

AKM MEADVILLE

2024 Sustainability Report

SUSTAINABILITY DEVELOPMENT REPORT



About this Report

This report is the first Sustainability Report issued by AKM Meadville Electronics (Xiamen) Co., Ltd. (hereinafter referred to as “AKM Meadville,” “the Company,” or “we”). It provides a detailed disclosure of our specific measures, major practices, highlight cases, and key performances in proactively fulfilling social responsibilities and effectively managing ESG risks and opportunities. The report aims to proactively respond to the expectations of stakeholders and further strengthen our commitment to social responsibility in the future.

Reporting Period

This is an annual report. Unless otherwise stated, this report covers the period from January 1 to December 31, 2024. To enhance the comparability and completeness of the report, certain sections of the report may appropriately revisit previous years or include forward-looking statements.

Reporting Scope

Unless otherwise indicated, the organizations covered by this report include AKM Meadville as well as its subsidiaries and branches.

References

This report has been prepared with reference to the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial), the Guidelines No. 4 of Shanghai Stock Exchange for Self-regulation of Listed Companies—Preparation of Sustainability Reports, the Environmental, Social and Governance Reporting Code by Hong Kong Exchanges and Clearing Limited (HKEX), the Sustainability Reporting Standards (GRI Standards) released by the Global Sustainability Standards Board (GSSB), and the United Nations Sustainable Development Goals (UN SDGs 2030).

Data Source & Assurance of Reliability

All information referenced in this report is primarily sourced from AKM Meadville' s internal documents and relevant publicly available materials, and has undergone the Company' s confidentiality review and approval by the Sustainability Committee. AKM Meadville warrants that this report contains no inaccurate records, misleading statements or major omissions.

Reporting Principles

Authenticity: The information disclosed in this report shall provide an objective description of actual conditions and facts. All data sources must be authentic and reliable, and the information shall be verifiable. The sources of data and the methods of calculation are identified and explained in the report.

Materiality: The information disclosed in this report shall have a significant and substantive impact on the decision-making and value creation capability of the Company' s stakeholders, and shall truthfully reflect the major impacts of the Company' s decisions and activities on the environment, society, and governance.

Scientific Rigor: The methods of information collection and processing adopted in this report are scientific and reasonable. The disclosed information must be fully consistent with objective facts or derived from rigorous scientific inferences based on objective evidence.

Consistency: The indicators and statistical methodologies adopted for the periodic and continuous disclosures in this report shall remain consistent with those used in previous reporting periods and by industry peers.

Completeness: This report discloses, as required, all information that may have a significant impact on stakeholders' value judgments and decision-making. The disclosed information is comprehensive and complete, with no material omissions.

Monetary Unit

Unless otherwise indicated, all monetary amounts are listed in RMB for this report.

Access to the Report

This report is provided in electronic format and can be accessed and downloaded from the official website of AKM Meadville at <https://www.akmmv.com>.





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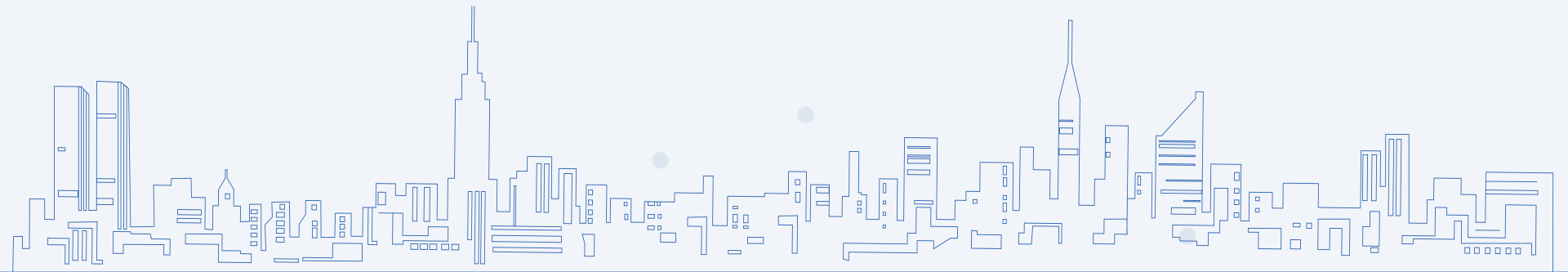
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Message from Chairman

Advancing Our Mission with Resolve, Shaping the Future with Intelligent Innovation



To all colleagues, partners, and friends from across society:

As the global industrial landscape undergoes profound transformation driven by technological innovation and the green transition, sustainability has become a shared global commitment. AKM Meadville has consistently upheld the mission of “Circuits Manufacturing Intelligence, Interconnect the World.” Over more than three decades of persistent effort, we have continued to advance the industry.

Guided by our vision of “become a respectful leader of world electronic and circuits industry with sustainable competition advantages,” we integrate Environmental, Social, and Governance (ESG) principles deeply into our strategy to drive high-quality growth. In 2024, by strengthening internal momentum to enhance organizational effectiveness and adhering to the concept of high-quality development to unify value across the industrial chain, we seized opportunities amid challenges and delivered solid and significant outcomes for all stakeholders.

We fully recognize that mastering technological trends is key to shaping the future.

At this pivotal moment of global industrial chain restructuring, we draw on our deep technological foundation, closely track industry developments, and continue to reinforce our core technological capabilities to build enduring competitiveness. The company has established a number of national postdoctoral workstations and provincial engineering technology research centers, recognized as a “National Technological Innovation Demonstration Enterprise”. The company has been undertaking multiple major national science and technology projects. Continuously achieving breakthroughs in miniaturization, advanced packaging, energy management, thermal management, high-frequency/high-speed technology, and advanced flexible circuit boards, the company has developed internationally leading technologies and products including ultra-large-size high-density heterogeneous integration substrates, high-density advanced packaging substrates, chip-embedded substrates, substrate-like substrates, high-frequency/high-speed high-density interconnect boards, and flexible substrates. It delivers end-to-end technical solutions spanning circuit design, simulation, new product introduction, and mass production. With a digital-intelligent platform foundation as the cornerstone, we integrate processes, data, and intelligent technologies to reshape management models and build a self-evolving, continuously optimized smart manufacturing system.

We remain committed to reshaping industrial competitiveness through green manufacturing.

We continue to improve our environmental management system and long-term operational mechanisms, formulate targeted risk prevention and control measures, conduct comprehensive inspections and remediation of potential environmental risks, so as to control and manage environmental risks at their source. Leveraging advanced pollutant treatment technologies, we have achieved a systematic reduction in emission intensity. Driven by the “Dual Carbon” goals, we are promoting transformation across the entire value chain, actively advancing the optimization and upgrading of energy-saving equipment and the implementation of energy-efficient technologies. These efforts have comprehensively enhanced the Company’s resource utilization efficiency and level of green development. To date, three of our manufacturing sites have been recognized as national-level green factories, with carbon emission efficiency significantly improved. Our green transformation strategy has delivered remarkable results, and our low-carbon commitments have generated measurable outcomes.

We continue to strengthen our internal capabilities and drive organizational renewal under a “contributor-oriented” philosophy, steadily enhancing operational management efficiency and sharpening our organizational competitiveness. Our five-channel career development framework covers all employees, creating new advantages powered by talent, while building future-ready talent pipelines and leadership pathways, ensuring that “everyone can excel” is realized across all roles within the company. Anchored in a safety culture that places “human life above all else,” we provide strong safeguards for our people through safety investments in the tens of millions and a 100% participation rate in safety training, persistently upholding a clean and honest work environment. We foster a workplace where fairness, integrity, and shared achievement define the spirit of our organization.

We firmly believe that talent is the core asset for the long-term sustainability of an enterprise.

We have fully embedded ESG standards into our procurement processes to advance sustainable sourcing practices. ESG management now covers all key suppliers, fostering a low-carbon transition across the broader industrial chain. Staying committed to the value of “build customer trust upon quality, and build customer dependence upon technology,” we continue to deepen collaboration with core clients, consolidate our market presence in strategic segments, and strengthen long-term customer engagement. We also give back to society through “value co-creation,” establishing deep industry-university partnerships with leading domestic institutions to systematically advance talent development and employment support, closely aligning our business growth with broader social progress.

We steadfastly uphold the principle that responsibility must extend throughout the entire value chain.

Looking ahead, AKM Meadville will continue to advance under the banner of “intelligent innovation and connectivity,” strengthening innovation-driven development and achieving independent breakthroughs in high-tech fields. We will further enhance the layout of our overseas manufacturing bases and embed internationally aligned ESG practices into our global supply chain, advancing toward higher development goals. By doing so, we aim to set a new benchmark in the global market for responsible, resilient, and innovation-led growth.

AKM Meadville Electronics (Xiamen) Co., Ltd.

About AKM Meadville

AKM Meadville is a global leader in high-density electronic circuit solutions, committed to providing customers with technologically advanced one-stop solutions. The Company has grown into a key player in the global PCB industry. In 2024, AKM Meadville achieved revenue of RMB 7.9 billion (approximately USD 1.1 billion), ranking 21st among PCB manufacturers worldwide. AKM Meadville operates across South China, East China, Xiamen and overseas, with eight major manufacturing sites and three R&D centers. It holds more than 870 patents, with a focus on core products such as substrates, substrate-like PCB (SLP), advanced high density interconnects (HDI), rigid-flex, SMT assembly, and power battery module (CCS). As the lead or undertaking institution for multiple national-level scientific research projects, AKM Meadville was awarded the National Second-Class Award in Scientific and Technological Progress in 2023 and has been recognized as a “National High-Tech Enterprise,” a “National-level Technology Innovation Demonstration Enterprise,” and a National-level Specialized, Refined, Differential and Innovative (SRDI) “Little Giant” Enterprise, and National-level Green Factory.



Mission

- Circuits manufacturing intelligence, interconnect the world



Vision

- Become a respectful leader of world electronic and circuits industry with sustainable competition advantages



Core Value

- People-Oriented: Create a platform for doers, build highly competitive and energetic team
- Practical & Accountable: Start from the basic logic of things, take a step forward, be able to start, follow through and accomplish things
- Customer First: Gain insight into customer needs, build customer trust upon quality, and build customer dependence upon technology
- Excellence & Innovation: Pursue excellence, work creatively and create more value in every deed
- Win-win Collaboration: Add value for customers, create value for shareholders, and let employees realize value

Global Service Network

Europe

- Germany
Stuttgart
- Finland
Salo

Asia

- China
Xiamen
Shanghai
Suzhou
Guangzhou
- China
Hong Kong, China
- South Korea
Gyeonggi Province

Americas

- United States
California

- United States
Minnesota
Arizona
Florida
New Jersey

● Sales ○ Sales & FAE

Manufacturing Sites and Products

📍 Xiamen, China

XMT



IC Substrates | Substrate-like PCBs | Modules
R&D Center

📍 Guangzhou, China

GME



Substrate-like PCBs | HDI and Rigid-Flex | eSiP

📍 Shanghai, China

SME



HDI and Rigid-Flex

📍 Suzhou, China

SZ



IC Substrates | CCS

📍 Guangzhou, China

NS



Substrate-like PCBs | HDI and Rigid-Flex | eSiP
R&D Center

📍 Shanghai, China

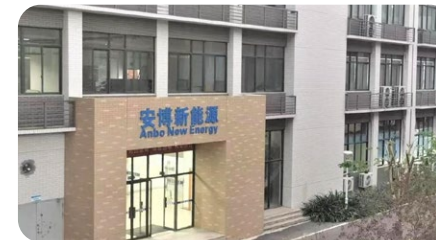
SMST



IC Substrates
R&D Center

📍 Fuzhou, China

FZ



CCS

📍 Ayutthaya, Thailand

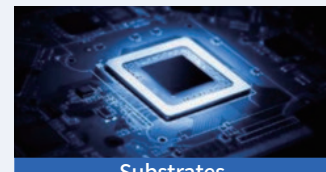
TH



FPC and Assembly | HDI

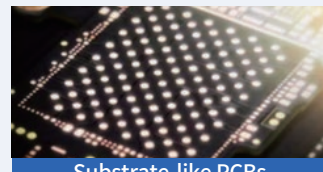
1 FPC production commenced in Q3 2024, with other operations under construction.

Core Technologies and Products



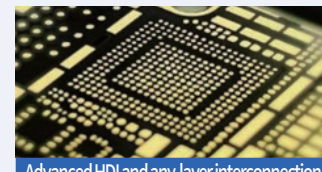
Substrates

Support FC-BGA / FCCSP / SiP / eSiP and other packaging types



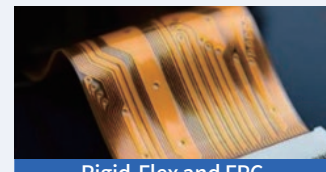
Substrate-like PCBs

Up to 16-layer any-layer interconnection structures



Advanced HDI and any-layer interconnection

Low-loss / high-frequency / high-reliability performance



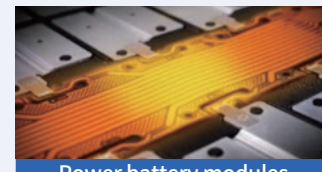
Rigid-Flex and FPC

High-frequency, low-loss, and asymmetric structures



SMT and Assembly

Fully automated production lines supporting multiple specifications of SMT and assembly



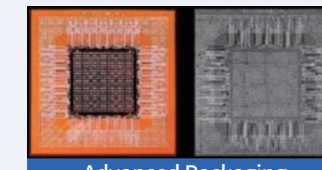
Power battery modules

CCS modules for new energy power and energy storage batteries

R&D Focus



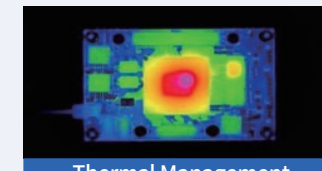
Miniaturization



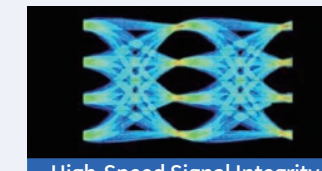
Advanced Packaging



Power Management



Thermal Management

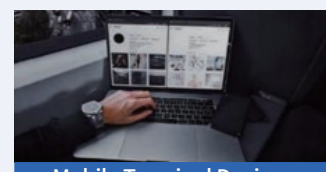


High-Speed Signal Integrity

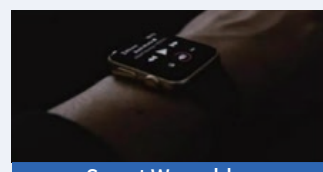


Flexible Interconnection

Marketing Focus



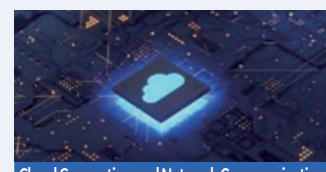
Mobile Terminal Devices



Smart Wearables



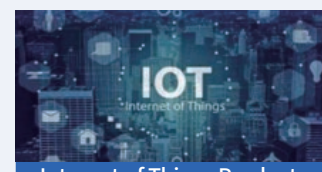
Artificial Intelligence



Cloud Computing and Network Communication



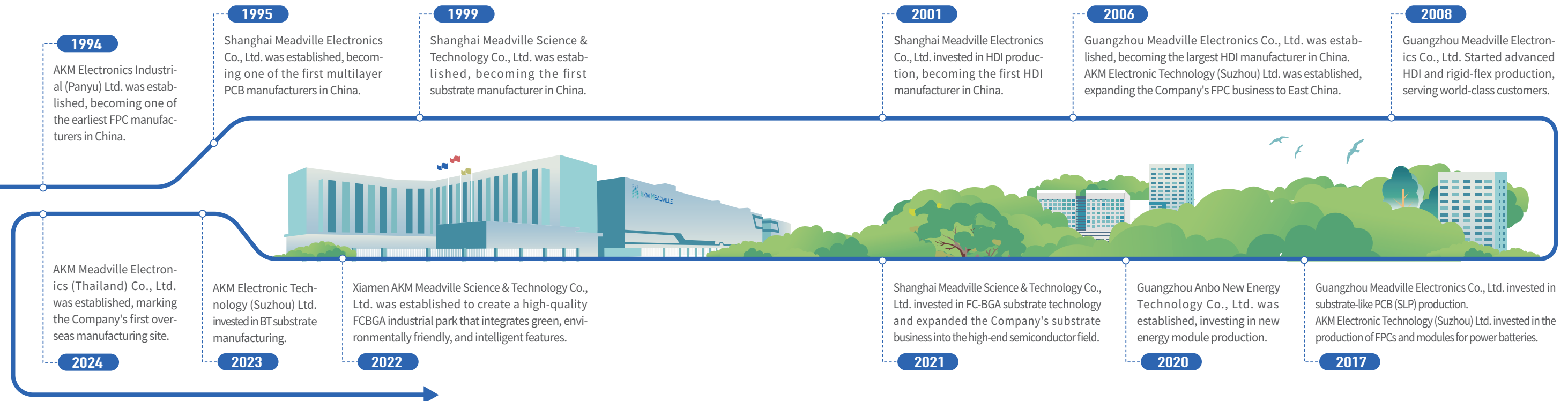
Automotive Electronics



Internet of Things Products

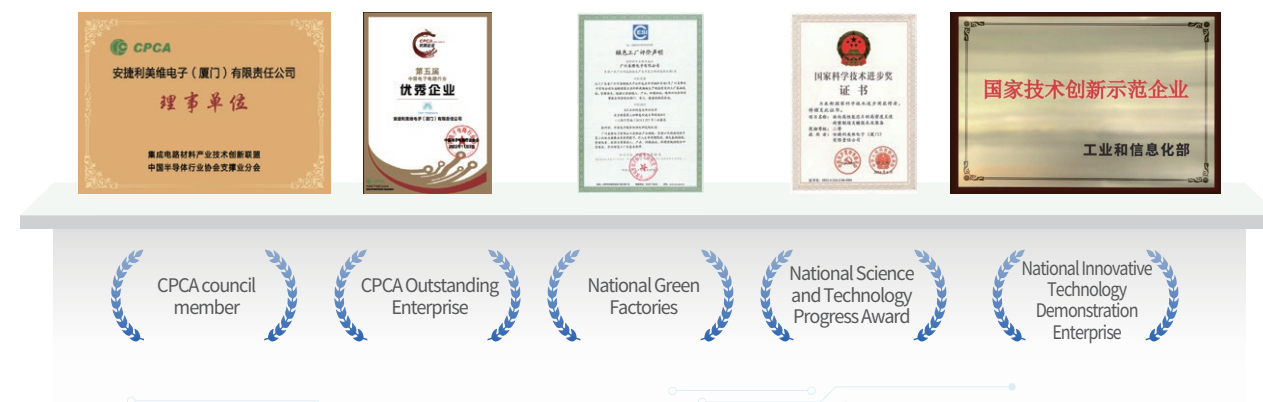


Development History



Honors and Awards

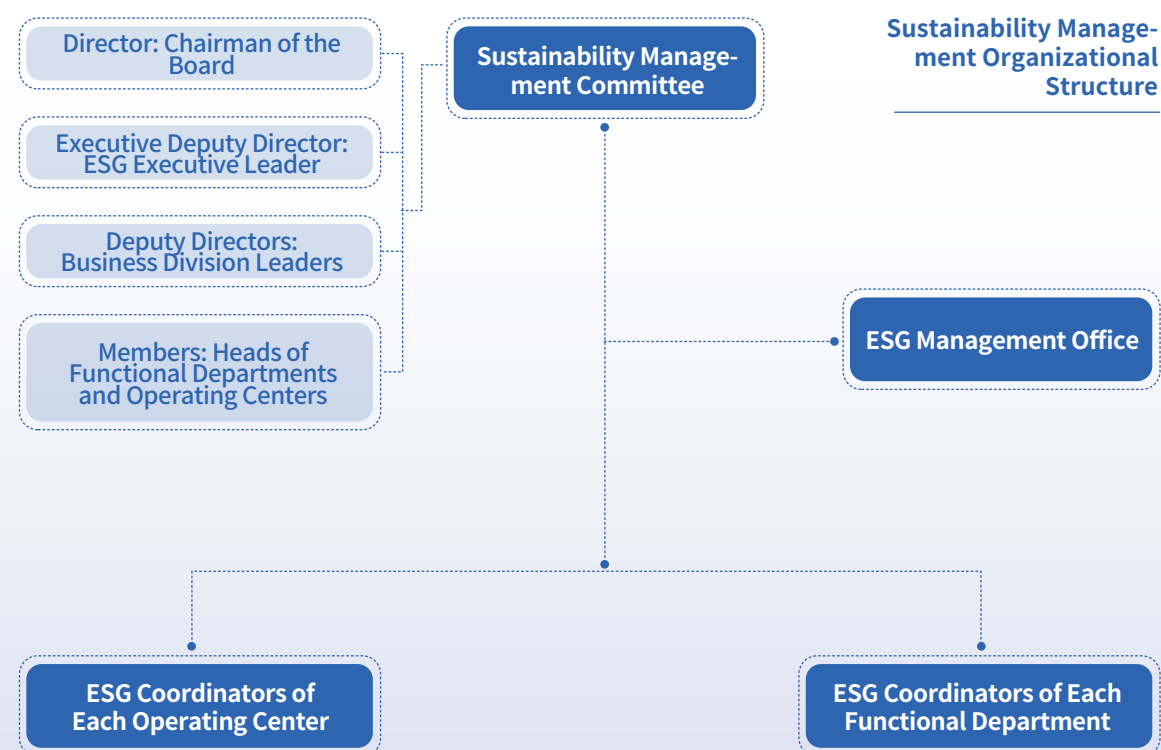
By the end of 2024, AKM Meadville has earned seven national-level honors/qualifications, served as CPCA council member, and received the CPCA Outstanding Enterprise title. Three subsidiaries are recognized as National Green Factories, five subsidiaries are designated as National High-Tech Enterprises, one subsidiary is honored as a National Innovative Technology Demonstration Enterprise, two subsidiaries are named National-level "Little Giant" Enterprises, and three subsidiaries receive the Ministry of Industry and Information Technology's Outstanding Intelligent Manufacturing Scenario Award. The company operates one postdoctoral research station and has led or participated in the formulation of 14 standards.



Sustainability Management

Structure

AKM Meadville attaches great importance to sustainability management and is committed to continuously creating long-term value for stakeholders through the balanced advancement of economic, social, and environmental outcomes. The Company strives to become a respectful leader of world electronic and circuits industry with sustainable competition advantages. The Company has established a Sustainability Management Committee, under which the ESG Management Office operates. Clear responsibilities have been defined across all levels and departments. The Company has also formulated the basic regulation titled “ESG Management System Development and Implementation” as the guideline for its ESG practices, in order to standardize relevant operations and promote the continuous improvement of the Company’s sustainability management system and related mechanisms.



1. Formulate the Company's ESG management framework, policies, and strategic objectives, submit them to the Sustainability Management Committee for review, and ensure alignment with the Company's needs as well as applicable laws and regulatory requirements;

2. Develop and update the Company's ESG-related management systems and submit them to the Sustainability Management Committee for review;

3. Based on the Company's ESG development direction, strategic objectives, and management policies, coordinate relevant functional departments and operating centers to formulate and implement specific work plans and action plans across all ESG dimensions, and drive the achievement of ESG-related performance indicators;

4. Organize ESG risk and opportunity identification and assessment, formulate corresponding response measures, and report to the Sustainability Management Committee;

5. Conduct stakeholder engagement to understand stakeholder expectations, feedback, and recommendations, and respond to their ESG-related needs;

6. Regularly organize ESG communication and training across the Company;

7. Periodically collect and assess progress toward the Company's ESG objectives;

8. Organize the preparation of the Company's annual ESG report and submit it to the Sustainability Management Committee for approval and disclosure;

9. Execute other ESG-related tasks assigned by the Sustainability Management Committee.



1. Lead the formulation of the Company's ESG development direction, strategies, and management policies;

2. Review ESG risks and opportunities;

3. Review and approve the ESG governance structure and target planning;

4. Approve the Company's ESG management policies, ESG reports, and other major ESG-related matters

5. Guide and supervise the progress and effectiveness of ESG work, and evaluate the Company's overall ESG performance.

1. Develop and implement ESG-specific action plans, collaborate with the ESG Management Office in tracking and evaluating progress toward ESG objectives and targets, and establish related improvement measures;

2. Support the identification and assessment of risks and opportunities related to ESG issues, and develop corresponding response measures;

3. Support stakeholder engagement activities and assist in responding to ESG-related stakeholder needs;

4. Assist in Company-wide ESG communication and training;

5. Participate in ESG report preparation and research projects, and be responsible for collecting and organizing ESG information and performance metrics within the department and submitting them to the ESG Management Office.

To continuously strengthen the its sustainable governance capabilities, the Company advances the enhancement of its sustainability information reporting mechanisms, ensures the quality of information disclosure, and improves specialized governance competencies. The Company has established a quarterly ESG-focused review meeting mechanism to break down ESG policies and requirements into actionable components and ensure timely implementation, forming a dynamic and effective risk prevention and communication system. The Company actively prepares its sustainability report guided by the principles of authenticity, materiality, scientific rigor, completeness, and consistency. Opinions from stakeholders and external experts are fully considered, and, as required by relevant rules, disclosure is made only after review and approval by the Sustainability Management Committee to ensure the quality of information disclosure. The Company's decision-making level and management level continuously strengthen ESG-related knowledge and skills. Relevant departments and subsidiaries integrate ESG management into daily operations to collaboratively advance progress. AKM Meadville also invites professional ESG teams to conduct training and exchanges, sharing the latest sustainability trends and ESG rating requirements. These efforts firmly reinforce the Company's professional sustainable governance capabilities and support steady advancement on its sustainable development journey.



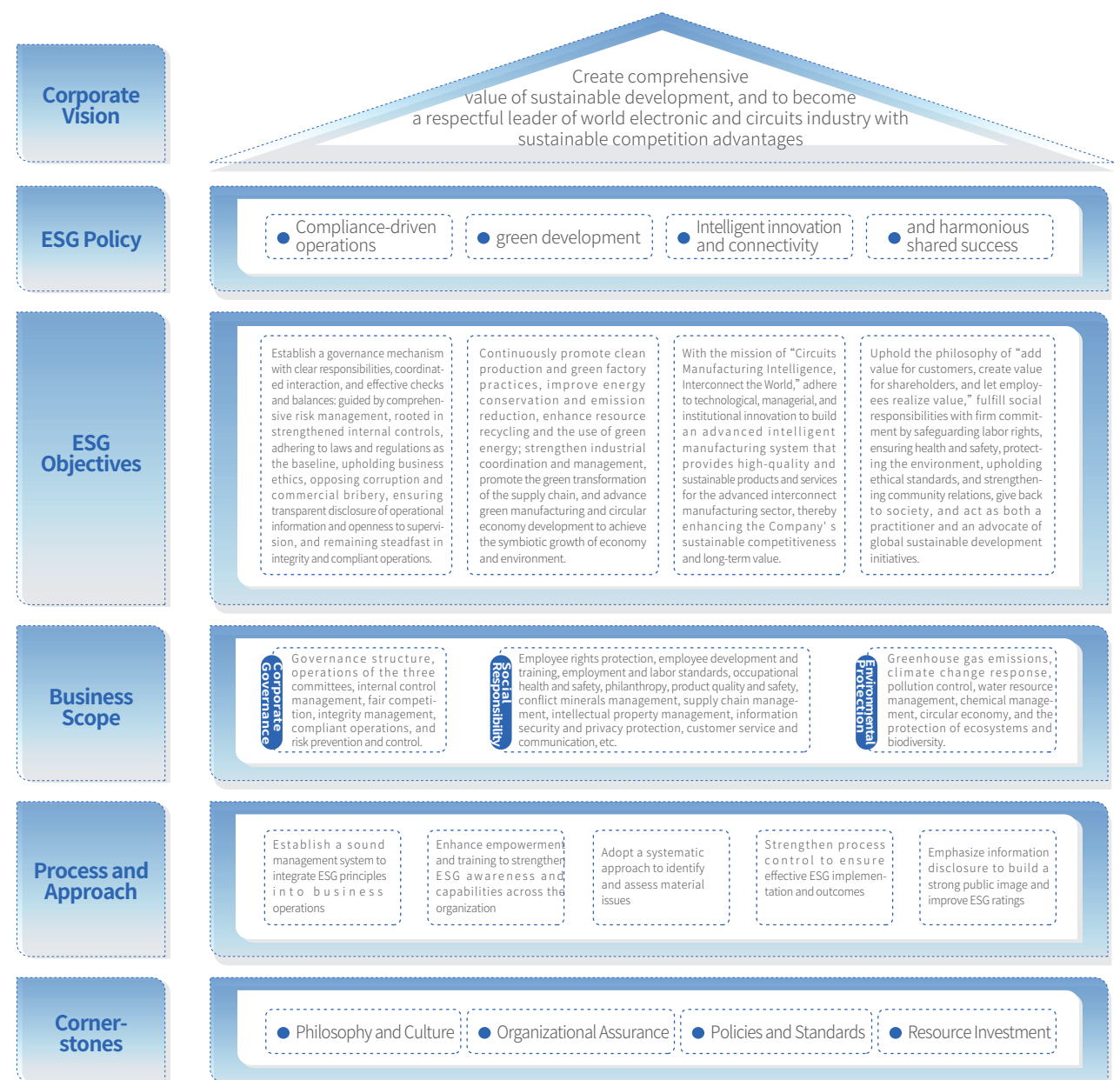
Case: Focusing on Governance, Advancing Steadily

AKM Meadville convened regular sustainability-focused meetings in 2024 to focus on sustainability objectives, challenges, and opportunities. The Company established key work priorities built around proactive risk prevention, systematic management, and targeted actions, continuously strengthening ESG management and risk control mechanisms to jointly advance toward a more sustainable future.



Management

AKM Meadville upholds the mission of “Circuits Manufacturing Intelligence, Interconnect the World,” and is committed to the corporate vision of “becoming a respectful leader of world electronic and circuits industry with sustainable competition advantages.” Guided by the core values of “people-oriented, practical and accountable, customer first, excellence and innovation, and win-win collaboration,” and adhering to the ESG philosophy of “compliance-driven operations, green development, intelligent innovation and connectivity, and harmonious shared success,” the Company integrates ESG management across the entire business lifecycle, achieving synergy between economic benefits and ESG objectives and laying a solid foundation for long-term sustainable development.



Influence, Risk and Opportunity Management

In the course of its business operations, AKM Meadville actively fulfills its sustainable development responsibilities and obligations, including environmental protection, social responsibility, and sound and transparent corporate governance, while continuously optimizing processes for identifying and assessing impacts, risks, and opportunities.

Based on its ESG management principles and actual business practices, AKM Meadville identifies, analyzes, and evaluates ESG risk points across its operations, and sets annual as well as medium- and long-term ESG targets focusing on key areas such as compliance-driven operations, environmental management, climate change response, occupational health and safety, risk control and internal control, and social responsibility fulfillment.



Medium-Term Targets

To conduct a status review and benchmarking analysis to identify challenges and gaps.

To build and enhance the ESG management system and advance the establishment and optimization of ESG management models.

To focus on domestic and international sustainability trends and accelerate ESG-business integration and innovation.

To strengthen the communication of the Company's ESG philosophy, management practices, and performance to enhance its ESG ratings.

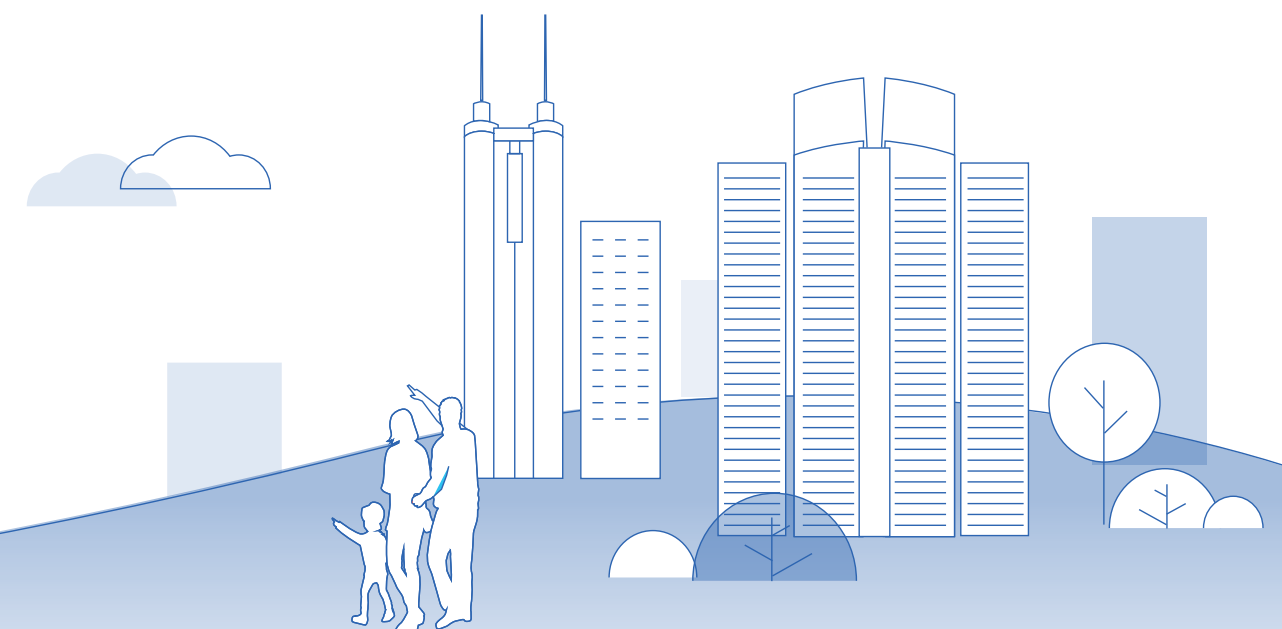
Long-Term Targets

To strengthen internal promotion of sustainability policies and regulations to continuously enhance compliance and ensure lawful operations.

To obtain or maintain relevant certifications in corporate governance, social responsibility, and environmental protection to build a strong corporate image.



To improve workforce planning management requirements and standards to continuously meet the evolving needs of customers.

To continuously advance green and environmentally responsible development, conduct specialized technological upgrades and investments, and ensure the Company's long-term sustainable development.



Communication with Stakeholders

AKM Meadville maintains regular communication with its stakeholders. Through an analysis of its business relationships and operational contexts, the Company has identified seven key stakeholder groups: government authorities, investors, employees, customers, business partners, suppliers, and communities. In 2024, the Company actively solicited stakeholders' opinions on its environmental, social, and governance initiatives and actively responded to the expectations of diverse stakeholders.

Stakeholder	Expectation	Interaction Mechanism	Communication Frequency
 Government Authorities	<ul style="list-style-type: none">Integrity in business operationEnvironmental compliance	<ul style="list-style-type: none">Exchange visitsSpecial inspections	<ul style="list-style-type: none">As neededAs needed
 Investors	<ul style="list-style-type: none">Corporate governanceTechnology innovationCustomer relationshipEconomic performance	<ul style="list-style-type: none">Annual reportsSpecial inspections	<ul style="list-style-type: none">Regular
 Employees	<ul style="list-style-type: none">Occupational health and safetyTraining and developmentRemuneration and benefits	<ul style="list-style-type: none">Safety awareness campaignsBusiness trainingEmployee activitiesEmployee satisfaction surveyEmployee engagement survey	<ul style="list-style-type: none">As neededAs neededAs neededRegular
 Customers	<ul style="list-style-type: none">R&D innovationProduct quality and safetyInformation security and privacy protectionSustainability governance	<ul style="list-style-type: none">Customer satisfaction surveyCustomer communication platform	<ul style="list-style-type: none">RegularAs needed
 Business Partners	<ul style="list-style-type: none">R&D innovationTalent management	<ul style="list-style-type: none">Cooperation platform for enterprises, universities and research institutesScientific research projectsIndustry association exchanges	<ul style="list-style-type: none">As neededAs neededAs needed
 Suppliers	<ul style="list-style-type: none">Supply chain managementCircular economyAnti-commercial bribery and anti-corruption	<ul style="list-style-type: none">Supplier auditsIntegrity and anti-corruption trainingCollaborative projects	<ul style="list-style-type: none">As neededAs neededAs needed
 Communities	<ul style="list-style-type: none">Volunteer serviceRural revitalization	<ul style="list-style-type: none">Welfare activitiesAssistance activities	<ul style="list-style-type: none">As neededAs needed

Analysis of Material Issues

Starting from the Company's development strategy, AKM Meadville fully integrates insights from all departments and recommendations from internal and external experts, and references national sustainability policies, major international ESG disclosure standards, capital market ESG rating focuses, and key concerns of internal and external stakeholders to conduct a comprehensive and systematic identification of material ESG issues for the year. Through stakeholder surveys, interviews with the management level, and other methods, the Company evaluates and analyzes the significance of each material issue, identifies annual priorities, and formulates targeted responses to stakeholder expectations.

In 2024, the ESG Management Office carried out the materiality assessment in an orderly manner following four steps: conducting background research, establishing a list of potential material issues, assessing and confirming materiality, and compiling the material issues report. Through this systematic process, the Company identified and determined 11 highly material issues.

No.	Issue	Category
1	Compliance Operations	Governance
2	Anti-Commercial Bribery and Anti-Corruption	Governance
3	Data Security and Customer Privacy Protection	Social
4	Occupational Health and Workplace Safety	Social
5	Sustainable Supply Chain	Social
6	Innovation-Driven Development	Social
7	Safety and Quality of Products and Services	Social
8	Protection of Employees' Rights and Interests	Social
9	Employee Training and Development	Social
10	Environmental Management	Environmental
11	Energy Utilization	Environmental

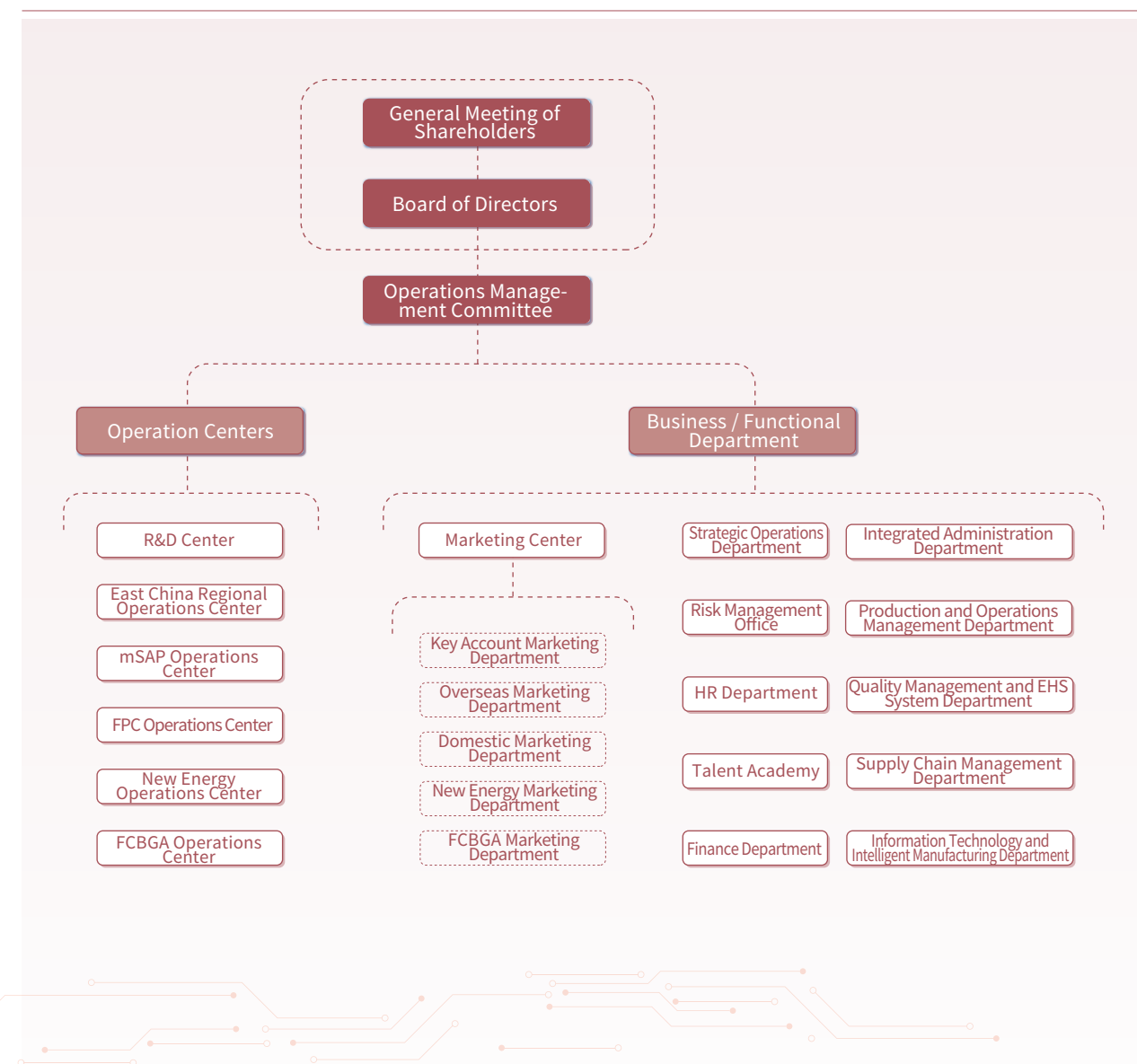
Governance

Pursuing Sustain- able Excellence

Robust corporate governance is the cornerstone of stable operations and the fundamental safeguard for AKM Meadville to uphold ESG principles and achieve high-quality development. AKM Meadville continuously enhances its governance system, strengthens governance capabilities, and improves decision-making quality. The Company regards superior governance as the core foundation for strategy execution, reinforcing the basis for sustainable development. By ensuring effective fulfillment of commitments to shareholders, customers, employees, and the community, the Company continues to enhance organizational resilience and value-creation efficiency, aspiring to become a respectful leader of world electronic and circuits industry with sustainable competition advantages.

Strategic Leadership for Long-Term Progress

AKM Meadville is committed to compliance and legal adherence as its cornerstone. The Company strictly follows applicable laws, regulations, and normative documents to standardize operations, continuously improve its corporate governance structure, and build a modern governance system characterized by transparent authority and responsibilities, coordinated operations, and effective checks and balances. The Company rigorously implements the “Three Majors and One Significant” decision-making system and procedural rules, fully leveraging the roles of the General Meeting of Shareholders, Board of Directors in major decision-making, operational management, and oversight, thereby ensuring the Company’s normative and compliant operations.



Board of Directors

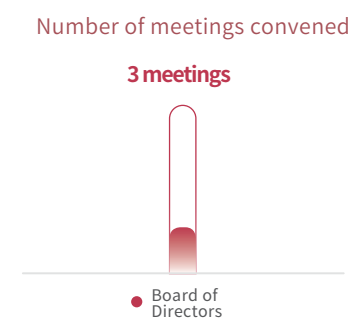
The Board of Directors is the Company's core governance body, accountable to the General Meeting of Shareholders and responsible for comprehensive decision-making functions. It lawfully convenes shareholder meetings, executes shareholder resolutions, and leads the formulation of business plans, investment and financing proposals, financial budgets and final accounts, as well as fundamental management systems. The Board decides on the establishment of internal management institutions, exercises authority over the appointment and dismissal of senior management, and is responsible for major matters such as changes in registered capital, mergers, demergers, and dissolution. In doing so, it balances the interests of shareholders and other stakeholders while achieving strategic objectives, enhancing corporate value, and ensuring compliant operations.

Board members are elected by the General Meeting of Shareholders, and their qualifications and removal require deliberation and approval of the General Meeting of Shareholders. Each Board term lasts three years and is renewable following statutory procedures. While ensuring professional competence, the composition of the Board emphasizes diversity across multiple dimensions, including gender balance, age distribution, educational background, industry experience, and professional expertise, with the aim of forming a decision-making team with strategic foresight and complementary professional skills. In 2024, the Board comprised seven directors, including four external directors and one female director, with professional backgrounds in strategic planning, financial management, and economics. Board members bring diverse professional expertise and rich practical experience, actively contributing their knowledge to support the Company's decision-making. To strengthen Board governance and promote its normative and effective functioning, the Company conducts quarterly evaluations of the Board's effectiveness across multiple dimensions, including compliance, operational standardization, operational effectiveness, and director performance assessments.

Management Level

The management level executes Board decisions, oversees daily operations, reports to the Board, and is subject to supervision by the Board of Directors. Senior management possesses extensive managerial experience and industry expertise, is familiar with the Company's specific business and operational processes, and is fully capable of meeting the requirements of daily operational management.

Meetings of the Three Governance Bodies in 2024



Strengthening Compliance as the Foundation

AKM Meadville consistently adheres to the compliance management principle and goal of “observing laws and regulations, upholding the bottom line, building compliance as a foundation, and ensuring sustainable development.” The Company deeply implements the standards of modern enterprise internal control systems, committed to constructing and continuously improving a full-chain compliance management and internal control mechanism, systematically strengthening risk prevention and control capabilities as well as information security protection. On this basis, the Company comprehensively promotes the deep integration and coordinated upgrading of legal governance and compliance management systems, continuously consolidating the institutional foundation and value safeguards for stable operations and sustainable development.

Compliance Operations

◆ Compliance Operations

The Company strictly follows relevant national laws and regulations, and has established systems such as the Measures for the Administration of Compliance. Focusing on improving institutional mechanisms, consolidating foundational compliance management, addressing key areas, and emphasizing legal and compliance risk prevention in international operations, strengthening legal awareness, and embedding a compliance-oriented culture, the Company promotes comprehensive quality upgrades in its legal governance and compliance management, continuously enhancing and refining its internal compliance management system.

AKM Meadville has established a Compliance Management Committee, chaired by the Chairman of the Board of Directors. The Committee also includes the General Legal Counsel and Chief Compliance Officer, and convenes regular compliance-focused meetings to review legal and compliance work reports, discuss and study relevant issues, and supervise the implementation and progress of compliance management work. Risk Management Office leads the Company's compliance management efforts, overseeing the implementation of compliance requirements and fulfilling its critical role as an organizer, promoter, and practitioner of lawful and compliant business operations. Functional departments and operating centers serve as the “first line of defense” in compliance management, bearing primary responsibility for lawful and compliant operations within their areas. They ensure that compliance requirements are embedded into business processes, guaranteeing that obligations are not only documented in policy but also effectively implemented, thereby enhancing compliance management effectiveness.

The Company conducts comprehensive legal and compliance reviews, continuously strengthening the legal and compliance examination of major decisions, internal regulations, and contracts. It also improves mechanisms for identifying and pre-warning legal and compliance risks, regularly updates legal and compliance developments, provides early warnings of identified risks, and promptly addresses relevant disputes. In 2024, AKM Meadville maintained high standards of integrity, fulfilled contractual obligations, and did not experience any major compliance risk incidents.

Case: Standardizing Export Compliance Management

AKM Meadville further strengthened compliance management and risk control in overseas operations by establishing a dedicated Export Control Section, regularly updating management checklists, and reviewing policies, regulations, and response recommendations in line with business needs. These efforts continuously enhance compliance awareness in overseas operations and effectively mitigate international compliance risks.

With outstanding performance across four core areas, internal control, financial integrity, regulatory compliance, and trade security, Shanghai Meadville Electronics Co., Ltd. successfully passed the renewal review for Advanced Certified Enterprise (AEO) status, providing strong assurance for the security and smooth operation of its import and export activities.



◆ Risk Management

The Company has established a risk management system in accordance with the Basic Norms and Supporting Guidelines for Enterprise Internal Control. The Company has developed management measures such as the Comprehensive Risk Management System and the Risk Database Establishment and Maintenance Process to standardize its comprehensive risk management practices.

The Company has built a robust risk control management framework and established a Comprehensive Risk Management Committee responsible for implementing higher-level directives on preventing and mitigating major risks. The Committee, chaired by the Chairman of the Board of Directors, with the General Manager and the risk management supervising officer serving as vice-chairs, leads the construction and effective operation of the Company's comprehensive risk management system. Risk Management Office spearheads the execution of risk management initiatives, while functional departments and operating centers assume primary responsibility for risk prevention and control within their respective areas, executing the Company's comprehensive risk management policies and core procedures in daily operations.

AKM Meadville regards the improvement and effective operation of its risk management system as vital to stable business development and fulfilling responsibilities to stakeholders. Based on a comprehensive risk governance framework, the Company has established a systematic risk management mechanism following the comprehensive closed-loop process of risk identification, risk early warning, risk tracking, and risk control. Risks are regularly reassessed, and response strategies are studied. By embedding risk management into business decision-making and operational processes with a forward-looking mindset, the Company ensures stable growth and long-term value creation in a complex environment.

Risk Management Measures



Risk Identification

The Company conducts an annual enterprise-level risk assessment, evaluating major, significant, and general risks based on risk survey results, the previous year's risk project management effectiveness, risk points identified in the quality management system, and the management level's risk evaluation results.



Risk Early Warning

The Company conducts daily risk monitoring, continuously collects and updates risk information, and dynamically maintains the risk information database. Quarterly reports are submitted detailing the preventive measures implemented and outlining the next steps in the risk management plan.



Risk Tracking

Identified risk events are continuously monitored and regularly updated. During risk event handling and routine operations, any issues or business risks detected are communicated through risk alert notices, promoting proper resolution of risk events. Closed-loop resolution is promptly completed for fully addressed risks.



Risk Control

The Company applies different strategies—risk avoidance, transfer, mitigation, or acceptance—depending on the nature of the risk, to minimize potential losses, enhance risk management capabilities, and effectively prevent and mitigate major risks.

The Company integrates the annual risk identification and assessment process into the annual business plans of the Company and its departments. Operating centers and functional departments conduct annual self-assessment and evaluation of risks. Based on review and analysis, an annual major risk management list is established, serving as the core tool to coordinate risk identification, assessment, prevention, and supervision. Quarterly follow-ups track the management of major risks, implementing a dual strategy of “risk reduction + risk transfer” to continuously enhance the quality and efficiency of operational management. The Company has not had any major risk incidents in 2024.



The Company periodically conducts specialized risk management supervision of relevant functional departments and operating centers, incorporating the results into performance evaluations of functional departments, operating centers, and responsible personnel. Additionally, the Company requires management at all levels to take ownership of major risk management responsibilities, serving as leaders and role models in cultivating a risk-aware culture. Employees are made aware of their individual responsibilities for risk prevention within their roles and are held accountable for due diligence, prudent prevention, and timely reporting. Employees are encouraged to report risk events through multiple channels to foster full participation in enterprise risk management.



Feedback Channels

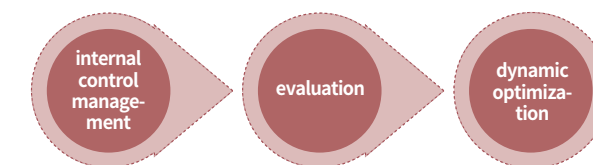
- Communication with the Company's risk management functional departments
- Reporting to the relevant department head

To enhance company-wide risk awareness and prevention capabilities, the Company has innovatively implemented tiered training programs. Technical key personnel receive targeted risk prevention training via the Company's training platform, while frontline employees participate in risk awareness training. This differentiated curriculum creates a company-wide risk prevention matrix, transforming risk awareness from “passive acceptance” to “active defense.” During the reporting period, the Company conducted comprehensive enterprise risk management training courses covering risk definitions, risk identification, risk assessment, risk response measures, and the Company's risk management procedures, helping employees understand and identify risks, and develop effective risk management strategies.

◆ Internal Control

The Company strictly complies with relevant laws and regulations and continuously advances the construction of its internal control system in accordance with the Basic Norms and Supporting Guidelines for Enterprise Internal Control. The Company has established internal control management policies, including the Internal Audit System, the Measures for the Administration of External Audit Services, and the Company Construction Project Audit Management System, continuously improving the internal control framework.

The Company is committed to thoroughly implementing the standards of modern enterprise internal control systems and constructing a comprehensive, robust internal control management framework. Emphasizing normativity and transparency, it continuously develops and strengthens mechanisms for internal control supervision and evaluation, leveraging results to establish a mechanism of ongoing monitoring, thorough assessment, and dynamic optimization. The Board of Directors continuously supervise the establishment and implementation of internal controls. Risk Management Office, as the internal audit function, is responsible for executing internal audits, routinely examining the construction and operation of the internal control system. Guided by risk management principles and aligned with the Company's strategic objectives and annual operational goals, the Department develops an annual internal audit plan and conducts internal audits across the entire organization. The audit scope covers the Company's core businesses, key matters, and high-risk areas, providing support for standardized corporate governance, internal control enhancement, and major management decision-making. The Company has also established the Audit Opinion Rectification Implementation Guidelines, which thoroughly addresses internal control deficiencies identified during audits. Effective corrective action plans are developed, creating a virtuous cycle in which rectification drives management improvement. Quarterly reports are prepared and communicated to the management level.



During the reporting period, to enhance the internal control and compliance awareness of the management of functional and business departments, standardize business processes, and strengthen the Group's risk prevention capabilities, the Company conducted audit projects according to the annual internal audit plan. These audits covered multiple business areas, including procurement, R&D, assets, engineering, and overseas management. Information technology tools were employed to ensure that audit findings were fully addressed and closed, further enhancing the internal control system. Based on AKM Meadville's criteria for identifying significant internal control deficiencies, the internal control evaluation report as of the reporting date indicated no significant or material deficiencies.

◆ Institutional Development and Process Management

The Company attaches great importance to institutional development and has designated a dedicated function for its coordination and management. This function takes the lead in working with all business units and functional departments to jointly review and update the annual institutional development plan. In line with the Company's business development needs, regulatory changes, and internal management practices, relevant policies are comprehensively reviewed and revised. In parallel, a mechanism for ongoing policy updates and optimization has been established to ensure that the institutional framework consistently aligns with the Company's strategic direction, thereby providing a solid institutional foundation and internal control support for the Company's long-term development. In 2024, the Company continued to advance system development, introducing 7 new company-level systems and revising 4 systems, bringing the total to 85 systems covering 11 business areas.

2024

introducing **7** new company-level systems

revising **4** company-level systems

85 systems in total

covering **11** business areas



2024

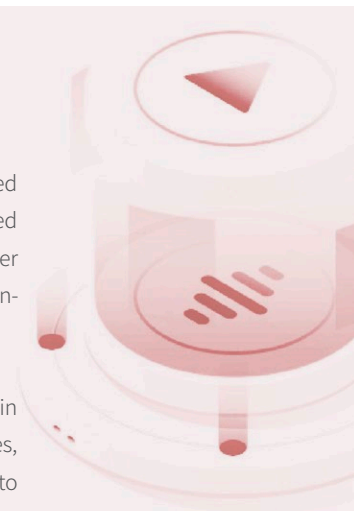
constructed **11** process domains | completed **345** process definitions

Focusing on process management, the Company established a Process Management Committee with the mission of “creating process systems that generate value for customers, enhance customer satisfaction, resolve operational and management pain points, drive management transformation, and improve efficiency.” Positioned to manage process system operations and promote targeted management initiatives, the Committee systematically optimizes interdepartmental and cross-business process linkages, enhancing the completeness, standardization, and effectiveness of the internal control system from both the system and process dimensions. This approach effectively addresses cross-departmental collaboration challenges, providing a strong foundation for business growth and strategic implementation. In 2024, process construction covered 11 process domains, completing 345 process definitions. The Company clarified management and authorization rules, developed a tiered authorization manual, and defined responsibilities and approval authorities at each stage. By integrating the improved processes into the system to enable digitalized business operations, the Company has elevated its operational efficiency to a new level.

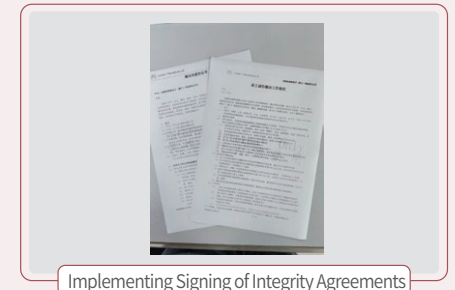
◆ Business Ethics

The Company strictly complies with applicable laws and regulations, and has formulated systems such as the Code of Business Conduct, Integrity Management System, Detailed Rules for Integrity Reporting, Employee Integrity and Conduct Guidelines, and Supplier Integrity Co-Building Agreement to continuously enhance its anti-corruption and anti-unfair competition framework.

In terms of anti-monopoly and fair competition, the Company ensures full compliance in its business activities, strictly prohibiting unfair competition and monopolistic practices, safeguarding market order and a fair competitive environment. It remains committed to responsible sales and marketing conduct, enforcing compliance throughout the entire process of business development and contract management. In market development, customer management, and product labeling, the Company provides accurate and comprehensive information. When performing their duties, employees exercise sound commercial judgment to identify and avoid conflicts of interest. The Company proactively encourages, supports, and protects all organizations and individuals who supervise and report violations.



Joining the Enterprise Anti-Fraud Alliance



Implementing Signing of Integrity Agreements

In terms of anti-corruption and anti-bribery, the Company adopts a zero-tolerance stance toward bribery and corruption, and advances integrity culture construction through a three-pronged approach of “systems + education + supervision,” building a strong ethical defense line to support high-quality corporate development. The Company formulates dedicated management policies to regulate business operations and employee conduct, fostering a culture of integrity and diligence. It strengthens management and supervision over high-risk links and key positions, conducts targeted training programs, and organizes the signing of integrity agreements. The Company has joined the Enterprise Institute for Internal Controls (Enterprise Anti-Fraud Alliance), actively participates in alliance activities, and engages in professional exchanges to continuously enhance its fraud-identification and response capabilities. The Company also establishes a fair, impartial, clean, and trustworthy working environment and procurement platform, reiterates the principles of integrity-based cooperation to partners, signs integrity co-building agreements, and provides reporting channels to encourage whistleblowing of misconduct.

Integrity Risk Assessment

◎ Conduct annual integrity-risk assessments using questionnaire surveys, case analysis, and data analysis, and propose corresponding mitigation measures.

Whistleblower Protection

◎ Ensure strict confidentiality for whistleblowers and commit that employees will not face unfair dismissal, harm, or improper disciplinary action for reporting in good faith.

Integrity Management Measures

Integrity Risk Prevention and Control Management

◎ Comprehensively update and optimize the Integrity Management System, ensuring that integrity risk prevention and control are embedded into routine practice and governed in an institutionalized, standardized, and systematic manner.
◎ Conduct pre-appointment integrity briefings and strictly uphold daily anti-corruption and integrity requirements.
◎ Cooperate with customers' integrity reviews to enhance trust and satisfaction.

Integrity Education and Training

◎ Organize diversified and multi-tiered integrity education and training programs, including integrity system training, employee integrity training, and onboarding integrity education.
◎ Leverage corporate integrity email boxes and WeChat official account to regularly disseminate integrity culture content and foster strong ethical awareness.

Accessible Complaint Channels

◎ Establish and maintain a comprehensive mechanism for managing and handling reports of misconduct. Reporting email addresses and hotlines are published on the Company website, intranet, OA homepage, ERP system, and other platforms. Dedicated personnel are assigned to manage the complaint channels and establish a robust information management system, and to follow up on reported complaints and conduct independent investigations.
◎ Establish a case review mechanism to analyze root causes of corruption incidents and strengthen integrity risk controls in future operations.

In 2024, the Company did not experience any incidents of commercial bribery or corruption, nor was it involved in any lawsuits or major administrative penalties arising from unfair competition practices.

◆ Information Security

The Company strictly complies with the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Personal Information Protection Law of the People's Republic of China, and continuously enhances its information security management system with reference to ISO / IEC27001. The Company has formulated information management policies and operating procedures, and established a clearly defined information security governance structure to standardize information and data management, ensuring robust and effective protection of information security. As of the end of 2024, four of the Company's manufacturing sites have obtained ISO27001 certification, while the remaining sites are advancing information security practices in alignment with ISO27001 requirements and actively preparing for certification. For details, please refer to Appendix 1: Overview of Management System Certifications.

Information Security Organizational Structure

Head of Information Security

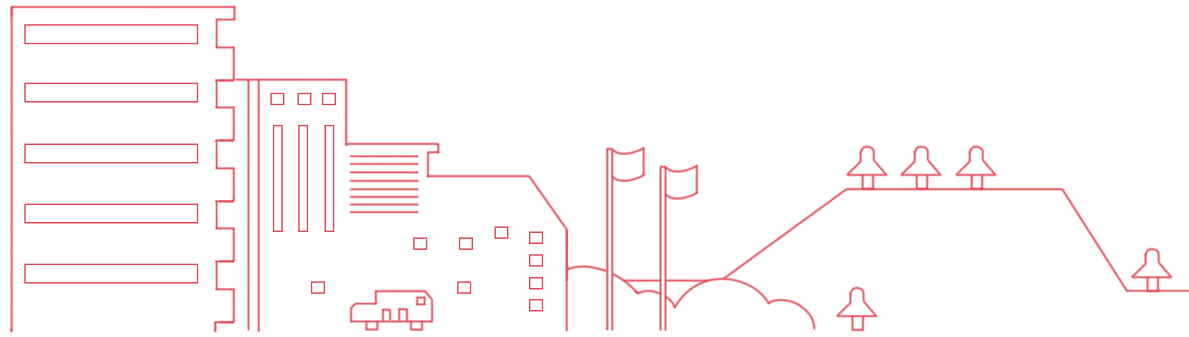
Top Management of the Company

Manufacturing Site-Level Information Security O&M Team

Manufacturing Site-Level Information Security O&M Team: Work jointly with the Company's Information Security Team to communicate, implement, and enforce the Company's information security policies and management requirements.

Company-level Information Security Team

The IT Director serves as the head of the Information Security Team, responsible for defining specific strategies and directions, with direct reporting to the top management. The Information Security Technology Team and the Information Security Audit Team are responsible for implementing information security policies and conducting supervision and inspections.



Integrity Reminders



Training on Code of Business Conduct



Integrity Education Base Visit



Integrity in Action Initiatives

Case: “Preventing Duty-Related Crimes, Safeguarding High-Quality Development” Training

To further promote integrity and honesty and secure the Company's stable and sound development, AKM Meadville, together with the Economic Crime Investigation Brigade of the Huangpu Branch of Guangzhou Municipal Public Security Bureau, organized a themed integrity-culture training session titled “Preventing Duty-Related Crimes, Safeguarding High-Quality Development.”





The Company consistently adheres to the core principles of information security—confidentiality, integrity, and availability—and actively advances emergency drills, data protection, professional training, and security controls.



Emergency Drills

- In accordance with the Company's policies and drill plans, annual business-continuity exercises are conducted to ensure rapid business recovery in the event of incidents or disasters, thereby minimizing potential risks and associated losses.

Professional Training

- CISSP-oriented professional training is provided to information security personnel to enhance their expertise. Information security training is also offered to employees; in 2024, a total of 685 participants completed the training and passed the assessment.

Data Protection

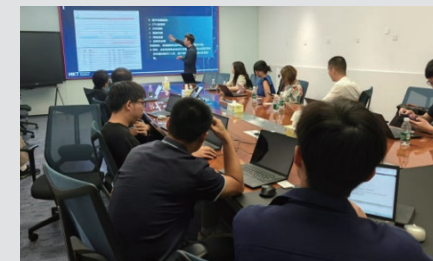
- The Company has established an operational data backup plan, with monthly backups and availability checks. Strict access controls are implemented for core application systems and databases; employees may only access information necessary for their duties, and access permissions are periodically reviewed and updated.

Security Controls

- The Company deploys antivirus and vulnerability-protection systems, ensuring centralized security management across all endpoint devices. Intrusion detection and perimeter security controls are strengthened, and email system security is enhanced. In 2024, an average of 3.57 million attacks were blocked and 33,180 malicious emails were intercepted per month. Regular penetration testing and vulnerability scanning are conducted to identify and improve potential security weaknesses, thereby enhancing overall system security and stability and safeguarding customer information.

Case: Strengthening Information Security Defense

AKM Meadville actively conducts information security training for employees to enhance their awareness of data protection and reinforce the Company's information security defense.



2024

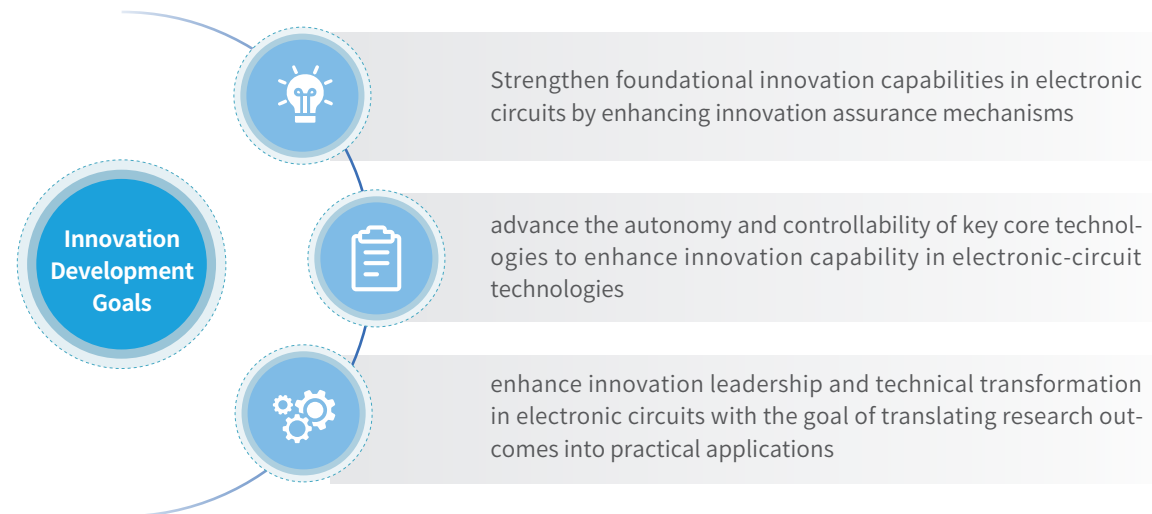
● Number of data security incidents **0**
 ● Number of customer privacy breach incidents **0**

Innovation Technology Empow- erment

Guided by the strategic compass of “technological self-reliance and self-strengthening,” AKM Meadville has established a comprehensive innovation governance system, driving industrial breakthroughs through the development of core technologies and advancing industry leadership through standard-setting and a robust patent moat. The Company is reshaping its business foundation through digital reinvention, enabling a shift across the entire value chain from efficiency-driven operations to ecosystem-driven value creation. By fostering synergy across “talent-resources-technology,” the Company is forging an innovation engine that drives industrial transformation and opens new pathways for future technological leadership.

Orderly and Steady Innovation

AKM Meadville is firmly committed to its innovation-driven development goals, positioning its R&D Center as the core innovation hub and establishing a comprehensive R&D governance system. The Company deepens collaboration along the industrial chain and strengthens partnerships among industry, academia, and research institutions to build an open and collaborative innovation ecosystem and accelerate the translation of research achievements into actual outcomes. The Company spares no effort in resource investment and reinforces fundamental R&D capabilities and experimental platforms. It maintains a strategic focus on talent attraction, cultivation, utilization, and retention, and cultivates a technology-driven talent pipeline with both global vision and strong breakthrough capabilities through top-tier talent programs and innovation incentive mechanisms, injecting sustained momentum into its development.



The Company remains committed to becoming a global technology leader in high-density electronic circuit solutions. It has established and continuously enhanced a multidimensional R&D governance system with its R&D Center as the core engine. This system spans horizontally across key domains including materials, processes, product development, design simulation, and industry-academia-research collaboration, and extends vertically across three levels, corporate, manufacturing site, and department. It is responsible for R&D strategic planning, major project decision-making, and resource allocation. The Company has also established a Technical Expert Committee to fully leverage collective technical expertise. The committee provides professional advice and support across the Company's technology and business areas, advancing integrated project management and enhancing cross-departmental collaboration to ensure systematic and coordinated technological innovation.



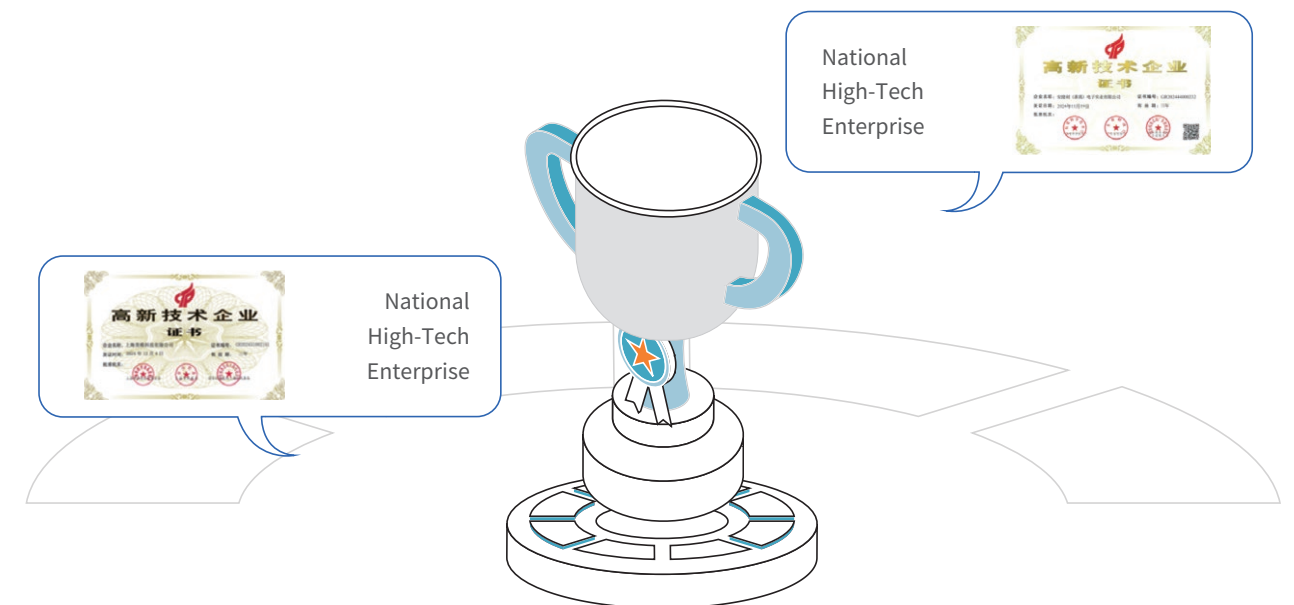
R&D direction planning

In terms of R&D direction planning, the Company closely tracks market dynamics, industry trends, and customer needs to define its R&D roadmap and set both long-term and short-term innovation objectives. Guided by forward-looking technology strategies, the Company optimizes capacity deployment and advances digital operations and information upgrades to ensure the efficient transformation of R&D achievements into practical products that meet quality and production requirements.

R&D project execution

In R&D project execution, the Company has established a full life-cycle project management system based on the PMBOK framework. Projects are managed through five process groups—initiation, planning, execution, monitoring, and closing—and across ten professional domains: integration, scope, schedule, cost, quality, resources, communications, risk, procurement, and stakeholder management. Through systematic planning, coordination, progress monitoring, and acceptance of project deliverables, supported by dynamic tracking for real-time oversight, the Company ensures the efficient advancement of R&D projects.

In 2024, Shanghai Meadville Science & Technology Co., Ltd. and AKM Electronics Industrial (Panyu) Ltd. have obtained High-Tech Enterprise accreditation, and Guangzhou Anbo was recognized as a "Specialized, Refined, Unique, and Innovative" Enterprise. As of the end of 2024, six manufacturing sites under the Company had been accredited as High-Tech Enterprises, three manufacturing sites had been recognized as "Specialized, Refined, Unique, and Innovative" Enterprises, and two manufacturing sites had been designated as "Little Giant" Enterprises.



To achieve AKM Meadville's innovation-driven development goals, The Company continuously strengthens its innovation ecosystem, consolidates talent development, optimizes cross-departmental collaboration, and increases resource investment. Through these comprehensive measures, it builds a robust system to support innovation, enhances innovation momentum, and promotes the advancement of the Company's core competitiveness.

| Innovation Ecosystem Development

The Company actively builds a collaborative innovation ecosystem by deepening cooperation along the upstream and downstream of the industrial chain and strengthening partnerships with research institutions. These efforts accelerate technology commercialization and industrial integration, fully advancing both the autonomy and controllability of core technologies and the efficient implementation of innovative results. The Company has joined 44 industry associations and organizations, including the China Printed Circuit Association (CPCA), the National Technical Committee for Standardization of Printed Circuits (TC47), and the Printed Circuit Committee of the Electronics Manufacturing and Packaging Technology Branch of the Chinese Institute of Electronics. In addition, the Company conducts R&D projects spanning multiple disciplines and actively engages in industry-academia-research collaborations with renowned domestic and international universities, including establishing jointly-built R&D centers and generating proprietary intellectual property.

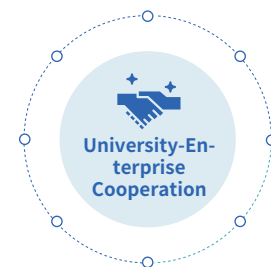
Guangzhou Meadville Electronics Co., Ltd. has jointly carried out the project in collaboration with universities and research institutions.

AKM Electronics Industrial (Panyu) Ltd. has participated in the Guangdong Provincial Science and Technology Program project together with multiple universities.

Shanghai Meadville Science & Technology Co., Ltd. has conducted research on the project. In cooperation with multiple universities, the Company has participated in the national key R&D project.

AKM Electronics Industrial (Panyu) Ltd. has led the Guangdong Provincial Key R&D Program project.

AKM Electronic Technology (Suzhou) Ltd., in collaboration with university, has led the Suzhou Municipal Science and Technology Program project.



Knowledge Exchange and Innovation Integration



Hosting the Suzhou Advanced Packaging Substrate Technology Innovation Consortium Exchange Conference



Participating in the ELECTRONICA 2024, Munich, Germany



Attending the 2024 Electronic Semiconductor Industry Innovation & Development Summit and International Electronic Circuits (Greater Bay Area) Exhibition

| Research Talent Development

The Company brings together professionals from diverse backgrounds, including electronic engineering, materials science, and chemical engineering, forming a well-structured talent pipeline led by PhD and postdoctoral researchers and supported by master's and undergraduate-level core staff. To implement an internally-driven talent cultivation strategy, aligned with the philosophy of “open exchange and shared progress,” The Company regularly holds quarterly technical seminars and actively builds a robust university-industry collaboration ecosystem. Close talent-development partnerships have been established with multiple leading universities in China. Signature programs include postdoctoral research stations, the AKM Meadville Training Class, the undergraduate “3+1” joint education model, on-site engineer training, and jointly-established vocational colleges. These initiatives continuously provide a stream of multidisciplinary talents equipped with both theoretical depth and practical capabilities to support technological innovation.

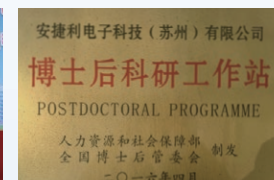
Integration of Industry and Education, Nurturing Elite Talent



Conducting Guest Lectures at a university



Establishing the AKM Meadville Vocational College



Establishing a Postdoctoral Programme

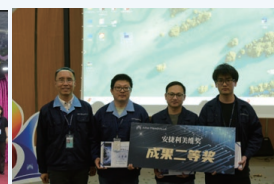


Holding a Postdoctoral Expert Review Meeting

| Increased Resource Investment

The Company focuses on overcoming technical barriers in core areas such as advanced packaging substrates, high-end HDI, rigid-flex boards, flexible circuits, and electronic modules, while simultaneously exploring cutting-edge directions including glass substrates and advanced packaging processes. The Company emphasizes investment in R&D resources and innovation incentives, prioritizing new product development and the advancement of core technologies. Through a dual incentive system of the “Innovation Achievement Award” and “R&D Project Award,” a tiered reward mechanism is applied to innovation results with industrialization value, high-quality intellectual property, and major process upgrades. This approach effectively stimulates innovation across the organization and provides solid support for the Company's technology leadership strategy.

Award Ceremony Group Photos



Breakthroughs in R&D

AKM Meadville focuses on tackling critical core technologies as a key breakthrough point, successfully overcoming multiple common technical challenges in the industry and achieving the industrialization of a series of groundbreaking innovations. In addition, the Company actively participates in the development of national-level technical standards, leading or collaborating on the formulation of industry-leading technical specifications, promoting the unification of technological paths and the optimization of market order, and guiding the development of the industrial ecosystem.

In 2024, The Company implemented over 150 R&D projects, concentrating on six major product areas: substrates, substrate-like-PCB (SLP), high-end high-density interconnect boards (HDI), high-end rigid-flex boards, flexible printed circuit boards for high-frequency and high-speed applications, and boards for new energy vehicles. Through parallel development along multiple technological routes, the Company achieved technical validation at several R&D milestones in process innovation and new material applications, providing competitively advantageous products and solutions for future applications in 5G communications, smart mobile terminals, automotive electronics, new energy power batteries, the Internet of Things, and the metaverse, thereby consolidating its leading position in the electronic circuit industry. During the reporting period, the Company received a total of 24 honors and qualifications, including 7 national-level recognitions, 10 provincial-level recognitions, and 7 awards from municipal, district, and industry associations. Additionally, the Company led or participated in the development of 9 industry standards and has published 4 national, industry, and association standards, contributing to the improvement of the standard system in the electronic circuit information industry.

2024

implemented over **150** R&D projects

received a total of **24** honors and qualification

7 national-level recognitions

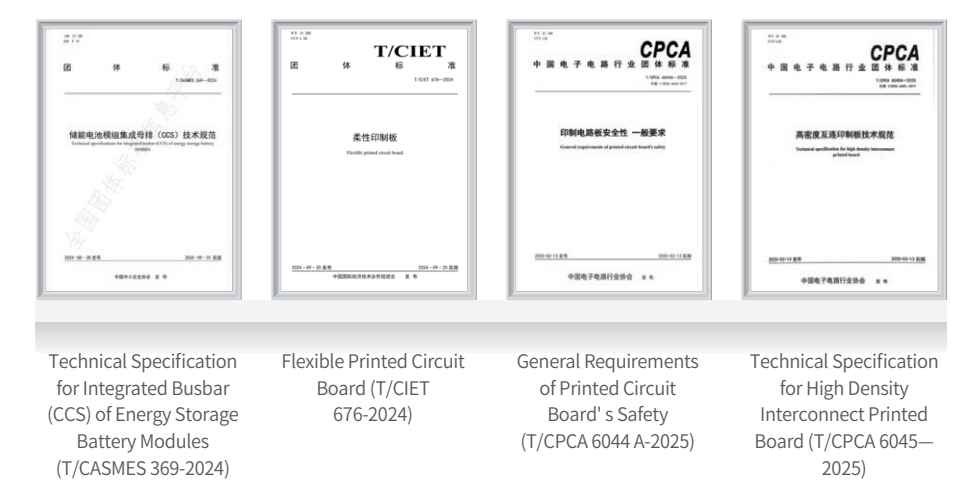
10 provincial-level recognitions



National R&D Project



Guangdong Province Key R&D Project



Technical Specification for Integrated Busbar (CCS) of Energy Storage Battery Modules (T/CASMES 369-2024)

Flexible Printed Circuit Board (T/CIET 676-2024)

General Requirements of Printed Circuit Board's Safety (T/CPCA 6044 A-2025)

Technical Specification for High Density Interconnect Printed Board (T/CPCA 6045—2025)

Intellectual Property Protection

To strengthen its innovation moat, AKM Meadville has systematically established an intellectual property (IP) strategic protection framework. Through forward-looking patent planning, the Company ensures the full value conversion of R&D investments, reinforces autonomy and controllability in core technologies, and lays a solid foundation for leading technological transformation and securing a competitive edge in future markets.

The Company regards intellectual property as a core component supporting technological innovation and safeguarding market competitiveness. To systematically enhance capabilities in IP creation, utilization, protection, and management, the Company has developed a comprehensive management system covering the entire IP lifecycle of creation, protection, and application. Institutional structures and cross-departmental coordination mechanisms ensure its effective operation. The Company's R&D Center, which integrates enterprises, universities, and research institutes, has appointed an Intellectual Property (IP) Manager and several dedicated staff members. They are responsible for enhancing the Company's IP protection policies and management system, as well as handling document archiving and reporting potential infringement risks. Risk Management Office is responsible for organizing and guiding the Company's responses to IP infringement risks and related litigation matters. By the end of 2024, Shanghai Meadville Electronics successfully obtained certification for the updated national standard “Requirements for Enterprise Intellectual Property Compliance Management System” (GB/T29490–2023), and was awarded the Intellectual Property Compliance Management System Certification. For details, please refer to Appendix 1: Overview of Management System Certifications.

In addition, the Company implements four key IP management measures—awareness enhancement, expert empowerment, process embedding, and risk prevention—to safeguard innovation activities, continuously strengthening its technological innovation moat and market competitiveness. On the path of innovation-driven high-quality development, the Company continues to make steady progress, with IP management reaching new heights. In 2024, the Company filed 186 patent applications, received 75 patent grants, and was recognized as a “2023 Shanghai Pilot Enterprise for Patent Work.”

2024

filed **186** patent applications

received **75** patent grants

Intellectual Property Management Measures

- ▶ The Company conducts specialized IP training, combining case studies, regulatory interpretation, and practical exercises to deepen technical personnel's understanding of the patent system and application strategies. This approach comprehensively enhances employees' innovation awareness and patent mining capabilities, while strengthening their knowledge in drafting invention disclosures and designing patent portfolios, thereby improving IP quality from the source.
- ▶ A team of IP technical experts has been established to focus on the Company's core technologies and key product areas. The team systematically identifies and develops high-value patents, promoting the creation of intellectual property portfolios with industry-leading standards.
- ▶ The Company has implemented a full lifecycle management process for intellectual property. Before initiating R&D projects, patent searches and analyses are conducted to review the current status and trends of relevant technologies domestically and internationally. This helps define patent layout strategies and risk-avoidance measures, ensuring clear project starting points and feasible development paths. Throughout the project, continuous tracking and evaluation are performed, ultimately building a robust and effective patent technology barrier.
- ▶ An IP information repository has also been actively developed to provide strong evidence and leverage in responding to potential external infringement claims. Additionally, infringement risk assessments are conducted early in product development to effectively avoid unintentional violations and minimize potential legal disputes.

Case: Patent Training to Strengthen Knowledge Reserves

AKM Meadville organized training sessions covering “Fundamentals of Patents, Invention Disclosure Drafting, and Patent Mining.” The program deepened technical personnel's understanding of patents, enhanced employees' innovation awareness, and strengthened their knowledge and skills in patent identification, drafting, and related areas.



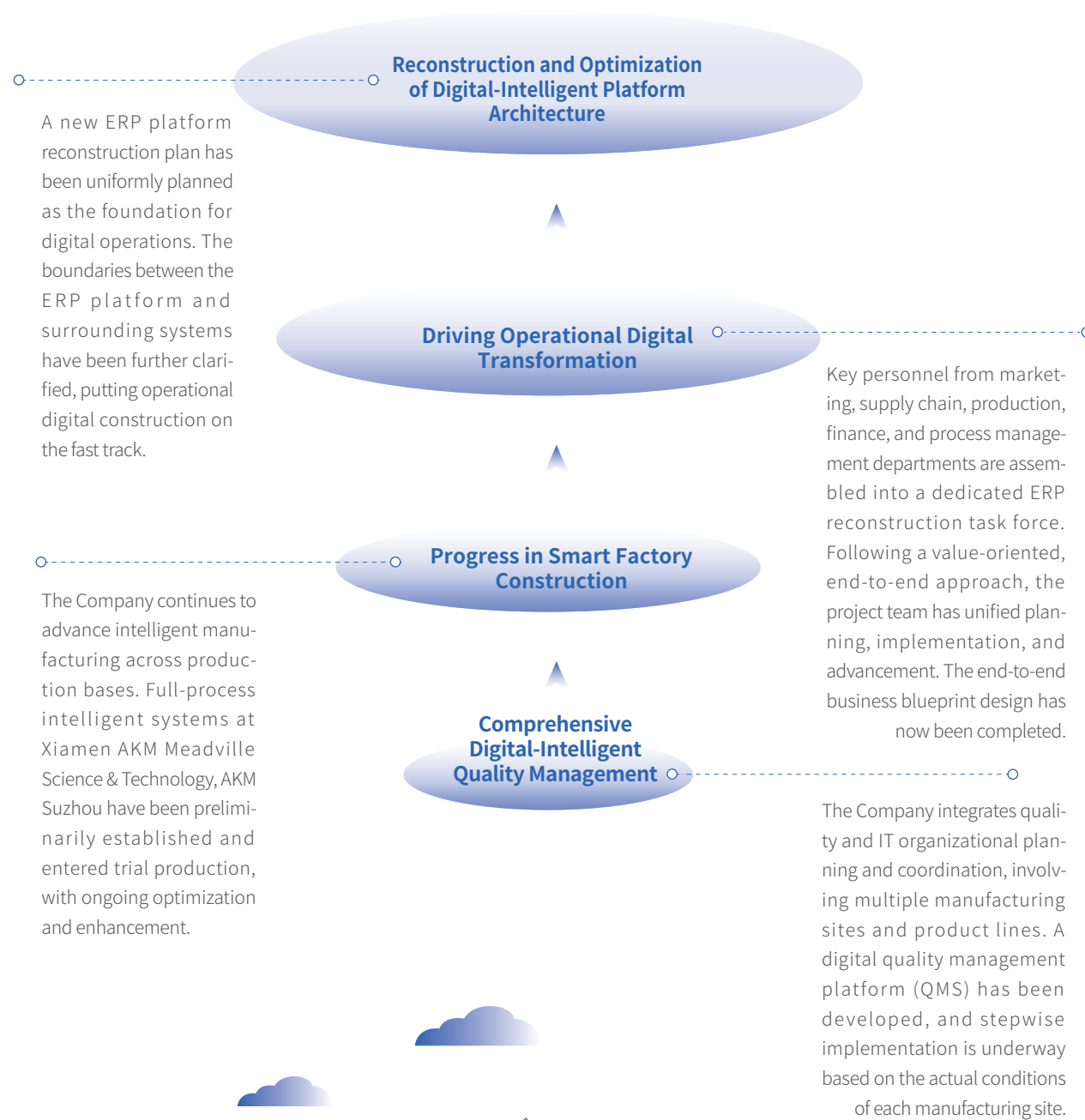
Digital Transformation Empowerment

Digitalization serves as a strategic fulcrum for reshaping core competitiveness amid global industrial transformation. Guided by top-level design, AKM Meadville systematically restructures its technological foundation and business processes to establish a comprehensive digital governance system spanning R&D, production, and the supply chain. This enables a paradigm shift from “efficiency improvement” to “value creation.” Driven by the dual engines of data intelligence and collaborative automation, the Company is accelerating the transformation of its operational model toward greater agility and ecosystem integration, injecting momentum into high-quality development.

The Company continuously promotes digital initiatives, encouraging subsidiaries to advance digital management and production practices, and building a series of digital platforms to enhance operational efficiency and achieve refined, systematic management. By the end of 2024, AKM Suzhou had obtained the AAA Certification for the Integration of Informatization and Industrialization Management System.



AKM Suzhou
AAA Certification for
Integration of Informatization
and Industrialization
Management System



Case: Smart Manufacturing Demonstration Factory

Through an integrated automated workflow featuring automatic production scheduling, AGV transportation and automated issuance of material parameters, we achieve significant savings in human resources, high machine utilization rates and zero material errors. Centralized management of laser gas, air conditioning, compressed air and voltage within the factory enables efficient energy conservation.



Case: Digital Training to Empower Cloud Capabilities

To further advance the Company's digital transformation, AKM Meadville launched Guangzhou Meadville Electronics Co., Ltd. "IT Excellence Partner" specialized empowerment training program to enhance employees' proficiency in using digital platforms.



Case: Shanghai Meadville Science & Technology Co., Ltd. Conducting Smart Manufacturing Training Programs

As the digitalization process accelerates, Shanghai Meadville Science & Technology Co., Ltd. carefully planned and launched a series of smart manufacturing training programs. These initiatives help relevant business departments improve work efficiency and encourage core personnel to actively participate in the construction of smart factories.

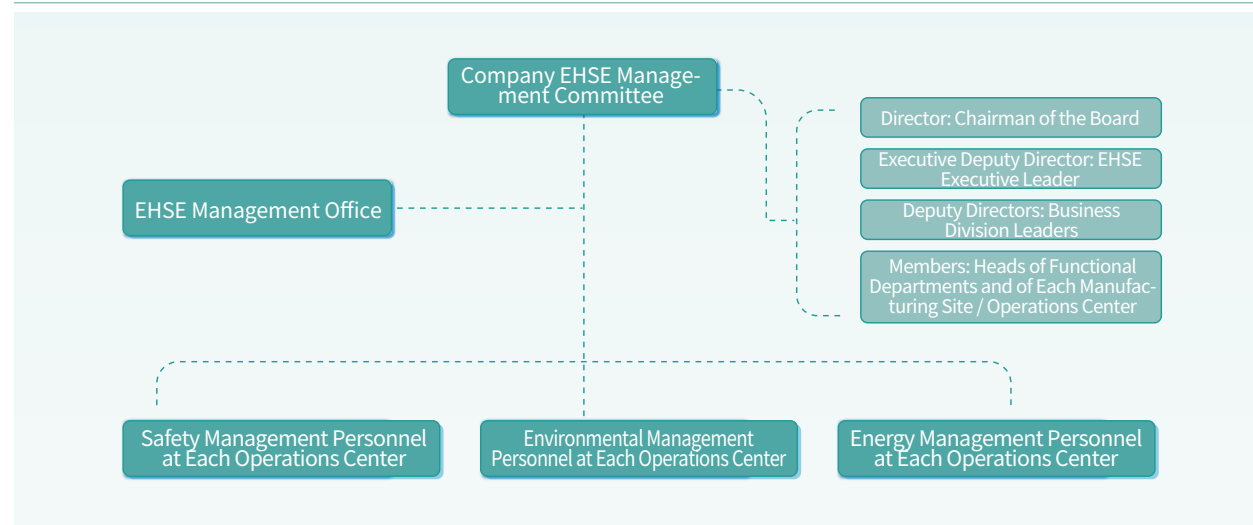


Green Sustainable Devel- opment

AKM Meadville has deeply embedded a “green DNA” into its sustainable development strategy, integrating green and low-carbon transformation into its core business development. Through a risk prevention and control mechanism, the Company strengthens its environmental risk management, while systematically reducing emission intensity by leveraging the pollutant control technology system. In addition, driven by the “dual carbon” targets, the Company promotes value chain transformation, comprehensively enhancing resource utilization efficiency and advancing green development. By harmonizing “green manufacturing” with “ecological co-prosperity,” AKM Meadville contributes solidly to promoting industry-wide green transformation and improving the global ecological environment.

Strengthening the Green Foundation

AKM Meadville comprehensively reinforces safety, environmental, and energy management by establishing a robust EHSE (Environment, Health, Safety, and Energy) organizational system. An EHSE Committee has been set up as the decision-making body for environmental management, chaired by the Chairman of the Board of Directors, with management representatives serving as vice chairs. Leaders of each operating center and functional department act as committee members, responsible for formulating EHSE policies and approving major investments. The committee is supported by the EHSE Management Office, which serves as the executive body responsible for daily supervision and implementation. Corresponding management departments within each operating center oversee on-site management and specific tasks in their respective sites. To ensure the orderly implementation of EHSE management and strict fulfillment of responsibilities at all levels, the Company enforces a management target accountability system. Each year, EHSE responsibility agreements covering environmental protection, safety, and energy conservation are signed, ensuring a top-down, multi-tiered accountability framework that extends from the Company to functional departments, operating centers, departments, teams, and individual employees.



◆ Safeguarding Environmental Protection

The Company strictly complies with relevant laws and regulations, including the Environmental Protection Law and the Environmental Impact Assessment Law, and actively promotes the implementation of environmental management system certifications across all operating centers. During the reporting period, all of the Company's operating centers obtained ISO14001 Environmental Management System certification, and seven major production sites achieved certification under the Hazardous Substance Process Management System. For details, please refer to Appendix 1: Overview of Management System Certifications.



The Company has systematically established a comprehensive environmental management system and a long-term operational mechanism, formulating and implementing institutional documents such as the Environmental Protection Manual, Environmental Protection Management Procedures, EHS Emergency Management Procedures, Environmental Aspect Identification and Evaluation Procedures, and Stakeholder Safety and Environmental Management Procedures. These documents standardize environmental management, while the Company's strategy and culture guide the development of AKM Meadville-specific environmental policies, directing compliance and sustainable development practices.

Principles



◆ Environmental Risk Prevention and Control

The Company continuously improves its environmental risk assessment processes. Through risk identification and evaluation, it formulates targeted prevention and control measures, identifying and addressing potential environmental hazards to manage risks at their source. In addition, the Company has established a robust emergency response mechanism for sudden environmental incidents. The Emergency Response Plan for Environmental Incidents has been developed, and regular emergency training and drills are conducted to enhance employees' emergency response capabilities and coordination in handling unexpected environmental incidents. This ensures timely, orderly, efficient, and appropriate responses, thereby strengthening the Company's overall environmental risk management.

Environmental Risk Identification and Assessment

Identify potential pollution emissions, resource consumption, and ecological impacts arising from production and operations, regularly inspect environmental hazards, and classify risks by level.

Source Control

Optimize clean production processes, equip facilities for pollution prevention, standardize hazardous waste management, enhance employee environmental training, and establish environmental monitoring systems.

Emergency Planning and Response

Develop graded emergency plans for sudden environmental incidents, defining emergency organization structures, response procedures, and rescue protocols. Equip and maintain emergency supplies and conduct regular drills. Upon occurrence of an incident, immediately initiate the response, control pollution spread, minimize environmental impact, and conduct post-event traceability and corrective actions.

Case: AKM Electronic Technology (Suzhou) Ltd. Conducting Chemical Spill Emergency Response Competition

AKM Electronic Technology (Suzhou) Ltd. held a chemical spill emergency response competition, covering multiple critical areas within the facility, including the wet process, the chemical warehouse, and the wastewater treatment station. A total of eight specialized emergency response teams participated, aiming to test and enhance the emergency response capabilities, coordinated teamwork, and scientific handling skills of all departments dealing with chemicals in the facility when facing chemical spills and other incidents.



◆ Fostering an Environmental Awareness Culture

The Company actively promotes the cultivation of environmental awareness and capabilities across all employees. Each operating center actively carries out activities such as environmental science lectures and training, World Environment Day campaigns, environmental study programs, and tree-planting events. For departments generating pollutants and key environmental management positions, the Company organizes targeted training programs focusing on enhancing job-specific operational skills, explaining environmental professional knowledge, cultivating behavioral standards, and managing occupational safety risks related to environmental protection. Each year, the Company formulates its training plan in accordance with the programs, frequency, and number of participants stipulated by relevant laws, regulations, and emergency response plans, while also including these tasks in the performance evaluation system. Over the past five years, the Company has ensured that all training programs were fully implemented with no omitted items, no missing content, and no absentee participants.

Environmental Protection Promotion and Training Activities



AKM Meadville Conducting World Environment Day Awareness Campaigns

环保研学 共筑美好社区

广州南沙工厂举办暑期开放日活动

AKM Electronics Industrial (Panyu) Ltd. Organizing a Parent-Child "Summer Open Day" Environmental Study Program



Conducting Specialized Environmental Protection Training

◆ Environmental Performance Targets

The Company has formulated the EHSE Performance Management Implementation Rules to link environmental protection responsibilities with performance evaluations. Based on different job categories, responsibilities, and departmental functions, corresponding EHSE performance assessment standards and requirements have been established in areas such as incident management, hazard rectification, training and learning, and expenditure inputs. Collective and individual contributions to environmental management are commended and rewarded.

Each operating center, in accordance with its internal planning and actual production and business conditions, sets annual environmental management indicators and corresponding commitment targets covering dimensions such as compliance in the treatment and disposal of “three wastes” (waste gas, wastewater, and solid waste) and prevention of major environmental incidents. The EHSE Management Office tracks the performance of each operating center against these targets on a monthly basis and provides quarterly summaries and reports to the EHSE Committee during the EHSE meetings. The Committee’s key recommendations are consolidated into a list of follow-up actions, with responsible departments and individuals assigned for each task. Regular progress tracking ensures timely problem resolution and continuous improvement, guaranteeing the effective execution of every decision.

2024

- Pollutant discharge compliance rate: 100%
- No environmental incidents occurred
- Environmental impact assessment procedures for new projects were legally compliant
- ISO14001 certification remained valid

Achieved

Achieved

Achieved

Achieved



Recognized as a Green Manufacturing and Environmental Excellence Enterprise



Excellent Enterprise in Cleaner Production

Precise Emission Control

AKM Meadville has always regarded “environmental compliance” as a lifeline of its sustainable development. The Company strictly complies with the Law on the Prevention and Control of Water Pollution, the Law on the Prevention and Control of Atmospheric Pollution, the Law on the Prevention and Control of Environmental Pollution by Solid Waste, and other applicable laws and regulations. The Company has established dedicated management standards and procedural documents, and adopted a variety of measures for the treatment of wastewater, waste gas, hazardous waste, and general industrial solid waste. Through a three-tier management mechanism—source control, process management, and end-point enhancement—the Company ensures full compliance in the discharge of wastewater, waste gas, and solid waste, minimizing environmental impact throughout its production and business operations. By strictly maintaining the baseline of emissions control and pursuing ecological symbiosis, AKM Meadville demonstrates its strong sense of environmental responsibility and contributes to a more sustainable future for the industry.



Wastewater

In terms of wastewater treatment, the Company has obtained pollutant discharge permits as required by regulations and constructed wastewater treatment stations accordingly. Wastewater is treated in strict accordance with national and local environmental regulations and discharge standards, and is discharged to municipal sewage treatment plants only after meeting the required standards. Monitoring data from discharge outlets are uploaded in real time to the environmental supervision platform, and third-party testing is conducted on a regular basis to ensure compliance and minimize the impact on surrounding water bodies. In 2024, all wastewater treatment facilities at the Company’s manufacturing sites operated efficiently, with all categories of wastewater properly classified and treated to meet discharge standards.

Case: Upgrade and Renovation of Wastewater Treatment Facilities

Shanghai Meadville Science & Technology Co., Ltd. upgraded its nickel-containing wastewater treatment system, enhancing the treatment process and improving overall efficiency.



Waste gas

For waste gas treatment, the Company classifies and treats emissions according to the type and source of pollutants, equips its facilities with corresponding air pollution control systems, and applies advanced purification equipment and technologies for effective treatment. Daily operation and maintenance management is rigorously carried out to ensure the stable operation of pollution control facilities. In addition, the Company has established online emission monitoring systems and regularly commissions third-party testing to ensure that all emissions meet relevant standards. In 2024, the Company upgraded and improved waste gas treatment facilities in multiple manufacturing sites, enhancing pollutant removal efficiency and reducing emission concentrations. All manufacturing sites achieved full compliance with discharge standards.

Case: Upgrade and Renovation of Exhaust Gas Treatment Facilities

AKM Electronic Technology (Suzhou) Ltd. implemented technical upgrades to its organic waste gas treatment facilities, enhancing the capacity of the adsorption system and reducing pollutant emissions.



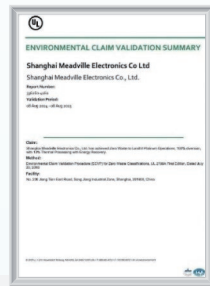


Hazardous waste

Regarding hazardous waste management, the Company strictly abides by relevant laws and regulations. It identifies and confirms all waste generated during production activities, constructs temporary hazardous waste storage facilities in accordance with regulatory requirements, and classifies and stores waste by category and zone based on its characteristics. The Company has standardized its hazardous waste management process, labeling, and documentation, maintaining detailed inventories and records, and engages qualified professional companies or facilities for safe disposal, thereby preventing harm to the environment and human health. For general industrial solid waste, the Company implements classification, storage, and treatment measures, while encouraging waste reduction, resource recovery, and recycling to minimize environmental impacts to the greatest extent possible. As of the end of 2024, three subsidiaries of the Company had been UL2799 Zero Waste to Landfill validated, and two manufacturing sites were awarded the title of “Zero-Waste Factory.” For details, please refer to Appendix 1: Overview of Management System Certifications.



Shanghai Meadville Electronics Co., Ltd. Awarded the Title of “Zero-Waste Factory”



Shanghai Meadville Electronics Co., Ltd. Awarded the Title of UL2799 Zero Waste to Landfill Validated (Platinum)



The Company gradually introduced advanced digital systems for managing wastewater, exhaust gas, and solid waste, enabling intelligent and refined control. Various sensors and IoT devices are deployed at key points of the treatment systems to collect real-time data on pollutant concentrations, flow rates, and equipment operating conditions, which are automatically uploaded to a central control platform. Through big data analytics, the platform dynamically optimizes treatment process parameters to ensure that discharge indicators consistently outperform national standards. It also provides intelligent alerts for abnormal data, shifting environmental risk management from “post-incident remediation” to “early warning” and “in-process control.” Management personnel can monitor the manufacturing site's environmental performance anytime and anywhere through visual dashboards or mobile terminals, enabling data-driven, efficient, and transparent decision-making in the management of wastewater, exhaust gas, and solid waste, and significantly enhancing the reliability of environmental compliance.

Case: Smart Water Management

Shanghai Meadville Science & Technology Co., Ltd., Xiamen AKM Meadville Science & Technology Co., Ltd., and AKM Electronic Technology (Suzhou) Ltd. have established smart water management systems to achieve fully digitalized control across the entire process, from industrial water use to wastewater treatment.



Case: Digitalized Exhaust Gas Treatment Facilities

Xiamen AKM Meadville Science & Technology Co., Ltd., AKM Electronic Technology (Suzhou) Ltd. have digitalized their exhaust gas treatment facilities, enabling real-time monitoring of operational conditions and improving management efficiency.



Case: Implementation of Hazardous Waste Information Management

AKM Meadville actively promotes the digital management of hazardous solid waste. Multiple subsidiaries have established digital systems for hazardous solid waste, achieving comprehensive collection, precise analysis, real-time feedback, and dynamic monitoring of hazardous waste data throughout the entire lifecycle. Through dedicated hazardous waste identification codes, the traceability of hazardous waste from source to disposal path is ensured, guaranteeing the timeliness and accuracy of management decisions.



Efficient Resource Utilization

KM Meadville adheres to integrating the concept of sustainable development throughout its entire production and operation process, placing great emphasis on water utilization and conservation. In strict compliance with the Water Law, the National Action Plan for Water Conservation, and relevant local laws and regulations, the Company has formulated a water management system and established a comprehensive long-term water conservation mechanism. Through a series of targeted management measures, such as conducting water use data surveys, inspecting water supply and drainage networks, maintaining and upgrading water appliances, performing water balance tests, promoting water-saving awareness, and strengthening routine inspections, the Company has effectively reduced water consumption. In addition, multiple water-saving projects have been implemented across production processes, continuously enhancing water use efficiency through technological innovation. The Company focuses on fostering water conservation awareness, organizing promotional campaigns and training sessions in connection with World Water Day to enhance employees' consciousness of water saving.

Climate Governance Transformation

Climate change represents one of the most pressing challenges facing humanity today. AKM Meadville fully recognizes the profound risks and opportunities it poses to the Company's operations and the broader industrial chain. The Company has deeply integrated climate change response into its corporate development strategy, established a standardized management system, and built a forward-looking risk identification and systematic response mechanism. AKM Meadville deploys scientific and practical measures to reduce greenhouse gas (GHG) emissions across key operational stages, continuously enhances carbon emission control efficiency, and advances the transition toward cleaner and low-carbon energy use in its production and business activities. Through these initiatives, the Company comprehensively strengthens its climate governance capabilities and contributes actively to achieving China's national "dual carbon" goals and promoting its own green and sustainable development.

To address climate change effectively and align with the national "dual carbon" goals, the Company continuously improves its institutional framework and management structure. It has formulated the Procedure for Organizational Context Identification and Risk & Opportunity Identification, Assessment and Control, and the Business Continuity Strategy and Incident Management Plan. In addition, the Company attaches great importance to energy conservation and efficiency management and actively promotes the establishment of a green manufacturing system. It has developed institutional documents such as the Corporate Comprehensive Carbon Management Procedure, Company Environmental Protection Management Procedures and the Corporate Energy Management Procedure. As of the end of 2024, three of the Company's manufacturing sites had been recognized as National Green Factories, and six manufacturing sites had obtained ISO50001 Energy Management System certification, including three new certifications acquired in 2024. For details, please refer to Appendix 1: Overview of Management System Certifications.

Case: Water-Saving Renovation Project for Dormitory Buildings C and D at Guangzhou Huangpu Manufacturing Site

To improve tap water utilization, the Guangzhou Huangpu Manufacturing Site repurposed RO reclaimed water treated from the new integrated building for toilet flushing in Dormitory Buildings C and D, replacing direct tap water usage. This initiative achieved both water conservation and cost reduction, saving 15,330 cubic meters of tap water and approximately RMB 45,700 in water expenses in 2024.



Case: Source Reduction and Resource Recycling

AKM Meadville actively responds to government initiatives promoting clean production policies that emphasize solid waste reduction at the source, resource utilization, and harmless disposal. The Company has implemented internal recycling and treatment measures for copper-containing waste liquids, acid/alkali etching solutions, and tin-containing waste liquids. By adopting processes such as sludge dewatering and waste cotton core drying, the Company effectively reduces the generation of hazardous waste at the source and promotes the resource utilization of solid waste.



Case: World Water Day and China Water Week Campaigns at Shanghai Manufacturing Site

The Shanghai Manufacturing Site conducted water conservation awareness activities, using a variety of methods—including banner campaigns, water-saving videos, and on-site inspections—to actively engage employees and encourage collective efforts to protect water.



By the end of 2024, all operating centers had achieved their quantitative water-saving targets. Guangzhou Meadville Electronics Co., Ltd. received the AWS International Water Stewardship Standard certification, while Shanghai Meadville Science & Technology Co., Ltd. were recognized as Water-Saving Enterprises.



AWS International Water Stewardship Standard Certificate, Shanghai Water-Saving Enterprise

Energy Policy



Comply with Energy Laws and Regulations, Refine Energy Conservation Targets and Indicators

Ensure Efficient and Energy-Saving Operations, Build Green Electronics Factories

Effective Energy Management System

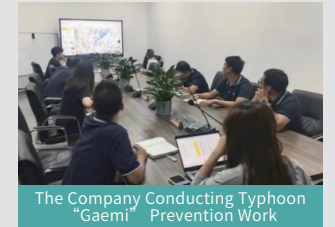
- Comply with applicable laws and regulations and implement national and local energy conservation policies.
- Allocate adequate resources to ensure the achievement of established targets and indicators.
- Meet the energy requirements for production and manufacturing by actively adopting technically sound and economically feasible solutions to continuously enhance energy performance.
- Prevent energy waste, reduce energy consumption, and promote low-carbon and environmentally friendly operations.
- Support the procurement of high-efficiency energy products and services while phasing out outdated equipment and technologies.
- Establish effective communication and dissemination channels, conduct extensive promotion and training activities, enhance employee awareness, and comprehensively advance energy management.

In response to climate change, the Company continuously improves and strengthens its mechanisms for identifying, assessing, and addressing related risks. During the annual and routine dynamic identification process, the Company comprehensively considers the meteorological and environmental needs and expectations of its operating locations. By taking into account the strategic, operational, financial, market, legal, and credit risks of concern to the Company, along with challenges arising from policy environments, supply chain management, and market competition, AKM Meadville screens, analyzes, and evaluates the collected information to identify the physical and transition risks faced by its business. These risks are incorporated into the Company's overall risk management system, with corresponding response strategies formulated accordingly. In addition, the Company actively identifies climate-related opportunities that can drive its sustainable development and guide its strategic direction. Through effective risk management and opportunity capture, the Company enhances its competitiveness and lays a solid foundation for long-term sustainable growth.

Type of Risks	Risk Item	Risk Impact	Countermeasures
 Physical Risks	Contingency Risks	Typhoons, heavy rainfall, and other extreme weather events pose threats to the safety of the Company's assets and personnel, potentially causing work stoppages or production halts that affect product manufacturing and on-time delivery, thereby increasing operating costs.	Continuously improve the emergency response mechanism for natural disasters, maintain adequate emergency supplies, and strengthen safety inspections. Implement emergency response plans for extreme weather events and conduct regular drills to enhance preparedness.
	Chronic Risks	Rising temperatures may prevent certain job positions from working for extended periods during hot seasons, thus affecting operational efficiency.	Scientifically arrange production schedules, carefully organize production operations, and improve operational efficiency.
 Transition Risks	Policy Risks	Carbon emission management policies and regulations are becoming increasingly stringent, adding to corporate compliance efforts; the implementation of a carbon pricing mechanism under China's carbon emissions trading system has increased business operating costs.	Monitor updates to carbon emission policies and regulations in operating locations to respond appropriately to policy and legal changes. Actively carry out energy conservation and emission reduction efforts, and increase the proportion of clean energy use.
	Technology Risks	Failure to identify and apply low-carbon technologies in a timely manner may cause products to lag behind industry peers.	Continuously research and apply low-carbon technologies, and actively carry out industry cooperation. Adopt energy-efficient production equipment, optimize production processes, and identify and implement energy-saving and emission-reduction projects to reduce energy consumption.
	Market Risks	Failure to effectively meet customer demand for green and low-carbon products.	Build an intelligent energy cloud platform, implement energy monitoring and analysis, and enhance energy management capabilities. Actively develop green and low-carbon products and continuously promote resource conservation initiatives to meet customer needs.

Case: Emergency Management—Typhoon and Flood Prevention

In response to the approaching typhoon, AKM Meadville attached great importance to typhoon and flood prevention efforts. The Company's EHS Department, together with the Xiamen and Anbo Fuzhou Manufacturing Sites, urgently convened a meeting to establish a Typhoon Defense Emergency Task Force and coordinate the deployment of all relevant prevention and response measures. Clear division of responsibilities and detailed task assignments were made, requiring all employees to remain highly vigilant, maintain a strong sense of safety awareness, and make every effort to implement precautionary measures against Typhoon "Gaemi."



The Company Conducting Typhoon "Gaemi" Prevention Work

Emission Verification—Building a New Low-Carbon Chain



AKM Meadville adheres to the principle of aligning with diverse development needs and, guided by low-carbon development, has set science-based emission reduction targets and formulated effective mitigation measures. The Company actively conducts greenhouse gas (GHG) emission verification. As of the end of 2024, a total of five manufacturing sites have obtained ISO14064-1 Greenhouse Gas Verification Statement Certificates. For details, please refer to Appendix 1: Overview of Management System Certifications.

AKM Electronic Technology (Suzhou) Ltd., Shanghai Meadville Science & Technology Co., Ltd., and Shanghai Meadville Electronics Co., Ltd. successfully passed the 2023 ISO14064 Greenhouse Gas Verification.

In addition, the Company has decomposed and implemented its "dual carbon" objectives across all operating centers and business units, strengthening top-level design, overall coordination, performance evaluation, and accountability to ensure effective implementation. With energy efficiency enhancement as the core objective, the Company has actively adopted a variety of energy-saving measures to reduce fossil fuel consumption and GHG emissions. Measures include promoting the development of energy management platforms, strengthening energy management efficiency, and enabling the achievement of energy-saving targets. The Company has launched multiple energy efficiency improvement projects, actively promoting the upgrade and optimization of energy-saving equipment and the retrofitting of energy-efficient technologies. These efforts include introducing variable frequency permanent magnet synchronous motors, high-efficiency permanent magnet fans, high-efficiency air compressor systems, and AI-based intelligent control systems for central air conditioning. Projects such as air compressor energy optimization and waste heat recovery have also been carried out, resulting in a substantial increase in energy utilization efficiency. In 2024, The Company completed 17 energy-saving projects, with a total investment of over RMB 13 million. These projects are expected to save more than 10 million kWh of electricity annually and reduce carbon emissions by approximately 5,370 tCO₂e, demonstrating remarkable energy-saving and emission reduction results.

2024

completed **17** energy-saving projects | a total investment of over RMB **13** million | save more than **10** million kWh of electricity annually | reduce carbon emissions by approximately **5,370** tCO₂e

Case: Energy Management Platform Development

AKM Meadville has been progressively enhancing the construction of its energy management platform. In 2024, the Company planned the establishment of a company-level centralized energy management platform to identify energy-saving potential through data analysis, set specific energy-saving project targets for each manufacturing site, and completed the construction of energy management platforms in two manufacturing sites, the planning of the new energy management platform in one manufacturing site, and the upgrade of an existing energy management platform in another manufacturing site.



Case: Technological Innovation to Reduce Energy Consumption

AKM Meadville has adopted waste heat recovery technologies to enhance energy utilization efficiency, promoting the installation of waste heat recovery systems for equipment such as air compressors and chiller units to further reduce energy consumption.

Shanghai Meadville Electronics officially put into operation an AI-based intelligent control system for its central air-conditioning system. The system operates stably and delivers remarkable energy-saving performance. Without affecting temperature and humidity conditions in terminal workshops, it achieved a seasonal energy-saving rate of up to 70%, saving more than 3,000 kWh of electricity per day.



In addition, the Company has been exploring and expanding multiple pathways for emission reduction, promoting the use of clean energy, green offices, green buildings, and green procurement. AKM Meadville actively participates in the CDP environmental information disclosure initiatives. The Company meets all customer requirements for renewable energy by procuring green electricity and green certificates that are recognized by its customers, and gradually promotes the construction of distributed photovoltaic (PV) projects across its operating centers. By the end of 2024, four PV projects have been completed, covering a total area of 33,000 square meters with a capacity of 4.2 MW. These projects are expected to generate 4,800 MWh annually, reducing carbon emissions by 2,570 tons of CO₂e per year, effectively lowering GHG emissions and setting an example for sustainable development within the industry and society.

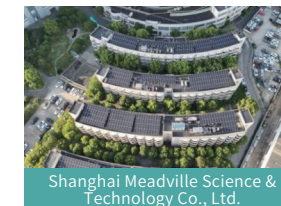
2024

completed **4** PV projects

estimated annual power generation **4,800** MWh

annual carbon emission reduction **2,570** tCO₂e

PV Projects Supporting Emission Reduction



Green Office

The Company has formulated the Office Energy Saving Management Guidelines to promote energy conservation and the concept of green office. Daily office operations follow the 5R principles: rational use, waste reduction, resource recovery and reuse, item repair, and refusal to purchase products that do not conform to the concept of environmental protection. Measures include energy-saving controls in offices, cooling efficiency, computer energy management, paper-saving practices, and the promotion of e-governance.

Green Buildings

During the early stages of new project construction, the Company strictly followed relevant standards for green and low-carbon buildings. Low-carbon building materials were selected, and material minimization and specialized low-carbon structural optimization were implemented. The building's four façades are designed to allow natural lighting, creating a green and energy-efficient lighting environment. Intelligent control systems were adopted for HVAC, lighting, and elevators, while photovoltaic panels were installed on the dormitory rooftops.

Green Procurement

The Company adopts outsourced logistics and conducts carbon management questionnaires for upstream suppliers. Packaging materials are collected and recycled by suppliers.

AKM Meadville actively promotes the cultivation of energy and carbon management capabilities and awareness. Professional training, such as internal auditor and auditor courses, is organized. In addition, the Company leverages the National Energy Conservation Week and National Low Carbon Day to carry out energy-saving and carbon-reduction initiatives, carefully planning and organizing diverse series of thematic activities. These efforts stimulate employee participation and foster a strong culture of company-wide energy conservation and emission reduction.

Energy Conservation and Carbon Reduction for a More Efficient Future

AKM Meadville organizes professional training for energy managers and carbon emission administrators, actively responding to local government initiatives targeting key enterprises with specialized courses such as energy manager training, energy measurement administrator training, internal auditor training for energy management systems, and energy efficiency capability enhancement programs.



AKM Electronic Technology (Suzhou) Ltd. conducts ISO14064 GHG Verification and Inventory training, establishing a team of professional internal auditors to strengthen the site's expertise in GHG verification and inventory. This provides robust support for independently verifying and certifying emission reductions.



Energy “dual-carbon” training webinars are held with Guangzhou Huangpu as the main venue, connecting other manufacturing sites via live video sessions. These sessions aim to enhance employees' awareness of energy management, continuously promote the construction of the energy management system, and gradually enhance the effectiveness of energy management.



The Company also actively participates in National Energy Conservation Week and National Low Carbon Day, organizing a variety of energy-saving and carbon-reduction awareness activities, including poster campaigns and frontline energy inspections, further strengthening company-wide consciousness of energy conservation and carbon reduction.

2024

Carbon emissions per RMB 10,000 of output value decreased by **10.9 %** compared with the 2020 baseline year

Ecological Harmony

AKM Meadville recognizes the critical importance of biodiversity in maintaining the Earth's ecological balance and promoting sustainable development, and continuously pays attention to matters related to biodiversity conservation. The Company encourages and supports employees to actively participate in biodiversity-related activities, continuously fostering their awareness and commitment to biodiversity conservation.

In the site selection and planning of new projects, AKM Meadville strictly adheres to relevant laws, regulations, and policies, including the Soil Pollution Prevention and Control Law, Forest Law, Wildlife Protection Law, and the Opinions on Further Strengthening Biodiversity Protection. All construction activities are conducted away from nature reserves, ecological habitats, and areas of significant or sensitive biodiversity to avoid adverse impacts on local ecosystems.

Case: Ecosystem Impact Assessment for AKM Meadville's New Xiamen Project

In 2022, as AKM Meadville began planning the construction of its new Xiamen manufacturing site, the Company conducted an environmental impact assessment prior to project initiation to ensure strict compliance with relevant laws and regulations and to avoid exceeding ecological protection red lines, environmental quality baselines, and resource utilization limits. The assessment evaluated potential pollutants, including wastewater, exhaust gas, noise, and solid waste, generated during both the construction and operational stages of the project, ensuring that the project would not pose significant impacts on the surrounding ecological environment.

Case: Mai Po Nature Reserve Volunteer Activity

AKM Meadville Science&Technology Co., Ltd actively responded to the call of the World Wide Fund for Nature by organizing volunteer activities to survey trees in the Mai Po Nature Reserve, enhancing understanding of the reserve's wetland ecosystem and daily conservation efforts.



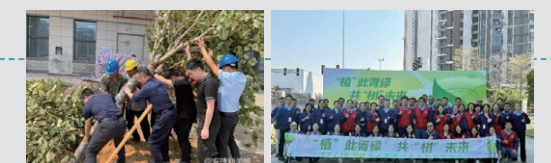
Case: River Patrol

Guangzhou Meadville Electronics Co., Ltd. organized a volunteer service team together with the River Chief Office of Lianhe Subdistrict, carried out a special patrol of the “Left Tributary of the Wuyong River,” jointly safeguarding clean waterways and blue skies while contributing to ecological civilization.



Case: Tree-Planting Activity

AKM Meadville's campuses carried out tree-planting activities, sowing greenery and fostering shared ecological well-being.



Talent

Nurturing the Founda- tion for Growth

AKM Meadville regards “people-oriented values” as the fertile soil for its sustainable development. The Company ensures law-based and compliant employment practices, expands job opportunities, broadens channels for employee participation, safeguards employee rights and interests, enhances compensation and benefits systems to stimulate intrinsic motivation, and establishes a tiered training mechanism to build a strong internal talent pipeline. In addition, the Company integrates safety requirements throughout the entire career development process, reinforces standard implementation and emergency management, and builds a solid line of defense for workplace safety. AKM Meadville is committed to cultivating internationally minded, professionally skilled, and versatile talents who can support high-quality development and serve national strategies, thereby providing a solid foundation for building a world-class enterprise.

Forging an Elite Team

AKM Meadville has always regarded talent as the core strategic resource and fundamental driving force of corporate development. The Company is firmly committed to the principle of lawful employment, actively broadens channels for diverse democratic management and communication, and earnestly safeguards the legitimate rights and interests of all employees. It is dedicated to fostering an inclusive, open, and dynamic work environment, thereby building a harmonious and stable labor relationship.

◆ Standardized Talent Employment

The Company strictly complies with the Labor Law of the People's Republic of China and other relevant laws and regulations, and has established internal management systems such as the Personnel Employment Management System, Human Resource Allocation System, and Recruitment and Employment Management System to ensure compliance, standardization, and legality throughout the employment process.

To meet its growing talent needs, the Company continues to strengthen both internal and external recruitment efforts, solidifying the foundation of its talent development. Internally, the Company conducts surveys on employees' career aspirations and posts internal job openings to provide employees with diverse career opportunities and broaden their career development paths. Externally, the Company enhances talent acquisition through multiple channels—including social media, recruitment platforms, internal referrals, and university-enterprise partnerships—to attract and retain high-quality professionals who align with the Company's strategic talent development as well as capability and quality requirements.

In addition, the Company has formulated detailed recruitment process guidelines that adhere to principles such as position-based hiring, job-person fit, merit-based selection, internal priority, and avoidance of conflicts of interest. It clearly defines standards and procedures for each recruitment stage, and the entire recruitment process is managed online to ensure the scientific, standardized, and satisfactory execution of the recruitment process.

Recruitment Process



Recruitment Planning and Job Posting

The Company formulates its recruitment plans in compliance with national laws, regulations, and corporate policies, based on organizational development needs. Each plan clearly specifies job positions, headcount, and qualification requirements. All job postings must be accurate and truthful, and must not contain any discriminatory clauses, such as restrictions related to gender, age, race and religion.

Resume Screening

Screening criteria are established in accordance with job requirements and organizational needs. The Company strictly protects applicants' personal information in compliance with the Personal Information Protection Law of the People's Republic of China, ensuring that all personal data contained in resumes are neither disclosed nor misused.

Background Checks

Prior to conducting background checks, the Company obtains the applicant's authorization and strictly adheres to the authorized scope. Background checks are limited to job-related information such as employment history, educational background, and professional qualifications.

Employment Decision

Hiring decisions are made based on a comprehensive assessment of the applicant's overall qualities, competencies, and job fit. The Company strictly follows established recruitment standards to ensure that all employment decisions comply with applicable laws, regulations, and internal corporate policies.



Campus Recruitment Presentation



Most Popular Employer Among University Students

◆ Building a Harmonious Workplace

Respecting Human Rights

AKM Meadville advocates the creation of a harmonious workplace, supports the Universal Declaration of Human Rights and international covenants on human rights, and adheres to the human rights provisions set forth by the International Labor Organization (ILO) and the United Nations Global Compact. The Company strictly complies with labor laws, forbids the employment of child labor, opposes all forms of forced labor, and is committed to building a diverse workforce that provides a fair and inclusive working environment for employees of all ethnicities, races, genders, and beliefs. The Company actively fulfills its role as a responsible corporate citizen, firmly opposes discrimination against vulnerable groups, safeguards employment opportunities for key and special groups, and employs persons with disabilities, providing them with equal benefits and opportunities for promotion. For formal employees, the Company ensures that all labor contracts are concluded on the basis of equality and voluntary consent. The execution, renewal, termination, and dissolution of labor contracts strictly comply with applicable laws, regulations, and contractual agreements, ensuring strict regulation of employment practices.

As of 2024, The Company employed a total of 8,294 staff, including 739 ethnic minority employees, 50 employees with disabilities, and 3,002 female employees. The labor contract signing rate was 100%, and the coverage of social insurance and housing provident funds (“Five Insurances and One Fund”) reached 100%.

2024

a total of **8,294** employees |
 739 ethnic minority employees |
 50 employees with disabilities |
 3,002 female employees

Protection of Employees' Rights and Interests

The Company places great emphasis on safeguarding employee rights, focusing on the proactive prevention of labor disputes while continuously improving feedback and complain systems and conducting employee satisfaction surveys to enhance employees' sense of belonging and corporate cohesion, promoting mutual development of the Company and its workforce.

To ensure that employees clearly understand their responsibilities and rights, the Company continuously improves internal rules and regulations. Work rules are detailed in the Employee Handbook, and new employee onboarding and labor law training sessions are conducted regularly. All materials are uploaded to the company intranet for employees to access at any time, ensuring that both employees and the management level are familiar with relevant regulations, thus preventing labor disputes at the source.

The Company has established a diversified employee communication and feedback mechanism, allowing anonymous or named participation while fully respecting employees' privacy. This ensures employees can freely and conveniently express their concerns and safeguard their legal rights. Additionally, The Company has established a SCORE project team, comprising the management level and employee representatives, responsible for following up on employee feedback and implementing improvements. Regular meetings are held to discuss key feedback, define improvement directions, and continuously optimize the work environment and management processes.

To further enhance employee satisfaction and organizational effectiveness, the Company has developed the Employee Satisfaction Management process system. Two employee satisfaction surveys are conducted annually, covering seven areas: feedback mechanisms, compensation, health and safety, mental well-being, workplace convenience, training and development, and employee stability. Improvements are implemented based on survey results to continuously optimize management practices and enhance employee satisfaction and well-being. The Company also actively encourages employees to participate in legally self-organized or government-recognized groups. No one is allowed to obstruct employees' freedom of association or prevent employees from joining or not joining unions, nor to interfere with the operation of such organizations under the pretext of providing funding. All operating centers of the Company have established unions, continuously improving union work systems and regularly convening staff representative meetings to ensure employees' rights to information, participation, expression, and supervision in corporate management. All employees may voluntarily apply to join the union and participate in union activities.

In 2024, the Company did not experience any incidents violating employees' fundamental rights at any stage of employment. No major labor disputes occurred, nor were there administrative penalties or warnings issued by regulatory authorities. The resolution rate for employee feedback and complains reached 100%.



Labor Union Election and Transition at AKM Electronics Industrial (Panyu) Ltd.



Enterprise with Harmonious Labor Relations

Care, Motivation, and Warmth

AKM Meadville fully recognizes that a sound system of allowances and benefits is a fundamental pillar for fostering employee cohesion and promoting a harmonious workplace. The Company consistently adheres to its principles of “legal compliance, universality, and basic guarantee” in all allowance and welfare policies, placing high importance on employee care and sense of belonging. By establishing a competitive compensation and benefits system and organizing diverse cultural and recreational activities, the Company effectively stimulates employees' intrinsic motivation and work vitality, creating a positive, caring organizational atmosphere that provides a solid foundation for sustainable, high-quality development.



The Company has established a system centered on the Compensation Management System, Payroll Management Process, implementing total compensation management. Through comprehensive quantitative analysis of job complexity, scope of responsibilities, and impact on core business performance, the Company ensures that the compensation system aligns closely with the value of each position. In addition, the Company-Level Project Incentive Management System has been formulated to create comprehensive, multi-dimensional incentive channels. Utilizing a collective evaluation mechanism, the Company continuously strengthens goal management, implements performance assessments for all employees, and links performance results directly to promotions, salary adjustments, and incentive bonuses, effectively enhancing organizational vitality and value creation.



In 2024, the Company further optimized its incentive mechanisms to ensure bonus policies align with corporate development goals and the differentiated needs of each operating center and business unit. Employees are encouraged to innovate, strive, and tackle key tasks in alignment with strategic priorities, contributing to the Company's sustainable development. During the reporting period, the performance assessment coverage reached 100%, and salary payments were made on time at a 100% rate.

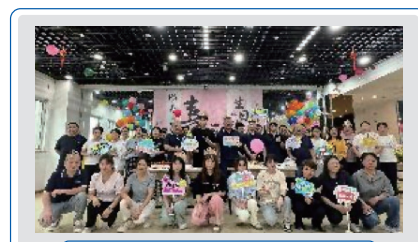


In accordance with local labor laws and regulations of each operating center, the Company provides employees with a comprehensive range of benefits. Employees are entitled to statutory paid leave and benefits, including public holidays, annual leave, marriage leave, bereavement leave, maternity leave, prenatal examination leave, breastfeeding leave, family planning leave, sick leave, childcare leave, work injury leave, nursing leave, and “Five Insurances and One Fund.” Beyond statutory leave and benefits, the Company provides additional paid leave such as personal leave, long-distance family visit leave, and compensatory leave, as well as complimentary work meals (or meal allowances), free shuttle services (or transportation subsidies), free accommodation (or accommodation subsidies), holiday benefits, and birthday rewards.

2024

performance assessment coverage **100** %

on-time salary payments **100** %



Employee Birthday Celebration



Guangzhou Meadville Electronics Co., Ltd. Manufacturing Site Provided Leased Dormitory Housing for Employees

The Company attaches great importance to employee care and sense of belonging, and has formulated the Measures for the Administration of Employee Assistance, the Employee Care Work Guidelines, and the Measures for the Administration of Employee Association Activities. These policies are designed to provide timely and effective support, including financial assistance, daily care, job adjustment, and psychological counseling, for employees facing special difficulties such as illness, accidents, or family emergencies. Through systematic and institutionalized care initiatives, the Company helps employees better integrate into the organization while fostering a warm and harmonious workplace environment. In addition, the Company conducts structured employee care programs, regularly organizing employee forums, birthday celebrations, and various recreational and sports activities to enrich employees' leisure lives and create a healthy, energetic, and uplifting corporate culture.

Building a Warm Corporate Family, Walking Together with Care and Purpose



Nurturing Young Hearts, Growing Together with Love

During the summer vacation, Guangzhou Meadville Electronics organized a “Caring for the Next Generation” parent-child activity to further enhance employees’ sense of belonging, promote family interaction and communication, and allow employees and their children to truly feel the Company’s care and warmth.



Guangzhou Meadville Electronics Hosting the “Caring for the Next Generation” Parent-Child Activity

The Company attaches great importance to safeguarding the rights and interests of female employees by providing psychological counseling services and communication activities. It also organizes health examinations for female employees, covering gynecological and breast screenings. On International Women’s Day, the Company distributes holiday gifts and flowers to female employees and organizing holiday activities and holds various celebratory events to honor their contributions.

Protecting Women’s Rights, Celebrating Their Brilliance in the New Era

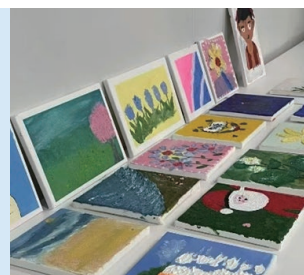


“Two Cancers” Screening Activity



Distribution of Women’s Day Gifts at Operating Centers

Flower Arrangement Workshop at AKM Electronic Technology (Suzhou) Ltd.



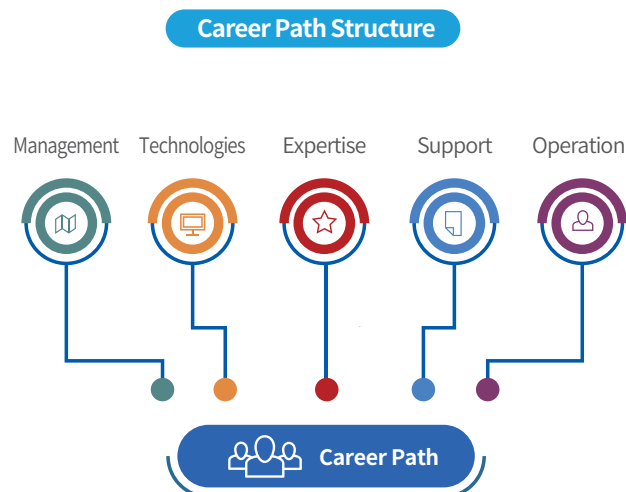
Texture Painting Creative Workshop at Guangzhou Meadville Electronics

Driving Growth through Talent Development

AKM Meadville firmly upholds the core value of “people-oriented development,” recognizing talent as the primary driver of sustainable growth. The Company is committed to building a systematic and tiered “endogenous” talent cultivation system and continuously enhancing its talent development mechanisms. By formulating and effectively implementing a series of management policies and procedures, including the Talent Development Management System, the Personnel Selection Management System, the Training Implementation Management System, the Education Sponsorship and Incentive Management System, and the Training Service Agreement Management System, the Company has established a robust institutional foundation for talent cultivation, ensuring continuous employee capability enhancement and high-quality organizational development.

◆ Defining Career Development Paths

The Company has developed five distinct career paths: Management (M), Technical (T), Professional (P), Administrative Support (A), and Operational (O). Each path features a corresponding grading structure tailored to job requirements and employee development characteristics, which is continuously optimized and refined. Based on the AKM Meadville Competency Model, the Company systematically defines capability requirements for each level of leadership, technical expertise, and general competencies. This model is extensively applied in performance evaluations and talent development systems, guiding employees to strengthen core capabilities, empower the organization, and enhance management effectiveness.



The Company has also established a qualification system aligned with professional career groups, covering over 80 sub-groups across 12 major functional areas such as engineering, manufacturing, and quality. This system specifies role definitions, behavioral standards, and knowledge-skill requirements for each position level, ensuring unified capability benchmarks and clear guidance for career development. A five-level evaluation mechanism is adopted to standardize competency certification through presentations and multi-dimensional assessments, enabling precise alignment between talent capabilities and job requirements. Combined with qualification-based learning roadmaps, this approach streamlines the talent development process and fosters a sustainable high-caliber talent pipeline.

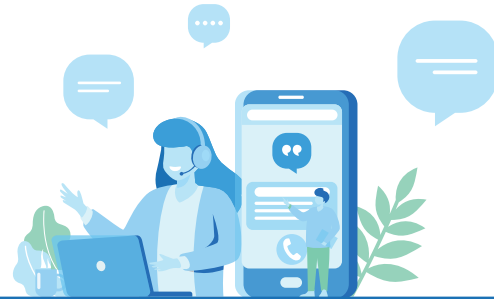


◆ Comprehensive Talent Development

The Company has established a well-structured training management system that standardizes training planning and implementation, as well as instructor and course management, through detailed procedural guidelines, thereby building a diversified training framework. To meet the developmental needs of employees at different career stages, the Company designs and implements corresponding talent development and competency enhancement programs. The training approach balances diversity and personalization—while developing an online learning platform that enables employees to learn anytime and anywhere based on their individual needs, the Company also actively promotes a mentorship system and on-the-job training to deliver targeted development. In addition, the Company strongly encourages and supports employees in obtaining professional certifications and recognized qualifications. In 2024, the Company sponsored 886 employees in earning relevant certificates.

Training Programs

- Leadership Development Series: Develop a comprehensive leadership development plan covering three tiers—primary, middle and senior management—aligned with leaders' critical responsibilities.
- Technical Expertise Series: Establish specialized training programs such as technical process capability enhancement, Six Sigma Green Belt certification, and production operations talent development, tailored to competency requirements for role qualifications.
- General Competency Series: Organize foundational training including new employee orientation, graduate development programs, project management, and business English to enhance employees' job readiness.



Case: Leadership Development to Enhance Organizational Effectiveness

AKM Meadville has established a comprehensive four-dimensional leadership development framework integrating Strategy, Team, Execution, and Collaboration. Through a closed-loop mechanism combining theoretical learning, assessment and evaluation, and practical application, the Company continuously strengthens the strategic execution and organizational effectiveness of its management team, thereby providing strong talent support for its sustainable development goals.

A blended training approach

Integrating both online and offline learning—is adopted to systematically enhance leadership competencies across all management levels.

Online courses focus on theoretical knowledge such as strategic thinking and team management.

Offline training emphasizes hands-on practice and behavioral transformation to ensure the effective application of learning.

programs

Tailored programs are designed for different management levels

Senior management programs focus on developing strategic decision-making and cross-departmental collaboration capabilities, primarily through case discussions and co-creation workshops.

Primary management programs focus on strengthening execution and implementation skills, combining online learning with practical training.

Case: Online Learning to Enhance Capabilities

AKM Meadville has developed an integrated online learning platform that combines training management, online courses, qualification certification, and knowledge management, establishing a comprehensive online job qualification training and certification system.

- The system covers all key stages, including job application, training implementation, competency certification review, and transfer training. Its structured training process and competency verification effectively safeguard the Company's operational capabilities.
- With 3,200+ online courses, the platform meets employees' diverse learning needs in real time, significantly improving learning efficiency and experience. In 2024, employees accumulated a total of 66,000 hours of online learning.

Case: Internal Training—Forging Masters Through Shared Knowledge

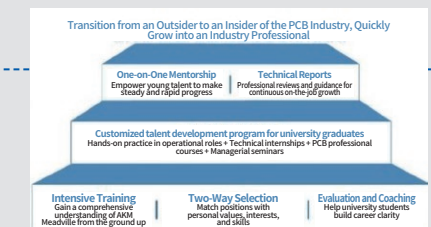
AKM Meadville continues to refine a blended internal instructor development system that integrates online and offline training. Through incentive mechanisms and empowerment exchange programs, the Company enhances instructors' engagement and professional maturity. During the reporting period, the instructor team continued to expand, with 350+ trainers developing over 500 courses in total. This initiative effectively facilitates the organization, accumulation, dissemination, and innovation of knowledge—serving as a key driver of talent growth and a core competitive advantage that reinforces the Company's technological leadership.



2024 AKM Meadville Internal Trainer Activities

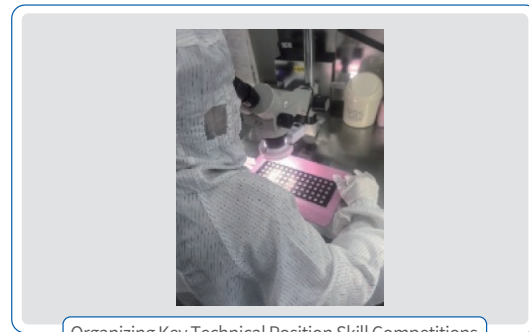
Case: Cultivating Talent Through Nurturing Soil

AKM Meadville has established a dedicated training system for university graduates, designed around three key transformations to continuously develop and reserve engineering and technical talent needed for future growth. Through a four-stage training program encompassing centralized training, internships, project reports, and on-the-job tutoring, as well as mentorship guidance, the Company supports graduates in achieving the transformation “from campus to enterprise, from outsiders to professionals, and from students to contributors,” enabling them to quickly integrate into the Company and create value in their respective roles.



AKM Meadville 2024 University Graduate Orientation Ceremony—East China

Showcasing Skills and Excellence



Organizing Key Technical Position Skill Competitions



Participating in the 5th National Team Leader Management Skills Competition

In 2024, the Company developed an employee engagement survey program based on the Denison Organizational Culture Model and Gallup's Q12 Employee Engagement Survey tools to comprehensively assess the Company's management culture and employee experience. The survey covered all employees at Level 8 and above, systematically evaluating the organizational culture's health across the four dimensions of the Denison Model—Adaptability, Mission, Involvement, and Consistency, alongside the 12 engagement indicators of Gallup's Q12. The results provided a solid data foundation for the continuous improvement of the Company's management culture and operational practices.

Fostering Cultural Cohesion

On the journey toward integrating business excellence with strong performance in environmental, social, and governance (ESG) dimensions, AKM Meadville fully recognizes that a strong corporate culture is the foundation of long-term success. It serves as the cornerstone for building internal consensus, stimulating innovation, and guiding sustainable development. The Company has established a clear cultural philosophy, strengthened organizational support mechanisms, and fostered unique “soft power” through a rich array of cultural activities. These efforts shape shared behavioral norms and value aspirations among employees, while transforming internal cohesion into a sense of responsibility and commitment toward external stakeholders. In this way, corporate culture becomes a unifying force that connects every employee and drives the Company's steady and forward-looking progress.

◆ Strengthening the Organizational Structure, Consolidating the Foundation of Cultural Governance

The Company has elevated cultural development to a strategic priority and established a multidimensional cultural governance system led top-down by management, advanced through cross-departmental collaboration, and supported by the full participation of all employees.

Strategic Leadership by the Management Level: The Company regards corporate culture as a critical intangible asset and an essential element of risk management, defining its long-term direction within strategic planning. The Corporate Culture Management Committee, comprising the Company's management level and heads of operational centers and functional departments, serves as the highest leadership, decision-making, and coordination body for cultural development. It is responsible for approving the Company's core cultural philosophy (including mission, vision, and values), reviewing annual cultural development plans and budgets, and regularly evaluating the effectiveness of cultural implementation to ensure that culture and business strategy remain closely aligned.

Organizational Coordination Network: The Corporate Culture Office serves as the standing body of the Corporate Culture Management Committee, responsible for liaising, coordinating, and reporting on matters related to cultural development. Each operational center and functional department appoints a Corporate Culture Ambassador, who serves as a communicator of cultural policies, a feedback channel for cultural dynamics, and an organizer of cultural initiatives within the department. They form a network, ensuring that cultural efforts reach and resonate with every employee.



A clear organizational structure ensures well-defined responsibilities, adequate resources, and effective execution in cultural development, providing a solid institutional foundation for fostering cultural cohesion across the Company.

◆ Multi-Layered Cultural Communication, Embedding Core Values in Practice

To ensure that the Company's core cultural philosophy is truly internalized, we have established an integrated, multi-channel communication framework that combines online and offline platforms and leverages diverse and continuous formats. This approach is designed to translate abstract values into guidance that employees can perceive, understand, and act upon in their daily work.

New Media Communication Platforms

Focusing on key priorities and business activities, the Company leverages channels such as WeChat Official Accounts, internal publications, and the intranet to actively communicate achievements, progress, exemplary practices, and outstanding individuals emerging from cultural development and business operations. These efforts deepen employees' understanding and adoption of corporate culture, align organizational mindset, and strengthen employees' sense of mission and responsibility. They also foster a stronger sense of belonging, reinforce recognition and achievement, showcase the Company's spirit, and shape a positive external corporate image.

Visual Cultural Immersion in Physical Spaces

Across office areas, workshops, and electronic workstations, the Company uses cultural walls, bulletin boards, electronic displays, and other media to vividly showcase its mission, vision, and values. These installations not only enhance the workplace environment, but also reinforce employees' cultural alignment in a subtle yet persistent way, fostering a positive and uplifting atmosphere.

Management Forums and Storytelling

Company executives set the tone from the top, conveying the organization's strategic direction and cultural values in dedicated engagement sessions and listening attentively to employee insights. At the same time, the Company actively identifies and highlights outstanding teams and individuals who exemplify its values. Through internal publications, annual recognition events, and other communication channels, these "everyday stories" are transformed into compelling cultural narratives that make the Company's values tangible and relatable.



◆ Diverse Cultural Activities, Bringing Team Vitality to Life

A rich array of cultural activities serves as an important platform for strengthening team cohesion, relieving stress, and enhancing employees' sense of belonging. AKM Meadville thoughtfully designs and continuously organizes a series of themed cultural programs, enabling corporate culture to be practiced vividly through interaction and experience.



◆ Unified Visual Identity to Shape a Consistent Brand Image

A standardized and cohesive visual identity system is an essential expression of corporate culture and a key vehicle for conveying brand professionalism and consistency. The Company has established a comprehensive VI system that sets strict guidelines for the use of core visual elements, including the Company logo, color palette, typography, and auxiliary graphics. This VI system is applied extensively across all internal and external touchpoints, including office supplies, workplace environments, product packaging, advertising materials, corporate websites, and social media, ensuring a brand image that is clear, consistent, and professional.

◆ Cultivating Distinct Subcultures, Enriching the Cultural Ecosystem

While maintaining the unity of the Company's core values, we encourage each business unit to develop vibrant “subcultures” that reflect their unique operational characteristics and team identities. This approach fosters a healthy cultural ecosystem in which a unified core culture coexists with diverse and complementary subcultures, creating a dynamic model of “one guiding ethos, multiple thriving expressions.”

Innovation Culture

Within the R&D teams and innovation-focused business units, we promote a culture that encourages experimentation and exploration. The Company has established innovation funds and recognition programs to support employees who dare to challenge conventions and pursue breakthrough ideas.

Quality Culture

In manufacturing and quality management departments, we cultivate a culture of “pursuing excellence and striving for zero defects.” Through skills competitions, quality champion selections, and other initiatives, we embed strong quality awareness into every stage of production.

Market Culture

Across sales and customer service teams, we emphasize a customer-centric culture. The Company has established rapid-response mechanisms for customer feedback and regularly highlights outstanding service cases, continuously improving customer satisfaction.

Integrity and Compliance Culture

At the Company-wide level, we reinforce a culture of integrity and compliance, ensuring that all business practices adhere to legal and ethical standards. Regular training sessions and case-based warnings, audit supervision, etc., strengthen employees' understanding of compliant operations.

Safety Culture

With “Safety First” as the core principle, the Company have established a five-principle EHS culture and management model. We conduct themed activities during “Work Safety Month” and “Fire Prevention Month,” including safety knowledge competitions, emergency skills contests, emergency drills, accident case warnings, and “Snap and Report” safety hazard initiatives. These efforts strengthen safety awareness and ensure sustainable development through safety.

The Company's subcultures serve as effective extensions and concrete expressions of its core corporate values, together forming a rich and multi-layered cultural landscape for AKM Meadville.

Through systematic cultural development, the Company has internalized the principles of sustainability as a shared belief among employees and externalized them as coordinated collective action. Looking ahead, the Company will continue to advance its cultural governance, innovate communication approaches, and enrich the content of cultural activities, ensuring that culture remains a deep and enduring source of strength, driving AKM Meadville toward the shared creation of both business value and social value.



Innovation Culture



Quality Culture



Market Culture



Integrity and Compliance Culture



Safety Culture

Responsibility

Coexistence of Value

AKM Meadville builds a symbiotic responsibility-value system connecting “customers-enterprise-supply chain.” For customers, the Company earn lasting trust through exceeding delivery expectations by precisely needs alignment and rigorously quality control. Internally, the Company fortify quality foundations, enhance end-to-end process controls, integrate high standards into every operation, and strengthen quality awareness across all personnel. Collaborating with the supply chain, the Company share advanced management expertise and jointly advance sustainable supply chain development. Through tripartite synergy, with quality as the core and responsibility as the lifeblood, the Company forge a sustainable value community for the enterprise and all stakeholders.

Quality as the Foundation for Shared Success

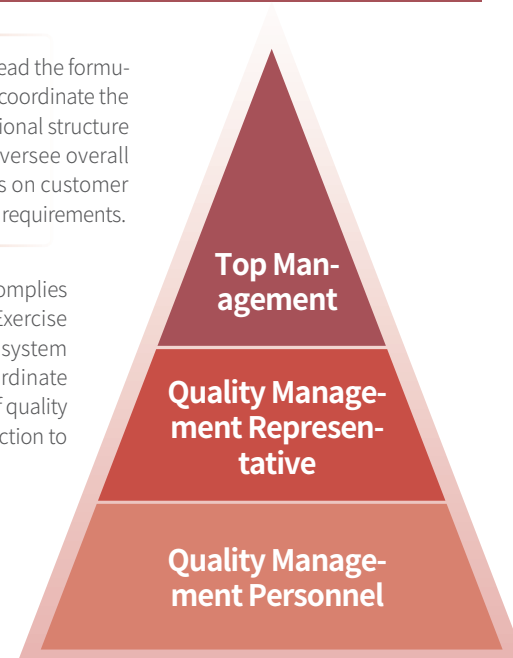
AKM Meadville always places quality and safety as its top priority, striving to establish a comprehensive quality and safety responsibility system that covers all employees, all processes, and all dimensions, with clearly defined accountability at every level. The Company has systematically built a scientific, standardized, and efficient quality management system to strengthen its management foundation, continuously aligning its practices with international standards to ensure product excellence, stable operations, and high-quality development.

The Company has established a quality and safety responsibility framework encompassing top management, the quality management representative, quality management personnel, and employees, continuously improving the supporting and safeguarding mechanisms for quality management.

Guide the overall operations of the company and its manufacturing sites, lead the formulation of corporate strategies, approve quality policies and objectives, and coordinate the allocation of human, financial, and material resources as well as organizational structure planning; Establish administrative and quality management systems, oversee overall operational performance, and promote continuous improvement; Focus on customer satisfaction, ensure that business decisions are fully aligned with regulatory requirements.

Establish, implement, and maintain a quality management system that complies with international standards, regulations, and customer requirements; Exercise independent decision-making authority on quality matters and report system performance and improvement needs directly to top management; Coordinate internal and external quality affairs, ensure company-wide enhancement of quality awareness and supply chain compliance; Be authorized to suspend production to mitigate major quality risks.

Translate corporate quality objectives into actionable targets for each functional department, driving process optimization and quality cost reduction; Facilitate quality meetings among manufacturing sites to share best practices and activate the company-level rapid response mechanism when quality issues exceed the capacity of local resolution.



To ensure the effective implementation of quality control, the Company has established a comprehensive quality management system that covers the entire product life cycle. In product and service quality management, the Company implements the Quality Objective Management Procedure, the Product Monitoring and Measurement Procedure, and other standardized processes encompassing all stages from incoming material inspection to laboratory management. For supplier quality management, the Company has developed supply chain control mechanisms such as the Supplier Quality Audit Management Procedure and the Counterfeit Parts Control Procedure. Quality improvement is continuously promoted through the Continuous Improvement Procedure and the Corrective and Preventive Action Procedure. Meanwhile, the Customer Complaint Management Procedure ensures prompt response to market feedback, while the RMA General Instruction standardizes the processes for product return and recall. These systems form a closed-loop quality management network spanning R&D, production, supply, and after-sales service, providing a solid foundation for product compliance and market competitiveness.

The Company benchmarks against international best practices and strictly adheres to global standards including ISO9001, IATF16949, QC080000, ISO10012, and ANSI / ESDS20.20. Additionally, The Company complies with legal regulations, as well as international, domestic, and industry requirements, such as UL, RoHS, REACH, and IPC. As of the end of 2024, The Company, together with its three trading subsidiaries and eleven major manufacturing sites, has obtained certification for the ISO9001 Quality Management System. Among them, eight major manufacturing sites have been certified under the IATF16949 Automotive Quality Management System. For details, please refer to Appendix 1: Overview of Management System Certifications.

ISO9001 Quality Management System Certificate (Partial)



AKM Meadville has systematically established a quality management mechanism to ensure its continuous and effective operation, while strengthening quality risk prevention and control capabilities across the entire life cycle. At the same time, the Company actively promotes the development of a quality-oriented culture that fosters an intrinsic drive for excellence, builds superior product quality, enhances core competitiveness, and safeguards the Company's sustainable development.

Grounded in the Juran Trilogy quality management philosophy, the Company has developed a comprehensive quality management system that integrates quality planning, quality control, and quality improvement throughout the entire process.



● **Quality planning:** Incorporates new product introduction, APQP management, DFM management, process tool management, and change management to ensure comprehensive early-stage product quality planning.

● **Quality control:** Implements strict quality management through personnel qualification, end-to-end inspection, inspection tools, nonconforming product management, and process capability control.

● **Quality improvement:** Focuses on continuous enhancement through supplier quality management, in-process quality control, corrective and preventive actions, laboratory management, and customer quality management.

Shanghai Meadville Science & Technology Co., Ltd. Launches the QMS Project

Shanghai Meadville Science & Technology Co., Ltd. held the kick-off meeting for its QMS system development project. Once implemented, the system is expected to significantly enhance production quality across the manufacturing site.



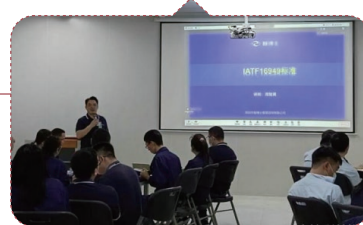
Xiamen AKM Meadville Science & Technology Co., Ltd Establishes Digital Intelligence System

Xiamen AKM Meadville Science & Technology Co., Ltd has built a digital and intelligent system covering the entire production process, centered around systems such as MES, QMS, EAP, CLCS and ERP. Leveraging an industrial big data platform, it achieves interconnected production, intelligent management, and resource optimization, laying a solid foundation for delivering high-tech, high-quality products and services.



Guangzhou Anbo New Energy Technology Co., Ltd. And its Fuzhou Branch Launches the Quality Management Enhancement Project (Phase I)

Guangzhou Anbo New Energy Technology Co., Ltd. And its Fuzhou Branch initiated Phase I of the Quality Management Enhancement Project, aiming to strengthen quality management and standardization within Anbo New Energy. The project focuses on establishing and maintaining a competitive quality system to improve market responsiveness and customer satisfaction.



AKM Meadville Launches the Four Pilot Modules of the QMS System

AKM Electronics Industrial (Panyu) Ltd. held a launch ceremony for the implementation of the Four Pilot Modules of the QMS System. Department heads and employees participated both online and in person, jointly witnessing a new milestone in the Company's journey toward digitalized quality management.

Empowering Quality Management Through Digital Intelligence

The Company conducts management reviews annually to evaluate the effectiveness of its quality management system. Based on the SMART principles, the Company applies the Laney P' Chart tool and historical data to establish company-level annual quality objectives, which are further cascaded down to the manufacturing site and departmental levels to ensure closed-loop execution. In response to the stringent requirements of major European and American customers, the Company has established a dedicated customer standard review process to ensure maximum compliance with customer expectations.

The Company has developed a quality risk prevention and control system that spans the entire product life cycle, achieving comprehensive risk management through institutionalized and systematic mechanisms. Each year, the Company conducts a major enterprise-level risk assessment, formulates response strategies, defines responsibilities and work allocation, and tracks quality risk changes and corrective measures on a quarterly basis. Meanwhile, the Company continues to strengthen its internal risk management, which covers three audit dimensions, system audit, process audit, and product audit, across three organizational levels: corporate headquarters, subsidiaries, and quality process teams. The Company carries out an annual corporate-level quality audit to ensure that the quality management activities of all manufacturing sites align with the Company's annual quality objectives.

The Company is also committed to fostering a strong quality culture. Guided by the six key objectives of PQCDMS (Productivity, Quality, Cost, Delivery, Morale, and Safety), quality training and cultural promotion activities are carried out through a series of methods, including Total Quality Management (TQM), Gemba Walk / Layered Process Audit (LPA), Pointing and Calling, and Zero Defect initiatives (such as Kaizen and Andon). At the same time, incentive mechanisms, quality communication campaigns, and employee engagement programs are introduced to further reinforce quality awareness and continuous improvement across the organization.

Case: Building Foundations Through Training, Reaching New Heights Together



AKM Meadville conducted a series of specialized quality management training sessions through live-streaming.



AKM Meadville has actively promoted the application and popularization of Six Sigma statistical methods and tools among engineering and technical personnel. Through systematic training, participants gained a deep understanding of Six Sigma's core philosophy, fundamental principles, and practical tools, laying a solid foundation for enhancing the Company's product excellence.



Xiamen AKM Meadville Science & Technology Co., Ltd. organized a three-day training program on FMEA & CP (Failure Mode and Effects Analysis and Control Plan) to continuously strengthen employees' quality awareness.

Case: Guided by Culture, Inspiring All to Act



Group Photo from a Monthly Award Ceremony



Golden Whistle Award

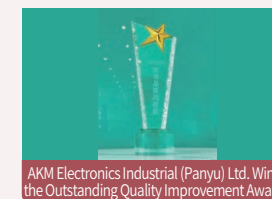


Pointing and Calling Award Ceremony



Guangzhou Meadville Electronics Co., Ltd. Launches the "Win-Win Circle" QCC Program

Case: Leading in Quality, Setting the Benchmark



AKM Electronics Industrial (Panyu) Ltd. Wins the Outstanding Quality Improvement Award



AKM Electronics Industrial (Panyu) Ltd. Wins the Excellent Quality Award



AKM Meadville Wins the Collaborative Innovation Award

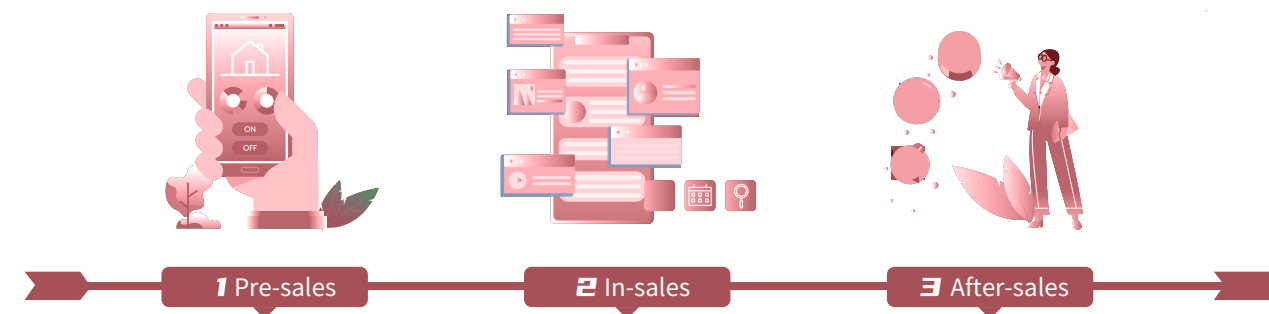


AKM Meadville Participates in the 2023 Global Supplier Conference with a Key Customer

Craftsmanship in Customer Service

AKM Meadville attaches great importance to customer service quality. The Company has established a Customer Complaint Management Procedure and built a dedicated quality service department composed of service professionals, including CQE (Customer Quality Engineers), on-site QS, QA personnel, technical support FAE, ME, PE, Sales, CS, and expert teams. Customer complaints are classified into three categories, general, major, and critical, based on urgency and impact. Service quality performance is directly linked to employee evaluations, thereby strengthening accountability and improving overall service standards.

The Company has developed a comprehensive pre-sales, in-sales, and after-sales service network, providing customers with end-to-end solutions covering product design, manufacturing, and market application. Regular training is conducted for service personnel to ensure prompt and effective responses to customer needs.



The Company has also developed the Customer Satisfaction Management Procedure and conducts an annual Customer Satisfaction Survey. Through an integrated “internal–external” evaluation approach, the Company assesses its products and services across twelve key dimensions, including customer satisfaction, delivery performance, quality, pricing, service, and issue resolution, to provide a comprehensive and objective measure of customer satisfaction. The Company conducts regular quality assessments of strategic customers and incorporates the results into the Company's overall quality objectives management framework. Relevant data are reported to top management on a monthly basis. Through the PDCA (Plan–Do–Check–Act) cycle and the direct attention of senior management, these efforts fundamentally promote the improvement of customer satisfaction.

In 2024, the Company did not withdraw or recall any products for reasons related to quality, safety, or health.

2024

● Resolution rate of customer complaints **100** %

Strengthening the Supply Chain for Higher Efficiency

AKM Meadville regards a reliable supplier base and an efficient supply chain as the core pillars of sustainable development. By building a supplier relationship network driven by resilience and mutual value creation, the Company has established a tiered management framework to strengthen its governance foundation, implemented responsible conflict mineral management to uphold ethical standards, and developed a risk prevention system to address uncertainties, thereby forming a distinctive competitive advantage that supports stable and long-term operations across the entire business cycle.

◆ Standardizing Suppliers Management

The Company strictly adheres to relevant laws and regulations, including the Bidding Law of the People's Republic of China and the Regulation on the Implementation of the Bidding Law of the People's Republic of China. It has established internal policies such as the Supplier Management Procedure to continuously improve and strengthen its supplier management framework. Supplier management is implemented throughout the entire life cycle, with a process-based approach, dedicated personnel responsible for each stage, and cross-departmental collaboration to ensure efficient, professional, and meticulous management.

Supplier Management Structure



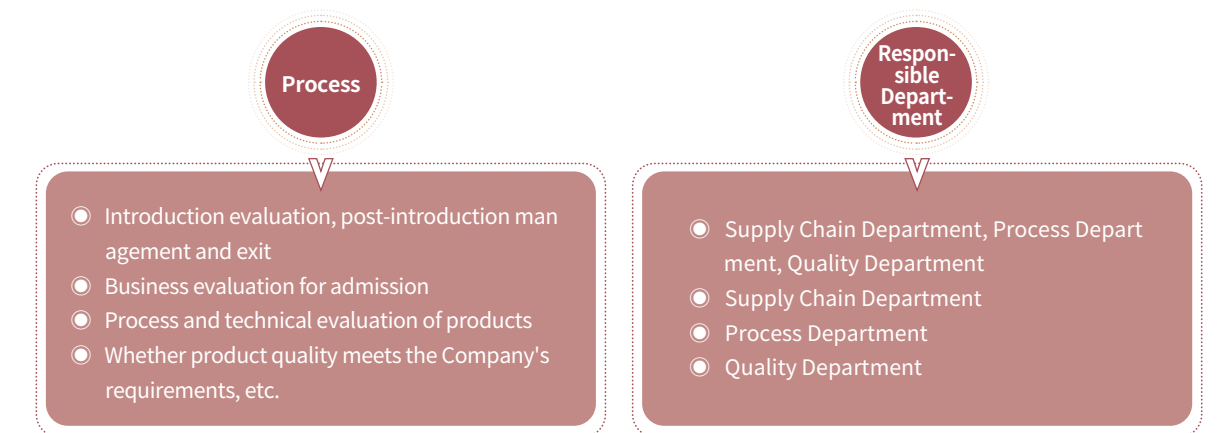
Decision-making Level

Operations Management Committee: responsible for formulating the overall direction and strategy of supplier management, and convenes regular internal and external meetings for communication

Executive Level

Formed jointly by Supply Chain, Quality, Engineering & Technology, Material Control, EHS, and Risk Management departments: responsible for establishing, reviewing, and implementing supplier management rules; as well as conducting supplier admission, audits, supervision, corrective actions, continuous improvement, and elimination processes.

The Company is committed to building a unified supplier management and operation system, using the Company as a platform and processes as the driving force, to centralize resources, implement unified management, embrace digitalization, and establish a law-compliant, transparent, streamlined, and efficient supply chain platform.



Suppliers Sourcing

Carry out supplier sourcing activities according to the Company's business operation needs. Through sourcing requirement analysis and other methods, define sourcing requirements and conduct sourcing evaluations on potential suppliers to assess their business qualifications, financial status, health and safety, hazardous substances, and environmental impact. Suppliers that pass the sourcing evaluation will be included in the Company's candidate resource pool.

Suppliers Admission and Review

Conduct reviews of suppliers' environmental and social risks through internal and external assessments. The supplier review team jointly formulates supplier admission standards to strictly control supplier quality, environment, safety, hazardous substances, information security, social responsibility, and compliance bottom lines.

Suppliers Tiered Management

Manage suppliers by classification and grading based on assessment results. For high-risk suppliers, actively guide them to carry out necessary rectifications and verify improvement results to ensure the completion of the rectification process.

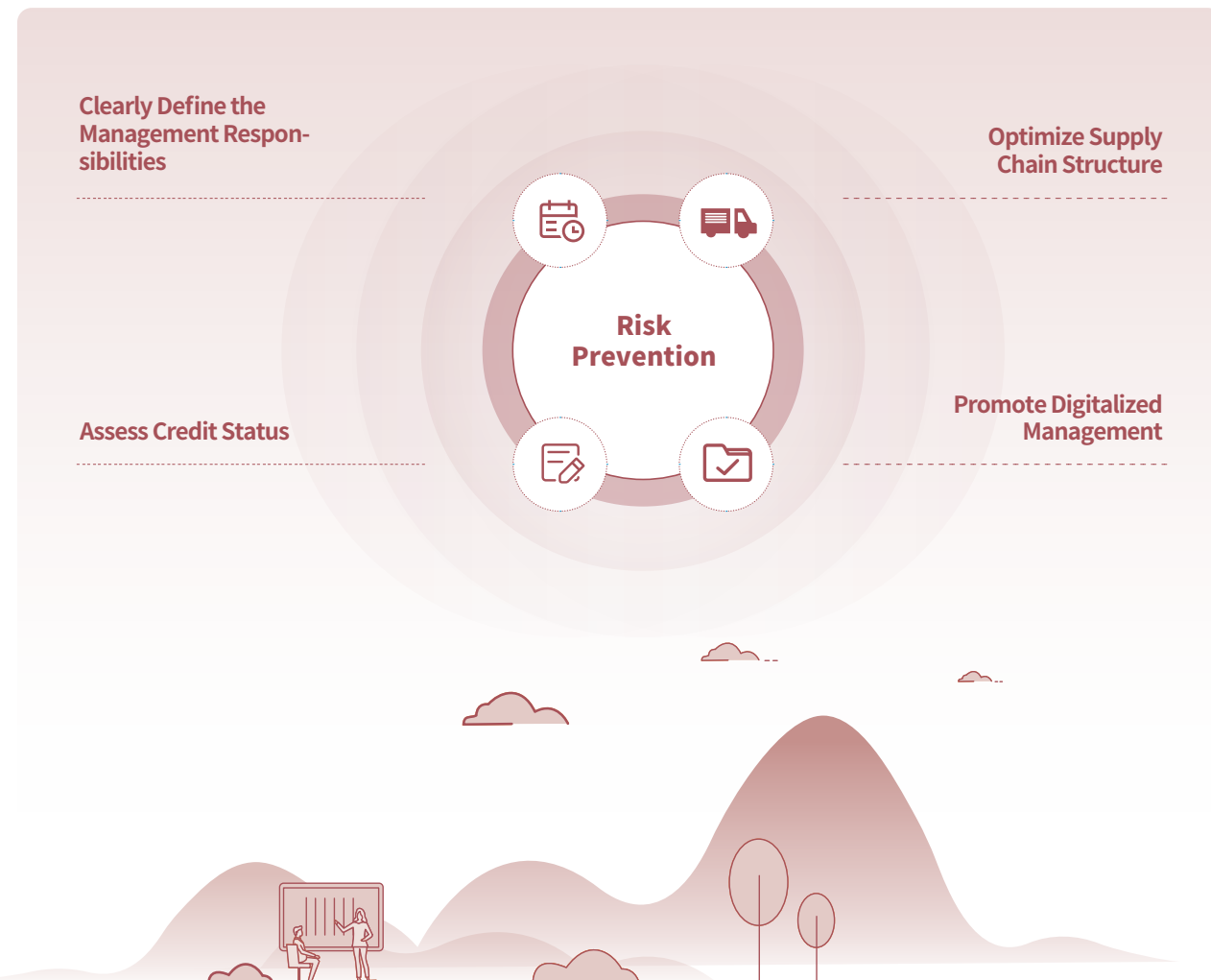
Suppliers Audit

Formulate an annual supplier audit plan each year and conduct on-site audits for direct materials and key indirect materials. In 2024, no potential significant negative impacts on social or environmental aspects were identified during supplier audits.

The Company incorporates ESG into its procurement philosophy, requiring suppliers to follow the Responsible Business Alliance Code of Conduct and to promote sustainable procurement comprehensively in five major areas: labor, ethics, occupational health, environment, and supply chain management. The Company gives priority to purchasing recycled raw materials and green electricity, thereby building a green and responsible supply chain. The Company promotes integrity within the supply chain. During major holidays, it conducts internal and external campaigns, education, and warnings on integrity to ensure a clean and transparent supply process. The Company implements a comprehensive hazardous substances control policy, including but not limited to the EU REACH Regulation, RoHS, VOC, Ozone-Depleting Substances (ODS), Toxic Substances Control Act (TSCA), Persistent Organic Pollutants (POPs), and Per- and Polyfluoroalkyl Substances (PFAS). Under the premise that all supplied products and service items meet quality and procurement specification requirements, the Company fulfills its payment obligations according to normal contractual terms, with no instances of malicious payment delays.

◆ Full-Chain Risk Prevention

The Company has established a comprehensive risk monitoring mechanism and conducts quarterly risk assessments on its supply chain, focusing on product quality risks, supply risks, financial risks, integrity risks, and information leakage risks to ensure the timeliness and effectiveness of risk management.

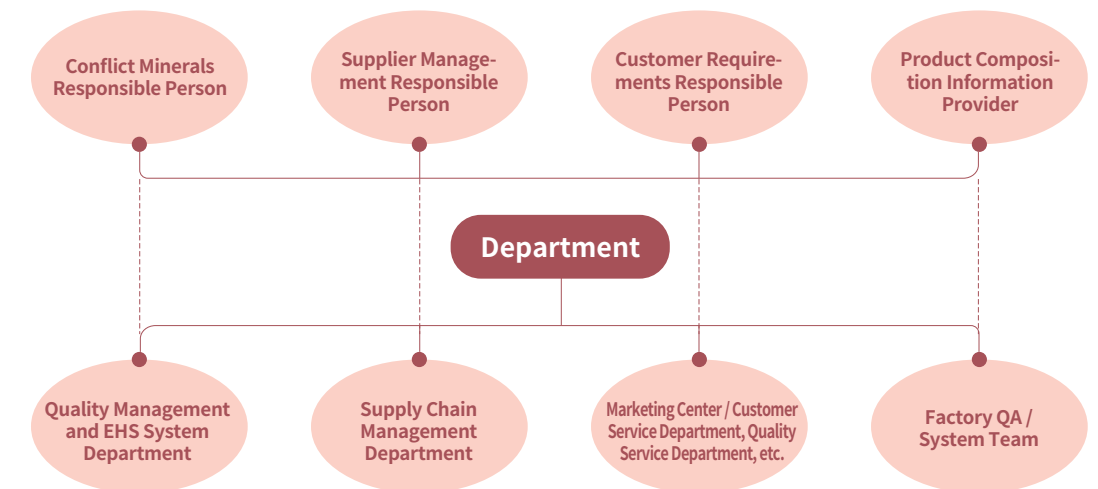


2024

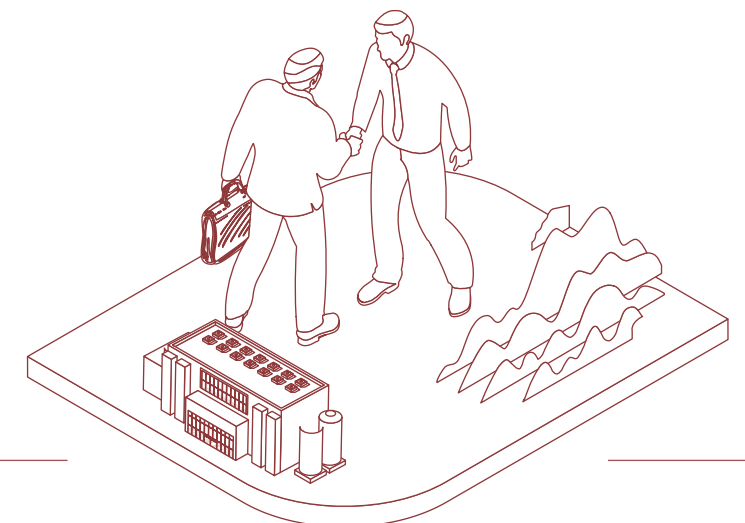
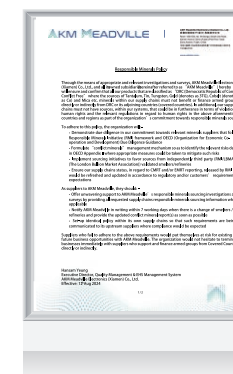
● As of the end of 2024, the company has not experienced any supply chain risk incidents. **0**

◆ Avoidance of Conflict Minerals

The Company attaches great importance to conflict mineral management, following the five-step framework of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas to establish its management system. It has formulated documents such as the Responsible Minerals Policy and Conflict Minerals Control Procedures, and requires suppliers to sign relevant agreements on conflict minerals.



The Company has established multiple processes, including annual conflict minerals due diligence, new material conflict minerals control, response to customer conflict minerals management requirements, and correction of non-compliant smelters. Key performance indicators (KPIs) are set for these processes to enhance workflow efficiency and promote the continuous and stable development of the supply chain. The Company provides an open feedback channel. If employees or suppliers discover situations involving or using high-risk conflict minerals, they may report or appeal through the public email channel.



Annual Conflict Minerals Due Diligence Process

Prepare annual investigation materials	<ul style="list-style-type: none">Identify the scope of conflict mineral risks, develop a conflict minerals risk list, and prepare relevant materials for the annual conflict minerals due diligence.
Issue investigation requests	<ul style="list-style-type: none">Based on customer requirements and updates to the Conflict Minerals Reporting Template (CMRT) / Extended Minerals Reporting Template (EMRT), and in conjunction with other regulatory investigation requirements of AKM Meadville, formulate the annual conflict minerals investigation plan.Issue conflict minerals investigation requests to the Supply Chain Management Department according to the investigation plan to initiate the annual conflict minerals investigation. Suppliers within the scope of conflict minerals investigation shall be investigated at least once a year. In addition, when there are new customer requirements or changes in the supply chain, a new investigation shall be conducted.
Provide a list of suppliers	<ul style="list-style-type: none">Upon receiving the conflict minerals investigation request, provide a list of material suppliers that have conducted business within the past year (or update the previous year's conflict minerals supplier investigation list).
Screen conflict minerals investigation list	<ul style="list-style-type: none">Conduct a preliminary screening and assessment of the supplier list to determine which suppliers require investigation.
Initiate conflict minerals investigation	<ul style="list-style-type: none">Carry out the investigation according to the finalized conflict minerals supplier list. Suppliers must respond to the conflict minerals investigation form within the specified period (generally within 10 working days).For suppliers who fail to respond on time, the Supply Chain Management Department is responsible for follow-up. For suppliers who refuse to respond, consider terminating their cooperation and replacing them with suitable alternative suppliers.
Review investigation results	<ul style="list-style-type: none">Review the relevant materials from the conflict minerals investigation results (such as conflict minerals questionnaires, CMRT, EMRT, etc.) and determine whether the supplier's conflict minerals questionnaire and report are acceptable.
Assess whether the supplier is high-risk	<ul style="list-style-type: none">Review the supplier's CMRT/EMRT conflict minerals report to assess and determine the supplier's conflict minerals risk level.If a supplier is identified as high-risk for conflict minerals, the Quality Management and EHS System Department shall propose risk mitigation measures, while the Supply Chain Management Department shall be responsible for implementing the corresponding risk management strategy. After completing the improvement measures, the supplier shall resubmit an updated conflict minerals report until the Quality Management and EHS System Department confirms that the report is acceptable.If a supplier is identified as non-high-risk, the Quality Management and EHS System Department shall provide feedback on report issues, and the Supply Chain Management Department shall require the supplier to update the conflict minerals report accordingly to complete the investigation.
Establish a company-level standardized conflict minerals report	<ul style="list-style-type: none">When all suppliers on the list have submitted CMRT/EMRT reports that meet the requirements, the Quality Management and EHS System Department shall consolidate supplier conflict minerals report information to establish a company-level conflict minerals report, completing the annual conflict minerals investigation. All related records shall be retained for ten years.

Giving Back to Society

While pursuing its own development, AKM Meadville consistently integrates social responsibility into its corporate strategy, actively contributing to social progress and public well-being. The Company is committed to becoming an enterprise respected by customers, shareholders, employees, and partners. Adhering to the development philosophy of “people-oriented, harmony and win-win,” the Company continues to focus on key areas such as community development, social welfare, and rural revitalization. It has established a systematic and standardized public welfare management system to proactively and efficiently fulfill its responsibilities as a responsible corporate citizen.

Through the active promotion and participation in various public welfare activities, AKM Meadville conveys care and warmth through concrete actions, contributing to social harmony and sustainable development. In 2024, the Company formulated specialized systems such as the Administrative Measures for External Donations, further clarifying the division of responsibilities and lead departments for each stage of public welfare projects. This ensures full-process management covering project initiation, implementation, supervision, and evaluation, guaranteeing the effectiveness, transparency, and integrity of public welfare resource investment, and firmly fulfilling the Company's long-term commitment to society.

The Company firmly believes that every spark of kindness can gather into a galaxy of light, and every act of public service helps build the foundation for a better society. It actively organizes and participates in volunteer activities such as blood donation and educational support, spreading warmth and hope through concrete actions. As of the end of 2024, Shanghai Meadville Science & Technology has carried out student aid and educational support programs for five consecutive years, providing underprivileged students with access to educational opportunities and resources. Through these efforts, Shanghai Meadville Science & Technology has actively helped young people pursue their dreams while consistently fulfilling its social responsibilities and commitment as a corporate citizen.

Case: Educational Assistance, Lighting Up Hope

Since 2019, Shanghai Meadville Electronics Co., Ltd has participated in the Pairing Assistance Program for student aid. To date, it has continuously sponsored three students. By granting small wishes and passing on positive energy, Shanghai Meadville Electronics Co., Ltd. has contributed its modest strength to support children's educational aspirations.



Case: Volunteer Blood Donation, Sustaining Love

Guangzhou Meadville Electronics Co., Ltd. and AKM Electronics Industrial (Panyu) Ltd. organized employee volunteers to actively participate in blood donation activities, spreading love far and wide. One employee donated healthy hematopoietic stem cells to an unknown patient with a blood disorder, igniting hope for life and conveying the power of rebirth.



Employees Voluntarily Participate in Bone Marrow Donation



Guangzhou Meadville Electronics Co., Ltd. and AKM Electronics Industrial (Panyu) Ltd. Organize Voluntary Blood Donation Drives

The Company has always regarded the community as an essential partner in its development journey. It remains committed to building shared understanding and collective strength, working hand in hand with all community stakeholders toward mutual growth and progress. Through long-term initiatives such as community visits, material assistance, and environmental cleaning activities, the Company strives to create a healthy ecosystem of shared development and mutual achievement.

AKM Electronics Industrial (Panyu) Ltd. continues to strengthen community engagement and improve local quality of life by regularly organizing waste-sorting awareness campaigns and community cleanup activities, while establishing an open and efficient communication mechanism that fosters genuine harmony and coexistence between the enterprise and the community.



Community Visits



Enterprise-Community Waste Sorting Awareness Campaign

Case: Enterprise-Community Integration for Shared Development

AKM Electronics Industrial (Panyu) Ltd. Manufacturing Site actively carried out community co-building initiatives and received both a banner and a letter of appreciation from the Haiwan Community, as well as the honorary title of “Harmonious Co-Building Unit” from the Nansha Police Station.



The Banner of “Community-Enterprise Co-Building Brings Warmth to People's Hearts, A Caring and Responsible Enterprise”



Rural Revitalization

The Company actively responds to China's rural revitalization policy, leveraging its own resource advantages to solidly promote both consumption assistance and employment assistance.

In terms of employment assistance, the Company proactively recruits individuals from registered low-income households and has launched the “Enterprise Employment Training Program,” providing retraining, continued education, and long-term career development platforms. This initiative creates a positive cycle from assistance to empowerment and from employment to growth, setting a strong example for corporate participation in talent revitalization, promoting social stability and sustainable development.



Provincial-Level
Employment Assistance
Base

In terms of consumption assistance, the Company organized to visit Youtian Village in Dalu Bian Town to observe its latest e-commerce and livestream sales model, gaining a deep understanding of how rural revitalization programs effectively increase farmers' income and advance rural reform. They also voluntarily joined charity initiatives to support agricultural development.



Outlook

From the milestones that shaped our strength, we rise with steadfast wings toward a limitless future.

Amid a rapidly changing environment and fierce market competition, we will press forward with the endurance of a long-distance runner and the determination of a frontrunner, staying true to our original aspiration to serve the international development. Built on sustainability, sharpened by innovation, and empowered by talent, we will join hands with all those who strive alongside us to continuously inject technological vitality into sustainable development.



Appendix 1: Overview of Management System Certifications

Category		System Certificate	System Name
Quality	NO.1	ISO9001	Quality Management System
	NO.2	IATF16949	Automotive Quality Management System
	NO.3	QC080000	Hazardous Substance Process Management System
	NO.4	ISO10012	Measurement Management System
	NO.5	ANSIESDS20.20	Electrostatic Discharge Management System
	NO.6	CNAS-CL01	Accreditation Criteria for the Competence of Testing and Calibration Laboratories
Environment	NO.7	ISO14001	Environmental Management System
	NO.8	ISO50001	Energy Management System
	NO.9	ISO14064-1	Greenhouse Gas Inventory
	NO.10	UL2799	Zero Waste to Landfill Certification
	NO.11	AWS	Alliance for Water Stewardship (AWS) International Certification
	NO.12	GB / T36132	Green Factory Evaluation Guidelines
	NO.13	ISO14067	Product Carbon Footprint
Safety	NO.14	ISO45001	Occupational Health and Safety Management System
	NO.15	ISO27001	Information Security Management System
Social responsibility	NO.16	Certification	Authorized Economic Operator
	NO.17	RBA VAP	Responsible Business Alliance (RBA) Assessment Program
Intellectual property	NO.18	GBT29490	Intellectual Property Management System

Appendix 2: Indicators Index List

Report Framework	GRI Standards	Shanghai, Beijing, and Shenzhen Stock Exchanges Topics
About this Report	102-2; 102-3; 102-4; 102-46; 102-49; 102-50; 102-52; 102-53; 102-54	
Message from Chairman	102-31	
About AKM Meadville	102-14;102-32	
Sustainability Management	3-1; 3-2	Communication with Stakeholders
Governance · Pursuing Sustainable Excellence		
Strengthening Governance Foundations		
Strengthening Compliance as the Foundation	205-2	Anti-Commercial Bribery and Anti-Corruption Anti-Unfair Competition Data Security and Customer Privacy Protection
Innovation · Technology Empowerment		
Orderly and Steady Innovation		Innovation-Driven Development
Breakthroughs in R&D		Innovation-Driven Development
Intellectual Property Protection		Innovation-Driven Development
Digital Transformation Empowerment		Innovation-Driven Development
Green · Sustainable Development		
Strengthening the Green Foundation		Environmental Compliance Management
Precise Emission Control	303-4;306-1;306-2;306-3;306-5	Pollutant Emission, Waste Disposal
Efficient Resource Utilization	303-3	Water Resource Utilization
Climate Governance Transformation	201-2; 302-1; 302-3; 302-4; 305-1; 305-2; 305-3; 305-4; 305-5	Climate Change Response, Energy Utilization
Ecological Harmony	304-2	Biodiversity Protection
Talent · Nurturing the Foundation for Growth		
Forging an Elite Team	401-1;405-1	Employees
Care, Motivation, and Warmth	201-3;401-2;401-3	Employees
Driving Growth through Talent Development	404-1;404-2	Employees
Fostering Cultural Cohesion	403-1; 403-2; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10	Employees
Responsibility · Coexistence of Value		
Quality as the Foundation for Shared Success		Safety and Quality of Products and Services
Craftsmanship in Customer Service	417-1	Safety and Quality of Products and Services
Strengthening the Supply Chain for Higher Efficiency	308-1	Supply Chain Security
Giving Back to Society	203-1; 203-2; 415-1	Social Contribution, Rural Revitalization

Appendix 3: Questionnaire

Dear reader

We sincerely appreciate you taking the time to read the 2024 Sustainability Report of AKM Meadville Electronics (Xiamen) Co., Ltd. We look forward to your comments and suggestions on the report and our work. You may scan and send the completed questionnaire via email to share your valuable feedback with us. Thank you!

1. What type of stakeholders of AKM Meadville Electronics (Xiamen) Co., Ltd. does your employer belong to?

- ☐ Internal management
- ☐ Shareholders / Investors
- ☐ Internal employees
- ☐ Suppliers / Partners
- ☐ Customers and potential customers
- ☐ Government and regulatory authorities
- ☐ Communities
- ☐ Experts and scholars
- ☐ Non-governmental organizations
- ☐ The public
- ☐ Others (please specify)

2. Is the information you are concerned with fully presented in the report?

- ☐ Yes
- ☐ Partially
- ☐ No

3. Your overall comment on the 2024 Sustainability Report of AKM Meadville Electronics (Xiamen) Co., Ltd.:

Readability (expressions of clarity, attractive design, engaging and easy to find the required information)

- ☐ points (Excellent)
- ☐ 2 points (Average)
- ☐ 1 point (Bad)

· Credibility (reported information is true and credible)

- ☐ points (Excellent)
- ☐ 2 points (Average)
- ☐ 1 point (Bad)

· Integrity of information (balanced positive and negative information and meets your needs on the information)

- ☐ points (Excellent)
- ☐ 2 points (Average)
- ☐ 1 point (Bad)

4. Are you able to find the information you are interested in from the report with ease?

- ☐ Yes
- ☐ Partially
- ☐ No

5. What would you like to see in addition to what has been disclosed in the report?

Disclaimer

The information contained in this report does not constitute any investment advice. Investors should not replace their independent judgment or make decisions solely based on such information. The Company does not assume any responsibility for losses that arise or may arise from the use of information in this report. The information published by the Company is true and accurate. In the event of any inconsistency with statutory disclosure documents, the statutory disclosure documents shall prevail.

If this report contains forward-looking statements, it does not constitute a constraint on the Company' s future actions, and the Company is not obligated and does not undertake to revise forward-looking statements (if any) contained in this document.

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