

T&W

2023

**Environmental, Social
and Corporate Governance
(ESG) Report**

Shenzhen Gongjin Electronics Co., Ltd.



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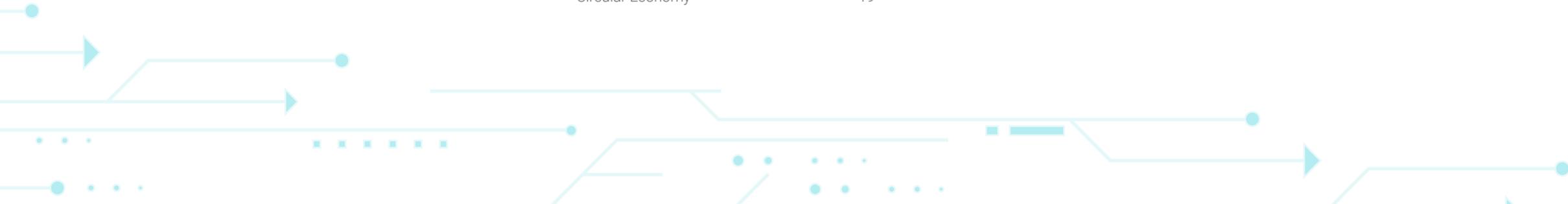
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About the Report

This is the second Environmental, Social and Corporate Governance (ESG) Report released by Shenzhen Gongjin Electronics Co., Ltd. It discloses the principles, management methods, efforts, and achievements of the Company in ESG topics during business operation to its investors and other stakeholders.

▶ Reporting Scope

The Report covers Shenzhen Gongjin Electronics Co., Ltd. and its subsidiaries (hereinafter referred to as "Gongjin" or the "Company"). Unless otherwise specified, the scope of the Report remains consistent with that in the consolidated financial statements of Gongjin (stock code: 603118) over the same period. The list of subsidiaries within the reporting scope, as well as the full and short names of the subsidiaries mentioned in the Report, can all be found in the Appendix - List of Subsidiaries within the Reporting Scope.

▶ Reporting Period

The reporting period is from January 1, 2023 to December 31, 2023. Unless otherwise stated, the data in the Report are those within this period.

▶ Basis for Preparation

The Report is prepared on the basis of the Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies — Standardized Operation (revised in December 2023), and with reference to the International Financial Reporting Standards for Sustainability Disclosure No. 2 - Climate Related Disclosures (IFRS S2) of International Sustainability Standards Board (ISSB).

▶ Data Description

The data and cases in the Report are derived from official records of actual operation of the Company. The financial data in the report are all in RMB. In case of any discrepancy with the Company's annual financial report, the annual financial report shall prevail.

▶ Access to the Report

The Report's digital version is published on the information disclosure platform designated by the Stock Exchange, and it is available to be browsed or downloaded at the Company's official website (<https://twsz.com>).

▶ Contact Us

If you have any suggestions on the Report, please contact us:

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E-mail: investor@twsz.com

▶ Principles for Preparation

• Importance

The Company identified the material topics related to the operation that are of concern to investors and other stakeholders as the highlights of the Report. The presentation of material topics in the Report focuses on the industry characteristics involved in the Company's operations and the characteristics of the region where it is located. See the analysis process and results of these topics in the "Analysis of Material Topics" section of the Report. The Report highlights ESG matters that may have an important impact on investors and other stakeholders.

• Accuracy

It can be ensured that the information in the Report is as accurate as possible. The data standard, calculation basis, and assumption conditions have been explained in the quantitative information to guarantee that the calculation error range will not mislead the users. Quantitative information and notes are detailed in the "ESG Data Performance Table" section in the Report.

• Impartiality

The Report reflects objective facts and impartially discloses positive and negative information related to the Company.

• Clarity

The Report is published in simplified Chinese. The Report contains tables and diagrammatic figures etc. as a supplement to facilitate a better understanding by stakeholders. To facilitate faster access to information for stakeholders, the Report provides a table of contents and a benchmarking index of ESG standards.

• Quantification and Consistency

The Report discloses ESG Data Performance Table and, where possible, historical data. The statistics and disclosure of the same indicator in the Report are consistent from one reporting period to another. All changes (if any) are fully explained in the notes to the Report for stakeholders to conduct meaningful analyses and assess the trend of the Company's ESG performance level.

• Integrity

The scope of the disclosure object of the Report is in line with that of the Company's consolidated financial statements.

• Timeliness

This is an annual report covering the period from 1 January 2023 to 31 December 2023. The Company endeavors to publish the Report as soon as possible after the end of the reporting year to provide stakeholders with timely information for decision-making.

• Verifiability

The cases and data in the Report come from the original records or financial reports of the Company's actual operations.

Key Performance in 2023



Economy

Total operating revenue
852,996.62 RMB 10,000

Total assets
1,021,447.67 RMB 10,000

Investment in R&D
36,248.14 RMB 10,000

Social contribution value per share
1.58 RMB/share

Cumulative number of granted patents
1,514

Annual granted patents
126



Environment

Total emissions of greenhouse gas (GHG) (Scopes 1 and 2)
40,728.72 tCO₂e

Emission intensity of GHG (Scopes 1 and 2)
0.05 tCO₂e/RMB 10,000 operating revenue

Proportion of recyclable packaging materials used
98.67 %

Annual environmental-protection investment expenditure
112.27 RMB 10,000

Coverage Rate of ISO14001 Environmental Management System Certification
100 %

Amount of general wastes generated per RMB 10,000 of operating revenue
2.31 kg/RMB 10,000 of operating revenue

Amount of hazardous wastes generated per RMB 10,000 of operating revenue
0.07 kg/RMB 10,000 of operating revenue



Society

Customer satisfaction survey result
88.50 %

Training time per employee
71.00 Hours

Complaint resolution rate
100 %

Number of R&D employees
1,112 Persons

Coverage rate of Conflict Minerals Reporting Template (CMRT) issuance among suppliers involved in the use of conflict minerals
100 %

Coverage Rate of ISO45001 Occupational Health and Safety Management System Certification
100 %

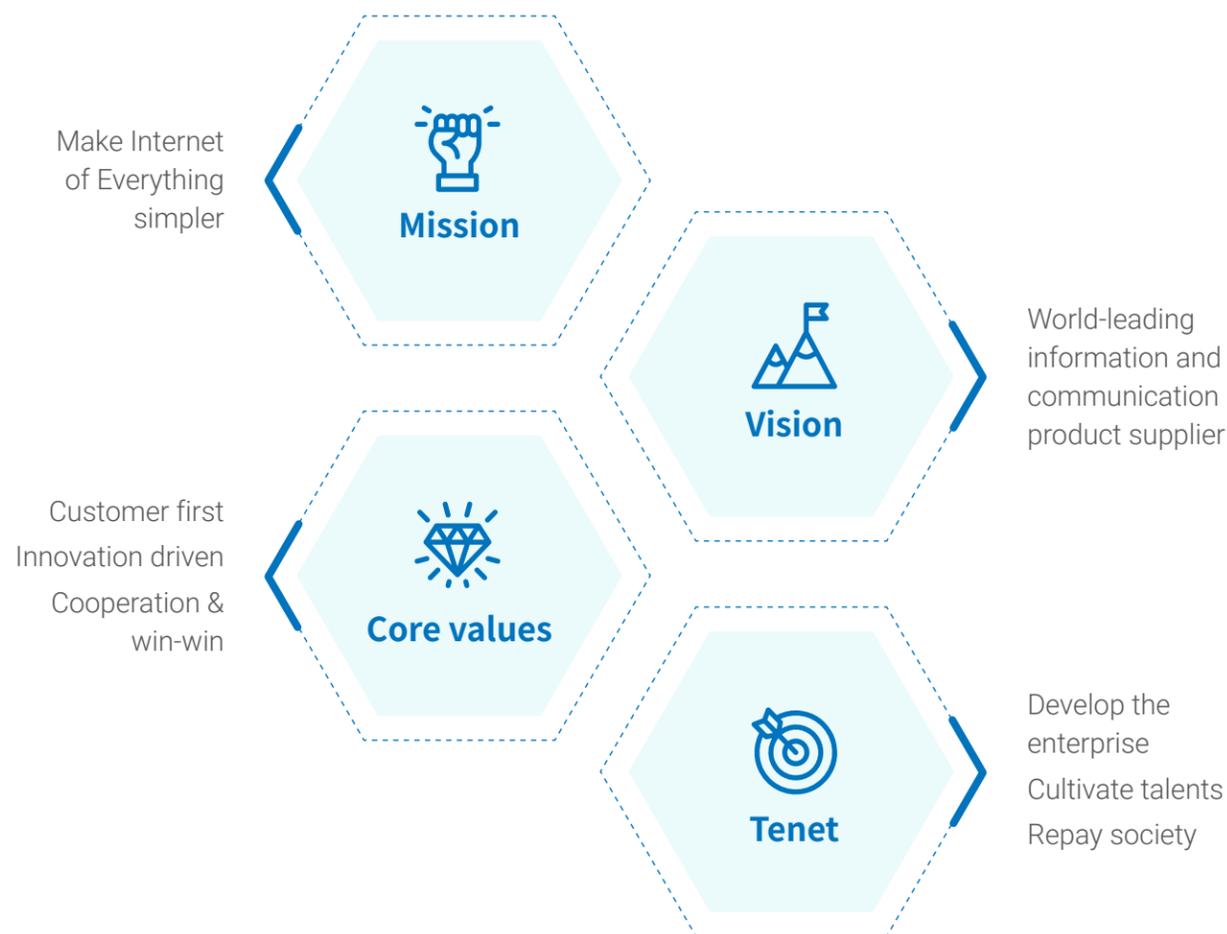
Amount of charitable donations and investments in rural revitalization
587.88 RMB 10,000

Total hours of volunteering services that employees participated in
2,201.00 Hours

01 About Gongjin

Company Profile

Formerly called "T&W", which was founded in 1991, Gongjin was listed in the A-share market of Shanghai Stock Exchange (SSE) in February 2015. The Company is deeply dedicated to the field of information and communication, taking "make Internet of Everything simpler" as the mission, and is committed to becoming a world-leading information and communication product supplier.



General information of Gongjin		
<p>T&W</p> <p>Company Name</p> <p>Shenzhen Gongjin Electronics Co., Ltd.</p>	<p></p> <p>Headquarters</p> <p>No. 2 Danzi North Road, Kengzi Sub-district, Pingshan District, Shenzhen</p>	
<p></p> <p>Main Business</p> <p>Netcom and datacom, mobile communication, sensor packaging and testing, automotive electronics and so on</p>	<p></p> <p>Major Places of Operation</p> <p>Shenzhen, Shanghai, Beijing, Taicang, Haining, Dalian, Xi'an, Jinan, Hong Kong, Vietnam, and so on</p>	<p></p> <p>Main Production Bases</p> <p>Pingshan Production Base, Taicang Production Base, Vietnam Production Base, and Haining Production Base</p>
<p></p> <p>Total Assets</p> <p>1,021,447.67 RMB 10,000</p>	<p></p> <p>Operating Revenue</p> <p>852,996.62 RMB 10,000</p>	<p></p> <p>Number of Total Employees</p> <p>6,678 persons</p>

Main Business and Products

As of the end of the year 2023, the business of the Company mainly involved netcom and datacom (PON series, AP series, DSL series and other broadband access terminals, switches and other digital communication products), mobile communication (4G/5G small base station equipment, fixed wireless access equipment, various professional and comprehensive application products based on mobile communication technology), automotive electronics (R&D and production of automotive components for autonomous driving and intelligent cockpit), sensor packaging and testing (advanced packaging and testing for intelligent sensors and automotive electronic chips) and so on. We do business globally, covering Asia Pacific, Europe, North America and other regions.

Main Business and Products of Gongjin

Main business	Operational Sites	Business and Products
Netcom and Datacom Services	Production bases in Shenzhen, Taicang, Haining, and Vietnam	R&D and manufacturing of broadband network communication products such as PON, AP, DSL series, and big data communication products such as switches
Base Station Communication	R&D bases in Dalian, Shanghai, Taicang, Xi'an, and so on	Mainly involving the private brands of the Company, as well as the R&D, production, and sales of equipment for small base stations
Winspread	R&D centers in Jinan, Beijing, Shanghai, Dalian, and so on	R&D and application of 5G/4G wireless communication technology in the public security industry
Gongjin Micro-electronics	Shanghai R&D Sales Center and Taicang Production Base	Packaging and testing for intelligent sensors and automotive electronic chips
Automotive Technology	Production bases in Shanghai and Taicang	R&D, production and sales of software and hardware for intelligent cockpits and autonomous driving systems
Haiyun Testing	Laboratories in Shenzhen, Wuhan and so on	Testing and certification services for communication, electronic appliances, automotive electronics, and other products

Production Bases



Pingshan Production Base



Taicang Production Base



Vietnam Production Base



Haining Production Base

The clients of the Company include globally renowned brands and operators. Our netcom and datacom business mainly focuses on Original Design Manufacturer (ODM) and Joint Design Manufacture (JDM), covering all OEM modes, leading the domestic communication terminal manufacturing enterprises in terms of market share.

Global Institutional Layout of Gongjin



We have R&D centers in Shenzhen, Shanghai, Taicang, Dalian, Xi'an, etc., with more than 600 engineers serving customers around the world.

Awards and Honors in 2023



ESG

Honorary Title	Issuing Authority
National Intellectual Property Advantageous Enterprise	China National Intellectual Property Administration (CNIPA)
ESG Top 100 Chinese Listed Companies	Securities Times
ESG Pioneer Award for Listed Companies	Times Media
2023 ESG Pioneer Enterprise Award	The 13th Philanthropy Festival of Syobserve.com
The Most Socially Responsible Listed Company	Daily Economic News
National Green Factory (the sixth batch)	Ministry of Industry and Information Technology
Industrial Product Green Design Demonstration Enterprises (the fourth batch)	Ministry of Industry and Information Technology
National Green Supply Chain Management Enterprise (the seventh batch)	Ministry of Industry and Information Technology
Certificate of Compliance on Maturity of Intelligent Manufacturing Capability (Level 3)	BRICS Institute of Future Network
Sample Enterprise of China Customs Trade Prosperity Statistical Survey (Export)	General Administration of Customs of the People's Republic of China (GAC)
Shenzhen Water-saving Industrial Enterprise	Shenzhen Municipal Bureau of Industry and Information Technology; Shenzhen Municipal Bureau of Water Affairs
Top 20 Listed Companies for BOD Governance in the Greater Bay Area	Shenzhen Corporate Governance Research Association
Excellent Demonstration Scenarios for Intelligent Manufacturing in 2023	The First Equipment Industry Department of the Ministry of Industry and Information Technology
2023 Quality Credit AA-Level Enterprise in Jiangsu Province	Jiangsu Provincial Administration for Market Regulation



Comprehensive

Honorary Title	Issuing Authority
National High-tech Enterprise	Shenzhen Science and Technology Innovation Commission
Top 100 Enterprises in Electronic Information Competitiveness in 2023	China Information Technology Industry Federation
Top 100 Manufacturing Enterprises in Guangdong	Guangdong Federation of Industry and Commerce
Top 500 Guangdong Enterprises	Guangdong Provincial Federation of Enterprises
Top 500 Shenzhen Enterprises	Shenzhen Federation of Enterprises
Technology SMEs	Dalian Science and Technology Bureau
National "specialized, sophisticated, distinctive, and innovative little giant" enterprises	Ministry of Industry and Information Technology of the People's Republic of China
Dalian Enterprise Technology Center	Dalian Municipal Bureau of Industry and Information Technology
Industrial Internet Pilot Demonstration Project in 2022	The Bureau of Information and Communications Administration of the Ministry of Industry and Information Technology
Leading Enterprise in 5G Small Base Stations in China's Communication Industry	https://www.ccidcom.com
The 68th in the Top 100 Private Enterprises in Suzhou in 2023	Suzhou Federation of Industry and Commerce

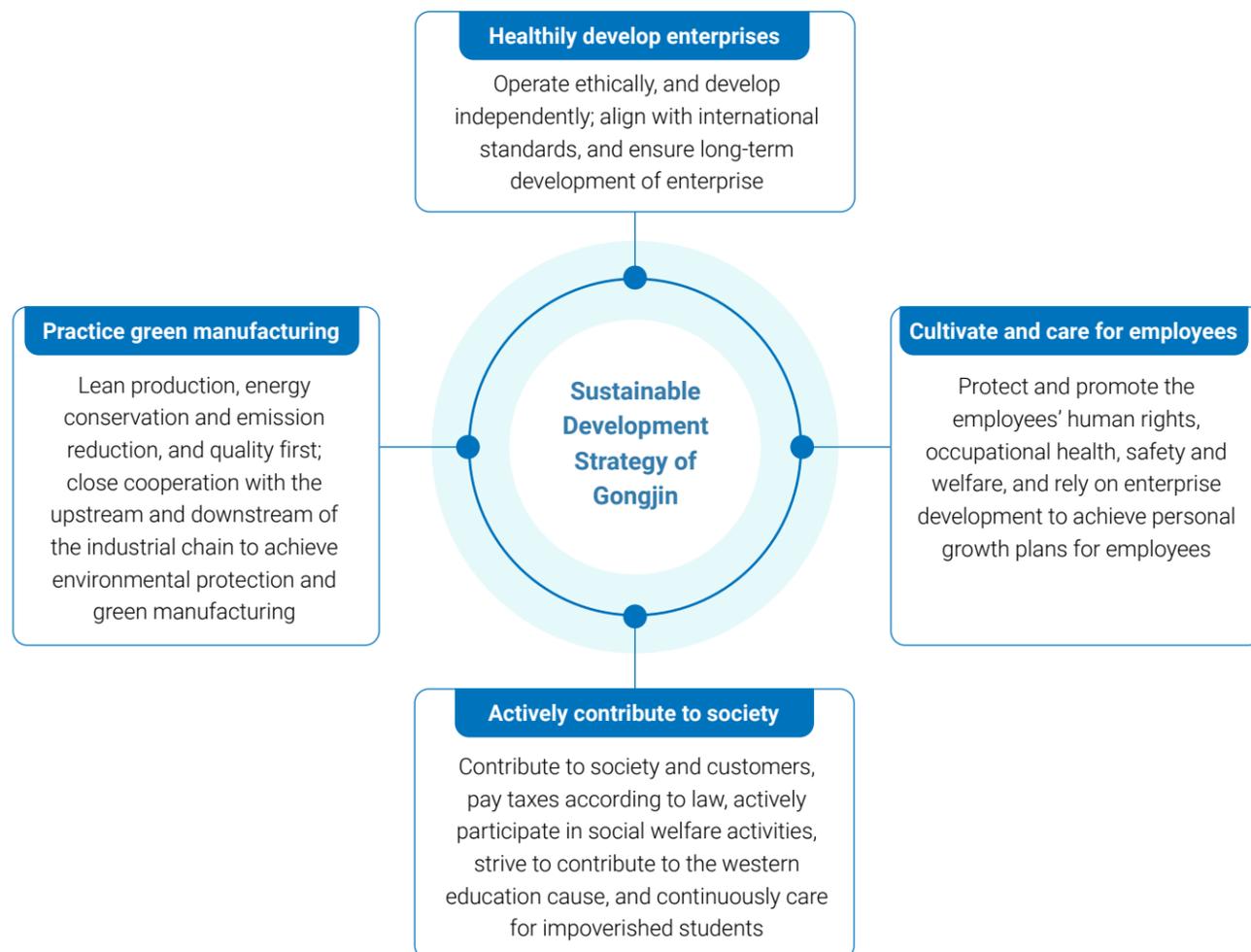
02 ESG Management

Sustainability Management System

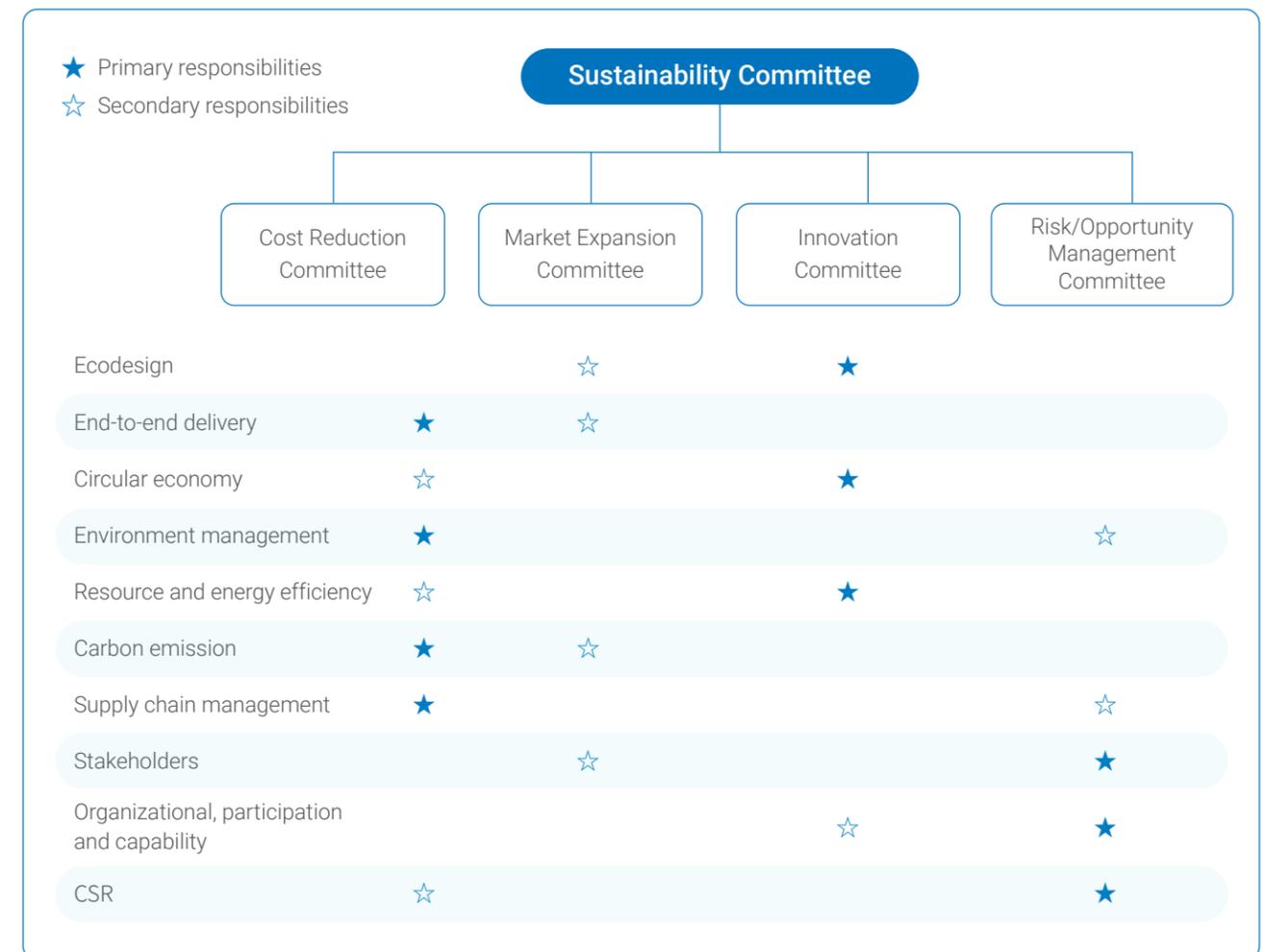
With the vision of "Based on long-term development, continuously innovating products and serving the global market; protecting the environment and fulfilling social responsibility", Gongjin established a social responsibility management system based on SA8000 in 2007, focusing on the *Responsible Business Alliance (RBA) Code of Conduct* and the *Business Social Compliance Initiatives (BSCI) Code of Conduct*, comprehensively integrating the sustainable development strategy into the Company's business development, establishing a framework and principles for sustainable development, and continuously improving and promoting the Company's performance in fulfilling various responsibilities.

In order to effectively promote the sustainable development strategy, the Company standardized the management rules of the Sustainability Committee, formulated the Management Regulations of Sustainability Committee, clarified the execution requirements of the Group Company and all subsidiaries, the responsibilities of the Sustainability Committee, standardized the coordination, planning, and reporting processes, set Key Performance Indicators (KPIs) and improvement indicators for sustainable development, and regularly counted and disclosed the achievement of sustainable development indicators.

Sustainable Development Strategy of Gongjin



Organizational Structure of the Sustainability Committee of Gongjin



Responsibilities of the Sustainability Committee of Gongjin

Management level	Job responsibilities
<p>Chairman of the Sustainability Committee</p>	<ul style="list-style-type: none"> • Chair the management work of the Sustainability Committee • Develop a sustainability management system and formulate specific policies and guidelines for the Company
<p>Directors of Cost Reduction Committee, Market Expansion Committee, Innovation Committee, and Risk/Opportunity Management Committee</p>	<ul style="list-style-type: none"> • Coordinate, plan, develop KPIs, track the execution status, and make phased summaries for projects as well as next work plans • Coordinate team resources and work, supervise the implementation of sustainable development projects • Regularly summarize sustainable development projects and report to the Chairman of the Sustainability Committee • Develop, evaluate, and revise plans for sustainable development goals
<p>Executive and responsible person</p>	<ul style="list-style-type: none"> • Be responsible for project implementation, collecting and analyzing data, and providing data analysis conclusions to superiors

The Sustainability Committee holds regular meetings at least once a quarter, where the second-level committees or main project leaders report on the quarterly implementation of projects, summarize the execution of promised KPIs, analyze the reasons for non-compliant KPIs or non-implemented projects, and propose improvement measures; evaluates the indicators of projects that have met the standards every 3-6 months, proposes challenge goals or upgrades project implementation standards, and makes certain the next work plans.



Sustainable Development Goals and Progress of Gongjin in 2023

Field	Region	Goals for 2023	Progress in 2023	Goal
Water Resources Management	Pingshan	The water consumption for production per 10,000 PCB points: ≤ 0.13 m³	The water consumption for production per 10,000 PCB points was 0.12 m³	✔
		Per capita domestic water consumption: less than 2.30 m³	Per capita domestic water consumption was 2.42 m³	🔄
	Taicang	The water consumption for production in the first half of the year shall decrease by 3% year-on-year and the total water consumption per unit shall decrease by 5% in the second half of the year	The water consumption for production in the first half of the year decreased by 58.04% year-on-year, and the total water consumption per unit in the second half of the year decreased by 19.42%	✔
		The per capita domestic water consumption in the first half of the year shall be 2.8 m³	The per capita domestic water consumption in the first half of the year was 3.24 m³	🔄
Haining	The total water consumption per unit output value: ≤ 0.9 m³/RMB 10,000	The total water consumption per unit output value was 0.2 m³/RMB 10,000	✔	
Energy Management	Pingshan	The comprehensive energy consumption per product unit: ≤1.31 tonnes of standard coal/10,000 sets	The comprehensive energy consumption per product unit was 1.46 tonnes of standard coal/10,000 sets	🔄
	Taicang	The comprehensive energy consumption per product unit tonnes of standard coal/10,000 sets shall decrease by 1.5% compared with the base year 2021	The comprehensive energy consumption per product unit was 2.02 tonnes of standard coal/10,000 sets and decreased by 14.27% compared with the base year 2021	✔
	Haining	The comprehensive energy consumption per unit output value: ≤ 190 kWh/RMB 10,000	The comprehensive energy consumption per unit output value was 110 kWh/RMB 10,000	✔
GHG Emissions Management	Pingshan	The GHG emission per RMB 10,000 of industrial added value shall remain unchanged compared with the base year 2021	The GHG emission per RMB 10,000 of industrial added value increased by 11.34% on the basis of the base year	🔄
	Taicang	The GHG emission per RMB 10,000 of industrial added value shall remain unchanged compared with the base year 2021	The GHG emission per RMB 10,000 of industrial added value decreased by 23.32% compared with the base year	✔
Waste Management	Pingshan	The amount of hazardous wastes generated from RMB 1 million sales: ≤ 0.43 kg;	The amount of hazardous wastes generated from RMB 1 million sales was 0.424 kg	✔
		The amount of general wastes generated from RMB 1 million sales shall decrease by 5% year-on-year	The amount of general wastes generated from RMB 1 million sales decreased by 21.42% year-on-year	✔
	Taicang	The amount of hazardous wastes generated from RMB 1 million sales in the first half of the year shall decrease by 3% year-on-year	The amount of hazardous wastes generated from RMB 1 million sales in the first half of the year increased by 36.34% year-on-year	🔄
		The amount of hazardous wastes generated in the second half of the year: ≤ 4kg/1,000 sets	The amount of hazardous wastes generated in the second half of the year was 2.86 kg/1,000 sets	✔
		The amount of general wastes from RMB 1 million sales in the first/second half of the year shall decrease by 3% year-on-year	The amount of general wastes generated from RMB 1 million sales in the first/second half of the year increased by 45.86% and 12.50% year-on-year, respectively	🔄
Quality Management	Pingshan	The number of quality accidents: zero ; The comprehensive product yield ¹ : 98.59% ; The first pass yield (FPY) ² : 91.07%	The number of quality accidents in 2023: zero ; The comprehensive product yield: 98.85% ; The first pass yield (FPY): 91.85% ;	✔
	Taicang	The number of annual major quality accidents: zero ; The comprehensive product yield: 98.60% ; The first pass yield (FPY): 90.81%	The number of major quality accidents in 2023: zero ; The comprehensive product yield: 98.71% ; The first pass yield (FPY): 91.24% ;	✔
	Haining	The number of quality accidents: zero ; The comprehensive product yield: 98.20% ; The first pass yield (FPY): 98.8%	The number of quality accidents in 2023: zero ; The comprehensive product yield: 98.35% ; The first pass yield (FPY): 99.04% ;	✔
	Vietnam	The number of annual quality accidents: zero ; The number of annual customer feedback: ≤ 12 ; The comprehensive product yield: ≥ 98.50% ; The first pass yield (FPY): ≥ 91.00%	The number of actual annual quality accidents: zero ; The number of actual annual customer feedback: 6 ; The comprehensive product yield: 98.58% ; The first pass yield (FPY): 91.58% ;	✔
Occupational Health and Safety	All production bases	The occurrence rate of work-related accidents per 200,000 working hours shall not exceed 0.2	The occurrence rate of work-related accidents per 200,000 working hours was 0.09	✔
		The number of serious injuries and fatalities: 0	The number of serious injuries and fatalities was 0	✔

¹Method for calculation of comprehensive product yield: Yield of surface mount technology (SMT) * yield of dual In-line package (DIP) * yield of test * yield of packaging.

²FPY calculation method: Automated Surface Mount Technology (SMT) Automatic Optical Inspection (AOI) First Pass Yield (FPY) * Test First Pass Yield (TEST) First Pass Yield (FPY).

Communication with Stakeholders

Gongjin always attaches great importance to and maintains effective communication with stakeholders, identifies the six major stakeholders, fully considers the impact of operations of the Company on all stakeholders, and carefully listens to and understands the demands of all stakeholders through diversified communication channels and methods such as websites, media, meetings, reports, and events, actively communicating with stakeholders.

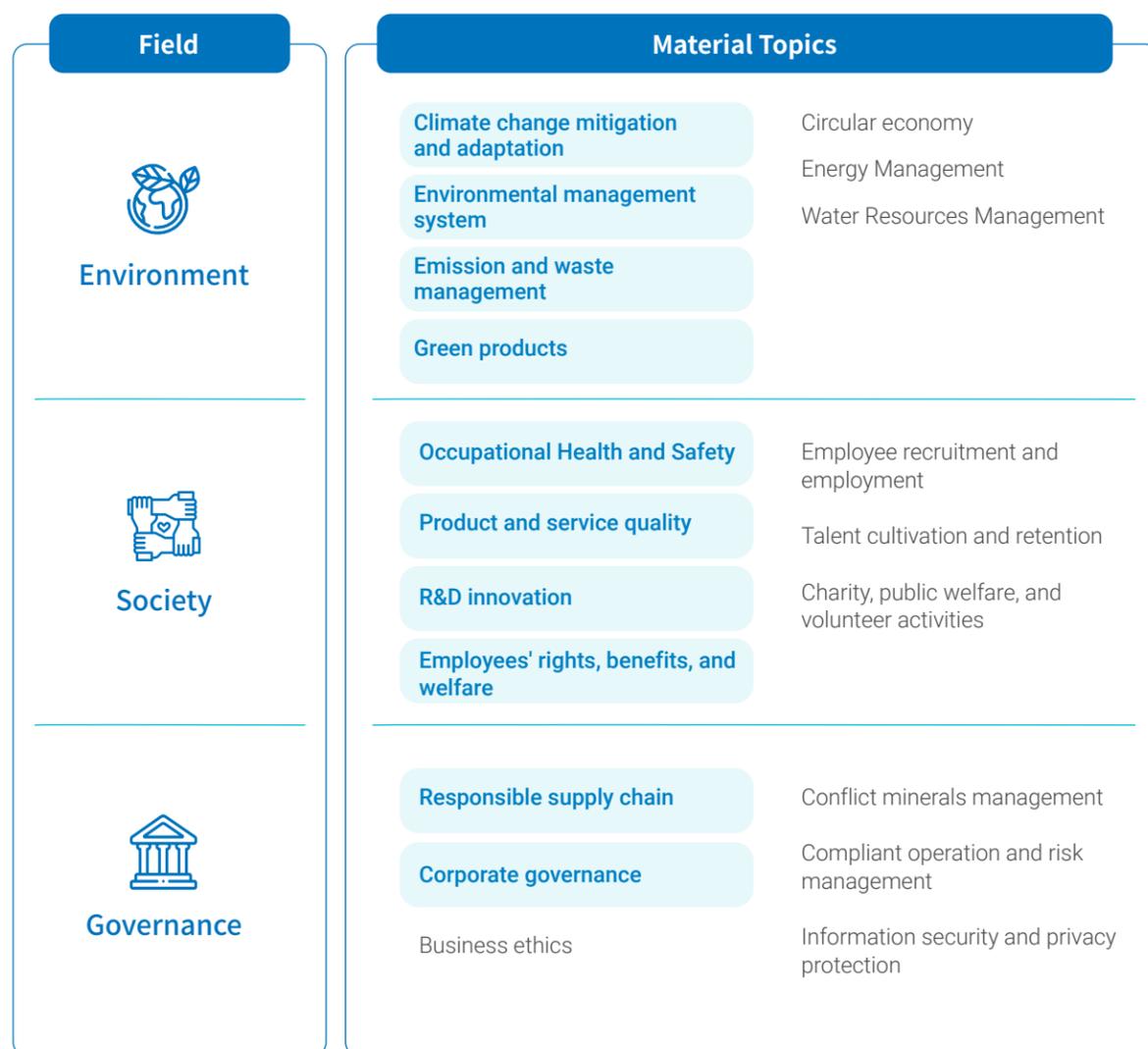
Main Stakeholders	Concerned Topics	Communication and Responses
<p>Government and regulators</p>	<ul style="list-style-type: none"> • Corporate governance • Climate change mitigation and adaptation • Energy management • Water resources management • Emission and waste management • Occupational health and safety 	<ul style="list-style-type: none"> • Make information disclosure as a listed company • Apply for qualifications and permits according to local government policies and requirements • Improve environmental protection and work safety facilities • Cooperate with regulatory authorities for on-site inspections and make reports and presentations • Make statistics and public disclosure of environmental data
<p>Shareholders and investors</p>	<ul style="list-style-type: none"> • Corporate governance • Business ethics • R&D innovation • Green products • Compliant operation and risk management 	<ul style="list-style-type: none"> • Convene general meeting of shareholders • Regular make disclosures of reports, roadshows, surveys, teleconferences and so on • Set up investor communication channels such as the SSE e-interactive platform, email, hotline, etc.
<p>Customers</p>	<ul style="list-style-type: none"> • Information security and privacy protection • Green products • Circular economy • Product and service quality • R&D innovation 	<ul style="list-style-type: none"> • Conduct product exhibitions, customer surveys, technical seminars, and other exchange activities • Set up customer hotlines • Make customer satisfaction surveys • Improve the comprehensive product yield and FPY

Main Stakeholders	Concerned Topics	Communication and Responses
<p>Suppliers and partners</p>	<ul style="list-style-type: none"> • R&D innovation • Responsible supply chain • Conflict minerals management • Business ethics • Circular economy 	<ul style="list-style-type: none"> • Telephone communication, irregular visits, academic seminars, industry exhibitions, industry trainings, exchange meetings and other exchange activities • Supplier trainings • Supplier social responsibility assessments • Supplier cooperation integrity agreements
<p>Employees</p>	<ul style="list-style-type: none"> • Employee recruitment and employment • Employees' rights, benefits, and welfare • Talent cultivation and retention • Occupational health and safety 	<ul style="list-style-type: none"> • Labor Union and employees' congress activities • Employee activities • Internal publications and internal network and platforms • Employee trainings
<p>Local communities and the public</p>	<ul style="list-style-type: none"> • Emission and waste management • Green products • Circular economy • Community participation 	<ul style="list-style-type: none"> • Official website, official account and other community media release news • Application of product eco-design • User manual provides product recycling channels • Community volunteer activities • Construction of social support projects such as T&W Hope Primary School

Analysis of Material Topics

Based on continuous communications with stakeholders, international ESG rating standards and domestic exchange disclosure guidelines, and 2023 policy trends and industry concerns, the Company identified and analyzed material topics, made certain 20 important topics for the Company and stakeholders, and defined 10 topics of medium-high materiality as the focus of information disclosure in the Report and the key to implementing the sustainable development strategy of the Company.

List of Material Topics for Gongjin in 2023



Note: The bold font represents topics of medium-high materiality. The Report focuses on 20 material topics for information disclosure. In addition to 10 key topics of medium-high materiality that are mainly disclosed, other material topics are also moderately explained in the Report.

Major Changes of Material Topics of Gongjin in 2023

Material topics for 2022	Material topics for 2023	Changes	Reason for changes
---	Circular economy	Newly added	Identified as a material topic, focusing on presenting the Company's efforts to improve the utilization efficiency of energies, resources, and raw materials, reduce the generation of wastes, and reuse the energies, raw materials, and wastes
---	Environmental management system	Newly added	Identified as a material topic, focusing on presenting the Company's input and output of environmental factors, key aspects of environmental management, effectiveness of environmental management, and construction of environmental risk emergency response capabilities
---	Compliant operation and risk management	Newly added	Identified as a material topic, focusing on strengthening the construction of Company's internal control system, improving risk control capabilities, and carrying out various types of audit work
Employee training and development	Talent cultivation and retention	Adjusted	Optimize the topic expression by adding contents such as improving employee satisfaction, reducing talent loss, and implementing talent incentive measures on the basis of the training system
Product quality management	Product and service quality	Adjusted	Optimize the topic expression by adding contents such as making customer communication, safeguarding customer rights and interests, improving customer satisfaction, and enhancing customer service on the basis of product quality management.
Supply chain management	Responsible supply chain	Adjusted	Optimize the topic expression by adding contents such as screening and evaluation of supplier social responsibility performance in the procurement process based on supplier management.
Chemical management	---	Deleted	The Company mainly uses industrial alcohol, cleaning agents, fluxes, adhesives and other production auxiliary materials as chemicals, which are relatively conventional and have been identified as non-material topics. The content related to the reduction of raw materials is presented in the topic of circular economy.

03 Low-carbon Emissions Reduction and Circular Economy

Climate Change Mitigation and Adaptation

The 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) proposed that mitigating climate change requires the use of new technologies and renewable energies, the improvement of the energy efficiency of old equipment, and the change of management practices or consumer behaviors, and countries need to make more detailed and firm commitments in their national climate adaptation plans.

The Company has established a management system to address climate change at the levels of governance, strategy, risk management, indicators and objectives, with reference to the *International Financial Reporting Standards for Sustainability Disclosure No. 2 - Climate Related Disclosures* (IFRS S2) of International Sustainability Standards Board (ISSB).

GHG Emissions Reduction Declaration of Gongjin

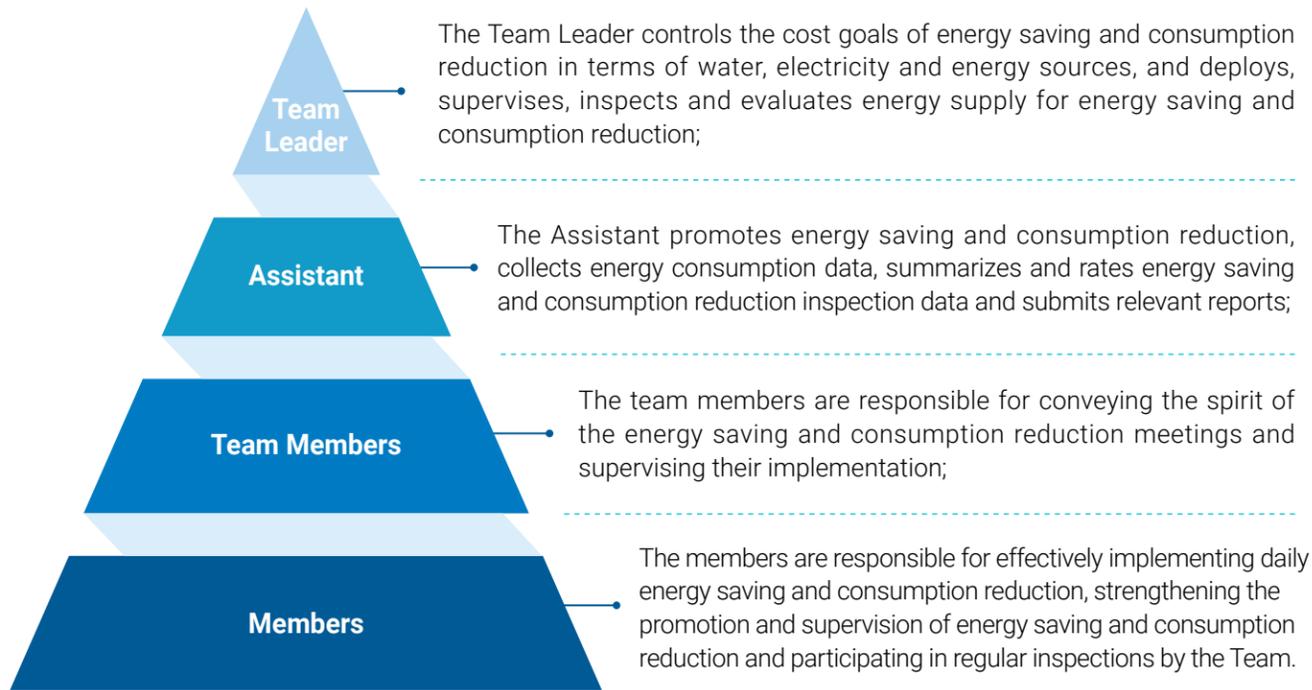
"We are well aware that the Earth's climate and environment are gradually deteriorating due to the impact of greenhouse gases. Shenzhen Gongjin Electronics Co., Ltd., as a member of the global citizen, in order to respond to the international norms of the United Nations Framework Convention on Climate Change and the Kyoto Protocol and to fulfill corporate responsibility, will be committed to the greenhouse gas emissions inventory work, which will help the company truly control and manage the current situation of greenhouse gas emissions, and further promote the voluntary reduction plans of greenhouse gases based on the inventory results."



Management System of Gongjin to Address Climate Change

Field	Actions
Governance	<ul style="list-style-type: none"> Each production base formulated guidelines and documents, such as GHG Inspection and Management Procedures, Guidelines on Energy Saving and Consumption Reduction Management Work, and Energy Saving and Consumption Reduction Inspection Form, formulating energy management policies and objectives, and timely identifying existing and potential risks. Each production base has established organizational structures such as energy saving and consumption reduction teams, energy saving audit teams, etc., and formulated the Classification of Management Responsibility Areas for Energy Saving and Consumption Reduction to define the functions and evaluation contents of each level. All business departments work together to achieve emission reduction targets.
Strategy	<ul style="list-style-type: none"> Since 2010, we have established organizational boundaries and publicly released GHG reduction statements by referring to the ISO 14064 GHG management system. We take practical measures to help achieve China's "carbon peaking and carbon neutrality" targets and strengthen our resilience to climate change risks. As part of our commitment to eco-design, we consider energy and resource use throughout the product lifecycle and are committed to reducing the carbon footprint of our products.
Risk management	<ul style="list-style-type: none"> By improving process technology and reducing equipment energy consumption, the Company has reduced greenhouse gas emissions in the production process. By constructing solar power generation facilities and increasing the proportion of clean energy used, the Company has reduced GHG emissions at the source. All of the Company's products implemented ecological design planning throughout the entire life cycle stage, evaluating the impact of each stage on the environment, economy, and society, and clarifying the carbon footprint of the products. Compared with the previous version of the product or peer products, we focus on environmental performance such as product carbon footprint.
Metrics and targets	<ul style="list-style-type: none"> Based on the local government's energy development plan and the business development needs of our production base, the Company has formulated the "14th Five-Year Plan" energy saving targets, set the comprehensive energy consumption target per product unit, and invested in the research and development of energy-saving products.

Energy Saving and Consumption Reduction Team Structure of Production Bases



GHG Emission Reduction Plan for Gongjin

Production base	Specific measures
<p>Production bases in Pingshan and Taicang</p>	<ul style="list-style-type: none"> An energy management platform has been introduced to accurately control the energy consumption of equipment with a power of 37KW, and high energy-consuming equipment such as central air conditioners, air compressors, and multi-connectors have been included in the energy management platform for cluster control and energy conservation. Reasonably layout workshop production lines and work shifts to reduce production electricity consumption. Reflow soldering single track is changed to double track, reducing reflow soldering electricity consumption by half.
<p>Production base in Vietnam</p>	<ul style="list-style-type: none"> Its lighting, office computers, test equipment, and other devices all conserve electricity, and it turns off the water heater and air conditioner according to the time set. The base has replaced energy-saving water heaters. The base adjusts the temperature of the fan cabinet appropriately to reduce the fan cabinet operation time.

GHG Verification by Gongjin

Region	Key actions and achievements
<p>Production base in Pingshan (including Nanshan branch)</p>	<ul style="list-style-type: none"> Following ISO 14064-1:2018, they conducted GHG verification and engaged qualified third parties to certify the report content according to ISO 14064-3:2018. In 2023, Production base in Pingshan(including Nanshan branch) reduced emissions by a total of 7,579.78 tons of carbon dioxide equivalent.
<p>Production base in Taicang</p>	<ul style="list-style-type: none"> Following ISO 14064-1:2018, they conducted GHG verification and engaged qualified third parties to certify the report content according to ISO 14064-3:2018. In 2023, Production base in Taicang reduced emissions by a total of 1,974.01 tons of carbon dioxide equivalent.
<p>Production base in Vietnam</p>	<ul style="list-style-type: none"> It conducts quarterly greenhouse gas emissions verification and issues an annual GHG verification report in accordance with ISO 14064-1:2018. The year 2023 is the first natural year for the operation of the production base in Vietnam. In the future, emission reduction goals will be set based on 2023.



National Green Supply Chain Enterprise Awarded to Gongjin

As a result of combining green manufacturing and supply chain management, green supply chain focuses on the coordination and cooperation of enterprises at supply chain nodes. The Company is committed to building a procurement, production, marketing, recycling, and logistics system guided by resource conservation and environmental friendliness, and to encouraging upstream and downstream enterprises to work together to improve the efficiency of using resources.

On the one hand, the Company is fully committed to carrying out its own energy conservation, emission reduction and environmental protection work and continuously expanding social supply. On the other hand, it guides and drives upstream and downstream enterprises in the supply chain to continuously improve resource and energy utilization efficiency, enhance environmental performance, and achieve green development.



Gongjin was awarded the honorary title of the seventh batch of national green supply chain

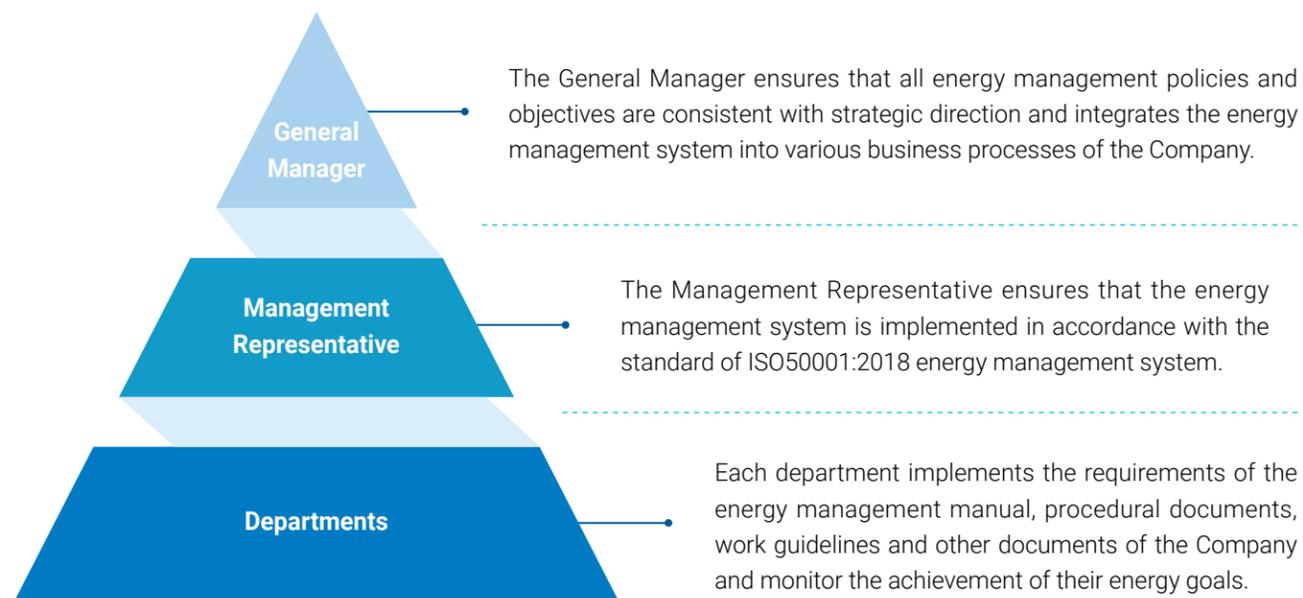
Energy Management

Gongjin uses energy sources such as electricity, diesel, petrol and natural gas. Among them, the electricity comes from the municipal power supply and the photovoltaic equipment in the plant generates its own electricity, which is used for industrial production and employees' living. Diesel fuel is purchased externally and stored at the plant for use in forklifts and generators. Petrol is used in private vehicles. The natural gas used in the cafeteria is municipal natural gas used for cooking in the cafeteria.

With the energy management philosophy of "energy saving and consumption reduction, contributing to society, improving work efficiency, and continuous improvement," the Company complies with relevant national and local laws and regulations such as the *Law of the People's Republic of China on Energy Conservation*, and has formulated systematic documents such as the *Energy Management Procedure*, the *Management Procedure for Energy Policies, Goals, and Indicators*, and the *Energy Management Monitoring, Measurement, and Analysis Control Procedure* to record and track energy usage.

Each production base has established a three-level energy management organizational structure consisting of a general manager, management representatives, and various departments. Each department has formulated energy goals and management plans, and regularly conducts statistics on goal achievement, and follows up on the improvement of noncompliant projects. To effectively promote the achievement of energy saving and consumption reduction goals, the Company has established an energy review team. The team conducts annual internal energy audits, analyzes the Company's energy performance status based on energy monitoring results, and identifies areas and variables with high energy consumption to develop production processes with energy-saving potential.

Gongjin's Energy Management Organizational Structure



During the reporting period, the production bases in Pingshan and Taicang passed the ISO 50001:2018 energy management system certification.



The company's self-built rooftop photovoltaic power generation reached **1,125.85 MWh**, accounting for **1.62%** of the total electricity consumption.

The Company's various production bases have actively promoted the use of clean energy. They have reduced their dependence on external electricity by installing PV panels on the roofs of the plants, promoting the green transformation of the energy structure.

Gongjin's Usage of Clean Energy in 2023

Actions	Achievements and performance
The Haining production base covers an area of 5,000 m ² rooftop solar panels	Annual power generation of 1,052.49 MWh
Pingshan production base uses solar energy to heat hot water for dormitories and canteens	Annual heating supply of 35 kWh
66kW solar panels were built on the roof of the Taicang production base for lighting the park	Annual power generation of 73.36 MWh

In accordance with the energy-saving work goals issued by local government departments, the Company has set energy-saving goals for each production base during the 14th Five-Year Plan period, and has optimized, renovated, and monitored major energy-consuming equipment and facilities.

Gongjin's Energy-saving Goals for the 14th Five-Year Plan

Region	Indicator	2021	2022	2023	2024	2025
Pingshan Production Base	Comprehensive energy consumption goal per product unit (tce/10,000 sets)	1.39	1.37	1.31	1.25	1.22
Taicang Production Base		2.10	2.04	1.98	1.92	1.86

The Company is committed to achieving precise allocation and efficient utilization of energy, and the total energy consumption per product unit has been decreasing year by year for the past three years. The Pingshan production base saved 3,000 MWh of electricity year on year. In 2023, the Company continued to invest in energy-saving and emission reduction technology transformation, equipment replacement, process upgrading, and other projects, significantly improving energy efficiency.

Gongjin's 2023 Energy Saving Goal Achievement

Region	Indicator	Unit	Baseline value (annual value in 2021)	Goal achievement in 2022		Goal achievement in 2023	
				Goal value	Annual value	Goal value	Annual value
Pingshan Production Base	Comprehensive energy consumption per product unit	tce/10,000 sets	1.27	1.37	1.37	1.31	1.46
	Comprehensive energy consumption per RMB 10,000 of output value	kgce/RMB 10,000	7.84	7.21	7.14	6.71	8.78
Taicang Production Base	Comprehensive energy consumption per product unit	tce/10,000 sets	1.78	2.04	2.01	1.98	2.02
	Comprehensive energy consumption per RMB 1,000,000 of output value	kgce/RMB 1 million	1.12	1.10	1.07	1.05	1.36

Gongjin's Energy Saving and Consumption Reduction Initiatives Undertaken in 2023

Each plant

Description	Achievements and performance
Import energy management platform to implement ERR for central air conditioning and gas/electricity ratio monitoring for air compressors to achieve automatic start/stop control	Taicang production base saving 500 to 600 MWh of electricity annually; The Pingshan production base saving 1,740.60 MWh of electricity annually.
Replace the dual in-line package (DIP) technology with SMT through-hole reflow devices, remove the DIP plug-in process and wave soldering sequence	Annual electricity savings of 4,665 kWh
Adjust production line layout and shifts, transfer key equipment to the main workshop due to unsaturated scheduling in the new workshop, and open the new workshop flexibly	Monthly electricity savings of 15MWh
Reflow soldering single track is changed to double track, reducing reflow soldering electricity consumption by half	The annual power saving of the Pingshan production base is 331.78 MWh
Increase induction and energy-saving lighting	Saved 3.63 MWh of electricity per month at the Haining production base; The annual power saving of the Pingshan production base is 936 MWh
Automatically control the switching on and off of energy-consuming equipment through modeling	Reduced energy waste
Increase power monitoring equipment to analyze energy use and provide early warning	Recognized equipment idling

Gongjin Microelectronics

Description	Achievements and performance
Use timed switches for lighting in the third floor office area	Monthly power saving of 809 kWh
Regularly start the hot water dispenser in the office area	Monthly power saving of 312 kWh
Use a fresh air system to cool down the workshop	Monthly power saving of 67.55 MWh
Replace air conditioning with dehumidifiers in warehouses	Monthly power saving of 2.95 MWh

Pingshan Production Base

Description	Achievements and performance
Garage lights automatically turn off when no car is present	More than 40% energy saving in lighting equipment
Retrofit high energy-consuming equipment over 100 kW according to the production plan	Reduced the waste of energy consumption of high energy-consuming equipment
Air conditioning cabinet, water pump, exhaust fan fan frequency conversion control	Annual energy savings of 2,376 MWh
Energy-saving water boilers are introduced in the office area	Monthly power saving of 66.82 MWh
Multi-online integration into the cluster control of the energy management platform	Annual energy savings of 108.86 MWh
Change the reflow soldering chiller to a shared chilled water circulation system	Monthly power saving of 6.07 MWh
Replace permanent magnet variable frequency motor with fixed frequency motor	More than 30% energy saving per unit
Air compressor waste heat recovery project	Reduced energy consumption for office heating in winter
Cancel the packing and taping of some finished boxes	Monthly power saving of 36 kWh

Production base in Vietnam

Description	Achievements and performance
Purchase office supplies such as air conditioners and refrigerators with first-level energy consumption	Reduced energy consumption of equipment

Taicang Production Base

Description	Achievements and performance
Replace the chiller system with a chilled water circulation system	Annual power saving of 70 MWh

Haining Production Base

Description	Achievements and performance
Replace variable frequency air compressor	Monthly power saving of 6.70 MWh , reducing energy consumption of air compressor by 9% .

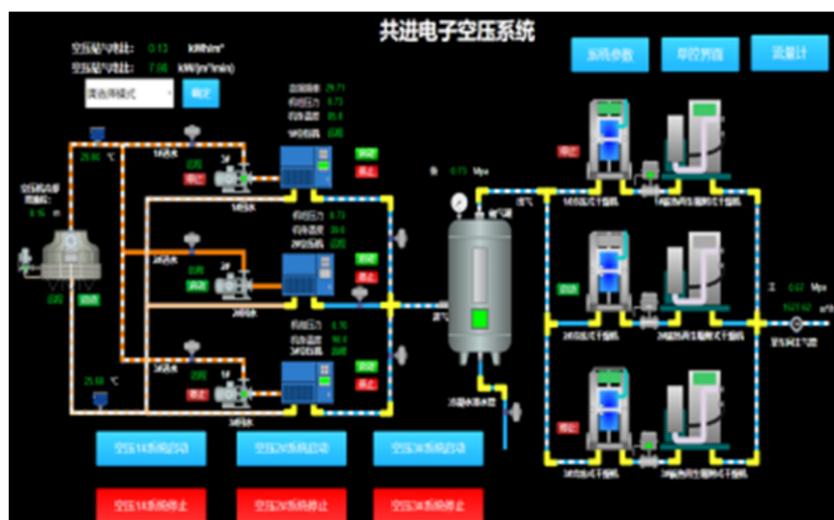
Note: If some energy saving and consumption reduction items in this table are not equipped with corresponding electrical meters, the energy-saving effect is estimated based on the power and operation time before and after replacing the electrical meters.

Introducing Energy Management Platform to Monitor High Energy-consuming Equipment

The Company's Pingshan and Taicang production bases applied energy management systems to remotely and automatically control the operation of central air conditioners, air compressors, and other high-energy-consuming equipment. The system expanded the intelligent material control module, temperature and humidity sensors, etc., to combine the indoor temperature and humidity to automatically adjust the water temperature, optimize the frequency conversion adjustment of pumps, and control the temperature difference between the supply and return water. The system individually monitors the energy consumption and electrical ratio of equipment over 100 kW, and accurately identifies energy-wasting links, realizing automatic start-stop system control.



Intelligent Energy Management Platform

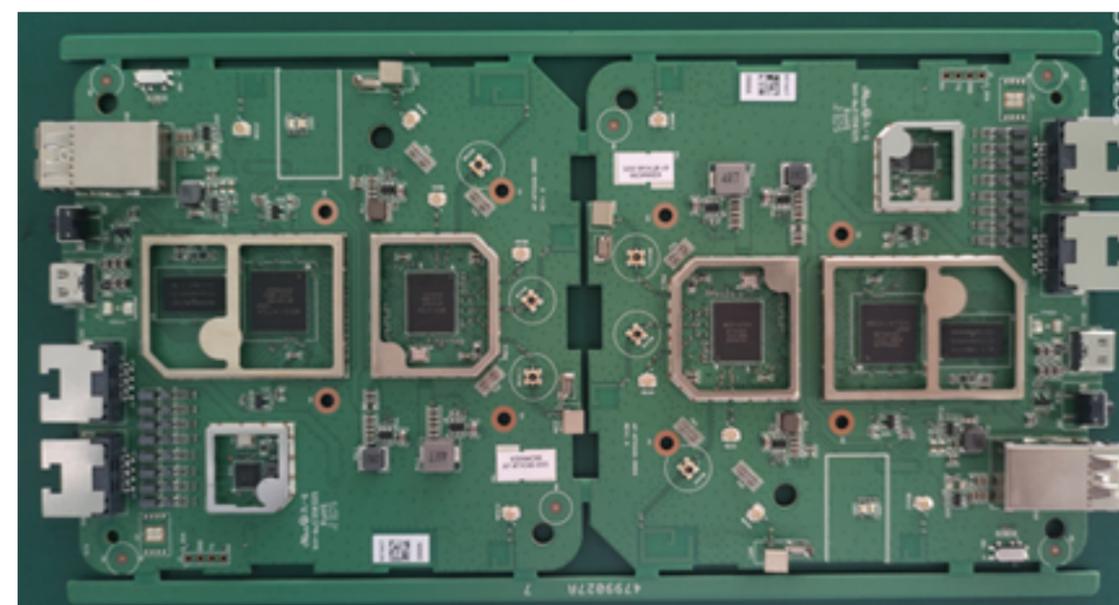


Air Compressor Gas-to-electricity Ratio Monitoring

Using Advanced Technology to Simplify Production Processes

Through product design upgrades, the Company has achieved full-process soldering of electronic circuit surface mount technology (SMT). We replaced the dual in-line package (DIP) technology with SMT through-hole reflow devices, and removed the DIP plug-in process and wave soldering sequence, significantly reducing production power and the use of flux and water-based cleaning agents.

In 2023, the Pingshan production base successfully introduced 3 models for mass production, and plans to switch to mass production of 6 models in 2024. According to the DIP calculation for a single line, the annual operation time of one line is 1,555 hours, and it consumes 3 kWh of electricity per hour, which can save an estimated 4,665 kWh of electricity annually. We expect to save 1,300 liters of flux by deleting the DIP wave soldering process and 800 liters of aqueous cleaning agent by deleting the die-set cleaning, and the streamlined process also reduces waste generation and wastewater discharge.



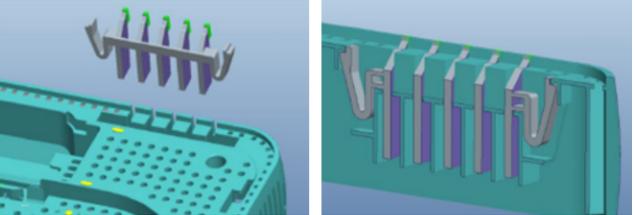
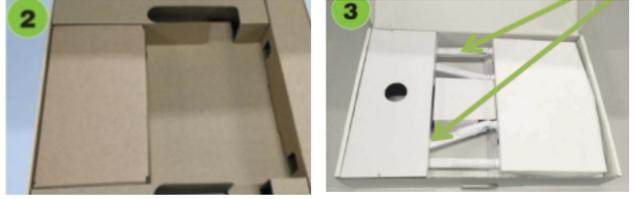
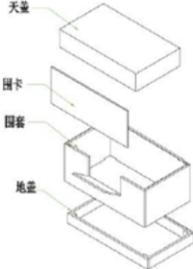
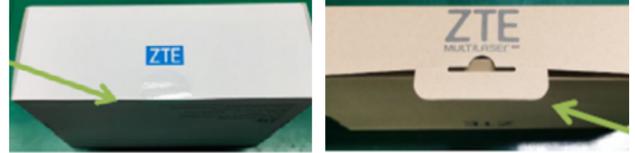
Deletion of Insertion Process and Wave Soldering Process for SMT Through-hole Reflow Device

Green Products

In 2023, the National Development and Reform Commission issued the *Opinions on Accelerating the Establishment of a Product Carbon Footprint Management System*. The Opinions gradually establish unified product carbon footprint accounting rules, clearly label quantitative product carbon footprint information, guide enterprises to low-carbon transformation, and cultivate consumers to establish green consumption habits.

The main raw materials for the Company's products are electronic components. The packaging materials are mainly plastic, cardboard boxes, paper fillers, etc. Committed to reducing the impact of products on the environment, the Company starts with raw materials and packaging materials, continuously improves product materials, structural design, production processes, and packaging solutions, advocates lightweight materials and packaging, and reuses product components and packaging to minimize material usage and product carbon footprint, creating environmentally friendly and resource-saving green products.

Gongjin Product Eco-design Example

Actions	Achievements and performance
Using small integrated devices	Reduced the area of printed circuit boards (PCBs) and increased the utilization rate of PCB collocation by more than 80%.
Removable parts	<p>The light pipe adopts a buckle-fixed design, eliminating hot melt or screw fixation, reducing fixture material and electric power consumption. The parts are detachable and assembled type, easy for after-sale recycling, is available for secondary use after disassembly.</p>  <p>Detachable light pipe with buckle fixing design</p>
Removable packaging design	<p>The package with antenna adopts integrated detachable structure design, eliminating the need for additional internal card accessories and saving the use of paper. The product is more portable and the package is easy to disassemble.</p>  <p>Detachable integrated structure Antenna inserted into the slot needs to be disassembled</p>
	<p>We use removable pallet box packaging, which eliminates the need for sealing adhesive materials, reduces outer box material, printing, labeling and other energy resource consumption, and makes assembly fast and flexible.</p>  <p>Pallet box replaces the outer box for flexible assembly</p>
	<p>The color box sealing adopts the simple buckle to replace the sealing label, which makes the color box disassembling more portable.</p>  <p>Replacing sealing labels with simple buckles</p>

Actions	Achievements and performance
Packaging reduction	We prefer the material of the outer box, using a three-layer cardboard outer box instead of a five-layer outer box; replace disposable cardboard boxes with recyclable plastic boxes glued with environmentally friendly glue instead of nails.
Recyclable raw materials	The structural shell of a certain product uses post-consumer recycled (PCR) materials, with a plastic material weight of 487 grams per product, reducing carbon emissions by 3.1 tonnes of carbon dioxide equivalent per tonne of material.
Recyclable packaging materials	<p>Packaging cushioning materials use recyclable paper pallets and paper cards instead of pearl cotton. Pearl cotton requires adhesive bonding and is non-recyclable. Paper pallets are made from 100% recycled paper.</p>  <p>Recyclable corrugated cardboard instead of blister packs.</p>
Plastic-free packaging	<p>Replacing plastic packaging with recyclable paper packaging provides equal support and protection</p>  <p>The buffer structure adopts recyclable materials</p>
Compatibility design	In terms of product design, we strive to achieve structural compatibility and reuse standardized modules, without the need to redesign the entire product when replacing sub-modules, reducing waste of casing and materials.
Improve mold utilization	The mold adopts the existing appearance form in the market, and extends the differentiation modification on the original mold. New projects share the already molded shielding cover, reducing the number of shielding cover molds opened by 150 sets throughout the year.
Standardized components	The product casing adopts a standardized size design and is compatible with equipment assembly of different configurations on a universal casing. This allows multiple projects to share the casing and casing mold, which is convenient for production preparation and improves the secondary utilization rate of materials.
Simulation technology	We apply simulation technology to simulate product test scenarios, shorten the test cycle of high and low temperature verification, impact test, waterproof performance, etc. We optimize the product structure design according to the simulation results, adjust the wall thickness of the product shell and the amount of material, reduce the use of prototypes, and reduce material waste.

Circular Economy

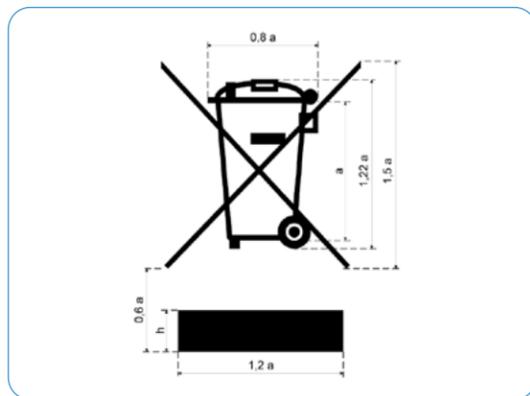
The 14th Five-Year Plan for the Development of the Circular Economy by the National Development and Reform Commission proposes to fully promote circular production methods, significantly improve the comprehensive utilization capacity of resources, improve the recycling network of waste materials, and further enhance the recycling capacity of renewable resources by 2025.

Following the principle of circular economy, the Company is committed to improving resource reuse through component recycling, disassembly and reuse, reducing waste generation through waste reuse, and realizing energy value recovery through waste heat recovery. We abandon the traditional linear economic growth model of "acquisition - production - consumption - waste" and build a nearly closed resource cycle.

In accordance with the requirements of the European Union's Waste Electrical and Electronic Equipment (WEEE) Directive, the Company prints environmental labels, such as WEEE labels, environmental labels, environmental expiry dates, and lead-free labels, on product casings, packaging, and instruction manuals to remind consumers to send the product to appropriate facilities for recycling when they discard it.

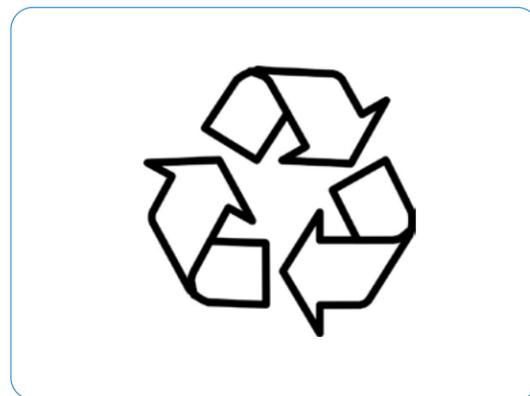
EU Recycling Symbol for Waste Electrical and Electronic Equipment (WEEE):

This symbol indicates that this product must be returned to the authorized facility for recycling when the end-user decides to dispose of it.

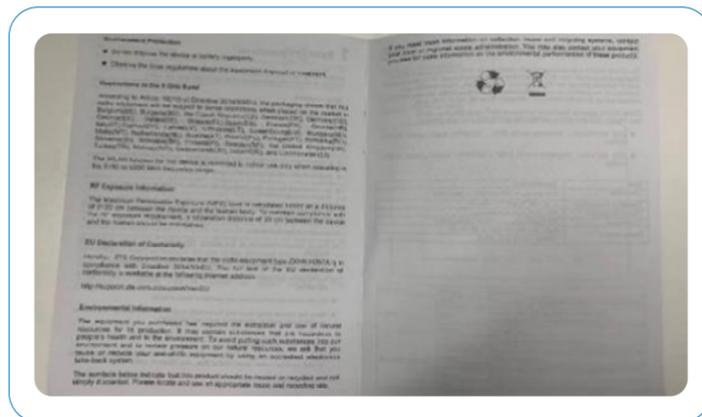


Recyclable symbol:

This symbol indicates that the product or its packaging is made from renewable materials.



Example of product recycling WEEE and recyclable symbol in the Company's User Manual



In 2023, the Company used a total of **12,839 tonnes** of packaging materials, of which **12,668 tonnes** were recyclable packaging materials, accounting for **98.67%**.

Gongjin's Major Actions to Practice Circular Economy

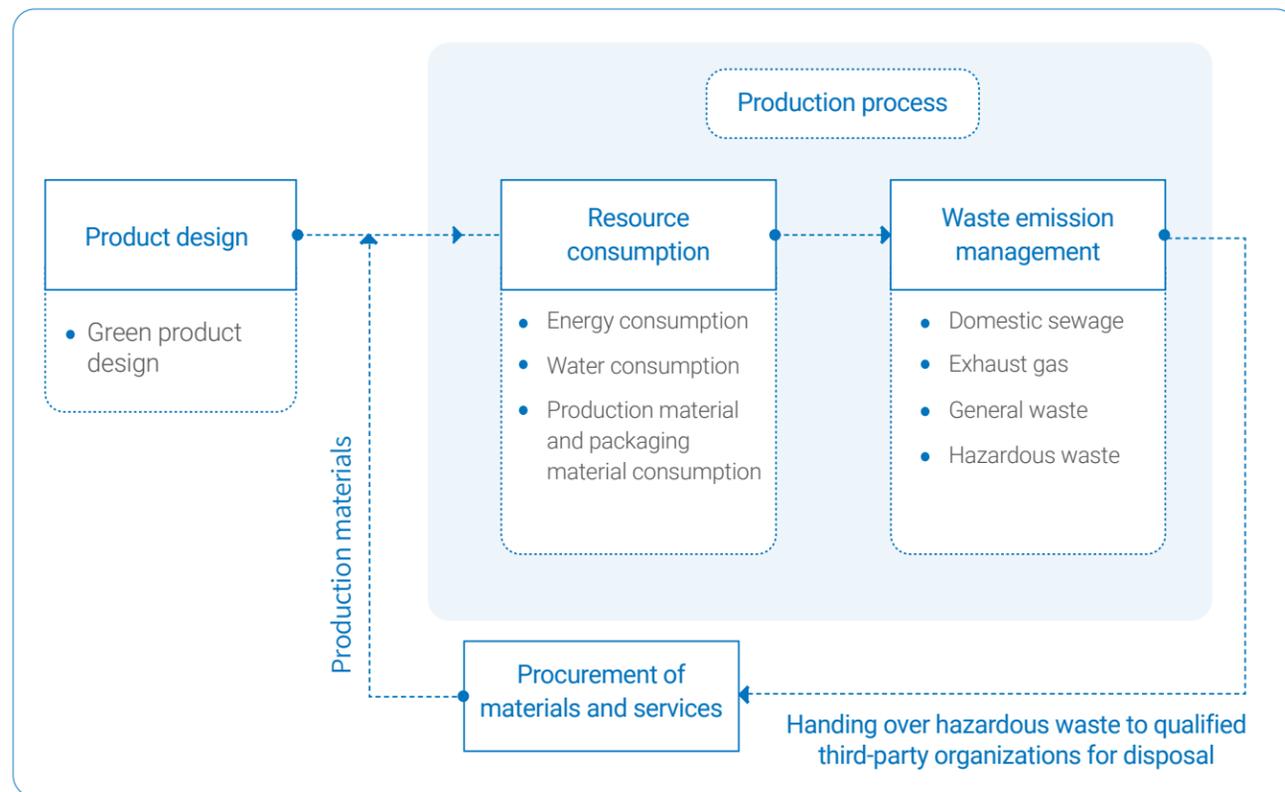
Type	Actions
Reuse of parts and components	<ul style="list-style-type: none"> Scrap workpiece automation workshop processing and reuse of bakelite, quick clamps, handles and other accessories Recycling and repair of electrostatic bracelets Re-use of old network cable after re-crimping
Waste reuse	<ul style="list-style-type: none"> Recycling and reuse of packaging cartons. Suppliers recycle recyclable items Suppliers recycle plastic and cardboard boxes. Replace the original cardboard box with a rubber box Equipment suppliers recycle discarded batteries Manufacturers recycle the waste chips generated during the testing process
Waste heat recovery	<ul style="list-style-type: none"> Recycling waste heat from air compressors for office and workshop heating Turn off the use of hot steam in winter, and use the heat from welding furnaces and coiling rooms to heat the workshop

04 Environmental Friendliness and Work Safety

Environmental Management System

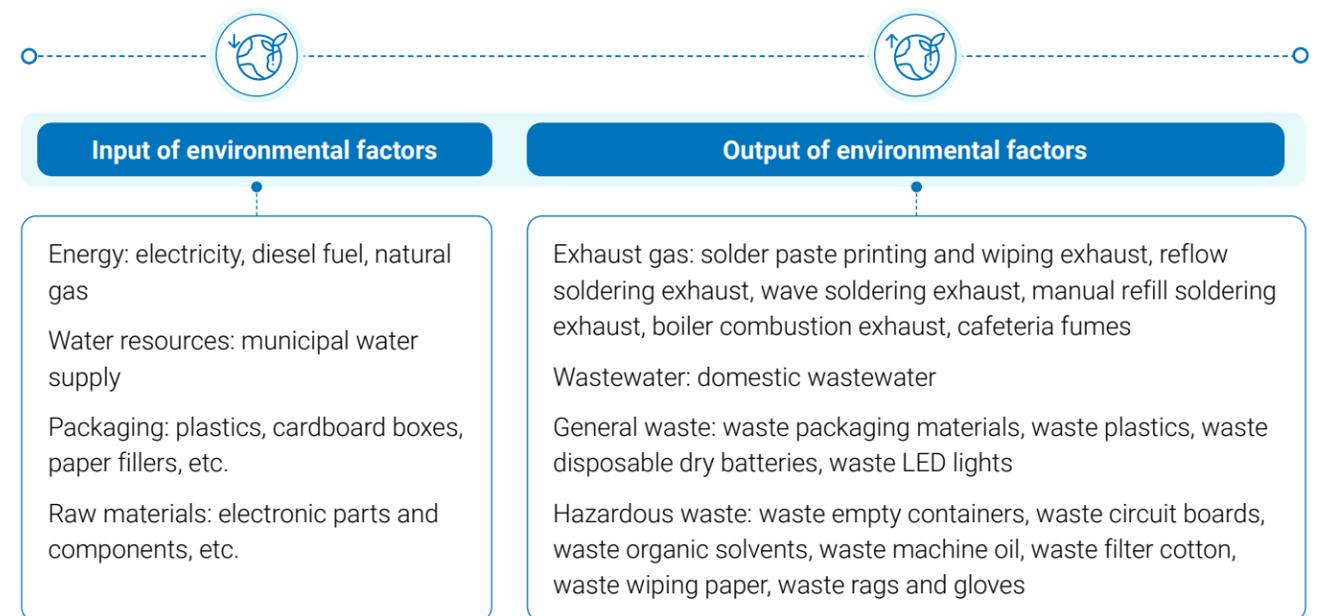
Adhering to the management policy of "Protecting the Environment and Building Green Enterprise," the Company complies with the *Environmental Protection Law of the People's Republic of China* and the laws and regulations of the country and region where the Company's production and operations are located. We have developed management documents such as the *Environmental Management Scheme* and the *Environmental Factor Identification and Evaluation Management Procedure*, and set quantitative goals such as electricity consumption, water consumption and waste generation in the *Policy, Goal and Indicator Management Procedure*.

Gongjin's Key Environmental Management Links



In terms of environmental risk control, the Company formulated *Emergency Preparedness and Response Control Guidelines*, *Control Procedures for Potential Environmental Accidents*, and other emergency response programs, and compiled the *Emergency Response Plan for Environmental Emergencies*. These documents have been submitted to the local ecological and environmental department and are reviewed regularly. To ensure that the Company has sufficient capabilities for dealing with accidents and emergencies, the Company conducts emergency drills for sudden environmental incidents every year and is equipped with emergency supplies.

Gongjin's Environmental Inputs and Outputs



In 2023, the Company was not subject to any administrative or criminal penalties or ordered by the relevant people's government or government departments to rectify, suspend production, relocate or close down within a specified period of time. The Company did not have any major litigation or major assets seized, confiscated, frozen, mortgaged or pledged due to environmental issues.

The Company regularly conducts internal audits of the environmental management system on an annual basis to identify environmental risks and formulate improvement programs. In accordance with the requirements of environmental impact assessment approval and pollution discharge permit, the Company established environmental protection facilities to improve the level of comprehensive environmental management. The local ecological and environmental regulatory authorities did not list the Company's production bases as key regulatory units in 2023.

During the reporting period, the Company had a total of four production bases in Pingshan, Taicang, Haining and Vietnam, all of which passed the ISO 14001:2015 environmental management system certification with 100% coverage.

Certification of Environmental Management System Passed by Gongjin

The image displays five ISO 14001:2015 environmental management system certification certificates. The first four are in Chinese and issued by TÜV Rheinland, covering the Company and its production bases in Pingshan, Taicang, and Haining. The fifth is in English, issued by SGS, covering the Vietnam production base. Each certificate includes the company name, address, and certification details.

ISO 14001:2015 certificate of the Company

ISO 14001:2015 certificate of Pingshan Production Base

ISO 14001:2015 certificate of Taicang Production Base

ISO 14001:2015 certificate of Haining Production Base

ISO 14001:2015 certificate of Vietnam Production Base

Effectiveness of Gongjin's Environmental Management

Raw material procurement	<ul style="list-style-type: none"> Through supplier auditing, raw material testing, sample sampling, etc., the Company strictly controls the content of toxic and hazardous substances controlled by the RoHS Directive, REACH Regulations, and domestic laws and regulations.
Product production	<ul style="list-style-type: none"> The Company periodically engages a qualified third party to conduct environmental monitoring to verify that emissions of air and water pollutants are in compliance with standards. The emissions of exhaust gas and wastewater pollutants from various production bases in 2023 meet the emission standards.
Waste disposal	<ul style="list-style-type: none"> Qualified third parties dispose hazardous waste. We print after-sales recycling channels, reasonable disposal locations, and facilities on the product casing, packaging, and instructions.

In 2023, the Company had 2 new construction, renovation, or expansion projects with significant environmental impacts, namely 1 new construction project and 1 expansion project.

Gongjin's New, Renovation or Expansion Projects in 2023

Project name	Whether the EIA document for the construction project has been approved	Whether the environmental acceptance of the completion of the construction project has been completed
New Gongjin Technology Building Project of Taicang T&W Electronics Co., Ltd	Yes (THJ (2016) No. 401)	No, the project is not completed
Phase II Project of Industrial Plant of T&W Electronics (Vietnam) Co., Ltd.	Yes (EIA Report No. 2849/QD-UBND)	No, the project is not completed

Water Resources Management

The Company's water resources come from the municipal water supply, which is mainly used for employee living and production. The production water is the cooling water recycled by the cooling tower. There is no significant impact on the surrounding water environment in terms of water sources.

According to technical specifications such as the *General Rules for Water Balance Testing*, *General Rules for Equipping and Managing Water Measuring Instruments in Water Users*, and *Energy saving Standards for Central Air Conditioning Water Infrastructure*, the Company formulated the *Promotion Policy for Energy Saving and Consumption Reduction*, *Dormitory Management Policy*, etc., and prepared water balance testing reports, standardizing the use and management of water resources.

The Company sets water resource management goals based on its own operating situation, and the Board of Directors reviews the achievement of performance goals annually. Each production base establishes energy saving and consumption reduction teams, conducts regular inspections and supervises the repair of water leaks, appoints regional leaders to control the use of water resources, and posts slogans for visual promotion.

Gongjin's Water Consumption Goal and Achievement in 2023

Production base	Quantitative goals and goal coverage	Goal achievement
Pingshan Production Base	<ul style="list-style-type: none"> The water consumption for production per 10,000 PCB points: $\leq 0.13 \text{ m}^3$ 	<ul style="list-style-type: none"> The water consumption for production per 10,000 PCB points was 0.12 m^3
	<ul style="list-style-type: none"> Per capita domestic water consumption: less than 2.30 m^3 	<ul style="list-style-type: none"> Per capita domestic water consumption was 2.42 m^3
Taicang Production Base	<ul style="list-style-type: none"> First half: The water consumption for production shall decrease by 3% year-on-year, and the per capita domestic water consumption in the same period shall be 2.8 tonnes; 	<ul style="list-style-type: none"> Production water consumption in the first half of the year decreased by 58.04% year-on-year, achieving the goal; per capita domestic water consumption of 3.24 tonnes
	<ul style="list-style-type: none"> The total water consumption of the single unit system in the second half of the year shall decrease by 5% 	<ul style="list-style-type: none"> The total water consumption of the single unit system in the second half of the year decreased by 19.42%.

In 2023, the Company implemented several initiatives to optimize the water consumption process and conducted daily water conservation education for employees, which resulted in tangible water savings.

Gongjin's Water Conservation Initiatives and Results in 2023

Actions

- Recycling of air-conditioning water
- Reasonable control of cooling tower fans to reduce production water evaporation
- Adoption of rainwater wells to collect rainwater for landscape irrigation and street washing
- Replacement of intelligent water meters for domestic and fire-fighting water metering instruments to observe water consumption in real time



- Publicize water conservation through various media such as bulletin boards and electronic screens



- Replace irrigation humidification with spray humidification for air-conditioning cabinets

Achievements and performance

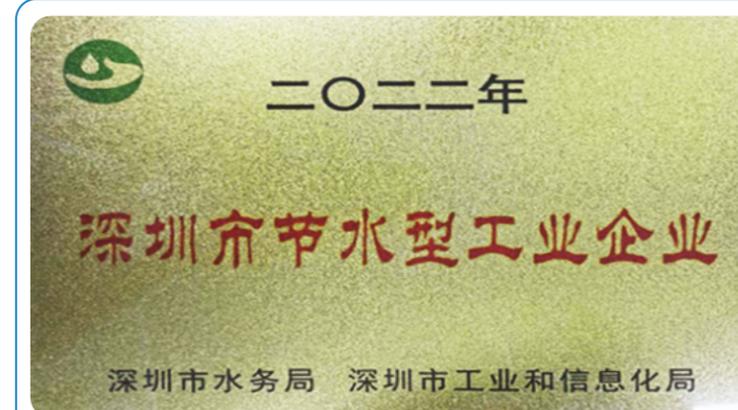
Taicang production base's domestic and fire-fighting water consumption totaled $339,959 \text{ m}^3$, down 14% from the same period last year

Conducted more than 10 water conservation meetings

Expected to save 480 tonnes of water per month

Shenzhen Water-saving Industrial Enterprise Award for Pingshan Production Base

The Pingshan production base received the Shenzhen Water-saving Industrial Enterprise Award in September 2023, and successfully passed the on-site acceptance by the Shenzhen Municipal Water Affairs Bureau.



Medal awarded

Emission and Waste Management

Exhaust Gas Management

In strict compliance with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the Company formulated the *Environmental Monitoring and Pollution Control Procedure* and the *Monitoring and Measurement Work Guidelines*. By developing an exhaust gas pollutant monitoring plan, we regularly replace the adsorption medium for exhaust gas treatment to ensure that the efficiency of exhaust gas treatment meets the standard. We engage a professional third party to conduct regular on-site inspections of exhaust gas emission compliance. In 2023, the exhaust gas monitoring results met the emission standards specified in the pollutant discharge permit.

Types and Disposal Methods of Waste Gas Pollutants in Gongjin

Exhaust gas type	Pollution factors	Emission method	Disposal process
Solder paste printing and wiping exhaust and reflow soldering, wave soldering, and manual refill soldering exhaust	Tin and its compounds, volatile organic compounds (VOCs), particulate matter	Indirect emissions	Activated carbon, filter cotton adsorption

Promoting the Updating and Iteration of Wave Soldering Machines to Reduce Exhaust Gas

The Company's production bases continue to promote the replacement of wave soldering machines with advanced selective spraying and selective soldering wave soldering machines. By replacing full spraying with regional selective spraying and spot spraying, we reduced the amount of auxiliary flux used and significantly reduced the emission of VOCs from process exhaust gases.

Wastewater Management

We collect the domestic sewage of our employees through sanitary ware and discharge it into the municipal sewage pipeline network. We also discharge the canteen wastewater into the municipal sewage pipeline network together with the domestic sewage after oil separation pre-treatment. Most of the cooling tower water evaporates into the atmosphere and a small amount is discharged into the municipal pipeline network.

Waste Management

In strict compliance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and standards, the Company formulated and implemented the *Recycling of Tin Strip, Tin Wire, Tin Paste and Tin Dross for Saving* following the requirements. To guarantee the effective implementation of our waste reduction goals, we implemented a number of measures to minimize waste generation.

Gongjin's Waste Types and Disposal Methods

Type	Link	Name of waste	Disposal method
Hazardous waste	Soldering	Waste empty containers (solder paste boxes)	Handed over to the supplier for recycling and utilization, and disposed of by the supplier to a qualified third party in a unified manner
	Waste raw materials and electronic products	Waste circuit boards (remnant materials, non-conforming raw materials, waste pins from original equipment, non-conforming products)	
	Sleeve film and stencil cleaning	Waste organic solvent (cleanout fluid)	Entrusted to a qualified third party for transfer and disposal
	Equipment furnace maintenance	Waste engine oil	
	Process exhaust treatment	Waste filter cotton	
Packaging or containers contaminated with hazardous waste	Waste wiping paper, waste rags and gloves		
General waste	Packaging	Waste packaging materials	Handed over to general industrial solid waste recyclers for utilization
		Waste plastics	
	Domestic wastes	Waste disposable batteries	Disposed of by sanitation
		Other	

Gongjin's Waste Management Goals in 2023

Types of waste	Region	Quantitative goals and goal coverage	Goal achievement
Hazardous waste management	Pingshan Production Base	The amount of hazardous wastes generated from RMB 1 million sales: ≤ 0.43 kg	The amount of hazardous wastes generated from RMB 1 million sales was 0.42 kg, with the goal achieved
	Taicang Production Base	3% year-on-year decrease in hazardous waste generation from million sales in the first half of the year; hazardous waste generation in the second half of the year ≤4 kg/1,000 sets	Hazardous waste generation from million sales in the first half of the year increased by 36.34% year-on-year; hazardous waste generation in the second half of the year amounted to 2.86 kg/1,000 sets.
General waste	Pingshan Production Base	The amount of general wastes generated from RMB 1 million sales shall decrease by 5% year-on-year	The amount of general wastes generated from RMB 1 million sales decreased by 21.42% year-on-year, with the goal achieved
	Taicang Production Base	3% year-on-year decrease in general waste generation from RMB 1 million sales in the first/second half of the year	The amount of general wastes generated from RMB 1 million sales in the first/second half of the year increased by 45.86% and 12.50% year-on-year, respectively

Gongjin's Initiatives and Effectiveness in Reducing Waste

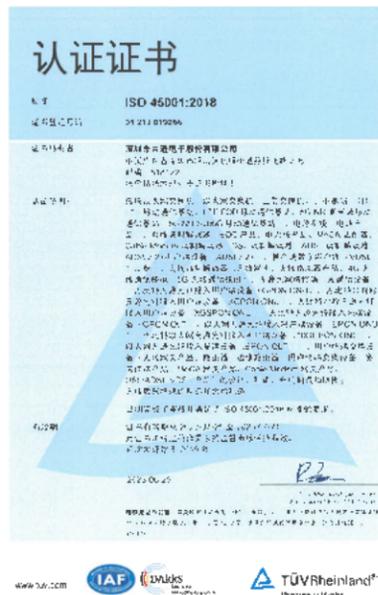
Actions	Achievements and performance
<p>Import automatic splitters to replace manual labor and reduce PCB waste caused by manual operation errors</p> <p>Use plastic boxes instead of cardboard boxes to meet waterproof, shock-absorbing, compressive, and other performance requirements, with strong durability and repeated use.</p> <p>Assembling shells to eliminate PE bags, the use of compact plastic-free packaging solutions</p> <p>90% of manuals with less than 16 pages are folded and printed. For manuals with more pages that cannot be folded, electronic manuals can be obtained through QR codes</p> <p>Install nitrogen protection devices on the original 14 dual in-line package (DIP) technology line body</p> <p>Introduce equipment interconnection systems to improve overall equipment efficiency (OEE)</p>	<p>Reduced the use of cardboard boxes by 287,000 units per year</p> <div style="display: flex; justify-content: space-around;">   </div> <p>The original cardboard boxes are prone to deformation and require manual sorting</p> <p>Plastic boxes have superior performance and are reusable</p> <p>Reduced the generation of plastic waste</p> <p>Reduced the jockey pins, printing supplies, and waste paper</p> <p>DIP wave soldering furnace originally generated 6,110 kg of dross annually, the annual generation of dross in 2023 fell to 4,700 kg, a year-on-year reduction of 30%.</p> <p>Reduced manual misjudgment and equipment throwing rate</p>

Occupational Health and Safety

The health and safety of employees is the top priority of the Company's sustainable development. In strict compliance with the *Work Safety Law of the People's Republic of China*, the *Regulations on the Management of Occupational Hygiene in the Workplace*, and other laws and regulations, the Company formulated the *Guidelines for Employee Occupational Health Inspection*, the *Guidelines for the Management of Work Safety Supplies* and other management policies. We established a perfect occupational health and work safety management system and set up a management structure such as a safety management committee.

The Company strictly controls production safety with high standards and sets safety management goals. The goal for each production base in 2023 was an accident rate of no more than 0.2 for 200,000 man-hours, and zero serious or fatal accidents. In 2023, the actual accident rate for 200,000 man-hours was 0.09, and there were no serious or fatal accidents, which was a good achievement of the goal.

In 2023, 100% of the Company's production bases passed the ISO 45001:2018 certified occupational health and safety system certification. The production base in Pingshan passed the third level of work safety standardization certification, and the production base in Taicang passed the second level of work safety standardization certification.



ISO 45001:2018 certificate of the Company



ISO 45001:2018 certificate of Pingshan Production Base



ISO 45001:2018 certificate of Taicang Production Base



ISO 45001:2018 certificate of Haining Production Base

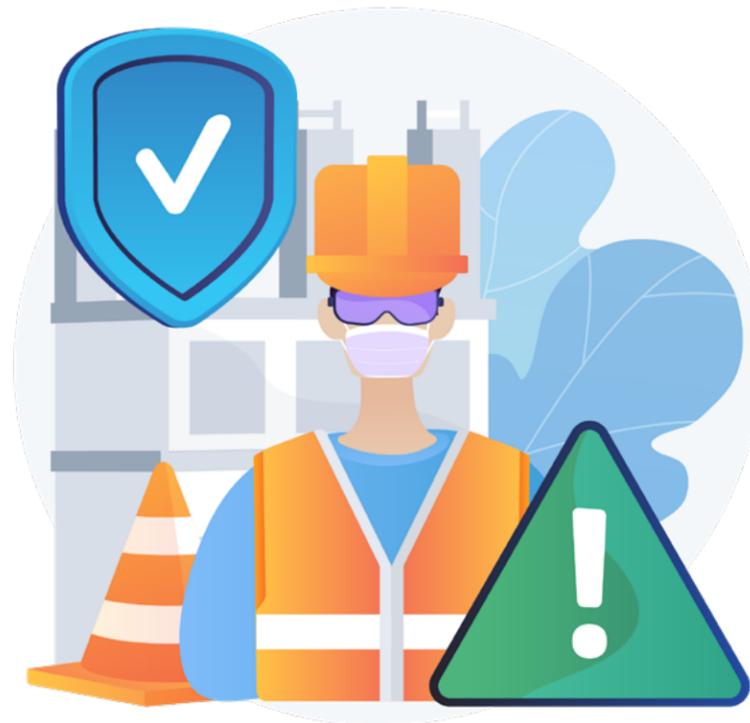


ISO 45001:2018 certificate of Vietnam Production Base

The Company conducts a triennial assessment of the current state of occupational health to identify occupational hazards in the workplace and actively take protective measures.

Gongjin's Occupational Disease Hazard Factors Management Measures

Region	Hazard factors of occupational diseases	Preventive measures
Pingshan	Isopropyl alcohol, tin dioxide, pentane, ethyl acetate, methanol, acetaldehyde, phenolic resin dust, abrasive wheel grinding dust, other dust (iron), other dust (PCB), noise, high temperatures, industrial frequency electric fields, laser radiation, X-rays	Provide safe working environment and labor protection facilities
Taicang	Tin dioxide, isopropyl alcohol, noise, ionizing radiation, ethanolamine, sodium hydroxide, potassium hydroxide, other dust, laser radiation, industrial frequency electric field	
Haining	Tin dioxide, isopropyl alcohol, other dust, laser radiation, dust, noise, industrial frequency electric field, ionizing radiation	



For each of the occupational disease hazards, the Company conducts annual occupational hazard tests, develops occupational safety notice boards, and takes appropriate protective measures for occupational safety. In 2023, the Company continued to conduct health checks for employees in positions at risk of occupational disease before, during, and after leaving work. We found no cases of occupational contraindications or confirmed diagnoses of occupational diseases, and no incidents of violation of occupational safety laws and regulations.

Gongjin's Initiatives in Occupational Health and Safety Management

Type	Key actions and achievements
Work safety training	<ul style="list-style-type: none"> Carry out company-level, workshop-level and shift-level work safety training; Workshops establish part-time training specialists who are responsible for conducting health and safety training for new employees; Establish assessment indicators for training specialists and relevant incentive mechanisms; Launch the EHS promotion ambassador program to promote the creation and updating of grouped EHS documents.
Digital tools	<p>Import an IoT device networking system, connect real-time data from various production devices, set thresholds for device operating parameters. When the system detects that the parameters have reached the predetermined threshold, it will trigger the shutdown of the production line or generate improvement tasks, effectively predicting and preventing safety risks.</p> 
Antistatic management	<p>Passed the ANSI/ESD S20.20:2021 antistatic management system certification, completed the installation, calibration and control of human static electricity gate equipment, and raised the awareness of antistatic production among all employees.</p>

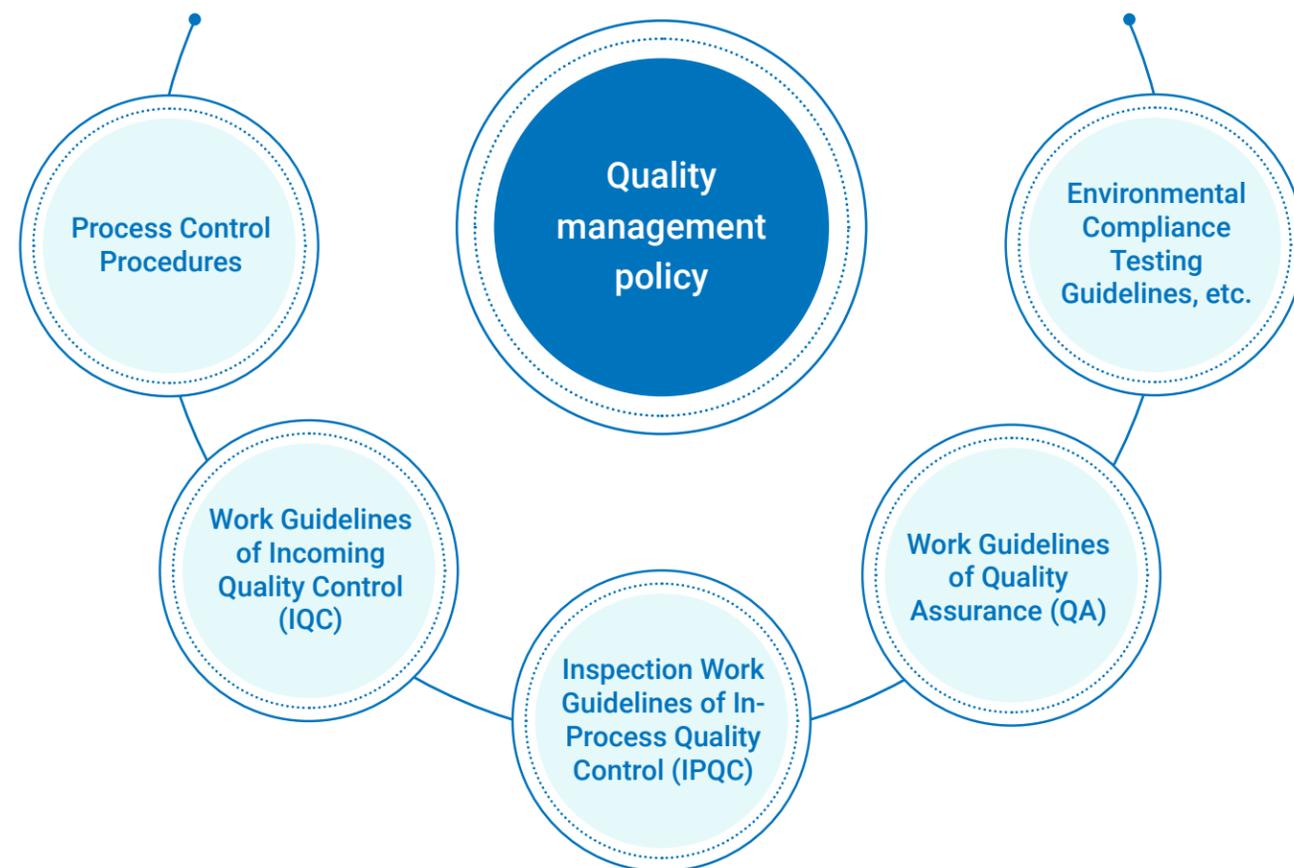
05 Strict Quality Control and Innovative Development

Product and Service Quality

Enhancement of Product Quality

Gongjin always takes the quality of products and services as its top priority, and strictly complies with the laws and regulations of the countries in which it operates, such as the *Product Quality Law of the People's Republic of China*, the *Implementing Rules of the Law of the People's Republic of China on Product Quality in Vietnam*, the *Consumer Product Safety Law of the United States*, and the *General Product Safety Directive of the European Union*, to build an overall quality management capability and continuously improve the quality of its products.

Gongjin Quality Management Policy



Gongjin's Quality Management Goals and Achievements

Production base	Quality management goals	Quality management achievement
Pingshan	<ul style="list-style-type: none"> The number of quality accidents: zero; The comprehensive product yield: 98.59%; The first pass yield (FPY): 91.07% 	<ul style="list-style-type: none"> The number of quality accidents in 2023: zero; The comprehensive product yield: 98.85%; The first pass yield (FPY): 91.85%;
Taicang	<ul style="list-style-type: none"> The number of annual major quality accidents: zero; The comprehensive product yield: 98.60%; The first pass yield (FPY): 90.81%. 	<ul style="list-style-type: none"> 0 major quality accidents in 2023; The comprehensive product yield: 98.71%; The first pass yield (FPY): 91.24%;
Vietnam	<ul style="list-style-type: none"> 0 annual quality accidents; Annual customer problem feedback ≤ 12 cases; Comprehensive product yield ≥ 98.50%; First pass yield (FPY) ≥ 91.00%. 	<ul style="list-style-type: none"> 0 actual quality accidents in 2023; 6 actual customer problem feedback cases; The comprehensive product yield: 98.58%; The first pass yield (FPY): 91.58%;
Haining	<ul style="list-style-type: none"> The number of quality accidents: zero; The comprehensive product yield: 98.20%; The first pass yield (FPY): 98.80%. 	<ul style="list-style-type: none"> 0 quality accidents in 2023; The comprehensive product yield: 98.35%; The first pass yield (FPY): 99.04%;

In 2023, the Company passed ISO 9001:2015 Quality Management System Certification, IATF16949:2016 Automotive Industry System Standard Compliance Certification, TL9000-HR6.3/R5.7 Telecommunication Industry Quality System Certification, and met ANSI/ESD S20.20:2021 American National Standards Institute (ANSI)/Electrostatic Discharge (ESD (Electrostatic Discharge) Association standards and many other domestic and international certifications and standards.

Gongjin's Quality Management System Certification

Certified business entity	ISO9001:2015	IATF16949:2016	TL9000-HR6.3/R5.7	ANSI/ESD S20.20:2021
Pingshan HQ	✓	—	✓	✓
Taicang T&W	✓	—	✓	✓
Nanshan Branch	✓	—	✓	—
Dalian Gongjin	✓	—	✓	—
Suzhou Gongjin Automobile	✓	✓	—	—
Haining T&W	✓	—	—	✓
Vietnam T&W	✓	—	✓	✓



IATF16949:2016 automotive industry system certification of Suzhou Gongjin Automobile



ISO 9001 quality management system certification of the Company



TL9000-HR6.3/R5.7 system certification of Vietnam T&W



ANSI/ESD S20.20:2021 system certification of Vietnam T&W

The Company sets quality management goals each year and conducts regular reviews. Through methods such as improvement of comprehensive material quality indicators, review mechanism for the manufacturability of new product quality, improvement of in-process quality throughput yield, promotion of IT-based product quality, and quality and safety training, we ensure that customer expectations are met while enhancing product market competitiveness.

Gongjin's Main Quality Management Tasks in 2023

Item	Description	Item	Description
Improvement of comprehensive material quality indicators	<ul style="list-style-type: none"> Led by the Supplier Quality Engineer (SQE), we worked with suppliers to clarify the key indicators/parameters/items of various materials, improved IQC testing equipment and testing items (including auxiliary materials); We conducted Out Quality Control (OQC) personnel certification and change request control for local suppliers to promote the establishment of material reliability testing mechanisms and improve supplier testing capabilities; For key suppliers, we gradually introduced Production Part Approval Process (PPAP) audits to enhance their self-improvement capabilities through coaching. We introduced the Quarterly Business Review (QBR) mechanism to improve quality awareness; In conjunction with promoting the inclusion of auxiliary materials in the bill of material (BOM) for material inspection, we synchronously included auxiliary material suppliers in the normal audit scope to reduce risks. 	Improvement of in-process quality throughput yield	<ul style="list-style-type: none"> We improved SMT mainly through timely response to internal defects, efficient interception of Automated Optical Inspection (AOI), specialized improvement of equipment failures, and formulation of printed circuit board (PCB) manufacturing standards; We improve DIP mainly through the fixation of AOI inspection personnel, production of AOI equipment programs, standardization of material foot length, on-site management, and daily special review of defective products; Through the Asymmetric Transport Protocol (ATP), we mainly focused on improving collision defects from the perspectives of tooling, human operation standards, human error prevention design, and product design risks; We made various special improvements, such as improving the outflow of defective printed circuit board assembly (PCBA), improving the retest rate, improving the error and leakage countermeasure, and improving the standard three rates.
Review mechanism for the manufacturability of new product quality	<ul style="list-style-type: none"> We integrated the Company's design specifications and conducted Failure Mode and Effects Analysis (FMEA) reviews on hardware, software, EDA (Electronic Design Automation), NPI (New Product Introduction), and processes for new projects; We refined the list of review items and pass criterion for each stage of NPI, especially BOM accuracy, design compliance, and actual testing; We worked with NPI to continuously update the manufacturability review project and promoted the update and review of the PCBA (Printed Circuit Board Assembly) Valor rules; increased the validation of PCBA process parameters and fixtures for each process segment; and conducted technical feasibility assessments of product environmental and safety requirements to ensure product safety and environmental compliance during customer use; We organized hardware, software, and ATE (Automatic Test Equipment) and PTE to perform test coverage reviews and software test case reviews (including home-grown software not used for shipping) during the NPI phase; Based on the summary of past experiences and lessons learned, we gradually guided CQE (Customer Quality Engineer)/PQA (Process Quality Assurance) to conduct Lesson Learned reviews with R&D, engineering, and IE (Industrial Engineer) on new projects. 	Promotion of IT-based product quality	<ul style="list-style-type: none"> The Internet of Things (IoT) platform sets thresholds for various device data collection, networking, parameters, indicators, etc. When the threshold is reached, it will trigger a shutdown or generate improvement tasks.
		Quality and safety training	<ul style="list-style-type: none"> We emphasize product quality and safety training and provide a 3-day pre-employment training for new employees. Key positions require participation in pre-employment testing to ensure employees meet job requirements. On-duty employees receive 10 hours of job-specific training per month.

According to the *EU Restriction of Hazardous Substances (RoHS Directive)*, the *Registration, Evaluation, Authorization and Restriction of Chemicals (REACH Regulation)*, and the domestic chemical substance control standards and other laws and regulations on the restriction of the use of toxic and hazardous substances, the Company strictly controls the use of halogens, Perfluorooctane Sulfonate (PFOS) and other controlled substances. In conjunction with the customer requirements, we developed the *Environmental Protection Technical Standards* to prevent the release or decomposition of hazardous substances during the life cycle of our products.

Gongjin's Hazardous Substance Control Flow

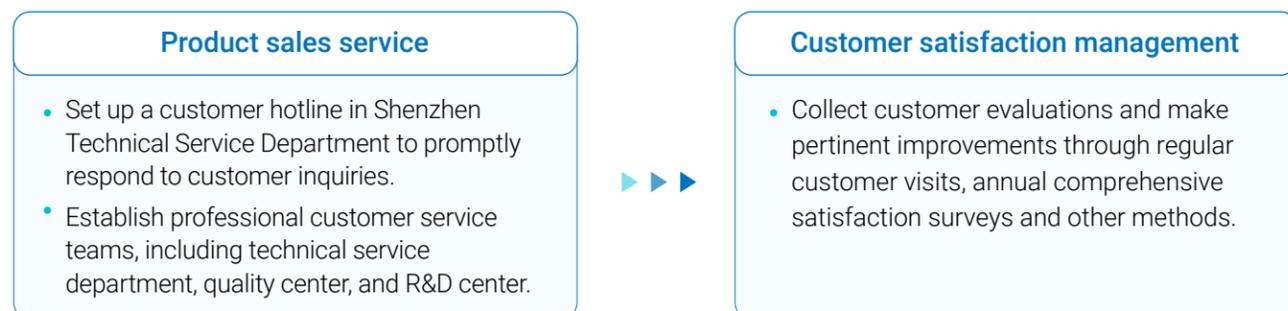


The Company established a product recall mechanism. If quality problems occur in products during the normal production process, we will conduct recalls and disposals following requirements agreed with customers in advance. In 2023, the Company did not have any incidents of violation of laws and regulations related to products and services, and did not have any incidents of recall of products sold or shipped for safety and health reasons.

Improvement of Customer Service

Gongjin always puts customers' needs first. We are committed to providing excellent customer service and improving service quality in all aspects. We formulated management policies such as the *Customer Service Control Program* and *Customer Satisfaction Control Program* to ensure proper management of pre-sale, return, warranty, and customer complaint work for all products.

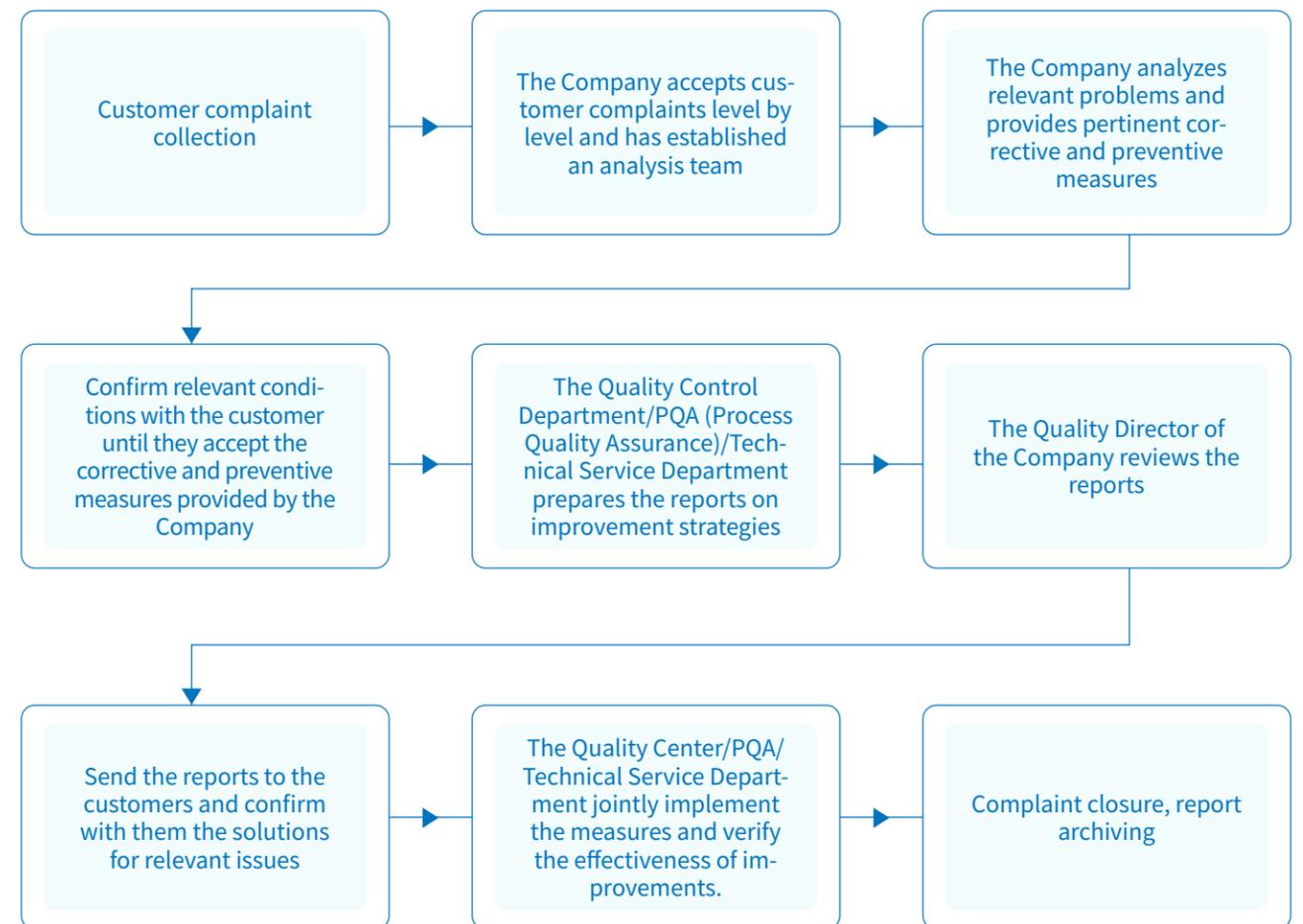
Gongjin Customer Service System



During the reporting period, the result of the customer satisfaction³ survey was **88.50%**, an increase of **10.31%** over the previous period. We received **12** complaints about our products and services, a decrease of **52%** over the previous period, with a **100%** complaint resolution rate.

In response to customer feedback and complaint issues, the Company established a comprehensive handling process. We evaluate the severity of complaints, and through a tiered handling mechanism of first-line customer service technicians, second-line quality center technicians, and third-line R&D and design staff, we can quickly resolve customer feedback, reduce the negative impact of problems, and promote continuous improvement in product quality and other aspects.

Gongjin Customer Complaint Handling Procedure



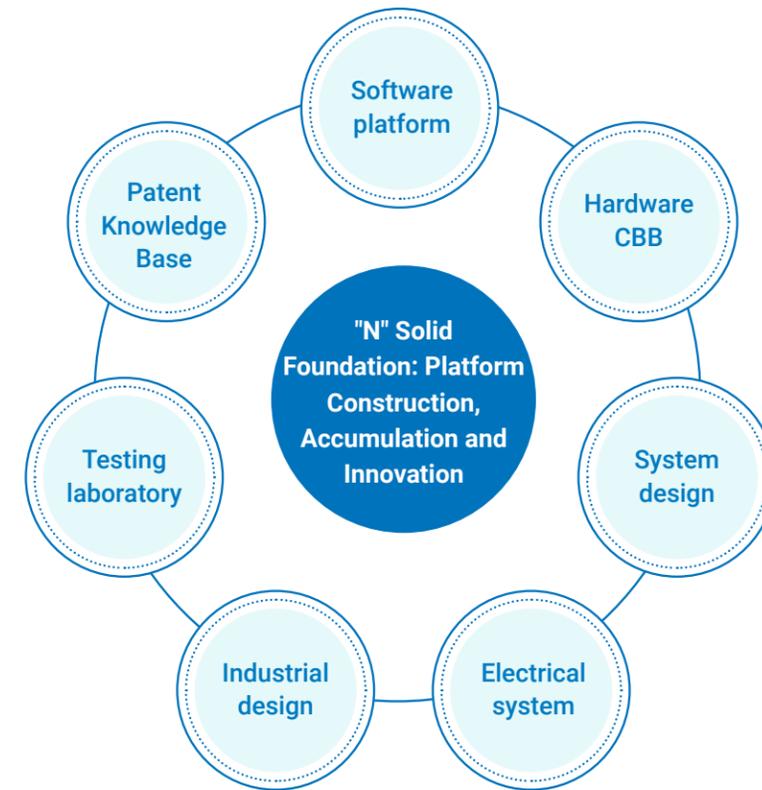
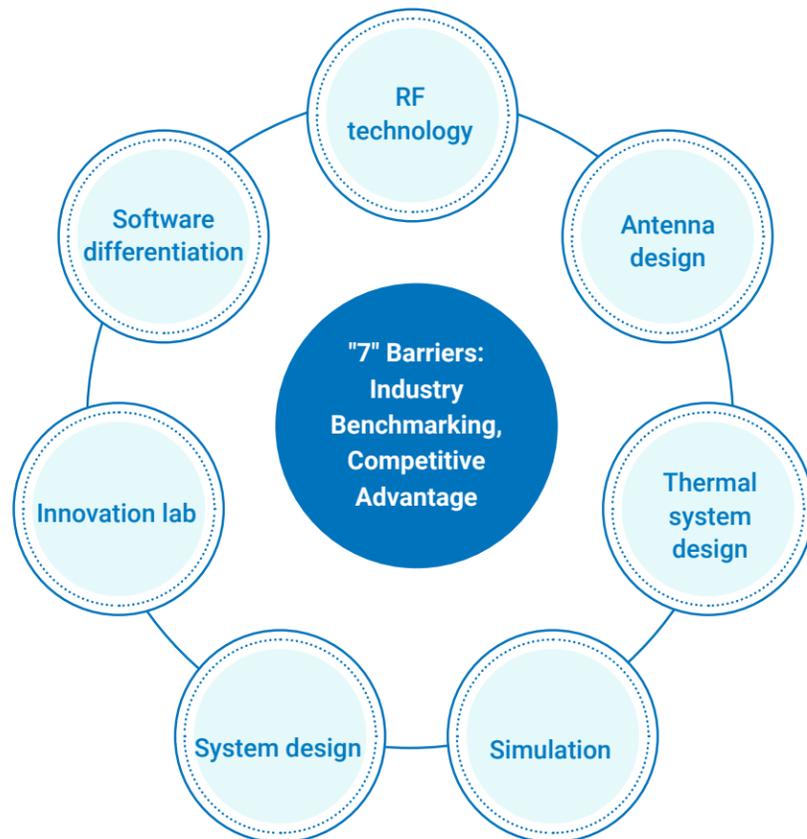
³ Method for calculation of customer satisfaction: Number of Top 2 quarterly business review (QBR) of key customers/ total number of evaluations.

R&D Innovation

Innovative R&D system

To promote R&D innovation more effectively, the Company introduced the Integrated Product Development (IPD) process and optimized and localized the IPD process to form a Collaboration Product Development (CPD) process suitable for the Company. The CPD process comprehensively covers the management of product planning, design and planning, development and testing, validation and release, and life cycle management. The Company's R&D management based on the CPD process meets the annual audit requirements of TL9000 and ISO9001 in the industry. It has become a relatively mature R&D management system.

According to our development strategy and planning, we established a technology sharing platform in the 7+N field to enhance our R&D innovation capabilities and those of our subsidiaries, and to realize the sharing of R&D results. By actively exploring new technological difficulties or growth points and conducting research on technical topics, we ultimately apply the research results to our products to ensure that we continue to provide high-quality products and professional services to meet the diversified needs of our customers, and further enhance our R&D innovation capabilities and market competitiveness.



In 2023, the Company upgraded the Intelligent Manufacturing Institute and established the New Product Development Department to accelerate the pace of the Company's high-tech development. In the intelligent communication business, the Company realized the batch shipment of the WiFi7 10Gb router project, continued to promote the mass production of FTTR products, and broke through the customer's 800G high-level switch project. In the mobile communication business, the Company promoted the development of dual-localized products, built localized home and industrial stations, and promoted the research and development of 4G & 5G convergence products. The CPE products completed the transition from WiFi6 to WiFi7, and the 5G CPE products participated in the formulation of the *Common Test Methods of 5G Mobile Communication Network Customer Premises Equipment (CPE)* by the China Communications Standards Industry Association.

The Company continues to optimize the self-developed DIP overall intelligent solutions. In the whole year of 2013, we added 4 DIP automated production lines, and the total number of DIP automated production lines of the Company reached 14, realizing the ratio of localization of key equipment reached 90%. The Company accelerates independent research and development of automation equipment and promotes full localization of core components. We made great improvements in product compatibility and made a breakthrough in intelligent visual inspection of product appearance.

As a national high-tech enterprise, Gongjin has innovation carriers such as the National Enterprise Technology Center, Provincial Engineering Technology Center, and Municipal Key Laboratory, which

provide important support for the Company's technological innovation, cultivation of excellent talents, and transformation of achievements.

➤ In 2023, the Company passed the Level 3 Certification of Intelligent Manufacturing Capacity Maturity. Our subsidiary, Dalian Gongjin Science and Technology Co., Ltd. undertook the government's science and technology research projects and passed the certification of Liaoning SRFI SME.

In 2023, the Company invested a total of **RMB 362,481,400** in R&D innovation, accounting for **4.25%** of operating revenue; there were **1,112 R&D personnel**, accounting for **17%** of the total number of employees.



Certificate of Level 3 Intelligent Manufacturing Capacity Maturity

▶ Industry-University-Research Cooperation

The Company actively carries out university cooperation projects and cooperates with Tsinghua University, Dalian University of Technology, Xi'an University of Science and Technology, Southern University of Science and Technology, etc., to promote scientific and technological progress and social development through resource integration and complementary advantages.

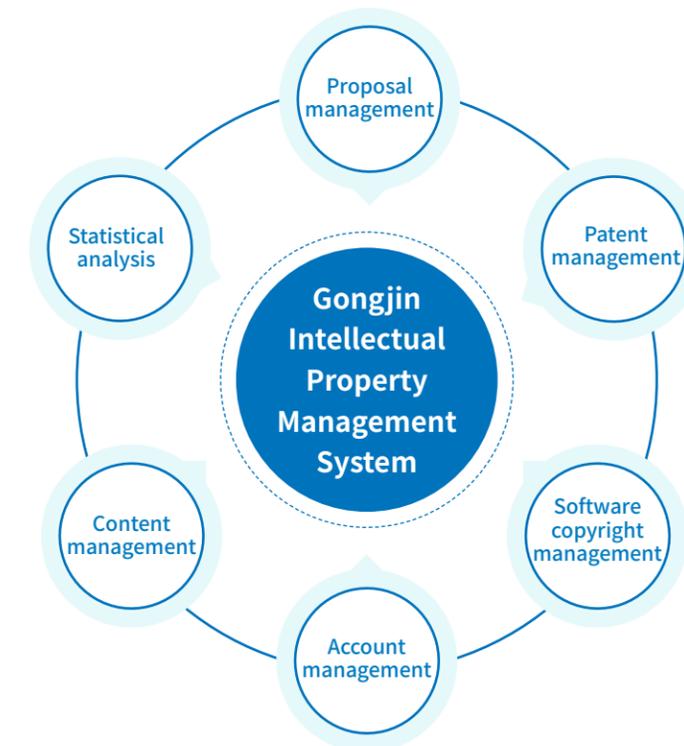
Gongjin's industry-university-research cooperation

Cooperating universities	Cooperative programs
Tsinghua University	ChatGLM fusion multi-dimensional platform
Dalian University of Technology	R&D and application of 5G real-time ultra-wideband wireless communication base station technology
Xi'an University of Science and Technology	Packaging and testing of sensor and automotive electronic chips
Southern University of Science and Technology	Self-developed instrumentation for WIFI RF testing
Xi'an Jiaotong-Liverpool University	The Company became the teaching practice base of Xi'an Jiaotong-Liverpool University

▶ Intellectual Property Protection

Always stressing the importance of intellectual property rights protection, Gongjin insists on respecting other people's intellectual property rights and protecting its own intellectual property rights, and constantly improves its intellectual property management policy to promote the high-quality development of the Company's business.

The Company formulated the *Intellectual Property Management System, System of Reward for Intellectual Property Application, Reward Measures on the Company's Intellectual Property Invention and Standard System Construction, Management Provisions on Further Standardizing the Company's Patent Application Process and Reward Criteria*, and other systems. We established a standardized intellectual property management system and passed the intellectual property management system certification to implement the entire process of standardized management for the creation, management, utilization, and protection of the Company's intellectual property.



The Company regularly conducts training for the R&D team, covering the intellectual property application process, patent writing and other aspects, and continuously improves the R&D team's awareness and ability to protect intellectual property.

➤ In November 2023, the China National Intellectual Property Administration recognized Dalian Gongjin Technology Co., Ltd, a subsidiary of the Company, as a "National Intellectual Property Advantageous Enterprise."

In 2023, the Company accumulated more than **1,514 invention patents**, filed a total of **207 patents** annually, received **126 granted patents**, **2 approved trademarks**, and registered **14 software copyrights**.

Information Security and Privacy Protection

Gongjin implements information security and privacy protection for customers, suppliers, and employees, and complies with information security and privacy laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China* when collecting, storing, processing, disseminating, and sharing materials.

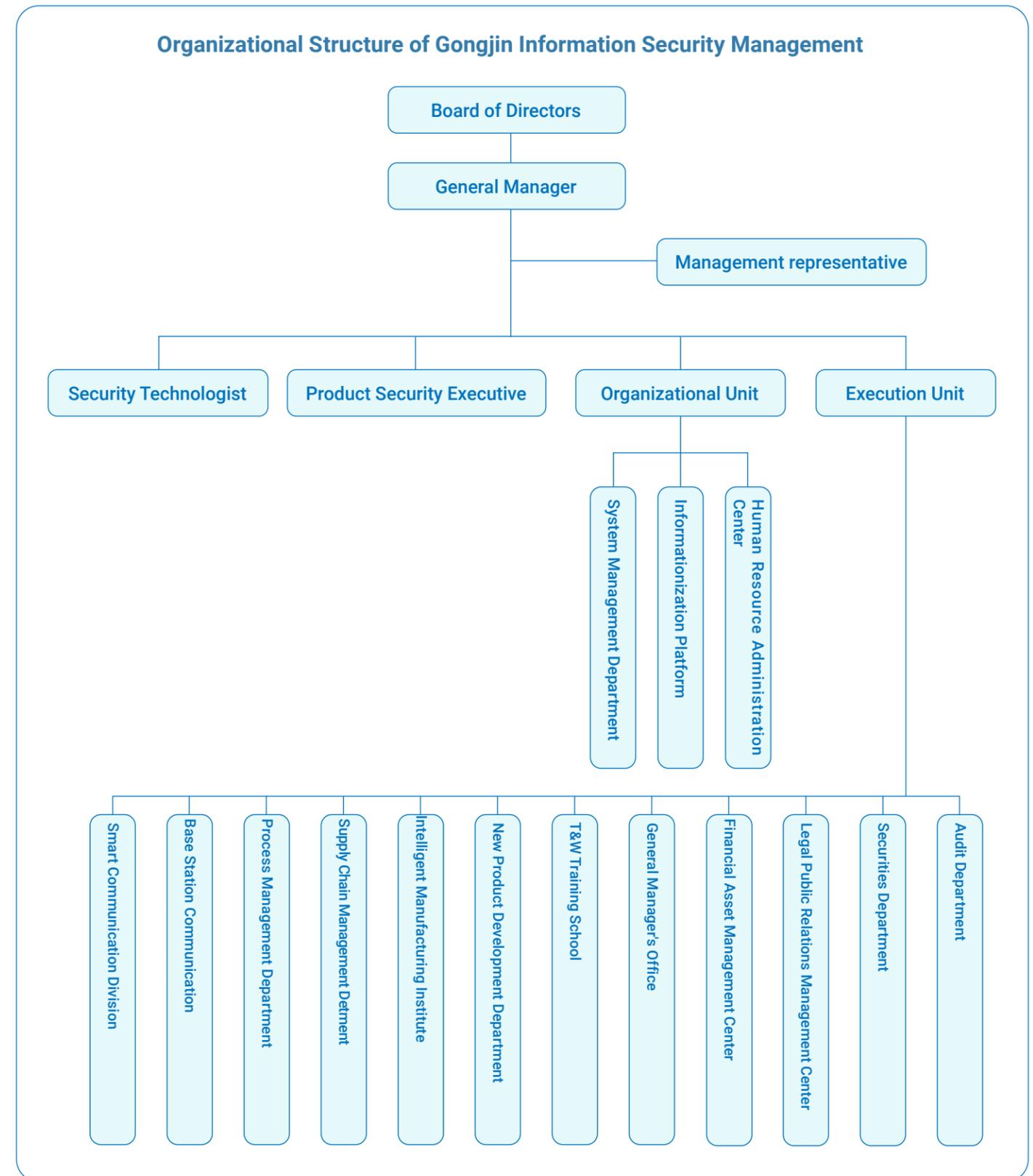
The Company established management systems such as the *Information Security Management Manual*, *Information Security Management System*, *Desktop System Security Strategy*, *Information Security Reward and Punishment System*, and *Information Confidentiality Work Guidelines*. We established a top-down organizational structure for information security management, consisting of the Board of Directors, organizational units, and execution units, covering software and hardware security, computer room security, network security, personal information security, and other aspects. We promoted the integration of information security into business processes, ensuring the standardized implementation of information security work.

The Company passed the ISO 27001:2022 information security management system certification (valid until September 2026) and received the Industrial Internet Classification and Rating Level 3. During the reporting period, the Company did not have any incidents of customer data breaches, and there were no incidents of violations of laws and regulations relating to the protection of trade secrets (including intellectual property rights).



ISO 27001:2022

Information Security Management System Certificate of the Company



Description of Responsibilities at Each Level of the Organizational Structure of Gongjin Information Security Management

Functional level	Responsibilities
Board of Directors	<ul style="list-style-type: none"> Define the direction and hierarchy of the Group's information security construction.
Management representative	<ul style="list-style-type: none"> Carry out the direction and hierarchical decomposition and supervision of regional information security construction.
Security Technologist	<ul style="list-style-type: none"> Conduct assessments and risk warnings of the Group's information security system, equipment and construction plans, and continuously improve and provide information security technology support services.
Product Security Executive	<ul style="list-style-type: none"> Build and manage the security team, define the security strategy, formulate standardized processes, resolve security incidents, and continuously summarize and improve.
Organizational Unit	<ul style="list-style-type: none"> Organize and formulate the Company's various information security policy planning, management standards, and technical specifications; Coordinate, direct and monitor the implementation of relevant information security policies, management standards and technical specifications of each department within the organization; Organize the identification, risk assessment, and disposal of information assets in each department; Conduct information security inspections and internal audits, and provide information security training and education; Perform information security incident investigation, handling, and disciplinary actions.
Execution Unit	<ul style="list-style-type: none"> Participate in the development of information security management specifications and technical specifications as assigned; Perform and implement various management and technical information security specifications.

The Company conducts privacy risk audits through regular internal audits and deadline corrections to ensure that privacy is effectively protected. To protect the information security of the Company and its customers, we work on four aspects, namely information security, data center, network construction, and desktop services.

Gongjin's Main Information Security Work in 2023

Category	Task name	Achievement status	Value achievements
Information security	<ul style="list-style-type: none"> Information security inspection, tracking and remediation Leakage scanning and rectification of external network release system Gongjin security three-dimensional protection research and planning Deployment of industrial control fire-wall in Pingshan 	Achieved 100% of planned goals, upgraded security protection equipment, and improved the Company's information security system	Enhance information security and prevent security risks
Data center	<ul style="list-style-type: none"> Taicang MES6.0, APS hardware planning and deployment Research on digitalization-oriented private cloud solutions Pingshan MES6.0 hardware program planning and deployment 	Achieved 100% of planned goals, upgraded business systems, and pre-studied technology routes against industry benchmarks	Satisfy business needs and lay the foundation for digital transformation
Network construction	<ul style="list-style-type: none"> Planning and deployment of Gongjin's equipment IoT network Gongjin AGV network planning and deployment 3C electronic material intelligent warehouse project 	Achieved 100% of planned goals, and improved the network planning and deployment	Satisfy the demand of intelligent library on-line, and promote the transformation of intelligent manufacturing
Desktop service	<ul style="list-style-type: none"> Gongjin IT asset inventory and exception handling Continuous improvement of video conference system Scrapping of IT assets phased out in East China 	Achieved 100% of planned goals, and improved user satisfaction	Reduced costs and improved office efficiency

06 Collaboration and Giving Back to the Society

Responsible Supply Chain

The Company's suppliers include qualified suppliers, exclusive suppliers and temporary suppliers. The Company adheres to the *RBA Code of Conduct*, revises and improves policies such as the *Supplier Review Procedure* by referencing the United Nations Global Compact (UNGC) Principles and International Labour Organization (ILO) conventions, establishes a Supply Chain Management Committee, and continuously promotes sustainability management of internal suppliers.

By continuously improving the internal Supply Chain Service (SCS) management system and the Green Product Compliance Management (GPCM) system, the Company conducts specialized management and supervision of suppliers to promote the improvement of their environmental and social performance.

Gongjin Supplier Management Policy

New supplier admission management systems

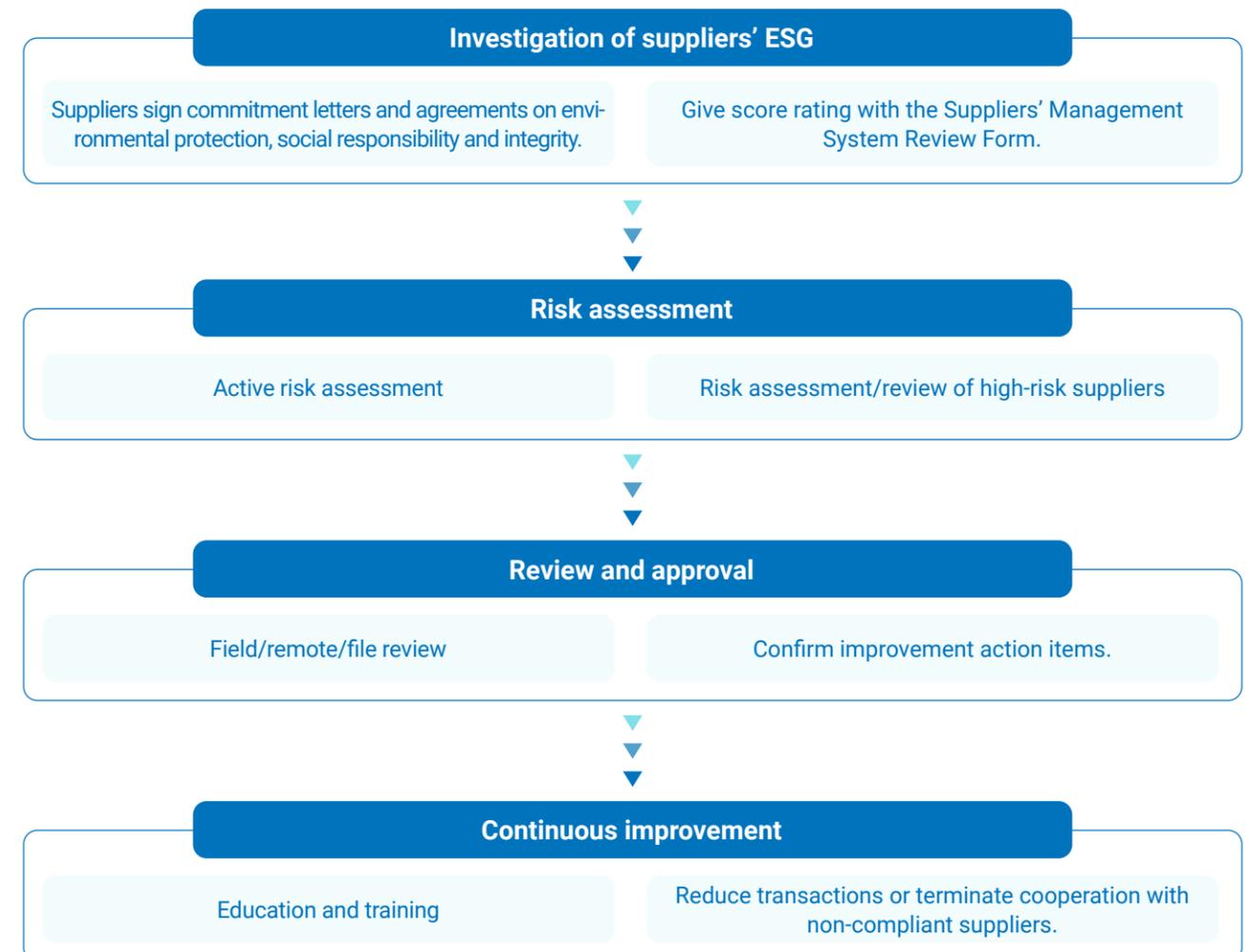
- Supplier Questionnaire
- Guidelines for Material Import
- Supplier Review Procedure
- Environmental Assurance Agreement
- Suppliers' Environmental Compliance Declaration
- Letter of Commitment on Social Responsibility and Occupational Health and Safety
- Business Partner Trade Security Agreement
- Cooperation Integrity Agreement
- Confidentiality Agreement
- Agreement on Guarantee of Non-use of Conflict Minerals
- Guidelines for Material Trial Production, etc.

Existing supplier assessment management systems

- Supplier Review Procedure
- Roles on Suppliers' Performance Appraisal and Evaluation
- Annual Supplier Review Form
- Suppliers' Management System Review Form, etc.



Gongjin's Supplier Environmental and Social Responsibility Management Process



The Company works with suppliers to implement development policies such as environmental protection and resource recycling through regular exchanges, audit consultation, and in-depth communication, in addition to strict requirements for suppliers in terms of quality, cost, delivery, and environmental safety. The Company identifies, evaluates, and audits the environmental and social responsibility risks that may be associated with all suppliers. In 2023, the company formulated a three-year green supply chain development plan with the goal of including key suppliers in the Green Partner Program from 2024 to 2026.

ESG Topics and Risk Types Involved in Gongjin's Supplier Management Assessment



Conflict Minerals Management

In strict compliance with international organizations and industry regulations, the Company does not accept or use "conflict minerals" from the Democratic Republic of Congo and surrounding countries and regions. To reasonably ensure that its sources comply with the Responsible Minerals Initiative (RMI), the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, or equivalent and recognized due diligence frameworks, the Company requires all suppliers to trace the sources and regulatory chains of gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), and mica (Mica) contained in the products they produce.

The Company developed the *Management Procedure for Conflict Minerals*. For the introduction of new suppliers, the Company not only requires them to sign a Conflict Minerals Non-Use Agreement and submit a CMRT questionnaire, but also evaluates the supplier's ability to manage conflict minerals during on-site evaluations using the *Supplier Review Procedure* and the *Supplier Conflict Minerals Review Form*.

For smelters or refiners that are found to be non-compliant with the Responsible Minerals Assurance Program (RMAP), the Company facilitates ongoing improvements by the supplier until the smelter list provided by the supplier is fully compliant. In 2023, we improved our internal and external conflict minerals management capabilities through training, including supplier conflict minerals training with 516 participating suppliers and internal conflict minerals training through online learning at the Networking Academy.

➤ In 2023, the company completed **183 supplier** annual audits reviews on environmental topics include **67 reviews** reviews on social topics include **98 reviews** all of which are low-risk. For the improvement items of the audit issues, the improvement completion rate was **100%**

➤ In 2023, the total number of suppliers of the Company was **813**. We sent out conflict minerals questionnaires (CMRT) to **465 suppliers** involved in the use of conflict minerals, with a coverage rate of **100%**, and received valid CMRT questionnaires from **465 suppliers**.

In 2023, the Company's review identified **4 smelters** in non-compliance, representing **0.8%**, and the Company proposed appropriate preventive and corrective actions for the original non-compliant smelters.

Charity and Voluntary Activities

Adhering to the principle of "offering sincere love, accumulating fairness and virtue, helping students and the needy, alleviating poverty and disaster relief, and performing public welfare," Gongjin actively carries out various social welfare activities. We established the T&W Love Fund in 2000, and in July 2012, with the approval of the Shenzhen Municipal Civil Affairs Bureau, we established the Shenzhen T&W Love Public Welfare Foundation ("Foundation").

To ensure the smooth implementation of projects and the legality of daily operations, the Foundation follows the *Charity Law of the People's Republic of China* and other relevant laws and regulations. In 2023, the Foundation comprehensively improved its operation and management policies and internal governance system in strict accordance with the 4A standards of the Shenzhen Social Organization Assessment Guidelines. By maintaining complete records of public welfare projects and standardized financial management, the Foundation ensures that every donation is used for the greatest social benefit.

Honors of the Foundation in 2023

<p>In March 2023, the Foundation joined Shenzhen Non-Governmental Organization Federation.</p>	<p>In April 2023, the Foundation became a member unit of The Association of Charitable Foundations in Shenzhen.</p>
<p>In 2023, the Foundation won the 2023 Education Public Welfare Contribution Award at the 13th Philanthropy Festival and the documentary - The Lamplighters was awarded the 2023 Public Welfare Image Award.</p>	<p>In June 2023, Shanghai Gongjin Communications Technology Co., Ltd. joined the Xinhong Public Welfare Alliance.</p>

Actively devoted to public welfare for more than 20 years, more than 100,000 T&W employees and people from all walks of life have participated in charitable donations. The Foundation has invested nearly RMB 60 million in public welfare, building a unique public welfare system. It is well known in the field of public welfare education in central and western China.

Gongjin's Public Welfare Scholarship Public Welfare Programs in 2023

Field	Description	Key achievements
Civil engineering project	The Foundation partnered with the Zhenping County Education Bureau to rebuild the Zhenping School Building Project	In February, the Zhenping T&W Hope Primary School held a ceremony to mark the completion of its classroom building, and the Foundation provided RMB 3.4 million in construction assistance.
	The Foundation partnered with the Eryuan County Education Bureau, Yunnan Province, to build a new comprehensive building for the Eryuan Republican T&W Hope Primary School	In February, the project held a signing ceremony for the donation of funds for the construction of a new comprehensive building, and the foundation stone was officially laid in August. The total amount of the project was RMB 4.1 million, of which RMB 2.05 million was donated by the Foundation.
T&W Hope Primary School	Visit-based teaching support public welfare activities	In June, we sent 9 visit-based teaching support teams to 10 T&W Hope Primary Schools to conduct an annual public welfare volunteer teaching activity, and donated a total of RMB 816,200 in supplies, mainly for gift distribution on International Children's Day.
	Flower Project - Support Hope Summer Camp	From July to August in 2023, we successfully held the 8th T&W Hope Primary School "Support Hope" Summer Camp in Shenzhen and Taicang. We divided 110 students and 22 teachers from 10 T&W Hope Primary Schools into Shenzhen Camp and Taicang Camp, enabling them to have a dream journey in Shenzhen, Taicang and Shanghai.
	Public welfare fund of "Green Seedling Program"	We provided living subsidies to poor students from 10 T&W Hope Primary Schools who graduated and entered junior high school. A total of 113 students received subsidies from the Youth Seedlings Program, totaling RMB 226,000.
	Public welfare fund of "Seedling Protecting Program"	We provided subsidies for poor students who graduated from T&W Primary School and entered high school, and for high school students who were about to drop out of school due to their own serious illnesses, subsidizing 58 high school students throughout the year with a cumulative amount of RMB 174,000. With the Foundation's support, the 10 students who graduated during the year were successfully admitted to universities.
	Welfare visit on Teacher's Day	In September, we conducted Teacher's Day welfare visits, sent holiday blessings to a total of 306 teachers in 10 T&W Hope Primary Schools, and distributed a total of RMB 110,800 in Teacher's Day welfare.
	Intelligence engineering	We equipped ten T&W Hope Schools with computers, video conferencing equipment, computer monitors, keyboards and mice, mobile stands, electronic whiteboards, printers, and more.
	Hosting the "How to Be a Mentor" workshop	In October, the Foundation hosted the 2023 second workshop on "How to Be a Mentor" for T&W Hope Primary Schools. Fifty-one principals and classroom teachers from 10 T&W Hope Primary Schools gathered to start their learning journey.
	New teacher recognition	In November, the Foundation held the second "New Era - Good Gardener - Great Hope" T&W Hope Primary School Outstanding Teachers Recognition Activity. A total of 183 teachers from 10 T&W Hope Primary Schools as well as representatives of teachers and students from Shanyang County took part in the recognition event.

The Company continuously engages in community welfare activities such as caring for autistic children, voluntary blood donation, and concern for disaster areas.

Gongjin's Public Welfare Achievements



As of 2023, a total of 10 T&W Hope Primary Schools had been built up.	As of 2023, nearly RMB 60 million had been invested in education, public welfare, poverty alleviation and disaster relief activities.	In 2023, a total of RMM 5,878,400 was invested in charitable donations and rural revitalization.
In 2023, the Company was appraised as a 4A non-governmental organization in Shenzhen.	In 2023, total volunteer service for employees was up to 2,201 hours.	In 2023, 287 times of employee volunteer services were completed.

Gongjin's Community Welfare Activities in 2023

Public welfare activities Activity achievements	Caring for autistic children	Voluntary blood donation	Caring for disaster-stricken areas	Public welfare running activities	Green environmental protection series activities
	<ul style="list-style-type: none"> In March, volunteers organized and carried out the volunteer activity of painting Tonglang Mountain to take care of the "Children of the Stars"; In April, to encourage more people to pay attention to the group of autistic children, volunteers participated in the Stars Concert; In June, we organized the Shenzhen Aite Orchestra to perform at the Taicang Special Education School; In June, 15 volunteers from Taicang T&W Electronics Co., Ltd. went to Taicang Special Education School to help the school organize summer fun games; In December, the Aite Orchestra made a report on its work in 2023 to the Foundation, and the Foundation donated RMB 80,000 to the Aite Orchestra. 	<ul style="list-style-type: none"> The Foundation regularly organizes all employees to participate in voluntary blood donation activities every month. Throughout the year, it organized a total of 68 people to participate in voluntary blood donation, donating 22,700 ml of blood. 	<ul style="list-style-type: none"> In August, the Foundation donated RMB 300,000 to Kaiyuan Town, Shulan City, Jilin Province. 	<ul style="list-style-type: none"> The Foundation's South China Joint Administration Center held three activities in Jurongshan Park and Xiaogui Green Island in Pingshan. Individuals who complete the challenge of the "5km Public Welfare Run" project can help the "Children of the Stars" and donate RMB 50 to the children in the name of the individual. The activity set up a "10km Challenge Run" project, if the challenge is successful, it will be on behalf of an individual to donate RMB 100 to help the children. A total of 109 people participated in the event and completed the challenge. 	<ul style="list-style-type: none"> In May, Taicang T&W Electronics Co., Ltd. carried out a series of green environmental protection activities, including the signing of the Civilization Convention, an environmental protection knowledge quiz, and Run for Love. More than 200 T&W employees participated in the Run for Love on May 21, raising a total of RMB 3,200 for the comfort of autistic children in Taicang.

07 Employee Care and Talent Development

Employee Recruitment and Employment

Gongjin is committed to building an efficient, harmonious, and innovative team, to attracting and retaining excellent talents, and to promoting the long-term development of the Company.

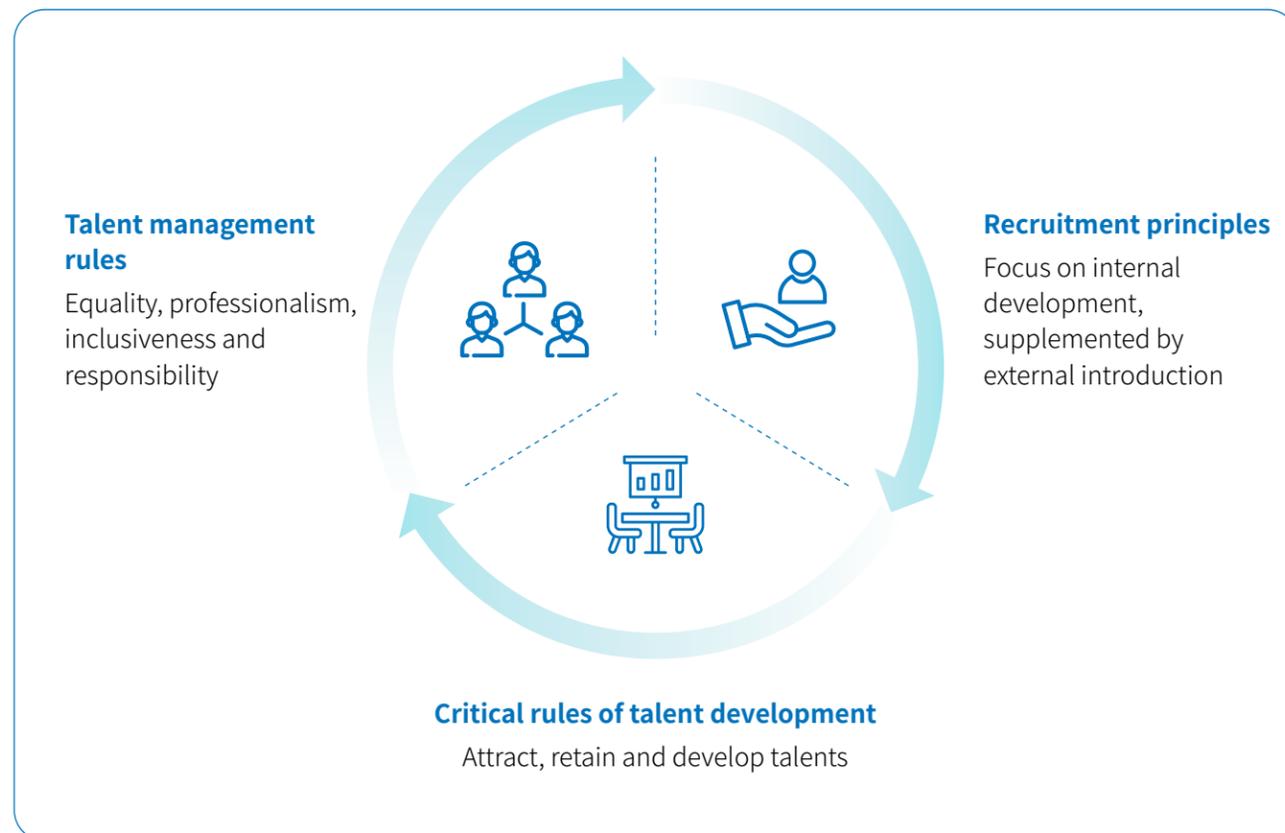
In strict compliance with the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, the Company formulated the *Recruitment Management Manual* and other policies. Through these measures, we ensure that the company's procedures in the entire process of recruiting, hiring, working, and leaving employees are standardized, open, and transparent. We also ensure that every employee and applicant, regardless of race, religion, age, gender, etc., is given the opportunity to realize their values on Gongjin's diversified platform.

In the recruitment process, we ensure that the most suitable candidates can be identified, attracted, selected and appointed based on the recruitment strategy of "recruiting at the right time and using the most effective channels to select the most suitable talent for the Company." The Company adheres to the principle of "internal recruitment as the mainstay and external recruitment as a supplement." When vacancies occur in our mature business teams, we prioritize internal training and promotion from lower skill levels to fill the vacancies at the lower levels. We only consider hiring directly from outside if there are no internal promotions available. We may hire directly from outside if the Company's New Business team has a need.

Adhering to the "Principle of Meritocracy, Openness, Planning and Avoidance of Relatives," we are open to the community and recruit talented people. All necessary personnel will be recruited on the basis of merit and open conditions. When recruiting employees, we require that they meet the Company's "four hundred percent" talent requirements. That is, they must meet 100% of the requirements for job skills, 100% of the requirements for the Company's corporate culture, 100% of the requirements for business development, and 100% of the requirements for the Company's human resources assessment.

During the reporting period, the Company had no significant employee discrimination, employment, or forced labor claims.

Gongjin's Talent Philosophy



Gongjin's Campus Recruitment Principles

Campus recruitment principles	Description
Principle of possessing both moral integrity and talent	The recruitment process should not only examine the professional knowledge of the graduates, but also their character and quality;
Principle of two-way selection	Recruiters should respect graduates' career choices in the recruitment process;
Principle of striving for excellent talents	Securing first-class graduate talent for new business;
Principle of selective admission	Relatively outstanding graduates should be selected under the same conditions;
Principle of fairness and impartiality	Recruiters should give graduates an equal chance of being selected;
Principle of values recognition	Recruiters should focus on the recognition of the convergence with the Company's values in the recruitment process.

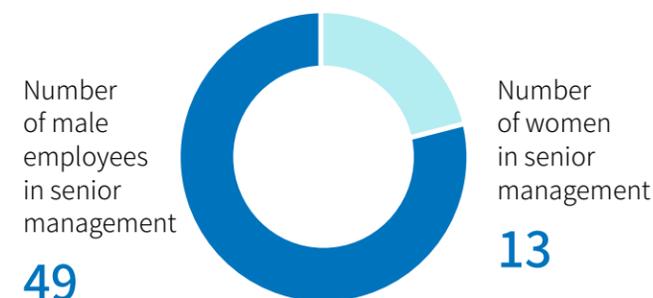
Overview of Gongjin's Employment and Dismissal Policy

Employment and dismissal

Working hours and overtime

- **Employment:** Equal employment opportunity, prohibition of forced labor, child labor, and no discrimination against any employee;
- **Dismissal:** Provide a procedure for leaving the company and make special provisions in the employee handbook for the termination of employment contracts;
- **Remuneration:** The company implements fixed-post and fixed-salary management.

- **Working hours:** Standard working hours are 40 hours per week for employees. Due to production characteristics, nature of work or scope of duties, the Company's executive, sales, marketing and technical support positions cannot implement the standard work policy and must maneuver and adopt the irregular work system. Shift employees shall have their work schedules for the corresponding positions formulated by their departments, and their work schedules shall be submitted for approval in accordance with the law. Part-time employees and positions that require mobility due to the nature of the work shall be subject to the irregular work system;
- **Overtime:** We control overtime work and advocate reasonable arrangement of work and rest time.



Employees' Rights, Benefits, and Welfare

Protecting Employee Rights and Benefits

Protecting the fundamental rights and interests of employees is the premise and foundation of our talent management. In strict compliance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations, Gongjin formulated the *Salary Management Policy*, the *Welfare Management Policy*, the *Electronic Attendance and Vacation Management Rules* and other management systems to establish a scientific and reasonable salary system, providing employees with good remuneration and safeguard the basic rights and interests of employees.

We purchase supplemental commercial insurance for retired and rehired employees and employees in special positions.

Overview of Gongjin's Employee Benefits

Mandated benefits	In accordance with the law, the company pays social insurance and housing fund for employees, observes national holidays, and provides for personal leave, sick leave, marriage leave, maternity leave, bereavement leave, paid annual leave, parental leave, and educational leave.
Travel benefits	Available to employees with one year of service in grades 4, 5 and above
Festival benefits	New Year's Day, Spring Festival, Dragon Boat Festival, Mid-Autumn Festival, Women's Day, Children's Day festival benefits
Congratulatory benefits	Birthday benefits, newborn congratulation benefits
Other benefits	Benefits for visiting sick employees, shuttle bus benefits, dietary benefits, energy supply allowance, health checkup benefits, household benefits, dormitory benefits, training leave benefits, EAP psychological care benefits

We take care of employees who are in trouble, formulate the Regulations on the Management of Employee Mutual Aid Fund, set up the Employee Mutual Aid Fund to provide timely assistance to employees in special trouble, and focus on helping employees in trouble, their immediate family members, and alleviating consumer poverty.

During the reporting period, the social insurance contribution rate and the medical examination coverage rate of our employees were both 100%.

► **Employee Communication and Care**

Gongjin attaches great importance to employees' opinions and suggestions, and actively takes measures to meet employees' demands and expectations. We revise and improve internal policies such as the *Work System of Employee Communication Mechanism*, *Guidelines for the Work of Communication Groups*, *Workflow Management System of Employees' Congress*, etc., and actively carry out a series of measures to strengthen communication with employees. We support the Labor Union in negotiating and signing the Collective Agreement with the Company on behalf of the employees to safeguard the legitimate rights and interests of the employees.

To safeguard the legitimate rights and interests of all employees, the Company formulated the Regulations on Employee Complaint Management to provide a proper and smooth channel and an open and fair way to receive employee complaints. If employees are subjected to discrimination and inhumane treatment (including sexual harassment, sexual abuse, corporal punishment, mental or physical oppression, verbal abuse, etc.), they may file complaints through the channels designated by the Company.

Gongjin's Employee Communication Channels

Establish a communication group

Collect various feedback and inquiries from employees, actively organize relevant departments to solve problems and promptly respond to employee inquiries.

Establish diverse communication channels

Establish diverse communication channels, including employees' congress, departmental democratic symposiums and new employee symposiums, actively seek and adopt employees' suggestions and opinions.

► In May 2023, the Company signed a collective agreement with the Labor Union. With **100% coverage**, the agreement clarifies and protects the rights and responsibilities of both employers and employees.



Recognizing that a healthy mind is the cornerstone of a happy life, we continually increase our investment in employee mental health and actively provide professional psychological services.

Gongjin's Initiatives to Protect Employees' Health

Type	Initiatives
Mental health services	<ul style="list-style-type: none"> • Select EAP professional consulting companies, set up professional EAP physical and mental relaxation rooms internally, open to all employees free of charge, and provide 12 professional psychological counseling services to employees and their families annually. • Provide monthly on-site counseling with professional counselors and establish a 24-hour psychological counseling hotline for all employees and their families. • Carry out offline fun psychological carnival, knowledge competition popularization, EAP care ambassador training, etc., to establish a psychological crisis intervention buffer zone for the Company and employees. • Upgrade EAP to "H-EAP" to upgrade the Company's care system for employees.
Physical health services	<ul style="list-style-type: none"> • Provide free daily medical treatment and physical examination benefits • Organize emergency treatment training for employees • Establish a health center in the Company, a pharmacy in the office, and a first-aid kit in the production area.

To encourage employee participation in corporate cultural activities and create a positive cultural atmosphere, we formulated the *Management Measures for Points of Employee Corporate Culture Activities*. For employees who participate in volunteer activities, community activities, public welfare activities, cultural and sports activities, and other corporate cultural activities, we award a certain number of points according to the situation, and the points are used as an important basis for selecting the annual Outstanding Young Volunteers, the Corporate Culture Star of the T&W Hundred Stars, and the Civilized T&W People of the Moving T&W Characters, and other selection activities.

To enrich the work and leisure lives of our employees, we planned and organized a variety of activities for them in 2023, including corporate culture activities, festivals, monthly activities, circle activities, club activities, special activities, department reunions, etc.

► In 2023, the Company conducted two employee satisfaction surveys, with an overall satisfaction rate of **88.94%** and **87.48%**, respectively, in six dimensions: corporate culture, rules and regulations, work returns, work atmosphere, fulfillment of administrative service functions, and grievance mechanism.

We invested a total of **RMB 4,225,300** in organizing employee activities in 2023.

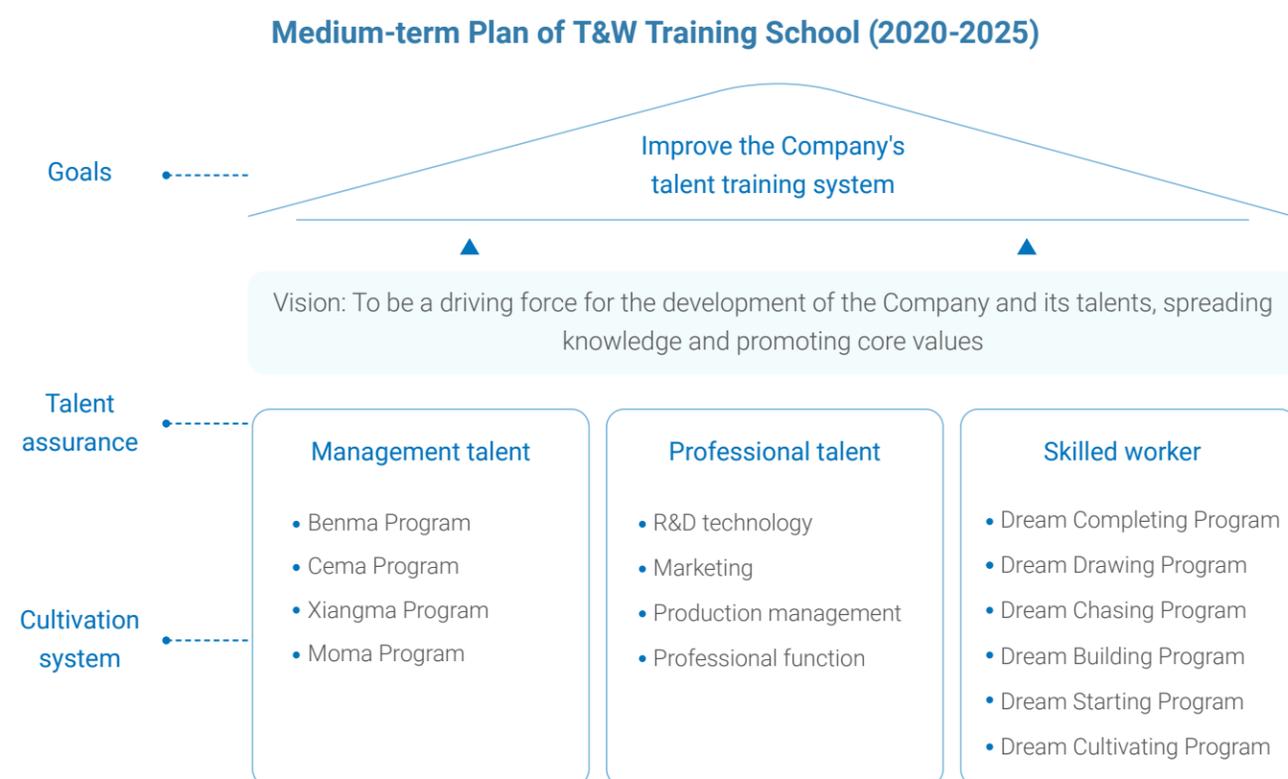
Talent Cultivation and Retention

Talent Cultivation

Believing that value-added human capital is as important as value-added financial capital, Gongjin takes continuous human resource development as an important means of realizing value-added human capital. We attach great importance to human resource development and continuously invest in human resource development expenses at a level not lower than the industry average, and formulate the *Three-Year Plan for Human Resource Development (2024-2026)* for Gongjin Electronics.

As the main talent training department of the company, T&W Training School is responsible for formulating and implementing policies and systems to ensure the orderly development of talent training. To promote the Company's talent construction, the Company formulated the Medium-Term Plan (2020-2025) of T&W Training School to define the Company's talent cultivation goals and establish a hierarchical and categorized talent cultivation system. The plan covers the needs of employees at different levels in terms of professional and technical skills and management capabilities, and ensures the talent needs of the company in the development process while promoting the growth of employees.

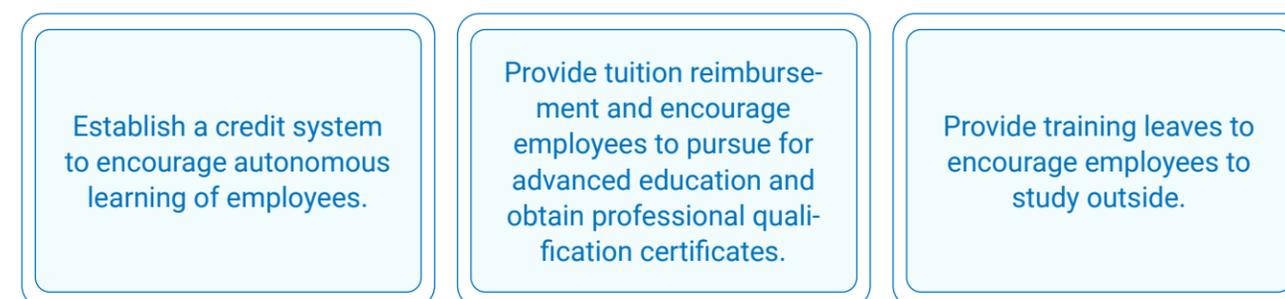
In 2023, the subsidiary T&W Electronics (Vietnam) Co., Ltd. formulated the *Talent Ladder Training Project Plan*, which clearly defined the training goals and step-by-step plan for localized talent cultivation, and made provisions for talent selection, growth paths, talent cultivation, evaluation and incentives, etc.



To meet the course resources required for the growth of our employees, we launched the "Spark Program" internal instructor training program. As of the end of 2023, we had certified more than 400 internal instructors, including more than 60 middle and senior instructors.

To meet the diverse learning needs of employees, we established an E-learning platform. Employees can learn online through four channels: PC, T&W OA, Cloud Learning, and the WeChat Official Account of Gongjin Academy. The platform has a total of more than 3,000 internal and external courses in the categories of professional knowledge, quality and general knowledge, management, etc., continuously improving the professional ability and modern management level of employees.

Gongjin's Measures to Stimulate Employees' Passion for Learning



Gongjin's Main Training Activities in 2023

Type	Content
Process capability enhancement	<ul style="list-style-type: none"> The two bases in Pingshan and Taicang conducted PCBA process capability enhancement training, with full participation of PCBA technicians and above position holders.
Quality management talent cultivation	<ul style="list-style-type: none"> We conducted 8 sessions of 6 Sigma training in Pingshan and Taicang, with a total of more than 200 participants.
Digital strategy training	<ul style="list-style-type: none"> We provided digital strategy training to all managers as the company underwent digital transformation.
Cultivation of new apprentice advanced workers	<ul style="list-style-type: none"> The Company trained 257 new senior apprentices in cooperation with the government, technical colleges, and universities
Management team capacity enhancement	<ul style="list-style-type: none"> To promote the capability improvement of the management team of Vietnam's production base, the Company conducted a study tour to China for Vietnamese managers, with a total of 19 participants.
Leadership development program	<ul style="list-style-type: none"> The Company conducted the first Youth π Creation Camp. In total, more than 80 reserve managers attended the camp, and more than 30 people participated in the empowerment training for new managers.

➤ In 2023, the Guangdong Provincial Department of Human Resources and Social Security awarded the Company the title of "Guangdong Province Industry-Education-Assessment Skills Ecosystem Chain Leader," and the Shenzhen Vocational Skills Identification Guidance Office awarded the Company the qualification of "Enterprise Vocational Skills Level Recognition."

We organized a total of **2,703 training** sessions in 2023, covering all employees, with **71 hours** of training per capita.

▶ Talent Retention

We value the career development of our employees and are committed to creating two career paths: professional and management. By establishing a professional channel qualification management system and a leadership promotion management system, and formulating relevant policies such as the *Management Policy for Professional Channel Qualifications* and the *Management Policy for Internal Selection and Appointment of Managers*, we provide employees with a better development platform and opportunities, and motivate them to continuously improve their professional skills and management level.

Employee Promotion Management System in Gongjin

Professional channel qualification management system	
Objects	R&D technology, marketing, professional, manufacturing.
Promotion criterion	According to the characteristics of each job family and job type, we set scientific and reasonable qualification level requirements for different grades. Employees with outstanding contributions can apply for promotion under the conditions of green fast-track.
Application method	Employees can request certification from their Department Manager and Human Resources Department based on whether their personal growth and value contribution meet the requirements of the standards.
Assessment frequency	Employees have the opportunity to apply for promotion twice a year on a semi-annual cycle.
Manager promotion management system	
Objects	Department Managers and above and their reserve personnel.
Promotion criterion	According to the characteristics and requirements of the position, we set up the basic requirements of the position (such as knowledge, skills and experience, etc.), attitude, performance, ability and potential and other assessment indicators. Based on experience and other requirements, in case of special positions or outstanding abilities and the need to break the record, personnel may be appointed with the special approval of the General Manager of the Company.
Application method	Self recommendation or recommendation from others.
Assessment frequency	We centralize selection, evaluation and appointment from the end of one year to the beginning of the next. On a daily basis, we select and evaluate appointments based on job requirements.

To better motivate and stabilize our talents, we formulated regulations such as the *Orange Newcomer Stable Incentive Plan*, the *Management Regulations for Young Talent's House Purchase Loans*, and the *Incentive Plan for Core Talents*, which provide incentives for orange newcomers, young talents, and core talents. For employees who have been with the company for many years, we present Veteran Service Awards at our annual meeting to employees with ten, twenty, and thirty years of service.

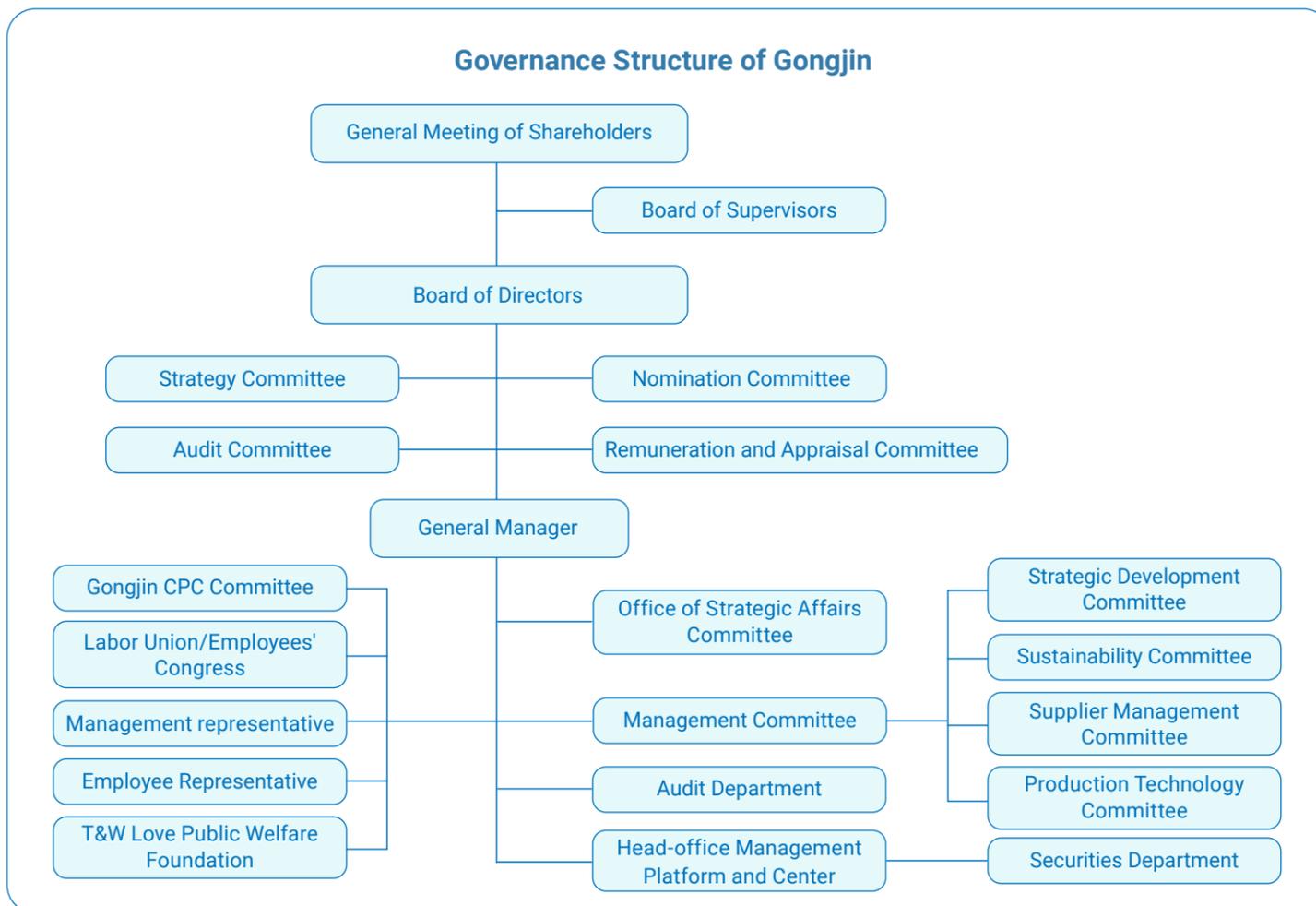
08 Building a Strong Line of Defense for Robust Operations

Corporate Governance

Governance Structure

With a focus on quality development, Gongjin improves its corporate governance, vigorously enhances the modernized management level of the Group, and continuously improves the corporate governance checks and balances mechanism consisting of the general meeting of shareholders, Board of Directors, Board of Supervisors and core management. The mechanism is characterized by a clear division of powers and responsibilities, respective responsibilities, mutual coordination, and effective balance. We optimize the operation mechanism of corporate governance among the authority, decision-making body, supervisory body and executive body to achieve "scientific decision-making, effective supervision and robust operation."

The Company has been improving corporate governance and continuously creating values for shareholders and the society in strict accordance with the requirements of laws, regulations and normative documents, such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Listing Rules of the Shanghai Stock Exchange*, as well as 15 corporate governance systems revised and improved in 2023, including the *Articles of Association*, the *Independent Director Work System* and the *Management System for Investor Relations*.



Composition of Board of Directors and Board of Supervisors

Board of Directors 12 Persons	Independent Directors 4 Persons	Female Directors 3 Persons
Board of Supervisors 3 Persons	Employee Supervisor 1 Person	

Convening of meetings of shareholders, the Board of Directors and the Board of Supervisors

General meetings of shareholders 3 Meetings	Proposals reviewed 17 Proposals	Specialized committees under the Board of Directors 9 Meetings
Meetings of the Board of Directors 7 Meetings	Proposals reviewed 36 Proposals	
Meetings of the Board of Supervisors 6 Meetings	Proposals reviewed 23 Proposals	

► **Information Disclosure**

In order to ensure the authenticity, accuracy, timeliness and completeness of the information disclosed by the Company and safeguard the fair right to know of all investors, the Company strictly complies with relevant laws and regulations, such as the *Company Law* and the *Securities Law*, and fulfills its information disclosure obligations by operation of law.

The Company has formulated the *Articles of Association* and the *Management System for Investor Relations* to provide detailed provisions on overall principles, management and responsibilities, specific procedures, confidentiality system and archive management for information disclosure. The Secretary of the Board of Directors coordinates and organizes the specific work of information disclosure, while the Office of the Board of Directors is responsible for daily management.

The Company has established a standard information disclosure process for regular announcements, temporary announcements, documents submitted to government departments, and information dissemination on the corporate website. The internal responsible person firstly verifies and submits the information and the secretary of the Board of Directors checks the compliance of and edits such information. After the review process, the information can only be disclosed. The Company discloses information according to this process to ensure the authenticity, accuracy and compliance of the information disclosed.

► In 2023, the Company totally disclosed **59 announcements, 47 attachments** and **3 records** of investor activities. During the reporting period, the Company did not commit any significant violations or penalties.

► **Protection of Investors' Rights and Interests**

While pursuing rapid growth and stable economic increase, the Company always regards investor protection as a top priority. The Company protects shareholders' rights and interests in strict accordance with relevant laws and regulations, such as the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, and firmly based on the *Articles of Association* and other systems.

The Company continuously optimizes the long-term mechanism for investors' returns, implements a robust dividend distribution policy, continuously and stably distributes dividends and actively gives back to shareholders to maintain and safeguard the investment value of long-term investors. In 2023, the Company slated for implementation an annual dividend plan, distributing the cash dividend of RMB 1.27/10 shares.

The Company attaches great importance to communication and exchange with investors to ensure that all investors have equal rights to know the information disclosed by the Company. The Company has formulated such investor relations management systems as the *Management System for Investor Relations* and the *Management Measures for Media Visits* and *Investor Research Reception*. Moreover, it has established a multi-channel and multi-way investor communication platform to actively carry out investor communication and strengthen investors' recognition and understanding of the Company.

► In 2023, the Company organized **4 performance** briefing sessions and participated in over **100 investor exchange events** in various forms (e.g. one-to-one and one-to-many), involving nearly **400 sellers and buyers**.



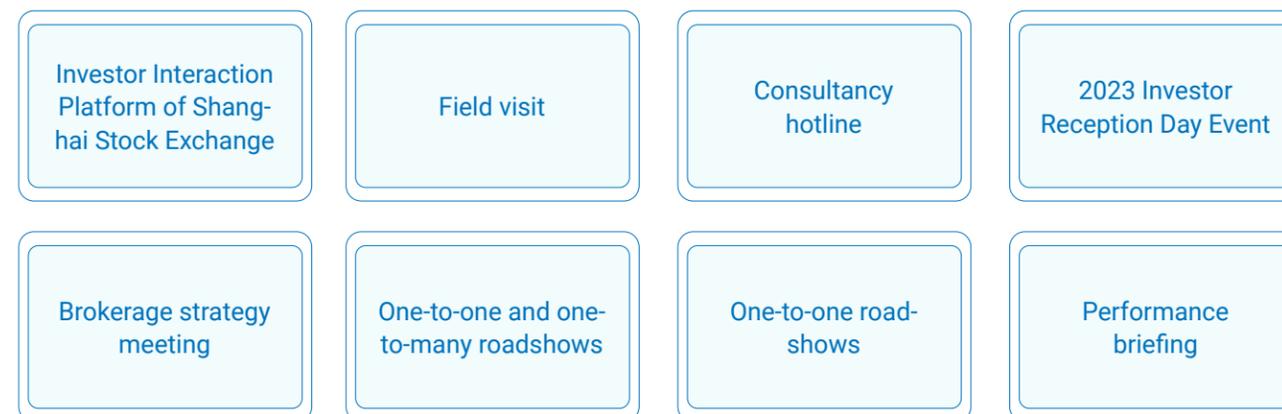
Performance briefing



Investors are visiting Haining Production Base.

In order to fully meet communication needs of small and medium-sized investors, the Company replied 177 questions of the investors through the Shanghai Stock Exchange E-interactive Platform in 2023 and interacted with investors for over 800 times through the investor hotline. Moreover, the Company also has an investor email to facilitate multi-channel interaction between small and medium-sized investors and the Company.

Communication channels for Gongjin investors



Business Ethics

Gongjin is committed to building the corporate culture of fair competition, good faith and probity, strictly adhering to legal regulations and related systems, such as the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and the *Interim Provisions on Prohibiting Commercial Bribery* and always regards anti-corruption and commercial bribery as the focus of internal risk control. The Company has established relevant systems, such as the Code for Business Conduct and Ethics and the Regulations on Employee Complaint Management to clarify behavioral norms of employees in terms of business ethics.

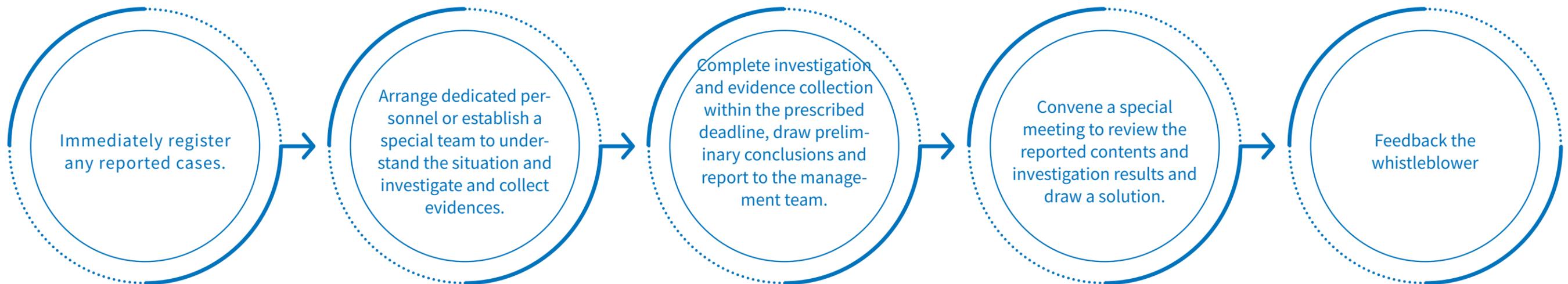
The Company takes special control measures for employees in high-risk positions involving economic transactions, such as job rotation, irregular review, follow-up visit, economic responsibility audit, etc., to prevent corruption risks. Internally, the Company has internally established the systems for reporting and punishing commercial bribery and always holds business ethics training for employees. Externally, the Company strengthens the control measures against commercial bribery, requires suppliers to enter into the *Cooperation Integrity Agreement*, holds business ethics training for new suppliers during the introduction and cooperation process and includes business ethics in the annual supplier audit.

The Company expects and encourages all employees to report suspected improper or illegal behaviors within the Company and has developed reporting and investigation systems. Employees can take real-name or anonymous reporting through ethics hotline, legal specialist telephone, email, written or direct contact with the Board of Directors, etc.

The Company keeps the identity of whistleblowers confidential and promises to take appropriate measures to protect whistleblowers in accordance with the *Regulations on Employee Complaint Management* for fear of unreasonable dismissal or injury or groundless disciplinary action. Any employees, who have harmed or retaliated against to try to harm or retaliate individuals making reports in accordance with the *Regulations on Employee Complaint Management*, are subject to disciplinary punishment, even termination of labor contracts.

The Company vigorously promotes a culture of integrity among all employees to continuously strengthen their legal and compliance awareness through regular training, publicity and other means.

Procedures for anti-corruption supervision and reporting



Compliant Operation and Risk Management

Gongjin always adheres to the principle of compliant operation, strictly manages the general meeting of shareholders, the Board of Directors and the Board of Supervisors in accordance with the provisions of the *Articles of Association* and clarifies review and execution authorities of the general meeting of shareholders, the Board of Directors and the General Manager over various daily business activities of the Company, such as financial management, fund management, connected transactions, information disclosure management and investor relationship management. For issues possibly posing a significant impact on operations, the Company may make prudent decisions and improve the scientificity of these decisions.

The Company is continuously improving its internal control system to enhance its risk control capabilities. In order to better control risks, the Company has established risk management systems, such as the *Internal Reporting System for Major Matters*, the *Insider Registration Management System* and the *Internal Audit Work System* and set up three lines of defense for risk management, which effectively guarantee the balance and constraint of risk management rights and responsibilities and improve the execution efficiency and effectiveness of risk management work.

Meanwhile, the Company successively strengthens internal control management and improves the internal control system of all subsidiaries. To ensure operational standardization and sustainability of all subsidiaries, the Company has formulated relevant systems, such as the *Management Measures for Formulating and Amending the Articles of Association of Subsidiaries*, the *Rules of Procedure for Shareholders' Meeting, Board of Directors and Board of Supervisors of Subsidiaries* and the *Management Measures for Nomination and Appointment of Directors, Supervisors and Senior Executives of Subsidiaries* and included the standardized management program of subsidiaries in key projects of the five-year development plan of the Company.

During the reporting period, the Company actively carried out internal audit, comprehensively identified various risks through special audits and internal control self-assessment and timely took measures to optimize and solve them and avoiding the recurrence of related problems in operation.



09 Appendix

ESG Data Performance Table

Environment Management

Indicator	Unit	2021	2022	2023
Annual environmental-protection investment expenditure	RMB 10,000	118.21	139.17	112.27
Number of cases in which penalties are imposed due to violations of environmental protection laws and regulations	No.	0	0	0
Total amount of packaging material used for finished products, including:	t	14,871.00	14,264.00	12,839.00
Total amount of recyclable packaging materials	t	14,706.00	14,074.00	12,668.00
Total amount of disposable packaging materials	t	165.00	190.00	171.00
Total water consumption ¹	m ³	596,925.02	583,564.97	634,826.00
Water consumption density	m ³ /RMB 10,000 revenue	0.55	0.53	0.74

Note 1: The water resources statistics for 2021 and 2022 were based on production bases in Pingshan and Taicang as well as operating points in Nanshan, Shanghai, Dalian and Shandong. In 2023, new production bases in Haining and Vietnam were increased, resulting in an increase in total water consumption.

Wastewater and Waste Gas Management

Indicator	Unit	2021	2022	2023
Total wastewater discharge ¹	m ³	491,477.23	470,720.88	508,918.80
Chemical oxygen demand (COD) emissions ²	t	118.52	54.08	109.38
Chemical oxygen demand (COD) emission concentration ²	mg/L	256.50	119.65	214.93
Ammonia nitrogen (NH ₃ -N) emissions ²	t	36.11	0.43	7.01
Ammonia nitrogen (NH ₃ -N) emission concentration ²	mg/L	156.00	2.28	35.70
Total emissions ³	10000m ³	201,687.12	170,738.64	149,773.49

Indicator	Unit	2021	2022	2023
Waste gas: Particulate matter (PM) emissions ³	kg	181.01	270.49	263.10
Particulate matter (PM) emission concentration ³	mg/m ³	0.09	0.16	0.18
volatile organic compounds (VOCs) emissions ⁴	kg	293.00	2,803.00	4,578.00
volatile organic compounds (VOCs) emissions ⁴	mg/m ³	0.34	3.16	3.06

Note 1: The wastewater discharge type of the Company was domestic wastewater and did not involve production wastewater. Statistical caliber of wastewater generation covered production bases in Pingshan, Vietnam, Haining and Taicang, excluding Gongjin Microelectronics.

Note 2: The statistics of chemical oxygen demand from 2021 to 2023 was based on the production bases in Pingshan, Haining and Taicang. The ammonia nitrogen statistics were based on Pingshan Production Base for 2021 and 2022 and Pingshan, Vietnam, Haining and Taicang production bases for 2023. The Company tests domestic wastewater annually. However, due to different water use periods and purposes of the employees, significant changes may appear in the amount and concentration of pollutants measured in different years.

Note 3: The statistics of total exhaust emissions and particulate matters were based on Pingshan and Taicang production bases for 2021 and 2022 and Pingshan, Taicang and Vietnam production bases for 2023.

Note 4: The statistics of volatile organic compounds were based on Taicang Production Base for 2021 and 2022 and Taicang and Haining production bases for 2023. Since 2022, the indicator for volatile organic compounds in Taicang Base had changed to non-methane total hydrocarbons, resulting in significant changes in the emissions of volatile organic compounds while compared to 2021.

Waste Management

Indicator	Unit	2021	2022	2023
Total amount of general waste	t	3,445.26	2,524.37	1,992.25
Domestic wastes	t	1,342.19	1,131.02	862.77
Abandoned packaging materials	t	1,211.55	560.77	840.35
Waste plastics	t	101.8	67.00	270.55
Amount of general wastes generated per RMB 10,000 revenue	kg/RMB 10,000 of operating revenue	3.19	2.30	2.34
Total amount of hazardous waste	t	82.16	64.78	58.84

Indicator	Unit	2021	2022	2023
Waste engine oil	t	0.39	0.24	2.35
Waste organic solvent ¹	t	4.76	4.92	12.67
Waste wipes	t	0.14	0.02	0.21
Waste rags and gloves	t	0.30	0.05	0.33
Waste activated carbon and filter cotton ²	t	0.68	0.63	2.62
Waste circuit board	t	75.89	58.92	40.66
Amount of hazardous wastes generated per RMB 10,000 revenue	kg/RMB 10,000 of operating revenue	0.08	0.06	0.07

Note 1: In 2023, Taicang Production Base increased the frequency of product cleaning due to the demand for product quality. So, the amount of cleaning agents increased, resulting in an increase in the production of waste organic solvents.

Note 2: In 2023, a set of waste gas treatment facilities was increased in Taicang Production Base, so that the production of waste activated carbon and filter cotton increased.

► Energy and GHG Emission Management

Indicator	Unit	2021	2022	2023
Comprehensive energy consumption	MWh	75,633.66	77,936.80	77,646.33
LPG consumption	t	1.08	0.90	0.00
NG consumption	m ³	670,475.00	610,364.00	581,959.90
Gasoline consumption of official vehicles	l	124,598.59	150,265.93	136,852.42
Diesel consumption ¹	l	76,407.63	57,459.99	62,618.89
Self-produced renewable energy ²	MWh	81.62	81.04	1,126.20
Total purchased electricity	MWh	66,413.90	69,333.76	68,384.63
Purchased steam consumption ¹	GJ	0.00	0.00	53.70
Comprehensive energy consumption intensity	MWh/RMB 10,000	0.070	0.071	0.091
Total Scope 1 GHG emissions ³	tCO ₂ e	1,800.95	1,687.21	1,723.06
Total Scope 2 GHG emissions ⁴	tCO ₂ e	37,330.85	38,517.24	39,005.66

Indicator	Unit	2021	2022	2023
Total emissions of greenhouse gas (GHG) (Scopes 1 and 2)	tCO ₂ e	39,131.80	40,204.45	40,728.72
GHG emission intensity (Scope 1 + Scope 2) (unit operating revenue)	tCO ₂ e/RMB 10,000 operating revenue	0.03	0.04	0.05

Note 1: Diesel fuel consumption included diesel fuel for boilers and for vehicles. Outsourced steam was a new energy type in 2023. As Haining Production Base was put into operation in 2023, there was no need to purchase steam in 2021 or 2022.

Note 2: From 2021 to 2022, the self-produced renewable energy will be the rooftop photovoltaic self-power generation of the Taicang production base, and in 2023, the self-produced renewable energy will be the rooftop photovoltaic self-power generation of the Taicang and Haining production bases and the solar heating facilities of the Pingshan production base.

Note 3: Scope 1 GHG emission included direct GHG emission from the combustion of natural gas, gasoline, and diesel. The calculation coefficients for GHG emissions was based on the *Guidelines for the Compilation of Provincial Greenhouse Gas Inventories (Trial)* (2011) and the *China Energy Statistical Yearbook (2022)* issued by the National Bureau of Statistics. The calculation coefficients for GHG emissions from the combustion of gasoline and diesel was based on the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Land Transport Enterprises (Trial)* (2015) issued by the National Development and Reform Commission.

Note 4: Scope 2 GHG emissions were stemmed the emissions from purchased electricity and heat sources. The calculation coefficients for GHG emissions from purchased electricity were based on the *Notice on Properly Management of Greenhouse Gas Emission Reports for Enterprises in the Power Generation Industry from 2023 to 2025* issued by the Ministry of Ecology and Environment. The calculation coefficients for greenhouse gas emissions from purchased steam were based on the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Enterprises of Other Industries (Trial)* (2015) issued by the China Development and Reform Commission.

► Occupational Health and Safety

Indicator	Unit	2021	2022	2023
Number of employees receiving occupational disease examination ¹	Person	1,091	836	646
Number of work-related injuries ²	Time	4	3	6
Working days lost due to work-related injuries	Day	442	280	131
Number of employee deaths due to work-related injuries	Person	0	0	0
Percentage of employee deaths due to work-related injuries	%	0	0	0

Note 1: As the intelligence and automation level of the Company was continuously upgrading, the number of employees at the frontline and high-risk positions was decreasing year by year. So, the number of employees participating in occupational disease examinations was decreasing year by year.

Note 2: 6 work-related injuries occurred in 2023 were all classified as general injuries, including 2 incidents of employees falling in cafeteria and bathroom, 2 incidents of traffic accidents during commuting, 1 incident of left ring finger fracture caused by improper operation of the shell press, and 1 incident of slight burns caused by employees working in the cafeteria.

► Employee Recruitment and Employment

Indicator	Unit	2021	2022	2023
Total number of employees	Person	7,459	7,351	6,678
Number of female employees	Person	2,613	2,622	2,443
Number of male employees	Person	4,846	4,729	4,235
Number of full-time employees subject to labor contracts ¹	Person	---	---	5,683
Number of full-time employees subject to labor dispatching ¹	Person	---	---	917
Number of part-time employees ¹	Person	---	---	0
Number of employees in other forms of employment ¹	Person	---	---	78
Number of employees under 30 years old	Person	4,329	4,000	3,441
Number of employees aged 30 to 50	Person	3,018	3,246	3,105
Number of employees over 50 years old	Person	112	105	132
Number of women in senior management	Person	15	12	13
Number of male employees in senior management	Person	39	37	49
Employee turnover	%	20.18	14.80	10.68
Number of employees receiving physical examinations	Person	7,459	7,351	6,678
Physical examination coverage of employees	%	100.00	100.00	100.00
Coverage of social insurance	%	100.00	100.00	100.00
Total amount of employee activity investment	RMB 10,000	427.57	206.74	422.53

Note 1: The company discloses the number of employees by employment category from 2023 onwards. Other forms of employment include interns and retired returnees.

► Employee Training and Development

Indicator	Unit	2021	2022	2023
Employee training coverage	%	100	100	100
Total employee training hours	Hour	373,000	463,000	474,138
Average training hours of employees	Hour	50.01	62.98	71.00
Total training sessions	Time	2,307	2,800	2,703

► Product and Service Quality

Indicator	Unit	2021	2022	2023
Customer satisfaction	%	81.57	80.23	88.50
Total number of product/service-related complaints received ¹	No.	32	25	12
Processing ratio of product/service-related complaints received	%	100	100	100

Note 1: The Company has gradually improved product quality control by promoting standardized process parameters, evaluating and verifying the effectiveness of respective automation tools and improving quality warning and monitoring mechanisms. So, total number of complaints received about products and services has been decreasing year by year.

► Technological Innovation

Indicator	Unit	2021	2022	2023
Number of projects in progress	No.	204	246	276
R&D expenses	RMB 10,000	48,385.74	44,791.18	36,248.14
Ratio of R&D expenses to operating revenue	%	4.48	4.08	4.25
Number of R&D employees	Person	1,088	1,188	1,112
Proportion of R&D employees	%	14.59	16.16	16.65
Cumulative number of granted patents	No.	1,292	1,526	1,514
Number of annual patent applications	No.	301	265	207

► Supply Chain Management

Indicator	Unit	2021	2022	2023
Total number of suppliers	No.	853	837	813
Suppliers conducting environmental and social impact assessments	No.	269	244	265
Proportion of suppliers conducting environmental and social impact assessments	%	31.54	29.15	32.60
Percentage of new suppliers screened by environmental standards	%	8.37	10.00	18.37

► **Public Welfare and Charity**

Indicator	Unit	2021	2022	2023
Charitable donation amount ¹	RMB 10,000	9.50	13.40	32.20
Amount of rural revitalization investment ²	RMB 10,000	240.50	489.10	555.68
Total hours of volunteering services that employees participated in	Hour	1,040.00	2,241.50	2,201.00
Per capita hours of employees' volunteer service ³	Hour	0.14	0.30	0.33

Note 1: In 2023, the foundation's charitable donations were mainly used to support the autism team and post-disaster relief in Northeast China.

Note 2: The investment in rural revitalization was mainly used for infrastructure construction and educational resource support of T&W Hope Primary School.

Note 3: Volunteer service hours of employees per capita = total volunteer service hours of employees/total number of employees.

► **Economic Performance**

Indicator	Unit	2021	2022	2023
Operating revenue	RMB 10,000	1,080,824.94	1,097,363.71	852,996.62
Basic earnings per share	RMB/share	0.51	0.29	0.08
Net profits attributable to the parent company's owners ¹	RMB 10,000	39,556.05	22,674.29	6,471.61
Total assets	RMB 10,000	976,728.16	1,053,397.18	1,021,447.67
Cash dividend amount	RMB 10,000	11,882.00	10,317.54	10,051.57
Cash dividend scheme (every 10 shares)	RMB	1.50	1.30	1.27
Social contribution value per share ²	RMB/share	2.03	1.86	1.58

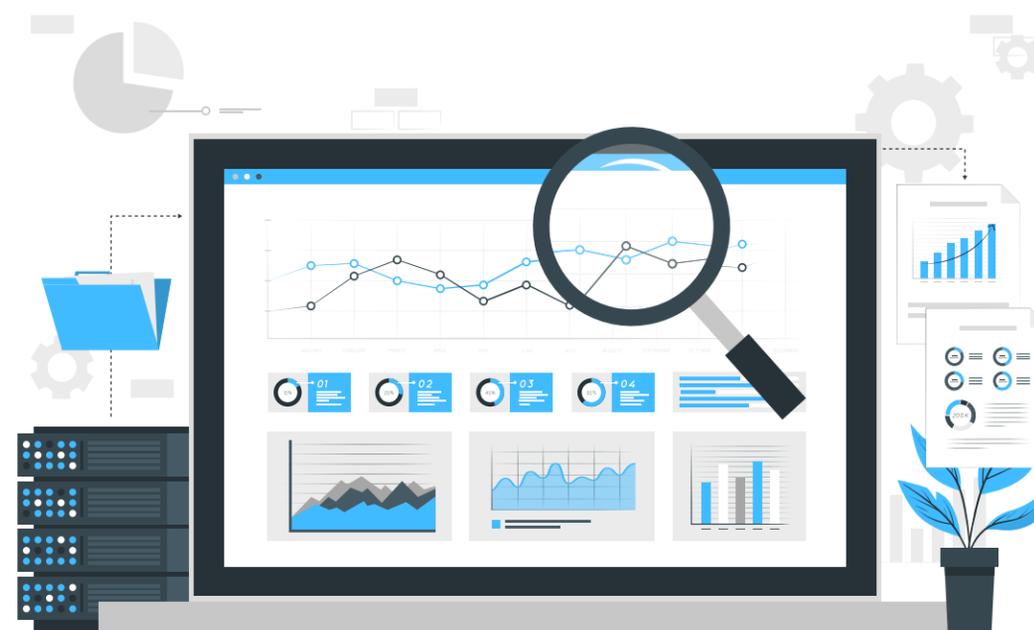
Note 1: In 2022 and 2023, the company realized a large year-on-year change in net profit attributable to owners of the parent company, mainly due to the impairment provision of 269 million yuan and 210 million yuan in 2022 and 2023, respectively, for the subsidiary Shandong Wenyuan's goodwill-containing asset group, corresponding to the impact on the profit and loss of the current period.

Note 2: Social contribution per share = Basic earnings per share + (Net profit of the Company + Tax revenue generated for the country during the year + Wages paid to employees + Loan interest paid to banks and other creditors + External donation and other value created for other stakeholders - Other social costs caused by environmental pollution, etc.) / Total number of shares issued by the Company.

► **Business Ethics**

Indicator	Unit	2021	2022	2023
Proportion of employees covered by anti-corruption training ¹	%	100	100	100
Anti-corruption training hours for employees per capita	Hour	1.00	1.00	1.00
Anti-corruption training hours for directors per capita	Hour	1.00	1.00	1.00
Proportion of directors participating in anti-corruption training	%	100	100	100

Note 1: Percentage of employees covered by anti-corruption training = Number of employees participating in anti-corruption training / Total number of employees * 100.



Index

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List of Subsidiaries within the Reporting Scope

S/N	Name of subsidiary
1	Shanghai Gongjin Communications Technology Co., Ltd.
2	Taicang T&W Electronics Co., Ltd. ("Taicang T&W")
3	Shenzhen Haiyun Testing Co., Ltd. ("Haiyun Testing")
4	Shenzhen T&W Communication Technology Co., Ltd.
5	Gongjin Electronics (Hong Kong) Limited
6	Gongjin (Europe) Co., Ltd.
7	Gongjin Electronics (US) Limited
8	Gongjin Electronics (Vietnam) Co., Ltd.
9	T&W Electronics (Vietnam) Co., Ltd.
10	Shandong Winspread Communication Technology Co., Ltd. ("Winspread")
11	Haining T&W Electronics Co., Ltd. ("Haining T&W")
12	Xi'an Gongjin Mobile Communication Co., Ltd.
13	Shenzhen Gongwei Investment Partnership (Limited Partnership)
14	Shenzhen Lanzhi Investment Partnership (Limited Partnership)
15	Shenzhen Lanting Investment Co., Ltd.
16	Dalian Gongjin Technology Co., Ltd.

S/N	Name of subsidiary
17	Taicang Haiyun Testing Co., Ltd.
18	Shanghai Gongjin Medical Technology Co., Ltd.
19	Shanghai Gongjin Microelectronics Technology Co., Ltd.
20	Shenzhen Gongjin Investment Management Co., Ltd.
21	Shenzhen T&W Investment Management Co., Ltd.
22	Wuhan Haiyun Testing Co., Ltd.
23	Gongjin International (Singapore) Limited
24	Taicang Gongjin Medical Technology Co., Ltd.
25	Suzhou Gongjin Microelectronics Technology Co., Ltd.
26	Shenzhen Haiyun Standard Technology Co., Ltd.
27	Suzhou Gongjin Automotive Technology Co., Ltd.
28	Shenzhen Lantong Technology Partnership (Limited Partnership)
29	Shenzhen Gongjin Wisdom Technology Co., Ltd.
30	Shenzhen Xiexing Investment Partnership (Limited Partnership)
31	Shanghai Gongjin Information Technology Co., Ltd.



T&W