal control to be a core aspect of corporate governance. In 2024, we continued to establish and improve the internal control system and formulated the Internal Control Management Measures to clearly define the Company's internal management goals, internal control management bodies, division of authorities and responsibilities, and requirements for standardized internal control management.

Internal Control Management Goals

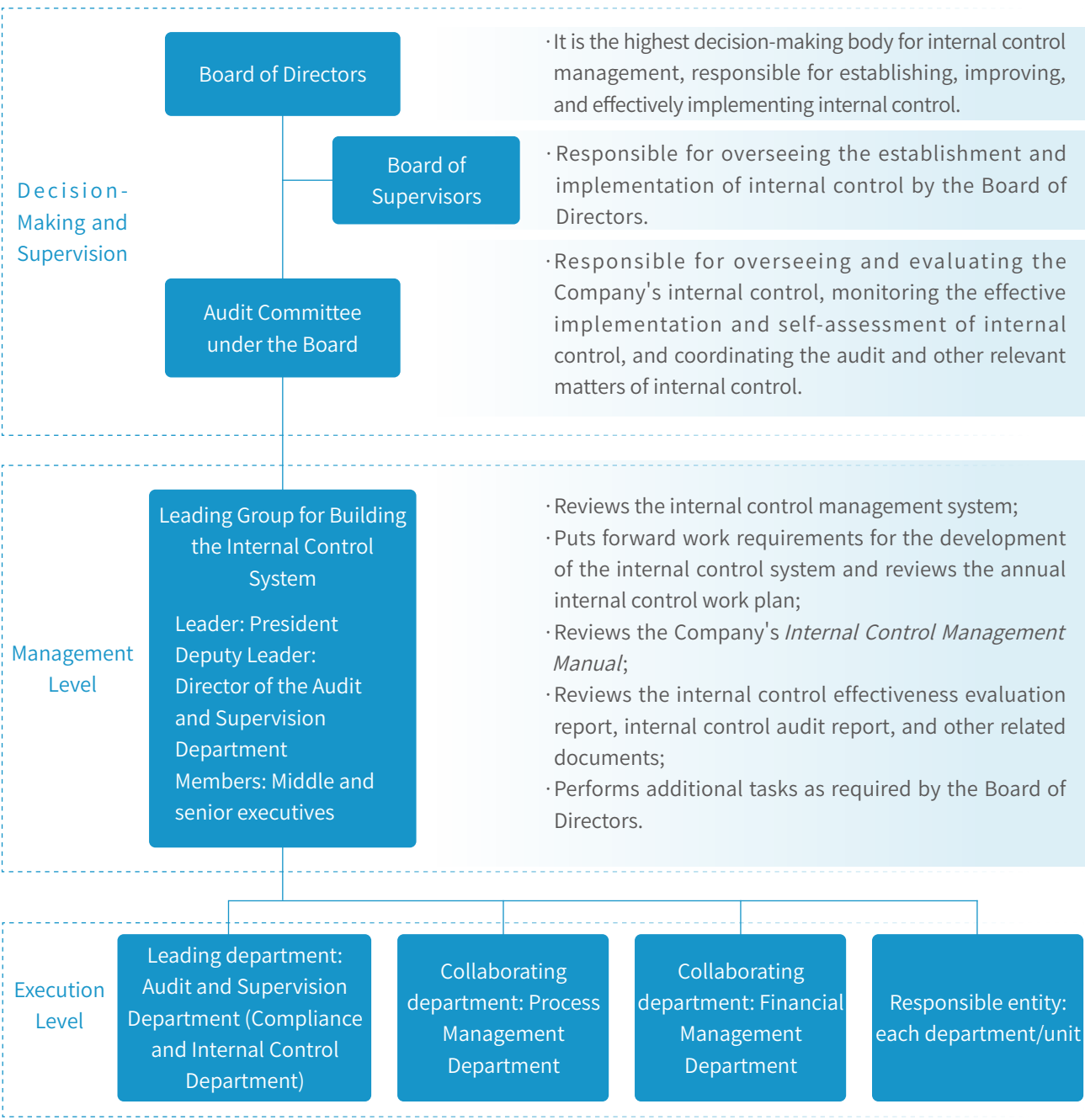
- To improve the Company's operations and management and risk prevention capabilities;
- To provide reasonable assurance that the Company's operations and management are legal and compliant, the assets are safe, and financial reports and relevant information are true and complete;
- To enhance operational efficiency and effectiveness, and facilitate the realization of the Company's development strategy.

Internal Control Management Bodies

Kinwong highly values the establishment and improvement of the internal control system, seeing it as a cornerstone for the Company's stable operation and sustainable development. We have established a multi-level internal control structure comprising the Board of Directors, the Board of Supervisors, and the Audit Committee to ensure the scientific and effective implementation of the internal control mechanism.

Additionally, the Company has set up a Leading Group for Building the Internal Control System, which is responsible for the overall development of the Company's internal control system and reviewing the internal control management system. The President serves as the group leader and is the highest responsible person, while the Director of the Audit and Supervision Department serves as the executive deputy leader. Members of the group are selected from middle and senior executives as required by the project to ensure effective implementation of internal control.

Furthermore, the Company has clearly designated the Audit and Supervision Department (Compliance and Internal Control Department) as the leading department for organizing and coordinating the development, operational evaluation, and daily management of the internal control system. The Process Management Department and the Financial Management Department collaborate on the development and operation of the internal control system, which are responsible for managing and optimizing business processes and devising and ensuring the effective implementation of internal control measures regarding financial reports, respectively. Each department/unit is primarily responsible for the development and effective operation of internal control in its own areas. The Company requires each department/unit to systematically review their policies, processes, risks, and other aspects within their respective responsibilities in accordance with internal control requirements, and to carry out their tasks by developing and following the relevant requirements, regulations, procedures, and steps laid out in the department/unit's Internal Control Management Manual. Moreover, they are required to conduct the supervision and evaluation of the internal control system and take corrective actions to address any internal control deficiencies.



Building a Sound Internal Control System

Kinwong fully considers eight key principles in developing and operating its internal control system, including legality and compliance, comprehensiveness, checks and balances, adaptability, operability, among others. At the beginning of each year, the Audit and Supervision Department formulates the annual internal control work plan and builds the system in stages. An effective internal control system is built and implemented across five key areas: internal environment, risk assessment, control activities, information and communication, and internal supervision.

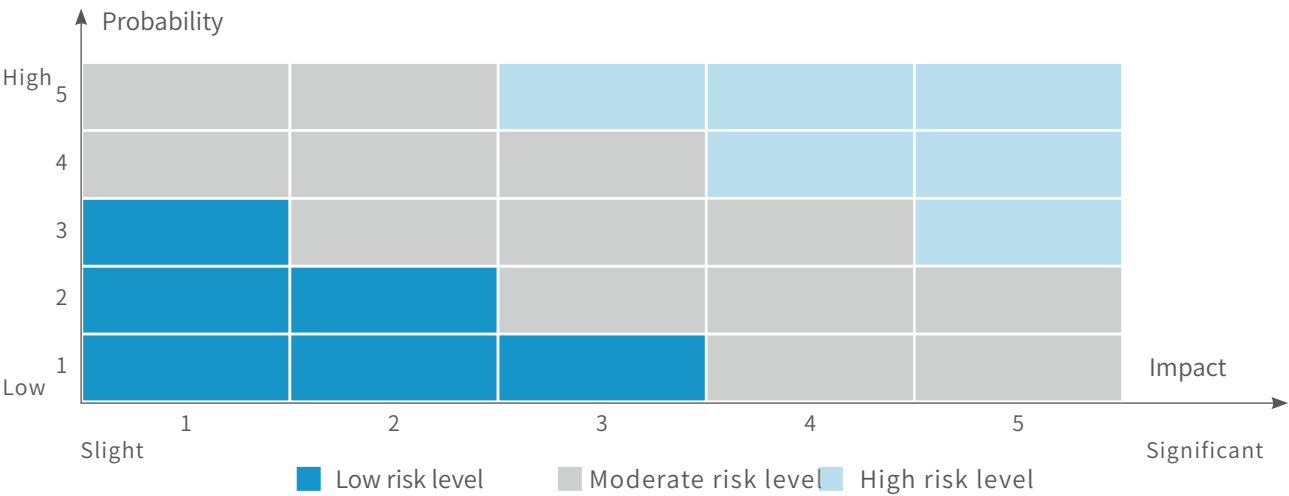
Eight Principles of Internal Control

- **Legality and compliance:** Internal control shall comply with national laws, administrative regulations, and the regulatory requirements of regulatory departments of the government government.
- **Comprehensiveness:** Internal control should cover the entire process of decision-making, execution, and supervision, encompassing all types of businesses and matters.
- **Importance:** On the basis of comprehensive control, attention should be given to key business matters and high-risk areas.
- **Checks and balances:** Mutual constraints and supervision should be formed in aspects such as governance structure, organizational setups, and the assignment of authorities and responsibilities, while balancing operational efficiency.
- **Adaptability:** Internal control should be aligned with the scale, scope, competition, and risk level of the business, and should be adjusted in a timely manner in response to changing conditions.
- **Cost-effectiveness:** When conducting internal control, it is necessary to weigh the implementation cost against the expected benefits to achieve effective control at an appropriate cost.
- **Operability:** Internal control should be aligned with the Company's actual conditions, consider the feasibility in practical management, and ensure operability.
- **Information feedback:** The tasks and responsibilities of personnel related to control work in the information transmission process should be defined, procedures for information transmission, collection methods, and timing requirements should be established, and a rigorous information feedback system for records and reporting should be created.

Kinwong's internal control system construction is based on its internal environment construction. The Company is committed to building an overall closed-loop management system guided by the results of risk assessment, using various control measures as tools, information and communication as a bridge, and supervision and evaluation as driving forces. The Company's internal control measures generally include incompatible duty separation control, authorization and approval control, accounting system control, asset protection control, budget control, operational analysis control, and performance evaluation control.

In terms of risk assessment, we, by referring to the Guidelines on Enterprise-Wide Risk Management for Central State-Owned Enterprises, have classified risks into strategic, financial, market, operational, legal, and compliance risks based on internal realities. Using a risk matrix, we have assessed the risk level by mapping the "probability of risk occurrence" and "impact on goals after risk occurrence" as two dimensions on a coordinate plane (rectangular coordinate system), with each dimension divided into five levels. The "probability of risk occurrence" is judged by the frequency of occurrence within a specific time frame, and the "impact on goals after risk occurrence" is assessed both qualitatively and quantitatively, while considering the Company's scale, risk tolerance, and other factors.

Risk Assessment and Level Classification Diagram



Internal Control Supervision and Evaluation

Kinwong places great importance on the standardization and transparency of internal control and continues to establish and improve the internal control supervision and evaluation mechanism. By making full use of the results of supervision and evaluation, we have formed a mechanism featuring continuous monitoring, thorough evaluation, and dynamic optimization.

Daily Supervision

The Board of Supervisors and the Audit Committee under the Board continuously supervise the establishment and implementation of internal control. The Audit and Supervision Department conducts regular checks on the development and operation of the internal control system, constantly monitors its operation, and performs internal control checks in key areas to ensure compliance with production and operating activities.

Internal Control Evaluation

Every year, the Company conducts a comprehensive evaluation of the effectiveness of the internal control system. This objective, truthful, and accurate evaluation aims to reflect any internal control deficiencies, risks, and compliance issues in business management, resulting in an internal control evaluation report. After approval by the Board of Directors and other decision-making bodies, the report is disclosed or submitted to the relevant departments.

External Audit

The Company commissions a qualified external auditing firm to conduct a comprehensive audit of the internal control system every year to ensure its effectiveness and compliance. The external auditing firm evaluates the design rationality, effectiveness in operations, and risk management capabilities of the Company's internal control system in an independent and objective manner according to relevant laws, regulations, and industry standards, with a detailed internal control audit report provided.

Internal Audit

In strict accordance with the established Internal Control Audit Regulations, the Company arranges for the Audit and Supervision Department to conduct special internal control audits based on the internal audit plan to ensure the standardization and effectiveness of the internal control system.

Key Performance Indicators

As of the end of the reporting period, the Company's Audit Department had conducted audit projects: **24**.

Tax Governance

Kinwong pays high attention to tax governance. The Audit Committee under the Board is responsible for reviewing financial information and its disclosures, as well as providing guidance on tax compliance. The Audit Committee consists of three directors who are not senior executives of the Company, with independent directors accounting for the majority and at least one independent director being a professional accountant.

In accordance with relevant regulations, the Company has established a comprehensive tax governance system and corresponding processes, including the Accounting System, the Transfer Pricing Management Measures, the Accounts Payable Management Measures, among others. The Company's tax governance details for 2024 can be found in Section X of the 2024 Annual Report of Shenzhen Kinwong Electronic Co., Ltd., which covers tax-related content in the financial report.

Fostering Compliance and Risk Awareness

Kinwong has always regarded compliance management as the lifeline for the Company's sustainable development. We have made sustained efforts to improve our ability to prevent and control risks in global operations by building a comprehensive compliance system and strengthening risk awareness across the organization.

Case

Overseas Compliance and Risk Prevention & Control Exchange for Enterprises

From April 11th to 12th, 2024, Kinwong participated in the "Overseas Compliance and Risk Prevention & Control Exchange for Enterprises" held in Guangzhou. We deeply engaged in discussions on core topics such as the latest international compliance policies, ESG building, and legal practices, exchanging practical experience with nearly 200 industry representatives. Through resource sharing, including the blacklist sharing mechanism, anti-fraud toolkit, and CAP talent training, the Company further mastered cutting-edge prevention and control strategies in high-risk areas and gained valuable insights from peers in building overseas compliance systems, which provided an important reference for Kinwong to optimize its internal management mechanism. This exchange injected new momentum into Kinwong's internationalization strategy.



Exchange Conference Site

Business Ethics and Anti-Corruption

Kinwong rigorously complies with applicable Chinese laws and regulations, including the *Interim Provisions on the Prohibition Against Commercial Bribery Acts*, the *Anti-Unfair Competition Law*, and the *Anti-Monopoly Law*, as well as international laws such as the *Antitrust Laws* and the *EU Competition Law*. Internal rules and regulations, such as the *Articles of Association*, the *Kinwong Employee Code of Business Conduct*, and the *Anti-Fraud Management Measures*, are also strictly followed.

In the areas of anti-monopoly and fair competition, the Company ensures legal and compliant operations, prevents unfair competition and monopolistic practices, and maintains market order and a fair competitive environment. Kinwong is committed to adhering to the principle of fair competition in all business activities, refraining from participating in any monopolistic or unfair competition behaviors, and actively encouraging, supporting, and protecting all organizations and individuals who supervise such behaviors.

In anti-corruption and anti-bribery efforts, the Company has established procedure documents such as the *Anti-Corruption* and *Anti-Bribery Control Procedures* and the *Business Ethics Standards Control Procedures*, with a view to advancing anti-corruption and anti-bribery measures in business activities in a steady way. We have continued to regulate business operations and professional behaviors of employees, prevent and punish fraudulent activities, foster a clean and diligent working culture, and protect the legitimate rights and interests of the Company and its shareholders. Moreover, we have strengthened supervision and management over key environments and positions frequently prone to corruption, ensuring a robust commitment to quality and anti-commercial bribery. By strictly following fair competition rules, we have guided the management and relevant stakeholders to act in accordance with the laws and in good faith.

Kinwong maintains a zero-tolerance policy towards fraudulent behavior during business operations. Clear forms of fraud include:

- Accepting bribes or kickbacks;
- Transferring transactions that could benefit the organization to others;
- Unauthorized use of the Company's assets, and embezzlement, misappropriation, or theft of company property;
- Disclosing the Company's business or technical secrets for improper personal gain;
- Abusing power for personal advantage, misappropriating the Company's or others' interests, and falsifying or altering accounting records or vouchers;
- Intentionally misreporting transactions or fabricating false transaction details;
- Concealing or deleting important information that should be disclosed externally;
- Engaging in illegal or non-compliant economic activities.



Anti-Fraud Management Body

Kinwong's Audit and Supervision Department is primarily responsible for building and continuously improving the anti-fraud management system, which includes formulating and maintaining related management measures, organizing full-process investigations of fraud cases (from filing to case closure), and preparing audit reports based on investigation results and reporting to the Audit Committee. After case handling, the department strengthens internal control mechanisms, optimizes business processes and systems, and ensures that corrective actions are fully implemented. Regular updates on anti-fraud activities are communicated to enhance transparency. Additionally, the department organizes anti-fraud education activities for all employees to foster a compliance culture, thereby preventing and containing fraud risks across the board and maintaining a clean business-operating environment.

The Audit and Supervision Department personnel are required to raise their awareness of anti-fraud measures and improve their technical skills in this area. They are expected to maintain the necessary professional caution, stay alert to potential fraud in the organization, and assist in preventing, detecting, and reporting fraudulent behaviors. It is also imperative for them to seek and proactively undergo training on anti-fraud laws and regulations, ethical conduct, knowledge, and skills organized by relevant regulators, and to stay informed about the developments and plans of the Company's production and operating activities, accounting policies, and other relevant rules and regulations.

Whistleblowing Channels and Protection of Whistleblowers

Kinwong has developed the *Regulations on Audit and Supervision Whistleblowing and Clue Management to standardize* the management of internal and external whistleblowing and clues within the scope of the Audit and Supervision Department's responsibilities. Significant incidents and fraud and misconduct-related issues are handled by the department for investigation.

The *Whistleblowing and Complaints Management Measures* have been formulated to encourage employees to report illegal, irregular, or other improper behaviors while publishing regular announcements on these matters. The Company has taken concrete steps to strengthen its supervision over operations and management in accordance with the laws and regulations and protect the interests of both the Company and stakeholders. Kinwong ensures that all complaints and reports are treated equally, accepting whistleblowing through named, anonymous, or third-party proxy methods. Complaints and reports can be made via phone, email, mail, or in person, with strict confidentiality measures applied to whistleblowers' information. Complaints or reports will be promptly handled, and feedback on the investigation will be provided to the complainant or whistleblower to protect their legitimate rights and interests.

Anti-Fraud and Misconduct Reporting Channels

- Mailing Address: Audit and Supervision Department, 18F, Kinwong Electronics Building, No. 158 Guangyuan 3rd Road, Dongkeng Community, Fenghuang Subdistrict, Guangming District, Shenzhen
- Phone: 0755-83890990
- Email: asc@kinwong.com
- Company WeChat: Company WeChat Workbench–Kinwong Discipline–Reporting & Suggestions–Violations Reporting
- On-site Reporting: In-person reporting to the Audit and Supervision Department personnel

Protection of Whistleblowers and Complainants

- Kinwong is obligated to protect the personal, democratic, and other legal rights and interests of complainants and whistleblowers.
- If a whistleblower believes that the person handling their report is a close relative or has a conflict of interest that may affect the objective and fair handling of the case, they have the right to make a request to the Audit and Supervision Department for the individual to be recused. If this is the case, the relevant person shall recuse themselves.
- It is strictly prohibited to disclose the identity, department, address, or any details related to the whistleblower or the content of their report to the person or unit being reported against. If the person being reported against is the head of a unit, the report materials shall not be transferred to the unit. Violations of this provision will result in disciplinary actions, and criminal responsibility will be pursued if it constitutes a crime.
- When investigating the person or unit being reported against, confidentiality measures shall be taken to protect the identity of the whistleblower, and no report material shall be disclosed.

Business Ethics and Anti-Corruption Audits

To ensure the effectiveness and performance of policies and systems, Kinwong conducts annual internal audits covering all locations where it operates, focusing on business ethics and anti-corruption issues. The audits are tailored to specific areas, factories, and key management personnel, including special audits, business cycle audits, process and system audits, operational and management audits, and economic responsibility audits. Audit results are reported to the Audit Committee under the Board. By assessing potential risks related to business activities and places of operation, the Company has developed an annual self-inspection and audit plan, completing reviews and inspections at each base. The audit results are followed up with corrective actions in the Tracking Form for Audit Issue Management Suggestions and Rectifications, ensuring a closed-loop management process for audit projects. This helps improve corporate governance, business processes, and management systems, effectively controlling business ethics risks.

Key Performance Indicators

During the reporting period, the Company had major litigation case involving corruption or unfair competition: 0.

Fostering an Integrity Culture

Kinwong has always regarded fostering an integrity culture as an essential part of corporate management. Especially before major festivals, the Company regularly conducts integrity reminder activities. These activities strengthen employees' and partners' awareness of discipline through the Integrity Initiative and educational warnings to prevent integrity risks that may arise during festivals.

Additionally, the Company has aligned these efforts with the traditional Chinese 24 solar terms, regularly conducting integrity education activities themed "Integrity Education during the Solar Terms". During the reporting period, the Company produced a promotional video of integrity titled Integrity Starts with the Small Things, which focuses on disciplinary building and integrity culture. The video combines case analysis, system interpretations, and daily management to convey the Company's values of self-discipline and integrity.

Case

Mid-Autumn Festival Integrity Initiative

In 2024, as the Mid-Autumn Festival approached, Kinwong released an *Integrity Initiative* to all employees, their families, and partners, taking into account the characteristics of the traditional festival. The initiative focused on five key themes: strictly adhering to discipline without crossing the red line, advocating frugality and opposing waste, promoting positive energy and setting new trends, caring for family members and celebrating the festival together, and strengthening supervision to jointly safeguard integrity. The initiative clearly outlined specific requirements, such as rejecting improper gifts or money, avoiding consumption by public funds, and advocating a simple, sincere reunion. This initiative not only continued the Company's longstanding integrity education tradition but also integrated discipline constraints into the festive caring through a heartfelt reminder. By setting clear behavioral standards and supervision mechanisms, Kinwong further promoted the all-staff creation of a transparent, integrity-driven environment. The initiative infused the traditional festival with "integrity DNA", further consolidating the Company's clean and upright culture.



Mid-Autumn Festival Integrity Initiative

Equal Treatment of SMEs

In strict compliance with the *Law of the People's Republic of China on Promotion of Small and Medium-sized Enterprises* and the *Regulation on Payment Protection for Small and Medium-sized Enterprises*, among other relevant laws and regulations, Kinwong has been committed to creating a fair and transparent business environment and providing equal market opportunities for small and medium-sized enterprises (SMEs). While pursuing economic benefits, the Company ensures that the legitimate interests of suppliers are protected and that sound development can be achieved across the entire industrial chain. As of the end of the reporting period, the Company had no overdue payment to SMEs.

Ensuring Information Security

In the digital era, information security is crucial to the Company's development. With a great emphasis on protecting customers' business secrets, data, and personal privacy, the Company strictly complies with relevant laws, regulations, and industry standards, establishing a scientifically sound and effective information security management system. Through a comprehensive security protection system, rigorous internal control processes, and regular security training, we have continued efforts to raise awareness of information security across the organization, ensuring the confidentiality, integrity, and availability of business information while providing a secure and reliable service environment for our customers.

Information Security Management System

Kinwong has continuously improved its information security management system and personal privacy protection mechanism in strict observance of the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, among other relevant laws and regulations. Following standards such as ISO 27001, the Company has formulated several information management systems and operating procedures, including the *Information Security Management Handbook*, the *IT Project Management Measures*, and the *Information Security Incident Management Procedures*. Moreover, a three-tier organizational structure of information security consisting of management and decision-making, supervision and inspection, and implementation has been established, with the aim of regulating information and data management and ensuring effective protection of information security.

Information Security Management Structure



During the reporting period, the Company and its subsidiaries maintained the ISO 27001 Information Security Management System certification. As of the end of the reporting period, 40 employees had obtained the ISO/IEC 27001:2022 Information Security Management System Internal Auditor Certificate.



Information Security Management System Certification

Indicators and Targets

Kinwong has set clear information security targets and operational indicators. By setting targets, verifying achievements, and implementing corrective measures, the operation of the information security management system has been comprehensively managed, providing a basis for the system's continuous improvement.

Target Category	Annual Targets and Indicators	Achievement in 2024
Information Security Targets	Level 1 security incidents: 0	Achieved
	Level 2 security incidents: ≤ 1	Achieved
	Level 3 security incidents: ≤ 1	Achieved
	Confidential-level or above information breaches: 0	Achieved
	Timeliness rate of internal audit and management review: 100%	Achieved
	Completion rate of information security training: 100%	Achieved
Information Security Operation Indicators	Large-scale computer virus infections: 0	Achieved
	Unplanned interruptions of key business: 0	Achieved
	Employee confidentiality agreement signing rate: 100%	Achieved
	Timeliness rate of important information backup: 100%	Achieved
	Internal audit non-compliance rectification rate: ≥ 92%	Achieved

Information Security Training and Promotion

Kinwong has built an all-around information security education system. We have laid a solid foundation for information security through new employee onboarding training, carried out annual training for all employees to enhance their protective capabilities, fostered a security culture through the Information Security Awareness Week, and continued daily promotion efforts to help instill security habits. This system, covering the entire career lifecycle of employees, has integrated security awareness into the corporate culture using diverse methods that combine theory with practice, with the system of knowledge being updated continuously. With these efforts, the Company has effectively enhanced the information security awareness and protective capability of all employees, providing a solid foundation for the stable development of the Company.

Additionally, Kinwong conducts the phishing email drill once a year to improve employees' ability to defend against phishing emails. For employees who accidentally click on phishing emails during the drill, the Company arranges dedicated anti-phishing email security knowledge training to help them recognize and respond to similar threats better in the future.

Key Performance Indicators

During the reporting period, the Company held **98** training sessions on data security and customer privacy protection and conducted **5** related emergency drills.

Kinwong's Information Security Education System

New employee onboarding training: Laying a solid foundation for information security

Kinwong provides new employees with onboarding information security training, covering the Company's information security policies, regulations, and basic protective knowledge. This ensures that employees possess basic security awareness from the moment they join, effectively safeguarding the information assets of the Company and its customers.



Annual training: Enhancing the information security protection capability of all employees

Each year, Kinwong conducts information security training for all employees. This training includes the latest security developments, protective measures, and case studies, helping employees better understand and effectively respond to security threats while continuously improving their security protection abilities in daily work.



Information Security Awareness Week: Strengthening collective security awareness

Kinwong has integrated Information Security Awareness Week into its corporate culture. Through online quizzes and team knowledge competitions, we inspire employees' engagement in enhancing collective security awareness and promoting team collaboration and communication.



Information Security Awareness Week Prize Competition

Daily promotion: Continuously reinforcing security awareness

Kinwong has incorporated information security education into daily operations through continuous security knowledge promotion via platforms like Company WeChat and the OA forum, with a view to maintaining ongoing security awareness among employees and fostering good security habits.



Case

Hosting Information Security Awareness Week to Strengthen Employee Security Awareness

In 2024, the Information Security Awareness Week activity, themed "Building a Firewall of People, Protecting Information Security", took place from July 29th to August 2nd in the Company. The activity featured an online quiz on information security knowledge and a team knowledge competition, further enhancing employees' awareness of the importance of information security.



2024 Information Security Awareness Week Poster

Information Security Audit

Kinwong has established a robust information security audit mechanism, encompassing both internal audits and external certification audits. These audits cover all first-tier departments and production bases. Internal audits mainly focus on key areas such as information security awareness training, asset management, physical security, and personal information protection. External audits are conducted by the internationally recognized organization DNV, which confirms that Kinwong's information security management system complies with the latest ISO 27001:2022 standards. Aiming at all non-conformities found by internal and external audits, the Company has developed detailed rectification plans, and the Information Management Department is responsible for tracking the progress of these improvements and providing technical support. In this way, we ensure that all issues can be resolved effectively, thereby continuously enhancing our overall information security posture.

Privacy Protection

Kinwong places high importance on customer privacy protection by continuously strengthening its information security management protection mechanism. The Company also strictly regulates employees' professional ethics conduct to safeguard customer information and privacy. Through stringent access management, data encryption, endpoint and network security protection, application and database controls, physical security measures, employee training, and supervision and audits, Kinwong ensures that customer privacy is effectively protected.

Key Performance Indicators

During the reporting period, the Company confirmed data security incidents and confirmed customer privacy breach incident are both 0.

Highlights of Kinwong's Customer Privacy Protection Measures during the Reporting Period:

- **Access management:** Employees can only access information necessary for their work, with access rights regularly reviewed and updated.
- **Data protection:** Sensitive customer information is encrypted and labeled with confidentiality levels to ensure its secure storage and transmission.
- **Endpoint security:** Antivirus and vulnerability protection systems are deployed to manage all endpoint devices securely.
- **Network security:** Boundary protection gateways and threat detection systems are used to monitor network activities in real time and prevent external attacks.
- **Application and database security:** Strict permissions are set for using core application systems and databases, and regular security tests are conducted.
- **Physical security:** Door access control is implemented in key areas, restricting access to authorized individuals on a need-to-know basis and preventing unauthorized physical access.
- **Employee training and agreements:** All employees sign confidentiality agreements and receive regular privacy protection training to improve security awareness.
- **Supervision and audits:** The Company conducts 24/7 monitoring through a professional operation and maintenance center and undergoes third-party audit inspections to ensure that all measures are effectively implemented.

Digitalization

To address the network security challenges brought by rapid business growth, Kinwong has built an efficient cybersecurity operation system. The Company has fully deployed the Stealth Threat Analytics system across all production bases and created an intelligent security operation system covering all production bases by combining the cloud security operation platform and AI technology. This effectively ensures the stable operation of the digital factory and the safe development of intelligent manufacturing.

Key Performance Indicators

As of the end of the reporting period, the Company has achieved proactive defense capabilities featuring **24/7** real-time monitoring and rapid response within **5** minutes. A total of **442,800** attacks were intercepted, **100%** of high-risk vulnerabilities were strengthened, and **100%** of incidents were handled in a closed-loop manner.

Case

Successful Launch and Stable Operation of the Master Data Management Project of Material and Supplier

Kinwong successfully launched its Master Data Management Project of Material and Supplier in May 2024, which has remained in stable operation during the reporting period. The project team built a comprehensive data management platform and established and implemented a master data governance evaluation system to significantly improve the data management. Furthermore, the team conducted an in-depth review of material and supplier master data and successfully cleaned approximately 2 million master data records of material, significantly improving data accuracy and standardization. Moving forward, the Company will continue optimizing data governance, driving business innovation and development while further enhancing overall competitiveness.



02

Social

Kinwong, while pursuing stable development, has always integrated social responsibility into its development strategy and actively promoted the sustainable development of the value chain. Upholding the philosophy of "caring about value creators", we are committed to driving development through scientific and technological innovation, strengthening quality management, and continuously improving product and service quality to create long-term value for customers. Moreover, we promote industry cooperation and exchange, collaborating with partners to drive industry progress. We fully protect employee rights and interests, creating a diverse, inclusive, and equal workplace that stimulates innovation potential. Additionally, we actively fulfill our public welfare mission by engaging in charity activities and community-building initiatives, so as to give back to society and contribute to the harmonious development of communities.



Craftsmanship and Lean Production

Product Safety and Quality

Guided by the philosophy of "Elaborate and Quality Products", Kinwong consistently drives innovation and improvement in product quality standards. By constantly optimizing processes, enhancing quality control, and introducing advanced technologies, the Company is dedicated to setting industry-leading product quality standards and providing higher-quality products and services to customers.

Quality Management System

The Company has developed the *Quality Management Guidelines* to continuously improve the quality management system and enhance product quality. With a strict quality management system and advanced quality control models, the Company has fully implemented internationally certified quality management standards such as ISO 9001:2015, IATF 16949:2016, and ISO 13485:2003. By introducing intelligent management systems such as ERP, MES, SRM, and EAP, the Company has optimized resource allocation and significantly improved data processing and analysis capabilities, greatly enhancing operational management efficiency.

Quality System–Quality Goal Achievement Process



Highlights of Kinwong's Product Quality Control Measures

Full-Process Traceability System	Intelligent Chemical Solution Management
Code assignment after material cutting, with online code reading throughout the entire process, enabling PNL/PCS traceability	Centralized preparation + pipeline delivery + online analysis + automatic addition, enabling real-time SPC control of chemical solutions
Online Automatic Measurement System	IT-based Formula Management
Online monitoring of board thickness, copper weight, hole inspection, board warpage, AOI, AVI, etc., ensuring stable quality	Automatic parameter distribution and data collection

Kinwong's Full Lifecycle Quality Management System

Management Process	Description
Advanced Product Quality Planning	The Advanced Product Quality Planning (APQP) team is responsible for the preliminary product planning, transforming all customer requirements into workable and implementable measures, and following up on the implementation of customer requirements by training the executive department.
Process Quality Control	We have established a systematic quality management system with standard operating procedures (SOPs) as the guideline. A comprehensive training mechanism has been in place, focusing on standardizing operations, maintaining equipment, managing changes and exceptions, and continuously optimizing and improving traceability management. Additionally, we strictly control key items in process control to fulfill product quality requirements.
Inspection Capability Enhancement	We have digitalized the inspection system and automated the testing equipment. We also use Measurement System Analysis (MSA) to evaluate and apply the inspection system and strive to improve the defect "interception" system to ensure that issues are identified and resolved promptly during production.
Supplier Quality Management	The Group's Supplier Quality Engineering (SQE) Department is responsible for the systematic management of suppliers, so that the entire supply chain has a common sense of responsibility and shares the fruits of rapid development, finally achieving the win-win goal for supply and demand.
Quality System Management	Based on the idea to integrate "multiple standards", we re-integrate all the resources and activities of the organization into an integrated management system, which is used as the regulation and guidance to implement, maintain, and improve the process and system continuously.
Quality Training and Incentives	We are dedicated to building a company-wide quality culture and have adopted a "zero-defect" quality strategy. Combining training and practical experience, we have built a professional and efficient quality management team.

As of the end of the reporting period, Kinwong had obtained ISO 9001:2015 Quality Management System certification, IATF 16949:2016 Automotive Quality Management System certification, and ISO 13485:2016 Quality Management System certification for PCBs & FPCs used in medical devices.



ISO 9001:2015 (Left), IATF 16949:2016 (Middle), and ISO 13485:2016 (Right)

Quality Risk Management

Kinwong actively identifies and effectively controls risks. Based on correct initial execution, the Company strictly follows customer requirements for identification, assessment, conversion, and training processes. Facing "changes" or "exceptions", the Company places particular emphasis on implementing corrective measures and strictly prohibits any violations. By continuously monitoring key control points, the Company emphasizes the importance of both method and execution, focusing on the "prevention first" principle and intensifying efforts to manage details and put measures into action. Moreover, the Company continues to enhance product traceability capabilities and improve quality monitoring, prevention, and performance evaluation systems, striving to make its quality brand a core competitive advantage.

Product Testing Capability

Kinwong has established a Central Laboratory with over 70 sets of advanced test equipment and more than 40 test items. The scale and equipment value of the laboratory are both at industry-leading levels. The laboratory has also obtained accreditation from the China National Accreditation Service for Conformity Assessment (CNAS), meeting ISO/IEC 17025:2005 *General Requirements for the Competence of Testing and Calibration Laboratories*. The laboratory offers robust technical support for the R&D and verification of new technologies, as well as the monitoring of process products, enabling Kinwong to issue credible test reports as reliable references for customers. Kinwong's independent laboratory has significantly shortened the lead time, ensured product quality, and further strengthened the Company's market competitiveness.



Central Laboratory



CNAS Accreditation Certificate

Product Safety and Reliability Management

Product safety and reliability are the most important attributes of quality, while the core of quality is high reliability. To achieve this goal, Kinwong has established and implemented the Product Safety Control Procedures and has taken a range of strategies and measures to standardize product safety management and ensure the safety and reliability of products.

Product Safety Planning

Customer Requirement Identification and Review

- Based on the Contract Review and Change Control Procedures, we identify and evaluate the safety-related legal and regulatory requirements for customers' products to fully understand the relevant safety requirements.

Review of Special Characteristics of Product

- The Engineering Department reviews the data provided by the customer to identify special characteristics related to product safety and then prepares the Special Characteristics Matrix of Product and Process to clearly define all product safety items and control requirements.

Product Development

- During product development and process planning, our APQP team adopts advanced technologies and testing methods to summarize past lessons and ensure product safety.
- The APQP team also conducts Failure Mode and Effects Analysis (FMEA) and risk assessment. It identifies potential risks and evaluates them through various tests to ensure that problems are detected and resolved during product development and production.

Supply Chain Management

- The Purchasing Department strictly regulates the transmission and execution of product safety requirements in the supply chain and ensures that products have good traceability to maintain the quality and safety of the entire supply chain.

Personnel Qualification Training

The Quality Department designates personnel to take charge of product safety and clearly defines their qualifications, responsibilities, and tasks, ensuring that product safety is handled by specialized personnel. Additionally, we provide product safety training to all personnel involved in product safety-related design, procurement, production, and inspection activities. The training covers product liability principles, control significance, risk analysis, and other aspects.

Moreover, we have continued efforts to develop professional product safety management personnel. As of the end of the reporting period, 11 employees have obtained the Product Safety and Conformity Representative (PCSR) certificate.



PCSR Certificate (Partial)

Production Process Control

Safety Control Strategy

Our APQP team develops control plans and SOPs based on special characteristics of product, with a view to clarifying process parameters and control measures that impact safety.

Safety Process Verification

We verify process capability that impacts product safety to ensure that the process capability meets the requirements before and after mass production.

Test Equipment Calibration and MSA

We perform precise calibration and Measurement System Analysis (MSA) of the equipment used for product safety testing to ensure its reliability and accuracy.

Non-Conformance Management and Product Recall

Kinwong has developed the *Control Procedures for Non-Conforming Products*, which regulate non-conforming product management through both business processes and on-site processes. These procedures create a closed-loop operation covering identification, marking, isolation, review, disposal, and improvement, with clear responsibilities assigned to designated departments for each process, thereby ensuring strict quality control.

Handling Methods for Non-Conforming Products

Temporary Approval

When a batch of products is found to have defects, if the defect has no significant impact on product quality or service performance, or if approval has been granted by the customer, the batch may be approved for release under Acceptance on Deviation (AOD). However, for medical products, the review of AOD must comply with relevant laws and regulations, and a functional impact test report must be provided to ensure the safety and performance of the product.

Rework/Re-inspection

We have established the Rework Operating Procedures, which stipulate that all rework tasks must be documented on a Material Review Board (MRB) sheet, with the inspection results of the reworked products recorded. In particular, for reworks involving medical products, a functional impact test report and a rework impact analysis report are required to ensure that the reworked products meet quality and safety standards.

Scrapping

We have formulated the Scrapping Determination and Handling Procedures to standardize the scrapping review process. Additionally, we analyze the scope of non-conforming products and assess their risks. For those of high-risk categories, batch scrapping will be conducted following the internal MRB process to ensure product safety and quality. For appearance and other distinguishable types of defects, the Rework Operating Procedures are applied for re-inspection, rework, or selection for scrapping.

Product Recall Management

Timing Determination

If we discover that a batch of products exceeds hazardous substance limits or fails to meet quality standards, and these products are no longer under our control (e.g., already delivered or ownership has been transferred), we will immediately initiate the recall process.

Handling of Recalled Products

Recalled products will be marked and isolated. They are treated as non-conforming products and processed according to the *Control Procedures for Non-Conforming Products* or the *Environmental Material Management Procedures*. Meanwhile, we will prepare a corresponding non-conformance report, specifically indicating that these products are part of a recall.

Corrective and Preventive Actions

We conduct verification tests, mock recalls, or actual recalls to validate the effectiveness of the recall process, with results documented. Based on these results, corrective and preventive measures are formulated. During an actual recall, we will address any issues in the recall procedures and management system according to the recall report and take necessary corrective and preventive measures as per the *Control Procedures for Corrective and Preventive Actions*.



Case

Longchuan PCB Factory's Six Sigma Project Resolves Defects in Heavy Copper Products and Wins Customer's Award

Quality requirements for heavy copper PCBs in the energy sector are growing increasingly stringent. To this end, the Longchuan PCB Factory launched the "Six Sigma Project for Reducing the Poor Reliability of Heavy Copper PCBs in the Energy Sector" in collaboration with a customer in 2024. The project focused on two key defects: internal layer connection issues and fiberglass whitening. Using the DMAIC methodology and tools like FMEA and MSA, the project team identified the root causes through multiple tests and analyses and implemented improvement measures, significantly reducing the defect rate and improving product quality. The project was awarded the "Second Prize for Excellent Six Sigma Projects" by the customer for its solid implementation and remarkable improvements.



Longchuan PCB Factory won the "Second Prize for Excellent Six Sigma Projects" from the customer.

Intelligent Manufacturing

The intelligent factories built by Kinwong—Jiangxi Kinwong Factory 2 and 3—are among the most advanced in the industry in terms of intelligence and innovation. These factories benefit from short production cycles, high efficiency, high yield rates, and strong traceability, greatly improving the Company's production efficiency and meeting customers' delivery needs to the greatest extent.

By combining the differentiated characteristics of each factory and the specific customers served, the Company has worked on product transformation, technological upgrades, and lean production. Efforts have been gradually made to build a "complete chain" for internal and external information management, effectively reducing scrap rates and production costs, improving product quality, and driving significant increases in capacity and efficiency.

Fostering a Quality Culture

Quality culture is critical to Kinwong's quality management and business development. The Company has incorporated quality management into mandatory training courses of employees and actively promotes a "zero-defect" quality culture. Emphasizing beforehand prevention and adhering to the principle of "doing the right thing the first time", the Company strictly follows quality standards, standardizes production processes, and has established quality red lines.

To ensure effective management of quality red lines, Kinwong has established a strict reward and penalty system. Departments that strictly adhere to standards and maintain good product quality are recognized and rewarded, encouraging employees to actively participate in quality management. On the other hand, violations of quality red lines that affect product quality are met with serious consequences to maintain the Company's reputation for quality and customer satisfaction.

Additionally, Kinwong is committed to improving continuous improvement systems like Quality Control Circles (QCC) and Six Sigma and has developed corresponding evaluation and management systems. Each year, the Company organizes summary evaluation activities and rewards outstanding teams and individuals, providing them with opportunities for recognition, salary increases, and promotions.

The Company organizes various quality culture activities each year, including "Quality Month" activities, "Raise Your Hand" culture promotion, and "Quality Red Line" management training, aiming to continuously strengthen overall quality awareness and promote the integration of quality culture into everyday practices.

"Quality Month" Activities

· Every third quarter, Kinwong organizes the "Quality Month" activities to foster a quality culture. The activities include a variety of forms such as collecting quality slogans, cartoons, and articles, seeking suggestions for improvement, and hosting workshops, quality training sessions, knowledge contests, skills competitions, and quality improvement projects. In addition, the Company holds a summary and recognition meeting to recognize employees who have excelled in the quality culture initiative, further increasing employee engagement and focus on quality management while deepening the development of quality culture. During the reporting period, the Company organized the 2024 Quality Month activities with the theme "Focusing on Job Responsibilities and Strengthening the Foundation of Quality".



2024 Quality Month Activities



"Raise Your Hand" Culture Promotion

- Kinwong actively promotes the "Raise Your Hand" culture by integrating it into daily quality management. The Company requires all factories to strictly follow the Management Measures for Fostering a "Raise Your Hand" Culture and has conducted comprehensive training and advocacy to encourage employees to participate in problem feedback and solving. With continuous efforts to promote the "Raise Your Hand" feedback mechanism, Kinwong is committed to building an open and transparent communication channel that encourages employees to freely express opinions.
- Kinwong also requires that factories promptly inform employees who provided feedback about the handling results and has established mechanisms for mitigating and increasing penalties and rewarding to improve employee engagement in quality management. Meanwhile, the Company collaborates with factories to organize review and recognition events to reward employees who actively participate in the "Raise Your Hand" feedback process, enhancing employees' motivation to engage in quality management.



2024 "Raise Your Hand" Culture Awards Ceremony

"Quality Red Line" Management Training

- Kinwong regularly organizes training sessions to effectively practice "Quality Red Line" management and create a quality culture of "standardized operations without violations". The training covers the "Quality Red Line" standards, operational procedures, and quality management requirements, with the aim of raising employees' understanding and awareness. The Quality Management Department and each factory's quality department are responsible for supervising and auditing the implementation to ensure full adherence to the "Quality Red Line" requirements.
- Kinwong's "Six Nos" Quality Red Lines

01	02	03
Operation without following the Manufacturing Instruction (MI)	Spot inspection without following the requirements	First-piece manufacturing without following the requirements
04	05	06
Rework or repair without review	Concealed or falsified reporting without actual tests	Unauthorized changes without approval

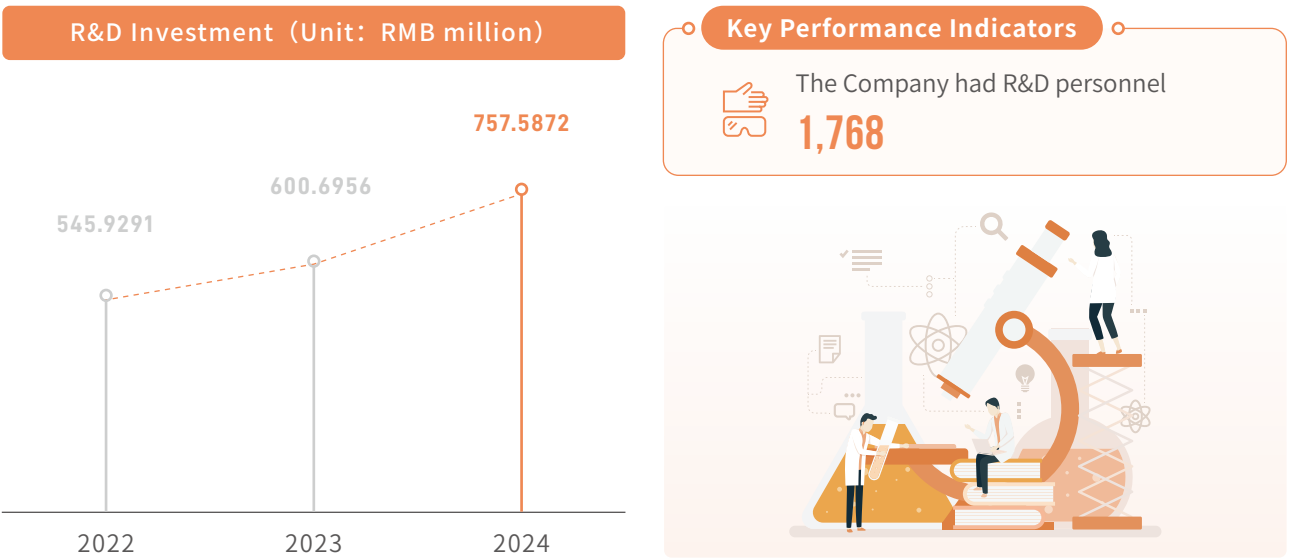
Innovation-Driven Development

Firmly upholding the business philosophy of "people foremost, manufacturing competitive products, expanding the enterprise, and repaying the society", Kinwong has always focused on customer needs. We continuously innovate and increase investment in fundamental research, strengthening our technical capabilities and consolidating core competitiveness. By delivering high-end products that meet customer demands, we significantly enhance our brand presence and bolster our market competitiveness.

Innovation and R&D System

Kinwong has made continued efforts to improve its research and development (R&D) management system, forming an R&D model with cross-departmental collaboration and internal-external synergy by leveraging its experienced R&D team and extensive external partnerships. By establishing the Technology Center and the Central Laboratory, the Company has built a standardized, efficient, and sustainable R&D system to drive technological innovation and product upgrades, laying a solid foundation for its long-term development. During the reporting period, the Zhuhai Key Laboratory of Printed Circuit Boards for Intelligent Connected Vehicles and High-Performance AI Servers and the Zhuhai Key Laboratory of Flexible Circuits for New Energy Batteries, established by the Zhuhai Kinwong and Zhuhai Kinwong Flexible, respectively, were recognized as "Zhuhai Key Laboratories". Moreover, the Company maintains high levels of R&D investment, continuously advances the development of scientific research platforms, and strengthens its R&D capabilities. During the reporting period, Kinwong's R&D investment amounted to RMB 757.5872 million, a 26.12% year-on-year increase.

Technical R&D



Kinwong Technology Center Development Plan

Kinwong aims to establish an internationally leading PCB technology R&D center by fully leveraging social innovation and R&D forces, such as universities and research institutes, while strengthening and perfecting the independent R&D innovation system led by the enterprise and focusing on customers.

Case

Revising IPD Incentive Plan to Accelerate R&D Innovation

To further promote the innovative development of products and technologies, and to fully engage R&D personnel in innovation, Kinwong comprehensively revised and improved the Integrated Product Development (IPD) Project Assessment and Incentive Plan in 2024. The revision covered product and technology requirement insights, new product development, and technology development. Additionally, new rules for company-level Product Development Team (PDT) project bonuses were introduced. During the reporting period, Kinwong operated 31 IPD projects and 4 PDT projects, with 330 individuals incentivized, including 157 personnel from the R&D, process, NPI, and Technology Center.



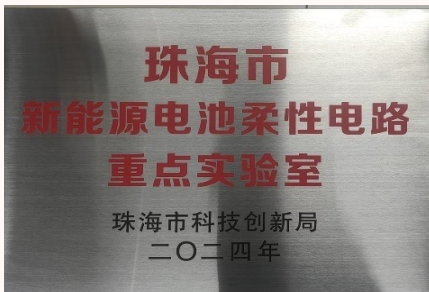
Innovation and R&D Honors and Qualifications



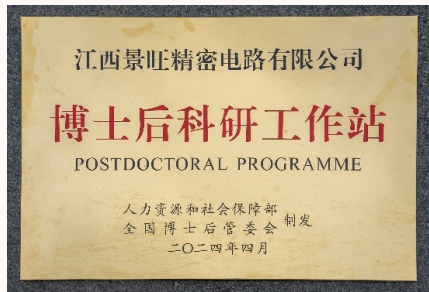
National High-Tech Enterprise



Engineering Technology R&D Center of Guangdong Province



Zhuhai Key Laboratory of Flexible Circuits for New Energy Batteries



Postdoctoral Programme

| Intellectual Property Management

Kinwong places great importance on intellectual property (IP) protection and strictly complies with applicable Chinese laws such as the Patent Law, the Trademark Law, the Copyright Law, and the Anti-Unfair Competition Law, as well as international trademark registration regulations. The Company has established and refined its intellectual property management system, along with formulating and implementing internal policies such as the Intellectual Property Management System, the Technical Intellectual Property Management Regulations, and the Trademark Management Regulations. These policies comprehensively regulate IP confidentiality management to effectively protect the Company's innovative achievements and core competitiveness. During the reporting period, the Company did not encounter any incidents of intellectual property infringement or its intellectual property being infringed upon.

National Intellectual Property
Dominant Enterprise

Famous Trademark of
Guangdong Province

Ji'an High-Value Patent
Cultivation Demonstration Center

Jiangxi Kinwong Awarded
"Ji'an Patent Award"

Key Performance Indicators

During the reporting period, the Company held **440** valid patents, including **287** invention patents, **39** newly added patents and **210** patents pending for review during the year, as well as **14** software copyrights and **225** copyrights.

Intellectual Property Incentives

To motivate employees to engage actively in technological innovation and intellectual property protection, Kinwong has set up a corresponding reward system for technical intellectual property applications generated during official duties. The incentive scope covers patents, computer software copyrights, academic papers, standards development, and scientific achievement evaluations. The Company has set up both individual and team awards, with selection based on the quantity, quality, technological advancement, and practical application of the proposals. These measures are designed to encourage employees to actively participate in technological innovation and academic research, thereby enhancing the Company's technological strength and market competitiveness.

Intellectual Property Training


Kinwong organizes annual intellectual property training to raise employees' awareness of intellectual property protection. During the reporting period, the Company organized 27 specialized training sessions on patents and papers, with over 100 instances of participation in total. The training was led by professional IP engineers and targeted at personnel from the R&D and process departments of the factory and the Technology Center, systematically improving the R&D team's ability to create, apply, and protect intellectual property.




Patent Training Site

Completion Status of Training Sessions on Patents and Papers

Sessions of knowledge training

 **8**

Sessions of skills training

 **19**



Industry Collaboration and Win-Win Cooperation

Building a Sustainable Supply Chain

Kinwong places a high priority on the security, stability, and sustainability of its supply chain. By establishing a comprehensive supplier management system and implementing full lifecycle management, the Company drives continuous improvements from suppliers in ESG aspects. At the same time, the Company has developed a sustainable procurement policy, strictly controlled the risk of conflict minerals, and strengthened supplier integrity to ensure a transparent and compliant supply chain.

Key Performance Indicators

During the reporting period, the Company had a total of **600** suppliers, with **100%** of them signing integrity agreements.

93% of suppliers signed agreements that include clauses of environment, labor, and code of conduct of suppliers.

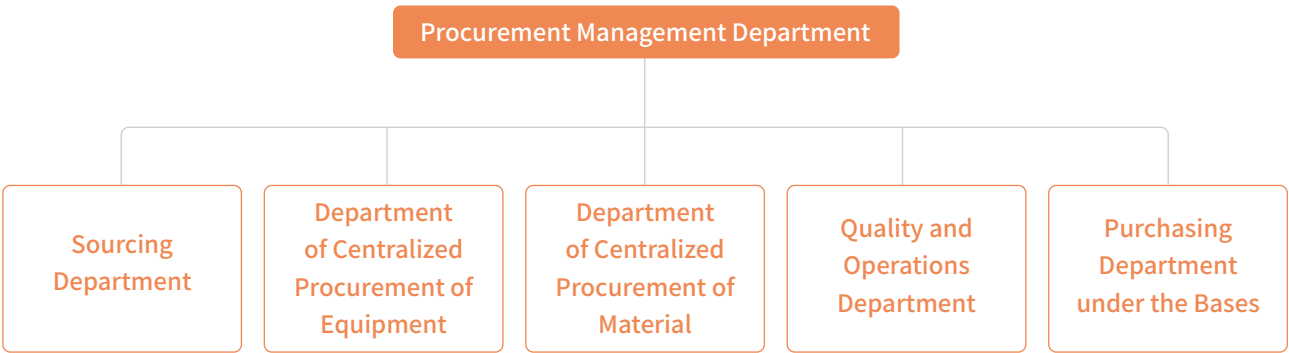
A total of **538** suppliers conducted social and environmental impact assessments.

0 supplier was identified with significant actual or potential negative social impacts.

Supplier Management System

The Company has developed the *Procurement Management Procedures* and the *Supplier Quality Management Procedures* and continuously improved the organizational structure of supply chain management by adhering to the management philosophy of "smooth processes, integrity and high efficiency, openness and transparency, equality and mutual benefit, and treating suppliers well". Responsibilities are clearly assigned to each department, and inter-departmental cooperation is promoted to implement related requirements level by level. This ensures the high-quality development of the supply chain in terms of safety, stability, and sustainability.

Organizational Structure of Supply Chain Management



Full Lifecycle Management

Kinwong has established standardized management systems and rigorous review processes for full lifecycle management of suppliers. Various measures have been taken, such as setting admission criteria, signing compliance agreements, and conducting on-site reviews, performance assessments, and supplier training, to ensure that suppliers meet requirements in quality, information security, and social responsibility.

Full Lifecycle Management for Suppliers

Supplier Qualification Management

- Suppliers are classified into different management levels based on the types of materials they provide, and admission criteria are set for suppliers.
- The Procurement Management Department selects suppliers that meet the necessary admission criteria and includes them in the *List of Potential Suppliers*. The supplier with the highest comprehensive score undergoes an on-site review. After passing the review, the supplier is considered a candidate.
- Once qualified, suppliers are required to sign relevant agreements.

Supplier Quality Management

- We have developed a *On-Site Audit Plan Form of Suppliers* to conduct annual audits on suppliers, covering responsible sourcing, human rights, child labor, employee welfare, and other aspects.
- The review team scores the suppliers using the *On-Site Review Survey Form of Suppliers* and provides feedback. Suppliers are required to analyze and improve their deficiencies within the specified time frame.

Supplier Information Security Management

- During the admission review, we issue a *Supplier Information Security Status Survey Form* to qualified suppliers, and collect the completed forms for review.
- The Procurement Management Department formulates the *Annual Information Security Review Plan of Suppliers* every January, targeted at suppliers dealing with information asset confidentiality requirements, and also conducts annual information security audits.

Supplier Performance Evaluation

- We evaluate suppliers' performance in terms of quality, cost, delivery time, service, technological innovation, and ESG management performance.
- The evaluation results are categorized as excellent, good, average, or poor, with corresponding measures for suppliers based on their categories, such as giving priority, asking for improvements, or disqualification.

Supplier Exit

- The Procurement Management Department fills out the *Supplier Qualification Freezing/Cancellation Application* for suppliers with quality defects, low transaction frequency, unsatisfactory evaluation results, pricing issues, or other problems.
- Upon review, the Procurement Management Department removes the supplier from the *List of Approved Suppliers* and adds it to the *List of Disqualified Suppliers*.

Case

PPAP Training for Suppliers to Enhance Supply Chain Quality

On October 14th, 2024, Kinwong successfully conducted Production Part Approval Process (PPAP) training for all Class A and B suppliers, with 152 supplier representatives attending the training. The training aims to further enhance supply chain quality, strengthen suppliers' understanding and execution capabilities of the product quality control process, and lay a solid foundation for future production cooperation.



PPAP Training for Suppliers

Sustainable Supply Chain

Kinwong has integrated sustainable supply chain management into the full lifecycle management process of suppliers. At the admission stage, suppliers are required to submit the *Supplier Qualification Application Form*, environmental impact assessment (EIA) approval report, fire safety inspection report, pollution discharge permit, chemical business license, and hazardous chemicals road transport permit, along with other environmental and safety-related certification materials. Suppliers who hold internationally recognized certifications in the quality management system, environmental management system, ESG, and green supply chain are given priority for collaboration.

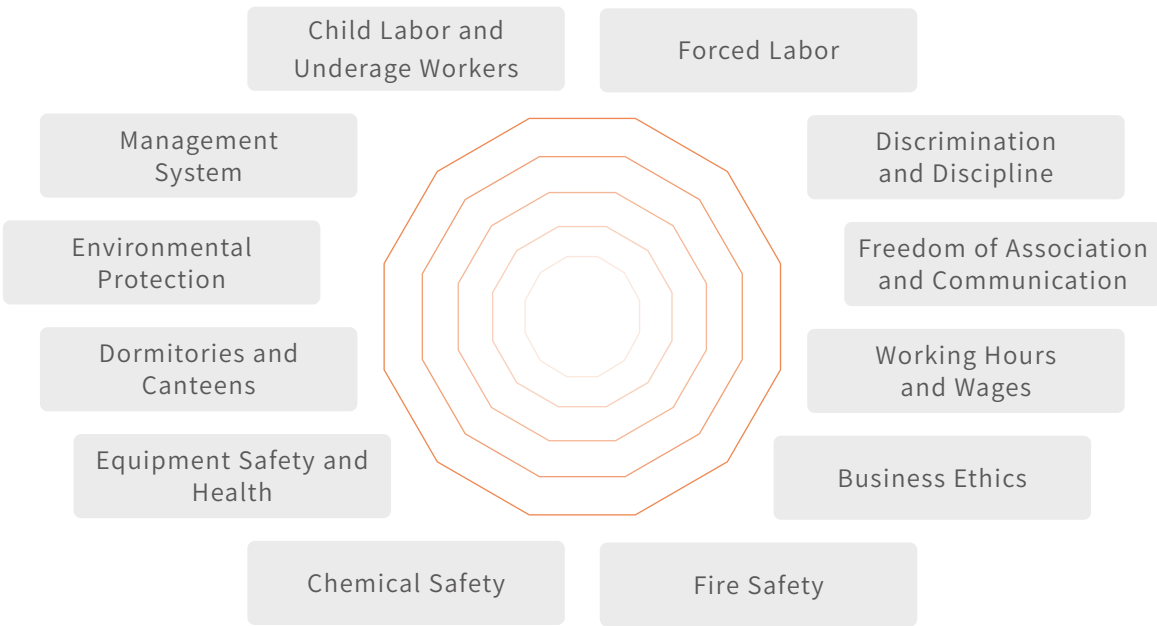
Once the supplier is qualified, the Sourcing Department sends the *Supplier Guidelines* and signs agreements on environmental and social responsibility with the supplier, such as the *Supplier CSR, Environmental Health, and Safety Commitment*, the *Quality Assurance Agreement*, the *Integrity Agreement*, the *Declaration of Non-Use of Prohibited Substances*, and the *Supplier Environment Protection Agreement*. These agreements clearly define the collaboration requirements for building a sustainable supply chain.

When managing suppliers, the Purchasing Department is required to complete the *Environmental Factors Registration and Evaluation Form* to identify environmental impact factors in products, services, or processes. By signing the *Environmental Protection Agreement*, conducting annual audits, and requiring third-party testing reports, the Company works to reduce the environmental impact of its supply chain.

In the supplier performance evaluation, Kinwong has introduced a "green supply chain" bonus point system, with suppliers' application of environmental protection being evaluated by the Environmental Management Department. Suppliers who prioritize carbon neutrality, actively use environmentally friendly materials, reduce energy consumption and greenhouse gas emissions, and implement hazardous substance reduction plans will be given bonus points. This measure aims to encourage suppliers to work with the Company in promoting green development.

Additionally, on-site verifications are conducted during annual audits to ensure that suppliers progressively meet ISO 14001 standards. On-site reviews cover Quality System Assessment (QSA), Green Product Assurance (GPA), Quality Process Assurance (QPA), and Responsible Business Alliance/Corporate Social Responsibility (RBA/CSR), giving full consideration of ESG requirements to ensure a sustainable supply chain.

RBA/CSR Clauses and Scoring System



The Supplier CSR, Environmental Health, and Safety Commitment includes the following CSR-related terms:

- Labor Rights and Prohibition of Forced Labor:

 - Any form of child labor is prohibited.
 - Prison or forced labor and the use of prisons as suppliers or subcontractors are prohibited. It is also prohibited to restrict personal freedom or withhold identification documents.
 - Violence, verbal abuse, corporal punishment, or sexual harassment is prohibited. Illegal body searches or cross-gender searches are prohibited.
 - Wages below the local minimum wage are prohibited.
- Occupational Health and Safety:

 - Major fires or explosions shall be prevented.
 - Any work conditions that pose a serious risk to life or health or any fatal accidents at the working site shall be prevented.
 - A safe and healthy working environment shall be provided, with effective measures taken to prevent potential health and safety accidents and to prevent diseases that occur in or are caused by work activities, e.g., mass infections caused by infectious disease outbreaks.

Social Responsibility and Ethical Compliance:

- Any media crises or serious mass negative events, including unnatural deaths, collective labor disputes, group fights, mass poisoning, or other mass fatalities and injuries, shall be prevented.
- Corruption and unethical incidents are prohibited. The principle of "Six Nos and One Commitment" shall be strictly followed, i.e., no bribery, no gift-giving, no conflict of interest, no falsification, no cutting corner, no commercial fraud, and honoring the commitment.

Chemical and Hazardous Materials Management:

- Vehicles transporting chemicals shall carry tools for absorption and collection in the event of a chemical spill, to handle any accidental leakage.
- Hazardous waste shall be handled according to regulations.
- Vehicles used for loading and unloading shall carry wheel chocks to prevent the vehicle from rolling when parked; for chemical handling, the vehicle shall not be started after connecting the chemical solution pipelines.
- Chemical packaging shall remain intact, clearly labeled, and free from leakage, spillage, or dripping. Chemicals packaged on pallets should be tightly bound with no risk of spilling. Suppliers should undergo necessary environmental health and safety training and master emergency response methods and regulatory requirements for environmental health and safety incidents that may arise during service, so as to avoid or reduce environmental health and safety risks. In the event of an environmental health or safety incident at a factory of Kinwong or Kinwong's customer, the response department or the Environmental Health and Safety Department shall be promptly notified, and the incident shall be handled in accordance with national regulations and Kinwong's requirements.

Environmental Protection:

- The unlawful discharge of toxic or harmful pollutants, including wastewater, waste gas, or waste residues, is prohibited.
- Management should comply with the latest Responsible Business Alliance (RBA) requirements, including those related to the protection of female workers, Ozone Depleting Substances (ODS) management, and Greenhouse Gas (GHG) management.

The Supplier Environment Protection Agreement includes the following environmental protection-related terms:

Control of Toxic and Harmful Substances:

- The supplier shall manage toxic and harmful substances in accordance with management standards, provide test reports for the specified content of these substances, and fill out relevant documentation. Any changes to materials, components, manufacturing methods, and processes used in supplier production, or the production site of the supplier, shall be approved by Kinwong in advance. Upon approval, Kinwong reserves the right to require the supplier to submit a new test report for the specified content of toxic and harmful substances or fill in the relevant information based on the changes.
- The supplier shall provide test reports for the raw materials used in the products. When submitting samples for the first time, the supplier shall provide the Chemical Substance Content Survey of Material, the Declaration of Non-Use of Environmentally Hazardous Substances, and the ICP Report. The supplier should assess and control the effectiveness of the production process to ensure that no toxic or harmful substance contamination occurs during production.

Ensuring Supplier Integrity


Through the *Open Letter to Kinwong Partners*, Kinwong emphasizes the principle of integrity in collaboration and requires suppliers to jointly adhere to integrity commitments, promoting mutual benefit and win-win development. To strengthen integrity management, the Company has established reporting channels, encouraging suppliers and partners to report any instances of misuse of power for personal gain, misconduct, obstruction, or lack of cooperation to the Audit and Supervision Department with evidence. Furthermore, the Company has prepared supplier visit questionnaires and integrity awareness posters and paid actual visits to 16 suppliers to distribute integrity promotional materials. Among them, 6 suppliers have become our external information channels and 2 have established deep cooperation relationships with Kinwong, further advancing solid progress in integrity management across the supply chain.


Reporting Channels

Reporting Hotline
19830792606

Reporting Email
asc@kinwong.com


Online Reporting Portal





Conflict Mineral Management

Kinwong views conflict mineral management as a key element in ensuring the safety and sustainability of the supply chain. The Company has developed a responsible sourcing policy and actively conducts due diligence on suppliers, requiring them to sign the Declaration of Metal Conflict-Free. We commit to not accepting metals sourced from conflict mineral regions and require our suppliers to earnestly fulfill their social and environmental responsibilities and ensure that their products do not contain conflict minerals from the DRC and its adjoining areas. Additionally, the Company requires suppliers to trace the sources of gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), and palladium (Pd) in all their products, complete the relevant surveys, and ensure that these requirements are communicated to their upstream suppliers. With these efforts, we aim to guarantee responsible mineral sourcing practices across the entire supply chain.



不使用冲突地区矿物质声明书
Declaration of Metal Conflict-Free

_____(公司名称) 特此声明所有提供给深圳市景旺电子股份有限公司之产品皆为无冲突金属产品:

_____(公司名称) 亦正致力于详实调查供应链确保金 (Au)、钽 (Ta)、钨 (Wu)、锡 (Sn) 这类金属并非透过无政府军团或非法集团, 由刚果民主共和国冲突区域之矿区开采或是循非法走私途径取得。此外, 下列国家出口之金属皆不符合《无冲突规范》: 刚果民主共和国 (DRC)、卢安达 (Rwanda)、乌干达 (Uganda)、蒲龙迪 (Burundi)、坦尚尼亚 (Tanzania)、肯尼亚 (Kenya) (联合国安全理事会认定上述国家皆为刚果矿脉之矿产)。

本公司保证任何出售于客户之产品所含金属皆符合无冲突规范 (DRC Conflict-Free)。若不符合无冲突规范, 本公司应向深圳市景旺电子股份有限公司 (以下简称景旺) 支付实际发生的货款总额的百分之五十作为惩罚性违约金, 同时景旺有权解除本合同; 以上约定不能免除本公司因违反无冲突规定可能引起的其他刑事或民事责任。

Supplier Company (公司名称):

Authorized Signature (公司负责或授权人签章):

Title (职称):

Date (填写日期):

Declaration of Metal Conflict-Free

| Customer Service and Responsible Marketing

Kinwong always places customer demands at the core. By optimizing the customer service system and improving product quality, we are dedicated to providing better experiences and value to our customers. At the same time, we adhere to the principles of responsible marketing and ensure that our marketing activities align with ethical standards and social responsibility, thereby promoting sustainable development and social harmony.

Customer Service

Kinwong has continuously improved its customer service system by regularly collecting customer feedback through satisfaction surveys. The Company has developed a sound complaint handling process to ensure the timely resolution of customer issues. By consistently raising its customer service level, the Company endeavors to protect customer rights and interests while building a responsible brand image. As a result, we have received several awards from our customers, reflecting their satisfaction with our product quality and customer service.

Awards Given to Kinwong by Customers in 2024 (Partial)



To better understand customer demands and satisfaction, Kinwong has established the Customer Satisfaction Survey and Review Procedures, aiming to measure, evaluate, and analyze the Company's performance in meeting customer requirements. These procedures provide a reference for making business plans and managing reviews, which help continually meet current and future customer demands. The customer satisfaction questionnaire includes surveys and analyses of five aspects: quality, delivery, service, technology, and environment & hazardous substances. Weak links with lower scores compared to the previous period are fed back to the responsible departments, followed by an improvement report. The effectiveness of the improvement measures is assessed three months after implementation to ensure that corrective actions are properly carried out.

Key Performance Indicators

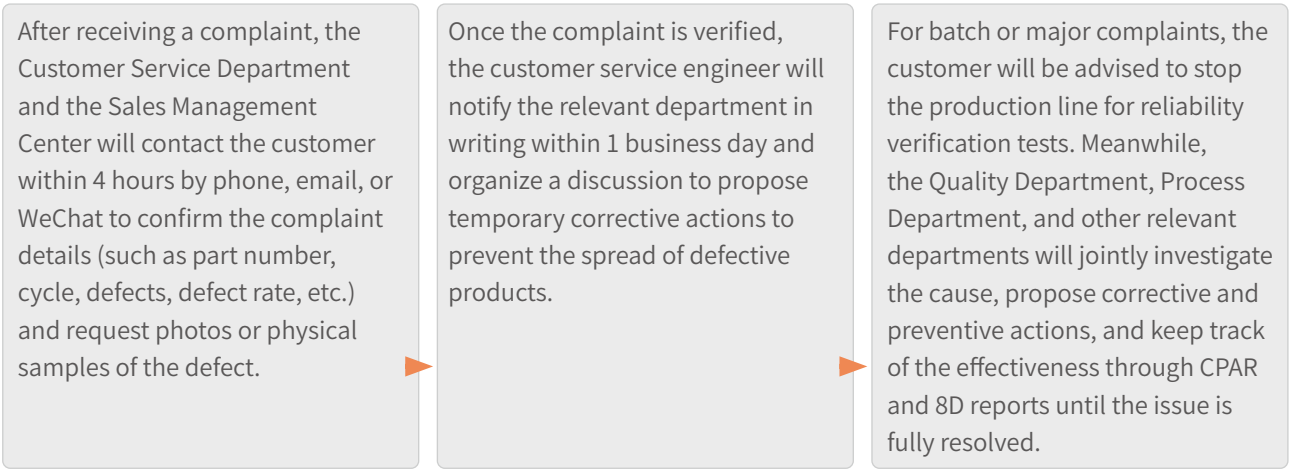
During the reporting period, the Company conducted a customer satisfaction survey, the returned questionnaires scoring above 80 points (out of a maximum of 100 points) is **98.37%**.

Customer Satisfaction Management Responsibilities and Measures

<p>Marketing Management Center</p> <p>The center is responsible for initiating and collecting questionnaires to ensure that surveys are launched according to the established proportions, with an overall response rate of at least 80%.</p>	<p>Quality Management Center</p> <p>The center is responsible for developing survey methods, identifying survey targets, designing survey templates, analyzing survey results, and leading the respective business units to create improvement reports.</p>	<p>Customer Service Teams in Each Business Unit</p> <p>They are responsible for implementing improvement measures based on the comprehensive analysis results.</p>
---	---	--

In strict compliance with customer CSR standards, IATF 16949, ISO standards, and relevant laws and regulations, Kinwong has developed the *Customer Complaint Handling Procedures* to ensure that customer complaints are handled promptly, with issues resolved in a timely manner, while continuously enhancing the Company's image of quality.

Customer Complaint Management Process



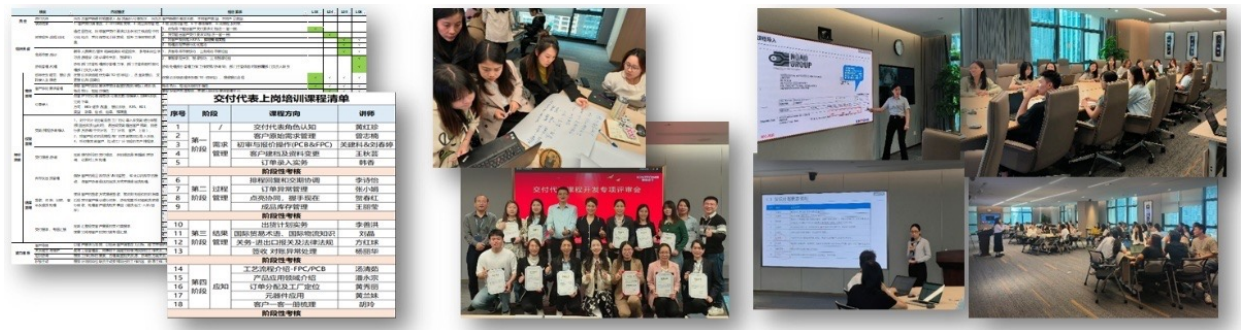
To standardize the follow-up work for customer after-sales services, such as returned products, Kinwong has developed the *Returned Product Analysis Procedures* and the *No Trouble Found (NTF) Operating Procedures*. The Customer Service Department is responsible for receiving returned products from customers and verifying product marking, cycle times, and complaint descriptions to confirm whether the feedback is true. Then, the department promptly collects and communicates relevant information, and when necessary, coordinates internal resources to proactively initiate and lead the NTF process. During this process, the department maintains close communication with customers and the supply chain, organizes tests and investigations, and follows up on all work until the issue is fully resolved. All analysis data should be shared with customers to ensure an open and transparent after-sales process that meets customer requirements.

Case

Talent Development Special Training for Delivery Representatives

In line with the ongoing supply chain transformation, delivery representatives, as key roles in improving customer delivery satisfaction and achieving operational excellence, should have their responsibilities further optimized. In February 2024, Kinwong officially launched the "Special Plan of Talent Development for Delivery Representatives" to systematically build a talent cultivation framework for delivery positions. The plan clarifies the focus and core competency requirements for delivery representatives at various levels and specifies that key business personnel are selected as internal trainers, aiming to accelerate talent growth through specialized training and continuously improve the business capabilities and organizational value of the delivery team.

The project achieved remarkable results. In January, the Delivery Representative Qualification Standard V1.0 was completed, and 18 essential training courses for new recruits were designed. From March to April, 15 internal trainers were trained and courses were developed through the workshop series. From May to November, two rounds of specialized training for new recruits were conducted, with a total of 1,105 instances of participation for 48.3 hours. The course satisfaction score reached 9.55, and 95% of new hires participated in the training. Over 50 delivery representatives were systematically trained, and 10 core courses were converted into video format, providing standardized learning resources for future talent development. This series of initiatives serves as a great support for our goal of supply chain transformation, laying a solid talent foundation for continuously raising our customer service level.



Drafting standards

Building capabilities for trainers

Professional training



Responsible Marketing

Kinwong strictly complies with laws and regulations such as the *Advertisement Law of the People's Republic of China* and the *Electronic Commerce Law of the People's Republic of China*. Adhering to the principles of responsible marketing, the Company has improved its marketing management system to ensure the accuracy and objectivity of promotional language. The Company has also established a rigorous compliance review system and approval process to ensure the authenticity of promotional information and promptly identify and prevent compliance risks. Additionally, the Company regularly conducts responsible marketing training to enhance employees' awareness of compliant marketing and professional ethics, ensuring the provision of high-quality services to customers.

During the reporting period, the Company did not receive any complaints or legal disputes regarding misleading promotional content or deceptive practices toward consumers.

Case

Responsible Marketing Training


In strict compliance with the *Civil Code of the People's Republic of China* and other laws and regulations, Kinwong has continued to improve its marketing compliance management system. In 2024, the Company established a Marketing Legal Business Partner (BP) role to strengthen business and legal collaboration. Through contract review meetings, specialized training, and case studies, Kinwong aims to enhance legal risk awareness and compliance capabilities across the organization, ensuring that customer services are provided in a legal, regulated, and efficient way.




| Collaborative Development of the Industry

Kinwong has actively participated in several industry associations, becoming a member and contributing to the development and review of industry standards. By engaging in various industry activities, the Company promotes industry collaboration and common development, strengthening its industry influence while also raising the level of industry standards.


Participation in Industry Associations




China Printed Circuit Association
Vice President Unit




Guangdong Printed Circuit Association
Vice Chairman Unit




Shenzhen Printed Circuit Association
Honorary Chairman Unit




Energy Storage Application Branch of China
Industrial Association of Power Sources




Guangdong Integrated Circuit Industry
Association




Guangdong Institute of Communications




Shenzhen Artificial Intelligence Industry
Association



Shenzhen Association of Medical Devices



Shenzhen Lighting and Display Engineering
Industry Association



Shenzhen Internet of Things Industry
Association

Participation in Review Meetings for Industry Standards

Kinwong participated in the review meetings for three industry standards, i.e., the *Direct Bonding Copper Ceramic Printed Boards*, the *General Requirements of Printed Circuit Board's Safety*, and the *Technical Specification for High Density Interconnect Printed Board*.

Participating in Three Standard Review Meetings Organized by the China Printed Circuit Association

Participation in Industry Activities

Kinwong participated in the International Electronics Circuit Exhibition (Shenzhen), where the Technical Director delivered a speech on "Edge AI Brings PCBs New Development Opportunities".

Delivering a Speech at the International Electronics Circuit Exhibition (Shenzhen)

69

70

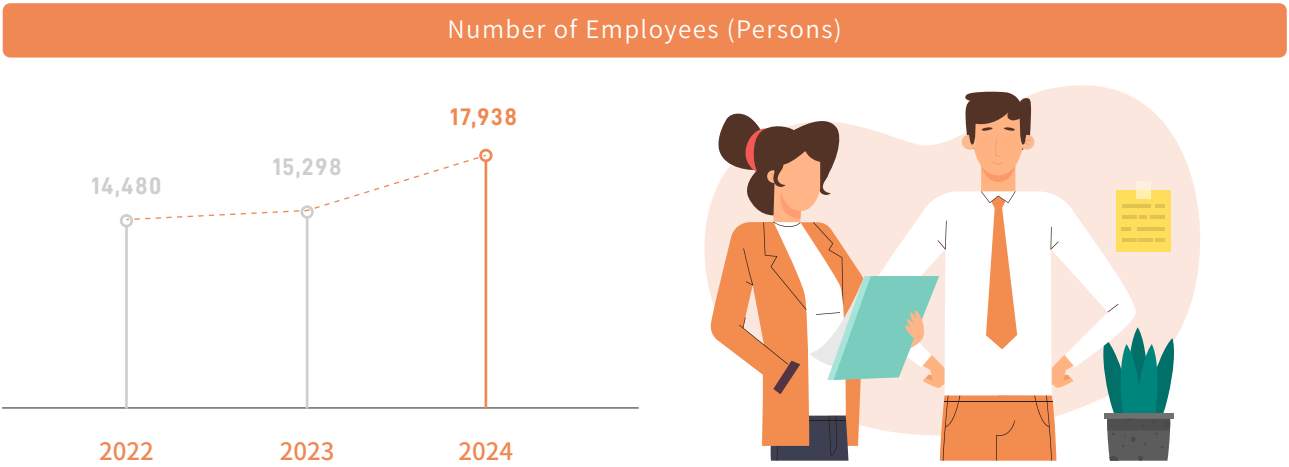
People-Centered, Shaping the Future Together

Standardized Talent Introduction

Kinwong adheres to a people-centered approach and strictly complies with relevant laws and regulations, such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. The Company has established and improved the labor management system to ensure compliance management in employee recruitment, employment, dismissal, compensation and benefits, working hours, and holidays. Additionally, the Company has established and improved a comprehensive talent development and training mechanism, aiming to create an all-around safe, healthy, and comfortable working environment. Furthermore, the Company also focuses on employees' career development and quality of life. By adopting innovative incentive mechanisms and a robust system for protecting employees' rights and interests, we strive to create value in partnership with our employees, share the fruits of our development, and grow together, all while advancing towards a brighter future of excellence.

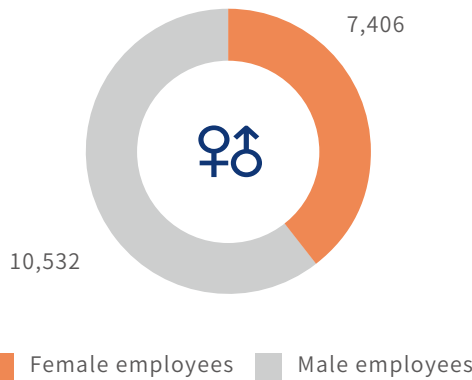
Kinwong upholds equal employment, prohibits child labor, resists all forms of forced labor, and strives to build a diverse workforce by providing a fair and inclusive work environment for employees regardless of their ethnicity, race, gender, or belief. The Company also actively assumes its role as a corporate citizen, resolutely opposing discrimination against vulnerable groups and ensuring employment opportunities for key and special groups, including hiring people with disabilities and offering them equal benefits and promotion opportunities. For formal employees, the Company ensures that labor contracts are signed based on the principle of equality and voluntariness and strictly complies with laws and regulations as well as the terms of the labor contract in dealing with matters such as the performance, renewal, dissolution, and termination of the labor contract, ensuring standardized employment practices.

Kinwong systematically breaks down its strategic plans to clarify the short-term and long-term core objectives and tasks of each department, forecasting the talent pipeline needed to support the Company's all-encompassing, sustainable development. The Company primarily recruits external talent through regular social and campus recruitment channels. Additionally, the Company developed a new pathway for HR recruitment in 2024, building a mid- to senior-level talent pool in the industry. This effort successfully attracted dozens of mid- to senior-level professionals in key areas such as technology R&D and market development, significantly enhancing the Company's core strength in market competition and providing strong support for rapid business expansion.



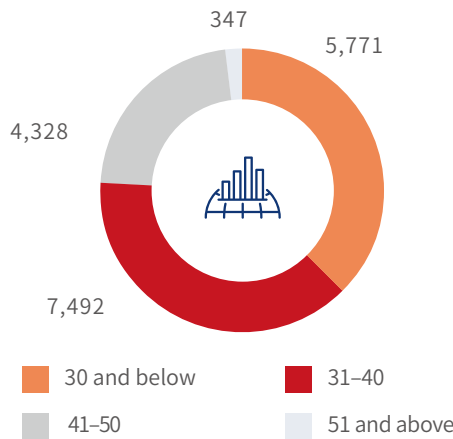
Total workforce by gender

Unit: Persons



Total workforce by age

Unit: Persons



Total workforce by job level	Unit	Persons
Senior management employees	Persons	62
Female employees in the senior management	Persons	6
Middle management employees	Persons	424
Female employees in the middle management	Persons	87
Frontline employees	Persons	17,452

Key Performance Indicators

Percentage of female employees
41.29%

Confirmed cases of discrimination
0

Percentage of ethnic minority employees
7%

Confirmed cases of forced labor
0

Social insurance coverage rate
100%

Confirmed cases of child labor
0

| Employee Development and Training

Kinwong has always regarded human resource development as a key strategic element to drive growth. Based on its core values, the Company emphasizes a talent concept where "everyone is accountable". It is dedicated to building a high-caliber, professional elite team with greater strength and vitality. Meanwhile, the Company has implemented an all-round training system with diverse training plans and established a scientific performance evaluation mechanism and comprehensive career development pathways, with a view to comprehensively enhancing employees' overall capabilities and stimulating their intrinsic motivation. Moreover, the Company actively promotes collaborative innovation of industries, universities, and research institutes and deepens the school-enterprise collaboration mechanism to foster innovation-oriented talents for sustainable development.

Core Values and Concepts of Talent Management

Customer-Centered

We place customer needs at the forefront and keep optimizing our services to improve customer satisfaction.

Self-Criticism

We remain committed to acknowledging both individual and organizational shortcomings and continuously engaging in self-criticism and improvement to make ongoing progress.

Down-to-Earth Approach

We advocate for honesty and practical actions and strive to achieve our goals through various means without engaging in false advertising or deceptive practices.

Crisis Awareness

We maintain a constant awareness of potential risks, adhere to a long-term commitment to hard work, and stay competitive to guard against various risks.



Integrity and Self-Discipline

We value the power of role models and hold ourselves and employees to high standards of integrity and self-discipline to maintain a positive corporate image.

Organizational Building

We focus on guiding subordinates' growth in their work, emphasize team development, and strive to build a cohesive organization while pursuing business performance.

Strategic Awareness

We cultivate strategic awareness and structured thinking, make scientific decisions with objectivity, and reject the pursuit of quick success and instant benefits.

Big Picture Thinking

We discourage individualism, emphasize the importance of teamwork, and advocate for a collective approach over focusing solely on individual interests.

Employee Career Development

Kinwong has established two main development pathways for employees: one for management talents and the other for professional talents. The Company has continuously improved employees' career development channels through internal transfers, regular selection and evaluations, and occasional additions.

Internal Transfers

Kinwong promotes internal transfers for current employees, enabling them to take the initiative to apply for vacant positions in the Company. This initiative effectively expands employees' career development opportunities in the Company.

Management Talent Promotion

Kinwong conducts evaluations for employee-job matching based on key position criteria, focusing on four aspects: core responsibilities, professional abilities, critical experience, and value contribution.

Professional Talent Promotion

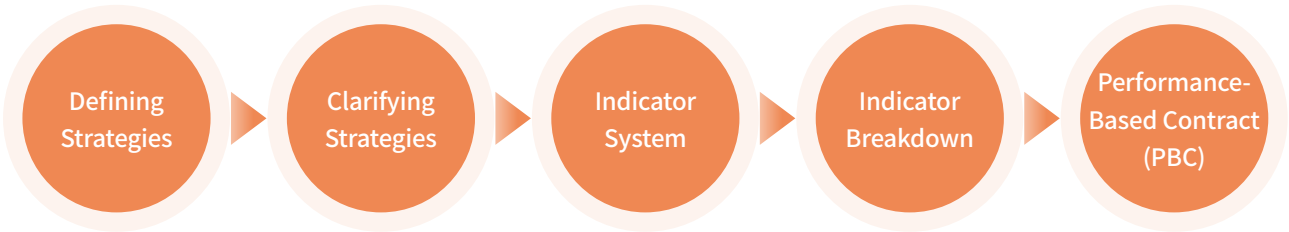
Kinwong evaluates professional talent based on job qualifications, with a focus on five dimensions: responsibility, professional feedback, expertise, communication and influence, and problem-solving ability.



Employee Performance Management and Incentives

Kinwong has established a comprehensive performance management indicator system through the formulation of the *Personal Performance Management Regulations* and the *Organizational Performance Management Measures*. Backed up by efficient management bodies, the Company has aligned strategies with Key Performance Indicators (KPIs), driving strategic goals through performance management.

Performance Management Implementation Pathways



The Company implements individual performance evaluations to guide and motivate employees to contribute to the organization's strategic goals, fostering mutual growth for both the organization and its employees. Individual performance indicators for employees include KPIs, key initiatives, teamwork, and personal development. The results of the annual performance evaluation are linked to employees' compensation, appointments, and development opportunities.

Performance Evaluation Frequency

	Monthly	Quarterly	Annual
Frontline Employees	√		√
Middle Management Employees		√	√
Senior Management Employees			√

Personal Performance Management Process



Our organizational performance management adheres to the following principles: aligning with the Company's strategies and business priorities; being performance-driven and emphasizing quantitative management; combining responsibilities, authorities, and rights to ensure fairness and justice; balancing incentives and constraints to promote positive motivation; and fostering communication and collaboration to drive continuous improvement. The Company's scope of organizational performance management assessment is as follows:

Assessed Organizations	Representative Departments
First-Tier Organizations	Product Lines, Marketing Management Center, Functional Departments of the Group
Second-Tier Organizations	Factories and platform departments under all product lines, departments under the Marketing Management Center, and departments under all functional departments of the Group
Third-Tier Organizations	Departments under the factories

Beyond the aforesaid initiatives, Kinwong stimulates employee engagement through daily management by organizing monthly recognition and reward activities to publicly praise outstanding individuals and teams. The Company, based on the phased work results, promptly acknowledges employees' outstanding contributions in areas such as efficiency improvement, quality control, and collaborative innovation during daily or weekly departmental meetings. This effort has strengthened positive guidance through a combination of spiritual motivation and the granting of honors. This high-frequency, ongoing recognition mechanism not only enhances employees' sense of belonging but also creates a proactive work environment that effectively improves overall performance.

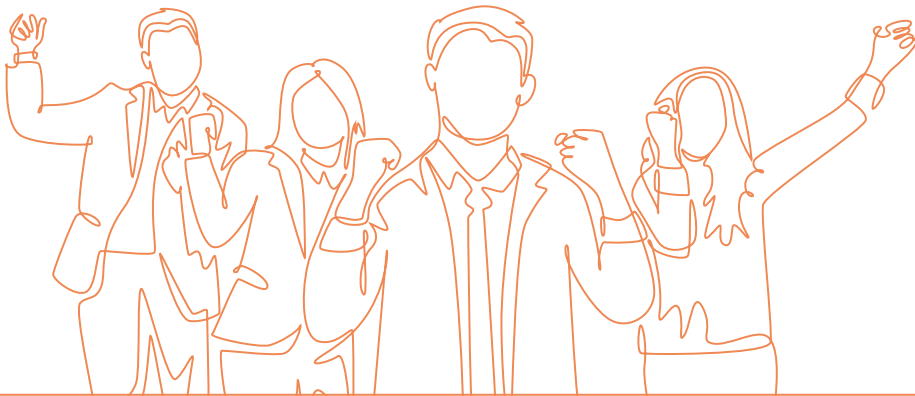


High-Frequency, Ongoing Recognition Mechanism

Employee Equity Incentives

To further establish and refine the Company's long-term incentive and restraint mechanisms, attract and retain top talent, and fully mobilize the core team's enthusiasm, Kinwong has made significant efforts to create an institutionalized, long-term equity incentive system. This system effectively aligns the interests of shareholders, the Company, and the core team, focusing their attention on the Company's long-term development and ensuring the successful execution of its development strategies and business objectives. The Company launched three phases of equity incentive plan in 2018, 2019, and 2024 respectively.

In April 2024, Kinwong released the *2024 Kinwong Stock Option and Restricted Stock Incentive Plan (Draft)*, which includes both stock option and restricted stock incentive plans. According to the plan, Kinwong intends to grant a total of up to 22.399 million shares to the incentive recipients, accounting for 2.66% of the Company's total share capital of 841.8739 million shares at the time of announcing the equity incentive plan. Of these, 19.4204 million shares were granted for the initial allocation, and 2.9786 million shares were reserved for future grants. The first grant under this incentive plan was completed in June, with 881 individuals registered for the initial grant. A total of 6.6779 million stock options and 12.0241 million restricted stocks were granted.



Employee Training System

In terms of talent development, Kinwong strives to help employees continuously optimize their job competencies, thereby supporting the Company's sustainable operations and development. To encourage employee learning and growth, the Company has established related systems such as the Training Management Measures, the Management Regulations on Internal Trainers, the Management Regulations on Employee Mentors, the Management Regulations on External Training, and the Management Regulations on Training Points. During the reporting period, the Company formulated the Management Regulations on College Student Development, in an effort to improve the attraction, selection, and training of college students. This policy has strengthened the mechanism for developing and managing college students, clarified the responsibilities of the departments involved, and provided effective guidance for the Company in selecting, utilizing, developing, and retaining young talents, thereby building a stronger team of young professionals for the Company.

Currently, the Company has established a mature talent training system, systematically training employees across four key groups: management personnel, professionals, trainers, and new employees. By combining theory with practice, the system aims to improve employees' comprehensive quality and professional skills, while ensuring the efficient operation and sustainable development of the organization through well-structured training and management.

Management Talent Development

The Company has defined a multi-level promotion pathway from team leaders to directors/general managers to ensure a robust management talent pipeline. Four training programs have been launched, including Green Seedling Program (Frontline Team Leader), Wind-Against Program (Line Manager), Evergreen Program (Middle Level Manager), and Green Pine Program (Executive Manager). Through tiered and targeted development programs, the Company helps new managers transition into their roles quickly and supports experienced managers to enhance their management skills to a higher level.

Professional Talent Development

The Company has defined a promotion pathway for professionals from assistant engineers to chief technical officers (CTOs), covering technical R&D, engineering processes, and other specialized fields. The Company also conducts professional courses in various areas, including marketing, technical R&D, production and manufacturing, quality management, operations management, and engineering processes, ensuring that talents in these areas receive systematic training.

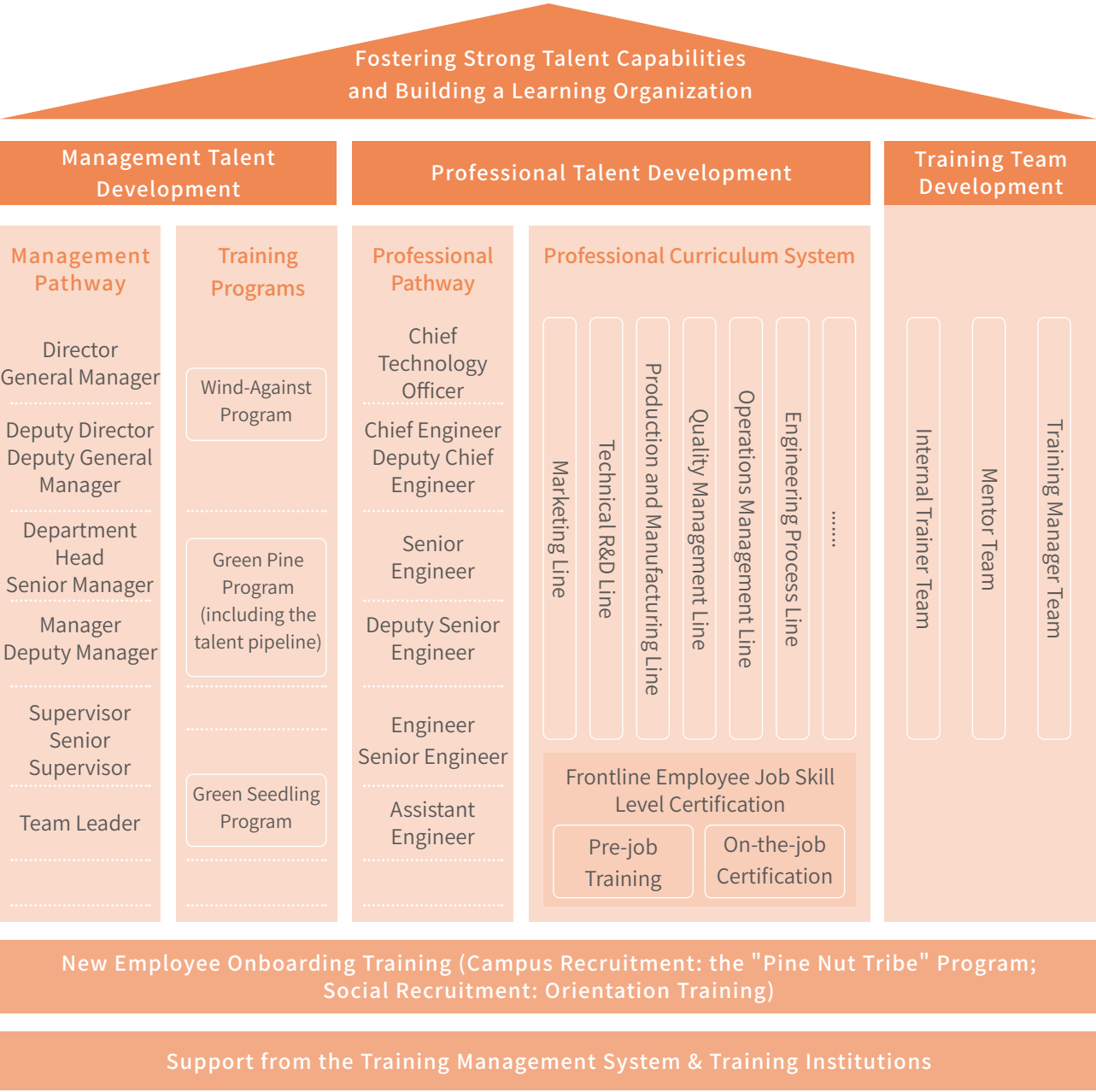
New Employee Development

The training programs for new employees are divided into two categories: the Kinwong Fresh Graduates Development Program for campus recruitment (the "Pine Nut Tribe" Program) and the training program for new hires through social recruitment. Through systematic training, the Company supports new employees in becoming competent in their positions at a fast pace.

Training Personnel Development

To accelerate talent development and foster a learning organization, the Company has increased training for internal trainers, mentors, and training managers, with corresponding management systems to support these efforts.

Kinwong's Talent Development System



Key Performance Indicators		
Total number of employees trained	Percentage of employees trained	Total training hours
16,195 persons	100%	170,199 hours
Number of training sessions	Total training investment	
2,707 sessions	RMB 2.81 million	

Employee Training Actions

During the reporting period, Kinwong focused its training system on cultivating talented managers, developing the training management system, training young professionals, and improving training regulations. The key training actions and results are as follows:

Talented Manager Development: In 2024, the Company completed the first phase of "the Green Pine Program-Young Manager Training Camp" for talent development. 36 trainees were selected and received 4 intensive training sessions covering 11 courses and 60 hours of systematic training. From May to December, they engaged in job-specific mentorship and hands-on projects, which greatly enhanced their ability to manage key tasks in their roles and strengthened both their professional and managerial skills.

Training Management System: The Company focused on optimizing the system, improving the functional modules that had been developed, and making timely adjustments based on business needs. Currently, 8 modules have been developed and launched, including training plan management, training examination management, training demand research, trainer management, mentor management, employee job certificate management, training operations management, and data report center.

Internal Trainer Management and Development: In 2024, the Company intensified efforts to train and certify internal trainers through various activities aimed at improving their abilities and qualifications. A total of 338 trainers were certified in the Group, including 288 junior, 48 mid-level, and 2 senior trainers.

Annual Departmental Training Plans: Departmental training mainly focused on management skills, job-specific skills, operating procedures, quality knowledge, and workplace safety. Group-level training programs covered four major areas, including 7 sessions for manager training with 14 courses, 15 courses for fresh graduates, 59 sessions for new employees through social recruitment, and additional professional training in areas such as quality, equipment, and technology.

Case Young Manager Training Camp—Cultivating Talented Managers

To thoroughly implement the "Double Hundred Project" strategic plan, Kinwong officially launched the "Young Manager Training Camp" development program in April 2024. The program built an innovative five-dimensional integrated training system—Test, Learn, Practice, Coach, and Evaluate—to nurture high-potential talents. The program, focused on developing a professional and youthful management team, carefully selected 36 core employees as reserve managers after a rigorous selection process. Throughout the 9-month closed-loop training, they engaged in blended learning, tackled real-world challenges in practical projects, received guidance from executive mentors, and studied classic management literature. With these efforts, the program aims to address management challenges such as the lack of vitality and capability gaps in the leadership team. During the reporting period, the program reached key training milestones, including talent assessment and profiling, as well as leadership-focused intensive training. Concurrently, significant policy developments were made, including the *Talent Pipeline Selection Criteria* and the *Job-Specific Practice Mentorship Manual*. These outcomes have laid the groundwork for the establishment of a long-term manager development system.



Site of the Young Manager Training Camp

Case

Kinwong Fresh Graduates Development Program—the "Pine Nut Tribe" Program

The "Pine Nut Tribe" Program, an integral part of Kinwong's training efforts for new graduates, follows a "669" development model. This model includes assessments at the 6th, 12th, and 21st months of employment, along with opportunities for promotion and salary increases. Combining these three nodes, the Company offers a 21-month training program for fresh graduates, which is structured into four stages: centralized training, personal quality development, production line internships, and job practice. The program is designed to help fresh graduates integrate into the corporate culture, understand business processes, meet job requirements, and enhance their professional skills, ultimately enabling them to fully integrate into Kinwong and become high-performing employees with stable behavior, improved working competence, and strong professional skills.



Training Camp of the "Pine Nut Tribe" Program

Case

Job Standards Training Program for Frontline Employees

In 2024, Kinwong comprehensively advanced the job standards training program for frontline employees. The program aims to standardize the required knowledge and skill standards for frontline workers across all factories, optimize the job assessment process, and integrate the management of job certificates into the E-HR system through digital means, thereby enhancing basic management and operational efficiency. This initiative has significantly improved the job skills of frontline employees, ensuring that production efficiency and product yield meet customer expectations.

Throughout the year, the Company unified the development of job certificate management scopes and skill standards, guiding 7 factories to standardize the skill certification process. Additionally, the Company issued the group-level document, *Management Guidelines on Frontline Employee Job Certificates*, reinforcing the management system through routine inspections. In collaboration with the Information Management Department, the Company also developed a module for job certificates in the E-HR system. The module enables automatic grading of online assessments, automatic retrieval of job certificates, report generation, and one-click printing, greatly streamlining manual processes.

Case

Data Analysis and Visualization (BI) Empowerment Camp

Kinwong launched the second phase of the Data Empowerment Camp in November 2024 to further advance its data strategy. This training program targeted mid-to-senior-level managers and key business personnel, offering two core courses: Managerial Data Analysis Thinking Training and BI Tool Practical Operations. A total of 9 specialized training sessions were conducted, covering 512 participants. The training employed practical teaching methods, including case analysis and tool exercises, to systematically enhance participants' data insight capabilities and deepen the application of data in sales analysis, operations monitoring, and other business scenarios. The program also established a cross-departmental communication mechanism for data application to foster experience sharing across business units. The second phase of training built upon the previous phase, strengthening closed-loop management. Following the training, key business departments saw a 40% increase in data report utilization and a 25% rise in the frequency of management data decision meetings, effectively supporting the Company's refined management objectives. Moving forward, the Data Empowerment Camp will continue to evolve its curriculum system and accelerate the development of a digital talent pipeline, providing core momentum for the Company's strategic transformation.



Case

International Talent Training

To support its internationalization strategy, Kinwong officially launched a Multi-language Proficiency Improvement Plan in 2024, with a focus on specialized English and Japanese training. The program brought together a team of 30 internal certified trainers and reached over 300 employees through a three-tier training system, encompassing basic, intermediate, and advanced levels. The courses covered three modules: technical terminology, daily communication, and business practices, using diverse and innovative teaching methods such as special lectures, scenario simulations, and interactions with native-speaking instructors. Additionally, foreign language-themed days were organized. This systematic training has significantly enhanced employees' cross-cultural communication skills and supported the Company's global expansion with high-quality talents.



International Training Site

Academic and Skill Enhancement Subsidies

To meet the external training needs for organizational capability development across departments and enhance employees' job skills and professional qualities, Kinwong has established the *External Training Management Regulations*. Employees can apply for external training that is relevant to the knowledge, skills, and qualifications required for their positions, as well as for training initiated by employees based on their personal career development, which aligns with the Company's or department's business development trends (including continuing education, e.g., undergraduate and associate degree programs). Employees may submit requests for external training and reimbursement applications to the Company, which will cover the related costs incurred from participating in external training.

School-Enterprise Cooperation

From a mid- and long-term talent reserve perspective, Kinwong actively expands school-enterprise cooperation, reaching deep partnerships with higher education institutions to jointly establish specialized school-enterprise programs. These programs integrate cutting-edge PCB professional knowledge with a special emphasis on oral English skills, aiming to meet the Company's future talent needs in international business expansion.

To ensure a smooth transition from campus to the workplace, the Company arranges for students to intern at the Company during their critical senior year. During the internship, students familiarize themselves with the Company's organizational structure, operational processes, and the core skills required for their roles. This school-enterprise integration model enables students to quickly adapt to the Company's work environment after graduation, becoming a young driving force behind the Company's sustained development. This process has established a stable and high-quality young talent pipeline for the Company, ensuring a continuous stream of human resources for its long-term development.

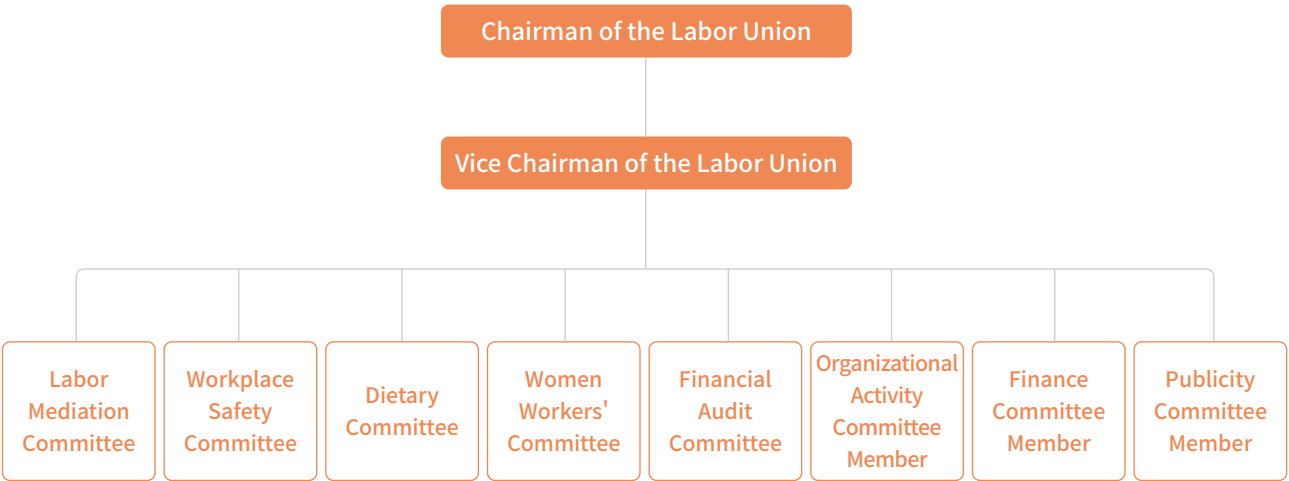
| Enhancing Employee Well-being

Democratic Management

Kinwong adheres to democratic management principles, respecting and safeguarding employees' democratic rights. The Company has established a comprehensive collective bargaining mechanism, providing employees with open communication channels while maintaining stable and harmonious labor relations between the Company and its employees. In accordance with the *Trade Union Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations, the Company has established a Labor Union and formulated the *Labor Union Management Measures*.

The Labor Union focuses on the Company's production and operations and fulfills its basic duties to safeguard employees' legitimate rights and interests in compliance with the law. It plays a key role in organizing and participating in the Company's democratic management and supervision, coordinating labor relations and promoting harmonious development in the Company to ensure sound corporate growth.

Organizational Structure of the Labor Union



Key Performance Indicators

Labor Union members	Resolution rate of the Labor Union's demands	Number of workers' congresses held:
13,616 persons	100%	27

Employee Welfare System

Kinwong adheres to the philosophy of putting people first and enhances employees' happiness and organizational identification through a diversified welfare system. In addition to offering basic guarantees such as statutory holidays, social insurance, and housing provident fund, the Company has also introduced special welfare programs covering commercial insurance, commuting buses, health check-ups, and other benefits. These efforts aim to create a supportive workplace ecosystem that fosters mutual growth between employees and the Company.



Social Insurance and Housing Provident Fund

The Company provides employees with social insurance and contributes to their housing provident fund, safeguarding their social security rights.

Commercial Insurance

The Company offers commercial insurance for employees and provides them with more comprehensive protection, including accident insurance and health insurance.

Annual Activity Fund

The Company allocates an annual activity fund to organize a variety of events for employees, thereby strengthening employee cohesion and fostering a sense of belonging.

Holidays

The Company offers paid annual leave and holiday breaks, ensuring that employees have ample rest time outside of work.

Health Check-ups

The Company organizes regular health check-ups for employees, paying attention to their physical health and providing health management services.

Commuting Buses

The Company offers convenient commuting bus services to address employees' transportation needs.

Employee Dormitories and Electricity Subsidy

The Company provides accommodation benefits for employees in need, along with an electricity subsidy.

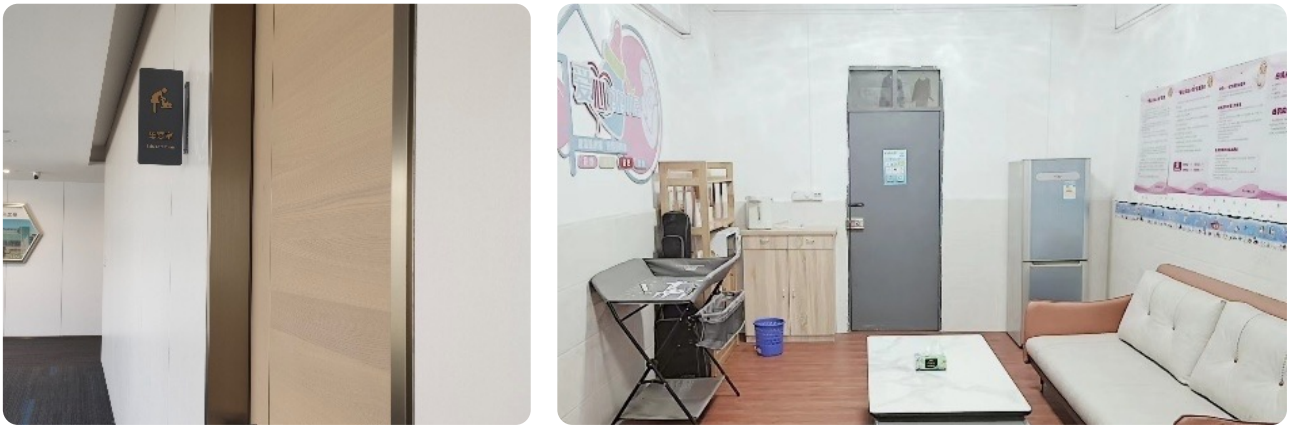
In addition, Kinwong continues to take employee care actions by establishing a long-term assistance mechanism for disadvantaged groups. Through dynamic investigation and precise identification, the Company provided multifaceted support to 56 employees facing difficulties in 2024, addressing issues such as illness, accidents, or family calamities. The Company has adopted a tailored support strategy, including financial aid, psychological counseling, and resource coordination, to effectively ease employees' burdens. Regular follow-ups and tracking services have been conducted to ensure that these efforts have a lasting impact. These initiatives have not only increased employees' sense of belonging and cohesion but also underscored the Company's dedication to humanistic care and corporate social responsibility.

Employee Satisfaction

Kinwong values the creation of a positive work atmosphere and strives to reduce work stress through a series of care activities. The Company encourages employees to actively participate in activities that promote fitness and health. Every year, the Company conducts an annual organizational atmosphere survey for all employees. The survey includes factors such as work recognition, personal care, encouragement for development, respect for opinions, recognition of progress, and learning and growth. In 2024, 12,522 valid questionnaires were collected, with a high response rate of 90%. The results showed that the overall organizational atmosphere score in 2024 was 3.90 on average, an increase from 3.81 in 2023, marking a continuous upward trend for three consecutive years.

Care for Female Employees

Kinwong places a high priority on protecting the rights and well-being of female employees. The Company offers benefits such as maternity leave, paid childcare leave, termination of pregnancy leave, as well as breastfeeding time and breaks, while also regularly organizing care activities for female employees during special holidays. Additionally, the Company has established a mother-baby room, equipped with a changing table, microwave, and hot drinking water, providing a private and comfortable space for breastfeeding mothers.



Mother-Baby Room

Case "Caring for Pregnant and Postpartum Women for a Better Health" Theme Activity

In 2024, Longchuan Kinwong's Party Branch launched the "Caring for Pregnant and Postpartum Women for a Better Health" theme activity, which aims to show the Party organization's attention to the physical and mental health of female employees through targeted care for special groups and to deepen the people-centered corporate culture. The activity focused on supporting women during pregnancy and postpartum, with efforts to enhance the employees' sense of belonging and corporate cohesion while creating a warm and inclusive working environment by promoting scientific health concepts.



Longchuan Kinwong Party Branch's "Caring for Pregnant and Postpartum Women for a Better Health" Theme Activity

Case International Women's Day Activity

During International Women's Day 2024, the Company's production bases organized a series of themed activities, with the core goal of caring for female employees. The diverse activities strengthened the Company's humanistic care through festive interactions. These activities focused on enhancing female employees' career happiness and sense of belonging, with ceremonial celebrations enhancing team cohesion. The activities also conveyed the corporate culture of "respecting female values and creating a harmonious workplace". Furthermore, employees' sharing and media coverage have helped shape a positive corporate image of caring for employees and fulfilling social responsibilities, boosting the Company's brand reputation and corporate unity.



Shenzhen Kinwong's Gift-Distributing Site



Longchuan Kinwong's Handcrafting Activity

Employee Care Activities

Kinwong has established a diverse employee care system, providing emotional exchange platforms for employees by organizing activities such as art performances, handcrafting, and collective birthday celebrations during major holidays. Additionally, the Company has organized Family Open Days and Parent-Child Fun Fairs to extend its care to employees' families. With a cozy work environment and people-oriented management systems, Kinwong has continuously enhanced employees' happiness and cultivated a warm corporate culture.



Shenzhen Kinwong's "Dragon Boat Festival and Father's Day" Activity



Longchuan Kinwong's "Rainbow Run" Dragon Boat Festival Activity



Jiangxi Kinwong's "Enjoy Mid-Autumn Festival at Kinwong" Park Visiting Activity



Ganzhou Kinwong's Summer Tea Party



"Colorful and Happy Summer Vacation" Parent-Child Activity



Shenzhen Kinwong's Parent-Child Activity

| Creating a Healthy Work Environment

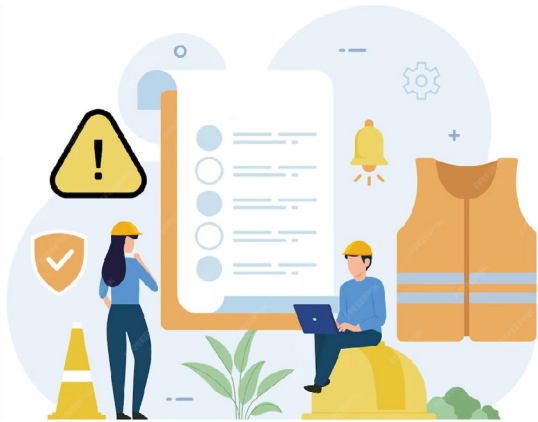
Kinwong places a high value on occupational health and safety. The Company has continuously improved its management system and elevated workplace safety levels across the board by strengthening responsibility implementation, optimizing processes, and enhancing technical means, thereby ensuring the health and safety of employees. The Company strictly complies with national laws and regulations as well as its internal systems and procedures, including the *Safety Manual*, the *Occupational Health and Safety Management Manual*, the *Emergency Response Plan for Workplace Safety Accidents*, the *Safety Management Objective System and Management Regulations*, the *Regulations on Workplace Safety Responsibilities*, and the *Regulations on Safety Hazard Identification and Rectification*. These frameworks ensure standardized management of workplace safety and occupational health in the Company. By the end of the reporting period, Shenzhen Kinwong, Longchuan Kinwong, Jiangxi Kinwong, Zhuhai Kinwong Flexible, and Zhuhai Kinwong have successfully obtained ISO 45001:2018 Occupational Health and Safety Management System certification.



Kinwong's ISO 45001:2018 Occupational Health and Safety Management System Certification

Occupational Health and Safety Policy

- Establish a healthy and safe work environment in compliance with legal and regulatory requirements.
- Continuously improve health and safety risk training and disseminate health and safety knowledge.
- Conduct regular reviews to ensure effective implementation.



Workplace Safety Management Framework

Kinwong has established a strategic safety management system, with the President and the President's Office at the core. As the highest decision-making body for occupational health, workplace safety, public security, and fire protection, the system coordinates safety governance across the entire industrial chain through regular special meetings. To enhance strategy execution, the Company has innovatively established a vertical management system for the Workplace Safety Committee across five production bases. The committee systematically implements safety development strategies through a closed-loop "decision-making-execution-evaluation" mechanism. By integrating tiered management and collaborative governance, the Company has effectively achieved the strategic goals of permeating safety responsibility, significantly boosting risk prevention capabilities, and continuously improving intrinsic safety levels. This has established a model of systematic safety management with demonstration effects in the industry.

Occupational Health and Safety Work Objectives

Kinwong attaches great importance to the occupational health and workplace safety of its employees and always adheres to the principle of "safety foremost, prevention first, comprehensive management, and harmonious development". The Company has made meticulous efforts in prevention, hazard identification, rectification, and education. In 2024, the Company set a series of occupational health and safety work objectives.

Key Performance Indicators

New cases of occupational diseases: 0	NO fire or explosion accident throughout the year
Percentage of employees exposed to occupational hazard factors undergoing occupational health checks: 100%	Completion of safety hazard rectifications: 100%
Implement workplace safety responsibility systems at all levels, reduce accidents, and eliminate serious and major accidents	Percentage of employees receiving safety education: 100%

Occupational Health Measures

Kinwong has systematically advanced occupational health protection through the establishment of a scientific health management system. By focusing on prevention, the Company has made coordinated efforts to optimize the production environment and promote health awareness. The Company has developed a multi-dimensional protection system that includes physical protection and knowledge dissemination by regularly conducting occupational disease prevention and treatment publicity campaigns, health check-ups, and personalized health guidance. Beyond providing basic health protection, the Company emphasizes cultivating employees' self-protection awareness and spreading health concepts through both online and offline educational models. By continuously improving its closed-loop occupational health management, the Company has effectively prevented and controlled occupational hazard risks, safeguarding employees' health rights and fostering a shared health culture ecosystem between the Company and its employees. The management model has become an industry benchmark for prioritizing occupational health of employees. During the reporting period, the Company organized an Awareness Campaign on HIV, STDs, and Tuberculosis Prevention and Treatment and an Occupational Health Check-up Campaign.



Awareness Campaign on HIV, STDs, and Tuberculosis Prevention and Treatment



Occupational Health Check-up Campaign

Workplace Safety Measures

The Company has established clear control objectives for reducing general accidents, controlling major accidents, and eliminating serious and major accidents, along with implementing several workplace safety management measures.

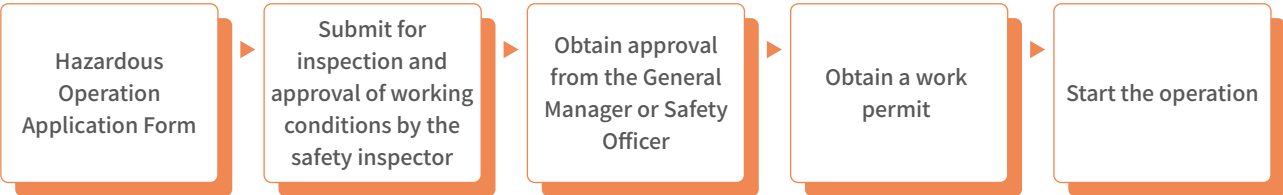
- Fully implement a workplace safety responsibility system for all employees, sign workplace safety responsibility agreements with general managers of the factory, department managers, and operators in different positions, and give rewards and penalties in accordance with the safety performance assessment and reward-punishment system.
- Actively communicate with relevant departments, strengthen equipment and facility management, and explore the establishment of a foolproof interlocking control mechanism for equipment to achieve inherent safety and prevent safety accidents.
- Sort out and identify various hazards, establish control measures, and maintain records. Assign specific individuals, positions, and duties for monitoring via signage to ensure no safety hazard.
- Implement a system to guarantee workplace safety investments, and ensure the availability of emergency response teams, emergency equipment and suppliers, firefighting equipment and facilities, and related personnel and materials.
- Strengthen occupational health management to create a favorable working environment and ensure workplace safety.
- Designate workplace safety management personnel, and refine and enforce the workplace safety responsibility system for all employees and the system for holding employees accountable for safety accidents.
- Enhance workplace safety awareness through publicity and education, and provide ongoing education for all employees to foster a corporate safety culture focused on safety awareness and the care for life.

Additionally, the Company has developed an Emergency Response Mechanism to implement a tiered response approach:

- **Major Accident Emergency Response Procedure:** The Company activates the emergency rescue plan in accordance with this procedure and mobilizes internal resources across all departments to manage the situation.
- **Serious Accident Emergency Response Procedure:** The Company activates the emergency rescue plan in accordance with this procedure and mobilizes internal resources across all departments to manage the situation. At the same time, the Company reports to the higher-level emergency response command department, requesting the department to initiate the corresponding emergency response plan and pool forces to address the situation.

In addition, the Company has established the *Special Operations Management System* to regulate hazardous operations involving open flames or potential fire hazards due to high temperatures or sparks. The Company also mandates that all hazardous operations be reported in accordance with established procedures.

Hazardous Operation Reporting Process



Indicator	Unit	Statistical data		
		2022	2023	2024
Investment in workplace safety	RMB million	19.25	25.43	49.8727
Investment in occupational health of employees	RMB million	1.83	2.07	2.5907
Number of employees accepting safety training	Persons	/	/	21,428
Duration of safety training	Hours	/	/	358,245.5


Safety Emergency Drills

Safety is the cornerstone of the steady development of an enterprise. Kinwong consistently places safety at the core and considers emergency drills as a key measure to safeguard employees' lives and ensure stable production. In 2024, the Company meticulously organized and successfully carried out several environmental emergency drills, focusing on hazardous chemical spill and fire safety simulations. These drills not only strengthened employees' awareness of prevention but also significantly improved their ability to respond in emergency situations. Through practical simulations, employees became familiar with emergency plans and operational procedures in advance, enabling them to act swiftly and effectively when faced with real emergencies, thus minimizing the risk of accidents. The Company's systematic and regular drill mechanism has not only bolstered the overall safety level of the enterprise but also provided employees with a safe and reliable working environment, further solidifying Kinwong's leading position in the industry.

Case

Emergency Drill for Confined Space Operations

Shenzhen Kinwong organized an Emergency Drill for Confined Space Operations on July 18th, 2024, aimed at strengthening operation safety management and preventing accidents. This drill focused on maintenance work in confined spaces such as waste liquid reaction tanks and underground sump pits. The drill strictly followed standardized procedures, with a detailed plan prepared and submitted to the Safety Department for review prior to commencement. Safety measures, such as ventilation, gas detection, and power shut-off, were implemented. Mandatory ventilation was maintained for over 12 hours during operations, and only certified personnel, after passing a qualified inspection, were permitted to perform the work. Operators were equipped with protective gear such as respirators and safety ropes, and a 30-minute rotation system was implemented under supervision by designated personnel. The drill covered the entire process of risk control, strengthening personnel's emergency response capabilities through hands-on training and simulated scenarios. As a result, the safety standards for confined space operations were further standardized, ensuring a safe production environment for the enterprise.



Drill Site

Case Hazardous Chemical Spill and Firefighting Drill

In 2024, the Company conducted hazardous chemical spill and firefighting drills at the Shenzhen headquarters factory in both the first and second halves of the year. The drill held in June 2024, themed "Clearing Life Channels", simulated scenarios such as hazardous chemical spills, firefighting, and personnel evacuation. The entire evacuation process was completed in just 5 minutes, with no injury. The volunteer fire brigade demonstrated the use of fire extinguishers, escape masks, and first aid measures, providing employees with hands-on practice in early fire suppression and cardiopulmonary resuscitation (CPR). During the drill, under full command of the leadership, the emergency response plan was executed efficiently, and equipment functioned properly, validating the scientific effectiveness of the plan and the team's ability to collaborate. However, some employees showed laxity during the evacuation, and some performed non-standard firefighting operations. To address these issues, targeted safety training will be enhanced moving forward. This drill heightened employees' emergency awareness, raised the overall safety and prevention level of the enterprise, and laid a solid foundation for future emergency response.



Hazardous Chemical Spill Emergency Response



Firefighting Drill



Gas Defense Emergency Drill



CPR Emergency Drill

Social Contributions and Feedback

Kinwong remains dedicated to the core principle of giving back to society by actively fulfilling its social responsibilities, aligning with national development strategies, integrating into local growth, and driving social progress. Through its involvement in ecological development, educational support, rural revitalization, and other public welfare initiatives, the Company is committed to fostering a win-win development between the enterprise and society.

Public Welfare Activities

Kinwong actively promotes the concept of public welfare, consistently spreading warmth to society and giving back through community service, charitable donations, and support for people with disabilities. At the same time, the Company places great emphasis on cultivating employees' awareness of public welfare, fostering a culture of giving through concrete actions.

Key Performance Indicators

During the reporting period, the Company invested in public welfare with a total of RMB 2.98 million.

Case Participating in Tree Planting to Support Ecological Development

Tree planting and increasing greenery coverage are key initiatives to implement the concept of "green development, circular development, and low-carbon development" in Nanshui Town, Jinwan District, Zhuhai City. As an enterprise with the most growth potential in Nanshui Town, Zhuhai Kinwong upholds the principle of "jointly building a sound ecosystem and a low-carbon future", actively spreading positive energy for green development. In March 2024, the Chairman of the Labor Union and Party Branch members of Zhuhai Kinwong, along with representatives of active applicants for Party membership, participated in a tree planting event organized by the Social Affairs Service Center of Nanshui Town under the theme of "Building a Greener Ecosystem for Guangdong". Employees worked together to dig, plant, and water the trees, successfully planting 200 saplings. This event strengthened employees' awareness of environmental protection and responsibility, and actively contributed to the development of ecological civilization.



Tree Planting Event

Case Spreading Love through Charitable Blood Donation

In response to the blood supply shortage in Zhuhai, the Company organized a voluntary blood donation event at the Zhuhai Kinwong Flexible Labor Union Activity Center in October 2024. Prior to the event, the Company promoted blood donation awareness among employees through posters and educational videos. On the day of the event, employees underwent physical exams and completed the blood donation process in an orderly manner, with 81 employees donating a total of 25,950 milliliters of blood. This initiative demonstrated the Company's commitment to social responsibility, spreading love, and contributing to the creation of a harmonious society.



Voluntary Blood Donation Event



Token of Gratitude from the Zhuhai Central Blood Station

Case Supporting People with Disabilities for a Shared and Pleasant Life

On China's 34th national day of assisting disabled persons, May 19th, 2024, Longchuan Kinwong donated RMB 50,000 to the Longchuan Disabled Persons' Federation under the theme of "Supporting People with Disabilities for a Shared and Pleasant Life", demonstrating its commitment to actively fulfilling social responsibilities. The charity funds were managed by the Longchuan Charity Federation to support programs that assist individuals with disabilities. This donation not only conveyed the Company's care and compassion but also highlighted its social mission and dedication to the community.

Rural Revitalization

Kinwong deeply understands that the key to rural revitalization lies in talent, and its core focus is on industries. Through charitable donations, infrastructure development, and industrial investments, the Company has made non-targeted assistance efforts to support rural development, improve the quality of life for residents, and promote social harmony and stability, injecting strong momentum into rural revitalization.

Case Longchuan Kinwong donated RMB 2 Million on "6·30" Guangdong Poverty Relief Day

On the 15th Guangdong Poverty Relief Day on June 28th, 2024, Longchuan Kinwong actively leveraged its positive role as a local enterprise and participated in the "6·30" rural revitalization event in Heyuan City, Guangdong Province, donating RMB 2 million to support rural revitalization. Longchuan Kinwong has participated in the "6·30" Guangdong Poverty Relief Day event for seven consecutive years, with a total donation of RMB 8 million. These funds have been used not only for poverty alleviation but also for disaster relief, education, healthcare, culture, and sports, continuously contributing to the harmonious development of society.



Longchuan Kinwong Supporting Rural Revitalization

Case Infrastructure Donation to Promote Rural Revitalization

In alignment with its business philosophy of "people foremost, manufacturing competitive products, expanding the enterprise, and repaying the society", the Company responded to national and local government calls for rural revitalization in December 2024 by donating RMB 100,000 to Gaozhu Village, Hushi Town, Chishui City, Zunyi for infrastructure construction and maintenance. Additionally, the Company actively supported the "Hundred, Thousand, and Ten Thousand Project" championed by the CPC Guangdong Provincial Committee, aimed at fostering high-quality development in one hundred counties, one thousand towns, and ten thousand villages. To this end, the Company donated RMB 50,000 to the Nanchang Village Community Park and coastal line improvement project of Nanshui Town. These initiatives provided strong support for rural revitalization.



Donation for Nanchang Village Development Project

Case Donating Stationery to Assist Underprivileged Children's Education

In June 2024, Zhuhai Kinwong responded positively to the district's poverty alleviation efforts by sending 160 sets of school supplies in packages to primary school students in Huangtao Village, Guandian Town, Xishui County, Guizhou Province. This donation provided essential learning tools to children in poverty-stricken areas, helping improve their educational conditions. It also showcased the Company's strong commitment to fulfilling its social responsibility and supporting educational poverty alleviation.



Sending School Supplies to Underprivileged Children



03

Environmental

Guided by the environmental philosophy of "implementing clean production to build beautiful parks", Kinwong remains committed to the original mission of driving green transformation by embedding green and low-carbon transition into its core development strategy. The Company advances this commitment through various actions, including propelling green design and manufacturing, continuously improving production technologies and processes, strictly controlling toxic waste emissions, and encouraging green lifestyles. By actively reducing environmental impacts, improving resource utilization efficiency, and advancing green development across the board, Kinwong contributes meaningfully to the industry's green transition and global ecological progress.



Environmentally Friendly and Green Innovation

| Environmental Management System

Kinwong consistently upholds the environmental management policy of "complying with environmental laws and regulations, conserving energy, reducing energy consumption and waste, ensuring clean and safe production, pursuing continuous improvements, and building a green homeland". To strengthen the internal control and management of environmental issues across the Company and its branches and subsidiaries, and to ensure legal and compliant environmental practices, the Environmental Management Department has developed a comprehensive *Environmental Management Manual*. The manual covers all key environmental management areas, including wastewater treatment, waste gas pollution control, hazardous waste management, monitoring facilities management, environmental safety management, and production workshop environment management. It has been implemented across all production bases to ensure legal and compliant environment management, effectively enforce the Company's environmental policies and advance progress toward its strategic development goals. Additionally, branches and subsidiaries have developed a set of tailored management measures in key environmental management areas based on their operational realities, and rigorously follow the annual key environmental objectives to ensure the successful implementation of all tasks.

Key Areas	List of Internal Regulations (Examples)
Emission Management	<i>Operating Procedures for Wastewater and Waste Liquid Treatment, Air Pollution Prevention and Control Procedures, Waste Treatment Procedures, Operating Procedures for Wastewater and Waste Liquid Discharge in Production Workshops, Testing Procedures in Water Treatment Workshops</i>
Noise Management	<i>Noise Pollution Prevention and Control Procedures</i>
Soil Protection	<i>Soil Pollution Prevention and Control Procedures</i>
Environmental Safety	<i>Environmental Inspection Procedures, Environmental Emergency Response Procedures, Management Procedures for Confined Space Operations, Management Procedures for Environmental Workshops</i>

Throughout the year, the Environmental Management Department developed an *Internal Control Management Manual for the Environmental Management Department* under the leadership of the Audit and Supervision Department to further standardize environmental risk management processes and continuously improve environmental management practices. Furthermore, the Company mandates that each responsible unit and individual for pollutant discharge implement an environmental protection management target responsibility system. Each year, the Environmental Department of each base organizes factory heads to sign the *Environmental Protection Management Target Responsibility Agreement*, ensuring the effective implementation of primary responsibilities for environmental management at all levels.

The Company adheres to the principle that "everyone is accountable for their actions, with penalties applied according to their responsibilities" in its environmental management work, enforcing a strict reward and penalty system as outlined in the *Reward and Penalty Management Measures* and linking it to performance evaluations. The Company recognizes and rewards individuals and teams that contribute to environmental management while taking their performance into account during onboarding, probation, job leveling, award evaluations, and promotion assessments. Employees found responsible for environmental incidents caused by serious dereliction of duty or violations (such as legal, regulatory, or disciplinary breaches) will be subject to criticism or even penalties. In cases of violations of environmental laws and regulations, legal responsibility will be pursued through the judicial authorities.

Key Performance Indicators

During the reporting period, the Company recorded administrative penalty for environmental incidents from the Ministry of Ecology and Environment and other relevant departments:0. All waste gas and wastewater were treated to meet standards before being discharged or reused, and all waste materials were disposed of or recycled in compliance with regulations.

Environmental Compliance Audit and System Certification

The Audit and Supervision Department conducts an annual audit of the Environmental Department at each production base in strict accordance with the *Internal Control Management Manual for the Environmental Management Department*. The audit focuses on the environmental management operation process, pollution control levels, environmental protection training, and other aspects, aiming to continuously improve the environmental management system. Meanwhile, the Company has actively promoted the environmental management system certification across its production bases. The Jiangxi Kinwong PCB Factory was certified as a "National Green Factory" and was awarded the "Waste-Free Factory" by Ji'an. Shenzhen Kinwong also won honorable titles such as "2023 Green Manufacturing and Environmental Protection Excellence Enterprise" and "Environmental Integrity Enterprise".

Certifications Received by Kinwong by the End of 2024

Base Name	ISO 14001 Environmental Management System Certification	ISO 50001 Energy Management System Certification	ISO 14064 Greenhouse Gas Emission Verification Statement	ISO 14067 Product Carbon Footprint Certification	UL 2799 Environmental Claim Validation Procedure for Zero Waste to Landfill
Shenzhen Kinwong	Passed	Passed	Passed, with a reasonable assurance level	Passed	Passed (Platinum)
Jiangxi Kinwong	Passed	To be passed in 2025	Passed, with a reasonable assurance level	Passed	/
Zhuhai Kinwong Flexible	Passed	To be passed in 2025	Passed, with a reasonable assurance level	/	Passed (Platinum)
Zhuhai Kinwong	Passed	Passed	Passed, with a reasonable assurance level	Certification in process	Passed (Platinum)
Longchuan Kinwong	Passed	Passed	Passed, with a reasonable assurance level	/	Passed



Kinwong's Production Bases Passed ISO 14001 Environmental Management System Certification



Kinwong's Production Bases Passed ISO 14064 Greenhouse Gas Emission Verification Statement

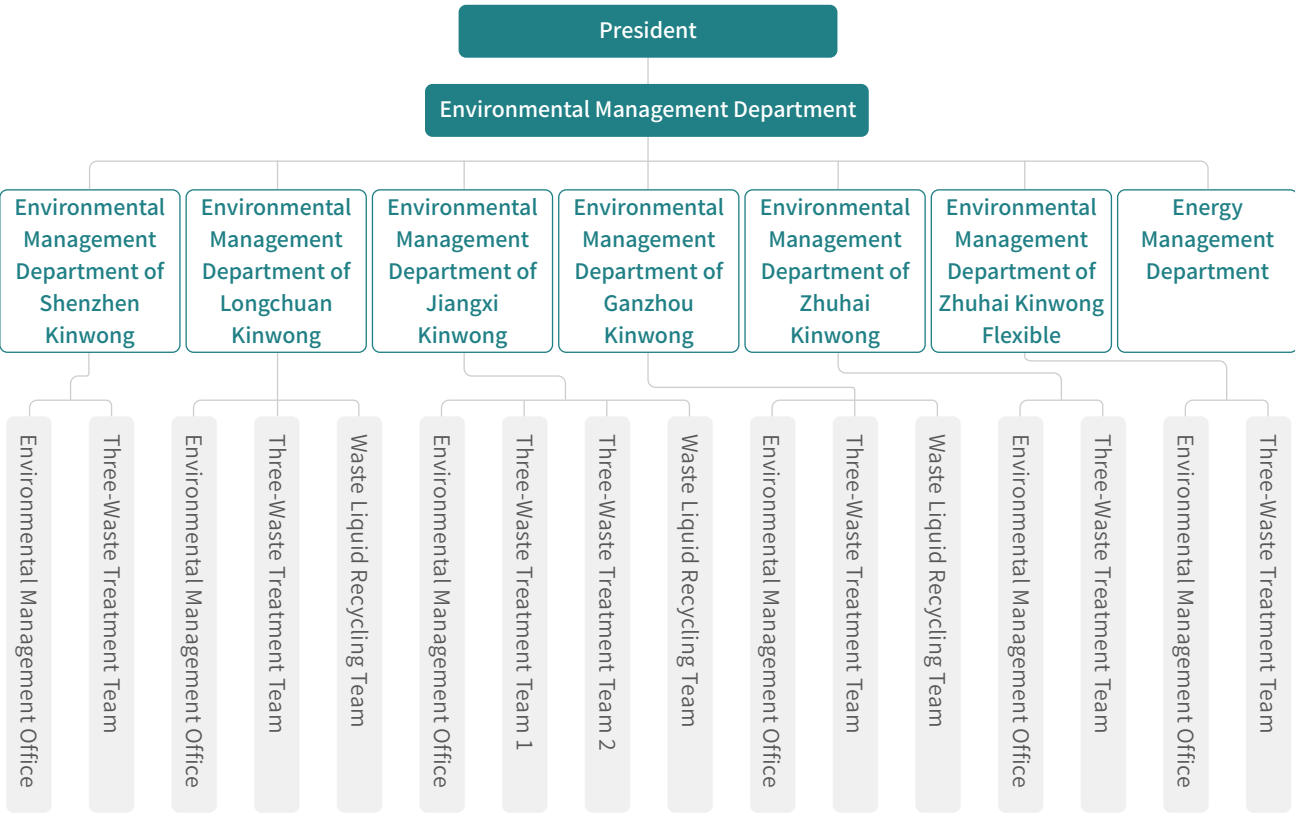


Kinwong's Production Bases Passed ISO 50001 Energy Management System Certification

Environmental Management Structure

Kinwong remains committed to unifying environmental management standards and energy management criteria, continuously improving the environmental and energy management systems, increasing resource utilization efficiency, and working to achieve the goal of standardized environmental management and meet all energy-saving and consumption reduction targets. All these efforts aim to facilitate the Company's strategic goal of "carbon neutrality". To support the aforesaid initiatives, the Company established an Environmental Management Department during the reporting period. The President of Kinwong serves as the highest responsible person for environmental management, while the Environmental Management Department is responsible for planning and coordinating environmental management, energy management, and public energy resource systems across the Company. It also undertakes the Company's environmental management responsibilities and the implementation of the carbon neutrality strategy, continuously strengthening the Company's environmental management capabilities. Each production base has an Environmental Management Department, responsible for overseeing environmental management at the respective base. The department also implements the Company's environmental protection strategy and addresses the specific needs of the factory's production operations, ensuring that the base's environmental practices comply with environmental laws and regulations and maintain environmental safety. Furthermore, the Company has established a second-tier department for energy management, responsible for managing the Company's energy, planning the public energy resource system, and organizing and implementing the Company's strategic plan for carbon neutrality.

Organizational Structure of Kinwong's Environmental Management Department



Environmental Performance Goals

Kinwong is committed to the environmental sustainability management goal of "peaking carbon emissions by 2025 and achieving carbon neutrality by 2050". To fulfill this commitment, the Company tracks, evaluates, and updates its short-term, mid-term, and long-term environmental performance goals annually, demonstrating its ambition and proactive efforts to stay aligned with the trends of carbon emission reduction in the new era.

Kinwong’ s “Dual Carbon” Goals			
Goal Setting	Short-Term, Mid-Term, and Long-Term Plans	Specific Content	Progress
Overall Goals			
Peaking carbon emissions	2025	Peak carbon emissions (Scope 1 and Scope 2)	Third-party carbon verification shows that the Group’ s carbon emissions reached the peak in 2024 (Scope 1 and Scope 2).
Achieving carbon neutrality	2050	Achieving carbon neutrality (Scope 1 and Scope 2)	By gradually increasing the use of clean energy, purchasing I-RECs, and continuing to invest in energy-saving and technological upgrading efforts, the goal of achieving operational carbon neutrality by 2050 is progressing.
Breakdown of Goals			
Completing the setting of SBTi science-based targets	2024	Completing the setting of science-based targets by 2024	Kinwong applied for SBTi in October 2024. Currently, the commitment has been submitted on the SBTi website. Target setting will be completed in 2025.
Achieving green supply chain certification	2024	Achieving green supply chain certification by 2024	Shenzhen Kinwong completed the Green Supply Chain certification and was publicly listed on the Ministry of Industry and Information Technology’ s official website on December 30th, 2024.
Achieving ISO energy management system certification	2025	Achieving ISO energy management system certification by 2025	/
Achieving carbon neutrality across the supply chain	2050	Working with key suppliers to achieve carbon neutrality by 2050, in alignment with Kinwong’ s goals (Scope 1 and Scope 2)	/
Specific Action Goals			
Carbon peaking	2023-2025	Expanding production capacity and achieving carbon peaking by 2025	Third-party carbon verification shows that the Group’ s carbon emissions reached the peak in 2024 (Scope 1 and Scope 2).
	2026-2035	Reducing carbon emissions by 40%	/
	2036-2040	Achieving a 7% reduction in annual carbon emissions annually	/
	2041-2045	Achieving a 13% reduction in annual carbon emissions annually	/
	2046-2050	Reducing carbon emissions by 20% annually, based on the 2045 baseline	/

Additionally, the Environmental Department at each production base sets annual environmental management indicators and corresponding commitment targets based on departmental planning and actual production operations. These indicators and targets cover areas such as environmental inspections of factory, compliance rates of three-waste treatment, major environmental incidents, and environmental protection training, and are summarized and reported at the end of the year. During the reporting period, the environmental performance goals for each production base were basically achieved.

Environmental Risk Management

To further strengthen environmental risk control, the Company has developed systems such as the *Environmental Factors Registration and Evaluation Form* and the *Hazard Identification, Evaluation, and Risk Classification Control List*. By regularly identifying and reviewing environmental risk factors, evaluating their impact, and compiling a list of significant environmental factors, the Company formulates targeted risk control measures, continuously enhancing its environmental risk management capabilities.

Moreover, the Company and its branches and subsidiaries have strictly formulated the *Contingency Plan for Environmental Emergencies* in strict compliance with the *Measures for the Environmental Emergency Response Management*, the *Measures for Filing Management of Contingency Plans for Environmental Emergencies in Enterprises and Public Institutions (Trial)*, the *Law of the People's Republic of China on Work Safety*, and the *Regulation on the Safety Management of Hazardous Chemicals* to establish and improve its environmental emergency response mechanism and to handle such emergencies in a timely, orderly, efficient, and proper manner. The Company regularly conducts environmental risk assessments, identifies and addresses potential environmental risks, and actively organizes emergency training and exercises. These efforts effectively improve the ability of employees to handle environmental emergencies and collaborate effectively, strengthening the Company's overall environmental risk prevention and control.

Case

Longchuan Kinwong Hosts Environmental Emergency Drill in Heyuan

The 2024 Heyuan Environmental Emergency Drill was held on December 13th, 2024 in Longchuan County, with Longchuan Kinwong participating as the organizer. The drill was conducted through "on-site simulated scenarios" and aimed to test the joint response capability of municipal and county ecological environment departments, as well as industrial enterprises. In the drill scenario, Longchuan Kinwong was involved in an incident where a driver mistakenly drove a vehicle into a storage tank area during the transfer of copper-containing waste liquid. The incident resulted in the destruction of the tank containment berm, leading to significant leakage of copper-containing waste liquid. Some of the liquid directly contaminated the ground, while a portion flowed into the stormwater drainage system. The copper-containing waste liquid emitted high concentrations of ammonia, and due to inadequate protection, the operator inhaled the toxic fumes, leading to difficulty breathing and eventually collapsing unconscious on the ground.

Longchuan Kinwong, in collaboration with the municipal and county ecological environment departments, simulated the entire environmental emergency response process, including information reporting and notification, activation of the contingency plan, pollution disposal during emergency response, emergency monitoring, external rescue operations, and post-incident handling. With full cooperation from the environmental emergency command members, the incident was handled effectively, and the drill was successfully concluded. The systematic and comprehensive approach to this environmental emergency response significantly enhanced Longchuan Kinwong employees' practical emergency handling capabilities, playing a positive role in effectively mitigating various environmental risks.



Environmental Emergency Drill Site

Environmental Protection Training

The Environmental Management Department of Kinwong's branches and subsidiaries strictly comply with the requirements of the *Environmental Management Manual* and develop an environmental training plan annually. Monthly, at least one environmental training session is held for all employees, conducted in formats such as face-to-face training and on-site demonstrations. Training topics include improving job operation skills, equipment maintenance procedures, environmental protection knowledge explanation, behavior norms, and job safety risk management. Training courses include emergency drills on confined space operations and the standardized management of general solid waste and hazardous waste. The effectiveness of the training is tested through exams or on-site Q&A sessions.

Key Performance Indicators

During the reporting period, the Company and its branches and subsidiaries conducted training sessions on environmental protection: **331**.

Toxic Emissions and Circular Economy

Kinwong places great emphasis on managing emissions and waste to minimize environmental impact during its operations. Strict management standards have been established, and various measures are in place to dispose of wastewater, waste gases, hazardous waste, and general industrial solid waste in compliance with national environmental protection laws and regulations and the Company's sustainable development goals.

Three-Waste Treatment

In terms of wastewater treatment, the Company monitors water consumption on a monthly basis and directs the wastewater generated at its production bases to municipal wastewater and industrial wastewater treatment systems to ensure that discharges meet regulatory standards and reduce pollution of surrounding water bodies.

Regarding waste gas treatment, the Company employs advanced purification equipment and technologies to treat waste gas effectively and conducts regular monitoring of emissions to ensure compliance with related discharge standards.

Jiangxi Kinwong Optimized the Waste Gas Treatment Process

Jiangxi Kinwong optimized its waste gas treatment process in 2024 by upgrading the treatment process for some organic waste gas treatment towers from "water spraying + demister + UV photolysis + activated carbon adsorption" to a more efficient biological method, achieving a removal rate of waste gas of 90% and significantly lowering volatile organic compound (VOC) concentrations. The emissions were monitored by a third-party testing agency, confirming that the discharge met national standards.



Jiangxi Kinwong's Efficient Biological Waste Gas Treatment Method

As for hazardous waste management, the Company strictly complies with relevant laws and regulations to classify, store, and treat hazardous waste while entrusting professional disposal companies or facilities for safe disposal, thereby avoiding environmental and health hazards.

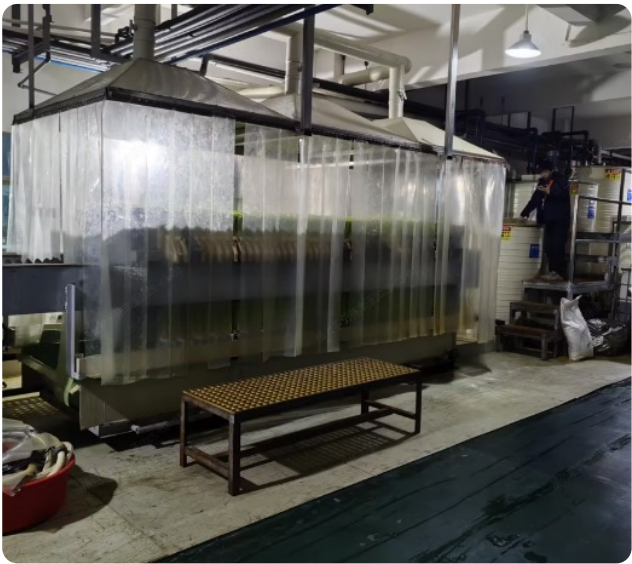
Targeted at general industrial solid waste, the Company implements classification, storage, and treatment, promoting waste reduction, resource recovery, and recycling to minimize the negative environmental impact.

Highlighted Solid Waste Recycling Projects at Certain Production Bases

Jiangxi Kinwong actively responds to the government's clean production policies that promote reduction at the source, resource recovery, and harmless disposal of solid waste. The Company has reduced the volume of outsourced solid waste disposal by internally recycling copper-containing waste liquid, acid/base etching liquids, and tin-containing waste liquids, thereby reducing solid waste generation at the source and achieving solid waste recycling.



Jiangxi Kinwong's Copper-Containing Waste Liquid Recycling

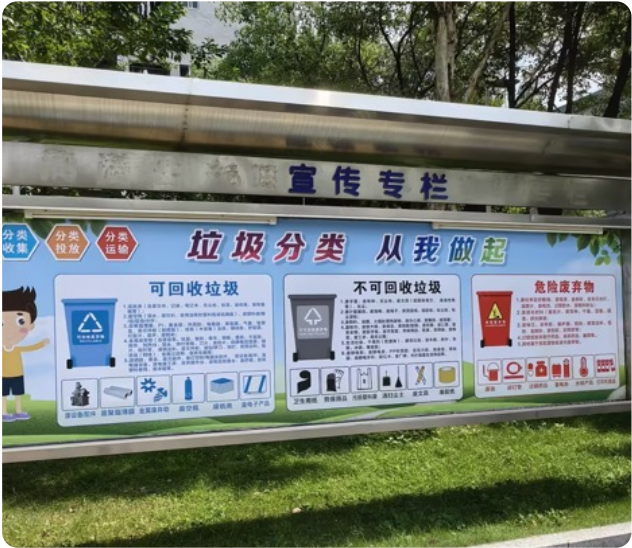


Jiangxi Kinwong Tin-Containing Waste Liquid Recycling

In 2024, Longchuan Kinwong recycled 14,320.24 tons of copper-containing waste liquid, 169.76 tons of de-tinning wastewater, and 3,487 tons of waste acid in its waste liquid resource recycling workshop.

Circular Economy

Low-carbon development is one of the key initiatives for high-quality development in China today. The Company fully promotes the concept of green office practices, including the use of Huawei Cloud for remote work. Longchuan Kinwong held a low-carbon environmental work exhibition where employees created handmade artworks from waste materials and eco-friendly materials. This activity aimed to encourage a green, environmentally friendly lifestyle and reduce waste among employees. A total of 800 employees participated. Additionally, a waste recycling station was set up on-site, where employees could drop off recyclable materials like plastic bottles and cardboard. In return, they received succulent plants, turning waste into greenery and deepening the environmental consciousness.



Kinwong's Environmental Awareness Promotion Bulletin Board

Improving Resource Utilization Efficiency

The Company continues to integrate the sustainable development concept into the entire production and operation process. By refining water resource and material use management requirements, the Company promotes standardized and systematic management practices, aiming to improve resource utilization efficiency across production and operations and to implement a green development philosophy.

Water Resource Management

Kinwong recognizes the importance of water resource conservation. In strict compliance with the *Water Law of the People's Republic of China*, the *National Water Conservation Action Plan*, and local laws and regulations, the Company has established a comprehensive system that includes water conservation management regulations, water conservation statistics regulations, and water-saving reward and penalty regulations. These regulations are all part of our efforts to advance the building of a water-saving enterprise and promote the scientific use of water resources. Through key management initiatives such as surveys on water-using materials, water supply and drainage pipeline network inspections, maintenance and renovation of water appliances, water balance tests, enhanced water-saving management systems, water-saving awareness promotion, and daily inspections, the Company has established and improved the long-term water-saving mechanism that effectively reduces water intake and consumption and improves water resource utilization efficiency. During the reporting period, each base met its set quantitative water-saving targets. Zhuhai Kinwong passed the city's water-saving enterprise assessment, and Jiangxi Kinwong received the honorable title of "Provincial Water-Saving Benchmark Enterprise".



Key Water-Saving Projects at Production Bases

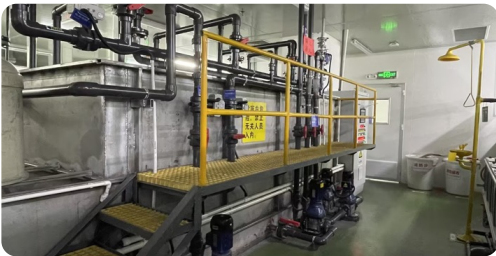
Zhuhai Kinwong and Jiangxi Kinwong

The reclaimed water system uses a mechanical filtration + RO membrane system technology, which is energy-efficient, high-performance, pollution-free, and practicable. This system processes wastewater generated from various production lines, waste gas towers, and A-class warehouses as well as the concentrated water produced by the pure water station, and reuses the treated wastewater for production in production lines like HLC and SLP, and for cooling in the air compressor cooling towers at the SLP factory and the rooftop cooling towers.



Longchuan Kinwong

The MPCB factory's grinding line uses MBR membrane-based water reuse technology for water conservation, which does not require any chemical additives. The wastewater reuse rate for this production line is up to 95%, with unlimited cycles of reuse.



Shenzhen Kinwong

The PCB inner-layer etching line adopts a multi-stage overflow method, saving an average of 450m³ of tap water per month after developing and stripping.

Renewable Resources Management

Kinwong takes it upon itself to develop a green circular economy through sustained efforts in the recycling and reuse of waste and used materials, such as raw and packaging materials. The Company has formulated the *Recycled Resources Management Regulations* and established a Recycled Resources Management Department, responsible for the full-process management of waste and used materials covering collection, transport, storage, energy conservation, emission reduction, disposal, and substitution. By gathering rational suggestions for the recycling of waste and used materials or material substitution across all factories, and evaluating the feasibility and benefits of resource utilization, the Company continuously improves resource utilization efficiency, reduces waste generation, and promotes the development of a circular economy.



Recycle and reuse used cardboards

Indicator	Unit	2022	2023	2024
Recycled packaging materials	Tons	10,872.55	10,750.17	18,662.04

Climate Governance and Low-Carbon Transformation

Climate change is one of the most pressing challenges facing the world today. Kinwong deeply recognizes the far-reaching impact of climate-related risks and opportunities, both on its business and the entire industrial chain. Therefore, the Company is committed to driving a clean and low-carbon energy transformation in its production and operations. Additionally, it focuses on developing scientific and effective response measures to proactively address climate change through a systematic analysis of the risks and opportunities it presents, thereby contributing to global sustainable development.

Governance

The Company has established an organizational structure and working mechanism for the greenhouse gas emissions management system, with responsibilities covering the management of climate-related matters and the integration of climate-related risks into the overall risk management framework of the Group.

The management representative of the Environmental Management Department of the Company plays a leading role in climate change issue management and reports to the Board of Directors at least once per year on greenhouse gas emissions targets, climate assessments in the value chain, and the identification of climate risks and opportunities. The energy-saving and consumption-reduction task force, acting as the executive body, is responsible for coordinating all departments, factories, as well as branches and subsidiaries to comprehensively implement climate change issue management.

Risk and Opportunity Management

In developing its carbon management system, Kinwong considers both internal and external factors, as well as meteorological and environmental needs and expectations, to ensure the achievement of anticipated results and continuous improvement. In risk classification, the Company focuses on strategic planning, operations, finance, market, legal, and credit risks, including challenges in policy environments, supply chain management, financing channels, and market competition. To mitigate these risks, the Company strives to prevent adverse impacts, improve carbon management performance, and continuously enhance the carbon management system to address the challenges posed by climate change.

Kinwong's Climate Risk Identification and Response

Risk Type		Risk Item	Risk Description and Impact	Response Strategy
Physical Risks	Acute Risks	Extreme weather events such as typhoons and heavy rain	Extreme weather events may damage factory buildings, office buildings, and equipment, interrupt operations, and cause asset loss. Product production and timely delivery may be impacted by equipment malfunctions, employees being unable to work, and transportation disruptions, leading to increased operational costs.	· Identify possible asset damages, with necessary insurance covered. · Continuously improve the natural disaster emergency response mechanism, stock emergency supplies, strengthen safety checks, implement emergency response plans for extreme weather events, and conduct regular emergency drills.
	Chronic Risks	Rising sea levels	Entities operating in coastal areas need to relocate to inland regions, resulting in increased production costs due to damage to fixed assets or their premature scrapping.	· Avoid choosing low-lying areas when expanding locations. · Ensure complete fire safety equipment, conduct fire safety drills and training, and raise employees' safety awareness and preparedness.

Risk Type		Risk Item	Risk Description and Impact	Response Strategy
Physical Risks	Chronic Risks	Rising temperatures	Higher temperatures may require additional cooling equipment, increasing operational costs. Employees may struggle to work outdoors for extended periods in high-temperature seasons, which may affect operational efficiency.	· Scientifically schedule production plans, organize production efficiently, and enhance operational efficiency.
		Long-term drought	The resulting water shortage may impact operational stability.	· Avoid building factories in areas with high water supply risks, and continue promoting water-saving initiatives.
Transition Risks	Policy and Legal Risks	Stringent carbon emission management polices and regulations	The government has introduced stricter policies and regulations to mitigate climate change. This increases the compliance burden on businesses and may lead to a rise in related lawsuits or claims. Carbon emission trading in China has adopted a carbon pricing system, resulting in higher operational costs for businesses.	· Keep track of carbon emission policies and regulations in business locations to respond effectively to changes in policies and laws. · Actively promote energy-saving and emission-reduction initiatives and increase the share of clean energy.
	Technological Risks	Transition to low-carbon technologies	Investment in low-carbon technology may fail. Failure to identify and apply low-carbon technologies may result in the Company falling behind industry peers in the low-carbon transformation of products.	· Improve R&D capabilities through talent cultivation and retention. · Continuously research and apply low-carbon technologies and actively engage in industrial collaboration. · Use energy-efficient production equipment, optimize production processes, and explore energy-saving and emission-reduction projects to reduce energy consumption.
	Market Risks	Rising raw material costs	Raw material and energy costs may increase. The Company may fail to meet consumer demand for green, low-carbon products.	· Build an intelligent energy cloud platform, implement price forecasting and energy monitoring analysis, and enhance energy management and control capabilities.; · Actively develop green, low-carbon products to meet consumer demand. · Continue promoting resource-saving initiatives.
	Reputation Risks	There is increasing public attention on the Company' s performance in sustainable development.	Negative feedback from stakeholders may occur if the Company performs poorly in addressing climate change and sustainability.	· Actively disclose climate-related risks, opportunities, and response measures. · Set energy-saving and emission-reduction management targets and regularly monitor progress. · Increase transparency in relevant management and actively respond to stakeholder inquiries.

While facing climate-related risks, Kinwong has also taken active moves to identify climate-related opportunities that can provide new momentum and development directions for its sustainable growth. By effectively managing risks and seizing opportunities, the Company aims to enhance its competitiveness and lay a solid foundation for long-term sustainable development.

Kinwong's Climate Opportunity Identification and Response

Opportunity Type	Opportunity Description and Impact
New Market Demand	With the increasing demand for renewable energy and energy-efficient products in society, the Company can expand its market share by launching environmentally friendly products. This allows the Company to meet consumer demand for green products, gaining a larger competitive advantage in the market.
New Technological Innovation	By investing resources in environmental technology research and development, the Company can develop new green technologies and solutions. These innovations not only meet market demand and enhance the competitiveness of products but also help Kinwong adapt to the challenges brought by climate change better in the future.
New Business Models	The Company explores new business models such as the circular economy and sharing economy to offer more environmentally friendly and sustainable products and services. This will help Kinwong continuously reduce resource consumption, lower carbon emissions, and meet the growing consumer demand for environmental sustainability, thereby achieving sustainable development.

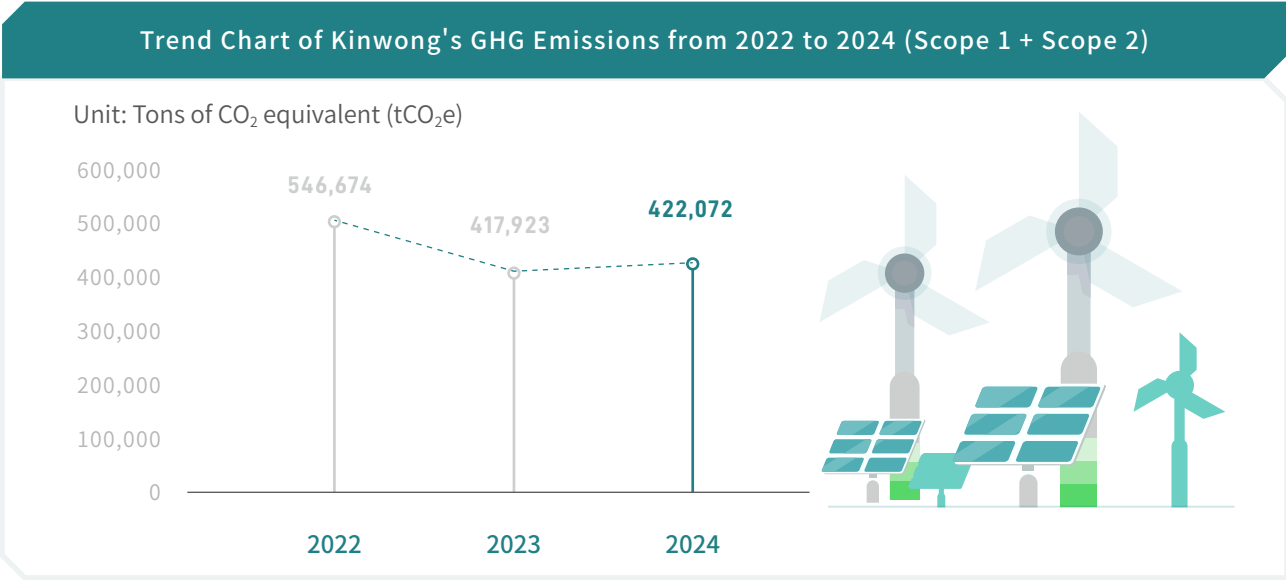
Indicators and Targets

Kinwong's "dual carbon" goals are developed based on internal carbon inventory and external carbon verification results, as well as the tracking and analysis of national "dual carbon" policies. Carbon emission measurements are calculated using internationally recognized standards, including the GHG Protocol and ISO 14064-1. For the past three years, the Company has conducted corporate greenhouse gas emission verifications. In 2024, third-party institutions were hired by each production base to verify their greenhouse gas emissions data for the year of 2023. This helps identify greenhouse gas emission hotspots and set scientifically-based reduction targets, while formulating effective reduction measures to jointly achieve the Company's long-term goal of carbon neutrality by 2050.

In addition, the Company recognizes that enhancing corporate awareness through measurement and information disclosure is crucial for effectively managing carbon emissions and climate-related risks. The Company has actively participated in the Science-Based Targets initiative (SBTi) and made a commitment to SBTi targets while engaging in the Carbon Disclosure Project (CDP) to make contributions to low-carbon development.

Kinwong's GHG Emissions from 2022 to 2024

Indicator	Unit	2022	2023 ¹	2024 ²
Total GHG emissions (Scope 1 + Scope 2 + Scope 3)	Tons of CO ₂ equivalent (tCO ₂ e)	546,674	786,293	1,382,067
Direct emissions (Scope 1)	Tons of CO ₂ equivalent (tCO ₂ e)	16,594	18,782	20,850
Indirect emissions (Scope 2)	Tons of CO ₂ equivalent (tCO ₂ e)	530,080	399,141	401,222
Scope 3 ³	Tons of CO ₂ equivalent (tCO ₂ e)	/	368,370	959,994



Note:

1.The Company adjusted the 2023 GHG emission factor using the 2021 national average CO₂ emission factor published by the Ministry of Ecology and Environment, which is 0.5942 tCO₂/MWh, excluding electricity generated from non-fossil energy from market trading. The 2023 GHG emissions were recalculated based on this factor.

2.The Company adjusted the 2024 GHG emission factor using the 2022 national average CO₂ emission factor published by the Ministry of Ecology and Environment, which is 0.5856 tCO₂/MWh, excluding electricity generated from non-fossil energy from market trading. The 2024 GHG emissions data were verified by a third party.

3.The increase in Scope 3 GHG emissions data in 2024 is attributed to the following facts: 1) Jiangxi Kinwong's Factory 3 was put into production in 2024, which increased the 2024 GHG emissions data calculation boundary compared to 2023; 2) In 2024, Scope 3 GHG emissions included 15 categories, 6 more than that in 2023.

Energy-Saving Equipment and Technologies

Kinwong prioritizes improving energy efficiency and actively adopts various energy-saving measures to reduce fossil fuel consumption and greenhouse gas emissions. Each production base has launched multiple energy efficiency improvement projects by actively optimizing and upgrading energy-saving equipment and transforming into energy-saving technologies, such as introducing variable frequency permanent magnet synchronous motors, high-efficiency permanent magnet blowers, high-efficiency air compressor units, and AI-controlled air conditioning systems. The Company has also carried out energy-saving technology renovations, such as the energy-efficient improvement project and waste heat recovery project for air compressors, witnessing a notable increase in energy efficiency. During the reporting period, the Company and its branches and subsidiaries invested approximately RMB 25.45 million in energy-saving initiatives, yielding significant energy-saving results.

Key Energy-Saving and Consumption-Reduction Projects at Kinwong's Production Bases in 2024

Zhuhai Kinwong

- In March 2024, the SLP horizontal production line drying section replaced traditional blowers with permanent magnet variable frequency centrifugal blowers, which are lightweight and energy-efficient and consume less electricity. The 30 horizontal production lines saved about 120,000 kWh of electricity per month, representing a 52% reduction in energy consumption compared to that before equipment optimization and upgrade.
- In November 2024, the HLC factory replaced traditional coil-type dust collectors with high-frequency integrated dust collectors, achieving a 30%-40% reduction in energy consumption.

Zhuhai Kinwong Flexible

- In April 2024, an energy-saving improvement project for air compressors was carried out by replacing conventional screw compressors with variable frequency air compressors, avoiding energy waste from unloading frequency converters. The average monthly energy consumption decreased by 30.9% compared to pre-optimization.
- In April 2024, a waste heat recovery project for air compressors was implemented, adding heat exchangers to collect and convert heat generated by air compressors into usable energy, achieving an energy-saving rate of 25% while eliminating the safety risks of electric heating.
- In September 2024, a direct welding process was introduced, using laser welding equipment to replace traditional reflow soldering, saving approximately 143,000 kWh of electricity annually.

Longchuan Kinwong

- In June 2024, the FPC Factory 2 replaced traditional three-phase asynchronous motors with variable frequency permanent magnet synchronous motors for the circulating water pump, saving 68,000 kWh of electricity per month.

Use of Clean Energy

Kinwong has been committed to exploring and expanding emission reduction through multiple pathways, continuously advancing its initiatives to use clean and green energy. During the reporting period, the Company successively launched the integrated photovoltaic, energy storage, and power consumption project and the photovoltaic power generation project, while promoting distributed photovoltaic projects, with a goal of installing 15 MW of photovoltaic capacity by 2026. With these efforts, the Company has significantly reduced greenhouse gas emissions, playing an exemplary and demonstrating role in the sustainable development of industries and society. Additionally, the Energy Management Department of the Company has carried out centralized procurement of I-RECs based on the Company's strategic deployment, actual electricity consumption, and customers' carbon reduction needs. The green electricity consumption corresponding to the I-RECs purchased was 141,950 MWh, accounting for approximately 17.5% of the Company's total electricity consumption.

Zhuhai Kinwong's Integrated Solar-Storage Project Successfully Commences Operations

On September 27th, 2024, Zhuhai Kinwong completed the Kinwong's first megawatt-level integrated photovoltaic, energy storage, and power consumption project. After being put into operation, the project is expected to provide the Company with 4.08 million kWh of clean electricity annually. This is equivalent to saving 680 tons of standard coal per year, reducing CO₂ emissions by approximately 1,725 tons, SO₂ emissions by approximately 52 tons, and NO_x emissions by approximately 29 tons. The project helps significantly reduce the Company's energy consumption and achieve the "carbon peaking and carbon neutrality" strategy. Moreover, this project is anticipated to serve as a virtual power plant in the future, participating in demand-side response and ancillary services, contributing to the widespread adoption and application of clean energy.



Longchuan Kinwong 4.65 MW Distributed Photovoltaic Project Officially Connected to the Grid

On December 27th, 2024, Longchuan Kinwong's distributed photovoltaic project was officially connected to the grid. The project covered over 30,000 square meters of plant rooftop area, with a total installed capacity of 4.65 megawatts. The "self-sufficiency in electric power generation, and adding surplus electricity to the State Grid" model was employed in this project, with high-efficiency crystalline silicon solar cells installed on the rooftops of buildings to convert solar energy into electricity, achieving photovoltaic power generation. By utilizing previously idle rooftop space, the project participated in the "peak shaving and valley filling" action through photovoltaic power generation, effectively achieving the expected results for green and low-carbon development.



Ecosystem Protection

Recognizing the importance of biodiversity in maintaining the Earth's ecological balance and promoting sustainable development, Kinwong continuously focuses on biodiversity protection. The Company encourages and supports employees to actively participate in biodiversity-related activities, fostering an awareness of biodiversity conservation among them.

When selecting sites and planning for new projects, the Company strictly complies with relevant laws, regulations, and policies, such as the *Law of the People's Republic of China on Prevention and Control of Soil Contamination*, the *Forest Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Wildlife*, and the *Opinions on Further Strengthening the Protection of Biological Diversity*. All construction activities are conducted away from nature reserves, ecological conservation habitats, and important or sensitive biodiversity areas to avoid adverse impacts on local ecosystems.

Case

Longchuan Kinwong's Reconstruction and Expansion Project Conducts Ecosystem Impact Assessment

During the construction and operation phases of its reconstruction and expansion project in 2024, Longchuan Kinwong strictly complied with relevant laws and regulations and implemented environmental protection measures outlined in the environmental impact assessment, without crossing red lines for ecological conservation, set benchmarks for environmental quality, and imposed caps on resource utilization. The project ensured that all governance facilities functioned well during construction and operations and that pollutants, such as wastewater, waste gases, noise, and solid waste, were discharged within compliance limits with no significant impact on the surrounding environment.



Conclusion

Key Performance Indicators

Economic Performance	Unit	2022	2023	2024
Operating revenue	RMB billion	10.514	10.757	12.659
Net profit attributable to shareholders of the listed company	RMB billion	1.066	0.936	1.169
Basic earnings per share	RMB/Share	1.27	1.11	1.34

Governance Performance	Unit	2022	2023	2024
Directors, supervisors and senior management				
Shareholders' meetings held	Times	4	4	2
Board meetings held	Times	7	12	8
Meetings of the Board of Supervisors held	Times	5	6	6
Average attendance rate of Board members	%	100	100	100
Meetings of specialized committees under the Board	Times	12	11	11
Including: Remuneration and Assessment Committee	Times	2	3	4
Audit Committee	Times	4	4	4
Nomination Committee	Times	3	2	1
Strategy and ESG Committee	Times	3	2	2
Number of Board members	Persons	9	9	9
Proportion of independent directors	%	33.33	33.33	33.33
Number of disclosed announcements	Cases	174	173	168
Number of regulatory penalties for information disclosure violations	Cases	0	0	0

Product Performance	Unit	2022	2023	2024
R&D innovation				
R&D investment	RMB million	546	601	758
Proportion of R&D investment to operating revenue	%	5.19	5.58	5.99
Number of R&D personnel	Persons	1,703	1,598	1,768
Proportion of R&D personnel to total employees	%	11.76	10.45	9.86
Number of valid patents held	Items	452	468	440

Supplier Management					
Total number of suppliers		Companies	651	617	600
By region	Domestic suppliers	Companies	609	573	558
	Suppliers from Hong Kong, Macao, Taiwan, and overseas	Companies	42	44	42
Total number of new suppliers		Companies	132	109	45
Percentage of suppliers signing the Supplier Code of Conduct		%	75	85	93
Number of suppliers identified with significant actual or potential negative social impacts		Companies	0	0	0

Environmental Performance	Unit	2022	2023	2024
Environmental investment				
Total annual environmental investment	RMB million	108.5707	160.6054	234.5303
Environmental protection training sessions held annually	Times	273	298	331
GHG emissions				
Total GHG emissions (Scope 1 + Scope 2 + Scope 3)	tCO ₂ e	546,674	786,293	1,382,067
Direct emissions (Scope 1)	tCO ₂ e	16,594	18,782	20,850
Indirect emissions (Scope 2)	tCO ₂ e	530,080	399,141	401,222
Scope 3	tCO ₂ e	/	368,370	959,994
Self-generated and self-consumed renewable electricity	kWh	/	1,067,720	2,397,382

Environmental Performance	Unit	2022	2023	2024
Waste management and pollution prevention				
Total general (non-hazardous) solid waste	Tons	17,579.72	22,930.47	17,957.32
Total household waste	Tons	/	/	3,180.38
Total hazardous waste	Tons	88,505.30	84,939.65	86,143.72
Recycled packaging materials	Tons	10,872.55	10,750.17	18,662.04
Waste gas treatment				
Total waste gas emissions	Million cubic meters	29,992.74	33,912.68	39,166.06
Nitrogen oxides (NOx) emissions	Tons	17.99	16.61	28.47
Sulfur oxides (SOx) emissions	Tons	/	/	5.44
Volatile organic compound (VOC) emissions	Tons	6.20	4.83	7.81
Particulate matter (PM) emissions	Tons	40.28	38.16	59.32
Wastewater treatment				
Total wastewater discharge	Million cubic meters	3.2931	3.7414	4.0183
Chemical oxygen demand (COD)	Tons	69.86	67.02	110.86
Ammonia nitrogen	Tons	3.39	5.79	8.20
Resource consumption				
Comprehensive energy consumption	Tons of standard coal	84,816	90,516	108,307
Direct energy consumption	Tons of standard coal	6,442	6,536	6,538
Natural gas	Cubic meters	4,622,352	4,818,327	4,793,433
Diesel	Liters	356,650	224,046	248,972
Gasoline	Liters	1,325	1,365	4,509
Indirect energy consumption	Tons of standard coal	78,374	83,979	101,769
Purchased electricity	kWh	637,706,510	683,313,449	828,063,252
Total water consumption	Cubic meters	8,530,220	9,600,141	12,137,719
Including: Municipal water	Cubic meters	5,824,241	6,550,148	7,862,699
Total recycled/regenerated water consumption	Cubic meters	2,705,979	3,049,993	4,275,020

Employee Performance		Unit	2022	2023	2024
Employee employment					
Total number of employees		Persons	14,480	15,298	17,938
By gender	Male employees	Persons	7,956	8,527	10,532
	Female employees	Persons	6,524	6,771	7,406
By age	Employees aged 51 and above	Persons	204	245	347
	Employees aged 41–50	Persons	3,060	3,635	4,328
	Employees aged 31–40	Persons	7,345	7,275	7,492
	Employees aged 30 and below	Persons	3,871	4,143	5,771
By region	Chinese mainland	Persons	14,455	15,273	17,901
	Hong Kong, Macao, and Taiwan	Persons	19	17	25
	Other countries and regions	Persons	6	8	12
By employee category	Frontline employees	Persons	14,069	14,852	17,452
	Middle management employees	Persons	360	387	424
	Senior management employees	Persons	51	59	62
Female employees in the middle management		Persons	69	75	87
Female employees in the senior management		Persons	5	6	6
By ethnicity	Number of ethnic minority employees	Persons	959	979	1,255
	Percentage of ethnic minority employees	%	6.62	6.40	7.00
Labor contract signing rate		%	100	100	100
Employee turnover					
Total employee turnover rate		%	33.02	30.21	31.54
Employee training					
Total number of employees trained		Persons	/	13,134	16,195
By gender	Male employees	Persons	/	8,807	11,740
	Female employees	Persons	/	4,327	4,455

Employee Performance		Unit	2022	2023	2024
By employee type	Frontline employees	Persons	/	12,659	15,709
	Middle management employees	Persons	/	107	115
	Senior management employees	Persons	/	21	20
Total training hours		Hours	/	158,487	170,199
By gender	Male employees	Hours	/	90,338	102,630
	Female employees	Hours	/	68,149	67,569
By employee type	Frontline employees	Hours	/	119,308	136,001
	Middle management employees	Hours	/	36,499	45,812
	Senior management employees	Hours	/	2,680	1,037
Total training investment		RMB million	/	2.72	2.81
Occupational health and safety					
Safety incidents	Number of work injuries	Persons	17	20	22
	Number of work injury incidents	Cases	17	20	22
	Lost time injury frequency rate (LTIFR)	/	/	/	33.87
	Number of occupational diseases	Persons	0	0	0
Health and safety investment	Investment in occupational health and safety of employees	RMB million	1.83	2.07	2.59
	Investment in workplace safety	RMB million	19.25	25.43	49.87
Safety training	Safety training coverage rate	%	93.78	92.88	100
	Total number of employees accepting safety training	Persons	/	/	21,428
	Total safety training hours	Hours	/	/	358,246
Social Welfare Performance		Unit	2022	2023	2024
Total donation to public welfare		RMB million	3.3000	4.7160	2.9800

Report Standard Index

Instructions: Kinwong reported the information referenced in this GRI Content Index in accordance with the GRI standards for the period from January 1st, 2024 to December 31st, 2024.

GRI Standard	Disclosure	Report Section
GRI 2: General Disclosures 2021	Disclosure 2-1 Organizational details	About This Report, Kinwong at a Glance
	Disclosure 2-2 Entities included in the organization's sustainability reporting	About This Report
	Disclosure 2-3 Reporting period, frequency and contact person	About This Report
	Disclosure 2-6 Activities, value chain and other business relationships	Kinwong at a Glance, Customer Service and Responsible Marketing, Collaborative Development of the Industry
	Disclosure 2-7 Employees	Standardized Talent Introduction
	Disclosure 2-8 Workers who are not employees	Building a Sustainable Supply Chain
	Disclosure 2-9 Governance structure and composition	Improving Governance Structure
	Disclosure 2-10 Nomination and selection of the highest governance body	Improving Governance Structure
	Disclosure 2-11 Chair of the highest governance body	Improving Governance Structure
	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance System, Stakeholder Communication and Engagement
	Disclosure 2-13 Delegation of responsibility for managing impacts	ESG Governance System, Stakeholder Communication and Engagement
	Disclosure 2-14 Role of the highest governance body in sustainability reporting	ESG Governance System
	Disclosure 2-15 Conflicts of interest	Improving Governance Structure, 2024 Annual Report
	Disclosure 2-16 Communication of critical concerns	Stakeholder Communication and Engagement
	Disclosure 2-17 Collective knowledge of the highest governance body	ESG Governance System
	Disclosure 2-18 Evaluation of the performance of the highest governance body	ESG Governance System
	Disclosure 2-19 Remuneration policies	Improving Governance Structure
	Disclosure 2-20 Process to determine remuneration	Improving Governance Structure
	Disclosure 2-22 Statement on sustainable development strategy	ESG Governance System
	Disclosure 2-25 Processes to remediate negative impacts	Stakeholder Communication and Engagement
	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Communication and Engagement
	Disclosure 2-27 Compliance with laws and regulations	See all chapters in this report for details.
	Disclosure 2-28 Membership associations	Collaborative Development of the Industry
	Disclosure 2-29 Approach to stakeholder engagement	Stakeholder Communication and Engagement

GRI Standard	Disclosure	Report Section
GRI 3: Material Topics 2021	Disclosure 3-1 Process to determine material topics	Materiality Assessment and Analysis
	Disclosure 3-2 List of material topics	Materiality Assessment and Analysis
	Disclosure 3-3 Management of material topics	Materiality Assessment and Analysis
GRI 201: Economic Performance 2016	Disclosure 201-1 Direct economic value generated and distributed	Key Performance Indicators
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Climate Governance and Low-Carbon Transformation
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	Enhancing Employee Well-being
GRI 203: Indirect Economic Impacts 2016	Disclosure 203-1 Infrastructure investments and services supported	Social Contributions and Feedback
	Disclosure 203-2 Significant indirect economic impacts	Collaborative Development of the Industry, Social Contributions and Feedback
GRI 205: Anti-corruption 2016	Disclosure 205-1 Operations assessed for risks related to corruption	Key Performance Indicators
	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	Business Ethics and Anti-Corruption
	Disclosure 205-3 Confirmed incidents of corruption and actions taken	Business Ethics and Anti-Corruption
GRI 206: Anti-competitive Behavior 2016	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics and Anti-Corruption
GRI 301: Materials 2016	Disclosure 301-1 Materials used by weight or volume	Key Performance Indicators
GRI 302: Energy 2016	Disclosure 302-1 Energy consumption in the organization	Key Performance Indicators
	Disclosure 302-2 Energy consumption outside of the organization	Key Performance Indicators
	Disclosure 302-3 Energy intensity	Key Performance Indicators
	Disclosure 302-4 Reduction of energy consumption	Climate Governance and Low-Carbon Transformation
	Disclosure 302-5 Reductions in energy requirements of products and services	Climate Governance and Low-Carbon Transformation
GRI 303: Water and Effluents 2018	Disclosure 303-1 Interactions with water as a shared resource	Improving Resource Utilization Efficiency
	Disclosure 303-2 Management of water discharge-related impacts	Improving Resource Utilization Efficiency
	Disclosure 303-3 Water withdrawal	Key Performance Indicators
	Disclosure 303-5 Water consumption	Key Performance Indicators
GRI 305: Emissions 2016	Disclosure 305-1 Direct (Scope 1) GHG emissions	Key Performance Indicators
	Disclosure 305-2 Indirect (Scope 2) GHG emissions of energy	Key Performance Indicators
	Disclosure 305-4 GHG emissions intensity	Key Performance Indicators
	Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Key Performance Indicators
GRI 306: Waste 2020	Disclosure 306-1 Waste generation and significant waste-related impacts	Toxic Emissions and Circular Economy
	Disclosure 306-2 Management of significant waste-related impacts	Toxic Emissions and Circular Economy
	Disclosure 306-3 Waste generated	Key Performance Indicators
	Disclosure 306-4 Waste diverted from disposal	Key Performance Indicators

GRI Standard	Disclosure	Report Section
GRI 308: Supplier Environment Assessment 2016	Disclosure 308-1 New suppliers that were screened using environmental criteria	Key Performance Indicators
	Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	Building a Sustainable Supply Chain
GRI 401: Employment 2016	Disclosure 401-1 New employee hires and employee turnover	Key Performance Indicators
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Enhancing Employee Well-being
GRI 403: Occupational Health and Safety 2018	Disclosure 403-1 Occupational health and safety management system	Creating a Healthy Work Environment
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	Creating a Healthy Work Environment
	Disclosure 403-3 Occupational health services	Creating a Healthy Work Environment
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	Creating a Healthy Work Environment
	Disclosure 403-5 Worker training on occupational health and safety	Creating a Healthy Work Environment
	Disclosure 403-6 Promotion of worker health	Creating a Healthy Work Environment
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Creating a Healthy Work Environment
	Disclosure 403-8 Workers covered by an occupational health and safety management system	Creating a Healthy Work Environment
GRI 404: Training and Education 2016	Disclosure 404-1 Average hours of training per year per employee	Key Performance Indicators
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Training
GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	Standardized Talent Introduction
GRI 406: Non-discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Standardized Talent Introduction
GRI 409: Forced or Compulsory Labor 2016	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Standardized Talent Introduction
GRI 414: Social Assessment of Supplier 2016	Disclosure 414-1 New suppliers that were screened using social criteria	Key Performance Indicators
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Building a Sustainable Supply Chain
GRI 416: Customer Health and Safety 2016	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	Product Safety and Quality
	Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety and Quality
GRI 417: Marketing and Labeling 2016	Disclosure 417-1 Requirements for product and service information and labeling	Customer Service and Responsible Marketing
	Disclosure 417-2 Incidents of non-compliance concerning product and service information and labeling	Customer Service and Responsible Marketing
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Ensuring Information Security

| Reader Feedback Form

Dear Reader,

Hello!

Thank you for taking the time to read the *2024 Environmental, Social and Governance (ESG) Report of Shenzhen Kinwong Electronic Co., Ltd.* To provide more comprehensive, professional, and valuable ESG information to you and other stakeholders, we sincerely invite you to assist us by completing the feedback form below. Your feedback will help us improve our ESG reporting and enhance our ESG management capabilities and level.

(Please tick in the appropriate box.)

1. Are you satisfied with this Report?
Yes ☐ Neutral ☐ No ☐

2. Do you think this Report reflects Kinwong's significant economic, social, and environmental impacts?
Yes ☐ Neutral ☐ No ☐

3. Do you think the stakeholders identified in this Report and the analysis of their relationship with Kinwong are accurate and comprehensive?
Yes ☐ Neutral ☐ No ☐

4. Do you think the information, indicators, and data provided in this Report are clear, accurate, and complete?
Yes ☐ Neutral ☐ No ☐

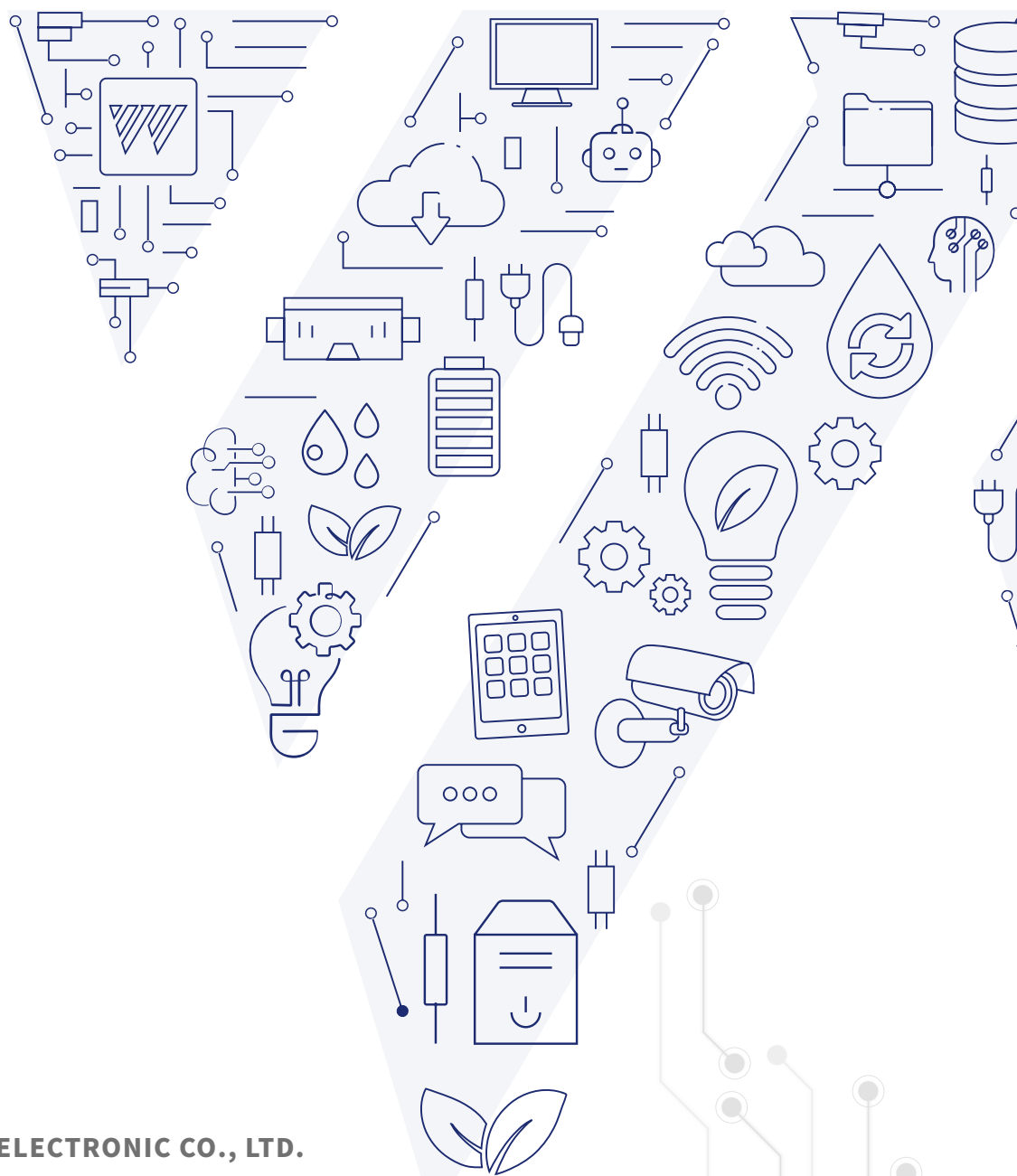
5. Do you think the information in this Report is readable?
Yes ☐ Neutral ☐ No ☐

6. Should you have any other comments or suggestions on the *2024 Environmental, Social and Governance Report of Shenzhen Kinwong Electronic Co., Ltd.*, please specify.

If you have any questions, suggestions, or feedback on this Report, you can reach us through the following contact details:
Address: Kinwong Electronics Building, No. 158, Guangyuan 3rd Road, Dongkeng Community, Fenghuang Subdistrict, Guangming District, Shenzhen
Contact Number: +86-755-8389 3919
Official Website: <http://www.kinwong.com>



This report is printed on 100% recycled paper



SHENZHEN KINWONG ELECTRONIC CO., LTD.

Address: Kinwong Electronics Building, No. 158, Guangyuan 3rd Road, Dongkeng
Community, Fenghuang Subdistrict, Guangming District, Shenzhen

Number: +86-755-8389 3919

fax: +86-755-8389 1680

Website: <http://www.kinwong.com>

E-mail: stock@kinwong.com