

2024

Hefei Huntkey Display Technology Co., Ltd.

Environmental, Social and Governance (ESG) Report





About This Report

Report Overview ►►

This report is the first Environmental, Social and Governance (ESG) Report released by Hefei Huntkey Display Technology Co., Ltd. (hereinafter referred to as “Huntkey Display,” “the Company,” or “we”). It aims to systematically disclose to stakeholders—including the Company’s shareholders, local governments and regulatory authorities, employees, customers, partners and suppliers, media and the public, and local communities—our philosophy, management approach, actions, and highlights in ESG performance for the year 2024.

Scope of the Report ►►

This report covers Hefei Huntkey Display Technology Co., Ltd. Unless otherwise specified, the reporting period is from January 1 to December 31, 2024. All monetary amounts mentioned are in RMB, and the data scope is consistent with the annual report.

Reporting Framework ►►

This report has been prepared with reference to the Global Reporting Initiative’s Sustainability Reporting Standard (GRI Standards 2021), the United Nations Sustainable Development Goals (SDGs) Corporate Action Guide.

Report Access ►►

The electronic versions of both the Chinese and English reports are available for download via the Company’s official website (www.huntkey.com), WeChat accounts: “航嘉显示” and “航嘉显示订阅号”. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

Contact Information ►►

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Message from Management

Against the backdrop of profound global structural changes and accelerating green transformation, how enterprises maintain conviction amidst uncertainty and fulfill responsibility amidst complexity has become a key measure of resilience and value creation.

In 2024, guided by the corporate vision of “To become a respected enterprise” Huntkey Display advanced with the strategic pillars of “Green Development, Value Co-Creation, and Robust Governance,” leveraging our commitment to build a sustainable industry ecosystem.

As a professional enterprise in display technology and manufacturing, the Company recognizes that high-quality growth is inseparable from systemic sustainable operational capabilities.

In 2024, the Company achieved revenue of RMB 1.82718 billion, with steady progress in product shipment and market expansion. At the same time, we positioned ESG as a key governance lever and elevated our sustainability strategy from “awareness” to “organizational capability,” continuously strengthening our foundation across governance systems, operational mechanisms, risk control, and green manufacturing.

In 2024, the Company revenue of RMB

182,718 billion 

Anchoring in Low Carbon to Drive the Green Manufacturing Engine ▶▶▶

We believe that green manufacturing is not an option but a necessary path for survival. In response to the global carbon neutrality trend and increasingly stringent industry standards, the Company proactively integrates environmental responsibility into R&D design, process optimization, and product delivery to build a low-carbon, efficient, and intelligent green manufacturing system.

To this end, we continued to advance key initiatives such as intelligent testing lines, process energy efficiency improvements, and end-to-end hazardous substance management. In 2024, the Company's water use intensity was controlled at 0.075 tons per RMB 10,000 of revenue, and carbon emission intensity was maintained at 0.95 tons CO₂equivalent—showing emerging green operational capabilities.

Empowering Employees and Ecosystem Partners to Build a Responsible Value Chain ▶▶▶

We firmly believe that employees are the Company's greatest asset and that partners are the starting point of co-creating value. Whether building organizational resilience or enhancing market responsiveness, it must be based on broad trust, mutual respect, and collaboration.

Under the strategic pillar of “People-Oriented, Value Co-Creation,” the Company has initially established an employee management system covering occupational health, safety management, capability development, and cultural cohesion. We actively promote fair employment and diversity and inclusion policies, enhance frontline safety training and performance incentives, and facilitate parallel development paths in talent cultivation and value realization. Meanwhile, in supply chain collaboration, we have established a green supplier entry mechanism and promoted traceable materials, conflict mineral commitments, tiered management, and closed-loop annual audits, thereby fostering a collaborative and mutually beneficial ecosystem.

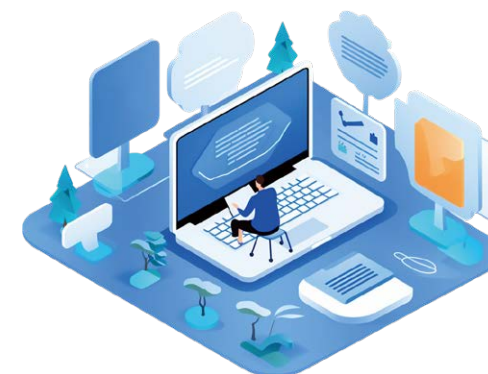
Consolidating Governance Foundations to Strengthen Corporate Resilience ▶▶▶

We deeply believe that in a highly uncertain market environment, only a governance system that is well-structured, clearly accountable, and highly responsive can provide a solid foundation for long-term development.

Robust governance is a strategic consensus consistently upheld by the Company. We have established a three-tier governance structure centered on the Board of Directors, encompassing the decision-making level, executive level, and business lines to ensure rigorous decision-making, enforceable institutional execution, and timely feedback loops. At the same time, we continuously refine our compliance management system and strengthen supervision mechanisms in key areas such as production safety, financial transparency, anti-corruption, and data compliance.

Vision Illuminates the Future, and Value Guides the Way ▶▶▶

We understand that ESG is not a decorative add-on but an intrinsic driver for navigating cycles. Looking ahead, Huntkey Display will remain committed to customer centricity and value creation, steadfastly advancing digital empowerment, green leadership, and shared responsibility. In a dynamic environment, we will strive for steady progress and collective success, embarking on a new journey toward sustainable development with all stakeholders.



About Huntkey Display

Company Overview

Huntkey Display was established on May 23, 2013, in Hefei, Anhui Province. As a core subsidiary of the Huntkey Group, the Company is dedicated to the research and development, manufacturing, and sales of monitors, surveillance screens, display modules, and all-in-one computers. Huntkey Display is committed to delivering high-performance and reliable display products and technical services to customers worldwide.

With outstanding product design, advanced manufacturing capabilities, and a global sales network, Huntkey Display has gained widespread recognition from customers at home and abroad.

In addition to serving major global OEM clients, the Company has also developed its own global OBM display brand—Lecoo. While continuously striving to enhance business performance, Huntkey Display actively fulfills its ESG responsibilities and consistently strengthens its system-level capabilities in the areas of environment, society, and governance, contributing to global sustainable development.

ODM & OEM



Huntkey

Corporate Vision

To become a
respected enterprise.

Core Values

Humility
Value Creation
Pursuit of Dreams

Business Philosophy

Customer-Centric, Value-Driven

Huntkey Display has obtained multiple international standards and compliance certifications¹, establishing a comprehensive management system that covers quality, environment, energy, occupational health and safety, and social responsibility. This reflects the Company's systematic capabilities in compliant operations and risk management, providing a solid foundation for fulfilling its ESG responsibilities and advancing sustainable development.

Quality Management System Certification (GB/T 19001-2016 / ISO 9001:2015)

Environmental Management System Certification (GB/T 24001-2016 / ISO 14001:2015)

Energy Management System Certification (GB/T 23331-2020 / ISO 50001:2018)

Occupational Health and Safety Management System Certification (GB/T 45001-2020 / ISO 45001:2018)

Hazardous Substance Process Management System Certification (IECQ QC080000, referred to as QC080000)

Responsible Business Alliance Validated Assessment Program (RBA VAP)

Social Accountability Management System Certification (Social Accountability 8000, referred to as SA8000)



Products and Solutions

Huntkey Display specializes in the field of consumer electronics displays, building a comprehensive product matrix tailored to diverse user needs and covering various application scenarios and customer segments. Upholding its brand philosophy of “To become a respected enterprise,” the Company continuously promotes product innovation and quality enhancement, forming a mature product portfolio that spans high-end gaming, commercial office use, and home entertainment.

In manufacturing services, the Company provides global brand clients with integrated ODM and OEM solutions that encompass product design, process development, and manufacturing delivery. Leveraging its strengths in quality control, supply chain coordination, and delivery capabilities, Huntkey Display has established long-term strategic partnerships with renowned global brands.

In terms of brand building, the Company has been operating and marketing its own OBM brand—Lecoo—since obtaining authorization from Lenovo in 2019. Lecoo’s steady development has strengthened the Company’s brand presence, with a diverse product lineup that spans gaming, business, and household segments.



ODM and OEM Manufacturing Solutions ▶▶▶

Huntkey Display has long been deeply rooted in the midstream of the global display industry supply chain. With years of manufacturing experience and technological accumulation, the Company offers reliable and efficient integrated ODM (Original Design Manufacturing) and OEM (Original Equipment Manufacturing) solutions for globally renowned brand clients. These models not only form the core of the Company’s business but also reflect its comprehensive capabilities in product definition, innovative design, lean manufacturing, delivery performance, and quality control.

The Company has built a highly integrated “design—development—manufacturing” system centered on customer needs. In the product design and R&D phase (A key component of the ODM solution), Huntkey Display is deeply involved in essential design stages such as product definition, appearance and structure design, function integration, and material selection. In the manufacturing phase (Applicable to both ODM and OEM solutions), the Company covers processes including pilot production introduction, process optimization, and delivery assurance, forming a full-cycle service loop from concept co-creation and prototyping to mass production. Relying on automated production lines and testing systems, precise process control, and an integrated information management platform, the Company effectively responds to the diverse requirements of global customers for display product specifications, delivery timelines, quality stability, and environmental compliance. One of its production lines, Line 03, features automation with an annual capacity of up to 1,440,000 monitors.

Thanks to outstanding delivery performance and continually optimized supply chain capabilities, Huntkey Display has earned strong recognition and long-term collaboration with global leading brands such as Lenovo, Unicompute Technology, Dahua Technology, Acer, and ViewSonic. The Company has maintained a strategic partnership with Lenovo since 2013, with over 1.69 million units shipped annually.

Annual shipped over

169 million units

Partnership over

12 years

Through its ODM and OEM solutions, Huntkey Display has built stable and trustworthy long-term partnerships with clients, supporting consistent brand quality while enhancing the competitiveness of end products. Looking ahead, the Company will continue optimizing its manufacturing capabilities and response efficiency, promoting deeper integration of green intelligent manufacturing and flexible production to create greater long-term value for customers.



Company-Owned Brand—Lecoo ▶▶

• 2018

Lecoo was officially launched by Lenovo on April 16, 2018 and authorization was granted to Huntkey Display in October 2019 to produce and sell Lecoo monitors. Lecoo is a smart IoT brand designed with an image of “vitality and diversity,” targeting the consumer electronics market.

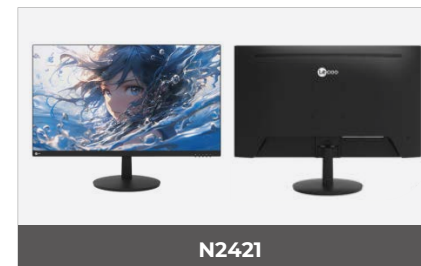
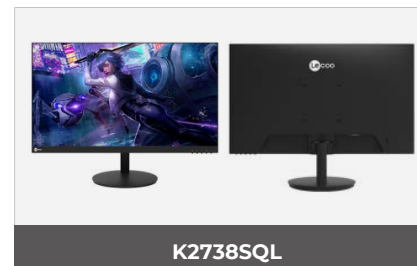
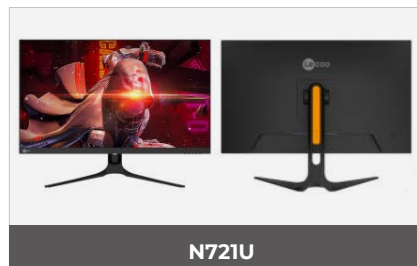
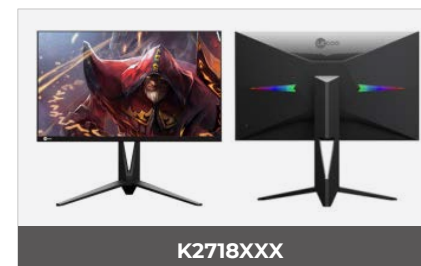
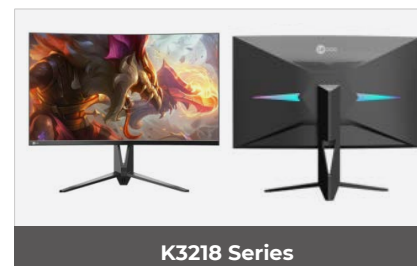
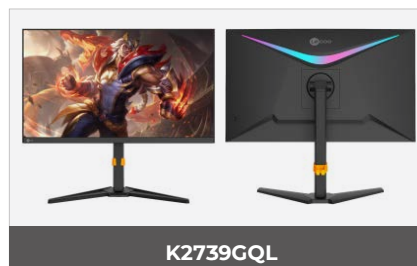
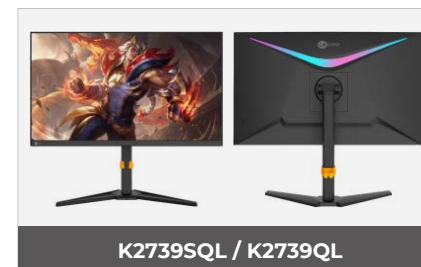
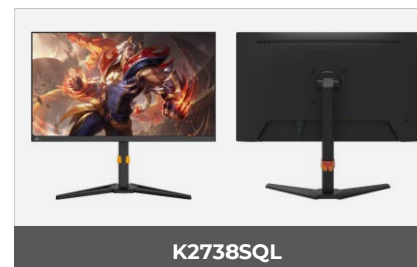
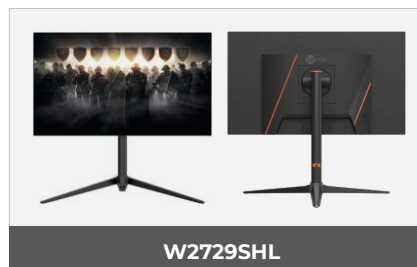
• 2020

Building on its cooperation with Lenovo, Huntkey Display began promoting Lecoo products to market in April 2020 in collaboration with Yuanzhao Electronics and regional distributors. From 2020 to 2023, Lecoo monitor sales grew at an average annual rate of 1.5 times, making it one of the leading brands in the consumer-grade display market.

• 2024

In 2024, Lecoo monitor sales exceeded 1.5 million units, with steadily rising brand influence. This not only solidified its leadership in the consumer-grade segment but also demonstrated Huntkey Display’ s strategic foresight and execution capabilities in brand development and smart terminal ecosystem planning.

Through its diversified Lecoo product portfolio, Huntkey Display continues to expand its reach in the consumer electronics market, enhance brand autonomy, and elevate the influence of local brand value and green manufacturing capabilities across the display industry chain.



Huntkey Display Product Matrix ▶▶▶

CGR Series

Designed for esports athletes and professional internet café gamers, the CGR Series delivers high-end gaming monitors featuring 2K resolution, 240Hz high refresh rate, and adjustable stands to meet the demands of an immersive gaming experience.

G Series

Targeting the esports market, the G Series is suitable for internet cafés, e-sports bars, and gaming hotels. Balancing performance and cost-effectiveness, it provides an optimal solution for professional gaming venues.

H Series

Featuring high resolution and color accuracy, the H Series caters to professional office and home users. It focuses on high-quality display performance and multi-scenario compatibility, enhancing both work efficiency and home entertainment.

M Series

Aimed at the mainstream consumer market, the M Series features ultra-thin metal designs that meet the dual priorities of aesthetics and functionality for DIY and household users, offering easy installation and mainstream performance.

E Series

Positioned as an entry-level offering for offline office environments, the E Series comes with plastic bases and is tailored for cost-sensitive DIY users who still prioritize stability and reliability.



CGR2731SQL



G3231C / G3231QC / G3231SQC



G2732 / G2732QV / G2732Q



H2731U



H2733QL



E2236F

Recognition and Honor



2024 Outstanding Supplier,
Zhejiang Dahua Technology Co., Ltd.



Anhui Provincial Enterprise
Technology Center



Anhui Provincial Industrial
Design Center



Huntkey Display's ESG Strategy and Governance

Under the impetus of China's carbon peaking and carbon neutrality goals (as known as dual carbon goals) and global sustainability trends, the Company actively responds to policy directives and market expectations by integrating ESG concepts into corporate governance and operational management. From setting a strategic vision to building organizational structures, engaging stakeholders, and identifying material topics, the Company has established a strategically driven, closed-loop, and multi-party ESG management system to ensure the comprehensive implementation of ESG responsibilities from decision-making to execution—injecting lasting momentum into high-quality corporate development.

10 ESG Vision and Strategy

11 ESG Management Structure

12 Stakeholder Engagment

13 Management of Material Issues



01



ESG Vision and Strategy

The Company upholds the ESG vision of “Better display, Better future!” and advances its sustainability agenda based on four strategic pillars: Green Development for a Sustainable Future, People-Oriented for Shared Value Creation, Value Chain Collaboration for Social Harmony, and Sound Governance for Social Harmony. With a commitment to balanced development across environmental protection, social value creation, and corporate governance enhancement, the Company ensures its ESG strategy is closely aligned with its overall development plan. The strategy focuses on key issues including green manufacturing, product environmental performance, workplace safety, employee care, and responsible supply chain management. Through systematic planning and multi-level implementation, the Company continues to deepen its progress in sustainable development.

Vision

**Better display
Better future!**

Mission

**To lead green technology through
innovation, and to drive sustainable
development with responsibility**

Four Pillars

**Green Development
for a Sustainable
Future**

01

**People-Oriented
for Shared Value
Creation**

02

**Value Chain
Collaboration for
Social Harmony**

03

**Sound Governance
for a Solid
Foundation**

04

ESG Management Structure

ESG MANAGEMENT STRUCTURE

To ensure the effective implementation of its ESG strategy, Huntkey Display has established a three-tier ESG governance structure consisting of the Board of Directors, the ESG Management Committee, and the ESG Working Group. This structure clearly defines responsibilities and forms a top-down promotion mechanism.

Level	ESG Governance Body	Composition	Responsibilities
Decision-Making	Board of Directors	Board members	- Decide on ESG-related matters - Review the ESG work plan and coordinate policy directions - Review and approve the annual ESG report - Review the performance indicators and the achievement of targets
Management	ESG Management Committee	Composed of the Company's leadership team; chaired by the Vice President of Technology	- Responsible for formulating ESG vision, mission, and medium-to-long-term strategy - Supervise the achievement of ESG targets - Evaluate and manage annual ESG implementation projects - Review the Company's annual ESG report
Execution	ESG Working Group	Chaired by the head of the Innovation and R&D Department, with cross-functional department involvement.	- Responsible for implementing ESG strategies, delivering on KPIs, and promoting related projects - Communicate ESG matters with stakeholders - Compile the annual ESG report

Stakeholder Engagement

STAKEHOLDER ENGAGEMENT

Huntkey Display places great emphasis on communication and interaction with its stakeholders, viewing them as a vital bridge for promoting sustainable development and establishing a responsible governance system. The Company regularly collects stakeholders' concerns and expectations on environmental, social, and governance issues through diversified channels, ensuring that ESG strategies and implementation measures are closely aligned with stakeholder needs.

Stakeholders	Expectation and Appeals	Communications and Response Channels
Shareholders or Potential Investors	▶▶ Anti-corruption ▶▶ Innovation and R&D ▶▶ Compliance governance ▶▶ Tax transparency ▶▶ Product quality and safety ▶▶ Integrity and ethics	▶▶ Routine meetings ▶▶ Shareholder meetings ▶▶ Periodic reporting
Government and Regulators	▶▶ Compliance governance ▶▶ Greenhouse gas emission disclosure ▶▶ Employee welfare ▶▶ Anti-corruption	▶▶ Compliance reporting ▶▶ Policy response
Employees	▶▶ Talent development ▶▶ Talent attraction and retention ▶▶ Talent training and development	▶▶ Team-building activities ▶▶ Training programs ▶▶ Employee feedback mailbox
Clients or Customers	▶▶ Information security and data protection ▶▶ Sustainable products and services	▶▶ After-sales services ▶▶ Customer satisfaction surveys ▶▶ Technical support ▶▶ Official WeChat account
Suppliers or Business Partners	▶▶ Integrity and ethics ▶▶ Win-win cooperation	▶▶ Annual supplier audit ▶▶ Routine business communication and visits
Communities and the Public	▶▶ Environmental protection ▶▶ Public welfare donations	▶▶ Public welfare participation ▶▶ Environmental campaigns ▶▶ Official WeChat account
NGOs/ Media	▶▶ Compliance governance ▶▶ Integrity and ethics ▶▶ Intellectual property rights protection	▶▶ Regular communication ▶▶ Periodic reporting

Management of Material Issues

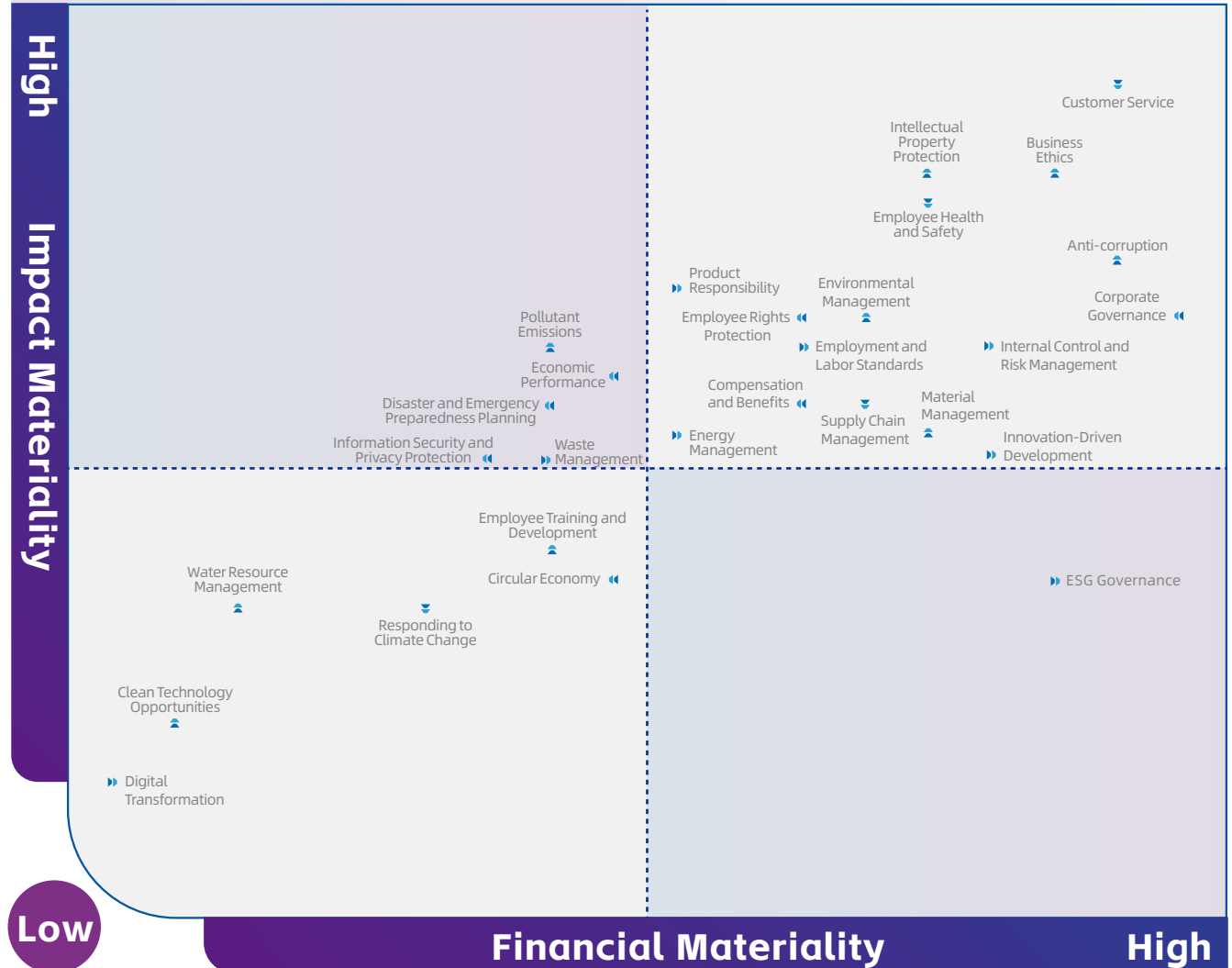
To ensure that ESG efforts focus on critical issues and that resource allocation is efficient, the Company refers to the GRI Standards 2021 and other relevant international disclosure frameworks. In alignment with its strategic planning and actual business conditions, the Company has adopted a systematic approach to identifying material topics. By distributing questionnaires and engaging with various stakeholders, the Company identifies and prioritizes issues that significantly impact its operations or have a substantial effect on the external environment and society, thereby enhancing the relevance, foresight, and execution of its ESG strategy.

During the reporting period, the Company conducted a comprehensive assessment of 28 ESG issues based on the principle of double materiality referring to “financial materiality” and “impact materiality.” A matrix method was used to determine the prioritization of each topic.

Conducted a comprehensive assessment of

28 issues

Huntkey Display Materiality Matrix



Green Development for a Sustainable Future

Amid the global wave of climate governance and green transition, Huntkey Display has consistently integrated the concept of sustainable development deeply into its corporate strategy and operational practices. Through five key pillars—addressing climate change, low-carbon green operations, compliant management of the three wastes (waste gas, wastewater, and solid waste), green products and sustainable packaging, and technological innovation—we have established a green development system that spans the entire lifecycle of R&D, production, and products. Guided by the "Dual Carbon" goals, we leverage technological innovation as the driving force and prioritize efficient resource utilization to continuously optimize environmental performance. We are committed to advancing the transformation and upgrading of the electronics manufacturing industry toward greener, smarter, and low-carbon practices, setting a benchmark for sustainable development in the sector.

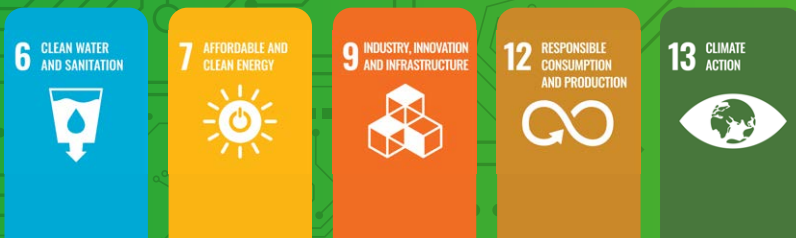
15 Responding to Climate Change

17 Low-carbon Green Operations

21 Compliance with Waste Management Regulations

22 Green Products and Sustainable Packaging

24 Science, Technology, and Innovation



Responding to Climate Change



Greenhouse Gas Management

Against the urgent global backdrop of addressing climate change, governments, international organizations, and enterprises are accelerating their carbon neutrality efforts. Huntkey Display actively responds to the national ecological civilization initiative and adheres to the new development philosophy in tackling climate change. The Company's greenhouse gas emissions primarily originate from gasoline used by its owned vehicles in production and purchased electricity consumption. In accordance with the ISO 14064-1:2018 standard, the Company has calculated Scope 1 and Scope 2 carbon emission data to ensure the accuracy of emission reporting.

During the reporting period, the Company's total carbon emissions were 1,738.12 tons of CO ₂ equivalent, including Scope 1 emissions of 18.54 tons of CO ₂ equivalent and Scope 2 emissions of 1,719.58 tons of CO ₂ equivalent. The greenhouse gas emissions per million yuan of revenue (Scope 1 and Scope 2) was 0.95.	During the reporting period, carbon emissions were 1,738.12 tons of CO ₂ equivalent	Scope 1 emissions were 18.54 tons of CO ₂ equivalent	Scope 2 emissions were 1,719.58 tons of CO ₂ equivalent	The GHG per million of revenue was 0.95
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Identify Climate Risks and Opportunities

GREENHOUSE GAS MANAGEMENT

Huntkey Display has established a climate change risk assessment and dynamic update mechanism to regularly identify climate-related risks and opportunities while formulating corresponding strategies. In 2024, the Company further adopted scenario analysis to evaluate the potential impacts of extreme climate events on its own operations and the upstream and downstream value chain, driving the upgrade of its risk management system toward proactive early warning.

Under the low-carbon scenario, the Company conducted risk scenario analysis based on the International Energy Agency's (IEA) IEA NZE 2050 framework. In this scenario, global CO₂ emissions will be 45% lower than 2010 levels by 2030, net-zero emissions will be achieved by 2050, and countries will significantly strengthen the implementation of energy and climate policies to ensure global temperature rise remains below 1.5°C.

Under the high-emissions scenario, the Company conducted analysis based on the Shared Socioeconomic Pathways (SSP5-8.5) from the Intergovernmental Panel on Climate Change's Sixth Assessment Report (IPCC AR6 SSPs). In this scenario, CO₂ emissions are projected to approximately double from current levels by 2050.

Type of Risk	Name of Risk	Impact Scope	Risk Description	Risk Mitigation Measures	Potential Financial Impact	IEA NZE 2050			SSP5-8.5		
						Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term
Physical Risk	Acute Physical Risks	Upstream Value Chain Own operations Downstream Value Chain	Extreme weather conditions may cause equipment damage and production interruptions, which may affect the supply of raw materials in the upstream supply chain.	Enhance the disaster resistance rating of buildings, deploy weather warnings, strengthen emergency management for sudden environmental incidents, increase supplier reserves, and improve supply chain risk resistance capabilities.	Increased Operational Costs	Low	Low	Medium	Low	Low	High
	Chronic Physical Risks	Upstream Value Chain Own operations Downstream Value Chain	Global warming may cause equipment to overheat, affecting normal operation and service life.	Include high temperature resistance and other characteristics in procurement requirements to improve the high temperature resistance and service life of products and equipment.	Increased Operational Costs	Low	Medium	Medium	Low	Medium	High
Transition Risk	Compliance Risk	Own operations	Companies need to take measures to meet customer ESG-related requirements for suppliers.	Establish an ESG management framework, customize an innovative carbon footprint management platform, and continuously improve ESG information disclosure.	Increased Compliance Costs	Low	Medium	High	Low	High	High
	Market Risk	Own operations Downstream Value Chain	The market's demand for green products continues to grow.	Implement green design for products through lifecycle management.	Increased Operational Costs Increased Capital Expenditures	Low	Low	Medium	Low	Low	Medium
	Technological Risk	Own operations	It is necessary to continuously monitor and adapt to new developments in cleaning technology, otherwise there is a risk of being eliminated from the market.	Increase R&D investment to ensure that products are green and intelligent, and meet market demand.	Increased Operational Costs Increased Capital Expenditures	Low	Medium	Medium	Low	Medium	High

Identify Climate Risks and Opportunities

GREENHOUSE GAS MANAGEMENT

Type of Opportunity	Name of Opportunity	Impact Scope	Opportunity Description	Opportunity Enhancement Strategy	Potential Financial Impact	IEA NZE 2050			SSP5-8.5		
						Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term
Market Opportunity	Promote Low-carbon Products and Services	Own operations Downstream Value Chain	Market demand can be met by developing and providing equipment that complies with environmental protection standards.	Increase investment in clean technology research and development, work closely with supply chain partners to jointly develop environmentally friendly and energy-efficient materials and components, and promote the construction of photovoltaic projects.	Increased Products and Services Business Increased Market Share Increased Operating Revenue	Low	High	High	Low	High	High
Reputation Opportunities	Enhance Brand Awareness and Reputation	Own operations	Actively fulfill social responsibilities, strengthen corporate image building, and win public and customer recognition and support.	The Company has established an ESG governance framework, conducted comprehensive carbon audits, and incorporated green design concepts into the entire product life cycle.	Increased Market Competitiveness	Medium	Medium	High	Medium	High	High

Low-carbon Green Operations

Huntkey Display has integrated low-carbon and green operations into the core strategy of corporate development, continuously reducing the ecological footprint of operations through a comprehensive environmental management system and efficient energy and resource management. Facing global resource constraints and carbon neutrality goals, the Company optimizes production energy efficiency and procures green electricity, achieving economic benefits while building a resource-efficient and environmentally friendly smart manufacturing benchmark.

Energy Resource Management

Huntkey Display places high importance on the rational allocation and efficient utilization of energy resources, and is committed to reducing energy consumption and environmental impact through scientific management while promoting sustainable corporate development. The Company has established the *Energy Resource Management Procedure and Energy Management Manual*, covering key areas such as water, electricity, production materials, and office resources to ensure continuous improvement in energy use efficiency. During the reporting period, Huntkey Display obtained energy management system certifications in accordance with GB/T 23331-2020 and ISO 50001:2018.



The Company establishes clear energy-saving and consumption-reduction targets annually based on the previous year's energy consumption data and production output. The Administration Department calculates the average energy consumption per unit of output value and uses this as the basis to set annual reduction ratios, forming specific energy-saving indicators. The Production Department then formulates reduction targets for resource consumption per unit product according to actual production conditions, ensuring year-by-year optimization of resource utilization efficiency during the production process.



Green Office ▶▶

In terms of power management

Huntkey Display requires electricians to be certified before assuming their duties to ensure the safe and efficient operation of the power system. The Company comprehensively promotes the use of energy-saving lamps and strictly regulates that air conditioning temperatures shall not be set below 26 ° C, while implementing the management measure of "lights off when leaving." The administrative department is responsible for the regular inspection and maintenance of electrical equipment to prevent leakage and energy waste, and further reduces energy consumption by adopting new technologies.



In terms of water resource management

the administrative department is responsible for the maintenance and inspection of the water supply system to ensure no leakage in water facilities. The Company separately tracks domestic water and production water consumption, promptly analyzes causes and implements improvement measures when abnormal usage is detected. Additionally, employees are required to develop water-saving habits and avoid leaving taps running. During the reporting period, the Company's water intake amounted to 13,648 tons.



The Company mainly provides energy-related training records through education and training programs. The training content includes energy management system manuals and procedural document training, energy management system standards and energy laws/regulations training, emergency response training and drills for sudden power outages, internal auditor training, and energy-saving technologies and energy management knowledge training. The Company provides a list of special operations personnel, including safety management personnel, electricians, forklift operators, and occupational health and safety management personnel. All personnel are certified, and their certificates are valid. The Company regularly organizes performance evaluations for all employees, with particular emphasis on energy consumption and other cost assessments for the manufacturing department, which has improved employees' energy-saving awareness.



In 2024, Huntkey Display's total electricity consumption was approximately 3.1 million kWh. The Company purchased 400,000 kWh of green electricity, with green power accounting for 55.87% of Lenovo products.

During the reporting period, Huntkey Display consumed 3,021,545 kWh of purchased electricity and 2.85 tons of gasoline. The total energy consumption amounted to 375.55 tons of standard coal equivalent, with an energy consumption intensity of 0.21 tons of standard coal equivalent per million yuan of revenue.

Green electricity
purchased were

40 kWh

Green power of Lenovo
products accounting for

55.87 %

Purchased
electricity were

3,021,545 kWh

Total energy consumption
intensity was

0.21
tons of standard coal
equivalent per million RMB revenue

Environmental Management ▶▶

Huntkey Display implements the environmental management policy of "Energy Saving, Waste Reduction, and Pollution Prevention," with a clear commitment to comply with environmental regulations, reduce environmental risks, and continuously improve performance. The Company has established a comprehensive environmental management structure, directly led by top management. Under this structure, the Environmental and Occupational Health & Safety Management Representative oversees system operations, with various departments collaborating in their respective roles. The Company has formulated the *Quality & HSPM, Environmental and Occupational Health & Safety Management Manual* and the *Environmental Management Control Procedure*, building a full-process management system covering environmental factor identification, operational control, emergency response, and continuous improvement. During the reporting period, Huntkey Display obtained GB/T 24001-2016 and ISO 14001:2015 environmental management system certifications.

The Company integrates environmental requirements into the entire process of procurement, production, and product design. Examples include controlling hazardous substances in raw materials through supplier environmental agreements and optimizing processes to reduce waste generation.

During the reporting period, Huntkey Display did not experience any major negative environmental incidents.



Environmental Management System Certification Certificate

Environmental Factor Identification ▶▶

The Company has established the *Environmental Factors and Hazard Identification & Evaluation Procedure* to systematically identify and evaluate environmental factors and hazards generated in the Company's production activities, products and services. The Company adopts process analysis methods, combined with on-site observations, historical data and regulatory requirements, to comprehensively identify environmental factors including air emissions, water pollution, waste generation, noise, and resource and energy consumption. The Company regularly updates the environmental factors list annually and conducts re-evaluations when new projects are established, process changes occur or regulations are adjusted, ensuring dynamic adaptability of environmental management.

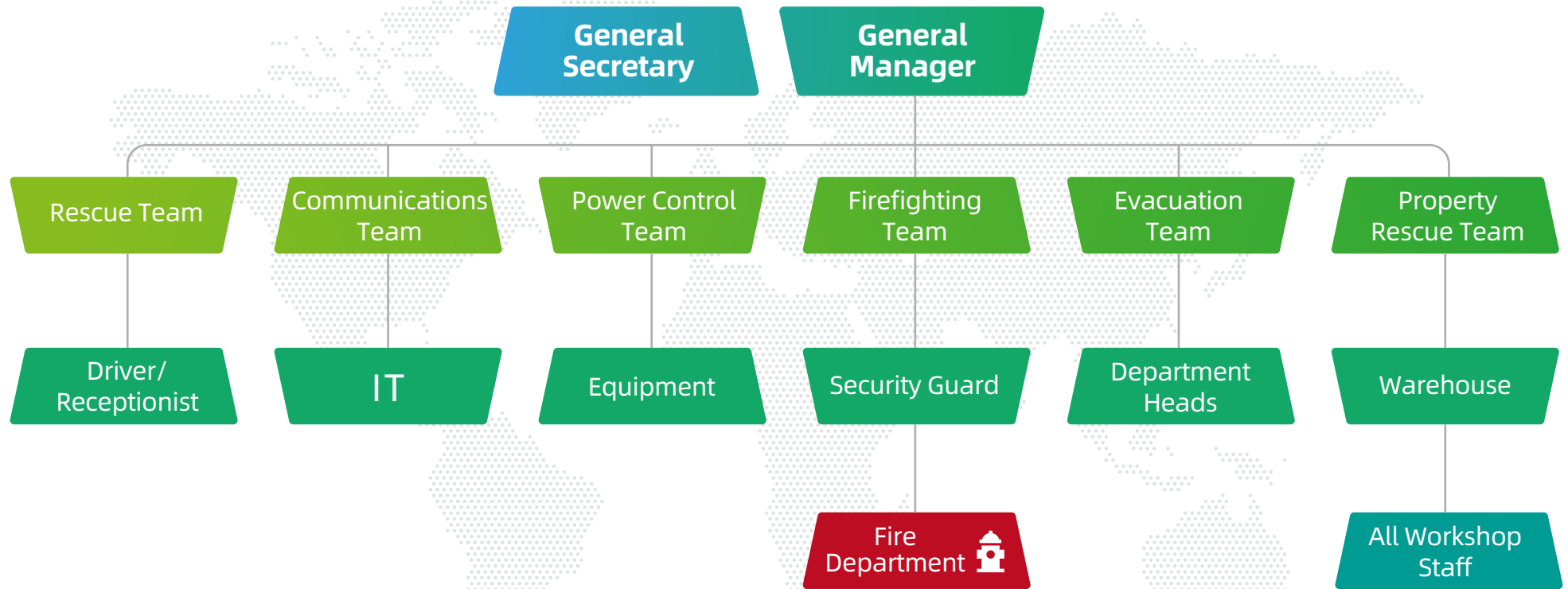
The environmental factors identified by Huntkey Display include ▶▶

- ✓ **Environmental factors that fail to comply with legal and regulatory requirements:**
Such as emission concentrations exceeding limits or projects involving hazardous waste, which are directly classified as significant environmental factors.
- ✓ **High-impact level factors:**
Environmental factors scoring at Level 1 or Level 2 require control through target objectives or management programs.
- ✓ **Potential major risks:**
Such as chemical leaks or abnormal energy consumption, which the Company incorporates into emergency response procedures for specialized control.

Environmental Emergency Management ▶▶

The Company has formulated the *Emergency Preparedness and Response Procedure*, establishing an emergency management system covering incidents such as fires, hazardous material leaks, and power outages. By defining the organizational structure, division of responsibilities, and response procedures, the Company ensures rapid and effective countermeasures can be taken when environmental risk incidents occur, minimizing their impact on the environment and personnel.

Environmental emergency management framework



The Company adopts a dual strategy focusing on both prevention and response. The Company regularly conducts fire drills and emergency exercises to enhance employees' emergency response capabilities, ensuring prompt and effective control of unexpected incidents. Professional emergency equipment and supplies are provided to support rescue operations. Specifically for accidents that may cause environmental pollution, such as hazardous chemical leaks, the Company has established strict response procedures including pollution containment, specialized treatment, and environmental monitoring to minimize environmental impact.

The Company emphasizes continuous improvement in emergency management by refining emergency plans through drill evaluations and incident analysis. The Company organizes various types of emergency drills quarterly to verify the feasibility and effectiveness of the plans. An emergency incident log is maintained to document and analyze the handling process and lessons learned from each incident. Emergency plans are regularly reviewed and updated to ensure alignment with the Company's development and environmental requirements. This systematic and standardized environmental emergency management system has effectively enhanced the Company's capability to respond to unexpected environmental incidents, providing solid support for sustainable development.

Compliance with Waste Management Regulations

Huntkey Display fully recognizes the critical impact of wastewater, air emissions, and waste management in production operations on ecological environments and community health. We strictly comply with national environmental regulations and industry standards, implementing the principles of "reduction, resource recovery, and harmless treatment" throughout the entire waste management process. Through process optimization, technological upgrades, and closed-loop management, we continuously reduce environmental impacts.

Our goal is to strengthen pollution prevention and compliance management of the "three wastes" (wastewater, waste gas, and solid waste), ensure stable and compliant discharge, and prevent major environmental violations.

Wastewater Management ▶▶▶

Huntkey Display places high importance on wastewater management in production operations, strictly complying with environmental regulations to ensure wastewater discharge meets standards. The Company has established the *Wastewater Control Procedure* to effectively manage both industrial and domestic wastewater, thereby reducing environmental impact.

Regarding domestic sewage discharge, the Company requires strict prevention of oil leakage during equipment maintenance to avoid water source contamination. Additionally, the Company regularly contracts external providers to clean the factory's septic tanks at least once annually to reduce pollutant discharge concentration. For construction sites (e.g., roof work) or areas after equipment repairs, the Company mandates that responsible units promptly clean the sites to ensure no residual pollutants enter the drainage system.

For the management of air-conditioning cooling tower wastewater discharge, the Company has established strict emission standards. When the wastewater pH falls below 6 or exceeds 9, neutralization treatment is mandatory to ensure compliance before discharge. The equipment department conducts monthly cleaning of air-conditioning cooling towers and handles wastewater discharge. Prior to each discharge, air-conditioning technicians must test water quality and archive test records for traceability and supervision purposes.

The Company's wastewater management measures are supported by the Monitoring and *Measurement Implementation Procedure*, ensuring wastewater treatment effectiveness meets environmental requirements through regular monitoring and documentation. The Company will continue optimizing wastewater management processes, improving resource utilization efficiency, and conducting regular employee training to enhance professional competencies - all contributing to environmental protection and sustainable development.



Exhaust Gas Management ▶▶▶

Huntkey Display strictly complies with the requirements of environmental laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Air Pollution Prevention and Control Law*, incorporating exhaust gas emission management as a core component of its environmental management system. The Company regularly identifies and updates applicable exhaust emission standards to ensure all production processes meet national and local pollutant emission limit requirements, including but not limited to the *Integrated Emission Standard of Air Pollutants* and industry-specific regulations.

Waste Management ▶▶▶

Huntkey Display attaches great importance to waste management and is committed to minimizing the environmental impact of waste through scientific classification, rational recycling, and compliant disposal, while improving resource utilization efficiency. The Company has established the *Waste Management Control Procedure*, implementing a comprehensive waste management system covering production, office operations, and daily activities to ensure effective waste control.

The waste management process includes collection, classification, temporary storage, recycling, and disposal. Production departments must conduct preliminary classification of waste generated during operations; the warehouse department is responsible for centralized sorting and handling of waste such as pallets and packaging boxes; environmental safety specialists supervise contractors' compliant waste removal to ensure no secondary pollution occurs during transportation and treatment. For hazardous waste, the Company has designated dedicated recycling areas under specialized control. Hazardous waste is uniformly collected monthly, labeled, and stored, with the warehouse department managing records and implementing "three protections" (prevention of scattering, loss, and leakage). During disposal, the Company entrusts qualified hazardous waste treatment companies through formal procedures, with the General Administration Department overseeing the entire process including declaration, issuance, usage, recycling, and disposal.

The Company classifies solid waste into three major categories: industrial waste, domestic waste, and construction waste.



Industrial Waste ▶▶

General waste includes:

waste paper, empty barrels, wooden pallets, polystyrene foam, scrap materials from parts, electrical and electronic equipment, plastics, etc.;

Hazardous waste includes:

used batteries, oil-contaminated rags and gloves, etc.

Domestic Waste ▶▶

Categorized into reusable, recyclable, and disposable waste. Paper, plastics, and scrapped office equipment fall under the recyclable category.

Construction Waste ▶▶

Primarily refers to waste generated during construction processes.

The Company actively promotes the resource utilization of waste. Recyclable materials such as waste packaging boxes, plastics, and pallets are sold to resource recycling contractors by environmental safety specialists in conjunction with the finance department according to contract provisions. These contractors then sell them to manufacturers for direct reuse or to processors for resource recovery. For domestic waste, reusable and recyclable categories are collected separately by generating departments and sent to recycling centers. The Company regularly coordinates with recycling companies for purchase. Violations of procedures or incidents causing environmental pollution are subject to accountability measures.

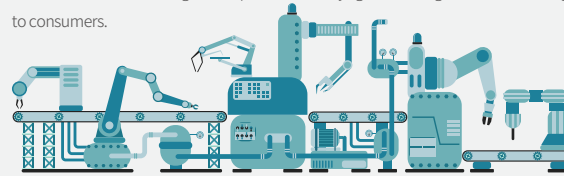
The Company places high importance on the standardization and professionalization of waste management, regularly organizing multi-level, targeted training activities to enhance all employees' environmental awareness and operational capabilities.



Waste Training

Green Products and Sustainable Packaging

Huntkey Display deeply integrates green concepts into product design and packaging innovation, committed to reducing resource consumption and carbon footprint through technological breakthroughs and material innovations. We promote sustainable development from the source in the electronics manufacturing industry by developing high-efficiency, low-pollution green product systems and adopting recyclable and biodegradable packaging solutions. While meeting market demands, we shoulder the responsibility of reducing the environmental impact across the industrial chain, delivering on our promise of truly "green intelligent manufacturing" to consumers.



Green Products ▶▶▶

Huntkey Display strictly adheres to internal documents such as the *China Environmental Labeling Product Design Specifications* in its green product design and manufacturing processes, ensuring its monitor products meet national environmental labeling standards. Through multi-dimensional technical specifications and management measures, the Company has achieved environmental optimization in product design, material selection, production processes, and recycling. As of the end of the reporting period, Huntkey Display has obtained China Environmental Labeling Product Certification for 12 product models.



Lifecycle Management

Green Design

Huntkey Display integrates environmental concepts throughout the entire product design process. During the design phase, priority is given to using PCR plastics, halogen-free materials and eco-friendly packaging. The company pioneers the use of 85% or higher proportion of recycled materials (ITE - Information Technology Equipment) in structural shell designs, significantly reducing virgin plastic consumption. We maintain strict selection criteria for long-term raw material suppliers including Unilever, Xinlong, Guoen, Kingfa, etc., ensuring stable supply and quality control of recycled materials. All suppliers must pass our environmental compliance audits and provide material traceability documentation. The technical team conducts quarterly evaluations on material performance and environmental indicators to guarantee the reliability of sustainable materials.

Material Usage

Huntkey Display actively explores innovative applications of eco-friendly materials, incorporating ocean-recycled plastics in products with lower material performance requirements. These plastics are sourced from marine debris and reintroduced into production after undergoing professional cleaning, sorting, and pelletizing processes - reducing ocean pollution while enhancing resource efficiency. Notably, certain customer product casings already utilize 95% recycled content (including ocean-recycled materials), such as Acer's B247Y G/V247Y G/B277G/V277 G models. In 2024, these models achieved shipments of 9,119 units, corresponding to 7.8 tons of plastic material, demonstrating the successful large-scale application of sustainable materials.

Manufacturing

Huntkey Display reduces resource consumption and environmental pollution in the production process by optimizing production techniques and supply chain management, strictly controlling the content of hazardous substances.

Product Recycling and Reuse

Huntkey Display is committed to establishing a recycling system that covers the entire product lifecycle, improving the recycling and reuse rates of waste products through standardized processes. The Company collaborates with professional recycling agencies to ensure compliant treatment and resource utilization of recyclable components such as plastics and metals in electronic waste. The Company has established material recycling and reuse procedures, where all departments collect recyclable materials in designated areas, and a dedicated team handles the recycling process. In the future, plans include exploring the circular use of packaging materials: creating a packaging material recycling system, encouraging customers to return packaging materials, which can be transformed into new packaging materials or other products.



Green Packaging

Huntkey Display regards green packaging as a core initiative for implementing its circular economy strategy, incorporating it as a key component of the Company's sustainable development. In terms of packaging material selection, the Company strictly adheres to the principles of "reduction, reuse, and recycling," prioritizing renewable resources that can be cyclically utilized. For example, packaging cartons made from recycled paper pulp use waste paper as raw material, reducing the consumption of virgin wood while also lowering energy consumption and pollution emissions during production. The Company replaces plastic foam with paper-based cushioning materials, minimizing the use of plastic products in packaging. This approach reduces plastic consumption, decreases white pollution, and achieves a win-win outcome for both economic and environmental benefits.

The Company optimizes packaging design by adopting high-strength, lightweight packaging materials to reduce material usage while ensuring product protection. For instance, enhanced-strength paper-based packaging materials allow for fewer layers and reduced thickness, achieving the goal of packaging material reduction.

As of the end of the reporting period, Huntkey Display utilized a total of 4,776 tons of packaging materials, among which 3,503 tons were recycled or reused materials, accounting for 73% of the total.

Packaging materials
utilized were
4,776 tons

Recycled or reused packaging
materials were
3,503 tons

Recycled Material Verification Certificate

Science, Technology, and Innovation

Huntkey Display consistently regards technological innovation as a key driver for achieving sustainable development. We have established a comprehensive innovation ecosystem encompassing R&D innovation management, talent cultivation, and intellectual property protection. By continuously increasing R&D investment and strengthening the protection of technological achievements, we promote breakthrough advancements in green manufacturing technologies and intelligent solutions.

R&D Innovation Management

Huntkey Display adopts "DFX" (Design for X) as its R&D innovation philosophy, systematically integrating key elements such as cost, quality, manufacturing, procurement, and services across all stages of the product lifecycle. This ensures that technological innovation is closely aligned with market demands and sustainable development goals.

R&D Innovation Concept

Design for cost: Control costs such as materials and processes in the design, and balance performance and economic efficiency.

Design for quality: Incorporate quality requirements into the design to ensure that products meet performance, reliability, and user requirements from the outset, thereby reducing defects and rework costs later on.

Design for manufacture: During the design phase, manufacturing processes are taken into consideration to reduce production complexity, improve assembly efficiency, and reduce manufacturing costs.

Design for purchase: Consider part cost, standardization, and procurement difficulty during the design phase to ensure supply chain cost, reliability, and delivery efficiency.

Design for service: Incorporate the convenience of after-sales support (such as repairs, upgrades, and recycling) into product design during the design phase to reduce after-sales service costs, improve customer satisfaction, extend product life, and form a closed loop of "design-production-service."



Huntkey Display actively responds to national energy-saving policies and promotes green product upgrades. The Company has established a stringent energy efficiency improvement plan, requiring all monitor products to complete the transition to new energy efficiency standards by June 1, 2024. By the target deadline, upgrades had been completed for 209 models, covering 53.73% of mass-produced models at the time, significantly enhancing product energy efficiency. Through the transition to the new energy efficiency standard (CEL Level 2), a single monitor can save 0.0089 kWh of electricity per hour (calculated based on a 9W power difference between old and new standards), effectively reducing energy consumption and carbon emissions.

The Company adopts gallium nitride (GaN) power supply solutions. With GaN technology, power efficiency can be improved by 2 percentage points compared to traditional silicon-based solutions, achieving an efficiency rate of over 86.2% in compliance with ERP standards and meeting Energy Efficiency Level VI requirements. This addresses excessive reactive power loss during energy conversion, resolves temperature rise issues, reduces product size, and accomplishes energy savings and emission reductions.



During the reporting period, Huntkey Display participated in the revision of the national standard GB 21520-2023 Energy Efficiency Limit Values and Grades for Monitors, which primarily specifies the energy efficiency limit values, grades, calculation methods, and testing procedures for monitors. In 2024, Huntkey Display's R&D investment reached 56.62 million yuan.

R&D investment reached

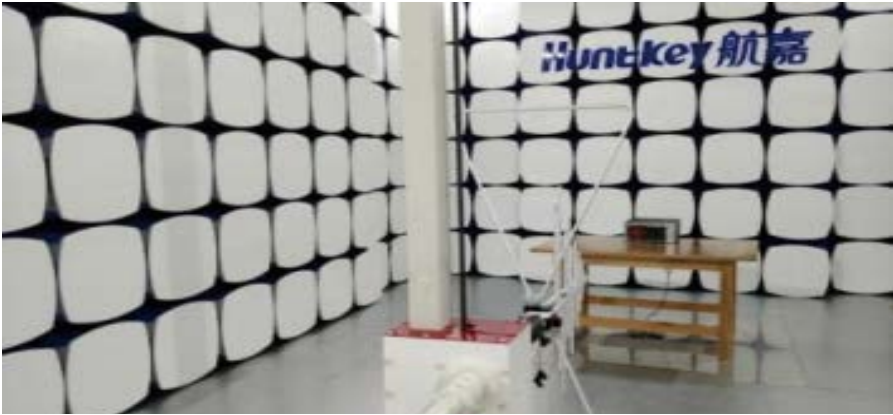
5,662 million RMB

Cultivating R&D Innovation Talent ▶▶▶

The Innovation R&D Department of Huntkey Display attaches great importance to the enhancement of professional competencies and the updating of knowledge systems for its R&D personnel. Through a systematic training mechanism, the department organized a total of 9 specialized training sessions throughout the year, covering cutting-edge industry technologies, introductions and updates on environmental regulations, as well as factory quality assurance requirements for resource-efficient product certifications and other related fields. Notably, Huntkey Display specifically arranged one external expert training session, inviting an authoritative industry expert to provide in-depth instruction on low-carbon product design standards and innovation methodologies, effectively fostering the R&D team's comprehension and application capabilities regarding product technology trends.

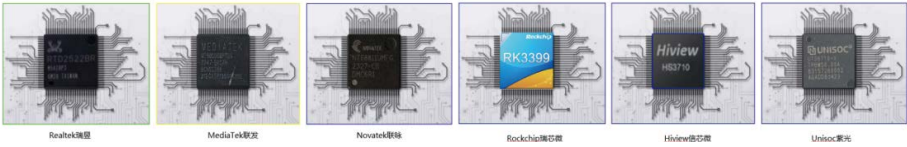
Case: Electromagnetic Compatibility (EMC) Technology Training Facilitates Green Innovation R&D

As a leading enterprise in the electronics industry, Huntkey Display has consistently regarded Electromagnetic Compatibility (EMC) technology as one of the core directions for R&D innovation. The Company not only applies advanced EMC solutions in product design but also emphasizes cultivating innovative R&D talent through systematic training to enhance the team's technical capabilities.



Case: Huntkey Display Promotes Innovative Talent Development Through Standardized Design

As a technology leader in the electronics industry, Huntkey Display deeply integrates standardized design concepts into its R&D talent training system, combining standardized processes with innovative practices to build a high-performance technical team. In training sessions, the Company uses *Electronic Design Solutions and Standard Specifications* as the core teaching material, systematically covering key technologies such as analog signal processing and color temperature standardization (cool/warm/standard modes), supplemented with case studies based on actual factory production scenarios (e.g., aging test modes). Simultaneously, Huntkey emphasizes the application of component standardization and SOPs (Standard Operating Procedures), enhancing R&D personnel's practical capabilities in universal and compatible solutions through modular design exercises.



Intellectual Property Protection ▶▶▶

Huntkey Display regards intellectual property protection as a core pillar of the Company's innovative development, having established a systematic and standardized intellectual property protection framework. The Company has formulated the *Intellectual Property Protection Control Procedures*, which clearly define the scope of intellectual property, including patents, technical secrets, trademarks, trade secrets, and copyrights, ensuring comprehensive protection for all types of intellectual achievements. The Human Resources Department serves as the primary responsible unit, tasked with developing management policies, organizing archival management, handling disputes and legal matters, and enhancing company-wide intellectual property awareness through training programs.

The Company strictly enforces the principle of ownership over work-related achievements, requiring that any outcomes completed by employees during their tenure or within two years after departure that are related to their work belong to the Company. The Company emphasizes timely patent applications and archival confidentiality, implements tiered management for technical secrets, and clearly defines intellectual property clauses in contracts for collaborative R&D. Additionally, the Company has established reward and penalty mechanisms, granting incentives to innovation contributors while pursuing legal accountability for infringement activities, ensuring both the rigor of intellectual property management and compliance with legal requirements.

As of the end of the reporting period, Huntkey Display held 28 software copyrights and a total of 31 valid patents, including 6 invention patents, 24 utility model patents, and 1 design patent.

Software copyrights held were

28

Valid patents were

31

Invention patents were

6

Utility model patent were

24

People-Oriented for Shared Value Creation

In the fiercely competitive electronics manufacturing industry, Huntkey Display regards employees as the Company's most valuable asset. Through outstanding human capital management, comprehensive employee development and well-being initiatives, as well as robust occupational health and safety protections, the Company has built a vibrant, caring, and secure work environment.

27 Excellence in Human Capital Management

28 Employee Development and Well-being Initiatives

30 Occupational Health and Safety Production



Excellence in Human Capital Management

Huntkey Display remains steadfastly committed to establishing a fair, transparent, and inclusive human resource management system, adhering to the highest standards at every stage—from employee recruitment to human rights protection. We respect the rights of every employee, provide equitable opportunities, and strive to unlock their full potential.

Our goal is to improve the talent development system and continuously promote employee capability enhancement and multi-channel career development.

Employee Recruitment ▶▶

Huntkey Display places high importance on the planning, allocation, and development of human resources. The Company has established internal documents such as the *Human Resources Control Procedures*, which define annual recruitment needs and staffing objectives to ensure employees in all positions possess the required competencies and awareness. The Company adopts a combined approach of internal and external recruitment, treating candidates and employees of different genders, skin colors, nationalities, ethnicities, cultural backgrounds, religious beliefs, and family circumstances fairly and equitably. It firmly opposes any form of differential treatment, discrimination, forced labor, or child labor.

Total employees
214 people

Disabilities employees
1 people



As of the end of the reporting period, the Company had a total of 214 employees, including 1 person with disabilities.

Human Rights Protection ▶▶

Huntkey Display considers human rights protection a core component of its corporate social responsibility, ensuring comprehensive safeguarding of employee rights through systematic management procedures. The Company strictly adheres to international labor standards (such as the RBA) and Chinese labor laws and regulations. It has established robust policies and processes in areas including the prohibition of forced labor, anti-discrimination, freedom of association, and protection of minor workers, creating a fair, safe, and dignified working environment for employees.

Prohibition of Forced Labor and Human Trafficking ▶▶

The Company has established the *Prohibition of Forced and Compulsory Labor Control Procedures*, explicitly prohibiting all forms of forced labor. It safeguards employees' right to resign freely, refrains from withholding identity documents or collecting deposits, and has established grievance mechanisms through channels such as employee representatives and suggestion boxes. Additionally, the Company implements the Anti-Slavery and Human Trafficking Procedures, requiring suppliers and contractors to adhere to the same standards. Regular audits of their employment records are conducted to eliminate the use of slave labor or trafficked workers.

Prohibition of Child Labor and Protection of Young Workers ▶▶

The Company has formulated the *Prohibition of Child Labor and Remediation Control Procedures* to ensure no minors under the age of 16 are employed. The Human Resources Department strictly verifies identity documents during recruitment, maintains employee records, and conducts regular internal audits. If child labor is identified, the Company immediately terminates their employment, covers medical examination costs, and safely escorts them back to their place of residence. For young workers aged 16–18, the Company provides special protections in accordance with the Young Worker Management Control Procedures, including restrictions on high-risk positions, regular health check-ups, and safeguards for their right to education.

Fair Pay and Reasonable Working Hours ▶▶

The Company has established the *Wages and Benefits Management Procedures* to ensure employee salaries meet or exceed local minimum wage standards, overtime pay is calculated at statutory multiples, and payments are made on time. Through the *Working Hours Management Procedures*, the Company regulates work schedules, limiting weekly working hours to no more than 60 hours, thereby safeguarding employees' right to rest and paid leave. Additionally, the Company provides benefits such as social insurance, paid sick leave, and maternity leave to protect employees' lawful rights and interests.

Inclusive Work Environment ▶▶

The Company has established the *Prohibition of Discrimination Control Procedures*, prohibiting any form of discrimination based on race, gender, age, religious beliefs, or other factors. It upholds principles of fairness in recruitment, promotions, compensation, and other processes, while providing employees with channels to file complaints. The Company has also formulated the *Religious Belief Management Procedures*, respecting employees' freedom of religion by reasonably adjusting work schedules or providing spaces to accommodate religious needs.

Freedom of Association and Collective Bargaining ▶▶

The Company has established the *Freedom of Association and Collective Bargaining Control Procedures* to ensure respect for employees' rights and safeguard their lawful interests. All employees are entitled, in accordance with the law, to freely establish and join trade unions, as well as participate in collective bargaining activities.

Employee Grievances ▶▶

The Company has established the *Employee Grievance and Complaint Management Procedures* to protect the lawful rights and interests of employees and suppliers, while maintaining a harmonious and stable operational environment. The Company has set up employee suggestion boxes to create an equitable communication platform, enabling employees to provide feedback and suggestions in a relatively secure manner (anonymously if preferred).

Employee Development and Well-being Initiatives

Huntkey Display upholds the principle that employees are the key drivers of the Company's continuous innovation and enhanced competitiveness. We remain committed to providing comprehensive support and development opportunities for our employees. Through systematic training programs, diverse career advancement pathways, and a robust employee benefits system, we empower every individual to realize their potential and achieve professional growth.

Employee Training ▶▶▶

Huntkey Display has established a systematic, multi-tiered employee training system that combines internal and external training methods to enhance employees' professional skills, management capabilities, and overall competencies, thereby providing talent support for the Company's sustainable development. The Company has formulated policies such as the *Employee Training Management Regulations* and the *Internal Trainer Management Measures* to ensure the standardization and effectiveness of training initiatives. Through annual training needs assessments, the Company develops scientific training plans, collecting employee feedback via surveys, workshops, and key-position interviews to align training content with actual requirements.

A multi-dimensional training evaluation mechanism is implemented, and for training sessions with over 15 participants, satisfaction surveys must be completed by at least 70% of attendees.

15 people 70 %

Case: Huntkey Display Participates in Huntkey Park's MiniMBA Special Training Program for Management Talents

In 2023, Mr. Luo Wenhua, Chairman of Huntkey Group, placed high importance on talent pipeline development and specifically allocated RMB 1 million for training middle and senior management personnel at Huntkey's Hefei Park. Huntkey Group partnered with Hefei University of Technology to co-create the "Huntkey Park Phase 1 MiniMBA Special Training Program for Management Talents," with Huntkey Display actively participating. This one-year program adopted a "theory + practice" training model, covering core management topics such as strategic management, operational optimization, and team building.



The Company categorizes training into three tiers: corporate-level, departmental-level, and job-specific training.

Training Tier	Responsible Department	Training Content
Corporate-level	HR Section	Conducts at least 1-2 competency enhancement trainings and 1 professional skills training annually.
Department-level	Each Department	Organized and implemented based on operational needs.
Job-specific	Determined case-by-case	Targets critical processes and special equipment operations to ensure employees possess required job-specific competencies.

Case: Huntkey Display Conducts Warehouse Training for the Materials Department

Huntkey Display organized training on the key aspects of the *Materials Management Procedures*, focusing on critical processes in material management. The training covered color-coded labeling systems, the first-in-first-out (FIFO) principle, material stacking techniques, anti-static measures, and chemical storage requirements. Through real-world case analyses and on-site demonstrations, the training effectively reduced warehousing loss risks, laying a solid foundation for production efficiency and quality assurance.



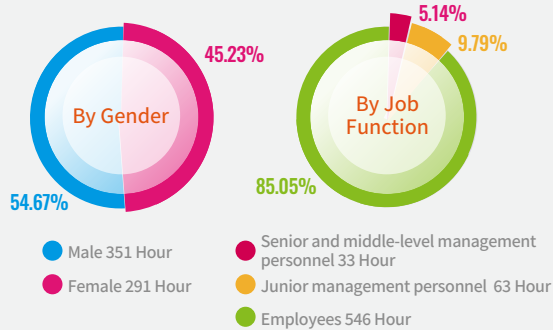
The Company has established a professional system for the selection, training, and motivation of internal trainers. Internal trainers are required to possess outstanding professional knowledge, course development capabilities, and teaching experience, and are appointed through trial lectures and evaluations. The Company provides internal trainers with teaching material development support and teaching incentives, while annual outstanding trainers are eligible for bonuses and priority promotion opportunities.

Training coverage 100 % Training duration 642 hours Average training duration 3 hours

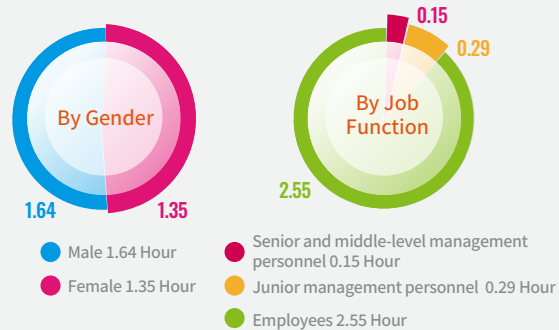
During the reporting period, the Company achieved 100% employee training coverage, with a total training duration of 642 hours and an average of 3 training hours per employee.



Total employee training hours



Average Total Training Hours



Employee Development

Huntkey Display is committed to building a diversified and systematic talent development system to unlock employee potential and drive sustainable corporate growth. The Company has established the *Internal Job Posting Management Measures*, implementing a dual-track mechanism combining internal job competitions and categorized career pathways. This framework provides clear promotion trajectories for employees across different job functions, ensuring role-employee alignment and systematic talent pipeline development.

The Company divides employees into S category (professional skills category), P category (project management category) and M category (management category) according to the nature and responsibilities of their positions, and designs exclusive development channels for each category of employees:

S-track:

Focuses on technical specialization and professional competency enhancement, helping employees become domain experts through technical ratings, skill training, and project practice.

P-track:

Emphasizes project management and cross-departmental collaboration skills, cultivating versatile talents through participation in complex projects and leading small teams.

M-track:

Strengthens leadership and strategic thinking, selecting potential managers through management training, job rotation, and performance evaluation.

Employee Benefits and Protection for Female Employees

Huntkey Display places high importance on protecting employee rights, with particular attention to the welfare of female workers, pregnant employees, and new mothers. The Company has established the *Female Workers, Pregnant Employees, and New Mothers Protection Procedures* to ensure equal pay for equal work between genders and eliminate gender discrimination in hiring, promotions, rewards, and disciplinary actions. For pregnant and breastfeeding employees, the Company implements humane management measures, including job adjustments, exemption from night shifts and overtime, and provision of exclusive maternity meals, among other benefits.



The Company has established lactation rooms to provide parents with infants a private, hygienic, and safe space for caring for their babies during breastfeeding periods in public areas. The Company organizes birthday celebrations for employees, demonstrating its humanistic care for every individual, enhancing their sense of belonging, and fostering genuine integration into the Company's extended family.



Occupational Health and Safety Production

Huntkey Display consistently regards employee health and safety as the cornerstone of sustainable corporate development. We have established a scientific management system to comprehensively safeguard employees' physical and mental well-being, while building a robust defense line for safe production.

Our goal is to safeguard employees' occupational health and safety, maintaining zero incidence of occupational diseases, work-related injuries, and major safety accidents.

Employee Health Management

Huntkey Display considers employee health and safety a vital foundation for sustainable corporate development, having established comprehensive occupational disease prevention and health management systems. The Company has formulated the *Occupational Disease Prevention and Control Procedures* and the *Employee Health and Protection Management Procedures* to ensure full protection of employees' health rights in the workplace.

The Company effectively manages chemical, physical, and biological hazards through occupational hazard reporting, risk assessments, and protective measures. The Administration Section regularly organizes occupational health examinations, provides protective equipment for employees in hazardous roles, and conducts occupational disease prevention training. Tailored to different job requirements, the Company implements differentiated health check policies: pre-employment physicals for new hires, annual year-end examinations for all staff, biennial gynecological check-ups for married female employees, and vision care support for inspection personnel. The Company actively encourages employees to participate in regular health forums and lectures held within the industrial park, adopting a comprehensive approach to mitigate health risks.



Industrial Park Health Forums and Lectures

Construction of Safe Production Environment

Huntkey Display adheres to the safety production philosophy of "eliminating hazards, reducing risks, proactive prevention, and continuous improvement." Through systematic management frameworks, stringent operational controls, and ongoing enhancement mechanisms, the Company ensures occupational health and safety while mitigating potential risks in production activities. The Management Manual establishes a structured safety production management system to systematically identify and address non-conformities, opportunities, and work-related hazards/risks. The Company actively sets and fully achieves all safety production targets.

The Company has established the *Hazardous Chemicals Control Procedures* to strictly regulate the storage, usage, transportation, and waste disposal of hazardous chemicals, ensuring safety and compliance. The *Occupational Disease Prevention and Control Procedures* enable effective management of occupational hazard factors, providing employees with health examinations and protective equipment to safeguard their health rights. Additionally, the Company formulated the *Work Injury Emergency Response Procedures*, which clarify the processes for injury identification, rescue, reporting, and resolution, ensuring timely medical treatment and fair compensation for employees in case of work-related accidents. Through these measures, Huntkey Display has effectively reduced safety production risks and protected employees' lives and health.



Occupational Health and Safety Management System Certification

To enhance emergency response efficiency, the Company has developed the *Emergency Preparedness and Response Control Procedures*, covering contingency measures for various incidents including fires, earthquakes, and workplace injuries. An emergency response team has been established with clearly defined departmental responsibilities, complemented by regular fire drills to strengthen employees' emergency capabilities. Concurrently, the Company reduces accident risks through hazard identification and preventive training, ensuring employee safety and operational stability while continuously optimizing the safety production management system.

To enhance safety awareness and emergency response capabilities, the Company conducts regular, comprehensive, and systematic safety production training. Through professional instruction, hands-on drills, and case studies, we ensure every employee masters essential safety knowledge and skills, collectively fostering a secure and healthy work environment. During the reporting period, the Company delivered occupational safety training to 300 participants cumulatively, with total training hours reaching 900.



Total number of participants of occupational safety training
300 people
Total hours of occupational safety training
900 hours

Safety production targets



During the reporting period, Huntkey Display obtained certification for the GB/T 45001-2020/ISO 45001:2018 Occupational Health and Safety Management System.

Value Chain

Collaboration for Social Harmony

Huntkey Display upholds the philosophy of “responsible collaboration and shared value creation,” and is committed to building a sustainable value chain centered on compliance and transparency, green and low-carbon operations, and win-win cooperation. In the context of global competition and industrial transformation, the Company continues to deepen its supply chain governance, encouraging business partners to improve collectively in areas such as environmental compliance, business ethics, product quality, and conflict minerals management, thereby achieving a synergistic evolution of the upstream and downstream ecosystem.

Our goal is to improve green procurement, conflict minerals management, and supplier compliance review processes, thereby enhancing the sustainability level of the entire value chain.

32 Building a Sustainable Supply Chain

35 Product Quality and Safety

39 Responsible Marketing

04

11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



17 PARTNERSHIPS
FOR THE GOALS



Building a Sustainable Supply Chain

Huntkey Display strengthens the full lifecycle management of suppliers through institutional frameworks, performance evaluations, and risk prevention and control mechanisms. These efforts aim to enhance the environmental performance, compliance standards, and risk responsiveness of the overall supply chain, thus building a sustainable supplier network that is responsible, transparent, compliant, and resilient.

As of the end of the reporting period, Huntkey Display had a total of 118 suppliers.

118



North China

2

Central China

6

Southwest China

2

East China

70

South China

38



Supplier Management Mechanism

Huntkey Display has established a supplier management system and issued a series of policy documents, including the *Supplier Management Procedure*, *Procurement Management Procedure*, *Parts Approval Procedure*, *Incoming Material Inspection Procedure*, and *Nonconforming Product Control Procedure*. These documents define the roles and responsibilities of the Innovation R&D Department, the Quality Assurance Department-SQA4, and the Materials Department in supplier development, evaluation, contract management, audits, and coaching. This framework supports cross-department collaboration and closed-loop governance.

Management	Initiatives and Practices
Admission Management: Strict Documentation Review and On-site Evaluation	» Document Review: New suppliers are required to submit a “New Supplier Development Application Form” along with complete documentation such as procurement and quality agreements, anti-corruption commitment letter, environmental compliance declarations (e.g., RoHS, REACH, VOC), organizational structure, equipment list, inspection capabilities, and process flow diagrams. » Preliminary Review: The Materials Department, R&D Department, and SQA team conduct a joint preliminary document review to ensure completeness and capability alignment before advancing to the evaluation phase. » On-site Evaluation: The evaluation team conducts on-site scoring based on QSA (Quality System Audit) and QPA (Process Audit). Suppliers scoring above 80 are deemed qualified. Those who fail are restricted from reapplying within six months. » Contract Signing & Integration: Qualified suppliers are led by the Materials Department to sign procurement and quality agreements and are added to the Approved Vendor List (AVL) with procurement access granted.
Ongoing Evaluation: Annual/Quarterly Assessment Mechanism	» TQRDC Performance Assessment: A TQRDC framework (Technology, Quality, Responsiveness, Delivery, Cost) is applied, with assessments carried out quarterly and annually. Further details are provided in the next section, “2. Supplier Performance Evaluation.”
Exception Handling: Risk Identification and Response Mechanism	» Risk Identification: In cases of continuous returns, major defects, hazardous substance violations, or QSA audit failure, a cross-departmental discussion is initiated to determine whether to revoke qualification or provide on-site guidance. » Flexible Handling Mechanism: Suppliers with major quality incidents or rated as C or D in quarterly assessments may be subject to increased audit frequency, schedule adjustments, or changes to the annual audit plan.
Continuous Improvement: Guidance and Dynamic Optimization	» Capability Support: For high-potential or improvement-ready qualified suppliers, the Company offers on-site coaching, written guidance, or factory-based reviews to support capability enhancement. » Supply Chain Stability: The Company regularly updates the AVL based on assessment results and dynamically optimizes the supplier structure to increase the proportion of high-quality resources.

The Supplier Quality Assurance (SQA) team, a sub-unit under the Quality Assurance Department, works in coordination with the Innovation R&D Department and the Materials Department to jointly fulfill management responsibilities outlined in the supplier management procedures.

Supplier Performance Evaluation ▶▶

Huntkey Display has established a supplier performance management mechanism centered on continuous evaluation, tiered management, and closed-loop improvement to ensure that suppliers maintain stable performance in quality, delivery, service, cost, and collaboration.

The Company conducts full-process, multidimensional management of active suppliers through a combination of quarterly comparison and annual audits.

TQRDC Performance Assessment Mechanism ▶▶

The Company implements a TQRDC-based performance evaluation system, which evaluates all active suppliers quarterly based on five core dimensions: Technology, Quality, Responsiveness, Delivery, and Cost. Based on the evaluation scores, suppliers are classified into four tiers: A, B, C, and D.



Quarterly Scoring:

Led by the SQA team, quarterly evaluations focus on quality and service dimensions. Suppliers rated as Tier C or D receive a “Supplier Quality Notification” and are required to complete corrective actions within a set deadline. Relevant business units must conduct internal reviews and submit improvement reports.

Quarterly Performance Feedback & Benchmarking:

A quarterly review panel composed of the R&D, Procurement, and Quality Assurance departments evaluates supplier performance based on the TQRDC mechanism. The head of SQA team consolidates and publishes the comprehensive results. Suppliers rated as Tier C for two consecutive quarters are suspended from participating in new product development projects for the following quarter.

Tiered Management Linked to Cooperation Rights ▶▶

The Company adjusts its cooperation strategies dynamically based on performance tiers: (1) Tier A suppliers receive priority in procurement allocation and development opportunities; (2) Tier B suppliers are maintained under routine cooperation with close observation; (3) Tier C/D suppliers face restrictions such as reduced order volumes, suspension from new product cooperation, increased inspection frequency, and are placed on a risk watch list with mandatory improvement requirements.

Annual Audits and Closed-Loop Improvements ▶▶

Taking into account quarterly scores, delivery frequency, and material criticality, the SQA team develops an annual supplier audit plan. Quality System Audits (QSA) and Process Audits (QPA) are conducted on key materials and high-risk suppliers. Identified issues are formally documented, and suppliers must submit corrective action plans (8D reports) within a specified time frame. The SQA team follows up on the implementation of improvements. For suppliers who fail to rectify issues or exhibit repeated problems, the Company initiates either on-site coaching or removal from the approved supplier list to ensure continuous quality and system effectiveness.

Supply Chain Risk Management ▶▶▶

Upholding the dual principles of “cost control and risk prevention,” Huntkey Display has established a multi-level, systematic supply chain risk management mechanism to enhance raw material security, respond to unexpected disruptions, and ensure continuity and stability of production operations. At the policy level, the Company has issued key documents such as the *Procurement Management Procedure* and *Material Management Procedure*, which define principles for delivery management, product quality requirements, and the roles of functional departments in risk identification, response, and coordination, ensuring robust operational safeguards.



During the material prototyping phase, the Company concurrently implements an environmental compliance management process. The Procurement and R&D departments are responsible for communicating the following sustainable sourcing requirements to parts and product suppliers: *Environmental Substance Management Requirement*, *Prohibited Chemical Substance Declaration*, and *RoHS/REACH Compliance Declarations*. This ensures that the procured raw materials meet not only performance and delivery standards, but also align with the Company’s green manufacturing strategy and environmental compliance requirements, thereby supporting both supply chain resilience and sustainability goals.

Dual-Sourcing Management Mechanism

The Company has adopted a dual-sourcing management mechanism centered on Second Source strategies to enhance supply chain flexibility and risk resilience. This approach involves pre-establishing alternative supply resources and leveraging multi-vendor price comparison strategies to strengthen cost control and ensure supply continuity. Key implementation elements include:

Development and Introduction Process:

Led by the procurement team, new suppliers are proposed for Second Source development. Sample materials are submitted for performance, compatibility, and mass production validation by the R&D Department. Once approved, trial production is conducted to confirm compatibility with existing production lines.

Integration into Bill of Materials (BOM) System:

Upon successful trial production, the R&D Department finalizes part number creation and updates the BOM system to ensure each key material has at least two approved suppliers.

Dual-Sourcing for New Products:

From the early product development stage, R&D Department collaborates with procurement to conduct price inquiries and comparisons, ensuring that at least two qualified suppliers are listed in the initial BOM.

Dual-Sourcing for Non-Molded Parts:

For critical non-molded materials such as connectors, structural components, and standard electronic parts, the Company enforces a dual-sourcing policy to secure uninterrupted production and agile response capabilities.

Application Scenarios

The Second Source mechanism delivers significant value in the following areas:

Cost Optimization:

Competitive pricing via alternative sources helps achieve cost reduction goals.

Capacity Risk Response:

When the primary supplier experiences issues such as production anomalies, quality fluctuations, or delivery delays, the system swiftly switches to backup sources to avoid delivery disruptions.

Geopolitical and Policy Risk Mitigation:

For some key components, domestic and international dual sourcing reduces exposure to policy risks or force majeure events affecting single-origin suppliers.

Conflict Minerals Management

Huntkey Display actively supports the global Responsible Minerals Initiative (RMI) and strictly prohibits the use of tantalum, tin, tungsten, and gold (3TG) or their derivatives sourced from the Democratic Republic of Congo and surrounding countries, which may be linked to conflict financing. The Company has implemented *the Conflict Minerals Control Procedure* and follows the Conflict Minerals Reporting Template (CMRT), along with customer-specific compliance requirements, to conduct due diligence, identify risks, and ensure transparent disclosures.

To implement responsible sourcing, the Company has developed a conflict minerals management process centered on information collection, compliance evaluation, risk disclosure, and commitment assurance throughout the supplier development, evaluation, and cooperation stages:



Information
Collection

Compliance
Evaluation

Risk Disclosure

Commitment
Assurance

During the reporting period, the Company achieved a 100% supplier signing rate, ensuring effective screening and source control of high-risk mineral resources.

100 %

Product Quality and Safety

Huntkey Display remains firmly committed to its quality philosophy of “Safe Production, Lean Manufacturing” and upholds a manufacturing spirit of “Quality Lies in the Details, and Details Determine Everything.” The Company continuously advances the intelligent upgrading of product testing and manufacturing processes, establishing an end-to-end quality assurance system powered by automated inspection, digital traceability, and refined process control. Adhering strictly to domestic and international quality standards, the Company has built a comprehensive quality management system and implements quality control throughout the entire production cycle to ensure long-term stability in product performance, reliability, and safety. In addition, the Company prioritizes health and safety in product use, consistently promoting green compliance, risk prevention, and responsible practices.

During the reporting period, the Company recorded zero health and safety incidents caused by product quality, and no domestic or overseas product recalls occurred.

Intelligent Manufacturing through Technological Innovation ▶▶▶

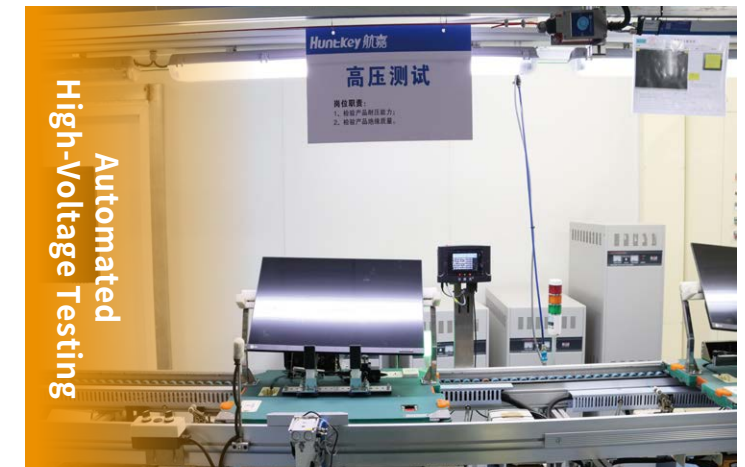
Huntkey Display actively supports China’s smart manufacturing strategy and continuously upgrades its production and inspection processes through automation, digitalization, and intelligent systems. The Company has implemented multiple key initiatives in smart manufacturing that not only enhance production efficiency but also optimize energy and resource utilization, contributing to high-quality and low-carbon development.

In terms of production process optimization, the Company has built an integrated design-to-production system that includes high-voltage testing, DDC programming, automated calibration, multi-interface DP/HDMI testing, AOI image inspection, and re-inspection stages. Each testing workstation has been upgraded for intelligent connectivity and real-time monitoring, improving process yield while reducing unnecessary energy consumption and material waste.

Integrated Design-to-Production System ▶▶



In terms of equipment upgrades, the Company has replaced manual inspections with AOI (Automated Optical Inspection) systems to eliminate visual deviations caused by operator fatigue, ensuring defective products are accurately screened. A PLC-based automatic control system has also been introduced in the high-voltage testing stage, enabling 100% automation while enhancing both safety and precision.





Product Quality Management ►►

Huntkey Display upholds the quality policy of “Quality First, Scientific Management, Full Participation, Continuous Improvement, Customer Satisfaction, and Pursuit of Excellence,” and has established a comprehensive, quality-centered end-to-end management system. The Company considers quality to be the foundation of its development, and focuses on building a stable, controllable, and traceable quality assurance system through robust institutional frameworks, procedural implementation, process monitoring, and continuous improvement—all aimed at delivering high-performance, reliable, and compliant products and services.

Quality Management System Development ►►

The Company is certified under GB/T19001-2016 and ISO 9001 Quality Management Systems. It has developed a suite of quality control procedures, including Product Monitoring and Measurement Control, Non-Conforming Product Control, Corrective and Preventive Action Control, and Production Process Control, forming a documented framework that covers the entire quality lifecycle from incoming materials to in-process controls and finished goods.

To ensure effective implementation, the Company utilizes MES (Manufacturing Execution System) and EMS (Equipment Management System) to record, trace, and analyze quality data, thereby ensuring controlled processes, traceable issues, and evidence-based decision-making.

Equipment utilization rate increased by

10 %

Scrap rate of consumables reduced by 50% through repairable multi-interface testing

50 %

Intelligent testing upgrades reached an investment of RMB 1.57 million, accounting for 30% of total plant investment

1.57 million 30 %

UPH (Units Per Hour) improved from 400 to 450, an increase of 12.5%

400 ↗ 450 12.5 %

False detection rate reduced from 1% to 0.5%

1 % ↘ 0.5 %



Quality Management System Certification

Multi-Stage Quality Inspection Mechanism ▶▶

Huntkey Display has established a five-level quality inspection framework that covers the entire product lifecycle—from raw material procurement to finished product delivery—ensuring every process step is under effective control. This closed-loop quality system is structured around "upstream prevention, midstream control, and downstream assurance":

Incoming Quality Control (IQC):

All incoming raw materials and components undergo stringent inspections based on the *Incoming Material Inspection Specification*, covering appearance, dimensions, performance, and certifications, to prevent defective sources from entering production.

In-Process Quality Control (IPQC):

Key production stages incorporate first-article inspection, patrol inspection, and in-process checkpoints. Items such as electrical performance, process consistency, assembly standards, and ESD protection are monitored to ensure production stability and compliance.

Final Quality Control (FQC):

Fully assembled units are subjected to comprehensive testing before packaging, including checks on display quality, structural components, interface functionality, button responsiveness, energy consumption, and label compliance, ensuring no defective batches proceed.

Outgoing Quality Control (OQC):

After packaging, final pre-shipment inspections are conducted through a combination of sampling and full inspection, verifying product appearance, accessories, and labeling to ensure flawless delivery.

RoHS/REACH Compliance Testing:

Key materials are regularly tested by third-party labs for hazardous substances in accordance with EU RoHS and REACH regulations. Suppliers are required to provide compliance declarations and test reports to ensure environmentally compliant sourcing from the outset.

Diversified Quality Training Programs ▶▶

To ensure the effective implementation of its quality management system and internal standards, the Company places strong emphasis on developing the professional capabilities of quality management personnel. A multi-tiered training program has been established, covering onboarding, on-the-job development, and specialized training, ensuring employees are capable, proficient in operational standards, and equipped to meet customer requirements with precision.



Regularized Quality Training

Non-Conformity Control and Quality Improvement ▶▶

The Company has developed a closed-loop management system for non-conforming products that covers identification, segregation, handling, and continuous improvement, ensuring timely detection, clear accountability, and effective resolution:



All in-process, semi-finished, and finished products identified as non-conforming must be isolated, labeled, recorded, and re-inspected in accordance with the *Non-Conforming Product Control Procedure*, preventing progression through production or shipment.

For batch or recurring issues, the *Corrective and Preventive Action Procedure* mandates 8D root cause analysis, countermeasure development, and effectiveness validation by responsible departments, leading to updates in standards or operating instructions.

In response to customer complaints, a rapid resolution mechanism is activated, initiating root cause tracing, on-site simulations, and MES-based production record tracking. R&D, manufacturing, and quality teams are simultaneously informed to implement corrective actions.

Regular quality review meetings are held to analyze significant defects, share case studies, and promote cross-departmental collaboration and preemptive error-proofing mechanisms.

Customer Health and Safety >>>

Huntkey Display adheres to a “people-oriented and safety-first” product design philosophy, incorporating customer health risk control into its quality management approach. The Company has developed a full-lifecycle framework for the identification and control of hazardous substances, governed by documents such as the Product Environmental Consideration Management Rules and the *Hazardous Substance Survey and Control Procedures*. This framework spans product design, material selection, supply chain oversight, and final shipment, minimizing potential risks to customer health and safety.

Operationally, the Company complies with EU RoHS and REACH regulations, establishing a scientific and traceable hazardous substance management system. This ensures that materials meet environmental requirements and do not pose direct or long-term health risks to end users. Key measures include:

Material Control Mechanism:

Prior to the introduction of new materials, suppliers are required to submit technical documentation such as a declaration of conformity, SVHC survey, material safety data sheet (MSDS) or ingredient list, and RoHS test reports. The Quality Assurance Department evaluates these submissions based on the Company's *Hazardous Substance Management Standards*, and only approved materials are permitted for use.

Hazard Identification and Restriction Management:

To protect end-user health from the outset, the Quality Assurance Department regularly identifies and assesses potential health hazards in active materials—particularly heavy metals, organohalogens, and other substances linked to chronic harm. Results are consolidated into a “Hazardous Substance Assessment Table,” which informs internal limit thresholds and banned substance lists. The Company actively phases out and substitutes high-risk substances to ensure environmentally safe and non-hazardous product offerings.



Responsible Marketing

Huntkey Display adheres to the principles of integrity and customer-centric operations. In strict compliance with the *Advertising Law of the People's Republic of China*, the *Consumer Rights Protection Law*, and other applicable regulations, the Company ensures transparency and accuracy in product promotion and labeling, strictly prohibiting false advertising, misleading information, or the concealment of key product details. Meanwhile, customer experience and rights protection are regarded as core responsibilities. The Company strives to build long-term customer trust through clear product information, sound after-sales services, and efficient response mechanisms.



**During the reporting period,
the Company incurred no administrative
penalties for false advertising.**

Customer complaint response
rate reached

100 %



Customer satisfaction

98.20 %



Marketing and Labeling

Huntkey Display upholds truthful, transparent, and compliant practices in product labeling and marketing communications. The Company aims to provide customers with clear, accurate, and traceable product information to protect their right to know and ensure safe product use.

In responsible marketing, the Company has established and implemented the *False Advertising Prevention Procedure*, which explicitly prohibits exaggerated, vague, or misleading promotional language. All marketing materials, product brochures, and technical manuals disclose accurate product specifications, applicable scenarios, and usage requirements to help customers fully understand the product and avoid misleading representations.

In product labeling, the Company has adopted the *Product Identification and Traceability Procedure* to ensure consistent and standardized labeling of all finished goods. Each product bears a barcode or QR code on its packaging or casing, indicating essential information such as product name, customer model, serial number, and production date. This information is also entered into the internal system, enabling full traceability from production to delivery, ensuring that every product's origin, destination, and quality are trackable and controllable.

Customer Rights Protection

Huntkey Display places high importance on safeguarding customer rights and has implemented the *After-Sales Service Procedure* and *Customer Satisfaction Survey Rules*, establishing a responsive, closed-loop, and feedback-driven customer service system:

Complaint Response Mechanism:

The Company follows a "4-2-5 principle" —initial response within 4 hours, preliminary report within 2 days, and final report within 5 days. An 8D report is led by quality engineers to identify root causes, assign responsibilities, implement corrective and preventive measures, and ensure issue closure.

Spare Units and Parts Support:

Upon notification of product issues or component failures, the Company provides backup machines or spare parts, where necessary, while the quality engineer conducts diagnostics, minimizing customer downtime.

Customer Satisfaction Surveys:

At least one customer satisfaction survey is conducted annually. Feedback is collected via mail, email, or visits. Any client scoring below 90 is subjected to focused analysis and improvement, which is documented in the *Customer Satisfaction Survey Analysis Report* and followed up by the responsible units for resolution.

Sound Governance for a Solid Foundation

Huntkey Display regards sound governance as a key pillar for achieving high-quality development and continuously enhances its corporate governance structure and internal control mechanisms. Through a stable, efficient, and transparent governance system, the Company strengthens its risk resilience and compliance capabilities, laying a solid foundation for long-term value creation.

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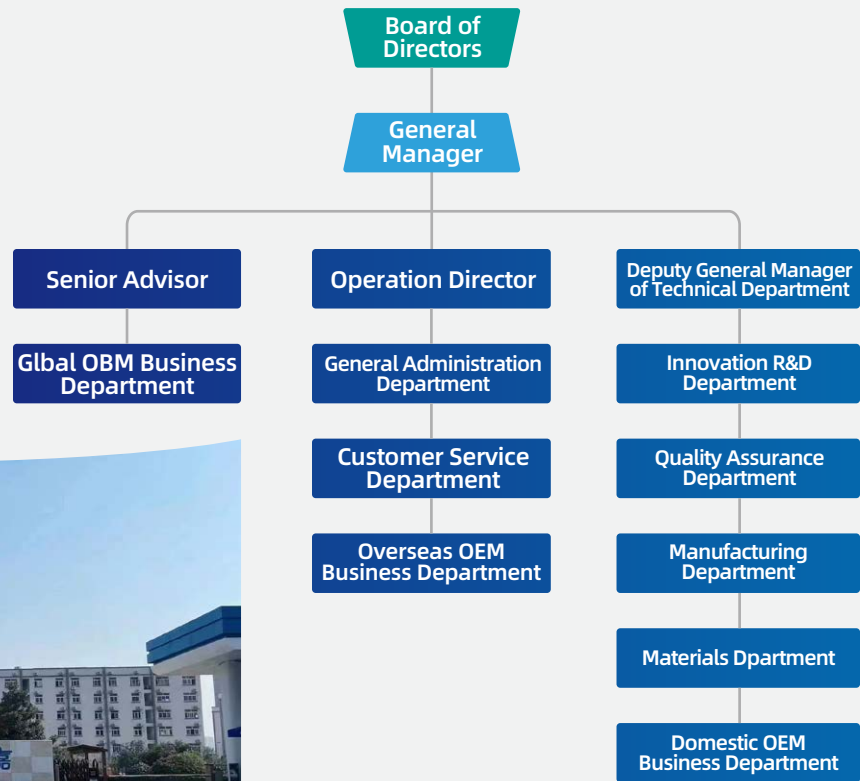


Corporate Governance Structure

Huntkey Display upholds the governance philosophy of “institution-driven, compliance-based, and prudent operations,” and continuously improves its corporate governance framework. The Company ensures a clear division of responsibilities, orderly coordination, and effective checks and balances between the Board of Directors, the management, and functional departments. In accordance with the newly revised *Company Law of the People's Republic of China* and related regulations, the Company has established a governance structure with the Board of Directors at its core, supported by the executive management team and key functional departments including the General Administration Department, Innovation R&D Department, Manufacturing Department, Materials Department, Quality Assurance Department, Domestic and Overseas OEM Business Department, Global OBM Business Department, and Customer Service Department, ensuring standardized and efficient operations and transparent decision-making.



Organizational Structure of Huntkey Display



Compliance Operations and Risk Management

Huntkey Display regards compliance management and risk prevention as fundamental safeguards for stable operations and sustainable development. The Company continuously strengthens its management capabilities in institutional development, role accountability, and process control, reinforcing a dual-layered defense system based on sound governance and risk resilience.

Our goal is to continuously reinforce compliant operations and anti-corruption awareness, solidifying governance resilience.

Compliance Management

Huntkey Display adheres to the principle that compliance is the cornerstone of high-quality development. The Company has developed a tripartite compliance management system—driven by policies, implemented through clear responsibilities, and reinforced by oversight mechanisms. This ensures that compliance principles are embedded across corporate governance, operational management, and day-to-day business activities, providing institutional assurance for stable and sustainable growth.

The General Administration Department serves as the Company's central compliance unit, responsible for building a comprehensive compliance governance mechanism covering policy development, process execution, training and education, and accountability oversight. The General Manager assumes ultimate responsibility for legal compliance and leads the advancement of Company-wide compliance efforts. The Operations Director coordinates implementation across all functions, fostering both horizontal collaboration and vertical integration within the compliance framework.

By the end of the reporting period, Huntkey Display had convened 2 shareholders’ meetings and 2 Board meetings, all conducted in accordance with regulations and procedures, providing institutional support for major decision-making. The Board of Directors consists of 5 members, with independent directors accounting for 60%, ensuring objectivity and professionalism in strategic, operational, and risk management decisions.

GeneralShareholders' Meetings Held

2 times

Board Meetings Held

2 times

Board Members

5

Percentage of Independent Directors

60 %

Risk Management

Huntkey Display places strong emphasis on identifying and addressing potential business risks. A systematic risk management mechanism has been established across key areas including strategy, operations, finance, legal affairs, information security, and environmental compliance. This enables effective cross-functional collaboration and top-down alignment to support risk-informed business expansion under a foundation of operational stability.

At the institutional level, the Company has developed fundamental management policies in areas such as workplace safety, financial compliance, and environmental protection, providing a solid basis for risk control. For critical business processes, early-warning systems and emergency response procedures are in place to ensure rapid response to unexpected risks.

At the execution level, the Company upholds a principle of “prevention first, with integrated control.” A foundational risk management mechanism is in place, centered on three core stages: risk identification and assessment, risk response and mitigation, and risk supervision and control—each defined by clear responsibilities and efficient response protocols.

Risk Management Stage	Management Practices
Risk Identification and Assessment	▶ The Company integrates the responsibilities for risk identification and assessment into key positions across all business lines, clearly defining the accountability of each functional department and designating responsible personnel as the first line of defense for risk management. Regular assessments are conducted in areas such as operations, safety, and compliance to enhance proactive risk awareness and frontline early-warning capabilities.
Risk Identification and Assessment	▶ The Company’s management team has established a dedicated mechanism for risk analysis and decision-making. Through special meetings and ongoing analysis of operational data, regulatory trends, and industry developments, potential risks are identified and corresponding contingency strategies and mitigation measures are formulated to ensure the controllability of major events and responsiveness to emergencies.
Risk Supervision and Control	▶ The Company integrates risk oversight responsibilities into its management functions. Functional departments responsible for legal affairs, finance, HR, and other operational areas work together to implement internal control, conduct inspections and corrective actions. The General Manager holds ultimate oversight responsibility to ensure that compliance, authority, and independence are upheld throughout the risk management process.

Business Ethics and Code of Conduct

Huntkey Display upholds the core values of “integrity and compliance” and strictly adheres to national laws and regulations related to anti-corruption, anti-monopoly, and anti-unfair competition. The Company integrates business ethics and behavioral standards across all aspects of its operations, actively cultivating a compliant and upright business environment while continuously enhancing corporate transparency, credibility, and market competitiveness.

Focusing on key areas such as anti-corruption and anti-unfair competition, the Company has formulated and implemented corresponding management policies and employee codes of conduct. These efforts embed compliance awareness into frontline staff and business operations, establishing the first line of defense for corporate integrity. Regular training courses on business ethics and anti-bribery are provided, with 100% employee training coverage.

During the reporting period, the Company did not experience any significant violations involving corruption, commercial bribery, monopolistic conduct, or unfair competition.

Anti-Corruption and Anti-Bribery

Huntkey Display strictly prohibits all forms of bribery, fraud, embezzlement, and abuse of power. The Company has issued internal policies including the *Business Ethics Management and Control Procedure*, *Labor and Ethics Handbook*, and *Integrity and Honesty Agreement*, which define mandatory ethical standards for employees in key activities such as job performance, business cooperation, and procurement and tendering. These policies ensure a high level of integrity and professionalism in the Company’s business interactions with shareholders, employees, clients, suppliers, local communities, government authorities, and the general public. The following key initiatives ensure the anti-corruption principles are embedded in daily operations:

Establishing a commitment mechanism for ethical conduct, requiring all new employees to sign a declaration and receive compliance training;

Enforcing a zero-tolerance policy toward bribery and extortion, with immediate disciplinary action for any violations in accordance with Company rules and regulations.

Promoting anti-bribery awareness through special training, case studies, legal education, and policy communication meeting;

In procurement and cooperation activities, the Company upholds consistent ethical standards by requiring all suppliers to sign an *Integrity and Anti-Bribery Commitment Letter*, explicitly prohibiting commercial bribery and improper benefit exchanges. As of the reporting period, the signing rate of the commitment letter among suppliers reached 100%.

100 %

Anti-Competitive Practices ▶▶▶

Huntkey Display strictly complies with the *Anti-Unfair Competition Law* and *Anti-Monopoly Law of China*, resolutely opposing any form of price collusion, malicious defamation, false advertising, or commercial bribery. *The Business Ethics Management and Control Procedure* explicitly prohibits the Company and its employees from the following:

- Engaging in unfair or improper practices that hinder fair competition or legitimate business operations of competitors;
- Deliberately fabricating or spreading false information to damage the reputation of competitors;
- Illegally obtaining or misusing competitors' trade secrets.

Whistleblower Mechanism and Protection Policy ▶▶▶

Huntkey Display has established a whistleblower mechanism accessible to employees and suppliers to safeguard lawful operations and protect whistleblower rights, aiming to prevent all forms of misconduct and violations.

Scope of Reporting ▶▶

Reports may cover any misconduct by employees or management, including fraud, corruption, abuse of power, workplace harassment, supplier rights suppression, contract breaches, or other cases where employees believe they have been treated unfairly or harmed. All reports are jointly handled by the General Administration Department and Human Resources Department, adhering to principles of objectivity, fairness, promptness, and confidentiality throughout the investigation process.

Reporting Channels ▶▶

The Company provides multiple confidential reporting channels. Whistleblowers may file reports in person, by mail, phone, suggestion box, email, or through a proxy, either anonymously or with identification. The channels are as follows:

- ▶▶ **Hotline** : 0551-62580831
- ▶▶ **Mobile** : 18589034857
- ▶▶ **Email** : WS.zhang@huntkeydisplay.com

Whistleblower Protection Mechanism ▶▶

To protect whistleblowers from retaliation, the Company has established strict confidentiality and anti-retaliation controls:

- All report materials are received, recorded, stored, and processed by designated personnel only; unauthorized access, copying, or disclosure is strictly prohibited;
- The whistleblower's identity is kept confidential during the investigation, and report details are not shared with the implicated department or individuals;
- If a whistleblower suffers personal or material harm due to reporting, the Company will hold the responsible parties accountable in accordance with the law and, if necessary, assist the whistleblower in seeking protection from public security authorities.



Information Security and Customer Privacy

Huntkey Display attaches great importance to information security and the protection of customer privacy, considering it a foundational element of corporate operational management. Through a threefold approach—policy formulation, technical safeguards, and organizational management—the Company continuously enhances its data management practices to mitigate the risks of data breaches, misuse, and regulatory non-compliance.

During the reporting period, the Company recorded no incidents of cybersecurity threats or customer complaints related to information breaches.

Information Security Management ▶▶

Huntkey Display has established a basic information security management framework that covers business systems, office networks, and employee conduct, including:

Tiered Access Control in the SCEO System:

All business systems require account-based login credentials, with access permissions assigned according to designated client teams. Unauthorized personnel are restricted from viewing client-related data, ensuring precise and secure access control.

Suspicious Email Detection Mechanism:

The email system is equipped with automated detection for abnormal messages. Suspicious emails are either blacklisted or routed to a verification queue, where users must manually release them, thereby enhancing system resilience against external attacks.

Institutionalized Confidentiality Obligations:

Employees are required to sign a *Confidentiality Agreement*, which explicitly covers sensitive information such as customer data, market intelligence, management documentation, and financial records. Confidentiality obligations apply both during and after employment.

Incident Response Mechanism:

In accordance with the Group's *Cybersecurity Emergency Response Plan*, the Company has implemented a protocol for handling information security incidents, enabling rapid identification, isolation, investigation, and reporting of any potential breaches.

Customer Privacy Protection ▶▶

Huntkey Display is committed to protecting customer privacy in accordance with applicable laws and regulations, respecting data sovereignty, and ensuring the security and transparency of personal data throughout collection, storage, use, and transmission processes.

Access Control and Role Accountability:

Each client project is assigned a dedicated team, and system permissions are strictly managed to prevent data access by unauthorized personnel.

Employee Conduct and Directed Oversight:

The Company enforces clear boundaries for privacy protection through onboarding training and signed confidentiality agreements, reinforcing personal responsibility.

Customer Feedback and Complaint Mechanism:

The Company has established dedicated channels for feedback and inquiries related to information security and privacy. Customers may consult, report, or submit suggestions concerning the handling of their data throughout its lifecycle.



Key Performance Table

Category	Unit	2024
Environment		
Energy consumption		
Purchased eletricity	kWh	3,021,545.00
Gasoline	tonnes	2.8536576
Water usage		
Water consumption	tonnes	13,648.00
Water intensity	tonnes/million RMB Revenue	0.075
Materials		
Packaging material usage	tonnes	4,776.00
Recycled/Reuse packaging materials usage	tonnes	3,503.00
Proportion of recycle/reused packaging materials	%	73
GHG emissions		
Scope 1 emissions	tCO2e	18.54
Scope 2 emissions	tCO2e	1,719.58
Total emission intensity	tCO2e/million RMB Revenue	0.00951
Society		
Employee		
Number of employees	Total	214
Gender	Male	117
	Female	97
Age	Under 30	49
	Between 31 to 40	110
	Between 41 to 50	45
	Above 51	10

Category	Unit	2024
Society		
Employee		
Educational Background	Postgraduate and above	11
	Bachelor's degree	135
	High school and below	68
Employee function categories	Middle and senior management personnel	11
	Juniot management personnel	21
	General employees	182
	Total number	22
New employee hires	30 years old and below	4
	31-40 years old	12
	41-50 years old	5
	Above 50 years old	1
	Male	16
	Female	6
Diversity and inclusion		
Female employee ratio	%	45
Ethnic minority employees	Persons	0
Employees with disabilities or inclusion program	Persons	1
Employee turnover		
Voluntary turnover	Total	21
Voluntary turnover rate	%	9.81
Gender (ratio)	Male	14
	Female	7

Key Performance Table

Category	Unit	2024
Society		
Employee turnover		
Age (ratio)	30 years old and below	3
	31-40 years old	9
	41-50 years old	6
	Above 50 years old	3
Occupational Health and Safety		
Number of injuries	Persons	0
Work-related fatalities	Persons	0
Lost workdays due to injury	Days	0
Lost day rate (LDR)	/	0
Total recordable incident rate (TRIR)	/	0
Development and training		
Annual training hours	Hours	642
Number of trainees	Persons	214
Average training hour per	Hours	3
Business ethics training coverage	%	100
Anti-bribery training	%	100
OH&D training coverage	%	100
Product quality training coverage	%	100
Privacy & data security	%	100

Category	Unit	2024
Society		
Supplier distribution		
North China	Suppliers	2
East China	Suppliers	70
Central China	Suppliers	38
Southwest China	Suppliers	6
Perfessional service		
Complaints on customer privacy infringement	Cases	0
Customer satisfaction	Score	98.2
Corporate Governance		
Management strcuture		
Number of Board members	Persons	5
Percentage of independent directors	%	60
Anti-corruption		
Anti-corruption cases	Cases	0



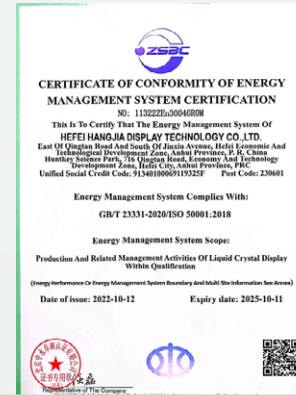
Management System and Compliance Certifications



Quality Management System Certification
(GB/T 19001-2016 / ISO 9001:2015)



Environmental Management System Certification
(GB/T 24001-2016 / ISO 14001:2015)



Energy Management System Certification
(GB/T 23331-2020 / ISO 50001:2018)



Occupational Health and Safety Management System
Certification (GB/T 45001-2020 / ISO 45001:2018)



Responsible Business Alliance Validated Assessment Program
(RBA VAP)



**Hazardous Substance Process Management
System Certification (IECQ QC080000)**



Social Accountability Management System
Certification (Social Accountability 8000, SA8000)

Index Table

Instructions

Hunkey Display reported the information cited in this GRI Content Index from January 1, 2024 to December 31, 2024 with reference to the GRI standards.

Index No.	Indicator name	Index location
2-1	Organization details	About this Report
2-2	Entities included in the organization's sustainability report	About this Report
2-3	Reporting period, reporting frequency and touch points	About this Report
2-4	Restatement of Information	Key Performance Table
2-5	External Assurance	/
2-6	Activities, value chain and other business relationships	About Hunkey Display
2-7	Employment	4.1
2-8	Non-employed employees	4.1
2-9	Corporate governance structure and composition	6.1 Corporate Governance Structure
2-10	Nomination and selection of the highest governance body	/
2-11	Chairman of the highest governance body	/
2-12	The highest governance body's role in overseeing impact management	2.2 ESG Management Structure
2-13	Decentralized responsibility for managing impacts	2.2 ESG Management Structure
2-14	The role of the highest governance body in sustainability reporting	2.2 ESG Management Structure
2-15	Conflict of Interest	/
2-16	Communication on key issues	2.3 Stakeholder Engagement
2-17	Collective knowledge of the highest governance body	/
2-18	Assessment of the highest governance body's performance	/
2-19	Remuneration Policy	/
2-20	Procedure for determining salary	/
2-21	Annual total compensation ratio	/
2-22	Statement on Sustainable Development Strategy	2.1 ESG Vision and Strategy

Index No.	Indicator name	Index location
2-23	Policy commitment	Throughout the Report
2-24	Embedding policy commitments	Throughout the Report
2-25	The process of correcting negative impacts	5.3 Responsible Marketing
2-26	Mechanisms for seeking advice and raising concerns	2.3 Stakeholder Engagement
2-27	Comply with laws and regulations	Throughout the Report
2-28	Member Associations	/
2-29	Methods for stakeholder engagement	2.3 Stakeholder Engagement
2-30	Collective Bargaining Agreement	4.2
201	Economic performance	About Hunkey Display
202	Market performance	About Hunkey Display
203	Indirect economic impact	/
204	Procurement Practices	5.1 Building a Responsible Supply Chain
205	Anti-corruption	6.3 Business Ethic and Code of Conduct
206	Unfair competition practices	6.3 Business Ethic and Code of Conduct
207	Taxation	/
3-1	Process for Identifying Substantive Issues	2.4 Double Materiality
3-2	List of substantive issues	2.4 Double Materiality
3-3	Management of substantive issues	2.4 Double Materiality
301	Materials	3.4
302	Energy	3.2
303	Water resources and sewage	3.2
304	Biodiversity	/

GRI 1 used

GRI 1: Foundation 2021

Index No.	Indicator name	Index location
305	Emission	3.1
306	Waste	3.3 Compliance Management of Wastes
308	Supplier Environmental Assessment	5.1 Building a Responsible Supply Chain
401	Employment	4.1
402	Industrial Relations	4.1
403	Occupational Health and Safety	4.3
404	Training and Education	4.2
405	Diversity and Equal Opportunity	4.1
406	Anti-discrimination	4.1
407	Freedom of Association and Collective Bargaining	4.2
408	Child labor	4.1
409	Forced or compulsory labor	4.1
410	Security Practices	/
411	Aboriginal rights	/
413	Local community	/
414	Supplier Social Assessment	5.1 Building a Responsible Supply Chain
415	Public Policy	/
416	Customer Health and Safety	5.2 Product Quality and Safety
417	Marketing and Logo	5.3 Responsible Marketing
418	Customer Privacy	6.4 Information Security and Customer Privacy

Reader Feedback

To continuously improve our ESG practices and enhance the effectiveness of our ESG management, we sincerely welcome your feedback and suggestions.
We kindly ask you to complete the following questionnaire and share your comments or recommendations with us via email.

Your Information

Name

Organization

Phone Number

Email

Feedback

Email: ESG@huntkeydisplay.com
Address:No. 716, Qingtan Road, Economic and Technological Development Zone, Shushan District, Hefei, Anhui Province, China

1.What is your overall evaluation of the Company's ESG Report?

☐ Good
 ☐ Fairly Good
 ☐ Average

2.Do you think this report reflects the material ESG impacts of the Company?

☐ Yes
 ☐ Partially
 ☐ Not Sure

3.How would you rate the clarity, accuracy, and completeness of the disclosed information, data, and metrics?

☐ High
 ☐ Relatively High
 ☐ Average
 ☐ Relatively Low
 ☐ Low

4.Which aspect of the report are you most satisfied with?

5.Which ESG topics are you most interested in?

6.What additional information would you like to know?

7.Do you have any suggestions regarding the Company's ESG practices or this report?



Hefei Huntkey Display Technology Co., Ltd.

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Postal Code: 230031

Email: ESG@huntkeydisplay.com