

Sunshine Global Circuits Co.,
Ltd.

2024 Annually
Environmental, Social &
Governance Report



Global Presence Local Service

About this report

Reporting Boundary

This report is published by Sunshine Global Circuits Co., LTD. The information and data in the report mainly cover the company's environmental, social and corporate governance related practices during the period from January 1, 2024 to December 31, 2024. Based on the continuity and comparison of the reports, some data and information are not limited in 2024.

Reporting Principle

This report refers to the GRI standard, the ISO 26000:2010 Guidance on social responsibility standard, the United Nations Sustainable Development Goals (SDGs), and the Self-Regulatory Guidelines for Listed Companies issued by the Shenzhen Stock Exchange No. 17 - Sustainability Report (trial) requirements are prepared.

Report Content

In preparing the report contents, the company adheres to the criticality, integrity, and responsiveness principles of the GRI standard. The report covers three main aspects: Organizational, Governance, and Society & Environment. It focuses on the company's responsibility in ESG governance, product responsibility, environmental responsibility, and employee responsibility. The data and information for this report are collected following the company's existing workflow.

Referring description

For the convenience of expression and reading, Sunshine Global Circuits Co., Ltd. is referred to as 'the SGC' or 'Company' or 'We/us'. The copyright of this report belongs to Sunshine Global Circuits Co., Ltd.

Publish mode

The report is released annually and is available for browsing or download on the company's official website (<https://www.sunshinepcbgroup.com/>). For any questions or suggestions about the report's content, feel free to contact us.

Email address: esg@sunshinepcb.com

Phone number1: +86 (0) 755-2724-3597

Phone number2: +86 (0) 755-2724-3968

Fax: +86 (0) 755-2724-3609

CONTENTS

Catalogue

Message from Management	06
Company Culture	07
2024 ESG Performance Information	08

01 SGC Overview	
1.1 Global Operations Overview	12
1.2 Milestones	16
1.3 Economic Performance Metrics	18
1.4 Awards and Recognitions	19

02 Organizational Governance: Foundation of Growth	
2.1 ESG Governance Structure	24
2.2 Business Ethics	26
2.3 Risk Management and Internal Control	28
2.4 ESG Key Issues	29

3 Product Innovation Empowers a Connected World	
3.1 R&D and Innovation	34
3.1 Quality Management	37
3.1 Quality Control and Test	40
3.1 Enhancing Customer Satisfaction	42

04 Environmental-friendly Leading Green & Intelligent Manufacturing	
4.1 Hazardous Substances Control	46
4.2 Building a Green Enterprise	48
4.3 Clean Production Management	50
4.4 Responding to Climate Change	51

5 People-oriented, Supporting Employee Development	
5.1 Our Employee	56
5.2 Employee Rights Protection	57
5.3 Occupational Health and Safety	59
5.4 Training and Development	66
5.5 Employee Care	68

06 Transparent Procurement Fulfilling Social Responsibilities	
6.1 Responsible Procurement	72
6.2 Charitable and Public Welfare Activities	74

Reader Feedback	76
-----------------	----

Message From Management



Dear Partners, Investors and Stakeholders:

During the critical period when the global economic landscape is undergoing deep adjustments and industrial changes are accelerating, Ming Yang Circuit has always regarded sustainable development as the core driver of strategic transformation. We are fully aware that as a global leader in electronic interconnection solutions, we have a special mission to combat climate change, promote inclusive growth and build a credible governance system. We are systematically building a green management system covering the entire life cycle of our products and deeply integrating climate science into operational decisions. By continuously optimizing the energy structure and promoting the large-scale application of renewable energy, we plan to reduce energy consumption by 20% and increase the use of renewable energy to 30% at our production bases within two years. In the field of material innovation, we are committed to reshaping the environmentally friendly supply chain of the electronics industry, and we plan to introduce five new types of biodegradable and recyclable environmentally friendly materials in the next two years, setting a new benchmark for the industry. Intelligent transformation of the production base has significantly improved the efficiency of resource utilization, laying a solid foundation for the benign interaction between industry and ecology. Second, talent capital: empowering future multiculturalism Talent capital is always the core element of our value creation. We have established a competency development system that runs through the career cycle of our employees, and continue to unleash the potential of talents through customized training programs. Over the past year, we have provided more than 90 training programs for our employees, with an average training time of more than 9 hours per employee. In building a culture of diversity and inclusion, we have established multi-level career development paths and systematically eliminated barriers to equality in the workplace. Relying on our global operation network, we will continue to carry out scientific and technological education initiatives to help cultivate a future-oriented industrial talent pipeline. Corporate Governance: Continuous Alignment with International StandardsCorporate governance continues to advance toward international best practices. The special committee set up by the Board of Directors has realized dynamic monitoring of ESG risks and built a liability management system covering the entire supply chain. Through digital tools, we have transformed our ethical sourcing standards into an enforceable supplier assessment mechanism, and we plan to conduct an initial assessment of the environmental and social responsibility of all our suppliers within two years to ensure that our business partners work with us on the path to sustainable development. Continuous upgrading of information security and data governance capabilities has further strengthened the foundation of trust in the customer ecosystem, with the incidence rate of data leakage falling to less than 1%. Win-Win Cooperation: Creating a Sustainable Future Together We firmly believe that true business leadership is embodied in positive responses to major global challenges. Ming Yang Circuit is willing to build a sustainable value network with all partners to shape a more resilient future for the electronics industry through technology synergy, standardization and ecological empowerment. We look forward to working with you to develop in-depth cooperation in the following areas: 1. Green Supply Chain Innovation: We will jointly explore more application scenarios for environmentally friendly materials to promote the green transformation of the industry. 2. Talent Cultivation Program: We will jointly carry out scientific and technological education initiatives for the benefit of the industry, and cultivate more high-caliber talents for the industry. 3. Data Sharing and Governance: We will share ESG data through the digitized platform to enhance the transparency of the supply chain and the synergy of efficiency. Let's use innovation as the pen and responsibility as the ink to write a new chapter of human commercial civilization. Thank you for your vision and trust, and we look forward to working with you to create long-term value that transcends borders and cycles.

董事长：张仰河

Company Culture

Duty

Innovation Drives a Smart-Connected World
Dual Carbon Policy Builds a Better Life

Vision

Becoming the Global Leader in Green and Intelligent Manufacturing of High-Precision Electronic Circuits

Key value

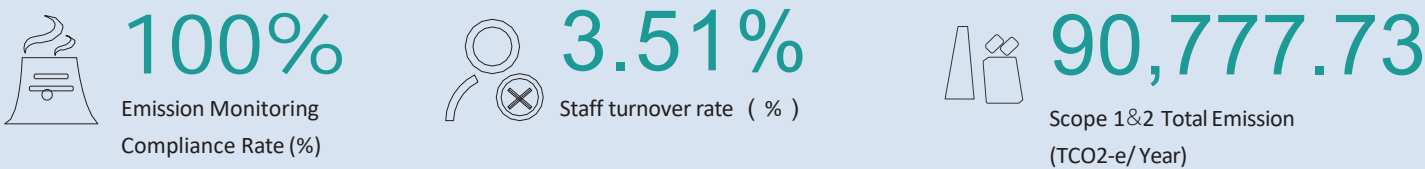
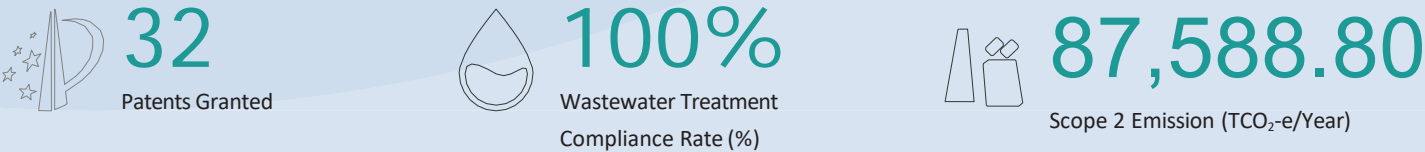
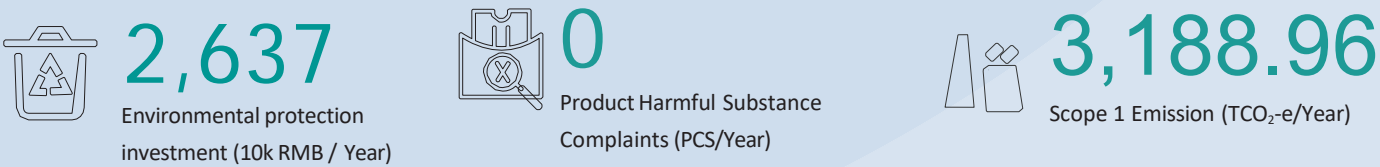
Customer-Oriented, Efficient Collaboration
Professional and Dedicated, Co-Creation and Sharing

Strategy

Innovation Brings the Leading Position in Global Specialty Market

2024 ESG Performance Data

Economic Information



Performance indicator	2024
First Time Yield (%)	89.87%
Government incentives and support funds (10k RMB/Year)	675.25
Water Consumption (T/Year)	1,163,335.00
Wastewater Discharge (T/Year)	779,104
Total electricity consumption (KWH/Year)	133,964,972
Natural Gas (KWH/Year)	1,276,498
Diesel (KG/Year)	74,661.1
Solid waste discharge (KWH/Year)	24,374.19
Gasoline (KG/Year)	21,196.23
Material Batch Qualification Rate (%)	99.98%
FQA Sampling Set Pass Rate (%)	99.14%
R&D Investment (10k RMB/Year)	7,633.84
Number of R&D group member	280
Female Middle-to-Senior Management Ratio (%)	8.82%
Frontline Employee Average Wage Ratio to Local Minimum Basic Wage	3.81:1
Average employee satisfaction (%)	89%
Gender Pay Ratio for Same Positions (%)	1:1
Labor contract signing rate (%)	100%
Employee Health Examination Rate (%)	100%
Work-Related Deaths (person/Year)	0
Occupational Disease Diagnoses (Times/Year)	0
Safety Training Course (H/Person/Year)	15.3
Employee Annually Training (H/Year)	59,151.64
Employee Training Cost (10k RMB/Year)	35.24
Average Employee Training Time (H/Person/Year)	23.89
Number of New Supplier Certification Audits	13
Annual Supplier SER Audit	56

01 SGC Overview

SGC is a professional PCB manufacturer, equipped with powerful R&D capability and professional product line. Following the mission of "Innovation Drives a Smart- Connected World, Dual Carbon Policy Builds a Better Life", we are dedicated to becoming the global leader in environmental-friendly and intelligent manufacturing of high-precision printed circuit board.

- 1. Global Operations Overview 12
- 2. Milestones 16
- 3. Economic Performance Metrics 17
- 4. Awards and Recognitions 18



1.1 Global Operations Overview

SGC was established in July 2001 and is headquartered in Xinqiao Street, Bao'an District, Shenzhen. On February 1, 2018, it was listed on the Shenzhen Stock Exchange (stock abbreviation: 明阳电路, stock code: 300739). After more than twenty years of development, SGC has six major production bases and sales entities under its umbrella: Shenzhen SGC, Jiujiang SGC, Germany SGC, Malaysia SGC, Hong Kong SGC, and the United States SGC. Its business scope covers multiple countries and regions worldwide.

For many years, the company has been dedicated to the research, development, production, and sales of high-end circuit boards. Based on the strategic positioning of "innovation-driven international market leadership in specialized areas," the company continuously increases its investment in research and development and technology. Its products include multilayer boards, HDI boards, high-speed boards, rigid-flex boards, flexible boards, thick copper boards, high-frequency boards, ATE boards, and Mini LED boards. Leveraging the differentiated layout of each production base, the company can meet customers' diverse needs from samples to small and medium batches. Its products are widely used in AI servers, automotive electronics, medical devices, energy power, electronic communications, and industrial control, among other fields.



Sunshine Shenzhen

SGC headquarters is located in Shenzhen, known as the "Silicon Valley of China," with a registered capital of 299 million RMB. It boasts a 20,000-square-meter facility and approximately 1,000 experienced employees. With a strong technical foundation, SGC focuses on the incubation and development of quick-turn boards, ATE products, and complex high-layer-count products.



Sunshine Shenzhen

Sunshine Jiujiang

Jiujiang SGC was established in July 2011 and is located in the Jiangxi Jiujiang High-Tech Development Zone. With a registered capital of 1.273 billion RMB, it covers an area of 130,000 square meters. The company has the capability to mass-produce 2 to 40-layer PCBs and offers specialized product lines for high-speed, rigid-flex, thick copper, high-frequency, and Mini LED markets.



Sunshine Jiujiang

Sunshine German

In 2013, Sunshine PCB GmbH was established in Remscheid, near Düsseldorf, Germany. The company originated from the RINDE factory, which was founded in 1966 and has a history of producing high-tech products, including 12-18 layer PCBs and high-density PCBs. Under the strategy of "Close to Customers, Real-Time Support," Sunshine PCB GmbH provides localized and customized services to customers in the European region.



Sunshine German

Sunshine Malaysia

In July 2023, Sunshine PCB (Penang) Sdn. Bhd. was established in Malaysia. The company originated from the Vision factory located in Penang, Malaysia. After SGC acquired Vision, a series of intelligent upgrades and expansions were carried out, increasing the monthly production capacity to 7,000 square meters. The processing capability now covers 2-12 layer PCBs. Currently, a new second-phase factory with a construction area of 135,000 square meters is being planned. The company aims to become a leading manufacturer of rigid, RF, and microwave PCBs in Southeast Asia, laying a solid foundation for SGC to expand its international market.

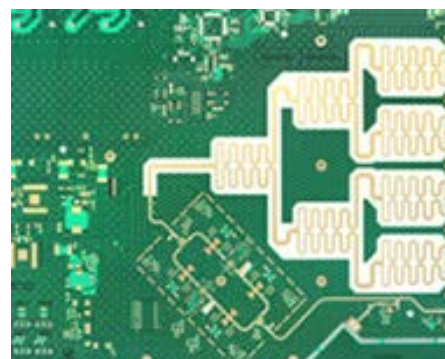


Sunshine Malaysia

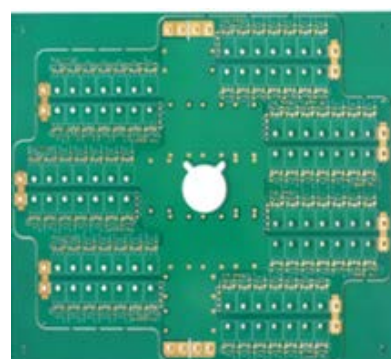
■ Product and Service

In the context of continuously evolving customer demands and increasingly intense differentiated competition, SGC has proposed an innovation-driven international market leadership strategy. This strategy focuses on the research, production, and manufacturing of specialized products such as high-speed, rigid-flex, thick copper, high-frequency, ATE, and Mini

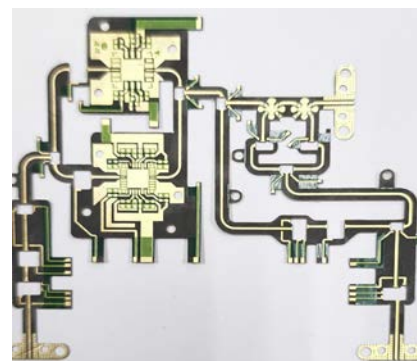
LED. These products are widely used in AI servers, automotive electronics, medical devices, energy and power, electronic communications, and industrial control fields. Adhering to the business philosophy of "global layout, local service," the company continuously expands its overseas production and sales bases, providing high-quality and efficient services to customers in countries across Asia, Europe, and the Americas.



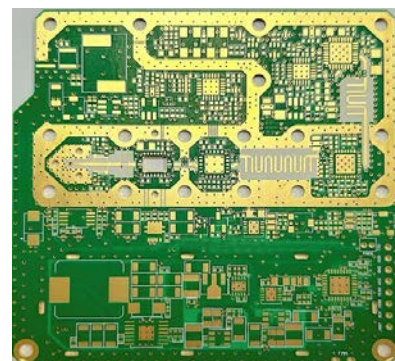
High frequency



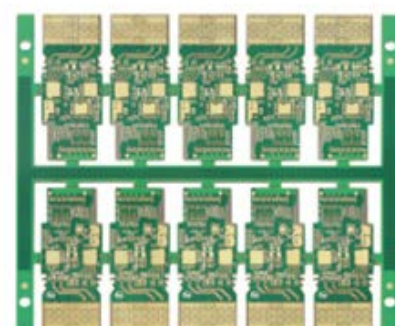
Heavy Copper



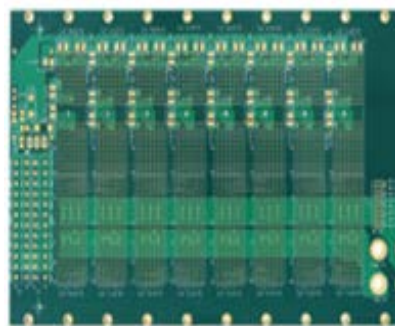
power amplifier (wFEM)



Block converter (BUC)



Optical Module



Backplane

■ Industrial layout



Electronic Communications



Medical Devices



Energy & Power



Automotive Electronics



Aerospace



Industrial Controls



Low Altitude Economy



In the future, we will strengthen our foundational and product research and development to enhance product technical competitiveness and increase the proportion of sales of mid-to-high-end PCBs. Additionally, we will adapt to the evolving market demands by intensifying efforts in international market expansion, aiming to increase the company's global market share.

1.2 Milestones

SGC's development over the past 20 years has been filled with opportunities and challenges. Through continuous innovation and perseverance, the company has demonstrated its profound foundation and outstanding strength in the electronics circuit

2001

- SGC Shenzhen Headquarters Established

2002-2008

- The completion of the upgrade of the company's management system, obtaining ISO 9001, ISO/TS16949, and ISO14001 certifications.
- Awarded the title of "Shenzhen High-Tech Enterprise"
- Awarded the title of "National High-Tech Enterprise"
- Successfully transformed into a multi-variety, small-batch, high-tech enterprise, and initiated international import and export trade

2010-2013

- Established a sales subsidiary in the USA
- Established a sales subsidiary in Germany
- Acquired a factory in Remscheid, Germany, and obtained ISO 13485 certification. Awarded the titles of "Green Environmental Protection Advanced Enterprise in the Circuit Board Industry" and "Shenzhen Pengcheng Waste Reduction Advanced Enterprise"
- Achieved international business transformation

2014-2015

- Jiujiang SGC successfully reached production capacity and was awarded the title of "National High-Tech Enterprise"
- Jiujiang SGC obtained ISO 9001, ISO/TS 16949, and ISO 14001 certifications
- Shenzhen SGC obtained ISO/TS 14067 carbon footprint verification

2016-2017

- Served as an executive director unit of industry associations CPCA, GPCA, and SPCA
- Awarded the title of "Outstanding Supplier" by internationally renowned companies (BMK, ENICS, Flex)
- Jiujiang SGC expanded monthly production capacity to 40,000 square meters and successfully launched the specialized production line for rigid-flex boards

2018

- Listed on the Shenzhen Stock Exchange with the stock code 300739
- Shenzhen SGC established an Environmental-friendly Manufacturing Center

2019-2020

- Shenzhen SGC's IC substrate professional production line successfully went into operation
- Shenzhen SGC successfully introduced photomask products
- Jiujiang SGC's national-level laboratory construction was completed
- Jiujiang SGC's soft and hard combination board production line expanded to a monthly capacity of 10,000 square meters
- Comprehensive upgrade of the SAP enterprise management system and full implementation of international human resource management solutions

2021-2022

- Jiujiang SGC's monthly production capacity expanded to 100,000 square meters
- Jiujiang SGC's professional production line went into operation
- Jiujiang SGC achieved Customs AEO Advanced Certified Enterprise status
- Shenzhen SGC achieved Customs AEO Advanced Certified Enterprise status
- Established ATE professional production line

2023-2024

- Acquired Malaysian PCB company Vision
- SGC passed ISO27001 certification
- Jiujiang SGC passed ISO9001 quality system certification renewal
- Jiujiang SGC passed ISO50001 energy management system



1.3 Economic performance data

In recent years, the global PCB market scale shows a fluctuating upward trend, the printed circuit board industry benefited from the development of 5G, cloud computing, Internet of Things and other emerging technologies, the global market to maintain stable growth. However, the strong expansion of the industry in the past few years, PCB competition has intensified, the release of the newly expanded production capacity of enterprises has been affected, and the production capacity may take a longer time to be digested, and is now facing a key point of industry reshuffle.

After more than 20 years of accumulation, Ming Yang Circuit has accumulated a solid international customer base. In the face of the complex and volatile international environment as well as the key point of industry reshuffle and change, Sunshine Circuit makes full use of the advantages of internationalization, takes the lead in transforming and upgrading the top management structure to the EMT mode, and carries out optimization and innovation, and based on the deep understanding of digitization and intelligence, actively promotes the intelligent construction of the production process and supply chain, and actively responds to the challenges in the industry. At the same time, based on a deep understanding of digitization and intelligence, the company is actively promoting the intelligent construction of production process and supply chain, actively responding to market challenges and seeking long-term development.

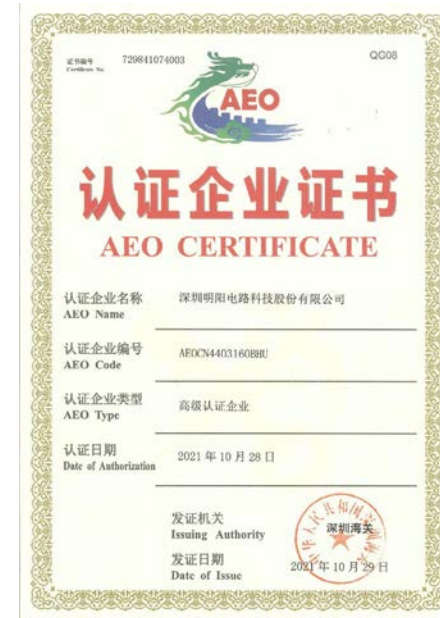
During 2024, the company will realize sales revenue of 15.59 billion yuan and invest a total of 76.3384 million yuan in research and development. In the future, Sunshine Circuit will continue to adhere to its internationalization and specialized market positioning, drive sustainable growth with innovation, grasp the opportunities of PCB market development, and realize its leading position in the industry.

Term	2024
Total Assets (billion)	34.56
Annual Product Volume (10k m2)	82.54
Sales Revenue (billion)	15.59
Total Tax (10k)	1940.84
R&D Investment (10k)	7,633.84
Government Incentives & Support Funds (10k)	675.25

1.4 Awards and Recognitions

Over the years, SGC has garnered numerous honors and accolades, driving us to maintain our spirit of innovation and craftsmanship. We relentlessly enhance product quality and service standards, contributing significantly to the advancement of the electronics information industry.

Order	Date	Award Title	Award Unit
1	2025 Feb.	2024 Employers of Excellence	Shenzhen Baoan District Xinqiao Street CPC Working Committee and Office
2	2024 Nov.	2024 Jiangxi Province Intelligent Manufacturing Benchmarking Enterprise Title	Jiangxi Provincial Department of Industry and Information Technology
3	2024 Nov.	2024 Outstanding Green Manufacturing and Environmental Protection Company	Shenzhen Environmental Protection Industry Association, Shenzhen Printed Circuit Board Industry Association, Guangdong Printed Circuit Board Industry Association
4	2024 Oct.	2024 Partner of the Year Award	Shenzhen Chau Ming Technology Co.
5	2024 Sep.	National Model Workers' Home	All-China Federation of Trade Unions (ACFTU)
6	2024 Jun.	Rural revitalization helps development, sincere help warms people's hearts	Shenzhen Baoan District Industry and Information Technology Bureau
7	2023 Dec.	Specialized, specialized and new SMEs	Shenzhen Small and Medium Enterprises Service Bureau
8	2023 Nov.	National High-tech Enterprise Certificate	Jiangxi Provincial Department of Science and Technology, etc.
9	2023 Oct.	High-tech enterprises	Shenzhen Science and Technology Innovation Commission
10	2023 Sep.	2024 Management Innovation Demonstration Enterprise in Jiangxi Province	Jiangxi Provincial Department of Industry and Information Technology
11	2023 Jun.	2022 Shenzhen Green Enterprises	Shenzhen Green Life Creation Action Steering Committee Office
12	2023 Feb.	2022 Annual Science and Technology Innovation Award	Jiujiang Economic and Technological Development Zone Management Committee of the Communist Party of China, etc.
13	2023 Feb.	2022 Top Ten Industrial Enterprises of the Year	CPC Jiujiang Economic and Technological Development Zone, etc.
14	2023 Feb.	2022 Jiujiang Outstanding Industrial Enterprises	People's Government of Jiujiang
15	2022 Dec.	Excellent Scene of State-level Intelligent Manufacturing Demonstration Factory	First Department of Equipment Industry, Ministry of Industry and Information Technology
16	2022 Jul.	Jiangxi Provincial Manufacturing Industry Pilot Cultivation Enterprises	Jiangxi Province Industrial Strength Construction Leading Group Office
17	2022 Jul.	2021 Outstanding Enterprise in Green Manufacturing and Environmental Protection	Shenzhen Environmental Protection Industry Association, GPCA
18	2022	Municipal Workers' Pioneer	Jiujiang City Federation of Trade Unions
19	2022	Provincial Workers' Pioneer	Jiangxi Provincial Federation of Trade Unions
20	2022 April	Jiujiang Civilized Unit	CPC Jiujiang Municipal Committee Jiujiang Municipal People's Government
21	2022 Feb.	2021 Corporate Excellence Award	CPC Chengxi Port Authority Committee and Jiujiang Chengxi Port Authority



2024 "Excellent Employer" Trophy



Shenzhen Ming Yang Green
Excellent Enterprise Certificate



Rural revitalization helps
development, sincere help
warms people's hearts



China Electronic Circuit
Excellent National Enterprise



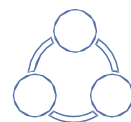
Jiangxi famous
brand products
certificate



2024 Partner of the Year Award
2024 from Shenzhen Chau Ming
Technology Co.

02 Organizational Governance: Foundation of Growth

SGC adheres to the principles of integrity, honesty, and compliance with laws and regulations; and establishes and implements ESG governance to achieve sustainable development for the company.



1. ESG governance structure	22
2. The principles of business ethics	23
3. Enterprise risk management	24
4. ESG Key Issues	25





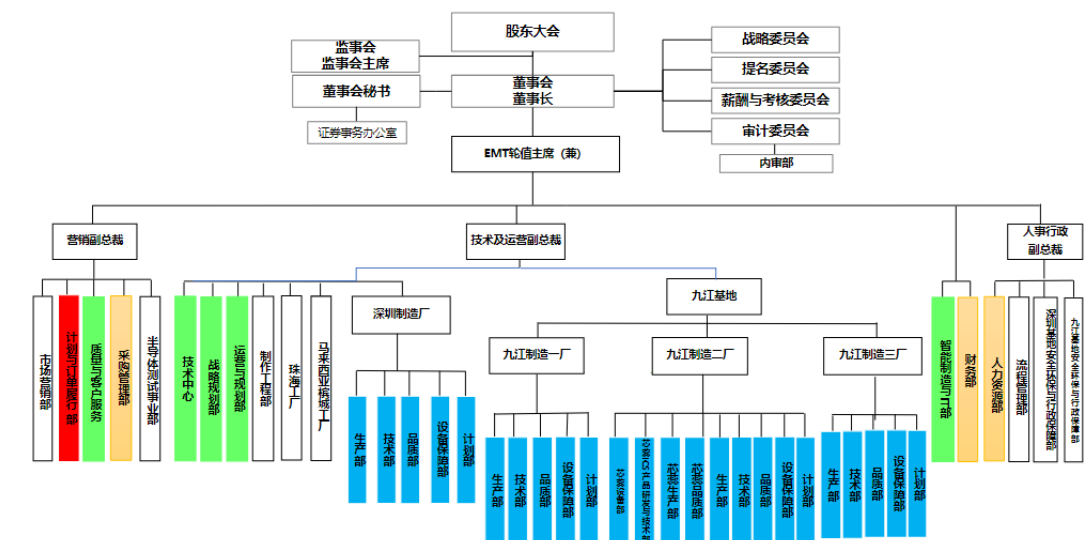
2.1 ESG Governance Structure

To ensure compliance and transparency in company operations, SGC continuously improves its governance structure, which consists of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the EMT. In accordance with modern corporate governance requirements, functional departments are established with clear and reasonable business processes and well-defined responsibilities. This forms a governance structure where power institutions, decision-making bodies, supervisory agencies, and the executive management layer each perform their duties, effectively balance power, and coordinate with each other.

The General Meeting of Shareholders is the company's power institution, providing shareholders with a crucial means to exercise their legal rights. The company treats all shareholders equally, ensuring their right to be informed, to participate, and to vote on significant company matters. The procedures for notification, convening, holding, and voting at the General Meeting of Shareholders are regulated, and lawyers are invited to attend the meetings to provide legal opinions.

The Board of Directors executes the resolutions of the General Meeting of Shareholders in accordance with the law and is accountable to it. When forming the Board, the company fully considers factors of diversity and independence, actively promoting the independent director system. Independent directors play a role in enhancing the rationality, standardization, and scientific nature of company decisions.

The Board of Supervisors, entrusted by the General Meeting of Shareholders, supervises the company's operations and management. It oversees the compliance of the company's finances and the duties performed by directors and senior management. The Board of Directors has established the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee. These committees work collaboratively and provide effective oversight to ensure the company's stable operation.



ESG Governance structure

2.2 Business Ethics Principles

The company adheres to the business ethics of integrity and law-abiding. In order to ensure a fair and equitable business environment, the Company has established and perfected an anti-corruption management mechanism to safeguard the sustainable development of the Company. 2024, led by the Internal Audit Department, the Company formally launched an anti-corruption policy. It has zero tolerance for all corrupt behaviors or potential corrupt behaviors of the parent company and its business entities. Specific initiatives are as follows: 1. Integrity Agreement: For all employees, the company requires that they read and sign the integrity agreement when they join the company. Familiarize yourself with the company's anti-corruption content, and firmly fulfill the relevant obligations in the course of work. For all suppliers, service providers and contractors, etc., need to sign the "Strategic Partners Sunshine Procurement Commitment", will be regularly risk identification of suppliers, and rating. Therefore, the company will monitor all suppliers, service providers and contractors in a more targeted manner. 2. Reporting Mechanism The company has a special reporting channel, and discloses the reporting mailbox and telephone number on the website. The company has also set up an audit team to verify the contents of the reports. Through these initiatives, the company hopes to achieve: transparent operation; compliant operation; and a culture of integrity. In 2024, the company will not have any confirmed incidents of corruption and related reports, and will not have any complaints or lawsuits caused by corruption and bribery. 3. Formulation of standardized documents on gift-giving The company has newly formulated documents on gift-giving and reception-related procedures. The company has newly formulated documents on gift-giving and reception-related procedures, which stipulate the specifications and frequency of gift-giving, as well as the company's reception process. To prevent and eliminate the occurrence of corrupt behavior from the root. Customer reception operation guidebook, customer reception standardization, pattern. It facilitates the work and the prevention of corruption. For suppliers, service providers and contractors, the company has a risk identification and evaluation form. Regularly assess the corruption risk level of the corresponding suppliers, service providers and contractors. The business behavior of suppliers, service providers and contractors, etc., is monitored for corruption according to the level.



Anti-Corruption

SGC has established the "Anti-Corruption Operations Manual," which must be strictly followed by all employees, suppliers, service providers, and contractors. This manual enhances the anti-corruption framework by focusing on the supervision of high-risk areas and key positions susceptible to corruption. By enforcing these measures, SGC ensures a transparent, ethical, and corruption-free business environment.



Integrity Commitment Agreement

All new employees must sign the "Integrity Agreement" upon joining SGC. Strategic partners, including suppliers, service providers, and contractors, are required to sign the "Sunshine Procurement Commitment for Strategic Partners." These agreements ensure that all parties act lawfully, maintain integrity, and resist any form of commercial corruption.



Compliance Awareness Training

To further maintain an atmosphere of integrity and transparency, and to enhance employees' awareness of legal compliance, SGC conducts compliance training through various channels. These include new employee orientation, distribution of employee handbooks, and annual training programs. These initiatives aim to improve employees' understanding of compliance, ensuring they adhere to laws and regulations and uphold the highest standards of ethical conduct.



Oversight and Accountability

SGC has established an Anti-Corruption Supervision and Management Team, including members from the Supervisory Board and the Internal Audit Department. This team monitors compliance with integrity agreements and anti-corruption policies. The Internal Audit Department focuses on detecting fraudulent activities and unethical behavior.

Employees violating the integrity agreement face strict accountability measures. Suppliers breaching the "Sunshine Procurement Commitment for Strategic Partners" will have their qualifications revoked. Any commercial bribery actions are referred to judicial authorities for prosecution. This ensures the maintenance of ethical standards and fairness in business operations.



Reporting Channels

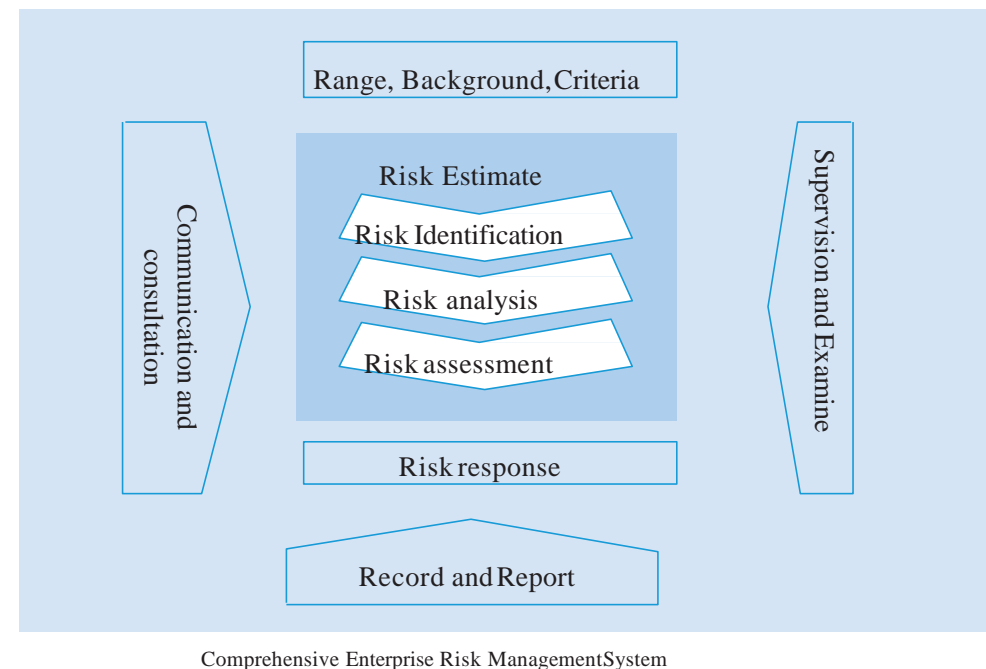
SGC has established the "Anti-Fraud and Reporting System" to encourage employees and business partners to report corrupt activities. Reports can be submitted via the publicly available email or hotline. The company advocates for real-name reporting, ensuring that whistleblowers are protected during the investigation process. Any form of discrimination or retaliation against whistleblowers is strictly prohibited.

Reporting Email: internalaudit@sunshinepcb.com

Reporting Hotline: 0755-27243927

2.3 Risk Management and Internal Control

SGC places great emphasis on managing risks throughout its operations, establishing a three-line defense system for risk control. First Line of Defense: Core frontline business departments, which bear the primary responsibility for risk management. Second Line of Defense: Regulatory departments, including Legal, Quality, Safety, Finance, and Human Resources, which support the frontline departments through audits, inspections, and assessments to assist in risk control. Third Line of Defense: Internal oversight departments, such as Internal Audit and the Audit Committee, which identify risks and issues through supervision and inspections, continuously improving the company's risk management and internal control systems. In 2023, SGC's risk control measures were effective, with no incidents of legal or regulatory violations.

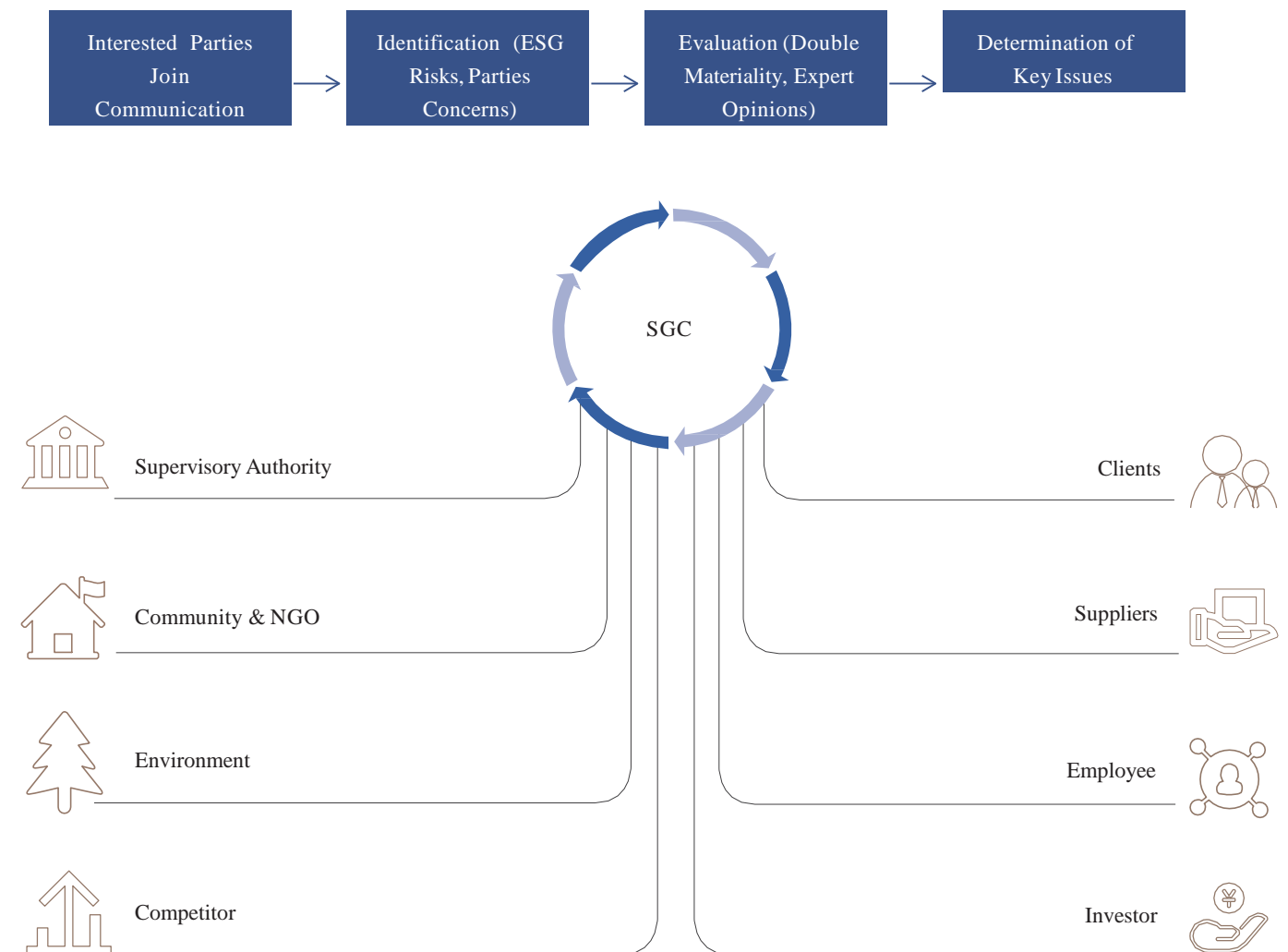


SGC, in accordance with the "Basic Norms for Corporate Internal Control" and other relevant laws and regulations, has established a comprehensive internal control system that is effectively implemented. The Internal Audit Department conducts special audits on key matters such as internal control operations, financial income and expenditure, placement and use of raised funds, and related transactions in accordance with the "Internal Audit System." This ensures the company's operations and management are legal and compliant, assets are secure, and financial reports and related information are truthful and complete.

We also conduct internal control self-evaluation work according to the "Basic Norms for Corporate Internal Control" and relevant regulations, issuing internal self-evaluation reports. Additionally, the company engages external accounting firms to independently audit the effectiveness of the internal control system. In 2023, there were no major or significant deficiencies in internal control related to financial and non-financial reports. The internal control system operated effectively, maintaining effective internal control in all major aspects.








2.4 ESG Key Issues

To promptly obtain and respond to stakeholder needs, the company, based on the requirements of "ISO26000:2010 Guidance on Social Responsibility" and the "GRI Standards," has identified stakeholder requirements and expectations, as well as ESG issues. The company employs the "matrix evaluation method" to assess ESG key issues from two dimensions: "the degree of impact on corporate sustainability" and "the degree of stakeholder concern about ESG issues." The company aims to address stakeholder needs and expectations through communication and engagement, effectively control ESG risks, and achieve its strategic development goals.

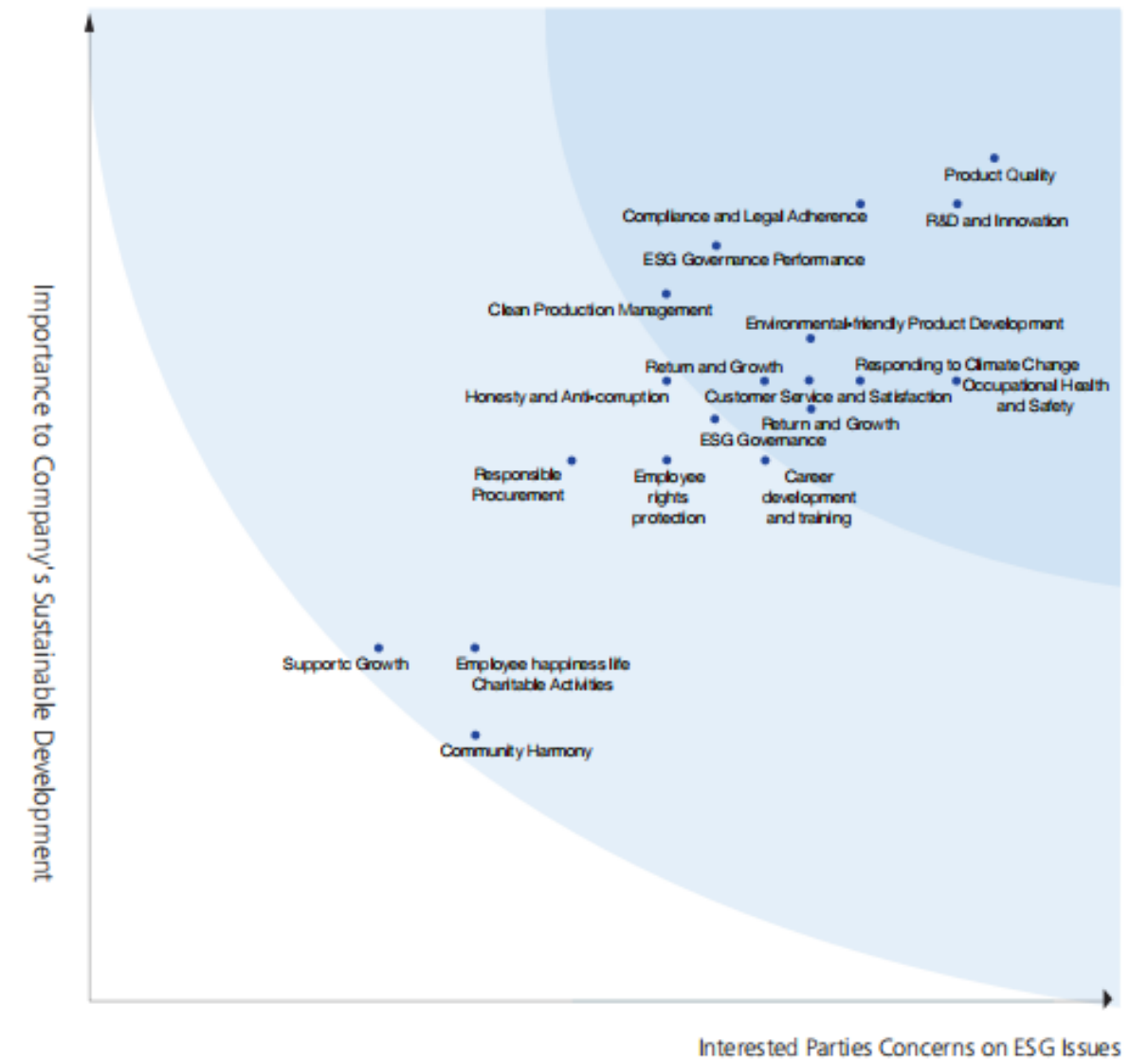


Interested Party Focus and Reply

The statistical table of key issues of stakeholder communication and concern

Interested Party	Focused Issues	Communicate Method	Chapter
 Client	> Product Quality	> Customer Satisfaction Survey	Chapter 3
	> Hazardous Substances Control	> Customer Communication	Chapter 4
	> Customer Service and Satisfaction	Meetings	Chapter 3
	> R&D and Innovation	> Customer Complaints	Chapter 3
 Investor	> Return and Growth	> Financial Report Release	Chapter 1
	> Enterprise Risk Management	> Shareholder Communication	Chapter 2
	> ESG Governance	Meetings	Chapter 2
	> ESG Governance Performance		
 Supplier	> Honesty and Anti-corruption	> Supplier Meetings	Chapter 2
	> Responsible Procurement	> On-site Audits	Chapter 6
		> Joint Innovation	
 Employee	> Salary and Welfare	> Employee Satisfaction Survey	Chapter 5
	> Occupational Health and Safety	> OHS Management System	
	> Employee rights protection	> Internal Meetings	
	> Career development and training		
	> Employee happiness life		
 Environment	> Clean Production Management	> Pollutant Monitoring	Chapter 4
	> Responding to Climate Change	> ESG Report	
	> Environmental-friendly Product Development	> Product Promotion	
 Supervisory Authority	> Compliance and Legal Adherence	> Government Meetings and Seminars	Chapter 2
	> Support Economic Growth	> On-site Visits and Communication	Chapter 4
 Community & NGO	> Community Harmony	> NGO Survey	Chapter 6
	> Charitable Activities	> Communication Meetings	

Materiality Matrix



03 Product Innovation Empowers a Connected World

Product quality is the lifeblood of the enterprise and the key to sustainable development. The company drives economic growth through technological innovation and enhances customer satisfaction through meticulous manufacturing. We are committed to becoming a global leader in high-precision electronic circuit green manufacturing.

8 体面工作和经济增长

9 产业、创新和基础设施

12 负责任消费和生产

1. R&D and Innovation	30
2. Quality Management	33
3. Quality Control and Test	35
4. Enhancing Customer Satisfaction	37

3.1 R&D and Innovation

Scientific and technological innovation is the source power enterprises to realize high-quality development. The company has invested in the establishment of a technology center, adhering to the mission of “leading the company's innovative technology development, supporting the company's technological core competitiveness, and continuously obtaining new profit growth points”, and the core values of “customer orientation, open innovation, and efficient collaboration”. We are committed to becoming an industry-leading R&D and innovation organization for electronic circuits. The company has set up an R&D center and invested a large amount of R&D funds every year to purchase advanced R&D instruments and equipments, develop new products and new processes, and improve product quality. According to statistics, in 2024, a total of 76,338,400 RMB was invested in research and development, providing sufficient resources for the success of product development and technological innovation projects.

■ Excellent R&D Team

Dr. Bei Chen is the Director of Technology Center of Ming Yang Circuit and the General Manager of Huaxin Microtesting Technology Co., Ltd. and a member of CPCA Science and Technology Committee and Standards Committee. She has served as process manager, technical director, director of technology center and director of test center of a listed company. Since 2011, she has led the company's PCB technology R&D, PCB product R&D and PCB product reliability research, and has led the technological research and industrialization of a number of high-end technological products, such as rigid-flex boards, high-density interconnect (HDI), tellurium high-frequency boards, high-speed optical modules, IC test boards, etc. She has established a test center and passed the CNAS certification. He has prepared to build a test center and passed CNAS certification, and established joint labs in China Railway Group, AVIC 613, and Aerospace 512 to jointly promote and study the relationship between the service life of PCBs and other electronic products in the field of rail transportation, in the field of aviation and aerospace and the involved and process. In Ming Yang, he leads a team of professional R&D engineers to continuously improve the current production process and promote the development of advanced technology. At present, the company has 280 R&D personnel, and achieves the transformation of more than 6 scientific and technological achievements on average every year. In 2018, the company's technology center was awarded the “Guangdong Province 5G High Density Interconnection HDI Line Board Engineering Technology Research Center”, and in 2023, Shenzhen Sunshine and Jiujiang Sunshine were respectively awarded the " In 2023, Shenzhen Sunshine and Jiujiang Sunshine were respectively awarded the title of “Specialized, Specialized and New Small and Medium-sized Enterprises” and the honorary title of “Jiangxi Province Innovation Management Model Enterprise”.



A working scene in a sterile laboratory



Company R&D and Technological Innovation Performance Data 2024

Index	Data
R&D Investment (10k RMB/Year)	7,633.84
Number of R&D Personnel	280
Patents Granted	32



SGC technical center has been awarded the title of "Guangdong Province 5G High-Density Interconnection (HDI) Printed Circuit Board Engineering Technology Research Center".



In 2023, Shenzhen SGC was awarded the honorary title of "Specialized, Special, and New Small and Medium-sized Enterprises".

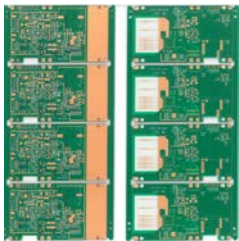
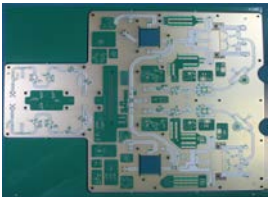
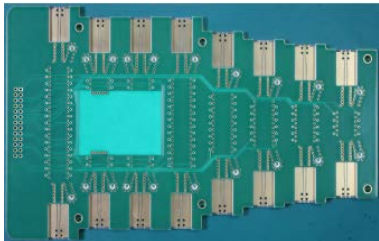

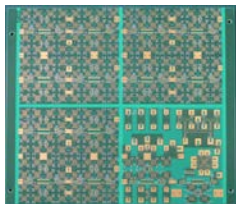



In 2023, Jiujiang SGC was awarded the honorary title of "Jiangxi Province Management Innovation Demonstration Enterprise".

■ Technological Innovation Management

To improve the standardized management of technological innovation and new product development, the Technology Center has established a series of R&D project management procedures, including the "R&D Project Operation Management Process," "SGC Process Capability Management Specification," "Material Selection and Usage Work Instructions," "New Material Certification Work Instructions," and "R&D Board Order Operation Process Specification." These procedures control the critical processes of design and development to ensure that the quality of new products and technologies meets customer requirements, relevant laws and regulations, international standards, and industry standards. While actively conducting independent R&D, We also engage in extensive industry-university-research collaborations with enterprises, universities, and research institutes. On one hand, it fully leverages the disciplinary advantages of universities in manufacturing equipment, automation, electronic information, advanced materials, and light industry chemicals to assist in solving challenges encountered in the production process. On the other hand, the company continuously recruits high-quality talent and establishes industry-university-research partnerships with renowned institutions to jointly conduct research projects.

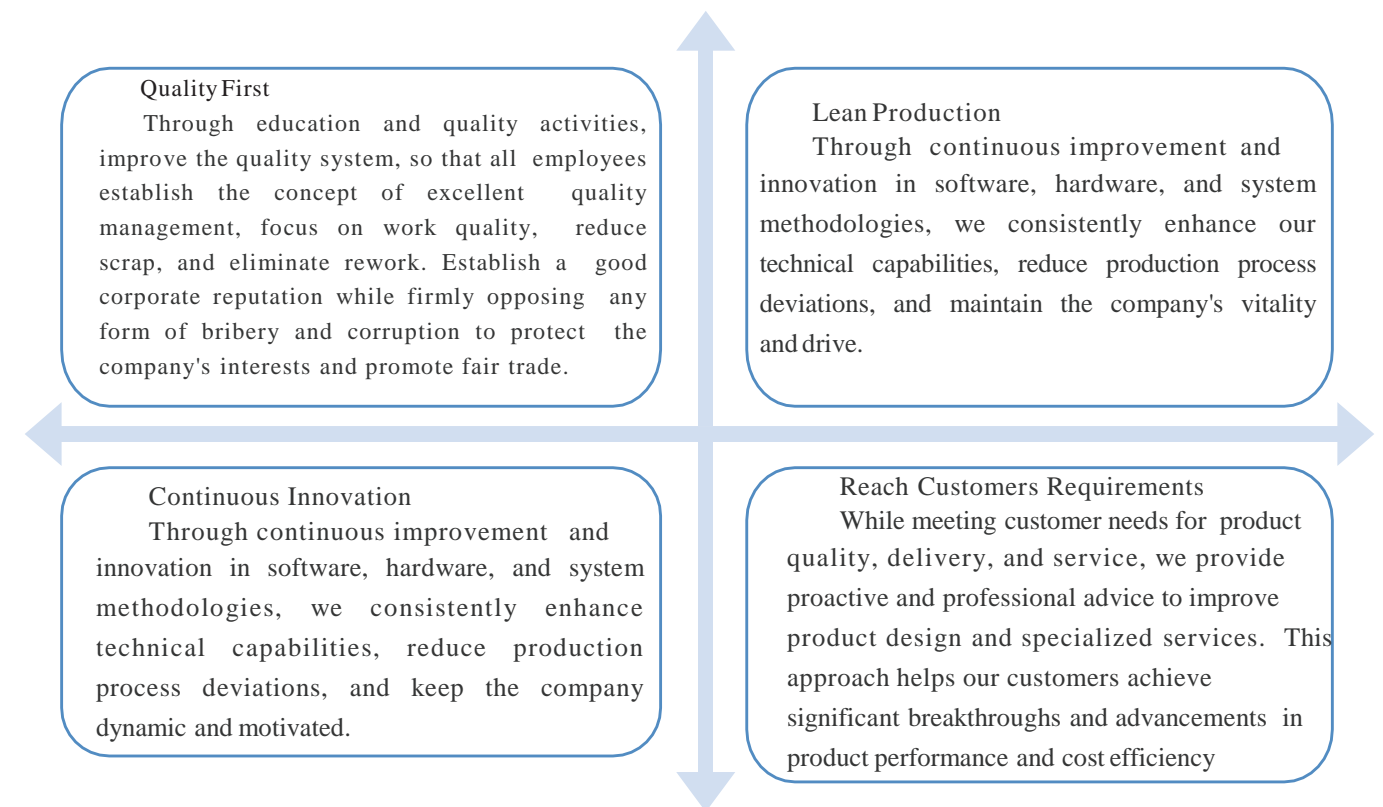
■ Product R&D Achievements

Product	Product Technical Parameters	Picture	Application Fields and Their Functions
Smart car 77G millimeter wave radar circuit board	Layers: 8 Material: Ro3003G2+S1000-2m Board Thickness: 1.4mm Line Width Line Spacing: 0.1/0.12mm Minimum Hole Diameter: 0.2mm Surface Treatment: OSP		Applications in automotive electronics. Improvement of millimeter-wave radar antenna gain, and suppression of frequency drift to form narrow beams.
Multilayer high-frequency and high-speed printed circuit boards with embedded copper blocks	Layers: 8 Material: Ro4350+TU862 Board Thickness: 3.219±0.322mm Line Width Line Spacing: 0.2mm/0.5mm Minimum Hole Diameter: 0.2mm Surface Finish: Immersion Gold		Applied in industrial control field. Improve product heat dissipation performance.
HF antenna multilayers can be embedded in liquid type printed circuit boards	Layers: 6 Material: Kappa438+vt47 Line width and pitch: 0.15mm/0.15mm Minimum hole diameter: 0.5mm Surface treatment: Immersion gold		Used in communication equipment related fields. Reduce the overall electronic products external container generated by the frequency loss, reduce product production costs.
High Copper Thickness Semi-Plugged Power Circuit Boards	Layers: 16 Material: TU865 Board Thickness: 8.4±0.67mm Inner Copper Thickness: 6/6oz Minimum Hole Diameter: 1.1mm Surface Finish: Immersion Gold		Apply to automotive electronics, communication equipment, industrial control and other fields. Improve product stability, safety and service life.
buried resistor printed circuit board	Layers: 14 Material: R04003C Board Thickness: 3.3±0.33mm Line Width Line Spacing: 0.1mm/0.1mm Minimum Hole Diameter: 0.2mm Surface Finish: Immersion Nickel Gold		Apply to industrial control, communication equipment and other fields. Improve the electrical performance of products and the stability of signal transmission.
High-end, high-speed circuit boards	Layers: 14 Material: R-5795(u) Board thickness: 2.3±0.23mm Line width line spacing: 0.18mm/0.17mm Minimum hole diameter: 0.15mm Surface treatment: Immersion nickel palladium gold		Used in communication equipment, industrial control and other fields. Beneficial to the thinning, miniaturization and densification of products, as well as cost reduction.

3.2 Quality Management Policy

■ Management Policy

Quality First, Lean Production, Continuous Innovation, Reach Customers Requirements



■ Quality Management Performance

The company has established a comprehensive quality management system in accordance with international standards such as ISO9001, IATF16949, AS9100, ISO13485, QC080000, etc., and has passed UL, CQC and other product safety certifications. The company has been selected as one of the top 100 PCB enterprises in China by China Electronic Circuit Industry Association (CPCA) for many years. In 2013-2021, the company was ranked 64th, 61st, 59th, 54th, 47th, 48th, 45th, 45th, 42nd in the "China Electronic Circuit Industry Ranking" by China Electronic Circuit Industry Association (CPCA). The Company was ranked 40th among the Top 100 Comprehensive PCB Enterprises and 23rd among the Top 100 Domestic PCB Enterprises in the "23rd (2023) China Electronic Circuit Industry Major Enterprises' Revenue List" jointly published by CPCA and China Electronic Information Industry Federation (CITIF) in 2024.



ISO9001: Jiujiang

IATF 16949

ISO13485

AS9100D

The company has a group of senior management personnel with rich experience in the production of rigid and flexible boards. Based on the international quality standards, the company carries out comprehensive quality management of products, from product quality planning, management process, operation standard, promoting the decomposition of various quality objectives to the departments and positions, and carrying out the statistics, analysis and improvement of the quality objectives on a monthly basis. According to statistics, in 2024, the company's FTY one-time pass rate and FQA sampling set pass rate continued to rise, showing the maturity of the company's product quality and delivery management.



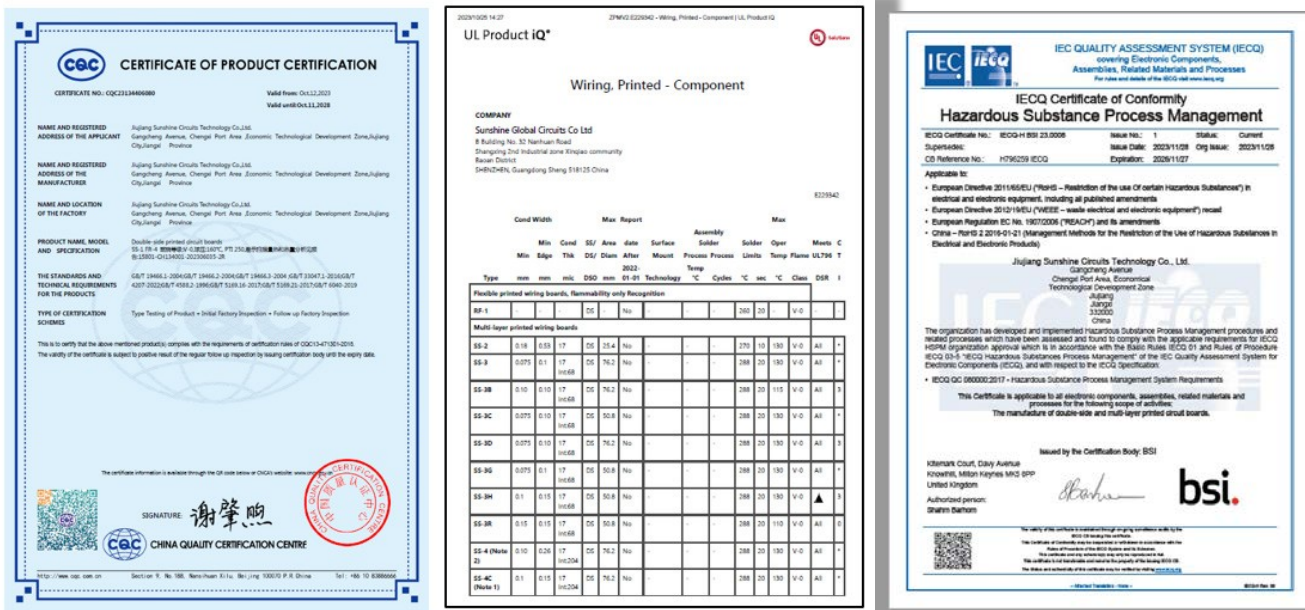
ISO9001: Shenzhen

ISO14001:

ISO5001:



The company's quality management passed the customer's on-site audit



CQC Product Certification

CUL Product Certification

QC080000 Management System Certification

SGC Quality Performance Data

Quality indicators	2024
First Time Yield (%)	89.87%
Number of Product Hazardous Substance Complaints (Pcs / Year)	0
Material Batch Pass Rate (%)	99.98%
FQA sampling pass rate (%)	99.14%

3.3 Quality Control and Test

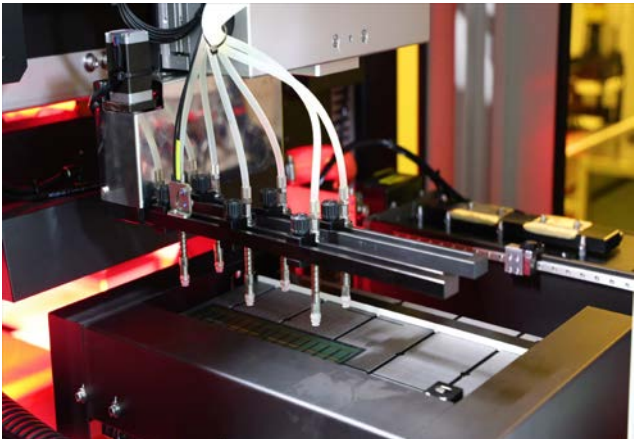
Building on a foundation of quality system management: We actively promote the operation concept of a smart factory. Focusing on the "flexibility" requirements of a smart factory, the company has transformed the traditional manual scheduling and handling of products, finished goods, and materials into an AGV (Automated Guided Vehicle) intelligent logistics system supported by MES (Manufacturing Execution System) and RCS (Robot Control System) intelligent scheduling systems. This system, combined with AGV's autonomous path planning and intelligent warehouse management functions, has significantly improved the level of quality management and production efficiency.

When a production process signals a material shortage, an AGV vehicle retrieves materials from the warehouse and delivers them to the machine. After the machine completes the detection process, the AGV vehicle transports the semi-finished products to the semi-finished goods warehouse. The pre-treatment line process within the company's inner layer has currently achieved full closed-loop production automation and data informatization, encompassing automatic logistics, automatic machine loading, automatic recipe cutting, automatic data collection, and automatic machine unloading.

The entire plant's transportation is uniformly managed by AGVs, allowing for 24/7 continuous operation. The use of AGV robots and intelligent scheduling systems enhances the timeliness and accuracy of transportation tasks, reduces manual labor intensity, includes error-proofing checks during operations, and provides real-time visualization and control of logistics conditions, facilitating material traceability management.



QC Board



Advanced production equipment



3D warehouse



AGV Intelligent System

Supplier Quality Management: To ensure that the quality of raw and auxiliary materials meets the required standards, SGC has formulated and published the "Supplier Quality Management Work Instruction." This document clearly specifies the control processes and execution guidelines for new supplier development, supplier quality assessment, annual review, change management, and handling of anomalies. From 2021 to 2023, the company maintained a material batch pass rate of over 99.9%.

Product Inspection and Testing: SGC has invested in establishing a central laboratory equipped with advanced testing instruments from both domestic and international sources. This laboratory conducts electronic product failure analysis and reliability research, and it also houses a semiconductor integrated circuit packaging process laboratory. Since its establishment, the laboratory has continuously improved its testing capabilities, covering the necessary performance tests for products. It provides comprehensive quality inspection and evaluation of products, materials, components, and intermediate products, meeting the testing requirements for product design, verification, and production processes.



White Light Interferometer



Infrared Spectrometer



Thermal Shock Test Chamber



Thermal Emission Microscope System



Dynamic Thermomechanical Analysis (DMA))



Vector network analyzer (43.5G)



Shear force tester

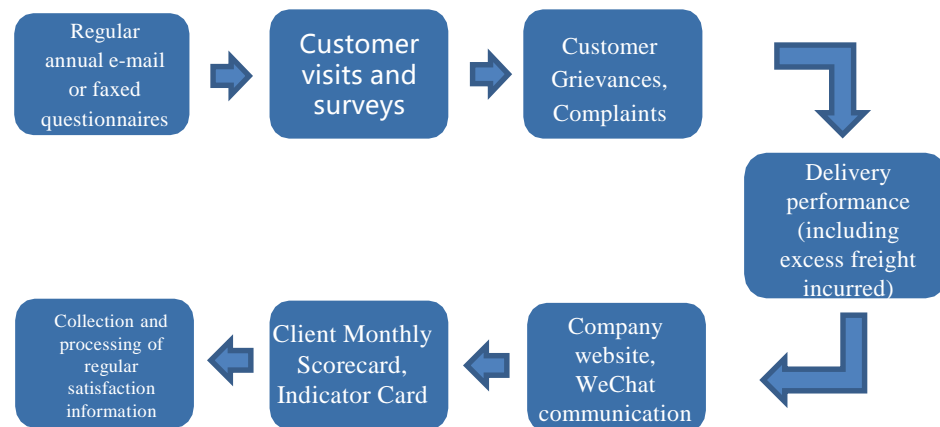


Cyclic Interconnect Stress Testing System

3.4 Enhancing Customer Satisfaction

Customer Satisfaction Survey

In order to test the current level of customer satisfaction, explore the potential needs of customers, and find opportunities to improve service quality, the company has established and implemented the “Customer Satisfaction Management Program” according to the requirements of international standards. The company conducts annual customer satisfaction surveys by means of questionnaires, customer visits, monthly customer scorecards and daily communication, including quality, delivery, engineering data processing, customer complaints, manufacturing process level, price and other aspects.The Company convenes business departments to hold customer satisfaction survey analysis meetings to discuss and analyze the survey situation and form customer satisfaction survey analysis reports; business departments analyze the causes of the problems found in the survey and formulate improvement plans, and the Quality and Customer Service Department conducts regular tracking of the improvement actions and confirms the effects. According to the survey results for 2019-2024, customer satisfaction will increase from 83.2 points in 2019 to 90.4 points in 2024, showing that the product quality and service quality of the Company are gradually improving.



Newly defined scoring criteria

Evaluation results	Excellent	Good	Done	Pass	Fail
Score	10	7-9	5-7	3-4	1-2

- A: Calculation of each customer satisfaction score: (External customer rating * 70% + average internal score of responding customers * 30%)
 B: Annual customer satisfaction score = (sum of each customer satisfaction score) / sum of total number of participating customers * 100 %

Customer Privacy Protection

The Company pays attention to the information security protection of its customers and adopts scientific information security management measures in accordance with international information security management standards to effectively control information security risks.(1) Information Security Management Procedures: In order to prevent risks during the use of computers and information systems, the Company has formulated Server Backup Management Procedures, Network Antivirus and Firewall Management Documents, and Management Documents on the Standardized Use of Computers and Networks, etc., which set out clear provisions on database data backup, regular restoration and testing and validation, firewall management, and computer maintenance and repair, so as to ensure the integrity, security, and continuity of the equipments and data. The company has clearly defined regulations on database data backup, regular recovery and test verification, firewall management, computer maintenance and repair to ensure equipment and data integrity, security and continuity of production activities.(2) Information security hierarchical management: The Company has established a workflow and security management system for the collection and use of customer information and its related activities, implemented the classification of customer information, strengthened the security management of account numbers, and changed complex passwords on a regular basis, and required that contractual agreements and project information be strictly stored and access rights be controlled.(3) Information access rights: The company strictly manages the system access rights to ensure that only the personnel who have been formally applied for can access the relevant system; the company carries out shielding treatment for customer information in SAP system, regularly backs up, and carries out review on the action of batch exporting, copying, and destroying the information, in order to prevent the risk of information leakage.(4) Firewall and anti-virus software: Advanced firewall and anti-virus software are adopted to effectively identify and block external attacks and protect the safety of the intranet and computer system, so as to build a safe and reliable customer information protection system.(5) In January, 2024, the company passed ISO27001 certification.



ISO27001

04 Environmental-friendly, Leading Green & Intelligent Manufacturing

The company upholds the philosophy of being responsible to society and the planet. We are committed to consistent investment and scientific management to be a responsible and conscientious enterprise, ensuring sustainable development.



- | | |
|---------------------------------|----|
| 1. Hazardous Substances Control | 40 |
| 2. Building a Green Enterprise | 42 |
| 3. Clean Production Management | 44 |
| 4. Responding to Climate Change | 45 |





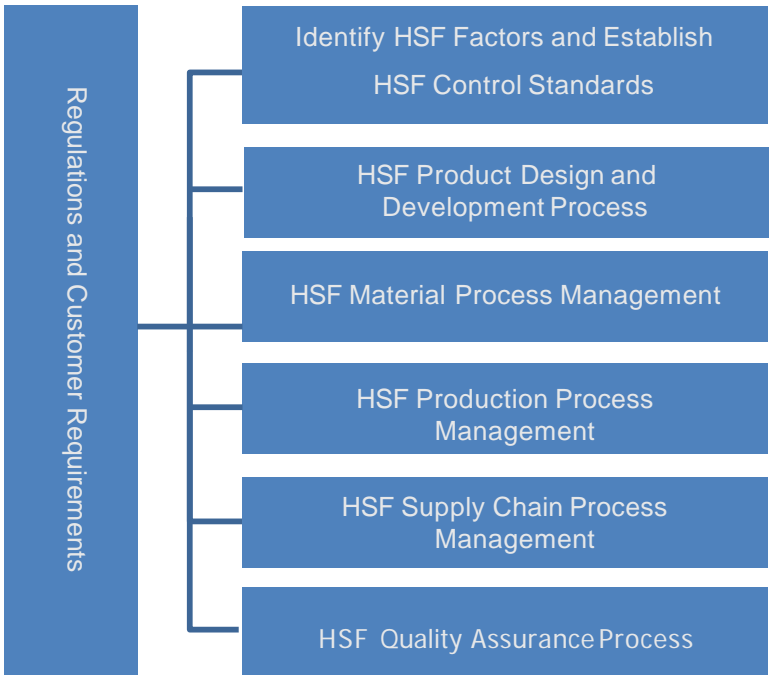
4.1 Hazardous Substances Control

HSF (Hazardous Substances Free) refers to the reduction of hazardous substances listed in RoHS directives, REACH regulations, or other relevant laws, as well as those restricted or prohibited by customer requirements due to their harmful effects on the environment and human health. To ensure that the company's PCB product production and operations fully consider environmental and human health impacts, comply with customer requirements, and adhere to relevant product safety and hazardous substance control regulations, the company has developed and published the "HSF Control Procedure." This procedure implements a systematic management mechanism to prevent hazardous substances from contaminating products.

In 2023, the company's hazardous substances management system was certified with the QC080000:2017 certification. From 2021 to 2023, the company did not experience any hazardous substance complaints.

■ HSF Control Measures

- 1) The company has established HSF (Hazardous Substances Free) plans and policies, complying with environmental regulations worldwide and implementing a hazardous substances management system to ensure product compliance with HSF requirements.
- 2) The company identifies all factors affecting HSF, including manufacturing, packaging, labeling, delivery, equipment, tools, fixtures, and auxiliary materials.
- 3) The company formulates "Hazardous Substance Control Standards" and "Declaration of Non-Containment of Hazardous Substances" to meet customer and regional regulatory requirements, controlling hazardous substances in incoming materials, processes, and finished products.
- 4) The procurement department evaluates and approves suppliers according to the "Supplier Management Procedures" to ensure effective hazardous substance control systems. For new materials, HSF monitoring data is requested from suppliers to verify compliance.
- 5) The company commissions third-party testing agencies for annual monitoring of finished products to ensure compliance. Non-compliant products are sealed immediately and subject to further tracing, verification, and rectification.



Hazardous Substances Free System



REACH Letter of Commitment for Conformity



Finished Product Hazardous Substance Monitoring Report



QC080000:2017 System Certification

4.2 Building a Green Enterprise

■ Environmental Policy



Energy conservation and emission reduction, green and safe

Environmental protection serves as the bedrock for our company's survival and growth, representing an obligation we are duty-bound to fulfill. Grounded in the principles of social and planetary responsibility, we remain steadfast in our commitment to invest resources, employ scientific methods for governance, meet emissions standards, adhere strictly to legal and regulatory frameworks, and act as a conscientious enterprise. These actions are taken to guarantee our sustained and responsible business operations, fostering a future of enduring prosperity.

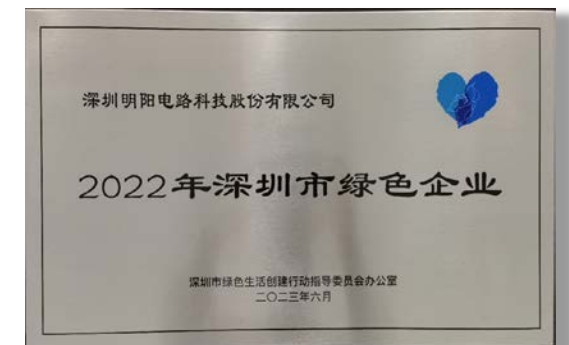
The company adheres to a path of green development, adopting the policy of energy conservation and emission reduction, as well as promoting green safety in our management approach. We uphold the principle of allocating appropriate environmental costs in a rational manner, striving for a win-win scenario between corporate profits and environmental benefits. We prioritize conservation, protection, green industrial layout, green management, and green production. Focusing on green, low-carbon, and circular practices, we aim to establish ourselves as a green enterprise.



Environmental management mechanisms

The company has established a systematic environmental management system in accordance with the ISO14001:2015 standard, continuously increasing its investment in environmental protection while adhering to national environmental protection regulations. Utilizing the PDCA (Plan-Do-Check-Act) operational model, it continually enhances its environmental performance. According to statistics, the company's environmental investment in 2024 totaled \$26.37 million.

- Establishment of Environmental Objectives:** The company has formulated a series of environmental objectives, comprising energy conservation targets, input-output efficiency goals, and pollutant discharge standards compliance aims. These objectives are propelled through an assessment mechanism that drives the execution and advancement of environmental activities across departments, fostering ongoing pollution prevention and improvement initiatives.
- Clean Production Audit:** The company has conducted multiple clean production audits, starting from product design, raw material selection, process improvements, and production management. This approach seeks opportunities for enhancement in clean production, maximizing the conversion of raw materials and energy into products, minimizing resource wastage, and reducing the emissions of pollutants and their environmental impact.
- Environmental Awareness Training:** An annual plan for environmental protection publicity and training is formulated, which includes organizing related activities, environmental protection training sessions, promotional campaigns, and exchanges. These efforts enhance understanding of environmental regulations and environmental management activities, thereby raising employees' environmental awareness.
- Environmental Inspection and Monitoring:** The company regularly conducts internal audits and management reviews, and periodically arranges for third-party monitoring of environmental pollutants to identify and address potential environmental hazards. Between 2021 and 2023, the company achieved a 100% compliance rate for emissions of pollutants such as waste gas and waste water, marking significant environmental performance achievements. During the period from 2022 to 2024, Shenzhen Ming Yang Circuit will be honored twice as "Excellent Enterprise in Green Manufacturing and Environmental Protection" and once as "Shenzhen Green Enterprise".



Environmental Performance Data Statistics 2024

Environmental Indicators	2024
Environmental protection investment amount (10k RMB/year)	2,637
Total water consumption (T/year)	1,163,335.00
Wastewater discharge volume (T/year)	779,104.00
Proportion of wastewater treated up to standard (%)	100%
Rate of exhaust gas monitoring meeting standards (%)	100%
Chemical Oxygen Demand (COD) discharge volume (T/year)	23.18
Ammonia nitrogen discharge volume (T/year)	133,964.972
Total electricity consumption (KWH/year)	1,276,498
Natural gas (m ³ /year)	74,661.10
Diesel (KG/year)	21,196.23
Gasoline (KG/year)	24,374.18
Solid waste discharge volume (T/year)	15,386.16

4.3 Clean Production Management

Environmental Management Responsibilities: SGC Circuit adheres strictly to national environmental protection regulations, actively implements the Environmental Impact Assessment (EIA) system and the "Three Simultaneities" principle. The company has established rigorous environmental management systems, setting up environmental management departments and dedicated personnel to oversee environmental protection work, communicate with government environmental authorities, operate, maintain, and supervise environmental facilities.

Clean Production Audit: Shenzhen SGC has undergone three rounds of clean production audits. The first round was completed in 2012, the second in 2018, and the third in 2023. These clean production audits have significantly assisted the enterprise in enhancing production efficiency, energy utilization rates, and reducing pollutant emissions. They have also brought about substantial economic benefits, realizing a "win-win" scenario where both economic and environmental benefits are achieved.

Upgrade of Exhaust Gas Treatment Systems: The company operates three sets of organic exhaust gas treatment systems, which originally employed a process combining "water scrubbing + UV photocatalytic decomposition + primary activated carbon adsorption." In 2023, the company upgraded the treatment process for these systems, modifying it to feature filtration + water scrubbing + secondary activated carbon adsorption. Following the upgrade, the efficiency in treating volatile organic compounds (VOCs) was enhanced, resulting in a reduction of organic exhaust emissions by 1.06 tons per year compared to 2022 levels.

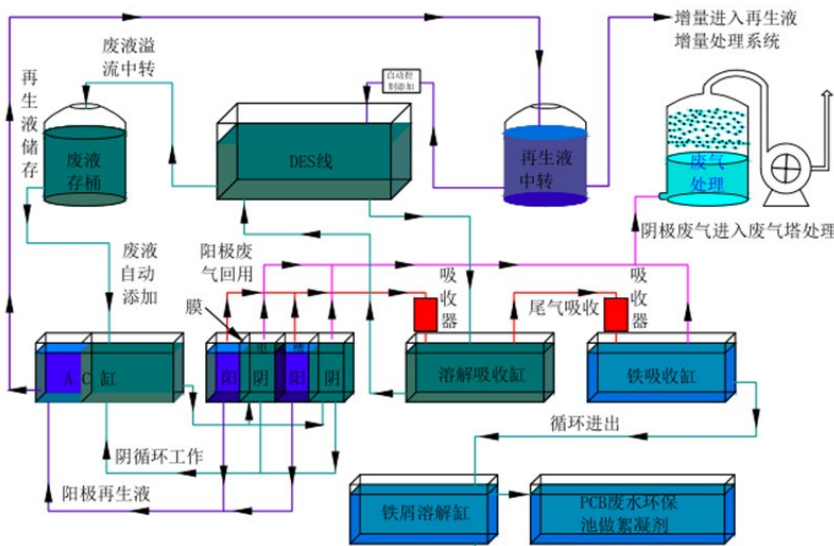
Stripping Line Replacement and Upgrade: In 2023, the company invested 700,000 RMB to phase out an aging assembled thick gold stripping line in the surface treatment area and replace it with a fully automatic stripping line. The project has been completed and is now operational. The new stripping line has reduced the amount of water used in repeated rinsing processes, leading to annual savings of 6,682 tons of water and 59,200 kWh of electricity. Moreover, it has decreased sludge discharge by 33.02 tons per year and membrane residue output by 7.21 tons per year.

Acidic Etching Solution Recycling System: During the production process, acidic etching waste liquid is generated. The company uses membrane electrolysis technology to extract copper ions from the acidic etching solution. By combining multiple proprietary innovative technologies, the waste liquid is entirely recycled back into the production process, achieving 100% recycling and zero discharge of etching waste liquid.

Waste Sorting and Disposal: The company manages various wastes generated during the production process through classification. Recyclable waste is sorted and recycled for reuse, while non-recyclables are handled according to national regulatory requirements for classified disposal. Hazardous waste is entrusted to qualified agencies for proper handling, and domestic waste is regularly cleared and transported by sanitation services for appropriate treatment.



The upgraded organic exhaust gas treatment system



Acidic Etching Solution Recycling System

4.4 Responding to Climate Change

■ Climate Change Risk Identification

As the global economy expands, the consumption of fossil fuels by humans has led to a significant increase in greenhouse gas emissions, which in turn have caused a worldwide climate impact through the greenhouse effect. In response to this, the company refers to the risk analysis framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) to identify potential climate-related risks and opportunities in its production activities, incorporating these into its overall environmental risk management. By conducting climate risk identification and assessment, policy research, benchmarking against industry peers, and integrating expert opinions, the company has identified the following climate change risks relevant to its business development.

Climate Risk and Opportunity Identification and Evaluation Table

Risk Category	Risk Factor	Potential Financial Impact	Mitigation Measures
Physical Risks	Climate Disasters (e.g., Typhoons, Floods Leading to Safety Incidents or Forced Suspension of Production)	Increased Operating Costs; Decreased Value of Fixed Assets	Establish Emergency Response Plans and Conduct Annual Drill Exercises
	Climate Change Impacts (such as Persistent High Temperatures Causing Power Supply Anomalies, Increased Cooling Costs, Unstable Supply Capacity and Transportation)	Rising Operating Costs	Integrate Climate Change Awareness into Daily Operations Management and Enhance Energy Efficiency
Transition Risks	Policy and Legal Risks (such as Rising Carbon Prices and Implementation of Carbon Taxes Leading to Increased Operational and Procurement Costs)	Rising Operating Expenses, Increased Financing Costs	Monitor Relevant Laws and Regulations, Regularly Report Greenhouse Gas Emissions Data, and Effectively Respond to Policy Changes
	Technology Risks (such as Upgrading to Energy-Saving and Emission-Reduction Equipment)	Growing Operating Expenses	Enhance Equipment Utilization Efficiency and Increase Product Manufacturing Productivity
	Market Preference Risk (such as Increasing Scrutiny from Capital Markets, Customers, and Other Stakeholders on Corporate Climate Actions; Poor Environmental and Climate Performance May Subsequently Affect Company Reputation and Brand Influence)	Impaired Product Sales, Negative Impact on Corporate Reputation and Brand Influence	Elevate Climate Change as a Key Agenda Item, Disclosing Carbon Emission-Related Information through ESG Reports, Stakeholder Surveys, and Other Channels
Transition Opportunities	Technology Opportunities (Early Adoption of Clean Technologies and Use of Renewable Energy Sources to Effectively Mitigate Future Risks of Rising Energy Prices)	Decreased Operating Costs, Boosted Sales of Low-Carbon Products	Formulate Carbon Reduction Strategies, Employing Clean Energy to Decrease Product-Related and Operational Carbon Emissions
	Market Preference Opportunities, Enhancing Competitive Position in the Market by Developing Innovative Low-Carbon Products to Meet the Demands of Capital Markets, Customers, and Stakeholders for Sustainable Solutions	Increased Revenues; Enhanced Environmental Image and Brand Influence	Actively Increase Investments in Decarbonization, Engage Suppliers in Collective Action, and Offer Customers Cleaner, Lower-Carbon, and More Efficient Products

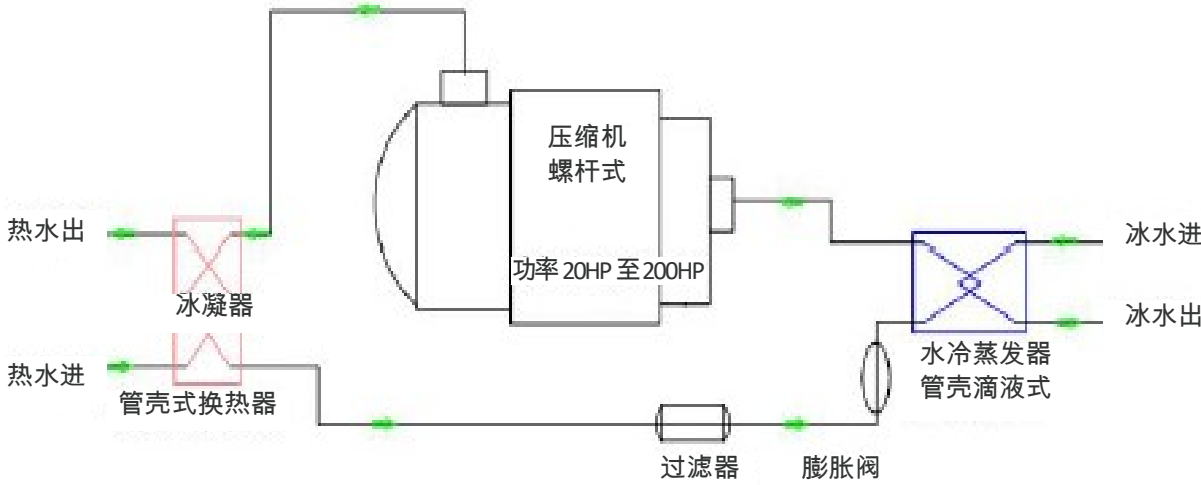
■ Our Carbon Reduction Initiatives

- (1) Carbon verification: the company carries out carbon verification at the operation level in accordance with ISO14064 standards, and commissions a third-party verification organization to verify the carbon emission data and issue a carbon verification report. the total emissions of the company's Scope 1 and 2 at the operation level in 2024 will be 90,777.73 TCO₂-e/year.
- (2) Energy management mechanism: The company's carbon emissions mainly come from electricity consumption in the production process. In order to reduce carbon emissions, the Company has set up an energy management organization, the Energy Saving and Emission Reduction Group, and formulated a comprehensive energy management system, including the Energy Management System of Ming Yang Company, the Energy Saving Reward and Punishment System of Ming Yang Company, and the Energy Management Procedures, etc., to comprehensively promote energy saving and consumption reduction, and has achieved good carbon reduction performance.
- (3) In 2024, the Company conducted the first mapping of suppliers' carbon emissions for the first time. It laid the foundation for the carbon emission of statistical scope III. In addition, the company provides free dormitories for employees within the company. It is only a ten-minute walk from the company. The purpose of reducing carbon emissions in Scope III has been achieved.

Greenhouse Gas Emissions Data Statistical Table

Environmental Indicators	2024
Scope 1 Emissions (TCO ₂ -e/ year)	3,188.96
Scope 2 Emissions(T CO ₂ -e/ year)	87,588.8
Scope 1 and Scope 2 Total Emissions (TCO ₂ -e/ year)	90,777.73

(4) Water source heat pump centralized heating instead of electric heater end heating: heat pump as a kind of high efficiency and energy saving heating device, its heating efficiency can usually reach 400% or more, much higher than the electric heating efficiency of 95% to 98%. The company increases the water source heat pump, utilizes the old air energy heat pump and the waste heat of the air compressor to form the centralized management of hot water on the floor, reduces the energy consumption of hot water, reduces the electricity consumption by 338,400 KWh per year, and reduces the carbon emission by 193T CO₂-e/year.



Water source heat pump treatment flow

(5) Jiujiang Sunshine Geothermal System: Jiujiang Sunshine Circuit Science and Technology Co., Ltd. ground source heat pump system project, based on the park construction planning in two phases, the first phase has completed the construction of the system of underground pipeline network, the second phase is scheduled to complete the installation of equipment in two years and put into operation. After the completion of the project, it is expected to save 87 million kWh of electricity and reduce 485.72 tons of carbon dioxide emissions.(6) Shenzhen Sunshine Solar Photovoltaic: Shenzhen Sunshine actively introduced distributed solar photovoltaic power generation system, which covered the power consumption of dormitories in Building A and B, publicity columns and daily channel lighting of the employees in 2024, injecting green power into the daily operation of the company. 2.57mwh of power was generated in 2024; 766kwh of distributed photovoltaic power generation project was newly filed in 2024, and is expected to be officially put into operation for accessing production and manufacturing in April 2025. April officially put into for access to production and manufacturing use.(7) Energy-saving and carbon reduction projects: During 2024, the company carried out many energy-saving projects, and achieved significant carbon reduction effects, as shown in the following table.

Company Energy-Saving Retrofit Project Emission Reduction Performance Statistics Table

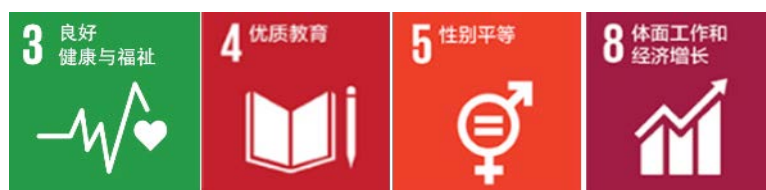
Order	Project	Carbon reduction (TCO ₂ -e)
1	Drilling rig eliminates stand-alone chiller in favor of centralized oil cooling project	134.81
2	Energy-saving renovation project for dust-absorbing pipes in drilling workshop	578.26
3	200HP Thermal Air Compressor and 200HP Atlas Air Compressor Heat Recovery Project	573.52
4	Shenzhen Ming Yang Replacement of energy-saving lamps	193.82
5	Air compressor room on the roof of Plant 1	458.65
6	Horizontal line energy saving fan retrofit	127.59



Shenzhen Photovoltaic Project Showcase Pictures

05 People-Oriented, Empowering Employee Development

Adhering to the core concept of position value, SGC Circuit ensures the rights and dignity of every employee, guaranteeing a fair and transparent work environment. The company actively promotes a culture of strivers, encouraging employees to contribute with enthusiasm and relentless efforts towards the continuous growth and prosperity of the enterprise.



1. Our Employee	50
2. Employee Rights Protection	51
3. Occupational Health and Safety	53
4. Training and Development	56
5. Employee Care	58

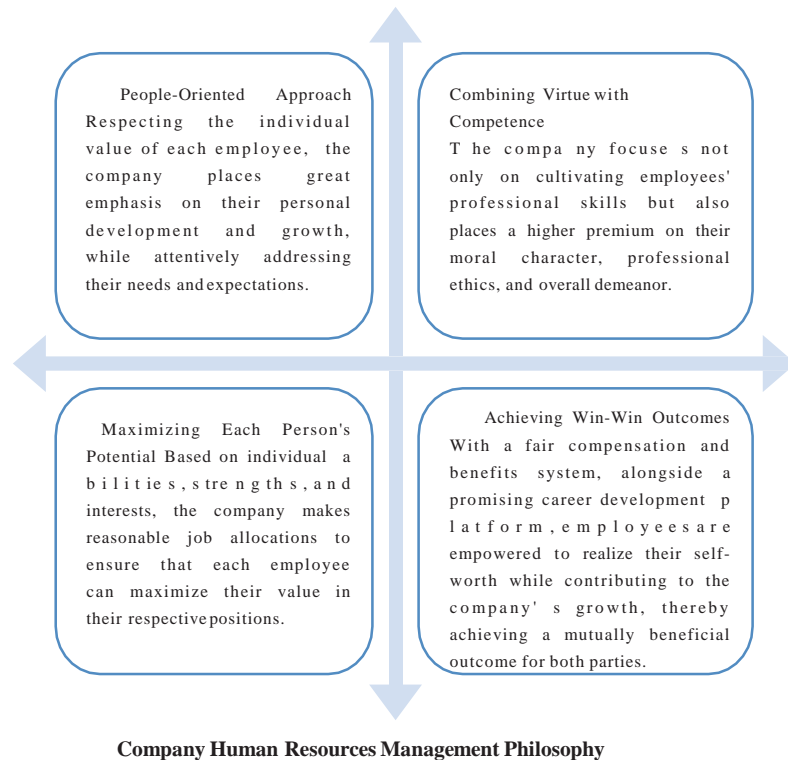


5.1 Our Employees

Human Resource Policies

SGC Circuit deeply understands the significance of talent, considering it the core driving force and most cherished asset for the company's development. The company emphasizes the selection, cultivation, and motivation of talents, upholding an employment ideology centered around "people first, combining virtue with competence, utilizing each person's strengths, and realizing win-win outcomes." Committed to fostering an environment that nurtures a steady stream of talents, SGC Circuit establishes a robust foundation for its sustainable growth.

The company actively promotes diversity among its employees, attracting and retaining a broad spectrum of talents from diverse backgrounds, genders, ages, ethnicities, and religious affiliations. It strictly prohibits any form of discrimination based on race, skin color, gender, nationality, religion, disability, marital



status, age, pregnancy, or any other legally protected characteristics. Forced labor is explicitly banned, and the hiring of child labor is strictly forbidden. The company respects employees' individual freedom of belief and safeguards their personal privacy, dedicated to creating a diverse and inclusive workplace environment. By the end of 2023, the company had a total of 2,400 employees, including 166 individuals from ethnic minority groups, with female managers constituting 7.59% of the management team.

Human Resources Performance Data	2024
Total Number of Employees	2476
Male to Female employee Ratio (%)	71: 29
Age Distribution of Employees (Under 30/30-50 /Over 50)	27:68:5
Number of Ethnic Minority employees (Persons)	161
Number of Employees with Disabilities (Persons)	6
Educational Attainment Distribution of Employees (Bachelor's Degree&Above / High School&Above/ Junior High School&Below)	15:57:28
Percentage of Middle-Level and Above Female Managers Among Management Staff (%)	8.82%
Number of Foreign Employees (Persons)	1

5.2 Employee Rights Protections

Employee Rights and Benefits

The company adheres to national labor regulations, strictly prohibiting any form of discrimination during the hiring process, and is fully committed to safeguarding all employees' rights and benefits, ensuring equal development opportunities for every staff member.

- The company implements a comprehensive and transparent compensation and benefits system, focusing on work schedule arrangements, promoting a reasonable work regime, and prioritizing employees' physical and mental well-being.
- The company encourages employees to actively engage in corporate governance, supporting their establishment and participation in trade unions. Through collective bargaining, both parties collaborate to uphold employees' legal rights and interests. A union organization has been established within the company, with employee representatives elected by their peers to participate in management and decision-making processes. They assist in resolving and addressing employee grievances, ensuring that employee voices are respected and heard.
- The company strictly prohibits any form of discriminatory behavior. By establishing internal grievance channels, issues are handled and resolved based on principles of fairness and impartiality, thereby preventing employees from experiencing discrimination or unfair treatment. This ensures a respectful and equitable working environment for all.



Employee Grievance Handling Process

Compensation and Benefits

With comprehensive reference to factors such as job value, personal ability, performance and market level, and following the principles of fairness, competition, incentive, economy and lawfulness, Ming Yang Circuit has formulated a market-competitive, comprehensive and diversified compensation and benefit system for its employees, which fully reflects the company's recognition of the value of its employees and the company's care for the employees' career development and quality of life. 2024 average compensation growth rate of the employees is 11%, and employee satisfaction rate reaches 89%. In 2024, the average salary growth rate of the company's employees will be 11%, and the satisfaction rate of the employees will reach 89%.

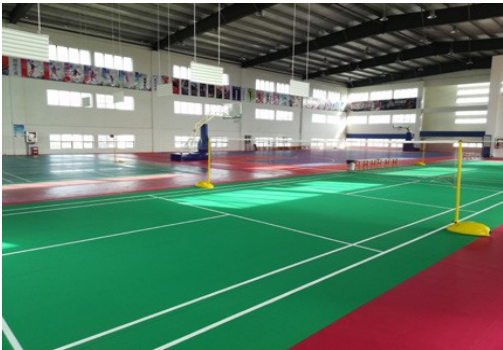
Human Resources Metrics Data	2024
The ratio of the average wage of frontline employees to the local minimum basic wage	3.81:1
Employee turnover rate (%)	3.51%
Average employee satisfaction rate (%)	89%
Average employee salary growth rate (%)	11%
Gender pay ration for the same position (%)	1:01
Labor contract signing rate (%)	100%



In order to ensure that the salary and income levels of different positions in the company are in line with the effective combination of internal fairness and external competition, the company has implemented the grade and pay scale linkage system of “setting salary according to responsibility and ability, obtaining remuneration according to performance, and adjusting salary according to performance”, the performance bonus floats along with the performance, and the annual and monthly performance is an important basis for the salary adjustment. The company provides employees with various benefits according to the law, in addition to enjoying the national provisions of the five insurance, vacation, annual leave, sick leave, breastfeeding leave, maternity leave, but also for the staff for the accident comprehensive insurance, free room and board, the staff shuttle bus, holiday and birthday gifts and so on.

■ Satisfaction Survey

The company strives to create an open, inclusive and harmonious communication environment to ensure that every employee's voice can be quickly and accurately transmitted and feedback. In order to understand the real thoughts and needs of employees, the Company conducts employee satisfaction surveys every year, covering a variety of dimensions such as working environment, compensation and benefits, career development, work pressure, superior and subordinate communication, and corporate culture, etc. Meanwhile, in response to the results of the surveys, the Company implements a number of improvement initiatives to enhance the sense of participation and belonging of employees. In 2024, the Company's employee satisfaction rate is 89%, and the employee turnover rate will be as low as 3.51%, reflecting that the attractiveness of the Company will continue to improve.

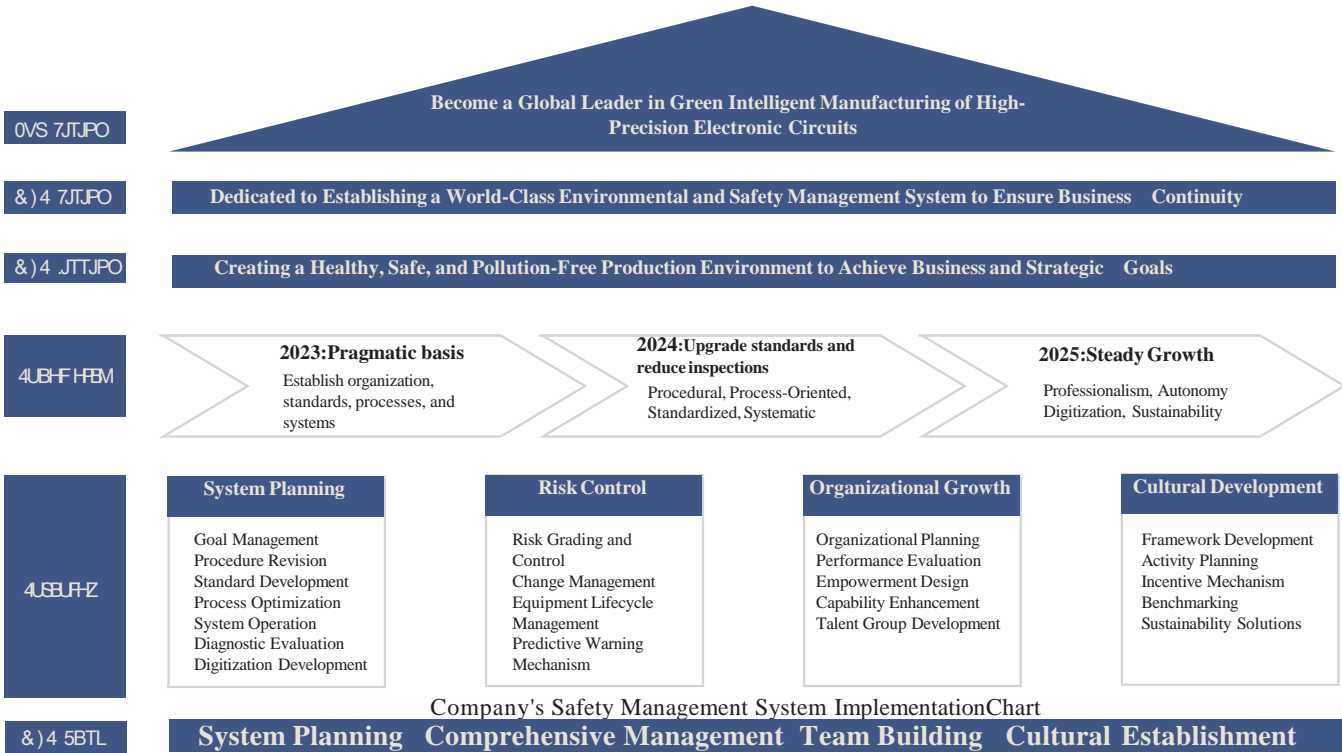


Working environment

5.3 Occupational Health and Safety

■ Safety Policy

The company has always insisted on putting the safety and health of employees in the first place, and has established a systematic occupational health and safety management system with the tenet of “safety first, prevention first, comprehensive management”, and has gradually promoted the operation of the safety management system in four aspects, namely, risk identification, system planning, organization development and culture construction, and has formulated an implementation plan to strengthen the foundation in 2023, improve the standard and reduce the risk in 2024, and stabilize and improve the system in 2025. It has also formulated an implementation plan for 2023 to strengthen the foundation, 2024 to improve the standard and reduce the risk, and 2025 to stabilize and improve the system. At present, Shenzhen Sunshine and Jiujiang Sunshine have obtained ISO45001 Occupational Health and Safety Management System Certificate.



Company's Safety Management System Implementation Chart

■ Security management measures

(1) Safety management organization: The company has established a safety governance structure, including a safety management committee, a safety management department and a safety production leading group, and has clarified the safety responsibilities and obligations of personnel at all levels. In addition, the company has established a safety incentive and accountability system, forming a safety management system from top to bottom with full participation of all personnel. during the period of 2021-2024, the company did not have any major casualty accidents or occupational disease cases, and achieved good safety and health performance. in 2024, the company increased its emphasis on safety. The number of safety training hours reached 15.3 hours per person per year. The investment in capital also increased to 8.24 million RMB.

(2) Dual prevention mechanism: The company has created a dual prevention mechanism of risk classification and control and hidden danger investigation and management to accurately identify and prevent all kinds of risks from the source. The Company pays close attention to the weak links and potential problems in the risk management and control process, and conducts regular hidden danger investigation and rectification to avoid safety accidents.

(3) Production safety standardization: The company carries out risk identification for all production lines and equipments according to the safety standardization to standardize and quantify the safety risks; and establishes a visual safety card for each position to inform the employees of the requirements of safety operation and the dangers of non-compliance, so as to let each employee carry out the safety operation standards.

(4) Safety inspection: The company regularly carries out safety inspections in various ways to improve the implementation of safety management and safety operation standards. Daily on-duty leaders and security teams inspect key risk positions, and when hidden dangers are found, they are resolved in a timely and closed-loop manner by reporting to the IT system's hidden danger management platform.2024 The Company conscientiously implemented the Three-Year Action Program for Safe Production Remediation and Attack on the Root Cause of Safety Issued by the Safety Committee of the State Council (2024-2026), to further strengthen the foundation of safe production and fundamentally eliminate the hidden dangers of accidents, and the entire Company earnestly studied the National All staff of the company carefully study the “Determination Standard for Major Hidden Accident Dangers in Industry and Trade Enterprises” issued by the Ministry of Emergency Management, and actively carry out the investigation and management work in accordance with the standard

(5) Occupational health protection: The company introduces a third-party testing organization to regularly monitor the working conditions and operating environment, strictly control the occupational hazards, regularly hold medical checkups for occupational diseases, post notification boards for occupational hazards, and equip the employees with labor protection equipment, so as to protect the occupational health of the employees in an all-around way and with a high standard.(6) Safety awareness training: The company builds a three-level safety training system according to the requirements of national safety regulations and adopts various methods to carry out training on fire safety, operation safety, emergency response, first aid for personnel, chemical management, etc., which effectively improves the safety awareness and response ability of employees.



ISO45001:2018 Occupational Health and Safety Management System Certification

Occupational Health and Safety Performance Statistics 2024

Occupational Health and Safety Data	2024
Safety Investment Funds (10K RMB / Year)	824
Employee Health Check-up Coverage Rate (%)	100
Work-related Fatalities (Persons/Year)	0
Occupational Disease Incidence Frequency (Occurrences/Year)	0
Safety Training Hours per Person per Year (H/Person/Year)	15.3

Safety Drills

SHENZHEN			
Time	Program	Participants	Simulated exercise scenarios
10,24 8:20-8:50	Poisoning Emergency Drill	Laboratory staff, immersion gold line staff, electro-thickness gold staff	Simulation of cyanide poisoning of thick gold line employees on the third floor of Building B
10,24 15:00-16:00	Chemical Spillage Exercise	Warehouse staff, production department dosing staff, chemical laboratory, safety committee	Simulation of a chemical leak in a tank area on the roof of a building
10,25 16:30-16:45 After alarm	Still Chemicals VOCs Fire Evacuation Drill + Fire Hose Spraying	All employees of the company	Simulate a fire in the air ducts of the oven room on the second floor of Building B, which will quickly ignite the surrounding chemicals and could explode at any time.
10,25 16:55-17:05	Employee First Aid and Knowledge for Workplace Injuries	All employees of the company	Playground
10,25 17:05-17:05	Learning to use fire extinguishers	All employees of the company	Playground
10,25 17:15-17:30	Leadership speeches, summaries	All employees of the company	Playground
10,25 23:00	Emergency evacuation drill for night shift employees	All employees of the company	Playground

Shenzhen Ming Yang exercise site photo



Fire appears, sound the alarm.



Implementation of the rescue



First aid for personnel



Wrap-up speech

Safety Drills

JIUJIANG			
Time	Program	Participants	Simulated exercise scenarios
09,12 08:05—08:20 After alarm	Evacuation and rescue	All employees	Simulation of a fire on the roof of a factory building and evacuation of the entire site to a safe area
09,12 08:10-08:20	firefighting and rescue	Development Zone Fire Brigade	Rooftop of Factory One
09,12 08:20-08:25	First aid for injuries	Jiujiang First People's Hospital	Parking Lot C, Residence Hall C
09,12 08:25-08:30	Safety training in the use of factory transportation vehicles	Jiujiang Base Security Group	Parking Lot C, Residence Hall C
09,12 08:30-08:40	Anti-riot and Terrorism Live Practical Exercise	Jiujiang Base Security Group	Parking Lot C, Residence Hall C
09,12 08:40-08:45	Hazardous chemical leakage on-site practical exercises	Warehouse staff	Parking Lot C, Residence Hall C
09,12 08:50-09:00	Leadership speeches, summaries	All employees	Parking Lot C, Residence Hall C
09,12 09:00-09:20	Fire extinguisher use on-site practical exercises	New employees after August 1	Parking Lot C, Residence Hall C

Jiujiang Sunshine exercise site photos



Fire appears, sound the alarm.



Functional groups assembled



Personnel are assembled



Implementation of the rescue

5.4 Training and Development

■ Training and Development

on training, and timely adjusts the training and career development mechanism. The company designs training programs according to the different positions and career development needs of employees. For management channel personnel, it sets up grassroots, mid-level and high-level leadership training programs; for professional channel personnel, it builds up training programs centered on qualifications and learning path diagrams; and for new employees recruited from schools, it establishes a new force training program to create a “Whampoa Military Academy” for the cultivation of newcomers in the industry. For new employees recruited from schools, the company has established a training program for newcomers to create a “Whampoa Military Academy” for the training of newcomers in the industry, so as to bring out excellent talents and provide a talent reserve for the sustainable development of the company. The company encourages employees to learn continuously, provides rich online and offline learning resources, and regularly collects employees' opinions and suggestions

2024 Employee Training Performance Statistics

Indicator Data	2024
Total annual staff training hours (H/year)	59,151.64
Employee training investment (\$ million / year)	35.24
Number of types of training courses (types/year)	94
Average staff training hours (H/person/year)	23.89



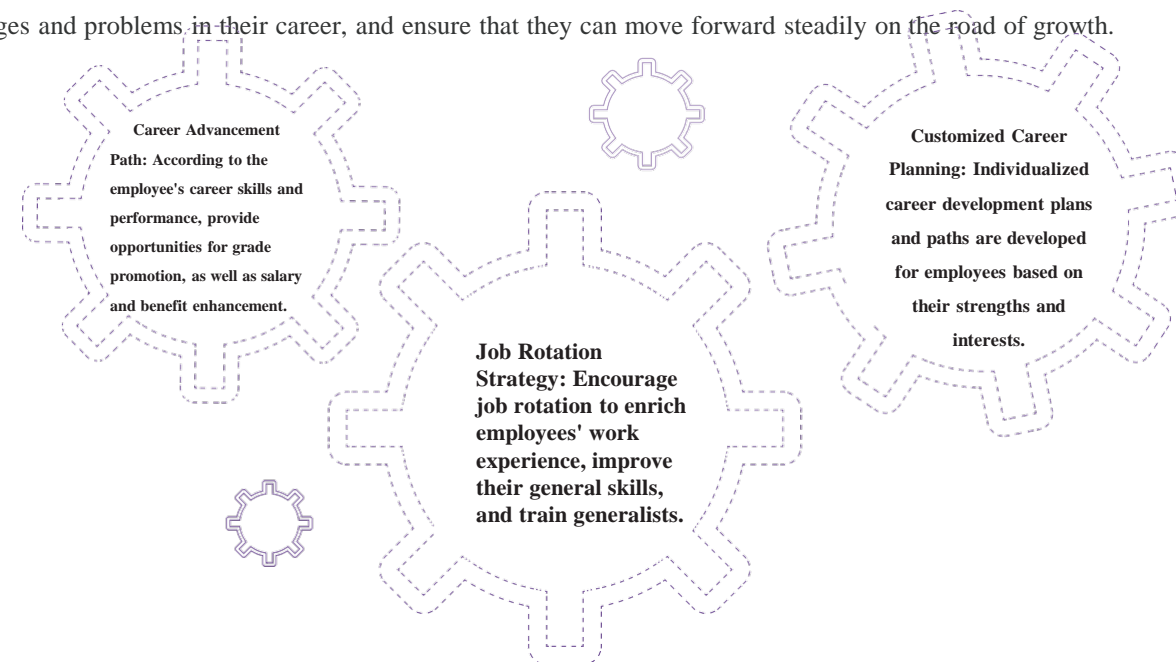
Project management training



Training camps for university students

■ Employee Career Development

A scientific and reasonable career development mechanism is the key to help employees grow and enhance the competitiveness of the company. The company's career development mechanism is centered on grade promotion paths, job rotation strategies and customized career planning, providing employees with different skills and different levels with broad career development space. The company continuously promotes and optimizes the employee qualification management system to provide clear guidelines for the career development of employees, help them cope with various challenges and problems in their career, and ensure that they can move forward steadily on the road of growth.



The company held the 2024 Employee Appreciation Conference to recognize outstanding employees and promote advanced deeds.

5.5 Caring for Employees

■ Employee Mutual Assistance Fund

In order to enhance the cohesion of the enterprise and promote the harmonious development of the enterprise, in 2021, the company especially set up the Employee Mutual Aid Fund Association, which has so far gathered more than 1.6 million yuan, and donated a total of 121,500 yuan in 2024 to help 7 employees to solve their problems in life. By the end of 2024, we have successfully helped a total of 24 employees to solve their difficulties in life, and provided them with a total of about 472,100 yuan of assistance, including the payment of medical expenses, emergency treatment of family changes, subsidies for education expenses, etc., which really help each other in the midst of snow.



The company set up the Employee Mutual Aid Fund Association to help employees facing unexpected difficulties or special circumstances to tide over the difficult times.

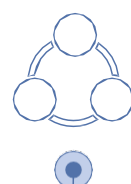
■ Colorful Staff Life

In order to build a positive working atmosphere and a pleasant living environment, we organize various forms of cultural and sports activities to enrich the spiritual world of our employees, relieve their psychological pressure, and enable them to balance work and life more comfortably. Every year, the summer vacation "Ming Yang's Growing up with Children with One Heart" parent-child activities bring more laughter to our employees. The rich and diversified experiences broaden the children's horizons, and the parent-child interactions bring our employees and their children closer, which brings them a sense of well-being. The company organizes various cultural and sports activities every year, including badminton, basketball, tug-of-war, Lantern Festival riddles, birthday parties, etc. These activities enhance team cohesion, teamwork and collective sense of honor.



06 Transparent Procurement Fulfilling Social Responsibilities

The company adheres to the principle of "Disinterested Procurement, Win-Win Cooperation," and is dedicated to building a sustainable supply chain. The company actively participates in community development, gives back to society, and strives to be an exemplary corporate citizen!



6.1 Responsible Procurement

62

6.1 Charitable and Public Welfare Activities

64



6.1 Responsible Procurement

Procurement Values: Integrity and Collaboration, Understanding and Communication, Continuous Improvement.

Vision and goal: practicing sunshine procurement, creating strategic value, building a supply ecology of equality, respect, transparency, development and win-win situation, and committing to providing timely, accurate, high-quality and cost-effective procurement supply chain services.

■ Responsible Procurement Management

Since its establishment, the company has always adhered to the original spirit of integrity management, based on the principles of fairness, openness and impartiality, advocated the sunshine procurement policy, standardized the operation management of all stakeholders in the supply chain, cooperated with suppliers, and strictly adhered to the standards of honesty and business ethics in all business activities.

(1) Supplier Selection The Company has established a set of comprehensive and applicable management norms, in accordance with the “Supplier Certification Management System” and “Supplier Management Procedures”, and has screened out competitive suppliers through the setting of filing thresholds, evaluation of materials, and assessment and counseling by a professional audit team, as well as utilizing the SRM system to manage the suppliers in their full life cycle. In order to promote the development of regional economy, the Company prioritizes local suppliers, and the proportion of local suppliers for production materials will reach 96.3% in 2024.

(2) Supplier Management: The Company has signed the “Commitment Letter for Sunshine Procurement for Strategic Partners” and “Commitment Letter for Environment/Safety/Social Responsibility for Suppliers” with all its suppliers, which contains provisions on integrity, compliance, human rights, environmental protection, safety, ROHS, etc. Suppliers are required to comply with the relevant provisions of the commitment letter, supervise each other to ensure the implementation of Sunshine Procurement, and the contract will be terminated or dissolved at any time if there is any violation of the provisions. Terms and Conditions .

(3) Sunshine Purchasing Training: The company regularly conducts training on topics such as integrity, honesty and supplier social responsibility management for internal purchasing staff, extends the company's social responsibility concepts and requirements to the supply chain, and jointly promotes social responsibility management with suppliers to ensure that all operations comply with environmental protection, labor laws and regulations, and the norms of corporate social responsibility.

(4) Supplier Performance Evaluation: With reference to the RBA audit program, the Company conducts annual SER audits on key suppliers, including 5 major aspects of labor, health and safety, environment, ethics and management system, to ensure that suppliers comply with the regulatory requirements related to social responsibility in their business activities. 2024, the Company completed the on-site audits of 37 suppliers on the basis of their environmental and social responsibility (SER). In 2024, the Company held the 2nd Supplier Conference of Ming Yang Circuit, and set up awards such as the Excellent Quality Award and the Best Green Partner Award to recognize and motivate suppliers who have made significant contributions to the Company.



2024 Group Partner Delivery Empowerment Conference

Statistical tables of responsible procurement performance data

Performance Indicators	2024
Production Local Supplier Percentage (%)	97.6%
Number of New Supplier Certifications	13
Annual Number of Supplier SER Audits	56

■ Sunny procurement planning

In order to realize the sustainable development of the supply chain, in the future, the company will establish and improve the ESG management of suppliers based on the requirements of the ISO20400 Sustainable Procurement standard, and in 2024, the company has made the following actions for sustainable procurement

1) The company has introduced a sustainable procurement policy, and has set quantitative goals to supervise the fulfillment of sustainable procurement.

2) Formulate a supplier questionnaire to calculate the carbon emissions of suppliers. We plan to set carbon reduction requirements and targets for suppliers by 2027.

(1) Strengthen supplier ESG risk evaluation and grading management, focus management on suppliers with high ESG risk, and add ESG-related evaluation requirements to the supplier QEMCDS performance scoring rules;

(2) Strengthen supplier audits on hazardous substance management, ESG compliance, and management performance, and the Company plans to increase the annual audit data from 37 /year to 50 /year by 2029, to help suppliers improve their ESG performance. The Company plans to increase the annual audit data from 37 to 50 by 2029 to help suppliers improve their ESG management level.

3) Actively respond to the national “dual-carbon” strategy and the carbon reduction requirements of customers, and promote suppliers to carry out carbon inventories and carbon emission reductions, so as to reduce the emissions of product carbon footprints and contribute to the mitigation of global warming.



Supplier participation in empowerment training



Conduct on-site audits of vendors

6.2 Conduct on-site audits of vendors

The company adheres to the concept of “giving love, returning to the society”, and actively participates in social welfare and charitable activities, taking responsibility and giving back to the society with practical actions.

■ Public Benefit Action for Rural Support

On August 31, 2024, Ming Yang Group donated living and school supplies to children from poor families.



Reader Feedback

Dear readers,

Thank you very much for taking the time to read Sunshine Global Circuits Co.,Ltd. 2024 ESG Report. If you have any thoughts or suggestions regarding this report, please kindly fill out the feedback form below and send it to us via mail, fax, or email. Your valuable input is greatly appreciated!

Name : Tel : Email : _____

1. Which sections did you find most informative?

- SGC overview
- Organizational Governance Laying the Foundations for Growth
- Product Innovation Empowering a Smart Connected World
- Environmentally Friendly and Low-carbon Leading Green Manufacturing
- People-oriented Facilitating Employee Development
- Transparent Sourcing Fulfilling Social Responsibility

2. How would you rate this report?

Readability	<input type="checkbox"/> Good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor
Completeness	<input type="checkbox"/> Good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor
Objectivity	<input type="checkbox"/> Good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor
Layout Design	<input type="checkbox"/> Good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor
Overall Impression	<input type="checkbox"/> Good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor

3. Your suggestions for our next annual report?

4. Please get in touch with us :

Email : esg@sunshinepcb.com

Tel : +86 (0) 755-2724-3597

+86 (0) 755-2724-3968

Fax : +86 (0) 755-2724-3609