Sustainable Issue Performance and Targets

Material Issue | Achieved | Not Achieved

Management Purpose	KPI	2023 Target	2023 Performance	Status	2024 Target	2028 Target
Occupational Health & Safety	**Management Approach:** Establish ISO 45001 OHS management systems, regularly inspect and review work processes, and implement the PDCA cycle to raise awareness, assess risks, and ensure the health and safety of all workers in the workplace. **Evaluation Mechanism:** Monthly/quarterly/yearly tracking of management indicators through the Safety and Health Production Committee.					
Promote OHS culture and enhance risk management, injury prevention, and emergency response capabilities to create a safe workplace for all workers	▶ Obtain/maintain ISO 45001 certification	▶ Obtain/maintain ISO 45001 certification	▶ Maintained ISO 45001 certification in all major facilities	☑	▶ Obtain/maintain ISO 45001 certification in all major facilities	▶ Obtain/maintain ISO 45001 certification in all major facilities
	▶ Major occupational disease incidences	▶ No major occupational diseases	▶ No major occupational diseases	☑	▶ No major occupational diseases	▶ No major occupational diseases
	▶ Major occupational injury incidences [1]	▶ No major occupational injuries	▶ No major occupational injuries	☑	▶ No major occupational injuries	▶ No major occupational injuries
	▶ Major infectious disease incidences	▶ No major infectious diseases	▶ No major infectious diseases	☑	▶ No major infectious diseases	▶ No major infectious diseases
Climate Strategy	**Management Approach:** Introduce ISO 14064-1 to all facilities and annually conduct GHG inventory to manage related emissions and work towards reaching the 2040 Net Zero Carbon Emissions goal. **Evaluation Mechanism:** Annual review of facility GHG emissions to ensure ISO 14064-1 certification.					
Monitor and reduce GHG emissions as part of the Low Carbon strategy	▶ Obtain ISO 14064-1 certification	▶ Obtain ISO 14064-1 certification	▶ Obtain ISO 14064-1 certification	☑	▶ Obtain ISO 14064-1 certification for all major facilities	▶ Obtain ISO 14064-1 certification for all major facilities
	▶ GHG Scope 1 & 2 absolute emissions	▶ 17.5% decrease from 2016	▶ 79% decrease from 2016	☑	▶ 20% decrease from 2016	▶ 30% decrease from 2016
	▶ GHG Scope 3 absolute emissions	▶ 4.5% decrease from 2020	▶ 53% decrease from 2020	☑	▶ 6% decrease from 2020	▶ 12% decrease from 2020

Note:
1. Number of occupational injury deaths.

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🔍 Material Issue ☑ Achoeved ☐ Not Achieved

Management Purpose	KPI	2023 Target	2023 Performance	Status	2024 Target	2028 Target
🔍 **Energy Management**	**Management Approach:** Establish ISO 50001 energy management systems to improve energy efficiency and reduce the risk of changes in energy supply, cost, and demand, enhancing business sustainability. **Evaluation Mechanism:** Annual review of regulations and site energy consumption ratios to propose energy saving improvement projects and ensure energy intensity performance.					
Improve energy efficiency and reduce energy costs	▶ Electricity intensity	▶ 8% decrease from 2015	▶ 31% decrease from 2015	☑	▶ 9% decrease from 2015	▶ 13% decrease from 2015
🔍 **Waste Management**	**Management Approach:** Comply with local waste management regulations, implement waste separation and reduction, continuously review and reduce the total amount of waste. **Evaluation Mechanism:** Monthly review of waste types and total amount of waste on site and confirm no violation of regulations.					
Reduce waste generation and disposal costs through effective recycling and reuse of resources	▶ Hazardous waste generation intensity	▶ 1% decrease from the previous year	▶ 8.6% decrease from the previous year	☑	▶ 1% decrease from the previous year	▶ 1% decrease from the previous year
	▶ Non-hazardous waste recycling rate	▶ Non-hazardous waste recycling rate reaches 90%	▶ Non-hazardous waste recycling rate reaches 91.5%	☑	▶ Non-hazardous waste recycling rate reaches 90%	▶ Non-hazardous waste recycling rate reaches 90%
Air Pollution Control						
Reduce facility air pollution emissions and improve air quality	▶ Air pollution violations	▶ No significant air pollution violations [1]	▶ No significant air pollution violations	☑	▶ No significant air pollution violations	▶ No significant air pollution violations
Water Management						
Increase process water recovery rate to reduce water demand and risks	▶ Water intensity	▶ 8% decrease from 2015	▶ 19.8% decrease from 2015	☑	▶ 9% decrease from 2015	▶ 13% decrease from 2015

Note:
1. The definition of significant fine or penalty is sanctions over USD 10,000 (CNY 70,000).