

OPPLE
欧普照明

2023

Environmental, Social and
Governance (ESG) Report

OPPLE Lighting Co.,Ltd

About This Report

Introduction

This Report aims to objectively and fairly present environmental, social and governance (ESG) performance of OPPLE Lighting Co., Ltd, as well as communication with stakeholders and its subsidiaries (hereinafter referred to as "OPPLE Lighting", "The Group", "The Company" or "We") in 2023. It is recommended that this Report should be read corporate governance-related contents in conjunction with the chapter of Corporate Governance (A Share) set out in the *2023 Annual Report of OPPLE Lighting Co., Ltd* (hereinafter the 2023 Annual Report).

Basis of Preparation

The Report is prepared in accordance with *the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies (No.1)-Standardized Operations* of Shanghai Stock Exchange (SSE), as well as the *GRI Standards* issued by the Global Reporting Initiative (GRI), the *Sustainability Accounting Standards* issued by the Sustainability Accounting Standards Board (SASB), and the United Nations Sustainable Development Goals (UNSDGs). The Report has been reviewed and approved by the Board of Directors (The Board) of the Company.

Scope and Boundary of Report

The Environmental, Social and Governance (ESG) Report the "Report" covers the period from January 1, 2023 to December 31, 2023, with some reviews over previous years and the forecast of 2024 when necessary. The information disclosed within the Report involves headquarters and subsidiaries of the Company. Some of the data includes only part of the operating locations, see footnotes for details. Unless otherwise specified, the scope in the Report is consistent with that of the Company's *2023 Annual Report*.

Source of Information and Reliability Assurance

The information and cases herein were extracted mainly from the Company's statistical reports, relevant documents and internal communications. Some of the data within the Report were extracted from the *2023 Annual Report*. In case of discrepancy between the financial data and the *2023 Annual Report*, the latter shall prevail. The remaining data were from the Company's internal system or hand records. Unless otherwise stated, the currency unit in the Report is RMB. The Board of Directors and all directors of the Company hereby warrant that the Report contains no false records, misleading representations or material omissions, and that they shall be severally and jointly liable for the authenticity, accuracy and completeness of the information disclosed herein.

The Report is available in English and Chinese Simplified. Should there be any discrepancy between the English and Chinese versions, the Chinese Simplified version shall prevail.

Access to the Report and Feedback

The Report is published in paper and electronic versions. The electronic version is available on the Company's official website (<https://www.OPPLE Lighting.com.cn/>) and SSE's website (<http://www.sse.com.cn/>).

We value the opinions from stakeholders, and the readers are free to contact us through the following contact details.

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President's Statement

As China's economy embarks on a journey of high-quality development, the ESG philosophy centered on green development, social responsibility, and governance efficiency is becoming a new consensus in the business community and capital market. The ESG places emphasis on high-quality and sustainable development, which essentially echoes China's new development concept, high-quality growth, and "carbon peaking and carbon neutrality" goals.

As a benchmark total lighting solution provider for the Chinese lighting industry, OPPLE Lighting established an ESG development strategy with five pillars: Building Foundation for Governance as the Cornerstone, Promoting Green Development, Creating Workplace Prosperity, Sharing Smart Life, and Building Better Future. Adhering to the sustainable development vision of "green and low-carbon shopping experience, digitalized and intelligent life, a better sustainable future", we continuously improved our ESG governance system. We established a three-tier ESG governance structure consisting of the Strategy and ESG Committee responsible for oversight, the Board of Directors responsible for supervision, and the ESG Working Group responsible for execution. This structure has helped comprehensively advance the implementation of ESG-related work, driving the simultaneous progress and improvement of the Company's economic and social benefits.

OPPLE Lighting will focus on "sound governance, better life, green development, happy workplace, sustainable supply chain, and charity" to carry out specific ESG work.

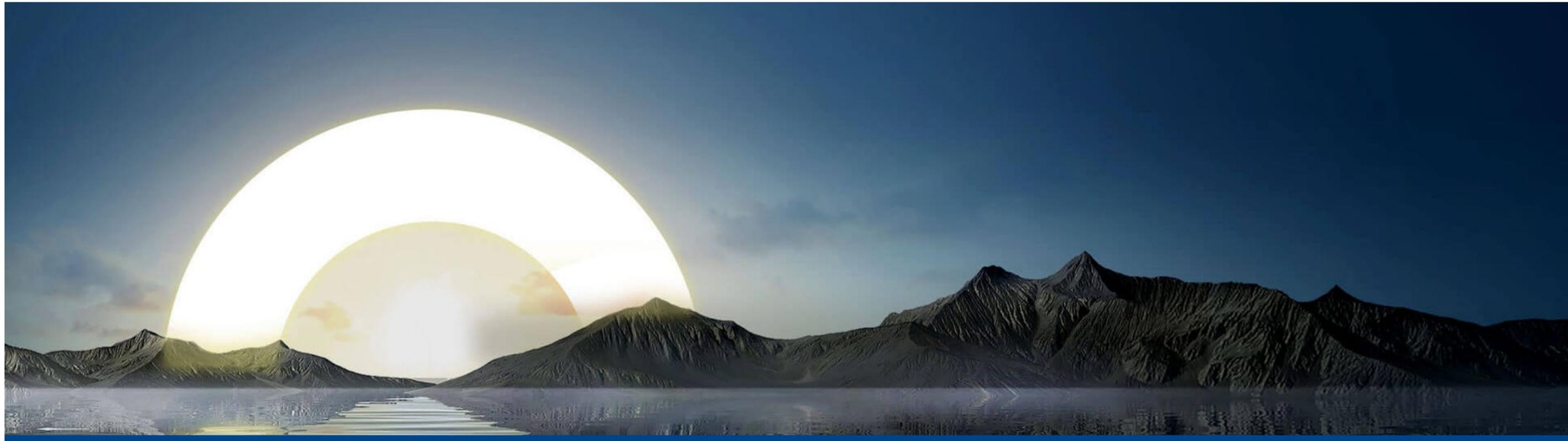
- **Forge Ahead, Consolidating Sound Governance.** Following the strategy of compliant operation, we establish a diversified and highly efficient corporate governance structure, an ESG governance structure with well-defined job responsibilities, and a sound risk control system. Furthermore, we always advocate legal, compliant, and honest business activities, thus safeguarding the Company's high-quality sustainable development.
- **See beyond, lighting up Better Life.** We persist in driving reform with technology and consistently increase R&D spending. We launched SDL smart spectroscopy and three-in-one microcomputer-controlled light technology, with the aim to provide consumers and customers with a healthy, fashionable, technological, and professional lighting experience by virtue of excellent product quality "five-star" service.
- **Protect Environment, Embracing Green Development.** We uphold the concept of green development and actively respond to climate change. Guided by technological innovation, we continue to build green plants, promote low-carbon manufacturing,

create green products, bring green, smart, healthy, and comfortable new experiences to the public, and provide enterprises with new routes in terms of energy efficiency and carbon emissions reduction.

- **Gather Talents, Fostering a Happy Workplace.** We are committed to creating a fair, equal, inclusive, healthy, and safe work environment, providing a competitive compensation and welfare system, launching the employee stock ownership plan (ESOP), establishing a comprehensive training system across the globe, and working together with our employees to continuously move forward and create value for society and the future.
- **Co-building and Sharing, Creating Sustainable Supply Chains.** We have been constantly improving the resilience and stability of our supply chain, establishing a sound supplier management process, focusing on the sustainable development management of the supply chain, and working with our suppliers and partners to create a mutually beneficial and growing value chain through supply chain integrity management and green supply chain programs.
- **Spread Kindness, Shouldering Social Responsibility.** We bear in mind the social responsibilities as a corporate citizen, continue to practice the public welfare philosophy of "Caring Light to Illuminate the Future", launch the "Shine-A-Light Campaign" to help improve the rural lighting environment, initiate the "Dream Desk" program to illuminate the future of children living in difficulty, and organize the "Family Healthy Light Public Popular Science Activity" to draw public attention to healthy lighting.

From the era of traditional lighting to the era of LED energy-saving lamps, and now to the era of digital intelligence, OPPLE Lighting has always held itself to high-standard ESG practices and adhered to the unity of corporate business value and social value. This ESG report will show you how we fully integrate the concept of sustainable development into all aspects of practice. Through the 2023 ESG report, we also hope to enhance communication and understanding with all stakeholders and work together to build a better future.

In the future, OPPLE Lighting will continue to uphold the philosophy of green sustainable development driven by technological innovation, facilitate green transformation, and promote high-quality development of the industry, thus making positive contributions to China's "carbon peaking and carbon neutrality" goals and sustainable development.



About OPPLE Lighting

Company Profile

Founded in 1996, OPPLE Lighting is an integrated lighting company covering R&D, production, sales, and services. The Company is headquartered in Shanghai and currently has over 6,000 employees. The Company also owns several manufacturing centers including Zhongshan Industrial Park, Wujiang Industrial Park, and the soon-to-be-operational South China Industrial Park. OPPLE Lighting's vast product portfolio includes LED and traditional lighting, lamps, electrical appliances, kitchen and bathroom ceiling lights, and more. The Company has an industry-leading independent R&D team and benchmark production lines within the industry, with the number of patent applications exceeding 4,000. With a strong marketing team and a well-established domestic and international marketing network, OPPLE Lighting now has over 110,000 sales outlets of various types. The Company was listed on the Main Board of the Shanghai Stock Exchange on August 19, 2016, officially going public. The stock is abbreviated as "OPPLE Lighting" with the stock code: 603515.SH.

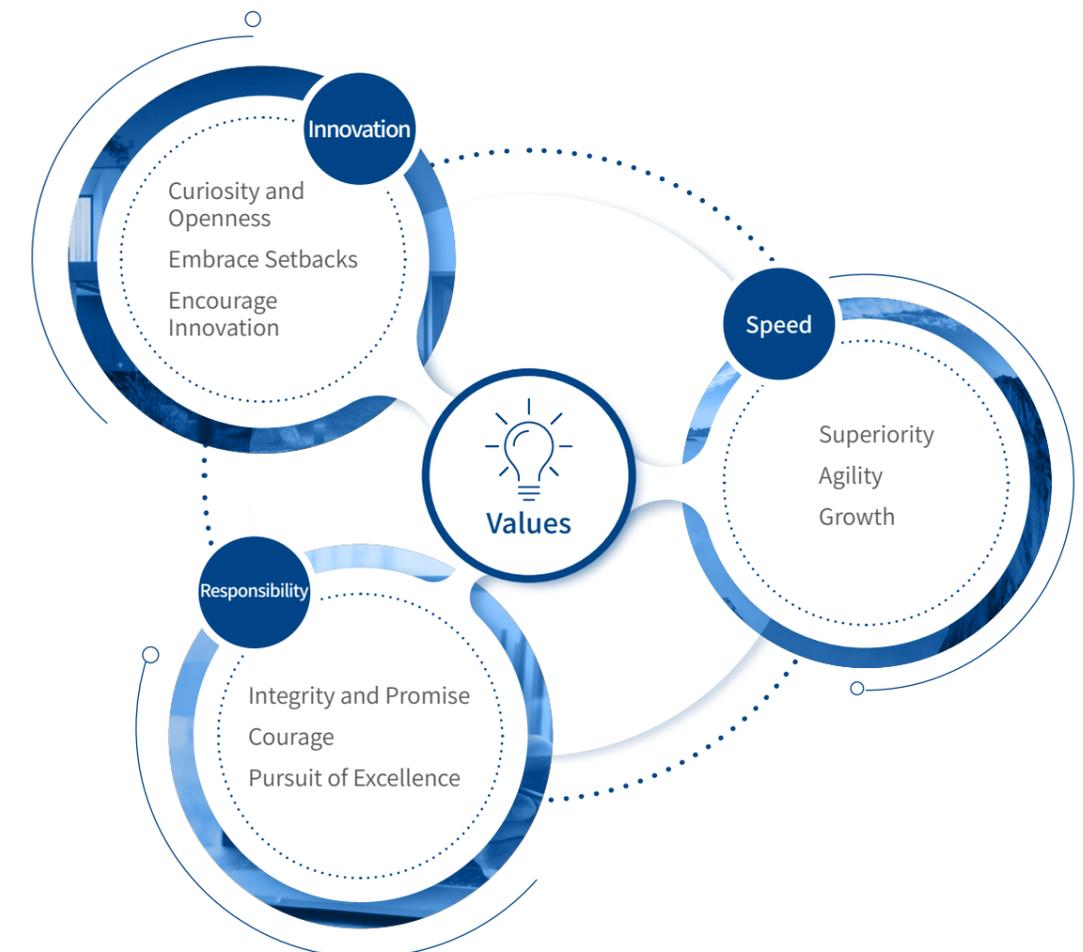
With the vision of "creating a global lighting business", OPPLE Lighting has expanded its business to over 70 countries and regions including Asia-Pacific, Europe, the Middle East, and South Africa, establishing a good brand image. Since 2010, the Company has participated in several national key projects, becoming a partner and lighting solution provider for the Chinese Private Enterprise at Expo 2010, the Plant Pavillion of the 2019 Beijing International Horticultural Exhibition, and the World Expo Dubai China Pavilion, making multiple impressive appearances at the Light + Building in Frankfurt, Germany.

In 2023, China's lighting industry was in a recovery phase under pressure, with market demand slowly warming up. The industry was facing both development opportunities and challenges. In response to the national strategy of promoting domestic brands and high-quality economic development, OPPLE Lighting, as a benchmark provider of integrated lighting solutions in the Chinese lighting industry, leveraged our experience and strength to promote the standardization of intelligent lighting applications among different populations and scenarios. We continued to expand the application of smart lighting in urban construction, education, medical care, fire protection, and other fields, enabling more enterprises and government agencies to enjoy a healthy and intelligent lighting environment brought by technological innovation. With smart, healthy, and standardized lighting, we aim to create high-quality lighting experiences for consumers and various industries in an era of the Internet of Everything (IoE).

In the future, OPPLE Lighting will continue to focus on the trend of digital and intelligent development, explore the value of the Internet and big data in the lighting industry, and actively embrace advanced technologies such as 5G, the Internet of Thing (IoT), and cloud computing. By integrating traditional industries with modern technology, we will continue to lead the development of the smart lighting industry, making digitalization and intelligence the driving force for our continuous development. In our operations, we will actively assume corporate social responsibilities in the environmental, social, and governance frontiers, continuously implement the concept of sustainable development in all business development processes, and contribute to the sustainable development of society by launching innovative products and services.



OPPLE Lighting's Mission, Vision and Orientation



OPPLE Lighting's Value

4,000+
OPPLE Lighting boasts more than 4000 patent rights

3 manufacturing centers
OPPLE Lighting is headquartered in Shanghai and has manufacturing centers in Wujiang, Zhongshan and South China

110,000+
Diversified marketing network, covering over 110,000 online and offline sales outlets in over 70 countries and regions

Development History



Traditional Lighting

- 1996** ● Zhongshan manufacturing center was first established by Wang Yaohai and Ma Xiuhui, putting their dreams into practice.
- 2000** ● OPPLE Lighting opened the first retail store.
- 2012** ● Wujiang manufacturing center was put into operation, becoming the largest lighting industrial park in Asia.

LED Lighting

- 2013** ● OPPLE Lighting launched the first LED automatic production line.
OPPLE Lighting established R&D center in Wujiang, Suzhou.
OPPLE Lighting established European subsidiary and operation team, marking its official entry into developed lighting market.
- 2015** ● The revenue exceeded RMB 4 billion, reaching new heights.
- 2016** ● OPPLE Lighting was successfully listed on the A-share market with stock code: 603515.

Intelligent Lighting

- 2020** ● Official partner for World Expo Dubai China Pavilion: OPPLE Lighting provided interior full-scene intelligent lighting solution for the China Pavilion, promoting China Intelligent Manufacturing on world arena.
OPPLE Lighting won the honorary title of national "green plant".
OPPLE Lighting's sales outlets covered over 70 countries, lighting up families across the globe.
- 2021** ● South China industry park broke ground to build an intelligent manufacturing center, reaching out to markets in Southeast Asia.
OPPLE Lighting has been ranking first in lighting and electrical products sales on Double-Eleven Day for many years in a row.
- 2022** ● OPPLE Lighting released a new generation of whole-house smart lighting solution, opening the era of whole-house smart Lighting.
- 2023** ● OPPLE Lighting released the industry-leading Software-Defined Lighting (SDL) smart spectroscopy.

ESG Strategy

OPPLE Lighting attaches great importance to ESG work and proactively assumes corporate citizenship responsibilities. The Company takes actions together with industrial partners to pick up pace of global sustainability while maintaining steady development, consistently contributing to well-being of humanity. In addition, OPPLE Lighting, by taking into account the corporate development strategy, internal and external development situation and trend, and concerns of stakeholders, has formulated the ESG development strategy with Building Foundation for Governance, Promoting Green Development, Creating Workplace Prosperity, Sharing Smart Life and Building Better Future as Five pillars with comprehensive reference to the SDGs, regarding ESG as an integral part of the Company's development. In the future, we will continue to explore and engage in ESG practice under the guidance of this strategy, with the aim to fulfill our mission of "create value out of light" and realize the vision of "build the global top intelligent lighting brand".



Embracing Green Development

Environmental Management

In 2023, OPPLE Lighting invested a total of

RMB **2.72** million in environmental protection

During the reporting period, all companies conducting business activities in Wujiang, Zhongshan, Shanghai, and other locations passed the annual audit certification of the ISO 14001 environmental management system

Resource Utilization Management

Using paper trays that can be recycled

more than **10** times

The Wujiang and Zhongshan manufacturing centers mainly use

100 % recycled corrugated boards as packaging materials

Addressing Climate Change

During the reporting period, the Wujiang manufacturing center passed the annual audit certification of the ISO 50001 energy management system

Suzhou manufacturing center actively promoted the green plant rating work and successfully launched a photovoltaic power project that generated a total of

11.124 MW of electricity

Sharing Smart Life

Product Innovation

The Company has R&D personnel

594

with trademark registrations approved

25

The Company obtained patent licenses

596

copyrights applications

4

Sustainable Supply Chains

During the reporting period, of suppliers in the OPPLE Lighting supplier pool obtained ISO 9001 certification

71 %

suppliers signed the *Supplier Code of Conduct* with anti-corruption clauses

447

All procurement personnel of OPPLE Lighting accepted training related to sustainable procurement

More than of suppliers have signed the *Sustainable Procurement Regulations*

>81 %

Product Quality

During the reporting period, OPPLE Lighting has been certified to ISO 9001 quality management system

Intellectual Property Protection

By the end of the reporting period, OPPLE Lighting owned valid patents

4,155



Creating Workplace Prosperity

Employee Attraction and Inclusiveness

Employee satisfaction reached

4.35

points (out of 5 points)

With an increase of

↑ 0.13

points compared with 2022

Employee Training and Development

The total number of participants in full-time employee training sessions reached

11,486



Employee Health and Care

During the reporting period, a total of

5

companies and subsidiaries passed ISO 45001 occupational health and safety management system certification

Building A Better Future

Customer Service

Dealers expressed an overall satisfaction rate of

84.1 %

The average satisfaction rate among end-users exceeded

95 %

The customer complaint response rate reached

100 %

Charity

During the reporting period, OPPLE Lighting donated

RMB **133,500** to charity



Consolidating Governance Foundation

Compliant Governance

3 General meetings of shareholders

8 Board meetings

6 Supervisory Committee meetings



The Strategy Committee was upgraded to the Strategy and ESG Committee to enhance the Company's core competitiveness and sustainable development capability

Internal Control

The internal audits of **38** projects were completed, and special internal audits were conducted focusing on compliance operations

Business Ethics

10 anti-corruption training sessions

Protecting Privacy and Security

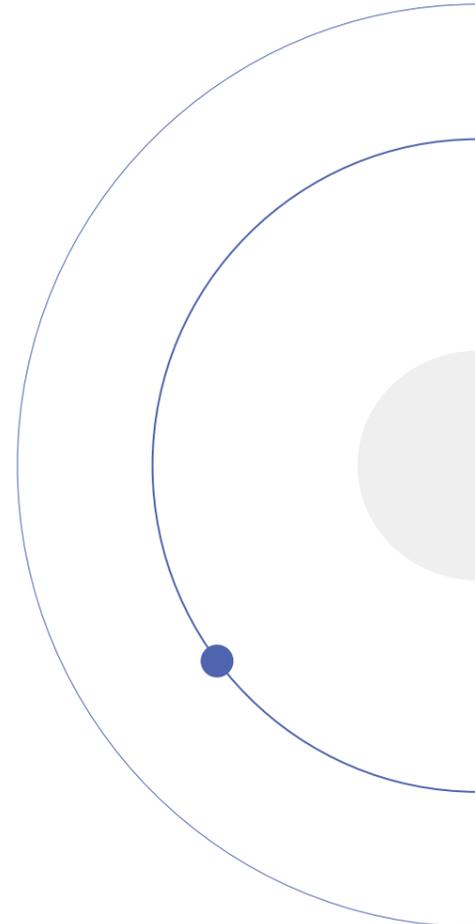
Shanghai Qianlong Energy Conservation Technology Co., Ltd., a subsidiary of OPPLE Lighting, passed ISO 27001 information security management system certification and ISO 20000 information technology service management system certification

100 % of suppliers and business partners signed the *Data Processing Agreement*

Covering approximately **1,000** employees from departments such as manufacturing, supply chain, and brand were organized

Forge Ahead, Consolidating Sound Governance

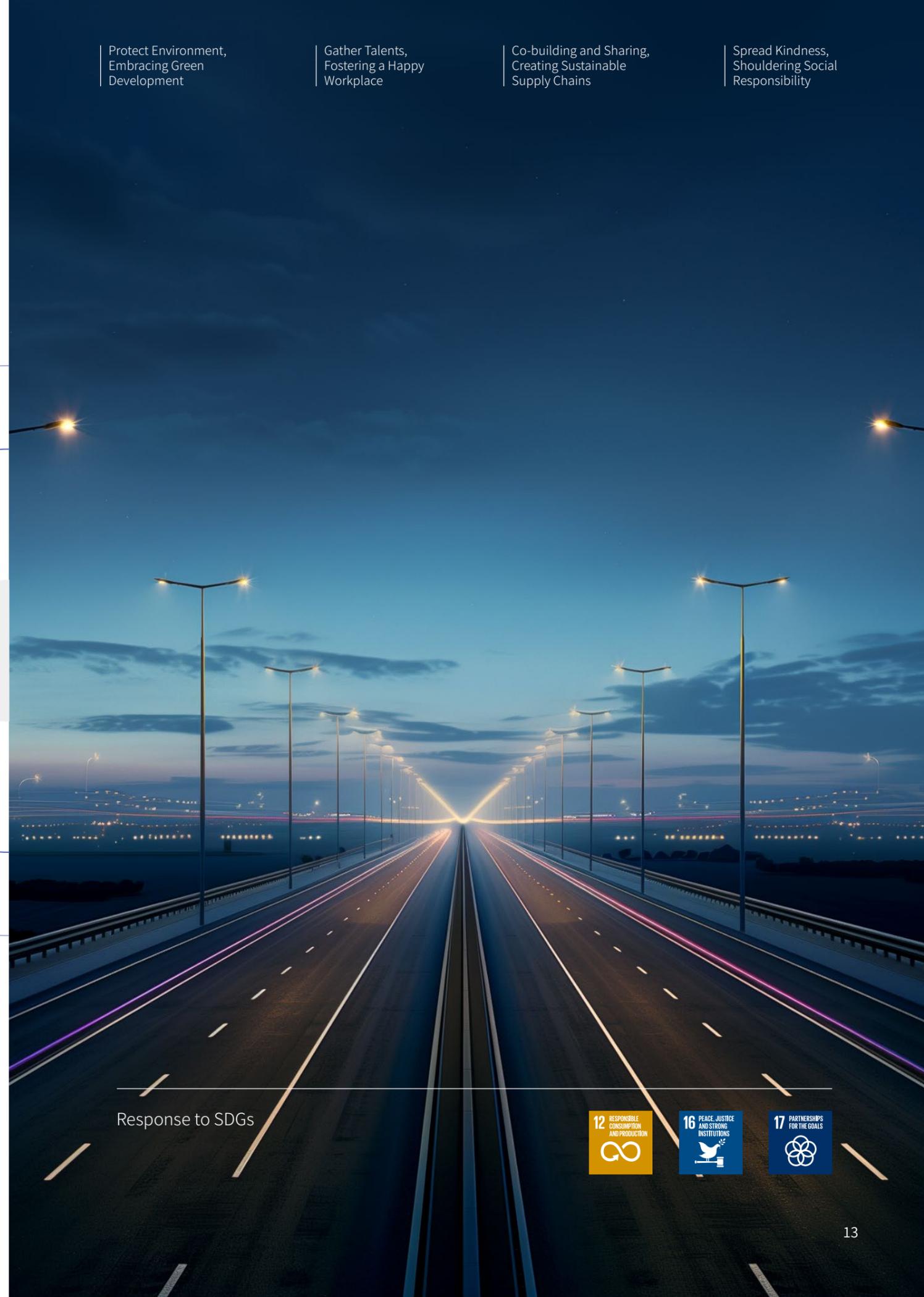
- ESG Governance
- Enhancing Responsible Governance
- Upholding Business Ethics
- Promoting Responsible Marketing
- Protecting Privacy and Security



OPPLE Lighting remains steadfast in its belief that a sound governance mechanism underpins the healthy and sustainable development of the Company. Following the strategy of compliant operation, we establish and improve the corporate governance structure, adhere to business ethics, implement responsible marketing and data privacy security protection, integrate ESG concepts into our operational development, thus safeguarding the Company's high-quality sustainable development.

01

Response to SDGs



ESG Governance

OPPLE Lighting is committed to integrating ESG concepts to its own operational development. We continue to improve our ESG governance system, clarify the management responsibilities of all levels and departments, further facilitate ESG work practices, and share development results with stakeholders, with the aim to promote common improvement of the Company's economic and social benefits.



ESG Governance Structure

To standardize the Company's supervision, implementation, and development of ESG-related work, further improve ESG governance, enhance the Company's ESG performance, and strengthen the Company's core competitiveness and sustainable development capabilities, OPPLE Lighting has established a three-tier ESG governance structure consisting of the Strategy and ESG Committee as core, the Board of Directors responsible for supervision, and the ESG Working Group responsible for execution. The Chairman of the Board serves as the director of the Strategy and ESG Committee to lead the implementation of ESG-related work.



ESG Governance Structure

To supervise and review the implementation of ESG management strategies, OPPLE Lighting holds the Strategy and ESG Committee meetings on a regular basis to review new ESG policies, material issue assessments, environmental goal achievement, as well as other important ESG matters.

Stakeholder Communication

OPPLE lighting establishes all-round and multi-level communication channels with stakeholders, to reach out to a wide range of stakeholders through diversified communications, and fully respond to stakeholders' opinions and feedback, with the aim to facilitate the understanding and support of all stakeholders for the Company.

Stakeholders	Issues Concerned	Communication Channels
Government and regulators 	Anti-corruption Corporate governance Information disclosure Address to climate change Energy use	Regular communication and report Company survey Information disclosure Policy implementation
Shareholders and investors 	The Company's business activities and operational performance Information disclosure Corporate governance	Annual General Meeting of Shareholders Company survey and roadshow Regular report and performance briefings Investor hotline and e-mail SSE interactive platform
Suppliers 	Anti-unfair competition Responsible supply chain and procurement	Cooperation and exchange Regular communication and exchange visits Participate in industry activities
Customers 	Compliance with business ethics Product quality and safety Customer service Information security Sustainable consumption	Collect customer opinions Handle customer complaints Conduct customer satisfaction survey
Society/Public 	Charity Manage emissions and hazardous materials Biodiversity	Conduct public welfare activities Social media Site visits
Employees 	Manage employee Diversity, equality and inclusiveness Employee development Occupational health and safety	Hold the congress of workers and staff Employee training Solicit opinions and feedback from employees
Media and NGOs 	Manage emissions and hazardous materials Biodiversity Circular economy Water resources	Press conference Social media Accept interviews

Information Disclosure

Following the principle of openness and transparency, OPPLE Lighting strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Stock Listing Rules of Shanghai Stock Exchange*, and has formulated documents such as the *Information Disclosure Management System* and the *Information Disclosure Suspension and Exemption Management System*. It adheres to highly compliant information disclosure and promotes industry development with sound ESG performance.

During the reporting period, OPPLE Lighting prepared and disclosed a total of 5 regular reports and issued 64 temporary announcements. The Company received an A (excellent) rating in terms of information disclosure from the Shanghai Stock Exchange.

Key Performance

Participant in investor telephone communication meetings

547

Performance briefings

6

Materiality Issues Analysis

OPPLE Lighting is fully aware the importance of environmental, social, and economic impacts on the Company and its stakeholders, and proactively identifies material issues related thereto. We have identified and summarized 22 ESG-related material issues with reference to domestic and foreign regulatory policies, industry trends, as well as international sustainability-related standards such as the *GRI Standards*

issued by the Global Reporting Initiative (GRI) and the *Sustainability Accounting Standards Board Index* issued by the Sustainability Accounting Standards Board (SASB). These issues serve as important references for the Company's ESG management and information disclosure. We will discuss the details of each issue respectively in the Report.



ESG Materiality Matrix of OPPLE Lighting in 2023

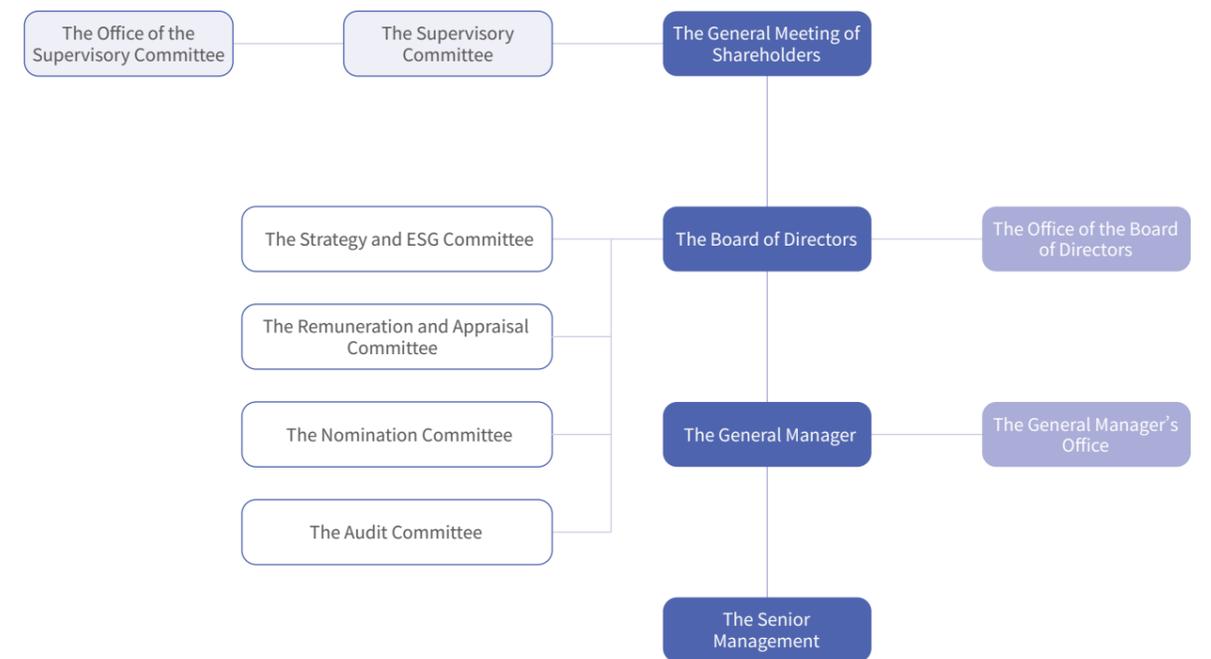
Enhancing Responsible Governance

OPPLE Lighting attaches great importance to promote the continuous optimization of governance structure, and improves management and operational efficiency by establishing a diversified and highly-efficient Board of Directors and management governance structure. In addition, we continue to improve risk management and internal audit mechanism and processes, to effectively resolve potential governance risks, thus making responsible governance a solid guarantee for the steady development of OPPLE Lighting.



Compliant Governance

OPPLE Lighting complies with laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Stock Listing Rules of Shanghai Stock Exchange*, as well as relevant provisions of corporate governance for listed companies, to consistently strengthen the optimization of various internal systems, effectively prevents operational risks, and safeguards the legitimate rights and interests of shareholders.



OPPLE Lighting Governance Structure

The General Meeting of Shareholders

The Company convenes the General Meeting of Shareholders in strict accordance with laws and regulations such as the *Company Law of the People's Republic of China*, the *Articles of Association*, the *Rules of Procedure of the General Meeting of Shareholders*, as well as internal systems, and engages lawyers to witness the general meetings, thus facilitating shareholders to attend the meetings and fully exercise their voting rights. The Company treats all shareholders equally, responds to shareholders' questions in a timely manner, and listens to their opinions and suggestions. We implement vote avoidance procedure for related shareholders in deliberating related matters at the General Meeting of Shareholders.

The Board of Directors

Diversity

OPPLE Lighting believes that the diversity of the Board of Directors can promote the integration of different perspectives and maximize the governance efficiency of the Board of Directors by learning from each other. The Company establishes a Board of Directors covering different genders, age groups, and educational backgrounds in accordance with the *Rules of Procedure for the Board of Directors*. In addition, it adheres to the principle of appoint people according to their merits, comprehensively considers diversified indicators such as candidates' educational backgrounds, industry experience, skills and expertise, and work experiences, to ensure that directors bring their respective professional expertise into full play, make prudent decisions, safeguard the interests of the Company and its shareholders.

Independence

OPPLE Lighting has 3 independent directors, all whom are senior professionals with expertise in accounting, management, and business.

The Board consists of four committees, including the Strategy and ESG Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. The Board of Directors and each committee follow well-established terms of reference and understand the implementation details to efficiently perform various management and supervision duties. Furthermore, the Board of Directors promotes innovation and reform in the corporate governance structure, and upgrade the Strategy Committee to the Strategy and ESG Committee, thus enhancing rights and responsibilities to study, analyze, and assess risks related to ESG issues, and strengthening the Company's core competitiveness and sustainable development capability. To strengthen the independence of the Board of Directors, the heads of each committee (except for the Strategy and ESG Committee) are independent directors. The number of independent directors accounts for more than half (inclusive) of the members of the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee.

During the reporting period, OPPL Lighting held three General Meetings of Shareholders, eight meetings of Board of Directors, six meetings of the Supervisory Committee,

four meetings of the Audit Committee, two meetings of the Remuneration and Appraisal Committee, and one meeting of the Strategy and ESG Committee (formerly the Strategy Committee). The Company updated and revised 8 systems including the *Working Rules of the Audit Committee*, the *Working Rules of the Remuneration and Assessment Committee*, and the *Working Rules of the Nomination Committee*, and submitted the drafts of the *Articles of Association*, the *Working System of Independent Directors*, the *External Guarantee Management System*, the *Outbound Investment Management System*, the *Related Party Transaction Management System* and the *Management Measures for Fund-raising* to the General Meeting of Shareholders for deliberation.

In 2023, OPPL Lighting actively participated in various training sessions organized by the China Securities Regulatory Commission (CSRC) and stock exchanges, including board secretary qualification training, board secretary follow-up training, and professional training for independent directors. Beyond that, the Company organized compliance training sessions on capital market for directors, supervisors, senior management, and in-house departments.

The Supervisory Committee

The Company's Supervisory Committee strictly follows systems such as the *Articles of Association*, and the *Rules of Procedure of the Supervisory Committee*, fully exercises the authorities to supervise the legality and compliance of the Company's financial staff, directors and senior management, and safeguard the legitimate rights and interests of the Company and shareholders. The Company had a total of three supervisors, including one employee supervisor.

By the end of the reporting period

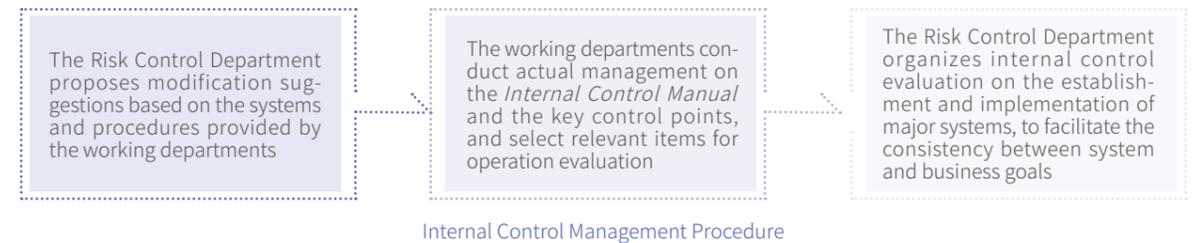
The Company had a total of **3** supervisors | Including **1** employee supervisor 

Internal Control

OPPLE Lighting has established a sound internal control and risk management system to prevent and respond to risks in production and operation. The Company strictly complies with laws and regulations such as the *Basic Norms of Internal Control* and the *Code of Corporate Governance for Listed Companies*, and has formulated and issued the *Internal Control and Evaluation System* to ensure comprehensive and effective evaluation of the design and operation of internal control, standardize the Company's internal control evaluation procedures and evaluation reporting, locate and

prevent risks, promptly identify internal control deficiencies, and propose and implement rectification plans.

In 2023, OPPL Lighting consistently optimized and solved problems in corporate governance, risk management, and internal control by establishing an overall risk evaluation and warning system, and continuously promoting internal control compliance, thus effectively preventing risks before and during business activities as the first line of defense.



During the reporting period, OPPL Lighting further improved its internal control system by detailing risk evaluation, integrating risk control into digitalization projects, and revising the *Rights and Responsibilities Manual*, thus enhancing its operational management and risk prevention capabilities, and facilitating the Company's standardized and sustainable development.

Detail risk evaluation

- We have completed the risk evaluation in a detailed manner of the HR, IT, and brand departments, with a total of 95 risk points identified
- We propose reasonable risk response suggestions for the risks identified, provide risk warning indicators and process optimization measures



Integrate risk control into digital projects

- We integrate internal control and risk warning rules into the system during development and implementation of the department's digitalization project, and strengthen continuous monitoring and warning of risks based on previous audit results and risk evaluations



Revise the Rights and Responsibilities Manual

- We revise and issue the *Rights and Responsibilities Manual*, keep supervising the implementation thereof, and evaluate and feedback on deficiencies in a timely manner



Highlights of Internal Control Measures

Internal Audit

The Company conducts internal control, compliance, risk management empowerment and cultural building through the audit platform, to identify, measure, analyze, evaluate, effectively avoid and control business risks in operations. During the reporting period, OPPL Lighting completed a total of 38 internal audits, involving first-tier departments including the China Sales Center, the Supply Chain Center, the Procurement Center, the Human Resources and the Administration Center, the President's Office, the Customer Service Center, the Global Brand Marketing Center, the E-commerce Channel Department, and Europe Area, etc.

In addition, the Company conducts special internal audits for compliance operations, including specialized audits on personnel fraud engaged in procurement, quality control, and engineering. Through regular audits, we have found that there are large economic transactions between internal staff and suppliers, and some staff have taken advantage of their positions to provide convenience to suppliers and accept bribes. All these cases have been handled in accordance with internal regulations. Where criminal cases are involved, they have been referred to public security organizations.

Upholding Business Ethics

Business ethics underpins the Company's long-term stability. OPPLE Lighting always regards legal compliance and honesty as the prerequisite for sustainable and high-quality development. The Company strictly complies with relevant laws and regulations of the place where it operates, and clearly prohibits corruption and unfair competition of any kind. Furthermore, we are committed to promoting a business culture of integrity and ethics, and consistently improving our business ethics.

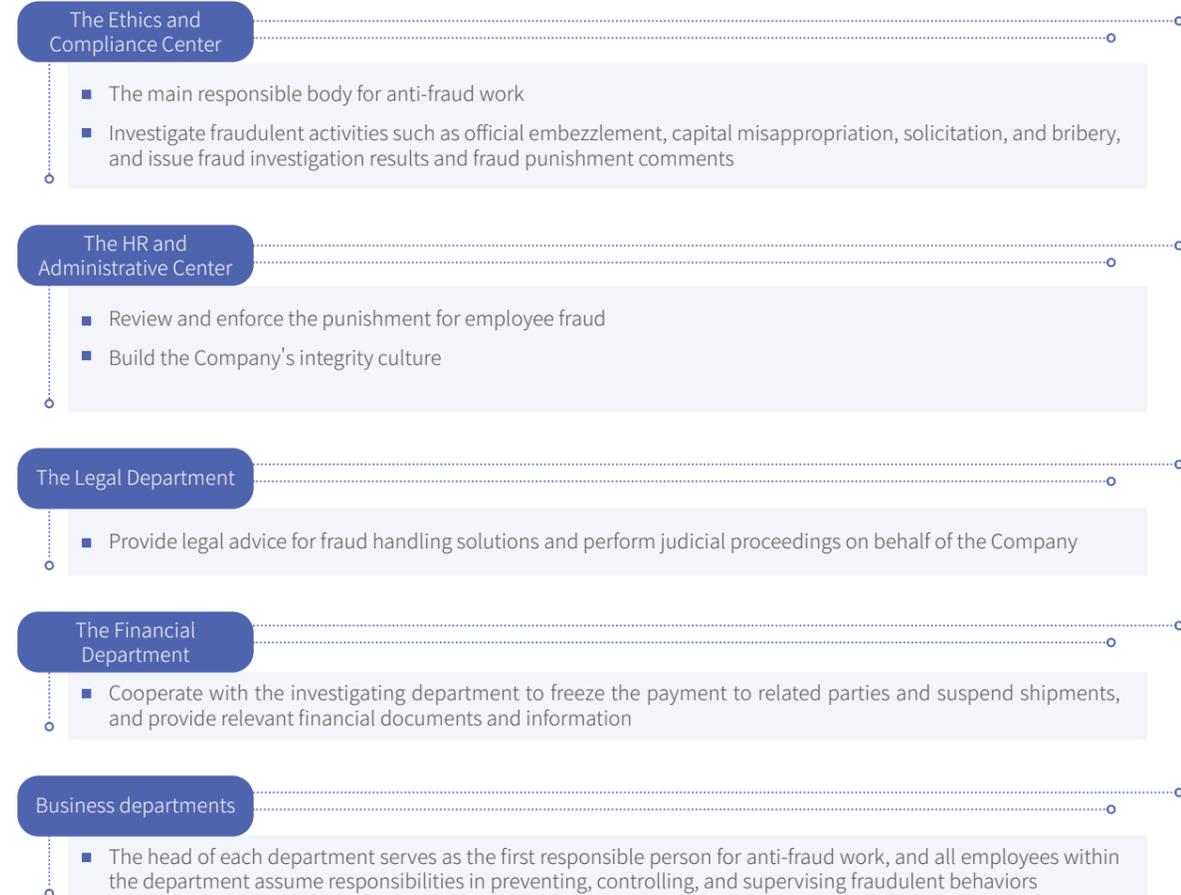


Anti-corruption

OPPLE Lighting strictly complies with laws and regulations such as the *Interim Provisions on the Prohibition of Commercial Bribery*, and has formulated internal system documents such as the *Regulations on the Declaration of Participation in Company-related Business Transactions by Current and Former Employees and Their Related Parties*, the *Gift Management System*, and the *Professionalism and Professional Ethics*. In addition, the Company has signed the *Letter of Commitment to Integrity* with employees, remains a "zero tolerance" attitude in integrity management, and incorporates the requirements for promoting employees' compliance with integrity and compliance throughout

business activities.

For possible corruptions and frauds in business processes, OPPLE Lighting has developed the *Frauds Management Measures*, which details typical violations and punishment measures, and determines the responsibilities of each department in fraud cases. In addition, to further conduct fraud risk evaluation, we have developed a staff fraud risk map, and plan to integrate it into the fraud risk maps of suppliers and distributors to effectively evaluate the fraud risks among staff in positions with high risk and large-volume resource investment.

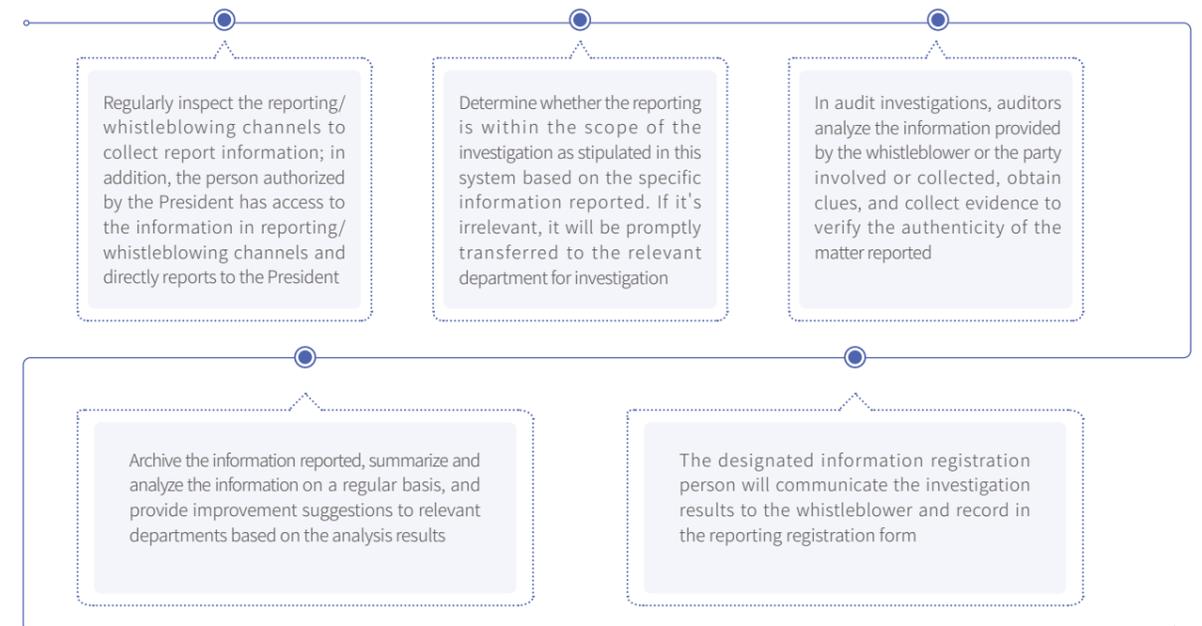


Management Structure for Handling Fraudulent Behaviors

Beyond that, OPPLE Lighting requires the suppliers to comply with the same business ethics standards. We require all suppliers to sign and comply with the *Integrity Agreement*, which clearly stipulates the commitments to anti-corruption and anti-bribery. Suppliers in violation of the *Integrity Agreement* will be withdrawn or blacklisted.

OPPLE Lighting has established a sound reporting/whistleblowing management mechanism, and set up various channels for employees, customers, and partners. The Company has formulated the *Reporting Information Processing Management Measures*, to clarify the reporting channels and handling procedures for cases reported, as well as review, investigation, follow-up, feedback of the reported information. Relevant staff receiving the reporting information and conducting investigation must strictly comply with confidentiality

regulations to avoid any adverse impact on the whistleblower or affecting investigation efficiency and result. We pledge to protect the legitimate rights and interests of whistleblowers, and strictly keep confidential the information provided. The whistleblower subject to retaliation can directly report to the Ethics and Compliance Center through the following channels. The Group's Ethics and Compliance Center will file a case for investigation and handle the case seriously.



Full-process Management of Information Reported



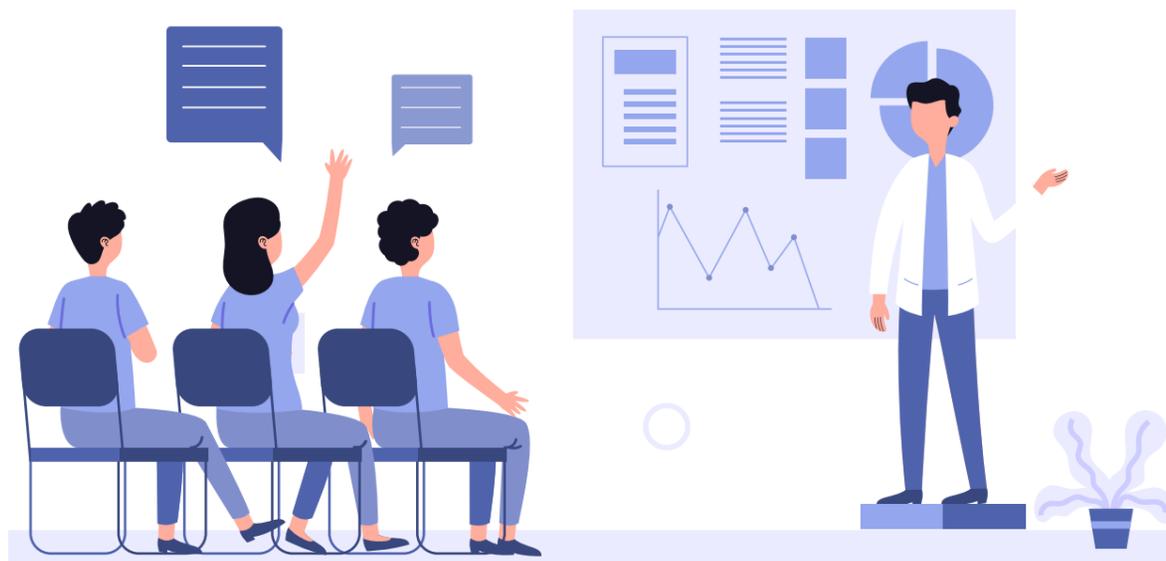
Reporting Channel

- President E-mail: jubao@opple.com/ fraudrisk@163.com
- WeChat: OPPL -ECC
- QQ: 3037424194
- Mailing Address: OPPLE Lighting Ethics and Compliance Center, MIXC V3, No.1799, Wuzhong Road, Minhang District, Shanghai
- Tel.: 021-38550000-6814
- The whistleblower may also report orally or submit reporting documents in person at office of the Lighting Ethics and Compliance Center.

To strengthen the concept of integrity and observation of law, and foster integrity culture among employees, OPPLE Lighting established a systematic and normalized anti-corruption training mechanism based on business development, and regularly organizes compliance training and education for employees to ensure that all employees understand and follow the Company's compliance goals and requirements. During the reporting period, OPPLE Lighting organized a total of 10 anti-corruption training sessions, covering approximately 1,000 employees from departments such as manufacturing, supply chain and branding.

OPPLE Lighting organized a total of **10 anti-corruption training session**

Covering approximately **1,000 employees**



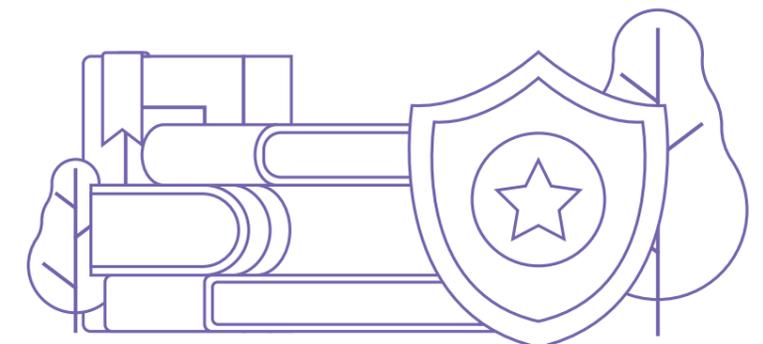
Anti-Unfair Competition

OPPLE Lighting strictly complies with laws and regulations such the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Monopoly Law of the People's Republic of China*, and has formulated the *Compliance Guidelines for Anti-Commercial Bribery* to create a harmonious and orderly business environment and guide compliant business activities. During the reporting period, OPPLE Lighting took joint actions with multiple departments to investigate and rectify unfair competition in key areas, thus effectively protecting the legitimate rights and interests of business operators and consumers.



Anti-Unfair Competition Initiatives

During the reporting period, the Company's Legal Department enhanced the awareness on internal legal risk prevention and organized internal legal training, such as the specialized training on the *Legal Risk Prevention and Response in Purchase and Sale Contracts*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Monopoly Law of the People's Republic of China* for the Procurement Department. In addition, in 2023, the Company's internal training system continued to offer the anti-trust compliance training course to all employees and designed an examination question bank.



Promoting Responsible Marketing

OPPLE Lighting strictly complies with laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and the *Advertisement Law of the People's Republic of China*, regulates its own marketing and promotion behavior, and assumes responsibility for every consumer with a true and transparent attitude.



In terms of distribution channel management, OPPLE Lighting has formulated the *Channel Customer Access and Evaluation Standards* to regulate the marketing behaviors of distributors and dealers, ensure brand promotion compliance, and avoid false and misleading promotion. The Company has signed the *Integrity Agreement* with all distributors and dealers to avoid related risks, ensure successful cooperation between both parties, and achieve a win-win situation.

implement detailed management and establish punishment standards based on the assessment items.

In terms of sales personnel management, OPPLE Lighting has developed system documents such as the *Management Measures for Circulation Channel Business Behaviors* and the *Management Measures for Business Behaviors of Sales Centers in China* based on the business development needs of circulation channels. We conduct daily behavior management assessments on the responsible persons of distribution business segments in each region and corresponding sales personnel in the marketing zone,

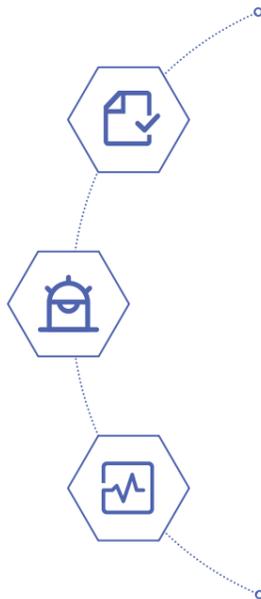
In 2023, OPPLE Lighting's Audit Department conducted targeted random inspection on policy development and implementation, procurement verification, and rebate verification in China Marketing Zone throughout 2022. The Sales Center led the follow-up improvement for relevant issues identified in the audit across various channels and regions, and conducted intensive analysis on the causes thereof to identify deficiencies. By improving relevant systems and optimizing internal processes, we avoided risks and better served distributors and consumers.

For product packaging and usage, we inform consumers of potential health and safety impacts through various channels to ensure they can purchase and use OPPLE Lighting products securely.

Provide customers with product presentation plans, installation and operation instructions, product manuals, and information related to product safety through the Mini Program

Inform users of products safety regulations and warning instructions through the physical instructions within packaging box or the electronic instructions in the highlighted sections on the OPPLE Lighting Mini Program, and safety warning sign reminding users to disconnect the power supply before installation to prevent electric shock

Disclose after-sales service policies, product information, joint warranty service commitments, technical support—common disassembly methods for products, common faults determination methods for products, FAQs, etc. on the official website



Product Safety and Use Safety Notification

To further enhance the compliant marketing awareness among marketing-related personnel and distributors, OPPLE Lighting actively carries out responsible marketing promotion and training activities, thus incorporating the concept of responsible marketing into the daily operations of the Company. During the reporting period, OPPLE Lighting reported no incidents of non-compliance with regulations or voluntary codes concerning product and service information and labeling that resulting in a fine, penalty or warning.

OPPLE Lighting's China Sales Center Organized Distributor Conference in 2023

OPPLE Lighting held a distributor conference under the theme of "Pursuing Light and Dream—Going Forward with Passion" on April 15, 2023, with more than 300 distributors participated. The conference focused on OPPLE Lighting's overall strategic layout plan for 2023 and promoted relevant information for 2 days, and commended outstanding distributors. The topics discussed on the conference mainly included building high-quality marketing competitiveness with sustainable

growth, OPPLE Lighting digital transformation practice and planning, branding and products planning, category operation strategy promotion, as well as the "Torch Program" launched by OPPLE Lighting for cultivating the next generation of outstanding distributors. In addition, to enhance the understanding among distributors on OPPLE Lighting products, we took this opportunity to invite all dealers to visit and accept training at our Wujiang Intelligent Manufacturing Center.

More than

300 distributors participated

Promoted relevant information for

2 days



Protecting Privacy and Security

OPPLE Lighting attaches great importance to information security and privacy protection, strictly abides by laws and regulations such as the *Personal Information Protection Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and the *Data Security Law of the People's Republic of China*, constantly improves and revises the Company's systems and policies related to cyber information security, data security and personal information protection, and strengthens information and privacy control.

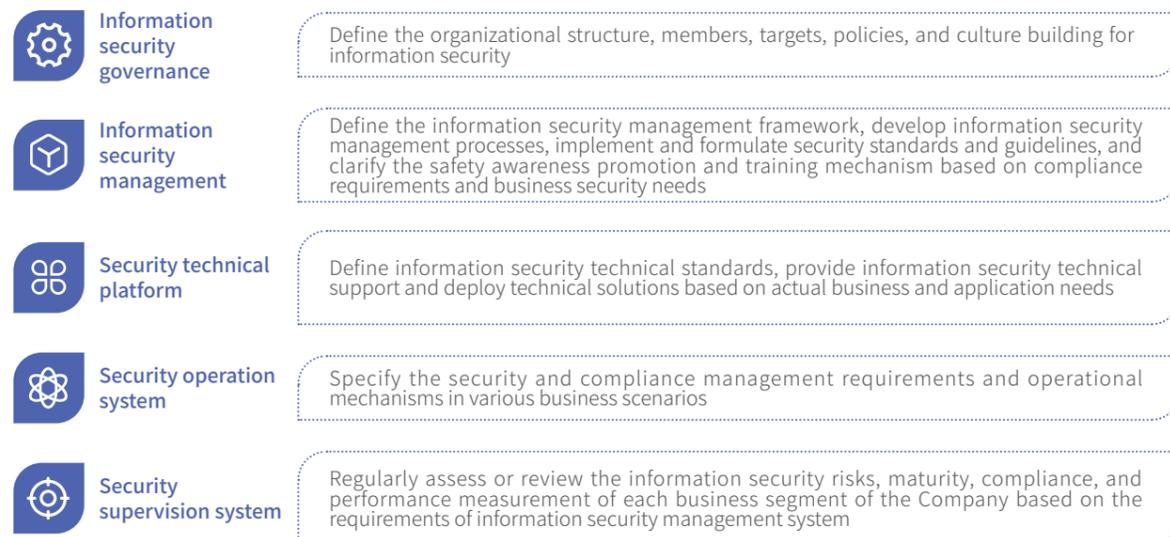


Information Security

In terms of information security, OPPLE Lighting has formulated the *Regulations on the Categorized and Prioritized Security Management of R&D Data*, the *Regulations on the Categorized and Prioritized Management of Security Environment for R&D Information*, the *Data Processing Agreement*, and the *Data Processing Security Compliance and Confidentiality Commitment*. During the reporting period, Shanghai Qianlong Energy Conservation Technology Co., Ltd., a subsidiary of OPPLE Lighting, passed ISO 27001 - information security management system certification, ISO 20000 - information technology service management system certification, and

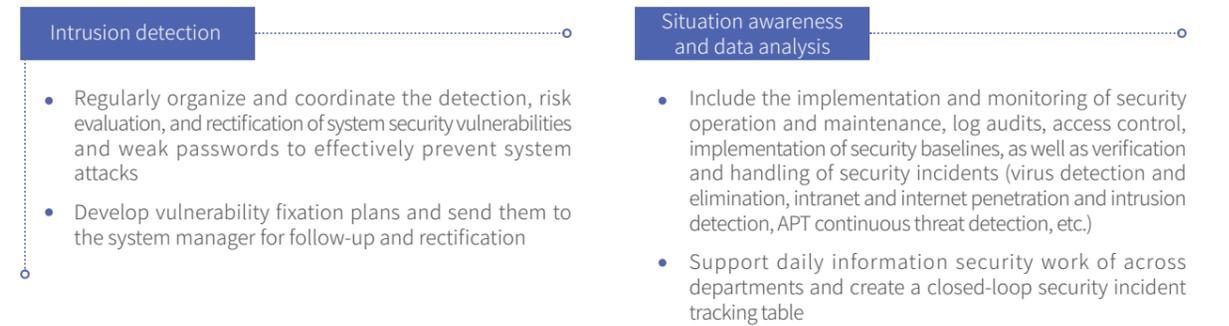
its commercial lighting IOT system passed Class-III security certification, covering 25% of OPPLE Lighting's operating locations.

In 2023, OPPLE Lighting's Information Security Department completed the planning and construction of information security and data compliance system centered on the establishment of information security management system, information security organizational structure, pilot business information security, and information security review system, and established a "1+5+2+3" information security governance system.



"1+5+2+3" Major Work Orientations of Information Security Governance System

OPPLE Lighting is committed to continuously strengthening cyber security construction, adopting various cyber security protection measures to proactively respond to cyber security risks. During the reporting period, the Company conducted a specialized audit on information security to ensure the effectiveness of cyber security control. In addition, we conducted penetration tests prior to launch of new systems, and regularly conducted vulnerability scanning, intrusion detection, situation awareness and data analysis on the infrastructures and applications to comprehensively ensure the security of systems and cyber environment.

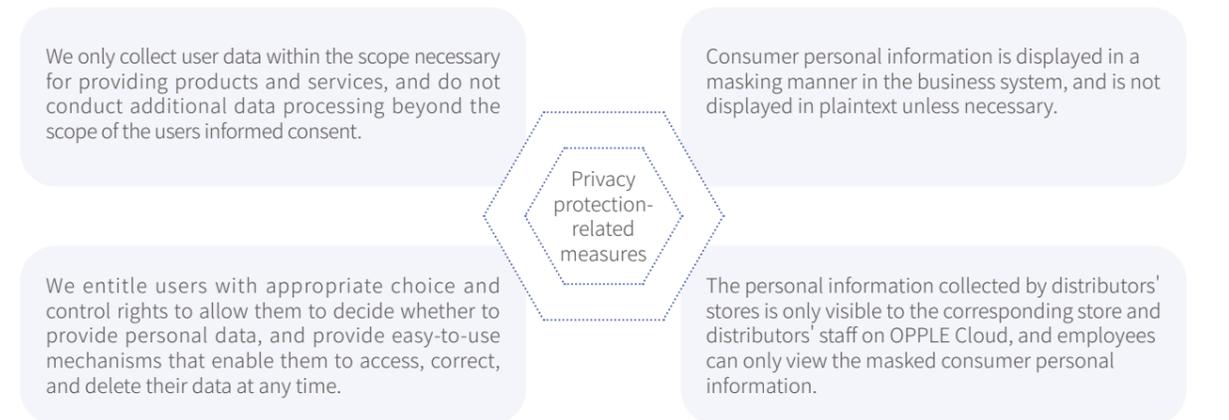


To enhance employees' awareness and recognition of cybersecurity incidents and risks, OPPLE Lighting requires all employees to participate in information security training every year and pass information security examination. During the reporting period, we developed an information security emergency drill plan for 2023 in accordance with the *Specification for Assurance of Application System Continuity*, and conducted a total of 3 drills and training sessions on multiple phishing emails and ransomware.

During the reporting period, OPPLE Lighting reported no cyber security incidents such as data leakage.

Privacy Protection

In terms of privacy protection, the Company has formulated systems such as the *Response Process for Personal Information Subject Rights*, the *OPPLE Lighting Applet Privacy Policy*, and the *OPPLE Lighting User Operation Platform Agreement* to effectively protect user privacy.



OPPLE Lighting only shares user data with third parties in a legal and compliant manner, and has taken a series of measures to ensure the compliance of information security mechanisms and policies of third parties, including evaluating and reviewing third parties, signing the *Data Processing Agreement* and the *Data Processing Security Compliance and Confidentiality Commitment*, as well as supervision and audit, etc. In addition, we have released shared learning through customer service center platform in accordance with the *Response Process for Personal Information Subject*

Rights, and conducted separate training for front-line customer service staff directly interacting with the users, with the aim to ensure that the users rights and interests are effectively protected. Our data protection plan further covers suppliers and business partners, and we have signed relevant agreements such as the *Data Processing Agreement* with all suppliers and business partners.

During the reporting period, OPPLE Lighting reported no infringement of customer privacy rights.

See Beyond, Lighting up Better Life

- Empowering Product Innovation
- Ensuring Quality Assurance
- Enhancing Customer Experience
- Empowering Business Collaboration

In pursuit of its mission of "creating value out of light", OPPLE Lighting has been committed to technology-driven innovation. By virtue of prospective insights into industry developments while acclimating to the trends, OPPLE Lighting leads the intelligent and global development across the lighting industry with excellent technological strength and product quality, professional lighting solutions and high-quality service experiences.

02

Response to SDGs



Empowering Product Innovation

The lighting industry witnesses technological advancements every day, enabling innovation as an important engine to drive social progress. Upholding the grand vision of "creating the world's top intelligent lighting brand", OPPLE Lighting has been deeply engaged in the lighting industry, focusing on technological innovation and product quality improvement, adhering to the parallel development of technology and talents, placing emphasis on intellectual property protection, and consistently stimulating innovation vitality and potential, with the aim to promote the high-quality development of the industry.



Highlighting Product Innovation

OPPLE Lighting has been a major player in and contributor to the lighting industry across its involvement from the traditional lighting era to LED lighting era and the smart lighting era. Setting out from the strategic priority of "Smart Lighting", we have formulated the R&D strategy of "Platformisation, Integration and Large-Scale Production; Application of new structure, new model, new technology, new process and new material", to promote the transformation of product design and manufacturing towards platform-based category design. Furthermore, we focus on the five innovative development orientations to enhance the overall strength of the industry, thus leading OPPLE Lighting towards intelligent, green, and high-end development.



R&D Strategy of "Platformisation, Integration and Large-scale Production; Application of New Structure, New Model, New Technology, New Process and New Material"

Under the guidance of the R&D strategy of "Platformisation, Integration and Large-scale Production; application of new structure, new model, new technology, new process and new material", we follow the customer-oriented and technology innovation-driven strategy, respect the nature of light and create value out of light from five fronts, namely technology, health, low-carbon, fashion and professionalism.

Technology

OPPLE SDL¹ smart spectroscopy

By simulating natural light, it meets different lighting needs. Currently, this technology has been applied to OPPLE's UTMOST whole house intelligent lighting experience hall in real life, as well as multiple products such as blue-sky lamp and wallpaper lamp.

Health

Three-in-one microcomputer-controlled light technology

This technology adopts soft light inner aperture, anti-glare center aperture, light-controlling outer aperture, and utilizes refraction light source composed of 200 million micron-sized light guide points, to greatly improve the illumination area and uniformity, create a more uniform and soft light, and effectively relieve eye strain. This technology has been applied to products such as OPPLE small lighthouse series eye-friendly desk lamp.

Low-carbon

OPPLE Smart Lighting System

Based on the original intelligent lighting management and smart energy-saving functions, "photovoltaic control" function is included into this platform, thus establishing an integrated green, low-carbon, and smart energy solution for green power generation, smart electricity, and energy-saving operations, and helping enterprises to create low-carbon/zero-carbon industrial parks.

Fashion

Eco-fashion design

OPPLE Lighting is committed to designing fashionable decorative lighting products that last with the test of time by properly arranging the classic elements of point and line to plane, with the aim to reduce the waste of resources due to rapid iteration of decorative lighting products.

Professionalism

PLC² solution

It adopts broadband PLC technology to upgrade outdoor intelligent solutions, and realize remote control

OPPLE Home 3.0 Whole-house Intelligent Lighting Platform

The OPPLE Home APP is upgraded and iterated to interconnect with more projects and equipment, allow more users to access thereto, and improve the user experience

Production Innovation Technologies and Application

OPPLE Lighting has always pursued higher-quality healthy light. We are committed to improving our core competitiveness and lean supply chain through cutting-edge lighting R&D technology as well as continuous innovation and iteration.

¹ Software-Defined Lighting
² Power Line Communication

OPPLE SDL Smart Spectroscopy

To meet the demand of consumer market for intelligent light environment management solutions in the era of Internet of Everything (IoE), the Company launched OPPLE SDL smart spectroscopy. This technology simulates the wavelength and color of sunlight through independently developed spectral control algorithms to deliver an atmosphere close to natural light, which brings a more natural and comfortable experience to users, and provides more intelligent solutions catering to functional lighting needs in different application scenarios.



OPPLE Lighting's SDL Smart Spectroscopy

Technology Upgrading of Light Strip

As an integral part of lighting arts, the light strip technology upgrading serves as an important driving force for the development of the industry. OPPLE Lighting has improved the quality of light strip products through technological R&D and process innovation, thus injecting new vitality into product innovation.

- Use new PVC³ polymer material

The light strip technology upgrading is of vital importance to the improvement of product quality and performance. By using PVC polymer materials, we ensure the transparency of light strip and enhance its flexibility and durability, so that the product safety performance is improved while maintaining its original luster and shape during prolonged use.

- Optimize production process

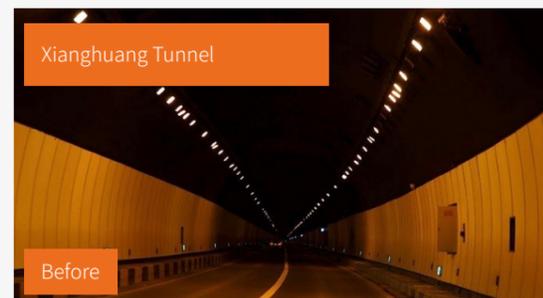
By introducing automated production lines and advanced production management systems, we have realized full process automation and intelligent control from raw material warehousing to finished product delivery, thus reducing human errors, improving production efficiency, and assuring production quality.

Green and Energy Conservation Renovation for Road Lighting

In 2023, OPPLE Lighting undertook the road lighting green and energy conservation renovation project led by the Urban Administration of Nan'an District, Chongqing Municipality, and was included into the 2nd "Zero-Carbon Future · ESG Innovation Practice List".

In terms of green energy conservation, the project has provided the whole district with all energy-saving streetlights using high-efficiency and energy-saving LED light sources. While improving the average illuminance and uniformity on pavement, it contributes to an annual electricity saving of 46%, electricity costs saving of about RMB 4 million, saving of about 1,727 tons of standard coal, and CO₂ emissions reduction by about 4,802 tons, thus effectively reducing urban energy consumption and promoting green and low-carbon urban development.

Beyond that, this project relies on Internet of Things, big data, visualization and other technologies to realize real-time monitoring and control of the entire urban lighting system as well as the intelligent analysis of lighting data such as energy consumption and carbon emissions through the urban lighting Internet big data information platform. The urban management officers can precisely control every streetlight in the whole district in the office by viewing the electronic maps, thus ensuring a more refined, standardized, and intelligent road lighting management. Upon renovation, each light pole is equipped with an "ID card", which provides easy access for citizens to submit questions, opinions, or complaints to the Urban Administration in a simple manner by scanning the QR code on the light pole.



Xianghuang Tunnel

Before



Nanping Tunnel

Before



After



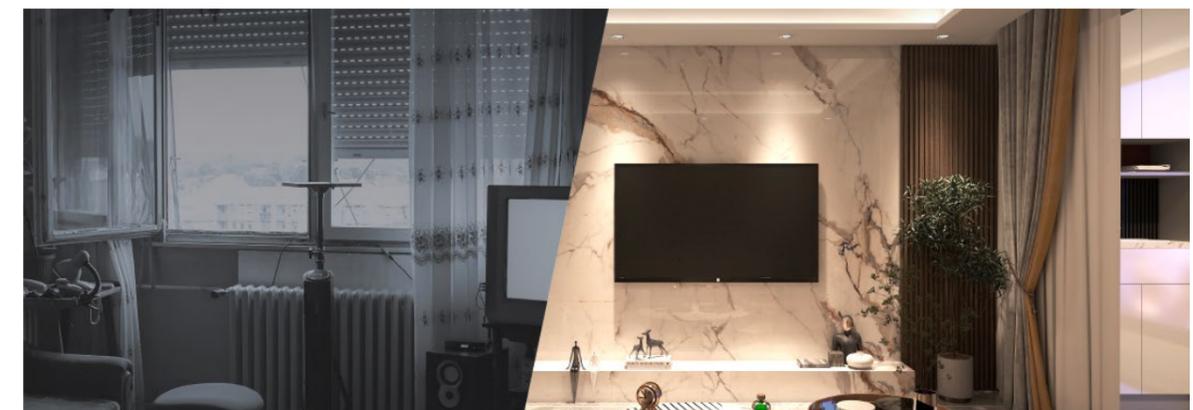
After

Road Lighting Green and Energy Conservation Renovation Project in Nan'an District, Chongqing Municipality

By virtue of our strong R&D and technical strength, we have obtained several laboratory qualification certifications in 2023.



Laboratory Quality Certification



³ Polyvinyl chloride

Professional R&D Team

OPPLE Lighting is keenly aware that strong R&D and customization capabilities rely on solid talent foundation. We adhere to the parallel development strategy of technology and talent, consistently improve R&D incentives, and strengthen R&D personnel training, with the aim to provide inexhaustible vitality for technological innovation and industrial upgrading.

By the end of the reporting period

OPPLE Lighting had R&D personnel of

594

The number of R&D personnel holding master's degree was

85

The percentage of R&D personnel to total workforce was

9.4%

To activate the enthusiasm and creativity of R&D personnel and create a new driving engine for high-quality development, we have continuously improved the R&D innovation incentive mechanisms and formulated short-term and long-term incentive policies. In addition, we remain steadfast in favoring key positions and outstanding personnel for incentives, thus fully mobilizing employees' enthusiasm for innovation.

Short-term incentives

Year-end bonus (for all R&D personnel)

- Grant bonuses based on the Company's annual performance, the performance of each product line, and the individual performance of employees.
- Number of grantees: 423

Process incentives (members of product development programs)

- Develop process incentives for personnel involved in product development program, assess the value created by the program based on delivery quality and timeliness, and allocate bonuses based on contributions of the members.
- Number of grantees: 128

Long-term incentives

Stock incentives (key positions, key technicians, and experts)

- Grant stock incentives to middle and senior management and key technicians.
- Number of grantees: 91

To further enhance the professional knowledge and skills of R&D personnel, we provide an array of internal and external training courses for R&D personnel based on departments, positions, and actual training needs. In 2023, the Company developed 37 internal R&D courses, covering multiple disciplines such as optics, mechanics, electricity, and thermology. There were 32 lecturers for these courses, attracting 925 participants, with a total of 68.5 training hours. In addition, the Company provides external R&D training for employees. In 2023, the Company organized 3 external training courses for employees, covering 35 R&D personnel.



Attaching importance to Intellectual Property

OPPLE Lighting attaches great importance to intellectual property protection while adhering to product innovation. We strictly abide by laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, and consistently implement various intellectual property protection efforts to protect our competitiveness and brand reputation with sound intellectual property management mechanism. Furthermore, we actively prevent intellectual property infringement risks and strive to maintain a fair and orderly market environment.

The Company highly value intellectual property risk management and control. We have taken comprehensive measures in processes such as R&D, supply, and product launch, to monitor and promptly investigate intellectual property risks and protect technological achievements. In addition, we respond to patent litigation or complaints filed in an active manner, and strive to safeguard the legitimate rights and interests of ourselves and others, thus building a fair competition environment in the industry.

Risk prevention

We incorporate intellectual property risk assessment into the R&D process, and implement one-vote veto for high-risk technical solutions and industrial design. In 2023, we completed a total of more than 100 risk assessments, and 10% of technical solutions were evaded or rejected.

We require suppliers to provide a patent risk assessment report for the products they supply and conduct review.

Before launching a new product, we conduct a second risk assessment and implement one-vote veto for high-risk products.



Risk response

We build a professional team to respond to patent litigation claims from third parties and complaints from e-commerce platforms. In 2023, the Company reported no patent-related lawsuit defeat or rulings, and all complaints from e-commerce platforms were successfully resolved.



As an enterprise endowed with advantages in national intellectual property, we attach great importance to intellectual property training. We have organized diversified training programs to enhance the awareness of intellectual property protection and strengthen practical operation abilities among R&D personnel and employees across departments, and consistently improve the intellectual property management of the Company.

Specialized Training on the Industrial Design Layout and Product Risk Assessment Training (Wujiang)

To further strengthen the awareness of risk prevention in industrial design patents and improve the innovation and industrial design layout capabilities of designers, OPPLE Lighting organized the specialized training on the *Industrial Design Layout and Product Risk Assessment Training (Wujiang)* for employees from the Industrial Design Department in July 2023, attended by 16 participants.

Specialized Training on the Patent Portfolio and Intellectual Property Litigation Management (Zhongshan)

In August 2023, OPPLE Lighting organized specialized training on the *Patent Portfolio and Intellectual Property Litigation Management (Zhongshan)* for relevant departments and external suppliers, aiming to enhance the awareness of key departments and suppliers in protecting intellectual property and preventing legal risks, with 83 participants.



Specialized Training on the Basic Knowledge of Patents

To raise the awareness of patent protection among R&D personnel, enrich their knowledge of patent, and promote the Company's patent business activities, OPPLE Lighting organized a specialized training on the *Basic Knowledge of Patent* for R&D personnel in August 2023, with 50 participants.

The Overseas Patent Application Practice and the Enterprise's Response to Overseas Patent Risks workshop

In May 2023, OPPLE Lighting organized the Patent Department to conduct the *Overseas Patent Application Practice* and the *Enterprise's Response to Overseas Patent Risks* workshop, with the aim to continuously enhance the professional knowledge and skills of patent-related staff and empower patent business activities.



In order to create a favorable atmosphere for innovation and stimulate the potential and vitality of employees, OPPLE Lighting has formulated the *Intellectual Property Reward and Compensation Measures* to reward employees for inventions and creations, and set up the *Outstanding Patent Inventor Award* to encourage employees for forge ahead in an innovative and enterprising spirit.

During the reporting period

OPPLE Lighting obtained patent licenses

596 pieces

Trademark registrations approved

25 pieces

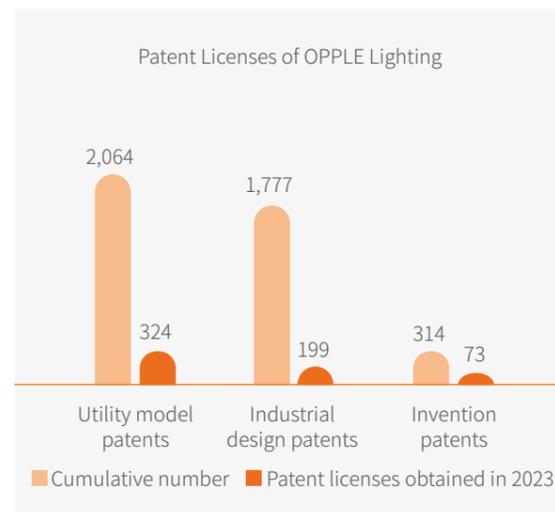
Copyrights applications

4 pieces

By the end of the reporting period

OPPLE Lighting had owned valid patents

4,155 pieces



Ensuring Quality Assurance

OPPLE Lighting has always adhered to high-standard product quality. We hold fast to the lifeblood of product quality while deeply engaging in product R&D. We spare no effort to provide consumers with a brand-new life experience and drive the high-quality development of industry and enterprise with our industry-leading standards and high-quality products.

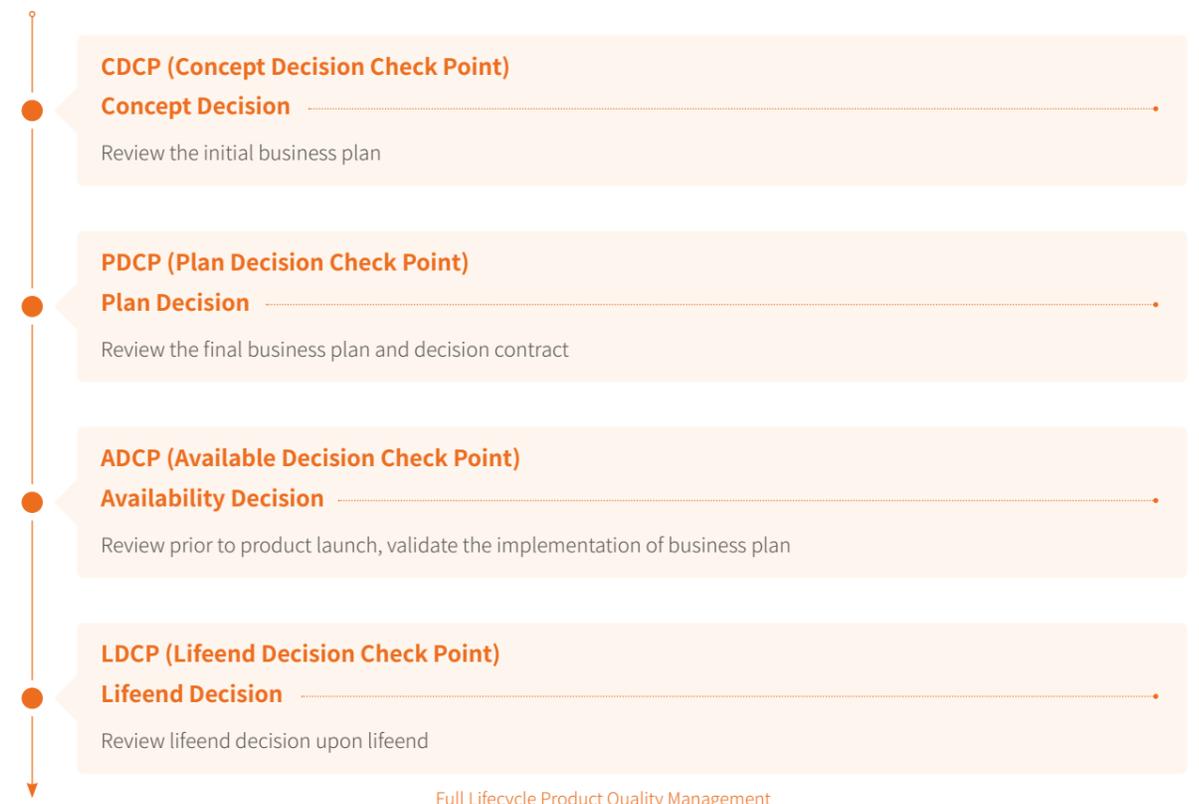


Managing Product Quality

OPPLE Lighting strictly complies with quality-related laws and regulations as well as standards such as the *Product Quality Law of the People's Republic of China* and the *Law of the People's Republic of China on Protection of Consumer Rights and Interests*, to strictly control the quality and safety of products. We have formulated the *Regulations on Product Quality Abnormalities and Evaluation Management* and the *Product Line Quality KPI Management and Assessment Mechanism*, to clarify the requirements for service quality management and continuously implement specific responsibilities for product quality management at all levels.

We persist in improving the effectiveness of our quality management system. We have built a three-in-one quality assurance model in which ISO 9001 - quality management

system serves as the foundation, systematic management serves as the cornerstone, product life cycle serves as the axis, and potential failure prevention serves as the breakthrough point. Furthermore, by fully leveraging the advantages of digitalization, we have realized reliable and scientific product quality management through big data supported design, online synchronization of supply chain management, as well as efficient operation and decision-making mode of intelligent manufacturing. Beyond that, we have established a full lifecycle product quality management process to comprehensively monitor product quality from the three aspects including quality planning, process monitoring, and deficiency management, thus ensuring product quality safety and controllability.



Full Lifecycle Product Quality Management

For the product quality planning control at early stage, we conduct front-loaded risk identification on the project to prevent potential quality risks in advance. Before the official launch, we conduct multiple technical reviews on the product to ensure the product quality meets general availability. During mass production, we implement multi-level interception for incoming materials, manufacturing processes, and final product inspection. In addition, we adhere to the closed-loop management for product quality issues, including new product issues, mass production quality issues, as well as customer complaints.



Three-in-one Quality Assurance Model



During the reporting period, OPPLE Lighting had been certified to ISO 9001 - quality management system, and passed multiple international and domestic product certifications, including (CCC)⁴, CQC⁵, CE6, GS⁷, ENFC⁸ and RoHS⁹.

By virtue of our excellent product quality management, we have won the 2022 Suzhou Quality Award¹⁰ and were included into the Jiangsu Province Quality Credit AA Grade Enterprise List, among other honors.

In 2023

OPPLE Lighting completed technical reviews

275

Reviews on quality issues

51

Developed countermeasures

218



Strengthening Quality Control

During production, OPPLE Lighting implements strict quality control measures by establishing quality control points and standards, and conducting automatic testing at key quality control points, to achieve comprehensive quality control during production. In addition, product quality control and reliability.

Review manufacturability of new products

- During new product introduction (NPI), we identify risks in aspects such as product design, process, quality and supply in advance through manufacturability review
- The review dimensions include technical feasibility analysis, quality control and reliability evaluation, production efficiency and sustainability evaluation, safety and health impact evaluation, etc.

Formulate quality control points and standards

- During the production, we identify key production processes, review historical failure experiences, strengthen quality control during production, and ensure that products conform to relevant quality standards

Conduct automatic testing for key quality control points

- At key quality control points, automated testing machines (such as automatic screening and feeding machines, automatic packaging and weighing machines, etc.) are used to improve product quality control efficiency and accuracy

Key Process Control on Bath Heaters to Strengthen Quality Control on Major Products

With the increasing demand for high-end intelligent household electrical appliances, batch heater has become a hot seller since its launch. The key process quality control for this product is of particular importance. To strengthen the key process quality control for batch heaters, OPPLE Lighting conducted audit on this product pipeline, established key process, and affixed identification cards. To strengthen the quality control awareness among key personnel, we conducted targeted training, organized practical exams, and issued work permits.

Suppliers' quality management is a key link in product quality control. We have developed the *Supplier Quality Manual* to provide well-defined specifications for the quality management of components suppliers. During the supplier certification, we require suppliers to provide valid ISO 9001 certificate to ensure their quality conforms to international standards. For suppliers failed to provide relevant certificates, we conduct strict review on the conformance of their quality management system and supervise them to pass relevant certifications as soon as possible.



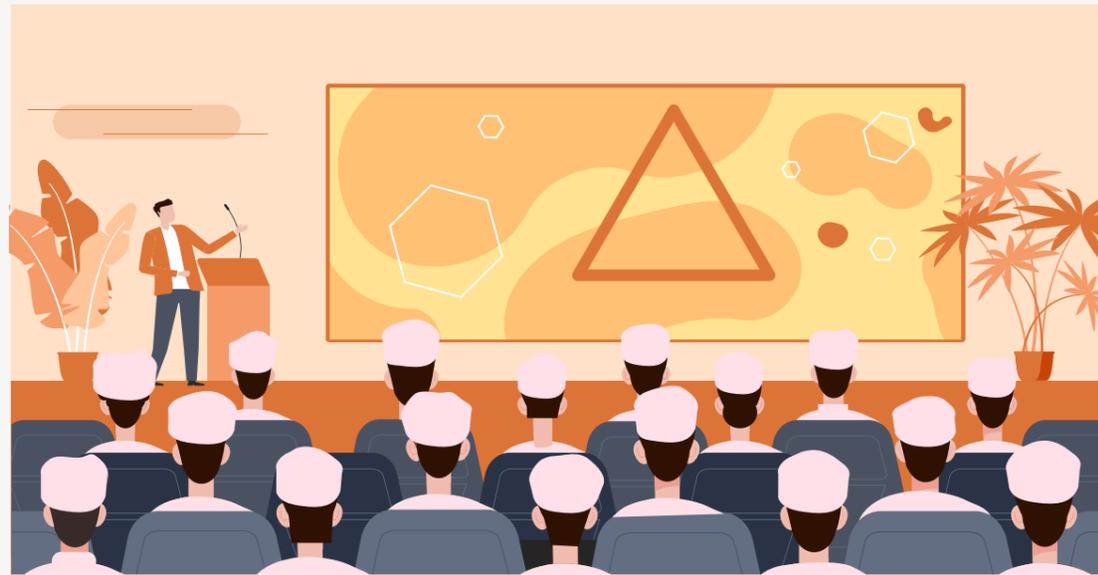
⁴ China Compulsory Certification
⁵ China Quality Certification Centre
⁶ CONFORMITE EUROPEENNE
⁷ Germany Safet
⁸ European Norms Electrical Certification
⁹ Restriction of Hazardous Substances
¹⁰ The award is valid for three years, i.e. from September 2022 to September 2025

Consolidating Quality Training

We place emphasis on raising the employees' quality awareness. To strengthen product quality management, enhance employees' quality awareness, and improve the professional skills of quality personnel, we conducted multiple quality training sessions for quality personnel of different product pipelines and different needs during the reporting period, including internal auditor certification training, IPD¹¹ quality empowerment training, product traceability, and product failure experience input.

Quality Training for Production Personnel

We are always pursuing the goal of zero defect. We attach great importance to raising quality awareness among production personnel. In 2023, OPPLE Lighting organized a specialized training on the *Importance of Product Quality* for group leaders, quality inspectors, and key personnel of each area, covering status of product quality management, prevention, and solutions for product quality issues, which improved the proficiency of production personnel in quality control operations through on-site practical teaching.



¹¹ Integrated Product Development

Enhancing Customer Experience

Customer service plays an important role in brand building. As a leader in China's lighting industry, OPPLE Lighting adheres to its mission "Service Creates Value" by providing premium services to customers to continuously create value for more consumers.



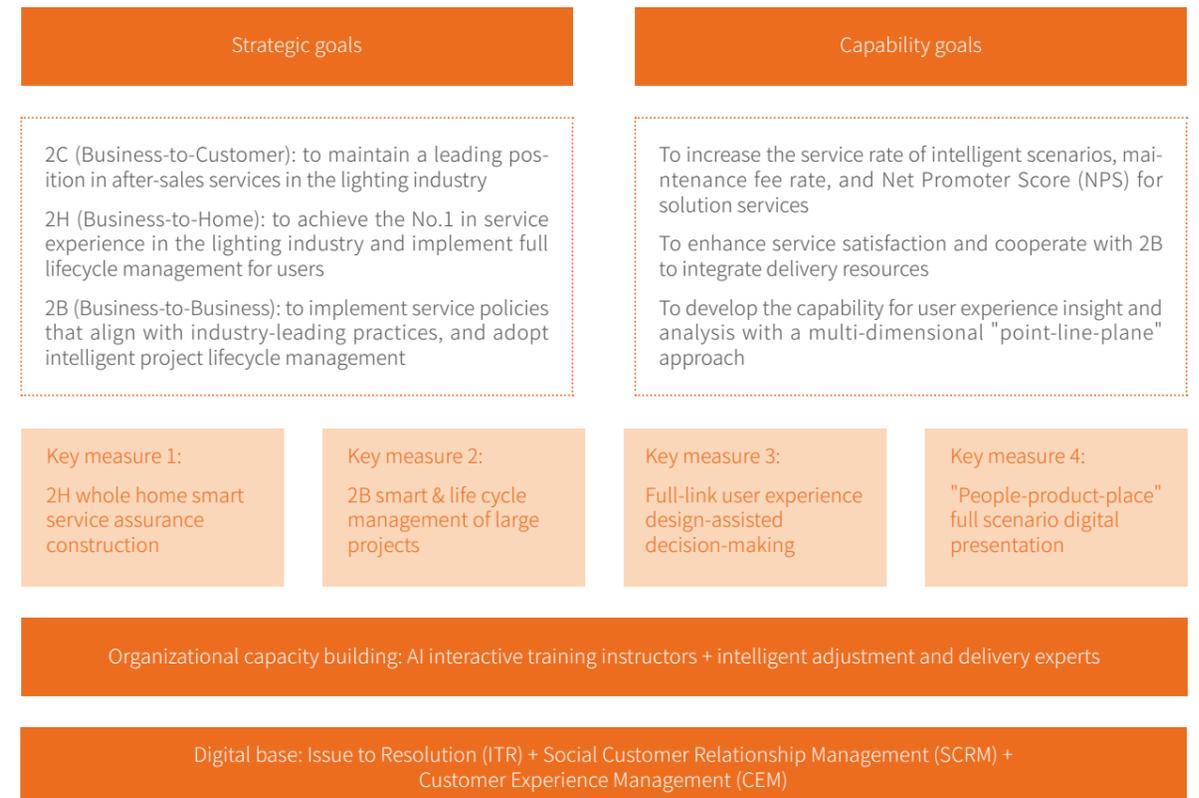
Premium Service

Guided by customer demand, we constantly improve our services, and innovate and upgrade customer experience. We have formulated a phased customer service strategy, defined the key tasks of service improvement phase by phase, improved the customer service system step by step, and joined hands with customers to achieve win-win results.

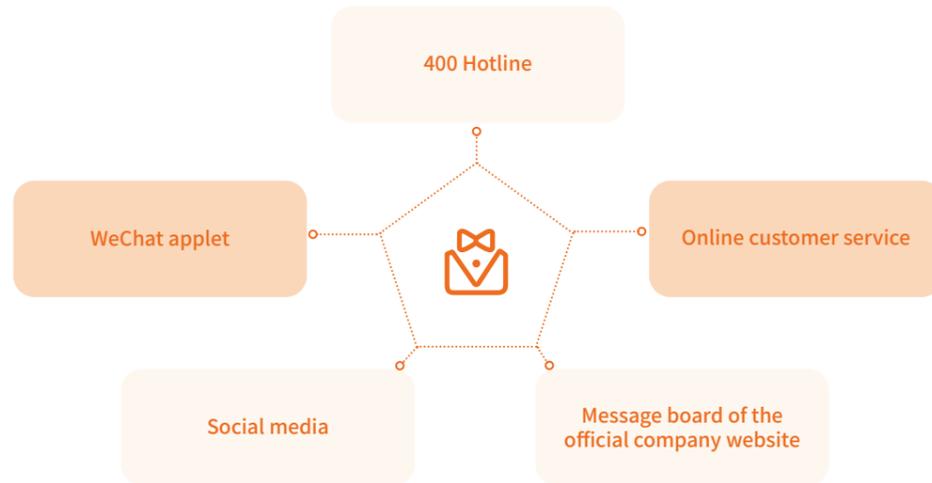
During the reporting period, the Company developed a

customer service strategy for the period from 2023 to 2027 based on the overall implementation and gaps of the 2020 customer service strategy. This strategy aims to transform customer service from "experience management" to "value output" through innovation in the service process system, establish a leading service standard in the smart lighting industry, and set the pace in the development of lighting industry service with a "five-star" quality.

The Customer Service Strategy (2023-2027)



To provide a more efficient and convenient customer service experience, OPPLE Lighting has established multiple communication channels both online and offline. Additionally, the Company integrates the efforts of the service team, partners along the industry chain, and digital tools to reassure users.



OPPLE Lighting's Customer Communication Channels

To fully protect our customers' rights and understand their demands, we regularly conduct customer satisfaction surveys among our dealers and end-users. Through online questionnaires and telephone follow-ups, we comprehensively gather user opinions and feedback to address pain points in customer service and to enhance our service quality and standards.

During the reporting period, dealers expressed an overall satisfaction rate of 84.1%. The average satisfaction rate among end-users exceeded 95%, with 96.8% for the installation service and 95.4% for the repair service.

Customer Complaint

OPPLE Lighting adheres to the "Customer Centric" service principle, establishing and refining a customer complaint response mechanism and management system to continuously enhance customer experience and satisfaction.

To ensure that customer complaints are handled promptly, properly, and professionally, OPPLE Lighting has established the *Management Regulations on Customer Complaint Handling*, which clarifies the responsibilities of each department in handling complaints and standardizes the processes and response timelines for handling different types and levels of customer complaints. A preliminary solution shall be prepared for an urgent customer complaint within four hours upon receipt, and the case shall be concluded within seven days. For a general customer complaint, a preliminary solution shall be prepared within two days upon receipt, and the case shall be concluded within fifteen days. In terms of complaints from smart home solution users, we require that a preliminary solution shall be prepared within four hours or two days upon receipt.

The response rate of a customer complaint

100%

The conclusion period of a customer complaint

11 days

Satisfaction of customer complaint handling

96.8%

Key Indicators of Customer Service in 2023

Customer Experience

While continuously improving customer service management, the company persists in building a "Digital OPPLE Lighting". By leveraging digital tools, we provide users with a one-stop service package covering all links, creating a better service experience.

Upgrade of the "Nationwide Warranty" Service

As consumers pay more attention to product quality and after-sales service, OPPLE Lighting adapts to the changes in consumer demand and strives to promote the upgrading of traditional after-sales service to a full-link service mode.

In 2023, on the basis of implementing the "Nationwide Warranty" service, OPPLE Lighting further upgraded its warranty service by establishing a warranty service mechanism managed by the CRM-ITR system. In addition, the Company has set up 43 service centers and 800 service outlets across 289 prefecture-level cities nationwide, further meeting the domestic consumers' needs for in-home after-sales service.

As of the reporting period, OPPLE Lighting had provided in-home services for over 120,000 households, with a customer satisfaction rate of 96%. With professional and standardized technology and service standards, users truly enjoy safe, reassuring, and high-quality services.

As of the reporting period

OPPLE Lighting had provided in-home services for over

120,000 households

With a customer satisfaction rate of

96%



Smart Home Engineer Certification Training Camp

To meet the growing demand for on-site after-sales service from consumers, OPPLE Lighting has implemented a nationwide warranty service that includes in-home after-sales support. This service, powered by a team of skilled technicians and adherence to standardized service standards, aims to eliminate variations in service quality across different retail outlets.

In 2023, OPPLE Lighting conducted a total of 30 after-sales service training sessions, with 18 aimed at dealers, 9 for warranty service providers, and 3 for internal after-sales teams. The training content included product knowledge, troubleshooting, after-sales repair techniques, in-home service standards, engineer skill certification, and practical installation and debugging. More than 1,500 employees participated in the training to ensure that they were skilled enough to meet user needs.



OPPLE Lighting's Smart Home Engineer Certification Training Camp

Video Customer Service Mini Program

As the quality of life for consumers in China improves, users' expectations for service experiences are increasingly high, and so the "service standardization" is urgently expected to be addressed. To enhance the consumer experience, in 2023, OPPLE Lighting launched the "OPPLE Home" WeChat mini-program, offering a unified, rapid, transparent, and reassuring one-stop services to consumers nationwide, thereby further improving the customer experience.

Relying on the "OPPLE Lighting" mini program, consumers can directly communicate with online customer service personnel, have access to "face-to-face" services and online guidance, and enjoy convenient services such as submitting installation or repair requests and querying service charging standards. Thanks to the recent upgrade to our digital intelligence system, we have boosted service efficiency and substantially relieved our customers of any concerns, thereby enabling them to fully savor a life of premium quality.



The "OPPLE Lighting" Mini Program

With its attentive and comprehensive service, OPPLE Lighting has been honored with the title of "Best Customer Contact Center in China" for the eighth consecutive years and "National Standard Five-Star After-Sales Service Enterprise" for three years in a row.



OPPLE Lighting has been honored with the title of "Best Customer Contact Center in China"

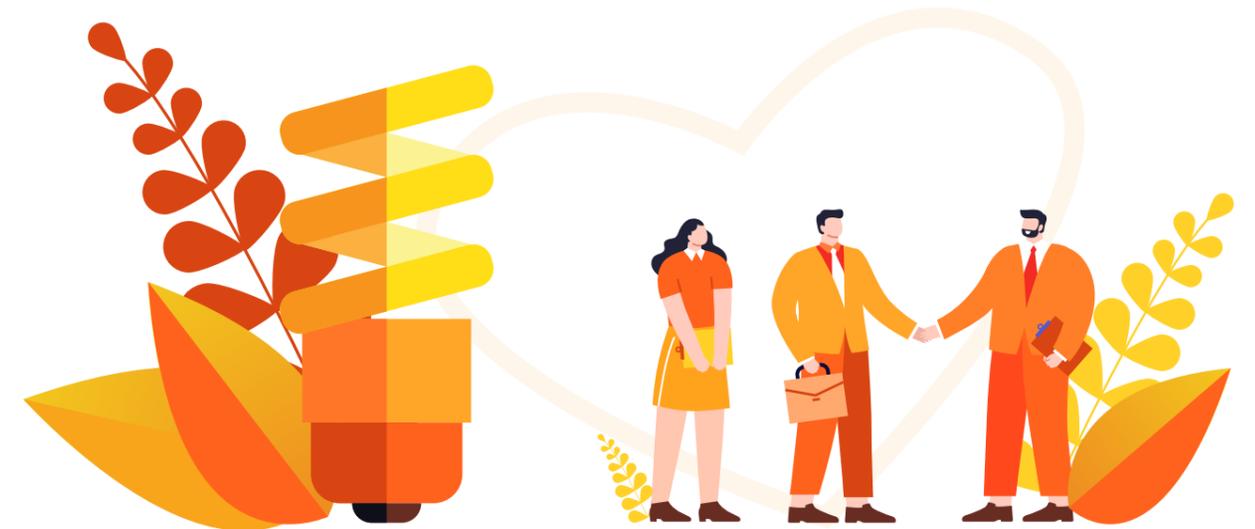
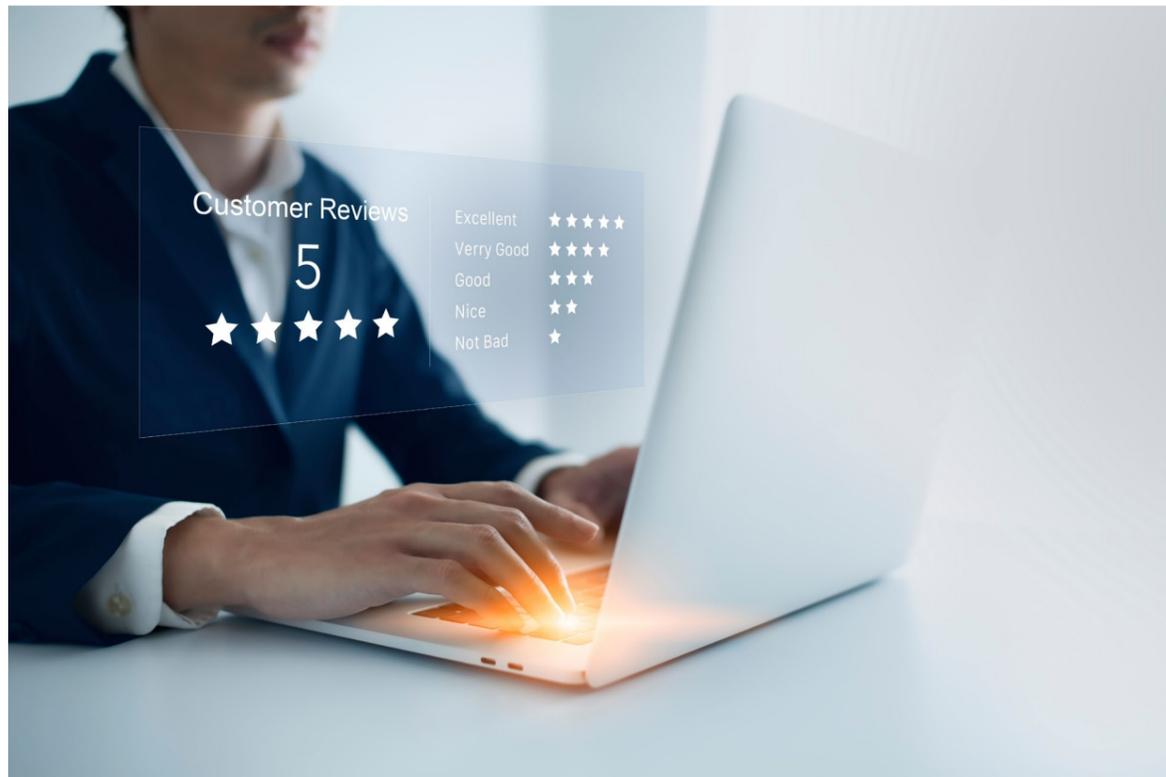


OPPLE Lighting has been honored with the title of "National Standard Five-Star After-Sales Service Enterprise"

Product Recall

To uphold product quality, safeguard consumer interests, and ensure a secure and trustworthy product experience, OPPLE Lighting has put in place and continually improved product recall policies. In the event of mass quality risks with our products, we will convene a special review meeting at the earliest opportunity to assess the scope of the product recall, the disposal of the recalled products, and their impacts. After approval by respective responsible departments, we will promptly issue a product recall notice to ensure the timeliness and effectiveness of the recall process.

In 2023, due to a programming burn error, OPPLE Lighting initiated a product recall for a batch of "recessed floor lights". Upon identifying the quality issue with the product, OPPLE Lighting immediately convened a special evaluation meeting. Following the necessary approvals, the Company initiated the recall and replacement process without delay, achieving a recall rate of 97%. For the product recall incident, the relevant responsible departments have formulated long-term improvement plans and measures for closed-loop management.



Empowering Business Collaboration

As a trailblazer in the lighting industry, OPPLE Lighting is committed to its corporate mission of "Creating value out of light". We are dedicated to fostering the standardized growth of the industry with our expertise. With an open and collaborative spirit, we actively broaden our ecosystem of partners, join hands with various stakeholders to amplify the value we bring to the lighting sector and end-users, and jointly chart a course toward an intelligent future.



Dealer Assistance

On the path to becoming a world-leading smart lighting brand, every milestone of OPPLE Light's success is firmly rooted in the support of our dealers. We march forward hand in hand with our dealer partners, establishing deep trust and harmonizing our values. Meanwhile, we are committed to assisting our dealer partners continuously in enhancing their operational and management skills, fostering their growth alongside us, and collectively striving for an even brighter future.

OPPLE 2023 Dealer Meeting

In April 2023, OPPLE Lighting held the "2023 Dealer Meeting for Sales Centers in China" in Suzhou. To facilitate the effective deployment of its innovative strategy and hasten the journey towards establishing OPPLE Lighting as the top global smart lighting brand, the conference featured in-depth discussions on digital supply chains, sales tactics, brand and product planning, and talent cultivation, outlining the Company's strategic directions and focuses. Furthermore, the "2023 OPPLE Torch Initiative" was inaugurated during the conference, aimed at offering comprehensive training to the upcoming generation of dealerships in areas such as business management understanding, efficiency development, and performance improvement, thereby sustainably strengthening our brand's dealer network.



OPPLE 2023 Dealer Meeting

Industry-Academia-Research Cooperation

OPPLE Lighting is committed to promoting industry-academia-research cooperation. By joining forces with various partners and leveraging their respective resource advantages, OPPLE Lighting explores the boundless possibilities in the field of lighting through win-win collaborations. This approach aims to drive the reform and upgrading of the lighting industry, and to bring the concept of "light for health" into homes from every corner of the earth.

OPPLE Lighting Signed a Comprehensive Partnership Agreement with Huawei Cloud, Paving the Way for a Revolutionary Era in Smart Home Technology

In 2023, OPPLE Lighting duly signed a comprehensive partnership agreement with Huawei Cloud. The two parties will, leveraging Huawei Cloud's cutting-edge capabilities in cloud computing, IoT, and AI, along with OPPLE Lighting's digital transformation expertise, embark on a comprehensive collaboration across various domains such as the digitalization of OPPLE Lighting, smart retail stores, digital supply chains, and security infrastructure. This partnership is set to significantly bolster the development of the smart home era.



OPPLE Lighting Signs a Comprehensive Partnership Agreement with Huawei Cloud

In the future, OPPLE Lighting will join hands with Huawei to create superior industry solutions, offering consumers intelligent and customized high-quality experiences in smart home living. Furthermore, OPPLE Lighting will also continue to strengthen its exploration in the field of intelligence, collaborating with more partners in the smart ecosystem to build an open and interconnected home environment. By leveraging digital innovation to empower high-quality industrial development, OPPLE Lighting is committed to continuously creating value out of light.

OPPLE Lighting to Create the "Antarctic Health Cabin" in collaboration with Tongji University and other institutions

In 2023, the "Antarctic Health Cabin" led by Tongji University and collaboratively developed by the Polar Research Institute of China, OPPLE Lighting, and other partners arrived at the Zhongshan Station (Antarctica). This initiative supports research on human health in polar environments and provides vital life health support for scientific expedition members under extreme living conditions.

Research suggests that the disrupted body clocks caused by the continuous daylight of polar summers or the unending darkness of polar winters, coupled with the sensory deprivation of the "white desert" may lead to poor sleep and increased anxiety. These factors will adversely affect the physical and mental health of expedition members and hinder the efficient progression of their scientific work. To address these challenges, Prof. Hao Luoxi led the research on an intelligent human health support system tailored for the polar day and night environment. Under her leadership, the team developed and created the "Antarctic Health Cabin". The "Antarctic Health Cabin" employs rhythmic lighting that mimics different seasons and periods to modulate the visual and emotional experiences of the expedition members. This innovation helps to correct disruptions in their body clocks, thereby significantly improving their physical and mental health.



Light Regulation of the Antarctic Health Cabin

Industry Development

As the lighting industry moves towards standardization and intelligence, there is an ongoing need to establish and refine the standard system to foster the healthy and sustainable growth of the lighting industry. While collaborating with each partner, OPPLE Lighting actively leverages its professional expertise to participate in the development of multiple industry and group standards, contributing to the standardization and regularization of the industry.

The Corporate Standard *Quality classification and "leader" Evaluation Requirements for Ceiling Fan Lights*



- To deliver superior products and enhanced comfort to consumers, OPPLE Lighting proactively proposes the "development of standards for ceiling fan lights" to the industry association, aiming to drive product quality enhancements and high-quality industrial development through standardization and regularization.
- To this end, Guangdong Illuminating Engineering Society took the lead in proposing a project to the China National Institute of Standardization to initiate the development of the *Quality classification and "leader" Evaluation Requirements for Ceiling Fan Lights*. In July 2023, the corporate standard was duly approved for implementation.

The Corporate Standard *Specification for Lighting Scene Applications for Nursing Homes*



- Led by OPPLE Lighting, the *Specification for Lighting Scene Applications for Nursing Homes* builds on the Company's extensive experience in the field of light for health. It seeks to advance the use of healthy lighting in medical and eldercare settings, thereby fostering the healthy growth of the medical industry and enhancing the quality of life for the elderly. The compilation of this standard was officially launched in March 2023.

The Corporate Standard *Human-Centric Lighting Lighting*



- The compilation of the corporate standard *Polar Human-Centric Lighting* is an important part of Topic 5 *Research and Application of Antarctic Intelligent Healthy Lighting* in the social development science and technology project titled the *Study on the Intelligent Health Support System for Antarctic Expedition Members* under the "Science and Technology Innovation Plan" of Shanghai in 2020. This topic focuses on the physical and mental health, living environment, sleep rhythms, and emotional cognition of polar expedition members. As one of the participants, OPPLE Lighting, along with the main research units and other members, jointly drafted the association standard. The association standard *Human-Centric Lighting Lighting* was duly implemented on August 1, 2023.

Participating in the Compilation of Corporate Standards and Industry Standards

In addition, OPPLE Lighting actively participates in industry association activities and industry exchanges, absorbing the wisdom of various sectors. By joining forces with partners from all walks of life, we discuss the future of lighting technology innovation and industry development and contribute to the advancement of China's lighting science and technology industry.

Hosting "the 6th Smart Lighting Forum with 40 Participants" and Expert Meetings

On March 29, 2023, the 2023 (6th) Smart Lighting Forum with 40 Participants, organized by the Shanghai Pudong Intelligent Lighting Association and hosted by OPPLE Lighting, was officially convened. Representatives from the lighting industry, IoT and cross-border platforms for home appliances, new supply chain enterprises, telecom operators, and designer channels, including OPPLE Lighting, gathered to discuss the future development of the intelligent lighting industry with special guests from Fudan University. Representatives from enterprises and experts engaged in an in-depth exchange on the establishment of interoperability standard systems, the implementation of commercial lighting projects, and new opportunities under the smart crossover, providing new insights and momentum for the intelligent development of the lighting industry.



The 2023 (6th) Smart Lighting Forum with 40 Participants

At the meeting, OPPLE Lighting, together with the attendees, witnessed the official release of the *Specification for Whole Home Smart Lighting without Main Light* and the *Specification for Indoor Lighting Applications for Microwave Radar Sensing Technology*. Additionally, the *Specification for Lighting Scene Applications for Nursing Homes*, the *Bluetooth Mesh Smart Home Lighting Interconnection Specification (Revised)* and the *Evaluation Specification for Smart Dual-Temperature Downlight and Spotlight* were officially launched at the meeting.

OPPLE Lighting Joins Hands with Shanghai Aircraft Design & Research Institute to Conduct Research on Natural Skylight.

As one of the key suppliers to COMAC's sky simulators, OPPLE Lighting has been continuously collaborating with the Shanghai Aircraft Design & Research Institute to discuss the technical aspects of simulating natural light. We have also developed the *Technical Specification for the Design of Skylight Environment Simulation System* with the Shanghai Illumination Electric Appliance Trade Association and the Shanghai Aircraft Design and Research Institute. This collaborative effort contributes to the R&D of China's natural skylight simulation technology and standards.

China Lighting Science and Technology Conference

On November 12, 2023, the 1st China Lighting Science and Technology Conference hosted by the China Illuminating Engineering Society (CIES) was convened in Suzhou City, Jiangsu. At the conference, the head of OPPLE Lighting's optical platform shared a report titled *The Construction and Application of a New Generation of White Light Color Vision Quality Evaluation System*. The report focuses on a new generation of full-spectrum technology projects developed by OPPLE Lighting in collaboration with Wuhan University. The project has passed the scientific and technological achievement appraisal of the CIES and was awarded the first prize for technological innovation at the 18th CIES Award.



China Lighting Science and Technology Conference



2023 Annual Meeting and the Lighting Industry Development Trend Forum of the China Building Decoration Association Building Electrical Branch

2023 Annual Meeting and the Lighting Industry Development Trend Forum of the China Building Decoration Association Building Electrical Branch

On December 27, 2023, the 2023 Annual Meeting and the Lighting Industry Development Trend Forum of the China Building Decoration Association Building Electrical Branch with the topic of "Upholding and Leading" was convened in Guangzhou. At the forum, OPPLE Lighting presented its cutting-edge LED lighting technology, and the SDL smart spectral technology, and engaged with industry experts and professionals from various sectors to collectively showcase the fruits of lighting innovation.

The 6th "Low-carbon Lighting Brightens Cultural and Tourism Industry" Themed Forum of the China International Fair for Trade in Services

On September 3, 2023, the 6th "Low-carbon Lighting Brightens Cultural and Tourism Industry" Themed Forum of the China International Fair for Trade in Services was held at Shougang Park, engaging in an in-depth exchange on the relationship between lighting trends, cultural tourism and urban development under the carbon peak and carbon neutrality goals.

At the forum, OPPLE Lighting delivered a keynote speech on *OPPLE' Lighting's Latest Practices in Low-carbon Lighting*, sharing the latest cases of how it helps businesses save energy and reduce carbon emissions.



The 6th "Low-carbon Lighting Brightens Cultural and Tourism Industry" Themed Forum of the China International Fair for Trade in Services

Protect Environment, Embracing Green Development

- Environmental Management
- Addressing Climate Change
- Optimizing Resource Usage
- Standardizing Emission Management

Green development is the theme for economic and social development, and it is also the responsibility and undertaking that the corporate should hold on to for the sake of long-term healthy development. Guided by science and technology, OPPLE Lighting has always been incorporating green development philosophy into the corporate development strategy from manufacturing to consumption, proactively promoting green and low-carbon development. Furthermore, we participated in the drafting of the *General Principles for Green Enterprise Evaluation* launched by the China Industrial Cooperation Association as the only lighting manufacturer, with the aim to lead green manufacturing progress and build a clean and beautiful world.

03

Response to SDGs



Environmental Management

Environmental Management System

OPPLE Lighting strictly complies with laws and regulations such as 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*, and has established internal management systems such as the *Environment, Health and Safety (EHS) Management Measures*, with the aim to identify, assess, and effectively manage environmental risks related to our business activities, and achieve environmentally friendly development.

To ensure the efficient implementation of environmental management, we have established a sound environmental management structure. The Board of Directors and the management participate in and review the Company's environmental management strategy and its performance on a regular basis, and tie environmental management-related performance to the compensation performance of each executive management to ensure that our environmental protection work is fully valued and promoted.

OPPLE Lighting actively promotes environmental management systems as well as internal and external audits on environmental compliance. We conduct routine internal audits on a monthly basis, covering external pollution prevention and control facilities, stormwater and sewage pipelines, discharge outlets, and surrounding conditions throughout our entire park. In addition, we receive external inspections from the ecological environment supervision and management authority on a quarterly basis to ensure that our environmental protection work conforms to relevant regulations and standards.

During the reporting period

OPPLE Lighting invested a total of

RMB **2.72** million

Passed the of **ISO 14001** environmental management system
Annual audit certification

OPPLE Lighting Won the 2023 Cailian Press Zhiyuan Award · Environmental Pioneer Enterprise Award

To further deepen ESG reform and explore best practices in ESG, the 4th Cailian Press Enterprise ESG Forum and ESG Influence 50 Forum Launch Ceremony jointly organized by the All-China Environment Federation and Cailian Press was held in December 2023, and the "Cailian Press · Enterprise ESG Zhiyuan Award" award ceremony was held. OPPLE Lighting won the "2023 Cailian Press Zhiyuan Award · Environmentally Pioneer Enterprise Award" for its outstanding contributions in carbon emission reduction and energy conservation, pollutant treatment efficiency, supply chain environmental protection and green innovation.



Addressing Climate Change



Climate change is a major global challenge faced by humanity today. It affects the stability of natural ecosystems, and serves as a key guarantee for the sustainable development of human economy and society. As a responsible enterprise, OPPLE Lighting actively responds to China's "carbon peaking and carbon neutrality" goals, incorporates low-carbon development into its strategic planning, responds to climate change risks from its own perspective, and comprehensively enhances its ability in responding to climate change, thus making contributions for a greener and sustainable future.

Climate Risk Responses

OPPLE Lighting regards response to climate change as the top priority in environmental management and believes that the effective management of climate change risks is an indispensable core competency for enterprises. We conduct identification, evaluation, and response to climate change risks in a gradual manner, to provide clear guidance for enterprises to achieve low-carbon transformation in production and operation in the future.

In response to extreme weather, OPPLE Lighting has developed a comprehensive emergency plan aiming at providing clear guidelines for the Company to respond to various extreme climates. To ensure effectiveness of the plan, we organize emergency drills on a regular basis to effectively implement accident prevention and emergency measures, mitigate the impact of extreme weather on the Company's daily production and operation, and ensure the Company's steady development. During the reporting period, we proactively promoted various energy-saving and carbon-reduction initiatives. The Company reduced carbon emissions and improved its adaptability to climate change by improving energy efficiency and optimizing the energy structure.

Energy Management and GHG Emissions

GHG Inventory

Under the guidance of the "carbon peaking and carbon neutrality" strategy, OPPLE Lighting has established a GHG inventory project team to carry out carbon verification for the Shanghai headquarters, Wujiang manufacturing center in Suzhou and Zhongshan manufacturing center in accordance with the *ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals* as well as other applicable laws, regulations, and relevant standards, covering some of the greenhouse gas emissions in Scope 3. The company is also committed to the core mission of sustainable development. By optimizing energy efficiency, applying green building technology, adopting environmentally friendly methods of work, using more renewable energy,

and designing environmentally friendly products in business operations, it aims to implement corporate responsibility, establish the goal of carbon neutrality in the three locations, and devise a corporate carbon neutrality commitment and the path towards achieving this goal.

So far, OPPLE Lighting has completed Phase I of its carbon neutrality strategic goal, laying a solid foundation for the formulation, implementation, monitoring, and evaluation of energy conservation and emission reduction plans in Phase II. In the future, OPPLE Lighting will gradually carry out product carbon footprint research and LCA product life cycle impact assessment in line with ISO 14067, with the aim to strengthen the "green" procurement competitiveness across the globe and enhance the brand's worldwide reputation.



Energy Conservation and Consumption Reduction Practice

We have always deeply incorporated the philosophy of energy conservation and emission reduction into all aspects of our business operations. In addition, we are committed to improving energy efficiency, applying low-carbon technologies, comprehensively promoting the construction of green plants, advocating, and realizing low-carbon production.

During the reporting period

OPPLE Lighting's Wujiang Manufacturing Center passed the annual audit certification of **ISO 50001 energy management system**

Build Green Plant

OPPLE Lighting has formulated internal energy management systems such as the *Regulations on Electricity Management* and the *Green Plant Management Manual*, and has been continuously improving production processes and technology to create a low-carbon park and realize sustainable operation of energy utilization and infrastructure in each industrial park. During the reporting period, OPPLE Lighting's Suzhou manufacturing center actively promoted the green plant rating work and successfully launched a photovoltaic (PV) power project that generated a total of 11.124MW of electricity, injecting new vitality into green manufacturing and sustainable development.

OPPLE Lighting Promoted Green Plant Construction to Facilitate Energy Conservation and Emission Reduction

In recent years, OPPLE Lighting has continued to promote the construction of "green plants" and increased its investment in environmental protection. Through scientific planning and strict management, we carry out level-by-level control over energy, water resources, waste gas emissions and solid waste, with the aim to effectively reduce energy consumption. Serving as the Company's model in creating green, harmonious, and low-carbon life, OPPLE Lighting Suzhou manufacturing center integrates advanced technology, environmental protection, and intelligent park concepts. The park utilizes various energy-saving technologies and materials such as ground source heat pumps (GHSP), centralized cooling and heating, chilled water storage, breathing glass curtain walls, intelligent sunshade systems, stormwater recycling, green roofs, and 100% LED energy-saving lamps to achieve significant reduction in overall energy consumption in the park and realize low-carbon manufacturing.



Energy Conservation Measures in OPPLE Lighting Suzhou Manufacturing Center

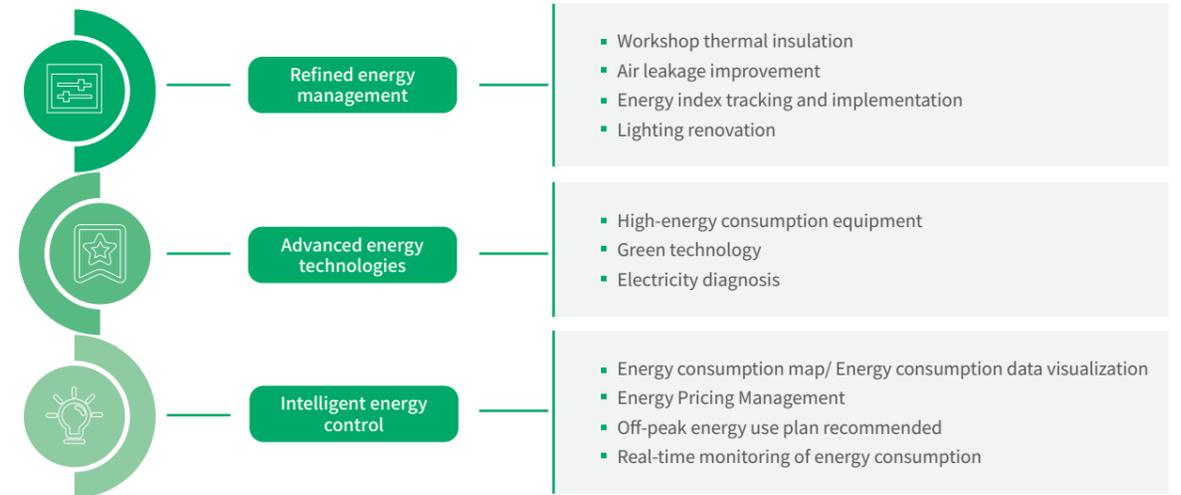
In order to further reduce energy consumption from the source and promote the efficient utilization of new clean energy, the Company launched a PV power generation project in April 2023, arranging more than 80,000 m² of photovoltaic modules on the roof and adopting the mode of "generation for self-use, remaining electricity sold to the grid" with a total of 11.12 million kWh of green power generated every year. Compared with thermal power of the same capacity, it can save 3,339 tons of standard carbon annually and reduce CO₂ emissions by 8,749 tons, equivalent to planting 480,000 trees annually.



OPPLE Lighting Suzhou Manufacturing Center

Promote Low-carbon Production

To actively promote energy conservation and consumption reduction in production, OPPLE Lighting has set a goal of reducing energy consumption per annual output value of RMB 10,000 by 10%. We intensively explore the room for energy efficiency improvement in operation through refined, intelligent, and advanced energy management methods and technologies, and effectively implement energy conservation measures, with the aim to realize low-carbon production.



Energy Management Measures

During the reporting period, the actual energy consumption per RMB10,000 output value of the plant reached RMB 891,800/RMB10,000 output value, reduced by 12.3% compared with last year. In addition, we achieved the following significant results in improving plant energy management.

Real-time monitoring of energy consumption

- Realized functions such as automatic meter reading, automatic alarm management, automatic calculation, automatic report generation, and energy consumption dashboard

Energy consumption map

- Provided detailed energy consumption maps for each building, floor, and workshop, allowing clear real-time energy consumption monitoring and abnormality identification

Heating coil upgrading for injection mold machine

- 45 injection molding machines were upgraded with infrared nano-energy-saving heating coils, reducing energy consumption by 30% and generating annual revenue of RMB 132,000

Tunnel kiln heating upgrading

- Traditional electric wire ceramic heating plates and heating tubes were upgraded into infrared heating plates through advanced nanocoating film heating technology, increasing energy efficiency by 20%-40%, and generating annual revenue of RMB 165,000

Energy-saving burn-in cabinet

- Energy-saving load feedback module was used, DC power was converted to AC power and fed back to the grid for recycling, generating annual revenue of RMB 270,000

Optimizing Resource Usage

OPPLE Lighting upholds the attitude of striving for excellence and spares no efforts in strengthening resources management and reduce resources consumption. During the reporting period, we kept optimizing water resources management, as well as packaging and material management to optimize resources allocation and realize the Company's sustainable production.



Water Usage Management

OPPLE Lighting complies with laws and regulations such as the *Water Law of the People's Republic of China*. During the reporting period, we developed a series of internal systems such as the *Equipment Service Water Conservation Management System* and the *Water Conservation Management Post Responsibility System*, continuously promoted the refined and efficient management of water resources to improve water use efficiency. We have set up water consumption quota target, namely, the water consumption per 10,000 products should not exceed 15 m³, and the per capita daily water consumption should be controlled within 150 L.

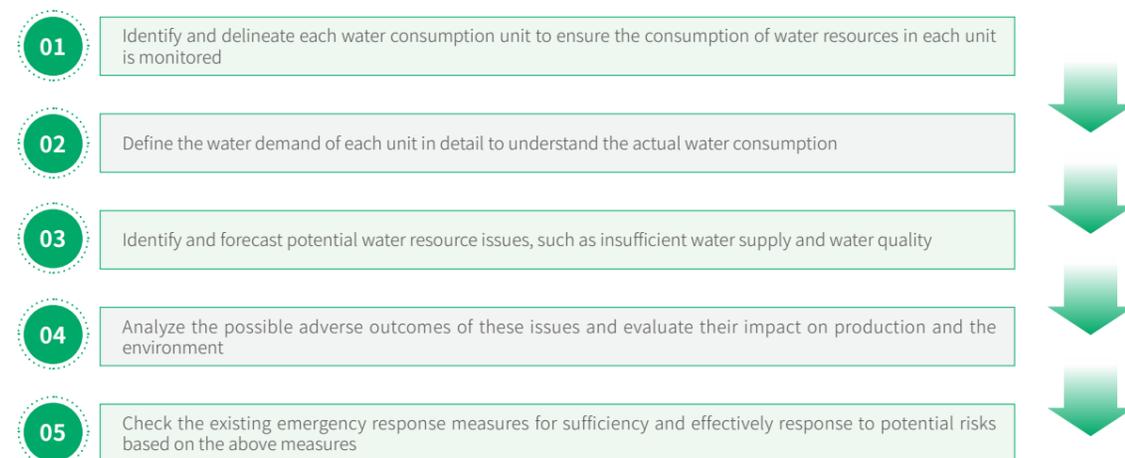
Water consumption quota target
15 m³ per 10,000 products

Per capita daily water consumption
150 L/person



Water Consumption Target

Furthermore, we start with water resources risk management and have established the risk evaluation process for water resources to comprehensively identify and evaluate the potential impact of water resource issues on the business activities.



Risk Evaluation Process for Water Resources

In addition, we conduct routine water safety risk evaluations in the supply chain annually. To effectively respond to potential water safety risks in the supply chain, we have prepared emergency water tanks to ensure prompt response in emergency situations.

In terms of industrial water consumption, the water is mainly used for circulating cooling and the recycling of cleaning wastewater. In addition, four stormwater recycling systems are installed in the park for municipal irrigation and other purposes, thus further realizing the rational utilization of water resources. To ensure the effective implementation of each water conservation measure, we have established a water conservation responsibility system and water conservation officer to assign responsibilities to each department and implemented a daily meter reading system to detect and solve abnormal water consumption in a timely manner, thus minimizing water waste to the greatest extent.

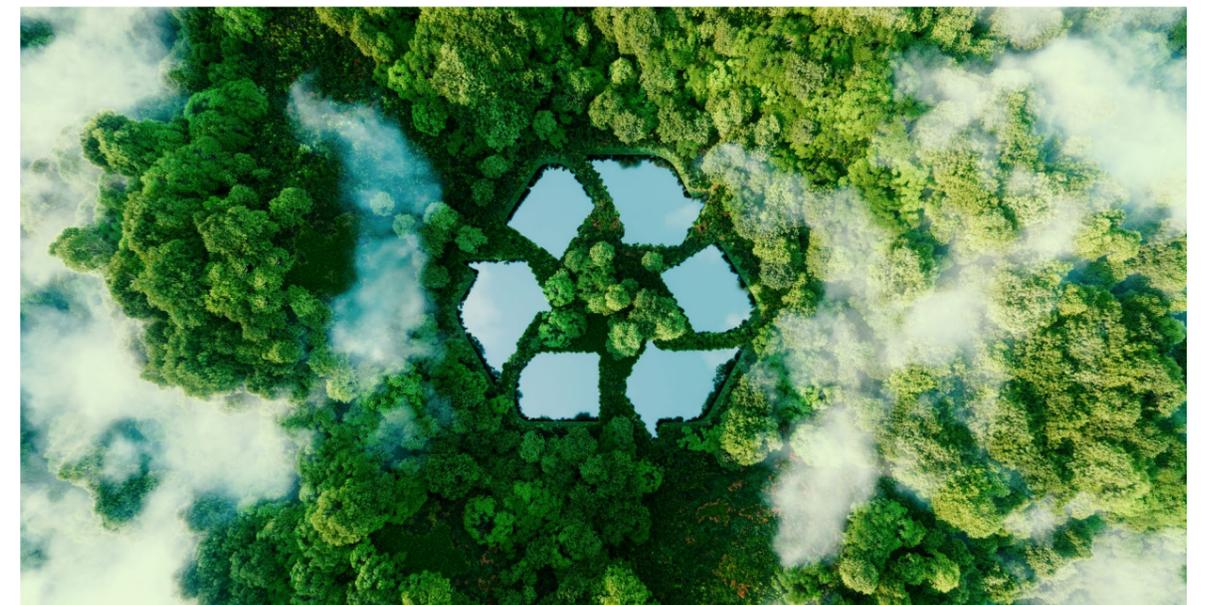
Packaging and Material Management

OPPLE Lighting is keenly aware of the importance of packaging material management for the Company's environmental protection and sustainable development. Therefore, we take a wide range of measures to optimize the use of packaging materials. Through effective packaging material management and reduction measures, we strive not only to mitigate the adverse impact on the environment, but also to improve the Company's operational efficiency and cost control, with the aim to achieve a greener and more efficient operation mode.

The Company has set up a goal of reducing the number of stocks keeping units (SKUs) by 30% and has taken a series of measures to optimize packaging production process. We have normalized the materials in the preferred warehouse to ensure their uniformity and scale, thereby improving production efficiency. We have integrated packaging accessories and improve their utilization through normalized management. In terms of packaging design, we have unified the layout style to enhance the sharing of paper manuals and further simplify the packaging production process. In addition, we have adopted QR code-based manuals to facilitate users in easy access while reducing packaging materials.

We keep exploring recyclable packaging materials to replace traditional packaging materials, thereby improving resource efficiency. We use paper trays that can be recycled more than 10 times during injection-molded semi-finished products turnover, thus greatly reducing waste and easing environmental burden. Currently, the Wujiang and Zhongshan manufacturing centers mainly use 100% recycled corrugated board as packaging materials, effectively reducing the consumption of packaging materials and production costs. Beyond that, we place emphasis on the rational use of plastic packaging materials, such as EPE (expanded polyethylene), EPS (expanded polystyrene), PE (polyethylene) bags, etc., which are expected to be controlled at 30%, with the aim to minimize environment impact while meeting product packaging requirements.

OPPLE Lighting has always adhered to the philosophy of green sustainability in production and has also conducted scientific and standardized management on material use. During the reporting period, we carried out a wide range of renewable material programs, which not only effectively reduced production costs, but also achieved results in promoting resource recycling and improving resource efficiency.



Renewable Material

Board Recycling Program:

We assure the reasonable utilization of recycled materials by maintaining fixed proportion through system BOM. In this way, we can directly calculate and track the weight of recycled materials used in different products over different time periods within the system, thus enabling precise control and effective management of recycled materials consumption.



Recycled materials (leftovers) are generated during plate fabrication

Recycled materials are subject to regranulation (with impurities removed)

Recycled materials are incorporated into plate fabrication upon regranulation

2023

The plate workshop of Wujiang manufacturing center used a total of MS recycled materials

527.4 tons

PMMA recycled materials

156 tons



Injection Molding Recycling Program:

The injection molding recycling program also maintains the fixed proportion through the same BOM management system, to ensure that the recycled materials can be manufactured and used according to established standards.



Recycled materials (regrinds) are generated during injection molding

Recycled materials are subject to regranulation (with impurities removed)

Recycled materials are incorporated into injection molding upon regranulation

In 2023, the injection molding workshop of Wujiang manufacturing center used a total

PC recycled materials

1,152.5 tons

PP recycled materials

811.8 tons

ABS recycled materials

375.8 tons

PBT recycled materials

88.7 tons

PPS recycled materials

58.7 tons

PA recycled materials

49.8 tons

In 2023, the injection molding workshop of Zhongshan manufacturing center used a total

PC recycled materials

363.2 tons

PP recycled materials

13 tons

PA recycled materials

61.7 tons

Standardizing Emission Management

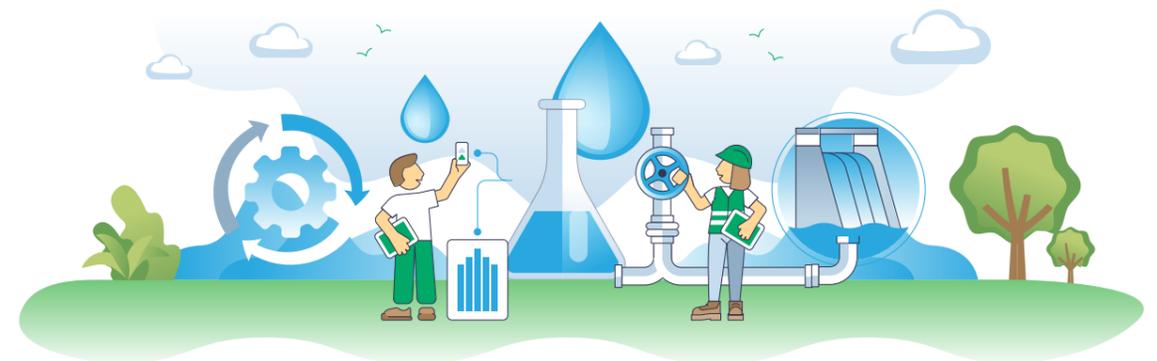
OPPLE Lighting has taken strict and effective measures in emission/discharge management. We lay emphasis on scientific management and technological innovation, and we are committed to reducing the generation and discharge/emission of wastewater, waste gas and solid waste through continuous optimization of production processes and updating of environmental protection equipment. In addition, we have established a sound monitoring system to ensure that emissions conform to relevant standards and regulatory requirements.



Wastewater Management

OPPLE Lighting always strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and has formulated relevant systems for wastewater treatment such as the *Water Pollution Management Regulations* based on the Company's actual situation. To ensure compliance with wastewater discharge, we have established a comprehensive wastewater monitoring system, and added online monitoring for pollution factors such as TP (total phosphorus) and ammonia nitrogen based on the existing online monitoring equipment for industrial sewage, thus providing a powerful tool for effectively controlling the overall pollutant emission in the park.

During the reporting period, we installed new industrial wastewater recycling system and adopted the advanced wastewater treatment process — "coagulation sedimentation + air floatation + biological filter + RO (reverse osmosis) + evaporation" to maximize the recycling of wastewater and help reduce industrial sewage by approximately 10,000 tons.



Air Emissions Management

The Company has formulated the *Regulations on Atmospheric Pollution Management* in accordance with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, to strictly manage air emissions. The air emissions emitted by OPPLE Lighting are mainly generated from non-methane hydrocarbons and particulate matter during production. We are determined to advancing air emission treatment through equipment upgrades and product optimization, and protect the blue sky.

Low-temperature Plasma Treatment Equipment

To further improve air emission treatment, we have installed low-temperature plasma treatment equipment on the existing waste gas treatment facilities. The application of this innovative technology has effectively reduced the odors within air emission and further improved the purification efficiency thereof.

Full Application of Water-based Paints in Electrical Products

We have applied spray coating (double-coating) of water-based paints in wall-mounted switch products. Compared to oil-based paints, the surface treatment process of water-based paint significantly reduces VOC emissions.

To further reduce the impact of air emissions on the environment, we have established a dedicated new production line for water-based paint. In terms of air emission treatment, we use a closed paint spraying booth where the air emission is collected upon pre-treatment in water curtain cabinet and drying. These emissions are then subject to water spray (with built-in dehumidification), adsorption and concentration through activated carbon fixed bed, and finally catalytic combustion of carbon monoxide. Ultimately, the air emissions are discharged at high altitude through a 25-meter exhaust stack G1 to minimize impact on the environment.

Regenerative Catalytic Oxidizer (RCO)



Low operation cost and cost effective. High purification efficiency, VOCs removal rate $\geq 95\%$, up to 99%

Long service life, easy maintenance. Simple operation, highly automatic, safety and reliable operation

Solid Waste Management

OPPLE Lighting strictly complies with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and has formulated internal systems such as the *Solid Waste Management Regulations* and the *Hazardous Waste Management Regulations* to implement the compliant collection, classification, storage, transfer, and disposal of different types of waste.

Solid waste treatment targets

Recycled wastes account for over

90% of all the wastes of the Company

General Waste Management

OPPLE Lighting promotes waste minimization, recycling, and non-hazard treatment, standardize the management of existing recyclable and comprehensive utilization of waste, and avoid pollution and waste. In addition, we engage qualified units to recycle and comprehensively utilize some solid wastes subject to incineration.

Hazardous Wastes Management

Oppl Lighting's hazardous waste mainly comes from operations such as research and development, production and warehousing. To ensure the safe disposal of hazardous wastes, we have established a dedicated hazardous wastes warehouse constructed based on standards equivalent to Class A warehouse. The warehouse flooring is of anti-leakage design and a leakage tank is set up for unexpected situations. We use fully enclosed packaging containers to send the wastes in and out of warehouse to ensure safe transportation. For hazardous wastes may be subject to leakage, we have taken preventive measures such as anti-leakage trays to minimize the environment impact.

In addition, we will also provide special training on hazardous waste disposal for hazardous waste management personnel to improve their ability to handle hazardous waste and ensure the compliant disposal of hazardous waste.

Hazardous Wastes Disposal Management Training

In April 2023, OPPLE Lighting organized a specialized training for hazardous waste management personnel, as well as the specialists and management personnel from the workshops and departments generating hazardous wastes. The training covered hazardous waste introduction, storage requirements, packaging requirements, classification rules, emergency measures, etc., aiming to enhance the team's professional knowledge and operational capabilities in hazardous wastes management, and ensure safer, compliant, and efficient hazardous waste disposal.

Environmental and Resource Indicators ¹²	Unit	2023
Water Consumption		
Water consumption	Tonne	340,945.00
Intensity of water consumption	Tonne/ RMB 10,000 of output	1.12
Wastewater Discharge		
Total wastewater discharge	Tonne	9,259.00
Intensity of water discharge	Tonne/ RMB 10,000 of output	0.03
Waste Management		
Total non-hazardous waste	Tonne	1,125.80
Recycled non-hazardous waste	Tonne	750.70
Non-recyclable non-hazardous waste (food waste, etc.)	Tonne	375.10
Intensity of non-hazardous waste	Tonne/ RMB 10,000 of output	0.004
Total hazardous waste	Tonne	297.37
Intensity of hazardous waste	Tonne/ RMB 10,000 of output	0.001



¹² The environmental and resource indicators of Oppl Lighting covers only the Wujiang manufacturing center in Suzhou. We have chosen the intensity denominator as the output value of the Wujiang manufacturing center in 2023.

Gather Talents, Fostering a Happy Workplace

- Employee Attraction and Inclusiveness
- Employee Training and Development
- Employee Health and Care

Talent is the core and lifeblood for the enterprise development. OPPLE Lighting is devoted to creating a fair, equal, inclusive, healthy, and safe work environment and safeguarding the employees' rights and interests according to law. Furthermore, we advocate shared growth of the employees and the Company, conscientiously guard the employees' health and safety, keep forging ahead together with our employees, and continue to create values for the society and the future.

04

Response to SDGs



Employee Attraction and Inclusiveness

Guided by the corporate strategy, OPPLE Lighting continues to expand talent recruitment channels, and provide competitive compensation and welfare system for employees, with the aim to enhance the Company's talent attraction and retention capabilities.



Employee Recruitment

OPPLE Lighting strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Protection of Minors*, continuously improves human resource management and safeguards employees' rights and interests.

The Company is committed to providing equal employment opportunities for talents, and strictly prohibits discrimination and unfair treatment of all kinds based on race, gender, age, religion, etc., as well as forced labor and child labor. The Company has developed the *Interviewer Management Measures* to organize targeted training and assessment for all interviewers and the HR Department employees, thus ensuring fair, professional, and standardized talent recruitment.

The Company is committed to expanding talent attraction channels, enhancing talent attraction capabilities, and creating a high-quality talent pool for the Company's high-quality development. We have established various talent recruitment channels, including campus recruitment, social recruitment, etc., with the aim to extensively attract outstanding talents. In the 2024 campus recruitment, the Company has attracted 250 graduates across the country through a variety of ways such as online recruitment talks, campus recruitment talks, official accounts publicity and the like.

Talent diversity is crucial for the sustainable development of OPPLE Lighting. We continuously promote equality and diversity among employees and are committed to providing good employment opportunities for people with disabilities, among others. As of December 31, 2023, OPPLE Lighting had a total of 6,323 employees, of which 37.83% were female employees, and 38 employees or 0.6% were disabled employees.

During the reporting period, with its excellent human resource management, OPPLE Lighting won the "2023 Talent Management Benchmarking Enterprise Award" in the "2023 Chinese Human Resources Venus Award" jointly launched by Yonyou Dayi and China Digital Human Resources Association (DHR Association).

Compensation and Welfare

OPPLE Lighting regards talent as the core competitiveness of the Company. We are constantly improving compensation and welfare as well as incentive mechanisms, mobilizing the employees' work enthusiasm and self-motivation, and helping employees realize their job value and individual value.

Following the principle of "distribution according to work and equal pay for equal work", the Company has established a scientific and reasonable compensation system and incentive mechanism based on the levels and positions of employees. Beyond that, we have launched employee stock ownership plan (ESOP) to reward employees who have achieved outstanding performance and made remarkable contributions to the Company, thus achieving win-win results for both the Company and employees. The Company also engages third-party organization to conduct salary survey, with the aim to ensure good market competitiveness in terms of employee compensation.

Compensation structure for the senior management

- Fixed compensation + short-term incentive + long-term incentive
- Set up annual performance goal, review semiannually
- Obtain corresponding bonus incentives based on annual performance assessment

Compensation structure for the employees

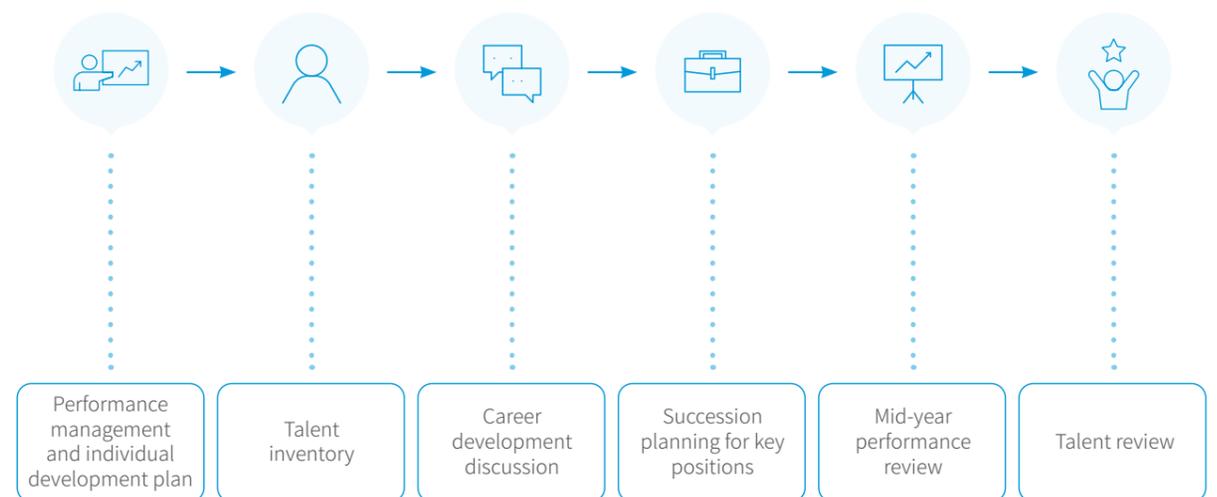
- Basic salary + overtime pay + allowance + quarterly/semi-annual bonus + year-end bonus
- Conduct annual, semi-annual, and monthly performance evaluation based on sales position and other positions
- Obtain corresponding bonus incentives based on routine performance assessment

The Employee Compensation Structure of OPPLE Lighting

Employee Stock Ownership Plan (ESOP)

In 2023, OPPLE Lighting launched the first employee stock ownership plan (ESOP) by providing restricted stock incentives to outstanding staff of the senior management, key positions, and manager level, covering more than 300 employees.

To assure the rationality of performance assessment, the Company has formulated the *Performance Management System* and the *Performance Complaint Management Measures*, conducts annual, semi-annual, and monthly performance assessment according to the employee's positions, and helps employees review their performance and set goals for the next stage through superior-subordinate communication and interviews upon completion of performance evaluation. Employees are free to lodge performance complaints and feedback in accordance with the *Performance Complaint Management Measures* to ensure fairness and objectivity of performance assessment and rationality of performance compensation. Beyond that, we provide performance management training for business managers to enhance their ability in managing employee performance.



Talent Development and Performance Management Cycle

For the protection of employee rights and interests, we strictly implement national regulations on working hours, national statutory holidays, paid leave, overtime pay, etc., and provide employees with a variety of extra benefits to enhance their workplace well-being in an all-round way.

Statutory benefits	Basic old-age insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund; statutory holidays such as parental leave and nursing leave
Extra benefits	Allowance for high temperature, commercial insurance, overseas travel insurance, flexible working hours etc.

The Company Organized "Smurf Training Camp" for employees with children

To further help employees balance work and life, the Company organized "Smurf Training Camp" for the children of OPPLE Lighting's employees in summer vacation by offering a variety of skill and interest classes, with the aim to enrich their summer vacation and provide employees with more time to spend with their children.

To fully understand the employees' satisfaction with the Company's overall management, during the reporting period, the Company conducted a survey on employee satisfaction, which reached 4.35 points (out of 5 points), with an increase of 0.13 points compared with 2022.

Employee satisfaction Comopared with 2022 increased by
4.35 **0.13** points



Employee Training and Development

OPPLE Lighting always attaches great importance to talent training, creates a learning-oriented organization, provides broad space for the development and growth of talents, helps employees tap their unlimited potential, and facilitates their skills improvement and personal development.



The Company has established a comprehensive training system across the globe and implemented the *Training and Development Management System*, to provide targeted and comprehensive training systems for employees at all levels and positions in all operating locations, thus continuously improving their skills and knowledges, and promoting talent growth in a multi-dimension way.

The Company established the OPPLE SHUYUAN in 2018 based on the vision of "building a customized talent service platform for the industry". We make full use of the advantages of digital training tools to provide systematic and comprehensive training courses for employees. For regular employees with excellent performance and good potential, we arrange additional external training and sign employee training agreements with them.

During the reporting period, OPPLE Lighting launched several training programs for its employees, including the Manager Training Class, the Fluorite Program, and the Lean Improvement Week, providing diverse training programs for employees at different levels.

The Manager Training Class

Focus on management skills training, including management processes, tools, methods, techniques, and core leadership requirements
Cover new managers and new manager-level employees through the management channel

The Fluorite Program

Focus on the training of lean production, digitalization and automation capabilities for production workshop team leaders and line leaders
Cover 7 production workshops in Wujiang Industrial Park, Suzhou and 1 pilot electrical workshop in Zhongshan Industrial Park

The Lean Improvement Week

Focus on lean production professional tool training to improve product manufacturing efficiency and quality

Training Programs of OPPLE Lighting

To ensure the quality and effectiveness of training, we have developed the *Lecturer Management System* and collected feedback and evaluations from employees on training courses to understand their learning outcomes and areas for improvement. We encourage employees to offer suggestions and comments on the training courses to improve the training plan and content.

During the reporting period, OPPLE Lighting 's total number of full-time employee training sessions reached 11,486.

Employee Health and Care

The employees' health and safety underpin the Company's long-term development. OPPLE Lighting gives priority to employee health and safety. We have established and improved occupational health management system, and implemented multiple occupational safety and operation safety guarantee measures, with the aim to create a health and safe work environment.



Employee Health and Safety

OPPLE Lighting strictly complies with laws and regulations such the *Safety Production Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* as well as regulatory requirements in the place where it operates. We have formulated a sound internal occupational health and safety system and improved the occupational health and safety management system. During the reporting period, a total of five companies and subsidiaries¹³ passed ISO 45001 occupational health and safety management system certification, Suzhou Wujiang Industrial Park and Zhongshan Industrial Park passed the safe production standardization assessment.

To ensure that employees are fully aware of their safety production responsibilities and occupational hazard factors in their jobs, we have signed safety production responsibility statements with all employees in accordance with the law; in addition, we have signed occupational hazard notifications with all employees involved in positions with occupational hazard factors.

We organize safety production, occupational health, and mental health communication exchanges on a regular basis, and continue to further improve employees' safety awareness and emergency response capabilities by developing safety emergency plans and conducting regular safety training, thus creating a cultural atmosphere of "everyone values safety".



Employee Occupational Health and Safety Assurance Measures

¹³ During the reporting period, the companies and subsidiaries that passed ISO 45001 occupational health and safety certification included OPPLE Lighting Co., Ltd., Suzhou OPPLE Lighting Co., Ltd., OPPLE Lighting Appliances (Zhongshan) Co., Ltd., OPPLE Road Lighting Co., Ltd., and Shanghai Qianlong Energy Conservation Technology Co., Ltd.

Production Safety Management

OPPLE Lighting attaches great importance to the safety management in production operations, strictly implements the main responsibility for safety production, and strengthens the "life-and-death matter awareness" in safety production. The Company has taken a variety of measures to minimize the safety risks in production workplaces and ensure the health and safety of production employees by strengthening safety production inspections, reducing the impact of noise on production employees, and optimizing production processes and equipment, etc.

Safety inspection

We organize monthly internal safety inspections, including chemicals use, fire-fighting equipment conditions, equipment protection, and personnel safety operation behaviors.
We confirm safety check points and inspect key areas for fire protection before daily operation.
We conduct quarterly, comprehensive, pre-holiday safety inspections based on actual situation, and conduct safety verification of special equipment on a regular basis.
During the reporting period, a total of 268 potential risks were identified, with 98% rectification.

Noise control

We give priority to production processes and equipment generating less noise.
For processes where noise is generated, we prioritize artificial intelligence as a substitute to reduce personnel contact and exposure.
We separate the work processes where high noise is generated.
We conduct routine on-site inspections of work environments involving noise, strictly control personnel contact time, and organize daily on-site inspections on personnel protective equipment (PPE).

Process and equipment optimization

We optimize production processes and equipment, the Company upgraded 2 powder spraying lines in 2023.
We have installed automatic welding facilities to reduce harmful factors caused by manual welding.
We have installed energy-saving air conditioning system to improve the production environment in summer.

Safety Production Management Measures

To eliminate potential safety hazards at production and operation sites in a timely manner, the Company organizes safety risk identification and evaluation on a regular basis, covering all aspects in production and operation activities, including external personnel operations. In 2023, 26 risk identification items were updated based on the results of safety risk identification and evaluation, including 5 major risks, with a total of 634 safety risk identification items.

Repetitive Strain Injury (RSI) Prevention

Repetitive strain injury (RSI) refers to any injury to any part of the musculoskeletal or nervous system due to repetitive use, vibration, compression, or prolonged fixed posture. To prevent and reduce the damage caused by repetitive strain injury to employees, the Company regularly assesses and identifies the risk of repetitive motion loss in production operations, and develops corresponding improvement measures and plans, including the use of automatic packaging machines, automated guided vehicles (AGV), robotic arms and the like, to further enhance safety production.

The Company strictly implements the management of hazardous wastes and chemicals based on on three aspects including personnel management, warehousing management, and production site management. We have adopted comprehensive control measures to identify and reduce potential safety hazards caused by hazardous wastes and chemicals through environmental monitoring and risk evaluation.

Personnel management

We assigned special personnel for job transfer management, and the personnel involved in hazardous waste and chemicals job must be trained and qualified before taking up new posts.

Personnel who come into contact with hazardous wastes and chemicals need to wear appropriate protective equipment.

Warehouse management of hazardous wastes and chemicals

We implement strict registration and management on the storage and delivery of hazardous wastes and chemicals, and install monitoring facilities at storage area.

Production site management

We set up dedicated explosion-proof cabinets.

We put up MSDS and hazard notification card.

We maintain well-ventilated environment in relevant areas and allocate emergency supplies.

Environmental monitoring and risk evaluation

We regularly entrust a third party to monitor the on-site working environment.

We conduct regular on-site operation risk evaluations.

We conduct regular patrol inspections.

Safety Management Measures for Hazardous Wastes and Chemicals

To strengthen employees' risk awarenesses on hazardous waste and chemicals, the Company regularly organizes special training to reinforce employees' awareness of "Safety Red Line".

Special Training on Hazardous Wastes and Chemicals Management

In 2023, the Company organized a special training on hazardous waste and chemical management, covering all employees involved in hazardous waste and chemical operations. The training courses included standardized management requirements, daily management as well as FAQs in operations and preventive measures, emergency response, etc. In 2023, the Company reported no chemical injury accidents.

In 2023, OPPLE Lighting reported no work-related deaths and serious injuries, and no work-related deaths and incidents due to occupational health.



Co-building and Sharing, Creating Sustainable Supply Chains

- Supplier Management
- Sustainable Supply
- Supplier Communication and Training



OPPLE Lighting is keenly aware of the importance of good supply chain to the Company's development. Adhering to the tenet of equal and transparent cooperation, we are committed to optimizing supply chain system and establishing a stable, efficient and resilient supply chain network. We strive to create a mutually beneficial and growing value chain by facilitating collaboration with suppliers, thus contributing to the prosperity and development of the whole industry chain.

05

Response to SDGs



Supplier Management

OPPLE Lighting is keenly aware of the importance of supply chain management. We have established a sound supply chain system to optimize overall operational efficiency and enhance corporate competitiveness. We have developed a wide range of management system documents such as the Supplier Sourcing Process, the Supplier Management and Control Procedures, and the OPPLE Lighting Supplier Quality Manual, aiming to conduct systematic and standardized management on suppliers and improve supplier management efficiency.



To maintain high product quality and standards, we have established a comprehensive supplier management process in accordance with our internal system, covering aspects such as supplier access, evaluation, and termination of cooperation. It systematically improves the overall quality of the supply chain and ensures supply chain stability and sustainability.

During the reporting period

71%

of suppliers in the OPPLE Lighting supplier pool obtained ISO 9001 certification

Supplier access

- Before the cooperation, we will conduct strict and comprehensive qualification reviews: products should conform to OPPLE Lighting quality and cost requirements, environmental, occupational health and safety, social responsibility, and the Company's requirements.
- We create long lists and short lists, and the Procurement Committee is responsible for approving corresponding supplier access matters.
 - Long list: potential suppliers that have passed the supplier access threshold screening
 - Shortlist: potential suppliers that meet the requirements in terms of technology, quality, delivery (including willingness), key commercial terms, etc.
- Only suppliers qualified upon review are eligible to establish cooperative relationships with the Company.

Supplier evaluation

- We conduct daily management of suppliers on the qualified supplier list, mainly including supplier assessment, on-site evaluation, and quality guidance.
- We conduct annual or temporary (if required) on-site evaluations for key suppliers, with the results serving as an important reference for the next year's integrated supplier resource development plans and procurement plans. The evaluation items mainly include aspects such as supplier capacity assessment, supplier quality control and production management.

Prioritized management

- Our in-depth evaluation in terms of availability and the procurement amount divides suppliers into four categories: "strategic", "leveraged", "risky" and "general". Among them, strategic suppliers are determined based on three criteria: incoming material yield, delivery timeliness, and cost competitiveness. Three strategic suppliers are selected based on a comprehensive evaluation.
- Upon signing a strategic cooperation agreement, we establish relative competitive advantages in categories jointly through critical paths such as technology sharing, collaborative innovation, cost agreement, and delivery assurance.
- We gradually strengthen the prioritized supplier management by increasing the share of high-quality suppliers, reducing the share of suppliers with poor performance, and eliminating those with long-term poor performance.

Supplier withdrawal

- Suppliers eliminated by the Company or request withdrawal on their own shall apply to the procurement engineer of the General Management Team. The cooperation will be withdrawn, and relevant records will be kept upon approval by relevant leaders.

To promote healthy and fair competition and provide better incentives for suppliers with competitive advantages, OPPLE Lighting has developed a supply proportion allocation management mechanism. We adhere to the principles of fairness and justice, and comprehensively consider dimensions such as product quality, delivery capacity and cost. Based on the established procurement strategy, we allocate the supply proportion between primary and secondary suppliers to ensure that each supplier receives a reasonable quota.

Quota allocation for bidding materials

Quota allocation of bidding material is based on bid acceptance of the suppliers

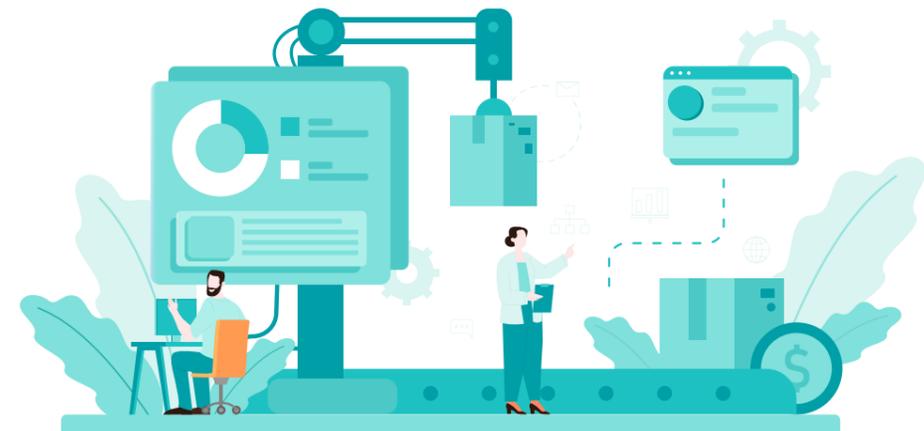
Quota allocation for conventional materials

Conventional materials are allocated according to quarterly quotas, which are based on each supplier's monthly assessment, production capacity, and cooperation intentions

Supplier Quota Allocation

In addition, to continuously optimize and maintain the supply chain, we continued to promote centralized certification and multi-sourcing procurement during the reporting period, with 81.67% category coverage, thus further ensuring the sustainability of material supply. Beyond that, we strengthen risk management on supply chain and realized 47% supplier de-exclusivity rate in 2023, thus enhancing the resilience of our overall supply chain.

At the end of the reporting period



Sustainable Supply

We attach great importance to the sustainable development of supply chain, work closely with suppliers, and we are both focusing on the social and environmental issues involved in the value chain. We work together to build a responsible supply chain through integrity management, green supply chain programs, and supply chain stability assurance.



Transparent Procurement

OPPLE Lighting is committed to building a transparent industrial supply chain and regards integrity compliance in the supply chain as a key priority. We have included integrity-related regulations such as the *Supplier Anti-Commercial Bribery Commitment* and the *Social Responsibility Commitment* into the annex to the procurement contract to ensure that supplier behavior conforms to the Company's business ethics standards. In addition, a total of 447 suppliers signed the *Supplier Code of Conduct* (with anti-corruption clauses) during the reporting period, with signing rate over 84%.

To further strengthen the integrity management on supply chain, we conduct anti-corruption training for procurement personnel on a quarterly basis to enhance their management

capabilities in transparent procurement and maintain the health and stability of the business environment. In 2023, all procurement personnel of OPPLE Lighting received training related to sustainable procurement.

Furthermore, OPPLE Lighting conducts audits in engineering procurement and summarizes the problems identified. Through in-depth analysis, we have identified key issues such as insufficient sourcing of suppliers, non-standard customized products (engineering), procurement contract signing model, etc. To promote the continuous optimization of supply chain management, we require all responsible departments to rectify in strict accordance with the audit results to ensure that the problems are fundamentally addressed.



Green Supply Chain

OPPLE Lighting is proactive in building a green supply chain. We require suppliers to strictly comply with environmental regulations and standards of the place where we operate to ensure that the purchased raw materials and products conform to environmental requirements. During supplier access, we give priority to those with good performance in environmental management. In addition, we have established the *Sustainable Procurement Regulations* and continue to promote the signing rate. At the end of the reporting period, more than 81% of suppliers have signed the *Sustainable Procurement Regulations*. During supplier evaluation, we comprehensively consider their environmental management system certification, encourage them to obtain ISO 14001 certification, and develop integrated improvement plans for non-conformance identified in the audit, with the aim to

jointly promote green development of the supply chain.

In addition, since transportation is one of the key links of carbon emission in the supply chain, we have established close partnerships with suppliers to promote carbon emission management during transportation. In terms of suppliers' management of hazardous chemical raw materials, we have clarified in the *OPPLE Lighting Supplier Quality Manual* that suppliers must comply with EU hazardous substance control standards. For categories involving hazardous chemical raw materials, such as soldering tin, SMT adhesive and other auxiliary materials, suppliers must provide qualified ROHS and REACH test reports to ensure that the supplied products conform to environmental protection qualifications and low-carbon raw material requirements.

Supplier Communication and Training

Knowing that regular supplier communication is the cornerstone for good cooperation relationship, we continue to deepen cooperation and communication with suppliers through such means as daily communication, specialized communication, unscheduled visits and supplier conference to explore the way to win-win cooperation.



"Collaborative Innovation for a Win-win Future" Core Supplier Conference of the Procurement Center

On December 20, 2023, OPPLE Lighting held "Collaborative Innovation for a Win-win Future" core supplier conference of the Procurement Center in Wujiang manufacturing center. Through signing strategic cooperation agreements and organizing roundtable meetings, we established strategic mutual trust, commended exemplary and advanced staff, and achieved significant value gains.



At the same time, we carry out supplier training activities to continuously empower our suppliers by providing professional skills and knowledge, thus facilitating a closer and more efficient cooperation.

During the reporting period

OPPLE Lighting organized

2 supplier quality training sessions

110 participants

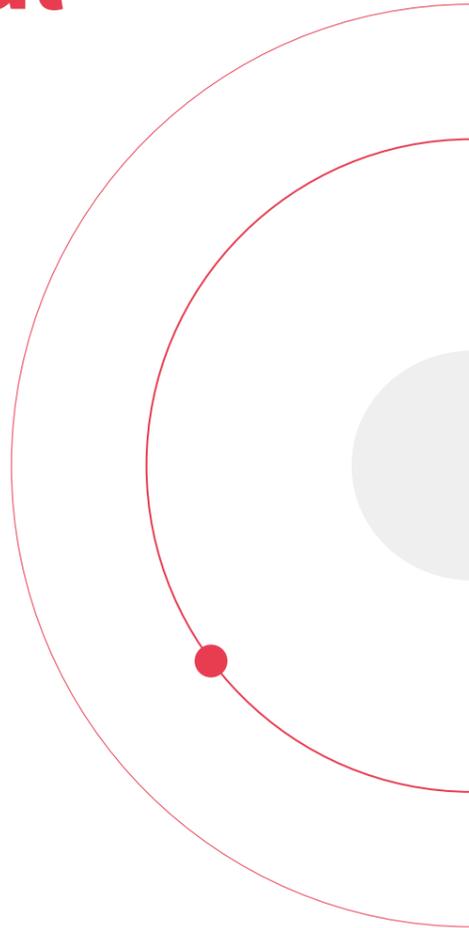
Training hours of

4 hours/person



Spread Kindness, Shouldering Social Responsibility

- Rural Revitalization
- Education Assistance
- Health Science Popularization



OPPLE Lighting always keeps in mind the social responsibilities as a corporate citizen, continues to practice the public welfare philosophy of "Caring Light to Illuminate the Future". We are devoted to integrating advantageous resources to participate in public services and social activities, striving to benefit people's livelihood with our development achievements and giving back to the society. During the reporting period, OPPLE Lighting donated RMB 133,500 in charity.

06

Response to SDGs



Rural Revitalization

OPPLE Lighting continues to respond to the national strategic layout of Rural Revitalization, promote rural lighting environment, and improve the inequality of urban-rural living standards. We have launched the "Shine-A-Light" public welfare campaign to implement the "Chinese Family Healthy Light" plan and help develop smart road lighting and smart urban facilities for rural revitalization.



"Shine-A-Light" Public Welfare Campaign in Mountain Villages in Guizhou Province to Light Up the Way Home for Those Away from Home

In mid-January 2023, with the support of the Liuzhi Special District Government in Liupanshui City, Guizhou Province, OPPLE Lighting launched "Shine-A-Light" public welfare campaign to light up the way home for those away from home with streetlights and serve for the people with dots of light.

Zangke Town is located in the southwest of Liuzhi Special District. The infrastructures in towns and villages were relatively old, main road lights were missing and damaged in some villages, and there were no streetlights on side roads. Therefore, villagers often went home in the dark after work, and there were almost no activities at night. To effectively solve the problems for local villagers such as difficulty in travelling at night and fewer night activities, OPPLE Lighting donated a total of 200 sets of lighting equipment including solar streetlights, floodlights, classroom lights to Shenjia Village, Banpo Village, Dabuwang Primary School, and Bojitian Primary School in Liuzhi Special District, Guizhou Province, benefiting more than 200 households and more than 400 students. Through the implementation of rural lighting projects, the rural roads and campus lighting environment were improved, thus creating a healthy and comfortable light environment for local villagers and students.

Donated a total of

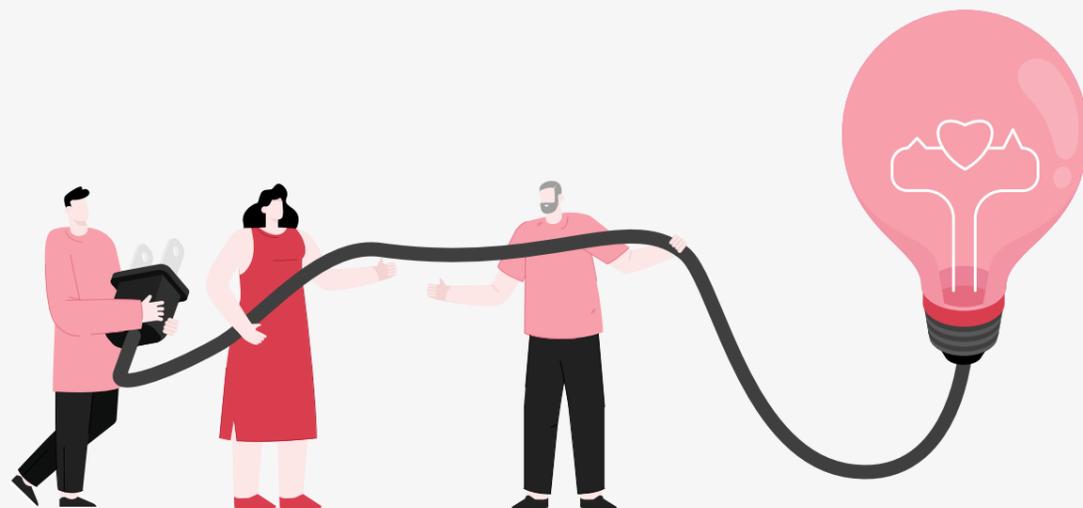
200 sets of lighting equipment

Benefiting more than

200 households

More than

400 students



Education Assistance

OPPLE Lighting always regards education as a key aspect in public welfare activities. We illuminate the future of children living in difficulty with light. By donating intelligent eye-care desk lamps and other products, we make them believe that they can create miracles in the face of insurmountable difficulties and pursue their dreams.



Launched "Dream Desk" Program and Worked with the Chinese Communist Youth League Committee of Xuhui District in Shanghai Municipality to Bring Light for Youth Living in Difficulty

OPPLE Lighting, together with the Chinese Communist Youth League Committee and the Civil Affairs Bureau of Xuhui District in Shanghai Municipality, launched the "Dream Desk" Program to customize a growth world for youth living in difficulty in Xuhui District in Shanghai Municipality, with the aim to create a favorable growth environment for them through charity, and let the children's small space carry a vast spiritual world.

During the implementation of this program, OPPLE Lighting was aware of the urgent need for "Dream Desks" among children, and actively participated by providing OPPLE Lighting smart eye-care table lamps to help create a uniform and transparent reading and writing light environment for them. Through the "Dream Desk" Program, OPPLE Lighting shared warmth and care, allowing school-age children to feel the support and concerns of society.



Health Science Popularization

With the advocating of healthy lifestyle, the importance of family healthy light is receiving increasing attention. To this end, OPPLE Lighting organized "Family Healthy Light Public Popular Science Activity" to improve the resident knowledge on healthy lighting and introduce scientific lighting solutions in daily lives.



Focusing on Family Health, OPPLE Lighting Launched Healthy Light Public Popular Science Activity in 2nd Shimen Road Community in Jing'an District, Shanghai

On December 20, 2023, OPPLE Lighting successfully organized "Family Healthy Light Public Popular Science Activity" at the Party-mass Service Center of 2nd Shimen Road Community in Jing'an District, Shanghai. The event attracted more than 50 residents from 11 communities. During the event, OPPLE Lighting's professional lighting designers discussed with the residents about the impact of healthy lighting on quality of life, and provided a wide range of practical suggestions and solutions.

OPPLE Lighting's staff also provided customized lighting consultations to help residents understand the method to improve their lighting environment. For example, creating a visually friendly learning environment for children by selecting the right light sources and lamps, and improving sleep quality by adjusting the home lighting environment. In this event, OPPLE Lighting's "Waterlily" color spectrum technology received special attention. This technology can effectively increase the level of melatonin secreted during sleep, thus helping elderly people to achieve deeper and better sleep.



Appendix

GRI Content Index

Statement of use	OPPLE Lighting and its subsidiaries have reported in accordance with the GRI Standards for the period 「January 1, 2023 to December 31, 2023」 .
GRI 1 used	GRI 1: Foundation 2021

Disclosure issues/items	Disclosure	Section	Page
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	About this Report	
2-2	Entities included in the organization's sustainability reporting	About this Report	
2-3	Reporting period, frequency and contact point	About this Report	
2-4	Restatements of information	No restatements of information during the reporting period	
Activities and workers			
2-6	Activities, value chain and other business relationships	About OPPLE Lighting	
2-7	Employees	4.1 Employee Attraction and Inclusiveness Appendix ESG KPIs	
2-8	Workers who are not employees	Appendix ESG KPIs	
Governance			
2-9	Governance structure and composition	1.2 Enhancing Responsible Governance	
2-10	Nomination and selection of the highest governance body	1.2 Enhancing Responsible Governance	
2-11	Chair of the highest governance body	1.2 Enhancing Responsible Governance	
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 ESG Governance	
2-13	Delegation of responsibility for managing impacts	1.1 ESG Governance	
2-14	Role of the highest governance body in sustainability reporting	1.1 ESG Governance	
2-16	Communication of critical concerns	1.1 ESG Governance	
2-17	Collective knowledge of the highest governance body	1.2 Enhancing Responsible Governance	
2-18	Evaluation of the performance of the highest governance body	Please refer to the 2023 Annual Report	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	1.1 ESG Governance	
2-23	Policy commitments	ESG Strategy	
2-24	Embedding policy commitments	1.1 ESG Governance	

Disclosure issues/items	Disclosure	Section	Page
2-26	Mechanisms for seeking advice and raising concerns	1.1 ESG Governance	
2-27	Compliance with laws and regulations	1.3 Upholding Business Ethics	
2-28	Membership associations	2.4 Empowering Business Collaboration	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	1.1 ESG Governance	
GRI3: Material Topics			
3-1	Process to determine material topics	1.1 ESG Governance	
3-2	List of material topics	1.1 ESG Governance	
3-3	Management of material topics	Please see the table below for specific management approaches of material topics	
Economic			
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Please refer to the 2023 Annual Report for financial information about operations	
201-2	Financial implications and other risks and opportunities due to climate change	3.2 Addressing Climate Change	
201-3	Defined benefit plan obligations and other retirement plans	Please refer to the 2023 Annual Report	
201-4	Financial assistance received from government	Please refer to the 2023 Annual Report	
GRI 204 : Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	5.1 Supplier Management	
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	1.3 Upholding Business Ethics	
205-3	Confirmed incidents of corruption and actions taken	1.3 Upholding Business Ethics	
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anticompetitive behavior, anti-trust, and monopoly practices	1.3 Upholding Business Ethics	
Environmental			
GRI 301: Materials 2016			
301-3	Reclaimed products and their packaging materials	3.3 Optimizing Resource Usage	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	3.2 Addressing Climate Change	
302-2	Energy consumption outside of the organization	3.2 Addressing Climate Change	
302-3	Energy intensity	3.2 Addressing Climate Change	
302-4	Reduction of energy consumption	3.2 Addressing Climate Change	
302-5	Reductions in energy requirements of products and services	3.2 Addressing Climate Change	
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	3.3 Optimizing Resource Usage	
303-2	Management of water discharge related impacts	3.3 Optimizing Resource Usage	
303-3	Water withdrawal	3.3 Optimizing Resource Usage	

Disclosure issues/items	Disclosure	Section	Page
303-4	Water discharge	3.3 Optimizing Resource Usage	
303-5	Water consumption	3.3 Optimizing Resource Usage	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	3.2 Addressing Climate Change	
305-2	Energy indirect (Scope 2) GHG emissions	3.2 Addressing Climate Change	
305-3	Other indirect (Scope 3) GHG emissions	3.2 Addressing Climate Change	
305-4	GHG emissions intensity	3.2 Addressing Climate Change	
305-5	Reduction of GHG emissions	3.2 Addressing Climate Change	
305-6	Emissions of ozone-depleting substances (ODS)	3.4 Standardizing Emission Management	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.4 Standardizing Emission Management	
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	3.4 Standardizing Emission Management	
306-2	Management of significant waste related impacts	3.4 Standardizing Emission Management	
306-3	Waste generated	3.4 Standardizing Emission Management	
306-4	Waste diverted from disposal	3.4 Standardizing Emission Management	
306-5	Waste directed to disposal	3.4 Standardizing Emission Management	
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	3.1 Environmental Management	
GRI 308: : Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	5.1 Supplier Management 5.2 Sustainable Supply	
308-2	Negative environmental impacts in the supply chain and actions taken	5.1 Supplier Management 5.2 Sustainable Supply	
Social			
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	4.1 Employee Attraction and Inclusiveness Appendix ESG KPIs	
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	4.1 Employee Attraction and Inclusiveness	
401-3	Parental leave	4.1 Employee Attraction and Inclusiveness	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	4.3 Employee Health and Care	
403-2	Hazard identification, risk assessment, and incident investigation	4.3 Employee Health and Care	
403-3	Occupational health services	4.3 Employee Health and Care	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Employee Health and Care	
403-5	Worker training on occupational health and safety	4.3 Employee Health and Care	
403-6	Promotion of worker health	4.3 Employee Health and Care	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Employee Health and Care	

Disclosure issues/items	Disclosure	Section	Page
403-9	Work-related injuries	4.3 Employee Health and Care	
403-10	Work-related ill health	4.3 Employee Health and Care	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	4.1 Employee Attraction and Inclusiveness 4.3 Employee Health and Care	
404-2	Programs for upgrading employee skills and transition assistance programs	4.1 Employee Attraction and Inclusiveness 4.3 Employee Health and Care	
404-3	Percentage of employees receiving regular performance and career development reviews.	4.1 Employee Attraction and Inclusiveness 4.3 Employee Health and Care	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	4.1 Employee Attraction and Inclusiveness Appendix ESG KPIs	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	6. Spread Kindness, Shouldering Social Responsibility	
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	5.1 Supplier Management 5.2 Sustainable Supply	
414-2	Negative social impacts in the supply chain and actions taken	5.1 Supplier Management 5.2 Sustainable Supply	
GRI 416: Customer Health and Safety 2016			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2023, no incidents of non-compliance concerning the health and safety impacts of products and services occurred at OPPLE Lighting	
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	1.4 Promoting Responsible Marketing	
417-2	Incidents of non-compliance concerning product and service information and labeling	In 2023, no incidents of non-compliance concerning product and service information and labeling occurred at OPPLE Lighting	
417-3	Incidents of non-compliance concerning marketing communications	In 2023, no incidents of non-compliance concerning marketing communications occurred at OPPLE Lighting	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023, no substantiated complaints concerning breaches of customer privacy and losses of customer data occurred at OPPLE Lighting	

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SASB		Section	Page
WATER MANAGEMENT			
CG-HP-140a.1	(1) Total water withdrawn (2) total water consumed, (thousand m), percentage of each in regions with High or Extremely High Baseline Water Stress	3.3.1 Water Usage Management	
CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	3.3.1 Water Usage Management	
PACKAGING LIFECYCLE MANAGEMENT			
CG-HP-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	3.3.2 Packaging and Material Management	
CG-HP-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	3.3.2 Packaging and Material Management	
PRODUCT ENVIRONMENTAL, HEALTH, AND SAFETY PERFORMANCE			
CG-HP-250a.1	Revenue from products that contain REACH substances of very high concern (SVHC) and assessment of supplier REACH requirements	5.2.3 Green Supply Chain	