





## About This Report

This report is the 9th Environmental, Social and Governance (ESG) Report of Flat Glass Group Co., Ltd. , aiming to disclose the Company's concepts, well-established management methods, efforts implementation and achievements in relation to ESG issues during the course of operation to investors and other stakeholders.

This report is prepared in accordance with Standards for the Contents and Formats of Information Disclosure by Companies

## ESG Performance Highlights

### Economic Performance

Revenue

RMB **18,682.60** million

Net asset per share

RMB **9.30**

Total profit

RMB **1,128.51** million

Social contribution value per share

RMB **1.29**

Note: Social contribution value per share = basic earnings per share + (total tax payments + total employee wages and benefits paid by the company + interest on borrowings from banks and other creditors + value created for other stakeholders such as donations - other social costs due to environmental pollution, etc.) / total number of shares issued by the company.

### Social Performance

Total employees

**7,898**

Male employees

Approximately **73.15%**

Female employees

Approximately **26.85%**

Investment in public welfare

RMB **1,661.4** thousand

Participation in volunteer activities

**640** hours

### Environmental Performance

Total energy consumption per unit of revenue

**9.70** MWh/RMB'0,000

Water consumption per unit revenue

**6.07** m<sup>3</sup>/RMB'0,000

Greenhouse gas (GHG) emissions per unit of revenue Scope 1 and Scope 2

**3.12** tCO<sub>2</sub>e/RMB'0,000

Non-hazardous waste generated per unit of revenue

**15.73** kg/RMB'0,000

Hazardous waste generated per unit of revenue

**0.31** kg/RMB'0,000



Honors and recognitions of Flat Glass in 2024

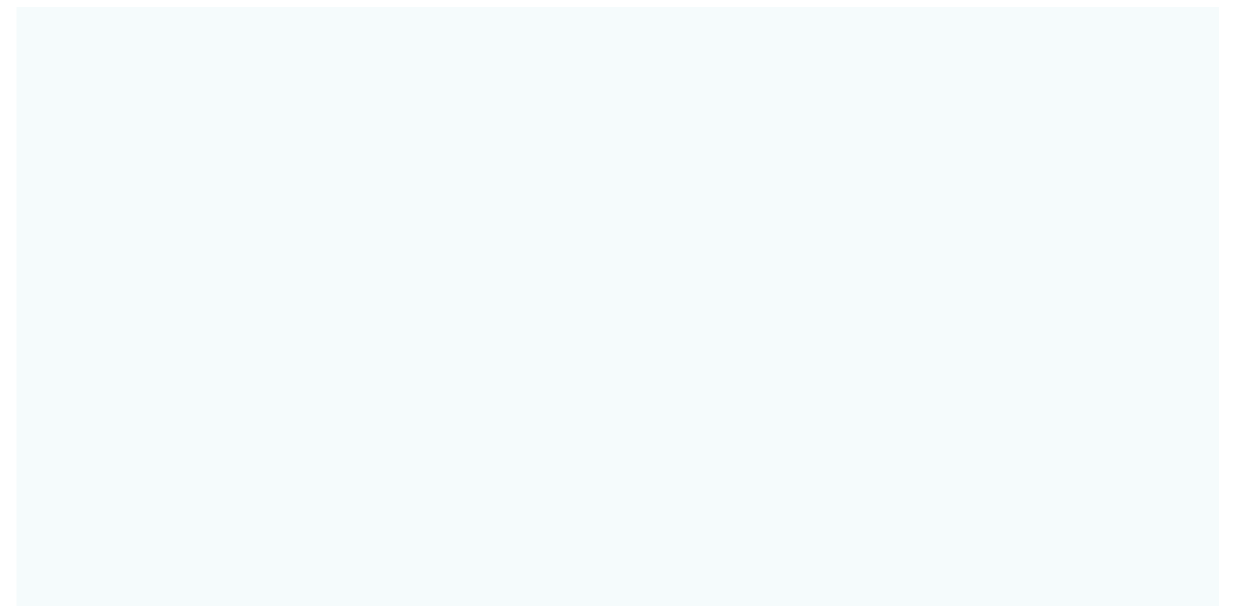
### Procedures of Materiality Analysis of Issues

The Company carries out the identification, assessment, ranking and reporting of material issues combining with the industry development trend and its own development strategy, with reference to the latest requirements of sustainable development / ESG reporting standards both domestically and abroad.

In 2024, with reference to the Sustainability Reporting Guidelines of China Association for Public Companies, the Company

Factors considered in materiality analysis of issues of Flat Glass in 2024

Procedures of materiality analysis of issues of Flat Glass in 2024



## Stakeholder Communication

The Company always takes communication with stakeholders as an integral part of its operation and management. The Company establishes a normalized communication mechanism such as regular meeting and information disclosure for major stakeholders including shareholders and investors, government and regulatory agencies, customers (B2B), suppliers, employees, industry associations, communities and environment, and actively responds to their demands and expectations.

### Major stakeholders and communication of Flat Glass

Major stakeholders	Issues	Methods/ channels of communication
Shareholders and investors	<ul style="list-style-type: none"> <li>Compliance and risk management</li> <li>Corporate governance</li> <li>Business ethics and anti-corruption</li> <li>Innovation-driven</li> <li>Supply chain security</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders' General Meeting</li> <li>Information disclosure</li> <li><a href="http://sns.sseinfo.com/">http://sns.sseinfo.com/</a></li> <li>Receive investors for survey</li> <li>Attend strategy meetings/ investor presentations</li> </ul>
Governments and regulators	<ul style="list-style-type: none"> <li>Compliance and risk management</li> <li>Business ethics and anti-corruption</li> <li>Climate change tackling</li> <li>Discharge and waste management</li> <li>Environmental management system</li> <li>Ecosystem and biodiversity protection</li> </ul>	<ul style="list-style-type: none"> <li>Compliance complaint platform of Flat Group</li> <li>Project cooperation</li> <li>Communication through meeting</li> <li>Supervision and inspection</li> </ul>
Customers (B2B)	<ul style="list-style-type: none"> <li>Product quality management</li> <li>Innovation-driven</li> <li>Information security and privacy protection</li> <li>Supply chain security</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer visit</li> <li>Attending industry communication activities</li> <li>Technical supervision</li> <li>Safety inspection</li> <li>Industry-academia-research institutes collaboration</li> <li>Confidentiality mechanism</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Supply chain environmental and social risk management</li> <li>Business ethics and anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>Supplier evaluation and survey</li> <li>Supplier training</li> <li>Compliance complaint platform of Flat Group</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Employees' interests and benefits</li> <li>Employee training and development</li> <li>Production safety</li> </ul>	<ul style="list-style-type: none"> <li>Regular meeting</li> <li>Employee activity</li> <li>Complaints and feedback</li> <li>Occupational disease protection Safety production management</li> </ul>
Industry associations	<ul style="list-style-type: none"> <li>Innovation-driven</li> <li>Anti-unfair competition</li> </ul>	<ul style="list-style-type: none"> <li>Industry associations</li> <li>Industry-academia-research institutes collaboration</li> <li>Intellectual property management system</li> <li>Attending industry communication activities</li> </ul>
Community and environment	<ul style="list-style-type: none"> <li>Rural revitalization and public welfare activities</li> <li>Climate change tackling</li> <li>Discharge and waste management</li> <li>Environmental management system</li> <li>Energy management</li> <li>Water resources management</li> </ul>	<ul style="list-style-type: none"> <li>Rural revitalization and public welfare activities</li> <li>Volunteer service</li> <li>Identification of and responding to climate-</li> </ul>

## Conclusion of Materiality Analysis of Issues

In 2024, combined with the standard benchmarking, policy analysis and peer benchmarking, the Company adjusted the issues in the previous year, identified and selected 19 issues, and formed a list of ESG issues. Among them, there are 6 issues in environmental dimension, 9 issues in social dimension and 4 issues in corporate governance dimension.

### List of issues of Flat Glass in 2024

### Changes in material issues of Flat Glass in 2024



According to the analysis of internal and external experts of the Company, combined with materiality threshold set, out of 19 ESG issues of the Company, 5 issues are of double materiality, 5 issues are of only financial materiality, and 6 issues are of only influential materiality.





## ESG Management Structure

Flat Glass fully integrates ESG concept into strategies and daily operations of the Company. The Board of Directors supervises ESG matters in all respects and is responsible for the effectiveness of management, authorizes the management and its ESG committee to implement ESG management work, and promote the effective implementation of ESG work from top to bottom.

### ESG management structure of Flat Glass



In addition, the Company has adopted the core method of 6S management assessment<sup>2</sup>, and set up ESG-related assessment metrics including output, quality, cost, equipment management, safety and environmental protection in the performance and remuneration assessment of the management, so as to realize the ESG performance-linked remuneration.

## ESG Goals and Achievement

The Company has clearly planned its ESG development pathways. In early 2022, the Company issued four medium and long term ESG goals, and deployed an internal data monitoring system, which can track the progress of the monthly qualitative data and analyze the data trends for continuous improvement. In 2024, the Company took various measures including energy conservation and carbon reduction in operation, emission and waste reduction, treatment efficiency improvement, to steadily promote the achievement of its ESG goals.

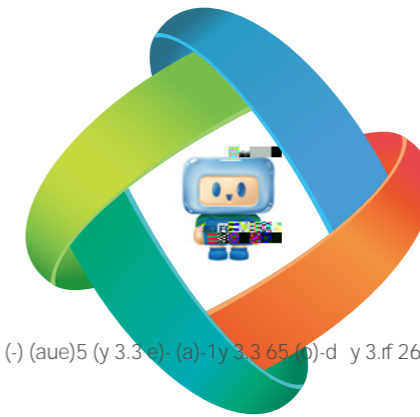
### Four medium and long term ESG goals of Flat Glass

#### Water use goal

By 2025, the Company will reduce water consumption per unit revenue by 3% compared to 2021.

#### Waste reduction goal

The Company will



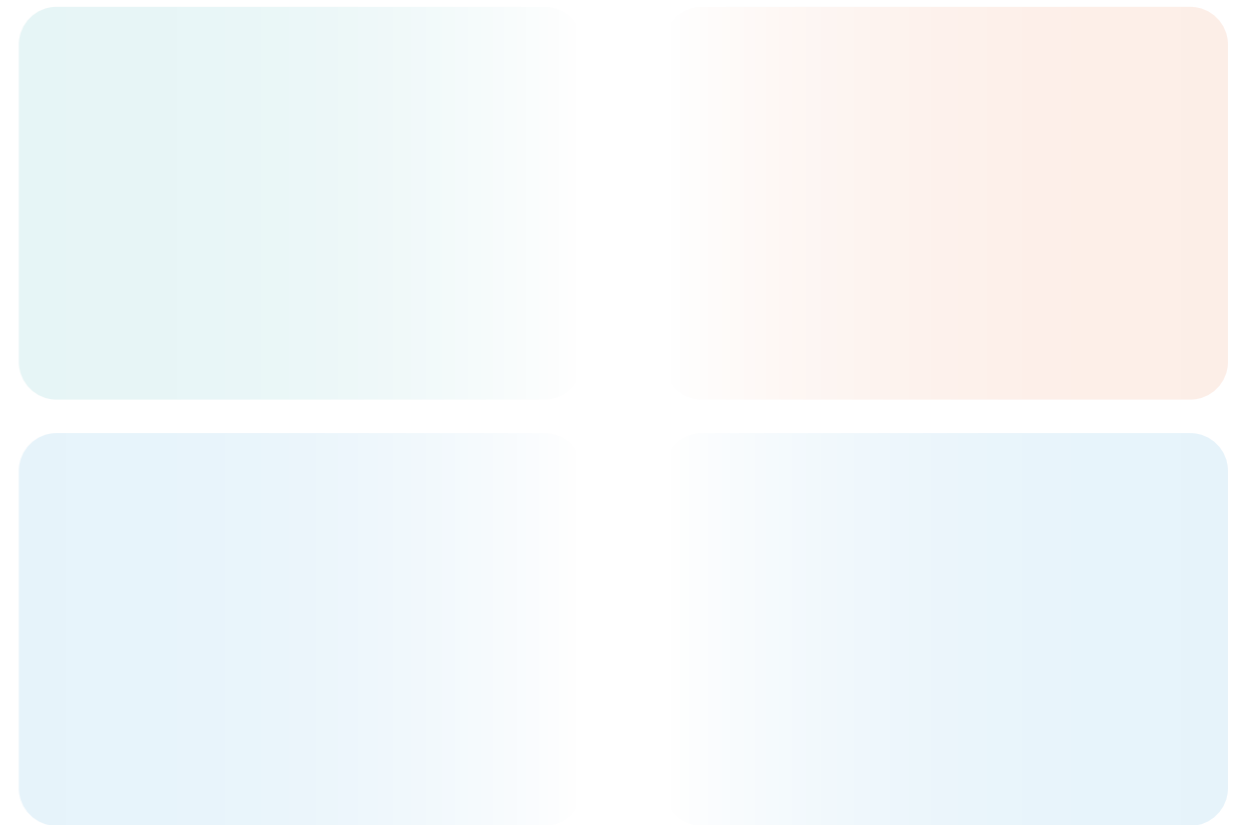
### Achievement of four goals of Flat Glass in 2024

Meanwhile, the Company set short term goals during daily management process of each material issue, which was in turn optimized under the guidance of such goals. Through the aggregation of the management efficiency of each issue, the Company formed a strong synergy to jointly promote the sustainable development of the Company, thus laying a solid foundation for the realization of long-term strategic goals. For details of the short term goals of each materiality issue, please refer to the chapters headed "Environmental", "Social" and "Governance".





Climate change is one of the most severe environmental challenges facing the world today. In 2024, at the 29th United Nations Climate Change Conference (COP29), China and other parties to the United Nations Framework Convention on Climate Change reached the "Baku Climate Unity Pact", demonstrating the international community's determination to pool its efforts and join hands to address the climate crisis.



## Climate change tackling

PV glass business has become a key revenue driver of the Company. While recognizing the far-reaching impact of climate change on corporate strategies and operations, the Company considers the management of risks and opportunities related to climate change as a core element of green value creation.

The Company has constructed a climate change management system, with reference to the proposed framework of the International Financial Reporting Standards Sustainability Disclosure Standard No. 2 - Climate-related Disclosures (IFRS S2) by the International Sustainability Standards Board (ISSB). While effectively managing risks and capturing opportunities from climate change, the Company continues to improve management and minimize carbon footprints generated during operations.

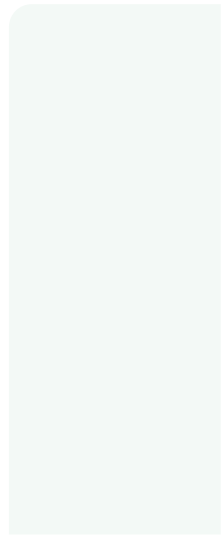
## Governance

Attaching high importance to the establishment of climate-related governance system, the Company has established a top-down and effective management structure in three levels including: supervision level, management level, and execution level.

Climate governance structure of Flatat9 an(n)-1s.299 m[03 706.8(t) (r l)-3.53 (p)-211.7 ne seg iu o pxog ioof(h)-1.7 (df p)-8.5 (m)-12 (a)-14.1 (t)-4 (e g)-15.1 (o)0.8 (v)ch

## Strategy

The Company identifies and analyzes climate risks and opportunities with higher probability of occurrence or higher degree of impact, by taking into account macro policies, the actual situation of the Company and the opinions of external experts. In 2024, the Company identified and assessed three major risks and two major opportunities arising from climate change, and planned to continue to conduct in-depth researches on risks and opportunities related to climate change, and to adopt tackling strategies for risks and opportunities related to climate change.



## Optimizing Energy Management

The main energy sources used by Flat Glass in production process are natural gas, fuel oil and electricity. Among them, natural gas and fuel oil are mainly used in the combustion process of furnace, electricity is mainly used in the operation of production equipment, and diesel oil and other energy sources are mainly used in the mining process of quartzite.

Adhering to the principle of "energy conservation and consumption reduction", the Company has formulated the Resource and Energy Management Measures, and continued to deepen the rational utilization, management and control of energy in the Group at all levels, through the two major paths, namely energy use efficiency improvement and energy structure transition.

### Major energy use efficiency improvement, transformation measures and achievements of Flat Glass in 2024

Path I	Energy use efficiency improvement	<ul style="list-style-type: none"> <li>Upgraded transformers and production equipment for energy-saving purpose. Replaced a total of 16 energy-saving transformers and 1 set of high-speed energy-saving air knife centrifugal blowers. Approximately 114.5 tons of standard coal has been saved annually.</li> <li>Strengthened energy management and control measures, improved energy management system, and optimized energy structure.</li> </ul>
--------	-----------------------------------	--

## Clean Technology Innovation

### Governance

PV glass is the the core strategy of the Company, and its technology and R&D improvement has become a key component in the future development plan. For which, the Board of Directors of the Company takes full responsibility, and ensures that the technological paths are consistent with the long-term targets of the Company, through the proposals on relevant R&D directions considered regularly by the Strategy Committee under the Board of Directors.

The president of the Company is responsible for setting the main directions of R&D and innovation, establishing an R&D center reporting directly to him/her, comprehensively promoting innovation of the Company. Emphasis shall be put on three main directions, namely advanced technology R&D, process and technology optimization, and industry-university-research cooperation.

### Strategy

As one of the pioneers in industrial layout of PV glass in mainland China, Flat Glass has become a widely recognized leading enterprise in the industry, leveraging its dominant technological advantages, advanced production process, and global layout. Since 2019, the Company has been attracted to enter the PV glass market due to the the high growth potential. On this regards, the market competition has been intensified.

Since 2006, the Company has expanded into the area of PV glass, and made continuous efforts into this area when seeing the huge development opportunity. In recent years, the Company has been actively dealing with the emerging risks of market competition. Moreover, the Company has been committed to maintaining its industry-leading position in PV glass technology, through continuous capital investment and technological innovation, while promoting the overall development in the area of clean energy.

### Main risks and opportunities from R&D and innovation identified by and tackling strategies of Flat Glass

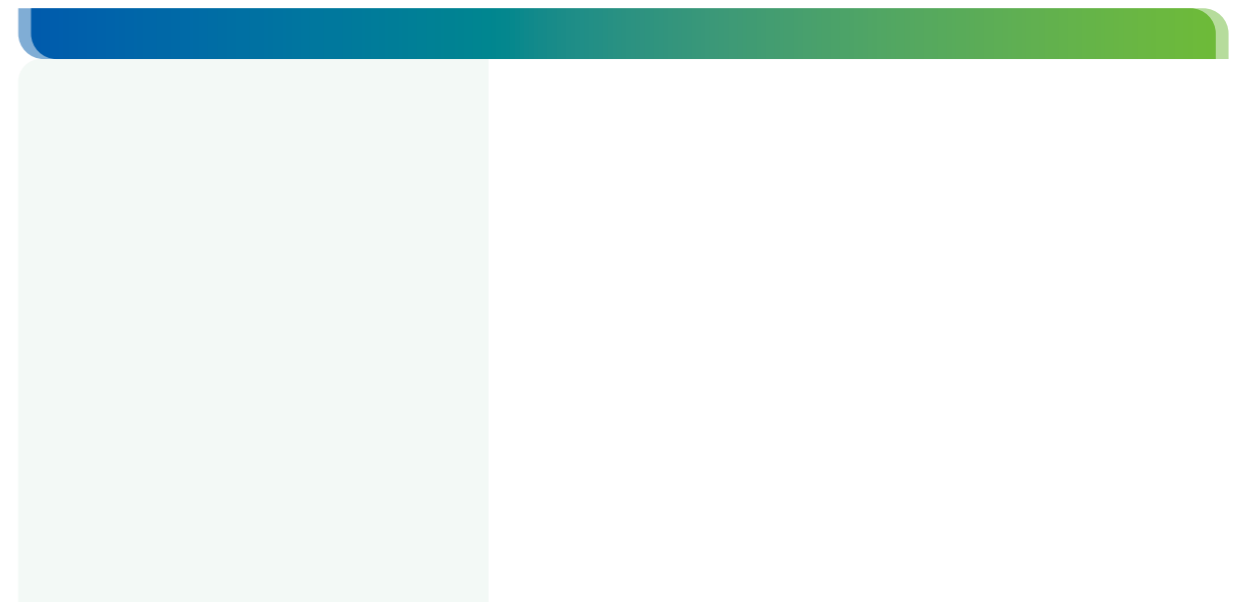
--	--

### Key R&D and innovation measures of Flat Glass in 2024

- 
- 
- 
- 
- 
- 
- 

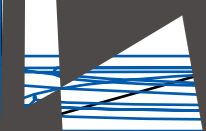
### Metrics and Targets

The Company focuses on R&D of PV glass, and establishes a long-term development goal of "maintaining a leading position in the industry through investment in R&D". To this end, the Company sets specific metrics to track and assess the results of clean technology innovation and R&D.



# Environmental Management System

In strict compliance with laws and regulations including the Environmental Protection Law of the People's Republic of China and the Law of the People's Republic of China on Environmental Impact Assessment, the Company has set up environmental m(b)-9.7 7.2 (p)8.3 (e)-14.4 (n)-6.2 (t)-7..9 ('l)-72.6 (u)-18.4 (n)-642 (t)-7.6 (a)-4.2 (l p(u)-1.8 (s i2 (a)2.19.1 (t c)-16.4 (04 (n)-6.8 e14.59.6 (e)-1.8 . O t)-64.8 (-10.4 (ca(y)11.1s98 04.5 (f2-13.6 (h)-12.8 (e P)-9.2 (e)-2.6 (6 (i)-3 (m)-14.3 ((g)-16.6 (v)-10.7 (i)-8.1 (r)-2.6 (o)-14.4 (n)-12.1 (m)-14.3 (e)-



Certification of environmental management systems of Flat Glass and its subsidiaries

In addition, the Company actively heightens the awareness of environmental compliance. The Company ensures the management to attach importance to environmental protection goals by incorporating the 6S management assessment and environmental performance into the remuneration assessment system of the responsible officer of each production base. At the same time, the Company regularly conducts self-inspection of environmental protection, and carries out compliance disposal



## Water Resource Management

Water resources consumption, which mainly involves the mixing of raw materials, glass cleaning, equipment cooling, daily water use, etc., produced in both production process and office operations of Flat Glass. The water supply source of the Company is mainly municipal water supply. There is no difficulty in obtaining water source, and there is no significant impact on the environment in the process of obtaining water.

The Company attaches great importance to water use management, establishes the concept of water resources management, and continues to improve the construction of water resources management system. The Company has formulated the Water Conservation Management System and the Planned Water Use Management System. The Company has established a water resources management system with the leading group of water conservation as the core, and the collaboration of all functional departments and production divisions, to further strengthen the sustainable management of water resources.

In 2023, the Company successfully declared itself as water conservation enterprise. On this basis, in 2024, the Company continued to carry out standardized and normalized water resources management by taking measures including tracking and monitoring, water recycling, and daily water conservation.

The Company has set clear targets for water use and formulated the 2023-2025 Water Conservation Action Plan. The Company actively promotes various water conservation measures through the implementation of the target responsibility system, so as to ensure the effective implementation of water conservation work.





## Metrics and Targets

The Company has set clear targets for "three-waste" management, and monitors the real-time emissions relying on the

### Three-waste management targets and achievement of Flat Glass in 2024



## Ecosystem and Biodiversity Protection

The Company's production bases are located in the industrial parks without involving ecologically sensitive areas. Therefore, the impact of the production and operating activities on the ecosystem and biodiversity is insignificant.

In terms of the quartzite mining business, the environmental impact assessment results of each mine of the Company show that the impact of mining construction on the ecosystem is relatively limited. Moreover, the Company will carry out comprehensive ecological restoration after the expiration of the mining service.

Each mining area of the Company has formulated a Plan on Mine Geological Environment Protection And Land Reclamation and a perfect responsibility mechanism. While uniformly deploying and coordinating the governance and reclamation work with the production and construction activities, each mining area focuses on promoting the governance of mine geological disasters, geological environment monitoring and land reclamation in mining areas, so as to ensure the timely completion of ecological restoration of the geological environment and the sustainable development of the mining areas.

### Ecosystem governance and restoration mechanism of the mining areas of Flat Glass





## Product Quality and Customer Management

### Governance

The Company carries out quality management strictly abides by relevant laws and regulations including the Law of the People's Republic of China on Product Quality and Standardization Law of the People's Republic of China, as well as national standards including the Laminated Solar Photovoltaic (PV) Glass in Building GB29551-2023. The Company has formulated and improved the internal management systems including the Specification on Auxiliary Materials and Incoming Inspection of Flat Group and Standards on Customer Service Management Standards on Customer Service Management, and continued to improve the establishment of quality and customer management systems. The Company has set up Group Quality Control Department, Business Division Quality Control Department and Sales Department to perform quality control work, under the supervision of the Board of Directors and overall coordination of ESG Committee.

### Product quality and customer management policies of Flat Glass

### Strategy

The Company comprehensively identifies and responds to the risks existing in the process of product quality and customer management, establishes the Risk and Opportunity Assessment and Analysis Table, and makes the response and management in advance.

### Main risks related to product quality and customer management identified by and tackling strategies of Flat Glass

Types of main risks	Impact time horizons	Financial impacts	Tackling strategies
Risks caused by changes to applicable laws and regulations and customer requirements	Medium and long term	Increased operating costs	<ul style="list-style-type: none"> <li>Improve internal control standards.</li> <li>Strengthen the control of</li> </ul>

Product quality and customer management

Information security and privacy protection

Supply chain security

Supply chain environmental and social risk management





The Company attaches great importance to customer feedback, formulates the Customer Satisfaction and Measurement Control Procedures, and carries out regular customer satisfaction surveys. The Company sends the Customer Satisfaction Survey Form to customers every year to investigate their satisfaction with various aspects including the product quality, price, delivery date, after-sales service and cooperation of the Company, collect relevant opinions and suggestions, and formulate corresponding corrective or preventive measures to improve the analysis results.

Customer communication is the priority of improving customer service. The Company actively carries out customer communication activities by different means such as customer visits and participating in industry associations and technical communication meetings. The Company also timely understands the demands and feedbacks of customers and market, collect customer advice for products and technology, improve the influence and visibility in the industry, so as to further expand business channels.

Participating ini17.8 (n)-12.7 (t)-6.7cs28 0 (a)-3.7 (s)-7.9 (u)-10.6 (a)-16.he 97.8 (n)73.1 (T)26.9 ( a)-3.7.7 5u)67 (j)-1738 (

### Customer service management

The Company is committed to improving customer satisfaction through establishing a sound customer service work system and complaint feedback processing process. The Customer Service Office under Sales Department of the Company is responsible for receiving customer complaints and ensuring first time send information of customer complaints to the Quality Control Department, performing quality traceability work in a timely manner, and constantly improving the quality of products and services.

#### Standardized handling process of customer complaints of Flat Glass



## Information Security and Privacy Protection

In accordance with laws and regulations incloow (I)-7w



## Supply Chain Management





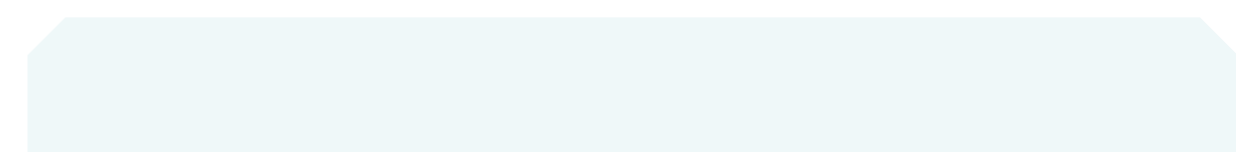


## Safeguarding Employee Safety

Implementing the production safety management policy of "safety first, prevention-oriented, comprehensive governance" while insisting on the principles of "safety management is a must no matter for the management of industry, business, production and operation" and "the one who manages is the one who is responsible for", the Company strengthens the leadership and management of production safety work, prevents and reduces safety accidents, safeguards life and property safety of the Company and employees.

### Governance

Upholding the value of fusion and symbiosis and sharing, which is a sign of enterprise responsibility, the company is building a team. Meanwhile, through carrying



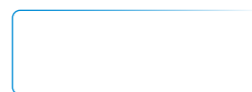
### Identification of main risks in safety production and tackling strategies of Flat Glass

Risk types	Tackling strategies
Risk of safety accidents <small>accidents 17.6 (00-9.5 (m6 001.8)-14.9 (i)-0.)io0-9.5 (ma)-9.7 1-9.4 (ks)-50e t067 (pe)3 (4-7.6 :)-8. nCTc Oge2 a oe tpen</small>	

### Impact, Risk, and Opportunity Management

The Company establishes a dual prevention system including hierarchical control as well as hidden hazards screening and treatment (hereinafter referred to as "dual prevention system") against safety risks. The Company comprehensively identifies all types of risks by the hierarchy of risk identification and evaluation units according to the production process or operation activities. The Company adopts LEC evaluation method<sup>3</sup> to determine the safety risk hierarchy, and takes measures to reduce or control risks from various respects such as technology, management, system, and emergency. Meanwhile, the Company establishes a long-term mechanism for risk control and screening, combined with the hidden hazards screening and treatment system. The Company also treats the failure to implement or losing effectiveness of risk control measures as hidden safety hazards, ensuring that each safety risk is controlled within an acceptable range.

#### Workflow of dual prevention system of Flat Glass

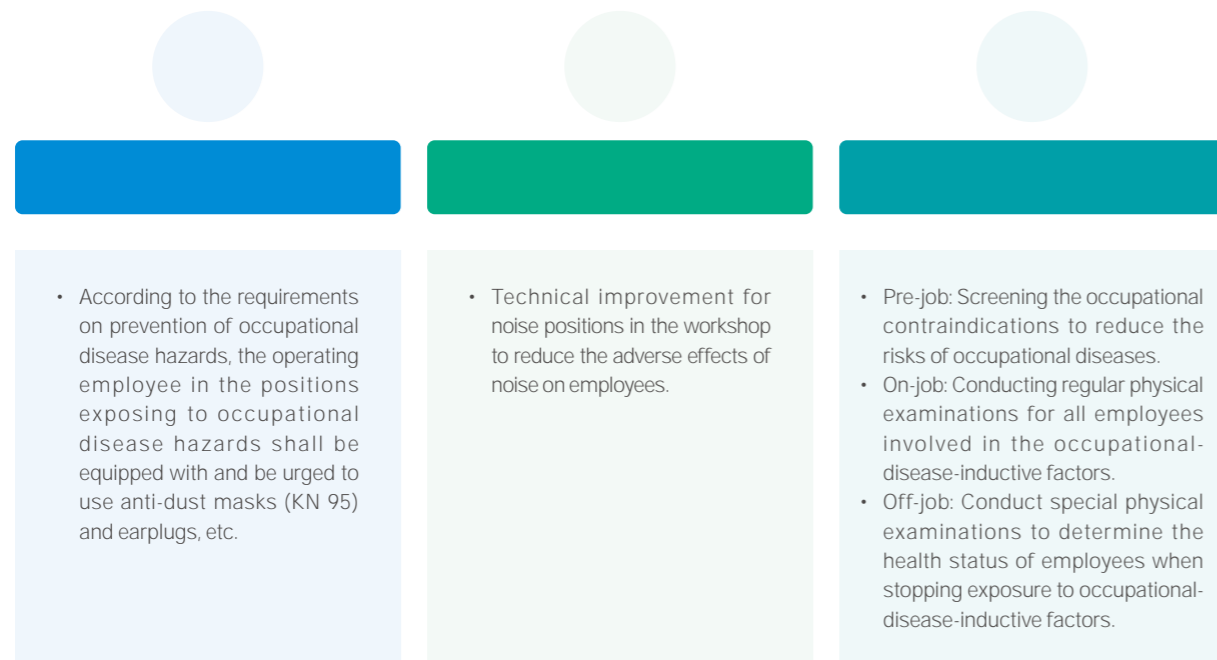
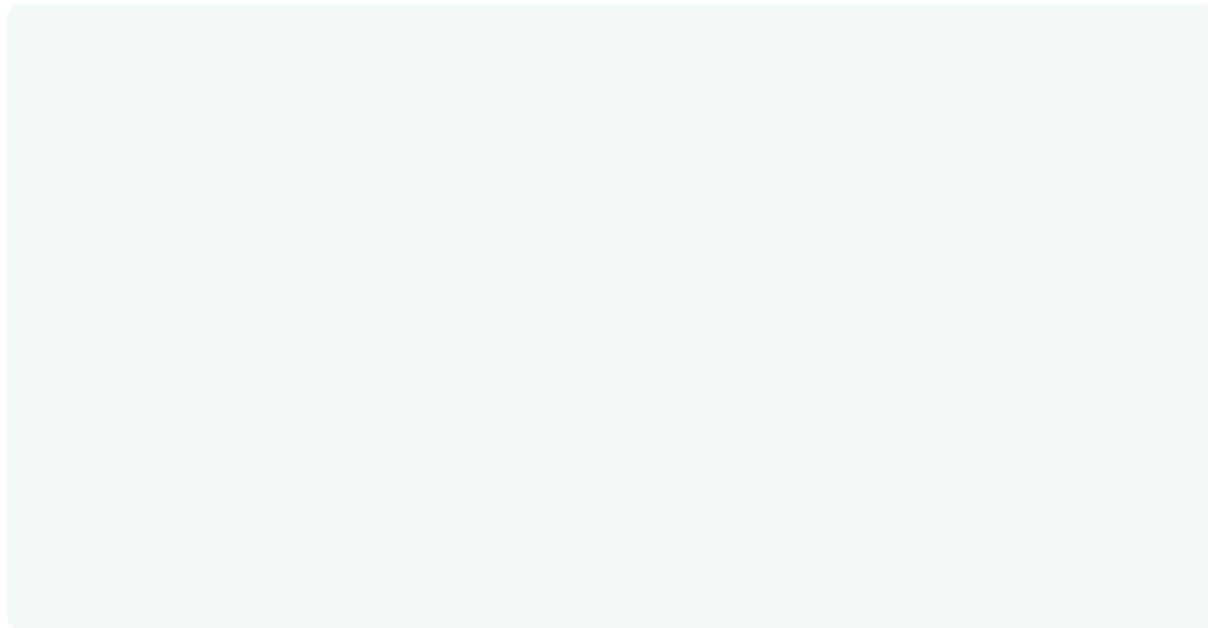


The Company attaches great importance to the cultivation and promotion of employees' safety awareness, and carries out the publicity and implementation work of safety production regularly. In 2024, the Company organized the safety production month activities to enhance the safety awareness of employees from various aspects such as building safety culture, deepening safety education, focusing on safety physical examination, and improving safety skills, so as to ensure the smooth implementation of safety production management.

### Organizing safety production month activities for 2024



Focusing on the core theme of "everyone talks about safety, everyone may have an emergency - smooth life channel" on the 23rd national safety production month, combined with the strategic deployment of safety production, the Company organized a series of "safe production month" activities for all employees to improve their safety awareness, thus laying a solid foundation for the high quality and safety development.



### Metrics and Targets

The Company has set the targets for safety production management in 2024 that align with the targets for annual production

#### Metrics and targets for safety production management and achievement of Flat Glass in 2024



## Human Capital Management

### Setting up a care and mutual aid fund



The Company has set up a care and mutual aid fund, which pays care and consolation money for important personal events such as weddings and funerals. Demonstrating its humanistic care, the Company would immediately visit the employee who is hospitalized for illness, and give him/her care and consolation money. In addition, the Company also provides special difficulty subsidies to difficult employees, and subsidizes a certain proportion of medical expenses to employees suffering serious injuries or sickness.

### Carrying out a series of activities on Women's Day



On Women's Day, Flat Group carefully planned and launched a series of activities, in order to pay a tribute to the power of women with action. This action aims to manifest the deep concern of the Company for the physical and mental health of female employees, while enriching their spiritual and cultural life, and showing the style and vitality of the female employees of Flat.

Upholding the team concept of "integration, modest and cooperation", the Company pays attention to the humanistic care of employees, and ensures work-life balance for employees. On festival occasions, such as Mid-Autumn Festival and Dragon Boat Festival, the Company would pay holiday benefits to employees, so as to improve the cohesion of the Company and the ownership mentality of employees.

### Holding traditional festival activities



On the Dragon Boat Festival in 2024, in order to carry forward the traditional culture and enrich the cultural life of employees, Flat Group specially held the theme activity of "Love and Good Health Accompanies the Dragon Boat Festival".

On the Mid-Autumn Festival in 2024, in order to further enhance the cohesive force in enterprise and the sense of belonging of employees, Flat Group organized the theme activity of "Welcome the Mid-Autumn Festival in the Moonlight".



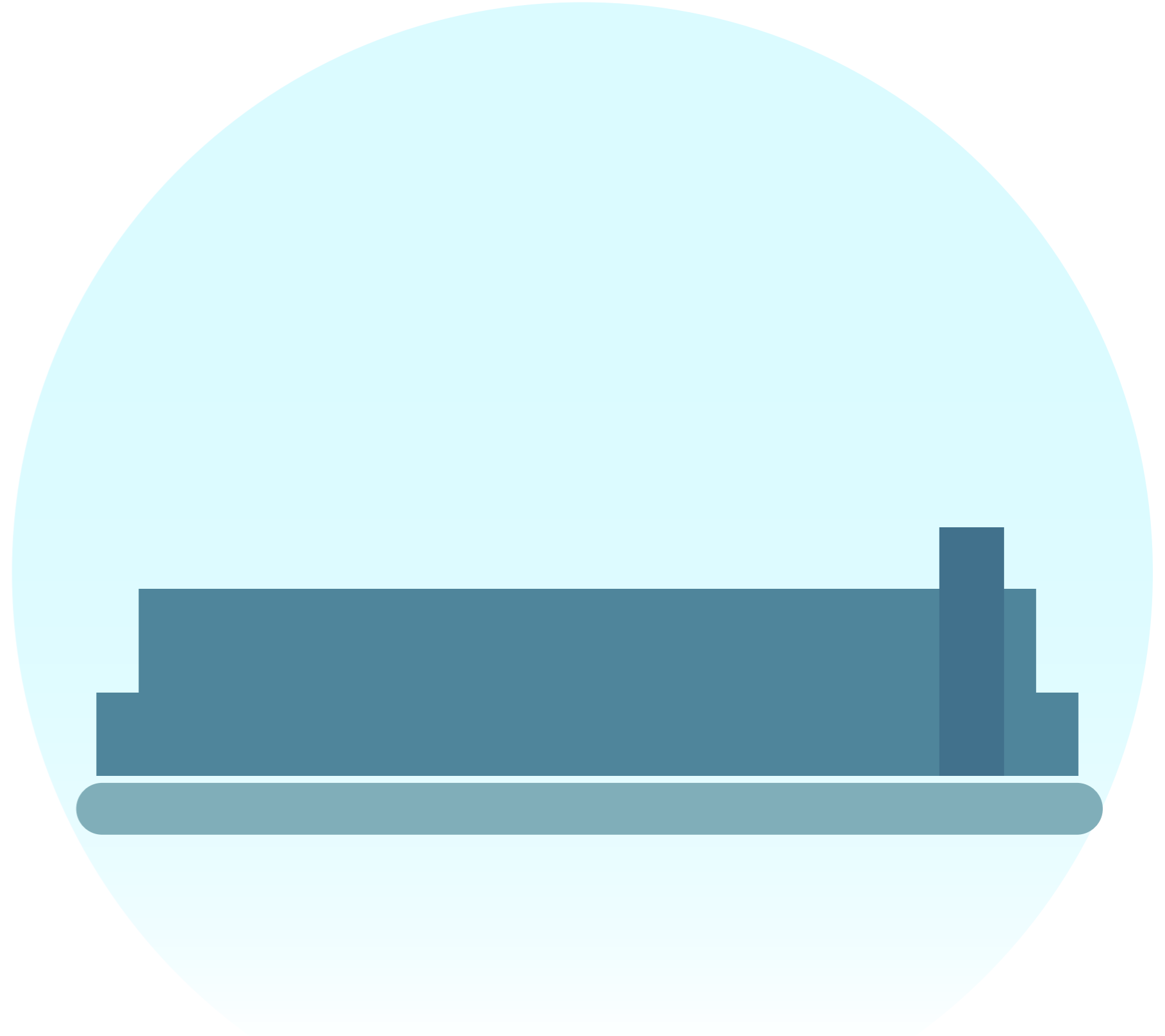


## Jointly Building a Beautiful Community

Adhering to the core values of "fusion and symbiosis, creation and sharing", in strict accordance with the Charity Law of the People's Republic of China and Law of the People's Republic of China on Donations for Public Welfare, the Company focuses on various fields including poverty alleviation, education, child care, environmental protection, actively participates in public welfare, and continues to give Flat power to the society. During the reporting period, the Company invested a total of RMB 1.6614 million in public welfare and charitable activities.

Since its establishment, the Company has always been unwaveringly fulfilling its social responsibilities, actively establishing a volunteer team, carrying out a series of charity activities and blood donation activities. Moreover, the Company has been actively responding to the national call for rural revitalization, consolidating the

the n (c)-14 (t)-3-10.7 (6.5 (e)-8.8 (s)-10.7 )-14.3 (r)-12 (p)-nta3iowetirlizi1intion, cbd bu2-15.5 (m)-12 (p)-taog the n Tw 0 -1.375 Td[(i)-8.17 (i)-14.9 (-0.9 g (i)-14.4 (r)-1.6 (e2-15.5 (m)-18.3 ()-11.s.7 (o)-8.8 (s)-10.7 )-14.3 (r)-6.1 (fo)-17.7 (o3-10.pl)-8.1(p)-





## Enhancing Corporate Governance

### Governance

As an A+H share dual listing company, the Company regulates the corporate governance pursuant to the relevant requirements of the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies and the listing rules of the Shanghai Stock Exchange and the Stock Exchange of Hong Kong and other



## Strategy





## Deepening Risk Management

### Governance

### Metrics and Targets

The Company is committed to improving corporate governance, and continues to promote the diversification, independence, effectiveness and professionalism of the Board of Directors.

Metrics and targets of corporate governance management, and achievement of Flat Glass in 2024

Composition of the Board of Directors and the Board of Supervisors, and convening of related meetings of Flat Glass in 2024







## Anti-unfair Competition

### Anti-monopoly

In strict accordance with the Anti-Monopoly Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China, the Company establishes an Anti-Monopoly Compliance Leading Group with the president as the leader, and issues the Guidelines of Anti-monopoly Compliance of Flat Group to ensure responsible trading, free and fair competition.

In addition, the Company sets up the due diligence process for investment, financing and acquisition, and extracts the financial data of both parties in the due diligence stage to judge whether they meet the conditions of declaration of concentration of businncxls0.3 (s .5 ( t)11.23 1 (n)-13.2 (c)-16.1 (e)-14.1 (n)-5.9 (o j)-6w .5 ( t).(o)-14.ln)-18-7.8 (a)-1.4hp tih (c)-16.1 (e)18.1 (n)-13.2 (i)-9.3 (o)-14.1 (n o)4.9 (f b)-11(e)-14.s5 (d)0.5 (c)-3.5(i)-4.2 -11.9 (l)-13.2 (y C)-22.4 (s)-1,1.4hp t)11.5(i)-4.2 c-6.5 11.8 (2)-9 (a)-6.7 (n)1.7 ( t)(c)-9.9 (i)-





Indicator		Unit	2022	2023	2024
Employee turnover rate <sup>1</sup>		%	13.53	18.38	22.56
By gender	Male	%	11.97	16.62	20.18
	Female	%	17.35	22.77	29.04
By employment type	Labor contract	%	12.40	18.05	21.92
	Other types of employment	%	132.88	46.39	58.27
By age group	>50 years old	%	15.18	15.90	23.39
	30 to 50 years old	%	10.54	17.81	21.12
	<30 years old	%	19.24	20.77	27.01
By geographical region	Employees in Mainland China	%	10.90	17.90	22.83
	Employees in Hong Kong, Macau, and Taiwan as well as overseas	%	35.80	24.70	24.26
Employee training investment		RMB 0,000	319.5	335	230.6
Employee training times		Time	---	---	1,188
Employee training coverage <sup>2</sup>		%	100	100	100
By gender	Male	%	100	100	100
	Female	%	100	100	100
By management level	General employee	%	100	100	100
	Mid-level employee	%	100	100	100
	Management employee	%	100	100	100
Average hours of training per employee per year for all employees		Hour	72.4	72.6	74.78
By gender	Male	Hour	60.7	72.6	76.20
	Female	Hour	100.7	72.7	70.91
By management level	General employee	Hour	73.0	72.7	75.21
	Mid-level employee	Hour	25.0	72.0	70.81
	Management employee	Hour	50.0	72.0	41.74
Safety education training coverage		%	100	100	100
Number of work-related fatalities		Person	0	0	0
Rate of work-related fatalities		%	0	0	0
Number of lost-days due to work injuries		Day	4,783	4,330	3,248
Amount of injury insurance coverage for employees		RMB 0,000	---	---	622.00
Rate of injury insurance coverage for employees		%	---	---	100

Note 1: Employee training coverage rate is calculated using the following formula: Employee training coverage rate = Number of employees trained in that category / Total number of employees in that category × 100%.

Note 2: Employee turnover rate is calculated using the following formula: Employee turnover rate = Total number of employees turnover / Total number of employees at period end × 100%.

### Supply Chain Management Performance

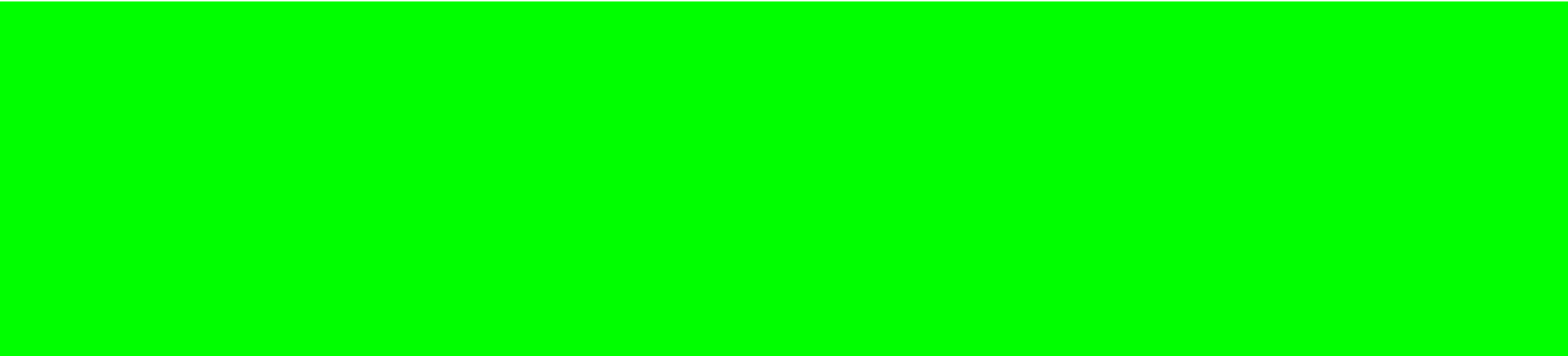
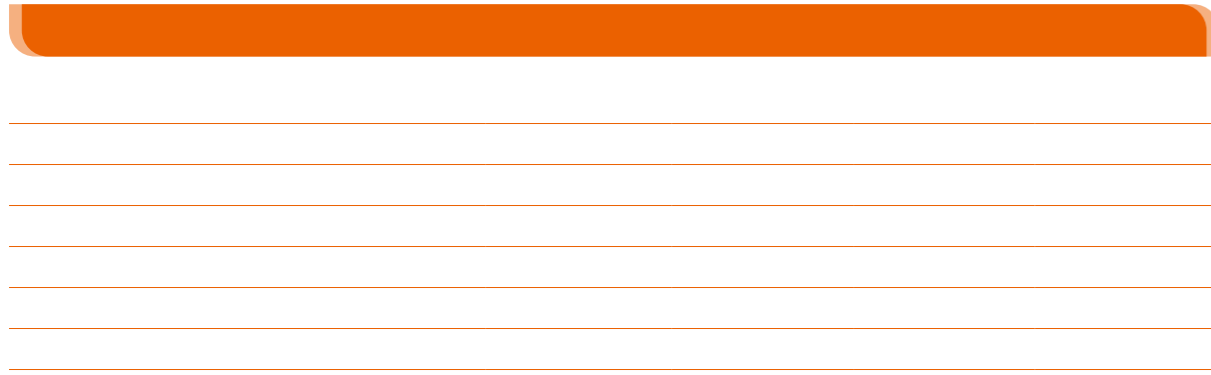
Indicator		Unit	2022	2023	2024
Total number of suppliers		Supplier	2,427	2,450	2,420
By geographical region	Mainland China	Supplier	2,163	1,983	2,021
	Hong Kong, Macau, and Taiwan as well as overseas	Supplier	264	467	399

### Product Responsibility Performance

Indicator		Unit	2022	2023	2024
Percentage of total products sold or shipped that are subject to recall for safety and health reasons		%	0	0	0
Amount involved in the damage caused by serious safety and quality accidents related to the products and services during the reporting period		RMB 0,000	---	---	0
Number of customer complaints received due to product quality or service		Time	699	588	721
Complaint handling rate <sup>1</sup>		%	100	100	100
Specific amount involved in the data security event		RMB 0,000	---	---	0
Total number of violations occurred in respect of customer privacy		Violation	0	0	0
Specific amount involved in customer privacy leakage incidents		RMB 0,000	0	0	0
R&D investment amount		RMB 0,000	52,323	59,675	60,479
Proportion of R&D investment in revenue		%	3.38	2.77	3.24
Number of R&D personnel		Person	794	1,127	710
Proportion of R&D personnel		%	10.22	13.32	8.99
Number of invention patents that can be applied into principal businesses		Patent	---	---	29
Cumulative number of patents obtained		Patent	191	213	241
Number of valid patents during the reporting period		Patent	191	213	241
Number of patent applications during the reporting period		Patent	20	25	51
Including: Number of invention patent applications		Patent	---	---	24
Number of patents obtained during the reporting period		Patent	12	22	28
Including: Number of invention patents granted		Patent	---	---	13

Note 1: The complaint handling rate in this report is calculated using the following formula: Complaint handling rate = Number of complaints handled / Total number of complaints received × 100%.

### Community Investment Performance



## Index of the Environmental, Social and Governance Reporting Code of HKEX

Part B: Mandatory Disclosure Requirements	
Mandatory Disclosures	Reporting Chapters
Governance Structure	ESG Management System
Reporting Principles	About This Report
Reporting Boundary	About This Report
Part C: "Comply or explain" Pr0.866 (t)T98 (t)6-1.7BT0 0966.6 (1 T)-21.5 (h)-1 Td[(A)	
Aspects, General Disclosures and KPIs	Reporting Chapters
<b>A.Environmental</b>	
<b>A1.Emissions</b>	Discharge and Waste Management
A1.1	ESG Data Tables and Notes
A1.2 (repealed 1 January 2025)	ESG Data Tables and Notes
A1.3	ESG Data Tables and Notes
A1.4	ESG Data Tables and Notes
A1.5	Discharge and Waste Management
A1.6	Discharge and Waste Management
<b>A2.Use of Resources</b>	Topic: Implement the Dual Carbon Action and Accelerate the Low-Carbon Transition Water Resource Management
A2.1	ESG Data Tables and Notes
A2.2	ESG Data Tables and Notes
A2.3	Topic: Implement the Dual Carbon Action and Accelerate the Low-Carbon Transition
A2.4	Water Resource Management
A2.5	ESG Data Tables and Notes
<b>A3.The Environment and Natural Resources</b>	Environmental Management System
A3.1	Environmental Management System
<b>A4.Climate Change (repealed 1 January 2025)</b>	Topic: Implement the Dual Carbon Action and Accelerate the Low-Carbon Transition
A4.1 repealed 1 January 2025	Topic: Implement the Dual Carbon Action and Accelerate the Low-Carbon Transition
<b>B.Social</b>	
<b>Employment and Labour Practices</b>	
<b>B1.Employment</b>	Human Capital Management
B1.1	ESG Data Tables and Notes
B1.2	ESG Data Tables and Notes
<b>B2.Health and Safety</b>	Safeguarding Employee Safety
B2.1	ESG Data Tables and Notes
B2.2	ESG Data Tables and Notes
<b>B2.3</b>	Safeguarding Employee Safety
<b>B3.Development and Training</b>	Human Capital Management
B3.1	ESG Data Tables and Notes
B3.2	ESG Data Tables and Notes
<b>B4.Labour Standards</b>	Human Capital Management
B4.1	Human Capital Management
B4.2	No violations
<b>Operating Practices</b>	
<b>B5.Supply Chain Management</b>	Supply Chain Management
B5.1	ESG Data Tables and Notes
B5.2	Supply Chain Management Adherence to Business Ethics
B5.3	Supply Chain Management
B5.4	Supply Chain Management
<b>B6.Product Responsibility</b>	Product Quality and Customer Management
B6.1	ESG Data Tables and Notes
B6.2	Product Quality and Customer Management ESG Data Tables and Notes
B6.3	Adherence to Business Ethics
B6.4	Product Quality and Customer Management
B6.5	Information Security and Privacy Protection ESG Data Tables and Notes
<b>B7.Anti-corruption</b>	Adherence to Business Ethics
B7.1	ESG Data Tables and Notes
B7.2	Adherence to Business Ethics
B7.3	Adherence to Business Ethics ESG Data Tables and Notes
<b>Community</b>	
<b>B8.Community Investment</b>	Jointly Building a Beautiful Community
B8.1	Jointly Building a Beautiful Community
B8.2	Jointly Building a Beautiful Community ESG Data Tables and Notes



FCG 福萊 集团