



NewTechWood

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NEWTECHWOOD CORPORATION

Sustainability Report

2023

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1. About this Report

Scope and Reporting Period

This is the first Sustainability Report of NEWTECHWOOD CORPORATION (hereinafter referred to as the "Newtechwood" or the "Company", and together with its subsidiaries, the "Group").

The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards issued by the Global Sustainability Standards Board (GSSB). Additionally, the Group recognized the importance of evaluating the climate-related risks and opportunities of its business, and has therefore disclosed climate-related information aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. By adopting these frameworks, the Group aims to integrate sustainability into its business strategy and operations, and to provide its stakeholders with reliable and comprehensive information.

The Group engages principally in the research and development, production, and promotion of wood plastic composite (WPC) materials. The Group's products are widely used in outdoor flooring, railings, wall panels, fences, grilles, outdoor furniture, etc.

This Sustainability Report covers the Group's major business operations in Hong Kong SAR, the mainland of the People's Republic of China (the "PRC"), and the United States, as well as its overall performance in two subject areas, namely Environmental and Social, from January 1, 2023 to December 31, 2023 (the "Reporting Period"), unless otherwise stated. This Sustainability Report covers the Group's business operations that constitute major revenue, namely,

- The production site in Huizhou of the PRC (the "Huizhou Production Base");
- The office in Hong Kong SAR, China (the "Hong Kong Subsidiary"); and
- The office in Texas, the United States (the "US Subsidiary").

The Group has audited consolidated financial statements that are publicly filed on the Shenzhen Stock Exchange. The sustainability reporting has excluded 2 entities, the production base in Fujian, the PRC (美新科技 (建瓯) 有限公司)¹ and the office in Shenzhen, the PRC (美新工程材料 (深圳) 有限公司)², the PRC, from the financial reporting. The reporting scope of this report has covered over 93% of the Group's revenue reflected in the financial statistics, as of 31 December 2023. The consolidation approach is consistent across all disclosures in the GRI Standards and for all material topics. This ensures a comprehensive and comparable representation of the Group's sustainability performance.

¹ The operation base in Fujian, the PRC is responsible for the production of the Group's WPC product. As the production line was still under construction during the Reporting Period, it was excluded from the reporting scope.

² The office in Shenzhen, the PRC is responsible for the Group's domestic market sales and promotion. It has a relatively low contribution to the Group's revenue and environmental and social impacts, and was therefore excluded from the reporting scope.

Reporting Principles

The contents covered the application of the nine reporting principles of accuracy, balance, clarity, comparability, completeness, materiality, sustainability context, timeliness and verifiability set out by the GRI Standards, the Group ensures quality and proper presentation of the reported information. The reporting principles applied are consolidated as follows:

Accuracy and Quantitativeness

Qualitative information in the Sustainability Report has been reported in consistent with the available evidence. Quantitative key performance indicators ("KPI"s) have been established, and are measurable and applicable to make valid comparisons under appropriate conditions; information on the standards, methodologies, assumptions, and/or calculation tools used, and sources of conversion factors used, have been disclosed when applicable.

Balance

The Group's performance during the Reporting Period has been presented in an impartial manner, avoiding choices, omissions or presentation formats that may unduly influence readers' decisions or judgements. Performance data is reported in a way that allows information users to see negative and positive year-on-year trends in impacts.

Clarity

Information presented in the Sustainability Report is accessible and understandable, and reported in a concise way without omitting necessary details. A content index has been prepared for easy navigation of information.

Consistency and Comparability

Consistent statistical methodologies and presentation of KPIs have been used to allow meaningful comparisons of related data over time.

Completeness

Activities, events and impacts for the Reporting Period have been presented without omitting information that is necessary for understanding the Group's impacts.

Materiality

Materiality assessments have been carried out to identify material environmental and social issues that have major impacts on investors and other stakeholders, the significant stakeholders, procedures, and results of the engagement of which are presented in the section "Stakeholder Engagement and Materiality Assessment" in the Sustainability Report .

Sustainability Context Information about the Group's impacts has been reported in relation to sustainable development goals and conditions.	Timeliness Consistency has been maintained for the lengths of reported information. Time period covered by the Sustainability Report has been indicated clearly.
Verifiability Decision-making processes underlying the Sustainability Report has been documented to allow examination of the key decisions and processes. Internal controls have been set up and documentation has been organised to facilitate verification processes.	

Newtechwood's Commitment to Sustainable Products

Since the Group's establishment in June 2004, and listed on the GEM board of Shenzhen Stock Exchange in March 2024, its focus has been on the research and development, manufacturing and sales of new eco-friendly WPC profiles. Building on years of development in technology and independent innovation, it has successfully developed and applied a number of core technologies in areas such as formula design, co-extrusion molding, installation. Thanks to these advanced technologies, the Group's products feature pleasing appearance and superior properties like as scratch resistance, wear resistance, weather resistance, anti-static nature, stain resistance, cracking resistance and mold resistance.

Adhering to its strategic positioning of "internationalization and branding", the Group is committed to innovation and upgrade of high-performance WPC materials, aiming to provide high-quality and eco-friendly new products for domestic and overseas markets.

The Group's WPC products are designed with a strong focus on sustainability and circularity. The products comprise more than 85% of reused materials, such as recycled plastics and recycled plant fibers, mainly sourced from local or neighboring regions. The carbon footprint of the Group's wood plastic products is relatively small as WPC materials mainly consist of recycled materials.

Crafted with independently researched and developed core-formulae technologies and through state-of-art manufacturing processes, the Group's WPC products feature pleasing appearance, high durability and low maintenance cost. They are an excellent alternative to conventional wooden products, with even higher sustainability.

Determined to embark on a sustainability journey, the Group's commitment has been recognized through the honorary titles, system accreditations and certifications awarded, which are listed below.

Category	Description	Issuer
Award	Guangdong Provincial Engineering Technology Research and Development Center for Wood Plastic Composite Materials	Department of Science and Technology of Guangdong Province; Provincial Development and Reform Commission of Guangdong Province; Economic and Trade Commission of Guangdong Province
	Third Prize of Guangdong Provincial Science and Technology Award	The People's Government of Guangdong Province
	Third Prize of China Light Industry Federation Science and Technology Progress Award	China National Light Industry Council
	Top 10 Enterprises in China's Light Industry Plastic Industry (WPC Products)	China National Light Industry Council
	Guangdong Province's specialized, refined, unique, and innovative small and medium-sized enterprises	Department of Industry and Information Technology of Guangdong Province
	Guangdong Province Intellectual Property Demonstration Enterprise	Guangdong Intellectual Property Protection Association
	High Tech Enterprise Certificate	Department of Science and Technology of Guangdong Province; Department of Finance of Guangdong Province; Guangdong Provincial Tax Service, State Taxation Administration
Standard or system certification	ISO9001: 2015 Quality Management System Certification	SGS United Kingdom Ltd
	ISO14001:2015- Environmental Management System Certification	SGS United Kingdom Ltd
	ISO45001:2018 Occupational Health and Safety Management System Certification	Guangdong Zhongyu Certification Co., Ltd
	ISO10012:2003- Measurement Management System Certification	Zhongqi Metrology System Certification Center
	ISO50001:2018 Energy Management System Certification	Beijing Guojianlian Xin Certification Center Co., Ltd
	GB/T29490:2013 - Intellectual Property Management System Certification	Bohan Testing and Certification Group Co., Ltd.,

	GB/T33000-2016 GB/T33000-2016-Standardization of Safety Production	Emergency Management Bureau Of Huizhou Municipality
	AEO Certified Enterprise Certificate	Shenzhen Customs, People's Republic of China
Product certification	ICC-ES international Code Council Evaluation Service	International Code Council Evaluation Service
	CCMC - Canada Building Materials Centre Certification	Canada Building Materials Centre
Green, environment and health related certification	Environmental Product Declaration	The Norwegian EPD foundation
	Korea Eco Label	Korean Eco-label Certification
	Singapore Green Label	Singapore Environmental Council
	Green Factory	Ministry of Industry and Information Technology of the People's Republic of China
	China Green Product Certification (Indoor)	China Testing & Certification International Group Co., Ltd.
	China Green Product Certification (Outdoor)	China Testing & Certification International Group Co., Ltd.
	Child Safety Level Product Certification	China Testing & Certification International Group Co., Ltd.
	China Green Building Materials Product Certification	China Testing & Certification International Group Co., Ltd.
	SCS Recycled Content Certification	SCS Global
	FSC Forest Certification	SGS Hong Kong Limited
	Green Design Products	Ministry of Industry and Information Technology of the People's Republic of China
	Certification of Healthy Building Materials Product	China Testing & Certification International Group Co., Ltd.

SCS Global Services does hereby certify that an independent assessment has been conducted on behalf of:

NEWTECHWOOD CORPORATION

Wutang 12 Tuo, Daling Town, Huidong County, Huizhou City, Guangdong Province, China

For the following product(s):

Composite Wood Panels:

Wood Plastic Composite (WPC) Decking; WPC Cladding; & WPC Panels

The product(s) meet(s) all of the necessary qualifications to be certified for the following claim(s):

SCS RECYCLED CONTENT CERTIFIED

Conforms to SCS Recycled Content Standard V7-0 for a **Minimum 60% Pre-Consumer Recycled Wood Content**. The material quantification and mass-balance calculations are completed on a dry-weight basis.

Registration # SCS-RC-06525

Valid from: November 12, 2023 to November 11, 2024



MINIMUM 60% RECYCLED CONTENT
PRE-CONSUMER

SCSglobal
SERVICES

A handwritten signature in black ink, reading "Stanley Mathuram".

Stanley Mathuram, PE, Executive Vice President
2000 Powell Street, Ste. 600, Emeryville, CA 94608 USA

Certificate SGSHK-COC-011736, continued
Newtechwood Corporation



FSC™ Chain-of-Custody

Issue 5
Sites
Newtechwood Corporation Wutang 12 Tuo, Daling Town, Huidong County, Huizhou City, Guangdong Province, P.R. China
Purchasing of FSC 100% wood flour, manufacturing (transfer system) and sales of FSC 100% wood-plastic composites products NEWTECHWOOD COMPANY LIMITED SUITE 1115, 11/F., LANDMARK NORTH, 39 LUNG SUM AVENUE, SHEUNG SHUI, N.T. HONGKONG
Purchasing and sales of FSC 100% wood-plastic composites products (transfer system)



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Reporting Language

The Report is published in both English and Simplified Chinese versions. In case of discrepancies, the Simplified Chinese version shall prevail.



A. Our Sustainability Governance

Board Statement

In 2024, the Company will focus on the innovative upgrade of its full-coverage WPC materials, based on the strategic positioning of "internationalization and branding". The goal is to meet the diverse needs of both domestic and foreign markets by providing high-quality, green new material products. The national promotion of green and low-carbon circular industry development not only requires enterprises to upgrade their production lines in an eco-friendly approach, but also demands a qualitative improvement in product competitiveness. The Company will increase the construction of its own brand, building upon the fact that its own brand sales accounted for over 80% of overall sales in 2023, and continue to increase the sales of its own brand to make up a larger share.

Going forward, the Company will continue to concentrate on WPC materials, carrying out independent innovation in areas such as raw materials, formulas, processes, and production equipment. This comprehensive optimization of the product structure will further drive the progress of China's WPC industry and enhance the Company's international influence. As an important participant in the global effort against climate change, the Company strictly adheres to environmental protection regulations, continuously improves energy-saving measures and greenhouse gas emission management, and ensures product health and safety by not using any toxic or harmful raw materials. Since its establishment, the Company has not received any complaints about safety and health issues. The Company will maintain its focus on energy-saving and emissions reduction, staying committed to the path of sustainable development.

In terms of technological development, the Company will continue to upgrade its WPC technology, strengthening the leading position of its full-coverage WPC products in the industry through the accumulation of core technologies such as improving high-polymer protective layer material formulas, production equipment, and extrusion molds. Additionally, the Company is continuously developing a series of new products, including composite aluminum-plastic co-extrusion, to cater to the differentiated needs of various customers.

Regarding product development, the Company will leverage its existing overseas channel advantages, maintain its ability to understand international market changes, expand its product line to meet the differentiated needs of global customers, and actively expand in the domestic market. Furthermore, the Company will explore providing a one-stop solution for outdoor decoration and landscape design, production, and installation, further enhancing its brand influence.

In terms of industrial scale, the Company will focus on expanding the production capacity of existing WPC products in accordance with the plan for the use of raised funds, and orderly promote the construction of the production base in Fujian, the PRC. Based on future market conditions, the Company will rationally plan its production line structure, enrich the product line, and enhance product

differentiation and competitive advantage, achieving business scale expansion and further improving the Company's operating profitability.

The Company will continue to increase investment in the research and development of key technologies and products, taking core formula improvement, production line automation, and intelligence as the focus of innovation. The goal is to lead the forefront technology of the next generation of WPC materials and scientifically and reasonably promote the industrialization of technological achievements.




In market development, the Company will continue to consolidate and maintain close connections with existing overseas sales channels, while actively exploring domestic and other emerging markets. Due to the different degrees of market development, the Company will promote the construction of the marketing network and the promotion of its own brand simultaneously when deploying the domestic market, dividing regions to build marketing service centers and gradually expanding from point to surface to further increase the domestic market share.

Regarding professional talent building, the Company will continue to improve the construction of the human resource management system and actively cooperate with various universities and research institutes. A talent-building system will be constructed, with a promotion path suitable for the career development of different types of talents. The procedures for talent introduction, cultivation, assessment, and incentives will be continuously improved, achieving efficient matching of human resources and Company business development, laying the foundation for the Company's high-quality development.

In terms of social responsibility, the Company has always prioritized the realization of win-win situations for employees, customers, suppliers, and the community. The Company not only needs to create economic value, but also social value. For a long time, the Company has been committed to providing employees with a good working environment and development space, so that every employee can give full play to their potential in a fair, just, and safe environment. At the same time, the Company actively participates in community construction and supports public welfare activities in the fields of health and education, giving back to society. The Company works together with its partners to establish good cooperative relationships, ensuring that its products and services meet social responsibility standards.

Commitment to Sustainable Development Goals (SDGs)

As a leading manufacturer of eco-friendly building materials, the Group recognizes the importance of aligning its business operations and strategy with the global agenda for sustainable development. Guided by the United Nations Sustainable Development Goals (SDGs), the Group has identified four key focus areas - SDG 9, SDG 11, SDG 12, and SDG 13 - that are most relevant to its industry position and business nature.

SDG	The Group's Commitment and Approach
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<ul style="list-style-type: none"> ○ Maintains an advanced R&D management system to drive product innovation and technological development ○ Invests in advanced manufacturing equipment and technologies to improve efficiency and sustainability ○ Collaborates with industry partners and research institutions to promote innovation in the WPC industry
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<ul style="list-style-type: none"> ○ Develops eco-friendly, low-carbon building materials that contribute to sustainable urban development ○ Ensures product safety and quality through rigorous testing and certification ○ Incorporates green design principles to minimize the environmental impact of its products
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<ul style="list-style-type: none"> ○ Products contain at least 60% recycled plant fibre and not less than 25% recycled plastic ○ Adopts FSC Chain-of-Custody ○ Implements stringent quality control and environmental management systems across its operations ○ Focuses on product responsibility and social duty to deliver safe, high-quality products
<p>13 CLIMATE ACTION</p> 	<ul style="list-style-type: none"> ○ Adopts energy-efficient and low-emission production processes to reduce greenhouse gas emissions ○ Invests in renewable energy and waste management technologies to minimize the carbon footprint ○ Develops and promotes eco-friendly, low-carbon products that contribute to climate change mitigation

ESG-enhanced Cooperation

To integrate sustainability into the Group's business practices, the Group has established a robust ESG (Environmental, Social and Governance) governance structure. This structure facilitates the communication of ESG strategies, the review of ESG performance and targets, as well as the evaluation of ESG risks and opportunities throughout the organization.

The Group's ESG Team is responsible for overseeing the systematic planning and implementation of sustainability strategies across departments and subsidiaries. The ESG Team manages through holding the weekly joint meeting, which is chaired by the key in-charge of the company or the deputy general manager. The meeting attendees include representatives of related departments, workshop supervisors, as well as specialists in occupational health, production safety and environmental protection. Also, the ESG Team provides annual reports to the Board, which include updates on ESG activities and progress. As part of the Group's commitment to continuous improvement in ESG practices, the Group conducts a thorough audit on a bi-annual basis. This audit serves to:

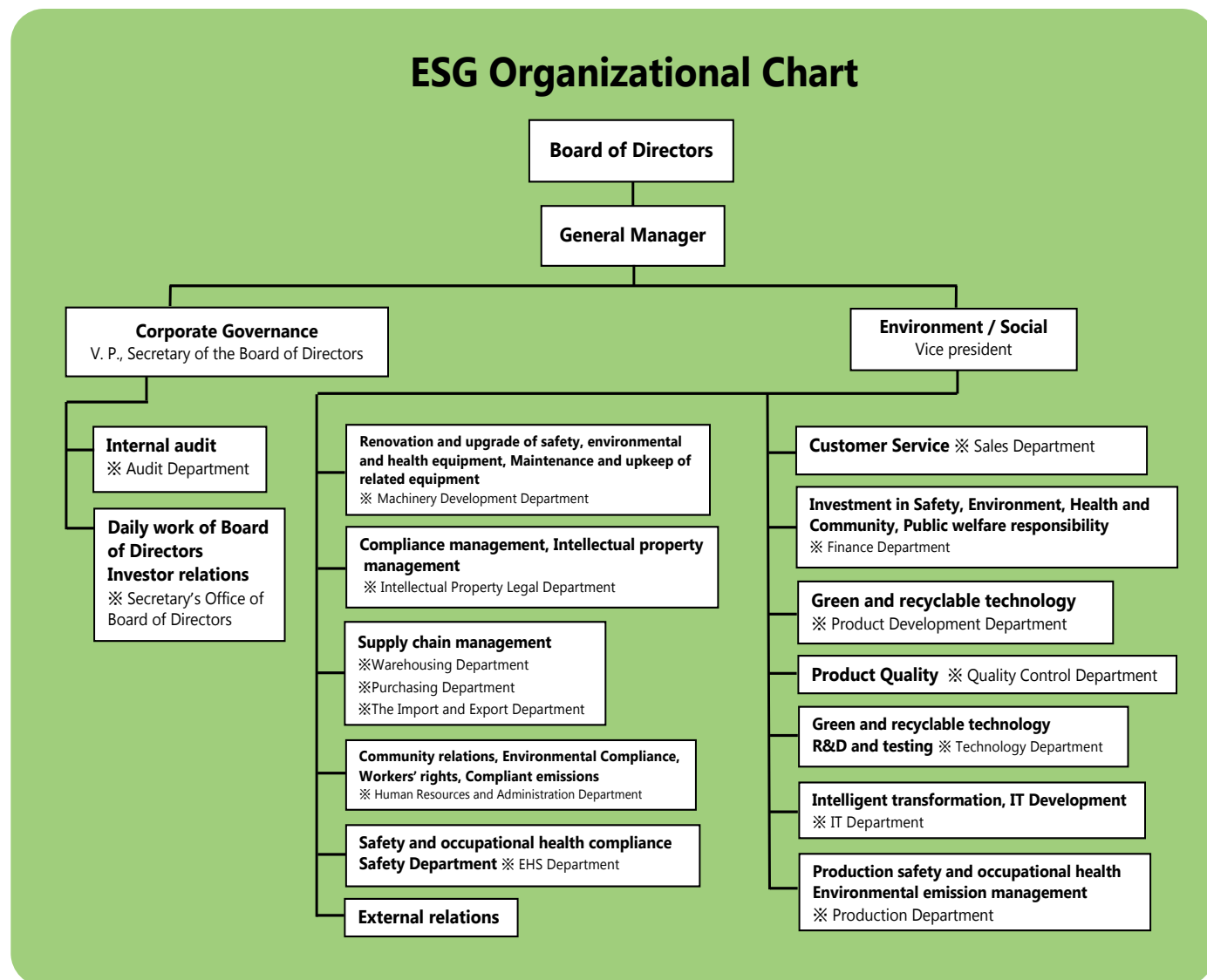
1. Confirm that the Group's ESG goals and performance indicators are aligned with the Company's strategic direction and development.
2. Verify the accuracy and completeness of the data and information collected across the ESG spectrum.
3. Assess the comprehensiveness of the environmental, social, and governance factors identified and monitored.
4. Evaluate the effectiveness and robustness of the implemented ESG management measures.

In 2023, 43 joint meetings were held, mainly to communicate and facilitate the execution of the following work:

1. Hear weekly reports on safety, occupational health and environmental inspection.
2. Discuss major safety and occupational health cases in related industries, as well as the complaints from employees and community. Promote job-based and site-based risk assessment and formulation of relevant systems and operating procedures.
3. Learn and receive training on the latest laws and regulations, standards and work requirements
4. Follow up and inspect the construction and maintenance of living facilities such as employee washrooms, pantries, canteens and dormitories.
5. Facilitate the upgrading and reform of processes in relation to company's safety, occupational health and environmental treatment, renovation of staff canteens and dormitories, expansion of electricity capacity of dormitories and installation of air-conditioning.
6. Strengthen the management of occupational physical examinations for employees who are new to, serving or leaving the Group.
7. Other work related to sustainable development.

By integrating sustainability into its core business operations, the Group aims to drive sustainable growth and create long-term value for all its stakeholders.

The following table outlines the governance structure and the responsibilities of different parties involved:



Board of Directors

- Set and review the ESG strategy and objectives
- Evaluate and prioritize material ESG-related issues
- Recognize climate-related risks and opportunities
- Approve and communicate the ESG strategy, performance and goals to stakeholders

ESG Team

- Develop and deploy ESG initiatives across the organization
- Implement effective ESG monitoring and evaluation processes
- Oversee the execution of ESG strategies across departments and subsidiaries
- Support the Board's decision-making by identifying and managing ESG opportunities and risks

Department Management

- Carry out the key ESG-related tasks assigned by the Board and ESG team
- Execute and monitor the implementation of ESG strategies, performance and goals
- Establish robust ESG data tracking mechanisms
- Recognize and manage ESG opportunities and risks

Governance Structure and Composition

The company has established a corporate governance structure that meets the requirements of modern enterprise management and ensures the full functioning of respective functional roles and mutual checks and balances. According to the company's articles of association, as well as the rules of procedure for the shareholders' meeting, board of directors, and supervisory board, independent directors and specialized committees of the board play their corresponding roles. The roles and responsibilities of the general meeting of shareholders, board of directors and supervisory board are fully fulfilled and properly checked and balanced. The interests of shareholders and the company are effectively safeguarded, ensuring the sustainable and healthy development of the company. The board provides strategic direction and effective governance to the Group. The Chairman is responsible for guiding the Group's corporate strategy and overseeing the scheduling and chairing of Board meetings. The Chairman also ensures the quality, quantity, and timeliness of information provided to the Board. The responsibilities of the Chairman are set in accordance with the law of China and the company's articles of association, including but not limited to:

- 1 Preside over shareholders' and board meetings.
- 2 Oversee implementation of board resolutions.
- 3 Examine certain asset purchases/sales, related-party transactions, and other transactions within defined financial limits.
- 4 Exercise other powers granted by the board.

To mitigate potential conflicts of interest within the governance structure, the Company has implemented the following measures:

1. Established an independent director system:

- The Company's board of directors has 3 independent directors, accounting for more than one-third of the total number of directors.
- Independent directors have a duty of loyalty and diligence to the Company and all shareholders, and are responsible for safeguarding the legitimate rights and interests of minority shareholders.
- Independent directors have the powers granted by relevant laws, administrative regulations and the Articles of Association, and can submit proposals to the board of directors and report their work directly to the shareholders' meeting.

2. Clarified the responsibilities and authorities of the board of directors and the board of supervisors:

- The board of directors is responsible for convening the shareholders' meeting, implementing the resolutions of the shareholders' meeting, and deciding on the Company's business plans and investment plans, etc.
- The board of supervisors supervises the board of directors and senior management personnel to prevent them from abusing their powers and infringing on the legitimate rights and interests of shareholders and the Company.

3. Established a related party transaction approval system:

- The Company's related party transactions with related parties should follow the principles of equality, voluntariness, equivalence, and compensation, and the transaction prices should not deviate from the market prices or fee standards of independent third parties.
- For related party transactions with a total amount exceeding 5% of the Company's latest audited net assets, they should be submitted to the shareholders' meeting for approval.

4. Strengthened the information disclosure system:

- The Company shall truthfully, accurately, completely and timely disclose all information that may have a substantial impact on the decision-making of shareholders and other stakeholders.
- The Company shall formulate an information disclosure management system, and the board secretary shall be responsible for coordinating and organizing the information disclosure work.

The Board comprises 9 members, including 6 non-independent directors, and 3 independent directors, as of December 31, 2023. In addition, the Supervisory Board comprises 3 members as of December 31, 2023. This composition ensures adequate oversight and independence in the Board's decision-making. The tenure of services for the members of the Board is 3 years, directors may be re-elected upon expiration of their tenure of service. The Company's General Manager, Deputy General Manager, Chief Financial Officer, Board Secretary, and other senior management personnel do not hold positions other than director or supervisor in the controlling shareholder, actual controller, and other enterprises controlled by them, nor do they receive salaries from these entities. The Company's financial personnel do not hold part-time positions in the controlling shareholder, actual controller, and other enterprises controlled by them. According to the listing rules, the board of directors ensures the disclosure of the existence of the controlling shareholder or any related party, their relationship, transactions, and outstanding balances (if such entities exist).

A list of Directors with their gender and position as of December 31, 2023, is shown below.

Name	Gender	Position	Audit Committee	Nomination Committee	Remuneration and Appraisal Committee	Strategy Committee
Lin Dongliang	Male	Chairman				Chairman
Lin Dongrong	Male	Director	Member	Member	Member	Member
Lin Dongqi	Male	Director				
Zheng Xiaoming	Male	Director	Member	Member	Member	Member
Li Chengsheng	Male	Director				
Chen Haiping	Male	Director				Member
Wang Qingwen	Male	Independent Director	Member	Chairman	Member	
Wang Pinghui	Male	Independent Director	Member	Member	Chairman	
Lin Yingxue	Female	Independent Director	Chairman	Member	Member	

Shareholders' Meeting

The Company strictly follows the requirements of the "Rules for Shareholders' Meetings of Listed Companies" of the China Securities Regulatory Commission and has established the "Rules of Procedure for Shareholders' Meetings of NEWTECHWOOD CORPORATION". The shareholders' meeting is the highest decision-making body of the Company. All shareholders, in particular minority shareholders, enjoy equal status and are entitled to fully exercise their rights. When holding a shareholders' meeting, the Company usually arranges the directors and management to have face-to-face communication with the attending investors.

Board of Directors

The Board of Directors of the Company is elected by and accountable to the shareholders' meeting. Its primary responsibility is to provide strategic guidance to the Company and effectively supervise the management personnel, ensuring that they serve in the interests of the Company and are accountable to shareholders.

1. Composition of the Board of Directors

The current nine directors of the first board of directors of the Company all have extensive experience in business and management. Among them, the three independent directors have strong academic and professional qualifications in finance, law and the industry and rich experience in the industry. Mr. Wang Pinghui is a legal expert; Professor Wang Qingwen is well-versed in industrial research; and Lin Yingxue is conversant with accounting and financial management. The strong professional qualifications and extensive experiences of the current directors allow the board to discerningly review and monitor management procedures in the interests of all shareholders, including minority shareholders. The Company has clearly stated its policy of diversification of the board of directors, which means that the selection of board members will be based on a broad range of perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. Decisions will be made based on objective conditions such as the combined value of the candidate(s) to the business and development of the Company, the potential contribution to the board, and their conduciveness to the diversity of the board members. There are two female directors in the current board of directors of the Company and the diversity in gender has been achieved.

2. Specialized Committees

The Board of Directors of the Company has set up four specialized committees, namely, the Audit Committee, Remuneration and Appraisal Committee, Strategy Committee and Nomination Committee. These specialized committees perform their duties in accordance with the "Corporate Governance Guidelines for Listed Companies", "Articles of Association", "Rules of Procedure for Board Meetings", as well as the detailed rules for the implementation of each professional committee.

Supervisory Board

The Supervisory Board of the Company is formed by three supervisors, including one staff representative, who is accountable to the shareholders' meeting. All supervisors have conscientiously fulfilled their duties, attended all board meetings of the Company, and raised questions or suggestions on board resolutions. With accountability to all shareholders, the supervisors are able to oversee the legality and compliance of the Company's finance practice and internal control, and of the directors, general manager, and other senior management personnel in performing their duties.

In 2023, the specialized committees of the Board of Directors of the Company held 5 meetings in total, including 1 meeting by the Strategy Committee, 3 meetings by the Audit Committee, and 1 meeting by the Remuneration and Appraisal Committee. The Nomination Committee did not hold any meeting. Four board of directors meetings, four supervisory board meetings, and two shareholders' meetings were convened.

Board Selection and Diversity

The Company's Board of Directors is selected through a formal and transparent process. The Nomination Committee is responsible for identifying and recommending qualified candidates to the Board and shareholders for election. The Nomination Committee is composed of 5 directors, with 3 being independent directors. The committee is chaired by an independent director.

The Board nomination and selection involve multi-step process that overseen by the Nomination Committee.

1. The Committee researches the Company's needs for new directors and executive talents.
2. The Committee conducts a broad search, both within the Company and its affiliates as well as in the external talent market, to identify preliminary candidates.
3. A Nomination Committee meeting is held to review the candidates' qualifications against the established eligibility criteria.
4. One to two months before the election or appointment, the Committee submits the relevant materials and recommendations for the candidates to the Board of Directors.
5. The Board makes the final decision, with the Nomination Committee carrying out any other subsequent work.

The key criteria used in the selection process include:

- 1 Views of Stakeholders (including Shareholders):**
The Nomination Committee actively solicits and considers input from key stakeholders, including major shareholders, on the desired skills, experience, and diversity for our Board composition. This feedback is incorporated into the candidate selection process.
- 2 Diversity:**
Diversity is a key consideration in the Board nomination and selection. The Nomination Committee aim to have a Board that reflects a range of perspectives based on factors such as gender, age, ethnicity, geographic origin, and professional background. The Committee specifically evaluates the diversity of the candidate pool.
- 3 Independence:**
Ensuring a majority of independent, non-executive Directors is a priority. The Nomination Committee assesses each candidate's independence based on regulatory requirements and best practices to maintain appropriate checks and balances.
- 4 Competencies Relevant to Organizational Impacts:**
The Nomination Committee identifies competencies that are critical for providing effective oversight and guidance on the Company's strategic priorities and material sustainability impacts. These include industry expertise, financial acumen, risk management, technological fluency, and ESG knowledge, among other relevant competencies.

The Company recognizes the importance of improving the representation of women in the board. The Nomination Committee has been instructed to actively seek qualified female candidates for future Board nominations.

Additionally, the Board regularly reviews its composition and effectiveness, and makes adjustments as necessary to ensure it remains fit for purpose and keeps abreast of the evolving needs of the business.

Remuneration Policies

The Group has set up the Remuneration and Assessment Committee under the Board of Directors, responsible for formulating the remuneration standards and plans for the Company's directors and senior executives. The remuneration package includes both fixed pay and variable pay. The fixed pay is based on the scope of responsibilities, significance of the positions and remuneration levels of comparable roles, while the variable pay is linked to the performance appraisals of the directors and senior executives.

Further, the Remuneration and Assessment Committee reviews and recommends to the Board the remuneration and compensation packages of the directors and senior executives of the Group with reference to the salaries paid by comparable companies, their time commitment, responsibilities and performance, as well as the financial performance of the Group.

The median annual compensation for all employees of the Group, excluding the highest earner, is RMB 96,000 per year. Over the past year, the group has deliberately made adjustments to its remuneration structure. The total annual compensation of the highest paid individual has increased by 4%. The median remuneration increase for all employees, excluding the highest earner, is 3%. The adjustments aim to keep the Group competitive in terms of attracting and retaining top talents, while providing fair and equitable compensation to all members of the team.

The Board's Engagement

The Board actively engages with the Group's internal and external stakeholders through the various channels outlined in the "Stakeholder Engagement and Materiality Assessment" section of this Sustainability Report.

On an annual basis, the Board receives substantial feedback from stakeholders regarding the Group's ESG performance. This feedback is then thoroughly considered during the Board's annual meetings, where the effectiveness of the Board's governance and management of the Group's economic, environmental, and social impacts is also reviewed.

The Board values this ongoing dialogue with stakeholders and incorporates their input into the continuous improvement of the Group's ESG practices and overall strategic direction.

Collective Knowledge of the Board

The Board acknowledges the significance of providing appropriate training for its directors and promoting continuous professional development among them. All directors and senior management personnel are strongly encouraged to participate in continuous professional development programs.

The purpose of these programs is to help directors and senior executives develop and refine their skills and knowledge, particularly in areas related to new laws and regulations affecting the Group's business, as well as evolving commercial risks and governance practices.

Responsibilities of the Board of Directors and Membership Association

As the first chairman unit of the Plastic Wood Products Professional Committee of China Plastics Processing Industry Association, and the secretariat unit of the Guangdong Province Plastic Wood Profiles and Products Standardization Professional Committee, the Group is committed to being a role model and strictly adhering to the industry's regulations and ethical code of conduct. Importantly, the Board and senior management of the Group are dedicated to avoiding or minimizing any potential negative impacts on the economy, environment, and people, including impacts on their human rights.

Whenever possible, the Group proactively identifies and develops corresponding prevention or mitigation measures to address these potential negative impacts. In the event that the Group's operations have caused actual negative impacts, the Group will make a concerted effort for remedy.

The Group's impacts on the economy, people, and the environment, as well as the associated prevention, mitigation, and remediation measures, are detailed in the "Our Sustainability Governance", "Environmental", and "Social" sections of the Sustainability Report, respectively.

B. Stakeholder Engagement and Materiality Assessment

Stakeholder Engagement

The Group recognizes the importance of materiality assessment in guiding its sustainability strategy and reporting. The process helps identify and prioritize the most relevant issues for the Group and its stakeholders. To ensure the continued relevance of its materiality assessment, the Group has implemented methodology aligning with the latest GRI Standards.

The Group's key stakeholders and communication channels are as follows:

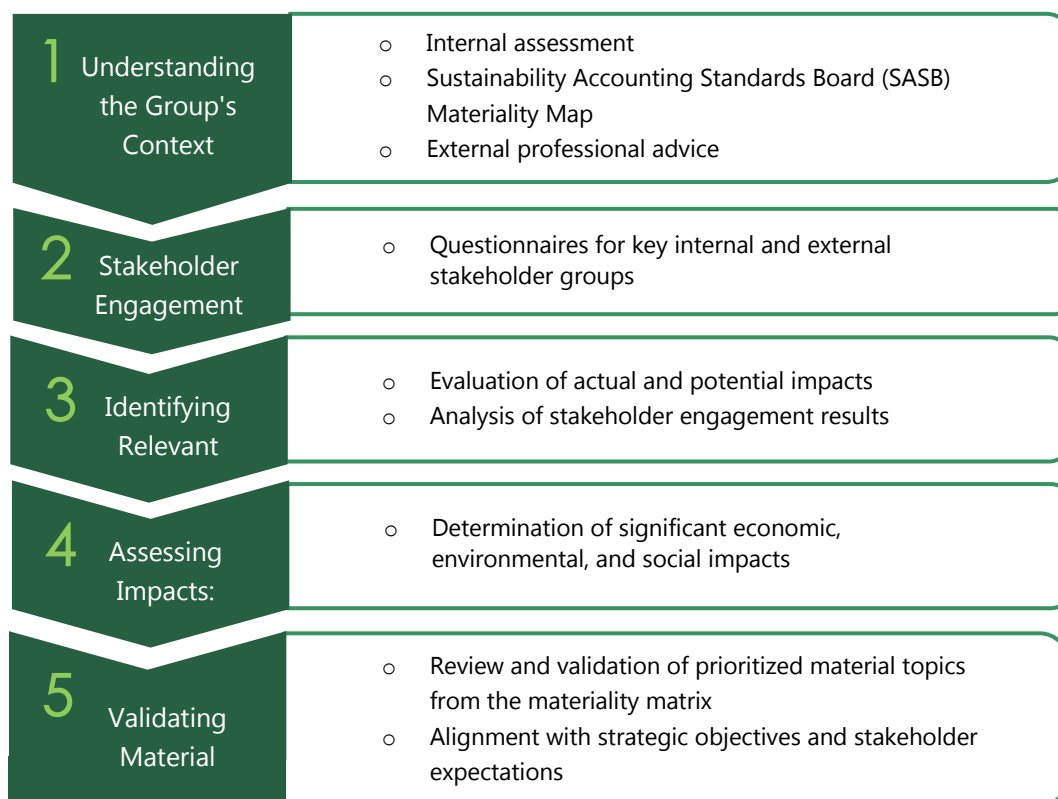
Stakeholder Group	Communication Channels
Employees	<ul style="list-style-type: none"> ○ Employee orientation training ○ Training sessions ○ Employee engagement activities ○ Meetings ○ Annual appraisal interviews
Shareholders and investors	<ul style="list-style-type: none"> ○ Annual general meetings ○ Annual and interim reports ○ Press releases, announcements and circulars ○ Investor meetings ○ Company website ○ E-mails
Suppliers	<ul style="list-style-type: none"> ○ Supplier sales conference ○ Global distributor conference ○ Press releases, announcements and circulars ○ Networking events ○ Company website ○ E-mails ○ Social media (e.g. WeChat and LinkedIn)

Customers	<ul style="list-style-type: none"> ○ Regular site visits ○ Annual and interim reports ○ Press releases, announcements and circulars ○ Networking events ○ Company website ○ E-mails ○ Social media (e.g. WeChat and LinkedIn)
Government and regulators	<ul style="list-style-type: none"> ○ Government information disclosure platform ○ Work meetings
Local communities	<ul style="list-style-type: none"> ○ Local recruitments ○ Supporting local infrastructure ○ Volunteering and charity activities

Below shows the process of identifying the top material topics of the Group:

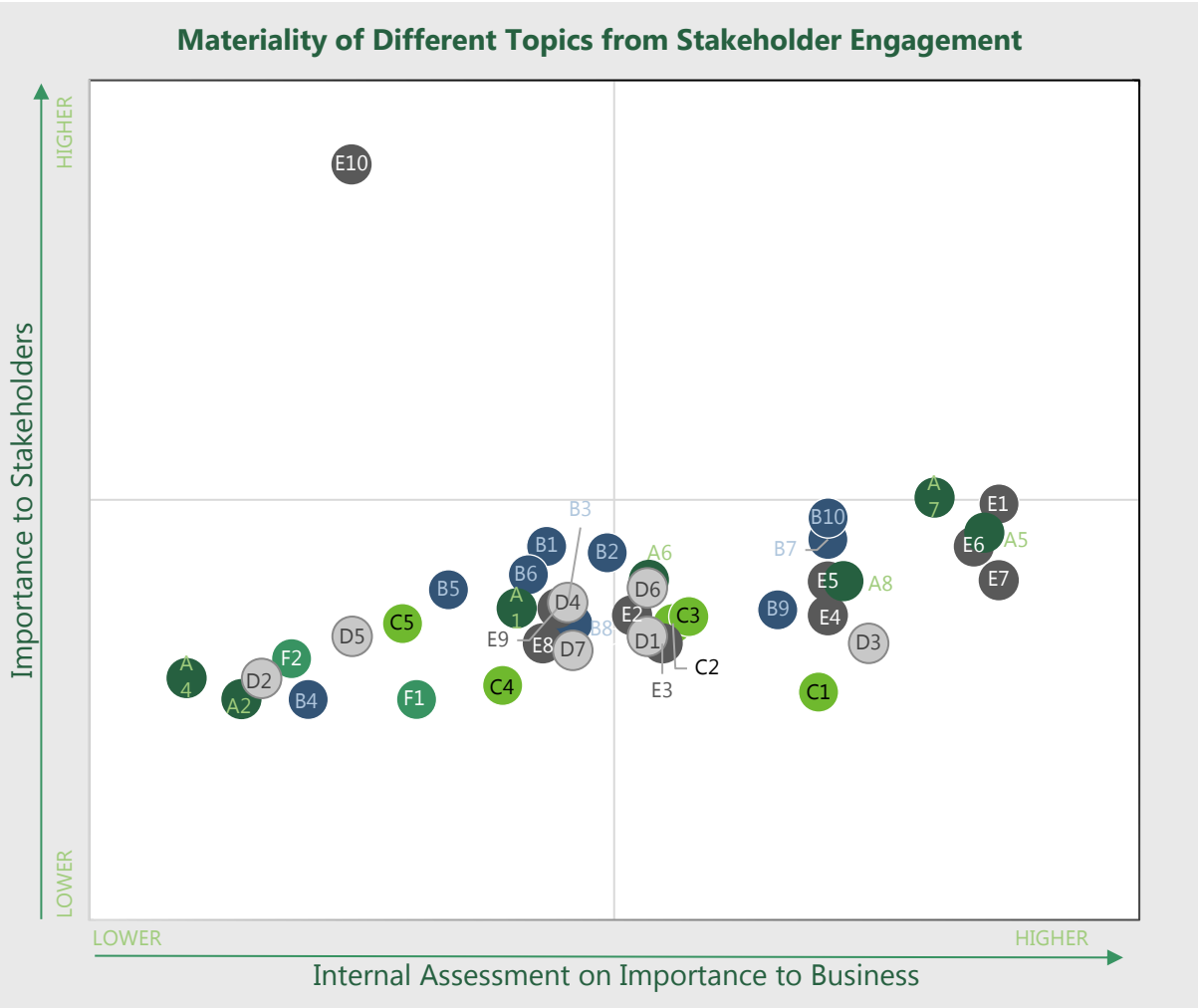
1. Stakeholder Engagement Approach:

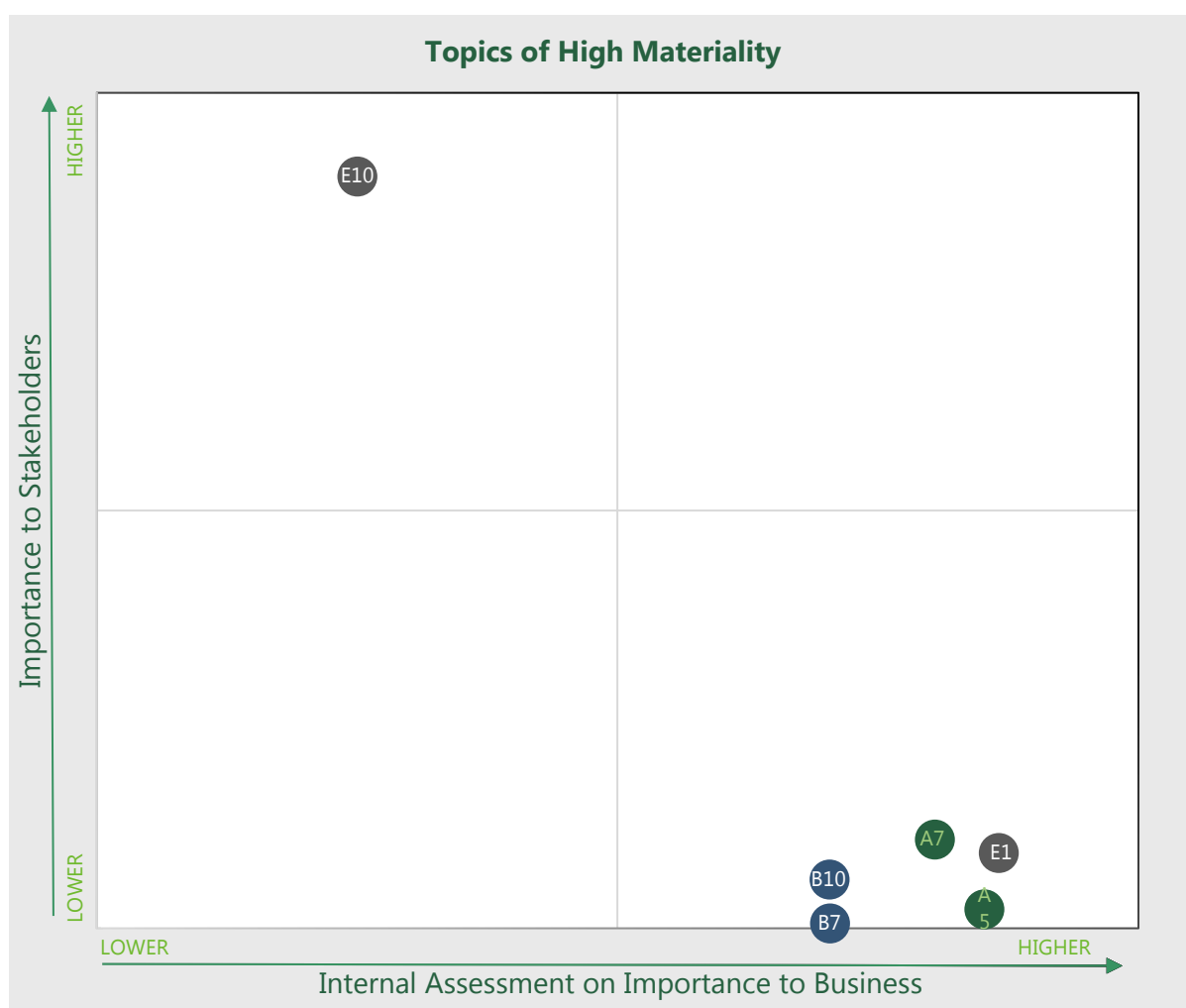


2. Internal Materiality Assessment:

There were 42 economic, environmental, and social-related ESG aspects identified to be related to the Group's business operation. The Group engaged the board members, substantial shareholders, senior management, frontline staff, vendors and customers to share views regarding the identified ESG aspects of the Group's operation through surveys. The result of the materiality matrix is illustrated below.

Results I - Materiality Matrix





A Economic and Corporate Governance		B Environmental	
1	Economic Performance	1	Material Consumption
2	Market Presence	2	Energy Management
3	Indirect Economic Impacts	3	Water and Effluents Management
4	Procurement Practices	4	Biodiversity
5	Anti-corruption	5	Emissions
6	Anti-competitive Behaviour	6	Waste Management
7	Tax	7	Environmental Compliance
8	Socioeconomic Compliance	8	Climate Change Responses
		9	Environmental Protection Policies
		10	Green Product Research and Development

C Labour Management		D Human Rights	
1	Employment	1	Non-discrimination
2	Labour/Management Relations	2	Freedom of Association and Collective Bargaining
3	Occupational Health and Safety	3	Preventing Child Labour
4	Training and Education	4	Preventing Forced or Compulsory Labour
5	Diversity and Equal Opportunity	5	Rights of Indigenous Peoples
		6	Human Rights Assessment
		7	Security Personnel Practices
E Product Responsibility		F Social Participation	
1	Product Quality	1	Community Investment
2	Customer Health and Safety	2	Public Policy
3	Marketing and Labeling		
4	Customer Satisfaction		
5	Customer Privacy		
6	Information Security		
7	Intellectual Property Rights		
8	Supplier Environmental Assessment		
9	Supplier Social Assessment		
10	Innovation and advanced technology		

The material aspects identified as most important to stakeholders and the business were distributed to the Economic and Corporate Governance, Environmental, and Product Responsibility aspects, the top 6 material aspects included:

- Anti-corruption
- Tax
- Environmental Compliance
- Green Product Research and Development
- Product Quality
- Innovation and Advanced Technology

Results II - Assessment of Impacts

The Group has taken a comprehensive approach to materiality assessment. Both the Board and management have engaged with key stakeholders to understand their concerns and priorities, and have conducted detailed assessments to evaluate the actual and potential impacts arising from the Group's operations. These assessments were carried out with the guidance of external professionals and the SASB Materiality Map, allowing the Group to determine the significance of the identified impacts.

Considering the Group's business nature and product portfolio, the Board and management have identified "Material Consumption" and "Occupational Health and Safety" as material sustainability topics, based on the impact assessments and stakeholder feedback.



The Material Topics of the Group and Their Boundaries

There were 6 material topics identified through stakeholder engagement approach. Together with the 2 material topics identified by the Group, there were 8 material topics identified in this Reporting Period.

For a more comprehensive overview, please refer to the table below, which highlights the impact boundaries and the Group's management approach to these material topics. For more detailed information, consult the relevant sections within this Sustainability Report.

Material Topics	Impact Boundaries				Management Approach
	Employees	Customers	Suppliers	Shareholders & Investors	
Anti-corruption	✓		✓	✓	<ul style="list-style-type: none"> — The Board oversees the Group's comprehensive anti-corruption program, including a code of conduct and whistleblowing policy to ensure integrity and compliance. — The Group has detailed policies and processes covering compliance, conduct, gifts/hospitality, and third-party screening, with reporting and monitoring to enforce the anti-corruption program.
Tax	✓			✓	<ul style="list-style-type: none"> — Ensure full compliance with all applicable tax laws and regulations through close collaboration with tax experts, timely filing, and meticulous record-keeping. — Align tax strategy with overall business and sustainability goals to maintain financial stability and support long-term growth. — Proactively addresses potential challenges.
Environmental Compliance	✓		✓	✓	<ul style="list-style-type: none"> — Conduct a comprehensive assessment across various areas, such as supply chain. — Adopt transparent reporting practices, providing relevant information on its environmental compliance efforts on the annual Sustainability Report. — Regularly review and evaluate its environmental compliance and targets. — Establish ESG team for close monitoring of the above items.
Green Product Research and Development	✓			✓	<ul style="list-style-type: none"> — Maintain a dedicated R&D management system to strategically drive innovation and develop environmentally-friendly, low-carbon products. — Conduct comprehensive testing, certification, and market research to evaluate the benefits, risks, and feasibility of new product development, while continuously monitoring customer feedback.

Material Topics	Impact Boundaries				Management Approach
	Employees	Customers	Suppliers	Shareholders & Investors	
Product Quality		✓	✓		<ul style="list-style-type: none"> — Implement a comprehensive quality control process with detailed procedures, warranties, and full accountability for product quality and safety. — Conduct regular customer satisfaction surveys and ensures 100% of complaints are addressed promptly, with a dedicated team to resolve any issues. — Proactively review and improve processes, such as product design and operator training, in response to customer feedback and complaints to prevent recurrence of quality problems.
Innovation and Advanced Technology	✓			✓	<ul style="list-style-type: none"> — Proactively protect its intellectual property rights through dedicated IP monitoring, contractual safeguards, and a comprehensive IP policy to safeguard its competitive advantages. — Maintain a strategic R&D management system.
Material Consumption			✓		<ul style="list-style-type: none"> — Implement rigorous quality control and testing procedures to ensure all raw materials meet strict safety and environmental standards before being approved for production. — Commit to using only non-toxic, compliant additives and auxiliary agents. — Use recycled and environmental-friendly material.
Occupational Health and Safety	✓		✓		<ul style="list-style-type: none"> — The principal chiefs of the Group and other responsible personnel are accountable for the occupational health and safety management within their scope of responsibilities. — Improve and implement the responsibility system that holds all employees responsible for occupational health and production safety in accordance with the law, and strengthen relevant standardization. — Coordinate the formulation and implementation of relevant rules and regulations, as well as education and training plans — Ensure effective implementation of occupational health and safety management — Set up and implements a dual working mechanism of risk classification control and hidden danger investigation to promptly eliminate hidden dangers. Develop and implement relevant emergency response plans and drill plans. — Report incidents of occupational health and production safety to the relevant government departments in a timely and truthful manner.

The assessment results have provided important references for the Group to enhance its ESG performance and disclosure. The Group regularly reviews ESG risks of its business and ensures compliance with relevant laws and regulations. It will continue to identify areas of improvement for the concerned aspects and keep in close communication with its stakeholders for suggestions on ESG material aspects.

Stakeholders' Feedback

The Group welcomes stakeholders' feedback on its ESG approach and performance. If you have any suggestions or would like to share your perspectives, please do not hesitate to reach out to the Group's Human Resources and Administration Department at the following contact information.
Tel: 0752-6531999



2. Environmental

The Group's subsidiaries in Hong Kong, China and the United States do not have any production sites and their environmental impact is relatively minor. Their business activities comply with the requirements of local environmental protection laws and regulations.

On the other hand, the Huizhou Production Base, which is responsible for the manufacturing of the Group's products, operates under a stringent adherence to environmental protection laws and regulations in the PRC, including but not limited to:

- *Atmospheric Pollution Prevention and Control Law*
- *Environmental Protection Law*
- *Law on Prevention and Control of Environmental Pollution by Solid Wastes*
- *Law on Prevention and Control of Pollution by Environmental Noise*
- *Law on Environmental Impact Assessment*
- *Soil Pollution Prevention and Control Law*
- *Water Pollution Prevention and Control Law*

All emissions of air, water, solid waste, hazardous waste and noise strictly comply with the requirements of the regulations of the National Ministry of Ecology and Environment. Furthermore, the Group has achieved the ISO 14001:2015 environmental management system certification, demonstrating its full commitment to environmental management and sustainability. No instances of material non-compliance were identified during the Reporting Period.

The major environmental projects of the Group during the Reporting Period include:

1. There were a total of 5 major technological renovation projects for environmental protection, including upgrading and renovating of exhaust gas collection systems, circulating use of cooling water, and retrofitting of sound insulation in production workshops.
2. There were 2 major technological renovation projects for production safety, including the upgrade of several dust collection systems.
3. There were 6 major technological renovation projects for sustainable development, including the automation and intelligent transformation of conveying systems and feeding and storage systems of various workshops, as well as the construction of photovoltaic and energy storage systems.

Emissions and Waste Management

Air Emissions

During the Reporting Period, liquefied petroleum gas (LPG), diesel, and petrol was consumed by the Group-owned vehicles, lifting machine, and other daily operation. These fuels combustions contributed to the emission of 17.18 kg of nitrogen oxides ("NO_x"), 3.53 kg of sulphur oxides ("SO_x") and 1.18 kg of particulate matter ("PM")³.

Air Emission Data	Air Emission in 2023
NO_x (in kg)	17.18
SO_x (in kg)	3.53
PM (in kg)	1.18

Greenhouse Gas ("GHG") Emissions

During the Reporting Period, the Group's business operation contributed to the GHG emission of 38,917.66 tonnes of carbon dioxide equivalent ("tCO₂eq."), mainly carbon dioxide, methane, nitrous oxide and hydrofluorocarbons. The overall GHG emissions volume for the Group was 4.27 tCO₂eq./m² with reference to the floor area of the Group's business operations and 49.07 tCO₂eq./million RMB revenue with reference to Group revenue as of December 31, 2023. Below table shows the breakdowns of each scope of GHG emissions:

Scope of GHG Emissions	Emission Sources		GHG Emission (tCO ₂ eq.) in 2023
Scope 1 Direct emission¹	Combustion of fuel for stationary sources	LPG	17.03
	Combustion of fuel for mobile sources	Diesel	551.74
		Petrol	23.01
Scope 2 Energy indirect emission	Purchased electricity ²		38,114.47

³ Emission factors were made by reference to Appendix C2 to the Listing Rules and their referred documentation as set out by the SEHK.

Scope 3 Other indirect emission	Paper waste disposed of in landfills ³	32.63
	Electricity used for freshwater treatment	153.90
	Electricity used for sewage treatment	15.22
	Business air travel ⁴	11.89
Assimilation of carbon dioxide through tree planting⁵		-2.23
TOTAL		38,917.66
GHG emissions volume (tCO₂eq./m²)		4.27
GHG emissions volume (tCO₂eq./ million RMB revenue)		49.07

Note 1: Emission factors were made by reference to Appendix C2 to the Listing Rules and their referred documentation as set out by the SEHK, unless stated otherwise. Scope 3 emissions were only calculated based on the available emission factors from the referred documentation.

Note 2: Combined margin emission factor of 0.570 tCO₂/MWh was used for purchased electricity of PRC operations, according to the Ministry of Ecology and Environment of People's Republic of China (2024).

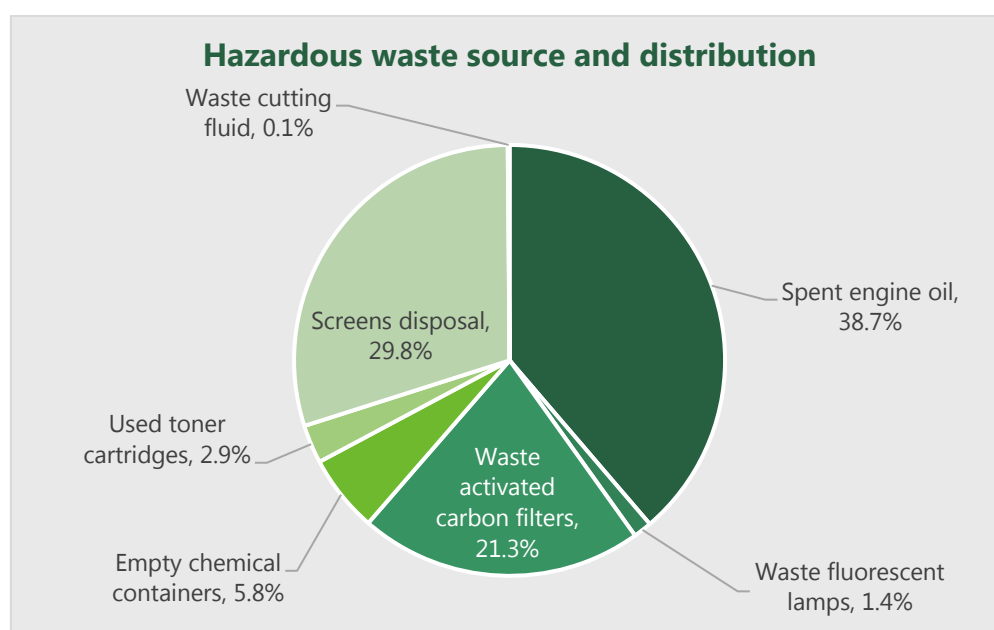
Note 3: Paper waste disposed of at landfills was calculated under the assumption of all purchased paper was consumed and disposed of during the Reporting Period.

Note 4: CO₂ emissions from the Group's business air travels were reported in accordance with the International Civil Aviation Organisation ("ICAO") Carbon Emission Calculator.

Note 5: Emission factor of 23 kg CO₂eq. number of tree was used for the assimilation of carbon dioxide through tree planting, with reference to the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong by the Environmental Protection Department of Hong Kong (2010).

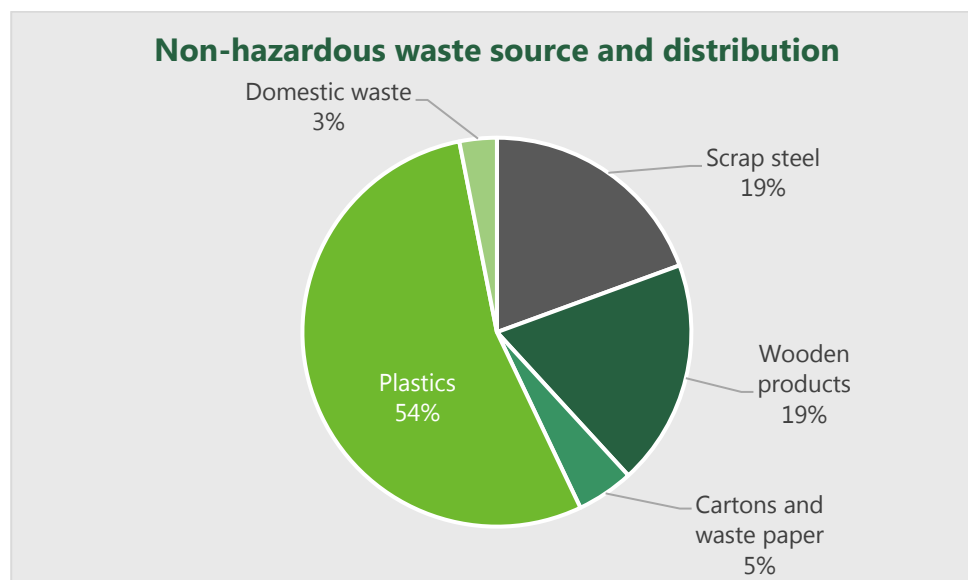
Hazardous Waste

During the Reporting Period, the Group generated a total of 8 tonnes of hazardous waste, all of which came from the Huizhou Production Base. The hazardous waste generation volume in terms of revenue was 10.09 kg/ million RMB revenue. The source and distribution are as follows:



Non-hazardous Waste

A total of 985.58 tonnes of non-hazardous waste were generated by the Group during the Reporting Period⁴, with an volume of 1,242.66 kg/ million RMB revenue. The non-hazardous waste of the Group was mainly generated from packaging materials made with plastics, wood, and paper. The below chart presents the breakdowns of the source and distribution:



Emissions Mitigation and Targets

The Group recognizes that the production process for its WPC products generates particulate matter, non-methane hydrocarbons and odor. To address this, the Group has implemented comprehensive and rigorous measures to effectively control these exhaust gas emissions.

All exhaust gases produced during the Group's manufacturing process are collected and treated by dedicated waste gas treatment facilities, which ensure the emissions meet the standards. Multi-level inspections are conducted on these treatment facilities on a shift, daily and weekly basis to ensure their safe and effective operation. During the reporting period, a qualified third-party testing agency was engaged to conduct two tests on the Company's organized exhaust emissions to ensure that the emissions from the exhaust gas treatment facilities meet the emission standards. Also, a test was conducted on the air in the workshop and within the factory boundary to ensure that the air quality of workshop area and within the factory boundary meets the corresponding standards, so as to safeguard the air quality of the factory area and surrounding community. At the same time, the relevant test results are uploaded to the government platform for record as required. In terms of sewage treatment, the Group conducts diversion treatment for rainwater and domestic sewage (generated from canteen and dormitory). The sewage pipe has been connected to the pipe network of the sewage treatment plant in Daling (Industrial Transfer Industrial Park) in Huidong County. After pre-treatment in the tertiary septic tank, the sewage is discharged to the sewage treatment plant in Daling (Industrial Transfer Industrial Park) in Huidong County through the sewage pipe network for further treatment.

⁴ Domestic waste from the employee dorm at the Huizhou Operation Site was excluded from calculation.

In addition to stringent environmental emission management system, the Group has also taken steps to reduce its reliance on purchased electricity. The Group has installed a photovoltaic power generation system and built an energy storage power station at its Huizhou Production Base. Furthermore, the Group is taking steps to replace its diesel-powered lifting machines with electric lifting machines. As the Group's GHG emissions are primarily attributed to electricity consumption, the Group has established an energy conservation policy and targets, which are detailed in the Energy Use and Efficiency section of the report.

With regard to its long-term development goals, the Group has set a target for overall GHG emissions over the next 10 years. Using the GHG emissions volume in 2023 as a baseline, it aims to achieve a 15% reduction in GHG emissions by 2033.

Index	2023 baseline	2033 target
GHG emissions volume (tCO ₂ eq./ million RMB revenue)	49.07	41.71

Waste Management and Targets

The group has established strict management systems to effectively manage the waste generated in production and operations. Non-hazardous waste and hazardous waste are separated at the source. The hazardous waste is collected and stored at dedicated warehouses, and is transferred and processed by qualified third-party service providers on a regular basis.

The Group's hazardous waste management process includes the following key areas:

- **Collection:** There are five dedicated temporary storage areas in each workshop. Hazardous waste is classified and stored in accordance with the requirements. Each department will classify, weigh and label the waste, and then transfer it to the designated hazardous waste warehouse. Liquid and aerosol wastes are handled according to specific treatment specifications.
- **Storage:** The hazardous waste warehouse is supervised by management personnel to ensure that the waste is placed in the marked area as required. The information of stock-in waste is recorded in the management ledger and submitted to the online platform for tracking.
- **Management:** The hazardous waste warehouse complies with environmental standards. It is equipped with firefighting facilities and explosion-proof equipment. The waste is orderly stored by category.
- **Treatment:** Every year, the Company handles hazardous waste in accordance with regulations, maintains a detailed management plan, and signs a disposal contract with a qualified third-party service provider.
- **Training:** Each department receives quarterly training on hazardous waste management to ensure compliance.

- Inspection: Regular weekly inspections are conducted on hazardous waste warehouses. Any non-conformities are immediately rectified and the results are verified. All hazardous waste management activities are duly reported to the corresponding regulatory platforms.

It is worth noting that during the Reporting Period, the scrap and leftover materials generated during the production process were crushed and 100% reused for manufacturing of WPC products. To minimize waste generation and enhance circularity, the Group has adopted the following comprehensive waste reduction measures within its production process:

Cleaner Production Practices:	<ul style="list-style-type: none"> — Use of clean raw materials — Implementation of advanced manufacturing processes and equipment — Optimization of management practices — Comprehensive resource utilization — Deployment of pollution control technologies that meet international emission standards and total emission control targets
Equipment Maintenance:	<ul style="list-style-type: none"> — Regular maintenance of equipment to prevent oil leaks and spills that could lead to pollution
Hazardous Waste Reduction:	<ul style="list-style-type: none"> — Implementation of tailored pollution prevention and control measures to eliminate or reduce the hazards of hazardous waste — Source-level control of hazardous waste generation in various workshops to reduce waste creation and enable effective recycling and reuse — Robust collection, storage, and transportation procedures to prevent the loss of hazardous waste and mitigate environmental pollution and risks
Circular Economy Initiatives:	<ul style="list-style-type: none"> — Active recovery and reprocessing of wood powder and plastic residues generated during production to minimize waste of raw materials — Use of LED lighting systems to replace fluorescent lamps to reduce the generation of hazardous waste

In addition to its comprehensive waste management strategies for production operations, the Group also advocates for paper-saving and the concept of a paperless office within its administrative functions. The Group has widely adopted office automation systems, which have significantly reduced the use of paper during daily office operations. This shift towards digitization and paperless workflows aligns with the Group's overarching goal of minimizing waste and resource consumption. Through these multi-

faceted waste management initiatives, the Group is committed to minimizing the environmental impact of its operations and promoting the principles of a circular economy.

Recognizing the importance of effective and reasonable use of resources, the Group has set up a 10-year waste reduction target during this Reporting Period. The Group targeted to reduce its non-hazardous waste generation volume by 15% by 2033, with 2023's volume as baseline.

Index	2023 baseline	2033 target
Non- hazardous waste generation volume (kg/ million RMB revenue)	1,242.66	1,056.26

Use of Resources

Energy Consumption

- The Group's total energy consumption was 69,302.58 MWh during the Reporting Period, with an overall energy intensity of 7.60 MWh/m² and 87.38 MWh/million RMB revenue.

Energy Consumption Sources	Consumption in 2023 (in corresponding unit)	Consumption in 2023 (in MWh)
Electricity	66,881.73 MWh	66,881.73
Petrol	8,623.29 L	83.57
Diesel	210,864 L	2,256.93
LPG	5,643.14 kg	80.35
Total (in MWh)		69,302.58
Energy consumption (in MWh/m ²)		7.60
Energy consumption (in MWh/million RMB revenue)		87.38

Water Consumption

The Group consumed freshwater supplied by the water company. Water was mainly consumed for operation and domestic use. The overall water consumption of the Group during the Reporting Period was 353,785.13 m³, with a consumption of 38.79 m³/m² and 446.07 m³/million RMB revenue. There was no issue in sourcing water for the Group's business operation.

Energy Use Efficiency Initiatives and Targets

Electricity is the primary form of energy consumed across the Group's operations. To address this, the Group has implemented several key initiatives to enhance energy efficiency and promote the use of renewable energy sources at the Huizhou Production Base.

Renewable Energy Integration:

- To enhance its energy management capabilities, the Group has invested in the construction of containerized energy storage power stations with a total capacity of 9MW/20.1MW. Specifically, the Group has installed three 3.35MW/6.7MWh energy storage systems at the Huizhou Production Base. These energy storage systems utilize battery packs to store electricity during off-peak, low-price periods and discharge it during peak demand hours.
- Huizhou Production Base has already used photovoltaic power generation system to power its production system, reducing the reliance on grid electricity.

Energy Efficiency in Buildings:

- Green and energy-saving features are incorporated into the design of buildings, and the needs of lighting, illumination, and thermal insulation of buildings are fully considered. In 2022, the newly built office building and laboratory building were recognized as green buildings. LED energy-saving lamps are adopted as the major light source. The lighting power density of the factory area and various office spaces complies with the current values specified in the "Architectural Lighting Design Standard" (GB50034-2013), "Urban Road Lighting Design Standard" (CJJ45-2006), and "Code for Design of Power Supply and Distribution System" (GB50052-2009).

Energy Saving Control:

- The Huizhou Production Base has established a three-level energy metering system in accordance with the requirements of the national standard, "General principle for equipping and managing of the measuring instrument of energy in organization of energy using" (GB17167-2006). When the power supply from the substation enters into the factory area, first-level metering is carried out and the total energy meter is installed. After the electric energy is transformed in the high-voltage distribution room, it is transmitted to the subordinate energy accounting units for the second-level metering and the sub-electricity meters are installed. Then, after being transformed into electricity through the distribution room, it is transmitted to various subordinate energy accounting units, thus achieving a three-level metering system for electrical energy in the Huizhou Production Base. The equipment rate of the first- and secondary-level energy metering instruments is 100%.

Energy Reduction Targets and Management:

- The Huizhou Production Base has established energy consumption reduction targets for the following year, along with the corresponding measures taken:

Monitoring objectives	Measure taken	Baseline (kwh/ tonne of products)	2024 target (kwh/ tonne of products)
Material preparation workshop	<ul style="list-style-type: none"> — Optimize heating operations to run machines continuously and efficiently. — Ensure raw material quality control and production stability to avoid wasteful startups/shutdowns. — Collaborate on mechanical upgrades to improve airflow, material transport, and reduce maintenance. 	238	231
Colourant workshop	<ul style="list-style-type: none"> — Routinely check for leaks, shut down idle equipment. — Provide quality and operational training to reduce human mistakes. — Improve production stability through material system modifications. — Upgrade equipment heating to reduce scrap from malfunctions. 	670	650
Molding workshop	<ul style="list-style-type: none"> — Regularly check for air and water leaks and shut down the machine, lighting and other auxiliary equipment as required. — Regularly organize quality and operation training for workshop employees to reduce scrap caused by human factors. — Modify the modified material system to improve production stability. — Modify the heating circle of the second zone of the main equipment to reduce scrap caused by equipment malfunction. 	429	420

Post-processing and packaging workshop	<ul style="list-style-type: none"> — Centralize production, minimize machine adjustments, check for issues pre-production, and prevent defective output. 	65	62
Shattering workshop	<ul style="list-style-type: none"> — Regularly maintain machine efficiency through blade checks and replacements. — Optimize material loading to avoid machine idling. — Upgrade equipment to improve crushing efficiency, such as transitioning from guillotine to large bite machines. 	110	107

Besides from the above target established within the Huizhou Production Base, the Group has also set up a 10-year target to reduce its overall energy consumption by 8% by 2033.

Index	2023 baseline	2033 target
Energy consumption (MWh/million RMB revenue)	87.38	80.39

Water Use Efficiency Initiatives and Targets

Demonstrating its commitment to water stewardship, the Group has implemented a core rod water recycling system as a major water conservation measure. This system saves more than 150 tonnes of municipal water every day by converting the municipal water used for core rod operations into a recirculating water system. The water reuse rate is 95%.

Through pipeline transformations and the addition of reclaimed water treatment equipment, the Group has been able to significantly reduce its municipal water consumption. Calculations show that this initiative has saved approximately 50,400 tonnes of water per year, along with 4.32 tonnes of standard coal annually.

Beyond infrastructure upgrades, the Group also encourages its employees to use water responsibly. At the Huizhou Production Base, the Group has set ambitious water reduction targets for the following year to further its water conservation efforts.

Monitoring objectives	Baseline (m ³)	2024 target (m ³)
Production	22,000	21,500
Office	750	730
Canteen	908	880
Employee dorm	3,100	3,000
Research and development	1,000	980
Operation site and related purposes	164	160
Fire fighting purpose	1,100	1,080
Overall water consumption within the Huizhou Production Base	350,000	340,000

In order to adhere to a sustainable use of water, the Group has set a 10-year target to reduce the overall water consumption by 15% by 2033.

Index	2023 baseline	2033 target
Water consumption (m ³ /million RMB revenue)	446.07	379.16

Packaging Materials

During the Reporting Period, the Group consumed a total of 2,312.5 tonnes of plastics, wooden products, and cardboard boxes for product packaging, contributing to a consumption intensity of 2.91 kg/ million RMB of revenue.

Type of Packaging Materials	Application	Consumption in 2023 (in tonne)
Plastics	Wraps, packing tape, etc.	1,851
Paper	Carton	120
Wooden	Packing board	400
	Pallet	1,500
	Kneel	290
Other	Tag	2.5
TOTAL (in tonnes)		2,312.5
Consumption (in kg/ million RMB revenue)		2.91

Notably, a significant portion of these packaging materials, such as plywood, wooden pallets and keels, labels, and cartons, are biodegradable, demonstrating the Group's commitment to utilizing more sustainable packaging solutions. To further improve packaging efficiency, the Group actively encourages suppliers to use recyclable packaging materials and to replace the original 25KG packaging bags with flexible freight bags which are reusable. Additionally, all packaging materials have undergone thorough Substances of Very High Concern (SVHC) testing to ensure compliance with environmental regulations.

The Environment and Natural Resources

During the Reporting Period, the Group's operations were associated with various environmental impacts, including the use of fuel, purchased electricity, water consumption, and air emissions. In light of that, the Group maintained strict compliance with all applicable national and local laws and regulations pertaining to air and greenhouse gas emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste.

Committed to being a pioneer in innovative and eco-friendly building materials, the Group has taken proactive steps to ensure the sustainability of its products. In addition to the achievement of being SCS RECYCLED CONTENT CERTIFIED by SCS GLOBAL SERVICES and obtained FSC Chain-of-Custody certification, the Group has also conducted environmental product declarations (EPD) with The International EPD System in 2021, to further prove the recyclability and reusability of its WPC products.

To mitigate the potential impacts of dust, noise emissions, and volatile organic compound (VOC) emissions, the Group has implemented various control measures. The material preparation workshop uses a two-pole spray tower, ozone deodorization, two-stage high-voltage electrostatic adsorption and activated carbon adsorption to treat waste gas. The molding workshop uses a spray tower and two-stage activated carbon to treat waste gas, and bag filters to collect dust. Additionally, to optimize the use of natural resources, the Group has invested in the construction of reclaimed water treatment equipment and containerized energy storage power stations, addressing its water and energy consumption, respectively.

Recognizing that setting clear environmental targets is a critical practice, the Group has established both annual and long-term (10-year) goals across its significant environmental aspects, including GHG emissions, non-hazardous waste, energy, and water. These targets guide the Group's ongoing efforts to continuously improve its environmental performance, minimizing its overall impact to the environment.



Climate Change

The Group acknowledges the significant impacts of climate change and the need for prompt action. It faces risks from both physical and transition impacts of climate change. However, the Group also recognizes the opportunities arising from the transition to a low-carbon economy. The Group is dedicated to managing these risks and capitalising on the opportunities presented by sustainable business development. This year, the Group has taken its first step to disclosing its climate-related information aligning with the four core elements, namely, Governance, Strategy, Risk Management and Metrics and Targets of TCFD recommendations on climate-related financial disclosure.

Governance

The Board provides oversight on the Group's strategic direction and risk management, including the identification and evaluation of climate-related risks and opportunities. The Group has established clear roles and responsibilities for overseeing climate-related matters, and it engages regularly with stakeholders. The management team assists the Board in identifying, assessing, and developing strategies to address climate-related issues. The Board and management team regularly review the effectiveness of the Group's climate-related strategies.

Strategy

The Group views climate change as both a risk to mitigate and an opportunity for exploring new market possibilities and driving its low-carbon transformation. Shifting consumer preferences towards eco-friendly products, coupled with supportive sustainable policies in China, have enabled the Group to provide customers with more green products and low-carbon solutions.

The Board has identified and assessed the time horizons, trends, and potential financial impacts of climate-related risks.

Time Horizon	Year	Definition
Short-term	1-5	This covers the period where the Group faces acute and rapidly emerging climate risks. The short-term strategy focuses on addressing the most pressing threats and implementing incremental resilience measures.
Medium-term	5-10	This spans the period where the Group must consolidate its short-term climate risk management and drive deeper impacts across operations and the value chain.
Long-term	10 or above	This extends to the period where the Group must confront the long-term, systemic impacts of climate change. The long-term perspective allows for structural changes to mitigate and adapt to profound climate effects.

Climate Risks		Time horizon	Trend	Potential financial impact
Physical Risks	Acute	Short to medium term	Increase	<p>The Group's warehouses face increased risks of property damage, business interruption, and supply chain disruptions due to the growing severity of extreme weather events such as cyclones, hurricanes, storm surges, and floods. These physical climate-related risks can result in:</p> <ul style="list-style-type: none"> ○ Damage to warehouses and inventory, leading to repair and replacement costs ○ Loss of revenue from disrupted operations ○ Potential increases in insurance premiums
	Chronic	Long term	Increase	<p>The Group also faces longer-term risks from shifts in climate patterns, which can increase its operating costs and reduce revenue:</p> <ul style="list-style-type: none"> ○ Higher energy and water costs ○ Increased maintenance and repair expenses for warehouses ○ Challenges in obtaining insurance coverage for assets located in areas highly exposed to natural disasters ○ Disruptions to the Group's supply chain
Transition Risks	Policy and Legal	Short term	Increase	<p>The implementation of tightened environmental laws and carbon pricing systems could also result in increased compliance costs for the Group, such as:</p> <ul style="list-style-type: none"> ○ Investments in clean energy technologies ○ Changes to supply chain practices
	Reputation	Medium to long term	Increase	<p>The Group also faces reputational risks related to perceptions of its environmental and sustainability practices:</p> <ul style="list-style-type: none"> ○ This may lead to increased costs for marketing and implementing sustainability initiatives ○ The Group's WPC products, with the high sustainability and low-carbon-footprint, positive market feedback may be received in long-term

Risk Management

An ESG risk assessment was conducted based on assessing the possibility and impact of each identified risk into three levels: high, medium and low. The overall risk levels are then classified into the risk levels, high, medium and low based on the possibility and impact ratings. The overall risk level was then prioritised by the Group.

Risk levels	Definition of the overall risk levels
High	Risks at this level may have profound consequences. It is highly likely that there will be some impacts to the Group and hindrance for the Group to achieve strategic goals.
Medium	Risks at this level may have profound consequences, but they are less likely to occur. The consequences could be minor in nature, but the probability of occurrence is higher
Low	Risks at this level have limited harm and consequences for the Group to achieve its strategic goals, and the probability of occurrence is low.

The Group has identified its risk profile based on the climate-related risks suggested by the TCFD recommendations on climate-related financial disclosure. The relevant climate risks, their overall risk levels and management approach are shown below.



	Climate risks	Overall risk level	Management Approach
Physical Risks	Acute	High	<ul style="list-style-type: none"> — Screen out warehouses in the basement and the ground floor — Contain warehouses in different geographical regions — Engage suppliers from various geographical regions
	Chronic	High	
Transition Risks	Policy and Legal	Medium	<ul style="list-style-type: none"> — Continuously monitor the latest climate-related regulations and trends — Engage professional consultants to advice on climate-related issues — Enhance disclosure to ensure effective communication with stakeholders
	Reputation	Low	<ul style="list-style-type: none"> — Ensure compliance of environmental laws and regulations — Enhance supply chain management of the Group to mitigate risks arising from the supply chain — Continuously monitor the latest climate-related regulations and trends

Metrics and Targets

The Group established targets regarding different environmental impacts, in both short and long term of time horizons. To measure the level and impact of the Group's climate-related risks, the Group monitors metrics and indicators to ensure an effective and quantitative assessment. The Group monitors and reviews its Scope 1, Scope 2, Scope 3 GHG emissions (in tCO₂eq.), total GHG emissions (in tCO₂eq.) and the GHG emission volume (in tCO₂eq./ million RMB revenue) regularly. The GHG emission data and the corresponding targets are shown in the section "Greenhouse Gas ("GHG") Emissions" and "Emissions Mitigation and Targets" of this Sustainability Report.

3. Social

Employment and Labour Practices

The Group prioritizes and safeguards the wellbeing of its employees. No instances of material non-compliance regarding employment and labour practice were identified during the Reporting Period.

The Group strictly adheres to all applicable labour laws and regulations in the regions where it conducts business. These laws and regulations include, but are not limited to:

Mainland China:

- *Labour Law of the PRC*
- *the Labour Contract Law of the PRC*
- *the Social Insurance Law of the PRC*

Hong Kong SAR, China:

- *Employment Ordinance (Cap. 57)*
- *Inland Revenue Ordinance (Cap. 112)*
- *Sex Discrimination Ordinance (Cap. 480)*
- *Mandatory Provident Fund Schemes Ordinance (Cap. 485)*
- *Personal Data (Privacy) Ordinance (Cap. 486)*
- *Disability Discrimination (Cap. 487)*

Texas, the United States:

- *The Labor Code*

Employment

Total Workforce and Turnover

The business operations covered in the reporting scope had a total number of 785 employees as of December 31, 2023. The workforce distribution graphs by gender⁵, age group, employee category and geographical region are shown below.

⁵ There were no employees whose gender were not disclosed or referred as "Other" (gender as specified by the employees themselves).

Total workforce in categories	Total number	In percentage ⁶
By Gender		
Female	228	29.04%
Male	557	70.96%
By Region		
Mainland China	738	94.01%
Hong Kong SAR, China	12	1.53%
The United States	34	4.33%
Australia	1	0.13%
By Contract		
Permanent contracts	180	22.93%
Fixed-term contracts	605	77.07%
By Employment		
With non-guaranteed hours employees	0	0%
Full-time employees	784	99.89%
Part-time employees	1	0.11%
By Type of Employment		
Employees not on collectively agreed pay scale	785	100%
Employee on collectively agreed pay scale	0	0%
Non-salaried employees/ other	0	0%

⁶ The percentage for each category is calculated by the total employee number of the category divided by the total employee number of the Group, as of 31 December of the Reporting Period.

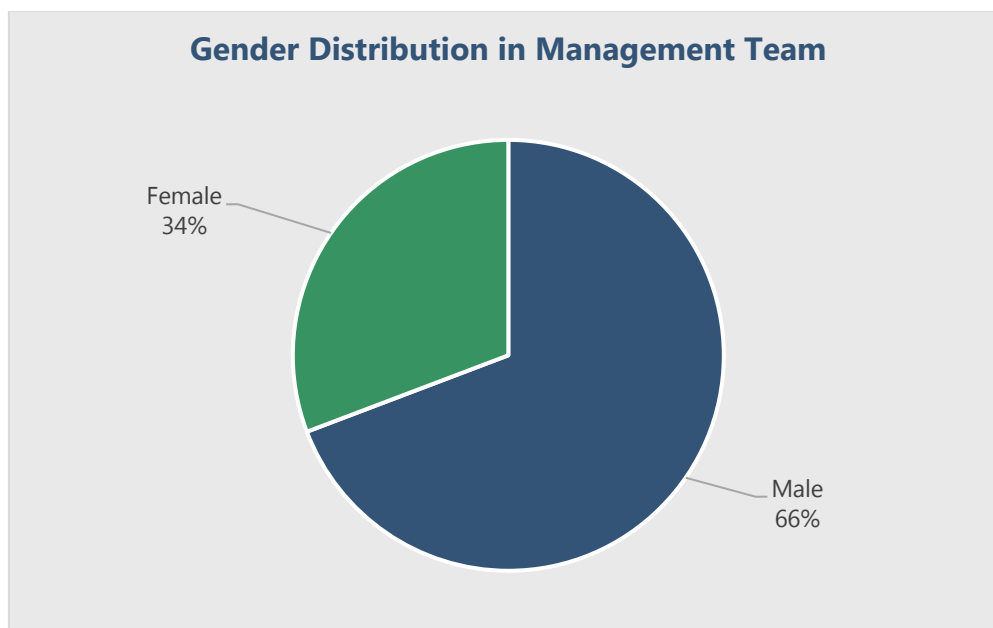
Total workforce by gender	Total number	In percentage ⁷
Permanent contracts (total number: 180)		
Female	32	17.78%
Male	148	82.22%
Fixed term contracts (total number: 605)		
Female	196	32.40%
Male	409	67.60%
Full-time employees (total number: 784)		
Female	228	29.08%
Male	556	70.92%
Part-time employees (total number: 1)		
Female	0	0%
Male	1	100%

⁷ The percentage for each category is calculated by the employee number of the specific gender divided by the total employee number of the category, as of 31 December of the Reporting Period.

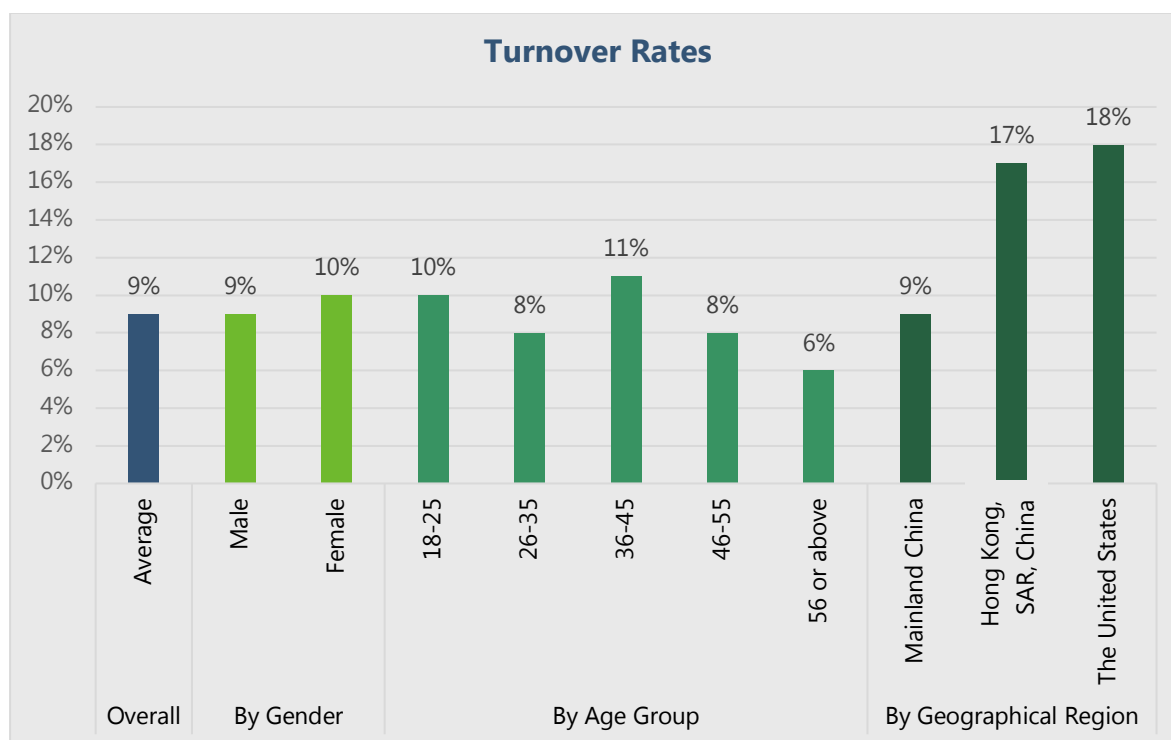
Total workforce by geographical region	Total number	In percentage ⁸
Permanent contracts (total number: 180)		
Mainland China	176	97.78%
Hong Kong SAR, China	4	2.22%
The United States	0	0%
Australia	0	0%
Fixed term contracts (total number: 605)		
Mainland China	562	92.89%
Hong Kong SAR, China	8	1.32%
The United States	34	5.62%
Australia	1	0.17%
Full-time employees (total number: 784)		
Mainland China	738	94.13%
Hong Kong SAR, China	12	1.53%
The United States	33	4.21%
Australia	1	0.13%
Part-time employees (total number: 1)		
Mainland China	0	0%
Hong Kong SAR, China	0	0%
The United States	1	100%
Australia	0	0%

⁸ The percentage for each category is calculated by the employee number of the specific gender divided by the total employee number of the category, as of 31 December of the Reporting.

In addition, the gender distribution in management team is shown as below:



A total of 72 employees left the Group during the Reporting Period, representing an annual average turnover rate⁹ of 9%.



⁹ The annual average turnover rate was calculated by the total number of employees who left the Group during the Reporting Period divided by total number of employees as of December 31 of the Reporting Period*100%. Employees who left the Group within the probationary period are not counted.

Workers' Rights and Interests

Employee Benefits and Talent Retention

The Group's human resources policy encompasses a comprehensive framework of procedures and guidelines pertaining to recruitment and hiring, training and development, code of conduct, disciplinary requirements, working hours, leave entitlements, and various employee benefits.

Benefits provided under the Group's employee welfare plan include but are not limited to:

- Medical examination benefits: Free medical examination for new employee and regular occupational health examinations are arranged annually
- Health benefits: Free use of gym rooms, basketball courts and tennis courts
- Food and accommodation benefits: Free canteen meals; free accommodation for employees living in the factory; and subsidies for employees staying outside;
- Labor protection: Provision of various labor protection supplies in accordance with regulations; and free supply of 3 sets of work uniforms sufficient for use in summer and winter;
- Regular benefits: major festive benefits, travel benefits, etc.;
- Other benefits: employer liability insurance, social insurance, housing provident fund, etc.

In addition, the Group commits to retaining high-caliber talents. With the focus on internal training, the Group continues to optimize the personnel management system and establishes the employee growth and development system that fosters employees' career advancement from general workers→team leaders (production only)→ supervisors → managers→ directors, contributing to the development of the Company.

The Group offers competitive compensation packages. Remuneration is reviewed annually, with adjustments made based on employee performance and prevailing market trends.

Equal Opportunity

Diversity and equal opportunity are core values that the Group upholds in the workplace. The Group's equal employment policy aims to ensure a fair and inclusive environment for all job seekers and employees, irrespective of gender, age, race, ethnicity, region or religion. Recruitment and selection processes are guided by consistent criteria, with the focus on experience, skills, and personal attributes. Similarly, the Group provides equal opportunities for promotion, transfer, and training based on merit and work performance.

The Group's commitment to gender equality is reflected in its policy that advocates for equal treatment and opportunities for male and female employees.

The group also provides equal employment opportunities for people with disabilities, giving sufficient tolerance and support to this special group. A number of male and female disabled individuals have been working in the Group for many years, effectively performing their own roles and realizing their social value.

Fostering Employee Engagement and Communication

The Group places great emphasis on maintaining open and effective communication channels with its employees. Through the annual Staff Representatives Congress, the Group provides a platform for employees to voice their perspectives and concerns directly to the management team. Additionally, the Group has launched the annual "Outstanding Employee" recognition program, celebrating the contributions and achievements of outstanding staff members.

To cultivate a positive work-life balance, the Group also schedules festive celebrations and family-oriented events throughout the year. These activities, such as offering crafted cuisines, distributing festive gifts, and family involvement events, provide valuable opportunities for bond building and development of a sense of teamwork within the organization.

"Respecting employees' demands" is one of the main ways to protect employees' rights. In order to maintain good and effective communication with employees, actively open up communication channels, and actively listen to employees' suggestions and requirements, the Group has established regular, as well as irregular, communication channels. The company has set up an employee suggestion box in the factory to collect employees' opinions, complaints and reports. Other communication channels include mobile phones together with messaging functions, social platforms and the Company's Intranet.

Through the communication and interaction, the Group continuously enhance its organizational cohesion and implementation capabilities, ensuring the effective operation of the organization.

Employee Health and Safety

The Group places the high importance on safeguarding the health and safety of its employees. All employees within the Group are covered by the occupational health and safety management. The Group fully complies with all laws and regulations on occupational health and safety. It has established and improved relevant all-staff responsibility systems and operating procedures. There are no violations of regulatory laws and regulations during the reporting period.

Occupational Health Management:

The Group has obtained ISO45001: 2018-Occupational Health and Safety Management System Certification, and has set up an occupational hazard prevention and control management system, an occupational health management committee, as well as employee occupational health records for all the staff. Every year, a third-party organization is invited to monitor occupational hazards in the workplace and report to the relevant departments. Employees are required to undergo physical examinations upon onboarding and departure to ensure that complete occupational health records are maintained. All employees have signed on the notice of occupational hazard factors and received corresponding training.

Fire Safety Management:

The Group strictly implements the fire safety responsibility system and has formulated relevant systems and operating procedures, including fire extinguishing and emergency evacuation plans. Firefighting facilities complying with national and industry standards are equipped, and regularly inspected and

maintained to ensure their effective operation. Comprehensive inspections are carried out annually, and evacuation passages and emergency exits are kept unobstructed to duly eliminate fire hazards. The safety department arranges comprehensive inspections on a weekly basis to ensure the normal operation of equipment and firefighting equipment, and regularly holds fire drills to enhance the fire safety awareness and emergency response capabilities of all employees. The Company has set up a firefighting team comprising professional and volunteer firefighters, who are familiar with and skillful in using various equipment, including fire trucks and fire hydrants. The team is capable of extinguishing incipient fire in a timely manner, and will report to and guide external firefighting forces when necessary.

Workplace Safety and Well-being Initiatives:

The Group abides by the "Work Safety Law of the People's Republic of China", implements the full-staff work safety responsibility system and safety management system, and has obtained the "GB/T33000-2016-Work Safety Standardization" certification. The Group's Work Safety Management Committee continues to conduct on-job and on-site safety risk identification, formulate operating procedures for relevant management systems, improves daily inspections, sets up a dual prevention mechanism for safety risk classification control and hidden danger investigation, and carefully prevents the occurrence of major safety accidents. It has been committed to maintaining workplace safety. The production area, support area and living area of the Huizhou Production Base are separated through green belts. Also, single-story production workshops are set up to reduce the impact of environmental factors and effectively separate quiet and noisy areas. In addition, emergency response drills are conducted regularly to safeguard the health and safety of employees. All employees are also required to receive regular training on occupational health and safety, ensuring that they understand safe operating procedures and warning signs. High temperature subsidies and labor protection supplies are provided in a timely manner according to regulations. For employees working in a high temperature environment, cooling measures are in place. Cooling beverages and emergency medications are available in the production area to ensure a safe and comfortable working environment.

Environmental Safety Monitoring and Controls:

The Group has obtained the ISO 14001:2015 Environmental Management System Certification. To ensure the safety and compliance of the production environment, third-party assessments of air quality, noise levels and harmful gas emissions are conducted annually. Also, effective ventilation systems and exhaust gas collection systems are installed in the production area to improve air quality. In addition, the dust collection and treatment facilities have also been upgraded and transformed so as to achieve real-time monitoring and automatic reporting when equipment is abnormal. The production operating system has also been upgraded to enable automatic collection and analysis of production data, for effective circulation of production system data. These measures jointly bring about improvement on the safety and efficiency of the production environment.

Through the comprehensive measures, the Group demonstrates its unwavering dedication to creating a safe and secure working environment for the well-being of its employees, enabling them to thrive in their respective roles. The Group also works closely with its business partners and suppliers to ensure that occupational health and safety impacts are prevented and mitigated across the value chain.

During the Reporting Period, no significant work-related injuries or fatalities were reported.

Development and Training

The Group places great emphasis on the professional growth and development of its workforce. As part of its employee training and development framework, the Group implements a comprehensive training program for all onboarding staff. The "New Employee Onboarding Training" encompasses corporate culture, employee handbook, safe production, and occupational health-related information, ensuring the new hires are well-equipped with the knowledge and skills required for their roles. The Group also attaches great importance to continuous on-the-job training, safety and employee training, system requirements training, capacity development training, etc., to facilitate the continuous growth of every employee.

Throughout their tenure, employees receive a diverse array of trainings tailored to their specific job functions and responsibilities. These training sessions are meticulously planned and executed by the respective departments, catering to the unique needs of each role. Upon the completion of the training, employees are subject to both oral and written assessments to evaluate their understanding and mastery of the covered topics.

The Group's commitment to employee development extends beyond the general onboarding and role-specific training. Employees in specialized positions are required to possess the professional certificates or qualifications necessary to perform their duties. The Group carefully verifies the validity of these credentials during the onboarding process and proactively coordinates renewal of these documents three months prior to their expiration.

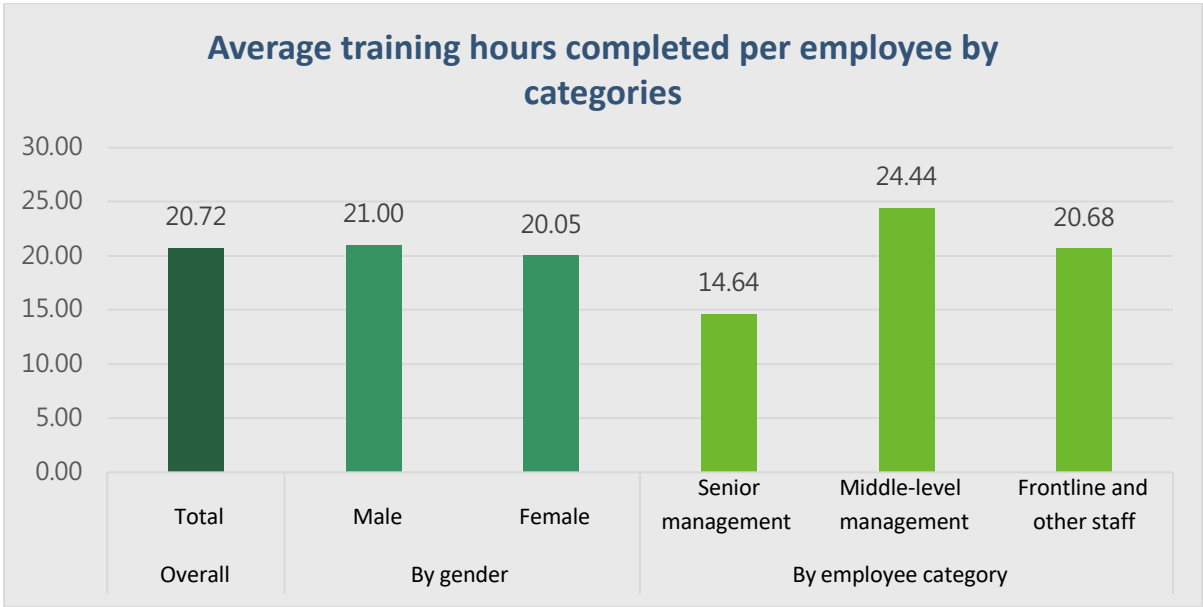
The comprehensive training curriculum covers a wide range of critical areas, including:

- *Compliance and Regulatory*
- *Occupational Health and Safety*
- *Management System and Process*
- *Employee Onboarding and Development*

All employees have received the training provided by the Group and average training hours completed per employee by categories are shown below^{10,11}.

¹⁰ The percentage of trained employees is calculated by trained employees in specific category divided by number of employees in specific category as of December 31 of the Reporting Period.

¹¹ The average training hours per employee is calculated by the training hours delivered for specific category divided by the number of employees in specific category as of December 31 of the Reporting Period.



Labour Standards

The Group has a strict and well-defined policy against the use of child labour, as outlined in its company policy documents *"Procedure for No Use of Child Labor and Child Labor Rescue Management"* and *"Procedure for No Forced Labor and Prohibition of Use of Prison Labor."*

During the recruitment process, all applicants are required to present their original identification documents, which are thoroughly verified by the recruitment personnel to ensure that they meet the minimum age requirements for employment. Additionally, the Group conducts a comprehensive background investigation on all prospective employees prior to their hiring.

The Group adopts a zero-tolerance attitude towards the use of child labor. Once discovered, it will be reported immediately to the labour head of Human Resources and Administration Department or the General Manager, who will take timely corrective measures.



Operating Practices

Supply Chain Management

Environmental Standards of Suppliers

The Group places a strong emphasis on sustainable and responsible supply chain management. It has obtained SCS Recycled Content Certification from SCS GLOBAL SERVICES and FSC Chain of Custody Certification from SGS Hong Kong SAR, China. Under the same conditions, neighbouring suppliers (within 300 kilometers) are engaged to reduce energy consumption during material transportation. Clear requirements are given to the suppliers regarding the content of hazardous substances in raw materials supplied.

To uphold its environmental commitments, the Group requires all of its suppliers to sign environmental protection agreements. The key content of the agreement includes:

- *The supplier must comply with all national, local, and industry-specific laws and regulations regarding environmental protection.*
- *Suppliers are encouraged to endorse non-polluted or less-polluted production processes and equipment while maintaining the quality of the goods supplied.*
- *Suppliers are required to prioritize the use of recyclable packaging materials.*

On an annual basis, the Group conducts a thorough evaluation of the qualifications and compliance of its suppliers. This rigorous assessment process involves not only a detailed review of documentation but also regular on-site inspections to ensure that the suppliers are adhering to the Group's stringent environmental standards. During the Reporting Period, the Group has established a new Supplier Evaluation System for the review and management of suppliers' data.

Supply Chain Security

The company is an AEO Advanced Certified Enterprise. AEO, Authorized Economic Operator, is a core system proposed by the World Customs Organization based on the Global Trade Security and Facilitation Framework of Standards. Through mutual recognition and cooperation among customs of various countries, it provides customs clearance convenience for enterprises that meet high standards. As an AEO advanced certified enterprise, the company enjoys a series of conveniences including priority customs clearance procedures for goods and reduced inspection rates, which not only improves the company's operational efficiency, but also further consolidates the company's competitiveness in the global supply chain. Based on the AEO advanced certification standards, the company has established a security management system covering all aspects of the supply chain, including key areas such as site and entry security, personnel security, business partner security, goods/items security, and transportation vehicle security. The system also covers the regular maintenance and inspections, continuous improvement and optimization, as well as training and education. The group regularly inspects and maintains security facilities such as video surveillance, access control systems and cargo tracking systems to ensure their normal operation. At the same time, the information system will be regularly upgraded and optimized to improve performance and data security. The group regularly

evaluates business partners and proposes rectification requirements for partners that do not meet the standards. All these practices together strongly safeguard the continued positive development of the Company.

During the Reporting Period, there were 56 major suppliers involving in the Group's operation, supplying the raw materials, hardwares, and packaging materials.

Supplier Location	Percentage
Mainland China	82%
Hong Kong SAR, China	4%
Taiwan, China	3%
Singapore	2%
Vietnam	2%
Portugal	2%
Germany	2%
Italy	2%

Product Responsibility

The Group is committed to upholding social responsibility and providing its customers with high-quality WPC products. As the national economy has transitioned to a phase of high-quality development, the Group acutely aware that standards and expectations around product quality have become increasingly stringent.

Any potential product quality concerns may poses devastating consequences to the Group's reputation. To address these challenges, the Group has implemented a comprehensive and rigorous quality control process.

During the Reporting Period, there was no material non-compliance relating to product health and safety, advertising, or privacy matters reported for the Group.

Product Quality

The Group implements a comprehensive and rigorous quality control process to ensure the quality and safety of its products. The Group conducts a number of tests and certifications on its products to ensure

that they meet the corresponding product standards and mandatory regulatory requirements. The Group provides a clear warranty statements for the products it sells.

In terms of raw material inspection, we conduct systematic tests on the appearance, size, packaging and properties of each raw material based on the quality control documents of each raw material, ensuring that the raw materials meet the corresponding requirements of the Group as detailed on quality control documents, in terms of physical properties (chemical properties), appearance, packaging and storage conditions.

Finished product inspection is implemented following stringent standards. Dedicated personnel conduct basic inspections on the product appearance and size on the production line. Samples are regularly taken to the Group's laboratory for multiple performance tests. Upon entry into the warehouse, the products are sampled by batch and sent to the group's laboratory for inspection again. Strict self-inspection procedures are implemented to ensure product quality. For further product quality assurance, the Group collects samples regularly and sends them to well-known third-party laboratories for testing and issue of credible third-party test reports. In addition, to ensure quality consistency and traceability, all products are printed with codes to allow tracing of production information and process details, achieving information traceability

Product Health and Safety

For each batch of raw materials, the Group conducts comprehensive testing to ensure they meet the established inspection standards before being approved for use in production. This thorough verification process helps the Group maintain the quality and safety of its inputs. Furthermore, the Group is committed to not using any toxic or hazardous raw materials, and all of its additives and auxiliary agents comply with environmental protection requirements.

1. Lead cadmium salt stabilizers and foaming agents are not used in the production process of the product
2. The content of highly concerned substances in the product meets the requirements of the EU REACH regulation.
3. The content of harmful substances such as formaldehyde and VOCs in the product is lower than the national green building material three-star (highest standard) requirements. For any special or new materials that the Group decides to utilize, the Group first produces sample products. These samples undergo extensive testing to validate their safety and compliance with relevant regulations. Only once the test results confirm there are no issues will the Group proceed to incorporate these materials into its regular production.

No products were recalled because of health and safety issues during the Reporting Period. By adhering to these stringent product health and safety measures, the Group is able to consistently deliver high-quality and safe products to its customers. The Group's unwavering commitment to product responsibility is a key pillar of its overall business strategy and a reflection of its dedication to social responsibility.

The certifications for product quality and safety obtained by the Group during the reporting period include, but are not limited to:

Certification Type	Name of Certifications
International Certification	ICC-ES international Code Council Evaluation Service (U.S.)
	CCMC - Canada Building Materials Centre Certification (Canada)
	Singapore Green Label
	Korea Eco Label
	EPD Environmental Product Declaration
	LEED Leadership in Energy and Environmental Design Statement
Domestic Certification	China Green Product Certification
	China Green Building Materials Product Certification
	Child Safety Level Product Certification
	Health Building Materials Certification
	Green Product Design Certification

Customer Service

The Group has set up a customer service hotline and a multi-channel communication platform to promptly collect and consolidate the problems encountered by customers during the cooperation. Corrective measures are formulated to ensure that the problems are resolved effectively. Complaints are received through various channels, including the official website, email, 400 hotline and social media. The complaints are processed in multiple steps, including determining the nature of the complaint, communicating with the customer, collecting relevant information and confirming responsibilities, and finally formulating a solution with management's approval. Salespersons or customer service personnel will promptly get back to the customer with the resolution and continue to follow up on customer feedback. In addition, the Group conducts a customer satisfaction survey bi-annually. The Group ensures that 100% of customer complaints are duly handled and customers get the response within the specified time.

The Group has also set up a dedicated after-sales service department to promptly handle any feedback or complaints from customers. The team carefully reviews every reported issue and responds accordingly to ensure that every problem is resolved in a timely manner to the satisfaction of the customer.

During the reporting period, the Group received a total of 6 complaints regarding product quality issues, product damage during transportation, wrong shipment of goods, etc. The Group actively resolved the complaints and then reviewed the process to prevent recurrence of similar issues. For example, the Group has reviewed the product design and production processes and strengthened the training of related operators.

Customer Privacy and Information Security

In accordance with the requirements of the Group's Information Security Management System and Personnel Management System, the Group has implemented a comprehensive set of measures to ensure the protection of information and privacy for its internal personnel, job applicants, and customers.

These measures include information system controls, internal authorization management, and document control management. Through these mechanisms, the Group is able to effectively safeguard the data and privacy of its stakeholders.

To further reinforce its information security practices, the Group signs relevant confidentiality agreements with its technology partners and employees involved in related technical matters.

Marketing, Labelling, and Advertising

Apart from industry exhibitions, the Group does not participate in major marketing, labelling and advertising activities, and has not been involved in any incidents of non-compliance with product and service information and labelling. Hence, there is no specific policy addressing the related issues. However, the Group remains dedicated to providing exceptional service to its customers while ensuring strict adherence to relevant regulations and laws.

Innovation and Advanced Technology

Intellectual Property ("IP") Rights

As a Guangdong Province Intellectual Property Demonstration Enterprise, the Group attaches great importance to the application and maintenance of intellectual property (IP) rights, so as to protect its competitive advantages and innovation capabilities. The main directions are as follows:

1. Application and Maintenance of Intellectual Property (IP) Rights

The company has formulated an intellectual property management system that fully covers the product and technology development process to ensure that new technologies or designs are evaluated as soon as they are developed and applications for corresponding IP protection, including patents, trademarks, copyrights, software, are made. Also, the group conducts IP property evaluation every year and makes plans for IP right acquisition for the following year.

2. IP Right Protection

The Group has dedicated personnel who regularly conduct IP searches and monitoring. In addition to keeping track of the trends of industry development, the personnel also verify cases of intellectual property infringements. For infringements involving the Group's intellectual property rights, the Group will engage a team of legal professionals to provide legal advice and take effective actions to protect its own rights and interests.

3. Contractual IP Safeguards

In the Group's collaborations and partnerships with suppliers and other relevant stakeholders, the Group ensures that appropriate clauses on confidentiality and IP right protection are in place to protect the interests of both parties.

The table below presents the patents obtained during and before the Reporting Period.

Patent Type	2023	Before 2023	Total
Invention	-	7	7
Design	21	138	159
Utility	2	37	39
Total	23	182	205

Green Product Research and Development (R&D)

As a well-known enterprise in the wood plastic composite industry, the Group recognizes that product innovation and technology research and development are crucial to the sustainable development of the Group. During the reporting period, the Group received a number of honorary titles in product innovation and technology research and development. The Group has established a dedicated R&D management system to ensure that R&D and innovation activities are conducted in an orderly and strategic manner. The R&D projects launched in 2023 include new material formula upgrades, new product development, production equipment automation, and environmental protection facility optimization.

The Group has established a comprehensive R&D management mechanism. Before launching a R&D project, the Group will conduct in-depth market research and feasibility analysis to assess potential benefits and risks. To product quality assurance, during the process of new product R&D and innovation, the Group conducts multiple tests and related certifications on products to ensure that the products meet the corresponding standards and mandatory regulations, while meeting the ever-improving market needs. The aim is to provide consumers with more durable, eco-friendly, and low-carbon products which are more competitive in the market, while achieving sustainability.

The opportunities brought by the new product development include:

- Expanding new market opportunities and increasing revenue and profits;
- Enhancing brand image and competitiveness, as well as building consumer loyalty;
- Promoting technological innovation and improving the Group's standing in the industry;
- Meeting diverse consumer needs and improving customer satisfaction.

While, new product development also faces certain challenges, such as:

- Relatively high R&D costs and lengthy development cycles, requiring significant investments;
- Higher market risks and uncertainties;
- The need to adapt to new production and sales models, which may require internal adjustments within the Group.

Before launching new products, the Group conducts thorough market research and feasibility studies to evaluate the potential benefits and risks. After the new products are introduced, the Group also continuously monitors customer feedback. The Group is committed to providing more environmentally-friendly and low-carbon products through relentless innovation and advanced technological development, in order to meet evolving consumer demands and achieve sustainable growth.

Ethical and Compliant Business Practices

Anti-corruption

The Group has implemented a code of business conduct and a whistleblowing policy to ensure that all employees engage in business activities with adherence to statutory compliance and integrity. The Board holds the responsibility for developing and implementing the Group's anti-corruption program, overseeing and monitoring its effectiveness, and facilitating communication and training on the subject.

The anti-corruption policy of the Group applies to all directors, officers, and employees of the Group and third-party representatives engaged to represent the Group, including but not limited to advisers, agents, consultants, introducers and finders, and political lobbyists if there is any. The policy outlined guidelines for accepting or offering advantages, prohibiting improper payments, kickbacks and other forms of bribery, and requirements for the business partners of the Group. Employees are required to strictly abide by the laws and regulations preventing corruption, bribery, extortion, fraud and money laundering. Employees should not solicit and/or accept advantages, conduct improper transactions and/or gamble with parties having business relationships with the Group. Conflict of interest should be avoided to prevent potential damage to personal and the Group's interest and reputation.

The Group has developed comprehensive policies in the following areas:

Policy Area	Key Elements
Compliance with Laws and Regulations	<ul style="list-style-type: none"> — Strict adherence to all applicable anti-corruption laws and regulations in the Group's operating jurisdictions. — Prohibition on bribery, facilitation payments, and other corrupt practices.
Code of Conduct	<ul style="list-style-type: none"> — Robust Code of Conduct that expressly prohibits any form of corruption, including offering, giving, soliciting, or receiving bribes or improper benefits.
Gift and Hospitality Policy	<ul style="list-style-type: none"> — Clear policy governing the acceptance and offering of gifts, entertainment, and hospitality. — Thresholds and approval requirements to ensure transparency and appropriateness.
Due Diligence and Third-Party Screening	<ul style="list-style-type: none"> — Thorough due diligence on business partners, suppliers, and other third parties. — Screening for red flags or past involvement in corrupt practices.

Comprehensive Reporting and Monitoring Process

Reporting Channels	<ul style="list-style-type: none"> — The Group encourages employees and stakeholders to report any suspected instances of corruption, bribery, money laundering, or other ethical concerns through established whistleblowing channels. — This includes dedicated reporting hotlines, email addresses, and other secure reporting mechanisms.
Investigation and Response	<ul style="list-style-type: none"> — All reports received through the whistleblowing channels are investigated thoroughly and confidentially by the appropriate team or department within the Group. — The Group ensures that appropriate actions are taken based on the findings of the investigation, which may include disciplinary measures, referral to law enforcement, or other remedial actions.

Confidentiality and Non-Retaliation	<ul style="list-style-type: none"> — The Group maintains strict confidentiality throughout the reporting and investigation process to protect the identity of the whistleblower and any other parties involved. — The Group has a zero-tolerance policy for any form of retaliation against individuals who report concerns in good faith.
Monitoring and Continuous Improvement	<ul style="list-style-type: none"> — The Group regularly reviews and updates its whistleblowing and anti-corruption policies and procedures to ensure they remain effective and aligned with best practices. — The Group also provides regular training and awareness programs to employees to help them recognize and respond to potential corruption, bribery, and money laundering risks.

The Group provided anti-corruption training to 10.06% of the Group's employees, with an average training hours¹² of 0.16. There were 9 directors participated in the anti-corruption training provided by a third-party, the participated director received around 5 hours of training. The Group actively plans to enlarge the coverage of the anti-corruption training in the next Reporting Period.

The Group complied with all applicable laws prohibiting corruption and bribery in Hong Kong SAR, China, the Mainland China, and the United States. There were no legal proceedings regarding corrupt practices brought against the Group, its employees, or its business partners during the Reporting Period.

Tax Strategy and Compliance

Compliance with tax regulations and laws is a top priority for the Group. This involves fulfilling all reporting requirements, maintaining meticulous records, and submitting tax returns in a timely manner. The Group works closely with its external tax representative to stay updated on any changes in tax policies and regulations, ensuring full compliance at all times. The Group has a comprehensive tax strategy in place to ensure responsible and compliant tax practices. With regard to the company-related tax information publicly disclosed in the GEM of China, the Company's tax strategy is reviewed by Finance Department and Human Resources Department, which are responsible for implementing and overseeing all tax related matters within the organization. Resolutions on the Company's major tax strategies are provided by the Internal Audit Department and corresponding executive committee of the Board of Directors, when necessary. These departments are responsible for all tax related matters within the organization, including ensuring its compliance with the corresponding tax regulations, such as Tax Law of the PRC, the Inland Revenue Ordinance (IRO) of Hong Kong SAR, China, the Mainland China, and the Texas Tax Code of the United States.

¹² The average training hour per employee is calculated by the total training hour of all participated employees divided by total number of employee, as of 31 December of the Reporting Period.

The Group's approach to tax management is closely aligned with its overall business and sustainable development strategies. By effectively managing its tax obligations, the Group aims to maintain financial stability, support growth initiatives, and contribute to the long-term sustainability of the business. Compliance with tax regulations also aligns with the Group's commitment to ethical and responsible business practices.

The Group recognized the potential challenges regarding tax regulations updates, such as:

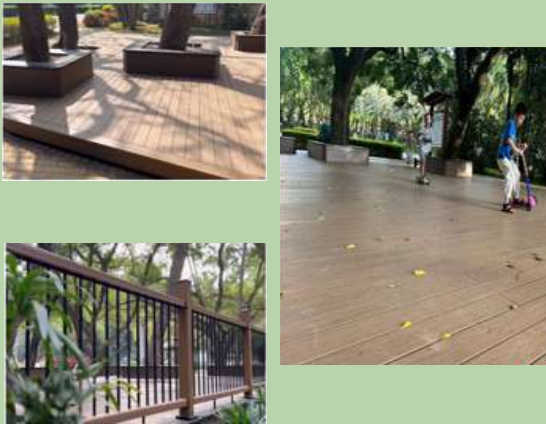
1. Increased business costs
2. Decline in consuming power of the society

To address these challenges, the Group focuses on expanding its business activities to drive higher sales, reducing product costs, and improving production efficiency. Additionally, the Group strictly adheres to national tax regulations and has established a robust financial management system to ensure compliance and avoid any non-compliant practices. There was no non-compliance against the tax laws and regulations.

Community Investment

The Group's community investment covers a range of areas, including sports and recreation facilities, community welfare initiatives, and infrastructure development projects that benefit the local communities in Huizhou. The table below shows the Group's contributions in various categories and details:

Category	Description	Amount (RMB)	
Sports and Recreation	Construction of a sports field in Renshanjian Village, Huizhou	24,475	
Community Welfare	Consoling and providing gifts (36 boxes of iced tea) to sanitation workers in Huizhou	2,160	

Category	Description	Amount (RMB)	
Infrastructure Development	Construction of sports and leisure areas in Huizhou Nanhu Park	150,668	
Infrastructure Development	Construction of a lakeside boardwalk in Huizhou Xizhi River Park	260,200	
Infrastructure Development	Construction of the Huizhou Talent Park and boardwalk	59,510	

4. Appendices

Appendix I – GRI Standards Content Index

Statement of use	Newtechwood Corporation has reported in accordance with the GRI Standards for the period January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Application GRI Sector Standard	Not Applicable

GRI Standard /other sources GRI	Disclosure	Section(s)	Omission		
			Requirement(s) Omitted	Reason	Explanation
General Disclosures					
	The organization and its reporting practices				
GRI 2: General Disclosure 2021	2-1 Organizational details	Scope and Reporting Period Newtechwood's Commitment to Sustainable Products			
	2-2 Entities included in the organization's sustainability reporting	Scope and Reporting Period			
	2-3 Reporting Period, frequency and contact point	Scope and Reporting Period Stakeholders' Feedback			
	2-4 Restatements of information	No information restatement			
	2-5 External assurance	No external assurance has been conducted			
	Activities, value chain and other business relationships				
	2-6 Activities, value chain and other business relationships	Newtechwood's Commitment to Sustainable Products Supply Chain Management			
	2-7 Employees	Employment and Labour Practices			
	2-8 Workers who are not employees	The Group did not involve in a significant portion of Group's activities performed by workers who are not employees. Employment and Labour Practices			

GRI Standard /other sources GRI	Disclosure	Section(s)	Omission		
			Requirement(s) Omitted	Reason	Explanation
	Governance				
	2-9 Governance structure and composition	Governance Structure and Composition			
	2-10 Nomination and selection of the highest governance body	Governance Structure and Composition			
	2-11 Chair of the highest governance body	Governance Structure and Composition			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure and Composition			
	2-13 Delegation of responsibility for managing impacts	ESG-enhanced Cooperation Governance Structure and Composition			
	2-14 Role of the highest governance body in sustainability reporting	Our Sustainability Governance			
	2-15 Conflicts of interest	Governance Structure and Composition			
	2-16 Communication of critical concerns	The Board's Engagement			
	2-17 Collective knowledge of the highest governance body	The Board's Engagement			
	2-18 Evaluation of the performance of the highest governance body	Governance Structure and Composition			
	2-19 Remuneration policies	Governance Structure and Composition			
	2-20 Process to determine remuneration	Governance Structure and Composition			
	2-21 Annual total compensation ratio	Governance Structure and Composition	Annual total compensation of top earners	Involves internal confidential information	
	Strategy, policies and practices				
	2-22 Statement on sustainable development strategy	Board Statement			
	2-23 Policy commitments	ESG-enhanced Cooperation The Environment and Natural Resources Operating Practices			
	2-24 Embedding policy commitments	Operating Practices			
	2-25 Processes to remediate negative impacts	Stakeholder Engagement and Materiality Assessment The Board's Engagement The Environment and Natural Resources			
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement and Materiality Assessment			

GRI Standard /other sources GRI	Disclosure	Section(s)	Omission		
			Requirement(s) Omitted	Reason	Explanation
		The Board’s Engagement			
	2-27 Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations during the Reporting Period.			
	2-28 Memberships associations	The Group is a Deputy Director Unit of the China Plastics Association Wood Plastic Products Committee during the Reporting Period.			
	Stakeholder engagement				
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment			
	2-30 Collective bargaining agreements	There were no collective bargaining agreements in the Group during the Reporting Period.			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment			
	3-2 List of material topics	Results I - Materiality Matrix Results II - Assessment of Impacts			
GRI 205: Anti-corruption 2016					
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethical and Compliant Business Practices			
GRI 205-3	Confirmed incidents of corruption and actions taken				
GRI 207: Tax 2019					
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethical and Compliant Business Practices			
GRI 207-1	Approach to tax				
GRI 207-2	Tax governance, control, and risk management				
GRI 207-3	Stakeholder engagement and management of concerns related to tax				
Environmental Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental			
GRI 2-27	Compliance with laws and regulations				
Green Product Research and Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation and Advanced Technology			
GRI 416 Product Quality 2016					

GRI Standard /other sources GRI	Disclosure	Section(s)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	Product Responsibility			
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services				
Innovation and Advanced Technology					
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation and Advanced Technology			
GRI 301: Material Consumption 2016					
GRI 3: Material Topics 2021	3-3 Management of material topics	Packaging Materials			
301-1	Materials used by weight or volume				
301-2	Recycled input materials used				
GRI 403: Occupational Health and Safety2018					
GRI 3: Material Topics 2021	3-3 Management of material topics	Workers’ Rights and Interests			
403-1	Occupational health and safety management system				
403-2	Hazard identification, risk assessment, and incident investigation				
403-3	Occupational health services				
403-4	Worker participation, consultation, and communication on occupational health and safety				
403-5	Worker training on occupational health and safety				
403-6	Promotion of worker health				
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				
403-8	Workers covered by an occupational health and safety management system				
403-9	Work-related injuries	No significant work-related injuries were recorded during the Reporting Period.			