CETC 中国电科

CHENGDU SIWI SCIENCE AND TECHNOLOGY COMPANY LIMITED
(a sino-foreign joint stock limited company incorporated in the People's Republic of China)
Stock Code: 01202

2024 Environmental, Social and Governance Report

CHENGDU SIWI SCIENCE AND TECHNOLOGY COMPANY LIMITED

CONTENTS

01 Openings

A Message from the Management

The year 2024 is a pivotal year for the three-year development plan and a crucial period for survival and transformation of SIWI SCI & TECH. The Company actively aligns with global sustainable development trends by integrating environmental, social, and governance (ESG) principles into its corporate strategy and daily operations. Closely following the specific action requirements of the "Improving Quality, Reducing Costs and Enhancing Internal Capabilities" initiative, we will focus on " delete one space Innovation Leadership and Market Expansion", prioritize layout in new product markets, increase R&D investment, strengthen core capabilities, accelerate talent development, and achieve a dual enhancement of economic efficiency and social responsibility.

Robust Governance to Enhance Value Creation. We remain committed to comprehensively and faithfully implementing the principle of the "two-consistency (consistently adhere to the Party's leadership over State-owned enterprises; consistently develop a modern enterprise system as the direction of the reform of State-owned enterprises)" continuously strengthening Party leadership in establishing and improving modern corporate governance systems for SOEs with Chinese characteristics. We optimize governance frameworks by integrating oversight resources, ensuring compliance in the renewal of the Board of Directors, and refining a governance mechanism characterized by legally defined roles, coordinated operations, and effective checks and balances. We strictly adhere to laws, regulations, and industry standards, driving continuous improvement through internal controls and internal/external audits. To enhance transparency as a listed company, we proactively address market concerns and enhance investor communications and information disclosure practices.

Green Growth and Climate Action. We are committed to achieving a balance between economic and ecological benefits, and actively respond to the challenges of climate change by continuously optimizing our energy structure, enhancing resource efficiency, strengthening waste compliance management, and strictly controlling carbon emissions. We promote the construction of a green supply chain to ensure that our products are environmentally friendly throughout their life cycle, and further encourage our upstream and downstream partners to jointly practice the concept of sustainable development.

Sincere Collaboration to Draw a Blueprint for Sustainable Development. In terms of quality control, we build a firm foundation with the spirit of craftsmanship, strictly control product quality, deepen the sense of responsibility of the whole chain, and continue to improve the core competitiveness of our products through customer demand-oriented service upgrades and strategic collaboration in the supply chain. In terms of talent strategy, we improve the talent training mechanism, innovate performance incentive mechanism to stimulate organizational effectiveness, improve professional capacity building, and simultaneously improve employee care and career development channels to achieve synergistic enhancement of human capital value-added and organizational centripetal force. In the dimension of social responsibility, we actively undertake social responsibility, help rural revitalization, promote social value co-creation through systematic responsibility practice, and inject lasting energy for the high-quality development of regional economy.

We will continue to focus on sustainable development, deepen ESG practices, promote green innovation and digital transformation, create long-term value for business and society, and contribute to building a more inclusive and low-carbon future.

About us

Company Profile

Chengdu SIWI Science and Technology Company Limited (formerly known as Chengdu PUTIAN Telecommunications Cable Company Limited) (hereinafter referred to as the Company or SIWI SCI & TECH) was established in 1958 and listed in Hong Kong (HK01202) in 1994. In June 2021, upon the approval of the State-owned Assets Supervision and Administration Commission of the State Council and China Electronics Technology Group Corporation (hereinafter referred to as the China Electronics Technology), Chengdu PUTIAN Telecommunications Cable Company Limited was merged into the 29th Research Institute of China Electronics Technology (hereinafter referred to as the 29th Research Institute) from the original China PUTIAN Corporation. The 60% of the shares of the Company was transferred at nil consideration to Chengdu Siwi Electronic Co., Ltd (hereinafter referred to as the Siwi Electronic), and the Company became a subsidiary of the 29th Research Institute of China Electronics Technology. In July 2022, approved by the Chengdu Market Supervision and Administration Bureau, the Company was renamed as "Chengdu SIWI Science and Technology Company Limited". In February 2024, Siwi Electronic has agreed to transfer 34% of its equity interest in the Company to Chengdu Siwi High-Tech Industrial Co., Limited (hereinafter referred to as the Chengdu Siwi High-Tech), the wholly-owned subsidiary of the 29th Research Institute, at nil consideration. After the transfer, Chengdu Siwi Electronic, Siwi High-Tech and the public held 26%, 34% and 40% of the equity interests of the Company respectively.

Chengdu SIWI Science and Technology Company Limited, headquartered in Chengdu, Sichuan Province, currently has more than 400 employees and total assets of RMB100.4 million. With the philosophy of "pursuing mission, innovation, synergy and pragmatism" , the spirit of "being stringent, excellent, realistic and pioneering", and the direction of "optoelectronic and interconnected business", the Company is committed to become "an excellent intelligent manufacturing enterprise in Southwest China" by focusing on the four main products including "optical fiber, optoelectronic, cable and cable assembly".

Core businesses and products

Products line

- Optical fiber products
  - Standard optical fibers
  - Specialty optical fibers
- Optoelectronic products
  - Fiber optic ring
  - Wavelength division multiplexers
  - Optical modules
- Cable products
  - Rail transportation cables
  - High-temperature rated installation cables
  - Specialty optical cables
- Cable component products
  - High frequency cable assemblies
  - Low frequency cable assemblies
  - Optical cable component

Optical fiber products

We are concentrating on developing more environmentally friendly and reliable high value-added optical fiber products with specific features, such as G.657.B3, ultra-small diameter optical fiber, low-loss optical fiber, G.654.E optical fiber and other special varieties, while constantly promoting the realization of small batch of differentiated production.

Optoelectronic products

We pay more attention to optoelectronic products and have successfully established production lines for optical devices, enabling R&D and manufacturing capabilities across a series of advanced optical components including fiber optic rings, wavelength division multiplexers, and optical modules, in order to make it a new profit growth point for the Company.

Cable products

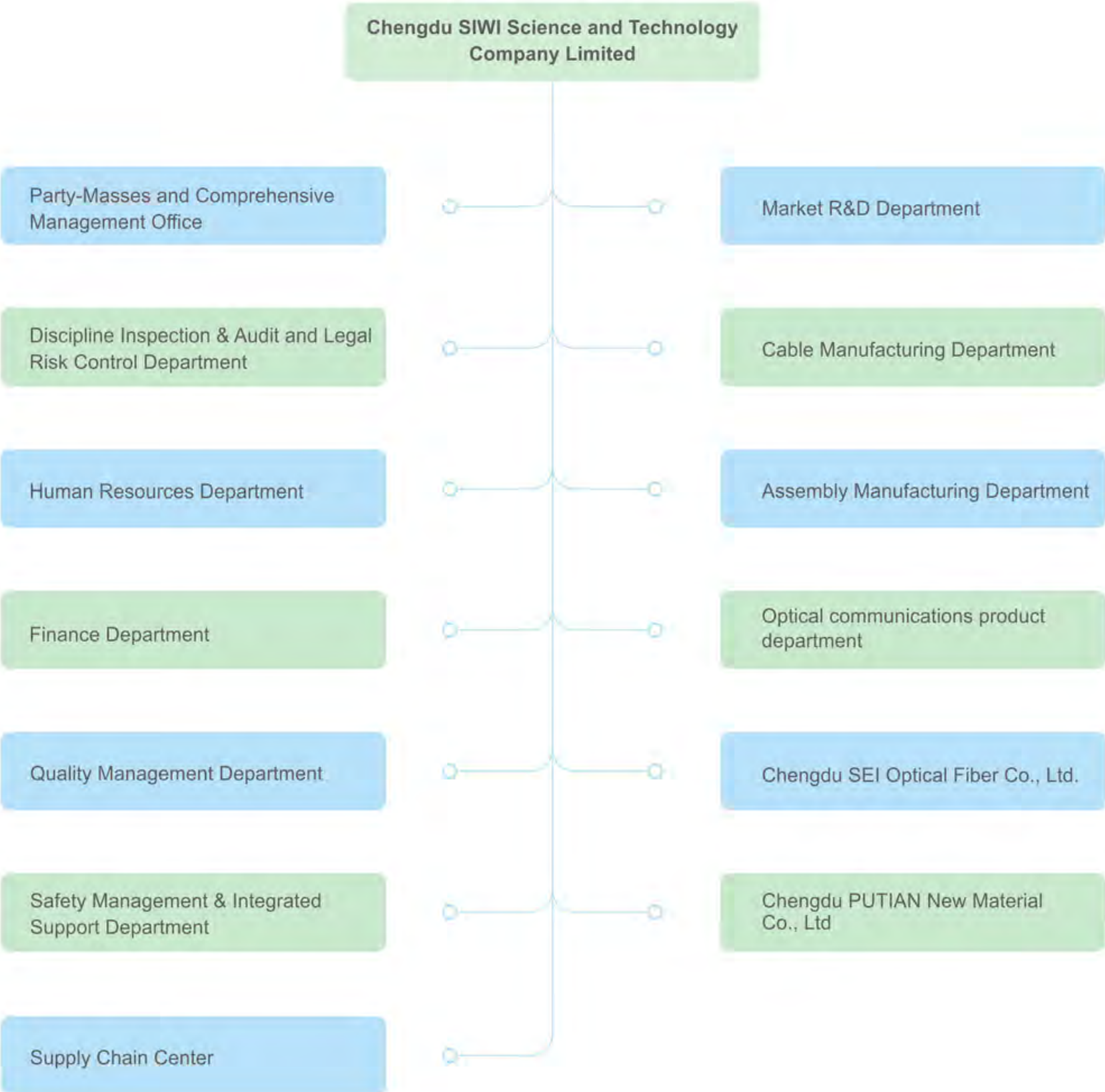
Based on rail transportation cables, we continuously research and develop products tailored to customer needs while enhancing promotion efforts for thin-wall cable series insulated with polyether ether ketone (PEEK). We are expanding into the development of XETFE fluoroplastic cables, B1 flame-retardant cables, and optical cables to achieve diversification across our cable product portfolio.

Cable component products

We give priority to high-frequency cable component and low-frequency cable component, expand optical fiber cable components, and accelerate the development of a series of semi-rigid and flexible cable components products.

Organizational Structure

In order to adapt to the strategic development plan of the Company, SIWI SCI & TECH has adjusted and optimized its organizational structure and established the optical communications product department in 2024, aiming to further streamline resource allocation, expand in the optoelectronic interconnect markets, improve the efficiency of the Company's business management, and achieve the management goal of cost reduction and efficiency increase. After adjustment, there are a total of 13 departments and holding companies.



ESG Governance

SIWI SCI & TECH prioritizes corporate governance principles, emphasizing a high-quality board of directors, effective internal controls, rigorous disclosure practices, transparency, and accountability. Furthermore, the Company is committed to continuously enhancing these practices, fostering a culture of integrity, maintaining a robust governance structure aligned with applicable legal and regulatory requirements, safeguarding the interests of all shareholders, and advancing the development of its ESG governance framework. This ensures that the development of the Company shall achieve a harmonious and sustainable balance between economic, social, and environmental objectives.

ESG Governance Structure

In 2024, SIWI SCI & TECH enhanced its ESG governance capabilities through a multi-faceted approach, including setting clear ESG objectives, formulating actionable ESG action plans, strengthening regulatory compliance, conducting regular assessments, and improving information disclosure practices. The Company further optimized its ESG governance framework to be more scientific, efficient, orderly, and standardized, ensuring the effective implementation and continuous improvement of ESG strategies.

ESG Governance Structure

Board of Directors

As the highest decision-making body of the Company in ESG governance, it is responsible for the overall planning and coordination of ESG matters.

○ Coordinates the identification and management of risks and opportunities related to ESG.

○ Approves the Company's ESG-related objectives.

Strategic Development Committee

Strategic Development Committee is responsible for researching and formulating the long-term strategic plans on environmental, social, and governance, establishing and improving ESG governance system and strategic framework, supervising and guiding the Company's environmental, social and governance performance, and ensuring its compliance with relevant laws and regulations.

○ Approves the Company's annual Environmental, Social and Governance Report, sustainability policy documents and other ESG -related disclosures and make recommendations to the Board of Directors for approval.

○ Provides routine monitoring and reporting on the implementation progress of risk management and related work.

ESG Governance Group

The ESG Governance Group continuously integrates risk management related to environment, society, and governance into the ordinary operations of the Company, and coordinates with all subsidiaries and business systems to promote the implementation of related work.

○ Strengthens the consensus and strategic synergy of sustainable development among all departments, and promote the implementation of ESG management standards and sustainable development culture.

○ Coordinates the collection of relevant information and preparation of report on environment, society and governance of the Company.

○ Identify and manage risks related to environmental, social and governance and propose corresponding risk mitigation measures.

○ Regularly reports to the Company's management and the Strategic Development Committee of the Company's Board of Directors on the implementation of ESG targets.

Heads of Departments

ESG related departments include general management, laws and regulations, stakeholder management, R&D and manufacturing, quality and safety, environmental management, supply chain management, human resources, financial risk, etc., which collaborate to promote the implementation of various ESG tasks with the ESG Governance Group.

ESG Governance Policy

SDGs and SIWI SCI & TECH's Actions

Our Theme	Our Actions	UN Sustainable Development Goals
Robust Governance	Improve ESG governance structure Strengthen investor communication Safeguard the lawful rights and interests of stakeholders Management in compliance with the laws and regulations Strengthen risk management and control Protect customer privacy Improve the quality of information disclosure	5 Gender equality 10 Reduce inequality 16 Peace, justice and strong institutions 17 Partnerships to achieve goals
Green development	Improve environmental management system Carry out climate risk management Regulate pollutant emissions Use clean technology Promote green office Build green plant Optimize packaging materials	6 Clean water and sanitation 7 Affordable and clean energy 12 Responsible consumption and production 13 Climate action
Sincere cooperation	Strengthen the control of product quality Promote innovation-driven development Promote Intellectual property protection Strengthen customer satisfaction management Standardize supplier admission procedures	9 Industry, innovation and infrastructure 11 Sustainable cities and communities 12 Responsible consumption and production
	Equal employment opportunity Diversified talent recruitment Good compensation and benefits Improve employee incentive mechanism Staff training and development Occupational health and safety Enhance communication with employees Improve social contribution	3 Good health and well-being 5 Gender equality 6 Clean Water and sanitation 10 Reduce inequality 11 Sustainable cities and communities

Materiality Assessment

We attach great importance to stakeholders' feedback and suggestions on sustainable development issues. Through industry benchmarking, stakeholders survey and expert analysis, we identified the ESG risks and opportunities of the Company and screened out and determined 21 material issues of great importance or impact to the Company and its stakeholders. These issues are highlighted and responded to in this report from three perspectives, namely "Robust Governance", "Green Development" and " Sincere Cooperation ".

The analysis results of materiality issues in 2024 have been reviewed and confirmed by the ESG Governance Group.

Materiality Issues

Issues	Key Focus Areas	Response Measures
Environmental issues	Environmental management	Improve environmental governance Address climate change Promote green operation
	Address climate change	
	Compliant emissions	
	Water resource usage	
	Packaging materials usage	
Social issues	Product and service quality	Responsible for products Responsible for employees Socially responsible
	Technological innovation	
	Supply chain responsibility	
	Diversity and equality	
	Employee care and communication	
	Employee training and development	
	Protection of employees' rights and interests	
	Occupational health	
	Safety management	
	Community communication	
	Volunteer service	
Governance issues	Compliant operation	Standardize corporate governance Adhere to integrity and compliance Intensify efforts to fight corruption and perform with integrity
	Internal control	
	Risk management	
	Anti-corruption	
	Investor relations management	

Stakeholder Engagement

Communication between SIWI SCI & TECH and its Stakeholders

Stakeholders	Issues of Concern	Communication and Response
Government and regulatory bodies	• Compliance operation • Energy-saving operation • Environmental protection • Product quality and safety • Business ethics and anti-corruption	• Operating with integrity, policy implementation, event reporting, participating in research and visits • Control carbon emissions • Strengthen product quality and safety control • Assisting with evaluations, conducting regular meeting communications
Shareholders and investors	• Steady operation • Information disclosure • ESG risk management • Senior management compensation and incentives	• Improve corporate governance • Make announcements on the required information disclosure websites to improve the transparency of operational information • Conduct strict risk management and control, enhancing the Company's core competitiveness • Regularly convene the meeting of board of directors, supervisory committee, general meeting
Customers	• Product quality • Customer service • R&D and Innovation • Intellectual property protection	• Provide consistently high-quality products • Conduct customer satisfaction surveys, open discussions and visits, and interact with various social medias such as WeChat public accounts and the Company's website
Employees	• Occupational health and safety • Employment and rights and interests • Employee training and development	• Collective bargaining with employees, protection of employees' rights and interests • Organize various employee activities and care for employee development • Improve salary incentives
Partners	• Integrity and reciprocity • Coordination of supplier development • Promotion of industry development	• Adhere to the principles of integrity, mutual benefit and equal consultation • Conduct supplier evaluations, and engage daily cooperation negotiations and business training • Non-periodic industry exchanges
Universities and research institutions	• R&D and innovation	• Develop school-enterprise cooperation, conduct various academic communication, and link industry cooperation, etc.
Communities and the public	• Participation of public welfare undertakings • Contribution to Communities • Environmental protection • Emissions management	• Pro-actively participate in charity and volunteer activities • Local recruitment and procurement • Participate in environmental protection • Disclosure of environmental data actively

02

Robust Governance

Governance System

Corporate Governance Principles

SIWI SCI & TECH emphasizes a board of directors with high quality, effective internal controls, rigorous disclosure practices, transparency, and accountability, continues to improve the modernization level of its corporate governance system and governance capabilities, and has effectively formed a governance structure with clear responsibilities, coordinated operations, and effective balance in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and relevant regulatory requirements for state-owned enterprises.

Governance Structure

Operation of the Three Committees

SIWI SCI & TECH organizes and convenes board meetings and shareholders' meetings in strict accordance with the Company Law, the Listing Rules, the Articles of Association and other laws and regulations to consider and decide on major issues closely related to the development of the Company, so as to ensure effective governance and sound operation of the Company.

The Board has set up the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategic Development Committee, to provide professional consultation and suggestions for the decision-making of the Board, in order to ensure the scientific nature and accuracy of decision-making of the Board.

Operation of Special Committees under the Board

Strategic Development Committee

There are currently five members in the Strategic Development Committee, including three independent non-executive directors and one executive director and one non-executive director, which is responsible for researching the Company's strategic plans for medium and long-term development and major issues affecting the development of the Company. In 2024, five meeting of the Strategic Development Committee were convened to discuss matters such as the Company's annual ESG management objectives and fixed asset investment plans.

Remuneration and Appraisal Committee

There are currently five members in the Remuneration and Appraisal Committee, including three independent non-executive directors and two non-executive directors, which is responsible for formulating the appraisal standards for the Company's directors and senior managers and conducting appraisal, and is responsible for formulating and reviewing the remuneration plans and programs for the Company's directors, managers and other senior managers. In 2024, two meeting of the Remuneration and Appraisal Committee were convened to review the compensation plan of the management and study the total salary policy of the Company.

Nomination Committee

There are currently five members in the Nomination Committee, including three independent non-executive directors and one executive director and one non-executive director, which is responsible for researching, reviewing and making recommendations on the candidates, selection criteria and procedures for the Company's Board and Managers. In 2024, two meeting of the Nomination Committee was convened to discuss the selection of new directors of the Company and the composition of the Board of Directors, respectively.

Audit Committee

The Audit Committee currently consists of three independent non-executive directors, which is responsible for the communication, supervision and verification of internal and external audits of the Company. In 2024, five meetings were held by the Audit Committee to review the Company's financial reporting, connected transactions, risk management and internal control, etc.

Board Diversity

SIWI SCI & TECH continues to improve the diversification of the Board in accordance with the Board Diversity Policy. The composition of the Board of directors should be as diverse as possible, including but not limited to the diversity of gender, age, educational background, professional experience, skills, knowledge and service tenure, etc., aiming to bring more new perspectives, new concepts and new ideas to ESG governance, so as to further enhance the overall effectiveness of the Board.

The Company discloses the composition of the Board (including gender, age, service tenure, etc.) in the corporate governance report annually, and the Company's Nomination Committee will report on the Board diversity composition and supervise the implementation of relevant policies. The Company has soundly implemented its policy on Board diversity, and will continue to do so in the future when identifying director candidates.

The Board of the SIWI SCI & TECH consists of nine members, with two female directors accounting for 22.22%.

Information on the Board members of SIWI SCI & TECH

Executive Directors

Ms. Li Tao
(Chairman)

Mr. Wu Xiaodong

Non-executive Directors

Mr. Chen Wei

Mr. Xu Jiaxin

Mr. Xu Ningbo

Mr. Zeng Li
(employee representative director)

Independent Non-executive Directors

Ms. Fu Wenjie

Mr. Kang Yiguo

Mr. Li Shaorong

Risk Control System

Compliance Management

By always adhering to the principles of integrity and compliance, SIWI SCI & TECH establishes a sound compliance management system, through strengthening the supervision responsibility of disciplinary inspection and monitoring, and has achieved significant results.

We thoroughly implement the compliance supervision and management norms as prescribed by our higher-ranking department, including the "Main Responsibility and Main Business List", "Regulatory Negative List" and "Escalation Control List", and strictly supervise compliance with these lists.

In 2023, the Company continued to optimize its legal affairs management system, with a primary focus on updating 8 standard form contracts under the contract management system. Complementary revisions were made to legal affairs procedures and compliance review processes. The legal review was strengthened and the requirements of contract review management was implemented. In 2024, the review rate of the contracts was 100%.

In 2024, the Company revised the Compliance Management System; organized new employees to study the Compliance Manual, and arranged for new employees to sign the Employee Compliance Commitment Letter, and department heads signed the Compliance Operation and Risk Management Responsibility Letter. The Company also updated the compliance evaluation report and comprehensively identified the list of laws and regulations applicable to the Company. The Company complied and distributed the Handbook of Things You Should Know and Do for Compliance Operations to encourage the employees to "Keep Risks in Mind and Regulations in Hand". The Company strengthened the popularization of legal knowledge, improved the legal awareness of our employees, and carried out three special training sessions on corporate law, contract management, and family relations for all levels of the Company, which improved the fit between the Company's laws and businesses and reduced contract compliance issues.

As of the end of 2024, the Company had 236 operating rules and regulations, including 42 newly-established rules and regulations, 60 revised rules and regulations, and abolished 71 original rules and regulations.

Internal Control

In 2024, the Company's compliance and risk management committee further improved its scientific internal control management mechanism and business process system by fully constructing the Company's institutional framework, refining the basic and supporting systems in various business areas, and enhancing quality and rigidity of each system, aiming to establish a sound, effective and practical system to adapt to the current business development of the Company and ensure the orderly operation of various functional departments and of business activities at each level. During the Reporting Period, the Company organized relevant departments to timely improve the internal control system, which contributed to an improvement in the internal control management level of the Company.

As of the end of the Reporting Period, all the 5 defects identified during the internal control self-assessment in 2023 have been rectified.

Risk Management

SIWI SCI & TECH has established a system and procedures for assessing, addressing, monitoring, warning, and controlling risks, including strategic, market, legal, operational, and various risks that may affect the development of the Company. A risk classification monitoring indicator system is in place, with monthly, quarterly monitoring of key management and control risks, timely alerting and tracking of risk items, and the development of countermeasures and risk event reporting mechanisms were formulated.

In 2024, the Company took a series of risk management measures, yielding certain results.

- The Company formulated various regulations such as the Risk Management Regulations, and Risk Assessment and Response Procedures to timely improve the risk management process.

- The Company implemented monthly and quarterly monitoring of key control risks and the risk classification monitoring indicator system, tracked and warned of identified risks and formulated response measures. The Company conducted a full-level risk investigation and tracking, identified seven key enterprise management risks for 2024, and formulated effective management measures for all of them. No major risk events occurred during the Reporting Period.

- In 2024, the Company completed the informationization upgrade of information data control. In terms of information input, information input entrances are centralized and information input methods are restricted; in terms of information output, all information data output is subject to approval, centralized output and digital management, and traceability.

- In 2024, the Company continuously established and improved the confidentiality management system, made several adjustments to the confidentiality organization and institutions, and strengthened the responsibility of confidentiality management at all levels. The Company formulated and revised 28 items for confidentiality system and continuously improved the system management requirements. The Company carried out regular supervision and inspection, insisted strict assessment and accountability, conducted two confidentiality publicity and education activities and organized several confidentiality trainings. During the Reporting Period, there were no major security violations, breaches of discipline or incidents of loss or leakage of confidentiality.

- The Company strictly abided by the Related-party Transaction Management System. During the Reporting Period, four related-party transaction briefings were prepared and released, and the list of related-parties was updated and disclosed. All continuing connected transactions have been reviewed and approved by the Stock Exchange and the general meeting of the Company, except those fully exempt from the requirements under Chapter 14A of the Listing Rules.

Anti-Corruption

The Company will strictly comply with domestic and foreign laws and regulations, and absolutely prohibits behaviors such as bribery, extortion, fraud, money laundering. It prohibits any form of illegal activities, including misappropriation, theft, concealment, abuse of company property or tampering with records, and other illegal activities. Meanwhile, the Company fully implements clean governance in business activities such as procurement and sales, protects the legitimate rights and interests of all parties in accordance with the principles of fairness, justice, and openness. During the Reporting Period, there were no litigation cases relating to corruption of the Company.

In 2024, focusing on its main responsibilities and main businesses, SIWI SCI & TECH deepened the supervision and accountability work and comprehensively promoted the construction of the "Three No Corruptions" institutional mechanism, thus creating a good political environment of clean governance, law-abiding and compliance.

The Regulations on Punishment of Violations of Employee Violations and Disciplinaries, the Implementation Measures for Responsibilities of Illegal Operations and Investments and the Measures for the Management of Special Connected Transactions have been revised.

The Company carried out the anti-corruption and integrity promotion, advocated its employees to spend the holidays in a civilized and honest manner through pre-holiday reminders, and issued holiday reminders for New Year's Day, Spring Festival, Labour Day,Dragon Boat Festival, Mid-Autumn Festival and National Day.

The Company have promoted the in-depth and practical study and education of party discipline, organized middle-level and above cadres of the Company to visit Tianfu Family Style Museum) to carry out the integrity education activity about the Inheriting Fine Family Traditions and Promoting Honesty and Integrity and transformed the learning results of the Regulations on Disciplinary Punishment of the Communist Party of China into practical actions of loyalty, integrity and responsibility. The Company carried out special training on Party style and clean government, integrated the study and education of Party discipline into daily life and learned it regularly, and carried out the question-answering activity of Observing Party Discipline, Reading Regulations and Learning One Rule each Day.

The Disciplinary System of The Company

- The Regulations on Punishment of Violations of Employee Violations and Disciplinaries
- The Implementation Measures for Responsibilities of Illegal Operations and Investments
- The Measures for the Management of Special Connected Transactions
- The Measures for the Management of Red and Yellow Card Warnings
- The Measures for the Firewall Management

Investor Relations Management

Communication with Investors

SIWI SCI & TECH is committed to establishing long-term, stable and mutually trusting relationships with investors. Through comprehensive and effective communication, it continues to maintain communication with investors, enhance investors' understanding and trust of the Company, promote harmonious investor relations, and provides strong support for the development of the Company and maximization of shareholder value.

The Company regularly publishes annual reports and interim reports, discloses various major transaction announcements. We also actively respond to routine inquiries from the CSRC and the Hong Kong Stock Exchange, and listen to the opinions and advice of the Hong Kong Securities Clearing Company Limited, shareholders, and fund managers. In recent years, in response to the widely concerned issue of climate change, the Company has also disclosed its actions and results for addressing climate-related risks.

We provide timely and accurate information about the Company's significant business developments through announcements, press releases, and the Company's website (http://www.cdc.com.cn), enhancing the Company's transparency and protecting the legitimate rights and interests of our Shareholders.

Information Disclosure

The Company fulfills its obligations of information disclosure by strictly adhering to the requirements of laws, regulations, and normative documents such as the Securities Law and Listing Rules, so as to ensure that the information disclosed is true, accurate, complete, and timely. The Company strictly implements various systems to standardize the reporting, transmission and confidentiality procedures of major information, and no insider information leakage has occurred, effectively safeguarding the legitimate rights and interests of investors.

Investor communication and information disclosure

Indicator	Unit	2021	2022	2023	2024
Number of interim announcements and regular reports released	Time	45	64	46	53
Number of investor visits and exchanges received	Time	6	4	4	4

Party Building Leads Development

In 2024, under the correct leadership of the Party Central Committee, the Party group of the Group, and the Party Committee of the Institute, the Party Committee of SIWI SCI & TECH adhered to the problem-oriented, goal-oriented, and result-oriented approaches, strengthened the characteristics of Party Building, reinforced the "two roles", and continued to promote the deep integration of Party Building and production and operation, leading quality development with high-quality Party Building.

Strengthen political theory training

The Company has resolutely adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, promptly studied General Secretary Xi Jinping's latest important speeches and directives, prioritized the study of Party discipline education and the spirit of the Third Plenary Session of the 20th CPC Central Committee, organized 16 study sessions on priority topics, formulated and implemented the Party Committee Theoretical Study Center Group Learning Plan through 8 centralized study sessions for the theoretical study center group of the Party Committee to ensure comprehensive coverage of required learning content, while maintaining a clear focus on core learning objectives by distributing monthly electronic/printed study materials, guiding Party branches in theoretical education, advancing tiered ideological-political education across all levels, and systematically educating Party members and cadres to consolidate ideological foundations, strengthen theoretical grounding, and drive practical implementation through the Party's innovative theories.

Thorough Implementation of Comprehensive Strict Governance over the Party

The Company has strengthened institutional development by establishing the SIWI SCI & TECH Governance Framework for Subject Rights and Responsibilities, convening 53 Party committee meetings in 2024 to deliberate on 159 key agenda items, including 43 preliminary deliberations on institutional reforms and operational objectives, thereby fully leveraging the Party committee's oversight, management, and safeguarding functions. The 2024 Annual Conference on Comprehensive Strict Governance over the Party was organized to deeply integrate Party leadership into all aspects of corporate governance, consolidate political accountability for Party self-governance, and amplify the stronghold role of grassroots Party organizations alongside the vanguard exemplary role of Party members. Regular work meetings on strict Party discipline were conducted to disseminate General Secretary Xi Jinping's key directives, implement decisions from higher authorities, execute prioritized task lists under Party committee supervision, and establish monitoring and oversight mechanisms for progress briefings and interdepartmental coordination.

Integration and Mutual Reinforcement of Party Building and Business Development

The leadership team of the Company focused on annual key challenges, conducting over 20 grassroots research engagements through participation in branch organizational meetings, Party-themed lectures, and symposiums, effectively translating insights into actionable outcomes. The One-Page Accountability Framework for Comprehensive Party Governance was implemented to rigorously enforce the dual responsibilities system (overseeing both Party discipline and operational duties). Four recurring issues identified in inspections were addressed through systematic rectification, driving management upgrades and institutionalizing corrective measures. By leveraging initiatives such as Specialized Campaigns, Joint Study Platforms, and the 1,124 Party-Building Mechanism, the company refined Party-branded projects (e.g., Striving for Excellence in Fiber Optic Innovation), establishing a virtuous cycle where Party building drives operational progress.

03

Green Development

Environmental performance in 2024

Energy consumption (10,000 tonnes of standard coal) is less than: **0.34**
Energy consumption per RMB10,000 operating income (prevailing price) (tonne standard coal/RMB'0,000) is less than: **0.14**
Energy consumption per RMB10,000 value added (prevailing price) (tonne standard coal/RMB'0,000) is less than:**0.73**
Smoke and dust emissions (tonne) are less than:**0.005**
Chemical oxygen demand (COD) emissions(tonne) are less than:**1.1**
Nitrogen oxide (NOx) emissions (tonne) are less than:**0.05**
Volatile organic compounds (VOC) emissions (tonne) are less than:**0.45**
Wastewater discharge (tonne) is less than: **9.91**

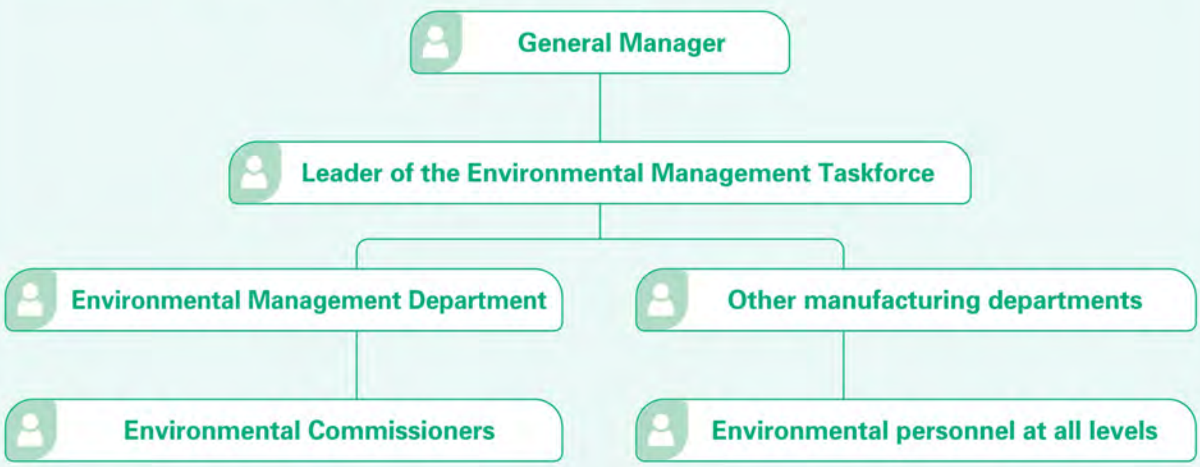
Environmental Management

In strict compliance with the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China and other laws and regulations on environmental protection, SIWI SCI & TECH actively responds to the impact of global climate change.

The Company has been comprehensively coordinating and promoting various green development works, such as green management, green innovation, and green operation. reducing energy consumption, utilizing resources efficiently, promoting and implementing a green and low-carbon lifestyle, as well as strengthening waste management and controlling greenhouse gas emissions, the Company will comprehensively reduce its impact on the environment.

In 2024, we were recognized as an honest and trustworthy enterprise in the environmental credit evaluation.

Environmental Management Organizational Structure



Environmental Management System

We continue to coordinate and promote environmental management certification programs, with an aim to achieve goals of each production department for environmental management system. As of the end of the reporting period, SIWI SCI & TECH and SEI have once again passed the environmental management system certification.

Environmental Management System Certification

Environmental Management Initiatives

In order to strengthen our environmental management capabilities, the Company continued to pursue green and low-carbon goals, comprehensively and systematically promoted energy conservation and carbon reduction, and continuously improved the green level of the Company in 2024.

Environmental management measures of SIWI SCI & TECH:

Management of environmental facilities

We ensure the normal operation of environmental protection facilities by strengthening the daily maintenance of these facilities to maximize their effectiveness and ensure the Company's compliance with emissions standards.

Management of environmental protection inspection

The Company leveraged the environmental protection inspection as an important method for environmental protection. Through various forms of supervision, we implemented corrective actions to ensure the implementation of various environmental protection systems.

Management of environmental emergencies

In 2024, We revised the Emergency Response Plan for Unexpected Environmental Incidents, effectively prevent and properly handle environmental emergencies through emergency management measures to minimize the impact on the ecological environment.

Improving Energy Efficiency

We actively promoted the transformation project of production equipment, continuously explored the methods of energy-saving innovation and green upgrading, and improved the total energy utilization efficiency. In the equipment procurement process, we strictly controlled the quality to ensure that the selected equipment meets energy-saving standards, so as to fully implement energy-saving responsibilities. Meanwhile, we have also set clear energy-saving index requirements to ensure the smooth realization of energy-saving goals.

Energy Consumption

Our energy consumption targets for 2024

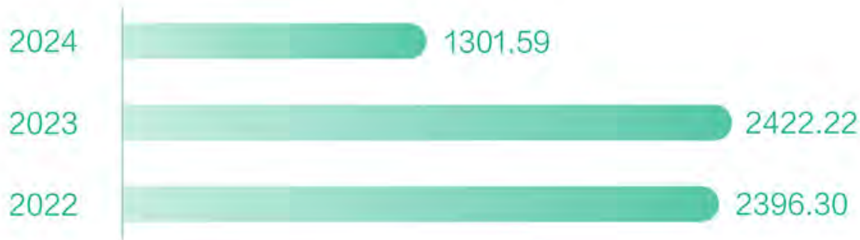
Electricity consumption: ≤26 million kWh / year

Natural gas consumption: ≤25,000 m^3/year

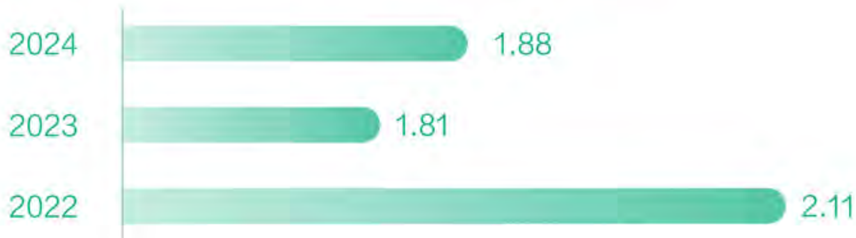
2024年能源消耗情况

In 2024, the total energy consumption generated by the park of SIWI SCI & TECH (including leasing companies), was 13,015,900 kWh, of which natural gas consumption was 18,800m³. All energy consumption were controlled within the targets set at the beginning of the year.

Total electricity consumption in the past three years (10,000 kWh)



Gas consumption in the past three years (10,000 m^3)



Energy Conservation Measures

Equipment Management

The Company has intensified daily inspections of capacitor banks in substations, implemented timely capacitor replacements and upgrades, and signed a supervisory agreement with SEI Optical for high-voltage equipment management, ensuring stable operation of electrical systems, improving power supply efficiency by optimizing power factor, and reducing transformer internal losses as well as transmission line wastage. Concurrently, production transport vehicles are gradually transitioning from oil-powered to electric-driven systems, effectively lowering carbon emissions while achieving cost-efficient operational sustainability.

Park Management

Based on seasonal changes and daylight conditions, the Company timely adjusted the streetlight timer controllers to reduce operation time in summer, achieving scientific and flexible adjustments to the nighttime on/off schedules of park streetlights. The Company continuously upgraded lighting systems by popularizing the latest LED energy-saving fixtures in workshops, streetlights, and office lighting while phasing out outdated fixtures to prevent energy waste. From June to November 2024, over nearly six months, the park's power monitoring system was upgraded to more accurately monitor facility loads. Measures such as power disconnection were implemented against units violating load limits to avoid high energy consumption. During the peak electricity demand period in 2024 summer, the Company actively responded to the flexible load management requirements of High-New West District Development and Reform Bureau. By proactively reducing loads during daily peak hours, the Company ensured normal grid power supply, electricity savings reached 21,000 kWh.

Production Management

The Company implemented shift rotation production to reduce heating cycles and energy consumption; minimized equipment startups to decrease machine head scrap generation. The Company optimized material usage within process specifications while reducing equipment operation duration to enhance production efficiency. During peak electricity demand periods, the Company executed peak-shaving electricity consumption measures. The Company installed dedicated sub-metering systems for energy-intensive workshop equipment with real-time monitoring of power usage.

Resource Conservation

SIWI SCI & TECH has always been committed to optimizing the management and utilization of natural resources and strengthening the protection of the natural ecological environment by adhering to the principle of resource conservation and protection as priority.

We strictly adhere to the relevant requirements of the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China, strengthen daily water-saving management, and take various measures to improve water resource utilization. During the Reporting Period, the main water sources used in production and daily office are all supplied by the municipal government without any water pollution risks. The Company has taken various measures to reduce water waste during its business operation and development.

Water Resource Usage

Improve water use efficiency

Under the guidance of the Municipal Water Conservation Office, the Company submitted annual water usage plans and quarterly water increment applications as required while strictly controlling water usage quotas. Through measures including frequency conversion control, retrofitting and maintenance of circulating water pumps, installation of electronic water level gauges in circulating water tanks, strict regulation of water replenishment volume, the Company reduced water leakage, improved the utilization rates of circulating water, and enhanced maintenance of related facilities, so as to further minimize water resource waste.

Strengthen duty inspection

Through regular inspection of the park's water supply pipelines and analysis of meter reading data for each unit, the Company detected abnormal water consumption patterns. After thorough communication with relevant units and on-site verification, the Company identified leakage in underground circulating water pipelines and promptly conducted emergency repairs to prevent water resource waste. Additionally, the Company replaced outdoor pool faucets with key-operated models to minimize leakage and wastage phenomena.

In 2024, the total actual water consumption of the Company reached 195,000 metric tons (including park enterprises), with 32,800 metric tons allocated as makeup water for circulating systems. The increased water usage was attributed to the additional newly settled enterprises compared to 2023, newly established production lines of the Company, the park's transition from groundwater to municipal supply for circulating water replenishment, and more frequent leak occurrences due to aging pipelines.

Total water consumption in the past three years (10,000 tonnes)

Packaging Materials Usage

The company reduced packaging material waste by optimizing production materials and improving manufacturing processes to continuously enhance packaging material utilization efficiency, and implemented circular reuse and recycling of packaging materials.

Packaging materials used

Packaging Trays	The Company primarily purchased biodegradable and eco-friendly packaging materials, committed to enabling recycling after use. By enhancing tray reuse and adopting pre-assembled product sets, the Company minimized environmental impacts in packaging and transportation.
Other Materials	Including wooden strips, pallets, and foam, among others. The recycling of these materials was jointly managed by the Company and clients, which contributed to cost reduction and minimized environmental impact.

SEI	Unit	2022	2023	2024
Total amount of packaging materials used for finished products	Tonne	152.1	156.34	171.00
Amount of packaging materials used per production unit	tonnes/million core kilometers of fiber	0.24	0.24	0.25
Amount of recycled packaging materials used for finished products	Tonne	18.95	15.40	0.37
Percentage of packaging materials recycled per production	%	12.46	9.85	0.21

Emission Compliance

SIWI SCI & TECH continued to further promote the pollution prevention and control by effectively implementing environmental protection measures and strictly controlling emission compliance so as to drive green development with high standards and improve the quality of the ecological environment.

According to the environmental facility operation management system, the Company established environmental facility ledgers, implemented compliance identification to monitor and reduce emissions of wastewater and waste gas with necessary measures in 2024.

During the Reporting Period, the emissions of wastewater, waste gas, noise and related indicators of the Company were measured by the Mineral Resources Supervision and Testing Center, and all met the relevant standards such as the Technical Specifications for Wastewater Monitoring (HJ91.1-2019), Technical Specifications for Monitoring of Fixed Source Waste Gas (HJ/T397-2007), and Emission Standards for Industrial Enterprises Environmental Noise at Boundary (GB12348-2008), with a 100% compliance rate.

Waste Gas Emissions

In 2024, the three waste gas emission points of the Company, strictly implemented the environmental protection system and promoted compliant emissions through strengthening daily environmental protection inspections, introducing new instrument and equipment, and increasing fund investment.

Environmental protection inspection

By implementing the mode of "One Factory, One Policy", the inspection records of the park and all kinds of equipment are properly maintained to ensure the timely handling and updating of environmental protection incidents.

Management Enhancements

Three exhaust emission points were equipped with exhaust gas purification systems; screening procedures for activated carbon units were implemented; quarterly replacement of activated carbon in organic waste treatment facilities was ensured; and exhaust gas was continuously processed through the exhaust treatment system of the Company to reduce emissions.

Professional treatment

The environmental waste gas discharge outlets were cleaned and treated by a third-party specialized company, ensuring emissions compliance with regulatory standards.

Waste gas emissions over the past three years:

Type of emission	2022		2023		2024	
	Emission	Average detection value	Emission	Average detection value	Emission	Average detection value
Tin and its compounds [1]	0.3521109 kg	0.719mg/m^3	0.10912878 kg	3.508×10^{-3}mg/m^3	0.016934625 kg	1.5×10^{-6}mg/m^3
				7.008×10^{-3}mg/m^3		1.5×10^{-3}mg/m^3
Particles matter	/	/	/	/	70.1933194 kg	8.2mg/m^3

Note: No sulfur dioxide or nitrogen oxide was detected in 2024.

1.The implemented standard is the Level II requirements specified in Table 2 of the Integrated Emission Standard of Air Pollutants (GB16297-1996), with a statutory limit value of 8.5 mg/m^3.

2. The test results for tin and its compounds showed "ND" (Not Detected), indicating that the measured values were below the method detection limit (MDL). For statistical calculations, half the MDL value was used. The regulatory limit is 3×10^{-6} mg/m^3.

Waste Water Discharge

The Company comprehensively managed pollutant discharge and disposal processes and conducted routine monitoring and rectification measures to ensure compliant discharge of parameters including COD, ammonia nitrogen, SO_2, and nitrogen oxides from the park's drainage systems. During the Reporting Period, the Company engaged professional pipeline maintenance companies to perform cleaning and dredging treatment on the park's pipelines and discharge basins. Post-treatment effluents met Grade III standards and were discharged to sewage treatment plants through underground drainage networks.

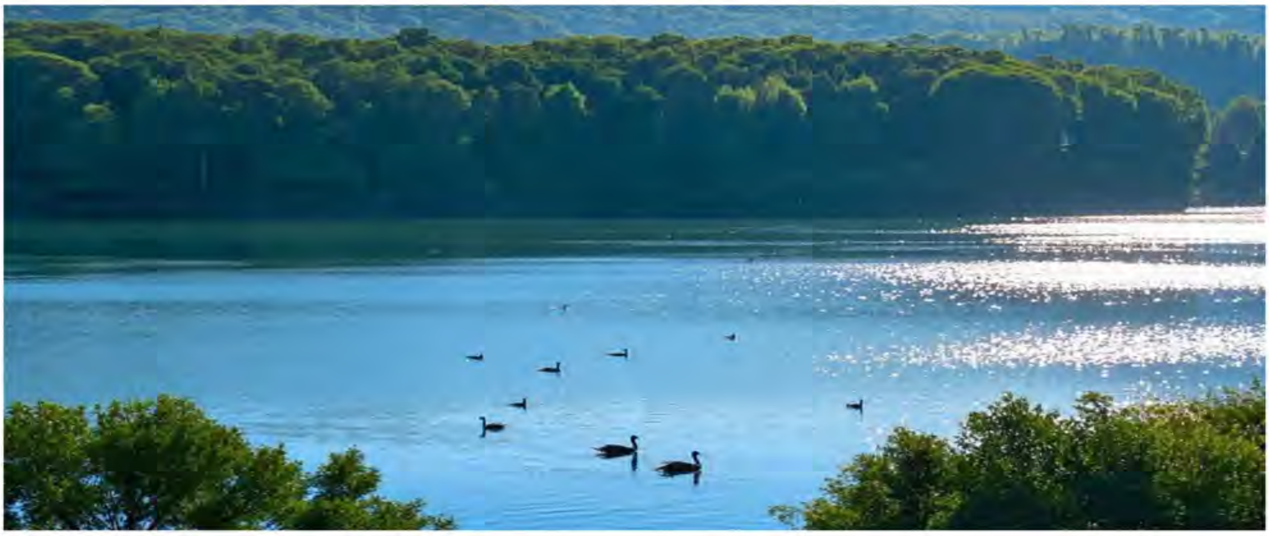
In 2024, the Company generated 195,000 metric tons of domestic wastewater (compared to 10.9 tons in 2023). Concurrently, the Company strengthened safety and environmental inspections, with the chemical oxygen demand (COD) indicator averaging 57 mg/L daily, lower than the level of 75 mg/L in 2023.

Wastewater discharge in the past three years:

Type of discharge	Statutory standard	2022		2023		2024	
		Discharge amount	Average detection value	Discharge amount	Average detection value	Discharge amount	Average detection value
Chemical oxygen demand (COD)[2]	500mg/L	14.7476 tonne	161mg/L	8.175 tonne	75mg/L	11.13267 tonne	57mg/L
Ammoniacal nitrogen[3]	45mg/L	3.9846 tonne	43.5mg/L	0.94067 tonne	8.63mg/L	3.789014 tonne	19.4mg/L

2.The standard Implemented represents the Standards of the third level in Table 4 of the Integrated Wastewater Discharge Standard (GB8978-1996)

3.Grade B standards in Table 1 of the Standards for the Quality of Wastewater Discharged into Urban Sewers (GB/T31962-2015)



Waste management

SIWI SCI & TECH strictly abided by the requirements of the Solid Waste Pollution Prevention Law of the People's Republic of China, and strived to achieve the goal of waste treatment and reduce the impact of waste on the environment.

The solid waste generated during our production activities included general waste and hazardous waste. In 2024, we incorporated pollution prevention and control of hazardous waste into the safety-specific plan of the Company, implemented unified supervision and management, and included hazardous waste as a prioritized matter during routine inspections.

We managed hazardous waste through categorized classification and centralized disposal, achieving reduction, recycling, and harmless treatment of hazardous materials. We collaborated with certified solid waste disposal companies for compliant hazardous waste processing. General waste was transferred to the park's landscaping and maintenance center to ensure timely waste removal.

In 2024, the Company generated a total of 53.14 tons of waste, with hazardous waste accounting for 66.13% of the total waste production. The hazardous waste increased compared to 2023, primarily due to processing retained waste liquid from cleaning the tin-plating tanks of large-drawing tin-plating machines in the Cable Manufacturing Department during the 2023 domestic tin-plating solution replacement.

SIWI SCI & TECH

Type of solid waste generated (tonne)	2022	2023	2024
General waste[4]	26.4	26.4	18
Hazardous waste	3.59	22.81	35.14

4. The total general waste includes that from the enterprises in the industrial park

SEI

Types of hazardous waste (tonne)	2022	2023	2024
Waste mineral oil（HW08）	0.2	0.2	0.18
Waste packaging(bottle)（HW49）	3.928	4.95	4.01
Waste organic solvent and waste liquid containing organic solvent	0.8	0.5	1.19
Waste activated carbon	0.9	0.48	0.84
Total	5.828	6.13	6.22
Density (unit output or hazardous waste generated by each facility) tonne/10,000 km of core cable	0.0096	0.0091	0.0094

Response to Climate Change

SIWI SCI & TECH actively responds to the national dual-carbon policy, continuously pays attention to the climate impact, and incorporates the responsibilities for managing climate change into the Strategic Development Committee of the Company's Board of Directors as one of the important contents of ESG management, and conducts periodic monitoring and evaluation.

Climate Risk Management

The Company has established a systematic climate risk system with corresponding risk system and risk management framework.

⦿ Climate risk management framework

According to the classification of enterprise climate risk by TCFD (Task Force on Climate-related Financial Disclosure), we identified that the climate risk of SIWI SCI & TECH in 2024 mainly included the following aspects:

Category	Risk	Response Measures
Physical risks related to climate change	• Short-term risk: the increasingly serious extreme weather such as rainstorm, earthquake, flood and high temperature leave enterprises exposed to the risk of damage of production facilities and interruption of value chain. • Long-term risk: global and regional climate change in the long run will lead to the reduction of production, manpower and material output.	• Formulate and strictly implement the Emergency Plan for Sudden Environmental Events, strengthen emergency drills, and enhance response ability. • Add new facilities and equipment, upgrade disaster protection, and ensure the normal operation of equipment and the occupational health of employees in extreme climate. • Optimize energy-saving and environmental protection facilities and improve energy efficiency. • Conduct relevant climate change-related training for employees.
Transition risks related to low-carbon economy	• Policy risk: the government introduces stricter laws and regulations on environment and climate change. • Technical reform: product performance and environmental protection indicators need to be further optimized. • Market change: the trend of the market and the formulation of business strategy by enterprises.	• Continue to promote the "green and low carbon" development strategy, carry out energy conservation and emission reduction work, and improve the green level of production and operation. • Staggered power consumption is adopted, and strictly implement of hierarchical control based on "one factory, one policy". • Strictly abide by the environmental protection requirements of products. • Actively conduct the research and development of new products and technologies, improve industrial concentration and increase productivity and efficiency.

Carrying out climate action

SIWI SCI & TECH actively carried out green office initiatives, advanced and practiced green office practices, green supply chain management, and green production. Through concrete actions, the Company promoted and implemented energy conservation and emission reduction measures while addressing climate change risks.

Implementation of green office practices

The Company resolutely implemented green office principles by continuously advancing digitalized and paperless operations. The Company rationally reduced air conditioning usage, used water-saving facilities and recyclable office supplies, and adopted more environmentally friendly and energy-saving products for scenarios such as building elevators, office lighting, staff restaurants and other scenes.

Green supply chain management

In 2024, the environmental-related risk assessment was extended to the whole supply chain, giving priority to suppliers who have passed the environmental management system certification.

Green production

For products and processes with high energy consumption, such as radiation and tinning production lines, we adopted peak-shifting production to arrange evening shift and night shift production without affecting delivery.

Greenhouse Gas Emissions

The Company's greenhouse gas emissions primarily originated from externally procured electricity, natural gas, gasoline, and diesel, classified as indirect emissions. In 2024, total emissions of the Company amounted to 11,772.16 metric tons of CO2 equivalent, with Scope 2 emissions accounting for over 99% of the total emissions.

By setting annual energy-saving and emission reduction targets, the Company controlled and tried its best to reduce the consumption of electricity, natural gas and gasoline, thereby reducing greenhouse gas emissions.

Scope of Carbon Emission	Type	Consumption	Carbon Dioxide Equivalent Emission (tCO2e)
Scope1	Gasoline	6000 liters	11.32
	Natural gas	18800 m^3	33.55
Scope2	Electricity	13015864 kWh	11727.29
Total carbon emissions			11772.16[5]

5.Accounting basis: GB/T 32150 General Principles for Accounting and Reporting of Greenhouse Gas Emissions for Industrial Enterprises, Standardization Administration;

GB/T 32151 Requirements for Accounting and Reporting of Greenhouse Gas Emissions, Standardization Administration

04

Sincere Cooperation

Product Responsibility

Stick to quality products

SIWI SCI & TECH consistently adhered to the principle of "High-Quality Development," steadily improved product quality by strengthening quality control throughout product realization processes. The Company proactively responded to market changes by planning energy management system certification, conducting carbon verification, carbon inventory, and carbon footprint confirmation for the organization, enhancing corporate carbon emission supervision, and fulfilling responsibilities towards customers, society, and national development.

Our products strictly complied with national regulations and industry standards throughout the production process, rigorously implemented technical requirements and process specifications. Through multi-tiered supervision including process discipline inspections, inspection protocol audits, and internal quality system reviews—supported by daily on-site technical and process assistance—we enforced comprehensive quality control measures including first inspection, self-inspection, mutual inspection, and specialized inspection. We established and implemented quality objective management for production processes and finished products, ensuring full-process quality control across all manufacturing stages.

- We optimized the quality, environmental, and occupational health and safety management systems of the Company, and organized the optimization, refinement, and implementation of 1 management manual and 75 procedural documents based on the actual operational conditions of the Company.

- We implemented the ISO14001:2005 and ISO45001:2018 standards, completed the recertification and expansion of the environmental and occupational health and safety management systems, and incorporated new products into the ES management system control.

- We implemented the GJB9001C standard, completed the expansion of GJB9001C quality management system certification, and incorporated new products into the Company's GJB quality management system control.

- We have maintained and improved the inspection and testing capabilities of optoelectronic products, completed the establishment of three major industry inspection/testing teams, and improved the level of related testing and quality control of optoelectronic products, cable products, and cable component products.

Part of the Certificates Obtained in 2024

Quality Management Training

During the Reporting Period, we carried out a series of professional quality knowledge training to improve the quality awareness and professional capability of our employees and ensure the market competitiveness of our products.

Quality Management Training

In order to comprehensively improve the quality management of the Company, in January, March and September 2024, the Company carried out a number of special trainings on department quality work ideas, IRIS quality management system standards and product quality improvement, and all employees of the Company actively participated.

Through multiple rounds of quality training, the Company further enhanced the adaptability of its quality, environmental, and occupational health management systems, strengthened quality accountability awareness among all employees, clarified the strategic framework and operational methodologies for the quality initiatives during the Year, and fully aligned efforts with corporate development objectives. These measures advanced quality enhancement, resource consumption reduction, workforce competency improvement, and economic efficiency optimization, thereby propelling the high-quality development of the Company.

Production Quality Inspection

We reviewed and optimized the product realization processes, enhanced the Product and Service Release Control Procedures, aligned documented procedures with practical operations, standardized inspection workflows (including incoming inspection, first-article inspection, in-process inspection, final inspection, customer acceptance, and packaging inspection), and added product certification control requirements for new products and revised technical reviews. In 2024, environmental compliance mandates were integrated into critical raw material inspection protocols and test reports and met the requirements of Rech and Rohs.

Product Inspection Performance:

Raw material inspection

Raw material inspection: The Company timely conducted incoming inspections for approximately 3,000+ batches of components related to optoelectronic products, cable products, and cable component products.

Component product inspection

Cable component products inspection: The Company completed process and finished product inspections for the working-hours of component in strict accordance with production requirements. For major and special projects, the Company formed inspection task forces to conduct joint inspections with customers, reducing product delivery timelines. The Company established new product inspection capabilities to ensure completion of urgent/critical task validations.

Cable product inspection

Cable product inspection: In compliance with production and delivery requirements, the Company timely completed in-process inspections across all manufacturing stages and finished product warehousing inspections at the production site. Through internal capacity optimization and flexible resource allocation, subcontracted copper material and cable irradiation processing operations were ensured, and new product trial production and testing tasks were completed.

Optoelectronic products inspection

Optoelectronic products inspection: The Company formulated specialized quality control plans, established pilot production teams for new products, ensured the timely completion of in-process and finished product inspections in compliance with production and delivery requirements, and successfully executed the trial of new product development and inspection tasks.

Improving Product Qualification Rate:

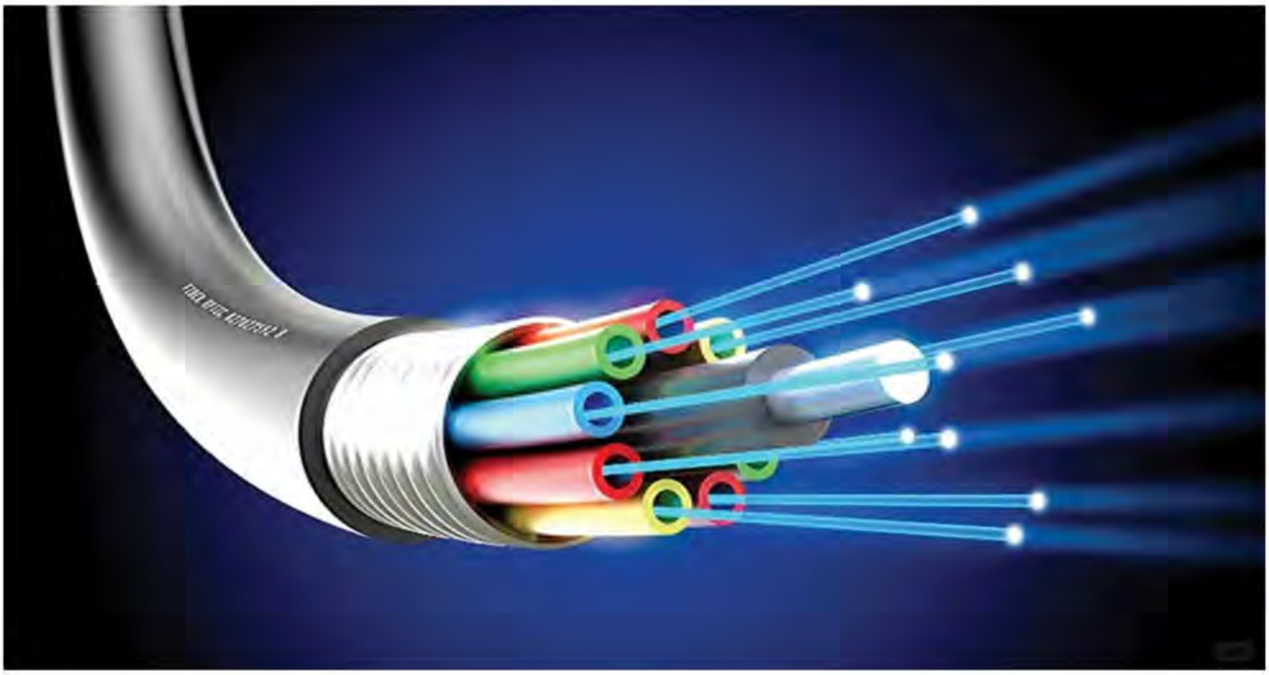
We have improved and strictly implemented the requirements for product quality control. We supervise and manage the product realization process through internal audit and special inspection, and make rectification in a timely manner when problems are found.

- Special examination of process discipline and inspection discipline: strengthen the important content of process management, and provide guarantee for establishing normal production order, ensuring product quality, reducing consumption and improving efficiency.
- Internal audit and management review: put forward corrective and preventive measures by checking out the shortcomings of the work, continuously improve the quality of the operation and management of the Company in order to make the Company meet the requirements of the review criteria.
- Upgrading of inspection methods: We purchased new testing equipment, established and improved multiple process inspection capabilities and new product testing capabilities to ensure product quality.

Qualification rate of main products of SIWI SCI & TECH in the past three years

Product category	2022	2023	2024
Optical fibers products	94.51%	95.41%	96.72%
Cable products	98.33%	99.41%	99.55%
Cable component products	99.43%	98.86%	99.04%
Optoelectronic products	–	100%	96.15%

The product qualification rate has fully met the annual target control requirements.



Supply chain responsibility management

We are committed to optimizing supply chain management, deepening partnerships with upstream and downstream stakeholders, and advancing our supply chains toward sustainable collaboration models. By incorporating ESG related metrics into supplier evaluations, the Company is committed to fostering ESG-aligned practices and driving shared development.

In 2024, anchored by the Procurement Management Regulations and aligned with the latest directives from superior authorities and practical operational realities, the Company revised and enhanced its procurement governance framework. Seven institutional documents were formulated or updated, including the Bidding and Procurement Management Procedures and Equipment Selection Control Procedures. Strict adherence to regulatory requirements was maintained in conducting competitive bidding processes and supplier selection evaluations, which rigorously enforced supply chain accountability and ensured product delivery.

We implement standardized supplier admission procedures in accordance with the Company's Qualified Supplier Control Procedure and Management Measures for Suppliers:

Admission evaluation management

New supplier investigation, application, and evaluation will be carried out according to the new supplier access conditions, and suppliers who satisfy the conditions will be admitted in the List of Qualified Suppliers for management.

Routine supervision and management

The degree of control over external suppliers will be determined according to factors such as the influence of products, processes and services on product quality, functional characteristics, design complexity, design maturity, manufacturing complexity, historical quality data and required quantity.

Supplier performance evaluation

Through monthly, quarterly and annual comprehensive evaluation, the qualified suppliers of the Company are evaluated from the dimensions of quality, planning, service, capacity maintenance, cost and cooperation scale.

SIWI SCI & TECH incorporates some elements of ESG into supply chain management, including:

- Priority is given to suppliers who have passed the third-party certifications of environmental management system and occupational health and safety management system.
- Suppliers are required to strictly implement the laws and regulations related to environment and occupational health in the production process, so as to minimize the adverse impact on the environment and occupational hazards, and reduce carbon footprint, natural resource consumption, and pollutant emissions.
- Prioritize the selection of products utilizing renewable resources and environmentally friendly materials for procurement.

Item	Indicator	Unit	2022	2023	2024
Supplier	Total number	/	2068	2298	2491
	Comparison and selection times	Time	64	82	49
	Quantity of supplier code issued	/	224	199	202
Statistics of suppliers by geographical region	Mainland China	/	2051	2281	2474
	Overseas	/	17	17	17

Promoting Innovation-driven Development

We implemented the central state-owned enterprises' requirements for increasing investment in technological innovation, adhered to the "innovation-driven" philosophy, established a new development paradigm of "transforming through innovation". The Company developed R&D layouts around hotspot market demands, enhanced R&D investment, improved the R&D system, and committed to building high-efficiency innovation teams, establishing effective innovation incentive mechanisms, and strengthening foundational management of technological innovation.

Improving the innovation system:

- During the Reporting Period, we deployed over 20 R&D projects and allocated RMB **15.3301** million for technological R&D in 2024, with government subsidies totaling RMB 2.7403 million.
- We optimized the new product research and development system. In response to the needs of new business development and GJB system expansion certification, we have compiled and issued 27 related development procedures, including "Product Realization Management Procedure", "New Product Trial Production Control Procedure", "Key Process Control Procedure", "Design and Development Change Control Procedure", and "Design and Development Verification and Validation Procedure". We standardized the scientific and technological innovation management based on the actual development of the Company and realized coordinated management of scientific and technological achievements.
- We strengthened the standardization control of project processes, organized standardization work for the entire process of multiple projects such as cables, optoelectronics, and component products, and guided projects to successfully pass appraisal, standard certification, trial production tests, batch production and other tasks.
- We strengthened the construction of innovative talents and introduced 10 new scientific and technological R&D personnel to form multiple professional scientific research teams for optical cable components, optical fiber rings, wavelength division multiplexers, optical modules, optical cables, fluoroplastic cable products, etc., to promote the new product development tasks of the Company.
- We planned and organized "Du Lecture Hall" activities, invited external lecturers, internal experts, and company chief engineers to give expert lectures, and organized technical personnel to carry out technical salon activities, etc., to create an atmosphere that encourages exploration and innovation.

Promoting technology commercialization:

- Optoelectronic products: Focusing on the Company's industrial structure, we have added new projects for wavelength division multiplexers, optical fiber and cable transmission components, and optical module products, and obtained the corresponding GJB9001C certification qualifications, thus expanding new sales markets.
- Cable products: We planned the "the Co-construction of Three Lines " project, completed the upgrade and trial production and verification of the original cable products, and developed new product materials and structural designs, which greatly improved product performance. We accelerated product research and development upgrades, promoted the establishment of new projects for cable products, and obtained corresponding certification qualifications to further respond to market demand.
- Cable component products: We promoted the research and development of new product projects based on market demand, built new product production and inspection capabilities, and satisfied customer needs.
- Transforming innovation achievements: In 2024, the Company was granted **3** patents, including **2** invention patents and **1** utility model patent. **5** utility model patents have been accepted. The Company has **47** valid patents, including **4** invention patents and **43** utility model patents.

Service Quality Assurance

Taking a customer-oriented approach, we are committed to creating sustainable value by providing our customers with high-quality products and optimal solutions.

During the Reporting Period, there were no product recalls due to quality issues.

Customer information protection:

We followed the ISO27001 information security management system standard, adhered to our internal confidentiality policy, and implemented strict information security risk management in key areas such as information asset processing, personnel safety, physical and logical access control to ensure information security. Customer information was entered into the Management Information System (MIS) based on permission levels and was protected and monitored through an authorization mechanism.

In 2024, all employees of SIWI SCI & TECH signed a confidentiality responsibility letter. The Company carried out two confidentiality publicity and education activities, and organized a number of confidentiality training sessions to enhance the confidentiality awareness of the employees.

Confidentiality Training

In order to strengthen the sense of responsibility and ability for confidentiality work in the new era and new journey, SIWI SCI & TECH carried out special confidentiality and security training titled Challenges Facing China's National Security and the Responses on April 27 2024, with a total of more than 70 employees participating in the training.

Customer service management

Customer satisfaction survey

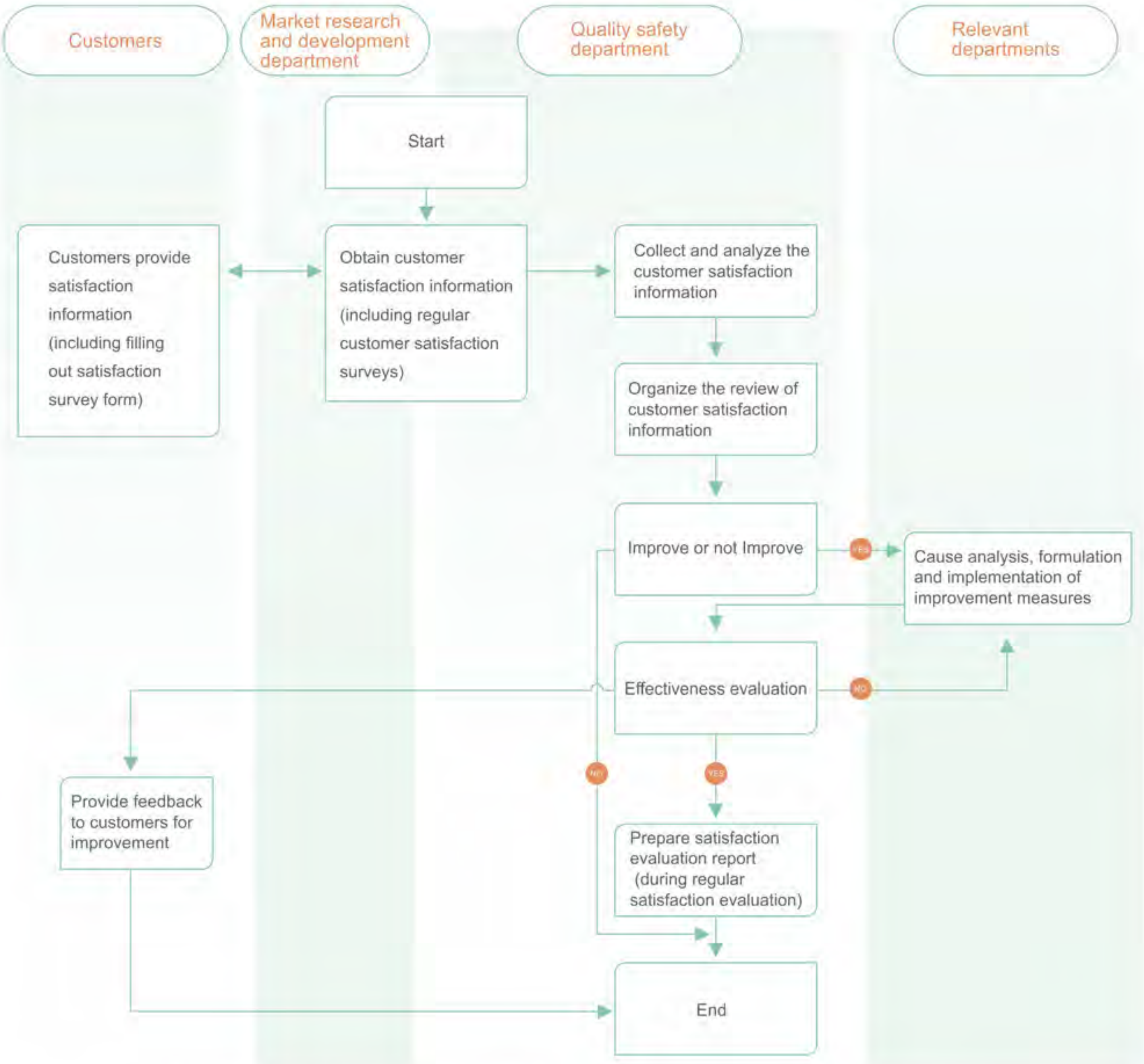
The Company manages customer experience through specific plans and relevant questionnaires. These surveys allow the Company to assess various aspects such as products and services, customer support, transportation services, and sustainability, and identify the main drivers for each category. According to the Major Customer Communication Plan for 2024 formulated at the beginning of the Year, we visited customers regularly, handled customer feedback issues in a timely manner and conducted summary analysis to truly understand customer needs and prevent repeated problems. We regularly distributed questionnaires to collect customer feedback.

Satisfaction Survey Mechanism

Item	Index	Unit	2022年	2023年	2024年
Customer satisfaction	SIWI SCI & TECH	%	97.26%	95.01%	96.30%
	SEI	%	96.61%	96.66%	97.27%

Customer complaint management

The product complaint management of the Company was organized by the quality department, which included marketing, technology, procurement, production and other related personnel to form an after-sales service team. Through comprehensive problem analysis, they could fully understand customer needs, identify and eliminate root causes, and provide feedback for improvements.



In 2024, SIWI SCI & TECH received 11 cases of customer feedback for product quality, SEI received two customer complaints for product quality. Through active analysis of the causes and careful examination of production data, a mutually agreed-upon solution was reached after negotiation between both parties.

- Number of products sold or shipped that need to be recalled due to safety, quality or other reasons: **nil**

- Customer complaint handling rate: **100%**

Harmonious Workplace

Adhering to the strategy of talent-led development, SIWI SCI & TECH deepens the institutional mechanisms and reforms for talent development, creates the comparative and competitive advantages of talents, and makes every effort to introduce, cultivate, and utilize talents, so as to promote structural changes in talent. At the same time, we effectively safeguard the legitimate rights and interests of our employees, actively give full play to their enthusiasm and creativity, and help them grow with the Company.

Employee Rights and Benefits

Employee Rights Protection

While adhering to the basic principle of people-oriented, the Company fully respects labor, talent, and creativity, legally safeguards the legitimate rights and interests of employees, and continuously improves the sense of happiness and achievement of employees.

- Strictly abide by relevant laws and regulations such as the Labor Law and Labor Contract Law to protect the lawful rights and interests of employees.
- Recruitment work is carried out in strict accordance with the Employee Recruitment Management System, we prohibit any discrimination against employees in terms of gender, and comply with the Regulations on Prohibiting Child Labor to eliminate the use of child labor.
- We formulate the Total Salary Management Measures, Salary and Welfare System, the Management Measures for Position Setting and Adjustment, the Implementation Rules for Job Promotion and demotion, the Allocation Implementation Rules for Department Performance, the Performance Appraisal Management and Reward Allocation Measures, etc., so as to fully ensure that employees receive return for their work.
- We ensure employees' right to leave and provide paid annual leave, marriage leave, maternity leave, nursing leave, breastfeeding leave, funeral leave, one child care leave, parental leave, family leave, high temperature leave and other holidays, and actively promote employees' harmony and happiness between work and family in accordance with national regulations.
- The Company enter into a collective contract and collective wage agreement with all employees every year, and make full contribution to the social insurance and housing provident fund for employees.
- The Company reached a consensus in the 2024 Collective Wage Agreement to further narrow the gap between employees' wages and the average social wage.

2024	the labor contract signing rate was 100%	there were no incidents of employee abuse	there were labor law violations

Diversity and Equal Opportunities

We are committed to building a diverse workforce. We treat workers of different ethnicities, genders, and religions equally, fully ensuring that employees have equal rights in recruitment, employment, salary and benefits, training and promotion.

• As of December 2024, the Company had a total of 478 employees, including 124 employees with bachelor's degrees, 31 employees with master's degrees and above; 32 employees holding senior titles, 38 employees holding intermediate titles, and 31 employees holding junior titles.

Employee Composition		Unit	Number
Number of employees		Person	478
By gender	Number of female employees	Person	115
	Number of male employees	Person	363
By employment type	Labor contract system	Person	437
	Labor dispatch system	Person	39
	Re-employ after retirement	Person	2
By age group	>50	Person	194
	30-50	Person	172
	<30	Person	112
By region	Mainland China	Person	478
	Taiwan, Hong Kong and Macao, China	Person	0
	Overseas	Person	0
By education level	Number of employees with a bachelor's degree	Person	124
	Number of employees with master's degree	Person	30
	Number of employees with doctoral degrees	Person	1
By title	Number of senior titles	Person	32
	Number of intermediate titles	Person	38
	Number of junior titles	Person	31

Remuneration and Benefits

We continuously optimize the remuneration systems, revise and improve our remuneration management system and performance assessment management system, thus rationalizing our remuneration structure and changing it to a performance-oriented one in favor of core and key positions, to reflect the distribution principle of "fair pay for work" and "more work, more pay". We also optimize the profit-sharing mechanism to achieve coordinated growth between labor costs and efficiency.

- In order to enhance employees' enthusiasm for work and entrepreneurship and to provide timely incentives for the completion of current goals, we have revised and issued the "Implementation Rules for Department Performance Reward Distribution" and other performance appraisal-related management measures.
- We have formulated the "Honorary Recognition and Reward Management Measures" to improve the long-term incentive system, commend individuals and teams with outstanding performance, and mobilize the enthusiasm, creativity and initiative of all employees.
- In order to better attract talents and supplement the talents needed for the company's development, we have formulated the "Settlement Allowance Distribution Rules" and "Employee Housing Purchase Support Rules", and continue to provide free dormitories for new employees to further enhance their sense of belonging and happiness.

Occupational Training and Development

We cherish the value of every employee, actively explore their capabilities, and build a platform to facilitate their career development and promote the communication with and growth of employees.

Improving the Training System

The Company highly valued the improvement of employees' business capabilities, formulated and issued the 2024 SIWI SCI & TECH Employee Training Plan, reviewed the list of business training, professional qualifications, and operation certificate training, and implemented based on the plan.

In 2024, the Company conducted a total of 34 first-level trainings, with a total of 968 participants participating in the training. During the training, the Company invited outstanding talents in the industry and external professional lecturers to give lectures, and arranged excellent staff in various fields within the Company to share their valuable experiences and impart their secrets to success. The training content included many aspects such as improving managers' ability and quality, new employee education, safety education, confidentiality awareness, legal risks, network security, Ctrip business travel, job knowledge, QC knowledge, product technology, production skills, various position training, etc.

Employee Training for the Year	Unit	Number
Total investment in training for the year	RMB0' 000	29.73
Total training attendance for the year	Person-times	4915
Employee training coverage	%	79.66%
Male employee training coverage rate	%	73.82%
Female employee training coverage rate	%	97.46%
Training coverage rate for ordinary employees	%	73.79%
Training coverage rate for management-level employees	%	100%
Average number of annual training hours of all the employee	Hour	52.52
Average number of annual training hours of all the male employees	Hour	51.43
Average number of annual training hours of all the female employees	Hour	49.43
Average training duration of ordinary employees	Hour	47.39
Average training duration of management-level employees	Hour	94.44

Maintaining Accessible Development Platforms

The Company have formulated and issued the 2024 Assessment Plan to assess employees and issue corresponding performance-based bonus to the employees with excellent assessment.

According to the Salary and Benefits System, the salary structure adjustment of business department personnel was further improved, and the salary structure of the Company was unified into a five-dimension salary structure system. According to the Job Promotion and Demotion Implementation Rules, job promotion and demotion adjustment work was carried out in combination with individual performance appraisal and contribution in the previous year.

The performance distribution plan for cable and assembly business personnel and the Implementation Rules for Departmental Performance Reward Distribution have been revised and completed. The performance distribution cycle has been adjusted, and performance has been linked to indicators such as input-output and plan completion. The Mid-Level Cadre Assessment Management Measures of the Company have been revised to clarify the rights and responsibilities of the chief engineer, and to link the chief engineer's assessment with the assessment of professional fields.

We focused on cultivating and improving employees' technical skills and organized skill competitions for front-line employees, with a total of 77 participants, to encourage employees to give full play to their autonomy and enthusiasm.

Safety Production and Occupational Health

The concept, policy and vision of safety production

Adhering to the concept of people-oriented, health-care, and safe development, SIWI SCI & TECH fully guarantees the safety and development of employees.

Safety Core Values

Safety accompanying employee growth and enterprise development

Safety Policy

Safety first, prevention-oriented, comprehensive governance, continuous improvement

Safety Vision

A safe and healthy workplace, a happy home for all

Safety Mission

Safety for all, safety in everything, safety at all times

Safety Management

We insisted on thoroughly implementing the Safety Production Law of the People's Republic of China and other laws and regulations, and built a solid and effective safety management system around the safety production standardization system and the three-year action plan for tackling the root causes of safety production, strictly observe the safety "red line", effectively implemented the safety production responsibility system, and realized the graded management and control of safety risks.

In 2024, the Company achieved the overall goal of safety production management, without any incidents of safety, fire protection, and environmental protection or government penalties. The Company also obtained a law-abiding certificate from the safety supervision department of the local government, and the overall safety production situation was under control in 2024.

- Implementation of special safety tasks assigned by the government and superior units

In 2024, we continued to improve the operating results of the safety production standardization system, completed the 2024 safety production standardization level 3 self-assessment of the Company, and satisfied the safety production standardization level 3 requirements. The Company regularly monitored the implementation of production safety objectives, regularly evaluated the suitability, adequacy and effectiveness of the safety management system, and improved management level.

In 2024, we implemented the work requirements of the central government, provincial governments, and China Electronics Technology on launching a three-year action plan to tackle the root causes of production safety, insisted on shifting from focusing on management forms to the essence of management, and from a sense of exemption from responsibility to taking responsibility, with the prevention and resolution of safety risks as the main line, and the "Five Special Actions" as the starting point. We concentrated on traditional and non-traditional safety risk management under the new situation, deepened the investigation and rectification of major accident hazards, continuously improved the basic guarantee capabilities and inherent safety level of production safety throughout the system, resolutely prevented and curbed production safety accidents, and promoted the Company's high-quality reform and development with a high level of safety.

In 2024, we implemented the relevant requirements of the provincial, municipal governments and China Electronics Technology on the implementation of the "Regulations on the Supervision and Management of Special Equipment Users' Main Responsibility for Safety in Use", set up special equipment safety directors and safety officers, and strictly implemented the "daily control, weekly inspection, and monthly scheduling" of special equipment to establish a long-term special equipment safety management mechanism.

- Full promotion of strengthening the safety management of related parties with multi-initiative

We attached great importance to the safety management of the park and created an atmosphere of "Safety First". in 2024, we built a new centralized management area for electric bicycles and a centralized charging area for production electric vehicles in the park, added new monitoring facilities in the park's public areas, and upgraded the park's electronic fence to provide the park with reliable basic safety facilities and equipment. We have formulated the Park Management Manual, established the Park Risk Level Map, strictly implemented the approval procedures for hazardous operations and secondary renovation of plants, strengthened the dynamic inspection and rectification of the closed loop, and jointly built the Park's "Safety Community" by means of safety meetings, joint exercises, publicity, education and reminders and warnings.

100% signing of Safety Production Management Agreement by the enterprises in the Industrial Park;
100% signing of Control and Commitment to Joint Prevention and Control of Accidents;
100% of the construction of "One Enterprise, One File" for enterprise safety.

- Conduct strict and regular inspections to prevent safety risks from scratch.

Based on the direction and policy of "Prevention-Oriented, Life the Most Important", the Company implemented the management philosophy of "Safety First in the Business Management". The Company established a dynamic database for the investigation and rectification of the hidden danger, and carried out safety inspections according to the annual vacation plan, with 100% completion rate. In 2024, a total of 305 hidden dangers were detected throughout the Year, 301 of which have been rectified, with a rectification rate of 98.69%.

- Carried out emergency drill to improve the industrial park's ability to respond to emergencies

In 2024, the Company completed 13 special emergency drills as planned,

In June SIWI SCI & TECH Park carried out the "Emergency Evacuation Drill for Simulated Natural Disaster."

In October, one emergency drill for security emergencies was added, and we cooperated with the property company to carry out the "Emergency Drill for Sudden Public Security Incidents in the Park" to fully test the emergency escape skills and self-rescue and mutual-rescue abilities of enterprises in the park in dealing with emergencies.

Scene of the Emergency Evacuation Drill for Simulated Natural Disaster

Scene of the Emergency Drill for Sudden Public Security Incidents in the Park

- Implementation of Fire Protection Responsibilities and Enhancement of Fire Protection Awareness

In 2024, the Company organized two fire education and training sessions in the park, implemented the park fire joint defense and linkage mechanism, improved the emergency response capabilities of various enterprise personnel, especially new employees in the face of fire, and built a solid "firewall" for the sustainable, stable and safe development of the park.

- Increasement of Investment in Production Safety and Strengthening of the Foundation for Enterprise Development

In 2024, the safety funds of SIWI SCI & TECH were disbursed in accordance with relevant regulations so as to provide material guarantees and important prerequisites for preventing and reducing safety accidents.

Investment in safety production in the past three years

Occupational Health Management

The Company attaches great importance to the health and safety of its employees. It strictly complies with relevant laws, regulations and national standards such as the Occupational Disease Prevention and Control Law, the Production Safety Law, the Labor Protection Law, the Labour Contract Law, the Regulations on Work-Related Injury Insurances, the Measures for the Management of Occupational Health Examination, and Occupational Health Monitoring Technical Specifications, and strictly implement the Occupational Disease Hazard Prevention and Control Management System and the Labor Protection Equipment Management System as well as national standards.

The Company has formulated the "2024 Occupational Disease Prevention and Control Plan and Implementation Plan" and established and improved various safety warning signs and publicity plaques. By identifying occupational hazard factors, we can accurately grasp the factors of exposure to harmful and dangerous jobs, take more targeted preventive measures, and effectively reduce occupational health risk accidents. During the reporting period, the physical examination rate of employees exposed to occupational hazards reached 100%, and the number of confirmed cases of occupational hazards was 0; the number of work-related deaths in the past three years was 0.

In 2024, the Company and SCI obtained the occupational health and safety management system certification.

Occupational health investment in the past three years

The Certificates of Occupational Health and Safety Management System Certification

- Occupational health files: The Company continuously improved the occupational health monitoring files of workers exposed to occupational hazards. In 2024, occupational health monitoring files were established for 13 new employees, and a total of 309 occupational health monitoring files were established. The filing rate of employee occupational health monitoring files is 100%.

- Occupational health examination: The Company organized all employees to undergo employee health examinations, provided pre-job, on-the-job, and post-job occupational health examinations for employees in hazardous positions of the Company. A total of 30 people underwent pre-job occupational health examinations, 111 people underwent on-the-job occupational health examinations, and 3 people underwent post-job occupational health examinations, achieving full coverage of occupational health monitoring for hazardous jobs and special processes. There were no persons suspected or confirmed to have occupational diseases during the Reporting Period.

• Monitoring of occupational hazard factors: In 2024, we commissioned a third-party agency to test the occupational hazard factors of the Company, and issued test reports on May 22 and July 12, and issued the factor test results.

Occupational Hazard Factor Detection Report

Occupational Health Examination Report

• Implementation of training: The Company conducted relevant safety education and training for employees in hazardous positions according to standardized requirements: organize training on the Occupational Disease Prevention and Control Law, Occupational Health Operating Procedures and the occupational health management system of the Company for safety officers, team members, personnel in positions exposed to occupational hazards and new employees.

• Regular reporting: In December, the Company completed the reporting of occupational disease hazard projects in the occupational health prevention and control service system and passed the review smoothly.

In 2024, we commissioned a third-party agency to test the occupational disease hazard factors of the Company, and issued test reports on May 22 and July 12, and issued the factor test results. In December, the Company completed the application for occupational disease hazard projects in the occupational health prevention and control service system and successfully passed the review.

• Regular review: we commissioned a third-party agency to conduct a review of the current status of occupational health conditions, and implemented rectification in accordance with the current status evaluation report every three years. In 2022, the Company passed the assessment of the current status of occupational hazards, and the next round of assessment will be carried out in 2025.

- Providing and maintaining facilities: We provided and maintain facilities and equipment related to occupational disease prevention and control.

Noise reduction equipment: Noise-generating equipment was equipped with soundproof covers, shock-absorbing pads, etc., and the air compressor room was equipped with soundproof walls.

Dust-proof equipment: The material was fed by a vacuum pump, and the operator was only responsible for regular feeding, reducing the chance of the operator being exposed to dust.

Anti-toxic equipment: the Company set up air collecting hoods to connect exhaust purification facilities, exhaust ducts to connect local detoxification facilities and spray purification devices to purify toxic substances and discharge them out of the workshop.

High temperature protection equipment: The outer layer of the equipment was made of heat insulation materials.

Anti-radiation equipment: The walls of the computer room were all shielded walls, equipped with radiation measurement alarms, intelligent digital radiometers, signal indicators, alarm bells, emergency buttons, chain control systems, safety monitoring systems, warning signs, and axial flow fans.

- Providing adequate supplies: We equipped employees with protective equipment and emergency supplies that met national standards. Brushed tin plating operators are equipped with anti-noise earplugs, wire gloves, anti-scalding gloves, and goggles. Operators of bunching and frame twisting were equipped with anti-noise earplugs and wire gloves. Extruders were equipped with anti-noise earplugs, wire gloves, and anti-scald gloves. Electronics assemblers were equipped with wire gloves, dust mask. Irradiation operators were equipped with wire gloves, canvas gloves, and goggles. Air compressor workers were equipped with anti-noise earplugs and cord gloves. Mechanics were equipped with line gloves. Electricians were equipped with wire gloves, insulating gloves, and insulating shoes. Inspection workers were equipped with dust masks, anti-static gloves, and cloth gloves.

- Certifications held by employees: there were 33 employees in special positions holding special certificates (12 electricians, 1 welder, 4 height operations, 16 other hazardous chemicals workers), 22 special equipment operators (8 pressure vessels, 11 forklift operators, 2 crane operators, 1 special equipment manager), pre-job occupational health examinations were arranged for newly certified personnel this year, and on-the-job occupational health examinations were arranged for the rest of the personnel. No occupational contraindications were found and all employees were able to engage in current work.

Employee Communication and Care

Employee Communication

The Company is committed to building harmonious and stable labor relations. It adopts the employee representative meeting as the basic form, constantly broadens democratic communication channels, establish es and improves comprehensive and multi-level employee communication system, so as to protect the rights and interests of the majority of employees.

In 2024, the Company promptly announced the status of its production and operation status, major reform issues through traditional forms such as the employee representative meetings, trade union committee and employee' representatives (group) leaders meetings, and regular Party building meetings, combined with the new media method of the official "SIWI SCI & TECH" WeChat account, published the hot issues of concern to employees in a timely way, paid attention to the timeliness and authenticity of disclosed content, guided employees to participate in democratic management and democratic supervision, and strived to create a harmonious situation in which the Party and government authorities worked together to manage and employees actively participated.

Employee Representative Meeting

Employee Care

The Company puts its employees at the core, cares about and improves their working and living conditions, creates a relaxed and pleasant working environment for employees, and enhances employees' sense of happiness, satisfaction and belonging.

Regards and Assistance

We have always prioritized solving practical difficulties for employees with sincerity, and expressing care and concern for our employees through various forms.

In 2024, we renewed the "Comprehensive Mutual Aid Insurance Plan for Inpatient Medical Care for Employees" for 408 members, alleviating the burden on sick hospitalized employees to a certain extent. We distributed New Year gifts to 386 on-the-job employees and 4 craftsmen, sent gifts to 13 employees on business trips. We distributed Dragon Boat Festival gifts to 379 on-the-job employees of the Company, distributed Mid-Autumn Festival gifts to 380 on-the-job employees of the Company. We built a Mommy and Baby House and put it into use, helped 9 employees in need. We awarded Golden Autumn Scholarships to 2 employees, sent cool items to employees fighting on the front line from time to time during high temperatures, and boiled mung bean soup for 2 months, etc.

"Send Warmth" within Spring Festival

Gifts for "Cooler in Summer" Activity

Cultural and Sports Activities

In 2024, we vigorously enriched the employees' amateur cultural activities and actively organized various cultural and sports activities such as brisk walking, building block flower arrangement, cake DIY, badminton, table tennis, kite flying, etc., aiming to enhance communication and interaction among employees, improve their physical quality and cultural literacy, and enhance teamwork ability and organizational cohesion.

Brisk Walking

Friendly Competition for Badminton

Happy Children's Day Cake DIY

Staff leisure area

In 2024, we continued to provide daily necessities to the employee leisure area, allowing employees to relax after busy work, thereby relieving work pressure, strengthening communication, and improving work efficiency.

Staff Leisure Area

Social Contributions

Build a Strong "Community + Enterprise" Chain

We collaborated with the community (High-tech Zone's Cooperation Subdistrict Office, Fangcao Subdistrict Office) to achieve the governance goals of co-construction and co-governance. We communicated and cooperated with the community, and used the strength of the community to carry out training seminars, hidden danger inspections, and promoted the construction of a safe and harmonious industrial park. We conducted compliance management for single dormitories, cleaned up waste and debris, improved the living environment, eliminated safety risks, and protected residents' safety interests. We actively responded to the special safety meeting organized by the community on Pukang Hospital, detailed and clarified risk items, supervised the implementation of rectifications, and performed our safety management responsibilities.

Promote rural revitalization

SIWI SCI & TECH proactively took part in the central enterprise's consumption and agricultural support projects. Through the central enterprise's consumption and agricultural e-commerce platform to increase farmers' income, the Company promoted rural economic development, and played its positive role in assisting rural revitalization, fulfilling social responsibilities and promoting harmonious and sustainable development of society.

Participate in Volunteer Services

In 2024, we actively fulfilled our social responsibilities, promoted the spirit of volunteer service, and organized young employees to support the "Challenge Cup" competition, assist venue registration, provide logistical support, and contribut to the smooth holding of the event.

Appendix

Description of Report Preparation

Report Description

This is the ninth Environmental, Social and Governance (ESG) report (the "Report") published by Chengdu SIWI Science and Technology Company Limited to disclose and demonstrate the ESG performance and responsiveness to major issues of concern to stakeholders. This report has been reviewed by the Board of Directors of SIWI SCI & TECH and we are accountable for the authenticity and validity of the information contained herein.

Unless otherwise stated, this Report covers the period from 1 January 2024 to 31 December 2024.

Scope

This Report covers Chengdu SIWI Science and Technology Company Limited and its subsidiaries and branches, which is in line with the scope of the consolidated financial statements.

Information Source

All information and data contained in this Report are obtained from official and public documents disclosed by the Company. If there is any discrepancy between the financial data quoted in this Report and that of the annual report, please refer to the annual report. The financial figures in this Report are denominated in Renminbi ("RMB"), unless otherwise stated.

Basis for Preparation

This report is prepared in accordance with the Guidelines to the State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities issued by the State - owned Assets Super vision and Administration Commission of the State Council of the People's Republic of China ("SASAC"), and with reference to the Environmental, Social and Governance Reporting Guide of Hong Kong Exchanges and Clearing Limited ("HKEx"), the Guidance on Social Responsibility (ISO 26000) of the International Organization for Standardization (ISO).

Reference Description

"SIWI SCI & TECH", the "Company", "our" and "we" will be adopted instead for the expression of Chengdu SIWI Science and Technology Company Limited (formerly known as Chengdu PUTIAN Telecommunications Cable Company Limited).

The 29th Research Institute of China Electronics Technology Group Corporation will be referred to as the "29th Research Institute".

Chengdu SEI Optical Fiber Co., Ltd. will be referred to as "SEI".

Availability

This report is available in Chinese and English versions, which are in electronic format and can be downloaded on the following websites:

Website of Hong Kong Stock Exchange
https://www.hkex.com.hk

Website of Chengdu SIWI Science and Technology Company Limited at
http://www.cdc.com.cn

Principles for Preparation

This Report has been prepared based on four principles: Materiality, Quantification, Balance and Consistency.

Principle of Materiality: Issues of concern to relevant stakeholders on ESG matters have been identified in the preparation of this Report and disclosed accordingly in this Report based on the reporting principle of Materiality.

Principle of Quantification: The data included in this Report is measurable, and targets to reduce a particular impact can be set.

Principle of Balance: This Report follows the principle of balance and presents an objective view of the ESG performance and status of the Company.

Principle of Consistency: This Report has been prepared in the same way as in previous years.

Reporting Indicator Index

HKEX ESG Reporting Guide

HKEX ESG Reporting Guide Index			
Subject Areas, Aspects, General Disclosures and KPIs			Disclosure Index
A. Environment			
Aspect A1: Emission	General Disclosures Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		P26-27,P30
	KPI A1.1	The types of emissions and respective emissions data.	P28-30
	KPI A1.2	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P28
	KPI A1.3	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P28
	KPI A1.4	Description of emission target(s) set and steps taken to achieve them.	P26-30
	KPI A1.5	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P26-30
Aspect A2: Use of Resources	General Disclosures Policies on efficient use of resources including energy, water, and other raw materials.		P22-25
	KPI A2.1	Direct and/ or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P22
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P24
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P24-25
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P24
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P25
Aspect A3: The Environment and Natural Resources	General Disclosures Policies on minimizing the issuer's significant impacts on the environment and natural resources.		P20-21
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P20-21

HKEX ESG Reporting Guide Index			
Subject Areas, Aspects, General Disclosures and KPIs			Disclosure Index
B. Society			
Employment and Labor Practices			
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		P40
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P41
	B1.2 KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P41
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		P44–48
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P46
	KPI B2.2	Lost days due to work injury.	P46
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P46–48
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		P42
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P41
	KPI B3.2	The average training hours completed per employee by gender and employee category.	P40
Aspect B4: Labour Standards	General Disclosure Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		P40
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	P44
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	P44

HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs			Disclosure Index
Operating Practices			
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		P35
	KPI B5.1	Number of suppliers by geographical region.	P35
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P35
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P35
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P35
Aspect B6: Product Responsibility	General Disclosure Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		P37-39
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P39
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P39
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	P13
	KPI B6.4	Description of quality assurance process and recall procedures.	P38
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P9
Aspect B7: Anti-corruption	General Disclosure Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		P9
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P9
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P16
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	P42
Community			
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		P51
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P51
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	P51

Reader Feedback Form

Dear Sir/Madam,

Thank you very much for reading the 2024 ESG Report released by Chengdu SIWI Science and Technology Company Limited. In order to give full play to the communication function of this Report and effectively improve the level of environmental, social and governance of SIWI SCI & TECH for the realization of mutual benefits between the Company and society, we sincerely look forward to your comments and suggestions.

1.What's your general comment on this Report?

2.What do you think about SIWI SCI & TECH in terms of stakeholder communication?

3.What do you think about SIWI SCI & TECH in terms of corporate governance?

4.What do you think about SIWI SCI & TECH in terms of product responsibilities?

5.What do you think about SIWI SCI & TECH in terms of environment, safety and occupational health?

6.What do you think about SIWI SCI & TECH in terms of responsibilities to employees?

7.What do you think about SIWI SCI & TECH in terms of ESG?

8.Do you think the content arrangement and layout design of this Report is easy to read?

9.What are your comments and suggestions on ESG of SIWI SCI & TECH and this report?

Please scan the QR code to provide feedback online.

CETC 中国电科

Telephone: (028)87877000

Headquarters Address: No. 18, Xinhang Road, the West Park of Hi-tech Development Zone, Chengdu City, Sichuan Province

Website: http://www.cdc.com.cn

Email: cdc@cdc.com.cn

Environmental Considerations for Report Publication
Paper: Printed with environmentally friendly paper
Ink: Use environmentally friendly ink to reduce air pollution