



Genbyte ESG Report 2024



Building 4, Huahong Xintong Industrial Park, Intersection of Genyu Road and Nanming Road,
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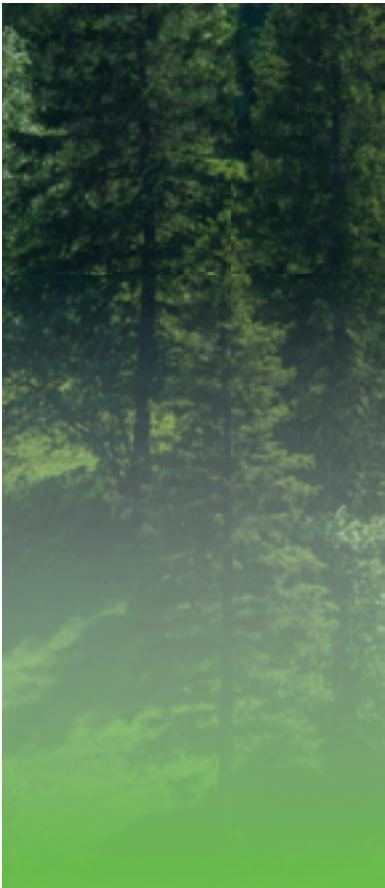
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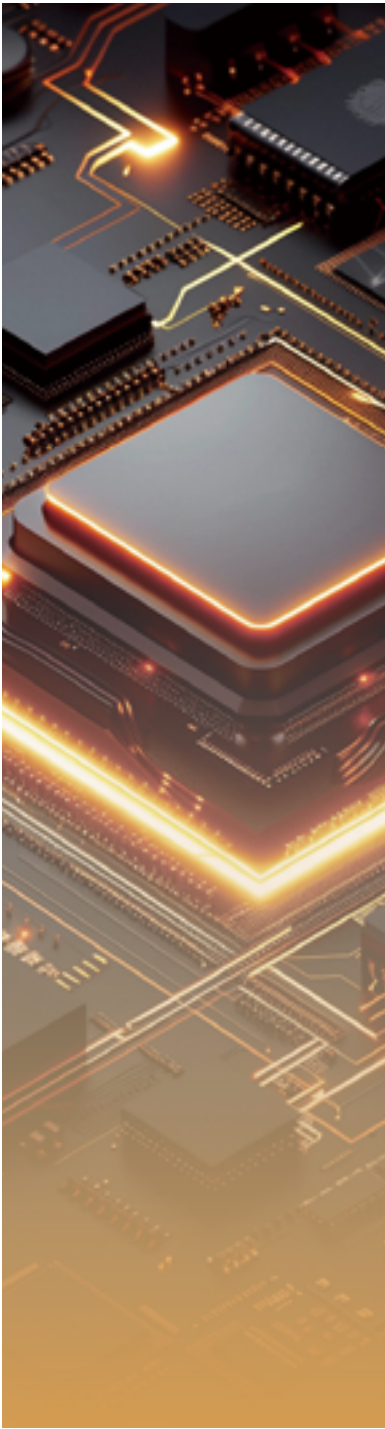
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About This Report

Report Overview

This is the first Environmental, Social, and Governance (ESG) report issued by Genbyte Technology Inc. (hereinafter referred to as "Genbyte" or "the Company"). The report adheres to the principles of objectivity, standardization, transparency, and comprehensiveness. It provides a detailed disclosure of the Company's ESG practices and performance, including those of its subsidiaries. This report has been reviewed and approved by the Company's Board of Directors, who warrant that the content is free from any false records, misleading statements, or material omissions.

Report Period

The reporting period covers January 1, 2024 to December 31, 2024 (hereinafter referred to as the "reporting period"). To enhance comparability and forward-looking relevance, some content may reference data from previous years or include future outlooks.

Reporting Scope

The report covers Genbyte Technology Inc. as the main entity, including its wholly-owned and majority-owned subsidiaries. Unless otherwise stated, the scope of this report is consistent with that of the Company's annual report.

Terminology

Abbreviation	Full Name
Genbyte / the Company / we	Genbyte Technology Inc.
Genbyte Hong Kong, Subsidiary	Genbyte Technology (Hong Kong) Co., Ltd., a wholly-owned subsidiary of the Company
Genbyte Vietnam, Sub-subsidiary	Genbyte Technology (Vietnam) Company Limited, a wholly-owned subsidiary of Genbyte Hong Kong established in Vietnam

Standards and References

This report has been prepared with reference to the following standards and guidelines:

- ◆ Shenzhen Stock Exchange Guidelines for Listed Companies No. 17 – Sustainability Report (Trial)
- ◆ Shenzhen Stock Exchange Guidelines for Listed Companies No. 3 – Guide to Sustainability Report Preparation
- ◆ United Nations Sustainable Development Goals (SDGs)
- ◆ China Enterprise Reform and Development Society: Guidelines for Corporate Social Responsibility Reporting (CASS-ESG 6.0)
- ◆ Global Reporting Initiative (GRI) Standards – Referenced Approach
- ◆ Sustainability Accounting Standards Board (SASB) Standards

Data Sources

The information and data referenced in this report are derived from internal documents of Genbyte and relevant publicly available sources. Unless otherwise specified, all currency amounts mentioned in this report are denominated in RMB. Foreign currency figures have been converted based on the exchange rate as of December 31, 2024. In the event of any discrepancies with the financial statements, the financial statements shall prevail.

Report Access

This report is published in electronic format. You may download it from the Shenzhen Stock Exchange website (<http://www.szse.cn>) or CNINFO (www.cninfo.com.cn).

Feedback

We sincerely welcome your feedback and suggestions regarding this report and the Company's ESG practices. Please feel free to contact us through the following channels:

Email: genbyte@genbytech.com

Phone: +86 755-86267201

Address: 1st–6th Floor, Building No.4, Huahong Xintong Industrial Park, Intersection of Genyu Road and Nanming Road, Yutang Subdistrict, Guangming District, Shenzhen, China

Message from the Vice Chairman

Dear shareholders, partners, and friends from all walks of life,
The year 2024 marks a significant milestone for Genbyte as we celebrate our 25th anniversary. From our humble beginnings in Luohu to the near completion of the “Zhenwei Industrial Park” in Guangming District, from a two-person startup team to a workforce of over 2,000 innovators, we have always upheld our mission of “revitalizing industry and empowering the nation through technology.” Guided by innovation as our oar and responsibility as our sail, we’ve navigated the waves of technological transformation and sustainable development with perseverance and purpose.
Today, on behalf of the Board of Directors, I am honored to present Genbyte Sustainability Report. We extend our heartfelt thanks to all those who have supported our journey and are pleased to share our achievements and practices in ESG.

Driving Sustainable Development with Green Technology

Genbyte embraces a deeply rooted green philosophy, advancing a dual-engine strategy of “smart controllers + new energy” to actively support the global dual-carbon goals. In 2024, our company recorded RMB 1.401 billion in revenue, with RMB 55.44 million from our new energy business—an increase of 140.78% year-on-year. By deepening the integration of photovoltaic, energy storage, and smart control technologies, we've accelerated iterations in green tech, contributing more efficient solutions to the global low-carbon transition.
From our early breakthroughs in variable frequency technology in the home appliance sector to our strategic expansion into new energy, Genbyte has consistently responded to the demands of the times through technological advancement. With our “smart manufacturing + green transformation” approach, we have redefined our production model—introducing automation, optimizing energy efficiency, and establishing a digital green supply chain to enhance upstream control. This has enabled a resource-efficient management system that spans R&D, production, and the entire supply chain.

Creating Social Value Through Employee Growth

We firmly believe that employee development and social responsibility go hand in hand. Our aim is to build a sustainable ecosystem where individuals grow with the enterprise and value is created jointly with society. Through a “dual-track career path + targeted training + long-term incentives” system, we unlock talent potential and provide continuous opportunities for advancement. We care about employee well-being—offering free meals, accommodation, transportation, and enriching cultural and recreational activities—nurturing a workplace that is warm and inclusive.
At the heart of our culture lies the belief that “Make hay while the sun shines.” We pursue excellence and innovation, foster a humanistic and compassionate spirit, and promote down-to-earth accountability. By aligning individual and organizational progress, and embedding goodness into our business practices, we are building a resilient cultural foundation for sustainable development.

Ensuring Sound Operations Through Transparency and Efficiency

At Genbyte, we remain steadfast in our commitment to steady progress and legal compliance. We have built and continuously improved our governance structure and internal control systems in strict accordance with the law. Clear boundaries are maintained between the Company and its controlling shareholders, ensuring a high degree of independence. We operate shareholders' meetings in a standardized and orderly manner, safeguarding shareholder rights and sharing the fruits of development with all stakeholders. In 2024, the Company plans to distribute a cash dividend of RMB 4.5 (tax included) per 10 shares and grant 3 bonus shares (tax included) for every 10 shares held.
We place great importance on investor relations, offering diverse communication channels to maintain transparency and trust. Both our Board of Directors and Board of Supervisors operate in full compliance with laws and regulations, exercising their respective duties responsibly. We uphold strict information disclosure practices, manage insider information prudently, and maintain a robust internal audit system to continuously elevate our governance capabilities and support stable business operations. With a diversified Board of Directors, our decision-making process is both scientific and rational. Looking ahead, we will continue optimizing our governance structure to ensure long-term stability and steady progress in an increasingly complex market environment.

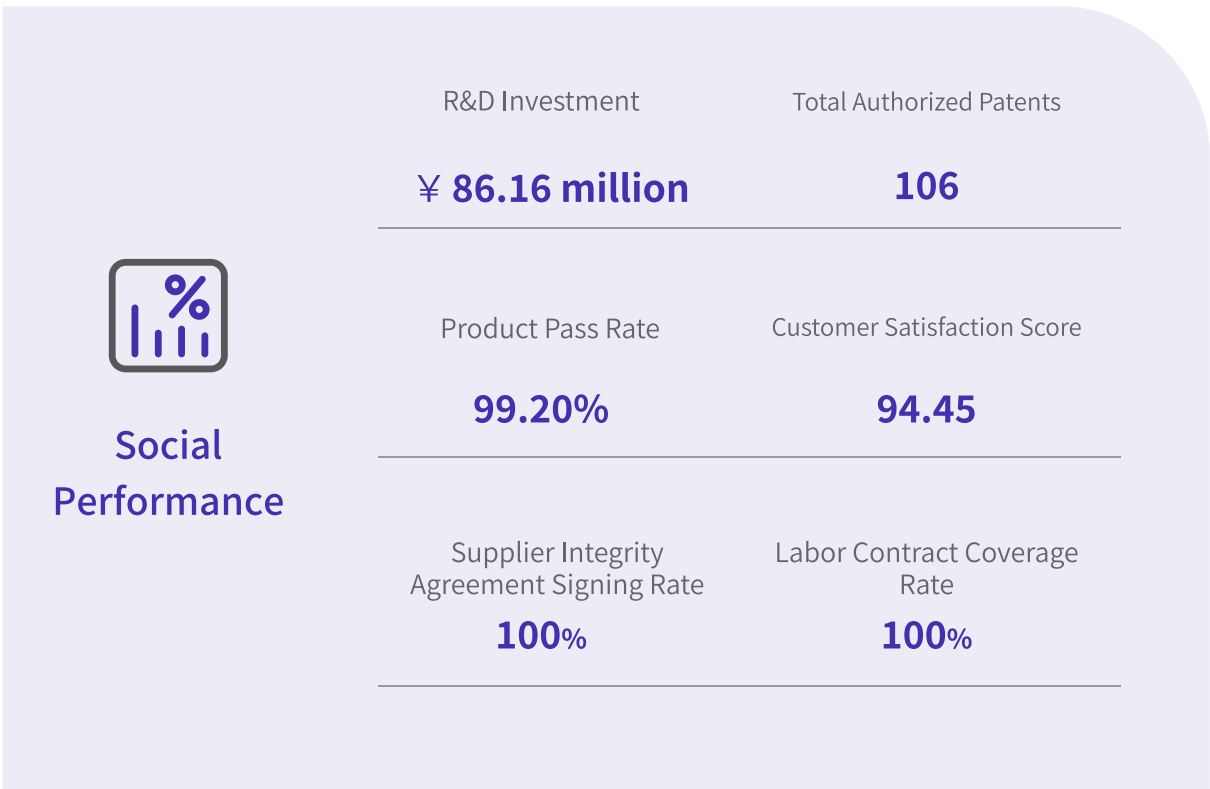
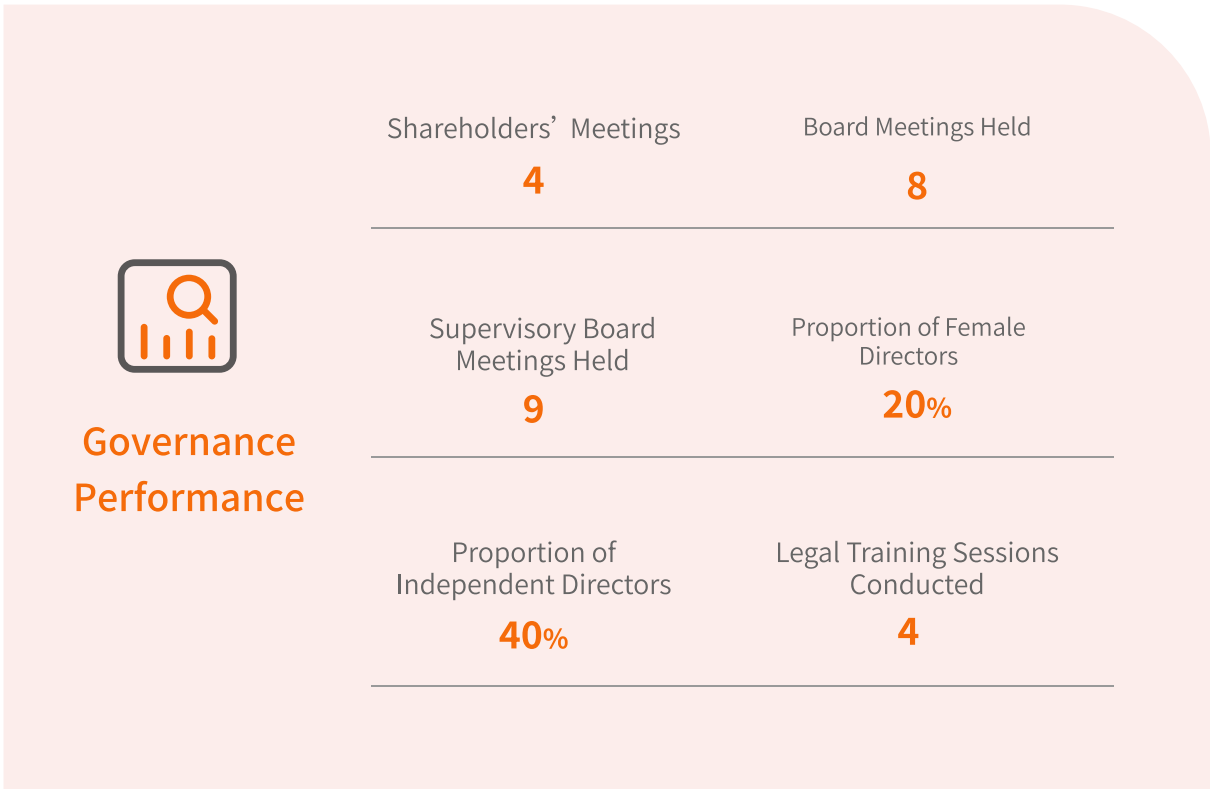
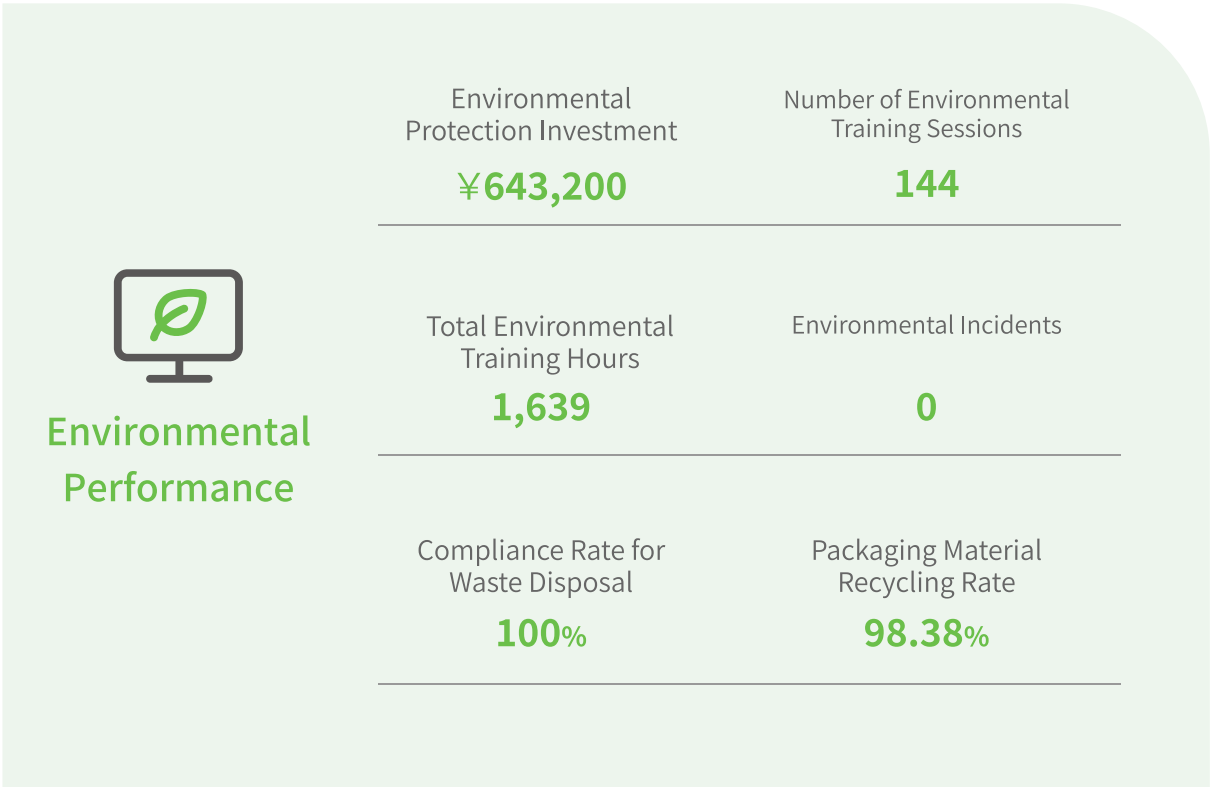
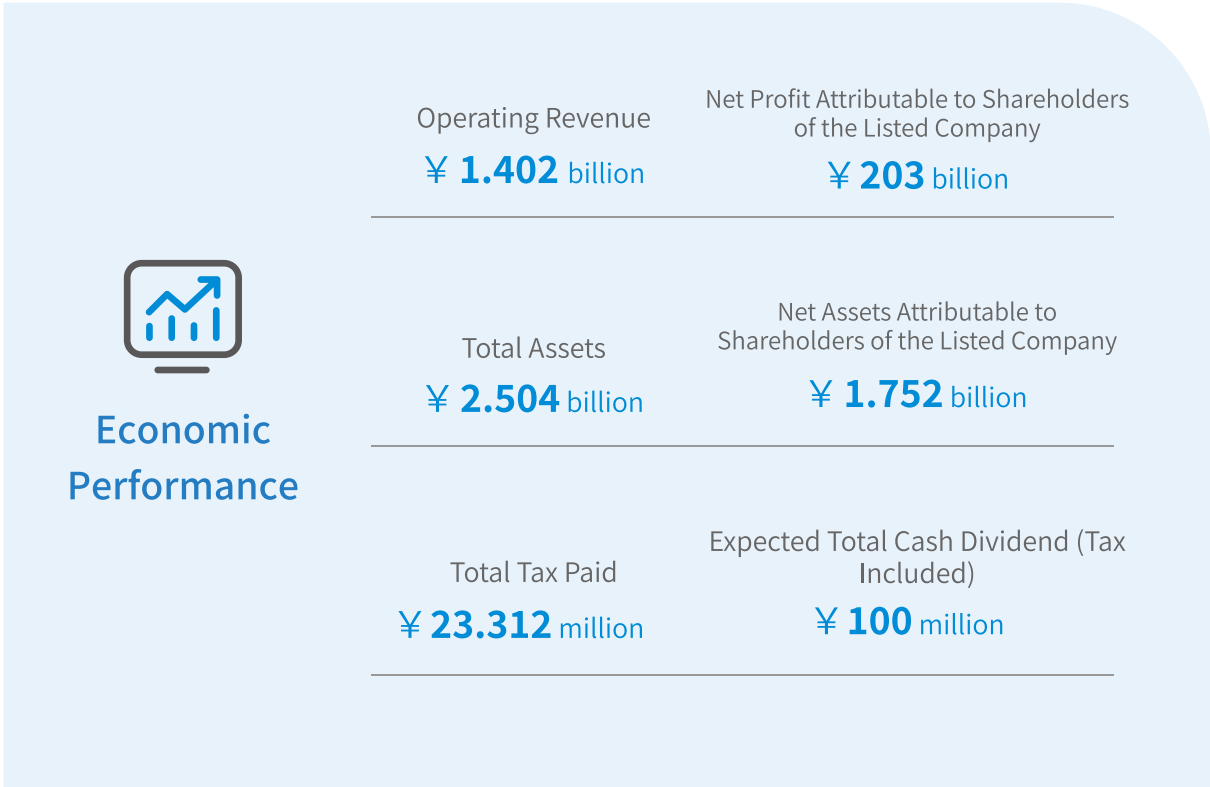


Building an ESG Ecosystem Together

In this era of both opportunity and challenge, we hold firmly to our belief in “co-creating the ESG ecosystem through responsibility and innovation.” Innovation remains our powerful engine—we constantly push beyond technical boundaries to deliver better products and services that meet evolving market demands. Through the seamless integration of responsibility and innovation, we are committed to building a sustainable ESG ecosystem, working hand-in-hand with stakeholders across society to shape a better future.
The road ahead may be long, but every step brings us closer. With persistence, the future holds great promise. ESG marks our starting point toward becoming a century-old enterprise. Let us move forward together—guided by responsibility and driven by innovation—to write a future that is more resilient and sustainable.

Tang Juan
Vice President & General Manager
Genbyte Technology Inc.

Key ESG Performance Indicators



About Genbyte

Company Profile

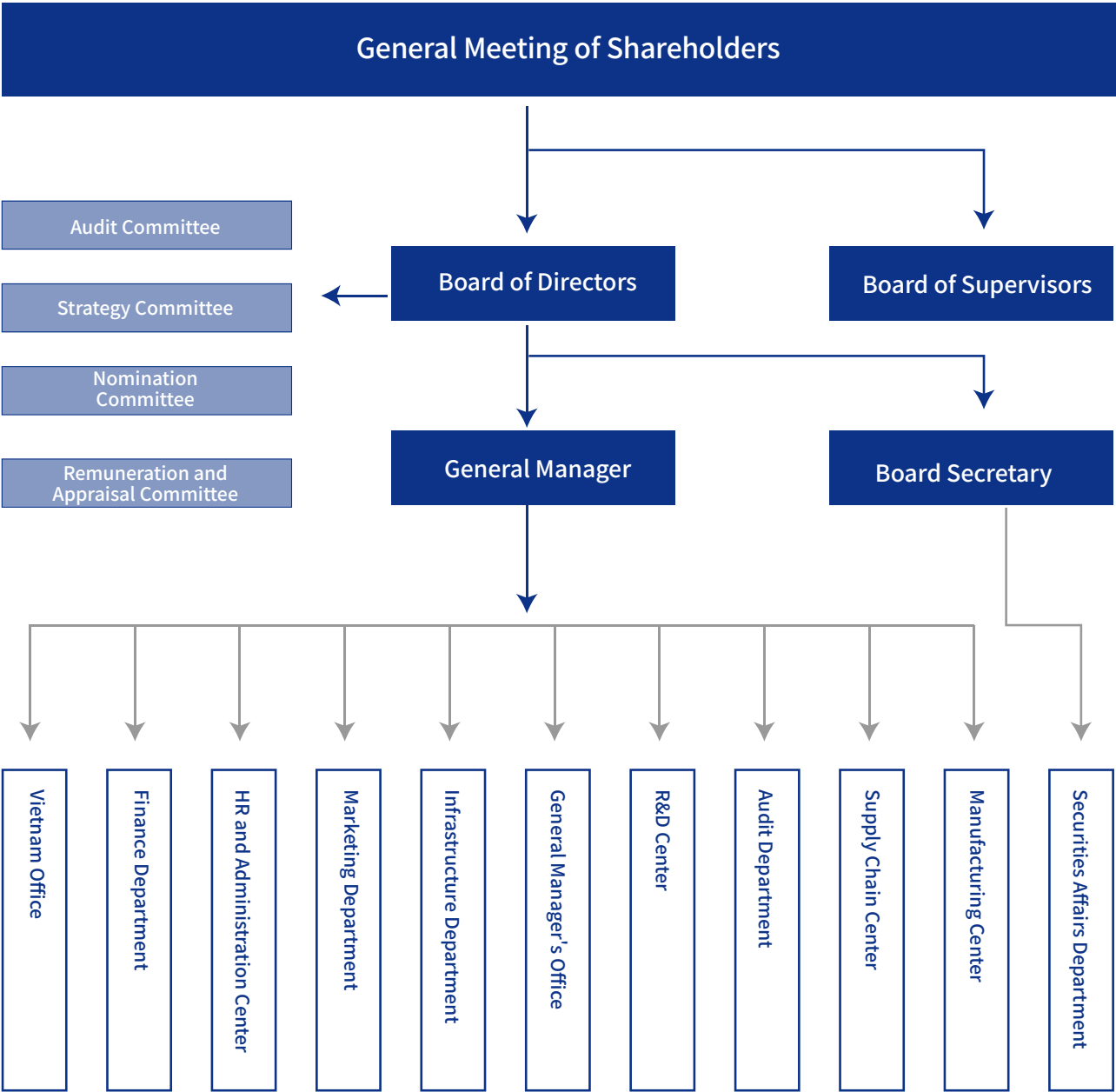
Established in 1999 and headquartered in Guangming District, Shenzhen, China, Genbyte Technology was listed on the main board of the Shenzhen Stock Exchange in 2020. We specialize in delivering comprehensive intelligent control solutions—integrating hardware, software, and system control—for renowned enterprises worldwide. With a strong foundation in technological innovation, high-end manufacturing, and quality assurance, our products and services span a wide range of sectors, including power tools, major appliances, innovative small household appliances, automotive electronics, cleaning robots, medical electronics, and new energy.

With strong advantages in technological innovation, high-end smart manufacturing, quality assurance, and supply chain management, Genbyte Smart has become a trusted partner for renowned brands including Dometic, Shark Ninja, TTI, Dreame, Homa, Panasonic, and China Southern Power Grid.

Guided by the philosophy of "Green Technology, Smart Living," the Company has always placed technological innovation at the core of its development strategy. We continuously increase R&D investment and strengthen innovation capabilities, with many of our technologies now leading the industry.

Today, the Company stands as a pioneer in frequency conversion control and a driving force in developing intelligent control solutions across smart home appliances, power tools, and new energy sectors. We have been recognized as a National High-Tech Enterprise, a Guangdong Provincial Engineering Technology Research Center, one of Shenzhen's Top 100 Innovative SMEs, a Top 500 Enterprise in Shenzhen, and a recipient of the Shenzhen Enterprise Innovation Record Award.

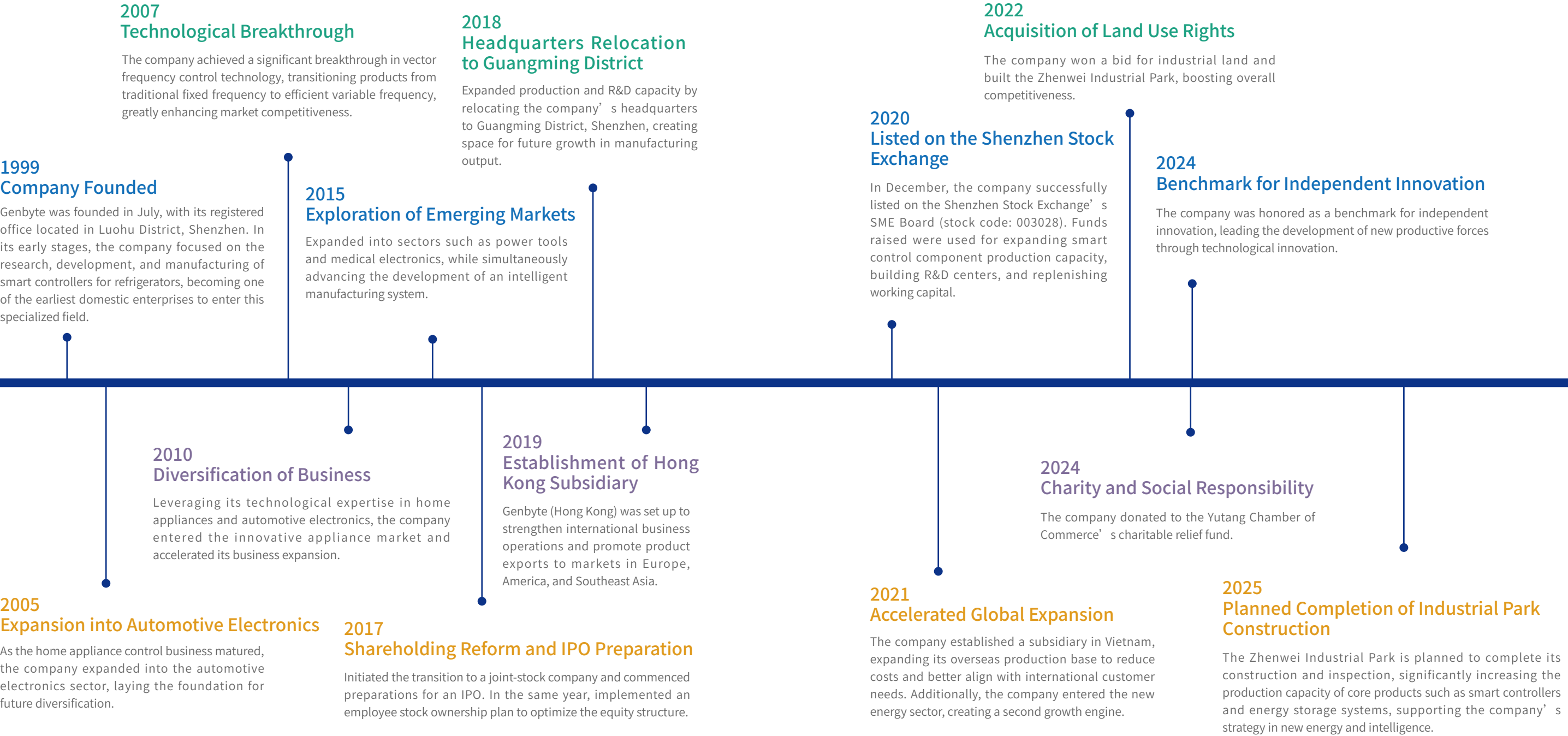
As we witness the rapid evolution of the intelligent control revolution, built upon the foundation of smart controllers, the industrial ecosystem is being reshaped—unlocking new opportunities in fields like new energy vehicles and artificial intelligence. Looking ahead, we will continue to pursue a technology-driven strategy, co-creating a connected, intelligent future with our partners across the value chain, and making life smarter and better.



Visual of organizational structure



Development History



Corporate Culture

Core Philosophy

Representing through research, innovating with passion, simplicity and pragmatism, efficiency and rigor.

Service Philosophy

Innovative design, meticulous manufacturing, fast delivery, quality service.

Corporate Vision

To become a global leader in providing intelligent control integrated solutions.

Development Mission

Revitalize industries, empower the nation with technology, enhance life through intelligence, and empower the future.

Core Values

Innovation: Committed to technological innovation, continuously exploring new technologies and processes to maintain a leading position in the intelligent control field.

Struggle: Embracing challenges with courage, persevering through difficulties, and driving the company forward with a spirit of hard work and dedication.

Collaboration: Valuing teamwork, encouraging cross-department and cross-field collaboration to achieve the company’ s goals together.

Win-Win: Building mutually beneficial relationships with customers, suppliers, employees, and society at large to achieve collective growth and development.

Industry and Business Layout

Domestic Market:

Genbyte holds a significant position in the domestic market, establishing long-term, stable partnerships with numerous well-known enterprises. The company has earned high praise from customers due to its exceptional product quality and superior service.

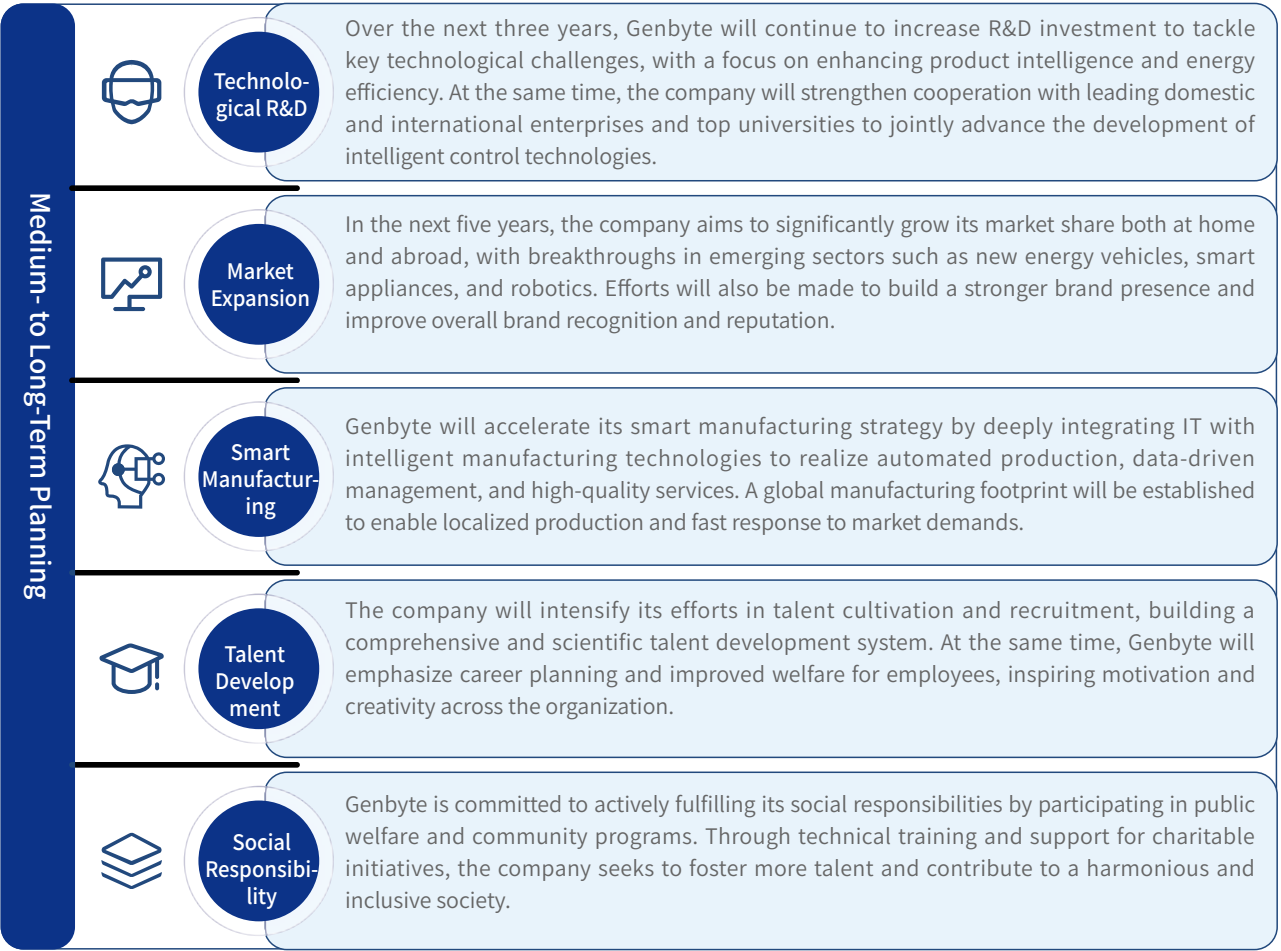
Overseas Market:

In recent years, Genbyte has actively expanded its overseas market and increased its efforts to go global, successfully entering the European, American, and Southeast Asian markets. The company has increased its investment in the Vietnamese subsidiary through Genbyte (Hong Kong), implementing a mid-to-long-term international development strategy to enhance its competitiveness in overseas markets.

Product Applications			
	Automotive Electronics	<ul style="list-style-type: none">● In-vehicle inverter● In-vehicle air purifier controller● In-vehicle variable frequency air conditioning controller	<ul style="list-style-type: none">● In-vehicle gas refrigerator controller● In-vehicle hot and cold cup controller
	Power Tools	<ul style="list-style-type: none">● Generator Controller● Leaf Blower Controller● Drill Controller	<ul style="list-style-type: none">● Screwdriver Controller● Lawn Mower Controller...
	Robots and Smart Innovation Products	<ul style="list-style-type: none">● Cleaning Robot Controller● Lawn mower robot controller	<ul style="list-style-type: none">● Underwater robot controller...
	Smart Appliances	<ul style="list-style-type: none">● Refrigerator Controller● Electrolyte-Free Drive Controller● Compressor Drive● Hair Dryer and Heater Controller● Coffee Maker Controller	<ul style="list-style-type: none">● Food Processor Controller● Air Fryer Controller● Tea Brewer Controller● Water Dispenser Controller...
	New Energy Storage and Inverters	<ul style="list-style-type: none">● Micro Inverter● Home Energy Storage	<ul style="list-style-type: none">● Portable Energy Storage● Smart Electrical Cabinet...
	Ongoing Expansion New Products	<ul style="list-style-type: none">● Optical Module Reader● Temperature Probe	<ul style="list-style-type: none">● IoT Development Tools● Humanoid Robot Controller...

Industry and Business Layout

Genbyte upholds the business philosophy of "Green Technology, Smart Living" and is committed to becoming a global leader in the field of intelligent control through continuous technological innovation and market expansion. The company adheres to its core values of "Innovation, Struggle, Collaboration, and Win-Win" and has developed a series of scientific business strategies and medium- to long-term plans, laying a solid foundation for the company's long-term development.



Annual Honors



2024 Shenzhen Top 500 Enterprises
Shenzhen Enterprise Confederation & Shenzhen Entrepreneurs Association



2024 Top 100 Enterprises in Operational Performance (Shenzhen Top 500)
Shenzhen Enterprise Confederation & Shenzhen Entrepreneurs Association



"Level 3 Intelligent Manufacturing Capability Maturity" Certification
BRICS Future Network Research Institute (Shenzhen, China)



23rd (2024) Shenzhen Enterprise Innovation Record
Shenzhen Enterprise Innovation Record Evaluation Committee & Organizing Committee



Benchmark Enterprise in Independent Innovation
Shenzhen Enterprise Innovation Record Evaluation Committee & Organizing Committee



Charitable and Caring Enterprise
Federation of Industry and Commerce, Yutang Subdistrict, Guangming District, Shenzhen

Strengthening ESG Management

ESG Mission and Vision

Genbyte has established a clear mission and vision for sustainable development, integrating ESG principles into its daily operations and management. The Company is committed to working alongside its clients to promote environmental protection and energy efficiency, advancing the application of green and low-carbon technologies while driving high-quality economic growth and demonstrating strong social responsibility. Looking ahead, Genbyte will continue to collaborate closely with stakeholders to deliver smarter, greener products and contribute meaningfully to environmental preservation and social progress.



Mission

Genbyte upholds the core value of "Green Technology, Smart Living" and is committed to driving sustainable social, environmental, and economic development through innovative technologies and intelligent solutions. The company focuses on green technology to empower global clients in achieving energy efficiency, resource recycling, and low-carbon transformation, contributing to the creation of a future where humans and nature coexist harmoniously.

In terms of environmental responsibility, the Company focuses on renewable energy and energy efficiency, developing photovoltaic inverters, energy storage systems, and high-efficiency smart controllers to help achieve global carbon neutrality goals. For social responsibility, it ensures employee rights, provides fair working conditions, and gives back to the community through public welfare initiatives. In corporate governance, the company has established transparent and compliant decision-making processes, strengthened ethical management of the supply chain, and ensures that all business activities comply with international ESG standards.




Vision

The Company aims to become a global leader in sustainable development in the field of intelligent technology, driving the industry's transformation toward a green, smart, and low-carbon future through technological innovation and responsible corporate practices, providing strong support for the achievement of global sustainable development goals.





In 2024, Genbyte launched a specialized ESG training program covering topics such as policy and theory, business ethics, privacy protection, the RBA Code of Conduct, and human rights issues including anti-discrimination. The program also included sessions on "Corporate Disclosure and Governance Optimization Strategies under Emerging ESG Trends" to strengthen both theoretical understanding and practical skills. Meanwhile, the company established a continuous improvement mechanism for the training program—refining course design based on feedback, regularly updating the industry case library, and forming an ESG reporting team to promote the practical application of outcomes—thereby systematically enhancing ESG management effectiveness.

ESG training

On December 25, 2024, the company conducted a specialized ESG training session focused on three key modules: ESG rating methodologies, interpretation of domestic and international ESG policies, and practical ESG report writing. By integrating case studies with hands-on exercises, the training deepened employees' understanding of ESG concepts. As a result, the team's practical ESG capabilities were significantly enhanced, providing strong support for advancing the Company's sustainability goals.



To effectively advance its ESG strategy and achieve sustainable development goals, Genbyte has established and continuously improved its ESG management framework. The company has clearly defined responsibilities at all levels and embedded the concepts of ESG and sustainable development into its management and decision-making processes, ensuring that ESG principles are integrated into every aspect of its operations.

ESG Management Structure and Functions			
	Decision-Making Body	Board of Directors	<ul style="list-style-type: none">◆ Makes decisions on significant matters related to the company's sustainable development.◆ Reviews the Company's annual sustainability report.
	Research and Guidance Body	General Management Office	<ul style="list-style-type: none">◆ Researches and drafts the Company's sustainable development strategies and policies.◆ Conducts research on ESG and provides decision-making consultation and advice.◆ Organizes or coordinates the supervision, inspection, evaluation, and progress tracking of policies, management, performance, and goals
	Management Level	Sustainable Development Leadership Team	<ul style="list-style-type: none">◆ Responsible for daily communication and coordination of sustainable development tasks at all levels.◆ Organizes and supervises the implementation of sustainable development initiatives.◆ Collaborates with various business departments to coordinate and drive the implementation of sustainable development initiatives.
	Execution Level	Sustainable Development Task ForceLeadership TeamOffice	<ul style="list-style-type: none">◆ Responsible for carrying out and implementing the Company's sustainable development strategies in line with the overall plan.◆ Implements sustainable development tasks and reports execution progress to the Sustainable Development Leadership Team.

ESG Governance System

Genbyte continues to deepen its sustainable development management by establishing the "Sustainable Development (ESG) Management System," which provides scientific guidance for sustainability efforts at all levels of the Company. To enhance and improve the Company's RBA social responsibility management system, Genbyte has developed the "RBA Social Responsibility Management Handbook" in line with the "Responsible Business Alliance (RBA) Code of Conduct" and tailored to the Company's specific situation. This handbook integrates RBA's social responsibility, environmental, health, and safety policies into the Company's operations, using the CAPR standard for corrective actions to continually improve the Company's social responsibility management performance. The Company drives its sustainable development with a robust ESG management system. During the reporting period, the Company successfully passed the RBA VAP audit.



Sustainable Development Goals and Actions

Genbyte actively responds to the United Nations' Sustainable Development Goals (SDGs) by formulating a Strategic Plan for Sustainable Development. The company has established specific sustainability targets and integrated ESG principles deeply into its daily operations. Through concrete actions, it is committed to advancing the concept of sustainability and contributing to the achievement of the UN SDGs.

Dimen-sion	Goal	Strategy and Action Plan	Corresponding UN Sustainable Development Goals (SDGs)
Environ-ment	The company positions technological innovation as its core driving force, focusing on the efficient and energy-saving R&D of smart controllers, inverters, and energy storage systems. By deeply integrating green technologies, it empowers the low-carbon transformation of its products. A green manufacturing system has been established in strict accordance with intelligent green manufacturing standards to reduce the environmental footprint across operations and product life cycles, while smart manufacturing upgrades enhance resource efficiency. In collaboration with upstream and downstream partners, the company promotes green supply chain management, requiring suppliers to provide products that meet international environmental standards such as RoHS and REACH. With these efforts, the company is committed to becoming a global leader in smart control and clean energy solutions.	Green Product Innovation: <ul style="list-style-type: none">◆ Integrate eco-design principles during the product design phase, prioritizing the use of environmentally friendly materials and energy-saving technologies.◆ Continuously develop high-efficiency, energy-saving smart controller products while actively expanding inverter and energy storage offerings to promote the adoption of clean energy, helping customers reduce energy consumption and carbon emissions.◆ Establish a product lifecycle assessment system to comprehensively evaluate the environmental impact of products from production to disposal.	   
		Clean Production and Energy Management: <ul style="list-style-type: none">◆ Optimize production processes and promote smart manufacturing technologies to reduce resource waste and pollution emissions.◆ Gradually introduce renewable energy at production facilities to reduce reliance on traditional energy sources.◆ Implement an energy management system, conduct regular energy audits, identify energy-saving potential, and continuously improve.	
		Circular Economy and Waste Management: <ul style="list-style-type: none">◆ Establish a comprehensive waste classification and recycling system to promote the resource utilization of production waste.◆ Collaborate with partners to develop product recycling programs, encouraging product remanufacturing and material recycling.	
		Carbon Neutrality Pathway: <ul style="list-style-type: none">◆ Develop a carbon neutrality roadmap, outlining emission reduction targets and implementation pathways.◆ Achieve operational carbon neutrality gradually through technological innovation and carbon offsetting.◆ Actively participate in the carbon trading market and explore the application of carbon financial tools.	

Dimen-sion	Goal	Strategy and Action Plan	Corresponding UN Sustainable Development Goals (SDGs)
Social	Reduce the environmental impact throughout the company's operations and product lifecycle, driving the green transformation.	Employee Care and Career Development: <ul style="list-style-type: none">◆ Offer competitive compensation, benefits, and health coverage, with a focus on employees' physical and mental well-being.◆ Establish diverse career development pathways, providing employees with skill training and promotion opportunities.	        
		Diversity and Inclusion: <ul style="list-style-type: none">◆ Promote gender diversity in management, increasing the representation of women in leadership positions.◆ Establish anti-discrimination and anti-harassment policies to foster a fair and inclusive work environment.	
		Community Engagement and Public Welfare: <ul style="list-style-type: none">◆ Implement community support programs, with a focus on environmental protection and clean energy promotion.◆ Encourage employees to participate in volunteer services, actively giving back to society.	
		Supply Chain Social Responsibility: <ul style="list-style-type: none">◆ Develop a supplier code of conduct, outlining environmental, labor rights, and business ethics requirements.◆ Conduct regular audits and training for suppliers to ensure compliance with sustainability standards.◆ Prioritize partnerships with socially responsible suppliers to promote the sustainable development of the supply chain.	
Gover-nance	Optimize the company' s governance structure to enhance decision-making transparency and accountability. Establish a robust ESG risk management system to ensure compliance and sustainability in company operations.	Corporate Governance Optimization: <ul style="list-style-type: none">◆ Improve the board structure by increasing the proportion of independent directors and female directors, enhancing the independence and scientific nature of decision-making.	 
		Risk Management and Compliance: <ul style="list-style-type: none">◆ Establish a comprehensive ESG risk management system to identify potential risks in the environmental, social, and governance areas.◆ Conduct regular compliance training to ensure the company's operations align with domestic and international laws, regulations, and industry standards.	
		Transparency and Information Disclosure: <ul style="list-style-type: none">◆ Regularly publish sustainability reports to disclose the company' s performance and progress in environmental, social, and governance areas.◆ Adopt internationally recognized reporting standards to ensure transparency and comparability of information. Maintain communication with stakeholders through the company website and social media platforms, addressing public concerns.	



Stakeholder Communication:

Genbyte is committed to building strong collaborative relationships with stakeholders, valuing their diverse interests. The company identifies and communicates with stakeholders based on industry characteristics and business requirements, establishing a transparent and effective communication mechanism. This ensures timely responses and resolution of key concerns and demands from all stakeholders.

Stakeholder Categories	Demands and Expectations	Communication and Response
 Government and Regulatory Authorities	<ul style="list-style-type: none">◆ Compliance with laws,◆ tax payment,◆ innovation development	<ul style="list-style-type: none">◆ Strengthen compliance management,◆ actively pay taxes,◆ focus on technological innovation
 Investors and Shareholders	<ul style="list-style-type: none">◆ Steady and sustainable operations,◆ shareholder rights protection,◆ enhanced risk management	<ul style="list-style-type: none">◆ Regular disclosure of announcements, cash dividend◆ policy, strengthen risk control
 Employees	<ul style="list-style-type: none">◆ Compensation and benefits◆ rights protection◆ health and safety◆ career development	<ul style="list-style-type: none">◆ Improve compensation system,◆ protect employee rights,◆ conduct health check-ups,◆ ensure smooth promotion channels
 Suppliers and Partners	<ul style="list-style-type: none">◆ Honest cooperation,◆ business ethics,◆ industry development	<ul style="list-style-type: none">◆ Fulfill contracts,◆ conduct clean procurement,◆ business communication and collaboration
 Customers	<ul style="list-style-type: none">◆ Customer service,◆ product quality,◆ after-sales service	<ul style="list-style-type: none">◆ Protect customer rights,◆ increase investment in R&D,◆ handle customer feedback
 Media and Public	<ul style="list-style-type: none">◆ Community development,◆ charitable activities,◆ information disclosure	<ul style="list-style-type: none">◆ Volunteer activities,◆ charitable donations,◆ media interviews

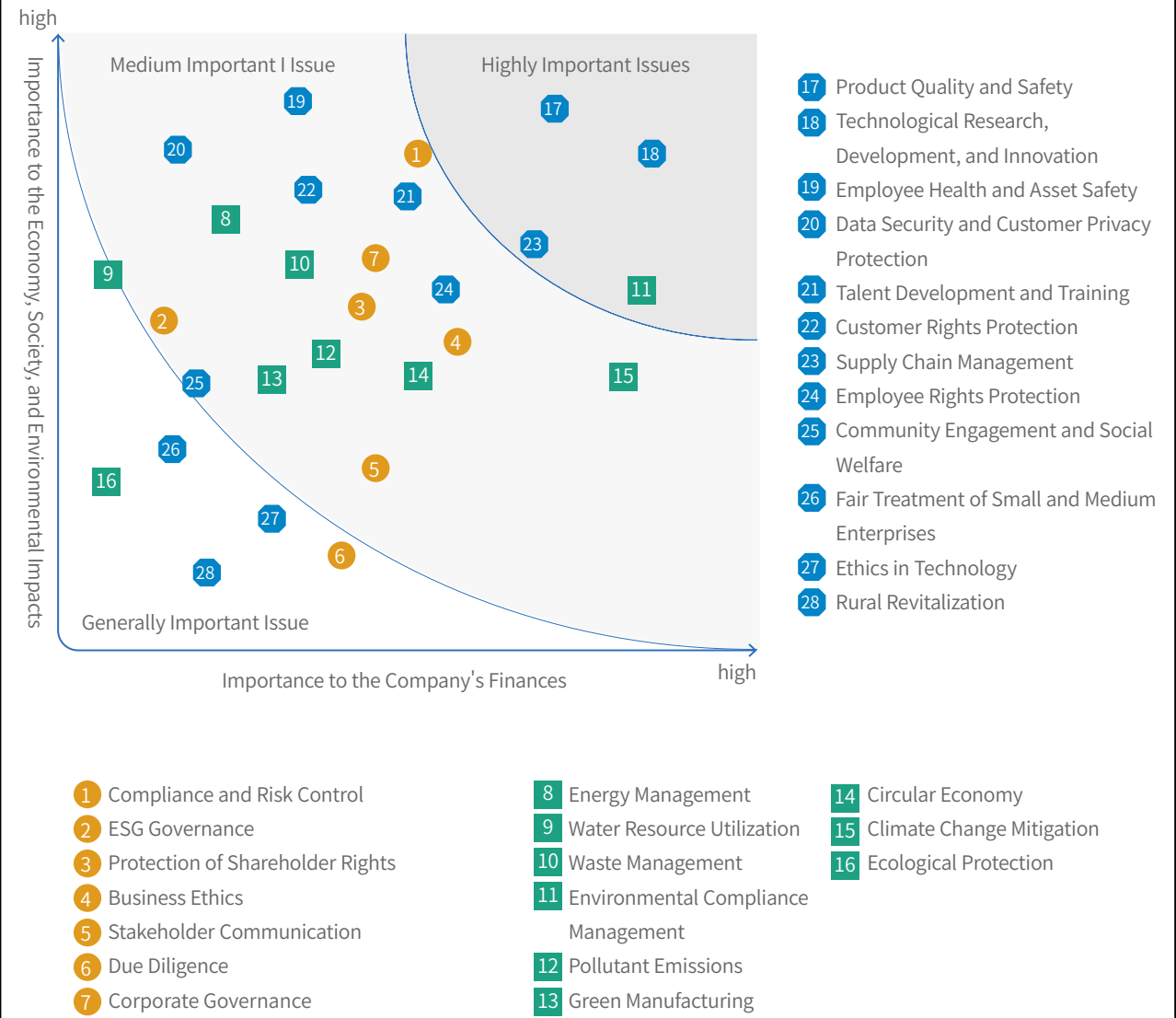
Identification of Key Issues

Genbyte has thoroughly studied the United Nations Sustainable Development Goals (SDGs), domestic and international industry policies, and business guidelines issued by stock exchanges. By considering the key areas of concern and expectations of stakeholders, the company identified 28 ESG issues for 2024. These issues were evaluated and ranked based on two dimensions: their importance to economic, social, and environmental impacts and their financial significance to the company, resulting in the creation of a materiality matrix for substantive issues.

Key Issues Identification Process	
 Identification	The company references the United Nations Sustainable Development Goals (SDGs), ESG-related standards, national macro policies, and industry trends. By aligning with the latest policy requirements and benchmarking against industry peers' material issues, the company identifies material ESG issues relevant to its operations.
 Assessment	The company conducted an opinion survey using online questionnaires, gathering 349 questionnaires from internal and external stakeholders. Based on the survey results, a systematic analysis of material issues was performed, incorporating expert opinions to assess the degree of internal and external impact of these issues.



The material issues are analyzed based on two dimensions: impact significance and financial importance. After considering relevant internal and external feedback, the company confirms the material issues and develops a materiality matrix.



Explanation of materiality	Topics of both financial and impact materiality	Topics with impact materiality only	Topics of general materiality
ESG topics	Product quality and safety, technological research and innovation, supply chain management, environmental compliance management, and addressing climate change.	Employee health and workplace safety, compliance and risk control, talent development, corporate governance, employee rights protection, customer rights protection, business ethics, circular economy, shareholder rights protection, data security and customer privacy, waste management, energy management, pollutant emissions, green manufacturing, ESG governance, water resource utilization, community engagement and social welfare.	Stakeholder communication, due diligence, fair treatment of small and medium-sized enterprises, technology ethics, rural revitalization, and ecological protection.

01

Compliance Leadership

Empowering Sustainable Development

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强大机构

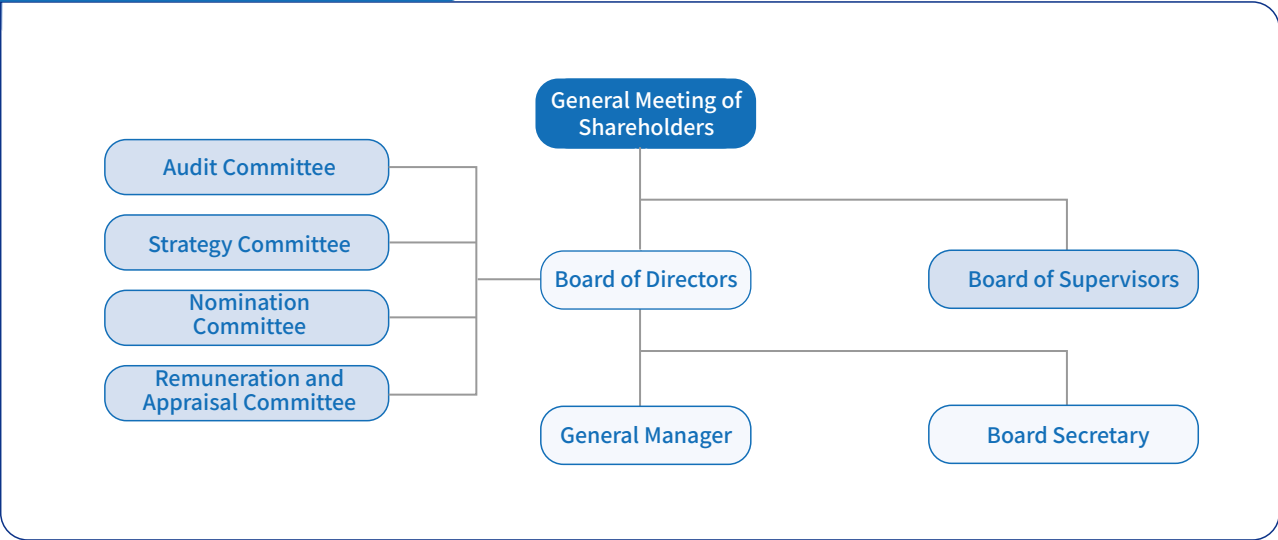


17 促进目标实现的
伙伴关系

Corporate Governance

Genbyte strictly adheres to laws and regulations such as the "Company Law of the People's Republic of China" and the "Securities Law of the People's Republic of China," continuously improving its corporate governance structure. The company has built an efficient and clear governance framework with well-defined roles and responsibilities at all levels. Through reasonable distribution and checks and balances of responsibilities, the company ensures the scientific and fair nature of its decision-making. During the reporting period, the company revised its "Articles of Association" and continued to enhance its governance system.

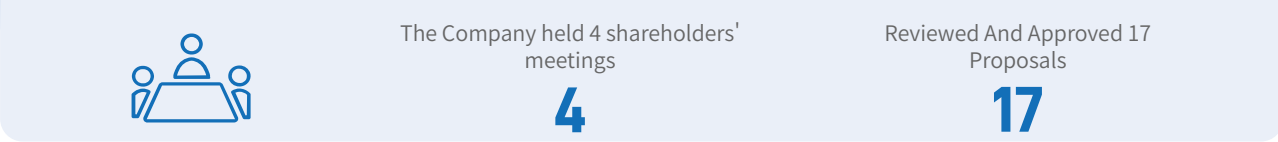
Corporate governance structure



Shareholders' Meeting

The shareholders' meeting, as the highest authority of the company, exercises its powers in strict accordance with the "Articles of Association" and the "Rules of Procedure for Shareholders' Meetings." It treats all shareholders equally, ensuring their participation and decision-making rights on important company matters. The notification, convening, resolutions, and voting methods of the shareholders' meeting all comply with relevant regulations.

During the reporting period



Board of Directors

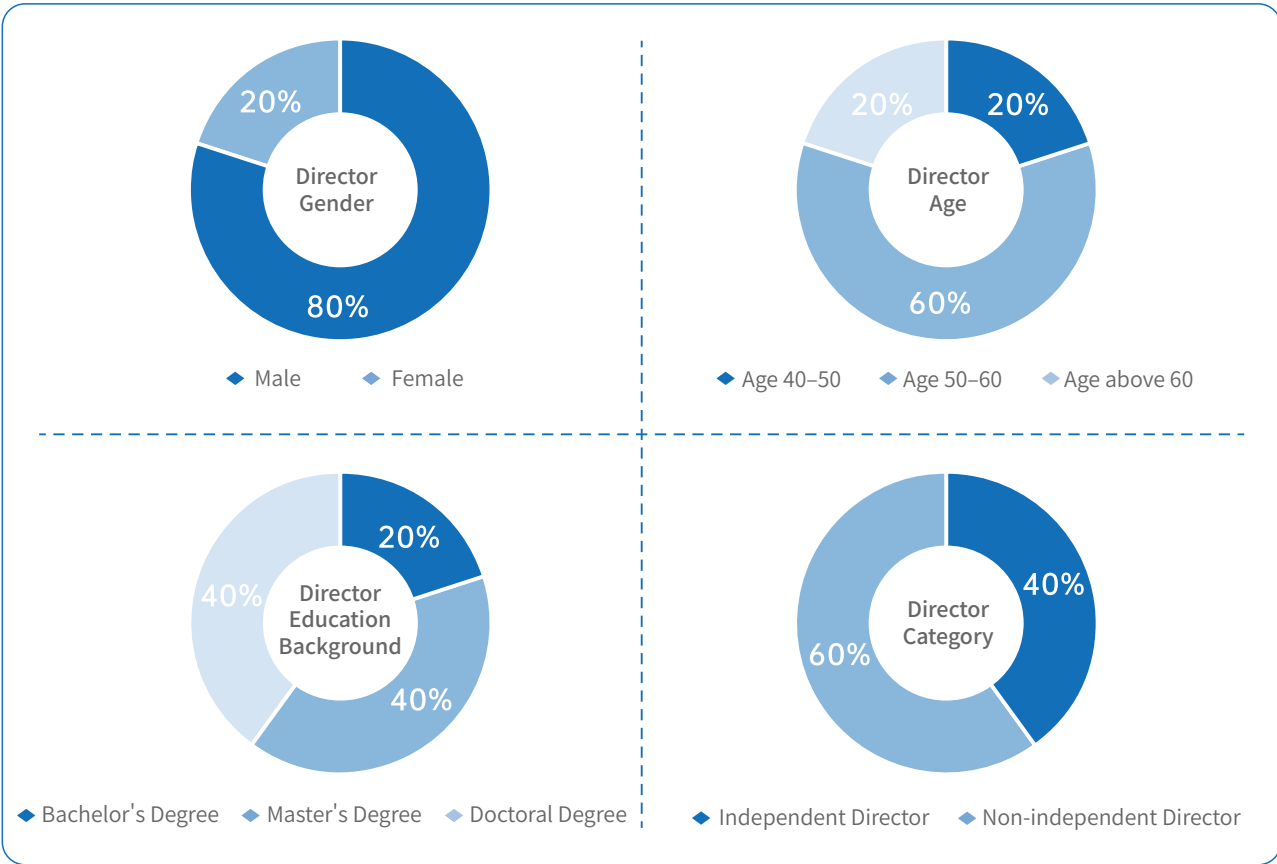
The board of directors is accountable to the Shareholders' Meeting, and the Company has established the "Board Meeting Rules" to standardize the meeting procedures and decision-making processes of the board. The board has four specialized committees: the Audit Committee, Nomination Committee, Compensation and Evaluation Committee, and Strategy Committee, as well as a Special Committee for Independent Directors. Each committee strictly performs its duties in accordance with relevant laws, regulations, and meeting rules, ensuring the scientific decision-making of the board on major issues.

During the reporting period



Independence and Diversity

The Board of Directors adheres to a sustainable development strategy, continuously improving board diversity and independence. The Company has established the "Independent Director Work System" and the "Independent Director Special Meeting System." Independent directors do not hold any position other than that of a director at the Company and have no direct or indirect interests with the Company, its major shareholders, or its actual controllers. They are able to diligently perform their duties and play a role in decision-making, oversight, checks and balances, and providing professional advice within the board, ensuring fairness and transparency in Company decisions and protecting the interests of the Company and minority shareholders.



Supervisory Board

The Supervisory Board is the Company's supervisory body, accountable to the Shareholders' Meeting. The Company has established and strictly implemented the "Rules of Procedure for Supervisory Board Meetings." The members of the Supervisory Board effectively perform their duties, supervising the actions of the board of directors and senior management in executing their company duties, safeguarding the interests of all shareholders.

During the reporting period



Compensation Management for Directors, Supervisors, and Senior Executives

In terms of compensation management, the company adheres to the principles of fairness, motivation, and compliance, and has formulated the "Compensation Management System for Directors, Supervisors, and Senior Executives." The Compensation and Evaluation Committee is responsible for formulating and reviewing the company's compensation policies, compensation plans, and performance evaluations for directors and senior executives, ensuring that the executive compensation structure reflects performance orientation while aligning with the Company's long-term strategic goals. The compensation structure for internal directors, supervisors, and senior executives consists of base salary and performance-based bonuses. The performance bonus is determined based on the Company's annual operating performance and individual assessment results, and is linked to the Company's strategic objectives. Independent and external directors receive a fixed monthly stipend.

During the reporting period, in strict accordance with the "Administrative Measures for Equity Incentives of Listed Companies" and other relevant laws and regulations, the Company formulated the "2024 Restricted Stock Incentive Plan" to establish a sound long-term incentive mechanism. By setting clear incentive targets and performance standards, the Company aims to fully motivate directors and senior executives while ensuring their independence and diligence in performing their duties.

During the reporting period



Compliance and Risk Management




Compliance Operations

Genbyte continuously improves its compliance management system, establishing a framework that aligns with its development needs. In 2024, the Company comprehensively revised its "Compliance Management System" and formulated the "Code of Conduct for Directors, Supervisors, and Senior Executives." A compliance management organizational structure was established, including the formation of a Compliance Management Committee. Legal and regulatory reviews were made a mandatory prerequisite for major business decisions and operations, effectively integrating compliance into all aspects of the Company's operations.

Compliance management structure



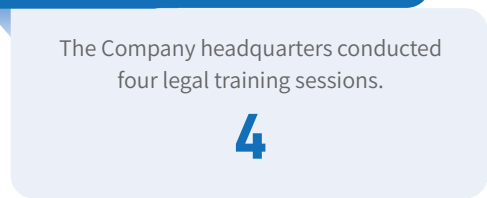
Compliance Management Operations

 Risk Assessment	Establish necessary mechanisms and processes to identify compliance requirements, analyze gaps between current business practices and compliance obligations, and determine the root causes of potential violations. Evaluate the likelihood and severity of risks, and prioritize compliance risk management based on business strategy, market environment, and the Company's risk tolerance.
 Risk Early Warning	Establish a compliance risk early warning mechanism tailored to the Company's risk profile and operational realities. Timely issue early warnings and formulate emergency response plans. These plans should clearly define the composition of the emergency response team, response procedures, communication mechanisms, emergency measures, and resource allocation.
 Risk Response	Develop a comprehensive compliance risk response mechanism, select appropriate response strategies, assess current handling capabilities, and formulate and implement response plans. Ensure that all identified and assessed compliance risks are addressed with timely and appropriate control and mitigation measures to keep risks within acceptable levels.

Compliance Culture Development

The Company strengthens employees' compliance awareness through ongoing efforts in building a compliance-oriented culture. During the reporting period, compliance training sessions were conducted for directors, supervisors, and senior executives, as well as on compliance management systems. These trainings targeted all relevant departments including management, audit, legal, and business units. By enhancing employees' awareness of compliance risks and their compliance capabilities, the company fosters a culture of "compliance in every role and every task." This culture-driven approach effectively prevents and mitigates compliance risks, while enhancing corporate governance and market competitiveness.

During the reporting period



Compliance Training



case

On February 27, 2024, the Company organized a specialized training session on "Information Disclosure Compliance Management" for multiple departments. The training focused on case studies of information disclosure, updates on relevant legal developments and compliance requirements, as well as risk identification and response strategies. The session aimed to ensure that participants clearly understand the boundaries of compliance management, enhance their risk assessment capabilities, and promote the Company's lawful and compliant operations.



Compliance Training Session

Internal Control Development

To continuously optimize and enhance its internal control mechanisms, the Company strictly adheres to the Company Law of the People's Republic of China, the Basic Standards for Enterprise Internal Control, and other relevant regulations. It has formulated internal documents such as the Internal Control System and Internal Control Procedures, steadily improving its internal control management framework.

Following principles of "full-process coverage, clear responsibilities, issue identification, and closed-loop rectification," the Company ensures standardized operations in line with listed Company requirements and continually strengthens the implementation and supervision of internal controls.

Internal Control Execution and Supervision Process

	Board of Directors	Final evaluation and decision-making
	Audit Committee	Periodic assessments and deliberation on major risks
	Internal Audit Department	Independent supervision and specialized audits
	Functional Departments	Regular inspections and compliance reviews
	Business Units	Daily implementation and self-inspections

Strengthening Internal Audit Oversight

The Company has established an Internal Audit Management System, under which the Internal Audit Department operates directly under the Audit Committee of the Board of Directors. This department is responsible for organizing and carrying out day-to-day audit tasks, including verifying the authenticity and completeness of financial information and monitoring the establishment and implementation of internal control systems.

In 2024, the Company focused on key areas such as compliance management, financial control, major investments, and ESG management, diligently executing its annual audit plan. Over the year, a total of 15 internal audit projects were conducted, resulting in 28 audit recommendations. By the end of the reporting period, 22 of these recommendations had been implemented, with 3 included in the 2025 continuous improvement plan.

Risk Management

Genbyte continues to enhance the construction of its enterprise-wide risk management system by formulating key frameworks such as the Risk Management System Policy and the Risk Management Measures and Supervision Mechanism. A three-tier risk warning system—comprising department-level monitoring, functional-level review, and audit-level supervision—has been established to strengthen oversight across all levels.

The Audit Department assigns responsible departments and designated risk managers for each major risk item listed in the Annual Major Risk Register, specifying detailed control measures and implementation timelines.

The Company has further refined a five-tier risk governance structure involving the Board of Directors – Audit Committee – Management – Business Departments – Audit Department, and operates under a "Three Lines of Defense" model. This framework clearly delineates responsibilities at each level and is gradually evolving into a comprehensive risk management system encompassing strategic, operational, financial, compliance, and ESG-related risks.

Internal Control Execution and Supervision Process

	Board Oversight	<ul style="list-style-type: none">The Audit Committee regularly reviews risk management reports and deliberates on documents such as the Annual Major Risk List, Risk Assessment Report, and Risk Alert Report.Major risk issues are promptly reported to the Board of Directors, which provides guidance on risk mitigation.
	Executive Oversight	<ul style="list-style-type: none">Management regularly convenes joint risk meetings to analyze emerging risks in macroeconomic trends, regulatory changes, and business operations, and to define key risk prevention priorities.Department heads serve as the primary risk owners, bearing responsibility for major risk prevention within their respective areas.
	Independent Audit Oversight	<ul style="list-style-type: none">As the third line of defense, the Audit Department conducts regular internal control evaluations and audits of major risk follow-ups to assess the effectiveness of risk management practices.It also carries out accountability audits on significant risk events and negligence in risk management, ensuring that accountability measures and system corrections are implemented in parallel.

2024 Risk Identification and Response

The Company has continued to refine its risk management processes by compiling the 2024 Risk Management Report. Risk control and compliance checkpoints have been embedded at key stages of business workflows to enable proactive risk prevention. An organization-wide risk identification and assessment was conducted for the year, resulting in the 2024 Major Risk List. Effective control measures were implemented to mitigate identified risks, while potential major risks were documented in dedicated reports and submitted to the Audit Committee for review.

Tax Management

The Company strictly adheres to relevant laws and regulations, including the Law of the People's Republic of China on the Administration of Tax Collection and the Enterprise Income Tax Law of the People's Republic of China. It has established a Tax Management Policy based on the principle of "strict compliance with national tax laws and timely, full payment of taxes." The Company fulfills its tax obligations by conducting regular tax risk assessments and continuously improving its risk prevention measures. The Finance Department serves as the central unit for tax management, overseeing the entire process including tax planning, filing and payment, and compliance monitoring.

During the reporting period

The Company's total tax payment amounted to RMB 23.312 million.

RMB **23.3120** million

Enhancing Investor Relations Management

Investor Relations

To standardize its investor relations practices, promote a better understanding of the Company, and maximize both corporate value and shareholder interests, Genbyte has established an Investor Relations Management Policy in accordance with the Securities Law of the People's Republic of China and relevant guidelines on listed company-investor relations.

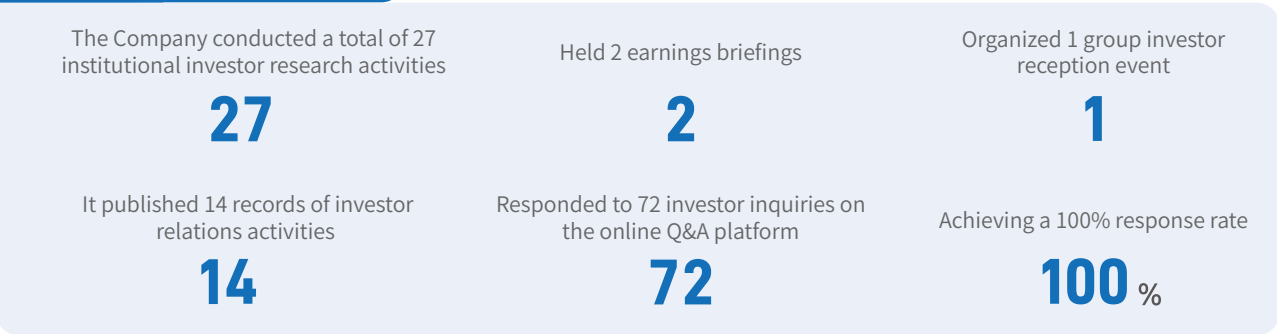
The Company maintains regular communication with investors through multiple channels and platforms, including investor hotlines, online Q&A platforms, public email, brokerage strategy meetings, roadshows, and conference calls. Timely responses are provided to investor inquiries to ensure their right to information and consultation.

Additionally, to diversify communication formats and broaden engagement, the Company leverages illustrated annual report summaries, its official WeChat account, and corporate website to promote transparency and enhance the quality of information disclosure.



Institutional Investor Research Activities

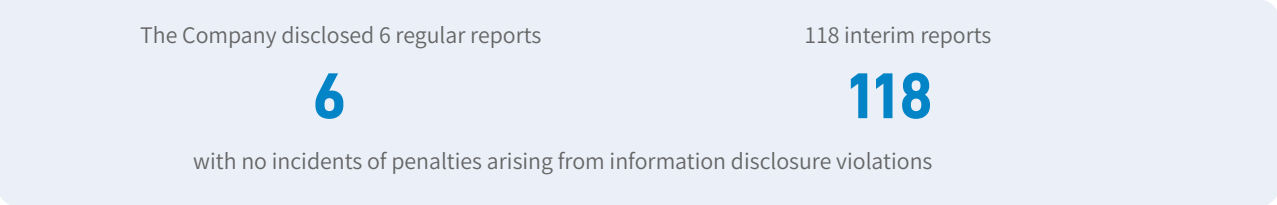
During the reporting period



Information Disclosure

Genbyte strictly complies with the Measures for the Administration of Information Disclosure by Listed Companies and other relevant laws, regulations, and guidelines. The Company has established the Information Disclosure Management Policy and the Internal Reporting System for Material Information, aiming to enhance communication with shareholders and potential investors through high-quality information disclosure and improve corporate transparency. In 2024, the Company had no false records, misleading statements, or material omissions, and fully complied with information disclosure regulations.

During the reporting period



Investor Returns

The Company places great importance on delivering returns to investors. Since its IPO, it has actively implemented a dividend policy to enhance investor returns, strictly adhering to the profit distribution policy outlined in its Articles of Association. It also formulated the "Three-Years (2022–2024) Shareholder Dividend Return Plan." As of the publication date of this report, the Company has distributed nearly RMB 200 million in dividends (including the 2024 fiscal year). Notably, the dividend payout ratio was increased in the first half of 2024, with a cash dividend of RMB 4.5 (pre-tax) per 10 shares, totaling RMB 50.3006 million—representing 55.63% of the net profit for the period.

Dividend Year	Dividend Plan (Pre-tax)	Dividend Amount (RMB 10,000)	Percentage of Net Profit Attributable to Shareholders of the Listed Company
2020	3 RMB per 10 shares	3,288.00	18.93%
2021	3 RMB per 10 shares	3,342.07	15.91%
2022	3 RMB per 10 shares	3,324.97	19.49%
2024 Interim	4.5 RMB per 10 shares	5,030.06	55.63%
2024	4.5 RMB per 10 shares, 3 bonus shares per 10 shares	5,008.70	24.64%

Practicing Business Ethics

Genbyte upholds fair competition and integrity, strictly adhering to domestic laws such as the Anti-Monopoly Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China, and international standards like the United Nations Convention against Corruption. The Company has established several internal management systems, including the Genbyte Code of Business Conduct, Business Ethics and Compliance System, Anti-Bribery Compliance Policy, Ethical Standards Control Procedures, and Labor and Business Ethics Risk Management Control Procedures. Additionally, the Company has implemented management procedures such as the Social Responsibility and Business Ethics Management Control Procedures, Fair Trade, Advertising, and Competition Control Procedures, Prohibition of Collusion Control Procedures, and Conflict of Interest Reporting Control Procedures. With a "zero-tolerance" approach, the Company integrates integrity and compliance into its business strategy, aiming to eliminate all forms of commercial fraud, false advertising, and improper benefits transfer.

The Company has established an Ethics Committee to conduct regular audits of ethical management. It also set up an independent Compliance Investigation Team responsible for overseeing business behavior both inside and outside the Company, while strengthening the board and management's leadership in integrity and compliance. Business ethics and compliance targets are now part of the executive performance evaluation system, with executive compensation closely tied to target achievement.




Genbyte– Certificate of Membership in the Guangming District Clean Enterprise Alliance


Genbyte has built a comprehensive anti-commercial bribery and anti-corruption system that includes prevention, monitoring, and punishment. The system focuses on curbing corruption risks at the source through ethics training and transparent operational guidelines to ensure that business activities are compliant and transparent. The Company has established an independent supervisory body with full investigative powers to ensure the effectiveness of the system, creating an open and fair corporate environment. It emphasizes talent development and system building in the areas of anti-commercial bribery and anti-corruption, continuously improving the professionalism of employees and supply chain partners through diversified training and practical experience. Specialized courses are offered to enhance understanding and application of anti-corruption policies, covering everyone from the board and management to frontline employees, fostering a comprehensive culture of integrity. Additionally, through case studies and experience exchange sessions, the Company encourages participants to flexibly apply compliance knowledge in complex business scenarios, improving their ability to address challenges. The Company works with its suppliers to establish a shared growth mechanism, regularly evaluating the effectiveness of anti-corruption measures, continuously optimizing processes, and ensuring that all parties maintain a fair and transparent business order. It has created a multi-level supervision network focused on key business areas and high-risk sectors, assigning clear responsibilities and implementing differentiated management. By establishing an internal and external joint supervision mechanism, the company combines special audits with daily monitoring to strengthen control over decision-making processes, contract signing, and fund utilization. Regular integrity risk assessments are conducted to identify potential problem areas, develop targeted prevention measures, and adjust them dynamically. The Company also provides clear reporting channels and fosters an environment of collective participation, ensuring that supervision and assessment work are thorough and effective, helping prevent commercial bribery and corruption.

Genbyte actively promotes the signing of Integrity Agreements, requiring suppliers and contractors to sign anti-bribery clauses as part of mandatory contractual terms. The Company has also implemented a "background check screening" mechanism for compliance reviews of high-risk partners and refuses to cooperate with third parties with a history of corruption. For internal matters, new employees are required to sign the Business Ethics and Anti-Bribery Commitment upon onboarding and undergo compliance training. Key positions must also sign an Integrity Commitment. The Company regularly organizes compliance knowledge competitions, lectures, and other activities to foster a strong culture of compliance. In addition, the Company offers multiple reporting methods, including phone, email, mail, and in-person reporting. It responds to and investigates reports 24/7 in accordance with the Internal Reporting and Investigation System, Whistleblower Management Procedures, and Whistleblower Protection Control Procedures, ensuring strict confidentiality of whistleblower identities. During the reporting period, no incidents of unfair competition, commercial bribery, or corruption occurred.


Genbyte Integrity Reporting Channels



Responsible Department
Office of the General Manager

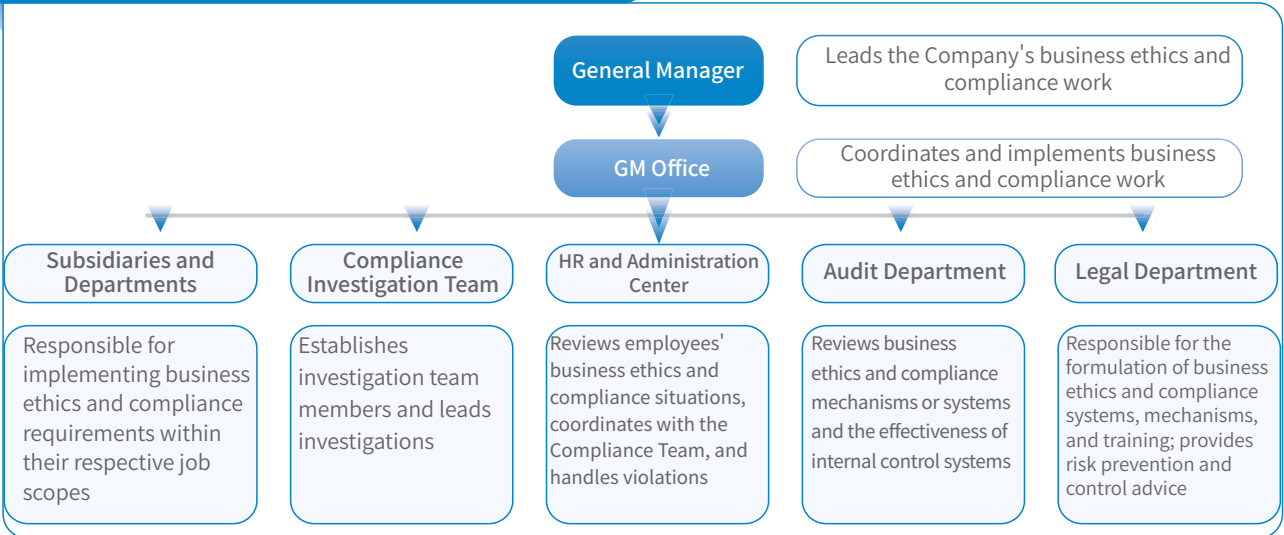


Reporting Hotline
+86 18938071238

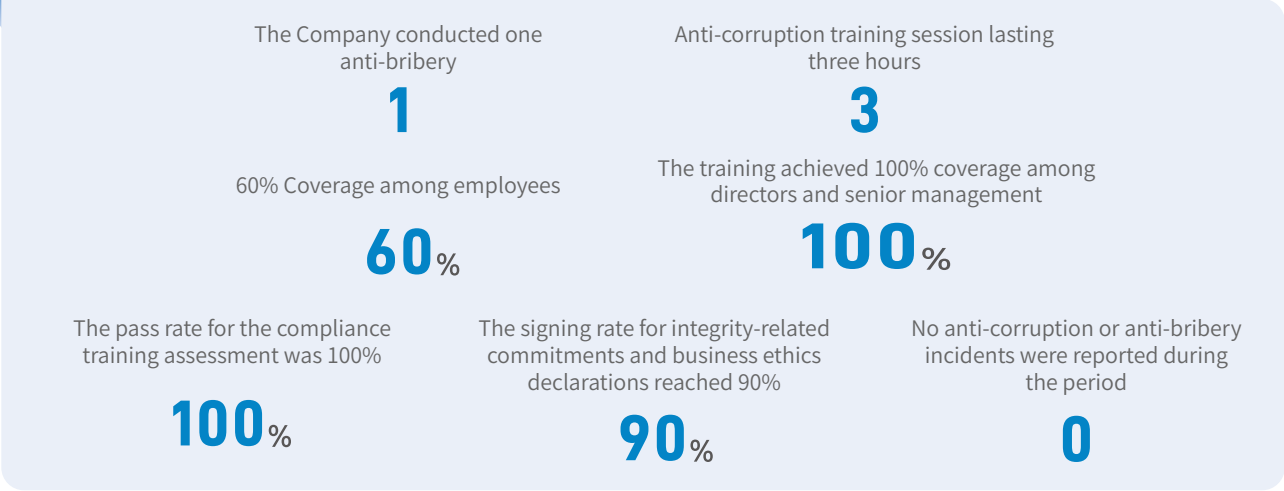


Reporting Email
andit zb@genbytech.com

Organizational Structure For Business Ethics Management



During the reporting period



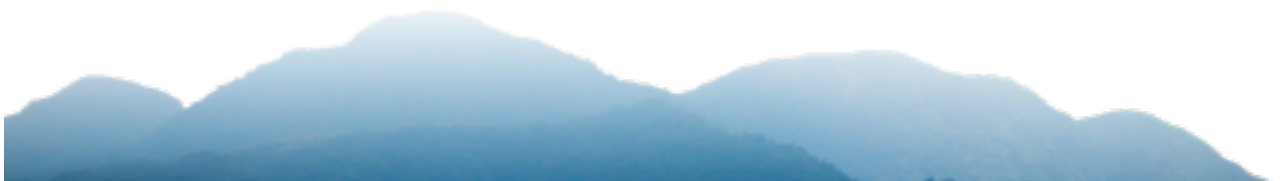
Case Study: Anti-Bribery and Anti-Corruption Training

Case

In 2024, the Company conducted anti-bribery and anti-corruption training for all staff and management personnel. The training covered various types of commercial bribery and corruption offenses, with detailed explanations of relevant legal provisions. It also provided risk prevention recommendations, including strengthening internal control systems, enhancing legal training for senior executives, and establishing effective whistleblowing channels. Key points on confidentiality obligations and compliance management measures were also discussed. By analyzing real-world cases as warnings, the training helped raise awareness of anti-corruption practices among employees and management, laying a solid foundation for the company's sustainable and sound development.



Anti-Bribery and Anti-Corruption Training



02

Preserving Greenery and Painting an Ecological Landscape

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- 52 Green Operations Empowerment
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Addressing Climate Change

Climate Governance Measures

Genbyte fully recognizes the urgency and importance of addressing climate change and remains firmly committed to its environmental responsibilities while advancing sustainable development within the industry. The Company integrates climate-related risks and opportunities into its overall strategic framework, sets quantifiable carbon emission targets, and establishes an ESG management body to regularly review climate goal progress. Climate-related disclosures are prepared in line with ISSB and GRI standards, ensuring transparency and traceability of strategies and objectives.

To further strengthen the capabilities of ESG team members in carbon management and support the implementation of the Company's green transformation and sustainability strategies, Genbyte conducts carbon management training with an annual target coverage rate of 95%. As of the end of the reporting period, some employees have obtained carbon emission management certification.

During the reporting period

The Company conducted 15 carbon management training sessions

15

Achieving An Annual Training Coverage Rate Of Over 98%

98%

Dual-Carbon Policy Training



Case

In 2024, the Company conducted a training session on the dual-carbon goals and related knowledge. The training focused on the implementation pathway of China's national "dual-carbon" strategy, offering a systematic interpretation of supporting local government policies, subsidy measures, and key tasks. Delivered through a "policy interpretation and business discussion" format, the session facilitated in-depth discussions on how to effectively implement dual-carbon objectives, helping employees gain a clearer understanding of policy essentials and execution direction.



Dual-Carbon Policy Training

Climate Change Response Strategy

Type	Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Physical Risk Acute Risk	Extreme weather conditions, including typhoons and torrential rain, can result in asset damage and interruptions to production.	2	4	Short-term	Operations	General	Increase in operational costs	Strengthen emergency response capabilities, equip with relevant emergency supplies and facilities, monitor extreme weather conditions, and prepare in advance for potential responses.

Unless otherwise specified, all data in this section pertains to Genbyte's headquarters, except for environmental protection investment and training data, which include figures from both the headquarters and its sub-subsidiary in Vietnam.

Type	Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Chronic Risk	Global warming has led to an increase in cooling demands for offices and production, resulting in higher operational costs.	2	4	Medium and Long-term	Operations	General	Increase in operational costs	Continuously monitor the changing trends of chronic risks and consider the impact of climate-related chronic risks.
Transformation Risk	Stricter carbon emission control policies have led to an increase in production costs.	2	4	Short, Medium, and Long-term	Operations	General	Increase in production costs	Strengthen efforts in carbon footprint and carbon audit work, and continuously monitor relevant policy changes.
	Failure to keep up with timely technological iterations may lead to a decline in the product's market competitiveness.	2	4	Medium and Long-term	Operations, Down-streams	General	Decline in revenue	Actively invest in the research and development of low-carbon technologies, and further strengthen the investment in low-carbon products such as photovoltaics and energy storage.
Opportunity	Proper response to extreme weather can prevent production interruptions, facilitate quick recovery after a disaster, ensure timely fulfillment of contracts, and capture market orders. Proper utilization of policies such as carbon trading can further generate profits. Low-carbon products and industries supported by development policies also benefit from corresponding subsidies and tax incentives.	2	4	Short-term	Operations, Down-streams	High	Increase in Non-Operating Revenues	1.Strengthen disaster emergency drills to enable rapid recovery of production after a disaster. 2. Actively participate in the carbon trading market and explore the application of carbon financial instruments. 3.Closely monitor government policies to obtain timely support in terms of policy, technology, and resources.

Probability of occurrence: rated from 1 (low) to 5 (high)
Level of impact: rated from 1 (low) to 5 (high)
For all financially material topics in this report, the time frame of impact is defined as follows:
- Short term: within 1 year
- Medium term: 1 to 5 years
- Long term: more than 5 years

Management of Climate Change Impacts, Risks, and Opportunities

The Company follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to thoroughly analyze the potential physical risks and transformation challenges that climate change may pose to various aspects of the business, supply chain, market expansion, and regulatory compliance. At the same time, the Company also recognizes the new development opportunities brought about by the low-carbon economy transition. Based on a comprehensive assessment of risks and opportunities, the company has quantified the potential financial impacts of climate change on its financial performance, operational processes, and brand reputation, considering both the magnitude and time horizon of these impacts. Corresponding priorities have been determined.

Based on the assessment results, the Company has developed a series of targeted risk mitigation measures and transformation action plans, actively adjusting its current and future strategic layout to effectively reduce risks and seize transformation opportunities. The Company is expanding its renewable energy business, developing low-carbon products, and integrating supply chain carbon management into cooperation terms, requiring core suppliers to gradually complete carbon footprint accounting. Furthermore, the Company prioritizes funding for low-carbon technology research and development and energy efficiency improvement projects, increasing the proportion of the budget allocated for clean energy equipment upgrades. Through asset divestiture, the company is gradually exiting high-carbon assets and optimizing its investment portfolio.

The Company has already implemented a waste heat recovery system in its new Zhenwei Industrial Park to improve energy efficiency. Additionally, several high-energy-consuming devices have been replaced with more energy-efficient alternatives—for example, upgrading from Level 3 to Level 1 energy-efficient air conditioners. Looking ahead to 2025, the Company plans to further promote carbon label certification for product life cycles and establish a digital carbon management platform. It also aims to strengthen emergency training and drills for extreme weather events and will equip the plant with facilities and emergency supplies for flood, typhoon, and earthquake preparedness—enhancing its resilience to extreme climate conditions.

Climate Change Indicators and Targets

Genbyte has prepared the "2023 Greenhouse Gas Emissions Report," which has been verified by a third-party accredited agency. The Company's greenhouse gas emissions mainly result from the consumption of liquefied petroleum gas, gasoline, diesel, and electricity.

The Company integrates low-carbon transformation goals into its business strategy, setting a quantified target for reducing unit product carbon emission intensity (tCO2e/10,000 PCS) by 2% by 2025 compared to 2023 levels, with the goal of achieving operational carbon neutrality by 2030. The Company has developed a carbon neutrality roadmap and will implement it in phases. This will be achieved through technological innovation and carbon offset initiatives, gradually working towards operational carbon neutrality.

Indicator		Unit	2023 (Base Year)	2024 Target	2025 Target
Unit Product Carbon Emission Intensity		tCO2e/10,000 PCS	2.72	2.69	2.67 (2% decrease compared to 2023)

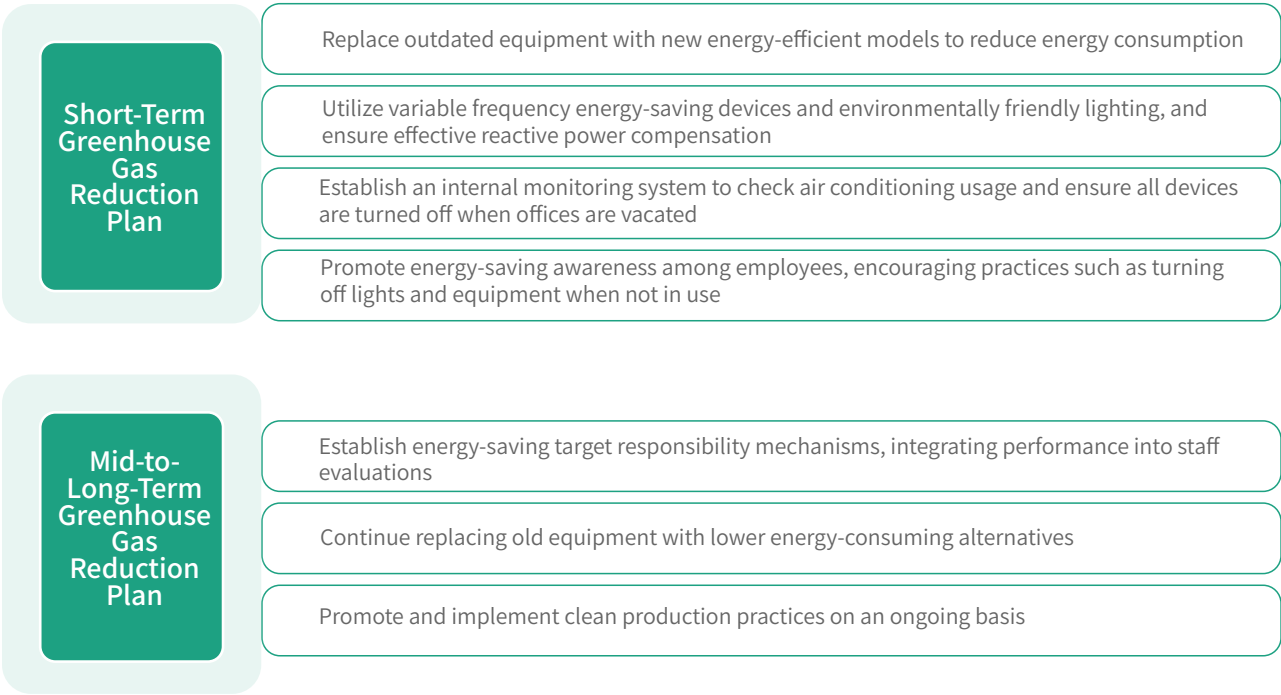
Indicator		Unit	2023
Total Greenhouse Gas Emissions		tCO2e	6,629.21
Direct Greenhouse Gas Emissions (Scope 1)	Fossil fuel combustion emissions	tCO2e	74.43
	Mobile combustion direct emissions	tCO2e	226.75
	Direct fugitive emissions from human systems	tCO2e	72.92
Indirect Greenhouse Gas Emissions (Scope 2)	The emissions corresponding to the net purchased electricity	tCO2e	4,411.56
Other Indirect Greenhouse Gas Emissions (Scope 3)	Indirect greenhouse gas emissions from transportation	tCO2e	1,662.05
	Emissions from the treatment of solid and liquid waste	tCO2e	181.5
Unit product greenhouse gas emission intensity		tCO2e/10,000 PCS	2.72

Greenhouse Gas Emission Accounting Standards Explanation:

- "Notice of the General Office of the National Development and Reform Commission on Issuing the First Batch of 10 Industry Enterprise Greenhouse Gas Accounting Methods and Reporting Guidelines (Trial)" (NDRC Office Climate [2013] No. 2526)
- "Notice of the General Office of the National Development and Reform Commission on Issuing the Second Batch of 4 Industry Enterprise Greenhouse Gas Accounting Methods and Reporting Guidelines (Trial)" (NDRC Office Climate [2014] No. 2920)
- "Notice of the General Office of the National Development and Reform Commission on Issuing the Third Batch of 10 Industry Enterprise Greenhouse Gas Accounting Methods and Reporting Guidelines (Trial)" (NDRC Office Climate [2015] No. 1722)
- "Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Other Industrial Enterprises (Trial)"
- "Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Electronic Equipment Manufacturing Enterprises"
- Other relevant national, provincial, and industry standards and regulations

Greenhouse Gas Emissions Management

The Company has established the Energy Consumption and Greenhouse Gas Emissions Control Procedure, along with short-term and mid-to-long-term implementation plans for greenhouse gas reduction. By promoting green office practices and other initiatives, the Company aims to use energy and resources more efficiently, continuously reduce consumption, and minimize greenhouse gas emissions to the greatest extent possible.



Creating a Green Environment

Overview of Environmental Management

Genbyte places strong emphasis on environmental protection and strictly complies with the Environmental Protection Law of the People's Republic of China and other relevant environmental regulations. The Company has established a comprehensive environmental management system, including documents such as the Environmental and Safety Management Manual, Environmental Operation Control Procedure, Environmental Monitoring Report, and Environmental and Occupational Health & Safety Performance Evaluation Procedure.

For all new, renovated, or expanded projects, the Company strictly follows the "Three Simultaneities" policy—ensuring environmental protection facilities are designed, constructed, and put into operation simultaneously with the main project. Environmental impact assessments (EIAs) and project acceptance are carried out in accordance with regulatory requirements. The Company has obtained necessary environmental permits and approvals from Shenzhen authorities, including EIA approvals, environmental acceptance confirmations, and pollutant discharge permits. The Company's inverter and high-efficiency intelligent energy storage system project has completed EIA registration, self-assessment, and has received expert opinions.

Genbyte has also developed procedures such as the Environmental Monitoring and Measurement Control Procedure and a Self-Monitoring Plan. Under this plan, third-party agencies with CMA certification are commissioned annually to monitor industrial waste gas and boundary noise levels to ensure emissions remain within regulatory limits.

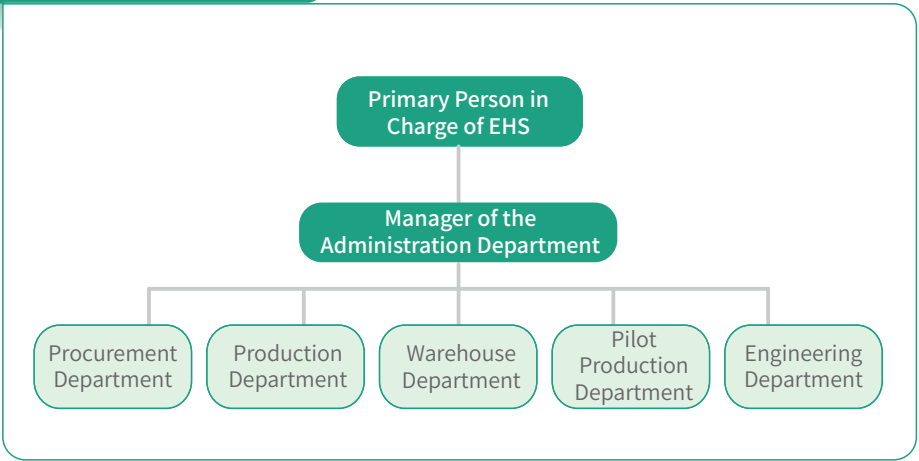
During the reporting period, the Company did not experience any environmental pollution incidents, received no penalties from environmental authorities, and identified no major deficiencies in its environmental monitoring plans or risk management measures.

Environmental Policy

Enhance environmental awareness and comply with environmental regulations
Conserve energy, reduce emissions and consumption, and produce green products



EHS organization chart



EHS Organizational Structure Chart



EHS Knowledge Training

Case Study

In 2024, the Company organized a comprehensive EHS training program for all employees. The training covered key areas including: proper waste disposal procedures, risk control for chemicals and flammable materials, full-cycle fire emergency response (equipment use and evacuation drills), occupational health protection systems (first aid and prevention of bodily fluid transmission), and standardized use of personal protective equipment (PPE). The program combined theoretical instruction with practical exercises to enhance employees' risk management capabilities and emergency response skills.



EHS Knowledge Training

Environmental Management and Governance

The Company has established an EHS (Environment, Health, and Safety) Management Committee, with the General Manager serving as the Chief Commander and the Administration Manager as the Deputy EHS Coordinator. The committee comprises representatives from various shifts, job types, and hierarchical levels.

EHS Committee members are responsible for coordinating with qualified testing agencies to conduct annual inspections of drinking water, workshop air quality, and noise levels. Test reports are documented, and any non-compliance triggers immediate corrective actions.

In accordance with the Environmental Aspect Identification and Evaluation Control Procedure and the Hazard Identification and Risk Assessment Control Procedure, EHS members identify environmental aspects and hazards related to the Company's operations, products, or services that can be controlled or influenced. They assess these to determine which have—or may have—a significant environmental impact or pose unacceptable risks. These findings are factored into the setting of environmental and occupational health and safety objectives.

Additionally, the Company conducts regular EHS training to enhance awareness and capabilities in environmental safety. During the reporting period, the company successfully passed the ISO 14001 Environmental Management System certification.

Environmental Management Strategy

Type		Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Risk	Environmental Compliance Risk	Non-compliance with hazardous substance control for raw materials or end-of-pipe pollution control may lead to lost orders or regulatory penalties	2	4	Short-term	Operations	Moderate	Decrease in revenue	Strengthen incoming material control by sampling each batch and archiving RoHS reports; improve environmental facility management and conduct regular testing via certified third parties
	Technology Risk	Growing global emphasis on environmental protection demands continued R&D and use of eco-friendly materials/technologies, which could increase costs and affect competitiveness	3	3	Medium/Long-term	Operations, Downstream	Moderate	Increase in production cost	Phase out high-pollution materials; adopt biodegradable and recyclable alternatives; assess carbon footprint across material lifecycle and set reduction targets
Opportunity		A sound environmental management	3	3	Short-term	Operations	Moderate	Decrease in revenue	Improve and maintain compliance with a robust environmental management system; proactively showcase environmental efforts through ESG reporting to gain public and investor trust

Environmental Management Impact, Risk, and Opportunity ManagementStrategy

Genbyte has developed the Environmental Analysis and Risk & Opportunity Response Control Procedure, which identifies potential environmental risks and opportunities based on internal and external factors and stakeholder needs. The Company addresses these risks and opportunities through strategic planning and actions to avoid or mitigate environmental risks, ensuring the effective operation of the environmental management system and continuous improvement.

Emergency Plans and Drills

The Company conducts environmental safety risk assessments and has developed an Emergency Response Plan for Environmental Incidents, which has been filed with the relevant authorities. In parallel, an emergency response mechanism has been established, with roles and responsibilities outlined in the Emergency Preparedness and Response Control Procedure. Relevant staff members receive regular training, and the Company conducts emergency drills to enhance employees' ability to handle environmental emergencies and respond to unexpected environmental incidents.

Joint Park Fire Drill

Case Study

In 2024, to test the emergency coordination and rescue capabilities of the entire park and surrounding businesses, and to ensure the safety of property and employees while minimizing potential losses, the Company organized an emergency fire drill. The exercise enhanced the production line employees' four key firefighting abilities, raised awareness of environmental protection, and improved their capability to handle environmental pollution. It also validated the feasibility of the emergency response plan for lithium battery fires



Fire Drill

Hazard Identification and Rectification

Genbyte has established the Environmental and Safety Health Monitoring Control Procedure and other systems for hazard identification and mitigation. The Company conducts monthly checks on the implementation of energy and resource conservation, the clearance of fire exits, and the proper use of personal protective equipment. During the reporting period, the Company achieved a hazard rectification rate of over 95%.

Add supplementary safety warning labels



Before Rectification

After Rectification

Add Chinese emergency stop labels



Before Rectification

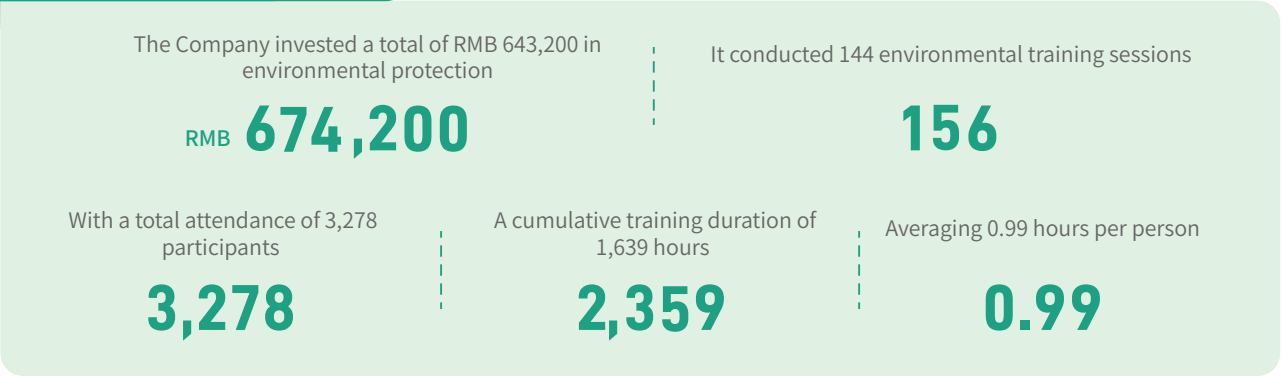
After Rectification

Environmental Management Indicators and Goals

The company has established environmental and safety goals for 2024 in accordance with the "Target Indicators and Management Program Procedure." By the end of the reporting period, all environmental goals have been achieved.

Indicators	Goals	Achievement in 2024
Emissions of Exhaust Gas	100% Compliance	Achieved
Solid Waste (including hazardous waste) Disposal	100% Recycled	Achieved
Noise Emissions	100% Compliance	Achieved
Environmental and Safety Training Completion Rate	100%	Achieved

During the Reporting Period



Enhance Pollution Control

Environmental Management Indicators and Goals

The wastewater generated by Genbyte primarily comes from domestic sources such as the cafeteria, restrooms in the factory area, and employee dormitories. The Company strictly complies with the Law of the People's Republic of China on Prevention and Control of Water Pollution and has established procedures such as the Wastewater, Exhaust Gas, and Noise Control Procedure and the Rainwater Pollution Discharge Control Procedure. Rainwater and sewage are discharged through separate pipelines, with a detailed sewage discharge network diagram in place. To ensure compliant discharge, the Company has implemented necessary engineering control measures. The Human Resources and Administration Department regularly inspects the sewage discharge system to detect any abnormalities. In addition, external environmental monitoring agencies conduct periodic assessments to ensure regulatory compliance.

Exhaust Gas Management

The Company's air emissions primarily come from soldering furnaces, welding equipment, kitchen exhaust, and vehicle emissions. In strict adherence to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution and other relevant regulations, the Company has formulated the Operation, Maintenance, and Servicing Guidelines for Exhaust Gas Treatment Facilities, ensuring routine maintenance of the equipment. Workstations associated with exhaust gas emissions across production lines are equipped with negative pressure exhaust systems or are enclosed within sealed equipment, achieving a collection efficiency of over 85%. The end-of-pipe treatment utilizes activated carbon adsorption, with the carbon being replaced every three months.

Indicators	Unit	2024
Total Exhaust Gas Emissions	10,000 m ³	67,123.98
Exhaust Gas Emission Intensity	10,000 m ³ / Million RMB Revenue	50.55
Volatile Organic Compounds (VOC)	Tons	1.01
Tin and Its Compounds	Kilograms	0.34

Noise Management

The Company's noise emissions mainly originate from air compressors, vehicles, elevators, and production equipment. In strict compliance with the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution, the Company has adopted noise reduction measures such as vibration dampers, soundproof enclosures, and acoustic barriers to minimize noise generation and transmission. Employees are also provided with protective equipment such as earplugs and earmuffs. During the reporting period, the noise levels at the factory boundary ranged from 58.5 to 62.1 dB, meeting the standard limit of 65 dB(A) set by Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008).

Waste Management

The Company strictly handles waste disposal in accordance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and other relevant regulations. It has established procedures such as the Solid Waste Management Procedure, Waste Control Procedure, and Hazardous Chemicals Control Procedure to ensure traceable management of all aspects of waste generation, utilization, collection, transportation, storage, and disposal, under the supervision of environmental authorities to ensure proper treatment of industrial solid waste.

All waste is categorized into three types: recyclable waste, non-recyclable waste, and hazardous waste. Recyclable waste such as used paper, plastics, and metals is collected by the HR department, which liaises regularly with recycling companies and conducts occasional checks to ensure hazardous waste is not mishandled. Non-recyclable waste, such as household garbage, is collected by departments, placed in designated bins, and transported to the waste pool by cleaning staff. Hazardous waste, such as expired chemicals or materials contaminated with hazardous substances, is stored in specialized leak- and vapor-proof containers with clear labeling. Hazardous waste storage areas comply with the Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2023), and disposal is handled by licensed third-party agencies with valid hazardous waste operation and transport permits. Storage areas are equipped with appropriate fire extinguishers and cleaning equipment.

For product-related hazardous substances, the Company complies with all applicable regulations restricting or prohibiting certain materials, including those governing labeling for recycling and disposal. It has implemented the Control Procedure for Environmentally Hazardous Substances in Products and the Environmental Hazardous Substance Management Standard. The Quality Department oversees the monitoring and testing of restricted substances to ensure compliance with relevant laws and customer requirements.

Indicators		Unit	2024
Non-Hazardous Waste Emissions	Waste Plastics	Tons	12.70
	Waste Paper	Tons	16.10
Total Non-Hazardous Waste Generated		Tons	28.80
Non-Hazardous Waste Generation Intensity		Tons / Million RMB Revenue	0.0217
Non-Hazardous Waste Disposal Rate		%	100
Hazardous Waste Emissions	Waste Organic Solvents (HW06)	Tons	8.01
	Spent Activated Carbon (HW49)	Tons	14.68
	Empty Containers (HW49)	Tons	3.09
	Waste Cleaning Agents (HW06)	Tons	13.94
	Used Mineral Oil (Engine Oil) (HW08)	Tons	0.04
Total Hazardous Waste Generated		Tons	39.76
Hazardous Waste Generation Intensity		Tons / Million RMB Revenue	0.0299
Hazardous Waste Disposal Rate		%	100


🔗 Hazardous Waste Reduction Target

The Company set a target to reduce the amount of hazardous waste generated per unit of product in 2024 by 1% compared to 2023. A corresponding waste reduction implementation plan was developed to support this goal. By the end of the reporting period, the Company successfully achieved the 2024 reduction target.

Management Item	2023	2024
Hazardous Waste Generated per Unit Product (T/10,000 pcs)	0.01808	0.017899
Target Improvement	Baseline Year	↓ 1%
Achievement	/	0.013074

🔗 Waste Reduction Implementation Plan

- Established a target accountability system by breaking down the reduction goal to each waste-generating unit and incorporating it into the performance evaluations of responsible supervisors.
- Optimized raw material selection and usage to improve material utilization rates.
- Adopted advanced production processes and equipment to reduce hazardous waste generation at the source.
- Strengthened maintenance and operation of hazardous waste reduction facilities and equipment.
- Continuously promoted cleaner production and the adoption of smart manufacturing technologies to reduce resource waste and pollution emissions.



Comprehensive Resource Utilization

To enhance energy and resource management, reduce consumption, eliminate waste, and improve economic efficiency, Genbyte has implemented the Energy Conservation and Consumption Reduction Management Procedure and the Energy and Resource Control Procedure. A dedicated task force was formed involving all relevant departments to manage and monitor the use of water, electricity, various oils, office paper, stationery, and other production support resources. Based on actual consumption data from the previous year, the HR & Administration Department prepares the company's annual environmental management plan for resource and energy conservation. This plan includes energy-saving goals, performance indicators, detailed implementation actions, department responsibilities, and investment budgets. Each department is required to formulate its own energy-saving plan accordingly. Departments submit monthly energy consumption reports to the HR & Administration Department. These are then compared with the targets outlined in the energy-saving plan. If any department exceeds planned consumption or fails to meet its savings targets, the cause is investigated in coordination with relevant departments, corrective measures are developed, and the implementation of these measures is closely monitored and evaluated.

Energy Utilization

The Company's primary energy consumption comes from purchased electricity. A comprehensive energy management system has been put in place, with 2024 energy-saving targets defined and overseen by the energy conservation task force. The system assigns clear responsibilities to each department, supports continuous improvement through regular energy audits, and identifies further energy-saving opportunities. Additionally, a position-based responsibility system is enforced. Each electrical distribution room must be managed by trained personnel, who are responsible for maintaining detailed operation records and ensuring both the quality and safety of electricity supply.

Metric	Unit	2022	2023	2024
Direct Energy Consumption	tons of standard coal	138.60	143.46	165.80
Liquefied Petroleum Gas (LPG)	tons	22.82	24	26.75
Gasoline	10,000 liters	4.84	5.33	6.20
Diesel	10,000 liters	3.79	3.60	4.26
Indirect Energy Consumption	tons of standard coal	822.52	950.69	1,220.00
Purchased Electricity	10,000 kWh	669.26	773.55	992.68
Total Energy Consumption	tons of standard coal	961.12	1,094.15	1,385.80
Energy Consumption Intensity	tons of standard coal / million revenue	0.93	0.92	1.04

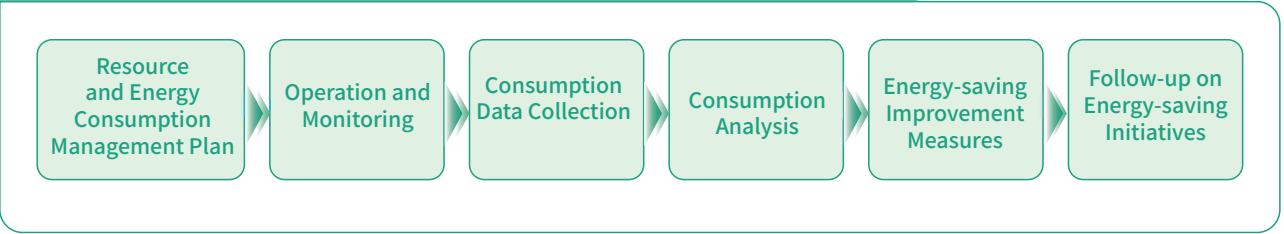
The calculation method for total energy consumption mainly refers to the "China Energy Statistical Yearbook - Appendix 4 - Reference Coefficients for Converting Various Energies to Standard Coal" and the "General Principles for Comprehensive Energy Consumption Calculation GBT2589-2020."

🔗 Energy Conservation and Emission Reduction Measures

Genbyte places strong emphasis on energy conservation and consumption reduction. The Company prioritizes the use of low-power and energy-efficient equipment. During equipment upgrades, outdated high-energy-consuming electromechanical devices are phased out and replaced with new technologies that prioritize energy efficiency. In addition, the Company enforces rigorous maintenance procedures to ensure all equipment operates properly and avoids unnecessary energy waste due to malfunction. Operational standards have been established for key energy-consuming equipment to regulate usage.

Production schedules are optimized to minimize the frequency of equipment startups and reduce idle operation time. Routine maintenance and inspections are strengthened to prevent abnormal equipment usage. Moreover, the Company conducts ongoing energy-saving and environmental protection training to enhance employees' awareness and practical skills in sustainability.

Energy Conservation and Consumption Reduction Control Procedure



Training on Equipment Safety and Energy Consumption Awareness

Case Study

In 2024, the Company organized training sessions for machinery operators from relevant departments, focusing on equipment safety and energy consumption awareness. This training enhanced employees' understanding of how machines consume energy and empowered them to implement energy-saving practices more effectively in their daily operations.



Training on Equipment Safety and Energy Consumption Awareness

Energy-Saving Implementation Plan

- ◆ Establish a target accountability system by breaking down energy-saving goals to each energy-using unit and including them in the performance evaluation of the responsible supervisors.
- ◆ Optimize production scheduling to improve equipment utilization and production efficiency, thereby reducing energy consumption.
- ◆ Enhance employee awareness through promotional activities and training, encouraging water and energy conservation.
- ◆ Gradually phase out outdated equipment and replace it with new energy-efficient and environmentally friendly models.
- ◆ Strengthen inspections of insulation and heat preservation measures for supporting facilities, and assess the rationality of operational parameters to ensure energy-efficient operations.
- ◆ Continue promoting clean production practices.

Water Resource Utilization

The Company sources its water primarily from municipal supplies. Based on production and daily operational needs, the Administration Department has installed water meters in both production and living areas. Annual water usage targets are set according to the previous year's consumption and allocated to each department. Water metering is being gradually implemented to reduce waste.

Each responsible unit assigns personnel to inspect and log daily water usage, and any detected leaks are immediately reported to electricians for repair. The Administration Department is responsible for inspecting and maintaining pipelines to prevent water loss through leaks and drips. The Human Resources Department posts signs and reminders in key water-use areas to raise employees' awareness of water conservation. As of the end of the reporting period, the Company had achieved its 2024 water usage target.

Indicator	Unit	2022	2023	2024
Annual Total Water Usage	m3	64,122	102,441.16	123,438.46
Water Consumption Intensity	m³ per million revenue	62.10	86.16	92.96

Water Conservation Target

The Company set a target to reduce water consumption per unit of product by 2% in 2024 compared to 2023, and developed a corresponding water-saving implementation plan. As of the end of the reporting period, the 2024 water conservation target has been achieved.

Overall Water Use Target

Management Item	2023	2023
Water Consumption per Unit Product (m³/10,000 PCS)	42.04	41.23
Target Improvement Rate	Baseline Year	↓ 2%
Achievement Status	/	40.59

Water Conservation Implementation Plan

- ◆ Establish a responsibility system by breaking down water-saving targets for each water-using unit and incorporating them into the performance evaluations of responsible managers.
- ◆ Optimize scheduling to increase equipment utilization and production efficiency, thereby reducing water consumption.
- ◆ Strengthen staff training and awareness programs to promote water and energy conservation among all employees.
- ◆ Enhance water reuse rates and reduce the consumption of fresh water.

Material Management

Genbyte strictly complies with national regulations such as the Circular Economy Promotion Law of the People's Republic of China and the Law on the Promotion of Comprehensive Utilization of Resources and Circular Economy. The Company actively promotes source reduction and efficient use strategies through process optimization and full lifecycle management, aiming to improve the utilization efficiency of key materials such as metals, plastics, electronic components, and paper.

In metal usage, the Company focuses on increasing the proportion of recycled content and minimizing loss through precision manufacturing. For plastics, it promotes the use of bio-based materials and recycled plastics, while also improving product durability. In electronics, modular designs are adopted to extend product lifespans. Paper materials are sourced from FSC-certified suppliers, and intelligent warehousing systems are used to reduce inventory waste.

Following the Solid Waste Pollution Prevention and Control Law, the Company strengthens waste classification and reuse, gradually building a closed-loop material management system that ensures both quality and resource efficiency.



Material Governance System

With material utilization efficiency as a core objective, the Company has developed a systematic management framework covering the entire material lifecycle-from procurement to product delivery. This framework emphasizes precise resource matching, surplus material consolidation, and optimized allocation to achieve closed-loop usage.

A cross-functional material management governance structure has been established, including dedicated teams for planning, oversight, and execution, with clear responsibilities at each stage.

To enhance employees' expertise in material utilization, the Company regularly organizes training sessions and internal benchmarking activities. Material input-output efficiency indicators are integrated into performance evaluations, directly linking material usage to employee performance. Additionally, special incentives are offered for innovative recycling initiatives, fostering a competitive and resource-conscious work culture.

For example, some employees have developed advanced recycling techniques that reduce raw material consumption without compromising product quality. By aligning production needs with resource inputs, they optimize surplus material reallocation to ensure maximum resource use. These teams also apply AI and big data technologies to make informed decisions across production, storage, and logistics. This professional approach not only advances corporate sustainability goals but also sets a strong example for the industry.



Material and Packaging Management Training

Material and Packaging Management Measures

Genbyte optimizes material storage through an intelligent warehousing system, implementing precise management by zoning and classification. The system is equipped with environmental sensors for real-time monitoring of temperature and humidity to ensure storage safety and material quality stability.

The Company promotes the QC 080000 Hazardous Substance Process Management System, and through policies such as the HSF Management Control Procedure, Product Design and Development Control Procedure, and Inspection Control Procedure, it clearly defines standards for sample material management, material substitution, packaging design, inspection, and usage, thereby standardizing material management throughout the design and production process.

A full-chain material management mechanism has been established, enabling closed-loop dynamic monitoring from raw material procurement and smart manufacturing to product packaging and waste recycling. Emphasis is placed on aligning resource input with actual demand, optimizing surplus material integration and redistribution, and continually improving resource utilization efficiency while ensuring product quality.

Supplier Environmental Requirements	In material selection, the Company requires all suppliers to comply with the latest environmental regulations and to sign a Declaration of Prohibited Substance Non-Use, which includes but is not limited to RoHS Directive compliance. Suppliers are also expected to integrate environmental requirements into their product development and production approval processes to ensure all materials provided through the supply chain meet the company's standards.
Raw Material Usage	The Company has established a BOM (Bill of Materials) Management Specification, encouraging the use of innovative, eco-friendly materials to reduce basic raw material consumption and dependence on traditional resources. Additionally, a digital SAP system is implemented to manage materials efficiently. This enables accurate demand forecasting and resource matching, minimizing waste. All materials entered into the system must be environmentally compliant, including being lead-free and halogen-free.
Packaging Design	The Company optimizes packaging design by replacing traditional materials with sustainable alternatives and applying lean production principles to control packaging consumption. This effectively reduces resource use and waste generation.
Recycled Packaging Materials	For reusable packaging, the Company has introduced a Recycled Packaging Materials Management Policy, regulating the issuance, recovery, sorting, and accounting of recyclable packaging. Efforts are continuously made to reduce the weight and quantity of packaging materials. Cross-departmental collaboration is promoted to build a packaging evaluation system and enhance supply chain management, increasing the proportion of recyclable materials.
Warehousing Stage	The Company has implemented policies such as the Warehouse Material Management Policy and Inventory Management Policy. Using an intelligent warehousing system (WMS and PDA), it achieves precise, zoned storage management, with environmental sensors monitoring temperature and humidity in real time to ensure material safety and stable quality.
Transportation Stage	The Company follows its Transportation Management Policy and Container Management Policy, adopting multimodal transport solutions to reduce carbon emissions. It also collaborates with third-party logistics providers to develop green packaging options and promote the use of reusable containers, enhancing sustainability across the supply chain.

Circular Economy

To further enhance resource utilization efficiency, Genbyte released the Material Efficiency Improvement and Circular Economy Development Plan. This plan outlines specific targets for improving material use and promoting a circular economy, incorporating these goals into the performance evaluation system and linking achievement rates with executive compensation. The Company is committed to continuously optimizing its circular economy model, thereby strengthening its influence and leadership in the field. During the reporting period, the Company achieved a 15% improvement in inventory turnover by leveraging inventory management software. In production, employee training and equipment maintenance helped reduce material loss by 10%. Internally, dedicated material recycling zones were established, resulting in a recyclable material recovery rate of 35%.



For the next fiscal year, the Company plans to:

- Reduce the material loss rate to 13%, with a focus on upgrading or replacing outdated equipment;
- Increase inventory turnover to 18% by enhancing market demand forecasting and improving the inventory alert system;
- Raise the recyclable material recovery rate to 45% through the adoption of more advanced recycling equipment and expanded employee training on material reuse and recycling.

指标	单位	2024年
Total Packaging Material Usage	tons	1,072.95
Packaging Material Consumption Intensity	tons per million revenue	0.81
Paper-Based Packaging Materials	tons	801.24
Paper-Based Packaging Materials	tons	195.92
Other Packaging Materials	tons	75.79
Reused Packaging Materials	tons	93.84
Packaging Material Recycling Rate	%	98.38

Recyclable Packaging Material Images

Blister Trays

ESD Boxes

Transfer Boxes / Totes

Cardboard Boxes

To improve packaging efficiency, meet environmental requirements, and reduce manufacturing costs, the company has switched from using cardboard boxes, die-cut cards, and bubble bags to turnover boxes and blister packaging, implementing these changes across the board. This has effectively enhanced packaging efficiency and reduced material costs. At the same time, the recyclability of blister packaging materials has been increased, reducing waste generation and minimizing environmental impact, achieving a win-win situation for both economic and environmental benefits.

Before Improvement:
Cardboard boxes + die-cut cards + bubble bags

After Improvement:
Turnover boxes + blister trays

Green Operations Empowerment

Green Product R&D


Genbyte actively responds to the national "dual carbon" policy by incorporating ecological design concepts into the product design phase. The Company prioritizes the use of environmentally friendly materials and energy-saving technologies, empowering products through technology development to create efficient and energy-saving intelligent products that help customers reduce energy consumption and carbon emissions.

Inverter and Energy Storage Systems

Case


The Company focuses on the R&D and production of battery modules, BMS energy storage systems, inverter systems, and solar energy storage charging systems, providing customers with "one-stop" customized and personalized energy storage products, either as complete systems or components. These products efficiently convert and store energy, and are widely applied in various scenarios such as homes, industrial and commercial parks, microgrids, data centers, and communication base stations. The application of inverters and energy storage systems helps to improve energy efficiency, reduce dependence on traditional fossil fuels, and decrease carbon emissions. Through optimized energy management, these products provide users with cleaner and more reliable energy solutions.

Smart Home Appliance Controllers

 | Case

The Company's smart home appliance controllers are widely used in products such as variable frequency refrigerators and air conditioners. By precisely controlling the operation of appliances, these controllers achieve energy savings and emission reductions. For instance, in variable frequency refrigerators, Genbyte's controllers automatically adjust the compressor's speed according to the temperature changes inside the fridge, preventing unnecessary energy waste. Compared to traditional refrigerators, the Company's variable frequency models save approximately 30% of electricity while reducing carbon emissions.

New Energy Vehicle Controllers

 | Case

The Company holds core advantages in the fields of vehicle refrigerators, air conditioners, and inverters. These controllers precisely regulate the electrical systems of new energy vehicles, improving the vehicle's energy efficiency. As a low-carbon and environmentally friendly mode of transportation, new energy vehicles further enhance their energy efficiency through the optimization of these controllers. The Company's new energy vehicle controllers help reduce energy consumption and exhaust emissions during driving, promoting green and low-carbon travel.

Green Strategic Development Plan

The Company adheres to the management philosophy of "Green Technology, Smart Living" and considers green development as a key strategic direction. The Company has developed the following green strategic development plan:

Increase Investment in R&D

The Company will continue to increase its investment in the research and development of green products and technologies, drive technological innovation, and product upgrades. The plan is to launch more green products and solutions with independent intellectual property rights in the coming years.

Expand Green Business Areas

In addition to its existing businesses in inverters, energy storage systems, and smart home appliance controllers, the company will actively expand into emerging fields such as green buildings and smart cities, providing customers with more comprehensive green solutions.

Establish a Green Supply Chain System

The Company will strengthen cooperation with suppliers to jointly promote the construction of a green supply chain system. The Company will prioritize the selection of raw materials and components that meet environmental protection standards, ensuring that the entire product lifecycle adheres to green and low-carbon requirements.

Promote Digital Transformation and Smart Upgrades

Through digital transformation and smart upgrades, the Company will further improve production efficiency and energy utilization, reducing resource waste and environmental pollution. The Company plans to utilize advanced technologies such as big data and AI to optimize production processes and management models, achieving green production.

Green Office

The Company vigorously promotes green office practices, focusing on energy conservation, paper reduction, and other measures to comprehensively reduce resource consumption. At the same time, the Company conducts energy-saving publicity and education through slogans, status boards, and training to raise employee awareness of resource conservation, making a positive contribution to environmental protection.

Electricity Conservation	<ul style="list-style-type: none">◆ For office electricity use, employees are required to turn off air conditioning, lighting, computers, printers, water dispensers, and other office equipment after working hours.◆ The person in charge of electricity use in office buildings, meeting rooms, and other areas should regularly check that devices are turned off when not in use, and the administrative department will conduct periodic inspections of electricity consumption.◆ Air conditioning should be installed in shaded areas, and sunshades should be added when possible. In summer, the air conditioning temperature should not be set lower than 26° C.◆ Prioritize the use of energy-efficient lighting and make full use of natural light.
Paper Conservation	<ul style="list-style-type: none">◆ Promote the use of paperless office systems like OA to reduce paper consumption.◆ Department heads should educate employees to strictly control paper usage for office devices like copiers and fax machines, and non-essential documents can be printed double-sided.◆ Departments should collect paper from the human resources and administrative department monthly and keep records.
Office Supplies Conservation	<ul style="list-style-type: none">◆ The human resources and administrative department will fully record the office supplies used by each department, and old supplies should be replaced with new ones when necessary.◆ Employees are encouraged to reuse office supplies to reduce waste.
Fuel Conservation	<ul style="list-style-type: none">◆ When purchasing vehicles or using company vehicles, energy-efficient and environmentally friendly models should be considered to reduce fuel consumption.◆ In the event of a power outage, using backup generators is prohibited unless absolutely necessary.
Green Commuting	<ul style="list-style-type: none">◆ Adopt reasonable transportation methods and advocate for green commuting to reduce the environmental impact of vehicle fuel consumption.

Protection of Ecological Diversity

Genbyte adheres to the United Nations Convention on Biological Diversity and has established a "Biodiversity Management Procedure," treating the protection of biodiversity as one of its core responsibilities. Before commencing any projects, the Company conducts environmental impact assessments and selects project sites that avoid water source protection zones and ecological red-line areas. The Company regularly monitors and controls wastewater, waste gas, waste, and noise emissions to ensure compliance with pollution discharge standards. Additionally, by using environmentally friendly materials, optimizing energy efficiency designs, reducing the use of harmful substances, and promoting a circular economy, the Company strives to minimize the negative environmental impact of its products.

03

Empowering Innovation

Through Intelligence

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Technological Innovation Leadership

Overview of Technological Innovation

Genbyte adheres to the development philosophy of "Technology Leads, Innovation Drives" and considers technological innovation as the core driving force of its development. The Company actively expands into fields such as AI, inverters, and energy storage, providing domestic and international well-known enterprises with comprehensive solutions including smart hardware, software, and system control integration. This not only promotes technological progress in the industry but also develops environmentally friendly products, enhancing the company's economic benefits and social responsibility.

Technological Innovation Governance

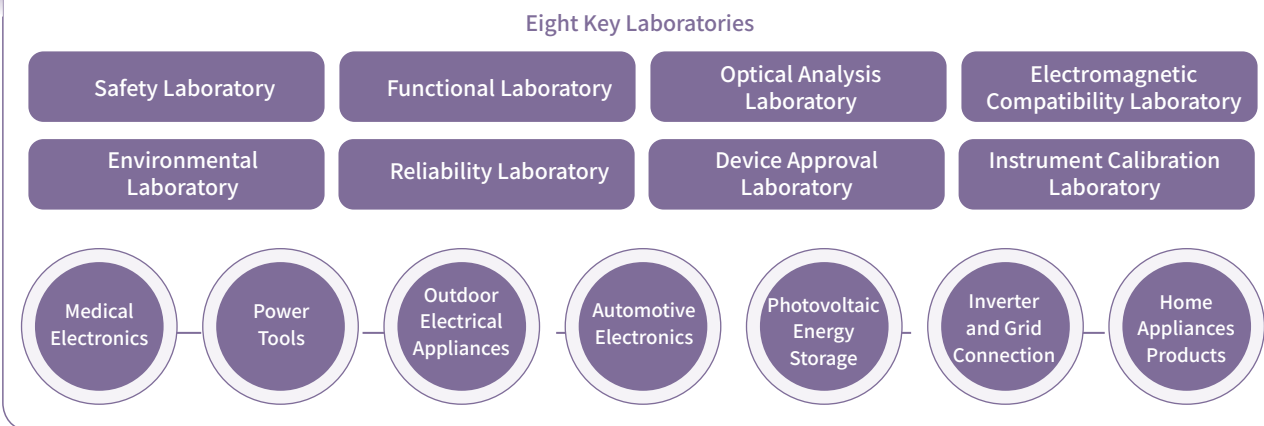
Genbyte strictly follows the laws and regulations, such as the "Science and Technology Progress Law of the People's Republic of China," the "Law of the People's Republic of China on Promoting the Transformation of Scientific and Technological Achievements," and the "Opinions on Strengthening Governance of Science and Technology Ethics." The Company has established procedures and regulations, including the "Design and Development Control Procedure," the "Embedded Software Development Design Procedure," the "R&D Sample Demand Management Regulations," and the "Full Participation Improvement Management Norms," to standardize the entire innovation process. It has built an innovation mechanism of "Technology Pre-research, Demand-driven and Platform Support," focusing on creating a product system that is technologically advanced, high-end, intelligent, and green-low-carbon.

The Company continues to increase its R&D investment by establishing research centers, a Technology Strategy Committee, and a Technical Expert Committee, forming a technological innovation management structure. Genbyte also actively builds a platform-based, professional autonomous innovation product R&D system, with eight key laboratories and eight major technological platforms. These initiatives bring together the Company's cutting-edge innovation forces, ensuring the Company's sustained leadership in technological innovation. In addition, the Company adheres to ethical standards during the R&D process, especially in sensitive areas such as life sciences and artificial intelligence. It has established an internal technology ethics review mechanism and training programs to enhance the ethical awareness of its R&D staff, ensuring that all R&D activities comply with ethical standards.

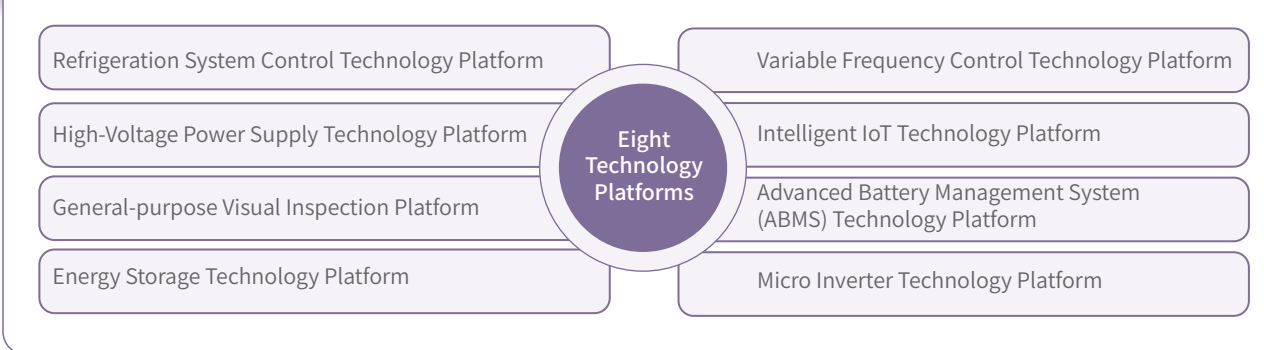
As of the end of the reporting period, the Company has been honored with multiple awards, including "National High-tech Enterprise," "Autonomous Innovation Benchmark Enterprise," "Top 100 Autonomous Innovation Small and Medium Enterprises," and "High-level Innovation Talent Training Base in Nanshan District, Shenzhen."



Key Laboratories



Technology Innovation Training



❖ Innovation Incentives and Training

The Company places great importance on enhancing its technological innovation capabilities and encourages participation in innovation across all levels. Through a well-structured incentive program, Genbyte aims to stimulate employees' enthusiasm for innovation. At the same time, the Company focuses on cultivating employees' innovative abilities and awareness by actively organizing various technology innovation training programs. This creates a positive environment for innovation, fostering employees' creative thinking and enhancing their technical skills.

Technology Innovation Training

case

In 2024, Genbyte organized training sessions for its R&D department on various topics, including the complete product design development control procedures, battery pack module design standards for energy storage, project management concepts and implementation, product testing issue recording requirements, and engineering change control procedures. The training lasted a total of 6 hours and had 75 participants. This training, through in-depth explanations and promotion of company policies, further ensured the standardization and normalization of the research and innovation process. It helped guarantee that the company's research efforts align with the correct direction, effectively promoting technological innovation and product upgrades.



R&D Department Technology Innovation Training

Technology Innovation Strategy

Type		Description	Likelihood	Impact Level	Impact Time Frame	Affected Value Chain	Level	Financial Impact	Response Measures
Risk	Policy and Legal Risk	Non-compliance with national or local environmental and energy policies could prevent innovation projects from receiving government support or lead to restrictions	1	3	Short to Mid-Term	Operations	Low	Increased operating costs, reduced non-operating income	Monitor policy developments closely and adjust project direction in a timely manner to ensure alignment with regulatory guidance
	Technology Risk	Outdated processes or equipment may result in high production costs and reduced market competitiveness	3	4	Short to Mid-Term	Operations	Medium	Increased operating costs, reduced non-operating income	Develop a plan for technological upgrades and equipment modernization based on current capabilities, with responsible departments implementing effectively
	Market Risk	Intensified industry competition and rapid technological changes may prevent new products from being quickly accepted due to performance issues, instability, or customer habits	4	4	Short to Mid-Term	Operations, Downstream	High	Increased operating costs	Enhance market analysis and customer insights, and respond swiftly to market changes
Opportunity	Technological Opportunity	Introducing advanced equipment and processes can improve technical capabilities, reduce costs, and boost competitiveness	3	4	Short to Mid-Term	Operations, Downstream	Medium	Increased revenue	Increase R&D investment, attract and develop high-level R&D talent, and build an efficient innovation system
	Market Opportunity	The rise of emerging applications such as AI, humanoid robots, and green energy is driving sustained demand for smart hardware, motor drivers, and storage inverters	4	3	Short to Mid-Term	Operations, Downstream	Medium	Increased revenue	Optimize products and services, enhance market research and strategic partnerships to meet diverse demands and strengthen competitiveness

Impact of Technological Innovation, and Risk & Opportunity Management

Risk Management

Genbyte has established a comprehensive risk management process to mitigate potential risks in the course of technological innovation. The Company begins by analyzing internal and external environmental factors, identifying possible risks throughout the innovation lifecycle, including technical, market, and policy-related risks. It then evaluates the likelihood of these risks occurring and the severity of their impact to assign appropriate risk levels. Based on this evaluation, tailored strategies are developed to minimize risk exposure, thereby ensuring that any potential losses to the Company are kept to a minimum.

Industry-Academia-Research Collaboration

Upholding a philosophy of openness, collaboration, and mutual benefit, Genbyte actively engages in strategic partnerships with academic institutions like Zhejiang University, research institutes, and upstream and downstream players in the industry chain. The Company is building a multi-tiered, multi-dimensional platform for collaboration across industry, academia, and research. With the enterprise as the main driver and market needs as the compass, this integrated innovation system fosters in-depth cooperation. Genbyte continues to increase its R&D investment, leveraging collaborative platforms for technical expertise, funding, and market access. These joint efforts tackle complex technological challenges and accelerate the transformation of scientific research into productive outcomes.



Industry-Academia-Research Collaboration Partners

“Advanced Digital-Controlled Bidirectional Inverter Power Supply” Project

Case Study

Genbyte collaborated with Zhejiang University to jointly develop an advanced digital-controlled bidirectional inverter power supply. By combining the university's cutting-edge research capabilities with the company's strong financial and industrial support, the project focused on creating a high-efficiency digital power system capable of both forward charging and reverse inverter output. This innovation enables more efficient energy conversion and flexible power management, marking a significant step forward in advancing energy technology and promoting innovation in the smart energy sector.

Technological R&D Achievements

Genbyte has been deeply rooted in the field of intelligent controllers, leveraging its strong R&D resources and extensive industry channels to drive technological innovation and contribute to the development of industry standards. The Company played an active role in formulating the national group standard "General Technical Requirements for Smart Cooking Robot Systems for Catering Equipment" (T/ZSA 288—2024) and independently developed several cutting-edge technologies, including micro inverters and tactile sensing technology for robotic skin. These breakthroughs have been widely recognized, enhancing the Company's innovation capabilities and promoting high-quality development across the industry.

In the automotive refrigeration and air conditioning sector, the Company has continued to focus on low-power product development. Its solutions now integrate UDS (Unified Diagnostic Services) for online automotive diagnostics and AES-128 encryption for information security. Covering both aftermarket and OEM applications, the Company's platform products have been widely adopted—for instance, by renowned global outdoor brand Dometic, and in Xiaomi's new energy flagship SU7 vehicle refrigerator. With the rapid growth of the NEV (new energy vehicle) market, vehicle refrigerators are increasingly becoming standard in premium models. Genbyte has optimized its electronic control systems to reduce energy consumption and improve affordability, further strengthening its leadership in this field. The Company's innovations have drawn attention from multiple OEMs, many of whom have actively sought out collaboration, driving steady growth in the vehicle refrigerator and air conditioning business. During the reporting period, Genbyte launched and successfully commercialized 15 R&D projects. Among them, self-developed technologies such as the "HarmonyOS-Based IoT Refrigerator Control Platform", "Remote-Controlled Lawn Mower Design Based on Hub Motors", and "High-Performance Micro Grid-Tied Inverter for Energy Storage Systems" were awarded at the 23rd Shenzhen Enterprise Innovation Records.

Innovative Lawn Mower Robot Controller



case

Leveraging its independent R&D strengths in intelligent controllers, the Company engaged in deep collaborative innovation with clients to tackle core technologies of lawn mower robots, facilitating the successful mass production of innovative lawn mower robots for downstream clients. The product integrates RTK, vision, and multi-sensor technologies to achieve combined positioning, navigation and obstacle avoidance, intelligent remote control, and automatic grass collection. It has been highly recognized by consumers overseas.



Product Application: Innovative Lawn Mower Robot

Innovative Lawn Mower Robot Controller



case

In 2024, the Company's self-developed micro inverter product received product certification from TÜV Rheinland in Germany, covering multiple safety, electromagnetic compatibility, and grid connection standards, including EN 62109, IEC 62109, EN IEC 61000-6-1, EN IEC 61000-6-3, EN 50549, and VDE 4105. This series of micro inverters incorporates innovative control algorithms and intelligent management software, effectively addressing power quality issues in grid-connected applications. It supports low-harmonic power output, reactive power regulation, grid dispatch, and intelligent energy management.



Micro Inverter

Technological Innovation Indicators and Goals

Genbyte adopts a market-driven and customer-oriented approach to guide its product design and development. The Company dynamically adjusts new product development based on its evolving business needs, and sets clear performance indicators for R&D personnel and departments. By implementing quantifiable R&D metrics and clearly defined responsibilities, the Company ensures that its technological innovation progresses in a well-aligned and strategic direction. This approach lays a solid foundation for Genbyte's long-term sustainable development.

2024 Design and Development Management Indicators

Indicators	Status
Project Development Completion Rate (Automotive) ≥ 98%	Achieved
Project Development Completion Rate (Non-Automotive) ≥ 98%	Achieved
First-Pass Sample Qualification Rate (Automotive) ≥ 96%	Achieved
First-Pass Sample Qualification Rate (Non-Automotive) ≥ 96%	Achieved

During the Reporting Period

The Company had a total of 327 R&D personnel

327

R&D investment reached rmb 86.16 Million

8,616.28

Accounting for 6.15% Of total revenue

6.15%

Intellectual Property Protection

◆ Intellectual Property Management System

Genbyte places a strong emphasis on intellectual property (IP) protection and strictly complies with the Patent Law of the People's Republic of China and other relevant regulations. The Company has established policies such as the Intellectual Property Management Regulations, Trade Secret Protection Policy, and Intellectual Property Risk Prevention Plan, forming a multi-level, cross-departmental IP management structure. This system is continuously improved to provide institutional support for effective IP protection.

The Securities Affairs Department is responsible for overseeing IP matters, working in collaboration with external IP agencies and law firms to ensure efficient coordination and comprehensive management.

To encourage innovation, the Company has implemented a comprehensive patent incentive policy. This includes rewards for patent applications, substantive examination achievements, and granted patents, while also linking patents to employee performance evaluations, professional title assessments, and promotions. These measures aim to fully stimulate employees' innovative potential and facilitate the transformation of technical achievements into productivity, thereby strongly supporting the company's sustainable development.

Principles of Intellectual Property Protection Management

- ◆ Comprehensive Protection: Covers all types of intellectual property, including patents, trademarks, copyrights, and trade secrets.
- ◆ Prevention-Oriented: Focuses on proactive risk assessment and process control to prevent IP disputes before they arise.
- ◆ Full Participation: Enhances company-wide awareness through training and promotion of intellectual property protection.
- ◆ Legal Compliance: Strictly adheres to domestic and international IP laws and regulations.
- ◆ Continuous Improvement: Regularly evaluates the management system to continually optimize processes.



Indicators	2024
Total Granted Patents	106
Among them: - Granted Invention Patents	31
-Granted Utility Model Patents	59
- Granted Design Patents	16
Total Software Copyrights	84
Total Trademarks	36
Invention Patents Applied During the Reporting Period	23
Invention Patents Granted During the Reporting Period	5

◆ Intellectual Property Management Measures

The Company actively conducts intellectual property protection and management work, establishing a full-process management mechanism. It formulates response measures for various stages, including R&D, application, maintenance, usage, and dispute resolution, ensuring the continuous and effective operation of the intellectual property management system. Additionally, the Company has established an intellectual property ledger and annual fee management system, embedding intellectual property protection throughout the entire product development and operation process. With clear and defined systems and management measures, the Company ensures that every step from project initiation to product launch strictly follows intellectual property protection procedures and standards. Furthermore, the company adopts lifecycle management measures, protecting its own innovative achievements while respecting others' intellectual property.

Intellectual Property Registration and Filing	<ul style="list-style-type: none">◆ Project Initiation: Clearly define intellectual property ownership and protection scope, and develop a dedicated protection plan.◆ R&D Process: Regularly assess innovative outcomes and apply for patents, trademarks, etc., in a timely manner.◆ Project Completion: Implement comprehensive intellectual property layout for core technologies to ensure legal protection.◆ Global Layout: Conduct international patent applications (PCT) and overseas trademark registrations.◆ Confidentiality Measures: Implement confidentiality agreements and access control to prevent information leakage.
Intellectual Property Application and Registration Process	<ul style="list-style-type: none">◆ Timely Registration: Regularly submit technical disclosures to ensure timely protection.◆ Patent Application: Apply for invention patents, utility models, or design patents for valuable technologies.◆ Trademark Registration: Timely register new brands, logos, etc., to protect brand rights.◆ Copyright Registration: Register copyrights for software code, design drawings, and other works.◆ Trade Secret Filing: Implement confidentiality measures and file for non-public information.

Intellectual Property Risk Prevention System	<ul style="list-style-type: none">◆ Pre-R&D Search: Conduct comprehensive searches before project initiation to avoid duplicate R&D and infringement.◆ Competitor Analysis: Regularly monitor competitors' intellectual property layout to identify potential risks.◆ FTO (Freedom to Operate) Analysis: Conduct FTO analysis before product launch to ensure no infringement of others' rights.◆ Risk Warning System: Establish a warning system to detect and respond to potential risks promptly.
Departmental Collaboration Mechanism	<ul style="list-style-type: none">◆ Cross-Department Collaboration: Ensure intellectual property protection is integrated throughout the R&D, production, and sales processes.◆ External Cooperation: Establish long-term partnerships with intellectual property agencies, law firms, etc.
External Research and Industry Trend Monitoring	<ul style="list-style-type: none">◆ Industry Trend Tracking: Regularly monitor trends in intellectual property development and technological innovation.◆ Policy Research: Conduct in-depth research on domestic and international intellectual property laws, regulations, and policy changes.
Intellectual Property Seminars and Training	<ul style="list-style-type: none">◆ Seminar Organization: Regularly organize internal seminars and invite external experts to conduct lectures, enhancing protection awareness and capabilities.◆ Systematic Training: Provide basic training to new employees and hold regular specialized training sessions covering laws, regulations, application processes, etc.
Other Key Initiatives	<ul style="list-style-type: none">◆ Incentive Mechanism: Establish a patent reward policy and "Intellectual Property Contribution Award" to encourage innovation and risk mitigation by outstanding employees.◆ Compliance Review: Conduct intellectual property compliance reviews before product launches to ensure legality and compliance.

Intellectual Property Training

Case Study

In 2024, the Company invited external experts to conduct specialized training sessions on intellectual property. The training covered fundamental IP knowledge, techniques for patent research and mining, risk prevention strategies, and an interpretation of the Company's incentive policies. These efforts comprehensively enhanced the Company's capability and awareness in intellectual property protection.



Intellectual Property Training

Digital Intelligence Development

Digital Intelligence Development

With the rapid advancement of technology, digitalization and intelligence have become core competitive advantages for enterprises. As a practitioner of Industry 4.0, Genbyte anchors its strategy on "data-driven decision-making, 5G-enabled manufacturing, and intelligent ecosystem optimization," and has built an enterprise information system centered on the integration of digitalization, intelligence, and platformization, driving continuous improvement in environmental, social, and governance (ESG) performance.

Digital Development

Genbyte actively allocates resources to develop its digital capabilities, constructing a high-efficiency production system to support the customized and multi-scenario needs of smart controllers and energy storage products. This is achieved through its integrated digital-intelligent-platformized enterprise information system.

In operational management, the company has invested long-term in building a core digital platform centered on SAP&ERP, covering sales, planning, procurement, logistics, and finance. This platform integrates digital applications aligned with business processes, continuously leveraging intelligent technologies to enhance operational efficiency.

In production management, the company focuses on platform-based manufacturing and enhancement of core competencies. It integrates digital tools such as MES (Manufacturing Execution System), WMS (Warehouse Management System), and electronic dashboards to deliver precise and reliable manufacturing services. Genbyte has introduced advanced international automated production lines (e.g., fully automated SMT machines), enabling visualized, standardized, and globalized manufacturing while actively exploring AI and big data applications in production.

In product testing, the Company has adopted automated testing technologies and equipment, and built a collaborative digital platform that connects MES, WMS, and SAP systems. Leveraging IoT, databases, and virtual instrumentation, it has integrated in-house testing systems with automatic inspection equipment, pioneering a "cloud testing" model that enables real-time monitoring and automated management of test data, significantly enhancing product stability and delivery efficiency.

In R&D management, Genbyte has established a full lifecycle PLM (Product Lifecycle Management) platform that standardizes its R&D processes through formal project management tools. The Company is also actively deploying big data and AI in product development to improve R&D efficiency and design quality.

For office automation and paperless operations, Genbyte has implemented travel platforms, OA systems, and electronic signature tools. Data analytics are used to gain insights into employee travel habits, promoting low-carbon travel and optimizing travel policies to enhance employee experience. The e-signature platform supports fully digital contract management, improving efficiency, reducing operational costs, and strengthening contract control and risk management.

Intelligent Manufacturing

While advancing its digital transformation, Genbyte also focuses on intelligent manufacturing. By integrating MES systems with AOI and AI equipment, the Company has optimized production processes such as SMT and DIP. It has addressed challenges in automatic interfacing and intelligent recognition of solder paste, stencils, and chip programming. This enables automatic software downloading based on work orders and full automation of chip programming, solder paste printing, and AOI optical inspection. These efforts further the Company's smart manufacturing goals, improving production methods and overall efficiency. During the reporting period, Genbyte achieved the Level 3 certification for Intelligent Manufacturing Capability Maturity.



Enhancing Product Quality

Product Quality Governance

Genbyte firmly regards quality management as the cornerstone of sustainable development and is committed to delivering excellent, safe, and reliable products and services to its customers. The Company strictly complies with the Product Quality Law of the People's Republic of China and other relevant regulations, adopting the quality policy of "meticulous design, strict manufacturing, environmentally friendly products, timely delivery, premium service, and continuous improvement."

To this end, Genbyte has established a comprehensive suite of quality management systems and regulations, including the Quality Manual, Product Quality Testing and Control Specifications, and New Product Pilot Production Control Procedures. These systems support a full lifecycle quality management framework that spans R&D, production, and the supply chain, ensuring high product reliability and traceability.

Customer needs remain the central focus of Genbyte's quality strategy. The Quality Department leads quality governance efforts, overseeing material and product inspections, auditing production processes, supervising issue resolution, and evaluating product quality controls. While ensuring compliance with fundamental quality standards, the Company also focuses on process optimization and efficient resource use to reduce quality deviations, lower production costs, and enhance service delivery -all contributing to the continuous improvement of product quality.

Additionally, Genbyte actively conducts both internal and external quality audits to ensure full alignment with legal and regulatory requirements. As of the end of the reporting period, the Company has obtained certifications for ISO 9001, ISO 13485, IATF 16949, and IECQ QC080000 quality management systems, and has been certified by TÜV Rheinland.



Product Quality Strategy

Type	Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Risk	Technical / Reputational Risk Quality issues during product development may damage the company's reputation, incur compensation costs, and affect product acceptance rates and delivery.	2	3	Short to medium term	Operations	Moderate	Decrease in revenue	Standardize R&D and production processes, implement strict quality controls, and establish multiple inspection checkpoints to ensure product quality.
	Market Risk Rising customer expectations for quality standards, delivery timelines, and after-sales services place higher demands on the company's production, quality, and service management.	4	4	Short to medium term	Downstream	High	Decrease in revenue	Strengthen communication between the Quality Department and clients to align on standards and testing methods; Production Department to ensure effective production planning and execution; Marketing Department to enhance client engagement and promptly address feedback.
Opportunity	Policy and Legal Opportunity National emphasis on technological innovation and the digital economy may bring favorable policies such as tax reductions or subsidies.	3	4	Medium to long term	Operations	Moderate	Increase in non-operating income	Closely monitor government policy updates; increase R&D investment and innovation efforts to gain access to preferential policies and strengthen competitive edge.
	Market Opportunity The rapid growth of the new energy vehicle industry opens up a large market for PCBA manufacturers, reducing competitive pressure and increasing profit potential.	3	4	Medium to long term	Downstream	Moderate	Increase in revenue	Stay closely aligned with market demand and proactively develop customized PCBA solutions to gain a competitive edge through service and technology.

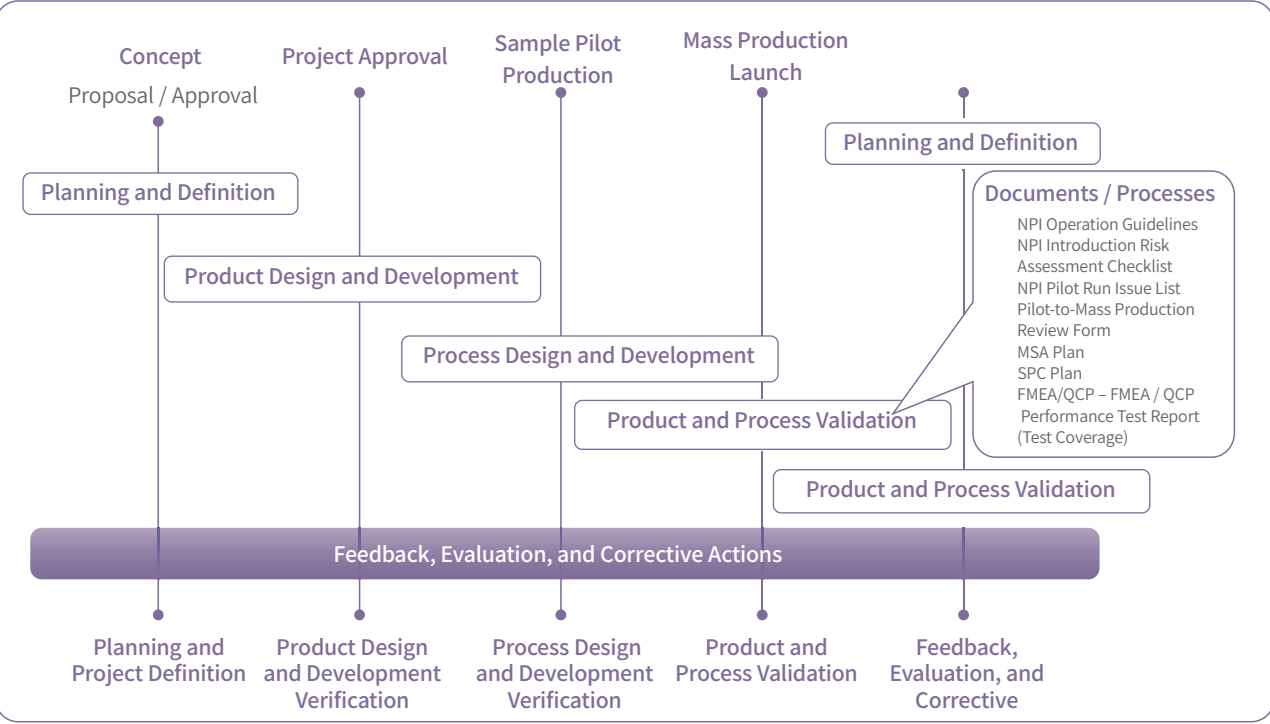
Product Quality Impact, Risk, and Opportunity Management

❖ Risk and Opportunity Management

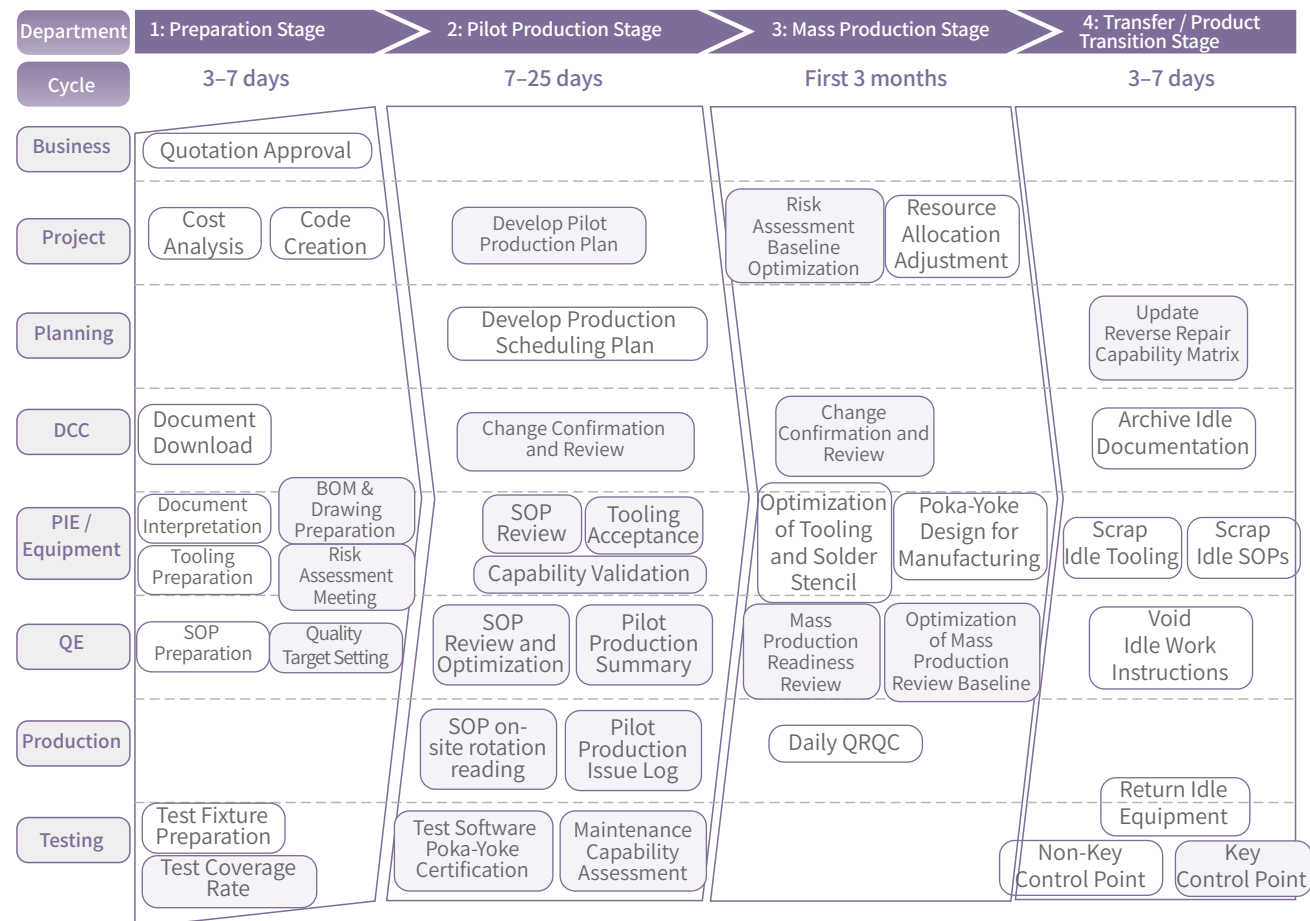
Genbyte has established the "Risk and Opportunity Response Control Procedures" and the "Product Risk Control Procedures" to create a comprehensive process for identifying, managing, and responding to risks and opportunities. A risk and opportunity evaluation team has been formed to oversee risk and opportunity management tasks. The Company organizes departments to identify risks and opportunities related to product quality throughout the product lifecycle, including legal regulations, production processes, after-sales service, inspection results, etc., in accordance with the relevant control procedures. These are initially recorded in the "Risk and Opportunity Analysis and Evaluation Form." At the same time, the Company scientifically assesses the risk coefficient to determine whether the risk is acceptable and if corresponding measures should be taken. For risks requiring action, the Company prioritizes eliminating the risk and formulates risk response measures, which are then implemented by the respective departments and supervised by designated personnel to ensure proper execution and effectiveness. All information is documented in detail, compiled in the "Process Risk and Opportunity Identification and Evaluation Measures Form," and regularly reviewed to ensure that risk and opportunity identification and response are thorough and effective.

❖ Product Lifecycle Management

The Company adheres to the requirements of quality management systems such as ISO9001 and IATF16949. During new product introduction, the overall approach follows the APQP (Advanced Product Quality Planning) timeline management model. Based on the factory's NPI (New Product Introduction) process, the product lifecycle mainly involves four modules: product and process validation, production, planning, and feedback, evaluation, and corrective actions. By integrating quality management tools such as MSA (Measurement System Analysis), FMEA (Failure Modes and Effects Analysis), and SPC (Statistical Process Control), the Company incorporates scientifically efficient quality management practices into each module to ensure comprehensive control of product quality throughout the entire lifecycle.



Factory manufacturing quality management primarily focuses on "new" and "change." The standardization of the NPI (New Product Introduction) process and the rational layout of quality control points are key to effectively managing manufacturing quality and preventing issues such as batch problems and customer complaints.



Product Process Quality Management

The Company has established product process management systems, including the "HSF Management Control Procedures," "Corrective and Preventive Actions Control Procedures," "Non-Conforming Product Control Procedures," and "Continuous Improvement Control Procedures," to continually enhance product process quality management and improve product and service quality as well as production efficiency.

During the incoming material phase, the Company implements a multi-stage rigorous inspection process through SAP inspection, MRB review, and IQC inspection. Only after passing these checks can materials be stored, with rules for tightening, relaxing, or normal sampling transitions in place to ensure the quality of raw materials.

In the product manufacturing phase, the Company follows documents such as the "QA Inspection Work Guidelines," "Operating Instructions," and "BOM" to standardize the SMT and DIP processes. Key processes, such as solder paste/red glue printing, mounting, welding, and component insertion, are specifically inspected. After product production is completed, random inspections are conducted, and the results are detailed in documents like the "QC Daily Inspection Report," "Material Abnormality Handling Form," and "Inspection Request Form." This comprehensive and detailed management process ensures high-quality products for customers.

In the product testing phase, the Company has developed an intelligent production inspection system, transitioning from manual to automated, intelligent quality detection. This improves both inspection accuracy and efficiency while reducing labor costs. Furthermore, product testing data is automatically collected, uploaded in real-time, and supports remote monitoring and backend data storage and analysis. This system enables full lifecycle quality traceability for different products, helping the Company identify potential manufacturing issues and optimize product manufacturing processes.

Product Quality Training

Genbyte places great emphasis on cultivating employees' quality awareness and capabilities. The Company conducts extensive training for frontline employees in areas such as SMT, DIP, and QC, organizing assessments to ensure the effectiveness of the training. This aims to enhance employees' professional skills and ensure that their quality capabilities develop in line with the Company's growth, laying a solid foundation for the Company's long-term development.

During the Reporting Period

The Company conducted 54 quality training sessions

54

With 1,952 employees participations

1,952

A total training duration of 3,904 hours

3,904

Process Quality Abnormality Management Procedures Training

Case Study

In 2024, the Company organized training on the process quality abnormality management procedures for personnel from the Quality Department, including those involved in SMT, DIP, and QC. Through the dissemination and explanation of the related management procedures, the training further strengthened the quality professional skills of the Quality Department staff and promoted the continuous improvement of the Company's quality standards.



Process Quality Abnormality Management Procedures Training



Post-Process Completion Training



ESD (Electrostatic Discharge) Professional



AQL Sampling Inspection Training



7S Management Knowledge Training

Product Quality Metrics and Goals

Genbyte has established annual product quality goals and set up multidimensional management metrics to comprehensively enhance the visibility of quality management. Quantitative data strongly supports the Company's quality development path, with responsibilities assigned to individuals. Quality goal progress is tracked monthly or quarterly to ensure continuous and sustained high-level improvement in quality management.

During the reporting period, the Company did not experience any major product quality incidents.

2024 Product Monitoring and Measurement Management Process Goals

Metric	Achievement Status
Incoming material inspection batch pass rate $\geq 99.5\%$	Achieved
Incoming material HSF pass rate 100%	Achieved
SMT/AOI inspection pass rate $\geq 99.7\%$	Achieved
Throughput rate $\geq 98\%$	Achieved
Shipment random inspection pass rate (non-medical products) $\geq 99\%$	Achieved
Shipment random inspection pass rate (medical products) 100%	Achieved
No incidents of hazardous substance content exceeding standards	Achieved

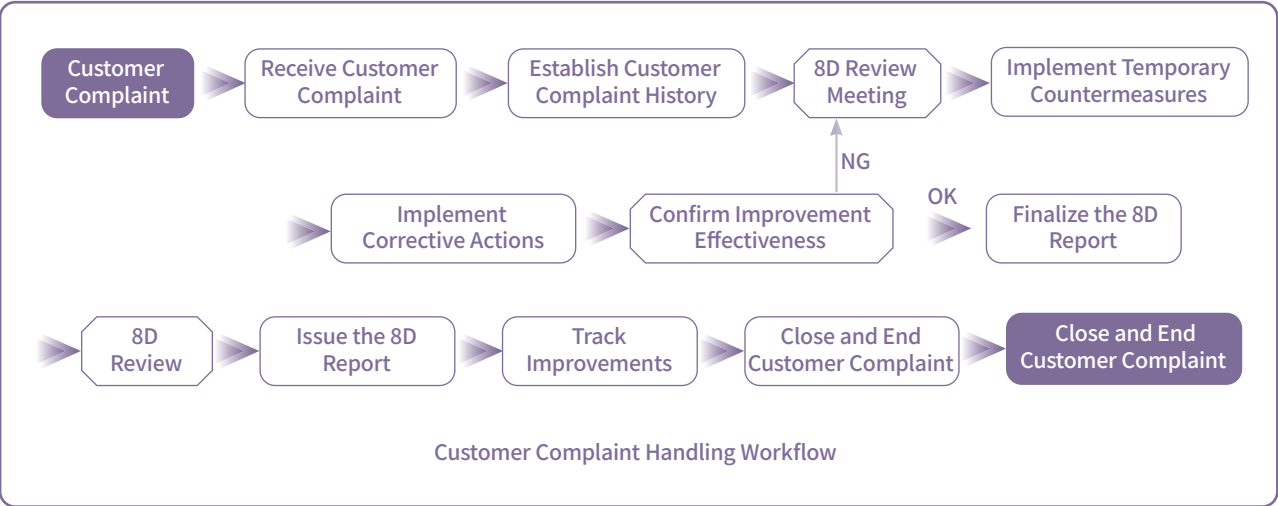
Customer Rights Management

Customer Rights Protection

Genbyte strictly complies with laws and regulations such as the Consumer Rights Protection Law of the People's Republic of China and the Product Quality Law of the People's Republic of China. The Company fully respects and protects customers' legal rights and interests. Genbyte has developed systems such as the Customer Requirements and Order Contract Review Control Procedure and the Customer Supplier Property Control Procedure. Centering on customer needs, the Company has established a comprehensive customer service system that covers after-sales service, complaint handling, and customer satisfaction surveys. This system ensures the protection of product quality, provides high-quality solutions, and continuously enhances the customer service experience.

Complaints and After-Sales Service

To effectively address customer dissatisfaction and complaints about products, the Company has developed the Customer Complaint Handling Procedure and the Customer Return Handling Control Procedure. A complete customer complaint handling process and time limits have been set to ensure timely resolution of customer feedback. Upon receiving a complaint, the Quality Department's customer service engineer records the specific details of the complaint and enters them into the customer complaint history. Depending on the nature of the product issue, relevant departments collaborate to analyze the cause and propose improvement measures. The Company promptly responds to the customer and continuously tracks the progress of improvements. The complaint is only closed once the effectiveness of the improvement measures is confirmed, ensuring that the issue is thoroughly resolved.



During the Reporting Period

The Company received 8 customer complaints

8

With a 100% resolution rate for all complaints

100%

Customer Satisfaction

The Company actively conducts customer satisfaction surveys and has developed the Customer Satisfaction Survey Control Procedure. Various methods, including visits, questionnaires, and letters, are used to continuously collect and record customer feedback. The data is then categorized, compiled, and summarized annually in the Customer Satisfaction Analysis Report, which is reviewed in the Company's management review meeting. The Quality Department's CQE team analyzes and evaluates the satisfaction data, promptly identifying the causes of any customer dissatisfaction and developing corresponding measures to ensure continuous improvement in the customer service experience.

During the Reporting Period

The Company's customer satisfaction score was

94.45

The Company's customer satisfaction score was

The Company continuously improves the after-sales customer experience and has established the Advisory and Adverse Event Notification Procedure, which defines the responsibilities of each department and personnel. For products already delivered, the Company closely monitors customer feedback, complaints, returns, and other issues. Following the principle of immediate reporting, adverse events are promptly reported. The Quality Department investigates the cause of the incident, creates a written report, and determines, based on the severity of the event, whether to issue an advisory notice or take corrective actions such as inspection, repair, replacement, warnings, recall, or on-site destruction. These measures ensure that losses to both the customer and the Company are minimized. If the incident is due to technical issues related to product characteristics or performance, the Company will recall all similar products.

During the Reporting Period

The Company did not experience any incidents that required the recall or withdrawal of products due to health and safety issues.

Responsible Marketing

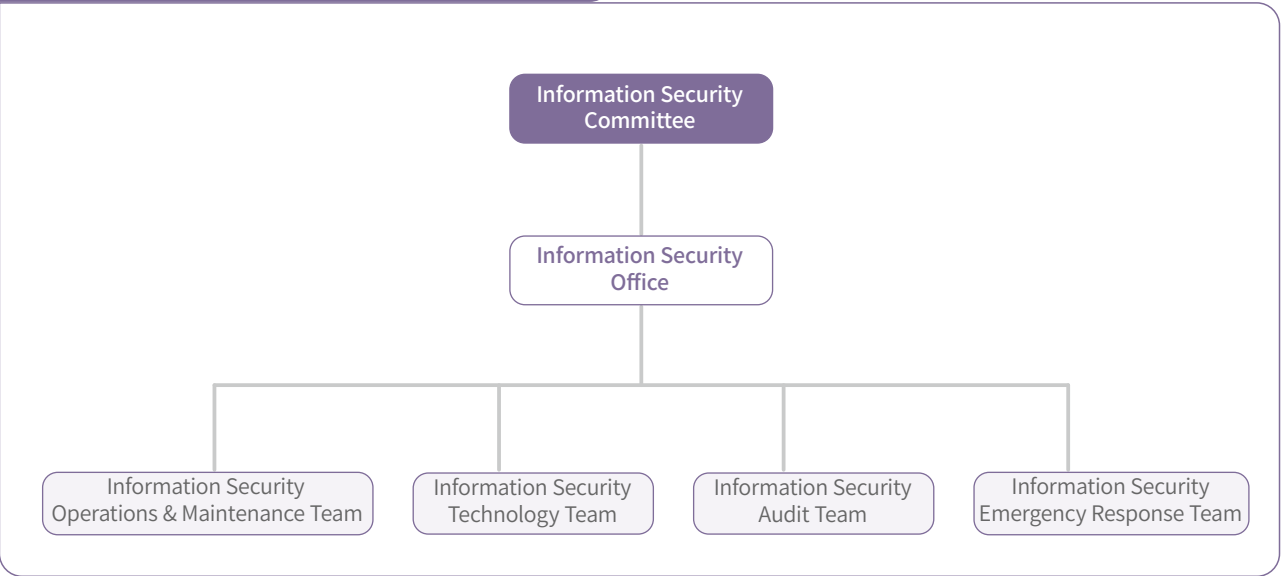
The Company continuously improves the after-sales customer experience and has established the Advisory and Adverse Event Notification Procedure, which defines the responsibilities of each department and personnel. For products already delivered, the Company closely monitors customer feedback, complaints, returns, and other issues. Following the principle of immediate reporting, adverse events are promptly reported. The Quality Department investigates the cause of the incident, creates a written report, and determines, based on the severity of the event, whether to issue an advisory notice or take corrective actions such as inspection, repair, replacement, warnings, recall, or on-site destruction. These measures ensure that losses to both the customer and the Company are minimized. If the incident is due to technical issues related to product characteristics or performance, the Company will recall all similar products.

Data and Privacy Protection

Information Security Management System

Genbyte strictly adheres to the Cybersecurity Law of the People's Republic of China and other relevant laws and regulations. The Company has developed internal systems such as the Information Security Management System, IT Internal Management System, Firewall Operation Management System, and Data Security and Customer Privacy Protection System to ensure the confidentiality, integrity, and availability of the Company's information assets, effectively preventing and responding to various information security threats and risks. The Company has established an Information Security Management Committee to oversee information security efforts, supported by functional units such as the Information Security Office, Information Security Operations Team, and Information Security Technology Team. This multi-tiered information security management structure clearly defines the responsibilities of each unit. Through regular evaluations of information security risks and the current state of information security, the Company continuously improves its information security levels, ensuring the implementation of information security policies and standards. Additionally, the Company has set clear short-, medium-, and long-term information security and customer privacy protection goals, carefully planning the future development to promote steady progress in information security.

Information Security Management Organizational Structure



Data Security Management Measures

To ensure effective data security control, the Company conducts annual internal audits focused on data security integrity, authorization processes, and compliance. This ensures that the company's information security management is lawful and compliant. Various effective measures are implemented to safeguard the baseline of data security. During the reporting period, the Company conducted a data security audit, and all identified issues have been rectified.

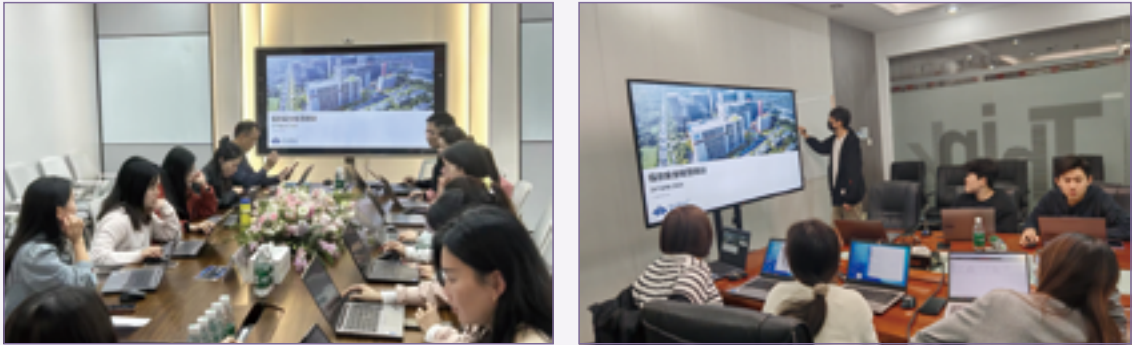
Management Measures

Policy and Regulations	The Company reviews existing data security and privacy protection policies quarterly, continuously improving data security operation guidelines and other relevant policies to ensure their effectiveness and adaptability.
Technical Protection	The Company enforces strict identity verification and access control authorization, encrypts data, updates and maintains firewalls and intrusion detection systems monthly, and conducts comprehensive network security vulnerability scans and penetration tests quarterly to ensure normal operation of information security defenses.
Personnel Management	The Company actively organizes data security and privacy protection training, strictly reviews personnel in key positions, and implements a regular job rotation system to reduce information security risks posed by human factors.
Security Monitoring and Emergency Response	The Company actively organizes data security and privacy protection training, strictly reviews personnel in key positions, and implements a regular job rotation system to reduce information security risks posed by human factors.

Information Security Compliance Training

Case Study

The Company regularly organizes training on information security management standards, combining online and offline methods to explain the basics of information security, interpret company policies, and analyze case studies. This helps strengthen employees' daily awareness of prevention and risk response capabilities.



Information Security Compliance Training

Customer Privacy Protection

Genbyte places high importance on customer privacy protection and has developed policies such as the "Data Security and Customer Privacy Protection System" and "Privacy and Confidentiality Control Procedures." The Company has established an overarching goal to "build a comprehensive data security and customer privacy protection system, ensuring the confidentiality, integrity, and availability of customer information, enhancing customer satisfaction and trust, and maintaining the Company's reputation and sustainable development." This goal is further broken down into three specific objectives to ensure proper direction for privacy protection efforts.

The Company respects the customers' right to know and make choices. It provides privacy policy pages and other means for customers to understand the collection, use, storage, and sharing of their personal information. For the collected customer data, the Company implements strict measures such as data encryption, setting up dedicated data storage centers, regular data backups, and periodic security evaluations to ensure customer privacy is protected from leakage. Additionally, the Company actively identifies risks related to data security and customer privacy protection, creating a risk-opportunity identification and assessment list to effectively control the risks of data breaches and privacy leaks. Moreover, the Company includes data security and customer privacy protection in its employee performance assessment system and rewards or penalizes employees based on their performance.

During the reporting period, the Company did not experience any incidents of customer information leakage.

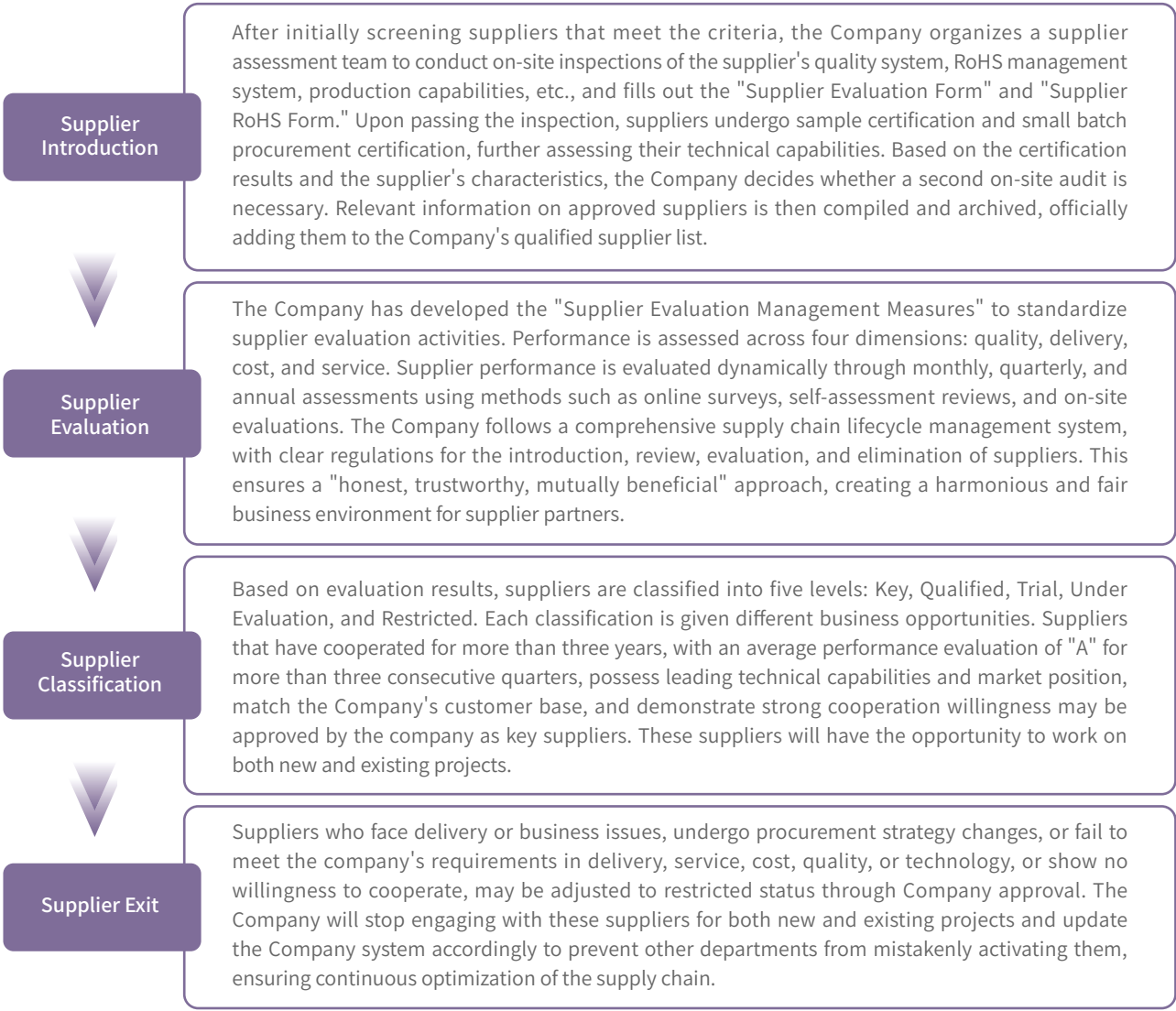
Specific Goals for Data Security and Customer Privacy Protection

- ◆ **Data Security Management Goal:** Establish and improve data security management systems and processes, strictly control the collection, storage, use, transmission, and sharing of data to ensure its security and compliance.
- ◆ **Customer Privacy Protection Goal:** Strictly protect customer personal information, preventing leakage, misuse, or tampering with customer data, ensuring customers' privacy rights are not infringed upon.
- ◆ **Risk Control Goal:** Establish and improve data security management systems and processes, strictly control the collection, storage, use, transmission, and sharing of data to ensure its security and compliance.

Building a Responsible Supply Chain

Supply Chain Governance

Genbyte is committed to building a responsible supply chain management system, strictly adhering to national laws and regulations. The Company has developed various policies, including the "Supplier Control Procedures," "Supplier Evaluation Management Measures," "Contract Management Measures," and "Supplier Classification and Grading Management," to regulate supplier development, certification, evaluation, assessment, and approval processes. Additionally, a "Qualified Supplier List" is compiled, and suppliers are evaluated monthly or annually on criteria such as supply quality, product cycle, and cooperation to ensure their production capacity and services meet the company's development needs. The Company establishes and improves supply chain lifecycle management, with clear regulations on the introduction, review, evaluation, and elimination of suppliers, striving to create a "honest, trustworthy, mutually beneficial" environment and building a harmonious and fair business environment for supplier partners.



The Company deeply understands the importance of supply chain management for sustainable development and actively participates in SMETA audits. Based on audit results, the Company continuously improves its management effectiveness in areas such as labor rights, health and safety, environment, and business ethics. Through these actions, the Company practices sustainable supply chain management and creates a harmonious and fair business environment for its supplier partners. The Company is committed to helping suppliers enhance product quality and service standards. Through training and coaching, the Company grows together with its suppliers to overcome challenges in the market environment.

Supply Chain Strategy

Type		Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Risk	Regulatory Risk	Regulatory Risk: Changes or updates in policies and regulations may restrict production activities or lead to penalties.	4	4	Medium to Long Term	Upstream, Operations	High	Increase in non-operating expenses	Provide guidance and training to external suppliers; build a mutually beneficial sustainable environment; ensure timely submission of environmental reports; assign dedicated internal personnel to manage and ensure compliance with regulatory standards.

Type		Description	Likelihood	Impact Level	Impact Time frame	Affected Value Chain	Level	Financial Impact	Response Measures
Risk	Raw Material Supply Risk	Variations in supply and price fluctuations of key raw materials, coupled with supply shortages, may delay timely delivery.	4	4	Short Term	Upstream	High	Decrease in revenue	Strengthen diversified supply chain management and expand quality supplier resources; enhance ESG audits and dynamic assessments of suppliers to ensure compliance and stability; engage in joint R&D with key suppliers (accounting for 70% of procurement), sign long-term agreements, and develop annual purchasing plans and safety stock strategies to improve supply chain resilience.
	Policy and Legal Opportunity	Policy and Legal Opportunity: Adapting to regulatory changes by adjusting raw material and product structures may attract new potential customers.	4	4	Medium to Long Term	Operations	High	Increase in revenue	Stay abreast of national and local policy updates; require suppliers to adopt biodegradable and recyclable materials; expand market outreach efforts.
Opportunity	Partnership Opportunity	Partnership Opportunity: Long-term collaboration with high-quality suppliers can foster trust, reduce early-stage development and coordination costs, and lower overall expenditure.	4	3	Medium to Long Term	Upstream, Operations	Moderate	Reduction in non-operating expenses	Promote integrated strategies to maintain strong supply chain relationships; form strategic alliances and sign agreements on supply quality and business ethics; ensure open communication and support supplier development to enhance management capabilities and reduce costs.

Supply Chain Impact, Risk, and Opportunity Management

Risk Management

Genbyte actively enhances its risk and opportunity identification and control in supply chain management, adopting a cautious and meticulous approach to ensure that the risks in the supply chain are manageable.

- ◆ Genbyte actively enhances its risk and opportunity identification and control in supply chain management, adopting a cautious and meticulous approach to ensure that the risks in the supply chain are manageable.
- ◆ For the identified risks and opportunities, the Company uses scientific and objective evaluation methods to assess their likelihood and the potential harm they could cause, quantifying the risk and opportunity levels.
- ◆ Based on the level of risks and opportunities, the Company formulates corresponding management measures to minimize or eliminate the impact of risks on the supply chain and seize opportunities, supporting the Company's steady development.

Integrity Procurement

To strictly control the procurement process and standardize procedures, the Company takes a firm stance against fraud and unethical practices, creating a fair and just business environment. The Company issued a notice on anti-fraud disciplinary supervision and reporting and signed Integrity Commitment Letters and Integrity Agreements with employees and suppliers, prohibiting related personnel from soliciting or accepting bribes or kickbacks from suppliers or third parties, or engaging in unrelated economic transactions with third-party units or individuals. To ensure the implementation of these measures, the Company has set up reporting channels such as a hotline and email, with the audit department handling and investigating the reports. The Company also offers cash rewards and protection for whistleblowers, encouraging employees to participate in internal supervision.

During the Reporting Period

100% of suppliers signed the Integrity Agreement

100%

Digital Supply Chain

The Company has introduced an SRM system to drive the digital and intelligent development of supply chain management, facilitating the creation of a transparent and efficient supply chain ecosystem in collaboration with suppliers. This ensures the timeliness and accuracy of information sharing, improving transparency and collaboration efficiency. Additionally, the Company actively conducts supply chain-related training to enhance employees' professional skills and competencies.

SRM System Training

Case Study

In 2024, the Company organized SRM system training for the procurement department staff, covering the full operational workflow of the SRM system. The training included modules such as supplier onboarding, contract management, price management, order collaboration, information updates, supplier grading, and supplier qualification reviews. The goal was to ensure that the procurement team acquires the necessary skills to operate digital systems effectively.

In parallel, the training incorporated materials from the course "Procurement Professional Skills Training and Enhancement", aimed at standardizing procurement processes, enhancing procurement capability and professionalism, and supporting strategic cost analysis and control. This initiative further accelerated the Company's progress toward digitalized supply chain management.



SRM System Training in Progress

During the Reporting Period

Total suppliers

900

Suppliers certified with a quality management system

652

Suppliers certified with a quality management system

523

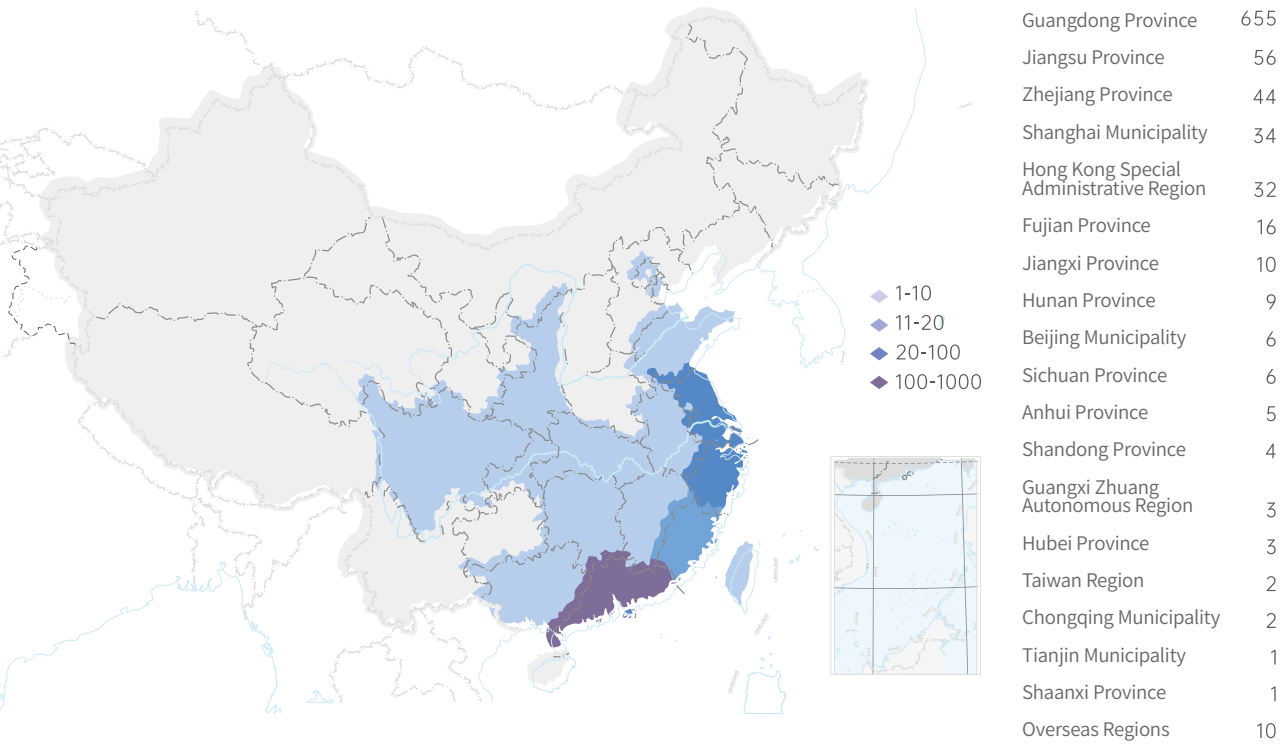
Suppliers certified with an occupational health and safety management system

330



Supplier ESG Training

Supplier ESG Management



Equal Treatment of SMEs

The Company firmly upholds the principles of fairness, equity, and openness, offering equal development opportunities and cooperation platforms to all enterprises, regardless of size. Genbyte actively works to eliminate barriers, ensure transparent procurement processes, and create a level playing field for small and medium-sized enterprises (SMEs) to access the supply chain. This commitment helps foster mutual growth in a competitive market environment.



During the Reporting Period

The Company had no overdue payments to SMEs

04

Building

a Better Future together

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Labor Relations Management

Talent Recruitment Management

Compliance in Employment

Genbyte strictly adheres to the Labor Law of the People's Republic of China and other relevant laws and human rights standards. Upholding the recruitment principle of "comprehensive evaluation, selective recruitment, and merit-based hiring," the Company has established various recruitment and management systems, including the Company Regulations, Employee Recruitment Management Procedures, Employee Code of Conduct, Employee Handbook, and Human Resources Control Procedures. These systems ensure that the recruitment process is fair, just, and transparent, while firmly opposing any form of discrimination, providing equal work opportunities for all employees.

The Company respects the rights of every employee, ensuring that each individual signs a formal labor contract before starting work, clearly outlining both parties' rights and responsibilities to protect employees' legitimate rights and interests.

The Company adheres to a diversified recruitment strategy, offering full support and care to job seekers, including veterans, individuals with disabilities, and women. By utilizing various recruitment methods, such as social recruitment, campus recruitment, and job advertisements, the Company broadens its talent selection scope, attracting outstanding individuals. The goal is to create a harmonious, positive, and forward-looking work environment, advancing together with employees to create a brighter future.



Genbyte Campus Recruitment

Diversity Management

Genbyte adheres to the principles of fairness, diversity, and inclusivity, practicing equal pay for equal work and non-discriminatory employment. The Company has established policies such as the "Disabled Persons Management Procedure," "Anti-Discrimination Control Procedure," "Anti-Harassment and Abuse Control Procedure," and "Prohibition of Forced and Compulsory Labor Control Procedure," which clearly state that no employee should be discriminated against based on gender, age, ethnicity, race, skin color, marital status, religious belief, or other factors in areas such as recruitment, promotion, or compensation. The Company firmly opposes any form of discrimination, harassment, forced labor, child labor, or improper behavior, and actively protects employees' legitimate rights and interests. Genbyte has also developed procedures such as the "Prohibition of Child Labor and Remediation Control Procedure" and "Minor Protection Control Procedure," implementing age verification mechanisms during the recruitment process to identify and internally review child labor, strictly prohibiting the hiring of minors. Additionally, the Company has formulated the "Freedom of Association and Collective Bargaining Control Procedure" and the "Religious Belief Management Procedure," respecting employees' right to freely associate in lawful and peaceful ways. The Company encourages mutual understanding and communication among employees from different ethnicities, regions, and cultural backgrounds, and actively promotes cross-cultural training, language learning, and psychological support to foster better understanding and adaptation among employees from diverse cultural backgrounds.

During the reporting period

The Company achieved a 100% labor contract signing rate

100%

Of whom 332 are from minority ethnic groups

332

With a total of 2,259 employees

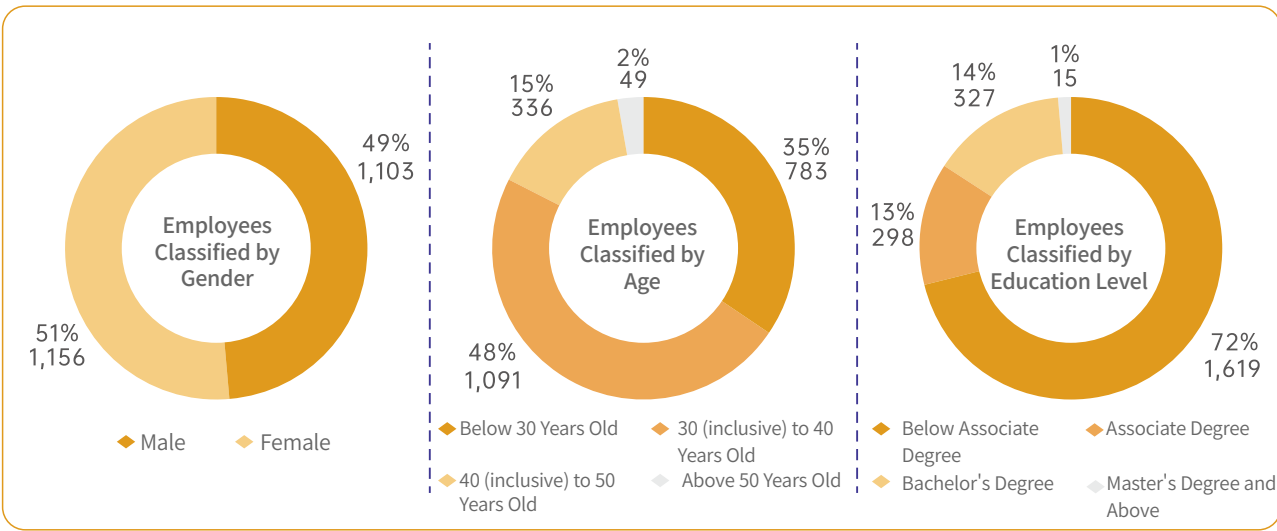
2,259

Including 1,156 females

1,156



Genbyte's Diversity Communication



Compensation and Benefits

Compensation Management

Genbyte follows the principle of "distribution based on labor, equal pay for equal work," and has established policies such as the "Employee Salary Management System" and "Compensation and Benefits Management Procedures" to regulate compensation and labor relations management. The Company ensures employees' interests are safeguarded by implementing a monthly salary system with a flexible pay structure that includes basic salary, performance bonuses, overtime pay, and allowances. This structure aims to fully stimulate employees' enthusiasm and creativity. Additionally, Genbyte has developed a "Performance Evaluation Control Procedure," establishing a comprehensive performance appraisal system. Regular assessments of employees' work performance, contributions, and teamwork abilities ensure fairness and transparency in salary distribution. A performance feedback and appeal mechanism is also in place, allowing employees to submit concerns or suggestions to leadership in writing.



Employee Incentives

Genbyte has developed a "2024 Restricted Stock Incentive Plan (Draft)" to implement a restricted stock incentive program. The plan specifies the scope of participants, grant quantities, and grant prices to ensure fairness, reasonableness, and effectiveness of the incentives. By granting restricted stock to employees, the Company seeks to inspire their enthusiasm and creativity, encouraging long-term service and contributing to the Company's sustainable development.

Benefits and Welfare

Genbyte strictly follows national regulations, as outlined in its "Compensation and Benefits Management Procedures" and "Company Regulations," to manage employee benefits. The company provides paid leave, including statutory holidays, annual leave, marriage leave, maternity leave, and bereavement leave, continually improving employee satisfaction and loyalty, and enhancing the Company's cohesion and market competitiveness. Genbyte also adheres to an 8-hour workday and compensates employees for overtime work. Additionally, the Company organizes a variety of cultural and sports activities to promote employees' happiness, sense of belonging, and overall satisfaction.



During the reporting period

With an average of 7 days of paid annual leave per employee

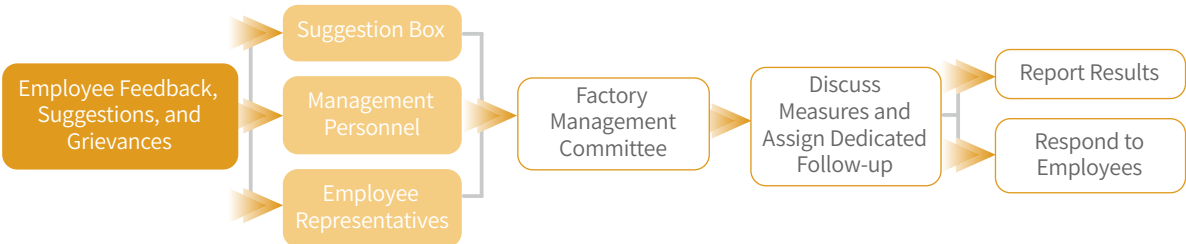
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Employee Appeal Channels



The Company has set up suggestion boxes to collect various employee suggestions and report unreasonable phenomena. Employees can also express their concerns through employee representatives or directly to upper management, participating in democratic management to protect workers' legal rights and engage in equal negotiations with the department.

Genyte Employee Appeal Process



During the reporting period

The Company did not receive any employee complaints

A total of 816 employees joined the union

816

Representing 36.12% Of the total workforce

36.12%



Vietnam Branch Union Recognition Certificate

Democratic Management and Communication

Democratic Management

Genbyte places great emphasis on democratic management, strictly adhering to the "Labor Union Law of the People's Republic of China" and other relevant laws and regulations. The Company has developed the "Employee Representative Election Management Procedure" and, through organizing employee representative meetings and establishing union organizations, strictly regulates the processes of democratic management and oversight, ensuring that employees fully exercise their rights to participate, express opinions, and supervise. In addition, the Company has formulated regulations such as the "Employee Complaint Management Guidelines," "Employee Suggestions and Feedback Handling Procedure," and "Suggestion Box Usage Management Regulations" to standardize the management of feedback and create an open management atmosphere, enabling timely identification and resolution of issues, thus further enhancing the company's cohesion.

Employee Representative Training



Case

In 2024, Genbyte organized an employee representative training event. The Company actively promoted employee communication channels by educating employees on social responsibility, union management rules, and complaint handling processes. This initiative aimed to enhance the Company's democratic management level and build harmonious and stable labor relations.



Employee Representative Training Onsite

Employee Satisfaction

Genbyte regards employee satisfaction as a key indicator of effective corporate management. The Company has established an Employee Satisfaction Survey Control Procedure and regularly conducts satisfaction assessments through questionnaires, forums, and other channels to gather employee feedback and understand their needs and expectations. Based on survey results, the Company actively implements improvements to address issues and enhance both the work environment and benefits. In addition, Genbyte has put in place a Labor Dispute and Social Security Responsibility Management Plan and a Long-Term Protection Plan for Employees Involved in Labor Disputes, ensuring fair and timely handling of disputes.

During the reporting period

Employee satisfaction rate 92%
Four labor disputes resolved amicably through negotiation 4

Protection of Women’s Rights

Genbyte actively promotes gender equality and equal pay for equal work, striving to create a safe, respectful, and equitable workplace for female employees. In compliance with the Law on the Protection of Women's Rights and Interests of the People's Republic of China, the Company has implemented policies such as the Special Protection Procedure for Pregnant, Maternity, and Nursing Women, ensuring full protection of health and leave rights during pregnancy, childbirth, and breastfeeding periods. Genbyte also organizes regular care initiatives for female employees to support their physical and mental well-being and foster a warm and inclusive atmosphere.

International Women's Day Event

Case

During the reporting period, Genbyte celebrated International Women's Day with a range of activities including health talks and special holiday benefits, recognizing the contributions of female employees and strengthening team cohesion.



International Women's Day Celebration Activities

During the reporting period

Female managers accounted for 2% of management roles 2%
20 employees took maternity leave 20
Maternity return-to-work rate 100%

Employee Care Initiatives

Genbyte upholds a "people-oriented" philosophy, placing strong emphasis on employees' physical and mental well-being as well as their quality of life. To foster a greater sense of unity, belonging, and happiness among staff, the Company regularly organizes a variety of engaging employee activities. In addition, Genbyte has implemented a range of support measures for employees facing hardships and for those entering retirement, ensuring that care and support are provided throughout every stage of an employee's career.

"Full Moon, Full Affection – A Mid-Autumn Celebration"

Case Study

In 2024, Genbyte organized a special themed event titled "Full Moon, Full Affection – A Mid-Autumn Celebration." The event aimed to promote traditional Chinese culture, create a festive atmosphere, and enrich the cultural life of employees through meaningful holiday activities.



Mid-Autumn Festival Celebration

"United in Fun, Stronger Together" Sports Day

Case Study

In 2024, the Vietnam subsidiary hosted a themed sports event titled "United in Fun, Stronger Together." The event featured a variety of entertaining and engaging games aimed at improving employees' physical fitness, fostering a strong sense of teamwork, and encouraging open communication and camaraderie among colleagues.



Vietnam Subsidiary Sports Day

"Soaring with the Dragon, Advancing with Momentum" Annual Staff Gala and 25th Anniversary Celebration



Case

To strengthen organizational culture and enhance team performance, the Company hosted a grand annual staff gala and 25th anniversary celebration under the theme "Soaring with the Dragon, Advancing with Momentum." Centered around the "Dual-Engine Strategy," the events were designed with a systematic, cross-departmental approach to foster collaboration. Immersive and interactive experiences empowered participants throughout the process, establishing a virtuous cycle of "co-creating culture, co-elevating capabilities, and sharing value."



2024 Annual Gala
2025 Anniversary Celebration

Optimizing the Talent Pool

Employee Training System

Training Management System

Genbyte is committed to building a scientific and comprehensive employee training system to enhance employees' professional skills and overall qualities. The Company understands the importance of training for both individual growth and business development, and has formulated and implemented the "Employee Training and Career Development Management Procedures," "Competence, Awareness, and Training Control Procedures," and other training management systems to ensure the training process is well-organized and evidence-based. The Company focuses on integrating business needs with employees' personal development goals. Training content includes onboarding for new employees, job skill training, and professional development, aimed at improving employees' business capabilities and professional ethics.

Internal Trainer Mechanism

Genbyte values the cultivation and selection of internal trainers, encouraging senior employees to become internal trainers to share their professional knowledge and work experience. The Company aims to build a high-quality, professional internal trainer team. The internal trainer mechanism helps new employees integrate into the work environment quickly and enhance their business skills while fostering the inheritance of internal experience and knowledge sharing, creating a positive and proactive learning atmosphere. Additionally, the Company regularly organizes internal trainer training and exchange activities to enhance the trainers' teaching abilities and professional skills, ensuring the effectiveness of the training programs.

Training Evaluation and Assessment

Genbyte has established a comprehensive training evaluation and assessment mechanism to maximize the effectiveness of training. The Company uses oral exams, practical assessments, written tests, and other evaluation methods to regularly assess the results of employee training, understanding their gains and areas for improvement. Based on this feedback, the training content and methods are adjusted to better meet employees' actual needs.

Employee Training Programs

Genbyte has designed targeted training programs for employees at different positions and levels, including onboarding training for new employees and professional skills training, to comprehensively improve their professional and overall abilities. New employee onboarding training focuses on helping new employees quickly integrate into the Company culture, understand Company rules and regulations, and master essential job skills. Professional skills training is tailored to the needs of different positions, offering in-depth business knowledge and practical skills to improve employees' professional standards. Through these training programs, the Company effectively enhances employees' work efficiency and quality, stimulates their innovative spirit and teamwork awareness, and lays a solid talent foundation for the Company's long-term development.

During the reporting period

The company invested a total of rmb 504,100 in employee training

RMB **504,100**

The total training duration reached 3,842 hours

3,842

Conducted 75 training sessions

75

Achieving a training coverage rate of 89%

89%

With 1,480 participants in total

1,480

With each employee receiving an average of 2.31 hours of training

2.31

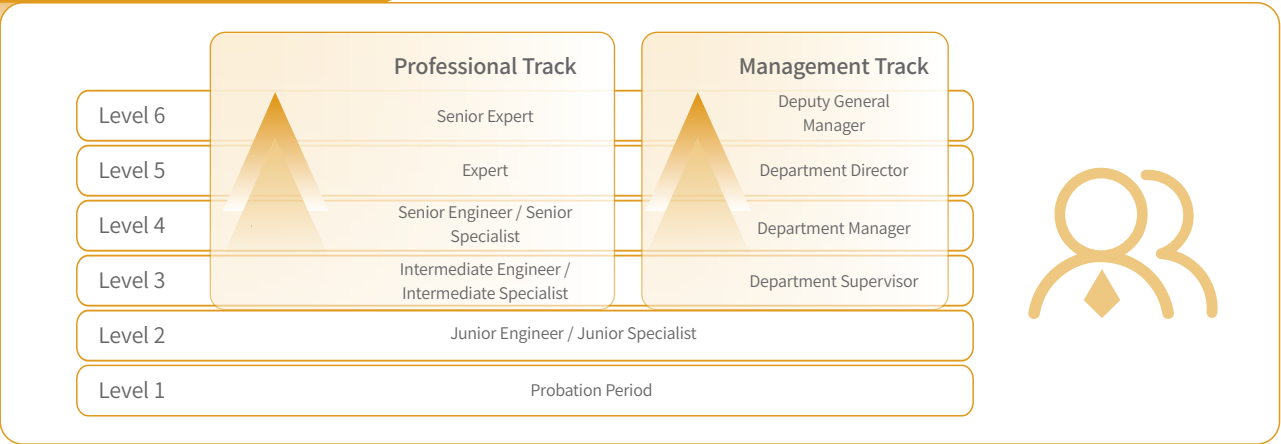


New Employee Training

Employee Promotion

Genbyte has established management systems such as the Employee Training and Career Development Management Procedure to define clear processes and standards for employee promotion. These systems aim to regulate career development practices and ensure that every employee has equal and fair opportunities for advancement. Additionally, the Company has formulated an Internal Job Posting Policy to continuously enhance employees’ personal qualities and skills, maximize their initiative and creativity, and standardize the selection and transfer of personnel within the organization.

Talent Development Pathway



Safe and Healthy Production

Occupational Health and Safety

Genbyte has established an occupational health and safety policy centered on "Compliance with laws and regulations, prevention of occupational hazards; protection of employee rights, and building a better life together." The Company has implemented various occupational health and safety management systems, including the Occupational Health and Safety Operation Control Procedure, Medical Health and Occupational Disease Prevention Procedure, Occupational Disease Prevention Management Regulations, Occupational Disease Prevention and Control Procedure, and Labor Protection Equipment Control Procedure, to provide clear guidance for all employees. Additionally, the Company engages third-party agencies to regularly inspect and assess workplace occupational hazard factors, producing an Occupational Hazard Detection and Evaluation Report. Employees are also equipped with protective gear such as earplugs, safety goggles, dust masks, and safety shoes. During the reporting period, the Company successfully passed the ISO 45001:2018 Occupational Health and Safety Management System certification.



Occupational Health and Safety Management System Certification

During the reporting period

The Company invested 225,400 yuan in work-related injury insurance

RMB 225,400

And the qualification rate for hazard monitoring was also **100%**

The coverage rate for employee health check-ups reached **100%**

The coverage rate for employee health check-ups reached **100%**

No new occupational disease cases were reported



Occupational Disease Prevention Awareness and Training



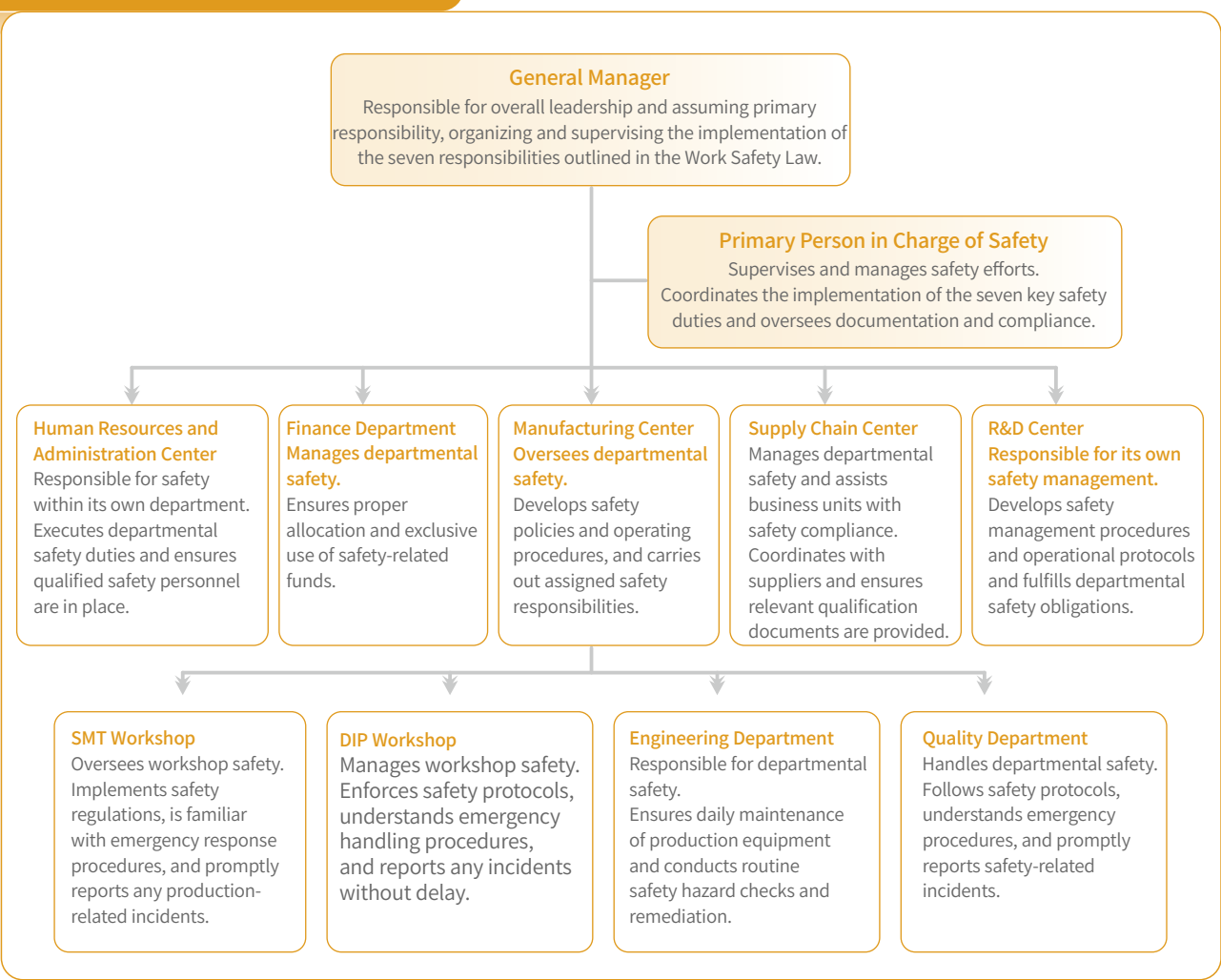
Occupational Hazard Notification Card



Safety Production Management

Genbyte complies with the Production Safety Law of the People's Republic of China and other relevant laws and regulations, and has established safety management systems such as the Safety Protection Management Procedure, EHS Management Procedure, and Safety Production Operation Control Procedure to ensure effective control of safety risks during production. The Company has implemented a safety production responsibility system and established a safety management organizational structure, clearly defining the responsibilities and obligations of all levels of management and employees in safety production, thereby forming a comprehensive safety production management system.

Safety Management Organizational Structure



The Safety Management Organizational Structure

During the reporting period

The Company invested RMB 707,000 in safety production

RMB **707,000**

There were zero safety production accidents, zero work-related fatalities, and zero total work injuries

0

Safety Production Goals

To implement the principle of "safety first, prevention first, and comprehensive governance," prevent major accidents, reduce the occurrence of various accidents, and achieve safe production, the Company has formulated the "Safety Production Responsibility Assessment and Reward/Punishment System" and organized employees to sign the "Safety Production Responsibility Letter" to ensure the implementation of safety production responsibility and goal management. The Vice General Manager and Department Directors hold leadership responsibility for the safety work of their respective departments and are the primary responsible persons for safety production in their departments. Department Managers are responsible for the safety work within their departments and are the first responsible persons for safety production.

Genbyte Safety Production Goals

Goal	Achievement Status
Occupational disease occurrence rate: 0	Achieved
Work-related injury/death: 0	Achieved
Potential explosion hazards: 0	Achieved
Special operation personnel with certificates: 100%	Achieved
Environmental and safety training completion rate: 100%	Achieved

Safety Management Measures

Genbyte has established various emergency response plans for production safety, such as the Production Safety Accident Emergency Plan and the Emergency Preparedness and Response Control Procedure. The Company regularly organizes emergency drills to enhance employees' emergency response capabilities as well as their abilities in self-rescue and mutual aid. In addition, a Production Safety Accident Emergency Command Center has been established, which takes full responsibility for the coordination and command of emergency response efforts to ensure swift and effective action in the event of an incident. A comprehensive Safety Hazard Identification and Rectification System has also been implemented to handle daily safety inspections and hidden danger identification. This ensures that all safety equipment in production areas remains functional and effective, and that potential hazards are promptly addressed and eliminated.

During the reporting period

The Company's safety hazard rectification rate reached

98.10%

A total of 8 emergency drills were conducted

8

Electric Shock Emergency Drill



Case Study

In 2024, an electric shock emergency drill was conducted in the SMT workshop. The drill combined on-site explanation with hands-on practice, allowing employees to gain a deeper understanding of emergency response procedures for electric shock incidents, including CPR and other first aid techniques. This significantly improved their ability to respond to unexpected emergencies.



Electric Shock Drill

Hazardous Chemicals Management

Genbyte has established strict management procedures for hazardous chemicals through the implementation of policies such as the Hazardous Chemical Control Procedure. These regulations cover every aspect of hazardous chemicals management, including procurement, handling, storage, usage, and disposal. A dedicated chemical warehouse has been set up, staffed with trained safety management personnel to ensure storage conditions meet safety standards, thereby minimizing risks such as leaks and fire incidents. Regular inventory checks and inspections are conducted to promptly handle expired or discarded chemicals, reducing environmental risks and safeguarding employee health. Additionally, the Company places strong emphasis on employee training related to hazardous chemical safety. These efforts aim to enhance awareness and emergency handling capabilities among staff.



Workshop Explosion-Proof Cabinet

Hazardous Chemical Spill Emergency Drill



Case

In 2024, Genbyte conducted a hazardous chemical spill emergency drill, simulating a chemical leakage scenario in the workshop. The drill included training on emergency response procedures when chemicals come into contact with the skin or eyes. During the drill, the response team promptly activated emergency protocols, using the on-site shower and eyewash station to rinse for 15 minutes while simultaneously evacuating personnel and sealing off the affected area.

This drill significantly enhanced employees' familiarity with emergency equipment operation and teamwork efficiency, ensuring that in real incidents, quick and coordinated responses can effectively minimize injury risks.



Hazardous Chemical Spill Drill

Safety Assurance for Stakeholders

Genbyte has implemented systems such as the Stakeholder Control Procedure and Contractor Management Procedure to ensure the safety of all stakeholders operating within or alongside the company. These systems clearly define requirements for stakeholder pre-qualification, training, on-site supervision, performance evaluation, and the identification and communication of hazards. By actively managing these elements, the Company ensures that occupational health and safety risks associated with stakeholder activities are effectively controlled. Through joint efforts, Genbyte and its stakeholders continuously enhance safety performance to meet the requirements of the Company's occupational health and safety management system.

Safety Culture Development

Genbyte considers safety culture a core part of corporate management and has established the Competency Training and Awareness Management Procedure. The Company organizes regular safety trainings covering hazard identification, emergency response procedures, and the proper use of personal protective equipment. Efforts such as safety assessments, fire safety inspections, emergency training manuals, and safety signage postings ensure that employees remain alert and capable of preventing accidents in the workplace.

During the reporting period

Safety training sessions held

150

Safety training coverage rate

100%

Total participants

3,278

Risk prevention training coverage rate

100%

Total training hours

78,672

Fire Safety Drill



Case

In 2024, Genbyte held a fire emergency drill in collaboration with professional firefighters. The training included theoretical instruction and hands-on practice in fire prevention, escape procedures, and proper use of extinguishers. A simulated fire scenario allowed employees to engage directly with firefighting equipment and evacuation techniques, significantly enhancing their safety awareness and teamwork during emergencies.



Fire Safety Drill



Posted Safety Warning Signage

Public Welfare Commitment

Social Welfare

Genbyte is committed to fulfilling its corporate social responsibilities and actively participates in public welfare initiatives. The Company works hand-in-hand with local communities to support public service projects and volunteer activities, while encouraging employee engagement in community service and recognizing those who make notable contributions. Guided by the concept of "Green Technology for the Greater Good," Genbyte builds its social contribution efforts on three pillars: technological innovation, environmental stewardship, and talent development. The Company continues to promote green manufacturing, create job opportunities, and support community development, aiming to generate lasting value for society.

During the reporting period



New jobs created

353

Public welfare contributions




RMB 40,000



2024 “Charitable Enterprise”
Honor Plaque

"Belt and Road Initiative"

Genbyte actively supports China's "Belt and Road Initiative" by leveraging its strengths in smart controllers and new energy technologies. Through overseas investment, technology export, and localized operations, the Company is deeply integrated into infrastructure development and industrial upgrading efforts in BRI-participating countries.

Investment, Achievements, and Future Plans under the BRI		
 Investment	Vietnam Subsidiary Construction	Genbyte invested approx. RMB 150 million to build a modern manufacturing base in Ho Chi Minh City.
	Technology Export	Introduced advanced domestic production lines for smart controllers and new energy technologies to serve the Vietnamese and European-American markets.
	Localized Operations	Over 90% of employees are local hires, with ongoing technical and vocational training to support talent development.
	Empowering Local Industry	Partnered with Vietnamese industry players by offering smart controller solutions to enhance product competitiveness and drive industrial upgrades.
 Impact	Economic Impact	The Vietnam subsidiary achieved RMB 320 million in revenue in 2024, becoming a key growth driver for the Company's global business.
	Social Impact	Technology transfer and infrastructure investment improved quality of life and strengthened community recognition of Chinese enterprises.
 Future Outlook	Deepening BRI Expansion	Genbyte plans to establish production facilities in additional countries and regions, further expanding the global reach of its smart controller and new energy technologies. At the same time, the Company is exploring joint efforts with local governments and enterprises to develop green industrial parks, supporting the long-term sustainable growth of regional economies.
	Enhancing Responsibility Standards	Genbyte is adopting international ESG (Environmental, Social, and Governance) standards to improve environmental practices and social responsibility management at its overseas facilities.
	Global Tech Empowerment	The successful model in Vietnam will be replicated in other BRI countries, establishing a responsible “Technology and Investment” global growth strategy.





Future Outlook

Looking ahead, Genbyte will pursue a core strategy of "technology-driven innovation and global expansion" to seize opportunities and boldly face emerging challenges. Despite uncertainties in the market environment, we firmly believe that with our robust R&D capabilities, comprehensive global footprint, and strong customer base, the Company will continue to make breakthroughs in technological advancement, market development, and capacity expansion.

We will maintain a sharp focus on our core business, drive innovation, optimize our product portfolio, and enhance market competitiveness. In parallel, we will continue implementing our equity incentive plan and refine the shareholding structure to build a solid foundation for long-term, healthy growth. On the ESG front, Genbyte will actively align with global sustainability trends by increasing investment in green technologies, promoting energy efficiency and emission reduction, and fulfilling our corporate social responsibilities.

We remain committed to employee well-being, fostering an inclusive and diverse corporate culture to strengthen team cohesion and innovation. By continuously improving our governance framework and enhancing transparency and compliance, we strive to become a trusted partner and a respected industry leader.

In the future, Genbyte will embrace change with greater openness, break industry boundaries, and build a collaborative and innovative ecosystem. We are ready to step out of our comfort zone and face challenges head-on. We believe that by anchoring long-term value amid uncertainty and redefining our competitive edge through adversity, we can rise above the fierce competition and write a new chapter in our company's journey.

Appendix

Key Performance Indicators

Governance Performance¹

	Indicator	Unit	2022	2023	2024
Economic Performance	Operating Revenue	10,000 RMB	104,211.04	122,577.10	140,193.11
	Net Profit	10,000 RMB	17,060.60	20,800.38	20,329.39
	Total Tax Contribution	10,000 RMB	3,938.02	3,496.62	2,331.20
Shareholders' Meetings	Number of Shareholders' Meetings Held	Times	3	5	4
	Resolutions Approved at Shareholders' Meetings	Items	22	32	17
Board of Directors	Number of Board Meetings Held	Times	7	8	8
	Resolutions Approved by the Board	Items	45	46	38
	Number of Board Members	Persons	5	5	5
	Number of Independent Directors	Persons	2	2	2
	Number of Female Directors	Persons	2	1	1
Board of Supervisors	Number of Supervisors	Persons	3	3	3
	Number of Supervisory Board Meetings Held	Times	7	8	9
	Resolutions Approved by Supervisory Board	Items	36	33	28
Executive Compensation Compliance Training	Total Compensation for Directors, Supervisors, and Executives	10,000 RMB	826.22	1,076.85	1,162.18
	Number of Legal Training Sessions	Times	4	4	4
Business Ethics	Signing Rate of Integrity and Ethics Declarations	%	40	60	90
	Number of Anti-Corruption Complaints	Cases	0	0	0
	Number of Corruption Cases Filed and Closed	Cases	0	0	0
	Amount Involved in Unfair Competition or Administrative Penalty	10,000 RMB	0	0	0
Investor Relations	Number of Onsite Investor Visits	Times	/	15	26
	Number of Investors Received Onsite	Persons	/	154	92
	Interactions with Investors via Online Platform	Times	187	111	72
	Investor Open Communication Sessions	Times	1	3	3
Information Disclosure	Number of Penalties for Disclosure Violations	Times	0	0	0

¹ Explanation of Data Scope: Except for compliance training and business ethics data, which pertain solely to Genbyte's headquarters, all other data are based on consolidated financial statements.

Environmental Performance¹

	Indicator	Unit	2022	2023	2024
Environmental Protection	Total Environmental Protection Investment	RMB 10,000	34.83	43.72	67.42
	Environmental Violations	Cases	0	0	0
	Number of Environmental Trainings	Sessions	135	150	156
	Training Participants	People Times	3,056	3,484	3,828
	Total Training Hours	Hours	1,555.5	1,902	2,359
Energy	Total Energy Consumption	Tons of Standard Coal	961.12	1,094.15	1,385.80
	Energy Intensity	Tons/10M Revenue	0.93	0.92	1.04
	Direct Energy Consumption	Tons of Standard Coal	138.60	143.46	165.80
	Gasoline Consumption	10,000 Liters	4.84	5.33	6.20
	Diesel Consumption	10,000 Liters	3.79	3.60	4.26
	LPG Consumption	Tons	22.82	24.00	26.75
	Indirect Energy Consumption	Tons of Standard Coal	822.52	950.69	1,220.00
	Purchased Electricity	10,000 kWh	669.26	773.55	992.68
Packaging Material Consumption	Total Packaging Material Used	Tons	455.26	1,255.60	1,072.95
	Packaging Material Intensity	Tons/10M Revenue	0.44	1.06	0.81
	Paper-based Packaging	Tons	334.53	1,038.06	801.24
	Plastic Packaging	Tons	99.29	159.03	195.92
	Other Packaging Materials	Tons	21.44	58.51	75.79
	Recycled Packaging Materials	Tons	150.90	89.54	93.84
Water Resources	Packaging Recycling Rate	%	88.26	91.41	98.38
	Freshwater Withdrawal	Tons	64,122	102,441.16	123,438.46
	Freshwater Consumption	Tons	64,122	102,441.16	123,438.46
	Total Water Consumption	Tons	64,122	102,441.16	123,438.46
	Water Intensity	Tons/10M Revenue	62.10	86.16	92.96
Air Emissions	Total Air Emissions	10,000 m ³	30,369.70	45,761.26	67,123.98
	Emission Intensity	10,000 m ³ /10M Revenue	29.41	38.49	50.55
	Volatile Organic Compounds (VOCs)	Tons	/	0.49	1.01
	Tin and Compounds	Kilograms	/	0.28	0.34
Solid Waste	Non-hazardous Waste Generated	Tons	9.10	10.80	28.80
	Non-hazardous Waste Intensity	Tons/10M Revenue	0.0088	0.0091	0.0217

¹ Explanation of Data Scope: Except for compliance training and business ethics data, which pertain solely to Genbyte's headquarters, all other data are based on consolidated financial statements.

Environmental Performance¹

	Indicator	Unit	2022	2023	2024
Innovation-driven	Non-hazardous Waste Disposed	Tons	9.10	10.80	28.80
	Waste Plastic	Tons	3.40	4.60	12.70
	Waste Paper	Tons	5.70	6.20	16.10
	Hazardous Waste Generated	Tons	40.06	43.88	39.76
	Hazardous Waste Intensity	Tons/10M Revenue	0.0388	0.0369	0.0299
	Hazardous Waste Disposed	Tons	40.06	43.88	39.76
	Wastewater from Cleaning (HW17)	Tons	18.58	/	/
	Waste Organic Solvents (HW06)	Tons	8.26	7.32	8.01
	Waste Activated Carbon (HW49)	Tons	4.64	15.61	14.68
	Waste Containers (HW49)	Tons	3.66	2.70	3.09
	Waste Detergents (HW06)	Tons	3.16	18.37	13.94
	Waste Conformal Coating (HW12)	Tons	1.75	/	/
	Waste PCBs (HW49)	Tons	/	0.04	/
	Waste Fluorescent Lamps (HW29)	Tons	/	0.01	/
	Waste Mineral Oil (HW08)	Tons	/	/	0.04
	Compliance Rate for Waste Disposal	%	100	100	100

Product Performance¹

	Indicator	Unit	2022	2023	2024
Innovation-driven	R&D Investment	RMB 10,000	6,068.82	7,894.16	8,616.28
	R&D Investment as a percentage of revenue	%	5.82	6.44	6.15
	Number of R&D Personnel	Persons	221	297	327
	R&D Personnel Percentage	%	16.14	15.58	14.48
	Sales Revenue from New Products	RMB 10,000	51,367.10	54,101.30	39,820.70
	Cumulative Number of Patents Granted	Items	79	88	106
	Number of Patent Applications	Items	20	21	29
	Cumulative Number of Invention Patents Granted	Items	20	26	31
	Cumulative Number of Utility Model Patents Granted	Items	46	48	59
	Cumulative Number of Design Patents Granted	Items	11	14	16

¹ Explanation of Data Scope: Except for compliance training and business ethics data, which pertain solely to Genbyte's headquarters, all other data are based on consolidated financial statements.

Product Performance

	Indicator	Unit	2022	2023	2024
Innovation-driven	Number of Effective Patents per 10 Million Revenue	Pieces	0.0758	0.0718	0.0756
	Cumulative Number of Software Copyrights	Items	70	76	84
	Cumulative Number of Trademarks	Items	15	34	36
	National High-tech Enterprise Status	Count	1	1	1
Product Quality	Product Pass Rate	%	98.49	99.07	99.20
	Number of Annual Internal Quality Audits	Times	3	3	6
	Number of Third-Party Inspections	Times	12	13	20
	Product Recall Quantity	Pieces	0	0	0
	Products Recalled for Health and Safety Reasons	Pieces	0	0	0
	Amount Involved in Major Safety and Quality Accidents	RMB 10,000	0	0	0
	Number of Quality Training Sessions	Sessions	1,678	1,741	1,952
	Total Duration of Quality Training	Hours	3,356	3,482	3,904
	Number of Quality Training Sessions	Sessions	45	46	54
	Number of Customer Complaints	Times	15	11	8
Customer Service	Number of Complaints Resolved	Times	15	11	8
	Complaint Resolution Rate	%	100	100	100
	Customer Satisfaction	%	92.73	92.23	94.45
	Number of Customers Participating in Survey	Persons	11	10	11
	Survey Participation Rate	%	12.36	11.26	12.36
	Number of Valid Customer Satisfaction Surveys	Copies	11	10	11
	Number of Response Evaluations for Customer Complaints	Times	12	12	12
	Response Evaluation Pass Rate	%	100	100	100
Data Security and Customer Privacy Protection	Amount Involved in Data Security/ Customer Privacy Breaches	RMB 10,000	0	0	0
	Number of Customer Information Breaches	Pieces	0	0	0
	Number of Verified Complaints Involving Privacy Invasion or Loss of Customer Data	Pieces	0	0	0
	Confirmed Cases of Customer Data Leakage, Theft, or Loss	Pieces	0	0	0
	Number of Data Security/Customer Privacy Protection Trainings	Times	4	4	4

Product Performance

	Indicator	Unit	2022	2023	2024
Data Security and Customer Privacy Protection	Data Security/Customer Privacy Protection Training Coverage Rate	%	93	93	95
	Average Duration of Data Security/Privacy Protection Training	Hours	8	8	8
Supplier Management	Total Number of Suppliers	Count	566	771	900
	Suppliers with Quality Management System Certification	Count	342	573	652
	Suppliers with Environmental Management System Certification	Count	210	383	523
	Suppliers with Occupational Health and Safety Management System Certification	Count	168	240	330
	Supplier Integrity Agreement Signing Rate	%	100	100	100
	Local Supplier Procurement Expenditure Ratio	%	43.04	54.43	51.75

Employee Performance¹

	Indicator	Unit	2022	2023	2024
Employee Rights Protection	Labor Contract Signing Rate	%	100	100	100
	Minority Ethnic Employees	Persons	236	344	332
	Temporary Labor Personnel	Persons	34	0	199
	Female Employees in Management	%	3	2	2
	Employees Taking Maternity Leave	Persons	7	19	20
	Maternity Leave Return Rate	%	100	100	100
	Average Paid Annual Leave Days	Days	6.1	6.5	7
	Employee Complaints Received	Cases	0	0	0
	Employee Satisfaction	%	89	90	92
Employee Structure	Total Number of Employees	Persons	1,369	1,906	2,259
	Male Employees	Persons	677	704	1,103
	Female Employees	Persons	692	1,202	1,156
	Employees Aged 30 and Below	Persons	434	633	783
	Employees Aged 30-40 (inclusive of 30, exclusive of 40)	Persons	722	909	1,091
	Employees Aged 40-50 (inclusive of 40, exclusive of 50)	Persons	170	315	336
	Employees Aged 50 and Above	Persons	43	49	49
	Employees with Below College Education	Persons	927	1,390	1,619
	Employees with College Education	Persons	204	250	298

Employee Performance

	Indicator	Unit	2022	2023	2024
Employee Structure	Employees with Bachelor's Degree	Persons	228	254	327
	Employees with Master's Degree	Persons	9	11	14
	Employees with Doctorate Degree	Persons	1	1	1
Employee Training and Development	Employee Training Investment	10,000 RMB	39.27	45.64	50.41
	Number of Training Sessions	sessions	60	66	75
	Total Number of Employees Trained	employees	1,000	1,350	1,350
	Total Training Attendances	attendances	1,167	1,520	1,662
	Training Coverage Rate	%	86	88	89
	Total Training Hours	hours	2,415	2,668	3,842
	Average Training Hours per Employee	hours/employee	2.07	1.76	2.31
	Average Training Hours for Female Employees	hours/employee	4.6	3.7	5.3
	Average Training Hours for Male Employees	hours/employee	3.7	3.2	4
	Average Training Hours for Senior Management	hours/employee	16	17	24
	Average Training Hours for Middle Management	hours/employee	8.6	5.9	8.7
	Average Training Hours for Frontline Employees	hours/employee	3.2	2.9	3.6
	Average Training Hours for Production Staff	hours/employee	5	6	6.5
	Average Training Hours for Technical Staff	hours/employee	13	15	18
	Average Training Hours for Sales Staff	hours/employee	25	26	28
	Average Training Hours for Finance Staff	hours/employee	12	14	18
	Average Training Hours for Administrative Staff	hours/employee	10	8	8
	Average Training Hours for Other Employees	hours/employee	24	22	21
Occupational Health and Safety	Employee Medical Examination Coverage Rate	%	100	100	100
	Investment in Safe Production	RMB 10,000	68.85	69.02	70.7
	Total Investment in Safety Training	RMB 10,000	52	55	60
	Number of Safety Training Sessions	Sessions	138	143	150
	Total Participation in Safety Training	Persons	2,951	3,084	3,278
	Total Duration of Safety Training	Hours	70,824	74,016	78,672
	Safety Training Employee Coverage Rate	%	100	100	100
	Safety Risk Prevention Training Coverage Rate	%	100	100	100
	Number of Safety Accidents	Cases	0	0	0

Employee Performance

Indicator		Unit	2022	2023	2024
Occupational Health and Safety	Number of Work-Related Deaths	Persons	0	0	0
	Total Number of Work-Related Injuries	Persons	0	0	0
	Total Workdays Lost Due to Work-Related Injuries	Days	0	0	0
	Work Hour Loss Rate per Million Hours Worked	%	0	0	0
	Hazard Rectification Rate	%	97.2	97.8	98.1
	Number of Safety Emergency Drills	Times	7	7	8
	Investment in Work Injury Insurance	RMB 10,000	6.91	9.40	22.54
	Investment in Safety Production Liability Insurance	RMB 10,000	/	3.10	1.55
	Safety Production Liability Insurance Investment Rate	%	100	100	100
	Occupational Disease Hazard Factor Testing Rate	%	100	100	100
	Occupational Disease Hazard Factor Monitoring Pass Rate	%	100	100	100
	New Occupational Diseases	Cases	0	0	0

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GRI (Global Reporting Initiative) Standards Index

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No. 17 – Sustainability Reporting (Trial Version)

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Reader Feedback

Dear Reader:

Thank you for taking the time to read this report. In our ongoing efforts to provide more complete, professional, and valuable ESG information to you and other stakeholders-and to further improve the quality of our ESG reporting-Genbyte sincerely invites your feedback on this report to support our progress in sustainable development.

1. Your identity in relation to Genbyte Intelligent:

- ☐ Government or regulatory body
- ☐ Shareholder/Investor
- ☐ Employee
- ☐ Supplier
- ☐ Customer
- ☐ Industry association or research institution
- ☐ NGO or community organization
- ☐ Media
- ☐ Other (please specify): _____

2. How would you rate the overall quality of this year's ESG report?

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor
- ☐ Very poor

3. How would you assess the quality of the information disclosed in this report?

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor
- ☐ Very poor

4. How would you evaluate the design and layout of this report?

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor
- ☐ Very poor

5.Which topics in this year's ESG report were of greatest interest or concern to you?

6. Do you have any comments or suggestions for improving our ESG report or ESG practices?

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