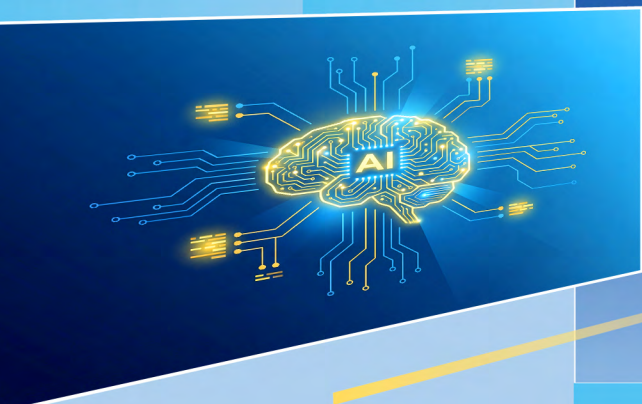
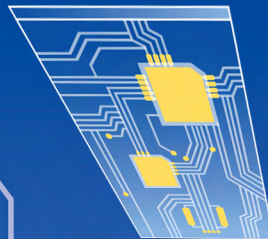




DELTON
TECHNOLOGY 广合科技



2025

Delton Technology (Guangzhou) Co., Ltd.
Delton Environmental, Social and Governance Report

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About this Report

This report is the third Environmental, Social, and Governance (ESG) report published by Delton Technology (Guangzhou) Co., Ltd. Adhering to the principles of materiality, quantifiability, balance, and consistency, it focuses on disclosing the philosophy, significant progress, achievements, and future plans of the Company and its subsidiaries in the areas of environmental, social, and governance, spanning from January 1, 2025, to December 31, 2025. Any inconsistencies will be explained in the relevant sections of the report.

Basis of Compilation

Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation), Shenzhen Stock Exchange;

Self-Regulatory Guidance No. 3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Report, Shenzhen Stock Exchange;

Environmental, Social and Governance Reporting Code, Hong Kong Exchanges and Clearing Limited;

Sustainability Reporting Standards (GRI Standards), Global Sustainability Standards Board (GSSB);

United Nations 2030 Sustainable Development Goals (SDGs);

The Ten Principles of the UN Global Compact;

ISO 26000:2010 Guidance on Social Responsibility, International Organization for Standardization.

Report Language

This report is published in simplified Chinese, English and traditional Chinese. In the event of any discrepancies among the three versions, the Simplified Chinese version shall prevail.

Report Scope and Boundary

Except for specific materials with particular explanations, the policies, statements, and information contained in this report cover the actual business scope of Delton Technology and its subsidiaries. All information used in this report is sourced from Delton Technology and its subsidiaries. We are responsible for the authenticity, accuracy, and completeness of the report's content. Unless otherwise stated, RMB is used as the currency unit in this report.

Title Explanation

For ease of expression and reading, "Delton Technology," "Delton," "the Group," "the Company," and "we" in this report refer to Delton Technology (Guangzhou) Co., Ltd. and its subsidiaries. Unless otherwise specified, terms used in this report have the same meanings as those defined in our annual report.

Confirmation and Approval

This report has been approved by the Board of Directors for release.

Access to This Report

The electronic version of this report can be accessed via the following website: <http://www.delton.com.cn>.

Should you have any questions regarding the content of this report or our ESG work, please contact us via the following channels:

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Message from the Chairman

To our esteemed stakeholders:

The year 2025 marks a monumental milestone for Delton Technology, as we navigated the profound transformations in the global industrial chain and the wave of green transition. We have steadfastly adhered to technological innovation as our cornerstone, pursued sustainable development as our guiding principle, and fully integrated ESG concepts into our corporate strategy and daily operations. By achieving a deep integration of business value and social responsibility, we have delivered a development report that is both substantive and people-centric.

In 2025, we consolidated the "ballast" for stable progress and gained "momentum" in our global expansion. We continued to refine our governance structure and systematically advance our ESG practices, integrating green manufacturing and social responsibility throughout our entire operational process. Our global production layout underpinned the Company's rapid growth. Our Thailand production base achieved excellent operational performance, progressing from construction to production launch and to rapid ramp-up. With high-end positioning and full-process digital management, it has set an industry benchmark by realizing "installation and commissioning at the start of the year, smooth production launch in the middle of the year, and monthly profitability by the end of the year". This signifies the initial formation of our global manufacturing capacity, laying a solid foundation for sustainable development. We took active actions to go global and integrate into the global supply chain, supporting the development of our overseas business and providing robust capital assurance for our global expansion.

In 2025, we forged a cycle-resilient "driving force" and built a "dual engine" for computing power. In terms of products, we achieved a critical breakthrough from general-purpose servers to AI servers. Technologically, we overcame a series of professional challenges, including insertion loss control, back drill stub control, lamination alignment, and plating depth capability. As to IT development, our Thailand factory has yielded initial promising results in the exploration of advanced

digital intelligence. We deepened digital transformation, continuously advancing technological upgrades for bottleneck processes and steadily improving production techniques and operational efficiency. We closely followed cutting-edge industry trends, persistently explored key technologies in materials and processes, and applied our R&D achievements to our customers' next-generation products. Consequently, we achieved gradual improvements in yield rates and stability in areas like ultra-high layer count boards, ultra-fine line circuits, and high-performance computing, solidifying our position in fast-growing fields such as AI servers, high-speed switches, and high-end storage. This progress has enhanced our confidence to face future challenges alongside our customers. Surpassing the milestone of RMB 5 billion in revenue in 2025 was a direct result of the Company's focused and pioneering efforts in computing power PCB products including general-purpose servers, AI servers, switches, and accelerator cards.

In 2025, we established a "new paradigm" for low-carbon transition, making sustainability one of our competitive advantages. We integrated energy conservation and carbon reduction requirements into all aspects of new factory planning, technological upgrades and daily operations in our existing facilities. We promoted green transformation centered on intensive land use, harmless raw materials, clean production, waste recycling, and low-carbon energy. We enhanced green production throughout the entire process from input and production to end-of-pipe treatment, contributing to our carbon reduction goals and making sustainable development a genuine competitive edge of the Company. This year, we were honored with the titles of "Green Factory" and Huangpu District "Zero-Waste Factory", translating our commitment to sustainability into tangible competitiveness through concrete actions.

In 2025, we built a "symbiotic ecosystem", achieving win-win results through shared endeavor. We remained true to our original aspiration, consistently

creating superior value for our customers. With our comprehensive competitiveness in technology, quality, delivery, and service, we earned high recognition and deep trust from numerous global strategic customers. We fostered a warm and dynamic development environment, continuously focusing on employee growth. By carrying out training programs like the "Elite Class", we provide learning and promotion opportunities for employees in different positions, helping them find their place and leverage their strengths within the Company's development blueprint. Internationally, on the basis of respecting Thai culture and religious customs, we actively cultivated local talent, ensuring that our Thailand factory possesses not only advanced production lines but also a team deeply familiar with the local context.

The journey ahead is long yet the momentum is strong. With great responsibilities, we set off again. Looking ahead, Delton Technology will stay committed to "deep value creation", embedding ESG concepts into every step of our development. We will advance our production capacity with a longer-term vision, collaborate with supply chain partners with a more open mindset, and serve every client with genuine sincerity. While pursuing business value, we will proactively assume our responsibilities towards our employees, society, and the environment, jointly marching toward a greener, more inclusive and sustainable future.

Xiao Hongxing
Chairman of Delton Technology


About Delton Technology

Company Introduction

Delton Technology (Guangzhou) Co., Ltd was established in 2002 in Huangpu District, Guangzhou. In 2024, we successfully listed on the main board of the Shenzhen Stock Exchange with the stock code 001389 and the abbreviation "Delton Technology". Headquartered in Huangpu Development Zone, Guangzhou, our production bases are mainly distributed across Guangzhou, Guangdong; Dongguan, Guangdong; Huangshi, Hubei; and Chachoengsao, Thailand. The total number of employees is 4,998 and an annual operating revenue RMB 5.485 billion. We possess a high-end R&D technical team, an excellent management team, and world-class automated production lines. Over the years, we have been dedicated to becoming an industry-leading PCB manufacturing enterprise that integrates R&D, production, sales, and service of high-quality and high-end PCB products.

Delton Technology has always been committed to the manufacturing of high-end PCBs featuring high speed and high frequency. Our products are mainly applied in terminal fields such as data centers, cloud

computing, industrial Internet, artificial intelligence, 5G communications, automotive electronics, security and printing. We have long served well-known customers both at home and abroad. Over the years, we have maintained continuous and rapid growth in scale and technical capabilities within the PCB field and has been rated as an outstanding supplier and long-term strategic partner by our major clients for consecutive years. We place great emphasis on brand value, product R&D, product quality, marketing strategies and corporate culture. Through advanced cutting-edge technologies, we manufacture high-quality products, create convenient product channels, and provide considerate and prompt after-sales services. We have also developed a unique and distinctive operational management model. Guided by our commitment to serving customers, we provide innovative impetus and significant support for fostering a new industrial structure featuring the coordinated development of intelligent manufacturing. We aspire to become a leader in the global PCB industry.

 In 2025

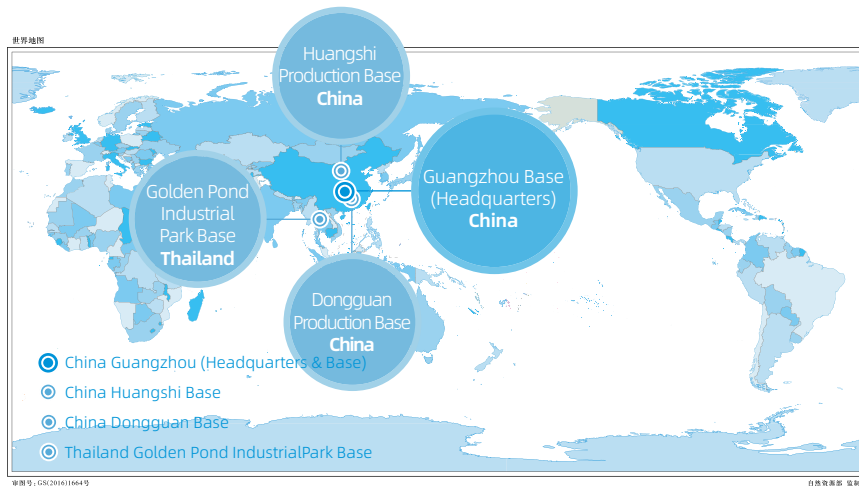
The total number of employees

4,998


Annual operating revenue

5.485

RMB billion




Corporate Culture



Delton Vision

Gather wisdom, foster innovation,
Strive for excellence in quality and service,
Become a global leader in the intelligent
and interconnected sector



Delton Mission

Empower the future of the intelligent
and interconnected world with
innovative products



Delton Core Values

Customer First
Employee Satisfaction
Strive for Success
Lead through Innovation

Focus on 2025

ESG Performance



Outstanding Growth

Operating revenue

RMB **5.485** billion

Year-on-year growth

46.89 %

Net profit attributable to ordinary shareholders

1.016 billion

Year-on-year growth

50.24 %



Steady growth

Proportion of female board members

57.14 %

Proportion of independent directors

42.86 %

Coverage rate of anti-corruption and anti-bribery training in business ethics

100 %



Innovative growth

R&D investment

about RMB **280** million

Number of Valid Patents

469

Customer satisfaction score

96.28 points



Green growth

Total greenhouse gas emission intensity

79.53 t CO₂e per million RMB revenue

Water recycling rate

98.59 %

Waste recycling rate

97.52 %



Resilient growth

Total number of material suppliers

154

Proportion of suppliers participating in CSR training

70.13 %

Products with traceable raw materials

100 %



Harmonious growth

Coverage rate of employee benefit

100 %

Coverage rate of employee professional skills training

100 %

Coverage rate of employee safety training

100 %

Honors and Awards

ESG Rating



CDP Climate Change: **B**
CDP Water Security: **B**



Wind Rating: **AA**




EcoVadis
Bronze Medal



Huazheng Index "2025 A-Share Listed Companies: ESG Performance TOP 20 in Information Technology Industry"


ESG Awards



2025 IPC China ESG Benchmarking Enterprise Award




2025 Listed Company Best ESG Practice Award




2025 Excellent Case Award for Sustainable Development Practices of Listed Companies, China Association for Public Companies



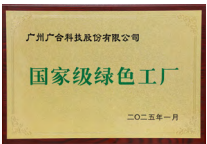
2025 ESG Practice Pioneer Award



2025 GoldenBee CSR China Honor Roll Greater Bay Area




Foxconn Sustainability Outstanding Case Award (G Orientation)




2024 National Green Factory




2024 Excellent Enterprise in Green Manufacturing and Environmental Protection



Huangpu District "Zero-Waste Factory"




2025 National Green Factory awarded to Delton factory in Huangshi



"Guangzhou Environmental Protection Integrity (Green-rated Enterprise)" for 4 Consecutive Years



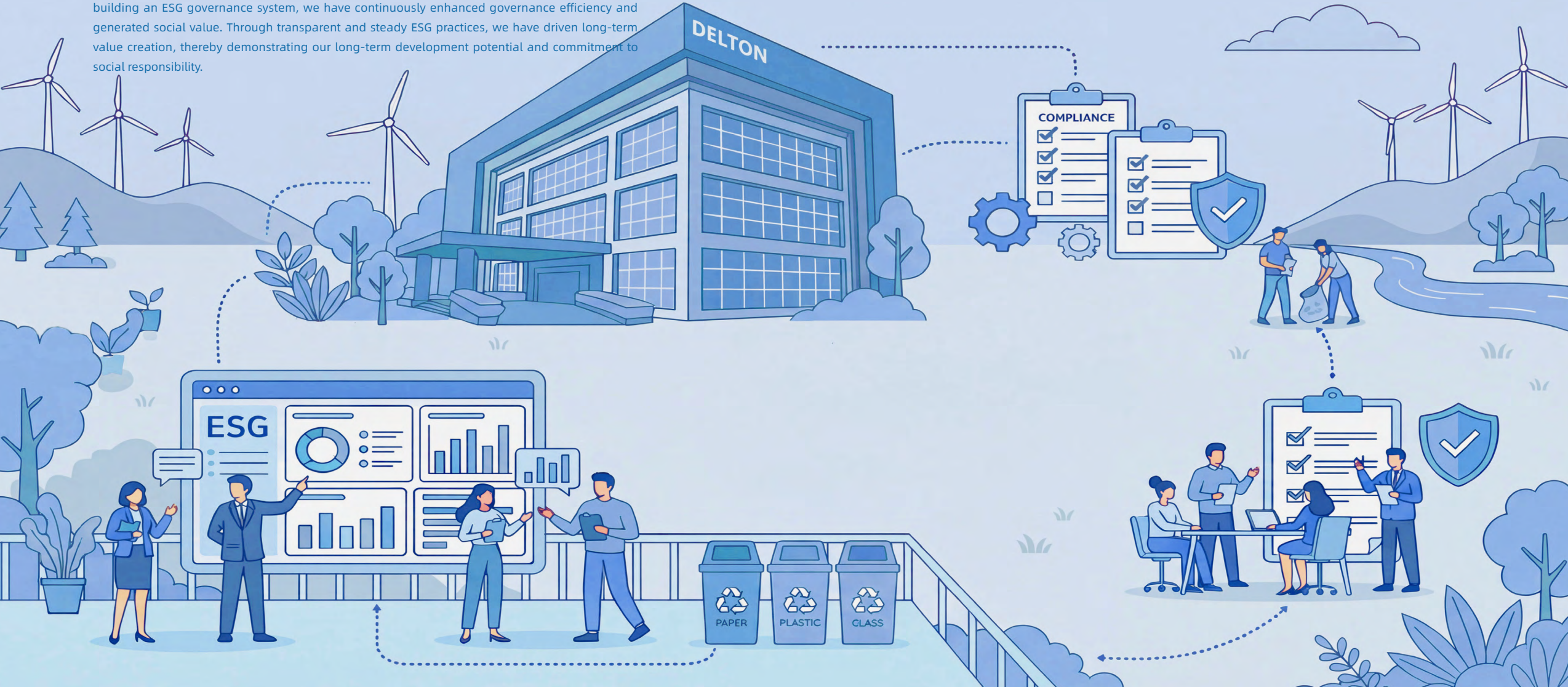
Guangzhou "Four Modernizations" Benchmark Enterprise (Excellence)



2025 Excellent Standardization Enterprise

ESG Strategy and Management

Delton Technology has deeply integrated ESG concepts into corporate development strategy. By building an ESG governance system, we have continuously enhanced governance efficiency and generated social value. Through transparent and steady ESG practices, we have driven long-term value creation, thereby demonstrating our long-term development potential and commitment to social responsibility.



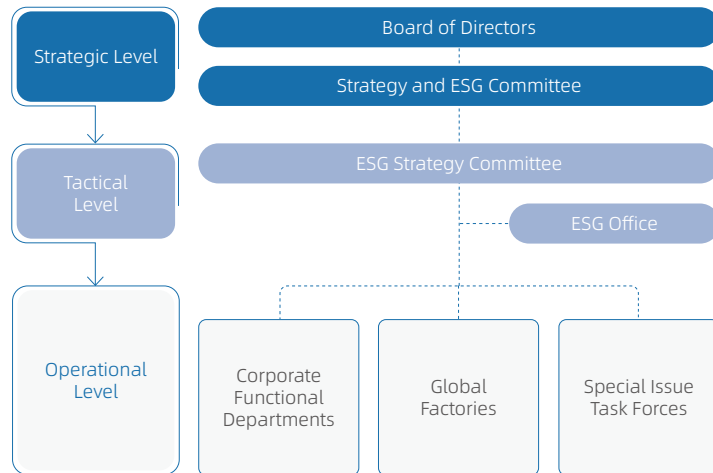
ESG Governance

Delton Technology has established a robust and reliable ESG governance structure, forming a working mechanism that enables the Board's participation in ESG governance. Through well-defined roles and efficient team management, we have continuously strengthened governance effectiveness, creating sustainable social value for all stakeholders.

Governance

Governance Structure

We have formulated the *Delton Technology ESG Management Manual*, which specifies the management processes for ESG organizational structure and responsibilities, ESG issue management mechanism, ESG risks and opportunities, and indicators and goals management measures, as well as ESG management operation mechanism, thereby further consolidating the foundation for sustainable development and promoting systematic improvement in environmental, social and governance performance.



Delton Technology's ESG Governance Structure

Strategic Level

Comprising Delton Technology's Board of Directors and the Strategy and ESG Committee. This level is responsible for conducting research and analysis on our ESG status, and for determining ESG strategies, targets, and working mechanisms that are in line with our actual situation. The core function of the strategic level is to lead the formulation and review of our ESG strategy, as well as major resource allocation and deployment, in response to changes in both internal and external environments. It also oversees and evaluates key ESG initiatives.

Tactical Level

Consisting of the ESG Strategy Committee and the ESG Office. The ESG Strategy Committee is composed of the Group General Manager, heads of all Group Centers, General Managers of all factories, and leaders of special projects. The ESG Office comprises the head of the Group's Equipment and Facilities Center, the head of the Group's Audit Department, and dedicated ESG professionals. The tactical level is primarily responsible for organizing the development of ESG management strategies based on our ESG strategy, identifying and assessing ESG risks and opportunities, guiding the establishment and implementation of ESG management targets and work plans at the Group and factory levels, improving the ESG performance evaluation system, and regularly reporting to the strategic level.

Operational Level

Comprising the main contact persons from each Group Center and factory. The primary responsibilities include the day-to-day advancement of ESG work, ensuring the timely achievement of preset targets, and regularly reporting progress to the tactical level.

ESG Management System Certification

We have comprehensively advanced the certification of ESG-related management systems across all Delton factories, establishing a standardized management framework covering quality, environment, occupational health and safety, energy, information security, and social responsibility, which has laid a solid management foundation for sustainable development.

Category	Standard	Scope of Certification
Quality Management	ISO 9001:2015	Guangzhou Factory Huangshi Factory Thai Factory Dongguan Factory
	IATF 16949:2016	Guangzhou Factory Huangshi Factory
	VDA 6.3:2022	Guangzhou Factory
Corporate Social Responsibility	ISO 13485:2016	Guangzhou Factory
	QC 080000:2017	Guangzhou Factory Huangshi Factory Thai Factory Dongguan Factory
	ISO 14001:2015	Guangzhou Factory Huangshi Factory Thai Factory Dongguan Factory
Energy Management	ISO 45001:2018	Guangzhou Factory Huangshi Factory Thai Factory Dongguan Factory
	ISO 14064-1:2018	Guangzhou Factory Huangshi Factory Thai Factory
Information Security	ISO 50001:2018	Guangzhou Factory Huangshi Factory
	ISO 27001:2013	Guangzhou Factory Huangshi Factory Dongguan Factory

Strategy

We identify, assess, and evaluate internal and external environments, the needs of stakeholders, as well as associated risks and opportunities. We have formulated and implemented risk response measures, including risk avoidance, risk mitigation, and risk acceptance, thereby enhancing our capacity to withstand risks and seize opportunities.

ESG Strategy Structure



Linking Performance to Deepen ESG Governance Integration

To further integrate ESG into business operations and drive continuous improvement in ESG performance, Delton Technology has fully incorporated key ESG indicators into the Group's management and evaluation system. A responsible manager is designated for each indicator, with accountability extending from department heads all the way up to the Group General Manager. The Company is progressively expanding ESG assessment to cover all facets of management work and exploring the application of ESG assessment results as a basis for corporate performance evaluation, linking such results to commendations and awards, position appointments and removals, and promotions. For example, indicators related to the "low-carbon economy" serve for performance assessment of executives in dual-carbon related positions and key departments such as the Equipment and Facilities Center. Achieving or exceeding these targets can directly influence performance ratings and serve as a key criterion for eligibility for additional performance bonuses.

Empowering Through Expertise to Strengthen the ESG Talent Foundation

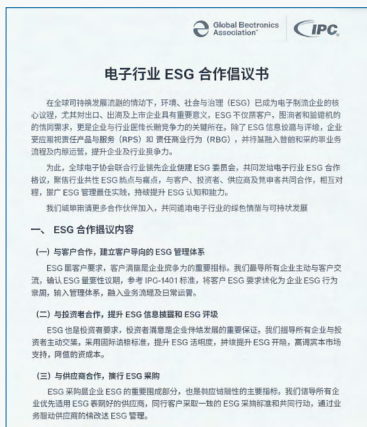
Delton Technology continues to advance the deep integration of ESG concepts into corporate governance and systematically delivers multi-level ESG training to build core capabilities for sustainable development. In 2025, specialized ESG training was provided for the Board of Directors and senior management to strengthen the Board's leading role in the sustainable development strategy. A series of professional training programs were also conducted for dedicated ESG personnel, covering topics such as ESG ratings, double materiality assessment, climate action, and certification as Carbon Traders. These initiatives comprehensively enhance employees' professional knowledge and practical skills in ESG management, solidifying the talent foundation for the Company's green transformation.

Industry Collaboration for the Industrial Green Transition

Delton Technology actively integrates into the ESG ecosystem of the electronics industry, collaborating with industrial chain partners to promote sustainable development. In 2025, Delton Technology officially became a Pioneer Partner of IPC-1401 ESG Management System Standard, continuously optimizing its own ESG governance with international standards. Together with IPC and a number of renowned enterprises, the Company jointly launched the *Electronics Industry ESG Cooperation Initiative*, making solemn commitments in four key areas: customer orientation, supply chain collaboration, policy response, and public welfare practices.



◆ Pioneer Partner of IPC-1401 ESG Management System Standard



◆ Jointly launched Electronics Industry ESG Cooperation Initiative

Risk Management

In 2025, Delton Technology comprehensively updated the *Risk and Opportunity Management Procedure* and formally integrated ESG risk management into the Company's overall risk management system. By optimizing and unifying the Group's risk assessment rules and adding opportunity assessment criteria, we further embedded the identification and evaluation of risks and opportunities related to sustainable development into daily operations and business activities.

In terms of procedures and mechanisms, we have defined the identification methods and procedures for risks and opportunities. Risks are classified into Level 1 Risks and Level 2 Risks. Level 1 Risks mainly include strategic risks, market risks, financial risks, operational risks, compliance risks, and sustainable development risks. For assessment, a combination of quantitative and qualitative methods is adopted. Quantitative risk assessment is conducted from the two dimensions of likelihood and impact, while opportunity assessment focuses on feasibility and benefits. Heads of all factories and departments carry out assessment and rating based on identification results and formulate corresponding response measures to ensure risks are controllable and opportunities are effectively captured.



Indicators and Goals

Perspective	Indicator	Goal	Progress in 2025
Governance	Proportion of female board members	1/3	57.14%
	Training and assessment pass rate for anti-corruption and anti-bribery training in business ethics among all staff	100%	100%
	Annual training and assessment pass rate for anti-monopoly and fair competition	100%	100%
Environment	Carbon reduction in operations	2028: carbon peaking 2036: 50% reduction 2056: carbon neutrality	The emission intensity of Scope 1 and Scope 2 decreased by 48.54% compared with the base year (2019). The emission intensity of Scope 3 decreased by 28.73% compared with the base year (2023).
	Proportion of renewable electricity in total energy use	2030: 60% 2050: 100%	9.23%
	Proportion of recycled water in total water use	2030: 92% 2050: 96%	98.59%
Society	Waste Recycling Rate	2030: 96% 2050: 98%	97.52%
	Reduction rate of water consumption per unit of output value	2050: water intensity reduced by 60% compared with the base year (2019)	47.96%
	Coverage Rate of Employee Occupational Skills Training	100%	100%
	Signing Rate of Environmental, Labor and Human Rights Clauses in the Sustainable Procurement Charter & Supplier Code of Conduct	100%	100%
Society	Coverage Rate of CSR Audits for Key Suppliers	100%	100%
	Proportion of Products Compliant with the Responsible Mineral Sourcing Policy	100%	100%

Double Materiality Assessment

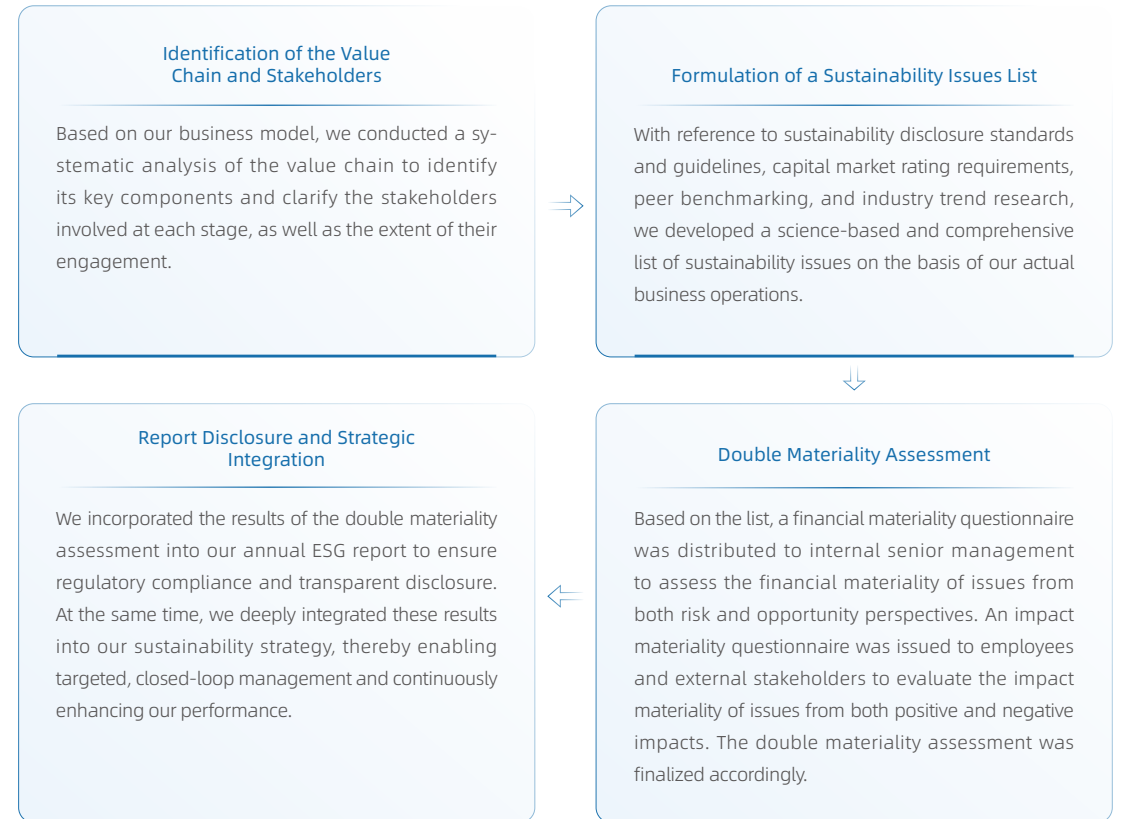
Double materiality assessment serves as the strategic starting point for identifying key sustainability issues and addressing stakeholder concerns. In 2025, Delton Technology strictly adhered to the internationally recognized double materiality analysis standards required by stock exchanges. Through a dual examination of impact materiality and financial materiality across environmental, social, and governance topics, we further refined our priorities and action directions for sustainable development management.

Double Materiality Assessment Framework and Process

Delton Technology has established a four-step materiality assessment process, Identification–List Compilation–Evaluation–Management Integration, to systematically define the logic for identifying sustainability issues and the corresponding management pathways. This systematic approach not only ensures compliance with stock exchange information disclosure requirements but also enables the deep integration of materiality assessment results into business operations, completing the loop from compliance disclosure to value creation.



Delton Technology's Double Materiality Assessment Process



In 2025, we conducted online surveys targeting both internal and external stakeholders by distributing questionnaires for the Double Materiality Assessment, with a total of 556 valid responses collected, including 536 impact materiality questionnaires and 20 financial materiality questionnaires. Through systematic statistics and in-depth analysis of the collected questionnaires, we successfully completed the annual Double Materiality Assessment, providing solid data support for subsequent topic management and strategic integration.

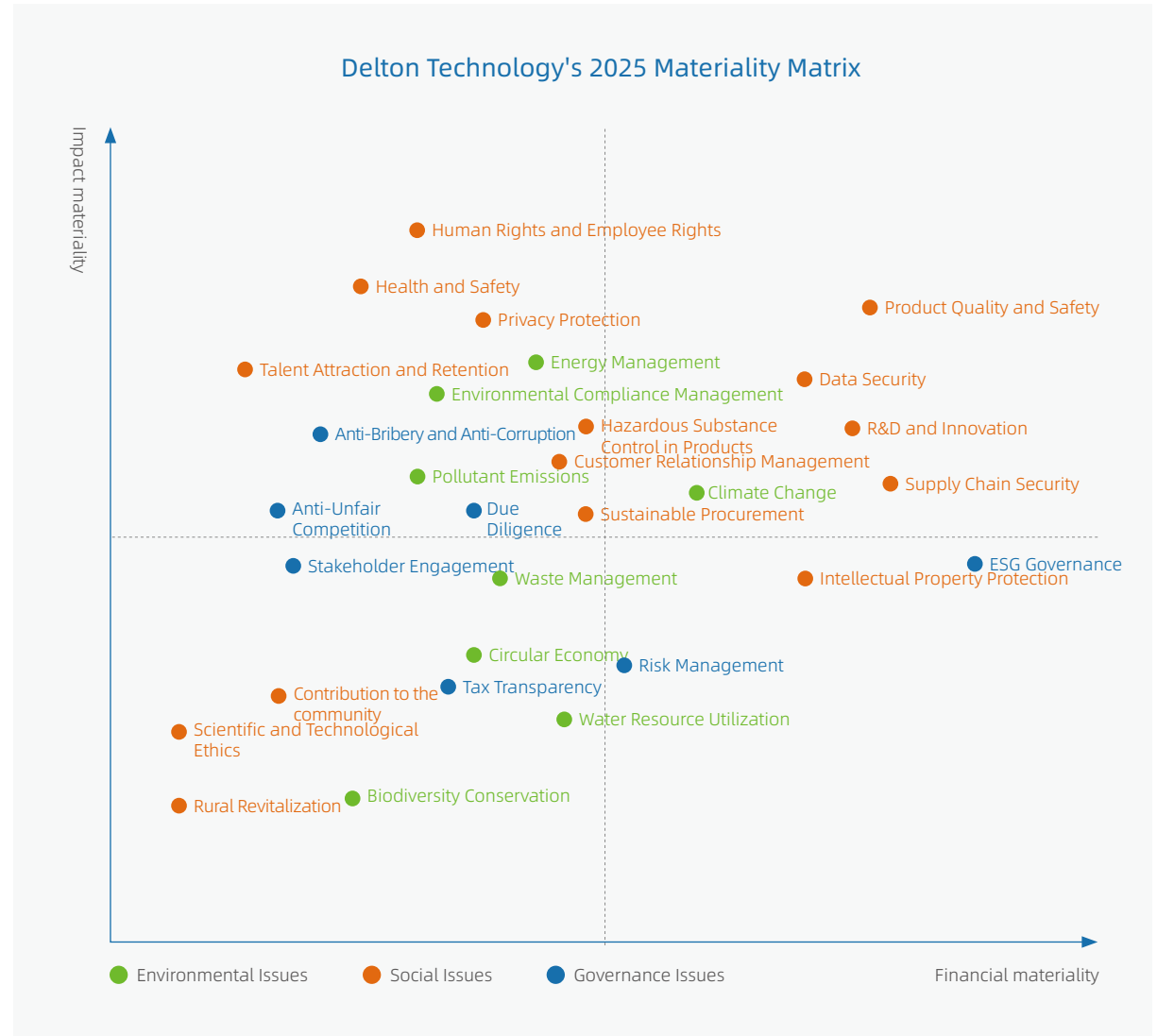
Annual Materiality Matrix

Based on the results of its double materiality identification and research, Delton Technology has determined the prioritization of material issues and assessed their impact materiality and financial materiality. A total of eight issues have been identified as financially material to the Company: Product Quality and Safety, Data Security, R&D Innovation, Supply Chain Security, Climate Change, ESG Governance, Intellectual Property Protection, and Risk and Emergency Management.

For each identified key issue, the responsible departments have established systematic management mechanisms across multiple dimensions, including strategy, risk, operations, and the value chain, which have extended the management boundary beyond internal operations to cover the entire value chain, thereby ensuring comprehensive coverage and effective responses in relevant areas. At the information disclosure level, the Company focuses on priority issues to present key management initiatives and material achievements for the year. At the operational execution level, relying on a robust risk and internal control management system, the Company fully implements various management measures, laying a solid foundation for the steady progress of its sustainable development goals.



Delton Technology's 2025 Materiality Matrix



Stakeholder Engagement

Stakeholder	Needs and Expectations Identification Department	Expected Needs	Main Relevant Systems					
			Quality	Hazardous Substances	Environment / Energy	Health & Safety	Social Responsibility	Information Security
Customers	Marketing Center	customers' needs for quality, technology, environmental and safety management systems, corporate social responsibility, information security, etc.	√	√	√	√	√	√
Shareholders, Investors	Finance Department, Securities Office	Operations, investment performance, etc.	√	√	√	√	√	√
Suppliers/Contractors	Supply Chain Management Center, Factory Procurement Department	Suppliers' needs for procurement strategies, new technologies, etc.	√	√	√	√	√	√
Government Agencies (e.g., local complaint and environmental agencies, health agencies, labor agencies, fire departments, public security agencies), Water and Electricity Supply Agencies	Factory Environmental Safety Management Unit, Human Resources Department, Facilities Management Department	policies-related expectations and needs	√	√	√	√	√	√
Employees	Factory Human Resources Department	Employee, employee information, income, working environment, etc.				√	√	√
Headquarter of the Group	Factory Departments (Factory Base Only)	Resource support from the Group, overall management by the group, etc.	√	√	√	√	√	√
Certification Bodies (e.g., System Certification Bodies, Third-Party Testing Service Providers)	Factory Quality Department, System Management Department	Testing, certification, etc.	√	√	√	√	√	√
Banks	Finance Center	Financial aspects	√					√
Information Service Agencies	Factory Information Department	Network services, etc.						√
Local Residents	Factory Environmental, Health and Safety (EHS) Department	Environment, safety, etc.			√			√

Low-Carbon Growth, Embracing the Future

The ecological environment provides the material source and living space essential for human survival and development, and it is also our shared home on Earth where we live and protect together. Committed to pursuing green and high-quality development, Delton Technology continues its efforts to build a modern environmental governance system, actively carry out resource management measures such as water and electricity conservation, resolutely fight against pollution, striving to be a practitioner of environmental governance, a promoter of ecological civilization, and a contributor to building a beautiful China.

Contributing to UN SDGs

Key topic			
Environmental Compliance Management	Climate Change	Pollutant Emissions	Energy Management
Waste Disposal	Circular Economy	Water Resource Utilization	Biodiversity Protection
Key Performance in 2025			
Decrease in Scope 1 and Scope 2 emission intensity compared to the baseline year (2019)		Decrease in Scope 3 emission intensity compared to the baseline year (2023)	
48.54 %		28.73 %	
Water recycling rate	Year-on-year decrease in water consumption per unit of revenue	Waste recycling rate	
98.59 %	0.33 %	97.52 %	



Environmental Compliance and Pollution Prevention

Delton Technology has always regarded environmental compliance and pollution prevention as the lifeline of its sustainable development, and built a full-process compliance management system with strict internal control requirements. With institutional guarantee and technological iteration as two driving forces, we have transformed ecological protection from a regulatory obligation into a source of intrinsic value. We are committed to achieving the coordinated development of environmental compliance and operational performance.

Deepening Environmental Compliance Management to Lay a Solid Foundation for Green Development

Delton Technology strictly abides by all applicable environmental laws and regulations at its operation locations. Building on ISO 14001 Environmental Management System certification, we continuously deepen compliance management by establishing a multi-dimensional assurance system, which integrates organizational structure, institutional policies, risk prevention and control, and capacity training to ensure our environmental management is both forward-looking and effective.

Consolidating the Management System and Strengthening Institutional Guarantee

Delton Technology has established and maintained the ISO 14001 Environmental Management System, and its factories in Guangzhou, Huangshi, Dongguan and Thailand have all obtained the ISO 14001:2015 certification. We have set up a dedicated environmental management organization from top to bottom, equipped with a professional team and a clear reporting mechanism to ensure the accurate implementation of environmental management responsibilities. By formulating internal rules and regulations covering all fields such as air, water and waste, we have integrated compliance requirements into every link of daily operations. 100% of our operating locations hold environmental certifications, including ISO 14001, EMAS, ISO 50001.

Strengthening Institutional Guidance and Upholding Compliance Baselines

Delton Technology has issued the *Environmental Protection Policy*, and formulated a series of systems including the *Solid Waste Management Procedure*, *Wastewater System Management Specification*, *Waste Gas Treatment System Management Specification*, and *Water Pollution Prevention and Control Management Procedure*. These documents externally demonstrate our firm commitment to green development, and internally clarify

departmental responsibilities and operating procedures for the daily operation and maintenance of the waste gas, wastewater and solid waste systems. We enforce third-party testing of wastewater on a monthly basis and waste gas on a quarterly basis to verify emission compliance. Through rigorous internal management and transparent external monitoring, we deliver a solid performance on our green commitments.

Improving Emergency Mechanism and Enhancing Risk Resilience

Delton Technology has established a rigorous "Prevention, Warning and Emergency" environmental risk prevention and control framework, underpinned by its filed Emergency Plan for Environmental Incidents. Through an emergency command center and secured resources in material reserves, dedicated funds, transportation and medical care, we ensure the constant readiness of our emergency response capabilities.

Fostering a Green Culture through Environmental Protection Training

Delton Technology attaches great importance to training and exchange on environmental protection. Led by the EHS and Human Resources departments, we have established a training network covering all employees, leveraging both internal and external resources.

Internal Training

A total of 126 employees in critical processes participated in the training and assessment on *Identification of Environmental Factors and Hazardous Sources*; all the factory staff engaged in the training and assessment on *Environmental, Occupational Health and Safety Management* and *Annual Awareness Promotion of Environmental Management Substances*; targeted sessions on water and electricity conservation were also conducted, aiming to embed environmental awareness into the daily practices of every employee.

External Training

EHS management personnel attended training programs such as the 2025 Guangzhou Ecological Environment Literacy Training for Enterprise Environmental Protection Workers, the Guangzhou "Five Immediates" Training on Standardized Management of Hazardous Waste, and biodiversity awareness publicity campaigns, which comprehensively improved their environmental protection awareness and professional management capabilities, thereby laying a solid foundation for the Company's environmental compliance management.

 In 2025

coverage of the ISO 14001 Environmental Management System

100 %

0

major environmental incidents in 2025

Strengthening Pollutant Emission Control and Upholding Environmental Safety Compliance

Strictly abiding by pollutant emission control requirements, Delton Technology has standardized the full-process treatment of wastewater, waste gas and solid waste. Through a combination of methods, including process technology optimization, source treatment, waste treatment with waste, we ensure stable up-to-standard pollutant emissions while continuously reducing disposal costs.

Source Compliance and Qualification Access

Delton Technology strictly follows the full-cycle environmental management requirements for construction projects. At the project initiation stage, we compiled an Environmental Impact Assessment (EIA) report, and incorporated a feasible pollution control plan in the document. Before official operation, we applied for a pollutant discharge permit in accordance with the law to ensure that all the discharges are permitted, and that the concentration and total volume of emissions are clarified. For hazardous waste disposal, we strictly audit our qualifications, particularly the Hazardous Waste Operation Permit, to ensure that our disposal capacity and categories align with the permit, laying a solid legal foundation for our environmental compliance in the access link.

Process Control and Classified Collection

During production and operation, Delton Technology strictly adheres to the principles of "separating rainwater from sewage, separating clean water from polluted water, and implementing classified collection". For wastewater, classified collection and treatment are carried out according to the composition and properties of production wastewater, with direct discharge of high-concentration waste liquid strictly prohibited. For waste gas, organized and fugitive emissions are distinguished, and acid-base waste gases, Volatile Organic Compounds (VOCs), dust and other waste gas are treated separately according to the classification. For solid waste, hazardous waste is strictly prohibited from being mixed with general industrial solid waste; dedicated warehouses have been set up with anti-leakage and anti-mixing measures in place. At the same time, a full-process documentation system has been established to record the use of raw and auxiliary materials and the operating parameters of treatment facilities, so as to ensure that pollution-generating processes are traceable and controllable.

End-of-Pipe Treatment and Up-to-Standard Discharge



Wastewater

With an on-site sewage treatment station built and high-efficiency wastewater treatment processes adopted, different types of production wastewater undergo classified collection and quality-based treatment before being discharged to the municipal sewage treatment plant in compliance with applicable standards.



Waste Gas

With advanced waste gas treatment technologies and equipment adopted, different types of waste gas are safely disposed in processes such as bag dust removal, acid-base spray, activated carbon adsorption, and RTO incineration. In 2025, we upgraded two sets of online organic waste gas monitoring systems, which enables real-time monitoring of organic waste gas discharge outlets and stable up-to-standard discharge of the outlets.



Waste

According to waste classification, internal multi-level reuse and recycling are prioritized; for waste that cannot be used internally, especially hazardous waste, we collaborate with qualified professional recyclers to achieve 100% safe disposal and maximize the recovery of valuable resources.

Archives Management and Information Disclosure

Delton Technology has established an environmental management filing system, where each facility maintains an environmental archive. This system consolidates full life-cycle documentation, including records of treatment facility maintenance, hazardous waste transfer forms, and monitoring reports. Maintenance records such as facility overhaul and calibration of key components are also documented within this archive. We strictly implement the pollutant discharge permit implementation report system, submitting status reports on annual and quarterly schedules, and making supervisory monitoring data publicly available on websites such as IPE in accordance with the law. By ensuring traceable archives and transparent information, we earnestly fulfill our corporate environmental responsibilities.



Win-Win for Environment and Economy

Delton Technology implements a collaborative model of process technology optimization, source control and waste treatment with waste, which strengthens the pollutant control compliance while simultaneously achieving pollution reduction and cost reduction.

Technological Optimization to Improve In-house Disposal Capacity

The ammonia nitrogen waste liquid, originally requiring third-party disposal, is now internally treated through a physicochemical pretreatment and electrolysis treatment system; the treated wastewater is directly discharged into the on-site sewage station for advanced treatment and discharged in full compliance with standards. Since its launch in May 2025, this system has reduced hazardous waste generation by about 560 tonnes and saved RMB 336,000 in disposal costs, effectively improving in-house disposal capacity while achieving hazardous waste reduction and compliance control.

Source Pollution Control to Optimize Waste Liquid Recovery and Disposal

For waste liquid with high recovery value such as copper-containing waste liquid, a specialized resource recovery system has been set up, which effectively reduces the organic matter content in the waste liquid by 80%, decreasing downstream sewage treatment load and operating costs while ensuring the stable up-to-standard discharge of wastewater from the source.

Waste Treatment with Waste to Continuously Reduce Operating Costs

Through measures such as acid-alkali mutual neutralization and acidification of acid-containing waste liquid, the operating costs have been greatly reduced. As a result of multiple initiatives, the unit wastewater treatment operating cost at our Guangzhou factory decreased by 15.09% in 2025.



Hazardous Waste Intensity

7.34 tonnes per million yuan of revenue

Decrease

6.6 %

Up-to-standard discharge of pollutants

100 %

Safe disposal of waste

100 %

Total environmental protection investment RMB¹

20.4192 million

Ratio of total environmental protection investment to operating revenue

0.37 %


¹ Environmental protection investment includes sewage treatment fees, environmental protection fees, maintenance and material consumption costs related to the environment, and inspection costs related to the environment.

Addressing Climate Change

Delton Technology has deeply integrated climate change response into its corporate development strategy, actively explored low-carbon transformation paths, and committed to building a climate-resilient future through green technological innovation and industrial chain collaboration.

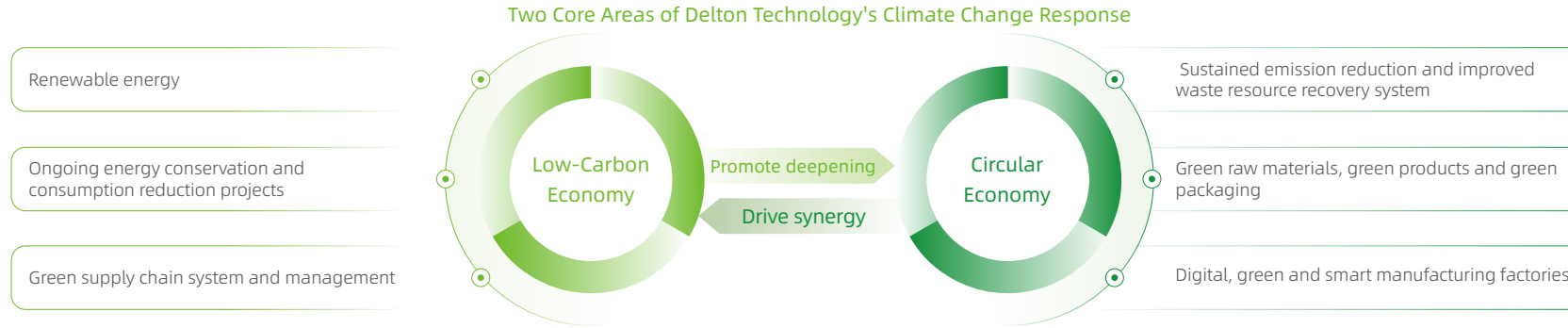
Governance

Delton Technology has revised the *Delton Technology Carbon Management Procedure*, continuously optimized the organizational system for climate change governance, clarified the responsibilities of all levels, and effectively integrated climate change issues into the Company's governance system and daily production and operation.

Governance Level	Governance Body	Scope of Authority	Information Reporting Mechanism and Frequency
 Strategic Level	Strategy and ESG Committee <ul style="list-style-type: none"> Listen to reports from the ESG Strategy Committee on climate change-related issues; Supervise and guide its work progress; Report significant matters to the Board of Directors 		<ul style="list-style-type: none"> Regular meetings with the ESG Strategy Committee to get updated on the progress of climate-related work
	ESG Strategy Committee <ul style="list-style-type: none"> Formulate carbon management strategies and goals Review and approve the annual work plan formulated by the Dual Carbon Management Project Task Force Guide the continuous improvement of the company's dual carbon strategy and performance 		<ul style="list-style-type: none"> Organize at least one meeting per year and temporary meetings for important decision-making matters Report the progress of climate-related work to the Strategy and ESG Committee
 Tactical Level	ESG Office <ul style="list-style-type: none"> Coordinate the overseas and domestic factories to carry out work in accordance with the approved annual dual carbon work plan Promote dual carbon verification work and disclose information to the public in a timely manner 		<ul style="list-style-type: none"> Disclose climate change response-related work to the public on an annual basis
	Dual Carbon Project Management Task Force <ul style="list-style-type: none"> Formulate the annual "dual carbon" work plan for the entire Group and submit it to the ESG Strategy Committee for approval Respond to the carbon reduction demands of stakeholders, carry out supply chain carbon verification and emission reduction training, and promote net zero emissions in the value chain Take the lead in promoting capacity building related to the "dual carbon" goals, establish a training system, and conduct regular personnel training Be responsible for carbon reduction and carbon inventory work of each factory 		<ul style="list-style-type: none"> Report the progress of climate-related work to the ESG Strategy Committee on a monthly basis Organize work meetings irregularly
 Operational Level	Other Relevant Functional Departments <ul style="list-style-type: none"> Promote the "dual carbon" work related to the department and ensure the achievement of goals 		<ul style="list-style-type: none"> Submit data on the progress of annual "dual carbon" related work as required

Strategy

Delton Technology's approach to addressing climate change is rooted in its products and business model, with a strategic focus on two core areas: low-carbon economy and circular economy. By optimizing energy and resource mix and improving the utilization efficiency, we have persistently advanced the process of low-carbon economy. Through initiatives such as waste recycling, the development of green products and packaging, and the construction of smart green factories, we have promoted the recycling of resources and the utilization of recycled materials. These efforts are steadily advancing a model of circular economy model, "resources-products-recycled resources".



Risk and Opportunity Identification

Delton Technology's Climate Risk Identification and Response

Risk Category	Risk Description	Scope of Impact	Duration of Impact ¹	Likelihood of Impact	Comprehensive Impact Level	Response Measures
Physical Risk (Acute)	Extreme weather disasters: Extreme weather such as heavy precipitation and typhoons may lead to infrastructure damage, supply interruption, production suspension and property loss.	Upstream value chain, internal operations	Short term	high	low	<ul style="list-style-type: none"> Conduct regular climate risk assessment and establish an extreme weather early warning mechanism and emergency drill system Improve the disaster resistance of factory buildings and equipment Establish a diversified supply chain to reduce reliance on a single source Purchase sufficient insurance to transfer the risks brought by natural disasters
Physical Risk (Chronic)	Long-term climate evolution: Global warming threatens to increase sea levels, reduce biodiversity, and disrupt food supply. The ensuing resource scarcity raises the risk of resource insecurity and drives up operational costs.	Upstream value chain, internal operations	Medium and long term	Medium	Low	<ul style="list-style-type: none"> Continuously pay attention to global climate change trends and emission reduction trends, and assess the long-term safety of resource supply Adopt water and energy-saving technologies, and strengthen the use of renewable energy, recycled water and recycled materials

1. Short-term: 0-10 years, medium-term: 10-20 years, long-term: 20-40 years.

Risk Category	Risk Description	Scope of Impact	Duration of Impact	Likelihood of Impact	Comprehensive Impact Level	Response Measures
Transition Risk (Market)	Low-carbon requirements in the supply chain: With changes in the competitive landscape and downstream customers' increasing demand for low-carbon products, low-carbon products are more likely to be favored by market under the same quality conditions, and failure to meet this demand may result in the loss of market orders.	internal operations, downstream value chain	Short and medium term	High	Medium	<ul style="list-style-type: none"> Check Scope 3 inventory and establish the internal capacity for calculating carbon footprints of products. Establish emission reduction goals consistent with those of customers, and take proactive steps to decarbonize by adopting clean energy (e.g., solar power), optimizing energy efficiency (e.g., waste heat recovery), and promoting circular economy practices (e.g., waste liquid recovery and copper foil reuse).
Transition Risk (Policy and Law)	<p>Compliance supervision pressure: The Thailand Climate Change Act was officially issued in 2025, and our Thailand factory will soon face legal requirements for corporate climate actions.</p> <p>Carbon pricing mechanism: The government implements policies such as carbon tax and Emission Trading System (ETS), which directly increase the company's costs in energy and raw materials; Given its high energy consumption, the PCB manufacturing industry may face increasing regulatory impacts in the future.</p>	internal operations	Short and medium term	Medium	Medium	<ul style="list-style-type: none"> Invest in low-carbon processes (e.g., cyanide-free electroplating, dry etching) and environmentally friendly materials (e.g., lead-free solder). Partner with low-carbon suppliers to help them build the capacity for both carbon accounting and carbon reduction. Lay out carbon asset management in advance, accelerate the upgrading of energy-saving and emission-reduction processes, and research carbon asset projects. Conduct third-party carbon inventory and verification annually to ensure the accuracy, transparency and legal compliance of data disclosure.
Transition Risk (Technology)	Increasing emission reduction costs: With China's announcement of the absolute emission reduction target by 2035, the emission reduction intensity in the industrial sector has been tightened, and enterprises are facing higher investment in low-carbon technology R&D and facility transformation.	internal operations	Short term	Medium	Medium	<ul style="list-style-type: none"> Continuously invest in green manufacturing technologies, optimize the energy structure, and offset the pressure of rising emission reduction costs through technological substitution and energy efficiency improvement.

Delton Technology's Climate opportunity Identification and Response

Opportunity Category	Opportunity Description	Scope of Impact	Duration of Impact	Likelihood of Impact	Comprehensive Impact Level	Response Measures
Energy Transition	Application of renewable energy: build distributed photovoltaic power stations on the rooftops of our facilities in Guangzhou, Thailand and other locations, effectively reducing the cost of purchased electricity and carbon emissions.	Internal operations	Short term	High	High	<ul style="list-style-type: none"> Accelerate the investment and construction of photovoltaic projects in Huangshi, Thailand and Dongguan factories; optimize the proportion of green electricity to reduce long-term energy cost.
Resource Efficiency	Energy-saving process transformation: Optimize production energy efficiency and directly reduce the production cost per unit product through high-efficiency equipment, waste recycling and other energy-saving projects.	Internal operations	Short term	High	High	<ul style="list-style-type: none"> Establish an internal mechanism for identifying energy-saving opportunities in factories; facilitate the cross-factory transfer of energy-saving technologies to achieve standardized replication of energy-saving practices and projects.
Market Reputation	ESG rating and capital value: Active response to climate issues is the key to improving performance in international ESG ratings, including MSCI and CDP, which helps bolster the confidence of global investors and reduce financing costs.	Internal operations	Short term	Medium	Medium	<ul style="list-style-type: none"> Regularly participate in the filing of mainstream ratings such as CDP, EcoVadis and S&P Global (DJSI) every year, promote improvement based on ratings, and continuously enhance the quality of climate information disclosure.
Green Products	Growing demand for low-carbon products: With the strengthening of environmental access policies in regions such as the EU and customers' preferences for green products, low-carbon products with clear carbon footprint certification will win more market share.	Internal operations, downstream value chain	Short and medium term	Medium	Medium	<ul style="list-style-type: none"> Establish a precise and efficient product carbon footprint (PCF) accounting system, and continuously reduce lifecycle carbon emissions through R&D and innovation to increase our share of the green product market.

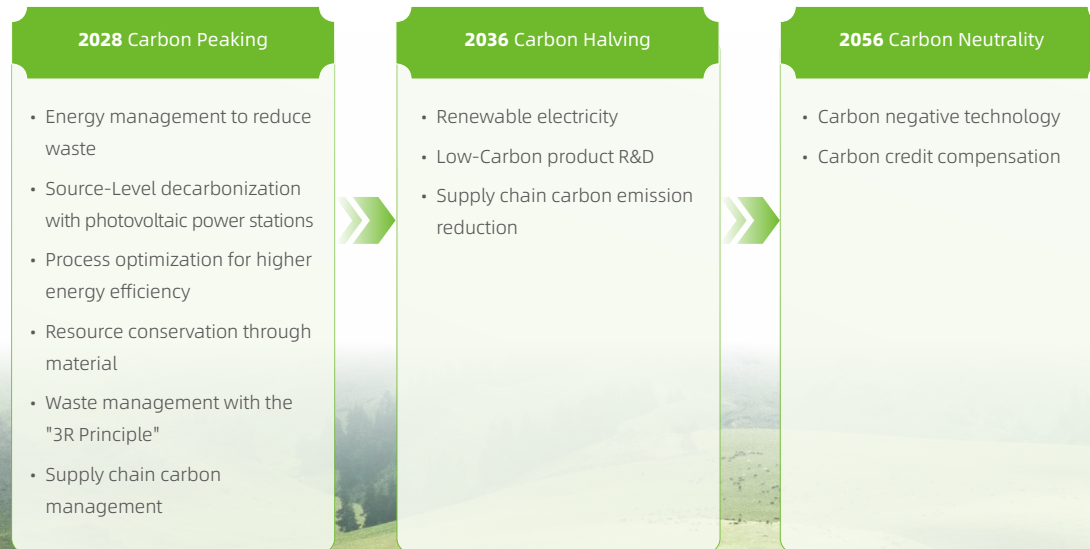
Management Measures and Annual Progress

Net Zero Path Planning

In response to the global temperature control goals of the *Paris Agreement* and to align with China's national strategy of "actively and steadily advancing carbon peaking and carbon neutrality", Delton Technology, based on its own development context, has clearly defined its road map of achieving carbon peaking by 2028 and carbon neutrality by 2056. At the short-term action level, we have set clear quantitative emission reduction goals to ensure our carbon reduction efforts are measurable and sustainable: Scope 1 and Scope 2 carbon emission intensity per unit of revenue will be reduced by an average of 3.5% annually, while Scope 3 intensity will decrease by an average of 2.5% per year. Guided by the goals, we are steadily advancing towards green transformation and actively contributing to the building of a climate-friendly future.

Building on this, our Guangzhou facility has taken a leading role by setting a more ambitious goal: achieving a 30% absolute reduction in Scope 1, Scope 2, and upstream Scope 3 emissions by 2030, with 2023 as the baseline year.

Carbon Reduction Path Planning and Implementation



Optimizing the Carbon Management System to Strengthen the Foundation for Low-Carbon Development

Delton Technology has continuously improved the carbon management mechanism and formulated the *Delton Technology's Daily Management Norms for Carbon Inventory Data and Emission Reduction Activities* to further standardize the procedures for collecting and managing carbon emission-related data. At the supply chain end, carbon emission data has been incorporated into supplier investigation requirements. Moreover, climate change indicators, such as carbon verification, carbon footprint calculation, energy conservation and emission reduction, have been integrated into the supplier audit scoring system to promote coordinated carbon reduction throughout the supply chain. At the same time, a carbon emission monitoring and early warning system has been established, forming a closed-loop control mechanism of "emission prediction-monthly target setting-compliance monitoring", with monthly progress of carbon target achievement tracked. In 2025, we completed the first Group-wide Scope 3 carbon inventory and obtained the ISO 14064 verification certification, laying the groundwork for responding to future regulatory requirements, enhancing stakeholders' confidence, and providing essential data support for product carbon footprint accounting and low-carbon product development.

Sustained Emission Reduction Practices towards the Net Zero Path

Anchoring the net zero emission target, Delton Technology has systematically advanced full-chain emission reduction. A three-dimensional emission reduction system covering the "source-process-end" has been established, including measures of digital energy management system, photovoltaic power generation and application of recycled materials from the source, measures of technological R&D, introduction of high-efficiency energy-saving equipment and energy-saving technical transformation in the process, and measures of reduction and recycling of waste liquid, solid waste and waste gas at the end. From 2020 to 2024, we have cumulatively implemented more than 20 projects, each of which achieved an annual electricity saving of over 100,000 kWh, totaling over 23 million kWh. These projects continued to release emission reduction benefits in 2025. During the reporting period, we further replicated proven practices while exploring new pathways for emission reduction. Relevant practices will be further presented in the sections on energy management, circular economy and water resource management.

Risk Management

Delton Technology has deeply integrated climate change factors into comprehensive risk management system, and established a three-level closed-loop procedure of "identification - evaluation - management" to enhance the adaptability and resilience in climate change response.

Identification

Internal and external environmental factors, such as policies and regulations, technological trends and resource conditions, are systematically analyzed to identify climate-related risks and opportunities faced by the Company with the concerns of stakeholders taken into account.

Evaluation

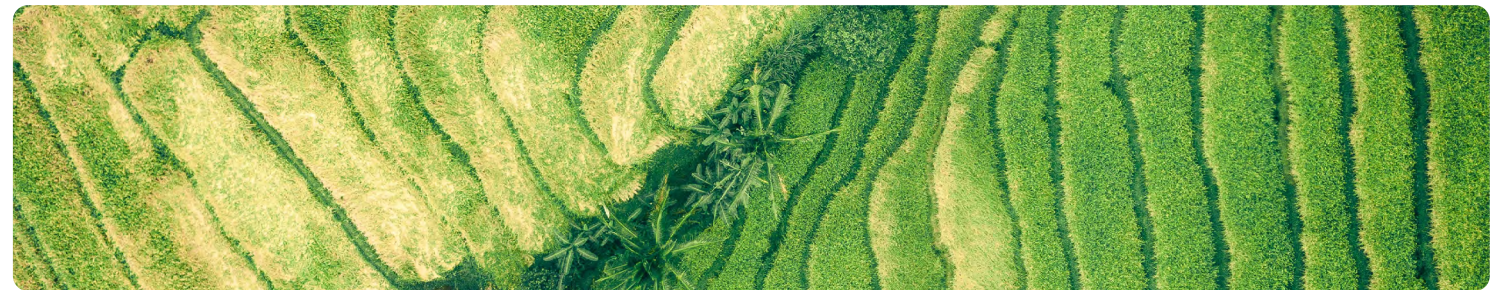
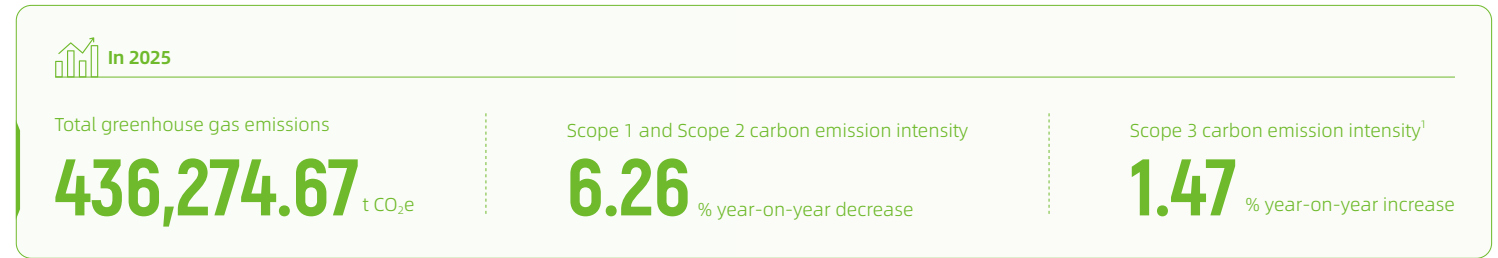
In accordance with the Company's *Risk and Opportunity Management Procedure*, a combination of qualitative and quantitative approaches is adopted to comprehensively assess the identified risks and opportunities. Targeted response measures are developed and advanced for matters with significant potential impact based on internal scoring rules.

Management

Improvement measures are implemented under the leadership of the Company's and each department's heads. The management department verifies high-risk and high-opportunity initiatives and reports findings to senior management. The Company holds regular management review meetings to evaluate changes in risk exposure and the effectiveness of response measures. The Audit Department integrates risk identification, evaluation, and the status of measure implementation into audit supervision to drive continuous improvement and ensure closed-loop climate risk management.

Indicators and Goals

Goal	Progress in 2025
60% renewable energy by 2030 ; 100% renewable energy by 2050	9.23% renewable energy
Carbon peaking by 2028 ; Carbon halving by 2036 ; Carbon neutrality by 2056	48.54% reduction in Scope 1 and 2 emission intensity (baseline year: 2019) 28.73% reduction in Scope 3 emission intensity (baseline year: 2023)

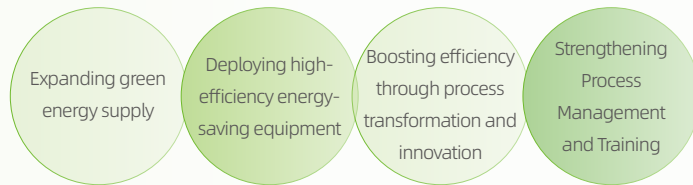


1. In 2025, the newly constructed plant in Thailand commenced operations, leading to a significant increase in capital goods emissions as a result of construction. Concurrently, the startup of this overseas facility resulted in a corresponding rise in transportation emissions. Due to these objective factors, Scope 3 carbon emission intensity experienced a temporary increase. Nevertheless, from 2024 to 2025, the company continuously advanced a series of emission reduction initiatives, including resource conservation, yield rate improvement, and First-in-First-Out (FIFO) inventory management, which effectively offset a portion of the incremental emissions. By 2025, Scope 3 carbon emission intensity had decreased by a cumulative 28.73% compared to the baseline year 2023.

Optimizing energy management

Centered on full lifecycle control, Delton Technology has promoted efficient energy use and set up a low-carbon production model. In each of our factories optimizing energy management, improving processes, and upgrading equipment have become standard practices for driving energy conservation and consumption reduction, reinforcing our resilience in pursuing green and low-carbon development with practical actions. In new factory construction, we followed the principle of adopting "best practices" from existing facilities at the design stage and continuously building upon them. The Thailand smart factory, for example, features a high-efficiency mechanical room design with three-level temperature zoning cooling, with an annual comprehensive operating COP reaching over 5.5 and peaking above 6.0. Its energy efficiency performance has reached the industry benchmark level. In 2025, we carried out more than 20 energy-saving and emission-reduction projects to continuously tap the energy-saving potential of each factory.

Energy Management Practice Cases



In 2025

Both the Guangzhou and Huangshi factories Have obtained and maintained the ISO 50001 Energy Management System certification

Clean Energy Use

- The distributed photovoltaic power generation project of the Guangzhou factory generated a cumulative 3.368 million kWh in 2025, with a total cumulative power generation of 8.041 million kWh.
- The distributed photovoltaic power generation system of the Huangshi factory was put into use for the first time in 2025, with an average monthly power generation of about 500,000 kWh and a cumulative annual power generation of 4.407 million kWh.
- The Thailand factory has adopted the model of "park-level on-site consumption and self-built photovoltaic power generation". It began drawing on the park's PV power supply in October 2025, with 820,000 kWh of such power consumed in December alone, accounting for 30% of the factory's total electricity usage. The cumulative consumption of the park's photovoltaic power by the factory reached 1.31 million kWh in 2025. Its self-built 4.85 MW photovoltaic project is scheduled for completion in February 2026.

Upgrading Energy-Saving Equipment

- The Guangzhou factory Undertook a comprehensive upgrade of dust collection fans. Old fans in drilling dust collectors were replaced with air suspension centrifugal fans, while other dust collection fans were upgraded to permanent magnet high-speed energy-saving models. With the transformation, the operating energy consumption was significantly reduced. The air suspension centrifugal fans save approximately 109,300 kWh of electricity annually, generating comprehensive economic benefits of around 74,000 yuan. The permanent magnet high-speed fans achieve over 40% electricity savings, with estimated annual cost reductions of 1.4311 million yuan.
- By replacing existing cooling towers with high-efficiency models, the Guangzhou factory achieved electricity and water savings of 9.1% and 11% respectively, with annual economic benefits of 31,700 yuan. Additionally, a chiller was installed to reduce the operating load to the 70% high-efficiency range, further improving the overall heat exchange efficiency.
- The Dongguan factory installed the 9W human body induction lights in the corridors and behind the equipment, saving 320,000 kWh of electricity per year, which is equivalent to about 193,200 yuan in annual electricity cost savings.

Improving Production Processes

- The Guangzhou factory utilized the cooling water of the chiller and installed an exchanger to heat the return water of the air conditioning hot water system, which can increase the temperature by 10 degrees and save 50% energy in winter. In summer, it can increase the temperature by 20 degrees, allowing the heat pump to be turned off. Following the heat exchanger installation and pipeline optimization, the project saves 536,300 kWh of electricity annually, generating economic benefits of RMB 359,300.
- The Guangzhou factory repurposed the old air conditioners, taking the refrigerant air conditioner as a backup system and turning on the chiller air conditioner for daily use, which doubled the electric energy conversion efficiency and saved about 37,000 kWh of electricity.

Developing the Circular Economy

Committed to reducing environmental impact, we aim to drive ourselves to steadily transform into a sustainable, closed-loop, zero-waste enterprise.

Circular Economy Governance

Delton Technology has incorporated the circular economy into the core of ESG governance, and established a cross-departmental task force gathering the Research Institute, Equipment and Facilities Center, EHS Management Department and Supply Chain Management Center to deeply drive resource recycling. We continue to explore the development of the circular economy by focusing on the green product design and adhering to the principles of "Reduction, Reuse, Resource Recovery and Disposal (3R+Disposal)".

Exploring Green Design and Using Recycled Materials

Delton Technology explores the integration of green design concepts into the whole process of product development to promote resource conservation and environmental protection from the early stages. At the design stage, we prioritize the recyclability and eco-friendliness of materials, adopting rational design strategies to improve material utilization efficiency. For example, by replacing conventional materials with narrow-width materials, designing double-width materials for large boards and optimizing board splicing in super-capacity projects, we have improved both material utilization and production capacity, delivering annual cost savings of over RMB 40 million. Regarding the application of recycled materials, we continue to explore large-scale substitution paths. In 2025, the proportion of recycled copper foil used in the Guangzhou and Dongguan factories increased from 99.4% to 100%, and key materials such as copper foil, copper balls and copper oxide powder have all fully realized 100% replacement with recycled materials.

Indicator	Measurement Method	Goal			Progress in 2025
		2025	2030	2050	
Use of Recycled raw material	Substrate copper	80%	90%	100%	Guangzhou & Dongguan factories: 82% Huangshi factory: 67%
	Copper foil	30%	90%	100%	Guangzhou & Dongguan factories: 100% Huangshi factory: 100%
	Copper balls	100%	100%	100%	Guangzhou & Dongguan factories: 100% Huangshi factory: 100%
	Copper oxide powder	100%	100%	100%	Guangzhou & Dongguan factories: 100% Huangshi factory: 100%

Continuously Promoting Circular Reuse

Delton Technology has systematically established a recycling system driven by the dual engines of "external circulation" and "internal circulation", to promote the efficient use of resources and value regeneration. In terms of external circulation, we entrust suppliers to reprocess and transform production waste, such as waste kraft paper, waste metal and waste packaging barrels, into new materials which are re-invested in the production link, forming a green closed loop of "resources-products-recycled resources" and transforming end-of-pipe disposal into source supply. In terms of internal circulation, each factory has established an on-site waste resource recycling system. Key initiatives have been implemented, such as the recycling of metal-containing waste liquid, the desorption and regeneration of activated carbon, and the reprocessing and reuse of wooden pallets, realizing the cascade utilization of resources and value regeneration within the factory. The synergy of internal and external circulation drives the Company to move from the conventional "end-of-pipe treatment" to a full-chain green manufacturing model integrating source reduction, process circulation and end-of-pipe regeneration.

Achievements in External Circulation

Recycling and Regeneration of Waste Kraft Paper and Copper Foil Scrap

Process residues, including waste kraft paper and copper foil trim, are sent to suppliers for reprocessing or smelting. By doing so, such waste materials are converted into new materials which are fed back into production, which enhances resource circularity and strengthens supply chain sustainability. In 2025, a total of 1,050.5 tonnes of waste kraft paper and 87.7 tonnes of copper foil scrap were recycled.




Recovery and Reuse of Waste Chemical Empty Barrels by Original Manufacturers

For waste packaging barrels that do not contain hazardous substances or whose original suppliers hold the necessary treatment qualifications, a recovery mechanism is established by signing a recovery agreement with original manufacturers. In this way, barrels are collected and returned to the original suppliers for recycling. In 2025, a total of 131,648 empty barrels were recovered.

Classified Disposal and Recovery of Other Waste

A comprehensive waste classification management system has been put in place. Waste streams are sorted according to their hazard level, material characteristics, and recovery value, and then entrusted to licensed professional organizations for appropriate disposal. This system greatly promotes resource utilization and incineration for power generation, significantly reducing the use of conventional methods like landfilling and direct incineration. Through these efforts, a 97.52% waste resource recovery rate has been achieved.

Achievements in Internal Circulation

Category	Project	Achievement
 Waste Liquid	Micro-Etching Liquid Circulation and Regeneration Continuous Expansion and Cross-Factory Replication	Following the successful implementation of the Microetching Liquid Regeneration Project in Workshop 2 of the Guangzhou factory, we have continued to promote the replication and cross-plant application of the technological achievements across multiple internal facilities, and fully advanced the deployment of the on-line copper extraction and copper sulfate recovery system for microetching waste liquid. In 2025, a total of 42.89 tonnes of electrolytic copper and approximately 54 tonnes of copper sulfate were recovered, generating an aggregate economic value of about 5.6 million yuan. The project has achieved 100% reuse of treated wastewater in production lines, effectively realizing the goals of waste liquid resource utilization and near-zero discharge.
	Brown Oxidation Waste Liquid Resource Recovery Efficient Copper Reuse in Practice	A brown oxidation waste liquid deoxidation pretreatment and electrolytic copper recovery system was set up, which can effectively degrade 80% of organic matter in the waste liquid, significantly reducing the sewage treatment load and operating costs. In 2025, a total of 25.76 tonnes of electrolytic copper were recovered, delivering economic value of about 2.5 million yuan. All the recovered copper materials were returned into production as raw material substitutes, thereby closing the resource loop.
	Leading design in Thailand factory Full-process recovery system for copper-containing waste liquid	Adhering to the philosophy of technology transfer and source-oriented design, the Thailand factory embedded a comprehensive copper-containing waste liquid recovery system from the planning stage onward, integrating three key processes: electrolytic copper recovery from micro-etching waste liquid, electrolytic copper recovery from brown oxidation waste liquid, and copper extraction from acid and alkali etching waste liquid. This enables full treatment of micro-etching, brown oxidation, and acid etching waste streams, with a combined treatment capacity of 1,320 tonnes per month, laying a strong foundation for resource circulation from the design end.
 Solid Waste	Cascade utilization system for packaging balancing reduction and circulation	A comprehensive cascade utilization and circular reuse system for packaging materials has been established. Under this system, materials such as cut board cover sheets are converted into inner packaging fillers, and small wooden pallets are repaired and redeployed in the product shipment and turnover link. This system greatly enhances the full-cycle efficiency of packaging materials. In 2025, 2,829 wooden pallets were processed and reused.
 Waste Gas	Synergistic improvement of treatment efficiency Waste gas integration and emission reduction	To eliminate fuel waste from the RTO incinerator caused by low-concentration VOCs, we have implemented an integrated pipeline system that consolidates and delivers waste gas streams to the incinerator for treatment. This approach enables existing treatment facilities to handle increased pollutant loads, reducing natural gas consumption by about 55,000 cubic meters per year, saving about 260,000 yuan in cost, and reducing about 100 tonnes of activated carbon usage and hazardous waste activated carbon generation per year. The VOCs emission concentration decreased by 60%, further improving the emission reduction efficiency on the basis of ensuring compliance with emission regulations.



Enhancing Water Resource Management

Delton Technology, recognized as a water-saving benchmark enterprise in Guangdong Province, has been firmly committed to the principles of intensive, economical, safe, and efficient use of water resources. A full-process water resource management and control system has been established. To ensure the stable supply and sustainable use of water resources, the Equipment and Facilities Center has been set up to coordinate the management of equipment and public infrastructure within the group. In this Center, the Facilities Department is responsible for the stable supply and refined management of water for both production and public purposes, comprehensively regulating the withdrawal, consumption and recycling of water resources, which has enabled the formation of a closed-loop water risk management procedure that integrates risk identification, assessment, management review, and response.

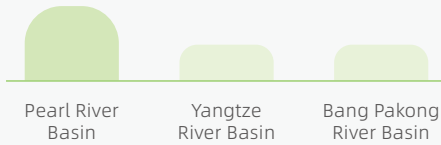
Water Resource Risk Identification

To facilitate water resource management actions, Delton Technology applies the WWF Water Risk Filter, an online analysis tool, to identify the watershed risks and operational risks at each factory. The Guangzhou and Dongguan factories are located in the Pearl River Basin in China, the Huangshi factory is in the Yangtze River Basin in China, and the Thailand factory is in the Bang Pakong River Basin, all of which are classified as medium-risk areas.

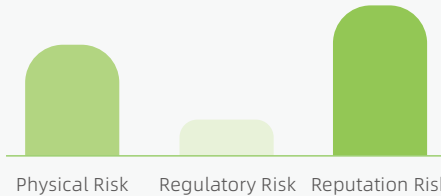
Water Risk Identification Results (Heatmap)



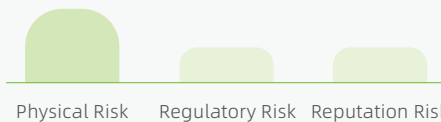
Number of Factories by Major Watershed



Number of Factories by Water Risk Type



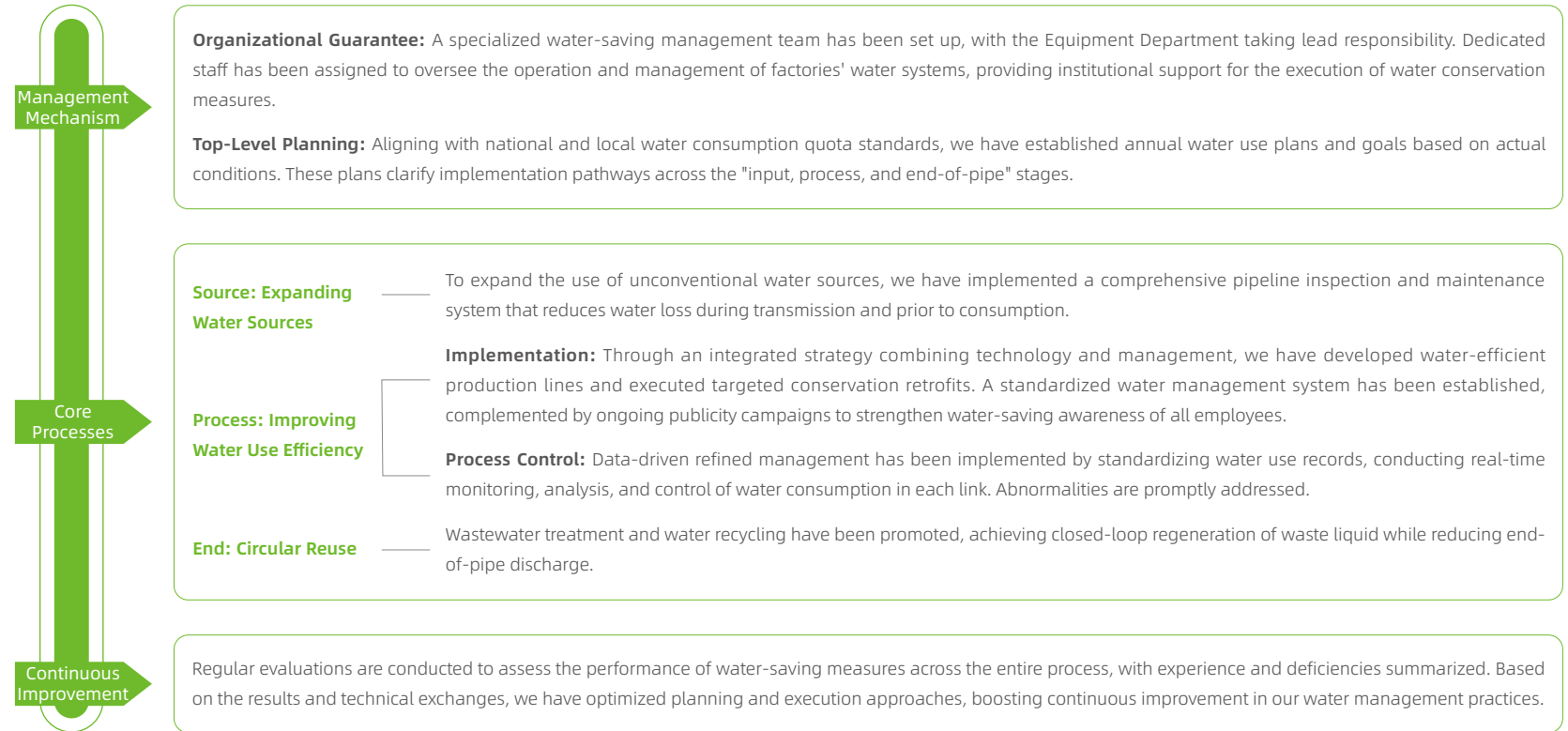
Number of Factories by Operational Risk



Scenario Analysis of Water Resources

Recognizing the importance of sustainable water management, Delton Technology assessed future water risk trajectories with the WWF Water Risk Filter. The analysis considered three distinct scenarios, "pessimistic," "following current trends," and "optimistic", making projections for 2030 and 2050. The results indicate that our factories in Guangzhou, Dongguan, Huangshi, and Thailand are all situated in medium-risk zones. In the medium and long term, these facilities are expected to face challenges of watershed reputation risk and acute physical risk.

Water Resource Management Process



Water Resource Conservation and Utilization

Through multiple measures such as the development of unconventional water sources, intelligent equipment transformation, cascade water utilization, precise process optimization and regulation, recycling reclaimed water and concentrated water, and water-saving publicity campaigns for all employees, Delton Technology has saved more than 260,000 tonnes of water in 2025, continuously improving the efficiency of water resource utilization.



Annual key Initiatives

Expanding Water Sources: Rainwater Purification Yields Initial Benefits

- The Guangzhou factory has installed a rainwater pretreatment and reverse osmosis (RO) system, enabling rainwater to be reused in production lines. Within its first six months of operation, the system recovered 6,300 tonnes of rainwater, generating annual economic benefits of RMB 153,000. This initiative provides a replicable technical pathway for the utilization of unconventional water resources.

Multi-Purpose Use of Water: Cascade Utilization of Overflow and Concentrated Water

- The Guangzhou factory diverts the overflow water from the washing section to the copper powder recovery machine to realize 24-hour cascade utilization, saving more than 3,500 tonnes of water per year;
- The Dongguan factory installed a concentrated water recovery device on the roof of Building 1 to improve the recycling rate of concentrated water in the pure water system, saving 17,000 tonnes of tap water per year. In the Thailand Factory, concentrated water reuse was integrated at the design stage, enabling water savings of 8,980 tonnes in 2025.

Unlocking the Potential of Reclaimed Water: Small Investment, Big Returns

- A concentrated water recovery system was installed on the rooftop of Building 1 in the Dongguan factory, effectively improving the reuse rate of concentrated water in the pure water system and saving 17,000 tonnes of tap water annually, resulting in annual water bill savings of approximately RMB 100,000.

Ecology and Biodiversity Protection

Strictly adhering to environmental protection laws and regulations in its operating locations, Delton Technology has formally issued *Environmental Protection Policy*, fully integrating ecological preservation into our compliance management and sustainable development strategy. Throughout the full cycle of project site selection, planning, and construction, we have rigorously implemented national and local ecological access requirements. We commit that all the facilities will avoid biodiversity-sensitive areas and ecological protection red lines, ensuring that no operations are carried out near ecologically vulnerable zones. Through stringent pollutant emission controls and continuous optimization of wastewater, waste gas, and solid waste treatment processes, we have reduced ecological impacts on surrounding water, air, and soil at the source. Additionally, environmental impact assessments and ecological risk evaluations have been conducted in accordance with legal requirements, ensuring science-based decision-making, transparent processes, and effective measures.

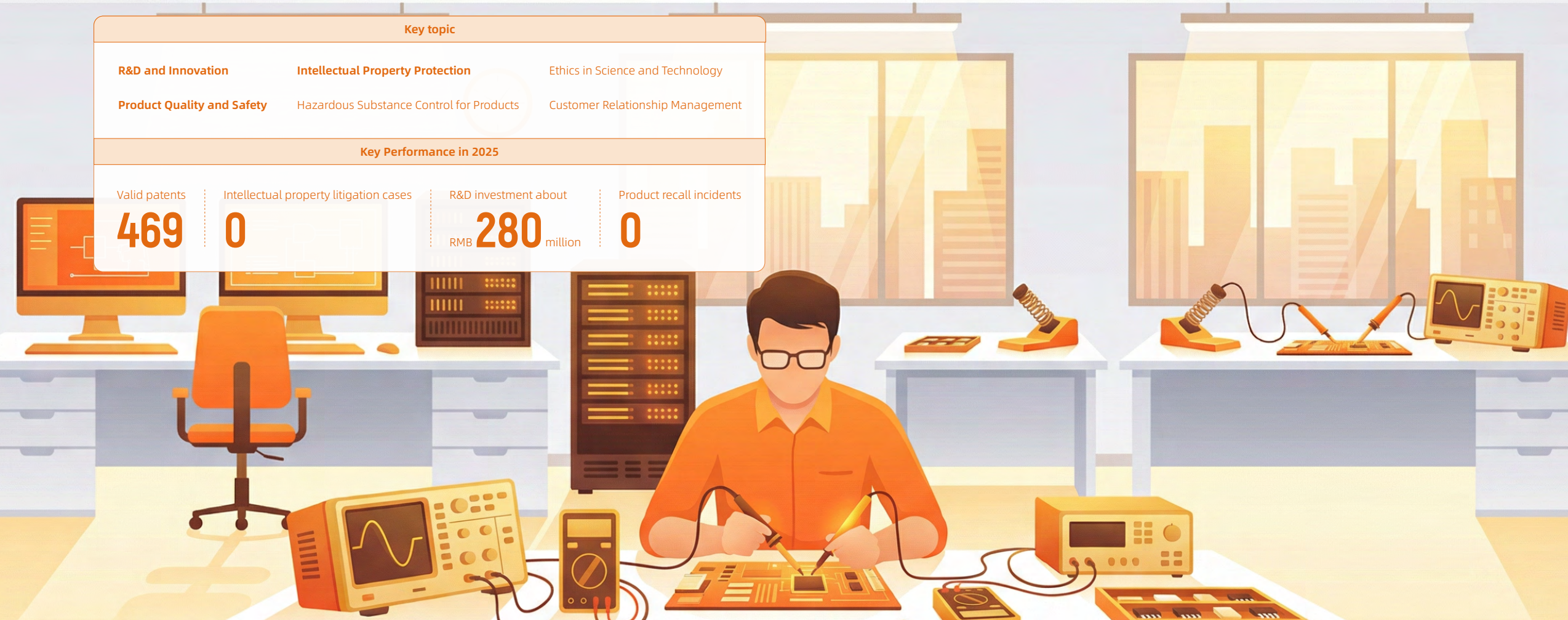


Innovation-Driven, Quality-First

Upholding the philosophy of quality first, Delton Technology has continuously optimized product quality management mechanism. With persistent efforts in R&D and innovation, we have increased investment in R&D and technological research, enhancing product performance and reliability. We have actively strengthened the control of hazardous substances to ensure product safety and compliance. By responding efficiently to customer needs and improving customer satisfaction, we provide customers with higher-quality and safer products and services.

Contributing to UN SDGs

Key topic			
R&D and Innovation	Intellectual Property Protection	Ethics in Science and Technology	
Product Quality and Safety	Hazardous Substance Control for Products	Customer Relationship Management	
Key Performance in 2025			
Valid patents	Intellectual property litigation cases	R&D investment about	Product recall incidents
469	0	RMB 280 million	0

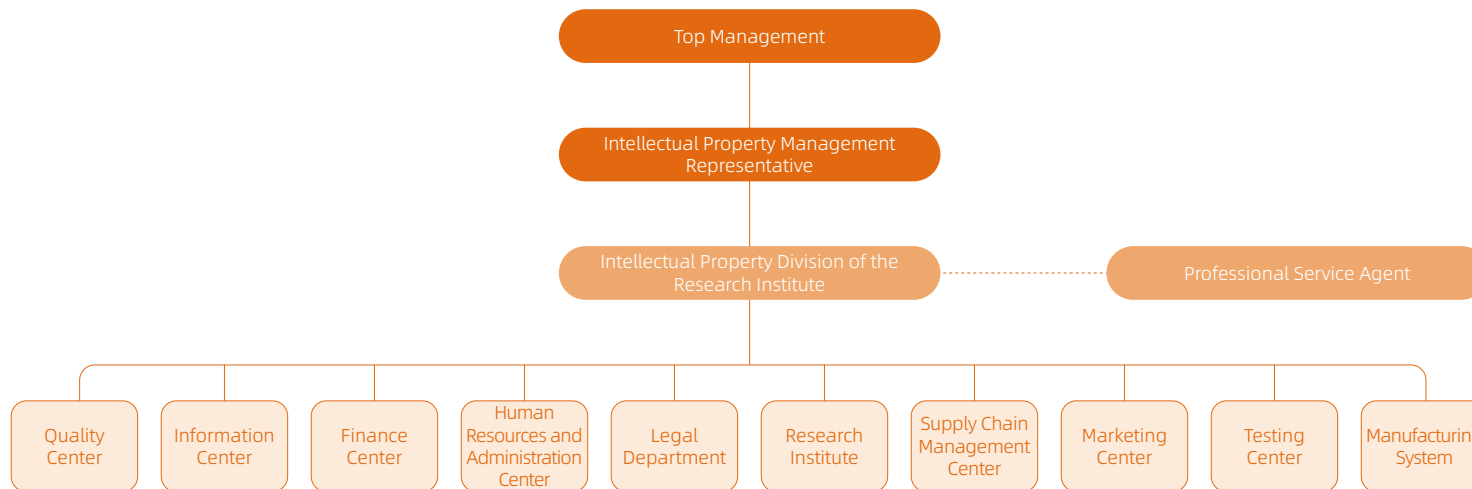


Driving R&D and Innovation

Delton Technology has been consistently committed to forward-looking R&D investment and the optimization of its R&D management system to boost technological innovation and achievement transformation. Relying on a sound intellectual property management system, we continuously strengthen patent portfolio and risk prevention and control, laying a solid foundation for scientific and technological innovation. In 2025, there were no intellectual property litigation cases or ethic incidents in science and technology.

Governance

Delton Technology has established an innovation and intellectual property management system, along with a corresponding organizational structure led by the top management. A dedicated Intellectual Property Management Representative has been appointed to oversee and coordinate intellectual property management, under whom an Intellectual Property Team has been set up. In collaboration with the Research Institute, the team conducts risk reviews and formulates relevant measures for patent and intellectual property protection in the process of innovative R&D, ensuring the compliance of technological innovation activities. All business departments integrate intellectual property management into their daily workflows to prevent risks at the front line of business operations.



Delton Technology has formulated management systems including the R&D Expense Management System, R&D Reserve Fund System, R&D Incentive System, and Guidelines for R&D Project Management, giving full play to the guiding, supporting and enabling role of innovation systems to underpin core technological breakthroughs and high-quality development. Oriented for the realization of innovation value, we have issued system documents such as the *Innovation and Intellectual Property Management Manual*, *Patent Management Procedure*, *Intellectual Property Information Resource Management Procedure*, *Copyright Management Procedure*, *Trademark Management Procedure*, and *Contract Review Management Procedure*, thereby ensuring the effective governance of intellectual property.

Delton Technology has formulated the *2025 Intellectual Property Annual Development Strategy*, clarifying short, medium and long-term goals for the Company as well as 2025 construction objectives to provide directional guidance for scientific and technological innovation and intellectual property protection. For innovative R&D, we have set up the Technology Development Benefit Award and Technology Achievement Award. We also provide R&D incentives to research groups, project leaders, patent inventors and project application teams for achievements in new products, intellectual property rights, honors, papers and standards, motivating employees to engage in innovation.

Strategy

Delton Technology has formulated management systems including the *Intellectual Property Risk Prevention Procedure*, *Intellectual Property Evaluation and Control Procedure*, *Intellectual Property Dispute Handling Procedure*, *Patent Management Procedure*, *Copyright Management Procedure*, *Trademark Management Procedure* and *Contract Review Management Procedure*. By standardizing the creation, protection and application of intellectual property rights, we analyze and control intellectual property risks, implement full-lifecycle patent management for innovative projects, comprehensively improving innovation efficiency, quality and benefits, and effectively preventing and reducing disputes in intellectual property infringement.

Risk and Opportunity Identification

Category	Description of Risk/Opportunity	Duration of impact	Likelihood of impact	Level of impact	Response measures
Risk	Core technologies could be stolen during the research, development, or commercialization phases. Unintentional infringement of others' intellectual property rights may occur, which could lead to legal disputes and damage the Company's reputation.	Short-term	Low	High	<ul style="list-style-type: none"> Establish an intellectual property compliance management system throughout the entire R&D process; prevent the risks of infringing and being infringed through systematic planning, early warning and monitoring, and enterprise-wide internal control.
	Mismatch between technical routes and process, or deviation from market demand may lead to difficulty in achievement transformation and missed market opportunities.	Short-term	Low	High	<ul style="list-style-type: none"> Build a sound cross-departmental collaborative R&D mechanism oriented to market demand and industrialization; ensure close alignment of technical directions, process capabilities and market opportunities.
	Loss of key R&D personnel or insufficient reserve of multidisciplinary talents may lead to project interruption or lack of innovation momentum.	Short-term	Medium	Medium	<ul style="list-style-type: none"> Strengthen talent incentive and retention measures; build a diversified talent introduction and training system to ensure the stability and competitiveness of the innovation team.
Opportunity	Sustained technological innovation and forward-looking strategic planning enable the Company to lead industry technology trend, develop high-value-added products, enhance market competitiveness and expand market share.	Short and medium term	High	High	<ul style="list-style-type: none"> Sustain investment in cutting-edge technology R&D through a combination of independent R&D and open cooperation; build a collaborative ecosystem spanning industry, university, research and application to accelerate technological transformation and strengthen market leadership.
	Active engagement in government science and technology initiatives enables the Company to access valuable policy benefits such as official qualifications, fiscal subsidies, and tax incentives. It can also strengthen corporate reputation and technical expertise, reinforcing innovation-driven growth.	Short-term	High	Medium	<ul style="list-style-type: none"> Establish a systematic policy tracking and engagement mechanism; actively strive for qualifications, grants and demonstration projects to convert policy dividends into innovation resources and industry influence.
	Big data generated from R&D, production, and market activities can be leveraged to optimize product design and process parameters, and forecast market demand, which can enable targeted innovation.	Short-term	High	Medium	<ul style="list-style-type: none"> Establish a data governance and analysis platform; promote the in-depth application of data in R&D and decision-making; cultivate a data-driven innovation culture.

Management Measures and Annual Progress

Building an Innovative Talent Team

Delton Technology has established standardized innovation management systems and robust talent reward and incentive mechanisms, boasting a R&D and technical team with solid theoretical foundation, excellent skills and extensive practical experience. The team masters core manufacturing technologies and processes of server PCBs with independent intellectual property rights, demonstrating domestically leading technical strength. We have set up physical and chemical laboratories for PCB research and testing, with the Technical Center equipped with assets originally valued over 100 million yuan. Our annual R&D investment has consistently exceeded 4% of total operating revenue over the past three years. In 2025, our R&D team comprises 530 members, accounting for 10.60% of the total workforce, among whom 34 hold master's or doctoral degrees, 227 hold bachelor's degrees, and 269 hold college diplomas or below.

Achievements in Innovative Intellectual Property

In April 2025, Delton Technology was awarded ISO 56005 certification, achieving a Level 2 rating under the *ISO 56005:2021 Innovation management - Tools and methods for intellectual property management - Guidance*. We have successfully trained 3 professional innovation managers, providing talent support for the efficient operation of the system.

In 2025, the company filed 82 patent applications (including 61 invention patents), 5 PCT international patent applications, led or participated in the formulation of 13 national, industry or association standards, registered 10 computer software copyrights, and retained the High-tech Enterprise Certification.

Application of Innovative Technological Achievements

In ESG green development practices, Delton Technology has advanced the R&D of green products and the application of innovative technologies, developing a robust full-chain system of "R&D, Transformation and Implementation". In the R&D phase, we strictly adhere to environmental standards and take the environmental friendliness of raw materials as an important screening factor. With clients' consent, we give priority to raw materials and components with low environmental impact. By doing so, we continuously increase the proportion of renewable raw materials to mitigate environmental risks from the source. For instance, we prioritize halogen-free materials to avoid the impact of harmful components on the ecological environment. Moreover, our technological breakthroughs have delivered tangible results. In process engineering, the introduction of film-forming plugging technology for resin plugging has reduced material usage and waste discharge. In equipment, the adoption of pulse VCP equipment has enhanced copper plating uniformity while achieving significant reductions in both copper and water consumption compared with traditional equipment.

Research on Four-Wire Testing Technology for High Aspect Ratio and HDI Products

The research focuses on the green and precision improvement of testing processes for high aspect ratio and HDI products. A full-chain technical system has been developed, covering optimization of four-wire test point selection, formulation of testing rules, quantification of judgment standards, optimization of test board parameters and conversion methods from flying probe to fixture-based testing. It can effectively solve the problems of high misjudgment and omission rates and insufficient detection capability in traditional testing. Currently this technical system has been fully implemented in production lines, increasing the defect detection rate by 89% and significantly enhancing the reliability of ex-factory products. It reduces product retesting, re-judgment and rework losses from the source, providing core support for the green large-scale production of high-precision PCB products.

Research on Back Drilling Alignment Control Technology

Through focused R&D efforts, we have achieved significant progress in back drilling alignment control technology, with breakthroughs in four key areas, including assurance of primary drilling position accuracy, optimization of back drilling alignment system, precise detection of offset holes, and high-alignment back drilling process. The advancements have enabled stable mass production of back drilling and primary drilling D+6 products, as well as small-batch production of D+4 products. As a result, alignment accuracy and reliability of our products have been significantly enhanced, effectively reducing the risk of scrapping and ensuring the supply of high-quality core components for high-end electronic equipment.

Technology for Optimizing the Back Drilling Process after Etching

To address the challenges in traditional non-resin plugged back drilling, including chemical leakage, impaired signal integrity, residual drilling rings and process complexity, we have pioneered an innovative back drilling technique that consolidates multiple conventional drilling steps into one single integrated operation. It fundamentally eliminates the interference of chemical leakage on signal transmission and the problem of residual drilling rings, while improving the core performance of products, significantly simplifying the production process and reducing energy and material consumption.



Key Awards

Key Technologies and Industrialization of Ultra-High-Grade Multi-Layer Composite Substrates for AI Servers
 was awarded the Third Prize of the Science and Technology Progress Award by the China Institute of Electronics in 2025

R&D and Application of Key Technologies for Ultra-Small Step Gold Finger PCBs
 was awarded the Second Prize of the Science and Technology Progress Award by the Guangdong Institute of Electronics in 2025

Large BGA Server Motherboard for High-Performance Computing (HPC)
 was awarded the Second Prize of the Science and Technology Progress Award by the Guangdong High-Tech Industry Association in 2025

Development and Application of Key Technologies for ARM-based Server PCBs
 was awarded the Second Prize of the Science and Technology Achievement Transformation Award by the Guangdong Association for the Promotion of Science and Technology Achievement Transformation in 2025

High-Performance PCBs for High-End Servers, Large BGA Server Motherboards for High-Performance Computing (HPC) and Ultra-High-Grade Multi-Layer Composite Substrates AI Servers
 Were certified as Famous and High-Quality High-Tech Products of Guangdong Province in 2025

Innovation Exchange and Cooperation

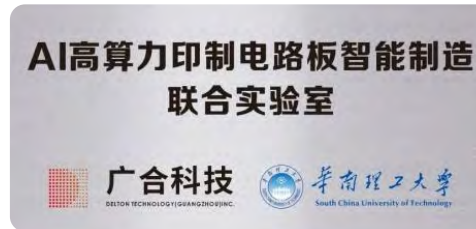
Keeping pace with the world's cutting-edge technologies in the electronic circuit industry, Delton Technology actively pursues industry-university-research cooperation and external cooperation. By establishing an industry-university-research cooperation management mechanism in place, we have been enabled to harness the technical advantages and talent resources of major universities, promoting the application of innovative technologies and empowering our enterprise operations.

University-Enterprise Cooperation

- Delton Technology, in collaboration with South China University of Technology, has established the "Joint Laboratory for AI High-Computing Power Printed Circuit Board Intelligent Manufacturing", to support the high-end electronic circuit manufacturing industry chain in achieving self-sufficiency, independent control, and technological breakthroughs.
- Delton Technology signed a cooperation agreement with Guangdong University of Technology on the project "Research and Application of Sound Manufacturing Innovation Technology for Printed Circuit Boards".
- Delton Technology signed an "Agreement on Joint Recruitment and Training of Postdoctoral Researchers" with the University of Electronic Science and Technology of China to advance the integration of industry, university, research, and education, and to promote the transformation of scientific achievements.
- The project "Key Technologies and Industrialization of High-Speed High-Multi-Layer Printed Circuits for Big Data Server Motherboards", a collaborative research between Delton Technology and South China University of Technology, was recognized in 2025 as an "Intellectual Property Industry-University-Research Cooperation Project" by the Guangzhou Development Zone and Huangpu District, Guangzhou.

Enterprise-Enterprise Cooperation

- Delton Technology and ZTE Corporation launched the "Delton-ZTE" Joint Initiative. Building on leveraging mutual advantages, the two parties have been engaged in deep cooperation in the fields of servers, 5G base stations and low-altitude economy, to jointly advance cooperation goals and inject new impetus into the development of the digital economy.



- ◆ Delton Technology Partners with South China University of Technology to Launch Joint Laboratory



- ◆ Delton Technology Enters into an Industry-University-Research Cooperation Agreement with Guangdong University of Technology



- ◆ Delton Technology and ZTE Corporation Launch the "Delton-ZTE" Joint Initiative

Risk Management

Delton Technology has established a comprehensive intellectual property management framework, including the *Intellectual Property Risk Prevention Procedure*, *Intellectual Property Evaluation and Control Procedure*, and *Intellectual Property Dispute Handling Procedure*, for systematically identifying and controlling IP risks and effectively preventing and reducing IP infringement disputes.

Risk Prevention

Through patent retrieval and novelty searches, we conduct investigations on the likelihood of infringement, issue infringement risk assessment reports, and take measures to prevent the infringement of others' intellectual property rights.

Process Monitoring

We proactively monitor the market of IP rights, and track registrations and authorizations of IP rights including trademarks, patents and trade names. In case of potential IP conflicts, a thorough investigation is undertaken to assess the likelihood of disputes and the potential impact on the business. Based on the assessment, prevention plans are developed to mitigate risks.

Risk Response

We take prompt action upon detecting any actual or potential infringement of our IP rights. Suitable dispute resolution approach is adopted to resolve IP disputes. For cross-border business activities, we strengthen research into the legal frameworks of target markets, ensure clear IP ownership in contracts, and expand our overseas IP portfolio. Furthermore, early warning mechanisms and enforcement readiness are established for strategic export products, safeguarding the security of our innovation outputs in a comprehensive manner.

Indicators and Goals



Strict Control of Product Quality

Delton Technology has continuously optimized product quality management mechanism, implemented full-cycle quality risk control and product quality supervision and improvement, carried out product quality training, and effectively promoted the effective execution of quality assurance work.

Governance

Delton Technology has established a top-down, full-process product quality management framework, with a quality management structure led by the general manager as the top management, who bears the ultimate responsibility for quality management. The Quality Center and various manufacturing units serve as the major responsible parties for quality control, rigorously checking quality issues across all production links, formulating and advancing quality management plans, and monitoring the effective implementation of quality initiatives. The Supply Chain Management Department is responsible for raw material quality control, ensuring the stability and compliance of the supply chain.

Delton Technology has formulated product quality management systems including the *Quality Manual*, *New Product Development Management Procedure*, *Incoming Material Control Procedure*, *Product Identification and Traceability Control Procedure*, *Product Testing Management Procedure*, and *Customer Complaint and Return Handling Procedure*, clarifying quality control requirements for each link, standardizing management processes, and ensuring the safety and effectiveness of product quality.

Strategy

Delton Technology systematically identifies key product quality risk points, conducts regular reviews of critical areas through its ongoing monitoring mechanism, formulates targeted preventive and control measures, proactively seeks opportunities for quality improvement, and continuously strengthens the resilience and sustainable operation capacity of the quality assurance system.

Risk and Opportunity Identification

Category	Description of Risk/Opportunity	Duration of Impact	Likelihood of Impact	Level of Impact	Response Measures
Risk	Failure to meet customer standards or compliance requirements may lead to product recalls, penalties or legal litigation risks.	Short-term	Low	Medium	<ul style="list-style-type: none"> Regularly track and interpret industry regulations and customer requirements, translate full-process inspection standards and high-risk areas into non-negotiable system rules, eliminate process abnormalities at the source, achieving "process immunity".
	The increasingly complex product structure puts forward higher requirements for product reliability and signal integrity, increasing the difficulty of technical control and quality assurance.	Short-term	Medium	High	<ul style="list-style-type: none"> Increase investment in advanced equipment and technological upgrading to improve product quality control capabilities; establish a complete mechanism from problem discovery to effect verification and standard solidification through real-time alerts, end-to-end traceability and accurate root cause location, ensuring targeted and closed-loop improvement.
	Failure to address customer quality concerns promptly, coupled with ineffective closed-loop responses, may lead to repeated quality incidents and erode client confidence, which could result in order cancellations or downgrade in supplier qualification ratings.	Short-term	Low	High	<ul style="list-style-type: none"> Establish a customer-oriented quality control system; respond quickly to customer feedback; monitor customer requirements on a regular basis; establish a closed-loop mechanism for quality problems.
Opportunity	Customers' high requirements for quality response speed and closed-loop capability prompt the Company to improve product reliability and consistency, and build a quality reputation of "quick response, zero defects".	Short-term	High	High	<ul style="list-style-type: none"> Improve customer service and quality management processes; strengthen exclusive services, quality Q&A and full-process follow-up in the customer introduction stage; promote multi-lingual localized adaptation of the quality system; build a hierarchical talent training system to ensure that quality requirements are implemented at the operational level.
	By strengthening core technologies and raising technical barriers, the Company can elevate product quality premium and strengthen market competitiveness.	Medium-term	High	High	<ul style="list-style-type: none"> Deepen technological innovation; develop customized solutions; convert technological advantages into quality standards and product competitiveness.
	Digital and intelligent technologies can effectively improve the product defect identification rate and ensure product quality and safety.	Medium-term	High	High	<ul style="list-style-type: none"> Introduce intelligent and digital technologies and equipment; integrate multi-dimensional data such as quality, production, equipment and materials; establish a statistical analysis system tailored to PCB production to support trend analyses and risk predictions for decision-making.

Management Measures and Annual Progress

Continuous Improvement of Quality System

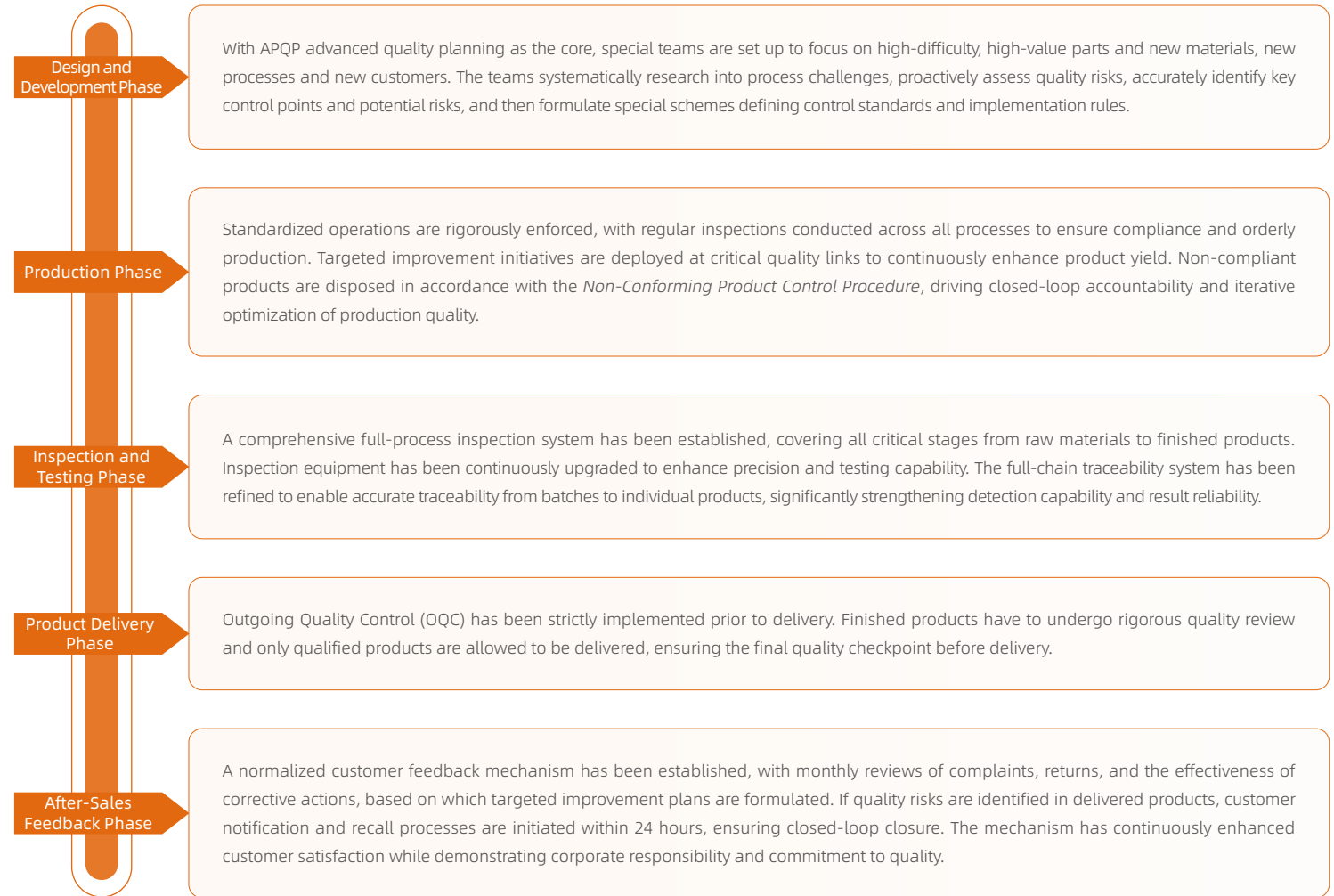
Delton Technology has established and continuously improved a quality management system covering four major modules, namely, system management, Design Quality Assurance (DQA/APQP), Quality Assurance (QA), Quality Control (QC) and Quality Service (QS). High standards are deeply integrated into the entire product life cycle to ensure the controllability, traceability and reliability of quality in all links from R&D and design to production and delivery, laying a foundation for high-quality products and services. By 2025, we have successfully obtained quality management system certifications across all the manufacturing sites, including Guangzhou, Dongguan, Huangshi, and Thailand factories.

In 2025, Delton Technology conducted a comprehensive internal audit in accordance with management system requirements. The audit systematically identified over 100 areas which can be potentially improved, all of which were successfully addressed, achieving a 100% closure rate and further strengthening our management foundation.

Implementing Full-Process Quality Control

Delton Technology has implemented full-process product quality control measures spanning from design to delivery. This enables proactive risk identification at the front end, precise in-process control, and closed-loop issue management, ensuring consistent quality and reliable delivery throughout the product lifecycle.

The Thailand factory has always deeply integrated digital transformation with the company's quality strategy, establishing a fully integrated, closed-loop quality control system that consistently meets customer expectations through stable quality performance. A digital operating architecture has been deployed, with the Quality Management System (QMS) at its core and tightly integrated with the Manufacturing Execution System (MES). This system embeds quality concepts, processes, and methodologies across the entire value chain, from material cutting to final delivery. It has basically realized the digitalization of inspection standards, systematization of process control, real-time handling of abnormalities and full-link traceability of quality, promoting a major transformation of quality management from "experience-based, post-event correction" to "data-driven, pre-event prevention".



In 2025, Delton Technology systematically advanced a series of quality control and optimization practices, establishing standardized, refined, and intelligent quality management measures to comprehensively ensure product stability and reliability.



Targeted Quality Improvement Initiatives

Guided by core goals including yield improvement, quality cost reduction, and enhanced customer satisfaction, we have continuously advanced targeted improvement initiatives driving comprehensive quality improvement across all product lines and processes.

A cross-functional team under the leadership of the Manufacturing Department, consisting of process, quality, manufacturing and equipment professionals, has been established to promote analysis and improvement of key processes, such as inner layer, inner layer AOI, lamination, drilling, copper deposition, solder mask and resin plugging. By identifying major defects and driving targeted improvements, reductions in defect rates have been achieved across all these processes.

Case Special Scratch Improvement for Reliable Delivery

A dedicated scratch improvement team has been appointed to follow up the progress through weekly inspections, standardization of operational norms, process optimization and test board verification, achieving a 22.3% reduction in factory-wide scrap caused by scratches. The Thailand factory has built a positioning management platform linked with video surveillance by binding products with carriers and locations, automatically counting the number and trajectory of carrier movements and setting up early warnings for violations. An automated equipment monitoring standard has been established to optimize the operation process to eliminate redundant manual actions; to further refine the dimensions of defect analysis, BI reports has been formulated to display scratch trends in real time, forming a full-process closed-loop control mechanism. In 2025, the scratch-related scrap rate of the drilling process has fallen to 0.49%, with notable reductions in both pre-copper plating scratches and surface pits.

Case Automatic Warpage Sorting for Improved Product Reliability

In 2025, an automatic warpage sorting system and a drill tape pre-distribution system have been established. Through automatic collection of product warpage data and system calculation of sorting data, the data is transmitted to equipment to automatically screen out N+2 products for special analysis. The drill tape pre-distribution system configures drill tapes according to different warpage batches, enabling batch-level processing control. At the same time, the QMS system established trend statistics for layer misalignment data, generating the warpage distribution patterns in multiple dimensions, including model, batch and time, to provide data support for process optimization. As a result, we have achieved a 54.54% reduction in layer misalignment defects for N+2 products, alongside a marked decline in layer and hole misalignment defects caused by excessive warpage, greatly improving the hole position accuracy and interlayer alignment of PCB products, meeting the requirements of high-end customers for precision electronic components and strengthening our competitiveness in the high-end PCB market.



Case

Process Design Upgrading for Refined Product Management

In 2025, six process capability upgrades have been completed, elevating the overall NPI quality, refining the quality control of products, and increasing the on-time delivery rate to 98%. Among them, in response to the requirement of no residual gold-plated leads, an innovative side lead tapering technique was adopted to precisely control the lead length at 6mil, which was solidified into a process design document to provide standardized guidance for the design of similar products. Comprehensive control measures have been established for the number of drill bit grinding times, tool inventory, drilling parameters, material use and machine assignment, significantly curtailing NPI burr defects. Through customer-oriented process innovation and the improvement of standardization capabilities, we have pivoted our mindset from a reactive "manufacturing execution" to proactive "design-led optimization", translating customer requirements into robust capabilities for high-consistency delivery.



Case

Strengthening Traceability Management for Full-Process Product Tracking

Delton Technology has fully built and continuously improved the full-process product traceability system in all factories. In 2025, we focused efforts on promoting the machine data collection capability and system improvement capability from molding to FQC, achieving 100% traceability of products bound with QR codes. The Thailand factory established a full-process traceability system for products at the minimum unit level to achieve precise tracking of the entire product life cycle. Through the in-depth integration of MES with QMS/EAP/WMS systems, the factory can trace the process parameters and material batches of products, ensuring the accurate association of parameters and material information with work orders and batches; through the early warning mechanism and comparison with standard working hours, the stay time of products in key stations can be monitored to avoid production stagnation. Additionally, WIP location management enables real-time visibility into product flow and status. The Thailand factory has achieved a significant drop in the scrap rate, which not only reduces production costs but also improves operational efficiency.

Strengthened Hazardous Substance Control

Delton Technology integrates the QC 080000 Hazardous Substance Process Management (HSPM) system into every aspect of operations, establishing a comprehensive full-lifecycle hazardous substance control framework. In the product design phase, eco-friendly products and materials are prioritized, with halogen-free and halogen-containing products clearly identified on process sheet, ensuring compliance with lead-free and low-toxicity requirements from the design end. In the production and manufacturing phase, products are processed in separated production lines to prevent cross-contamination in alignment with QC 080000 requirements. In the product monitoring phase, hazardous substances in products from high-risk positions are systematically monitored and measured according to process risk levels, to ensure compliance with regulatory requirements. In the finished product phase, third-party sampling tests are conducted in accordance with surface treatment processes, verifying that finished products meet both regulatory standards and customer requirements. All Delton Technology facilities, including Guangzhou, Dongguan, Huangshi, and Thailand factories, have obtained QC 080000:2017 certification. All products are manufactured with environmentally friendly materials and fully comply with the EU RoHS 2.0 Directive. Since establishment, there have been zero incidents of excessive hazardous substance or customer complaints related to hazardous substances.

In the supply chain, we incorporate management of hazardous substances into the procurement process as well as the audit and evaluation of suppliers. During the supplier introduction stage, prospective suppliers are screened with QC 080000 certification as a prerequisite, ensuring alignment with environmental protection requirements. Hazardous substance risks are assessed and categorized as high, medium, or low. Only suppliers classified as low-risk are eligible to be introduced. During the new supplier evaluation stage, we verify suppliers' qualification compliance and material conformity. All the new materials and modified materials undergo incoming hazardous substance compliance verification, including in-house XRF and Standard 3000 testing. All the suppliers are subject to annual audits, with enhanced focus on new suppliers. If non-conformity of hazardous substances is found in material testing, procurement shall be suspended until corrective actions are completed.

Fostering a Quality Culture

From September to December 2025, a Quality Season Campaign was carried out under the theme of "Standardization Drives Quality Excellence; Innovation Forges High-end Quality". In this campaign, we implemented multi-dimensional measures, including QCC tool training, QQC weekly meetings, thematic quality weeks, "zero defect" awareness promotion activity, quality essay writing, "Flying Red Flag" award and standardized operation inspections. By doing so, we transformed the slogans of "getting it right the first time" and "quality is a shared responsibility" into concrete actions. The campaign engaged more than 2,000 employees, and front-line employees took the initiative to identify hidden dangers in processes and submit improvement suggestions, forming an encouraging culture in which "everyone cares about quality, everyone participates in improvement". In 2025, we carried out 40 quality projects, 33 of which achieved quality improvement, with an improvement rate of 82.5%.



◆ Kick-off Conference of Delton Technology's 2025 Quality Season Campaign

Risk Management

Delton Technology has established a product quality risk management system focusing on proactive risk identification and assessment. Upholding the core principle of "prevention first" in quality control, we take FMEA (Failure Mode and Effects Analysis) as a fundamental tool across all manufacturing processes to mitigate quality risks at the source.

Indicators and Goals

Delton Technology is committed to the goals of "zero recall" and "zero accident" in the production, ensuring absolute reliability and safety of products from manufacturing to delivery through full-process refined management and rigorous risk control.

Goal	Progress in 2025
Timely processing and on-schedule closing rate of customer complaints >95%	100%
Pass rate of external quality system audits 100%	98.67%



Improving Service Quality

Guided by the customer-first philosophy, Delton Technology has continuously improved services to align with customers' needs and safeguard customers' rights. We are committed to enhancing service efficiency and experience, so as to boost customer satisfaction and consolidate customer trust with high-quality service and valuable delivery.

Customer Relationship Management

Delton Technology has established a comprehensive set of management systems, including the *Customer Development Management Procedure*, *Guidelines for Customer Development and Maintenance*, *Customer Product Information Security Control Procedure*, *Customer Complaint and Return Handling Procedure*, and *Customer Satisfaction Measurement and Feedback Management Procedure*, forming a full-process customer service management framework. This set of systems enable us to safeguard customers' information security, and standardize demand response, complaint handling, satisfaction monitoring, and on-site service management, thereby effectively protecting the legitimate rights and interests of customers.

Improving Response Capability

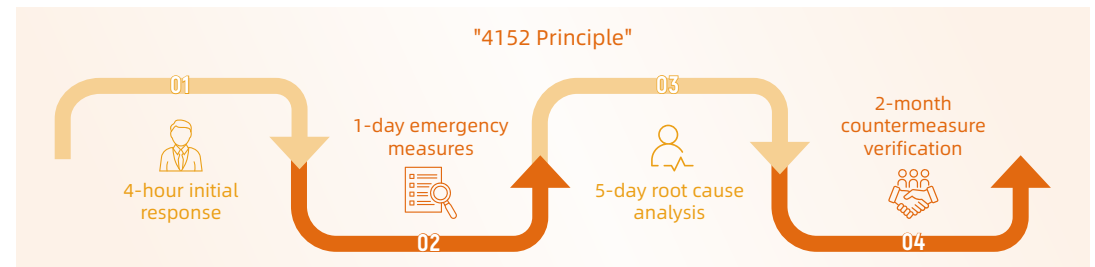
Customer needs are addressed efficiently, and specialized demands of high-end clients are fulfilled through technological innovation. Quarterly visits to customers are made to track their satisfaction levels and goal achievement. Any deviations from expectations are highlighted and resolved efficiently. Satisfaction surveys are conducted to obtain feedback from customers, which is incorporated into continuous optimization of products and services, fostering customer loyalty and encouraging repurchase rate.

Improving the Complaint Handling Mechanism

Upon receiving customer complaints, we follow the "4152 Principle" to ensure efficient and timely response. All processing records, including analysis and improvement actions, are documented in a dedicated customer complaint follow-up form, which is regularly updated to drive continuous improvement of the customer service experience.

On-Site Service Guarantee

On-site service coverage has been expanded, particularly in overseas markets such as Thailand and Vietnam, by increasing the deployment of field personnel. This enables timely resolution of customer issues, ensuring rapid response and closed-loop solution. These efforts strengthen our full-region customer service support capability.



Customer Satisfaction

Quarterly customer satisfaction surveys are conducted, covering key aspects of product quality, delivery, service, technical support, and environmental performance, based on both external feedback from customers and internal performance evaluations. Relevant departments routinely analyze the trend of survey results against established targets. Areas requiring improvement are formally identified and submitted for review to further improve customer satisfaction.



Responsible Marketing

Delton Technology strictly abides by applicable laws and regulations, including the *Advertising Law of the People's Republic of China*, the *Anti-Unfair Competition Law*, and the *Consumer Rights and Interests Protection Law*. We have established corresponding management systems, such as the Contract Review Management Procedure, Order Review Management Procedure, and Promotion Release and Review Procedure, which provide detailed guidelines for key sales activities, including sales policies, market development, sales plan management, product pricing, customer credit management, and integrity codes of conduct.

System Assurance

We have established a sales ethics and compliance management system covering all critical areas, including sales policies, pricing, contracts, credit, fraud prevention, and integrity. We have formulated the *Code of Business Ethics* and the *Anti-Fraud Management System*, *Anti-Fraud Whistleblowing Management System*, Anti-Fraud Monitoring and Investigation Procedures, to clearly define accountability for violations and reporting mechanism.

Review Mechanism

A three-tier review mechanism has been established for marketing content, which is subject to level-by-level approvals by the Marketing Department, Corporate Publicity Department, Legal Department, and senior management, thereby ensuring the prevention of false or exaggerated promotions.

Audit Supervision

The operation, finance and audit departments conduct regular spot checks on marketing activities, conduct quarterly special audits on content authenticity and pricing compliance, carry out annual comprehensive audits and entrust third parties to conduct compliance evaluations.

Risk Management

Proactive measures are taken to identify and mitigate potential risks. Customer credit files are established and updated on a quarterly basis. Credit limits are set in the SAP system; orders and deliveries will be automatically blocked if the credit limit is exceeded.

Compliance Training

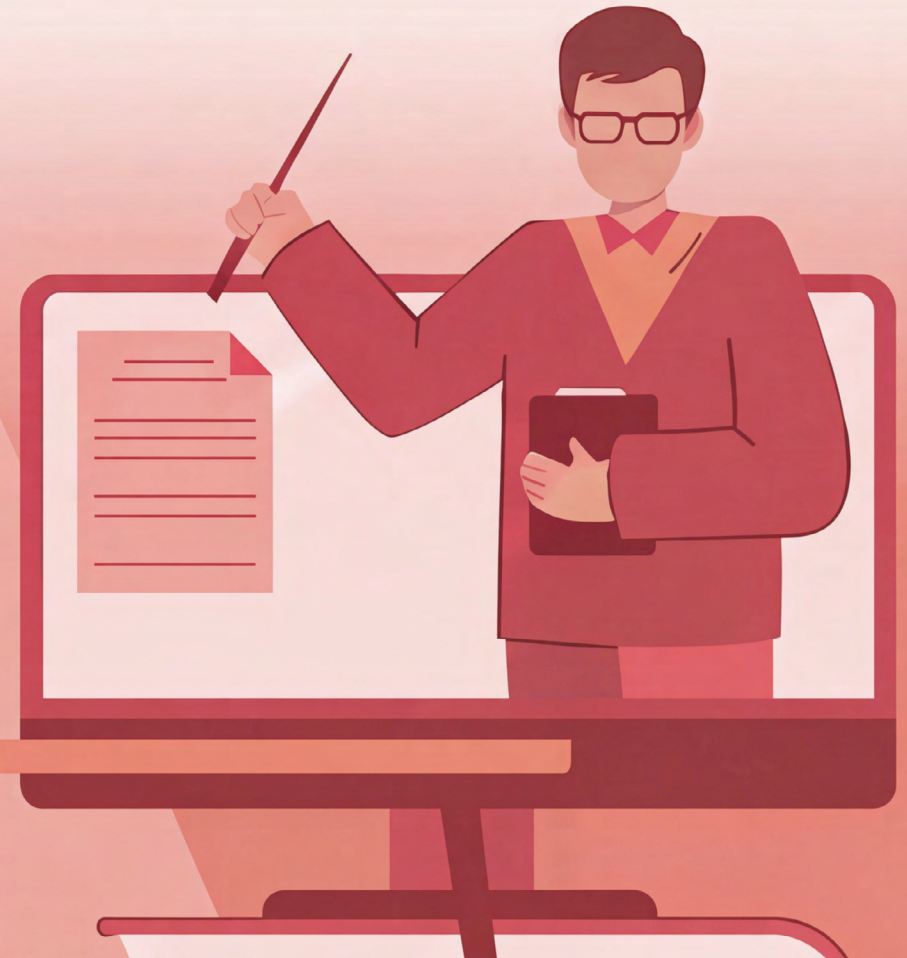
Compliance awareness and responsible marketing capabilities are core elements in the capacity building of the marketing team. At least one specialized training session is organized annually, covering advertising compliance, data privacy, ethical cooperation, and environmental claims, with 100% coverage of all team members.

People-Centered Philosophy for Shared Prosperity

Delton Technology upholds a people-centered philosophy, respecting and striving to protect the human rights and labor rights of every employee. The Company places the health, safety, and well-being of its employees as a top priority, promotes the values of diversity, inclusion, and equality, and is committed to creating more decent, meaningful employment experiences and career development opportunities for society.

Contributing to UN SDGs

Key topics		
Human rights and employee rights	Talent attraction and retention	Employee training and capability development
Community contribution	Health and safety	Chemical management
Key Performance in 2025		
Incidents of child labor and forced labor	Employee benefit coverage rate	Work-related fatalities
0	100 %	0



Protection of employee rights

Delton Technology attaches great importance to human rights protection and actively fulfills its human rights commitments. The Company respects and safeguards the legitimate rights and interests of every employee, fosters a fair, democratic, harmonious, and supportive workplace environment, and encourages employees to fully leverage their strengths and realize their value, advancing together with the Company.

Compliant employment

Delton Technology strictly complies with the *Labor Law of the People's Republic of China* and the applicable laws and regulations of overseas operating locations, while also respecting international conventions such as those of the International Labour Organization (ILO). The Company standardizes its specifications related to recruitment and dismissal, compensation and promotion, and benefits management to protect employees' legitimate rights and interests. In 2025, the pass rate for employee participation and assessment in human rights training reached 100%.



Anti-discrimination

During the recruitment process, the Company strictly follows its internal specifications such as the *Human Rights Protection Policy*, *Recruitment and Hiring Guidelines*, and *Humane Treatment and Non-Discrimination Management Regulations*. It formulates and implements the recruitment policies without any discriminatory requirements, and adheres to the principles of fairness, openness, and impartiality, ensuring that applicants' rights are protected at every stage of the hiring process. A total of 142 Thai female workers and 115 male workers were recruited, with hiring decisions based solely on candidates' competencies and their alignment with job requirements. In 2025, the Company recorded zero incidents of discrimination or harassment.



Prohibition of child labor and forced labor

The Company complies with applicable national laws and regulations as well as the legal requirements of its operating locations. In conjunction with its internal policies and standards, the Company respects employees' right to freely choose the job, strictly prohibits any practices that restrict labor freedom or involve forced labor, and forbids the employment of child labor. Prior to hiring, the identity information of job applicants is verified and cross-checked, and age restrictions are set in the human resources system to prevent the recruitment of underage workers. In 2025, 100% of the Company's operational sites completed labor and human rights certification, and no incidents of forced labor or child labor were reported.



Employment risk assessment

The Company has conducted in-depth reviews of labor-related regulations applicable to its operations in Thailand, identified potential compliance risks, and organized noncompliance corrections and management standard development to prevent labor compliance risks. Based on abnormal development status, the Company carries out risk and opportunity identification and evaluation activities, identifying risks such as labor shortages and potential collective strike incidents. Corresponding follow-up measures are then developed, and the completion of these measures and progress toward the targets are statistically analyzed and reported on a monthly basis to ensure the closed-loop management. In 2025, the Company recorded no strike or work stoppage incidents and no human rights complaints.

Diversity and inclusion

Delton Technology provides employees of different nationalities, ethnicities, ages, genders, beliefs, and cultural backgrounds with inclusive and equitable opportunities for development and promotion. The Company has established the *Female Employee Labor Protection Management Specifications*, attaches importance to the growth and development of female employees, and provides broad employment opportunities for talent with diverse educational backgrounds and professional expertise. The Company also pays attention to the career development of vulnerable employee groups and promotes a workplace environment characterized by diversity, equality, inclusion, and openness. In 2025, 100% of employees received training on diversity, discrimination, and harassment prevention.

Its factory in Thailand implements a localized operation strategy, prioritizing the hiring of local employees and providing skills training. The Company respects local Thai customs and regularly organizes celebrations for traditional festivals such as Loy Krathong and Songkran, fostering a corporate culture characterized by respect, inclusion, and shared celebration. The Company also respects and integrates local culture by establishing Erawan Shrines (Four-Faced Buddha) at the Company premises and the dormitory areas. During major Buddhist festivals, Chinese and Thai employees are invited to participate together in blessing and worship ceremonies. In addition, the Company organizes Thailand cultural team-building activities for managerial-level employees to deepen their understanding of local Buddhist culture and traditions and to experience local lifestyles. It also carries out community public welfare projects, including educational support and medical assistance programs, to promote cross-cultural integration and development.

Democratic management and communication

Delton Technology has established a labor union, through which employees may communicate with Company management on matters related to the environment, safety, labor, and ethics via employee representatives. At present, the labor union has a total of 2,909 members.

Democratic communication mechanism

The union committee holds meetings on a quarterly basis to communicate with the Company in a timely manner and to understand employees' concerns and genuine needs. In accordance with the *Consultation and Communication Management Procedures*, the Company has established communication mechanisms for both internal and external stakeholders to safeguard their rights and interests.

Employee communication and grievance channels

The Company has established the *Complaint, Grievance Handling, and Feedback Management Procedures*. Employees may provide feedback through multiple channels, including suggestion boxes, employee representatives, complaint email addresses, complaint hotlines, or direct communication with management. It also strengthens employee participation and feedback mechanisms, and maintains open and transparent communication channels to enhance employee engagement.

Employee satisfaction surveys

Employee satisfaction surveys are conducted quarterly in the form of questionnaires, covering all employees. In 2025, departing employees were identified as a key survey group to further optimize the talent retention strategies and reduce future turnover risks.

In 2025

The score of employee satisfaction in Guangzhou factory and Dongguan factory

82.6

The score of employee satisfaction in the factory in Thailand

82.9

The score of employee satisfaction in Huangshi factory

79.3

Supporting employee development

Delton Technology places great importance on talent cultivation and development and is committed to providing employees with career development opportunities. The Company continuously improves career development pathways, establishes fair and transparent promotion systems and mechanisms, and develops and implements training programs covering employees at all levels and of all job categories. Through these efforts, the Company continuously enhances employees' professional skills and overall competencies, enabling more employees to realize their potential and achieve personal growth.

Employee training

Delton Technology has established a series of institutional policies and guidelines, including the *Employee Training Management Procedures*, *Guidelines for New Employee Onboarding Training and Probation Management*, *Operational Position Training Management Guidelines*, *Training Management Guidelines for Professional, Technical, and Management Personnel*, *Management Measures for the Development and Growth of Management Trainees*, and *Guidelines for Special Position Training*. With these documents, the Company has built a strategically aligned, tiered, and role-based training system, delivering systematic development programs focused on leadership development, professional capability enhancement, new employee integration, and key business challenges.

In response to the training system covering all employees, including modules such as onboarding training, probationary training, and on-the-job training, relevant training content and mechanism are provided. In addition, customized training systems have been strengthened for different positions and organizational levels, including manager-level training, frontline supervisor training camps, management trainee programs, production line employee training, and specialized position training.

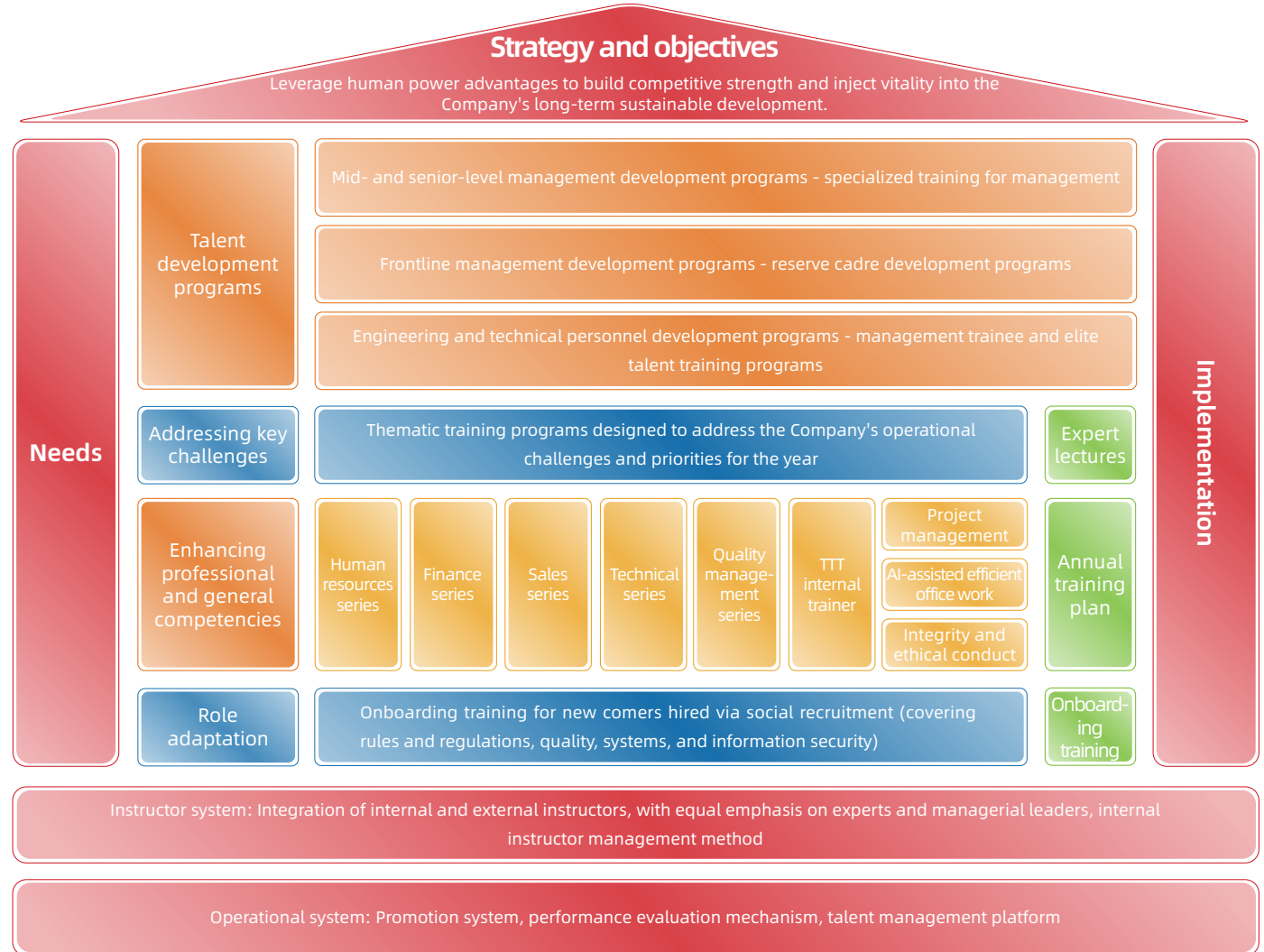
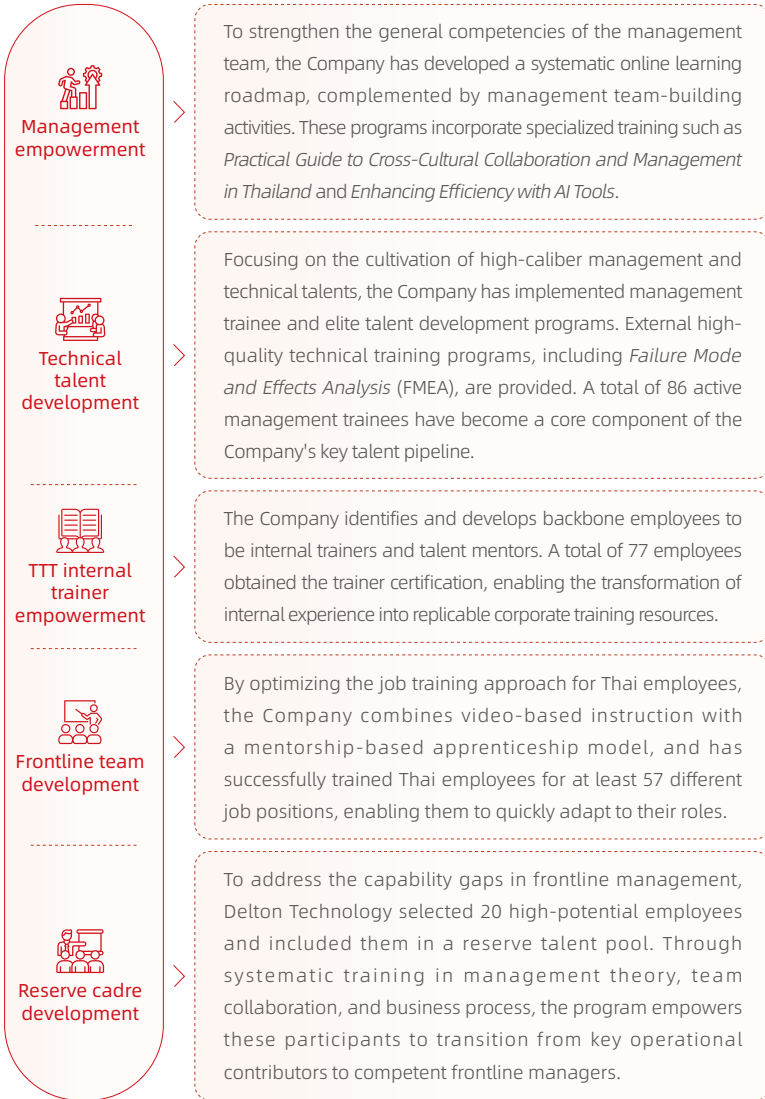
In 2025

Total employee training investment reached

RMB **632,600**

Average training hours per employee

20.94



◆ Training system



◆ Team reserve cadre training camp



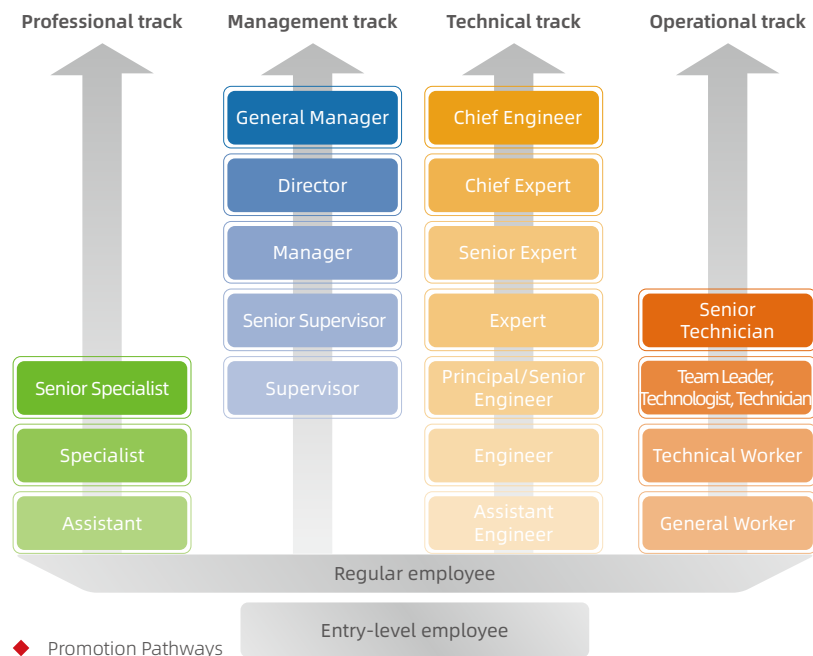
◆ Management trainee and elite talent development program



◆ TTT internal trainer training camp

Employee promotion

Delton Technology prioritizes internal talent selection and development, promoting employees from within the organization whenever possible. In 2025, 34% of vacancies will be filled through internal promotion and redeployment. For operational positions, promotion is managed in accordance with the *Management Plan for Qualification Certification of Operational Positions in the Manufacturing System* and the *Operational Position Compensation and Benefits Management System*. Based on the criteria including performance, behavioral discipline, work experience, and knowledge and skills, the Company issues the *Operational Position Qualification Certification Notice* every six months, allowing employees and hiring departments to submit applications for evaluation. For employees at Level 5 and above, the Company has established dual career development pathways, consisting of parallel management and professional tracks. Beginning in December 2025, evaluations will be conducted based on position qualification standards, ensuring the fairness and professionalism in the promotion process.



◆ Promotion Pathways

Performance management

Performance system

Delton Technology establishes the *Performance Management Policy* and continues to build a scientific, objective, and quantifiable performance evaluation system. In 2025, the Company further optimized and improved its performance management practices and clarified the performance rating standards. The performance weighting for key production supervisors and team leaders was increased, with a focus on evaluating the implementation of 7S, safety, and SOPs during the production process, ensuring the achievement of quality, safety, and on-site management objectives.

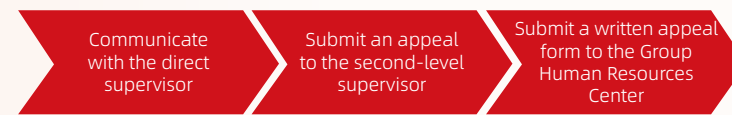
Performance evaluation

Different evaluation methods are applied to different categories of employees. The Engineering Design Center adopts a piece-rate compensation model, the Marketing Center uses a commission-based incentive model, and other departments use an evaluation approach combining Key Performance Indicators (KPIs) and critical performance events.

Performance feedback and appeals

If employees have objections to their performance evaluation results, they may file an appeal within two days after being notified of the results.

Appeal process



After accepting the appeal, the Group Human Resources Center will complete the investigation and provide a final response within two working days.

In 2025

The employee performance incentive coverage reached

100%

Caring for employees' well-being

Delton Technology advocates a work-life balance philosophy and actively organizes interest groups as well as cultural and sports activities that can promote employees' physical and mental well-being. These activities help create a healthy and sustainable workplace environment, foster harmonious employee relations, and encourage employees to face work challenges with a positive, healthy, and collaborative mindset.

Compensation and benefits

Delton Technology has updated several documents, including the *Operational Position Compensation and Benefits Management System*, *High-Temperature Operations Management Procedures*, *Compensation and Benefits Management System*, and *Compensation and Benefits Management System for Thai Employees*, to provide employees with a fair and competitive compensation system, motivating employees and encouraging them to strive for excellence.

Compensation management



Compensation system

Delton Technology has established a compensation management system characterized by "external competitiveness and internal equity", striving to ensure the "alignment between performance and rewards, capability and value, and responsibility and benefits" in compensation distribution. The system effectively integrates individual earnings with corporate performance, fully leveraging the incentive role of compensation. The Company also adjusts its basic salary standards in accordance with the latest minimum wage policies issued by the Guangzhou municipal government, and reviews and establishes a compensation and benefits management system for Thai employees.



Equity incentives

The Company has implemented an equity incentive plan combining stock options and restricted shares, and has completed the first round of grants. The incentive program primarily targets mid-level management personnel and core employees. In 2025, the number of employee shareholders reached 340.



A total of

78 employees were granted equity incentives

The total number of restricted shares granted reached

635,000

The total number of stock options granted reached

635,000

Employee benefits



Insurance and leave benefits

In accordance with the regulations of the Guangzhou municipal government, the Company provides employees with social insurance coverage, including pension, work-related injury, unemployment, maternity, and medical insurance, and contributes to the housing provident fund as required by regulations. Employees are also entitled to statutory leave in accordance with national policies, as well as additional leave benefits provided by the Company.



Caring for workload

To safeguard employees' physical and mental well-being, the Company strictly prohibits forced overtime. Each department reasonably arranges employees' working hours and rest periods based on the production plans. The System Management Department maintains a computerized attendance tracking system to record employee attendance of all departments, while the Human Resources Department monitors all departments' compliance with the requirements for working hours every day, and provides compensation for overtime or non-standard working hours.



Providing living support

Employees stationed at the company's factories or on long-term business trips may clock in online, providing flexibility in location and convenient operation. The Company provides various employee benefits, including employee cafeterias, dormitories, work uniforms, birthday benefits, traditional holiday benefits, and herbal tea or cooling beverages. Employees working in positions that meet the eligibility requirements also receive high-temperature allowances. At the factory in Thailand, a Thai cuisine service window has been established in the cafeteria to accommodate the dietary preferences of Thai employees while also offering Chinese employees an opportunity to experience authentic Thai cuisine. In addition, dormitory accommodations are arranged for some Thai employees who are assigned to work away from their hometowns or on external assignments, helping to meet their housing needs and improve the convenience of onboarding and daily life.

Employee care

Delton Technology has established multiple reporting channels, including suggestion boxes, HR specialists, and direct supervisors, enabling employees facing difficulties to seek assistance promptly. The Company also provides proactive and periodic care and support to employees, allowing them to experience the Company's concern and care.

Support for employees in need

In addition to providing statutory social insurance and housing provident fund contributions, the Company also purchases supplementary commercial insurance for employees. A subsidy of RMB 10,000 is provided to employees diagnosed with major illnesses, and employees hospitalized due to illness can receive a hospitalization care allowance of RMB 1,000 per person per month. In 2025, the Company spent a total of RMB 20,235 on employees with major illnesses and work-related injuries, and a total of RMB 37,500 was distributed to its members as welfare benefits.

Care for employees with special needs

The Company provides accessible workplace infrastructure for employees with disabilities, including chairs at workstations for rest and elevators to facilitate the access to the cafeteria.



Care for female employees

The Company organized Women's Day health and wellness seminars and benefit distribution activities, as well as Mother's Day employee care activities, covering 659 female union members. Outstanding female employees were recognized and a promotional video titled Empowering "Her" to Become the Best of Herself was made. A nursing room has been established to protect their privacy and is equipped with essential facilities such as refrigerators, drinking water, and seats. In addition, maternity gifts are provided to female employees who have given birth, and employees are entitled to maternity leave, nursing leave, and other benefits in accordance with applicable regulations.



Cultural and recreational activities

The Company has established basketball, badminton, table tennis, and dance clubs for employees, with activities organized on a weekly basis. Various activities are also arranged, including sports competitions, Spring Festival support activities for employees who remain on duty during the holiday, festive celebrations, movies, birthday parties, and garden parties. Each month, the Company organizes a joint birthday celebration for Chinese and Thai employees, during which participants exchange gifts representing Chinese and Thai cultural traditions. The Company also organizes Chinese employees to participate in local charity marathons in Thailand, helping them better integrate into the local community.



◆ New Year Garden Party



◆ Birthday Celebration and Welcome Party

Public benefit activities

Delton Technology actively fulfills its corporate social responsibilities. It established a Party-member volunteer service team and organized volunteer activities such as blood donation, environmental protection activities, and programs supporting the elderly and children. Through these actions, the Company delivers care and warmth to the community. To support the development of higher education, in 2025, the Company donated RMB 1 million to the Education Development Foundation of Guangdong University of Technology, contributing to its talent cultivation and future development.

During the reporting period, a total of 51 participations in volunteer activities, with 243.50 hours of volunteer services provided. The average volunteer service time per employee was 4.77 hours.



Case

Organizing the 2025 Blood Donation Campaign

Delton Technology consistently practices its corporate social responsibility and continues to spread warmth and hope. In October 2025, a blood donation vehicle from the Guangzhou Blood Center visited the Company's Guangzhou Factory, where employees actively participated in the voluntary blood donation activity. A total of 31 employees successfully donated blood, contributing 11,400 milliliters in total.



Case

Organizing "Building a Green Huangpu, Sharing an Ecological Home" Tree-Planting Activity

Delton Technology, together with its labor union, organized more than 20 employees to participate in the 2025 Employee Voluntary Tree-Planting Activity hosted by the Huangpu District Federation of Trade Unions, themed "Building a Green Huangpu, Sharing an Ecological Home". The Company donated 20 saplings and planted a variety of evergreen trees, including Terminalia mantaly, Senna surattensis, African tulip trees, and Podocarpus macrophyllus, adding greenery to the environment and giving back to society through concrete action.



In 2025

The annual investment in public welfare projects amounted to

RMB **50,800**

The total charitable donations amounted to

RMB **1.0031** million



Safeguarding employee health

Delton Technology is committed to providing employees with a healthy, safe, and comfortable workplace environment. The Company promptly identifies and mitigates safety risks in the workplace, formulates and implements relevant safety management plans, and strives to create a healthy and secure working experience for employees.

Occupational health management

Improving the management system

Delton Technology is committed to achieving zero accidents and zero casualties. The Company has established an ISO 45001 Occupational Health and Safety Management System, which has been operating effectively for many consecutive years. In accordance with the requirements of the ISO 45001 management system, the Company has developed and implemented a series of management policies and procedures, including the *Work Safety Management Procedures*, *Hazard Identification, Assessment and Risk Control Procedures*, *Emergency Preparedness and Response Management Procedures*, *Environmental and Safety Incident Management Procedures*, *Safety Training Management Specifications*, *Work Safety Accountability Management Specifications*, and *Safety Inspection Management Specifications*.



Strengthening risk management

Delton Technology has established a risk-centered, grid-based long-term management mechanism that covers all employees and operational areas. In accordance with the *Hazard Identification, Assessment, and Risk Control Procedures*, the Company conducts systematic risk identification and assessment on a regular annual basis or whenever the workplace changes, ensuring that emerging risks are continuously identified and effectively controlled. To strengthen its primary responsibility, safety responsibility grids are defined according to operational areas, clearly specifying the safety inspection items and standards at different organizational levels to ensure that the safety management leaves no gaps or blind spots. At the same time, the Company strictly implements the *Emergency Preparedness and Response Management Procedures* and the *Environmental and Safety Incident Management Procedures*, establishes clear reporting channels and encourages employees to proactively report safety hazards to ensure timely and effective emergency response to and proper handling of various hazards and incidents, thus forming a risk prevention and control framework characterized by full employee participation and continuous improvement.

Creating a safe and innovative work environment

Delton Technology is committed to building an inherently safe workplace through technological innovation and digitalized management. In terms of technological innovation, the Company actively promotes automation and intelligent systems. For example, the manual board placement operations have been upgraded to fully automated robotic operations. The machines are equipped with built-in safety light curtain protection systems, which can physically isolate risks and significantly reduce the safety hazards associated with manual operations. In terms of safety management, Delton Technology continuously optimizes its safety management process. Applications and approvals for special operations have been upgraded from traditional paper forms to digital forms handled in the OA system, enabling end-to-end digital and closed-loop management from online application, risk self-assessment, and safety technology disclosure, to online approval, process supervision and inspection, and final completion confirmation. All of the Company's operational sites (100% coverage) have established Occupational Health and Safety Committees, composed of both enterprise management representatives and employee representatives.

Emphasis on health protection

Employees undergo occupational health examinations prior to starting work, annual in-service health check-ups, and pre-demission health examinations, ensuring the health and safety of all employees, including non-permanent and contract workers. The Company also provides personal protective equipment (PPE) according to the job requirements for different positions, such as safety shoes, gloves, and earplugs. Dust-resistant clothing is provided for cleanroom personnel, which are collected and cleaned regularly.



Workplace safety management

Organizing emergency drills

Delton Technology has established the *Emergency Preparedness and Response Management Procedures* and developed a health and safety emergency action plan, conducting regular emergency drills. Those drills involve fire prevention, chemical spills, workplace accidents, earthquakes, and extreme weather, covering a wide range of incident types. The fire control room is equipped with a smart IoT cloud platform for fire monitoring, which can connect to mobile devices. All security personnel can receive real-time fire emergency alerts on their phones, enhancing the Company's fire emergency response capabilities.



◆ Fire Drills

Strengthening safety culture

Delton Technology conducts corresponding safety education and training for employees, covering workplace safety knowledge, relevant laws and regulations, operational procedures, and other technical skills, and develops annual safety training plans. New employees undergo three levels of safety training, while personnel engaged in specialized operations, including electricians, welders, crane operators, and high-altitude workers, receive dedicated safety training. The Company also organizes specialized training in chemical safety, fire safety, traffic safety, and special equipment safety on a regular basis. Each year, the Company conducts a Safety Production Month activity in forms of hazard photo taking, hazard inspection skill assistance, safety knowledge competitions, safety knowledge training, and safety essay contests, all designed to enhance employees' workplace safety awareness.



◆ Safety Training Programs

Hazard inspection and remediation

Delton Technology establishes special inspection teams to carry out comprehensive safety and fire inspections. Targeted inspections are conducted, covering hot work areas, electrical power and control facilities, boilers, ovens, dryers, and other equipment and facilities in high temperature areas. Specialized tools, including infrared thermal imaging devices, are used to conduct thorough electrical safety scans. All teams are asked to fulfill their safety responsibilities, and conduct fire safety self-inspections and corrective actions within their assigned areas. Safety officers and administrative fire safety personnel are organized to check the duty performance of the teams in each process.

 In 2025

A total of

69 safety drill activities were conducted

A total of

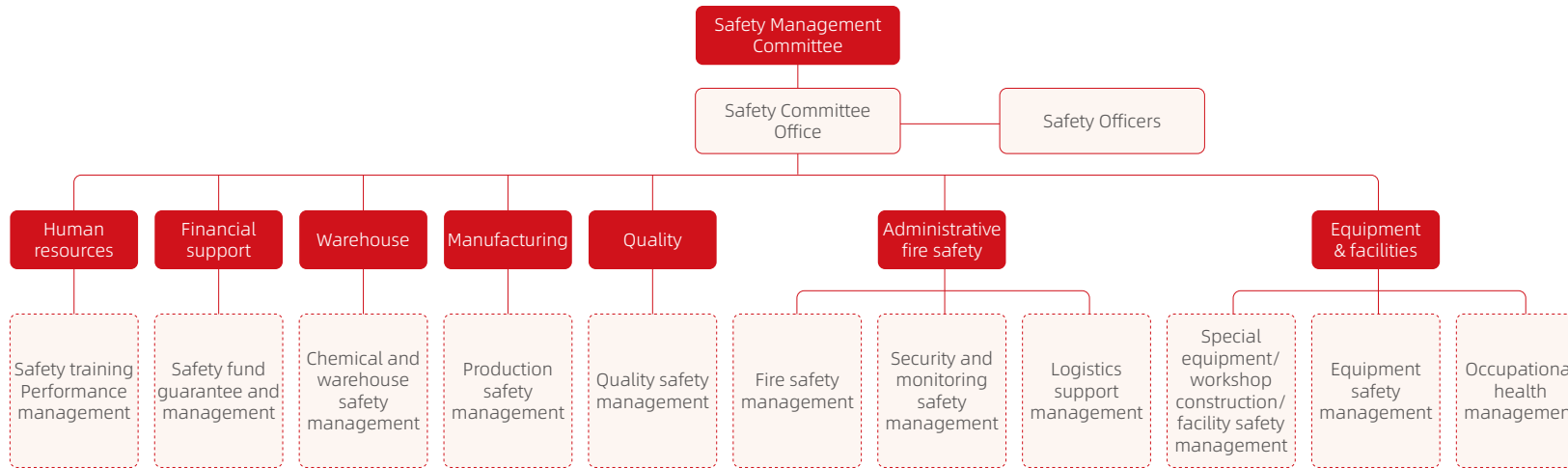
234 safety training sessions were organized

Chemical management

Delton Technology has established a safety management system, clearly defining the responsibilities of each department to ensure the safety and controllability of chemicals in the full life circle. Chemical management is coordinated by the Safety Committee, with the Safety Committee Office responsible for oversight and coordination. The manufacturing department is responsible for the safe use, storage, and disposal of chemicals, achieving full lifecycle control of chemical risks.

Delton Technology complies with relevant laws and regulations about the management of hazardous substances and has established a series of management systems, including the *Chemical Management Procedures*, *Safety Management Specifications for Flammable Chemicals and Strong Oxidizers*, and *Chemical Spill Emergency Procedures*, which clearly define the full-process control requirements, responsibilities, and emergency response procedures, firmly ensuring production safety and product compliance.

Safety Management Structure of Delton Technology



Chemical compliance management

During procurement, the Company selects the suppliers with legal qualifications and requires that they provide the Material Safety Data Sheets (MSDS) and comply with ISO management system requirements, thus ensuring that all chemicals used are safe and compliant. During storage, chemicals are classified by properties and stored in designated zones, with appropriate labeling and protective measures in place. During transportation, vehicles are required possess the qualifications for transporting hazardous chemicals of the relevant type, and operators are required to take protective measures, including sun protection, leak prevention, and vapor prevention according to regulations, to prevent harm to personnel, the environment, or equipment. During use, chemicals are dispensed and allocated by warehouse administrators after approval is obtained from the responsible supervisor. During disposal, warehouse administrators collect chemicals and deliver them to designated storage points in the chemical warehouse, and contact with suppliers for return or engage licensed recyclers for proper disposal.

Strengthening professional training

Every quarter, Delton Technology organizes chemical safety management training for all personnel involved in chemical handling and management, followed by assessments to ensure they are all qualified. In addition, process supervisors are organized to receive external chemical management training and certification to ensure the safe operation of chemicals. The certification rate for relevant chemical management personnel has reached 100%.

In 2025

0
chemical spill incidents

0
fire or explosion accidents

Strengthening Governance and Compliance for Stable Operations

Delton Technology continuously enhances its corporate governance effectiveness and regards compliant operations as the cornerstone of its development. The Company is committed to continuously optimizing and improving its enterprise risk management system while advancing the development of a robust compliance management system and culture. Guided by the values of integrity, honesty, and fairness, Delton Technology upholds its business practices, firmly safeguards the interests of all stakeholders, and continuously strengthens the foundation for sustainable business operations.

Contributing to UN SDGs

10 REDUCED INEQUALITIES

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Key topics			
Risk management	Tax transparency	Anti-bribery and anti-corruption	
Anti-unfair competition	Data security	Privacy protection	
Key performance in 2025			
Proportion of female board members	Proportion of independent directors	Corruption-related litigation cases	Completion rate of anti-corruption and anti-bribery training
57.14 %	42.86 %	0	100 %

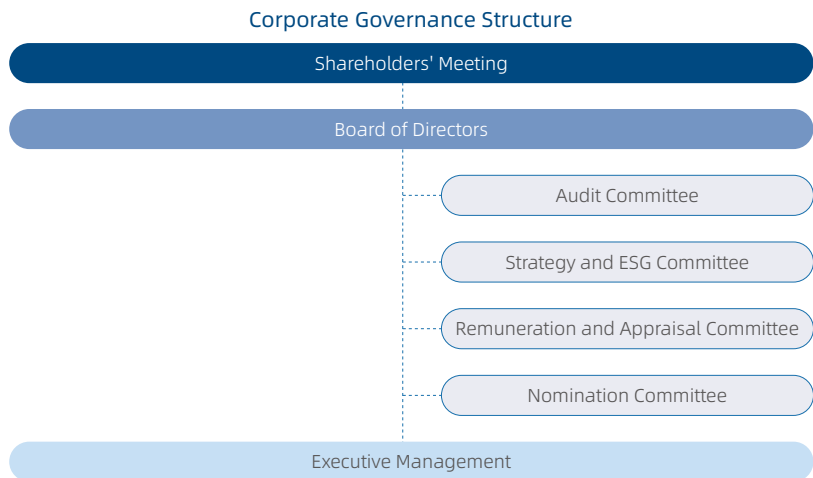


Enhancing corporate governance

Delton Technology strictly adheres to applicable corporate governance laws, regulations, and international conventions. The Company continuously refines its governance framework to establish a well-defined governance structure with clear responsibilities and accountability. By building a professional and diverse Board of Directors and comprehensively improving the standardization and efficiency of Board operations, Delton Technology maintains regular communication with stakeholders, creates sustainable economic value, and safeguards the Company's long-term stable development.

Improving the governance structure

In accordance with relevant laws, regulations, and regulatory requirements, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Stock Listing Rules of Shenzhen Stock Exchange*, and the *Corporate Governance Code*, Delton Technology continuously improves its governance framework consisting of the Shareholders' Meeting and the Board of Directors, and standardizes its roles, responsibilities, and decision-making procedures to enhance the fairness and rationality of operational decision-making.



Strengthening the Board of Directors

To ensure the scientific decision-making of the Board, Delton Technology actively promotes Board diversity and places strong emphasis on the diversity of Board members in terms of gender, age, educational background, and professional expertise to continuously enhance the overall effectiveness of its corporate governance.

Board diversity

Guided by the core standards of professionalism and diversity, the Company appoints Board members with extensive industry experience, strategic foresight, and strong professional expertise. Board members possess deep insights into industry development trends and include experts in fields such as auditing, accounting, and taxation, ensuring the effective integration of compliant operations with strategic decision-making.

Board Members and Committee Membership

Name	Gender	Position	Expertise	Committee membership			
				Audit Committee	Strategy and ESG Committee	Remuneration and Appraisal Committee	Nomination Committee
Xiao Hongxing	Male	Chairman	PCB industry technology and management	-	★	-	√
Zeng Hong	Female	Director, General Manager	PCB industry systems and management	-	√	√	-
Liu Jinchuan	Female	Director	PCB industry management	√	-	-	-
Chen Limei	Female	Independent Director	Certified Public Accountant (China)	★	-	★	√
Li Ying	Female	Independent Director	Certified Tax Advisor (China)	√	√	√	★
Shi Ling	Male	Independent Director	Control and Power Systems	-	-	-	-
Peng Jinghui	Male	Employee Director, Director of Research Institute	Chemical Engineering and Technology	-	-	-	-

Notes: ★ Chair of the Committee √ Committee Member - No Appointment

In 2025

The Board of Directors convened

9 meetings

Reviewed and approved

64 resolutions

Proportion of female board members

57.14 %

The Board consists of

7 directors

Including

3 independent directors

Proportion of independent directors

42.86 %

Board effectiveness

Members of each specialized committee possess relevant professional backgrounds, enabling them to contribute effectively to areas such as strategic planning, risk management, remuneration and incentives, and talent nomination, which can further strengthen the Company's corporate governance effectiveness.

Performance of Specialized Committees in 2025

Committee	Responsibilities	Composition	Performance in 2025
Audit Committee	Reports to the Board of Directors and performs its duties in accordance with the Articles of Association and the authorization of the Board. Proposals submitted by the Audit Committee are reviewed and decided by the Board.	Liu Jinchun: Director; Li Ying: Independent Director, Certified Tax Advisor (China); Chen Limei: Independent Director, Certified Public Accountant (China).	Held 6 meetings and reviewed and approved 27 proposals.
Strategy and ESG Committee	Reports to the Board of Directors and performs its duties in accordance with the Articles of Association and the authorization of the Board.	Xiao Hongxing: Chairman of the Board; Zeng Hong: Director and General Manager, Senior Engineer in Electronic Technology; Li Ying: Independent Director, Certified Tax Advisor (China).	Held 5 meetings and reviewed and approved 9 proposals.
Remuneration and Appraisal Committee	Primarily responsible for formulating and reviewing the remuneration policies and plans for directors and senior management, as well as establishing and implementing the performance evaluation standards for them.	Chen Limei: Independent Director, Certified Public Accountant (China); Li Ying: Independent Director, Certified Tax Advisor (China); Zeng Hong: Director and General Manager, Senior Engineer in Electronic Technology.	Held 3 meetings and reviewed and approved 9 proposals.
Nomination Committee	Primarily responsible for selecting and recommending candidates for directors and senior management, and for establishing the relevant selection criteria and procedures.	Li Ying: Independent Director, Certified Tax Advisor (China); Xiao Hongxing: Chairman of the Board; Chen Limei: Independent Director, Certified Public Accountant (China).	Held 2 meetings and reviewed and approved 4 proposals.

Capacity building for the Board

By regularly enabling Board members to participate in various training programs offered by organizations such as the China Association for Public Companies, the Company continuously enhances their professional expertise and governance competencies in sustainable development, thereby advancing the overall corporate governance level.

In 2025

Board members participated in

6 training sessions



Protecting investor rights and interests

Information disclosure

Delton Technology fulfills its information disclosure obligations in accordance with applicable regulations, proactively and promptly disclosing information related to its operating activities, major events, and their progress to safeguard the legitimate rights and interests of investors. The Company received an information disclosure rating of B from the Shenzhen Stock Exchange, which is the highest rating available for a company in its first year of listing.

Investor communication

The Company strengthens communication with investors through multiple channels, including the Interactive Easy platform, on-site visits, online exchange meetings, and investor strategy conferences to ensure timely and transparent information sharing, effectively communicating the Company's business strategy and future development plans to investors, and enhancing investor confidence.



In 2025

The Company conducted

20 major investor communication activities

Investor returns

In line with its strategic planning and financial performance, Delton Technology has established a stable, transparent, and sustainable profit distribution policy to consistently reward investors for their trust and support.

 Since its initial public offering

The Company has distributed more than

RMB **300** million in cash dividends to shareholders

Enhancing tax transparency

Delton Technology has established a comprehensive tax governance framework and tax processes covering all global operations, with the objective of promoting compliant and transparent tax management.

Tax compliance management

Delton Technology strictly adheres to the tax laws and regulations in China and all countries of operation. It has established formal procedures, including the *Tax Policy*, *Tax Management Procedures*, and the *Delton Thailand Tax Management Regulations*, which clearly define the internal regulations, staff responsibilities, and operation specifications, forming a systematic tax management system.

Tax risk management

Delton Technology strictly abides by all applicable tax laws and regulations in China and all countries (regions) of operation. The Company pays taxes accurately and on time, and fulfills all statutory tax-related reporting and disclosure obligations in accordance with the law. All its transactions follow the arm's-length principle for transfer pricing and comply with both local and international transfer pricing standards and rules. The Company maintains open and constructive communication with relevant tax authorities to improve tax compliance and reduce tax-related risks. At the end of the reporting period, the proportion of the Company's accounts payable (including notes payable) to total assets did not exceed 50%. Therefore, in accordance with relevant disclosure requirements, disclosure relating to the Equal Treatment of SMEs is not applicable.

Professional training on tax

The Company strengthens its professional tax governance capabilities by reviewing the tax issues identified by the tax authority in its self-inspections in prior years, and analyzing the relevant provisions of tax laws. It regularly participates in internal and external training on tax knowledge and tax management, including sessions on Thailand's tax regulations, value-added tax (VAT) and its enforcement regulations, as well as tax inspection checklists, in order to identify and address potential tax risks in the Company.

Delton Technology has been rated as an A-level taxpayer by the State Administration of Taxation for six consecutive years from 2019 to 2024. In 2025, the Company received a preliminary A-level evaluation. By implementing reasonable, standardized, and scientific tax management practices, the Company has reduced its overall tax burden.

Strengthening compliance management

Delton Technology has established a comprehensive internal control system, fully integrating compliance requirements into all aspects of its business operations. By establishing multi-layered risk prevention mechanisms and routine compliance review procedures, the Company provides a solid foundation for its high-quality development.

Comprehensive risk management

Governance

Delton Technology has revised its Risk and Opportunity Management Procedures to clearly define the risk categories, responsibilities for identification, and risk management strategies of all Group factories. The Company continuously strengthens its risk prevention system, establishes three lines of defense for comprehensive risk management, and enhances the mechanism for controlling major operational risks.

Three Lines of Defense for Comprehensive Risk Management



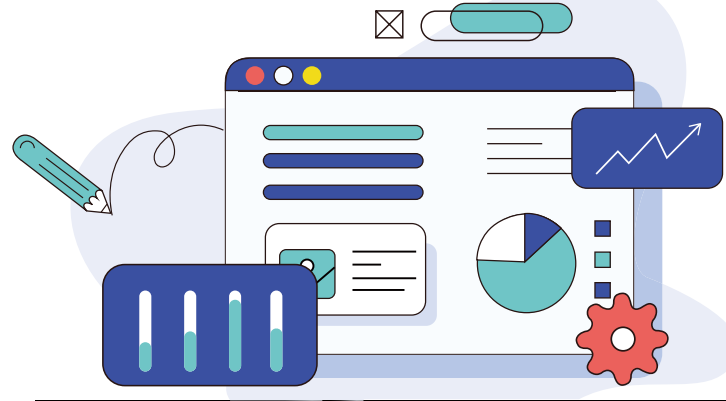
Strategy

Enhancing risk management processes

Every year, Delton Technology identifies internal and external risks related to strategy, market, credit, operations, finance, compliance, reputation, and ESG. The System Management Department conducts monthly checks to confirm the implementation of risk mitigation measures, and the results are incorporated into the annual management review. The Audit Department schedules annual audit projects based on key risk management priorities, integrating critical risk control points into the audit process. This includes the identification of risks in the audit of key business modules, implementation of management & control systems and measures, as well as the optimization and improvement of risk identification and assessment methodologies.

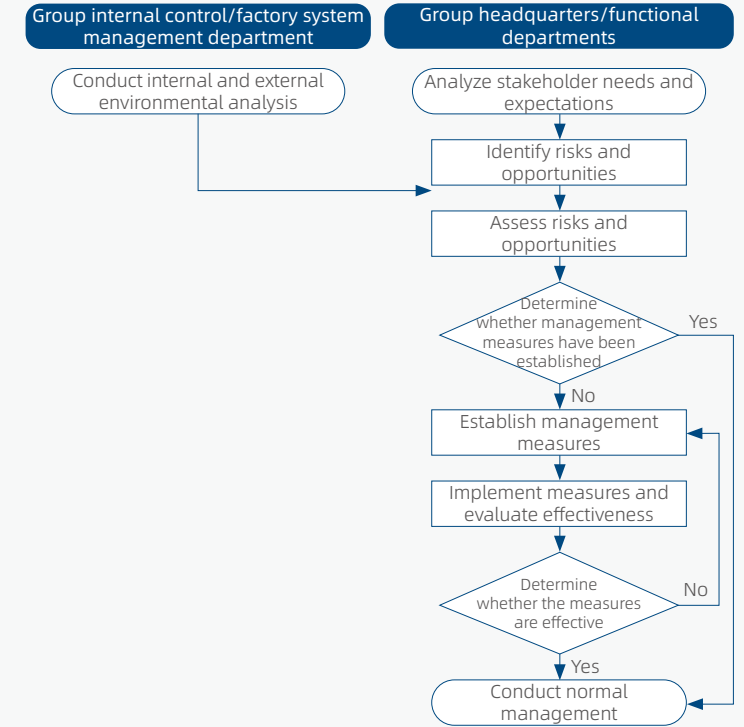
Strengthening ESG risk management

In response to changes in the external environment and the new ISO 9001:2026 standard, the Company has updated its Risk and Opportunity Management Procedures, optimized and standardized the risk assessment rules, and introduced opportunity evaluation criteria, which further integrates the identification and assessment of risks and opportunities related to sustainable development into the Company's operations and business activities.



Risk management

Risk and Opportunity Identification, Assessment, and Management Process



Indicators and Goals

Goal	Progress in 2025
No major risk incidents occur.	No major risk incidents occurred.

Strengthening audit oversight

According to the Group's overall development strategy, the Audit Department schedules annual audit projects based on key risk management priorities, integrating critical risk control points into the audit process. This includes the identification of risks in the audit of key business modules, implementation of management & control systems and measures, as well as the optimization and improvement of risk identification and assessment methodologies.

Implementation of the audit plan

Focusing on compliant operations and core internal control modules, the Company has systematically conducted 17 special audit projects, covering key areas including sales, planning and capacity management, asset management, supply chain and procurement, cost management, human resources, major engineering projects, digitalization and information systems, ESG management, and safety compliance. The audit scope covers all operating entities within the Group, and comprehensive risk screening is conducted, including 2 major contract audits, 8 operational audits of key business modules, and 5 operation compliance audits. The annual audit plan completion rate reaches 100%.

Rectification of audit findings

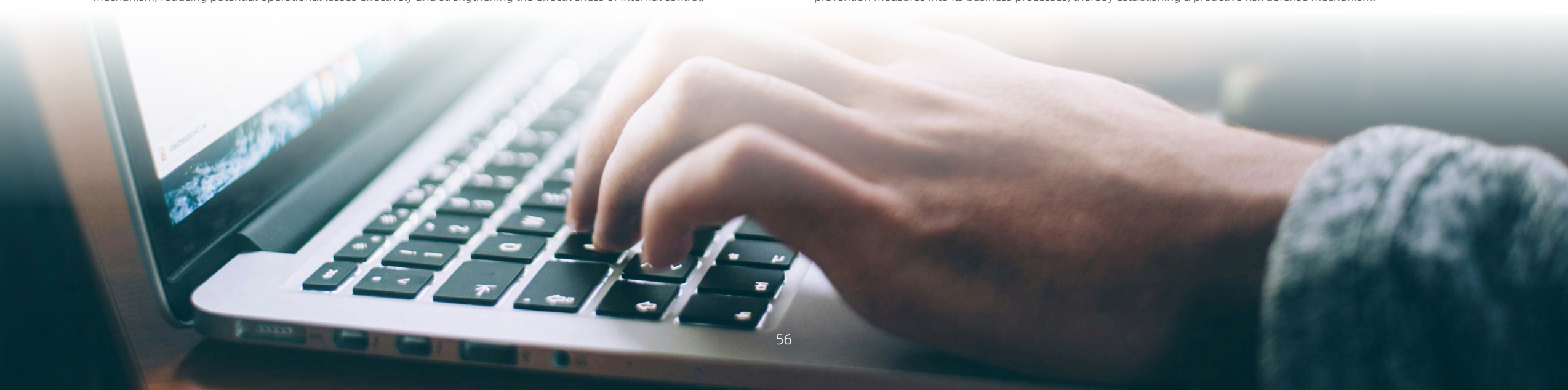
With the help of the CAS system, audit findings are classified by risk level and subject to corrective actions within specified timelines. This process helps facilitate the rectification of audit issues, and establish a closed-loop risk management mechanism, reducing potential operational losses effectively and strengthening the effectiveness of internal control.

Strengthening listing compliance

To meet the listing requirements of the Hong Kong Stock Exchange, the Company engaged an external professional institution to conduct a comprehensive third-party internal control audit, which reviewed the Company's overall control environment and systematically assessed 14 business processes. The overall results are satisfactory, with no material deficiencies identified. In addition, the Company has further improved its internal control policies in key areas such as anti-money laundering, anti-fraud, and anti-unfair competition, enhancing the corporate governance transparency and market credibility.

Fraud risk prevention and control

The Company updated its fraud prevention training materials and strengthened risk publicity initiatives. Through thematic briefings, case-based warnings, and online learning programs, the Company reinforces risk awareness and integrates fraud prevention measures into its business processes, thereby establishing a proactive risk defense mechanism.



Upholding business ethics

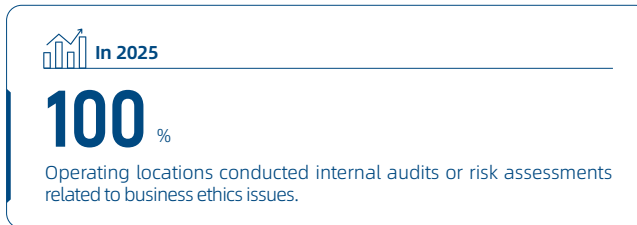
Delton Technology continuously improves its policy documents on anti-bribery, anti-corruption, and anti-unfair competition. The Company advocates fair competition and has established preventive mechanisms against corruption and commercial bribery to promote the long-term business development.

Anti-bribery and anti-corruption

Delton Technology has established management regulations such as the *Anti-Fraud Management System*, *Anti-Fraud Whistleblowing Management System*, *Anti-Fraud Monitoring and Investigation Procedures*, and updated policy statements including the *Anti-Corruption Policy* and the *Code of Business Ethics and Conduct*. The Company maintains a zero-tolerance policy and sets strict requirements against corruption, prevents any form of market monopoly or unfair competition, and prohibits all forms of bribery, corruption, extortion, and misappropriation of funds.

Risk assessment

The Company identifies fraud-related risk factors through risk assessment tools, internal audits, and employee reporting. Identified and evaluated risk factors are categorized and prioritized based on their assessment results to determine and address the most critical risks first.



Risk response

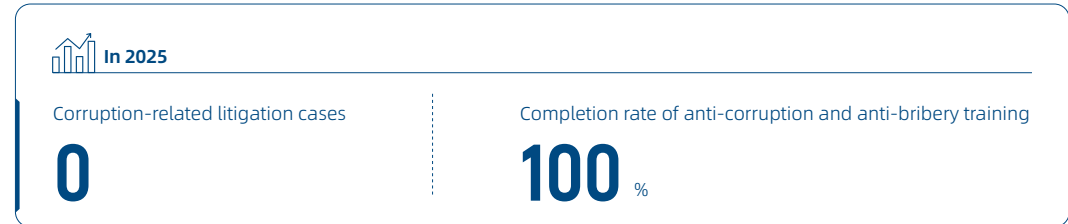
Appropriate preventive and control measures are implemented to minimize or mitigate fraud risks, including strengthening internal controls, establishing whistleblowing mechanisms, and enhancing management oversight.

Strengthening prevention

The Company has established an internal control framework with clear standards, well-defined responsibilities, and mutual checks and balances to avoid and reduce the occurrence of fraudulent behavior. During major holidays, Delton Technology promotes anti-corruption and anti-bribery awareness among supply chain partners through its official website and WeChat account. In addition, all employees participate in dedicated training on business ethics, integrity, and honesty.

Conducting audits

Business ethics standards are incorporated into audit programs, with fraud and ethical risks treated as mandatory audit considerations and included in audit planning and investigation procedures. Principles such as authorization management and segregation of incompatible duties are applied as audit criteria. The Company also promotes continuous improvement of internal policies and the digitalization of operational processes to reduce the risk of fraud.



Anti-unfair competition

Strengthening systemic building

The Company revised the *Business Ethics Management Specification* to include additional provisions on fair trading, advertising, and competition. The Company adheres to standards of fair business conduct, responsible advertising, and fair competition, and commits not to publish any advertisements that are misleading or inconsistent with the Company's actual circumstances, thereby maintaining a fair and equitable competitive environment.

Organizing ethics training

The Company conducted business ethics training (including anti-competition training) for all employees. The program covers the entire workforce (including contract workers, and part-time employees), achieving a 100% pass rate in the assessment.

Strengthening risk control

The Company issued the *Code of Business Ethics and Conduct*, which clearly defines the commitment to anti-competition and whistleblowing requirements, and published the document in the ESG section of the Company's official website. *The Labor and Business Ethics Risk Assessment Record Form* further specifies the requirements for assessing risks related to unfair competition, ensuring that potential risks can be promptly identified and prevented during business operations. Comprehensive risk assessments and internal audits were conducted regarding potential unfair competition practices, and no abnormalities were identified. During the reporting period, no incidents or penalties related to unfair competition occurred.



In 2025

The completion and pass rate for anti-monopoly and anti-unfair competition training reached

100 %

Whistleblowing and grievance mechanism

Delton Technology has established policies including the *Whistleblowing and Whistleblower Protection Policy*, the *Anti-Fraud Whistleblowing Management System*, *Anti-Fraud Monitoring and Investigation Procedures*. The Company has opened multiple reporting channels, which are managed by designated personnel, and the Audit Department initiates investigations after conducting risk assessments.

Whistleblower protection

When auditors or investigation teams handle complaints or whistleblowing cases, they are strictly prohibited from disclosing the whistleblower's name, organization, address, or any other information, and complaint or reporting materials must not be shown to the investigated entity or individuals. Investigation reports are subject to strict review procedures to prevent any disclosure of whistleblower information. The scope of recipients for investigation reports is strictly controlled, and any content that may reveal whistleblower information must be processed before notices are issued. Public communications, publicity, or rewards related to whistleblowing cases are conducted only with the prior consent of the whistleblower. The Company provides protection to employees and suppliers who report misconduct, ensuring the confidentiality and anonymity of whistleblowing activities.

Whistleblowing handling procedures

Upon receiving a complaint or report, the Company promptly registers the whistleblowing information and reports it to the responsible department head. Based on the nature and severity of the complaint or report, it will be determined whether the investigation should be conducted independently by an auditor or by a designated investigation team. Auditors will carry out investigations into and handle the reported matters in accordance with legal and regulatory requirements and within the timeframe specified by the audit supervisor. The handling results will be provided to the complainant or whistleblower in written form.



Whistleblowing Channels

Whistleblowing Email: audit@delton.com.cn

Reporting Hotline: 020-82210789, 19928420557

WeChat Reporting Account: Delton



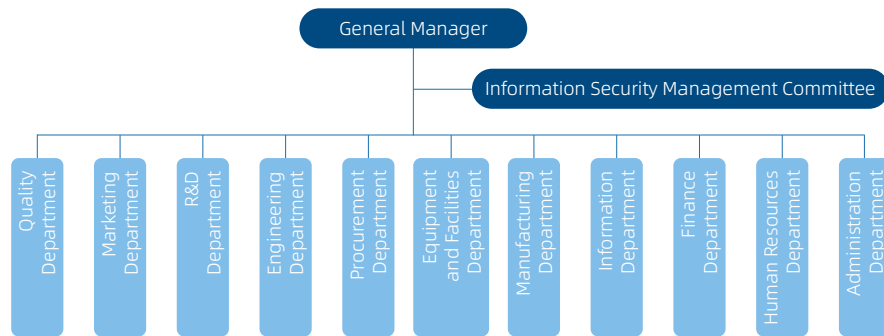
Strengthening information security

Delton Technology places great importance on the information security of the Company and all its stakeholders. The Company is committed to establishing a comprehensive and efficient information security governance framework, and it continuously invests resources to enhance its information security management capabilities.

Governance

Delton Technology has established a top-down information security management system led by the General Manager. An Information Security Management Committee has been formed, consisting of the heads of relevant departments including the Quality Department, Marketing Department, R&D Department, Engineering Department, Procurement Department, Equipment and Facilities Department, Manufacturing Department, Information Department, Finance Department, Human Resources Department, and Administrative Management Department responsible for overseeing and reviewing the Company's information security, formulating strategies, and coordinating the implementation of information security initiatives in all departments.

Information Security Management System of Delton Technology



Delton Technology strictly complies with applicable laws and regulations, including the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Data Protection Act of Thailand*. The Company has established a series of policies and procedures, including the *Information Security Policy*, *Access Control Procedure*, *Business Continuity Management Procedure*, *Information Security Strategy Set*, *Master Data Maintenance Standard*, and *Personal Data Management Standard*. It has successfully passed the ISO 27001 certification audit and obtained the corresponding certification. Guangzhou Factory, Dongguan Factory, and Huangshi Factory have both obtained ISO 27001:2013 Information Security Management System certification.

Strategy

Delton Technology strengthens the management and control of data security and processing of customer privacy, and proactively prevents the potential threats and risks to ensure the integrity and confidentiality of data and customer privacy.

Risk and opportunity identification

Category	Description of Risk/Opportunity	Duration of Impact	Likelihood of Impact	Level of Impact	Response measures
Risk	Risk of data leakage caused by external hacker attacks or internal operational negligence.	Short term	Low	High	<ul style="list-style-type: none"> Strengthen the cybersecurity protection system, and deploy intrusion detection systems and data encryption technologies; conduct regular security audits and employee training to enhance the capabilities in preventing cybersecurity risks.
	Risk of data loss caused by technical vulnerabilities of the system.	Short term	Low	High	<ul style="list-style-type: none"> Implement multi-layered security protection measures, strengthen the regular monitoring of technical systems and vulnerability remediation, and back up critical systems to ensure data integrity, confidentiality, and security.
	Failure to comply with local laws and regulations related to privacy and information security, or improper management of employee, customer, and supplier information, may result in corporate data breaches or system infiltration, leading to loss of customer trust and potential legal penalties.	Short term	Low	Medium	<ul style="list-style-type: none"> Formulate and implement privacy policies compliant with local regulations, establish hierarchical access control and operational mechanisms, adopt data anonymization and encryption technologies, and conduct regular privacy protection training to improve the information security management level.
Opportunity	Advanced security technologies and privacy protection measures enhance the trust of customers and partners.	Short to medium term	Medium	High	<ul style="list-style-type: none"> Strengthen customer data management, ensure information transparency and security, enhance customer loyalty, and support the development of new markets.
	Opportunities for advanced data management systems to improve productivity and create new profit models.	Short to medium term	High	High	<ul style="list-style-type: none"> Promote the Company's digital transformation through compliance reviews and technology investment, leveraging big data analysis, artificial intelligence, etc to enable data-driven decision-making.

Management measures and annual progress

security management

Standardizing access authorization

In accordance with the *Operational Security Management Procedures* and the *Information Security Access Authorization Management Specifications*, security policies are established and implemented from the perspective of access control. In line with the *Information Security Zone Management Procedures*, security policies are also established and implemented from the perspective of physical security. According to the access management procedures, the *Information Technology Department* conducts a comprehensive review of all information access rights every six months, while the Audit Department performs annual audits and oversight of the access privileges for directors, senior management, and privileged users.

Risk prevention management

In accordance with *Information Security Technology - Risk Assessment Specification for Information Security* (GB/T 20984-2022) and other domestically and internationally recognized standards, the Company has established information security risk management procedures to regularly identify information security risks and make continual improvement. Regular security vulnerability scanning and cybersecurity attack-defense drills are carried out to promptly identify and remediate potential security risks, thereby continuously enhancing the overall security response capability.

Risk response measures

In accordance with the Information Security Strategy Set, *Server and Storage Equipment Management Specifications*, *Communication Security Management Specifications*, and *Office Computer Management Specifications*, the Company sets firewall and antivirus software, conducts periodic server recovery testing, and performs patch update testing. It also participates in the cybersecurity attack-and-defense drills organized by the district government. In response to the security weaknesses identified during these drills, the Company has planned and implemented high-availability network projects, including establishing redundant architectures for core network devices and servers, deploying a CDP backup system, and adding security protection equipment and systems such as a WAF firewall, network access control system, and server protection system, thereby strengthening the overall cybersecurity capabilities.

Privacy protection

In accordance with the *Access Control Procedures*, approval from the authorized information management department shall be obtained for the processing, sharing, and retention of confidential information, and users are granted access only after completing a clearly defined user registration and authorization process. For all customer information, the Company has established a high-availability system following the principles of "notice, consent, and minimum necessary use", including backup strategies and dual-server configurations, to ensure compliant handling of customer data and effectively safeguard users' privacy rights. The Company has conducted customer privacy protection training for all employees, and all staff have successfully passed the required assessments.

Suppliers are required to sign confidentiality agreements with the Company and complete the annual information security training. All supplier visits shall be registered in advance and shall be accompanied by the responsible procurement personnel throughout the visit. Access to unauthorized information security areas is strictly prohibited. Before accessing the Company's systems, all suppliers shall sign confidentiality agreements, accept behavioral monitoring through the bastion host system, and pass the Company's information security qualification review and periodic audits.

Risk management

Each department of Delton Technology regularly updates the information asset identification and evaluation forms and the corresponding risk assessment records on an annual basis, and formulate and implement appropriate control measures based on the assessed risk levels. Through identifying the information assets and clarifying the risk mitigation actions of each department, the Company continuously strengthens its information security defenses and effectively supports the operation of the ISO 27001 information security management system and customers' compliance requirements.

Indicators and Goals

Goal	Progress in 2025
Zero incidents of customer information leakage, incomplete customer records, or unavailable customer data	0
Zero violations by personnel in key information security positions	0
Zero incidents of information system downtime, production testing system downtime, system update delays, or security policy failures	0

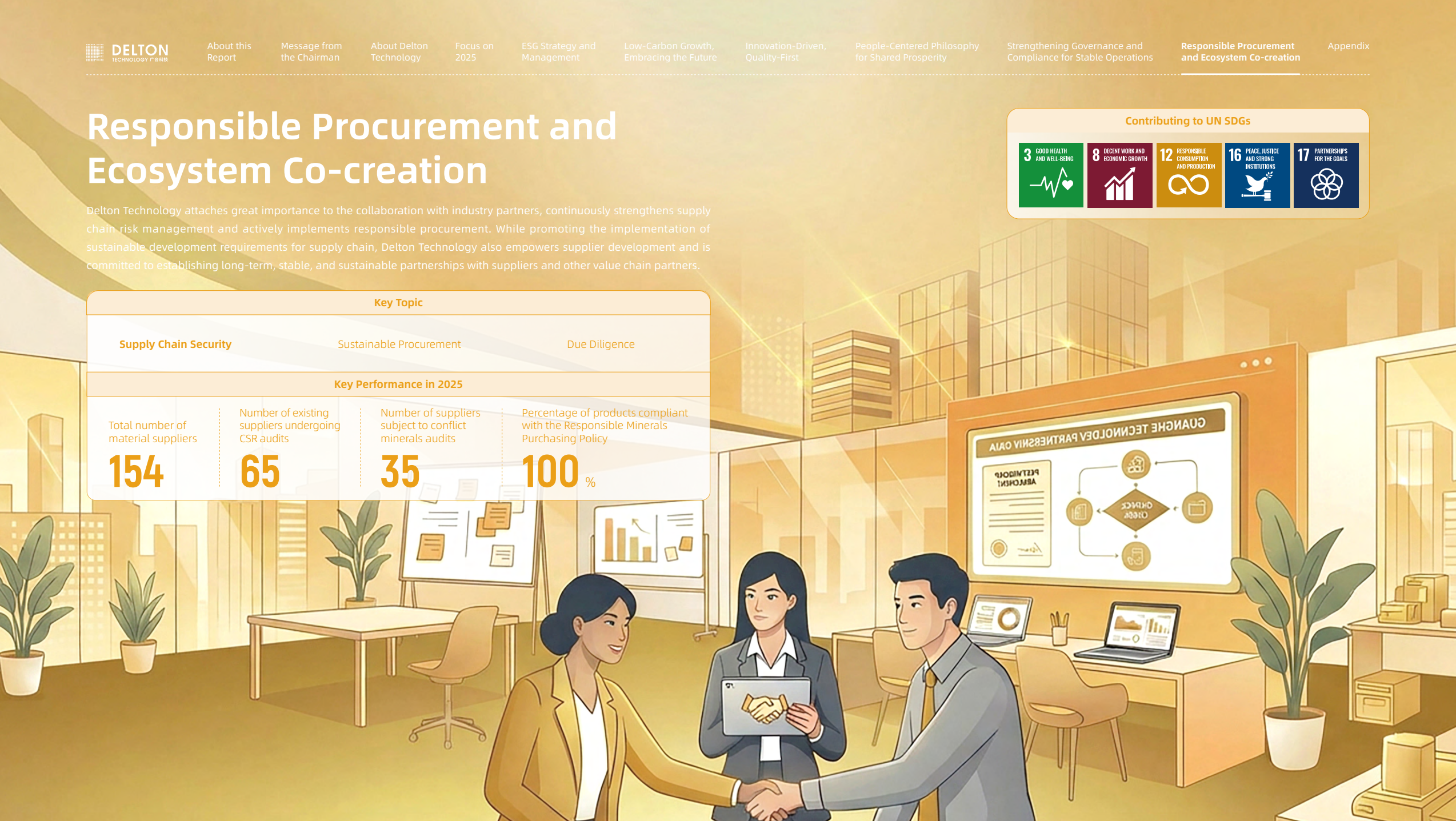
Responsible Procurement and Ecosystem Co-creation

Delton Technology attaches great importance to the collaboration with industry partners, continuously strengthens supply chain risk management and actively implements responsible procurement. While promoting the implementation of sustainable development requirements for supply chain, Delton Technology also empowers supplier development and is committed to establishing long-term, stable, and sustainable partnerships with suppliers and other value chain partners.

Contributing to UN SDGs



Key Topic			
Supply Chain Security	Sustainable Procurement	Due Diligence	
Key Performance in 2025			
Total number of material suppliers	Number of existing suppliers undergoing CSR audits	Number of suppliers subject to conflict minerals audits	Percentage of products compliant with the Responsible Minerals Purchasing Policy
154	65	35	100 %



Safeguarding Supply Chain Security

Delton Technology is committed to building a resilient supply chain management system, strengthening the ability to identify and prevent potential risks, and fully enhancing the transparency and stability of the supply chain. Delton Technology works together with partners to build a safe, reliable, and responsible industrial ecosystem.

Governance

Delton Technology's Supply Chain Management Center leads and advances the development of the supply chain management system. Core management systems, including the *Anti-Corruption Policy*, *Conflict Minerals Policy*, *Supplier Management Procedures*, and *Supplier Code of Conduct*, are embedded throughout the entire business process to strengthen the governance foundation. Under the ESG governance structure, Delton Technology has additionally established a dedicated responsible procurement working group to coordinate the assessment of environmental and social impacts of the supply chain. Delton Technology continuously improves relevant policy documents, including the *Sustainable Procurement Policy*, has newly introduced strict reviews of suppliers' tax payment certificates and supplier screening based on the control list, and dynamically updates the scope of conflict minerals management to strengthen the source-level compliance of supply chain and enhance the ability to mitigate risks through policy upgrades.

Strategy




Delton Technology has established and continually optimizes a supply chain risk identification mechanism and promotes the full lifecycle management of suppliers. Through in-depth assessment of potential risks and targeted response measures, Delton Technology continuously strengthens the resilience of its supply chain, comprehensively safeguarding business continuity and stable operations.

Risk/Opportunity Identification

Category	Description of Risk/Opportunity	Duration of Impact	Likelihood of Impact	Level of Impact	Response Measures
Risk	Delivery Assurance The delivery time for high-end raw material demand may be extended due to limited production capacity. When high-end laminates are required to be paired with designated copper foil, there may be risks of insufficient supply and extended delivery time.	Short term	Medium	High	<ul style="list-style-type: none"> Forecast demand and sign capacity demand cooperation agreements with key copper-clad laminate suppliers; Provide rolling quarterly and monthly demand forecasts and collaborate with suppliers to ensure adequate raw material inventory; Monitor order volumes and delivery volumes on a weekly basis and make timely adjustments when deviations are identified; Conduct advance testing and certification of alternative raw materials for materials with supply risks; and Test products from suppliers' overseas factories, diversify supply sources and increase the proportion of localized procurement in Thailand. Implement dual backup within the domestic supply chain to reduce supply risks associated with a single region.
	Hazardous Substances Control Excessive hazardous substances in suppliers' products may expose Delton Technology to penalties under relevant laws and regulations as well as breach-of-contract risks.	Short term	Medium	High	<ul style="list-style-type: none"> Before testing new materials, collect suppliers' ROHS, REACH and other third-party test reports in accordance with documentation requirements and ensure that the reports are valid; Before introducing new suppliers, require suppliers to sign the latest <i>Letter of Assurance for Environmental Restricted Substances</i>. If the environmental restricted substances control standards are updated, the letter of assurance must be re-signed; Collect the latest third-party hazardous substances test reports from suppliers on an annual basis, and ensure that the reports remain within their validity period and comply with hazardous substances control standard requirements; and Review the hazardous substances management module during on-site audits of new suppliers or annual supplier audits.
	Supplier Introduction and Evaluation Non-conformities identified during periodic audits may result in evaluation criteria failing to accurately reflect supplier performance, causing the assessment results to lose their reference value.	Short term	Low	High	<ul style="list-style-type: none"> Clearly define and publish the evaluation criteria, and strictly implement monthly performance evaluations; Require relevant departments to participate in a cross-functional assessment and endorsement, and organize quarterly performance communication meetings to evaluate supplier performance and urge suppliers to rectify weaknesses within a specified timeframe.
	Solid Waste Disposal Compliance Business continuity may be adversely affected if partners (such as hazardous waste service providers) are subject to administrative penalties due to their own violations of laws or regulations.	Short term	Low	High	<ul style="list-style-type: none"> Conduct annual qualification reviews of hazardous waste purchasers; Carry out on-site audits for new hazardous waste suppliers; Formulate an annual audit plan for key hazardous waste purchasers; and Monitor the monthly IPE performance of hazardous waste purchasers.
Opportunity	Supply Chain Digitalization and Collaboration By promoting supply chain digitalization and collaboration, the Company can enhance supply chain transparency, response speed, and anti-risk capability, optimize cost structures, and strengthen the resilience and competitiveness of the supply chain.	Short to Medium Term	Medium	Medium	<ul style="list-style-type: none"> The Group implements an online procurement platform (SRM system) to improve efficiency and enhance transparency; Establish information-sharing platforms with key suppliers to optimize demand forecasting, inventory management, and production planning; and Establish a risk early-warning mechanism and adopt diversified procurement strategies to reduce the risk of supply chain disruptions.
	Green Supply Chain Transformation With increasing requirements from downstream customers and regulatory authorities for green supply chains, promoting suppliers' transition toward low-carbon and circular practices can enhance the Company's ESG performance and market competitiveness.	Short term	Medium	High	<ul style="list-style-type: none"> Encourage suppliers to conduct carbon accounting and implement emission reduction initiatives; prioritize suppliers with green certifications to foster a green supply chain ecosystem; and incorporate ESG performance into the supplier evaluation system to stimulate suppliers to enhance their sustainable development capability.

Management Measures and Annual Progress

Full Lifecycle Management of Suppliers

 <p>Supplier Introduction</p>	<ul style="list-style-type: none"> Strictly review supplier qualifications, conducting a comprehensive inspection on environmental compliance, safety management, tax payment compliance, and other aspects, and avoid or minimize the engagement of suppliers listed on the U.S. Control List. Conduct on-site audits focusing on suppliers' hazardous substance management, social responsibility, and RBA; strengthen compliance control and sign relevant agreements with suppliers, such as the <i>Corporate Social Responsibility Agreement and Integrity Cooperation Agreement</i>, to regulate supplier conduct and reinforce supply chain compliance.
 <p>Routine Monitoring</p>	<ul style="list-style-type: none"> Conduct multi-dimensional evaluations of A- and B-category key material suppliers, covering quality, delivery, cost, technology, and ESG performance. Review suppliers' IPE performance, credit performance, financial ratings, etc. on a monthly basis to manage and control risks. Conduct quarterly screening according to the Control List to ensure that suppliers are not subject to any sanctions or control measures. Carry out the conflict minerals survey annually.
 <p>Supplier Exit</p>	<ul style="list-style-type: none"> Suppliers will be removed from the Qualified Supplier List under the following circumstances: products not aligned with planning, major quality incidents, failure to meet periodic evaluation requirements, violations of laws and regulations or the Company's zero-tolerance rules, or non-compliance with ESG requirements, hazardous substance management, or conflict minerals policies.

Supplier Compliance Management

Delton Technology focuses on supplier compliance management and control to prevent various compliance risks and implements full lifecycle management monitoring of suppliers. Suppliers are required to sign control agreements and submit annual third-party test reports, and regular audits are conducted to ensure product compliance. For hazardous waste service providers, Delton Technology conducts annual qualification reexaminations and performs monthly monitoring through the IPE platform to ensure compliance in solid waste disposal. Suppliers are also required to sign Integrity Agreements, and regular business ethics training is organized. Through the establishment of audit and blacklist mechanisms, Delton Technology safeguards supply chain integrity and strictly prevents commercial corruption. In 2025, no suppliers were identified as having significant actual or potential negative impacts.

Risk Management

Delton Technology has established a systematic supply chain risk management framework, and formulated management systems including the *2025 Risk and Opportunity Identification, Evaluation and Response Measures Tracking Table of the Supply Chain Management Department* and the *Supply Chain Disruption Business Continuity Strategy and Incident Management Plan*. These systems are used to identify and evaluate risks and opportunities within the supply chain and to develop corresponding response measures to prevent potential crises such as supply chain disruptions. At the same time, they enable Delton Technology to capture market development opportunities and ensure supply chain resilience under extreme circumstances.

Indicators and Goals

Goal	Progress in 2025
CSR review coverage of key material suppliers: 100%	CSR review coverage of key material suppliers 100%
Percentage of suppliers signing contracts containing environmental, labor and human rights requirements clauses: 100%	Percentage of suppliers signing contracts containing environmental, labor and human rights requirements clauses 100%
Number of supply chain disruption incidents: 0	Number of supply chain disruption incidents 0



Promoting Sustainable Procurement

Delton Technology integrates ESG principles throughout the full procurement lifecycle and has formulated a *Sustainable Procurement Policy*. By strengthening social responsibility audits, providing comprehensive capacity-building support, promoting value chain decarbonization and advancing localized procurement, Delton Technology collaborates with partners to build a green, transparent and stable supply ecosystem, working together with suppliers to create long-term sustainable value.

Supplier Due Diligence Management

Delton Technology incorporates the Sustainable Procurement Charter for Supplier/Supplier Code of Conduct, as well as environmental, labor and human rights requirements, into contract clauses, and gives priority to suppliers with strong ESG and CSR performance. Delton Technology has revised supplier admission and annual evaluation standards. In the Supplier Questionnaire (Version 2025), a new module for carbon emissions data collection was introduced to systematically capture baseline carbon emissions information across the supply chain and provide data support for future value chain decarbonization.

In 2025, CSR audits and RBA audits were conducted for major raw material suppliers and waste purchasers. The audits covered key topics including labor rights, environmental protection, and occupational health and safety, identifying non-conformities and driving the implementation of 60 corrective actions.



◆ Supplier audit meeting



Mutual Capacity-building Support and Capability Enhancement

In 2025, Delton Technology organized thematic training programs for suppliers, which cover ESG, RBA & CSR, environment, occupational health & safety, and business ethics and integrity. In addition, a dedicated Supplier Business Ethics and Integrity Management training program was conducted for key suppliers. The training covered business ethics standards, integrity requirements, and Delton Technology's anti-corruption reporting mechanism. Suppliers participating in the training represented 90% of the Company's total procurement value.

Delton Technology requires procurement personnel to sign an *Integrity Commitment Letter*, and procurement targets are linked to procurement personnel's compensation and performance evaluations. In 2025, Delton Technology also conducted a dedicated Responsible Procurement training program for the procurement team to further strengthen awareness of integrity in procurement and sustainable procurement capabilities.



Value Chain Collaborative Decarbonization

Delton Technology actively promotes the adoption of alternative clean energy and continuously communicates energy conservation and carbon reduction requirements to suppliers. Suppliers are encouraged to implement initiatives such as energy efficiency and carbon reduction upgrades to equipment and photovoltaic power generation projects to achieve effective carbon reductions. For example, Delton Technology promoted the replacement of the ceramic heat retainer unit in RTO incinerators, improving waste gas treatment efficiency and reducing volatile organic compounds (VOCs) emissions by 0.02 tonnes annually. Besides, energy efficiency upgrade initiatives were also implemented, including collaboration with suppliers to establish air-conditioning temperature control systems, promotion of the replacement with solar-powered streetlights, and variable frequency upgrades to fans, among other integrated energy-saving measures. These initiatives have effectively reduced electricity consumption in production and operations and significantly reduced the Scope 2 carbon emissions intensity of suppliers. In 2025, suppliers were encouraged to reduce carbon emissions by 10,546.19 tonnes.

Localized Procurement Arrangements

The Thailand subsidiary continues to promote a localized supply chain strategy. In 2025, Delton Technology developed local sourcing channels in Thailand for key materials such as chemical raw materials, packaging materials, and auxiliary consumables to effectively shorten supply cycles and enhance the anti-risk capability of supply chain. In 2025, the localized procurement rate in China amounted to 100%; and the localized procurement rate from suppliers in Thailand was 33%.



Conflict Minerals Management

Delton Technology has established policies, including the *Conflict Minerals Policy* and the *Sustainable Procurement Policy*, forming a responsible minerals management system and due diligence framework. Conflict minerals management has been incorporated into the supplier ESG management system and integrated into supplier certification and supervision audit requirements to ensure that minerals sourced from conflict-affected and high-risk areas are not used in the supply chain.

Expanding the Scope of Management

In response to external compliance requirements, copper, nickel, etc. have been included in the scope of conflict minerals screening. Suppliers whose materials contain conflict mineral risks, such as copper, nickel, lithium, and graphite, must sign the Declaration of *Non-Use of Conflict Minerals* and complete an RMI (Responsible Minerals Initiative) survey before being included in the Qualified Supplier List. In 2025, Delton Technology updated the Declaration of *Non-Use of Conflict Minerals* and signed the updated letter of assurance with all suppliers involved in conflict minerals.

Establishing a Minerals Traceability List

Delton Technology conducted a systematic review of all minerals currently used in its products and established a detailed conflict minerals identification list. For all minerals involved, Delton Technology traced the country of origin of the ore individually. Based on country-of-origin risk assessments, it was confirmed that none originated from conflict mineral regions, and the current supply chain has no exposure to conflict minerals risks.



Transparent Investigation and Grievance Mechanism

In 2025, Delton Technology used the latest CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template) to conduct dedicated investigations among 35 suppliers involved in mineral supply. The results showed that no suppliers were found to be in violation of the Conflict Minerals Policy. In addition, Delton Technology maintains a public complaint hotline on its official website, enabling stakeholders to report any issues related to conflict minerals management at any time, thereby promoting a transparent and responsible supply environment.

In 2025

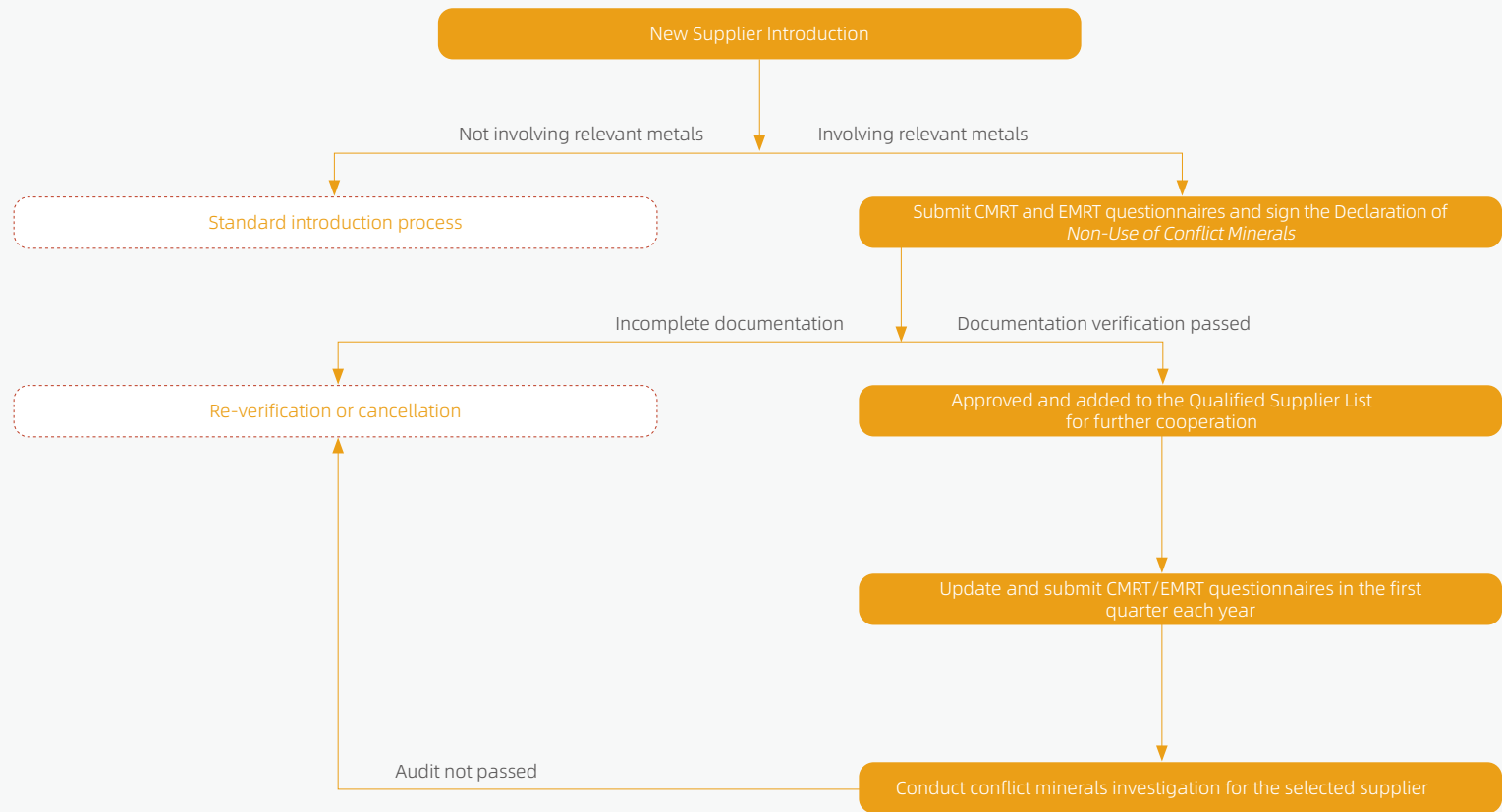
Number of suppliers subject to conflict minerals audits

35

Percentage of products compliant with the Responsible Minerals Purchasing Policy

100%

Delton Technology's Supplier Conflict Minerals Management Process



Appendix

ESG Data Table

Indicators	Unit	2023	2024	2025
Operating Performance				
Annual Operating Revenue	RMB million	2,678.27	3,734.28	5,485.37
Net Profit Attributable to Ordinary Shareholders of the Listed Company	RMB million	414.69	676.10	1,015.79
Corporate Governance				
Anti-bribery and Compliance				
Number of corruption cases initiated and concluded against employees	Case	0	0	0
Number of reports generated through anti-corruption reporting procedures	Case	0	0	0
Total number of anti-corruption and anti-bribery training sessions for directors/senior management	Case	1	3	2
Total number of anti-corruption and anti-bribery training sessions for general employees	Case	1	3	3
Percentage of directors covered by anti-corruption and anti-bribery training	%	--	100	100
Percentage of management personnel covered by anti-corruption and anti-bribery training	%	--	100	100

Indicators	Unit	2023	2024	2025
Percentage of operating sites conducting internal audits/ risk assessments on business ethics issues	%	--	100	100
Pass Rate of Anti-Monopoly and Unfair Competition Training and Assessments	%	--	100	100
Amount Involved in Litigation or Major Administrative Penalties Arising from the Company's Unfair Competition Practices During the Reporting Period	RMB Ten Thousand	0	0	0
Number of Confirmed Information Security Incidents	Case	0	0	0
Percentage of Employees Receiving Environmental Issue Training (Internal or External)	%	100	100	100
Percentage of Sites That Have Conducted Environmental Risk Assessments out of All Workplaces	%	100	100	100
Board of Directors Tenure				
Total Number of Directors	Person	5	5	7
Number of Male Directors	Person	1	1	3

Indicators	Unit	2023	2024	2025
Number of Female Directors	Person	4	4	4
Number of Directors with Legal Expertise	Person	0	0	0
Number of Directors with Risk Management Expertise (Including Accounting and Legal Backgrounds)	Person	0	0	1
Number of Directors with Accounting Expertise	Person	2	2	2
Number of Independent Directors	Person	2	2	3
Environmental Performance				
Greenhouse Gas Emissions Data¹				
Greenhouse Gas Emissions	Tonne of CO ₂ e	282,488.13	301,920.42	436,274.67
Scope 1 Emissions	Tonne of CO ₂ e	10,723.61	17,049.72	21,682.81
Carbon Dioxide (CO ₂)	Tonne of CO ₂ e	4,200.81	4,848.45	7,336.98
Methane (CH ₄)	Tonne of CO ₂ e	3,855.55	3,916.93	3,032.87
Nitrous Oxide (N ₂ O)	Tonne of CO ₂ e	4.57	6.30	8.68
Hydrofluorocarbons (HFCs)	Tonne of CO ₂ e	214.77	1,983.44	2,794.86
Perfluorocarbons (PFC)	Tonne of CO ₂ e	2,447.91	6,294.60	8,509.40
Scope 2 Emissions	Tonne of CO ₂ e	87,207.83	104,125.94	145,201.53
Scope 2 Emissions (Location-based)	Tonne of CO ₂ e	87,207.83	104,125.94	145,201.53

Indicators	Unit	2023	2024	2025
Scope 2 Emissions (Market-based)	Tonne of CO ₂ e	--	--	--
Scope 3 Categories	Tonne of CO ₂ e	184,556.69	180,744.76	269,390.34
Purchased Goods and Services	Tonne of CO ₂ e	134,198.81	117,053.58	162,092.66
Capital Goods	Tonne of CO ₂ e	2,200.24	12,919.24	41,734.15
Fuel- and Energy-Related Activities	Tonne of CO ₂ e	27,704.36	35,197.04	48,361.43
Upstream Transportation and Distribution	Tonne of CO ₂ e	6,317.50	6,193.77	14,710.36
Waste Generated in Operations	Tonne of CO ₂ e	2,449.92	4,289.67	807.91
Business Travel	Tonne of CO ₂ e	Not Quantified	Not Quantified	Not Quantified
Employee Commuting	Tonne of CO ₂ e	453.85	270.72	649.25
Upstream Leased Assets	Tonne of CO ₂ e	11,076.79	4,613.13	932.91
Downstream Transportation and Distribution	Tonne of CO ₂ e	N/A	N/A	N/A
Processing of Sold Products	Tonne of CO ₂ e	N/A	N/A	N/A
Use of Sold Products	Tonne of CO ₂ e	N/A	N/A	N/A
End-of-Life Treatment of Sold Products	Tonne of CO ₂ e	155.22	207.61	101.67
Downstream Leased Assets	Tonne of CO ₂ e	N/A	N/A	N/A
Franchises	Tonne of CO ₂ e	N/A	N/A	N/A
Investments	Tonne of CO ₂ e	N/A	N/A	N/A

1. In 2025, Delton Technology conducted a third-party verification and data update for Scope 3 emissions for the period from 2023 to 2025, and simultaneously updated the greenhouse gas emissions data for 2024. The carbon emissions calculated for 2025 covers the production bases in Guangzhou, Huangshi, Dongguan and Thailand (including the newly added carbon emissions of the Thailand production base).

Indicators	Unit	2023	2024	2025
GHG Emissions Intensity	Tonne of CO ₂ e/Million of operating revenue	105.71	80.85	79.53
Scope 1: Direct Emissions Intensity	Tonne of CO ₂ e/Million of operating revenue	4.03	4.57	3.95
Scope 2: Indirect Emissions Intensity	Tonne of CO ₂ e/Million of operating revenue	32.77	27.88	26.47
Scope 3: Other Indirect Emissions Intensity	Tonne of CO ₂ e/Million of operating revenue	68.91	48.40	49.11
Exhaust Gas Emissions¹				
Nitrogen Oxides	Tonne	3.64	6.38	2.80
Particulate Matter	Tonne	1.44	2.09	6.25
Formaldehyde	Tonne	1.75	1.94	3.40
Ammonia	Tonne	0.08	0.38	0.30
Hydrogen Chloride	Tonne	3.04	13.39	14.31
Hydrogen Cyanide	Tonne	0.02	0.13	0.04

Indicators	Unit	2023	2024	2025
Sulfuric Acid Mist	Tonne	2.92	6.48	4.14
Sulfur Dioxide	Tonne	0.15	0.12	0.07
Volatile Organic Compounds (VOCs)	Tonne	4.30	7.62	12.77
Waste Generation				
Total Production Waste Generated	Tonne	27,507.76	38,382.49	53,303.92
Total General Waste Generated (Annual)	Tonne	6,430.27	9,047.65	13,428.90
General/Non-Hazardous Waste Intensity	Tonne /Million of operating revenue	2.40	2.423	2.45
Total Hazardous Waste Generated (Annual)	Tonne	21,077.49	29,334.84	40,270.60
Hazardous Waste Intensity	Tonne /Million of operating revenue	7.92	7.86	7.34
Percentage of Waste Utilized	%	97.53	97.00	97.52
Energy Consumption				
Purchased grid electricity	kWh	145,614,712.00	184,176,881.40	277,313,700.00
Solar Power Generation	kWh	1,524,543.00	3,148,500.50	9,688,251.10
Renewable Energy Purchased (Renewable Energy Certificates)	kWh	--	--	20,000,000.00

1. All exhaust gas generated by the Company's production processes meets the applicable emission standards and is emitted in accordance with applicable regulations; and the exhaust gas emission levels remain within the permitted limits.

Indicators	Unit	2023	2024	2025
Percentage of Renewable Energy in Total Energy Consumption	%	--	1.68	9.23
Coal Consumption	Tonne	0	0	0
Gasoline Consumption	Liter	0	0	0
Diesel Consumption	Liter	55,000.00	27,633.92	21,874.00
Natural Gas Consumption	Cubic Meter	1,791,363.00	1,976,201.20	3,116,821.00
Total Direct Energy Consumption	kWh	18,001,648.36	19,504,911.29	31,399,000.00
Direct Energy Intensity	kWh/ Million of operating revenue	6,764.60	5,223.20	5,724.13
Total Indirect Energy Consumption	kWh	147,139,255.00	187,325,381.90	287,001,951.60
Indirect Energy Intensity	kWh/ Million of operating revenue	55,291.54	50,163.66	52,321.33
Total Electricity Consumption	kWh	147,139,255.00	187,325,381.90	287,001,951.60
Water Resource Consumption				
Total Water Consumption	Tonne	1,293,709.00	1,778,333.00	2,603,497.00
Water Consumption for Production	Tonne	1,273,639.30	1,746,398.00	2,527,445.00

Indicators	Unit	2023	2024	2025
Domestic Water Consumption	Tonne	20,069.70	31,935.00	76,052.00
Total Recycled Water Volume	Tonne	25,100,566.60	100,458,144.00	181,992,683.00
Percentage of Recycled Water in Total Water Consumption	%	95.10	98.34	98.59
Water Consumption Intensity	kWh/ Million of operating revenue	486.15	476.22	474.63
Wastewater Discharge Concentration¹				
Total Copper	mg/L	Guangzhou: 0.007 Huangshi: 0.028	Guangzhou: 0.145 Huangshi: 0.099	Guangzhou: 0.145 Huangshi: 0.1315 Thailand: 0.48 Dongguan: --
COD	mg/L	Guangzhou: 46.58 Huangshi: 27.80	Guangzhou: 63.29 Huangshi: 26.60	Guangzhou: 52.33 Huangshi: 49.06 Thailand: 193 Dongguan: 33
BOD	mg/L	--	Guangzhou: - Huangshi: 16.50	Guangzhou: -- Huangshi: 10.535 Thailand: -- Dongguan: 25

1. All wastewater generated from the Company's production operations meets the applicable discharge standards and is discharged in accordance with applicable regulations; and the concentrations of wastewater pollutants remain within the permitted limits.

Indicators	Unit	2023	2024	2025
Total Nickel	mg/L	Guangzhou: 0.003 Huangshi: -	Guangzhou: 0.05 Huangshi: Not Detected	Guangzhou: 0 Huangshi: 0 Thailand: -- Dongguan: 0
Ammonia Nitrogen	mg/L	Guangzhou: 5.37 Huangshi: 0.30	Guangzhou: 8.47 Huangshi: 0.81	Guangzhou: 8.695 Huangshi: 0.559 Thailand: -- Dongguan: 3.18
Total Phosphorus	mg/L	Guangzhou: 0.22 Huangshi: 0.38	Guangzhou: 0.43 Huangshi: 0.2	Guangzhou: 0.605 Huangshi: 0.9719 Thailand: -- Dongguan: 0.06
Total Nitrogen	mg/L	--	Guangzhou: 16.44 Huangshi: 4.03	Guangzhou: 20.74 Huangshi: 6.93 Thailand: -- Dongguan: 4
Packaging Materials Usage¹				
Total Packaging Weight	Tonne	1,110.32	1,235.06	1,618.26
Plastic Packaging	Tonne	303.92	386.26	411.56
Paper Packaging	Tonne	757.10	807.39	1,159.65
Metal Packaging	Tonne	6.65	6.63	10.86
Wood Packaging	Tonne	36.48	27.63	29.29

Indicators	Unit	2023	2024	2025
Other Packaging	Tonne	6.16	7.16	6.90
Packaging Material Intensity	Tonne /Million of operating revenue	0.41	0.33	0.30
Social Performance				
Employee Satisfaction				
Employee Satisfaction	Score	--	--	Guangzhou and Dongguan: 82.6 Thailand: 82.9 Huangshi: 79.3
Total Employees	Person	2,623	3,527	4,998
Breakdown by Gender				
Male Employees	Person	1,735	2,420	3,070
Female Employees	Person	888	1,107	1,928
Breakdown by Ethnicity				
Employees from Minority Ethnic Groups	Person	--	--	351
Breakdown by Age				
30 years and below	Person	547	1,023	1,773
31-50 years	Person	2,025	2,432	3,142

1. In 2025, the management of packaging-related data was optimised, with changes made to the statistical scope and calculation methods; consequently, the packaging volume figures for 2023 and 2024 have been retrospectively reviewed and adjusted.

Indicators	Unit	2023	2024	2025
Above 50 years	Person	52	72	83
Breakdown by Education Level				
Doctorate Degree	Person	1	1	1
Master's Degree	Person	23	35	56
Bachelor's Degree	Person	275	426	605
Other Education Levels	Person	2,324	3,065	4,336
Breakdown by Job Category				
Production Staff	Person	1,794	2,401	3,723
Sales Staff	Person	77	88	98
Technical Staff (Including R&D Personnel)	Person	566	794	846
Administrative and Management Staff	Person	186	244	331
Breakdown by Region				
China (including Hong Kong, Macao and Taiwan)	Person	2,623	3,451	4,752
Overseas Region (excluding China)	Person	0	76	246
Breakdown by Job Category (Management)				
Number of Female Senior Management Employees	Person	4	6	4

Indicators	Unit	2023	2024	2025
Number of Male Senior Management Employees	Person	30	20	23
Number of Senior Management Employees from Minority Ethnic Groups	Person	1	1	1
Number of Female Executive Management Employees	Person	13	16	19
Number of Male Executive Management Employees	Person	70	87	99
Breakdown by Employment Type				
Number of Full-time Employees	Person	--	--	4,998
Number of Part-time Employees	Person	--	--	0
Total Number of New Hires	Person	723	1,297	2,423
Breakdown by Gender				
Male Employees	Person	495	955	1,685
Female Employees	Person	228	342	738
Breakdown by Age				
30 years and below	Person	247	590	1,251
31-50 years	Person	470	692	1,164
Above 50 years	Person	6	15	8

Indicators	Unit	2023	2024	2025
Breakdown by Region				
China (including Hong Kong, Macao and Taiwan)	Person	723	1,297	2,225
Overseas Region (excluding China)	Person	--	--	198
Employee Turnover Rate				
Total Number of Resigned Employees	Person	--	--	2,815
Employee Turnover Rate ¹	%	--	--	5.63
Breakdown by Gender				
Number of Male Employees	%	--	--	4.05
Number of Female Employees	%	--	--	1.58
Breakdown by Age				
30 years and below	%	--	--	2.81
31-50 years	%	--	--	2.80
Above 50 years	%	--	--	0.02
Breakdown by Region				
China (including Hong Kong, Macao and Taiwan)	%	--	--	5.45

Indicators	Unit	2023	2024	2025
Overseas Region (excluding China)	%	--	--	0.18
Health and Safety				
Number of Work-Related Fatal Accidents in the Year	Case	0	0	0
Number of Employees Who Died from Work-Related Accidents in the Year	Person	0	0	0
Number of Work-related Accidents Causing Serious Injuries	Case	0	0	0
Number of Employees Seriously Injured	Person	0	0	0
Percentage of Employees Seriously Injured	%	0	0	0
Number of Work-related Accidents Causing Minor Injuries	Case	13	13	11
Number of Employees with Minor Work-Related Injuries	Person	13	13	11
Total Workdays Lost Due to Work-Related Injuries of Employees	Day	792.00	646.50	539.00
Lost Time Injury Rate (LTIR) per Million Working Hours	/	844.00	527.00	315.49

1. The Company's annual employee turnover rate is calculated as the average of the monthly turnover rates.

Indicators	Unit	2023	2024	2025
Lost Time Injury Frequency Rate (LTIFR) per Million Working Hours	/	1.73	1.32	0.80
Safety Drill Activities	Time	36	55	69
Number of Safety Training Sessions	Time	161	161	234
Employee Safety Training Coverage	%	100	100	100
Supplier Safety Training Coverage	%	99.50	100	100
Investment in Employee Work-Related Injury Insurance	RMB Ten Thousand	50.82	70.40	151.55
Investment in Employee Safety Production Liability Insurance	RMB Ten Thousand	4.03	8.06	57.48
Coverage of Employee Work-Related Injury Insurance	%	100	100	100
Coverage of Employee Safety Production Liability Insurance	%	--	--	100
Percentage of Operating Sites Conducting Employee Health & Safety Risk Assessments	%	100	100	100
Employee Training and Development¹				
Total Number of Training Participants	Person-Time	20,677	27,680	77,403

Indicators	Unit	2023	2024	2025
Breakdown by Gender				
Training Person-Times for Male Employees	Person-Time	15,286	15,143	53,529
Training Person-Times for Female Employees	Person-Time	5,391	5,524	23,874
Percentage of Employees Trained	%	100	100	100
Breakdown by Gender				
Percentage of Male Employees Trained	%	100	100	100
Percentage of Female Employees Trained	%	100	100	100
Breakdown by Employee Category				
Percentage of Production Staff Trained	%	100	100	100
Percentage of Marketing and Service Staff Trained	%	100	100	100
Percentage of Technical Staff Trained	%	100	100	100
Percentage of Administrative and Management Staff Trained	%	100	100	100
Total Training Hours for All Employees	Hour	39,327	36,239	104,654.84
Breakdown by Gender				
Total Training Hours for Male Employees	Hour	29,266	27,458	72,523.85

1. In 2025, the Company's factories fully launched the internal online training platform, and employees' training hours on the platform were included in the statistical scope.

Indicators	Unit	2023	2024	2025
Average Training Hours per Male Employee	Hours per Person	16.87	11.35	23.67
Total Training Hours for Female Employees	Hour	10,060	8,781	32,130.99
Average Training Hours per Female Employee	Hours per Person	11.33	7.93	44.38
Breakdown by Employee Category				
Total Training Hours for Production Staff	Hour	28,722	28,373	81,679.13
Average Training Hours per Production Staff	Hours per Person	11.96	11.82	20.08
Total Training Hours for Marketing and Service Staff	Hour	562	498	1,574.00
Average Training Hours per Marketing and Service Staff	Hours per Person	7.30	5.66	17.11
Total Training Hours for Technical Staff	Hour	5,648	4,302	8,963.86
Average Training Hours per Technical Staff	Hours per Person	7.11	5.42	10.60
Total Training Hours for Administrative and Management Staff	Hour	3,390	3,067	12,437.85
Average Training Hours per Administrative and Management Staff	Hours per Person	13.89	12.57	37.58

Indicators	Unit	2023	2024	2025
Total Employee Training Expenditure	RMB Ten Thousand	90.00	61.00	63.26
Percentage of Sites Conducting Human Rights Reviews or Human Rights Impact Assessments	%	100	100	100
Number of Child Labor or Forced Labor Incidents	Case	0	0	0
Number of Reported Discrimination or Harassment Incidents During the Reporting Period	Case	0	0	0
Number of Employees Reporting Discrimination or Harassment Incidents	Person	0	0	0
Supplier Management				
Number of Material Suppliers	Entity	100	142	154
Breakdown by Region				
Number of Suppliers in Asia	Entity	100	142	154
Number of Suppliers in Oceania	Entity	--	--	0
Supplier Assessment				
Number of CSR Audits for New Suppliers	Entity	5	3	3
Number of CSR Audits for Existing Suppliers	Entity	33	60	65
Supplier Capacity Building				

Indicators	Unit	2023	2024	2025
Total Number of Suppliers Participating in Capacity Building Programs	Entity	--	--	108
Percentage of Key Suppliers in Capacity Building Programs	Entity	--	--	44
Number of Suppliers Participating in CSR Training	Entity	33	107	108
Quantity of Used Raw Materials Containing Metals and Minerals	Tonne	--	--	6,055.49
Copper	Tonne	--	--	3,227.89
Aluminum	Tonne	--	--	1,473.67
Tin	Tonne	--	--	25.18
Gold	Tonne	--	--	104.13
Others ¹	Tonne	--	--	1,589.62
Number of Suppliers Under Conflict Minerals Audit	Entity	8	8	35
Percentage of Products Compliant with Responsible Minerals Purchasing Policy	%	--	100	100
Percentage of Products with Traceable Raw Materials	%	100	100	100

Indicators	Unit	2023	2024	2025
Percentage of Suppliers Signing Contracts with Environmental, Labor, and Human Rights Requirements Clauses	%	--	100	100
Number of Suppliers' Incidents of Child Labor or Forced Labor Detected	Entity/Incident	--	0	0
Supplier CSR Contract Signing Rate	%	--	100	100
Customer Service				
Number of Product and Service Complaints	Case	176	166	91
Number of Product Recall Incidents	Piece	0	0	0
Total Number of Recalled Products	%	0	0	0
Percentage of Sold or Delivered Products Recalled for Safety and Health Reasons	%	--	--	0
Percentage of Customer Complaints Resolved Timely and Closed on Schedule	%	93.26	95.88	100
Customer Satisfaction	Score	95.29	95.65	96.28
Product Quality				
Number of External Quality System Audits Accepted Annually	Time	223	171	225
Number of External Quality System Audits Passed Annually	Time	223	171	225

1. In 2025, suppliers of critical minerals such as copper and nickel were included in the audit scope.

Indicators	Unit	2023	2024	2025
External Quality System Audit Pass Rate	%	100	99.49	98.67
Innovation and R&D				
Cumulative Number of Patent Applications Worldwide	Piece	346	434	546
Cumulative Number of Patents Granted Worldwide	Piece	172	210	271
Number of Valid Patents	Piece	--	380	469
Total Annual R&D Investment	RMB Ten Thousand	12,058.87	17,919.75	27,979.30
Number of Invention Patents (Granted) Applied to Core Business	Piece	47	68	87
Number of Invention Patents (Valid) Applied to Core Business	Piece	--	--	243
Public Welfare and Charity				
Number of Public Welfare Projects	Program	2	2	7
Number of Public Welfare Events Organized	Session	4	2	6
Annual Investment in Public Welfare Projects	RMB Ten Thousand	6.13	1.91	5.08
Other Public Welfare Projects Donations	RMB Ten Thousand	9.75	300.00	100.31

Benchmarking Index Table

GRI Sustainability Reporting Standards Index Table

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI 2: General Disclosures 2021	2-1	Organizational details	About Delton Technology
	2-2	Entities included in the organization's sustainability reporting	About this Report About Delton Technology
	2-3	Reporting period, frequency and contact person	About this Report
	2-4	Restatements of information	ESG Data Table
	2-5	External assurance	/
	2-6	Activities, value chain and other business relationships	About Delton Technology
	2-7	Employees	ESG Data Table
	2-8	Workers who are not employees	ESG Data Table
	2-9	Governance structure and composition	Enhancing Corporate Governance
	2-10	Nomination and selection of the highest governance body	Enhancing Corporate Governance
	2-11	Chair of the highest governance body	Enhancing Corporate Governance
	2-12	Role of the highest governance body in overseeing the management impacts	ESG Governance
	2-13	Delegation of responsibility for management impacts	ESG Governance
	2-14	Role of the highest governance body in sustainability reporting	ESG Governance
	2-15	Conflicts of interest	Enhancing Corporate Governance
	2-16	Communication of critical concerns	ESG Governance
	2-17	Collective knowledge of the highest governance body	ESG Governance
	2-18	Evaluation of the performance of the highest governance body	ESG Governance

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location	
GRI 2: General Disclosures 2021	2-19	Remuneration policies	Caring for Employees' Well-being	
	2-20	Process to determine remuneration	Caring for Employees' Well-being	
	2-21	Annual total compensation ratio	/	
	2-22	Statement on sustainable development strategy	ESG Governance	
	2-23	Policy commitments	Protection of employee rights	Upholding Business Ethics
			Protection of employee rights	Upholding Business Ethics
	2-24	Embedding policy commitments	Enhancing Corporate Governance	
	2-25	Processes to remediate negative impacts	Enhancing Corporate Governance	
	2-26	Mechanisms for seeking advice and raising concerns	Upholding Business Ethics	
	2-27	Compliance with laws and regulations	Enhancing Corporate Governance	
	2-28	Membership of associations	ESG Governance	
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Double Materiality Assessment	
	3-2	List of material topics	Double Materiality Assessment	
	3-3	Management of material topics	Double Materiality Assessment	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	/	
	201-2	Financial implications and other risks and opportunities due to climate change	Addressing to Climate Change	
	201-3	Defined benefit plan obligations and other retirement plans	Caring for Employees' Well-being	

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI 201: Economic Performance 2016	201-4	Financial assistance received from the government	/
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to the local minimum wage	/
	202-2	Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	/
	203-2	Significant indirect economic impacts	/
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	/
GRI 205: Anti-corruption 2016	205-1	Operating sites assessed for risks related to corruption	Upholding Business Ethics
	205-2	Communication and training about anti-corruption policies and procedures	Upholding Business Ethics
	205-3	Confirmed incidents of corruption and actions taken	Upholding Business Ethics
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Upholding Business Ethics
		Approach to tax	Enhancing Corporate Governance
GRI 207: Tax 2019	207-2	Tax governance, control, and risk management	Enhancing Corporate Governance
	207-3	Stakeholder engagement and management related to tax concerns	Enhancing Corporate Governance
	207-4	Country-by-country reporting	/
GRI 301: Materials 2016	301-1	Materials used by weight or volume	ESG Data Table
	301-2	Recycled input materials used	Developing the Circular Economy
	301-3	Recycled products and their packaging materials	Developing the Circular Economy

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI302: Energy 2016	302-1	Energy consumption within the organization	ESG Data Table
	302-2	Energy consumption outside the organization	ESG Data Table
	302-3	Energy intensity	ESG Data Table
	302-4	Reduction of energy consumption	Optimizing Energy Management
	302-5	Reductions in the energy requirements of products and services	Optimizing Energy Management
GRI 303: Water Resource and Effluents 2018	303-1	Organization's interactions with water as a shared resource	Enhancing Water Resource Management
	303-2	Management of water discharge-related impacts	Enhancing Water Resource Management
	303-3	Water withdrawal	ESG Data Table
	303-4	Water discharge	ESG Data Table
	303-5	Water consumption	ESG Data Table
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed by the organization, or adjacent to protected areas and areas of high biodiversity value outside protected areas	/
	304-2	Significant impacts of activities, products and services on biodiversity	/
	304-3	Habitats protected or restored	/
	304-4	Species listed on the International Union for Conservation of Nature (IUCN) Red List and national conservation lists found in habitats affected by the Organization's operations	/
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	ESG Data Table
	305-2	Energy indirect (Scope 2) GHG emissions	ESG Data Table
	305-3	Other indirect (Scope 3) GHG emissions	ESG Data Table
	305-4	GHG emissions intensity	ESG Data Table
	305-5	Reduction of GHG emissions	Addressing Climate Change
	305-6	Emissions of ozone-depleting substances (ODS)	/
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG Data Table

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Environmental Compliance and Pollution Prevention
	306-2	Management of significant waste-related impacts	Environmental Compliance and Pollution Prevention
	306-3	Waste generated	Environmental Compliance and Pollution Prevention
	306-4	Waste diverted from disposal	Environmental Compliance and Pollution Prevention
	306-5	Waste directed to disposal	Environmental Compliance and Pollution Prevention
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental evaluation dimensions	Safeguarding Supply Chain Security Promoting Sustainable Development
	308-2	Negative environmental impacts in the supply chain and actions taken	Safeguarding Supply Chain Security Promoting Sustainable Development
GRI 401: Employment 2016	401-1	New employee hiring rate and employee turnover	ESG Data Table
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Data Table
	401-3	Parental leave	Caring for Employees' Well-being
	402-1	Minimum notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Safeguarding Employee Health
	403-2	Hazard identification, risk assessment, and incident investigation	Safeguarding Employee Health
	403-3	Occupational health services	Safeguarding Employee Health
	403-4	Worker participation, consultation, and communication on occupational health and safety	Safeguarding Employee Health

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	Safeguarding Employee Health
	403-6	Promotion of worker health	Safeguarding Employee Health
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safeguarding Employee Health
	403-8	Workers covered by an occupational health and safety management system	Safeguarding Employee Health
	403-9	Work-related injuries	ESG Data Table
	403-10	Work-related ill health	Safeguarding Employee Health
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	ESG Data Table
	404-2	Programs for upgrading employee skills and transition assistance programs	Supporting Employee Development
	404-3	Percentage of employees receiving regular performance and career development reviews	Supporting Employee Development
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Caring for Employees' Well-being
	405-2	Ratio of basic salary and remuneration of women to men	/
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Protection of employee rights
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operating sites and suppliers for which the right to freedom of association and collective bargaining may be at risk	Protection of employee rights
GRI 408: Child Labor 2016	408-1	Operating sites and suppliers at significant risk for incidents of child labor	Protection of employee rights
GRI 409: Forced or Compulsory Labor 2016	409-1	Operating sites and suppliers at significant risk for incidents of forced or compulsory labor	Protection of employee rights
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving the rights of indigenous peoples	Protection of employee rights

GRI Standards / Other Resources	Serial No.	Disclosure Requirement	Disclosure Location
GRI 413: Local Communities 2016	413-1	Operating sites with local community engagement, impact assessments, and development programs	Caring for Employees' Well-being
	413-2	Operating sites with significant actual and potential negative impacts on local communities	Caring for Employees' Well-being
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	Safeguarding Supply Chain Security Promoting Sustainable Development
	414-2	Negative social impacts in the supply chain and actions taken	Safeguarding Supply Chain Security Promoting Sustainable Development
GRI 415: Public Policy 2016	415-1	Political contributions	Caring for Employees' Well-being
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Strict Control of Product Quality Safeguarding Employee Health
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Strict Control of Product Quality Safeguarding Employee Health
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Strict Control of Product Quality
	417-2	Incidents of non-compliance concerning product and service information and labeling	Strict Control of Product Quality
	417-3	Incidents of non-compliance concerning marketing communications	Improving Service Quality
GRI 418: Customer Privacy 2016	418-1	Verified Complaints Involving Customer Privacy Violations and Loss of Customer Data	Strengthening Information Security

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Dimension	Topic	Corresponding Clause	Disclosure Location
Environment	Responding to Climate Change	Articles 21-28	Addressing Climate Change
	Pollutant Emissions	Article 30	Environmental Compliance and Pollution Prevention
	Waste Management	Article 31	Environmental Compliance and Pollution Prevention Developing the Circular Economy
	Ecosystem and Biodiversity Conservation	Article 32	Ecology and Biodiversity Protection
	Environmental Compliance Management	Article 33	Environmental Compliance and Pollution Prevention
	Energy Use	Article 35	Optimizing Energy Management
	Water Resource Use	Article 36	Enhancing Water Resource Management
	Circular Economy	Article 37	Developing the Circular Economy
Societyw	Rural Revitalization	Article 39	/
	Social Contribution	Article 40	Caring for Employees' Well-being
	Innovation-driven Development	Article 42	Driving R&D Innovation
	Technology Ethics	Article 43	Driving R&D Innovation
	Supply Chain Security	Article 45	Safeguarding Supply Chain Security Promoting Sustainable Procurement
	Equal Treatment of SMEs	Article 46	Enhancing corporate governance
	Product and Service Safety and Quality	Article 47	Strict Control of Product Quality Improving Service Quality
Data Security and Customer Privacy Protection	Article 48	Strengthening Information Security	

Dimension	Topic	Corresponding Clause	Disclosure Location
Societyw	Employees	Article 50	Protection of employee rights Supporting Employee Development Caring for Employees' Well-being Safeguarding Employee Health
			Sustainability-related Governance
		Article 52	Conflict Minerals Management
		Article 53	Stakeholder Engagement
		Article 55	Upholding Business Ethics
		Article 56	Upholding Business Ethics

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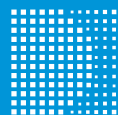
Aspect	Indicator No.	Indicator Description	Disclosure Location
A1 Emissions	General Disclosures	Regarding the generation of exhaust gas emissions, pollution discharge into water and land, and the production of hazardous and non-hazardous waste: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Environmental Compliance and Pollution Prevention
	A1.1	Types of emissions and related emission data.	Environmental Compliance and Pollution Prevention
	A1.3	Total amount of hazardous waste generated (in tonnes) and, where applicable, intensity (e.g., per unit of production or per facility).	Environmental Compliance and Pollution Prevention
	A1.4	Total amount of non-hazardous waste generated (in tonnes) and, where applicable, intensity (e.g., per unit of production or per facility).	Environmental Compliance and Pollution Prevention
	A1.5	Description of the established emission reduction targets and the steps taken to achieve these targets.	Environmental Compliance and Pollution Prevention Developing the Circular Economy

Aspect	Indicator No.	Indicator Description	Disclosure Location
A1 Emissions	A1.6	Description of the methods for managing hazardous and non-hazardous waste, as well as the established waste reduction targets and the steps taken to achieve them.	Environmental Compliance and Pollution Prevention Developing the Circular Economy
	General Disclosures	Policies on the efficient use of resources, including energy, water, and other raw materials.	Addressing Climate Change
A2 Resource Use	A2.1	Total consumption of direct and/or indirect energy (e.g., electricity, gas, or oil) by type (in thousand kWh) and intensity (e.g., per unit of production or per facility).	Optimizing Energy Management
	A2.2	Total water consumption and intensity (e.g., per unit of production or per facility).	Enhancing Water Resource Management
	A2.3	Description of the established energy use efficiency targets and the steps taken to achieve them.	Optimizing Energy Management
	A2.4	Description of any issues related to the availability of applicable water sources, the established water use efficiency targets, and the steps taken to achieve them.	Enhancing Water Resource Management
	A2.5	Total amount of packaging materials used in finished products (in tonnes) and, where applicable, amount per unit of production.	ESG Data Table
A3 Environment and Natural Resources	General Disclosures	Policies to minimize the issuer's significant impacts on the environment and natural resources.	Environmental Compliance and Pollution Prevention Ecology and Biodiversity Protection
	A3.1	Description of the significant impacts of business activities on the environment and natural resources, and the actions taken to manage these impacts.	Environmental Compliance and Pollution Prevention Ecology and Biodiversity Protection
B1 Employment	General Disclosures	Regarding remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other benefits and welfare: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Protection of employee rights

Aspect	Indicator No.	Indicator Description	Disclosure Location
B1 Employment	B1.1	Total number of employees by gender, employment type (e.g., full-time or part-time), age group, and geographical region.	ESG Data Table
	B1.2	Employee turnover rate by gender, age group, and geographical region.	ESG Data Table
B2 Health and Safety	General Disclosures	Regarding the provision of a safe working environment and the protection of employees from occupational hazards: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Safeguarding Employee Health
	B2.1	Number and proportion of work-related fatalities in the past three years (including the reporting year).	Safeguarding Employee Health ESG Data Table
	B2.2	Number of workdays lost due to work-related injuries.	ESG Data Table
	B2.3	Description of the occupational health and safety measures adopted, including implementation and monitoring methods.	Safeguarding Employee Health
	General Disclosures	Policies on enhancing employees' knowledge and skills to perform their duties, and description of training activities.	Supporting Employee Development
B3 Development and Training	B3.1	Percentage of employees trained, by gender and employee category (e.g., senior management, middle management, etc.).	ESG Data Table
	B3.2	Average training hours completed per employee, by gender and employee category.	ESG Data Table
B4 Labor Standards	General Disclosures	Regarding the prevention of child labor and forced labor: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Protection of employee rights
	B4.1	Description of measures to review recruitment practices to avoid child labor and forced labor.	Protection of employee rights
	B4.2	Description of steps taken to eliminate non-compliance upon identification.	Protection of employee rights

Aspect	Indicator No.	Indicator Description	Disclosure Location
B5 Supply Chain Management	General Disclosures	Policies for managing environmental and social risks in the supply chain.	Safeguarding Supply Chain Security
	B5.1	Number of suppliers by geographical region.	ESG Data Table
	B5.2	Description of practices for engaging suppliers, the number of suppliers subject to these practices, and the methods of implementation and monitoring for relevant practices	Safeguarding Supply Chain Security
	B5.3	Description of practices for identifying environmental and social risks at each stage of the supply chain, and the related implementation and monitoring methods.	Safeguarding Supply Chain Security
	B5.4	Description of practices to promote the use of environmentally friendly products and services when selecting suppliers, including implementation and monitoring methods.	Safeguarding Supply Chain Security Promoting Sustainable Procurement
B6 Product Responsibility	General Disclosures	Regarding the health and safety of provided products and services, advertising, labeling, privacy issues, and remedial actions: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Strict Control of Product Quality Improving Service Quality
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Strict Control of Product Quality
	B6.2	Number of complaints received regarding products and services and the handling methods.	Strict Control of Product Quality Improving Service Quality ESG Data Table
	B6.3	Description of practices relating to protecting and safeguarding intellectual property rights.	Driving R&D Innovation
	B6.4	Description of quality verification processes and product recall procedures.	Strict Control of Product Quality
	B6.5	Description of consumer data protection and privacy policies, including implementation and monitoring methods.	Strengthening Information Security

Aspect	Indicator No.	Indicator Description	Disclosure Location
B7 Anti-corruption	General Disclosures	Regarding the prevention of bribery, extortion, fraud and money laundering: (a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Upholding Business Ethics
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Upholding Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, including implementation and monitoring methods.	Upholding Business Ethics
	B7.3	Description of anti-corruption training provided to directors and employees.	Upholding Business Ethics
B8 Community Investment	General Disclosures	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the interests of the communities.	Protection of employee rights
	B8.1	Focus areas of contribution (e.g., education, environmental issues, labor needs, health, culture, sports).	Protection of employee rights Caring for Employees' Well-being
	B8.2	Resources contributed to the focus areas (e.g., money or time).	ESG Data Table



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