

# Environmental, Social and Governance Report

TONGDA GROUP HOLDINGS LIMITED

# 2022

# Environmental, Social and Governance Report

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## ABOUT THIS REPORT

Tongda Group Holdings Limited (“Tongda” or the “Company”, together with its subsidiaries, collectively “Tongda Group” or the “Group”) is pleased to release its seventh Environmental, Social and Governance (“ESG”) Report (the “Report”). The Report aims to disclose the sustainability strategies and management approaches of the Group, and to highlight the performance of various ESG aspects to its stakeholders, thereby promoting its sustainable development and planning. The Report has been uploaded to the Group’s website ([www.tongda.com](http://www.tongda.com)) and the website of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for public inspection. The Report is in both Chinese and English. If there is any inconsistency, please refer to the Chinese version.

### Reporting Scope and Period

The Report covers the Group’s core business during the period from 1 January 2022 to 31 December 2022 (the “Year”), which involves the production bases in Shishi, Xiamen and Guangdong, PRC, including the operation of (i) handset casing and high-precision components; (ii) household and sports goods; (iii) network communications facilities and other; and (iv) smart electrical appliances casings. Moreover, the Group’s offices in various locations are for supportive purposes, and have no significant impact on the Group’s overall sustainability performance, hence are excluded from the reporting boundary. Overall, there are no material changes to the reporting scope of the Year compared to 2021’s ESG Report.

# Environmental, Social and Governance Report

## Reporting Guidelines and Principles

The Report has been prepared in compliance with the disclosure requirements of the “ESG Reporting Guide” (the “Guide”) set out in Appendix 27 of the Rules Governing the Listing of Securities issued by the Stock Exchange, and has fully adhered to the reporting principles in the Guide, which materiality, quantitative, balance and consistency are the basic principles for report preparation. The application of relevant reporting principles is as follows:

<b>Materiality</b>	The Group communicates with major stakeholders on a regular basis, and has conducted an annual materiality assessment survey to identify and evaluate ESG issues that are important to the Group and relevant stakeholders, so as to determine the reporting content and make focused disclosure.
<b>Quantitative</b>	In accordance with the Guide, the Group has recorded and collected data of various ESG key performance indicators (“KPIs”) where feasible, and disclosed relevant quantitative information and historical data in the Report for comparison and evaluation. In addition, the standards, methods, assumptions, calculation tools and references adopted by each KPI have been properly indicated in the Report.
<b>Balance</b>	Following the principle of impartiality, the Report has disclosed both achievements and challenges of the Group in aspects of environment, society and governance in a truthful and comprehensive manner, for readers to objectively and fairly evaluate relevant performance.
<b>Consistency</b>	The Report has been prepared according to consistent standards, and the reporting scope, data statistics and reporting methods are basically the same as the 2021 ESG Report, so as to ensure the comparability of the reports. Meanwhile, the Group has included corresponding explanations for any inconsistencies (if any) with previous reports.

The Report has complied with the “Mandatory Disclosure Requirements” and “Comply or explain” provisions in the Guide. Except for provisions that the Group considers not applicable to its business operations or provide partial disclosure, relevant explanations have been set out in the corresponding sections. The data and information contained in the Report are mainly from internal documents and statistical data of the Group, and the content of the Report has been reviewed and confirmed by the Board of Directors.

The Group attaches great importance to stakeholders’ opinions and aims to further improve its sustainability performance in the future. The Group therefore welcomes all parties to provide comments or suggestions on the Report and its sustainability performance. Please share your views with us via email: [ir@tongda.com.hk](mailto:ir@tongda.com.hk).

## MESSAGE FROM CHAIRMAN

Dear Stakeholders,

Looking back to 2022, global inflation and supply chain instability have put enormous pressure on the sales of consumer electronics products. The Group has closely monitored market changes and actively responded to various opportunities and risks. Utilizing its own advantages in technology, research and development (“R&D”), craftsmanship and production capacity, it has rapidly adjusted its business strategic planning and continually maintained good corporate governance, to ensure its steady development while expanding diversified business. Facing the growth of new energy vehicle industry and the rise of metaverse, the Group will continue to strengthen its close cooperation with business partners, actively develop innovative products and solutions, and improve production efficiency and quality. In order to support its business development, it will also continue to promote sustainability governance and related policies to enhance its sustainability performance.

The Group has always adhered to the direction of sustainable development and is committed to implementing sustainability concepts in its business operations to create long-term value for all stakeholders. It firmly believes that robust ESG management is the core of achieving sustainable development, and hence attaches great importance to the continuous improvement of ESG management. During the Year, the Group has continued to promote effective ESG governance and policy formulation in the four major areas of “Environment”, “Employees and Social Welfare”, “Product Safety and Customer Relations”, and “Business Conduct and Information Security”. It has also strengthened its responses to relevant risks and opportunities to further improve its sustainability performance, progress and targets.

As a responsible enterprise, the Group strives to create a sustainable value chain. During the Year, it has devoted effort to optimizing product quality and safety and supply chain management to promote product responsibility management and performance. By improving the existing management system and strengthening internal control measures and audits, it has effectively secured the closed-loop management of full product lifecycle. The Group has completed the management process re-engineering project, enhancing its supply chain and quality management procedures. Coordinated with professional training, it has ensured the effective implementation of management system and steadily improved production efficiency on the basis of safety and compliance. In terms of service quality, apart from implementing a sound information security and privacy management system, the Group also has enhanced customer satisfaction and customer complaint handling by refining customer service management regulations, gradually promoting the sustainable development of value chain.

## Environmental, Social and Governance Report

Guided by national policies, the Group has focused on promoting green production during the Year. It has enhanced energy and water resource management, and improved management measures for combating climate change, gradually reducing its environmental footprint. The Group has actively extended its effort to energy conservation and emission reduction, fostering effective resource utilization through the development, promotion and application of new technologies, craftsmanship and equipment, so as to ensure the integration of business development and environmental protection. In terms of human resource management, the Group pays close attention to employees' rights and development, continuously reviewing and advancing its employment management to attract and retain talents. During the Year, it has continued to maintain reasonable remuneration and benefits and a healthy and safe working environment, while opening up more development and training opportunities for employees, to safeguard employees' rights and benefits in a holistic manner.

Stakeholders' support is the key driver for the Group in achieving sustainable development. The Group has always sustained an open-minded attitude, close communication and proactive actions, responding to the concerns and expectations of internal and external stakeholders in a timely manner. Facing new challenges in the future, the Group will continue to advance its sustainability strategies and governance, strive for continuous improvement, and strengthen its close cooperation with different stakeholders, so as to create a sustainable future in joint hands.

*Chairman and Chief Executive Officer*

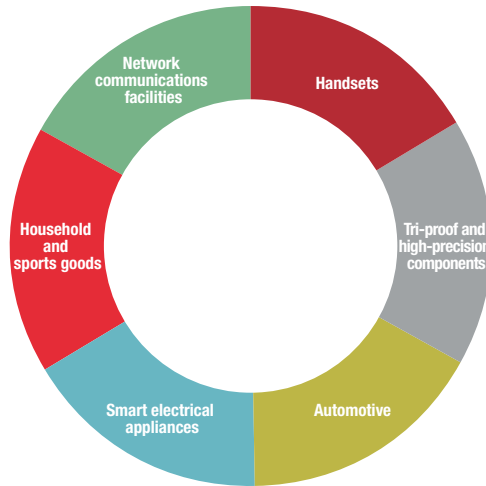
**Wang Ya Nan**

**Tongda Group Holdings Limited**

## ABOUT THE GROUP

In 2000, after the Group has listed on the Main Board of the Stock Exchange of Hong Kong Limited, it strategically transformed itself from an appliances-oriented industrial manufacturing enterprise into a world-leading solution provider of high-precision components for smart mobile communications and consumer electronics products, providing customers with one-stop solutions from product design, technological R&D to manufacturing plans. Over the years, the Group has accumulated numerous patented technologies and promoted diversified business development. At present, its businesses mainly cover handset casings and high-precision components, hardware and component relating to the metaverse, household and sports goods, aluminium components for batteries of new energy vehicles, network communications facilities and control panels for smart electrical appliances. To support the long-term growth and sustainable development of its businesses, the Group is firmly committed to maintaining open-minded and sincere communication with its stakeholders, sustaining close cooperation, as well as improving its management efficiency, in order to promote overall balance of corporate governance, environmental management and corporate social responsibility.

### Major Business





# Environmental, Social and Governance Report

## Core Values



## Operating Model

The Group maintains its strategy of providing customers with diversified processing techniques and solutions based on its innovative techniques and craftsmanship. It utilizes its existing innovative techniques, market-leading craftsmanship, diversified production capacity and outstanding R&D teams, focusing on the simultaneous improvement in market scale and product quality, in striving to improve operational efficiency. Moreover, the Group has seized market opportunities and actively strived to jointly develop solutions for metaverse-related components with customers, supporting the diversified development of its business.

## Production Scales and Facilities

The production bases of the Group are mainly located in Shishi, Fujian and Guangdong of the PRC. With offices established in Singapore, Vietnam and Taiwan, a multi-site service network is built with approximately 17,700 employees.

Headquarters: Hong Kong

Overseas offices: Singapore, Vietnam and Taiwan

Production bases: Shishi, Fujian; Xiamen, Fujian; Dongguan, Guangdong

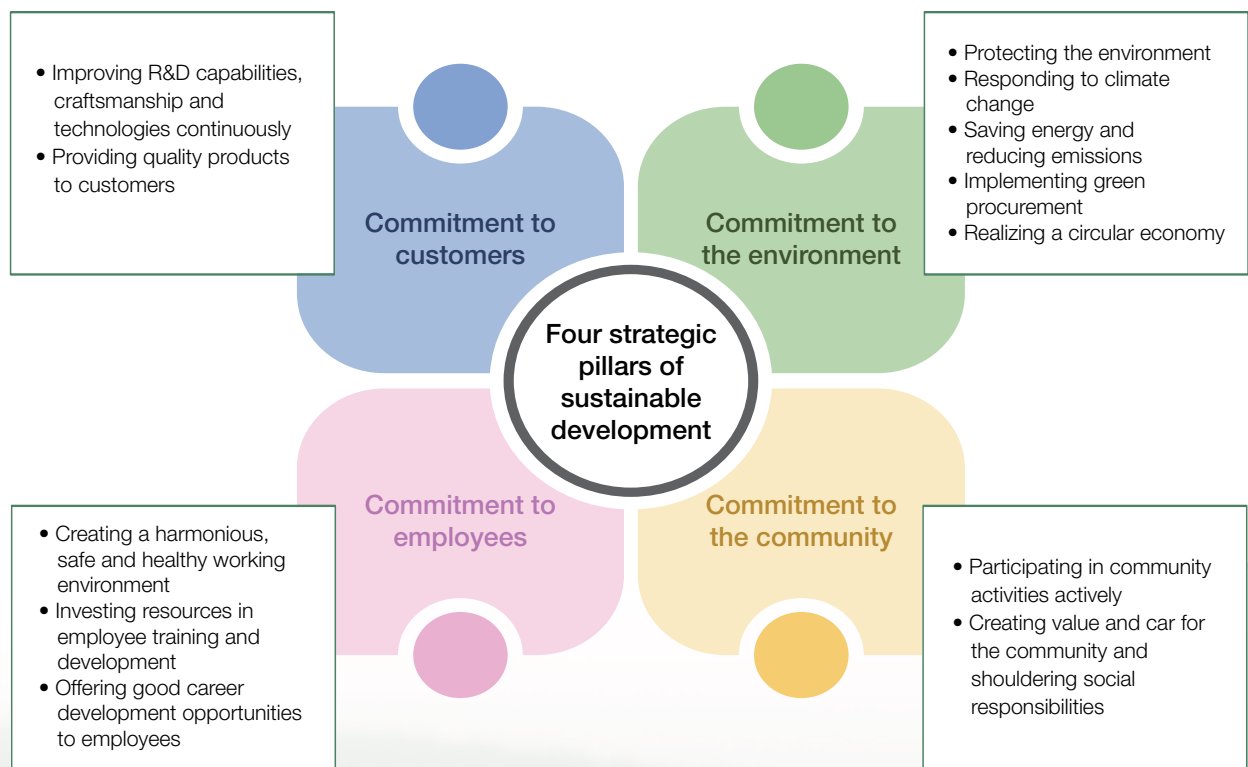
In face of rapid changes in the market environment, the Group will continue to focus on the core business of handset casings and high-precision components business in the future, actively strengthening its competitive advantages, and consolidating its product strength by enhancing production precision as well as craftsmanship and techniques. It will also review its strategic planning in a timely manner, explore various emerging industries, new products, new materials and new sectors, and strategically develop diversified businesses by adjusting its business structure. Meanwhile, in striving to realize its corporate core values, the Group will continuously review and improve its ESG management and performance, promoting the steady progression towards sustainable development goals.

# Environmental, Social and Governance Report

## OUR APPROACH TO SUSTAINABILITY

### Sustainability Strategy

The Group upholds the core value of “innovation and perpetual operation”, and continuously pursues its long-term goal of sustainable development, in striving to create value for all stakeholders while maintaining steady development. With that, the Group has established its commitment to the environment, employees, customers and the community as the four strategic pillars of sustainable development, and developed corresponding ESG management approaches and work. It maintains an honest, open-minded and responsible attitude to sustain close communication and cooperation with stakeholders such as shareholders and investors, customers, suppliers, employees, the government and the community, while paying ongoing attention to market development and expectations of different parties in the society. By reviewing and improving its ESG policies in a timely manner, the Group quickly responds to various new opportunities and risks, so as to promote its sustainable development progress.



## Sustainability Governance Structure

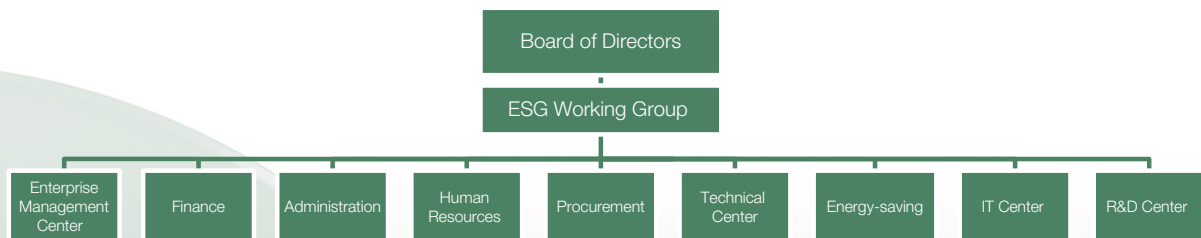
In order to realize its sustainable development vision, the Group is committed to integrating sustainability concepts into business operations through a comprehensive sustainability governance structure. The Group has a two-level sustainability governance structure, which is composed of the Board of Directors and a cross-departmental ESG Working Group to improve communication between the decision-making and execution level, allowing thorough integration of corporate governance, environmental management and social responsibility concepts into its daily operations. In order to enhance its corporate governance standard, the Group has also actively promoted Board diversity and adopted the “Board Diversity Policy”. When selecting members of the Board of Directors, the balance of different gender, ages, background and professional knowledge, etc., will be fully considered. With the diverse skills, experience and perspectives of members, its decision-making capabilities for sustainable development can be advanced. Please refer to the “Corporate Governance Report” of the Group for more details.

### Responsibilities of the Board of Directors

- Supervise and approve ESG-related matters and ESG reports of the Group
- Regularly review sustainability strategies, ESG management and performance to ensure the effective implementation of relevant policies
- Monitor and manage ESG-related risks and opportunities
- Examine the progress of ESG-related work and targets

### Responsibilities of the ESG Working Group

- Implement relevant policies and measures in accordance with guidelines of the Board of Directors on ESG matters
- Regularly report ESG work performance to the Board of Directors to help review and improve the Group’s sustainability strategies and management
- Assist the Board of Directors in identifying, assessing and managing ESG-related risks, and provide suggestions for formulating policies, targets and work plans
- Collect and manage ESG-related data and information, and help prepare annual ESG reports and relevant information disclosure



# Environmental, Social and Governance Report

## Sustainability Risk Identification and Response

The Group understands the importance of risk management to sustainable development. Efficient ESG governance helps facilitate timely responses to various sustainability risks and opportunities. It has established an internal audit system for the management systems of environment, social responsibility, and occupational health and safety. Review is conducted at least once a year, which serves as regular risk monitoring. The corresponding results will be reported to the management for approval, which applicability and compliance of each system will be assessed. With that, the Group formulates the “Targets and Indicators Management Plan” for ESG risks every year, and updates the “List of Material Hazard Sources and Risk Control Measures” and “List of Important Environmental Factors” compiled by individual businesses. By enforcing targeted risk countermeasures, it regularly tracks the implementation effect and strengthens the systematic ESG risk management, thereby promoting sustainability performance and development of the Group.

Aspect	Risk description	Corresponding measures
<b>Occupational health and safety</b>	Failure to comprehensively understand the safety laws and regulations related to special equipment, causing violation of requirements during production process, which may lead to safety accidents	<ul style="list-style-type: none"> <li>Update relevant laws and regulations in a timely manner, and formulate operating procedures for various special equipment in strict accordance with relevant requirements</li> <li>Regularly arrange external training for employees using special equipment and verify their working qualification with certificates</li> <li>Periodically inspect special equipment and personal protective gears</li> </ul>
	Employees lack safety awareness due to inadequate safety training, resulting in occupational hazards	<ul style="list-style-type: none"> <li>Strengthen health and safety training, especially on the use and storage of chemicals, flammable and explosive materials, and the operation and maintenance of machines</li> <li>Identify special and high-risk positions and arrange regular body check</li> </ul>

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Aspect	Risk description	Corresponding measures
<b>Environmental pollution</b>	Effect of pollution prevention measures fails to meet the expected requirements, resulting in excessive discharge	<ul style="list-style-type: none"> <li>• Assign dedicated personnel to periodically evaluate the effectiveness of environmental protection programs, and adjust preventive measures when necessary</li> <li>• Stringently monitor emission data, report and rectify in time when detected any abnormalities</li> </ul>
	Failure to consider the full product lifecycle when developing new projects, which may cause severe environmental pollution	<ul style="list-style-type: none"> <li>• Require the development department to monitor the lifecycle at each stage to prevent environmental pollution or accidents</li> <li>• Conduct sampling tests on new projects from time to time, to ensure compliance with environmental requirements</li> </ul>
<b>Quality control</b>	Product production plan fails to meet the order requirements, resulting in an excessively high defective rate, or delays in product delivery	<ul style="list-style-type: none"> <li>• Carry out preliminary planning for product defect rate, strengthen on-site guidance and quality monitoring, and adopt corrective and preventive measures in a timely manner</li> <li>• Reasonably formulate production plans based on product characteristics and actual production capacity, and maintain close communication with customers to align with the order requirements</li> </ul>

# Environmental, Social and Governance Report

## STAKEHOLDER ENGAGEMENT

The long-term support and trust of stakeholders is an important factor for corporate sustainable growth, it also serves as the foundation for the Group in formulating sustainability strategies and policies. The Group attaches great importance to two-way communication with stakeholders to understand and address concerns and expectations of various stakeholders, so as to maintain close cooperation. Through diversified and highly transparent communication platforms, the Group regularly collects opinions and suggestions from different stakeholders to effectively enhance its ESG governance and performances, thereby improving future sustainability strategies.

### Stakeholder Engagement List

Stakeholders	Communication channels	Issues of concern	The Group's response and measures
<b>Investors and shareholders</b>	<ul style="list-style-type: none"> <li>Annual General Meetings and Extraordinary General Meetings</li> <li>Investor presentation</li> <li>Annual reports, interim reports and announcements</li> <li>Investors' meetings</li> </ul>	<ul style="list-style-type: none"> <li>Safeguarding shareholders' interests</li> <li>Sustaining investment return</li> <li>Ensuring business performance and prospects of the Group</li> <li>Risk management and control</li> </ul>	<ul style="list-style-type: none"> <li>Convene Annual General Meetings and Extraordinary General Meetings</li> <li>Improve transparency of information disclosure</li> <li>Promote healthy and sustainable development of the Group</li> <li>Strengthen risk management and control</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Seminars</li> <li>Customer complaint channels</li> </ul>	<ul style="list-style-type: none"> <li>Product safety and quality management</li> <li>Product R&amp;D and technological innovation</li> <li>Data security and customer privacy management</li> <li>Customer services and complaint handling</li> </ul>	<ul style="list-style-type: none"> <li>Strictly control processes of R&amp;D, procurement and production, etc.</li> <li>Rapidly respond to customers' needs</li> <li>Enhance quality management</li> <li>Upgrade information and network security system</li> <li>Accelerate product R&amp;D and technological innovation</li> </ul>

# Environmental, Social and Governance Report

Stakeholders	Communication channels	Issues of concern	The Group's response and measures
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Supplier conferences</li> <li>• Work meeting and daily communication</li> <li>• Site visits</li> <li>• Periodic audit</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain management and sustainable development</li> <li>• Anti-corruption and anti-fraud</li> <li>• Compliance with the business conduct standard</li> <li>• Environmental protection and compliance</li> <li>• Product quality management</li> </ul>	<ul style="list-style-type: none"> <li>• Implement supplier admission and delisting mechanism</li> <li>• Conduct supplier training and audits</li> <li>• Sign a letter of commitment for integrity</li> <li>• Strengthen cooperation and communication</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Staff hotline, forum and Chairman mailbox</li> <li>• Staff care center</li> <li>• Employee satisfaction surveys</li> <li>• WeChat official accounts</li> <li>• Internal newsletter</li> <li>• Regular training</li> </ul>	<ul style="list-style-type: none"> <li>• Employment system and management</li> <li>• Employee welfare and rights</li> <li>• Occupational health and safety</li> <li>• Employee development and training</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with labor regulations</li> <li>• Provide competitive salaries and welfare</li> <li>• Implement health and safety management system</li> <li>• Optimize career development and training system</li> <li>• Establish a smooth and transparent communication mechanism to understand employees' opinions</li> <li>• Organize employee activities</li> </ul>
<b>Government and community</b>	<ul style="list-style-type: none"> <li>• News reports</li> <li>• Monitoring information reporting and delivery</li> <li>• Forums and exchanges</li> <li>• Community activities</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Promoting employment and local development</li> <li>• Environmental protection</li> <li>• Carrying out community charitable activities</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure operation compliance</li> <li>• Organize volunteering activities and encourage active participation of employees</li> <li>• Participate in community construction and services</li> </ul>



# Environmental, Social and Governance Report

## Materiality Assessment

In order to promote its sustainable development, the Group regularly understands stakeholders' opinions and concerns on ESG matters through materiality assessment. During the Year, it has continued to entrust an independent sustainability consultant to carry out the materiality assessment. By inviting internal and external stakeholders to participate in the questionnaire survey, the assessment was conducted following the 4 steps of identification, ranking, analysis and review. Based on the survey result, the Group has confirmed the materiality and impact of each sustainability issue on its sustainable development, and determined the disclosure focus of the Report. Moreover, it will give priority to enhancing the ESG management work of related issues, and incorporate into the consideration of its future adjustment in strategic planning and risk management.

<b>Identification</b>	With reference to ESG reporting standards and guidelines, research on market trends and industry development, and combining the Group's internal situation, screened and identified sustainability issues that are closely related to the Group's businesses.
<b>Ranking</b>	Invited internal and external stakeholders, including investors, suppliers, customers, management and frontline employees, etc. to participate in the online questionnaire survey, assessing each issue in two dimensions of "importance to the Group" and "importance to stakeholders".
<b>Analysis</b>	Collected data from the questionnaire survey for consolidation and analysis, and arranged the priorities in matrix form according to the materiality of each issue, so as to determine the most important topic of the Year.
<b>Review</b>	The assessment results are reviewed and confirmed by the Board of Directors and senior management, the Group has made targeted responses and focused reporting.

## Environmental, Social and Governance Report

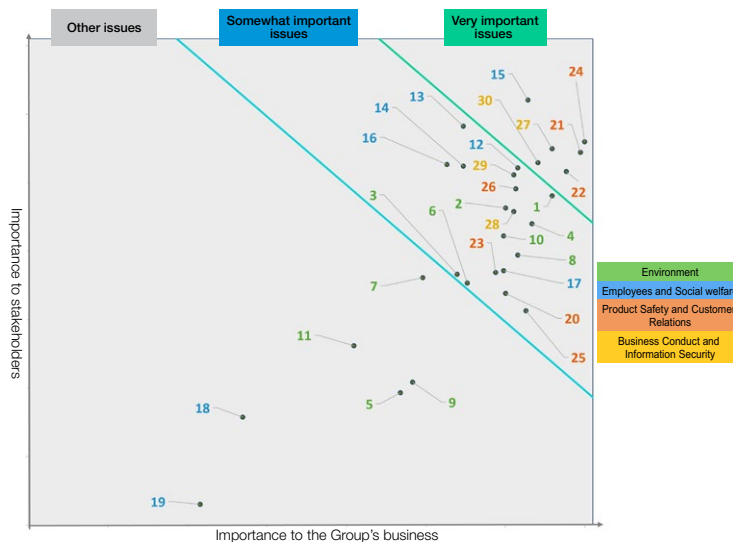
The Group has regularly reviewed and revised the list of sustainability issues in responding to stakeholders in a timely manner. During the Year, the Group added two new issues to the questionnaire survey, namely Product Lifecycle Management and Product Innovation. A total of 30 sustainability issues have been identified, covering 4 aspects of “Environment”, “Employees and Social welfare”, “Product Safety and Customer Relations” and “Business Conduct and Information Security”, to compile the questionnaire. The stakeholder questionnaire survey of the Year was conducted online, 393 valid responses were received in total.

The materiality assessment of the Year has identified 6 material issues, with similar results compared to the past. For this Year, the most concerned issues for stakeholders are mainly related to the “Product Safety and Customer Relations” and “Business Conduct and Information Security” aspects. For “Product Safety and Customer Relations”, Customer Satisfaction and Product Quality Management have continued to be significant issues to various stakeholders. In terms of “Business Conduct and Information Security”, different stakeholders have maintained higher attention to Data Security and Customer Privacy Management and Anti-corruption. The Report has determined the reporting framework and content based on the above analysis results, and further disclosed the material issues to stakeholders and the Group to make targeted responses.

The Group believes that stakeholders’ opinions have important implications for achieving sustainable development. In the future, it will continue to collect feedback from different stakeholders through diverse, transparent and effective communication channels, so as to deploy response plans and optimize its sustainability strategies.

# Environmental, Social and Governance Report

## Materiality Matrix



### Sustainability issues (In descending order of materiality)

Very important issues		Somewhat important issues		Other issues	
24	Customer Satisfaction	1	Environmental Legal Compliance	7	Water Usage
15	Occupational Health and Safety	12	Talent Management	9	Packaging Material for Finished Product
21	Product Quality Management	13	Employee Benefits	11	Major Climate-related Policies
27	Data Security and Customer Privacy Management	29	Management of Unfair Competition Conduct	5	Non-Hazardous Waste Management
22	Product Health and Safety	26	Product Innovation	18	Community Involvement
30	Anti-corruption	4	Hazardous Waste Management	19	Community Welfare Investment
		14	Employee Diversity and Equal Opportunity		
		28	Cybersecurity		
		2	Emission Management		
		16	Training and Development		
		10	Environmentally-friendly Emissions		
		8	Wastewater Discharge		
		17	Child Labor and Forced Labor Management		
		23	Product Lifecycle Management		
		20	Supply Chain Management		
		25	Intellectual Property		
		3	Greenhouse Gas Emissions		
		6	Energy Consumption		

## COMMITMENT TO CUSTOMERS

As a responsible corporate, the Group is committed to fulfilling social responsibilities, in order to enhance mutual trust with customers and suppliers and foster long-term cooperation. It has operated a social responsibility management system in accordance with the SA8000:2014 standard, promoting effective management of product quality and safety, information security and privacy, supply chain, and business ethics. With implementation of the responsibility management system, risk assessment and regular review, it has continuously integrated sustainability concepts into the production and operation process, protecting the rights and interests of customers and suppliers.

### Quality and Safety

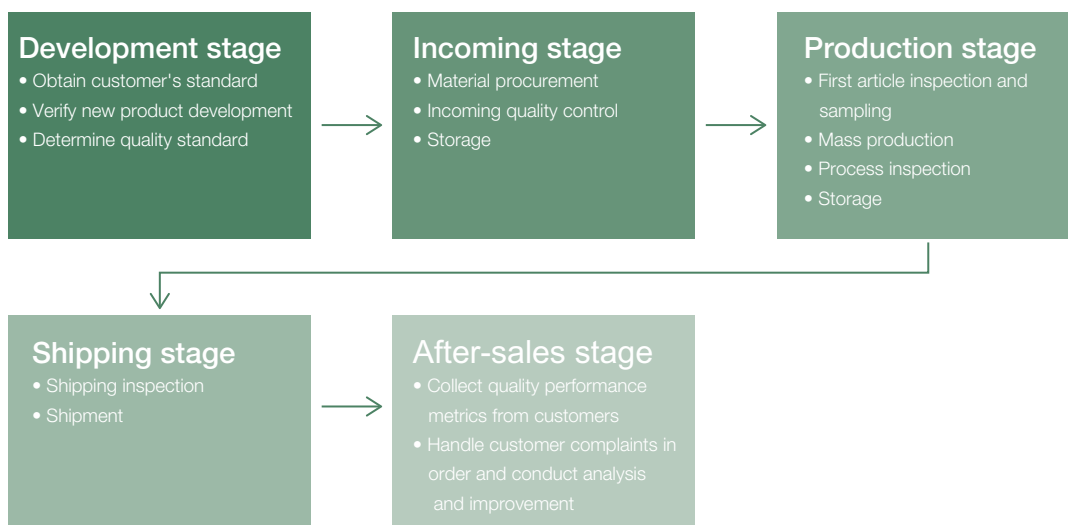
Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for quality control</b>	<p><i>"Quality/HSPM/Environment/Occupational Health and Safety Handbook"</i></p> <p><i>"Quality Control Management Procedures"</i></p> <p><i>"Product Inspection and Management Procedures"</i></p> <p><i>"Unqualified Product Management Procedures"</i></p> <p><i>"Corrective and Preventive Action Control Procedures"</i></p> <p><i>"Identification and Traceability Control Procedures"</i></p>	<p>Through the quality management system, define the product quality management specifications covering design and development, material input, manufacturing process, shipment, and customer end, and formulate management procedures for handling unqualified products, in order to promote continuous improvement of product quality on the basis of fulfilling customer' needs</p>
<b>Management provisions for product health and safety</b>	<p><i>"Hazardous Substance Identification and Evaluation Control Procedures"</i></p> <p><i>"HSF Management Procedures"</i></p> <p><i>"Environmental Control and Management Specification"</i></p>	<p>Standardize the management and control requirements of hazardous substances to ensure hazardous substances involved in the development, procurement and production process are in compliance with relevant laws, regulations and standards, so as to reduce environmental and safety risks of products</p>

The Group upholds the quality management approach of "high-tech, high-quality, high-efficiency while providing customers with satisfactory products and services", striving to improve product quality and safety, and prevent related risks. It strictly abides by relevant laws and regulations, and has implemented full product lifecycle quality management through its quality management system. Its subsidiaries have obtained certifications of IATF16949 quality management system, ISO9001 quality management system, and QC080000 hazardous substance process management system. The Quality Management Department is responsible for managing and supervising product quality, in order to facilitate the ongoing improvement of product quality, production process and after-sales service.

# Environmental, Social and Governance Report

During the Year, the Group has not recalled any products for safety and health reasons, and it was not aware of any material violations of applicable laws and regulations regarding quality and safety of its products and services.

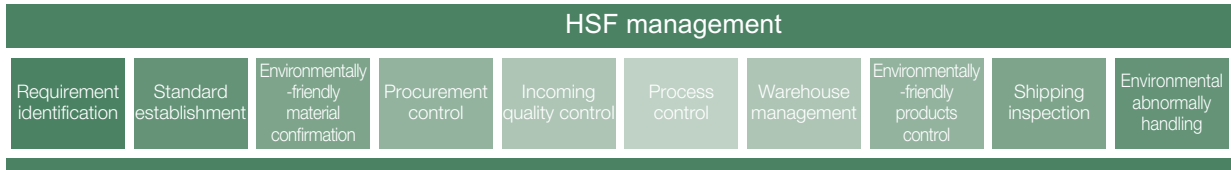
## Full product lifecycle quality management and control



<b>Standardized quality control</b>	<ul style="list-style-type: none"> <li>• Implement full-process product inspection, to strictly examine and control product quality, and ensure that the production quality is qualified</li> <li>• Carry out reliability testing during the development and mass production stages to avoid delivering poor reliability or defective products to the client</li> <li>• Continuously monitor the reliability test and review the reliability management on a quarterly basis to ensure accuracy of the experimental results</li> </ul>
<b>Closed-loop management of unqualified products</b>	<ul style="list-style-type: none"> <li>• Immediately respond and implement rectification in case of unqualified products</li> <li>• Carry out corrective and preventive measures such as tracing, identification, isolation, repair or selection, and subsequent improvement, etc. in accordance with established procedures</li> <li>• Re-inspection of batches with abnormal quality is required, which the quality of three consecutive batches will be tracked to ensure product compliance</li> </ul>

Regarding product health and safety, the Group adheres to the hazardous substances free (“HSF”) management approach of “complying with laws and regulations, upholding environmental protection, gaining customer satisfaction, striving for continuous improvement”. It has enforced an effective hazardous substance process management (“HSPM”) system, to ensure its compliance with relevant laws and regulations, standards and customers’ requirements. The Group has strictly carried out hazardous substance identification, assessment and control work, which are managed according to the risk level, in order to prevent environmental pollution or safety issues.

# Environmental, Social and Governance Report



The Group continuously pursues the improvement of quality management level, order delivery capability and product competitiveness. It has implemented the following plans to reinforce its quality management during the Year, in order to bolster product quality and safety.

Subsidiary division	Quality management improvement plan
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>Reformed and upgraded the existing quality management system, and added the IATF16949 automotive quality management system standard on top of the ISO90001 standard</li> <li>Carried out quality system process re-engineering, including clarifying quality management responsibilities and duties, refining processes, improving procedural documents, standardizing record management, and strengthening quality management training</li> <li>Reinforced on-site and team management, and established a supervision and incentive mechanism to ensure the effective implementation of management system</li> </ul>
<b>Shenzhen Tongda Electronic division, Guangdong</b>	<ul style="list-style-type: none"> <li>Set quality goals and management plans, including 8 indicators of incoming batch pass rate, injection molding yield rate, shipment batch pass rate, client batch pass rate, client upstream production yield rate, customer satisfaction, customer complaints and quality accidents, in order to promote product quality control</li> <li>Set environmental goals and management plans, including 6 indicators of number of return and recall of product hazardous substances, completion rate of test report upload, customer HSF satisfaction, validity of supplier data collection, number of abnormality detected in internal inspections and frequency of abnormality complaint from customers, so as to promote product environmental control</li> </ul>

# Environmental, Social and Governance Report

## After-sales Service

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for customer service</b>	<p><i>“Operation Specification for Customer Complaint Handling”</i></p> <p><i>“Customer Service Management Procedures”</i></p> <p><i>“Customer Complaints Handling Procedures”</i></p> <p><i>“Stakeholder Communication and Satisfaction Control Procedures”</i></p> <p><i>“Customer Satisfaction Management Procedures”</i></p>	<p>Establish a systematic customer service management system to standardize customer feedback channels and handling procedures, in order to ensure closed-loop handling of product quality issues and continuously fulfill customer requirements</p>

The Group believes product and service quality is the key to maintaining customer confidence and support. On top of attaining satisfaction, it strives to exceed customers’ expectations. It has continued to enhance the timeliness and efficiency of customer services, ensuring rapid response to product quality and customer opinions, as well as proper follow-up.

<b>Customer complaint handling mechanism</b>	<ul style="list-style-type: none"> <li>• According to the nature of customer complaints, handle the case after classification and grading</li> <li>• Customer complaint handling principle: respond to customers within 2 hours, propose and implement contingency and remedial measures within 24 hours, define the root cause within 48 hours, develop mid- and long-term improvement measures within 5 days and complete a “8D Improvement Report” as a formal reply</li> <li>• Conduct continual scrutiny and tracking, which tracking of three consecutive production batches are required to confirm the improvement effect</li> <li>• Carry out horizontal inspections to lower similar quality risks</li> <li>• Regularly monitor and review customer complaint performance, and summarize improvement countermeasures to formulate standardized technical operation and quality management regulation processes, which are used for training and operation guidance</li> </ul>
<b>Customer satisfaction survey</b>	<ul style="list-style-type: none"> <li>• Regularly carry out customer satisfaction surveys through telephone interviews, questionnaire surveys, visits, symposium surveys, etc.</li> <li>• Conduct analysis and countermeasure formulation based on customers’ feedback, so as to understand the differences between the Group’s performance and customers’ needs and expectations</li> </ul>

# Environmental, Social and Governance Report

During the Year, the Group has received a total of 282 customer complaints. Relevant departments have actively handled the issues to attain customer satisfaction, all cases were properly resolved and closed. In order to continuously improve product quality and customer service, the Group has also carried out the following improvement projects during the Year:

Subsidiary division	Product and service improvement plan
<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"> <li>Strengthened customer service management in accordance with the “Stakeholder Communication and Satisfaction Control Procedures”, and conducted a customer review survey regarding five areas of delivery, quality, response, technology and cost every six months</li> <li>The customer satisfaction survey of the Year has resulted an average score of 95.3, showing that customers are satisfied with all aspects of services and capabilities, which improvement plans were further formulated based on the results</li> </ul>
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>Initiated the process re-engineering project, established a customer satisfaction management system, and clearly standardized the process of customer satisfaction management and customer complaint handling</li> <li>Developed satisfaction assessment KPIs, which ratings of key customers are included in the monthly performance evaluation</li> <li>Designated relevant departments to be responsible for coordination, so as to monitor and track customer satisfaction and improve internal countermeasures</li> </ul>

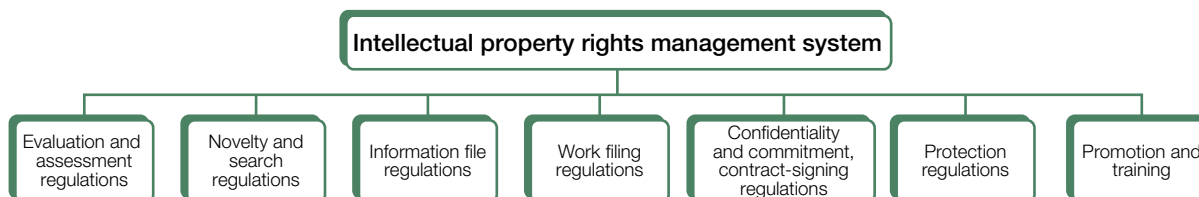
## Intellectual Property Rights

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for intellectual property rights</b>	<p>“Patent Management System”</p> <p>“Intellectual Property Protection Control Procedures”</p> <p>“Organization Knowledge Management Procedures”</p>	Standardize the use, maintenance and supervision of intellectual property rights through the management system, in order to effectively protect all intellectual property rights involved in the Group’s business operations, and prevent infringement risks

For innovative technology and craftsmanship being one of its core competitiveness, the Group attaches great importance to protecting intellectual property rights. The Group is committed to strengthening the protection, application and management of intellectual property rights, it has implemented relevant management regulations, and promoted internal technological advancement and innovation with comprehensive assurance, so as to improve the Group’s market competitiveness and economic benefit.



## Environmental, Social and Governance Report



The Group's Human Resources Department and R&D center are mainly responsible for the daily management, maintenance and supervision of intellectual property rights. Intellectual property development planning, performance evaluation and analysis on improvement work are conducted on a regular basis, to foster the accumulation of intellectual property assets. In addition, the Group requires employees to fulfill their obligations to protect all intellectual property rights from infringement, and that confidential information shall not be disclosed to other parties without authorization. When a third party is involved, it will clearly state the terms of intellectual property protection in a written contract to safeguard the relevant legitimate rights and interests of both parties. Meanwhile, the Group actively carries out training and publicity work every year to enhance employees' awareness of intellectual property protection and infringement prevention.

During the Year, the Group obtained a total of 153 valid patents, including 31 new patents, and was not aware of any violations or infringements of intellectual property rights.

### *Advertising and Labelling*

In terms of labelling, the Group has formulated the "Product Packaging and Design Specification" to provide clear guidance on the information listed on product labels and pasting location, etc., so as to ensure product traceability. For advertising, the Group's business nature does not involve advertising, only some products are displayed in its showcases.

# Environmental, Social and Governance Report

## Information Security and Privacy Management

### Data Security and Privacy Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for information security</b>	<p><i>"Information Security Management Manual"</i></p> <p><i>"Information Classification Control Procedures"</i></p> <p><i>"Commercial Confidential Control Procedures"</i></p> <p><i>"Specification of Information Flow Management for Confidential Project"</i></p> <p><i>"Information and Technological Security Management Procedures"</i></p> <p><i>"Client Information Confidentiality Regulations"</i></p> <p><i>"Management Regulations for the Private Information Protection of Supplier, Customer and Employee"</i></p>	<p>Standardize the security measures and procedures of data and confidential information, and delegate personnel responsible for management and control, in order to prevent losses caused by information system interruption, data loss, information leakage and other accidents</p>

The Group adheres to the management approach of "data confidentiality, information integrity, risk control, continuous improvement, and extensive participation for excellence" in maintaining data security and customer privacy. Its subsidiaries have established management systems in accordance with the ISO27001 information security management system standard, which a series of information security management regulations has been implemented. The Group also conducts regular risk assessments every year to promote effective confidentiality management.

## Environmental, Social and Governance Report

<b>Information flow management</b>	<ul style="list-style-type: none"> <li>Files are processed by dedicated personnel, and designated confidential items are encrypted and backed up for protection</li> <li>Access to confidential information must be subject to authorization approval, and relevant records must be kept</li> <li>Use codes to create internal documents for sensitive information</li> </ul>
<b>Security and confidentiality measures</b>	<ul style="list-style-type: none"> <li>Prohibit employees without relevant responsibilities and business duties from viewing confidential items</li> <li>Confidential information shall not be copied, transcribed or taken out without approval</li> <li>Employees are required to change their passwords regularly, and confidential document shall not be left unattended</li> <li>Require employees with access to confidential information to sign a non-disclosure agreement</li> </ul>
<b>Handling of information security incidents</b>	<ul style="list-style-type: none"> <li>Regularly perform information security audits; Immediately take appropriate corrective and preventive measures when discovered potential security hazards or information leakage, and conduct investigation and reporting afterwards</li> <li>Those who divulged or illegally obtained confidential information shall be warned or dismissed, and if necessary, shall be handed over to the judicial organization while pursuing legal responsibilities</li> </ul>

The Group's Information Management Center is mainly responsible for providing guidance, technical support and supervision. Regarding the information of suppliers, customers, and employees, the Group has delegated personnel in each department to carry out relevant management work, securing comprehensive protection for data security and customer privacy. It has also implemented hierarchical management for various types of information, set up protective zones for key protection, and strengthened security with access control and permission. During the Year, the Group's handsets and automotives division in Xiamen has reinforced the monitoring of system data export. By adopting new information security technology, its information security monitoring has been improved in aspects of user-end file audit, sensitive information scanning, file export protection and watermark management, which helped reduce the risk of data leakage.

During the Year, the Group did not have any incidents of customer information and data leakage. Also, it was not aware of any material breaches of applicable laws and regulations in relation to information security and privacy protection.

# Environmental, Social and Governance Report

## Cybersecurity

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for cybersecurity</b>	<p><i>“Central Computer Room Management Specification”</i></p> <p><i>“Network Security Management System”</i></p> <p><i>“Information Management Procedures for Communication Security”</i></p> <p><i>“Information Security and User Access Control Management Procedures”</i></p>	<p>Set up management specifications on network configuration, use and information access to facilitate the safe and reliable operation of network, and hence holistically protect the confidentiality, authenticity and integrity of information</p>

Facing increasingly frequent cyber threats, the Group pays considerable attention to the security and stability of its network and information systems. In accordance with the information security management system, management guidelines are formulated for computer rooms, hardware equipment, firewall, computer software and network configuration, etc., for which the Information Management Center is responsible for daily management and regular inspection. With code of conduct, access rights and network monitoring, the Group has secured an extensive defence for its network system.

During the Year, the Group was not aware of any material violations of applicable laws and regulations in relation to cybersecurity, and there were neither cybersecurity failure nor dissemination of illegal content occurred.

# Environmental, Social and Governance Report

## ANTI-CORRUPTION

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for anti-corruption and -commercial bribery</b>	<p><i>"Tongda Home Appliance Business Group Integrity Management System"</i></p> <p><i>"Anti-corruption Work Management System"</i></p> <p><i>"Management Regulations for Anti-Corruption and Promoting Integrity"</i></p> <p><i>"Anti-commercial Bribery Management System"</i></p> <p><i>"Advertisement and Fair Trading Control Procedures"</i></p>	Formulate clear specifications for the education, prevention, elimination, correction and handling of anti-corruption and anti-bribery through the establishment of an integrity management system, and implement internal control and monitoring mechanism, in order to guide the Group and all employees to act with integrity, honesty and self-discipline

The Group adheres to the core business philosophy of observing laws and integrity and promoting high-quality service, and rejects any forms of corruption, extortion and other forms of misconduct. It is committed to promoting anti-corruption, it strives to prevent corruption through a comprehensive internal control and monitoring system. The Group has continuously strengthened and improved its integrity management system to foster an anti-corruption corporate culture.

During the Year, the Group did not have any material violations of relevant laws and regulations regarding the prevention of bribery, extortion, fraud and money laundering, nor did it receive any reporting cases of business ethics, or any concluded legal cases regarding corrupt practices brought against the Group or its employees.



## Environmental, Social and Governance Report

To thoroughly promote the anti-corruption and anti-bribery work in its business activities, the Group upholds the principle of “treating both symptoms and root causes, enforcing comprehensive governance, exercising punishment and prevention, and emphasizing on prevention”. It has continually implemented various management regulations and measures in striving to eliminate any behavior that violates business ethics.

<p><b>Publicity and education</b></p>	<ul style="list-style-type: none"> <li>• Require employees to sign the “Commitment to Integrity” during the onboarding process, and abide by the professional conduct requirements and disciplinary order listed in the “Integrity and Self-discipline Regulations” and the “Employee Code of Conduct”</li> <li>• Human Resources Department is responsible for planning and arranging learning courses for integrity and corruption prevention</li> <li>• For employees in key positions, training is required at least once every six months, and relevant assessments will be arranged</li> <li>• Organize corresponding training at least once a year to publicize the latest laws and regulations related to business ethics</li> </ul>
<p><b>Business ethics audit</b></p>	<ul style="list-style-type: none"> <li>• Coordinate employees in key positions to complete the “Integrity Self-assessment Form” every six months, and carry out follow-up evaluation afterwards</li> <li>• Financial Audit Center and Human Resources Department will collectively review sensitive operation processes at least every six months</li> <li>• Conduct selective examination and inspection from time to time, relevant department is required to formulate preventive and improvement measures within 3 working days after spotting a problem, and to verify their effectiveness</li> </ul>
<p><b>Business ethics evaluation management</b></p>	<ul style="list-style-type: none"> <li>• Carry out a social evaluation of business ethics once a year in forms of seminars, questionnaires or online surveys</li> </ul>

## Environmental, Social and Governance Report

<b>Supplier and external personnel management</b>	<ul style="list-style-type: none"> <li>• Require relevant employees to take the initiative and declare any relationship with clients and suppliers</li> <li>• Refuse all rebates, bribery, and corruption in procurement, and cancel cooperation with suppliers who solicit or accept any benefits and gifts</li> <li>• Require suppliers to confirm and sign the “Commitment to Anti-commercial Bribery”</li> <li>• Explain and promote the Group’s business ethics to suppliers through supplier associations, procurement documents, emails, etc., and accept suppliers’ supervision</li> </ul>
<b>Reporting mechanism</b>	<ul style="list-style-type: none"> <li>• Employees are encouraged to report any known or suspected violations</li> <li>• Set up reporting channels such as “Integrity Reporting Mailbox” and “Integrity Hotline”, and the Leading Group for Integrity Work will assign dedicated personnel to investigate and handle any cases on a regular basis</li> <li>• Implement confidentiality measures for reporting materials and prohibit any forms of retaliation against whistleblowers</li> </ul>
<b>Investigation</b>	<ul style="list-style-type: none"> <li>• After the preliminary examination by the anti-corruption personnel, conduct an investigation accordingly and report the results to the General Manager Office, and carry out follow-up or report to regulatory authorities</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>• Ensure relevant personnel undertake their responsibilities through assessment and accountability mechanism</li> <li>• Impose punishment on violators according to the severity, those committed serious violation will be terminated; The violator will be transferred to the judicial organization for handling if there is any suspected breaches of laws and regulations</li> </ul>

The Group strives to practice business ethics and strengthen internal integrity awareness. During the Year, it has continued to organize anti-corruption training for the Board of Directors and employees. The details are as follows:

<b>Total training hours</b>	<b>2022</b>
Anti-corruption training received by employees (hours)	<b>11,206</b>
Anti-corruption training received by Board members (hours)	<b>144</b>

# Environmental, Social and Governance Report

## Supply Chain Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for supply chain</b>	<i>"Supplier Sourcing and Management Procedures"</i>	Standardize supply chain management procedures from selection, daily management
	<i>"Supplier Selection and Evaluation Control Procedures"</i>	to review and evaluation, to promote long-term and stable procurement operations and
	<i>"Supplier Assessment Management Regulations"</i>	continuously improve supplier performance, so
	<i>"Procurement Contract Management Regulations"</i>	as to ensure effective management and control
	<i>"Management Procedures for Suppliers and Subcontractors"</i>	of supply chain risks

The Group recognizes that supply chain management is crucial to its business development and sustainable performance, it is therefore committed to constructing a sound supply chain management system. It has implemented full-process management for procurement. It regularly monitors and evaluates suppliers, and maintains active communication, to establish long-term partnerships with suppliers and jointly promote sustainable development.

During the Year, the Group engaged a total of 2,762 suppliers to provide materials and services, among which more than 99.57% of suppliers are from China, and all of them have complied with the relevant supplier practices.

2022		Number of suppliers	
<b>Geographical region</b>	China	Northern China	<b>23</b>
		Northeast China	<b>3</b>
		Eastern China	<b>1,362</b>
		Central China	<b>15</b>
		Southern China	<b>1,336</b>
		Southwest China	<b>11</b>
		Northwest China	<b>0</b>
	Overseas	<b>12</b>	
<b>Total</b>		<b>2,762</b>	



## Environmental, Social and Governance Report

The Group has established clear supplier management procedures and standardized the quality, environmental and social responsibility requirements of suppliers, to assure the fairness, accuracy, timeliness and effectiveness of procurement.

<b>Supplier sourcing</b>	<ul style="list-style-type: none"> <li>• Conduct source research based on internal demand</li> <li>• Carry out on-site inspection to further evaluate supplier’s production equipment, supply capacity, quality and technology, environmental management, etc., and complete the “Supplier Evaluation Report” and “Supplier Social Responsibility Questionnaire” for approval</li> <li>• After signing contracts and relevant social responsibility agreements, approved suppliers will be included in the “Qualified Supplier List”</li> </ul>
<b>Supplier cooperation</b>	<ul style="list-style-type: none"> <li>• Carry out sample trial production and verification before confirming the purchase order</li> <li>• Implement delivery control and quality control, to regularly inspect and monitor supplier’s production progress, quality, and output performance</li> <li>• Provide guidance and conduct rectification for suppliers with defects, and follow up and confirm the improvement afterwards</li> </ul>
<b>Supplier evaluation</b>	<ul style="list-style-type: none"> <li>• Conduct quarterly and annual supplier evaluation, concerning quality, delivery, hazardous substances, environmental protection and services, etc., to update the list</li> <li>• Carry out risk classification and control based on the evaluation results, and assign designated personnel to conduct on-site inspection for suppliers with medium and high risks</li> <li>• Delist suppliers with continuously unsatisfactory evaluation performance, and blacklist suppliers who committed serious violation against the agreements</li> </ul>

# Environmental, Social and Governance Report

## Sustainable Procurement

The Group has incorporated sustainability concepts into supply chain management, and developed management regulations for suppliers' environmental and social risks, to identify and reduce related risks. Additionally, it has established "Supplier Corporate Social Responsibility Agreement" to standardize the management requirements for suppliers' corporate social responsibility ("CSR"), including labor, health and safety, environmental protection, business ethics, etc. Suppliers with relevant quality, environmental and social responsibility management system certifications are prioritized in selection, in order to promote a sustainable supply chain.

<p><b>Managing environmental risks in the supply chain</b></p>	<ul style="list-style-type: none"> <li>• "Environmental Questionnaire for Related Parties": Carry out environmental audits on suppliers, regarding environmental management system, environmental monitoring reports, regular internal audits, etc.</li> <li>• "Guarantee for Environmental Management of Substances": Conduct hierarchical control of high-risk materials and regular sample testing, and require suppliers to submit third-party testing report</li> <li>• "Commitment for Not Using Poisonous and Hazardous Substances" and "Environmental Substance Management and Control Requirements": Guarantee HSF suppliers have fulfilled requirements of related laws and regulations</li> </ul>
<p><b>Managing social and governance risks in the supply chain</b></p>	<ul style="list-style-type: none"> <li>• "Commitment to Integrity": Require suppliers to abide by fairness, integrity, and oppose to bribery and unfair competition</li> <li>• "Human Resources Management Regulations for Supplier": Safeguard the rights and interests of employees from outsourced recruitment</li> </ul>

# Environmental, Social and Governance Report

## COMMITMENT TO EMPLOYEES

The Group regards employees as valuable assets, and upholds the concept of “people-oriented” in building an excellent and diverse team. It pays significant attention to occupational health and safety, talent management, labor standards, and employee communication, to constantly enhance employment management. It also creates an equal, safe, healthy, and friendly working environment for employees, supporting employee training and development to realize the collective growth of the Group and employees. As of December 31, 2022, the Group had 17,680 employees in total and employed 2,682 other workers. The relevant employment data are as follows:

2022		Total number of employees	Employee turnover rate <sup>1</sup>	Total number of other workers <sup>2</sup>
<b>Gender<sup>3</sup></b>	Male	10,984	73.55%	1,877
	Female	6,696	65.43%	805
<b>Employment type</b>	Full-time	17,663	70.54%	2,682
	Part-time	17	0%	0
<b>Age</b>	18-30 years old	9,409	77.35%	1,917
	31-45 years old	6,907	57.19%	756
	46-60 years old	1,364	90.32%	9
<b>Employment level</b>	First-tier employee	13,186	84.54%	2,682
	Technical employee	2,777	36.98%	0
	Management employee	1,717	16.60%	0
<b>Geographical region</b>	Shishi	6,290	129.78%	0
	Xiamen	9,942	32.19%	2,593
	Guangdong	1,448	75.76%	89
<b>Total</b>		17,680	70.48%	2,682

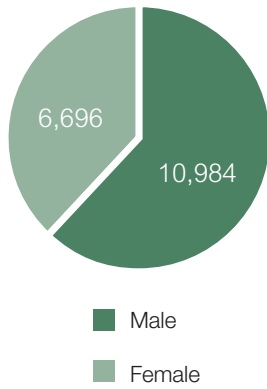
<sup>1</sup> As the Group is in a high labor mobility industry, the employee turnover rate of the Year was 70.48%. With regular recruitment to replenish human resources, the overall employment rate of the Year was 73.08%.

<sup>2</sup> According to the “How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs” published by the Hong Kong Exchanges and Clearing Limited, other workers include: agents/contractors/suppliers hired by the issuer to perform work at a workplace controlled by the issuer or in a public area and/or to deliver work/services at the workplace of a client of the issuer; and interns/volunteers performing unpaid work for the issuer.

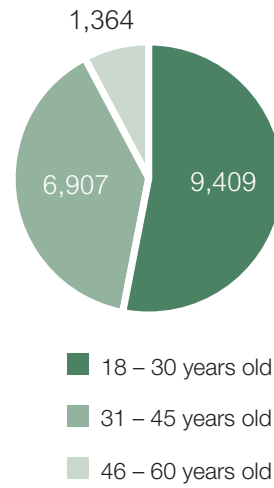
<sup>3</sup> The proportion of male employees is higher than female employees is due to the Group’s business involves labor-intensive work, which does not involve any discrimination.

## Total number of employees

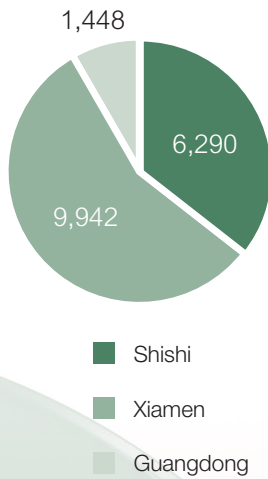
### Gender



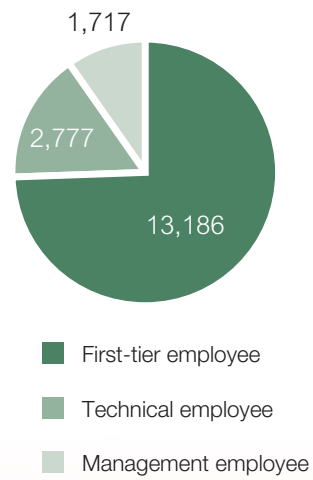
### Age



### Geographical region



### Employment level



# Environmental, Social and Governance Report

## Occupational Health and Safety

Aspect	Policy of the Group and its subsidiaries	Description
<b>Occupational health and safety management system</b>	<p><i>“Environmental and Occupational Health and Safety Operation Control Procedures”</i></p> <p><i>“Environmental, Occupational Health and Safety Management Manual”</i></p> <p><i>“Safety and Health Management Procedures”</i></p> <p><i>“Occupational Health and Safety Performance Monitoring and Measurement Control Procedures”</i></p> <p><i>“Safety Assessment Management Measures”</i></p>	Establish an occupational health and safety management framework to standardize the Group’s production safety management system; Enforce various safety control and monitoring management policies through the implementation of relevant targets and indicators management plans, in order to effectively prevent, control and eliminate occupational hazards, and protect employees’ safety and health
<b>Management provisions for safety training and education</b>	<p><i>“Safety Training and Education System”</i></p>	Establish a management system by standardizing the classification, content, requirements and assessment of safety training, to holistically improve the safety awareness and quality of employees, so as to avert safety accidents or behaviors
<b>Management provisions for safety protection</b>	<p><i>“Labor Protective Equipment Management Regulations”</i></p> <p><i>“Occupational Disease Examination System”</i></p> <p><i>“Safety Protection Facility Management Regulations”</i></p> <p><i>“Safety Label and Occupational Disease Hazard Warning Logo Management System”</i></p> <p><i>“Occupational Disease Hazard Accident Handling and Reporting System”</i></p>	Formulate management specifications for safety protection equipment and facilities, safety production warnings, occupational health inspections, incident handling, etc., to clearly guide safety production work, thereby strengthening the protection for employees’ health and safety
<b>Management provisions for safety risks</b>	<p><i>“Hazard Identification and Evaluation Management Procedures”</i></p> <p><i>“Occupational Disease Hazard Factor Detection and Evaluation Management System”</i></p>	Formulate clear specifications for comprehensive identification and evaluation of various occupational health and safety hazards, and promote the implementation of safety risk management and control measures to thoroughly prevent and control risks, in order to reduce and eliminate occupational health and safety hazards

# Environmental, Social and Governance Report

Occupational safety and health has always been one of the primary responsibilities of the Group. It adheres to the occupational health and safety management approach of “safety and prevention first”, and is committed to creating a healthy and safe working environment for employees. The Group has established a vigorous occupational health and safety management system, and strictly enforced various safety production measures in accordance with the “Occupational Health and Safety Targets and Indicators Management Plan” formulated every year. Under the production safety responsibility system, it has closely monitored and evaluated the effectiveness of management work through the Production Safety Committee, so as to continuously improve occupational safety and health performance.

During the Year, the Group’s subsidiaries have obtained occupational health and safety system certifications, including ISO45001:2018 standard, and the Group not aware of any material violations of applicable laws and regulations in relation to occupational health and safety.

<b>Safety risk assessment</b>	<ul style="list-style-type: none"><li>• Conduct weekly 5S (organization, neatness, cleanliness, standardization and discipline) safety inspections and daily inspections, and rectify any problems in a timely manner</li><li>• Carry out annual internal hazard identification and risk assessment, so as to devise training, supervision, emergency plan, protection and other work</li><li>• Engage a qualified occupational health testing institution to examine and evaluate occupational disease hazard factors at the workplace every year, and conduct an occupational disease hazard status assessment at least once every three years</li></ul>
<b>Safety training</b>	<ul style="list-style-type: none"><li>• Newly recruited employees are required to attend three-level safety production training (factory level, secondary level and team level); Employees performing special operation are required to undergo additional training and assessment and obtain relevant qualification certificates; All employees are required to attend on-the-job safety training on a quarterly basis</li><li>• Forbid any employees who have not passed the safety production education and training from working</li><li>• Develop an annual safety training plan, and regularly examine and evaluate the safety knowledge of all employees</li></ul>

# Environmental, Social and Governance Report

<b>Safety protection and information</b>	<b>Safety production protection</b>	<ul style="list-style-type: none"> <li>• When introducing, rebuilding or expanding projects, implement “three simultaneous” (simultaneous design, construction, and operation and use of labor safety and sanitation facilities with the main project), and prioritize the adoption of new technologies, techniques and materials that are conducive to the prevention of occupational diseases and the protection of employees’ health</li> <li>• Formulate safety guidelines for workplaces and equipment, electrical safety, flammable and explosive materials, elevators, fire work, fire safety, etc.</li> </ul>
	<b>Safety protection facilities and labor protective equipment</b>	<ul style="list-style-type: none"> <li>• Distribute up-to-standard personal protective equipment to employees</li> <li>• Regularly inspect protective facilities and labor protection equipment for timely repair and renewal</li> </ul>
	<b>Safety label and occupational disease hazard warning logo</b>	<ul style="list-style-type: none"> <li>• Set up corresponding safety notification cards and reminders of protective equipment at the prominent location of places or facilities with flammable, explosive, toxic and harmful hazards</li> <li>• Set up fire safety signs, including public fire-fighting facilities, evacuation routes, safety exits</li> <li>• Incorporate the management of safety labels and occupational disease hazard warning logos into daily safety inspections</li> </ul>
	<b>Occupational health check</b>	<ul style="list-style-type: none"> <li>• Arrange occupational health checks for workers who are exposed to occupational hazards before onboarding, during employment and after resignation, and the diagnosis results will be archived and kept by responsible personnel</li> <li>• Instantly transfer employees with occupational health disease from their positions, and provide proper resettlement and treatment</li> </ul>
<b>Safety incident handling</b>		<ul style="list-style-type: none"> <li>• Set up first-aid facilities and emergency rescue teams, and organize voluntary fire-fighting teams</li> <li>• Conduct emergency evacuation drills, fire safety and fire-fighting training at least once a year</li> <li>• Immediately report occupational disease hazard accidents, implement contingency measures and rescue, and conduct rigorous investigations afterwards</li> </ul>

# Environmental, Social and Governance Report

The Group actively strengthens employees' occupational health and safety, its subsidiaries have carried out the following improvement projects during the Year:

<b>Subsidiary division</b>	<b>Occupational health and safety improvement plan</b>
<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"><li>• Arranged occupational health body checks for employees of special operation concerning hazards brought by dust, noise and waste</li><li>• Organized safety training on dust and hazardous chemicals</li></ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"><li>• The Safety Office has held a Safety Committee meeting every month and conducted workshop safety inspections to ensure the safety of all machinery and protection equipment</li><li>• The Safety Office has carried out in-depth publicity on various safety issues on a regular basis, and held emergency drills once a month to enhance safety awareness of all employees</li><li>• A new occupational health examination institution was added to ensure the thorough and extensive inspection of all employees related to occupational hazards</li></ul>

In view of the ongoing coronavirus pandemic during the Year, the Group has continued to stringently implement a series of epidemic control measures through the Epidemic Prevention and Control Task Force. It has curbed the spread of virus from the aspects of crowd management and monitoring, cleaning and disinfection, publicity and education, and protective equipment, etc., so as to raise employees' pandemic prevention awareness and secure public health and safety.

During the Year, there were 55 cases of worked-related injuries, which were mainly caused by incorrect operation of machinery. The Group has offered timely treatment and medical support to the injured employees, and provided compensation in accordance with relevant laws and regulations. It also has strengthened employee training to impede the occurrence of similar accidents. In addition, the Group has recorded 1 work-related fatality case during the Year. The case was mainly due to abnormal physical condition of the employee, which led to fainting at work, and was immediately sent to the hospital and confirmed dead. The Group understands that employees may not be aware of sickness in time while working. Therefore, in addition to providing regular breaks every day to remind employees to take enough rest, the Group has also enhanced health awareness training and provided regular health examinations to fully ensure employees' health. The Group will continue to improve its safety production management system, strictly conduct accident investigations and pursue accountability, as well as strengthen the inspection and management of safety hazards for prevention.



## Environmental, Social and Governance Report

	2022	2021	2020 <sup>4</sup>
<b>Number of work-related injuries</b>	55	99	Not available
<b>Rate of work-related injuries</b>	0.31%	0.42%	Not available
<b>Lost days of work-related injuries</b>	1,178	3,121	Not available
<b>Number of work-related fatalities</b>	1	0	0
<b>Rate of work-related fatalities</b>	0.01%	0%	0%

<sup>4</sup> Relevant data was not disclosed during the 2020 reporting period, the Group will continue to improve data collection and disclosure in the future.

## Talent Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for recruitment</b>	<i>"Employee Management System"</i>	Ensure the formation of the Group's employee team with standardized and procedural recruitment processes, so as to promote reasonable and efficient employment management
	<i>"Recruitment Management Regulations"</i>	
	<i>"Labor Contract Management System"</i>	
	<i>"Recruitment and Admission Management System"</i>	
	<i>"Recruitment and Employment Management Procedures"</i>	

In order to cater to the talent needs of its business development, the Group has carried out talent recruitment in an orderly manner through a well-established employment system. According to the internal strategic planning, it has supplemented its human resources through diverse channels of internal deployment and external recruitment. Upholding the principle of "open recruitment, equal competition, selective admission, internal recruitment before external recruitment", it will determine suitable candidates after conducting interviews, assessments and background investigations. The Group also adheres to compliant employment, it has informed candidates about the job responsibilities, working environment and related benefits in a truthful manner, and signed labor contracts with employees, so as to protect the legitimate rights and interests of both parties.

During the Year, the Group did not have material violations of relevant laws and regulations in terms of recruitment and promotion, remuneration and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare.

## Career Development

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for personnel change</b>	<i>"Employee Handbook"</i>	Establish a reasonable employment management system to ensure the orderly processing of promotion, internal transfer and resignation, so as to promote the sound development of the Group's employment management
	<i>"Personnel Change Management Regulations"</i>	
	<i>"Management Regulations for Assessment of Regular Employment of Employee"</i>	
	<i>"Promotion Management System"</i>	
	<i>"Employee Management System"</i>	

## Environmental, Social and Governance Report

The Group strives to provide employees with diverse career development opportunities. It has established a competent position deployment management system based on a legal and reasonable employment system. The Group respects employees' career development decisions and conducts personnel changes adhering to the principle of fairness and justice, in order to protect employees' rights of career development. It has also strengthened the internal talent-sharing mechanism to support the operation and development of the Group.

- Position transfer**
- According to the business development planning and position arrangement, objectively consider factors such as employee training history, personal ability and performance, personal demand, etc., and carry out promotion, downgrading or transfer through negotiation between the two parties
  - An inspection period is set for position change to review qualifications, and confirmation will be made to employees who have passed the training, probation, and assessment
  - Regularly initiate promotion work, including annual promotion, quarterly promotion and occasional promotion
  - There are three career development channels, namely management line, technician line and administration line

- Resignation**
- On the basis of compliance and rationality, terminate the employment relationship in an orderly manner after negotiation between the two parties
  - With the approval and verification by Human Resources Department, perform resignation and handover practices, as well as remuneration settlement according to the relevant procedures
  - Conduct reasonable dismissal of employees with serious dereliction of duty, violation of laws and regulations or corporate rules, and pursue legal responsibilities when necessary

## Case study: Talent advancement project

During the Year, the Group's handsets and automotives division in Xiamen has introduced the following talent management projects to progressively enhance its human capital:

1. Built a reserve talent pool through the 2022 fresh graduate training project;
2. Reduced the loss of key talents through key talent file management and loss tracking, and built a reserve talent echelon;
3. Evaluated the capabilities of existing employees in key positions through the compilation of qualification manuals and implementation of ability assessment for key positions, to facilitate the preparation for competency improvement.

## Employee Welfare

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for remuneration and benefits</b>	<i>"Employee Management System"</i>	Establish a management system for employees' remuneration, performance, rewards and punishments, to ensure the incentive and protection of salary and benefits with reasonable standards, in order to promote interests of employee and the Group
	<i>"Remuneration Management System"</i>	
	<i>"Performance Management System"</i>	
	<i>"Reward and Punishment Management System"</i>	
	<i>"Salary Adjustment Management Measures of Home Appliances Division"</i>	
<b>Management provisions for attendance and rest periods</b>	<i>"Employee Management System"</i>	Clearly regulate the working hours, overtime work and rest periods of employees to strengthen attendance management and promote the balance of working and resting, so as to improve work efficiency in an orderly manner while safeguarding the legitimate rights and interests of employees
	<i>"Attendance Management Regulations"</i>	
	<i>"Holiday Management Regulations"</i>	
	<i>"Overtime Work Management System"</i>	
	<i>"Leave Application Management Regulations"</i>	

To recognize their dedication, the Group strives to provide competitive remuneration and benefits for its employees in order to achieve a win-win labor relation. Through a sound remuneration and performance system, reasonable work arrangement, as well as timely review and adjustment, it provides comprehensive employment protection to employees.

## Environmental, Social and Governance Report

<b>Remuneration and benefits</b>	<ul style="list-style-type: none"><li>• Advocate reasonable compensation for work in accordance with skills, positions, working hours, performance and other factors, provide salary at a level not lower than the local minimum wage standard, and offer living allowances, high temperature subsidies, seniority subsidies, statutory benefits and other allowances</li><li>• Regularly adjust salaries with reference to internal and external integral evaluations to attract and retain outstanding talents</li><li>• Evaluate employee performance and provide bonuses based on monthly and annual assessments</li><li>• Establish a reasonable reward and punishment system to maintain production and management order</li></ul>
<b>Attendance and rest periods</b>	<ul style="list-style-type: none"><li>• Control working and resting, and manage and monitor employee attendance through clock-in system</li><li>• Implement a strict overtime working approval system and provide overtime compensation</li><li>• Employees are entitled to national statutory holidays, paid annual leave, marriage leave, bereavement leave, maternity leave, work injury leave, sick leave, paternity leave, etc.</li></ul>

The Group actively promotes the work-life balance of employees, and has initiated assorted welfare, benefits and employee activities to demonstrate its care for employees. Furthermore, it has continued to improve the production environment, living environment, cultural and sports facilities of employees to enhance their satisfaction and sense of belonging. During the Year, employee activities held by the Group amounted to a total of 16,379 participants.

## Case study: Employee welfare programs

During the Year, the Group's handsets and automotives division in Xiamen has introduced a series of employee welfare programs to boost employee satisfaction:



Organizing the "Tongda Running Group" activity



Participating in the workers' amateur badminton competition



Joining the "Corporate Worker Rope Climbing" competition



Official opening of the "Police-Citizen Joint Mediation Office"



Carrying out the "Certificate Presentation Ceremony for the Mediator of Tongda Group"



Promoting the "Tongda Career Development Planning Office"

1. Carried out employee leisure activities, including organizing employee teams to participate in badminton and jungle rope course climbing competitions
2. Established "Employee Service Center", "Police-Citizen Joint Mediation Office", and "Tongda Career Development Planning Office" to provide assistance to employees in need
3. Set up an online employee "Complaint, Suggestion and Assistance" channel to expand the channels for collecting employees' opinions

# Environmental, Social and Governance Report

## Employee Diversity and Equal Opportunities

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for corporate culture</b>	<i>"Employee Management System"</i>	Based on the principle of fairness and rationality, clearly formulate management specifications and procedures for equal opportunities, diversity, and anti-discrimination, in order to create a working environment of mutual respect, harmony, equality and diversity
	<i>"Recruitment and Employment Management Procedures"</i>	
	<i>"Religious Belief Management Procedures"</i>	
	<i>"Anti-discrimination Management Procedures"</i>	
	<i>"Management Procedures Against Discrimination"</i>	
	<i>"Discrimination and Harassment Prevention Procedures"</i>	
	<i>"Management System for Labor Protection of Female Workers of the Handsets and Automotives Division of Tongda Group"</i>	

"Respect for human rights and equality for all, and create a harmonious working atmosphere" is the social responsibility policy approach of the Group. It has established a fair and reasonable employment system, with clear management procedures and code of conduct, to advocate the concepts of workforce diversity, equality and equal opportunities for all.

## Environmental, Social and Governance Report

<b>Equal opportunities</b>	<ul style="list-style-type: none"><li>• Adopt a non-discriminatory attitude in hiring, remuneration, training, promotion, dismissal and other procedures, to ensure equal pay for the same title and equal duties for the same position</li><li>• Employment treatment is determined based on personal ability, work performance, and behavior, and all qualified employees can obtain equal employment and development rights through fair competition</li></ul>
<b>Diversity</b>	<ul style="list-style-type: none"><li>• Ensure no interference with or discrimination against employees' rights to comply with norms or requirements related to race, social class, nationality, religion, disability, gender orientation, social membership and trade union, etc.</li><li>• Uphold freedom of religious belief by providing flexibility and extra space and time for employees to fulfill their religious obligations</li><li>• Protect women's labor rights and interests by strengthening labor protection of female employees regarding their special physiological needs such as menstruation, pregnancy, childbirth, and breastfeeding, and prohibit differential treatment in terms of positions and benefits</li></ul>
<b>Anti-discrimination</b>	<ul style="list-style-type: none"><li>• Discrimination against any nationality, race, gender, religious belief, marital status, physical disability, etc. in the recruitment and employment processes is strictly forbidden</li><li>• Any harassment such as bullying, threats, intimidation, control, etc. in the workplace and other public places shall not be tolerated</li><li>• A grievance and complaint mechanism has been established for making direct complaints to employee representatives, senior management or general managers; Issues related to discrimination or harassment will be handled in a serious manner, which responsible personnel will be appointed to conduct investigation and take immediate corrective actions, while violators will be subject to punishment</li></ul>



## Environmental, Social and Governance Report

During the Year, the Group's subsidiaries have introduced the following programs to promote an equal and diverse group culture:

Subsidiary division	Group culture promotion plan
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>Respecting customs of different ethnic groups and set up a new Muslim canteen to address the dining issue for Muslim employees</li> <li>Appointed the Logistics Support Department to inspect the canteen, securing the food safety of Muslim employees</li> </ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>Formulated the "Religious Belief Management Procedures" to ensure employees' freedom of religious belief</li> <li>Set up ethnic minority restaurants in the canteen, respecting the beliefs, customs and other norms of ethnic minority employees</li> <li>Developed the "Management System for Labor Protection of Female Workers of the Handsets and Automotives Division of Tongda Group" to enforce labor protection for female employees</li> <li>Conducted anti-discrimination training and promotion through company announcements and notice boards, etc.</li> <li>Named as "Outstanding Unit in the Key Area of Provincial Ethnic Unity and Progression" by the Department of Ethnic and Religious Affairs of Fujian Province</li> </ul>

### Development and Training

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for employee training</b>	<p>"Key Position Management Specification"</p> <p>"Employee External Training Management System"</p> <p>"Operation Procedures for Training Operation"</p> <p>"Training Management System"</p>	<p>Bolster the work and management capabilities of employees at all levels and improve their knowledge, skills and attitudes through the formulation of training management specifications, in order to improve work efficiency and performance</p>

The Group attaches great importance to nurturing talents, and is committed to providing employees with proper learning opportunities and development platforms, so as to promote the achievement of the Group's goals and personal goals. In line with its strategic objectives in business development, the Group has carried out employee training in a systematic and progressive management mode. It has provided diversified training and education to enhance employees' quality, environment and occupational safety awareness, and professional skills and attitude, helping employees to perform their duties and unleash their potential.

# Environmental, Social and Governance Report

The Group has established a comprehensive training management system, with the principle of strengthening business operation knowledge and improving work skills, it has conducted a variety of training to meet different development needs of employees at all levels. The training programs cover areas of quality management, professional skills, environmental safety, management science, etc. Among them, all new employees are required to attend new employee training and induction training, which passing the assessment is needed before onboarding. In order to encourage continuous learning of employees, it also supports employees to participate in external training, and subsidizes the training fee for employees, so as to help import valuable management experience and advanced techniques from the external, thereby improving management and technical level of the Group.



In accordance with relevant management regulations, the Human Resources Department of each subsidiary will submit the “Annual Training Summary Report” every year to summarize, analyze and review the training effects, and formulate the “Annual Training Plan” to plan next year’s training based on internal needs and business development. After completing the training, the Group will conduct an effectiveness assessment, those who fail to pass the training will need to re-take the test or attend supplementary training. Relevant training records will be archived, the Human Resources Department will supervise the operation and evaluation of training to ensure effective implementation.

## Environmental, Social and Governance Report

During the Year, the Group has carried out various types of employee training to actively promote employee development:

### Subsidiary division Employee training program

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<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"><li>Carried out labor relations coordinator training to study labor laws and improve employee management</li></ul>
<b>Handsets and automotives division, Shishi</b>	<p><b>Introduction of qualification examinations:</b></p> <ul style="list-style-type: none"><li>Set up a working group to compose and review the know-how questions, in order to establish a data base for exam questions</li><li>Organized 31 exams in November with 935 participants</li><li>Identified the current competencies of employees through assessment, providing basic data for the talent inventory at the year end</li></ul> <p><b>Establishment of a corporate knowledge sharing platform:</b></p> <ul style="list-style-type: none"><li>Provided work-required professional courses for employees at all job levels</li><li>Collected feedback after completing the course to confirm trainees' understanding, and to understand their views on management of the Company</li></ul> <p><b>Skill enhancement training:</b></p> <ul style="list-style-type: none"><li>Initiated 5 training projects and cooperated with external organizations to organize trainings in dual-mode of online platform and on-site teaching</li><li>Completed the review of 37 security officers and added 5 quotas</li></ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"><li>Cooperated with sub-district and judicial offices to conduct training after understanding internal needs for skill improvement</li><li>Carried out capacity enhancement training for managers, R&amp;D employees, reserve talents and other key personnel to improve the competency of employees in key positions</li><li>Built a corporate sharing platform to regularly share knowledge, skills and other information</li></ul>

## Environmental, Social and Governance Report

During the Year, the Group has trained a total of 22,907 employees. The total training hours was 137,912 hours, and the average training hours was 7.80 hours. It has showed an increase of 131% and 205% respectively when compared to the previous year, given extensive and diversified employee training programs organized by the Group during the Year. The detailed training data are listed as follows:

<b>Employee training in 2022<sup>5</sup></b>		<b>Number of employees trained</b>	<b>Percentage of employees trained<sup>6</sup></b>	<b>Average training hours (hours)<sup>7</sup></b>
<b>Gender</b>	Male	<b>14,280</b>	<b>130.01%</b>	<b>8.07</b>
	Female	<b>8,627</b>	<b>128.84%</b>	<b>7.36</b>
<b>Employment level</b>	First-tier employee	<b>18,012</b>	<b>136.60%</b>	<b>6.58</b>
	Technical employee	<b>3,138</b>	<b>113.00%</b>	<b>8.12</b>
	Management employee	<b>1,757</b>	<b>102.33%</b>	<b>16.62</b>
<b>Total</b>		<b>22,907</b>	<b>129.56%</b>	<b>7.80</b>

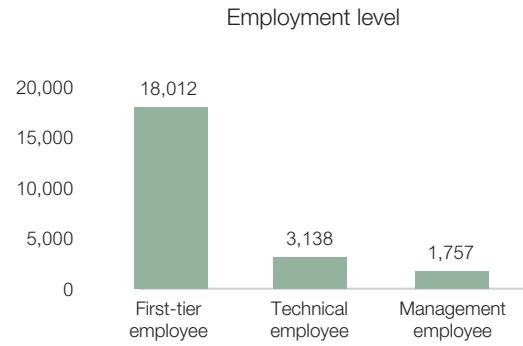
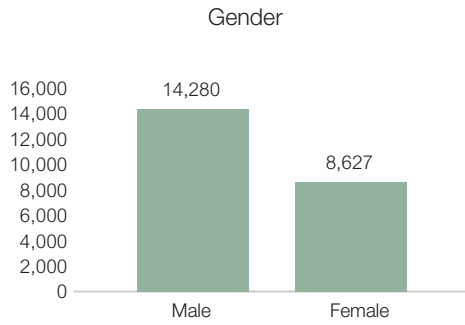
<sup>5</sup> Employee training statistics include existing employees of the Group and those who have resigned during the Year.

<sup>6</sup> Percentage of employees trained = (Number of employees trained in the category/Total number of employees in the category) X 100%

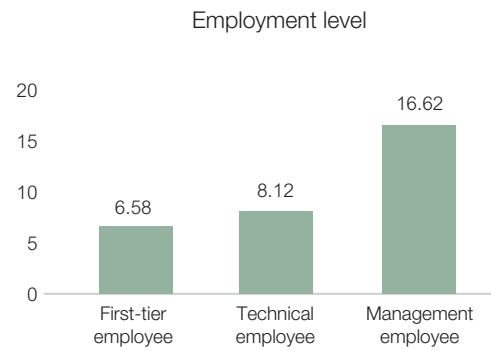
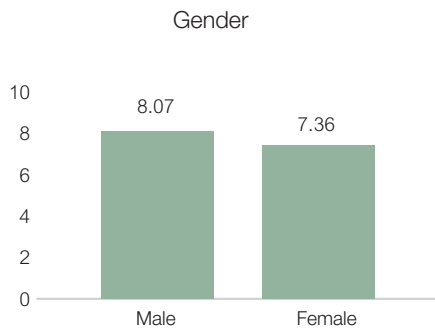
<sup>7</sup> Average training hours = (Total training hours of employees in the category/Total number of employees in the category)

# Environmental, Social and Governance Report

## Number of employees trained



## Average training hours (hours)



## Labor Standards

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for labor standards</b>	<i>"Employee Management System"</i>	Prevent the employment of child labor and the occurrence of forced labor by establishing a clear recruitment system and labor management procedures
	<i>"Labor Contract Management System"</i>	
	<i>"Recruitment and Admission Management System"</i>	
	<i>"Management Regulations for Child Labor/ Underage Worker/Students"</i>	
	<i>"Non-Compulsory Work Procedures"</i>	
	<i>"Prohibiting Forced Labor Control Procedures"</i>	
	<i>"Not Using Slavery or Labor Trafficking Regulations"</i>	
	<i>"Management Procedures for Prevention of Forced Labor and Prohibition of Prison Labor"</i>	
	<i>"Child Labor Prevention Policy and Remedial Procedures"</i>	
	<i>"Underage Worker Protection Management Procedures"</i>	
<i>"Harassment and Abuse Prevention and Discipline Management Procedures"</i>		

The Group abides by labor standards and relevant laws and regulations, and strictly prohibits the employment of child labor and any forms of forced labor. Upholding compliant employment, it is committed to safeguarding the physical and mental health and legal rights of all children, underage and employees. The Group also advocates reasonable employment, guaranteeing that all employees are hired and work fairly and voluntarily, and enjoy corresponding social insurance and benefits. During the Year, the Group did not have material violations of relevant laws and regulations in the prevention of child labor and forced labor.

## Environmental, Social and Governance Report

<p><b>Preventing the misuse of child labor</b></p>	<ul style="list-style-type: none"> <li>• Ensure that employees are of legal working age and forbid the employment of child labor under the age of 16</li> <li>• Human Resources Department is responsible for verification and file management, as well as communication and supervision of relevant implementation of all parties</li> </ul>
<p><b>Discovering child labor</b></p>	<ul style="list-style-type: none"> <li>• Inspect and stop the child labor as soon as possible, then arrange body check to examine his/her health status and report to local authorities, and send the child labor to his/her parents or guardians</li> <li>• If necessary, the Group will provide voluntary education and assistance, and follow up the situation of child labor to ensure his/her healthy development</li> <li>• Conduct rigorous investigation afterwards to identify the cause, take disciplinary actions on violators in accordance with the regulations, and implement corrective measures to prevent recurrence of incident</li> </ul>
<p><b>Protecting underage workers and student workers</b></p>	<ul style="list-style-type: none"> <li>• Validate the qualifications and identity documents of interns before signing and executing the compliant employment contracts</li> <li>• Forbid assigning underage workers and student workers to engage in operations of high physical intensity or work with potential safety dangers</li> <li>• Conduct body checks and safety and skills training for underage workers and student workers before onboarding, and arrange regular physical examinations</li> <li>• Supervise the operations of underage workers and student workers to regularly confirm the legality of their work</li> </ul>
<p><b>Preventing forced labor</b></p>	<ul style="list-style-type: none"> <li>• Inform applicants the relevant working condition, welfare and benefits in a truthful and detailed manner during recruitment, and forbid charging any fees, withholding relevant IDs or asking for guarantees</li> <li>• Prohibit and do not support any slavery, forced labor, labor trafficking or prison labor</li> <li>• Strictly forbid any insulting behavior to employees, and treating employees in a violent and inhumane manner shall not be allowed</li> </ul>

<b>Discovering forced labor</b>	<ul style="list-style-type: none"><li>• Immediately stop the involuntary labor, arrange proper protection and resettlement, and contact the local judicial authorities for handling</li><li>• Terminate employment with any employees involved in forced labor and resort to legal action if necessary</li></ul>
<b>Reporting mechanism</b>	<ul style="list-style-type: none"><li>• Establish complaint channels such as employee opinion collection boxes or through assistance of trade union representatives, for employees to reflect their opinions and feelings at work verbally or in written form</li><li>• Collect opinions from the opinion collection box once a week, and the relevant person in charge will conduct investigation and arrange meetings to discuss the solution</li></ul>

The Group performs legal recruitment, it conducts on-site interviews and background investigation on applicants, verifies the authenticity and validity of identity documents, and undertakes inquiry in personnel system and Public Security Bureau's system. In order to identify and monitor relevant violation risks, the Group has carried out occasional internal personnel inspections and interviews, as well as regular supplier inspections. It rejects cooperation with suppliers who use or subcontract working processes to illegal labor. The Group supports voluntary work system. During the Year, its handsets and automotives division in Xiamen has negotiated with the trade union and employee representatives regarding the working situation, and carried out corresponding control for overtime work. It has also strengthened the inspection of work conditions and the rigorous identity verification during interviews to protect labor rights.



# Environmental, Social and Governance Report

## Communication with Employee

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for rights protection</b>	<p><i>"Employee Management System"</i></p> <p><i>"Election Procedures for Employee Representative of Trade Union"</i></p> <p><i>"Complaint Handling and Anti-retaliation Procedures"</i></p> <p><i>"Employee and Stakeholder Complaints Management Procedures"</i></p> <p><i>"Freedom of Association and Right to Collective Bargaining Management Procedures"</i></p> <p><i>"Management Measures for Reporting and Reasonable Suggestion from Employees"</i></p>	<p>Establish a grievance and complaint mechanism to handle employees' feedback in a timely manner, in order to eliminate unethical behaviors and protect the legitimate rights and interests of employees</p>
<b>Management provisions for employee communication</b>	<p><i>"Employee Communication Mechanism Management System"</i></p> <p><i>"Employee Satisfaction Survey Management Procedures"</i></p>	<p>Establish a communication mechanism to encourage employees to express their opinions, so as to build a harmonious labor relationship</p>

Respecting employees' opinions and establishing effective communication channels is conducive to the protection of employees' rights and interests and internal collaboration, which help create a harmonious and inclusive working atmosphere. The Group has actively conducted honest and open communication with employees. By improving the communication channels, it understands employees' needs and provides appropriate assistance. It has also continued to advance the level of human resources management to enhance their satisfaction and loyalty, thereby promoting corporate efficiency and boosting cohesion.

## Environmental, Social and Governance Report

<p><b>Grievance and complaint mechanism</b></p>	<ul style="list-style-type: none"> <li>• Set up various complaint channels such as suggestion box, complaint platform in WeChat, corporate mailbox, telephone contact, etc.</li> <li>• After receiving relevant feedback, dedicated personnel will conduct a fair and independent investigation and submit a reply within the specified time</li> <li>• Undertake confidentiality commitment to employees who express their opinions, and prohibit any forms of retaliation</li> </ul>
<p><b>Trade union and employee representative</b></p>	<ul style="list-style-type: none"> <li>• Recognize and respect employees' right to exercise freedom of association and collective bargaining in accordance with the laws; Support the development of employee representative elections, employee representative conferences and other forms of democratic participation, which feedback can be submitted to the Group's leaders regularly</li> <li>• Protect the legitimate rights and interests of employees and prohibit any forms of interference and unfair treatment</li> </ul>
<p><b>Employee satisfaction survey</b></p>	<ul style="list-style-type: none"> <li>• Through interviews, questionnaires, complaint analysis and other methods, regularly investigate employees' perspectives on aspects such as operation management, employment system, environmental safety, corporate development and culture</li> <li>• Summarize and analyze the results to examine the satisfaction trend and report to department heads for review and conclusion</li> </ul>
<p><b>Regular employee communication channels</b></p>	<ul style="list-style-type: none"> <li>• Provide the latest information of the Group through media such as Company's newsletter, website, instant communication and internal forums</li> <li>• Set up Employee Relations Department, mediation room, employee care room, psychological counseling room, etc., to understand employees' demands</li> <li>• Set up employee care hotline, anonymous mailbox, Chairman mailbox, corporate WeChat, etc., to regularly collect employees' opinions and suggestions</li> <li>• Facilitate mutual exchanges through channels such as employee representatives, employee forums and employee interviews</li> </ul>

# Environmental, Social and Governance Report

## COMMITMENT TO THE ENVIRONMENT

The Group supports sustainable development, it regards environmental protection as its primary corporate responsibility, and strives to reduce negative impacts and potential risks to the environment. Strictly abided by national and local environmental laws, regulations, standards and requirements, the Group strengthens the management of resource utilization, emission pollution and climate change through its environmental management system, in order to promote green operation.

### Environmentally-friendly Operation Policies

To fulfill its environmental commitment, the Group has developed an environmental management system in accordance with the ISO14001:2015 standard, and its production bases have obtained relevant certifications. Adhering to the environmental management approach of “environmental protection, energy-saving, green factory, health and safety”, it has continuously facilitated environmental protection, reinforced pollution prevention, and encouraged the use of environmentally-friendly techniques, technologies, facilities and materials. Furthermore, in order to ensure the effective operation of the system, each division has identified and assessed different environmental factors every year to formulate the corresponding annual “Environmental Targets and Indicators Management Plan”. It has also monitored and measured various environmental performances to promote environmental management and control.

The Group attaches considerable importance to the reasonable use of energy and natural resources. In addition to saving water, electricity and fuel, it also endeavours to reduce material consumption at offices. To promote reduction of office paper, it has exercised paperless office. By encouraging double-sided printing and wastepaper recycling, and requiring all departments to submit their paper budget, it strives to lessen resource wastage and environmental pollution.

## Waste Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for waste</b>	<i>“Environmental Pollutant Control Management Regulations”</i>	Develop clear classification, disposal and recycling specifications for the effective, environmentally-friendly and safe management of different wastes, so as to ensure that no environmental pollution is caused and promote waste recycling
	<i>“Pollutant Control Procedures”</i>	
	<i>“Waste Disposal and Recycling Management Specification”</i>	
	<i>“Solid Waste Handling Management Regulations”</i>	
	<i>“Waste Classification Regulations”</i>	
	<i>“Hazardous Waste Management Regulations”</i>	Establish clear specifications for the classification, recycling and management of hazardous waste to prevent pollution or accidents
	<i>“Safety Management Procedures for Waste”</i>	

To create a healthy and safe environment, the Group is committed to implementing effective, environmentally-friendly and safe waste management and control, it has formulated a robust management system in accordance with relevant national laws and regulations. Following the principle of “reduction, harmlessness and recycling”, it advocates energy-saving, pollution reduction, and efficiency enhancement in production to reduce waste generation, so as to actively promote clean production. It has also applied 6R (rejection, reduction, reuse, recycling, energy recovery and restructuring) waste management to reinforce resource recycling.

The Group has delegated responsible personnel for waste handling, recording and supervision, to ensure the collective and safe disposal and recycling of all waste. Based on the type of waste and generation location, each production base of the Group has set up a departmental recycling and storage site and a centralized storage site for waste sorting and recycling. To effectively promote waste reduction and cleanup, the Group’s subsidiaries have also formulated the “Waste Classification Details” and carried out environmental awareness education to cultivate employees’ sorting and recycling awareness. During the Year, waste generated by the Group has been properly handled in compliance with the regulations and has not caused any pollution to the environment. Also, the Group was not aware of any material violations of applicable laws and regulations in relation to waste.

# Environmental, Social and Governance Report

## Hazardous Waste

Hazardous wastes generated by the Group mainly include sludge, waste engine oil, waste acid, waste organic solvent, waste activated carbon, waste mineral oil and other hazardous wastes. The Group attaches significant importance to up-to-standard environmental discharge, and strictly abides by national and local regulations and standards. It has thoroughly implemented safe and rigorous management of collection, classification, storage, treatment, transportation, recycling, etc. in accordance with the following management approach, so as to minimize the environmental impact of hazardous waste:



The following outlines the management work on hazardous waste:

<b>Collection</b>	<ul style="list-style-type: none"> <li>• Adopt the principle of classified collection and accurate placement, and stipulate that waste should be transferred to designated areas for classified storage</li> <li>• Clearly label storage sites and collection containers for different types of waste, and post safety warning signs</li> </ul>
<b>Storage</b>	<ul style="list-style-type: none"> <li>• Design hazardous waste warehouses to collectively store wastes in anti-leakage tanks in separation from non-hazardous wastes</li> <li>• The storage area shall be located away from crowded areas and flammable storage areas, and equipped with fire-fighting and disaster-prevention facilities</li> <li>• All hazardous waste shall not be placed randomly, or stored in the open air, and the storage area shall be kept clean and organized</li> <li>• Regularly conduct safety inspections on hazardous waste warehouses to ensure compliance with standards, and immediately rectify any problems</li> </ul>
<b>Handling</b>	<ul style="list-style-type: none"> <li>• Classify and handle wastes based on different situations and material properties, and carry out legal transfer and disposal after a certain amount is accumulated</li> <li>• Hand over non-recyclable hazardous waste to a qualified disposal unit for regular transfer and recycling</li> <li>• Adopt dust, drainage, leakage prevention and other measures to avoid pollution</li> </ul>

## Environmental, Social and Governance Report

<b>Recording</b>	<ul style="list-style-type: none"><li>• Establish a hazardous waste management file to track and record the entire process of hazardous waste handling</li><li>• Keep accurate record of relevant hazardous waste data and report to the environmental protection department</li><li>• Undergo spot checks and annual inspections of the production bases by the local environmental protection department, and conduct internal and external audits</li></ul>
<b>Training and protection</b>	<ul style="list-style-type: none"><li>• Organize annual training on operating procedures, relevant laws, professional techniques, safety protection and emergency handling, etc.</li><li>• Provide employees engaged in hazardous waste management with necessary protective equipment</li></ul>
<b>Incident handling</b>	<ul style="list-style-type: none"><li>• Devise an emergency preparedness plan for hazardous waste incidents</li><li>• Instantly notify any environmental incidents, and report the preliminary situation within one hour after discovery</li><li>• A report is required to be submitted immediately after handling the incident, and the relevant accurate data, cause and development of the incident, and emergency measures taken should be reported in detail</li></ul>

During the Year, subsidiaries of the Group have set the following reduction targets for hazardous waste, and actively promoted material upgrading, optimization of production processes and raw material utilization, and productivity improvement, etc., so as to reduce the production of scrap and hazardous waste, and hence prevent hazardous waste leakage and environmental pollution:

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## Subsidiary division Management plan for waste reduction target

<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>• Set the target of achieving 100% of monthly on-time treatment for hazardous waste</li> <li>• Provided training to employees involved in the cleanup and transfer of hazardous waste</li> <li>• All departments are required to collect hazardous wastes in different categories to prevent the mixing of hazardous wastes and non-hazardous wastes</li> <li>• Operated waste management through the “Solid Waste Environmental Supervision Platform of Fujian Province” to ensure legal disposal of hazardous waste</li> </ul>
<b>Tongda Smart Tech division, Xiamen</b>	<ul style="list-style-type: none"> <li>• Targeted to reduce the ratio of hazardous waste discharge</li> <li>• Set up recycling stations for recyclable, non-recyclable and hazardous waste, and raised employees’ awareness of waste classification</li> <li>• Non-recyclable wastes were handled by the municipal government, recyclable wastes were sold by the General Affairs Department, and hazardous wastes were recycled by a qualified third party to ensure 100% of recovery rate</li> <li>• Conduct compliance assessment to meet the requirements of “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes”</li> </ul>
<b>Network communications facilities division, Guangdong</b>	<ul style="list-style-type: none"> <li>• Set the target of generating less than 0.18 tonnes of waste lamps</li> <li>• Replaced heavy metal lamps with LED energy-saving lamps</li> </ul>
<b>Shenzhen Tongda Electronic division, Guangdong</b>	<ul style="list-style-type: none"> <li>• Set the target of achieving less than 0.08 for (hazardous waste discharge of the quarter÷ total output value of the quarter)</li> <li>• Upgraded the paint to reduce waste generation</li> <li>• Optimized production processes to reduce scrap during production</li> </ul>
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>• Targeted to reduce heavy metal waste, waste activated carbon, waste acid</li> <li>• Purchased LED lamps to replace lamps containing heavy metals, such as fluorescent lamps, mercury pressure lamps, energy-saving lamps, etc.</li> <li>• Adopted advanced treatment technology and reused purified phosphoric acid</li> </ul>
<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"> <li>• Targeted to reduce sludge, waste engine oil and waste acid</li> <li>• Controlled chemical dosage and extrusion time of filter press</li> <li>• Newly added diaphragm filter press to reduce the moisture content of sludge, thereby reducing the amount of sludge produced</li> <li>• Reinforced equipment inspection, standardized equipment usage, and prolonged the usage of engine oil</li> <li>• Enhanced the management of concentration equipment and appropriately increased the concentration of waste acid</li> </ul>

### Non-hazardous Waste

The Group's operations involve the generation of non-hazardous waste such as general waste, paper, plastic, metal, wood, etc. Through a sound management system, the Group has standardized reasonable classification, collection, storage and treatment of all non-hazardous wastes.

Non-hazardous wastes are divided into recyclable wastes and non-recyclable wastes. The Group requires employees to put all wastes according to the classification label on waste bins, while each department has appointed personnel to sort, weigh and record, and place all wastes neatly in designated locations. Recyclable wastes are stored for reuse after being cleaned, or are regularly transferred to qualified recyclers for handling; Non-recyclable wastes are periodically handed over to environmental protection units for cleaning. The storage locations and equipment of waste should be kept in good condition, and separated from pollutants and incompatible wastes.

Aiming at the waste reduction goals of recycling, lessening waste and saving costs, the Group advocates waste reduction at source. Based on the principle of waste minimization, it has strengthened the management and control of production units to reduce unnecessary waste generation. Besides, the Group has continued to promote classified collection and treatment, in order to facilitate reuse of recyclable waste. It has also required contractors and subcontractors to conduct waste recycling in a gradual manner, to jointly protect the environment.

During the Year, the Group has generated 2,194.52 tonnes of hazardous waste and 9,606.12 tonnes of non-hazardous waste in total. Through the implementation of various effective waste reduction plans and measures, the total amount of hazardous waste and non-hazardous waste of the Year have decreased by 40% and 22% respectively compared with the previous year, the intensity of non-hazardous waste has also decreased by 32% compared with the previous year. The details are as follows:

<b>Hazardous waste</b>	Unit	<b>2022</b>	2021	Change
Total amount of hazardous waste	Tonnes	<b>2,194.52</b>	3,638.59	-40%
Intensity of hazardous waste	Tonnes/HK\$1,000	<b>0.0003</b>	0.0004	-32%
<b>Non-hazardous waste</b>	Unit	<b>2022</b>	2021	Change
Total amount of non-hazardous waste	Tonnes	<b>9,606.12</b>	12,394.62	-22%
Disposed non-hazardous waste	Tonnes	<b>1,040.25</b>	7,658.70	-86%
Recycled non-hazardous waste	Tonnes	<b>8,565.87</b>	4,735.92	81%
Intensity of non-hazardous waste	Tonnes/HK\$1,000	<b>0.0012</b>	0.0012	0%



# Environmental, Social and Governance Report

## Air Emission Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for air emissions</b>	<i>“Exhaust Gas Treatment Regulations”</i> <i>“Environmental Pollutant Control Management Regulations”</i> <i>“Pollutant Control Procedures”</i> <i>“Operation Procedures for Exhaust Gas Treatment System”</i> <i>“Air Emission Management System”</i>	Formulate management specifications on the control of air emissions, and ensure up-to-standard air emissions through monitoring, so as to reduce air pollution

In order to safeguard the air quality in surrounding areas and public health, the Group abides by national and local emission standards. It has implemented ongoing and effective monitoring and control of exhaust gases, in striving to lessen air pollution while maintaining compliant emissions. All production bases of the Group have set up treatment facilities at gas discharge outlets which operate synchronously with production facilities. Exhaust gases are collected and treated uniformly by the treatment facilities, which can only be discharged after testing and meeting the standard. Strict inspections are also conducted to prevent the exhaust gas from being directly discharged into the atmosphere due to leakage and causing serious pollution.

During the Year, the Group was not aware of any material violations of applicable laws and regulations in relation to air emissions.

# Environmental, Social and Governance Report

Air emission management work of the Group is summarized as follows:

<b>Emission control</b>	<ul style="list-style-type: none"> <li>• Operate the exhaust gas system in strict accordance with the operating procedures, and carry out daily maintenance to ensure standard emissions</li> <li>• In any process where volatile chemicals are used, storage precautions must be carefully enforced to prevent leakage</li> <li>• Conduct regular inspections on relevant exhaust gas pipelines, report and handle any issues instantly to avert system failure</li> <li>• Regularly clean filters in the ventilation system, oil fume purification devices, air conditioning system, etc., to ensure standard emissions</li> </ul>
<b>Monitoring</b>	<ul style="list-style-type: none"> <li>• Entrust a qualified third-party testing organization to conduct monitoring of air emission level at least once a year</li> <li>• Regularly undergo environmental inspection by the governmental monitoring department</li> </ul>
<b>Maintenance of treatment facility</b>	<ul style="list-style-type: none"> <li>• Assign management personnel to regularly inspect, clean, maintain and replace necessary components and materials according to relevant plan, and keep record of the daily operation of exhaust gas facilities</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>• Conduct factory-level environmental safety education for all employees, and require relevant employees to obtain operation certification</li> </ul>
<b>Emergency handling</b>	<ul style="list-style-type: none"> <li>• In case of accidents such as facility failure and exhaust gas leakage, immediately implement emergency measures according to the “Emergency Preparedness and Response Control Procedures”, and suspend operations related to exhaust gas emissions for inspections and emergency repairs</li> <li>• When the emission level fails to meet the standards, investigate the cause according to relevant procedures and execute corresponding improvement measures</li> </ul>

## Environmental, Social and Governance Report

During the Year, the Group has endeavored to reduce the emissions of air pollutants through the following improvement plans, so as to boost air quality and protect the environment:

Subsidiary division	Air emissions improvement plan
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>Targeted to achieve zero nitrogen oxide emissions, stopped using natural gas boilers and opted for purchased heat instead</li> </ul>
<b>Handsets and automotives division, Xiamen</b>	<p><b>Organic exhaust gas:</b></p> <ul style="list-style-type: none"> <li>Targeted to comply with the “Xiamen Emission Standard of Air Pollutants”</li> <li>Devised online monitoring system for exhaust gas treatment facilities to ensure the effective operation of facilities</li> <li>Formulated the “Operation Instructions for Organic Exhaust Gas Purification Devices” and the “Emergency Plan for Excessive Leakage of Exhaust Gas Treatment System” to improve the management guidelines</li> <li>Evaluated the operation effect of exhaust gas facilities for facility upgrades</li> </ul> <p><b>Total air emissions:</b></p> <ul style="list-style-type: none"> <li>Targeted to comply with the discharge requirements of the “Pollution Discharge Permit”</li> <li>Collected monthly air emission data and monitored the total air emissions</li> <li>Conducted routine audits and annual compliance evaluation meetings</li> </ul>
<b>Tongda Smart Tech division, Xiamen</b>	<ul style="list-style-type: none"> <li>Targeted to achieve 100% pass rate of environmental factor monitoring</li> <li>Conducted third-party examination every year to ensure the effective operation of ventilation system during printing, injection molding and mixing operations</li> </ul>

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

Air emissions <sup>8</sup>	Unit	2022	2021	Change
Nitrogen oxides (NOx)	Kg	<b>7,773.18</b>	10,798.11	-28%
Sulfur oxides (SOx)	Kg	<b>1,825.54</b>	1,190.48	53%
Particulate matters (PM)	Kg	<b>48.41</b>	97.20	-50%

<sup>8</sup> The calculation method of air emissions has referred to the “Technical Guidelines on Preparation of Emission Inventory of Air Pollutants from Road Vehicles (Trial)”, “Technical Guidelines on Preparation of Emission Inventory of Primary Source of Inhalable Particulate Matter” and “Technical Guidelines on Preparation of Emission Inventory of Air Pollutants from Non-Road Mobile Sources (Trial)” published by the Ministry of Ecology and Environment of the People’s Republic of China, as well as the “How to Prepare an ESG Report – Appendix 2: Reporting guidance on Environmental KPIs” published by the Hong Kong Exchanges and Clearing Limited.

## Water Resources Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for water resources</b>	<i>“Energy and Natural Resources Consumption Control Procedures”</i>	Formulate management regulations for water resources usage of the Group to uphold the principle of water conservation, and conduct continuous monitoring and maintenance of water resources usage, systems and related technologies, so to as promote protection for water resources
	<i>“Management Specification for Effective Use of Energy and Resources”</i>	
	<i>“Sustainable Development Management System”</i>	
	<i>“Energy Conservation and Emission Reduction Management Regulations”</i>	
	<i>“Water Consumption and Water Conservation Management”</i>	

The Group mainly uses water resources for industrial production and domestic purposes, it has managed the utilization of water resources in a responsible manner. It advocates the rational use of water resources and continuously strengthens its water management. The Group has set up a holistic water system in its production bases, monitored the operation using water meters, and conducted a monthly statistical analysis of water consumption. Its water management responsibility system includes target-setting and performance evaluation, which monitoring, inspection, maintenance and repair are conducted periodically. It has also promoted technological development, recycling, education and promotion measures to improve the efficiency of water usage and water-saving. In addition, the Group’s main water source comes from municipal water supply, it did not face any issue in sourcing water that is fit for purpose.

During the Year, the Group was not aware of any material breaches of applicable laws and regulations in relation to water resources.

# Environmental, Social and Governance Report

## Wastewater Treatment

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for wastewater discharge</b>	<p>“Wastewater Management System”</p> <p>“Environmental Pollutant Control Management Regulations”</p> <p>“Pollutant Control Procedures”</p> <p>“Operation Procedures for Wastewater Treatment System”</p> <p>“Operation Procedures for Wastewater Treatment Process”</p>	Standardize the management of various types of wastewaters, formulate management guidelines for the operation and maintenance of wastewater treatment systems, and monitor wastewater discharge to ensure compliance with standards, thereby avoiding excessive discharge and water pollution caused by wastewater leakage

The Group is well aware of the importance of clean water resources, it is committed to reducing environmental pollution caused by wastewater discharge during its operations. Its daily operations mainly generate industrial wastewater and domestic wastewater. Each operation site is equipped with a wastewater treatment system for centralized collection and treatment. On the basis of meeting the discharge standards, the Group has continued to optimize wastewater treatment and discharge management so as to reinforce water pollution control. During the Year, the Group has also continued to entrust qualified third-party organizations to conduct regular discharge monitoring, and undergo environmental testing from government monitoring departments, in order to further monitor the quality of wastewater and prevent sewage leakage and excessive discharge.

### Domestic wastewater

- Wastewater is treated by recycled water treatment facilities for reuse, other sewage is treated in carburetor and septic tank and then discharged to municipal pipelines after meeting the discharge standard
- To ensure compliant operation of sewage system, debris are prohibited for entering sewers to prevent blockage and damage
- Regular management, inspection and maintenance of wastewater treatment facilities to ensure their effective operation

### Industrial wastewater

- Wastewater is stored in sewage circulation tanks designated for production plants; Discharge and recycling are controlled according to specific treatment procedures
- Conduct periodic inspection, maintenance and repair of industrial wastewater treatment system
- Industrial wastewater is strictly prohibited from discharging into the domestic wastewater treatment system
- Relevant management and operation personnel are provided with training on the operational requirements and techniques of wastewater treatment facilities

# Environmental, Social and Governance Report

In order to strengthen wastewater treatment, the Group has carried out the following improvement measures during the Year:

Subsidiary division	Wastewater discharge improvement plan
<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"> <li>Improved the wastewater treatment process by coordinating the sequence of workshop's tank discharge, which the alkali tank and the oxidation tank can be discharged in tandem, and hence reduced chemical dosing</li> </ul>
<b>Handsets and automotives division, Shishi</b>	<p><b>Industrial wastewater:</b></p> <ul style="list-style-type: none"> <li>The production department has adopted production processes with less pollutant discharge, and increased the reuse rate of industrial water to reduce pollutant generation</li> <li>Strengthened the maintenance of wastewater treatment facilities and optimized the on-site management of production workshops</li> <li>Strictly controlled industrial wastewater and prevented wastewater from mixing with pollutants</li> </ul> <p><b>Domestic wastewater:</b></p> <ul style="list-style-type: none"> <li>Wastewater from the canteen must undergo oil-water separation in the grease trap before entering the sewage pipe network, and conducted periodic cleaning of the grease trap</li> <li>Occasional cleaning of septic tank by a qualified unit to avoid blockage or overflowing</li> </ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>Set the target of achieving zero discharge of industrial wastewater, advocated recycling and regularly cleaned residue at the bottom of tanks</li> <li>Conducted daily inspections of wastewater treatment tanks</li> <li>Formulated contingency plans for leakage of wastewater tanks and carried out regular drills</li> </ul>
<b>Network communications facilities division, Guangdong</b>	<ul style="list-style-type: none"> <li>Targeted to meet stricter local standards for industrial wastewater</li> <li>After treating nickel-containing wastewater through an independent wastewater treatment system, the majority was reused in other processes, while the nickel-containing residues have been recycled and treated by a qualified unit to achieve zero discharge of nickel</li> <li>The remaining phosphorus-containing and dyed wastewater were pretreated separately, and then treated together with integrated wastewater through the integral wastewater treatment facilities and water recycling facilities for reuse in the production process</li> <li>The overall reuse rate of industrial wastewater has reached 66%, and the remaining 33% was discharged within the required standard after treatment</li> </ul>

## Environmental, Social and Governance Report

During the Year, the Group has generated 1,093,832.74 tonnes of wastewater in total. The following table lists the detailed wastewater discharge data:

<b>Wastewater discharge</b>	Unit	<b>2022</b>	2021 <sup>9</sup>	Change
Total domestic wastewater discharged	Tonnes	<b>695,546.39</b>	No available data	Not applicable
Total industrial wastewater discharged	Tonnes	<b>398,286.35</b>	727,774.47	-45%
Total wastewater discharged	Tonnes	<b>1,093,832.74</b>	Not applicable	Not applicable
Wastewater discharge intensity	Tonnes/HK\$1,000	<b>0.14</b>	0.07	Not applicable

### Water Usage

The Group actively promotes water conservation to reduce water consumption and wastage. In order to strengthen the planning of water usage and water conservation management, each subsidiary has set up relevant functional departments and units to be responsible for implementing various water-saving measures and conducting continuous supervision. This helps ensure the water-saving work can effectively protect water resources.

<b>Water-saving technological innovation</b>	Actively develop, promote and apply new water-saving technologies, and eliminate production processes, technologies and equipment with high water consumption
<b>Water usage and water-saving statistics</b>	Track the usage of water resources
<b>Reward system for water usage</b>	Carry out internal water-saving inspections and assessments
<b>Water-saving publicity and education</b>	Promote experience, methods and knowledge of water conservation
<b>Daily inspection and maintenance</b>	Regular inspection and maintenance of various water equipment, pipelines, and appliances to facilitate timely notification and repair of any damage or leakage

<sup>9</sup> The date for 2021 only includes industrial wastewater of all production bases of the Group.

## Environmental, Social and Governance Report

In order to lower the use of water resources, the Group has carried out the following water-saving measures during the Year:

Subsidiary division	Water resources usage improvement plan
<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"> <li>Targeted to lower water consumption of public toilets</li> <li>Installed timing flushing devices in public toilets to reduce the frequency of toilet flushing at night</li> <li>Recycled concentrated water from pure water for flushing public toilets</li> <li>Reduced water usage of public toilet by nearly 50%</li> </ul>
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>Set the target of reducing the ratio of water consumption per RMB10,000 output value, and rationally enhanced recycling of various water resources</li> <li>Condensed water from steam was further reused in evaporating tank facilities with lower temperature requirements for heat exchange, and then discharged to the concentrated water system, and reused with concentrated purified water for flushing toilets, cooling towers, irrigation and environmental cleaning</li> <li>Reused the qualified wastewater after treatment for dosing in the wastewater system</li> <li>Reused water from the process-end cleaning tank to the washing tank at the front</li> </ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>Targeted to reduce water consumption by 1% and expanded the recycling scope of concentrated water</li> <li>Saved 300 m<sup>3</sup> of water per month</li> </ul>
<b>Shenzhen Tongda Electronic division, Guangdong</b>	<ul style="list-style-type: none"> <li>Set the target of achieving less than 0.09% for (water bill of the month ÷ total output value of the month x 100%)</li> <li>Required employees to avoid running taps, installed water-saving faucets, and posted water-saving signs</li> <li>Improved production efficiency to reduce water wastage due to substandard production</li> <li>Wastewater was reused after being treated up to the required standard</li> </ul>

During the Year, water consumption of the Group is as follows:

Water consumption	Unit	2022	2021	Change
Total water consumption	m <sup>3</sup>	2,474,068.09	3,882,192.80	-36%
Water consumption intensity	m <sup>3</sup> /HK\$1,000	0.31	0.39	-21%



# Environmental, Social and Governance Report

## Green Production

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for energy and carbon emissions</b>	<p><i>“Energy Management Manual”</i></p> <p><i>“Energy Conservation and Emission Reduction Management Regulations”</i></p> <p><i>“Electricity-Saving Management Specification”</i></p> <p><i>“Environment Requirement and Energy Conservation Management Procedures”</i></p> <p><i>“Management Specification for Effective Use of Energy and Resources”</i></p> <p><i>“Energy and Natural Resources Consumption Control Procedures”</i></p>	<p>Establish energy management specifications to ensure rational energy use, so as to effectively promote energy conservation and emission reduction, and improve energy efficiency for environmental protection</p>

The Group has continuously advocated energy conservation and carbon reduction, to reduce its environmental footprints and realize green and low-carbon operations. Each division of the Group has constituted an Energy Management Task Force to enforce the energy-saving and emission reduction management system, and carry out energy consumption statistics, equipment inspection, and electricity consumption supervision, etc. By formulating targets and evaluating performance on a regular basis, it has facilitated the constant improvement of energy efficiency to prevent wasting energy and resources.

<b>Production of new project</b>	<ul style="list-style-type: none"> <li>• Energy-saving facilities should be designed, constructed, and operated simultaneously with the main project to thoroughly improve energy utilization</li> </ul>
<b>Electricity-saving</b>	<ul style="list-style-type: none"> <li>• Specify electricity consumption management of offices, workshops, laboratories and canteens to lessen equipment stand-by time</li> <li>• Implement the “personnel responsibility system” to manage the operation of air-conditioning system, and regularly clean and maintain air-conditioning pipelines</li> </ul>
<b>Technological energy-saving</b>	<ul style="list-style-type: none"> <li>• Prioritize equipment with high energy-saving and emission reduction efficiency in the procurement process</li> <li>• Conduct timely equipment maintenance to lower energy consumption of equipment</li> <li>• Strengthen energy consumption monitoring of high energy-consuming and old equipment, to regularly analyze the energy consumption condition</li> <li>• Actively develop, promote and apply various new energy-saving and emission reduction technologies and equipment</li> </ul>
<b>Environmental training</b>	<ul style="list-style-type: none"> <li>• Carry out employee education and training on energy-saving and emission reduction to raise conservation awareness</li> </ul>

# Environmental, Social and Governance Report

The Group has actively exercised green production, its subsidiary divisions have set their own energy-saving and emission reduction targets during the Year and carried out the following projects:

## Subsidiary division Energy-saving project

<b>Home appliances division, Shishi</b>	<ul style="list-style-type: none"> <li>Improved electricity consumption management, including changing the industrial electricity to residential electricity at the dormitory, shutting down the transformers, replacing the electronic drain valves with non-destructive drain valves, and establishing an energy consumption inspection team</li> </ul>
<b>Handsets and automotives division, Shishi</b>	<ul style="list-style-type: none"> <li>Set the target of reducing the ratio of energy consumption per RMB10,000 output value, re-organizing the energy-consuming facilities at the workshops, shutting down a number of machines, carried out capacitor re-engineering, adjusted air-conditioning and cooling systems, to reduce electricity consumption</li> <li>Set the target of reducing the ratio of steam consumption per RMB10,000 output value, reducing the use of heating tank, and changing the electric steam boiler to purchased steam and heat</li> </ul>
<b>Handsets and automotives division, Xiamen</b>	<ul style="list-style-type: none"> <li>Targeted to save 2% of energy consumption</li> <li>Formulated workshop energy-saving transformation plans, optimizing air-conditioning setting, compression and vacuum systems, and renovating wiring and pipeline networks to improve energy efficiency</li> </ul>
<b>Tongda Smart Tech division, Xiamen</b>	<ul style="list-style-type: none"> <li>Set the target of reducing the ratio of energy consumption per RMB10,000 output value and the ratio of carbon emissions per RMB10,000 output value</li> <li>Built a photovoltaic system in the production base, which will start operation in 2023, and expected to save 1 million kWh of electricity per year</li> <li>A self-developed energy management system was put into trial use, which enables real-time monitoring and analysis of the causes of high energy consumption, and promotion of energy-saving reconstruction</li> </ul>



Photovoltaic system of the production base



Internal energy management system

## Shenzhen Tongda Electronic division, Guangdong

- Set the target of having less than 2400 liters of monthly fuel consumption
- Strengthened vehicle management, including purchasing energy-efficient vehicles, encouraging carpooling, regular vehicle maintenance, and strictly prohibiting private use of company vehicles

## Environmental, Social and Governance Report

During the Year, the Group's total energy consumption was 350,925.51 MWh, and the energy intensity was 0.04 MWh/HK\$1,000. Among them, electricity is the main energy consumption, which was used for production plant operation. The overall energy consumption and intensity of the Year have decreased by 24% and 20% respectively compared with the previous year. In addition, the Group has used boilers, vehicles, mobile machinery and other factory equipment in its operations, and hence consumed other fuels such as natural gas, diesel oil, and unleaded petrol. It has also consumed green power generated by wind power during the Year. In terms of greenhouse gas ("GHG") emissions, the Group's total emissions of the Year was 182,143.65 tonnes CO<sub>2</sub>e, and the emission intensity was 0.02 tonnes CO<sub>2</sub>e/HK\$1,000. Its total emissions and intensity of the Year have reduced by 27% and 24% respectively compared with the previous year. The following tables detail the energy consumption and GHG emission data of the Group:

<b>Energy consumption</b>	Unit	<b>2022</b>	2021	Change
Total energy consumption	MWh	<b>350,925.51</b>	459,688.38	-24%
Purchased electricity	MWh	<b>289,746.76</b>	392,908.78	-26%
Purchased electricity (green power)	MWh	<b>21,887.18</b>	Not applicable	Not applicable
Unleaded petrol	MWh	<b>1,060.40</b>	3,191.12	-67%
Diesel oil	MWh	<b>1,639.78</b>	5,379.16	-70%
Pipeline natural gas	MWh	<b>15,300.33</b>	29,354.89	-48%
Liquefied Petroleum Gas (LPG)	MWh	<b>6.91</b>	9.77	-29%
Steam and heat	MWh	<b>21,284.15</b>	28,844.66	-26%
Energy intensity	MWh/HK\$1,000	<b>0.04</b>	0.05	-20%
<b>GHG emissions<sup>10</sup></b>	Unit	<b>2022</b>	2021	Change
Total GHG emissions (Scope 1 and 2)	Tonnes CO <sub>2</sub> e	<b>182,143.65</b>	249,583.19	-27%
Direct emissions (Scope 1) <sup>11</sup>	Tonnes CO <sub>2</sub> e	<b>5,372.27</b>	8,741.27	-39%
Indirect emissions (Scope 2) <sup>12</sup>	Tonnes CO <sub>2</sub> e	<b>176,771.38</b>	240,841.92	-27%
Total GHG emission intensity (Scope 1 and 2)	Tonnes CO <sub>2</sub> e/ HK\$1,000	<b>0.02</b>	0.03	-24%

<sup>10</sup> The quantitative process and emission factors of GHG emissions are with reference to the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong" published by the Environmental Protection Department and the Electrical and Mechanical Services Department, the "Guidelines for Calculating Greenhouse Gas Emissions from Energy Consumption (Version 2.1)" issued by the World Resources Institute, the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions Generating Facility (2022 Revised Version)" published by the Ministry of Ecology and Environment of the People's Republic of China and the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions Other Industrial Enterprises" issued by the National Development and Reform Commission.

<sup>11</sup> According to "The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition)" issued by the World Business Council for Sustainable Development and the World Resources Institute, Scope 1 direct emissions are directly generated by businesses owned or controlled by the Group, including natural gas from canteen, boiler fuel, vehicle fuel, factory vehicle fuel, fugitive emissions from refrigerant of air-conditioning equipment, fugitive carbon dioxide emissions from fire extinguishers, etc.

<sup>12</sup> Scope 2 indirect emissions are sourced from the Group's electricity (purchased or acquired) and steam consumption.

# Environmental, Social and Governance Report

## Packaging Material Management

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for product packaging</b>	<p>“Order Review and Creation Management System”</p> <p>“Product Packaging Design Specification”</p>	Standardize packaging design and materials, and formulate management specifications for purchasing packaging materials, so as to meet requirements in customer orders

For packaging materials, the Group mainly uses materials including cartons, vacuum-formed boxes, corrugated fiberboards, vacuum bags, plastic, wood and metals for packaging finished products. In accordance with relevant management regulations, the production department has conducted a demand review and inventory accounting for packaging materials, and purchased on demand to avoid excessive waste. The Group also promotes saving packaging materials, improving the utilization efficiency of packaging materials by means of weight reduction and recycling, and controlling the volume and weight of packaging with environmentally-friendly designs, so as to reduce resource consumption. The Group’s packaging material consumption of the Year is as follows:

Packaging material	Unit	2022	2021	Change
Paper	Tonnes	<b>5,598.50</b>	10,682.89	-48%
Plastic	Tonnes	<b>9,685.13</b>	8,061.85	20%
Wood	Tonnes	<b>271.22</b>	501.00	-46%
Metal	Tonnes	<b>179.80</b>	727.12	-75%
Total materials used in the packaging of finished products	Tonnes	<b>15,734.65</b>	19,972.86	-21%
Packaging material intensity	Tonnes/HK\$1,000	<b>0.002</b>	0.002	-2%

# Environmental, Social and Governance Report

## Tackling Climate Change

Aspect	Policy of the Group and its subsidiaries	Description
<b>Management provisions for climate risk</b>	<i>"Sustainable Development Management System"</i> <i>"Greenhouse Gases Management Regulations"</i>	Formulate climate change-related management to promote sustainable development and mitigate climate change, and foster the effective implementation of the Group's GHG management through emission reduction and energy-saving
	<i>"Environmental Factor Identification and Evaluation Management Procedures"</i> <i>"Environmental Factor Identification and Impact Evaluation Control Procedures"</i>	Standardize risk assessment and control procedures for climate change-related risks to identify and respond to climate risks and opportunities in a timely manner, in order to enhance the Group's resilience to climate change
	<i>"Emergency Preparedness and Response Control Procedures"</i> <i>"Emergency Prevention and Response Plan"</i> <i>"Management Procedures for Hazard Identification, Risk Assessment and Determination of Control Measures"</i>	Establish emergency response procedures and preventive measures corresponding to potential emergencies brought by climate change, so as to enhance the responsiveness to climate change

The Group acknowledges that potential risks of climate change may cause significant impact on its business operations. Hence, it pays continuous attention to climate issues and international and local policy trends, improving climate change-related management system and implementing effective measures in response to climate-related opportunities and risks. As climate change is intensifying extreme weather events, the Group has established emergency management procedures in event of severe weather.

## Environmental, Social and Governance Report

Among them, its handsets and automotives division in Shishi has developed the following action plans in response to extreme weather during the Year:

<b>Strengthening bottom-line thinking</b>	<ul style="list-style-type: none"> <li>Enhancing risk awareness, improving prevention and control capabilities, and focusing on prevention and mitigation of material risks</li> <li>Strengthening emergency management training for relevant department heads at all levels to improve their awareness on extreme weather, and to enhance their emergency response capabilities</li> </ul>
<b>Strengthening forecasting and early warning</b>	<ul style="list-style-type: none"> <li>Prioritizing prevention and increasing the frequency of extreme weather monitoring and forecasting</li> <li>Establishing a point-to-point early warning and response mechanism to promptly remind relevant departments in performing prevention and response work</li> <li>Circulating weather forecast information to employees for early hazard prevention and risk avoidance</li> </ul>
<b>Strengthening operability of plans</b>	<ul style="list-style-type: none"> <li>Developing a comprehensive linkage mechanism of early weather warning and emergency response, quantifying relevant activating standards, and formulating specific extreme weather prevention and response measures</li> </ul>
<b>Strengthening unified command</b>	<ul style="list-style-type: none"> <li>Enhancing the unified governance of disaster prevention, mitigation and relief work, and reinforcing relevant responsibilities of various departments</li> <li>Fostering responsibilities of the emergency management department and other related departments, to facilitate leadership, commanding and coordination</li> </ul>
<b>Strengthening resources allocation</b>	<ul style="list-style-type: none"> <li>On the basis of risk assessment, providing guidance and supervising relevant departments to deploy corresponding resources for high risks in advance</li> </ul>
<b>Strengthening publicity and education</b>	<ul style="list-style-type: none"> <li>Conducting extensive publicity and education on disaster prevention and mitigation to enhance employees' risk awareness and ability to avoid disasters</li> </ul>

# Environmental, Social and Governance Report

Meanwhile, the Group has devoted effort to climate risk management work during the Year, in order to help mitigate climate change.

## Subsidiary division Climate-related risk management plan

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| <b>Tongda Smart Tech division, Xiamen</b>        | <ul style="list-style-type: none"><li>• Targeted to reduce carbon dioxide emissions per RMB10,000 output value, and implemented GHG and energy-saving plan</li><li>• Regularly inspected and maintained equipment wires and pipelines to reduce leakage caused by aging</li><li>• Reduced energy consumption and lowered carbon emissions by purchasing green power, procuring energy-saving equipment, and improving production efficiency</li></ul>  |
| <b>Handsets and automotives division, Shishi</b> | <ul style="list-style-type: none"><li>• Established “Greenhouse Gases Management Regulations” based on ISO14064-1, to promote the effective management of GHG and the formulation of emission reduction targets and plans</li><li>• To prepare for GHG inventory in the future, it will collect and consolidate data of GHG emission-related activity, including factory buildings, activities or facilities, emission sources, categories, etc., after determining the organizational and operational boundaries and the baseline year</li><li>• Planned to regularly update the GHG report which would be included in the management reviewing report as a strategic reference for the next year, to help formulate appropriate emission reduction plans in the future</li></ul> |

## COMMITMENT TO THE COMMUNITY

The Group shoulders its social responsibilities, it understands the needs of local communities amid its business development, to promote the harmonious development of society. The Group attaches great importance to social well-being, it has actively carried out charitable activities and encouraged employees to participate in community construction and development, contributing to the society with care and services.

During the Year, the Group has continued to focus on education and assisting epidemic prevention and control. Its investment in social welfare approximately added up to RMB 5,017,000, with a total of 20 hours of services provided. Among them, the handsets and automotives division in Xiamen has actively participated in community voluntary activities and donations, and was named an advanced collective of “Caring Xiamen” construction by the Xiamen People’s Government.

### Supporting epidemic prevention

- The home appliances division in Shishi has donated RMB1 million for the epidemic prevention and control expenses of 19 villages in Shishi City
- The handsets and automotives division in Shishi has assisted government departments in conducting multiple nucleic acid testing, vaccinations and community testing, and donated materials totalling RMB1.1 million
- The handsets and automotives division in Xiamen has donated anti-epidemic materials and vaccination gifts for the elderly, totalling RMB17,000

### Educational charity

- The handsets and automotives division in Xiamen has donated a total of RMB1.2 million as scholarships to University of Science and Technology Beijing and Beijing University of Chemical Technology. It has also donated RMB1.5 million to Shishi Hanjiang Education Promotion Association in order to foster talent nurturing
- The home appliances division in Shishi has donated RMB30,000 to Hanjiang Primary School in Shishi to support education development
- The handsets and automotives division in Shishi has contributed the student grant event of Hanjiang Middle School and Hanjiang Primary School in Shishi, and donated a total of RMB 50,000 to subsidize underprivileged students





# Environmental, Social and Governance Report

## Caring for community development

- The home appliances division in Shishi has donated RMB100,000 to the Shishi Youth Chamber of Commerce to aid the development of young people in the business sector
- The handsets and automotives division in Shishi has participated in the elderly care activity of nursing homes, expressing respect and care for the elderly
- The handsets and automotives division in Xiamen has participated in the employment assistance in the Western China. Through school-enterprise cooperation, it has established employment channels with the western region and provided scholarship as support, donating a total of RMB20,000



## APPENDIX: LAWS AND REGULATIONS

The Group strictly abides by relevant laws and regulations, including but not limited to the following:

### Environmental Aspect

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

# Environmental, Social and Governance Report

## Social Aspect

### Product Responsibility

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- “Product Quality Law of the People’s Republic of China”
- “Waste Electrical and Electronic Equipment Directive” (WEEE)
- “Model Toxics in Packaging Legislation”
- “European Union 2009/251/EC Directive”
- “Restriction of the use of Hazardous Substance” (RoHS Directive)
- “The Management measures of Limiting the Use of Hazardous Substances in Electrical and Electronic Products” (China RoHS)
- “Registration, Evaluation, Authorization and Restriction of Chemicals” (REACH)
- “Directive of Eco-design Requirements of Energy-using Products” (EuP Directive)

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- “Patent Law of the People’s Republic of China”
  - “The Contract Law of the People’s Republic of China”
  - “Anti-Unfair Competition Law of the People’s Republic of China”
  - “Criminal Law of the People’s Republic of China”
  - “Cybersecurity Law of the People’s Republic of China”
  - “Measures for the Administration of Internet Domain Names of China”

### Anti-corruption

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- “Criminal Law of the People’s Republic of China”
- “Anti-Unfair Competition Law of the People’s Republic of China”

### Occupational Health and Safety

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- “Production Safety Law of the People’s Republic of China”
- “Regulation on Work-Related Injury Insurances”
- “Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases”
- “Law of the People’s Republic of China on Prevention and Treatment of Infectious Diseases”

## Employment System and Labor Standards

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