

# 2022

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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# About the Report

This is the first *Environmental, Social and Governance (ESG) Report* ("the Report") released by Ningbo Sunrise Elc Technology Co., Ltd. ("the Company") to stakeholders. The Company has issued three annual social responsibility reports prior to the release of the Report. In 2022, the Company released the Report to cope with the trend of sustainable development and shoulder the social responsibility, aiming to give an objective and truthful presentation of the Company's ESG-related initiatives and achievements to shareholders and investors, customers, employees, government, regulatory organisations, suppliers, partners and communities.

## Reporting Period

The Report covers the information and data for the period from 1 January 2022 to 31 December 2022 (the "Reporting Period"), with certain information dating back to 2021 or earlier.

## Basis for Preparation

The Report is prepared in accordance with the ESG information disclosure requirements set out in the *Guideline No. 1 for the Self-regulatory Rules of the Companies Listed on the Shenzhen Stock Exchange - Standardised Operation of the Companies Listed on the Main Board* and the *Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies issued by the Shenzhen Stock Exchange*, with reference to the *GRI Sustainability Reporting Standards* issued by the Global Reporting Initiative ("the GRI Standards").

## Definitions

Abbreviation	Company name and relationship with Company
Sunrise Technology, We	Ningbo Sunrise Elc Technology Co.,Ltd. and its subsidiaries
The Company, Ningbo Sunrise	Ningbo Sunrise Elc Technology Co.,Ltd.
Dongguan Zhongxingrui	Dongguan Sunrise Elc Technology Co., Ltd., a subsidiary of the Company
Suzhou Zhongxing Lian	Suzhou Zhongxinglian PRECISION Industry Co., Ltd, a subsidiary of the Company
Wuxi Rite	Wuxi Rite Surface Treatment Co., Ltd., a subsidiary of the Company
Ningbo Zhongrui	Ningbo Zhongrui Precise Technology Co., Ltd.,a subsidiary of the Company
CixiZhongjun	Cixi Zhongjun Electronics Co., Ltd., a subsidiary of the Company
Hong Kong Xingrui	Hong Kong Sunrise Enterprises Limited, a subsidiary of the Company
Xingrui (China)	Sunrise (China) Trading Co., Limited, a subsidiary of the Company
Shanghai Regis	Shanghai Regis World Trade Co., Ltd.,a subsidiary of the Company
Ningbo ANG	Ningbo ANG Thermo Technology CO., LTD,a subsidiary of the Company
CPTS	CPT (Singapore) Co. Pte. Ltd, a subsidiary of the Company
Sunrise Vietnam	SUNRISE TECHNOLOGY (VIETNAM) COMPANY LIMITED., a second-tier subsidiary of the Company
Sunrise Indonesia	PT.SUNRISE TECHNOLOGY BATAM,a second-tier subsidiary of the Company

Unless otherwise specified, all monetary amounts quoted in the Report are presented in Renminbi ("RMB").

## Reporting Scope

The qualitative information in the Report is consistent with that in the annual report. While the key social performance indicators are consistent with the consolidation scope of the annual financial report, the key environmental performance indicators cover the Company and the subsidiaries consolidated in the financial statements that are engaged in manufacturing, namely Sunrise Technology, Dongguan Zhongxingrui, Suzhou Zhongxing Lian, Wuxi Rite, Ningbo Zhongrui, Cixi Zhongjun and Sunrise Indonesia.

## Availability

The Report is released in the languages of simplified Chinese and English. In the event of any discrepancy between the two languages, the version of simplified Chinese shall prevail. The Report is available on websites of the Shenzhen Stock Exchange ([www.szse.cn](http://www.szse.cn)) and the Company ([www.zxec.com](http://www.zxec.com)).

## Contact

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## Message from the Chairman

2022 is a year of vigorous development for Sunrise Technology. Despite the uncertainties in the macroeconomy, as a precision component manufacturing and Research and Development (R&D) enterprise, Sunrise Technology has always adhered to the core of innovative R&D and advanced manufacturing technology. We are firmly committed to the foundation of “building a happy enterprise with family culture” as we calmly navigate the opportunities and challenges of the era and achieve healthy and rapid development.

Since its establishment, Sunrise Technology has firmly practised the concept of sustainable development, with the mission of “While pursuing the material and spiritual well-being of all employees, we should also contribute to the progress and development of mankind and society”, and is committed to creating value for employees, clients, shareholders, partners, and the society. With the opportunity of releasing Sunrise Technology’s first Environmental, Social, and Governance (ESG) report, we hope to share with all internal and external stakeholders the efforts we have made in product quality, green products, energy conservation and emission reduction, employee care, supply chain management, and community welfare, and demonstrate Sunrise Technology’s confidence in continuing to practice the ESG concept.

**We strive for excellence and innovation to delight clients with innovation and quality.** At Sunrise Technology, product quality is always our top priority, and we provide clients with high-quality products through lean production and a continuously improving quality management system. With a quality management department that is centrally managed, a constantly improving quality management system, proposal improvement mechanisms and quality training activities that involve all staff, Sunrise Technology is committed to meeting clients’ quality requirements in all aspects and continuously improving client satisfaction. We insist on the path of R&D innovation, continuously improving the product landscape and value to promote joint development with clients. At the same time, through integrated digital management, we have established an industrial Internet platform that covers the entire business process, improving production efficiency and quality and consolidating our advantage in the market competition. In 2022, with the concerted efforts of all employees, Sunrise Technology won the trust and wide recognition of top domestic and foreign clients, and our subsidiary companies Suzhou Zhongxinglian and Dongguan Zhongxingrui were respectively awarded the honorary titles of “Little Giant” in Jiangsu Province and Guangdong Province.

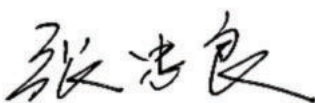
**We unite and work together with all employees to build a happy enterprise.** It’s our corporate motto to “be strict with yourself and be kind to others”. We have constructed Sunrise Technology’s management philosophy based on the traditional philosophy classics and Inamori Kazuo management philosophy and integrated it into a highly advanced and digital Amoeba Business Management System, making every employee a protagonist in management. We see employees as business partners and adopt a people-oriented approach. As we sincerely care for employees and their families, we work to build a happy enterprise from eight aspects, including “humanistic concern, teachings of the sages, green environmental protection, health promotion, charitable commonweal, volunteer development, humanities record and dedication”. We continuously improve the talent evaluation system, establish a sound training system, and build a mechanism of full trust, full authorisation, mutual empowerment, and reasonable distribution so that employees can share the fruits of development and grow with our enterprise.

**As a responsible corporate citizen, we act to protect the green planet.** Sunrise Technology proactively partners with clients and suppliers to develop green products, prioritises the use of environmentally friendly recycled plastics in production, and adheres to the Reduce, Reuse, and Recycle (3R) principles for optimising packaging design and promoting packaging recycling. We are committed to reducing environmental impact throughout the product lifecycle. Additionally, we continue to improve our energy, water resource, and emission management systems while strictly controlling pollution and exploring energy-saving and consumption-reducing potential at every stage of our operation. We also have an environmental volunteer station that promotes a culture of vegetarianism and plate cleaning, as well as participating in activities such as cleaning up the streets and providing environmental education. We strive to cultivate awareness in all employees to respect all things, love the planet from the heart, and become a pioneer in environmental protection.

**Persistence leads to success, and actions lead to results.** On the road to becoming a leading provider of system solutions in the global precision manufacturing field, Sunrise Technology will forge ahead with courage, continue to embrace change and innovation, constantly improve our corporate governance, and work together with all stakeholders to create and share long-term economic, social, and environmental value.



Chairman of  
Ningbo Sunrise Elc Technology Co., Ltd.



# About Sunrise Technology

## Company Profile

Founded on 27 December 2001 and listed on the SME Board of the Shenzhen Stock Exchange on 26 September 2018 (stock abbreviation: Sunrise, stock code: 002937), Sunrise Technology is an enterprise engaged in the manufacturing and the research and development (R&D) of precise parts. The Company's products include electronic connectors, structural parts, plastic casings and insert moulding parts, etc., and can be widely used in intelligent terminals, automotive electronics, consumer electronics and other fields. We specialise in the fields of the electric equipment systems of new energy vehicles and intelligent terminals, and we provide customised system solutions for high-end customers in the industry.

Intelligent terminals	Automotive electronics	Consumer electronics
<ul style="list-style-type: none"> <li>Intelligent set-top box component series</li> <li>Intelligent network communication gateway component series</li> <li>Intelligent security and protection component series</li> <li>Intelligent electric meter component series</li> </ul>	<ul style="list-style-type: none"> <li>New energy vehicle electrical assembly system                             <ul style="list-style-type: none"> <li>Battery inlay component series</li> <li>Electric control inlay component series</li> <li>Other component series</li> </ul> </li> <li>Traditional automotive electrical assembly system</li> </ul>	<ul style="list-style-type: none"> <li>Office automation (OA) equipment</li> <li>Traditional TV-Tuner (TV tuner components)</li> </ul>



Main products of Sunrise Technology

During the Reporting Period,

**1.767** billion RMB  
of revenue was achieved

**41.16%**  
up over the previous year

**219** million RMB  
net profit for shareholders

**93.03%**  
up over the previous year

## Corporate Culture

Sunrise Technology adheres to the business philosophy of “the value of the enterprise lies in the happiness of employees and the touching of customers”, pursues the happiness of both material and spiritual aspects of all employees, and upholds the management policy of “all staff learning, continuous change, devoting to technological upgrading, resolutely practising sales maximisation, cost minimisation, and comprehensively building a high-income management system”. Moreover, we strive to build “intelligent manufacturing” factories where employees can work happily in “an atmosphere of family”. We also continuously enhance our core competitiveness and strive to become a leading global system solution provider in the field of precision manufacturing.



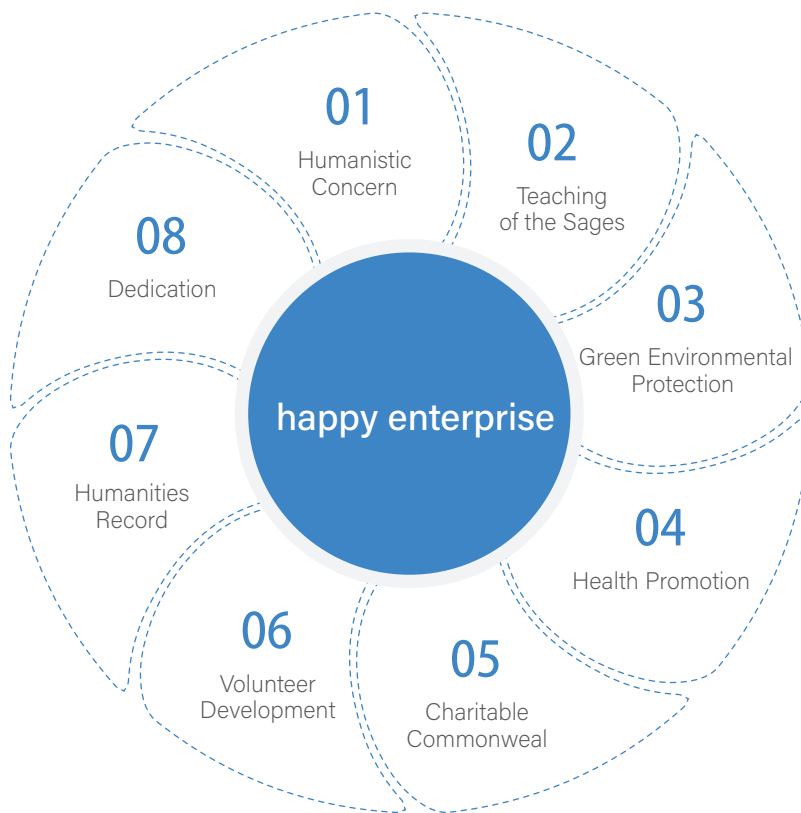
## Amoeba Management

Based on the philosophy and practice, the Amoeba management system helps promote the expansion of an enterprise and inspires all employees with the management philosophy and the Amoeba accounting system. To strengthen the operation capability with the business philosophy and practise, Sunrise Technology has established the Amoeba management system and explored a solid and effective development path.

Sunrise Technology has established a philosophy that is in concert with our operation based on traditional philosophy classics and Inamori Kazuo management methodology and released the Company Philosophy Handbook in December 2015, serving as the Company's operation guideline. We have built a core cultural system with eight modules: "Humanistic Concern, Teaching of the Sages, Green Environmental Protection, Health Promotion, Charitable Commonweal, Volunteer Development, Humanities Record, Dedication"; and sincere care for employees and their families. The Company's management takes the lead in setting an example with a selfless mindset, using it as a benchmark for decision-making, aligning everyone's efforts towards a common direction to achieve high goals, and striving to create various conditions for employees to work wholeheartedly to lead a happy life. Through upholding the teaching of the sages and cultivating a volunteer culture, Sunrise Technology has built strong cohesion and decisive and rapid action based on life philosophy.

The essence of the Amoeba Accounting System is to divide the enterprise into several small units, establish a market-oriented accounting system for each division, cultivate talents with entrepreneurial awareness, and achieve enterprise-wide participation based on a shared philosophy. In practice, we continuously extend the Amoeba management philosophy from senior management to all employees. By reorganizing the organization, redistributing power, and sharing management concepts and information, we have established a number of excellent teams to share management responsibilities. In addition, we have independently developed an Amoeba Accounting System based on a big data analysis platform that is deeply integrated with the Office Automation (OA) system and the SAP management system to ensure that "every employee plays a role in the management" in both management and practical operational systems. At the same time, we have established a scientific value assessment and performance management system to effectively measure and recognize the value of employees' work and innovation.

By establishing a management philosophy and strengthening the Amoeba Management System, Sunrise Technology has created a vibrant and cohesive organizational ecosystem , achieving high-quality development where employees and the Company grow together.



Sunrise Technology's eight modules for building a happy enterprise

## Our History

Sunrise Technology started from nothing as a TV Tuner producer and has achieved the largest global market share in this segment. As a result, we have established long-term trust and business development relationship with major international customers in the consumer electronics industry, such as Panasonic, SONY, Sharp, Samsung, ALPS, etc.

With the development of the global TV industry and the development of our customers' product line, the Company has gradually extended from consumer electronics to the field of intelligent terminals, automotive electronics and new energy vehicles. With more than 20 years of experience in precision tooling and precision parts manufacturing, the Company has been providing customers with high-quality customized product services in different batches, values and delivery times with its solid tooling technology and one-stop precision manufacturing capability under the environment of constant iteration of downstream end products. While helping customers to create value and achieve cost reduction and efficiency, we continue to enhance the Company's overall competitiveness in the market.





## Honours and Recognitions

With the excellent R&D capability, advanced manufacturing technology, high-quality product control system and the relentless efforts of all employees, the Company and its subsidiaries have won a number of awards issued by governments and organisations in areas such as Zhejiang Province, Jiangsu Province, and Guangdong Province, as well as recognitions from customers.

Awards received by the Company are as follows:

Awards	Issued by
<b>Issued by governmental authorities and social organisations:</b>	
2020 Provincial-level Pilot Demonstration Enterprises of Integrated Development of Manufacturing and Internet	The Economy and Information Technology Department of Zhejiang Province
Benchmark Enterprises in Cloud Application in Zhejiang Province for 2020 (the Batch Four)	The Economy and Information Technology Department of Zhejiang Province
(2021) First batch of Zhejiang Province "On-cloud Enterprise" in manufacturing industry	The Economy and Information Technology Department of Zhejiang Province
Zhejiang Postdoctoral Workstation	Postdoctoral Work Office of Zhejiang Province
Famous Export Brands of Ningbo for 2021-2023	Ningbo Municipal Commerce Bureau
Four-star Green Factories for 2021	Ningbo Municipal Bureau of Economy and Information Technology
Five-Star Enterprises in Ningbo in Management Innovation and Upgrading for 2021	Ningbo Municipal Bureau of Economy and Information Technology
Top 100 Taxpayers in Cixi for 2020	Cixi Municipal Committee of CPC, Cixi Municipal People' s Government
Top 100 Enterprises for 2021	Cixi Municipal Committee of CPC, Cixi Municipal People' s Government
2020 Excellent Industrial APPs of Ningbo	Cixi Municipal Bureau of Economy and Information Technology
2021 Excellent Employers in Cixi	Cixi Municipal Bureau Of Human Resources and Social Security
Enterprises Excellent in Safety Hazard Identification and Rectification for "Celebrating the 100th Anniversary of the Party" (2021)	Cixi Municipal Committee of Safe Production
Cixi City's Manufacturer Leading in Average Yield per Unit Area for 2021	Reform Leading Team Office of Cixi (for the campaign of "Leader in Average Yield per Unit Area")
Amoeba Practice Award (2021)	Ningbo Seiwa School
<b>Awards issued by the industry enterprises/organisations:</b>	
Client-Centric	Sagemcom
2020-2022 Best Quality Support	CommScope & Foxconn

Awards received by the Company's subsidiaries:

Awards	Subsidiary	Issued by
2022 Specialized and Sophisticated SMEs of Jiangsu Province	Suzhou Zhongxing Lian	Suzhou Municipal Bureau of Industry and Information Technology
2022 Specialized and Sophisticated SMEs of Guangdong Province	Dongguan Zhongxingrui	Department of Industry and Information Technology of Guangdong Province
2022 Creative SMEs of Guangdong Province	Dongguan Zhongxingrui	Department of Industry and Information Technology of Guangdong Province

# 01 Corporate Governance for Sustainable Development

Robust corporate governance and responsible operations are the cornerstones of sustainable development. Committed to always pursuing governance structure and stronger governance capability at a higher level, Sunrise Technology continues to strengthen internal control and risk management, improve communication channels for investors to ensure standardised operation of enterprises, achieve long-term and steady development and continuously create value for shareholders and the society.

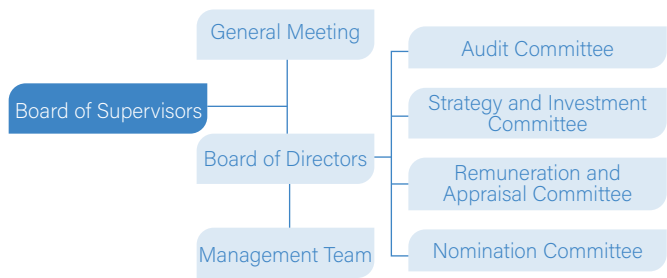


# 1.1 Corporate Governance

Sunrise Technology strictly adheres to the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Shares on Shenzhen Stock Exchange* and other laws, regulations, normative documents. The Company makes relentless efforts to improve the corporate governance structure, establishes and improves the internal control polices, strengthens the management of information disclosure, and manages the relations with investors, successively formulating the *Articles of Association*, the *Rules of Procedure of General Meeting of Shareholders*, the *Rules of Procedure of the Board of Directors*, the *Rules of Procedure of the Board of Supervisors* and other policies to ensure the Company’s stable operation.

## Governance Structure

The Company has established a decision-making system comprised of the General Meeting, the Board of Directors, the Board of Supervisors and the Management Team. The General Meeting, the Board of Directors and the Board of Supervisors are the Company’s highest governance body, executive body and supervision body, respectively. The three bodies and the Management Team jointly constitute a well-defined, coordinated, and balanced operational mechanism. Audit Committee, Strategy and Investment Committee, Remuneration and Appraisal Committee and Nomination Committee are established under the Board of Directors. These committees perform their duties to supervise the Company’s affairs for efficient, scientific and standardised operation.



Sunrise Technology's Governance Structure

### General Meeting

The General Meeting is the highest governance body of the Company. The Company strictly implements the *Articles of Association* and the *Rules of Procedure of the General Meeting of Shareholders* to ensure the lawful and effective convening of the shareholders' meeting. The Company treats all shareholders equally and vigorously protects their rights and interests.

### Board of Directors

The Company strictly follows the selection procedures outlined in the laws, regulations, and the Company's Articles of Association in electing its Board of Directors. Our Board consists of 11 directors, of which 7 are non-independent directors, and 4 are independent directors. There are 3 female directors on our Board, accounting for 27.3% of the total. We review and select candidates for the Board based on the Company's business model and development plan, as well as candidates' industry experience and qualifications, cultural and educational background, and their potential contribution to the Board. The Company has engaged independent directors who are professors in accounting, human resource management, technology research, and senior experts in the automobile industry to provide independent opinions and serve as important decision-making references while fulfilling their supervisory and balancing roles to effectively safeguard the interests of the Company and all shareholders.

### Board of Supervisors

The Company selects and appoints supervisors strictly adhering to the laws and regulations and the selection and appointment procedures set out in the Company's *Articles of Association*. The Board of Supervisors consists of 3 supervisors, including 1 employee representative and 2 non-employee representatives. According to the requirements of the *Supervisory Board Meeting Rules* and other regulations, the supervisory board effectively supervises significant matters of the Company, related-party transactions, financial conditions, and the legality and compliance of the Company's directors and senior management, and expresses opinions on them.

### The Management Team

The Company's executive management team is appointed by the board of directors and, under its leadership, formulates and implements various specific work plans and promptly obtains operational and financial information to assess the execution of the plans and make appropriate revisions.

## Protection of Investors' Rights and Interests

The Company attaches great importance to protecting investors' rights and interests and discloses information in a truthful, accurate, complete and timely manner. Moreover, the Company has established a multi-channel and comprehensive communication platform for better investor communication. We focus on delivering long-term and sustainable returns to investors through sound management and scientific operations to continuously enhance profitability.

The Company strictly adheres to relevant laws and regulations, such as *Management Measures for the Disclosure of Information of Listed Companies*, and implements internal regulations, such as the *Rules for Information Disclosure*, to faithfully fulfil its information disclosure obligations and ensure that investors have timely and full access to information on the Company's operations and business development, thus maximizing investor protection.

The Company has established and improved communication platforms with investors, proactively interacting and communicating with them through multiple channels to provide high-quality services. The Company has a Board Secretary under the Board of Directors and a Securities and Legal Affairs Office responsible for coordinating the communication and exchange of information with investors. We communicate with investors through our official website, investor hotline, email and Shenzhen Stock Exchange Platform (irm.cninfo.com.cn) to address their concerns. In addition, we arrange site visits, conference calls, and performance presentations to help investors gain an in-depth understanding of the Company's operation and development and to carefully listen to their opinions and suggestions.

➤ Furthermore, the Company actively rewards shareholders.

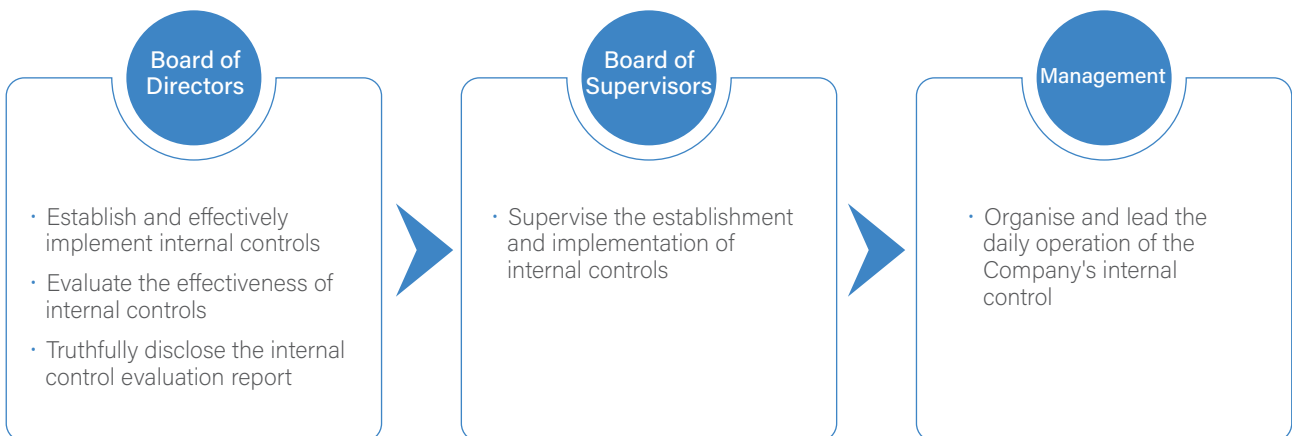
From 2018 to the end of the Reporting Period, the Company has cumulatively distributed dividends of RMB **257.0017** million.

The dividend yield of the Company has remained at a relatively high level compared to comparable companies in the industry. In

2022, the Company planned to distribute a cash dividend of RMB **59.5706** million (including tax).

## 1.2 Risk Management

Based on the *Rules for Enterprise Internal Control* and other internal control and supervision requirements, Sunrise Technology has established internal policies such as the *Management Measures for the Operation of the Internal Control System* and the *Rules for Risk Management*, clarifying the responsibilities of the Board of Directors, the Board of Supervisors and the Management, and continuously improving the internal control and risk management system to ensure the Company's high-quality and steady development. The Company has established an independent Internal Audit Department that carries out audits independently, inspects and oversees the authenticity and completeness of the financial information of the Company and its subsidiaries, the establishment and implementation of the internal control system, etc. The Internal Audit Department is responsible for the Audit Committee of the Company's Board of Directors.



Division of duties by the internal control system

The Company has also established a system for effective risk assessment. Based on the set control objectives, General Manager regularly convenes meetings with department heads and general managers of subsidiary companies to identify and assess risks. Based on the assessment results, appropriate measures are promptly taken to ensure that risks are under control. Meanwhile, the Company has established an emergency response mechanism and formulated emergency plans, clearly specifying the procedures and deadlines for the monitoring, reporting and handling of various types of major emergencies.

We focus on five high-risk areas: internal control of subsidiary companies, related party transactions, external guarantees, major external investment and information disclosure. Furthermore, we have developed and implemented strict control procedures and measures regarding responsibility allocation control, authorisation approval control, accounting system control, property protection control, budget control, operational analysis control, and performance evaluation control to ensure that the internal control system runs effectively. In addition, we regularly conduct internal control evaluations of subsidiary companies to ensure the effectiveness of internal control and the operation compliance of subsidiaries. During the Reporting Period, we conducted a total of 8 internal audits and disclosed the *Internal Control Self-assessment Report* in a timely manner to ensure the implementation of the Company's risk management system.

## 1.3 Business Ethics and Integrity

Business ethics is a critical pillar of the Company's steady development. Firmly adhering to the concept of "integrity, rooted in an attitude of selflessness", Sunrise Technology conduct all business activities with high integrity standards. We are committed to creating a clean and honest business environment by strengthening the management systems, improving communication mechanisms with all stakeholders, and fostering an integrity culture.

We attach great importance to anti-commercial bribery work and have formulated regulations such as the *Management Measures for Employee Integrity* and the *Management Measures for Gift Receiving by Employees*, which clearly prohibit any form of corruption and bribery. Sunrise Technology requires all employees engaged in the business with external parties, including the employees of sales, supply chain, technology, quality and other departments, to sign the *Duty Integrity Agreement*. Meanwhile, we also require suppliers to sign the *Business Partnership Integrity Agreement* to prevent corruption and bribery from the source. We regularly conduct duty integrity training for key departments such as Supply Chain Department and Marketing Department each year to further deepen employees' awareness of integrity and self-discipline and enhance their business ethics to maintain business ethics during procurement practices. During the Reporting Period, no commercial bribery and improper transactions were spotted through the self-inspection and internal inspection of the critical projects, positions and personnel.

To timely detect and correct business ethics violations, Sunrise Technology adheres to the principle of both prevention and control and has formulated and implemented the *Fraud Incident Handling Process* and other internal documents to standardise the reporting, investigation, handling, reporting, and remediation procedures for fraud cases, and implemented confidentiality and whistleblower mechanisms. Once a reported case is received, the recipient will process it and strictly keep the whistleblowers' information confidential. The Audit Department is responsible for collecting evidence, verifying the detail of the reported case and preparing fraud investigation reports under the supervision of the principal in charge of audit and the Board of Directors. To keep the whistleblowing channel running properly and detect and correct fraudulent activities in a timely manner, we have opened up a transparent and clean reporting channel through mailboxes, emails, and other forms and encouraged employees, suppliers, and other business partners to participate in the process of promoting integrity. During the Reporting Period, Sunrise Technology was not involved in any litigation related to corruption and fraud.









## 1.4 ESG Management

Sunrise Technology always regards “while pursuing the material and spiritual well-being of all employees, we should also contribute to the progress and development of mankind and society” as its mission. We steadily integrate the concept of sustainability into our corporate strategy and operations, continuously improve our ESG management system, and are committed to creating more long-lasting economic, social, and environmental value with stakeholders.

To effectively promote ESG work, we have established a cross-departmental ESG working group led by the Securities and Legal Affairs Office to manage and execute daily ESG-related affairs. The heads of the Manufacturing Department, IT Department, Production Technology Department, Marketing Department, Research and Development Department, Human Resources & Administration Department, Quality Management Department, Audit Department, Financial and Management Department, Supply Chain Department, and relevant personnel of the subsidiary companies work together to continuously promote Sunrise Technology’s ESG management practice.

### Communication with Stakeholders

The major stakeholders of Sunrise Technology include shareholders and investors, employees, clients, suppliers and partners, government and regulatory agencies and communities. We value communication and interaction with all stakeholders through various channels to understand the demands and expectations for Sunrise Technology and to develop our ESG management strategies based on stakeholder communication.

Stakeholders	Issues of concern	Communication methods
 Shareholders and investors	<ul style="list-style-type: none"> <li>Corporate governance and risk management                         <ul style="list-style-type: none"> <li>Economic performance</li> <li>Business ethics</li> </ul> </li> <li>Technology and innovation</li> </ul>	<ul style="list-style-type: none"> <li>General meeting</li> <li>Periodic information disclosure                         <ul style="list-style-type: none"> <li>Investor hotline and email</li> </ul> </li> <li>Shenzhen Stock Exchange Platform                         <ul style="list-style-type: none"> <li>On-site investigation</li> <li>Conference calls</li> <li>Performance briefing</li> </ul> </li> </ul>
 Employees	<ul style="list-style-type: none"> <li>Talent attraction and retention</li> <li>Occupational health and safety</li> <li>Employee training and development</li> <li>Diversity, equality and inclusion</li> <li>Product quality management</li> </ul>	<ul style="list-style-type: none"> <li>Staff seminars</li> <li>Online communication channel</li> <li>Lunch talks/employee gatherings (Konpa)                         <ul style="list-style-type: none"> <li>General manager mailbox</li> </ul> </li> <li>Employee satisfaction survey                         <ul style="list-style-type: none"> <li>Employee activities</li> <li>Employee training</li> </ul> </li> </ul>
 Clients	<ul style="list-style-type: none"> <li>Product quality management</li> <li>Information security and protection of trade secrets</li> <li>Customer service and satisfaction                         <ul style="list-style-type: none"> <li>Technology and innovation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Customer visit</li> <li>Mail and telephone communication</li> <li>After-sales service and complaint                         <ul style="list-style-type: none"> <li>Client satisfaction survey</li> </ul> </li> </ul>
 Suppliers and partners	<ul style="list-style-type: none"> <li>Sustainable supply chain</li> <li>Product quality management</li> <li>Information security and protection of trade secrets</li> </ul>	<ul style="list-style-type: none"> <li>Annual supplier conference                         <ul style="list-style-type: none"> <li>Supplier talks</li> </ul> </li> <li>On-site communication and inspections                         <ul style="list-style-type: none"> <li>Surveys</li> </ul> </li> </ul>
 Government and regulatory agencies	<ul style="list-style-type: none"> <li>Corporate governance and risk management                         <ul style="list-style-type: none"> <li>Business ethics</li> </ul> </li> <li>Greenhouse gas emissions</li> <li>Exhaust gas management                         <ul style="list-style-type: none"> <li>Waste management</li> </ul> </li> <li>Response to climate change risks</li> </ul>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>Supervision and inspection</li> <li>Daily communication and reporting                         <ul style="list-style-type: none"> <li>Visitor reception</li> </ul> </li> </ul>
 Communities	<ul style="list-style-type: none"> <li>Community contribution and public charity                         <ul style="list-style-type: none"> <li>Biodiversity</li> </ul> </li> <li>Greenhouse gas emissions</li> <li>Exhaust gas management                         <ul style="list-style-type: none"> <li>Waste management</li> <li>Water management</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Charitable donations</li> <li>Charitable projects</li> <li>Volunteer activities</li> </ul>

## Materiality Assessment

### Step 1: Identify material ESG issues

According to the industry and business characteristics of Sunrise Technology, the GRI standards, the *Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies*, and the *Guideline No. 1 for the Self-regulatory Rules of the Companies Listed on the Shenzhen Stock Exchange - Standardised Operation of the Companies Listed on the Main Board*, we have identified 21 ESG issues from 4 aspects (governance, economic, social and environmental).

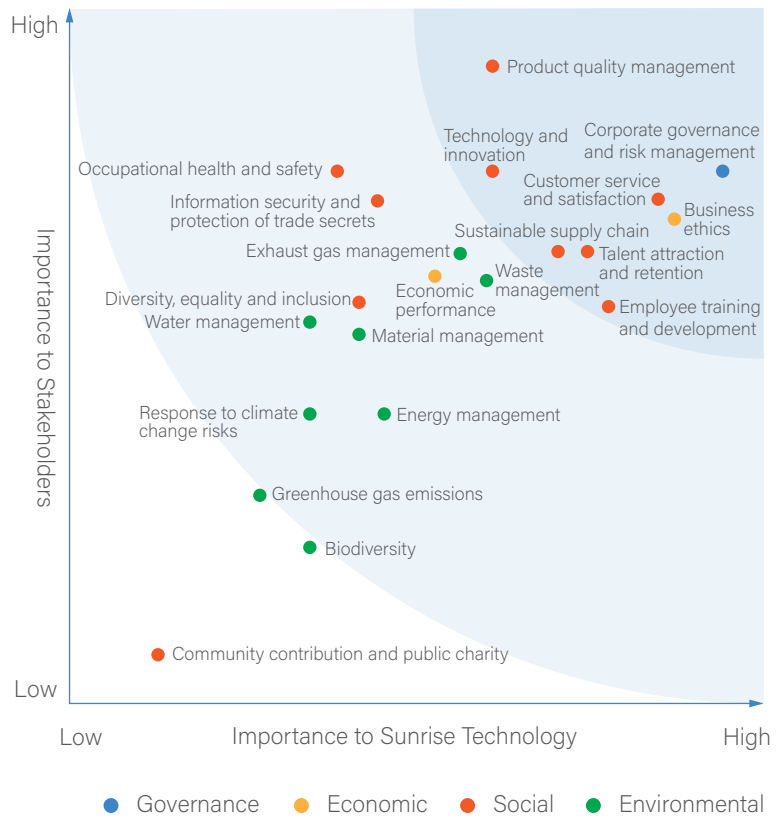
### Step 2: Analyse and rank the materiality of issues

We assess the material ESG issues through surveys of internal and external stakeholders and internal interviews according to the “importance to Sunrise Technology” and “importance to stakeholders”. Then we draw a materiality assessment matrix in light of actual research results and rank the issues by importance.

### Step 3: Verify assessment results

Management of Sunrise Technology and ESG principals review and double-check the assessment result to ensure its accuracy and adequacy, and the final result is shown in the figure.

Aspect	Issue
Governance	Corporate governance and risk management
Economic	Economic performance
	Business ethics
Social	Talent attraction and retention
	Occupational health and safety
	Employee training and development
	Diversity, equality and inclusion
	Community contribution and public charity
	Sustainable supply chain
	Product quality management
	Information security and protection of trade secrets
	Customer service and satisfaction
	Technology and innovation
	Response to climate change risks
Environmental	Material management
	Energy management
	Water management
	Biodiversity
	Greenhouse gas emissions
	Exhaust gas management
	Waste management



# 02 Quality Products for Customers' Delight

At Sunrise Technology, we strive for customers' delight. With the goal of "produce no defective products", we always put product quality as our top priority, and provide customers with high-quality products through lean production and constantly improved management system. Meanwhile, we fully protect customers' rights and interests, and improve satisfaction through a responsive customer service mechanism. Together with customers, we create diverse values.





## 2.1 Quality-First and Lean Production

We strictly comply with the laws and regulations in the countries and regions where we operate, such as the *Product Quality Law of the People's Republic of China*. Meanwhile, we establish and constantly improve processes to manage product quality and apply lean ideas to our production and management systems, so as to deliver and help customers achieve quality and efficiency.

### Quality Management System

Adhering to the operation strategy of "focusing on high quality" and the quality policy of "implementing the 'quality first' philosophy and establishing 'zero defect' system", we continue to meet customers' requirements for product quality. The Company and its subsidiaries have been certified with the ISO 9001 Quality Management System, while the factories that produce automotive components have also been certified to the IATF 16949 Automotive Quality Management System.

#### ISO 9001 Quality Management System Certificates



Ningbo Sunrise



Dongguan Zhongxingrui



Suzhou Zhongxing Lian



Sunrise Indonesia

#### IATF 16949 Automotive Quality Management System Certificates



Ningbo Sunrise



Dongguan Zhongxingrui

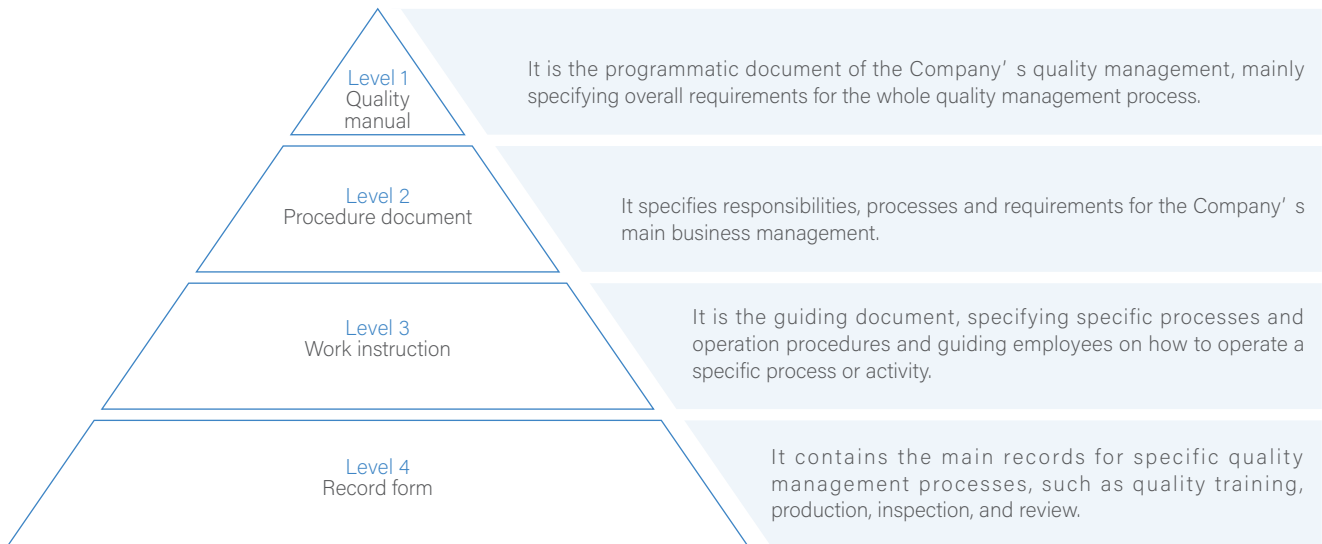


Suzhou Zhongxing Lian



Wuxi Rite

Sunrise Technology implements a quality management system coordinated by the Company's headquarter and implemented by its subsidiaries. The headquarter has set a 4-level system of quality management documents, i.e., quality manual, procedure document, work instruction, and record form. On such basis, the subsidiaries appropriately adjust their quality management systems according to the laws and regulations in the regions where they locate and the practical considerations of their products, so as to ensure that the principles of the quality management system of the headquarter and each subsidiary are consistent, yet in line with the unique management requirements of each subsidiary. It is thus ensured that Sunrise Technology' s quality management system is appropriate, adequate and effective, and that customers can be provided with consistently high-quality products and services.



4-level system of quality management documents

Our quality management covers the entire process of product design and development, material procurement, product manufacturing and after-sales service.



**Product design and development**

Confirm product quality requirements as well as applicable laws and regulations, industry codes, etc., define quality assurance measures, conduct development sample inspections and testing activities to ensure all quality requirements are met prior to mass production.



**Material procurement**

Conduct reviews and evaluations of supplier quality assurance systems and sites, carry out incoming inspection and testing of purchased products, and if necessary, commission third-party laboratories to conduct evaluations to ensure the quality of purchased products.



**Product manufacturing**

To carry out comprehensive quality management of the manufacturing process in accordance with established manufacturing process quality control requirements, including verification of job preparation, first part inspection, regular inspection, final part inspection, shipping inspection and necessary functional verification to ensure that products meet quality requirements.



**After-sales service**

Develop a comprehensive customer feedback management mechanism, respond to customer demands for quality in a timely manner, communicate effectively with relevant departments to ensure rapid respond to and improvement of quality feedback, prevent re-occurrence and continuously improve customer satisfaction.

To ensure the suitability, adequacy and effectiveness of the quality management system and to promote its continuous improvement, the Company regularly conducts internal audits of the quality management system, including internal audits of the ISO 9001 quality management system, IATF 16949 quality management system for the automotive industry, QC080000 quality management system for environmental and hazardous substances, process audits of the auto parts manufacturing process, product audits, etc., to assess its quality capability and level, so as to continuously improve and implement the operation of the system.

## Quality Improvement and Incentive Proposal

To encourage employees to actively participate in and put forward proposals and methods that could improve product quality, we have formulated the *Instructions for Improvement Proposal Management*, and continue to collect improvement proposals by setting up monthly, quarterly, and annual awards for employees who contribute excellent innovations and improvement ideas. We also provide annual special quality award for outstanding individual, and annual excellent quality performance award at department level. Meanwhile, in terms of salary adjustment and promotion, we give priority to employees who have excellent quality performance, further encouraging employees to improve their quality awareness and performance.

Furthermore, we conduct various quality campaigns. We also launch the quality improvement programme as required by customers to promote product quality. Sunrise Technology continuously launches the Quality Control Cycle (QCC) campaign, during which 4-8 employees from the manufacturing department and main functional departments team up as a "circle" to identify improvement themes, formulate improvement plans and promote improvement activities. The achievement for improvement plans of the "circles" are evaluated by the Company's managing director and senior management, with the best ones being presented. We give bonuses and medals to the "circles" with excellent improvements. In the 32<sup>nd</sup> QCC campaign held in 2022, a total of 16 circles participated, 10 of which entered the final improvement effect lecture to deliver their achievements, 5 of which received awards of excellence.

### Case:

#### Product quality improvement programme

During the Reporting Period, Sunrise Technology catered to customers' requirements for product quality management, and introduced third-party consulting companies who served our customers to carry out quality improvement programme. This programme was propelled from quality assurance, new product development and improvement, standardised inspection improvement, and quick and thorough resolution of customer complaints, helping us to further improve the quality of products and services, and thereby meet customer demands:

##### Quality assurance:

Conducted independent quality improvement activities, identified key quality control departments, and arranged upgrading management process. Carried out quality assurance activities comprehensively through the process of documentation and execution, and identified risks for prompt improvement.

##### New product development and improvement:

Analysed the development risks, implemented relevant standards, and enhanced the verification of special process by development quality DOE (Design of Experiments) and the application of failure mode and effects analysis (FEMA). Promoted the development progress according to the new product maturity, improved agile development process, and rapidly approved the production part approval process (PPAP).

##### Standardised inspection improvement:

Built inspection standards across processes from incoming materials to shipment, and with the approval of customers, monitored product quality fluctuations throughout the processes, so as to meet customers' requirements for product quality monitoring and assurance.

##### Quick and thorough resolution of customer complaints:

Built a transparent information communication platform and developed professional problem analysis and improvement report mechanism to promote rapid and efficient close-loop management of problems.

## Quality Training

As part of the quality management system, we have formulated quality training programmes and conducted diverse promotion activities to continuously enhance general employees' quality awareness and skills. During the Reporting Period, Sunrise Technology organised the training on system document processes and post skills, as well as the Quality Month campaign and the "quality 100-day action" training, to further promote employees' quality awareness and skills.

Case:

### Quality Month

Every June is the Quality Month of Sunrise Technology. During the Reporting Period, Sunrise Technology conducted the Quality Month campaign together with the "quality 100-day action" to promote the "quality first" awareness. We organised on-site training on basic skills in turns, and intensified teamwork. Through the campaign and training activity, we saw an obvious improvement of all employees' quality awareness.

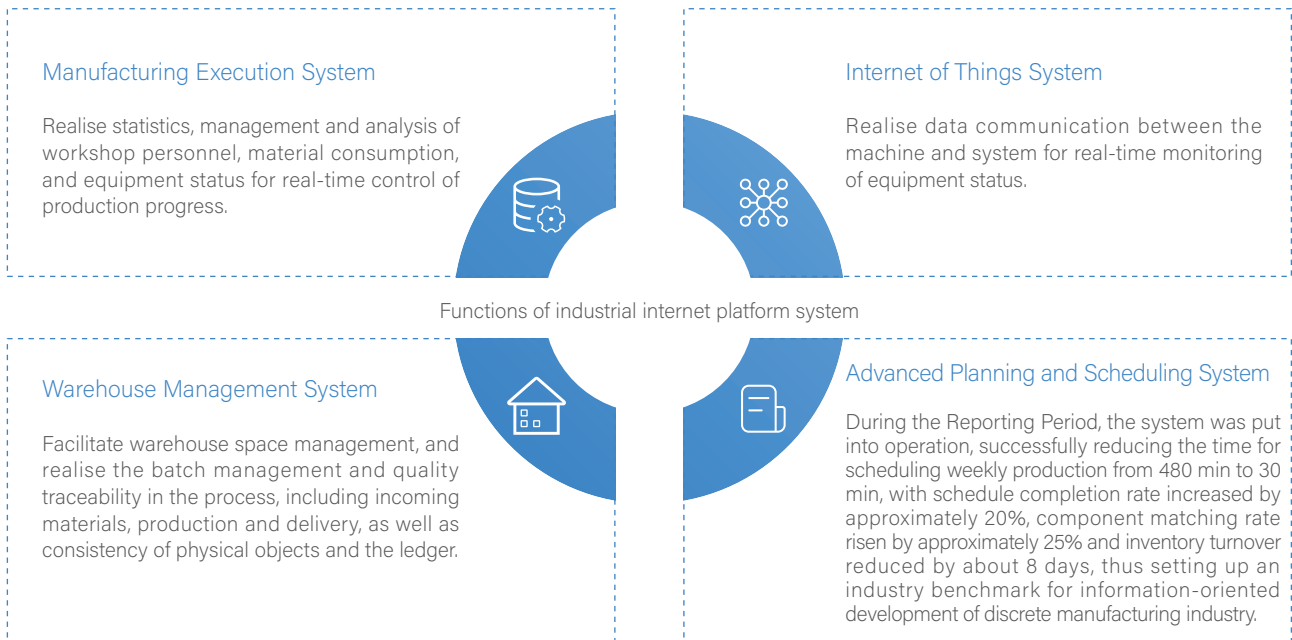


The Company's general manager participated in the Quality Month

## 2.2 Digital and Intelligent Manufacturing

### Digital Integrated Management

Digital integrated management is one of the important measures of Sunrise Technology to boost lean production. We adopt the Manufacturing Execution System (MES), the Internet of Things (IoT) system, the Warehouse Management System (WMS), the Advanced Planning and Scheduling (APS) system, and other digital tools according to our production process and technological characteristics. We have an industrial internet platform covering the whole business process. With China Unicom's 5G technology, this platform realises rapid data acquisition, electronic drawing distribution and other functions through on-site data acquisition terminal, fully managing the whole business chain including procurement, production, sales, and R&D. In the meantime, Sunrise Technology owns a big data system built on the Amoeba Operating Analysis, which can automatically generate and visually present daily reports for continuous improvement and thus greatly improve management quality and efficiency.



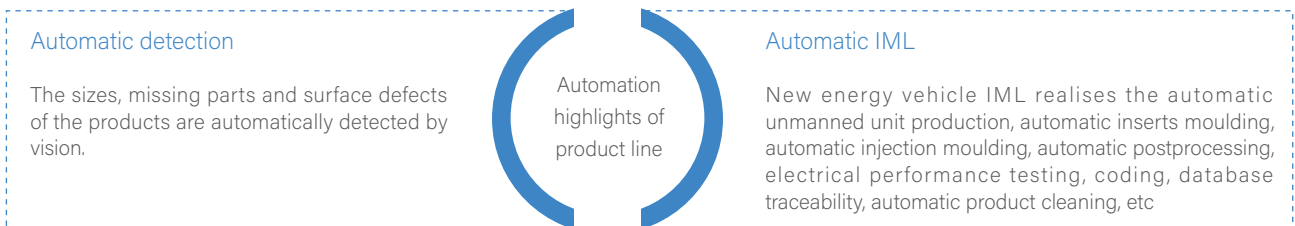
Case:

**Quality traceability system**

Through the digital empowerment technology, we further boost quality management efficiency. Since 2021, Sunrise Technology has successfully developed and built the quality traceability system and put it into normal use. The system is dominated by the MES and supplemented by enterprise management solution (SAP) and WMS. By entering the product serial number or the material number or production lot number of any level of components, we can easily track feeding records and other information of certain product, and thus backtrack to mitigate and remediate problems in a timely and precise manner, in case of quality issue.

## Intelligent Manufacturing

Sunrise Technology continues to improve the production efficiency and quality through automatic and intelligent technologies, consolidating the dominant market competition position. We have built up a solid foundation for independent R&D in intelligent manufacturing. Since 2001, Sunrise Technology has set up an Automation Development Department to engage in the automatation upgrade and original creativity of product lines. By the end of the Reporting Period, we have gradually automated the testing, In Moulding Label (IML), and other processes, and deep integrated the systems with production lines with the management granularity reaches each workstation. Meanwhile, Sunrise Technology has basically realised the automatic production of new energy vehicle products.



## 2.3 Continuous Investment in R&D Innovation

Technology R&D is the foundation of Sunrise Technology for continuous innovation and efficient operation. We highly value technology innovation to promote R&D with customers. During the Reporting Period, Sunrise Technology continued to invest in R&D innovation, made efforts to introduce international talents with overseas work experience, and strengthened the construction of new energy vehicle R&D team.

○> By the end of the Reporting Period,

Sunrise Technology had a total of **277** R&D personnel, rising **2.6%** year-on-year, and had **19** invention patents and **95** utility model patents.

During the Reporting Period, Sunrise Technology invested RMB **69.56** million in R&D, up by **22.82%** year-on-year.

We strictly observe the laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Enterprise Intellectual Property Management Standards*. We have formulated the *Intellectual Property Protection and Control Procedure* to strengthen the intellectual property protection of Sunrise Technology. Sunrise Technology has built a sound mechanism to increase involvement of employees in R&D innovation. We have formulated the *Instructions for Patent Management* to specify the patent declaration, patent documents management, and awards for patented inventions. We push for more technological innovations, more patents for technological achievements, and more independent intellectual properties. To this end, we offer the special awards for those who have their patent applications accepted and approved, as well as product development award and technology breakthrough award for departments and individuals with outstanding performance at the end of a year. In addition, we organise training on patent knowledge on an annual basis to provide employees with guidance on patent knowledge, patent application, etc.

Case:

R&D innovation achievements during the Reporting Period

Automatic IML preheating process

As new energy vehicles are developed and widely applied, auto parts have higher requirements for airtightness and experimental performance. To enhance the combination of plastics and metals, we develop the automatic IML preheating process to preheat the metal inserts before injection moulding, which reduces the temperature difference during the injection moulding of metal inserts and plastics. Accordingly, the metal materials and plastic materials can be combined perfectly in the forming process, thereby avoiding stress concentration and even cracks. The process successfully helped the Company achieve mass production delivery of insert moulding products on the first high-end pure electric model of an international brand, further gaining the trust and fixed recognition of top customers at home and abroad.

Resistance brazing process

In the field of electronic parts for new energy vehicles, Sunrise Technology has developed a special resistance brazing equipment in conjunction with suppliers, which can reduce the resistance heat from the ultra-high current circuit in the Battery Management Unit (BMU) and the Battery Disconnect Unit (BDU). With this equipment, the brazing filler metal, bushing and copper bars can be uniformly attached when welding, to ensure the conductivity and adhesion. Furthermore, Sunrise Technology has developed the underwater resistance brazing process, which solves the problems of materials annealing and softening and surface oxidation arising from overheating when welding the copper bars.

Aluminium radiator sealing process

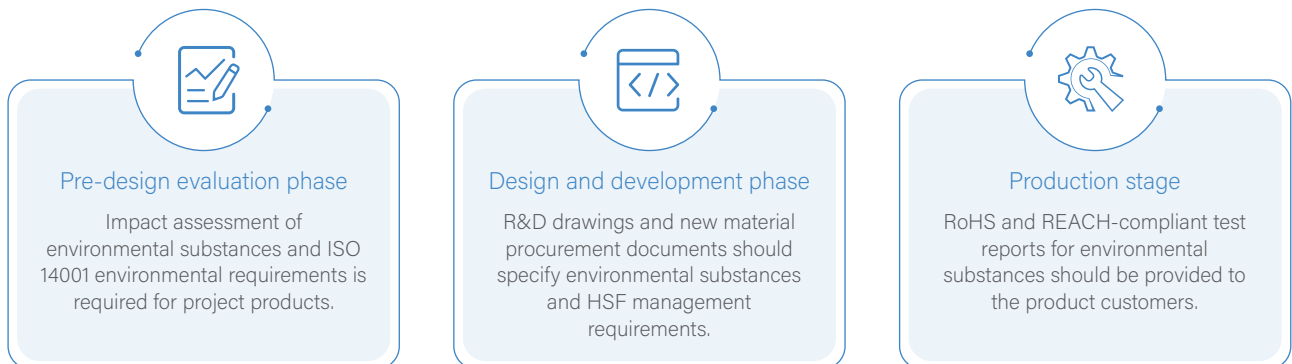
Sunrise Technology has successfully developed and applied a radiator sealing process in an intelligent terminal project. This process combines laser welding and surface coating, making the radiators airtight, thus rendering the products airproof for a long time at both high and low temperatures.

## 2.4 Collaboration for Developing Green Products

Sunrise Technology adheres to the sustainability strategy. We strictly restrict the hazardous substances used in the products, to ensure that our products meet the Hazardous Substances Free (HSF) requirements in the EU *Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment* (RoHS) and the *Regulation Concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals* (REACH). We also cooperate with customers and suppliers in exploring green products R&D, and endeavour to reduce product environmental footprint by enhancing product design, processes and packaging materials. Since our inception, the Company has adhered to the concept of sustainable development in terms of product quality and environmental responsibility. It has been certified as a Global Green Partner (GP) by Sony Japan since 2009 and continues to pass regular audits of Sony's technical standard SS-00259, an evidence that the products delivered by the Company continue to meet Sony's strict environmental management requirements.

### Hazardous Substance Management

To restrict the use of hazardous substances, Sunrise Technology has formulated the documents such as the *HSF Management Standards* and the *HSF Design and Development Management Procedure*, to strictly manage the hazardous substances throughout the product design and production. Meanwhile, we require suppliers to sign the *HSF Commitment* and to provide RoHS and REACH-compliant documentation when introducing new materials. When new materials enter the factory, we conduct environmental substance tests for both the materials and the samples, and they can only be put into use after passing the tests.



HSF management requirements for products

## Green Design and Packaging

During the product design and development, we strive to optimise materials and processes, reduce resource consumption, and work with our customers to create green products. We purchase the materials with the required codes and specifications, to ensure our products cater for the environmental protection requirements of the customers. In addition, since 2010, we have gradually adopted environmentally friendly recycled plastics, and continuously increased their proportion.

### Using renewable materials

In a large-scale plastic project developed for intelligent terminal customers, we successfully applied renewable post-consumer recycled (PCR) plastics by surmounting a series of production challenges of PCR materials.

### Using fewer materials

In developing shielding structural parts for a smart terminal project, we enhanced the internal structure of the mould, resulting in fewer raw materials used in the mould and about 7.3% decrease in total material consumption.

In a large plastic project developed for intelligent terminal customers, we enhanced the internal structure of the mould, reducing sprue weight by approximately 69.2% and used fewer plastic materials by adjusting the production process.

We follow the 3R principle, i.e., Reduce, Reuse and Recycle, in the product packaging design. We have formulated the *Product Packaging Design Standards* for packaging design of automotive products, which requires that all packaging materials should comply with design standards to improve packaging usage and promote the green and renewable materials used in packaging materials.

### Reduce

In the initial stage of product evaluation, the shape of inner package is designed according to the product size to minimise the waste of packaging materials. The outer package has the size corresponding to the box to maximise the box volume, and the capacity rate should be no less than 90%.

### Reuse and recycle

All products are packaged by the materials recycled multiple times except in the initial stage of sample development or at the customers' request. Equipment and materials reused in product packaging mainly include vacuum trays, turnover boxes, boarding boxes, hollow plate boxes, and plastic trays.

Reduce, reuse and recycle measures for product packaging

## 2.5 Quality Services for Customers' Delight

Sunrise Technology is dedicated to providing quality services that delight customers. We continually enhance customer satisfaction by the sound communication and feedback mechanism and continuous research. In addition, we devote our efforts to protect trade secrets and ensure information security through the complete management mechanism, fully safeguarding customers' rights and interests.

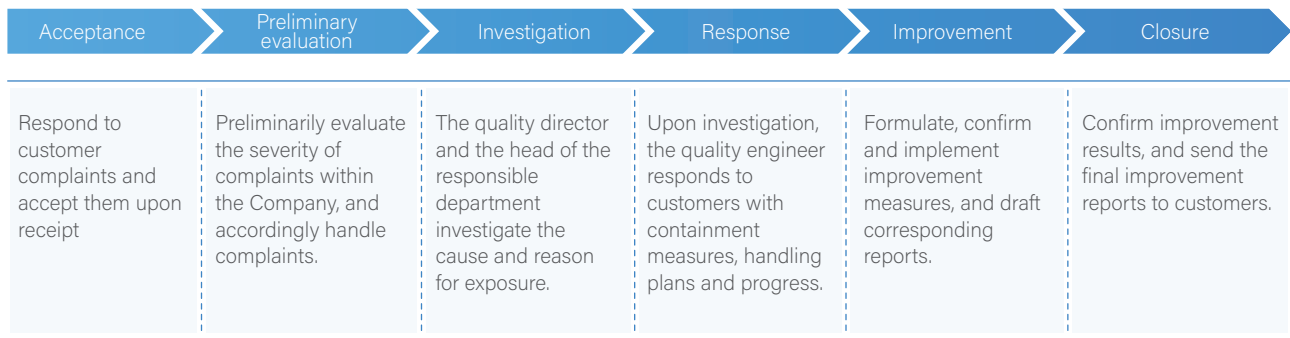
### Protecting Customers' Rights and Interests

Sunrise Technology develops strategic partnership with customers in direct selling mode. We participate in the products' R&D design with customers and provide them with customised services to follow through the pre-sales, R&D, after-sales and etc. phases. At the same time, we build multi-dimensional communication channels for our customers to enable close cooperation and timely response.



Sunrise Technology works on continuous improvement to enhance customer satisfaction. Specifically, we conduct customer satisfaction surveys every half year. Customers are invited to score the quality, environmental protection, delivery and services. Based on the results of satisfaction survey, we summarise the feedback and make improvements. Meanwhile, we hold special meetings on Continuous Improvement Process (CIP) of customer satisfaction on a monthly basis to collect comments and feedbacks, analyse the reasons, and follow up on the events to be improved.

We have established a sound feedback system and formulated the *Customer Feedback Management Procedure, the Instructions for Sales Return, Confirmation and Replenishment Process*, and other documents to ensure that customer feedback and complaints are both responded to and settled.



Customer complaint handling process

## Safeguarding Trade Secrets and Information Security

Protecting trade secrets is one of the important preconditions to maintain market order. Sunrise Technology is fully supportive of safeguarding customers' rights and interests, and takes all necessary measures to strictly protect trade secrets and ensure information security. All technical files that involve trade secrets such as intellectual property rights or other specific document types are encrypted, and information security system is installed on the computers for product R&D personnel and technology developers. Moreover, we provide limited access to posts in the OA system to control the transmission range of different types of documents and to safeguard the information security.

We specify confidentiality obligations in the *Employee Handbook*, requiring employees to protect such information as the Company's trade secrets and employees' personal privacy and to enter into a *Non-competition Agreement* if necessary. When a new employee joins the Company, we conduct training on the Company's confidentiality requirements they need to follow.

In terms of information security management, Sunrise Technology actively prevents and controls information security risks following the information security management principle of "prevention first and strict management". We evaluate the potential risks that may cause information security incidents at regular intervals, and accordingly develop and take preventive measures or rectification measures to prevent information security incidents. We have established a comprehensive data backup strategy to prevent data loss due to information security emergencies:

Daily local backup of business system database checked and screenshot taken by the first responsible person every Monday and reported in the OA system; the second responsible person will check and confirm in the OA system.	Daily server backup (local + off-site) checked and screenshot taken by the first responsible person every working day and reported in the OA system; checked by the second responsible person and confirmed in the OA system.	Off-site backup, set up a sub-core server room in a different plant, responsible for daily off-site backup of local/subsidiary servers.
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At the same time, Sunrise Technology has formulated emergency plans to cope with information security incidents. We classify information security incidents into four levels according to their impacts as extremely serious, serious, less serious and general. In case of any incident, we immediately organise relevant personnel for remedial actions in a timely and orderly manner to ensure that the system can restore as soon as possible. In case of a serious or extremely serious incident concerning information security, we will preserve the original evidence to the greatest extent while responding to emergency. If any criminal act is detected, we will report it to the police according to the law.

# 03 Responsible Procurement for Win-Win Cooperation with Partners

Sunrise Technology has established a sound supplier management system and communication mechanism. In addition, it also actively seeks to build a long-term and stable cooperation partnership with suppliers. Meanwhile, we actively practise green procurement and local procurement. In addition, we also require suppliers to follow our rules on responsible procurement to facilitate the sustainable development of the supply chain.



## 3.1 Supply Chain Management

Besides the *Supplier Management Procedures*, Sunrise Technology has also established supplier management processes covering supplier development and selection, daily review of suppliers, hierarchic management for suppliers and elimination of unqualified suppliers. In this way, we are able to develop competitive cooperative suppliers. We strictly review the qualification of suppliers as well as their products. When a new supplier is introduced, we require it to sign relevant documents such as the *Honesty Agreement*, the *Non-disclosure Agreement*, the *Supplier Quality Agreement*, the *Letter of Commitment on HSF* and the *Statement on Volatile Organic Compounds (VOCs)*. This can ensure that both the suppliers and their products meet the quality requirements as well as the international standards, national standards or customers' standards on environmental protection. During the Reporting Period, 85% of Sunrise Technology's suppliers of raw materials, outsourcing and packaging accessories passed the certification of the ISO 9001 Quality Management System.

In the daily cooperation, we provide suppliers with diverse communication channels, such as on-site communication and review, annual supplier meeting and interviews, enhancing the coordination effect. In addition, we also conduct monthly assessment and annual comprehensive assessment of suppliers and adopt hierarchic management according to the assessment results. For suppliers with excellent performances, we praise and award them at the annual supplier meeting so as to motivate them to continuously improve their performances. Suppliers who do not cooperate with the audit process, receive a cumulative total of three quality contact letters within six months, or are in the bottom three of the annual overall assessment will be withdrawn from the supplier list.

### Case:

#### Annual supplier conference

In November 2022, Sunrise Technology held an annual supplier conference in Dongguan with the theme of "Strong Foundation • Change, Quality Winning Future". After the suppliers visited Dongguan Zhongxingrui (Dongguan factory), we communicated closely with them on Sunrise Technology's strategic planning, technology development planning, quality strategic planning and supply chain strategy. At the same time, we presented four awards to outstanding suppliers, including the Quality Excellence Award, the Best Service Award, the Best Cooperation Award and the Strategic Partner Award, and invited outstanding supplier representatives to make speeches to further promote the synergy and cooperation between Sunrise Technology and the suppliers.



Supplier representatives participated in Sunrise Technology's annual supplier conference

## 3.2 Responsible Procurement for Sustainable Development

We pay attention to the ESG performance of our suppliers and integrate the ESG requirements in the supplier review to ensure that the practices of our suppliers comply with the rules of Sunrise Technology.

In the *Basic Transaction Contract* signed with the suppliers, we explicitly state that, all of our suppliers' operations should comply fully with the laws and regulations of the countries or regions in which they operate. At the same time, suppliers are required to ensure that their working environment is safe and respectful of human rights and that all operations are consistent with international human rights conventions such as the *United Nations Guiding Principles on Business and Human Rights*.

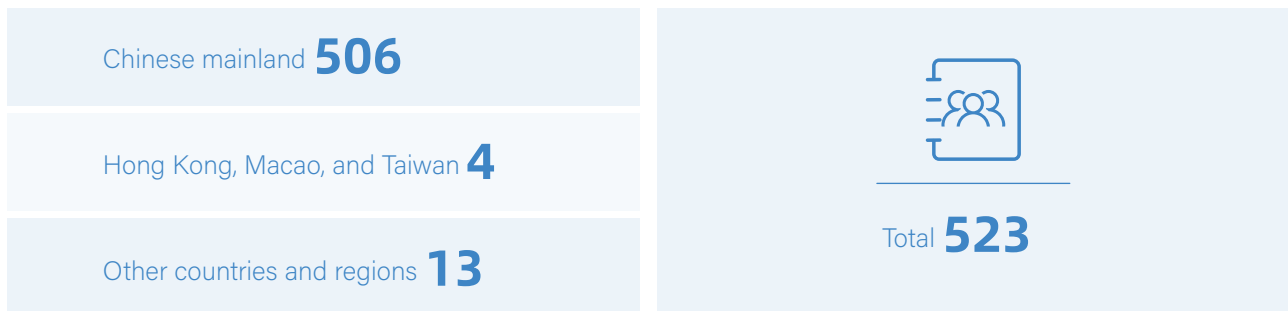
As to environmental protection, we require suppliers to manage the collection and transfer of hazardous wastes as well as greenhouse gas emissions during the on-site review. At the same time, we review the HSF process management and control system of our suppliers, and give scores based on evaluation from the aspects of management system, relevant training, HSF management and control standards, design & development, supplier management, materials input and procurement, etc.

In addition, we advocate local procurement. Through such practice, we facilitate the development of the local economy and lower the impact on the environment in the transportation process.

By the end of the Reporting Period,

we had a total of **523** suppliers. Among them, the number of local suppliers in line with our local procurement rules (based on the provinces where we operate) accounted for **47%** of the total number of suppliers.

The number of suppliers by geographical region by the end of the Reporting Period is as follows:



# 04 Mutual Development for Employees' Wellbeing

Sunrise Technology is deeply aware that stable operation and healthy growth cannot be achieved without the contributions and support of employees. We provide employees with a reliable guarantee of their rights and interests, a healthy and safe working environment, a competitive salary system, a comprehensive training system, and transparent and fair promotion channels. In addition, we promote a "family culture" and care for our staff as "family members", and we are committed to becoming a "happy enterprise". We engage employees in our operation and culture building as much as possible through holding employee care activities, organising voluntary services, carrying out humanistic education, etc. In this way, employees are able to achieve their personal values and obtain the sense of happiness.



## 4.1 Employee Rights Protection and Communication

We strictly abide by the laws and regulations in the countries and regions where we operate, such as the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests* and the *Provisions on the Prohibition of Using Child Labour*. Based on the above documents, we have formulated internal rules and policies such as the *Employee Handbook* and the *Management Rules on Employee Protection* to fully safeguard the legitimate rights and interests of employees.

### Diversity and Equality

Sunrise Technology has defined the relevant principles in the *Management Rules on Employee Protection* and the *Policy on Recruitment and Employment Management* for employment procedures, performance assessment and promotion, and daily work. We treat all employees equally and impartially and forbid any discrimination regarding religion, nationality, region, gender, disability, etc. By the end of the Reporting Period, we employed 5 persons with disabilities and 4 military veterans.

By the end of the Reporting Period, Sunrise Technology had a total of 3,061 employees, and the composition is as follows:

	Indicators	Number of employees (persons)	Percentage of employees by category (%)
By education background	Middle school and below	1,660	54.23%
	High school and secondary specialised school	659	21.53%
	Junior college and undergraduate	715	23.36%
	Graduate and above	27	0.88%
By profession	Administrative personnel	276	9.02%
	Financial personnel	37	1.21%
	Technical personnel	277	9.05%
	Sales personnel	74	2.42%
	Production personnel	2,397	78.30%

#### Case:

#### Respecting employees' religious beliefs

Islam in Indonesia requires believers to pray five times a day at 4AM, 6AM, 12PM, 6PM and 7PM. Sunrise Indonesia fully respects the beliefs of its employees by allowing Muslim employees to stop work during prayer times and has set up a special prayer space within the factory to facilitate daily prayers.



Sunrise Indonesia: Muslim prayer space

## Safeguarding Rights

We comply with the requirements of the international human rights convention and the international labour standards. We resolutely oppose child labour and forced labour of any form. When new employees join our company, we recheck their ID cards and academic certificates to prevent employing child labour by mistake. In addition, we strictly abide by the rules on legal working hours. If overtime work is needed, we will discuss with employees and never force or threaten employees to do overtime work. During the Reporting Period, Sunrise Technology did not have any violation of the laws and rules relating to child labour and forced labour.

Besides, Sunrise Technology has also established a united labour union which helps enhance communication and exchanges between the management and employees. The labour union has signed a *Collective Agreement* with the Company. The agreement clearly defines the relevant standards on salary adjustment, pay cycle, labour safety and sanitation, rights and interests of female employees, etc., to safeguard the rights and interests of all employees in a more systematic and practical way. During the Reporting Period, Sunrise Technology did not have any dispute over labour relations or any incident involving suspected violations of employees' rights and interests.

## Remuneration and Benefits

Sunrise Technology provides employees with competitive salaries. When preparing salary standards, we comprehensively consider employees' professional skills and quality, labour intensity, job responsibilities and working conditions. In addition, we also refer to the salary guidelines for local enterprises, the average salary of employees in the industry, the guiding price in the labour market, etc., to ensure that the salary level of the Company is reasonable. At the same time, our salary standards follow the principles of labour-based distribution and equal pay for equal work so as to strictly guarantee that employees get the same pay for the same work.

In order to fully motivate our employees, share the fruits of our business performance and enable them to grow together with the Company, we have launched an employee equity incentive plan since 2021. The deep integration of the incentive scheme with the corporate culture helps us to enhance the cohesiveness and spirit of the Company, thereby ensuring the effective implementation of our strategic planning and business objectives.

## Communicating with Employees

Communication is an important way to interconnect employees at different levels. We are deeply aware that smooth communication is a precondition to building the cohesive force. Through regularly organizing formal exchange activities such as happy luncheon communication meeting, employee gatherings (Konpa) and hometown fellows get-togethers and informal exchange opportunities like WeChat group, luncheon/supper communication meeting, we listen to the voices of employees and understand their actual working and living conditions. In addition, we have set up President Wechat, HR manager Wechat. Subsidiaries such as Dongguan Zhongxingrui and Sunrise Vietnam have specially set up a "General Manager's Mailbox". In this way, employees can report problems and make suggestions directly to the senior management, participating in the development process in a practical way. We conduct the employee satisfaction survey by anonymous sampling questionnaire every half year to collect employees' comments on and suggestions for the Company, and based on the findings, continuous improvements are made to the core concerns of employees.

In addition, Staff Congresses and Labour Union Meetings are important ways for us to listen to the suggestions of our employees. During the Reporting Period, we held 2 Staff Congresses to elect new staff representatives and to consider and adopt resolutions such as the *Collective Contract 2022*, the *Collective Wage Agreement 2022* and the *Employee Welfare Agreement* to safeguard the rights and benefits of our employees.



## Talent Attraction and Retention

To attract and recruit various talents, Sunrise Technology has established recruitment channels such as campus recruitment, social recruitment and internal recruitment. Besides, Sunrise Technology has also promoted its recruitment activities via recruitment websites, WeChat, Tik Tok, etc. We have formulated internal policies such as the *Policy on Recruitment and Employment Management* and the *Campus Recruitment Plan* to ensure that the relevant processes are more regulated, policy-based and standardised. For new employees, we take multiple measures like orientation training, "centralised military training," and "HR coordinator" to help them quickly adapt to the new working environment and further enhance the stability of the Company's human resource structure.

Case:

**"HR coordinators" helped new employees adapt to the new working environment**

To help new employees better adapt to the working environment and accept the corporate culture, the Company has specially set up the post of "HR coordinator", assumed by employees having a relatively longer working period and richer working experience. Each "HR coordinator" is responsible for coaching no more than 10 new employees. The "HR coordinator" proactively learns the daily work performance of new employees and various difficulties they encounter in life via WeChat, face-to-face talk, etc. In addition, the "HR coordinator" regularly communicates with the instructors and department heads of the new employees to help solve various problems.

Besides the active actions taken in introducing talents, Sunrise Technology is also committed to improving the stability of its employees. Each year, we hold a "Commendation Conference" during the celebration of Factory Day in gratitude for the loyalty and dedication of long-serving employees, and award them honour certificates, gifts and cash bonuses.

## 4.2 Humanistic Care for the Happiness of Employees

Providing humanistic care is the foundation of building a happy enterprise. Sunrise Technology advocates the "family culture" and treats employees as "family members". With its care, employees feel the sincerity of the management and the love from the big family. In this way, a reliable relationship of mutual trust between the Company and employees is gradually established.

### Humanistic Concern

Every year, Sunrise Technology has a special budget to improve both the working and living environment of employees, along with a variety of benefits. Continual efforts have been made to create an enabling environment for dining and accommodation. To help employees realise a balance between work and life, a variety of facilities is available in the living quarters of employees such as ping-pong tables, basketball court, indoor fitness room and reading room. In addition, convenience facilities such as convenience store, café and hairdressing saloon are located in the working-life area to enhance employees' sense of happiness and make their life more convenient.



A living environment with continuous improvement



We hope employees could live happily with their family members. To realise this goal, we provide family members of our employees with a series of care funds. Besides, in order to bring employees closer to their children and to help the children understand the difficulties of their parents and to solve employees' worries about having no one to take care of their children during the summer, we regularly carry out summer camps for the children of our employees so that their children can have a meaningful summer holiday. For pregnant employees, we provide nutritious lunch meals and noon break rooms and offer special treatment as to working time, working environment, etc.



We Care Fund for the elderly

For employees whose parents are over 80 years old, we provide these employees with RMB 200 on a monthly basis.



We Care Fund for babies

Employees having left-behind children aged between 1 and 12 are granted RMB 200 on a quarterly basis. Besides, we provide these employees with a paid leave and reimburse their transportation fees to encourage them to go back to their hometown to see their children.



We Care Fund for families

In caring about the personal growth and family happiness of employees, we provide them with wedding fund, newborn baby fund and other family funds.

We Care Funds



Summer camp for employees' children



Nutritious lunch meals for pregnant employees

In special days such as official holidays and employee's birthday, we provide employees with special care and spend time together with them to celebrate the important time.



In caring about non-native employees who choose not to go back to their hometown in the Chinese New Year, we prepare the New Year's Eve dinner for them and red packets for their left-behind children.



On the first workday after the Chinese New Year, we give each employee who returns to work on time a red packet to wish them a good start.



To celebrate the Chinese New Year, we provide every employee with special purchases.



During the Dragon Boat Festival, we provide every employee with handmade Zongzi and salted duck eggs as gifts.



On Women's Day, we provide female employees with gifts in gratitude for their contributions and dedications.



We attach importance to the birthday of every employee and hold a birthday party every month.

We actively organise a variety of activities such as new employees' communication meetings to facilitate mutual help and care between employees.



By organising new employees' communication meetings on a quarterly basis, we know about the conditions of new employees in adapting to the new environment and guide them to overcome difficulties in work.

In addition, to enrich the personal life and promote the communication of employees, we organised various activities during the Reporting Period, including team building tour, sports meeting, hobby group competitions and foreign language corner.



Team building tour



Hobby group



Sports meeting



## Teaching of the Sages

Learning from teaching of the sages enables employees to get the essence of happiness and enjoy a happy life. With the traditional Chinese culture and Kazuo Inamori's Philosophy as the core, we persistently promote sage education among all employees. By holding activities such as worshipping ancestors and memorising Confucius, happy life class, and parents-children summer camp, we strive to help employees live a happy life and have a happy family.

### Ceremonies of worshipping ancestors and memorising Confucius:

We hold ceremonies on Tomb-Sweeping Day and Confucius's birthday every year. In the ceremonies, we bow, burn incense and read Confucian classics, in gratitude for the endeavours of our ancestors to build a peaceful and stable home, and the wisdom of Confucius.

### Happy life class:

Starting in 2014, we have carried out a "happy life class" campaign every year to help employees understand the essence of happiness in life. The campaign lasts for 4 days and 5 nights or for 2 days with the participation of all employees.



### Learning activity on Disciples' Rules:

We are implementing a progressive plan for employees to learn and practise the *Disciples' Rules*. The aim is to realise, together with our employees, the four stages of happiness (individual happiness, small family happiness, big family happiness and social happiness).

### Parents-children summer camp:

Starting in 2013, we have organised a parents-children summer camp for the children of our employees free of charge each year. In the summer camp, the children can not only learn traditional Chinese culture and manners, participate in labour and interest activities but also have an opportunity to get together with their parents.



## Green Environmental Protection

Human beings are inextricably bound to nature. Through activities such as education on environmental protection, weekly road cleaning and regular land cultivation, our employees learn to respect nature, protect the earth and establish environmental protection awareness. Besides, we also take concrete actions for a better future of harmonious coexistence between humans and nature. In daily work and life, our employees gradually form good habits of saving food, having a healthy and low-carbon diet and reducing the use of disposable goods.

### Road cleaning activity:

We organise employees to clean the roads within the factory area every week.



## Health Promotion

Health care is the extension of humanistic care. Moreover, it is fundamental for the happiness of everyone. To better care about employees and their family members, the Company carries out a variety of activities such as "Shanxintang" medical services, collective sports and first aid training. By focusing on health services, sports and health knowledge dissemination, the Company aims to enhance the health awareness of employees as well as to safeguard their physical and mental health.

### "Shanxintang" medical services:

Diagnosis and treatment of common and simple illnesses, medicine purchase, consultation, TCM (Traditional Chinese Medicine) physiotherapy and other services are provided.



### Collective sports:

We organise and carry out a variety of collective sports such as basketball, yoga, taichi, body-building exercise, trampoline, badminton and hill walking.



### First aid training:

Every three years, we invite workers from professional institutions to conduct first aid training for employees, including how to perform CPR (Cardiopulmonary Resuscitation) and use AED (Automated External Defibrillator).

## Social Welfare

Charity is a way through which we pass on the love and is also an embodiment of shouldering social responsibilities. We actively organise and carry out public charity activities such as blood donation and caring about sanitation workers. In addition, we encourage employees to do at least one good deed every day and integrate such morality into their daily life. For this purpose, we have set up the "Bamboo Tube Fund". Through practical actions, we guide and support employees to spread our "love culture" to the whole society.



### Bamboo Tube Fund:

In 2014, the Company began to engage in the charity cause and set up the "Bamboo Tube Fund", which advocates "doing at least one good deed every day". Besides, we run the "Bring Bamboo Tube Home" activity quarterly, spreading employees' love around the world with the footprints of the Compassion Relief Tzu Chi Foundation.

### Blood donation:

Every year, the Company cooperates with the relevant departments of the local government and organises employees to participate in the blood donation activity. In addition, the Company has built a group for voluntary blood donation for related information dissemination, coordination and communication in a timely and all-around way.



### Caring about sanitation workers:

To show gratitude to sanitation workers for their hard work in maintaining a clean environment, under the leadership of our Chairman, we pay visits to them with gifts in important festivals such as the Spring Festival, the Mid-Autumn Festival and on World Environment Day. During the physical examinations for our employees, we also organise sanitation workers to take physical examinations free of charge.



## Volunteer Activities

Characterised in benefiting others and passing on love, the volunteer spirit is significant for an enterprise to enhance the sense of happiness of its employees. The Company organised an internal "volunteer team" in March 2013 to carry out periodic volunteer activities, including lunch services, environment cleaning and caring fleet. We also give an award to outstanding volunteers every quarter in order to attract more participants while motivating the existing members. By the end of the Reporting Period, the volunteer team had over 600 members and provided voluntary services for over 8,000 times during the Reporting Period.

### The Company's special case:

#### Volunteer activities

**Lunch service:** Volunteers provide everyday services, including guidance and assistance for meal preparation, and have independently developed the "cloud ordering" mode and software so as to improve the efficiency of meal preparation and reduce food waste, practising the initiative of "empty plate" from the very beginning of procurement. Reported by *Ningbo Evening News*, our practice has been adopted by multiple corporates and obtained wide recognition.

**Caring fleet:** To care about non-native employees who face difficulties in getting a ride during the homeward rush before the Spring Festival, we have carried out the "Caring Fleet sending you back home" activity every year since 2013. The "volunteer team" stands out to organise "Caring Fleet", sending the employees in need to the high-speed railway station and bus station and helping them carry luggage.



Daily activities of volunteers

## Happiness Storytelling

Recording humanistic care activities is an important way for the Company to pass on positive energy and disseminate the true, the good and the beautiful. We record every bit of happiness of the Company in words, pictures, videos, etc. and publish them on the platforms such as the Company's official website, "Happiness TV", internal magazine, and the official WeChat account of the Company. Through these ways, we help employees deepen their sense of happiness as well as promote the happiness culture of the Company.

### WeChat official platform:

Sunrise Technology has opened the WeChat official platform - "Sunrise Technology", which aims to publicise the happiness activities of the Company and practical cases of employees while sharing quality content such as the latest updates of the Company.



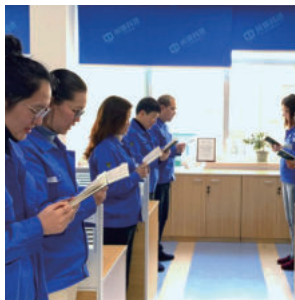
## Dedication

We believe that every employee should abide by social ethics and morals with great respect, and proactively fulfil obligations of their own. As long as every employee aspires to become a happy employee, a good son/daughter, a good father/mother, a good volunteer and a practitioner of wise men's ideas, he/she will create values for the Company and the society and will ultimately realise his/her value of life.

Therefore, we encourage employees to start with things around them and cultivate a sense of responsibility, through activities such as "equipment caring and cleaning" and "dorm room tidying and cleaning". In addition, we organise morning reading every day and require employees of all departments to read *Disciples' Rules* and Kzuo Inamori's Philosophy, etc. for the purpose of empowering their mindset.



"Equipment caring and cleaning" activity



Morning reading



## 4.3 Diverse Training for All-Round Development

In addition to philosophical education and traditional culture education, we also organize other training courses, covering various aspects including professional knowledge, management skills and foreign languages, so as to help employees improve their professional skills and quality. We also continue to optimize promotion paths and encourage employees to give full play to their personal strengths and abilities in the workplace, creating a fair and diversified development environment and a positive company atmosphere.

### Employee Training

On top of providing employees with sage education, the Company always encourages employees to continuously strengthen their professional quality, vocational skills and knowledge reserve, and thus achieve better personal development. We provide employees with various training in the form of both online and offline classes. The training types include internal instructor training and outsourced training for reserve cadres, while the training content covers further education, foreign language training, working skill enhancement, management ability training and other aspects to further help employees make progress by using fragmented time.

We have set up the internal instructor training and management policies, and prepared the annual training plan. In addition, we also hold activities to celebrate the "Internal Instructors' Day" every year. During the Reporting Period, the contents of the training courses we conducted included social responsibility, environmental substances management and quality training.



Internal instructor training



Outsourced training for reserve cadres

We carry out outsourced training programmes for backbone employees to enhance their leadership and management ability for the relevant departments. The Company bears the expenses arising from the training courses.

We encourage employees to enhance their academic qualifications in their spare time, including upgrade to junior college degree and to undergraduate degree. After choosing the targeted college/university and major, employees fill in an application form for archive, and can have 50% of the entire tuition fees reimbursed by the Company if graduation certificate is obtained and the training agreement is signed and fulfilled.



Further education training



External language training

We hire external lecturers from local universities to provide employees with English and Japanese language training. Based on employees' language levels, we offer them options of basic training courses and enhancement training courses. On the other hand, we encourage employees of our overseas subsidiaries to study Chinese and reward outstanding learners.



"Internal Instructors' Day" activity in 2022



Small-class foreign language training



Centralised training for reserve cadres



Chairman of the Company conducted training as the instructor

During the Reporting Period, the Company invested **1.59** million yuan in training for employees.

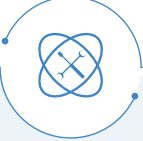
## Promotion and Development

Sunrise Technology practises the concept of business development driven by talents. We also value the career development of our employees. By continuously improving and optimising the promotion channels, we hope to create a fair and diverse development environment for our employees. According to the business features and positions' nature, we divide all posts into 3 horizontal series, namely the executive management series (E series), the technical expertise series (T series) and the operation and maintenance series (C series). Based on their personal ability and character, employees can freely choose their development channels.




**Executive management series E**

Posts that are in charge of team management and have administrative functions. Ranks are vertically divided into 9 tiers from E04 to E12.



**Technical expertise series T**

Posts responsible for product R&D, technology development while not having administrative functions. Ranks are vertically divided into 10 tiers from T01 to T10.



**Operation and maintenance series C**

Operational posts on production operation/quality testing/equipment maintenance and commissioning/warehouse logistics/administrative logistics, etc. at operation sites. Ranks are vertically divided into 5 tiers from C01 to C05.

We conduct performance assessment on employees every month and carry out talent review annually to help the Company build a more competent talent team and a more reasonable talent structure. Based on the assessment report and the review results, and following the relevant internal policies of the Company such as the *Salary Management Policy*, the HR Administration Department makes a decision on talent promotion and determines the salary adjustment plan. Besides, it also prepares the Individual Development Plan, special training and development-orientated job rotation arrangement of next year for key employees. These measures aim to inspire talents to exert their potentials and help them grow together with the Company.

## 4.4 Production Safety and Health Management

Sunrise Technology always attaches importance to the safety and health of its employees. We strictly comply with the laws and regulations in the countries and regions where we conduct businesses, such as the *Work Safety Law of the People' s Republic of China*, and the *Law of the People' s Republic of China on the Prevention and Control of Occupational Diseases*. In addition, we adhere to the safe production policy of "safety first approach focused on prevention and supplemented by comprehensive control" , and are committed to providing employees with a safe and healthy working environment.

We have established a sound occupational health and safety management system. The Company and its subsidiary Ningbo Zhongrui have passed the ISO 45001 certification. We have set up a safety management network, which is formed by the Production Safety Commission and the production safety leading team of each department. The network is to take charge of implementing laws, regulations and policies related to production safety, as well as formulating the relevant strategies, objectives and plans of the Company. Work summary and reporting is conducted once a year.





## Production Safety System

Sunrise Technology has formulated internal policies such as the *Safety Management Regulations*, the *Management Rules on Safety Inspection and Hidden Dangers Rectification* and the *Safe Production Liability System for Hazardous Chemicals Warehouse*. These policies explicitly define the aspects such as safety risk assessment, safety risk management and safety risk inspection to ensure that work on production safety has rules to follow and all employees have a reliable and safety guaranteed working environment.

According to the laws and regulations in the countries and regions where we operate, we regularly carry out safety risk assessment of the production environment and submit safety risk assessment reports towards local government. Besides basic information such as persons in charge of safety work, the proportion of funds invested in safety work, and the production safety qualification certificates received, the reports also detailly record the locations of the workshops with safe production risks, the risk category and risk level, as well as the relevant control measures taken.

For instance, for hydrocarbon workshops that use flammable and combustible chemicals and thus have a relatively high fire risk, our control measures include installing ventilation and collection systems, conducting regular spot inspections on fire extinguishers, arranging specially-assigned personnel to take charge of the relevant areas, etc. For the fire water pool which poses poisoning and suffocating risks, we have prepared the *Rules on Operation in Confined Space*. We also paste confined space related sign boards at conspicuous places to remind employees of various potential risks and relevant measures on personal protection and emergency handling.

To ensure the proper implementation of the safety risk management measures, we have clarified the frequency and process of the safety risk inspection in relevant policies and documents. Each team, workshop and the Company should conduct safety risk inspection at least on a weekly, monthly and quarterly basis, respectively. If a hidden danger is identified, the relevant person in charge should immediately record, report, rectify and receive assessment, so as to ensure a safe and orderly production process.

In case of actual occurrence of emergency incidents, we have prepared comprehensive emergency plans, including the *Emergency Preparedness and Response Management Procedure*, the *Emergency Response and Handling Measures for Fire Hazards* and the *Emergency Response and Handling Measures for Chemical Leaks*. With these plans, we are able to handle emergency incidents in a timely and appropriate way, while mitigating their impacts on people, environment and properties. At the same time, each factory of Sunrise Technology has set up an emergency command centre, responsible for emergency response in face of relevant incidents.

## Culture of Production Safety

We provide employees with all-round education on production safety and occupational health, including regular training and special training. The purpose is to help employees establish their safety awareness and enhance their abilities of self-rescue and mutual-rescue in emergency incidents. While strengthening employees' safety awareness at work places, we are building the risk prevention culture of the Company.

### EHS (Environment, Health & Safety) training for new employees

Helping new employees fully understand occupational hazards and the relevant measures for personal protection, making them aware of the content on the occupational hazards notice boards and mastering the emergency handling measures.



### Fire safety training

Disseminating fire safety knowledge to employees, showing them how to use firefighting equipment and organising employees to carry out escape drills in fire accidents.



Case:

**Production Safety Month activity**

In June 2022, Wuxi Rite conducted the Production Safety Month activity based on the safe production policy of "safety first approach focused on prevention and supplemented by comprehensive management". The activity aimed to enhance the safety management of the company, and to strengthen employees' safety awareness, emergency response ability and the ability on disaster prevention, mitigation and relief. The activity included safety awareness training, safety knowledge contest, practical operation and drill on fire extinguishers, competition on practical operation of fire pumps, etc.



Employees carried out practical operation drill on fire extinguisher

## Occupational Health Management

During the practical process of manufacturing modules, occupational health risk factors faced by employees of the Company include noise, dust, laser and anhydride mist. The Company has set up corresponding protective facilities in each working area and provided employees with protective equipments. Additionally, the Company has also designated safety supervisors to conduct irregular inspections and supervise whether employees wear personal protective equipment as required.

### Dust

Posting the "occupational hazard notification card" in areas with risks to specify the hazard factor, its harm to health, protective measures and emergency handling methods. Providing 3M dust-proof masks and dust-proof caps to employees and requiring them to wear.

### Noise

Posting the "occupational hazard notification card" in areas with risks to specify the hazard factor, its harm to health, protective measures and emergency handling methods. Installing acoustic insulation facilities at the noise source, providing ear plugs, ear muffs, etc. to employees and requiring them to wear.



### Laser

Posting the "occupational hazard notification card" in areas with risks to specify the hazard factor, the harm to health, protective measures and emergency handling methods. Providing goggles and masks to employees and requiring them to wear.



The Company has formulated and implemented internal policies such as the *Occupational Sanitation Management Procedure* to fully safeguard the health and safety of employees. We regularly carry out occupational health examinations for employees in assembly manufacturing, precision stamping, electronic plating and other production departments. In addition, we also establish health records on occupational diseases for employees to record and track their health condition in a timely manner. The details on examination items, examination frequency, examination time, implementation process, etc. are all stipulated in the *Implementation Plan on Occupational Diseases Examination*.

Types of occupational health examination	Examination time
Pre-job physical examination	Within 60 days after onboarding for new employees; within 10 days after taking the new post for employees transferred to another post
On-the-job physical examination	Each August
Physical examination under emergency conditions	When acute occupational hazard incident occurs

Through the above measures, we make every effort to lower occupational health risks for employees and to prevent safe production accidents. However, in case of a work-related injury accident, we also have the relevant response and handling mechanism available. Under such circumstance, the Company will immediately take the employee to hospital for treatment. At the same time, the Company will also carry out investigations on the departments involved in the accident and complete an *Investigation Report on Work-related Accidents* within three days. The report is supposed to record the cause and process of the accident, and the follow-up rectification and preventive measures. The HR Administration Department is responsible for tracking and confirming the implementation of the rectification and preventive measures.

#### During the Reporting Period,

Sunrise Technology did not have work-related deaths. Data on occupational health and safety are mainly as follows:

Occupational health and safety indicators	Data in 2022	Unit
Number of work-related deaths	0	Person
Percentage of work-related deaths	0	%
Number of recordable work-related injuries	20	Pcs.
Working hours lost due to work-related injuries	3,430	Hrs



# 5.1 Emissions in Compliance for Environmental Protection

## Strengthening Environmental Management

We stick to a responsible attitude and strictly manage all types of emissions from our production and operation. Sunrise Technology strictly adheres to laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Atmospheric Pollution Prevention and Control*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes*, and specifies the environmental management requirements in the *Corporate Social Responsibility (CSR) Manual* based on the policy of "preventing pollution, saving energy and reducing waste", to control the pollution and prevent pollution incidents throughout the entire production and operation process. By the end of the Reporting Period, Sunrise Technology's six manufacturing factories (Ningbo Sunrise, Suzhou Zhongxing Lian, Wuxi Rite and Dongguan Zhongxingrui) and its overseas factories in Vietnam and Indonesia have all obtained the ISO14001 Environmental Management System Certification.

### ISO14001 Environmental Management System Certification



Ningbo Sunrise



Suzhou Zhongxing Lian



Sunrise Indonesia



Wuxi Rite



Dongguan Zhongxingrui



Sunrise Vietnam

We have established the EHS Committee structure with the Company's president as the first person responsible for EHS in Sunrise Technology and the general manager of each subsidiary as the first person responsible for EHS in their respective subsidiary. On this basis, each factory has further formed organizational structures such as Safety and Environmental Protection Management Committees, creating a top-down, information-transparent, and coordinated environmental management system. We have also refined the environmental management functions of each department to achieve comprehensive planning, implementation, and monitoring of environmental management work. By the end of the Reporting Period, Sunrise Technology was not involved in any major environmental or ecological accidents.

In addition, to ensure a timely and effective response to emergencies, including hazardous chemical leakage and environmental pollution accidents, we have established an *Emergency Preparedness and Response Management Procedure*, formulated detailed emergency plans, and organised emergency drills, which aim to deepen the ability of all personnel to handle emergency accidents and minimise the impact of accident risks.





## Emission in Compliance

Sunrise Technology formulates and strictly implements internal policies, including the *Solid Waste Control Procedure*, the *Hazardous Waste Management Policy*, the *Sewage Treatment and Management Procedure*, and the *Exhaust Gas Treatment and Discharge Management Procedure*, to standardise the management of the environmental impact of exhaust gas, wastewater, noise and solid waste generated during production and operations. Committed to continuously reducing the potential adverse impacts of various emissions on the environment and health, we regularly set annual emission management goals and clearly define the responsible departments for each goal as well as the departments responsible for assessing goal achievement. By the end of the Reporting Period, Sunrise Technology achieved 100% of its emission management goals for 2022.

### Goals and review

Goals	Review of goals in 2022
1. 100% of domestic wastewater meets discharge standards	Achieved
2. 100% of external noise meets regulatory standards	Achieved
3. Qualified processors process 100% of hazardous waste	Achieved

We regularly engage qualified third parties to conduct monitoring of wastewater, exhaust gas, and noise levels in and around our facilities to ensure effective environmental protection. During the Reporting Period, all the monitoring results met regulatory standards. Additionally, we have established a comprehensive mechanism for handling emissions.

 <b>Exhaust gas</b>	<ul style="list-style-type: none"> <li>· After being treated with VOC exhaust gas treatment facilities and alkaline cleaning, all exhaust gas meets regulatory requirements for discharge</li> </ul>
 <b>Wastewater</b>	<ul style="list-style-type: none"> <li>· Domestic wastewater is discharged into the designated sewage pipe network managed by the local environmental protection department and is treated at the municipal sewage treatment plant</li> <li>· A small amount of wastewater generated during machine/workshop cleaning is treated with oil-water separation before 95% of the purified water is recycled, while the remaining 5% of untreated wastewater is recovered by a qualified third-party company</li> </ul>
 <b>General solid waste</b>	<ul style="list-style-type: none"> <li>· General solid waste is collected and recycled after being classified and sorted</li> <li>· Domestic waste is collected and sent to qualified suppliers for disposal</li> </ul>
 <b>Hazardous waste</b>	<ul style="list-style-type: none"> <li>· Maintain and regularly update a complete, accurate, and up-to-date inventory of hazardous waste</li> <li>· Specified storage areas with anti-leakage facilities for hazardous waste are set up</li> <li>· Qualified and trusted third-party organizations are responsible for disposing of hazardous waste, and we follow the Hazardous Waste Management Procedure to ensure proper treatment and periodic reporting</li> </ul>

We have effectively reduced the generation and discharge of wastewater by introducing water recycling equipment and adopting advanced industrial wastewater treatment technologies. By the end of the Reporting Period, Ningbo Sunrise (Cixi factory) and Wuxi Rite (Wuxi factory) have achieved zero discharge of production wastewater.

Case:

**Wuxi factory of Sunrise Technology reached zero discharge of wastewater through zero discharge treatment installation**

The electroplating process is a necessary step in increasing the wear and corrosion resistance of components, and we make constant efforts to reduce the discharge of electroplating wastewater while optimising the electroplating process. Wuxi Rite (Wuxi factory) has installed a zero-discharge wastewater treatment, which enabled the recycling and zero discharge of wastewater from production. Meanwhile, prior to the installation of the equipment, the factory used nearly 1,000 tonnes of water per month, which dropped to 350 tonnes per month after using the zero-discharge wastewater disposal facility.



Zero-discharge wastewater equipment in the Wuxi Rite (Wuxi factory)

Sunrise Technology's subsidiaries, Ningbo Zhongrui and Wuxi Rite are key polluting enterprises announced by the environmental protection department. In response, we have equipped professional safety and environmental protection personnel, as well as advanced monitoring equipment such as PH online monitoring instruments and water quality monitoring instruments, to detect the indicators of each batch of discharged wastewater and ensure compliance with emission standards. Meanwhile, we disclose pollution discharge information in strict accordance with relevant laws and regulations.

Subsidiary Name	Main Pollutants	Number of Discharge Outlets	Discharge Method	Main Pollutant Names	Approved Total Emissions	Actual Total Emissions	Execution Emission Standards	Approved Emission Concentration	Actual Emission Concentration	Exceedance of Emission Standards
Ningbo Zhongrui	Wastewater	1	Treatment at Hanglian sewage plant, discharge meets standards and enters pipes	Total nitrogen	11,700tonne/year	10,442 tonne/year	GB21900-2008	70mg/l	53.54mg/l	none
				Total phosphorus			GB21900-2008	8mg/l	0.655mg/l	none
				Cyanide			GB21900-2008	0.2mg/l	0.112mg/l	none
				Nickel			GB21900-2008	0.1mg/l	0.038mg/l	none
	Exhaust gas	2	Discharge from exhaust cylinder after alkali spray treatment Discharge after sodium hypochlorite reduction treatment	Sulfuric acid mist	none	1.62*10 <sup>9</sup> m <sup>3</sup>	GB21900-2008	30mg/m <sup>3</sup>	<5mg/m <sup>3</sup>	none
				Hydrogen chloride			GB21900-2008	30mg/m <sup>3</sup>	1.94mg/m <sup>3</sup>	none
Hydrogen cyanide				GB21900-2008			0.5mg/m <sup>3</sup>	<0.09mg/m <sup>3</sup>	none	
Wuxi Ruite	Wastewater	2	Zero emission	PH	0	0	The Huishan District Environmental Protection Bureau requires zero discharge of wastewater	0	0	none
				Total nitrogen				0	0	none
				Total phosphorus				0	0	none
				Cyanide				0	0	none
				COD				0	0	none
				Total nickel				0	0	none
	Exhaust gas	2	Discharge from exhaust cylinder after alkali spray treatment.	Sulfuric acid mist	none	0.0274t/a	The emission standards in Table 5 of GB (21900-2008) Emission Standards for Electroplating Pollutants apply	30mg/m <sup>3</sup>	1.51mg/m <sup>3</sup>	none
				Hydrogen chloride	none	0.417t/a		30mg/m <sup>3</sup>	5.18mg/m <sup>3</sup>	none
				Hydrogen cyanide	none	0.0029t/a		0.5mg/m <sup>3</sup>	0.15mg/m <sup>3</sup>	none

## Recycling Materials

With the growing population and increasing pressure on the ecosystem, resource scarcity has become a pressing issue. Sunrise Technology is committed to recycling and reusing materials, striving to achieve efficient and circular use of resources through exemplary management to convert wastes into resources and further reduce our environmental impact. We continuously classify and collect materials such as waste packaging materials, metal wastes and plastic wastes generated in the production process. We properly store them in designated warehouses and transfer them to the original suppliers for reuse or to qualified resource recovery companies for recycling and disposal on a regular basis. We also actively collaborate with our customers to continuously explore innovative recycling solutions.



Metal scraps recovering

Case:

Recycle the product packaging with customers

Sunrise Technology has established a close collaboration to explore innovative solutions for the recycling of waste materials. For example, we have established a good cooperative relationship with clients on the recycling of packaging materials. Recognising the large volume of plastic shell products we provide for their set-top boxes, which require a significant number of cartons for each delivery, we proposed a carton recycling solution and received strong support from our client. From 2016 to the end of the Reporting Period, we collected a total of 133,034 cartons, effectively improving the utilization efficiency of paper resources.

## 5.2 Energy and Resource Conservation for Carbon and Consumption Reduction

Sunrise Technology strictly adheres to laws and regulations, including the *Circular Economy Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Promoting Clean Production*, the *Water Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*. We have established internal energy-saving policies and meticulously manage resource usage to promote energy conservation, carbon reduction, and a circular economy. Meanwhile, we set annual resource goals and practice our green operation concept. Based on scientific management and cooperation of all departments, Sunrise Technology exceeded all resource-related targets in 2022.

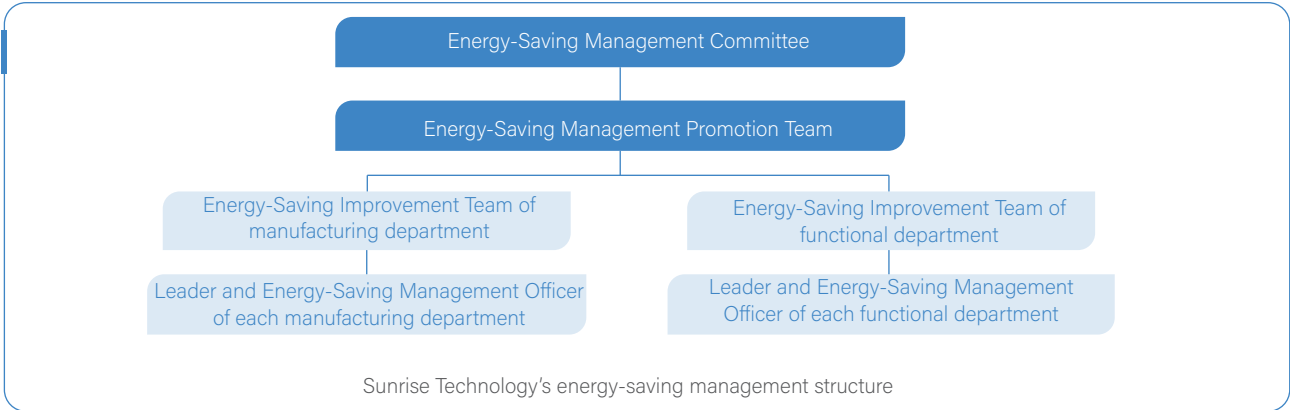
### Goals and review

Resource goals in 2022	Scope	Goals	Actual performance
1. Unit energy consumption per unit of output	Ningbo Sunrise (Cixi factory)	Decrease by 6.30% compared to the previous year	Decrease by 22.78% compared to the previous year
2. Monthly per capita domestic water consumption	Ningbo Sunrise (Cixi factory)	0.70 tonne/month*person	0.61 tonne/month*person
3. Unit water consumption in the electroplating process	Ningbo Sunrise (Cixi factory)	2.00 tonnes/RMB 10 thousand	1.59 tonnes/RMB 10 thousand
4. General solid waste (metal scraps, edge materials, etc.) recycling rate	Ningbo Sunrise (Cixi factory), Dongguan Zhongxingrui	100%	100%



## Energy Management

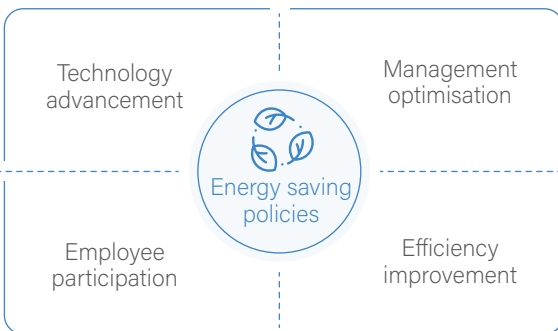
To further improve energy efficiency and reduce carbon emissions from energy consumption, Sunrise Technology has set up a top-down Energy-Saving Management Committee and an Energy-Saving Management Promotion Group, and appointed Energy-Saving Management Officers in each functional department. At the same time, the Company has implemented a dual-line approach to promote the realization of energy-saving goals in both manufacturing and functional departments.



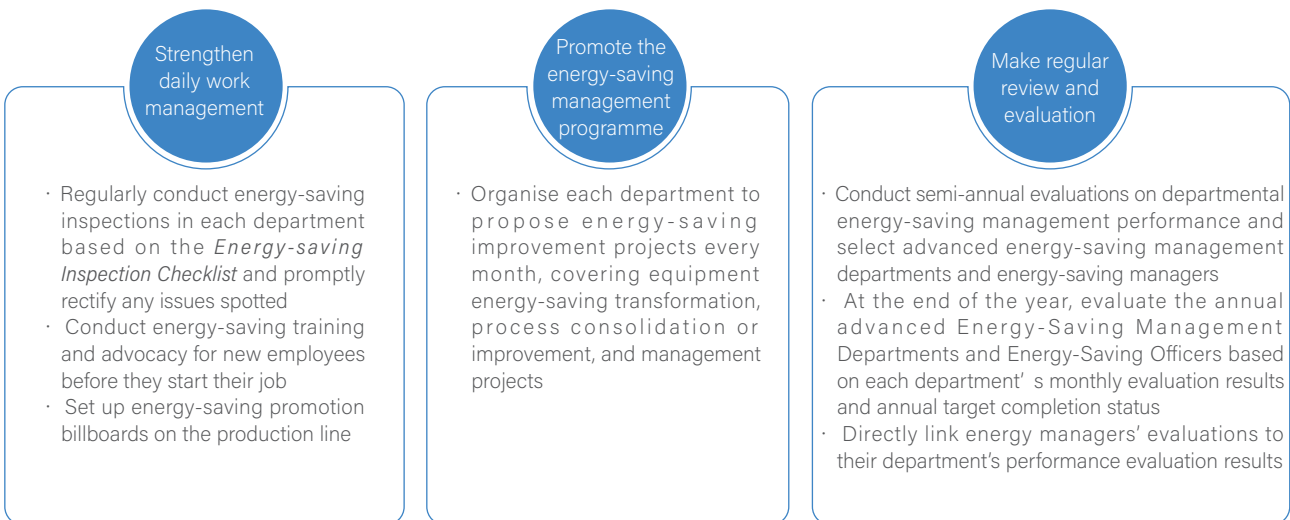
Based on a comprehensive evaluation and analysis of energy use and scientific calculation of energy and departmental output data, we have formulated the overall target for energy consumption per unit of output and the sub-targets for each department. We have also refined each department's sub-targets into monthly targets to facilitate periodic reviews and continuous improvement.

By the end of the Reporting Period,

Ningbo Sunrise achieved a **22.78%** decrease in energy consumption per RMB 10 thousand output in 2022 compared to 2021, exceeding the target by **260%**.



Under the guidance of energy-saving policies and a set of comprehensive *Energy Saving Management Assessment Standards*, each department continuously carries out independent energy-saving management in all respects. Through strengthening daily work management, promoting energy-saving management projects, and regularly summarising and evaluating, we have refined the deployment of energy-saving work, stimulated the participation of all employees, and continuously explored opportunities for energy-saving in the production and operation process. Additionally, we have deepened energy management in the equipment use process by developing and implementing maintenance plans for various types of equipment. For example, we have developed a *Summer Air Conditioning Use and Maintenance, Temperature Management and Restriction Plan* to perform regular maintenance on air conditioning equipment and set a reasonable temperature range to reduce unnecessary energy consumption.



Three modules for energy-saving work

- Regularly conduct energy-saving inspections in each department based on the *Energy-saving Inspection Checklist* and promptly rectify any issues spotted
- Conduct energy-saving training and advocacy for new employees before they start their job
- Set up energy-saving promotion billboards on the production line

- Organise each department to propose energy-saving improvement projects every month, covering equipment energy-saving transformation, process consolidation or improvement, and management projects

- Conduct semi-annual evaluations on departmental energy-saving management performance and select advanced energy-saving management departments and energy-saving managers
- At the end of the year, evaluate the annual advanced Energy-Saving Management Departments and Energy-Saving Officers based on each department's monthly evaluation results and annual target completion status
- Directly link energy managers' evaluations to their department's performance evaluation results

Case:

**Proposal for improvement of heat recovery for air compressors**

Under the energy-saving management programme, the front-line production employees, with their familiarity and understanding of mechanical equipment and production processes, continuously identify opportunities for energy conservation improvement. During the Reporting Period, our employees proposed to retrofit the screw air compressor by replacing the original air-cooled compressor with a water-cooled compressor. The machine's waste heat produced 75°C hot water, which was transported to the employee dormitory's hot water system for secondary heat exchange, thereby supporting the hot water supply in the dormitory with waste heat from the air compressor.

This retrofit effectively reduces the energy consumption of heating water for employee dormitories previously heated by fuel oil and also reduces the operating temperature of the air compressor, prolonging machine life and reducing maintenance costs. This energy-saving project can recover about 70% of the input power for each 132kW air compressor and save nearly RMB 450,000 in costs annually.

## Water Management

Water is an essential foundation for human survival and development. Sunrise Technology actively develops and promotes water conservation initiatives through planning, recycling and water conservation promotion to improve water utilisation. We plan and monitor the per capita domestic water consumption and water consumption of specific production departments and production processes to continuously improve water utilisation efficiency. In addition, we purchase and install water-saving sanitary ware and closely monitor the water utilisation in daily operations.

We widely apply water recycling in our production process. In our injection moulding workshop, we recycle cooling water and reuse the cleaning and grinding wastewater from the workshop after sewage treatment in grinding through the reuse of reclaimed water. We also directly reduce water consumption in the production process directly through process upgrades.

Case:

**Introduction of hydrocarbon cleaners to improve the water utilisation efficiency**

We introduced a hydrocarbon cleaning machine in the production process. Previously, the daily water consumption for cleaning electronic stamping radiator aluminium parts was approximately 7 tonnes, with an annual water consumption of nearly 2,100 tonnes. After using the hydrocarbon cleaning machine, water consumption was almost zero, which laid a foundation for reducing water consumption and improving water resource utilization efficiency.



Hydrocarbon cleaning machine

## Promoting Green Office

We always adhere to green operations, focus on cultivating environmental awareness among all employees in daily management, and actively encourage them to participate in environmental protection efforts.



Paper Conservation

- Promote paper conservation, adopt online office system and advocate the double-sided printing to reduce paper consumption



Water and Electricity Conservation

- Set up slogans for water and electricity conservation, encourage to reduce energy consumption from little things
- Advocate to turn off air conditioners, lighting equipment and other electronic equipment when leave, and establish the inspection system
- Set the air conditioning temperature within a reasonable range to reduce energy consumption



Environmental Education

- Regularly organise environmental volunteer activities to encourage employees to protect the earth with practical actions

Green office measures



Water and electricity conservation slogans

## Reduce Food Waste

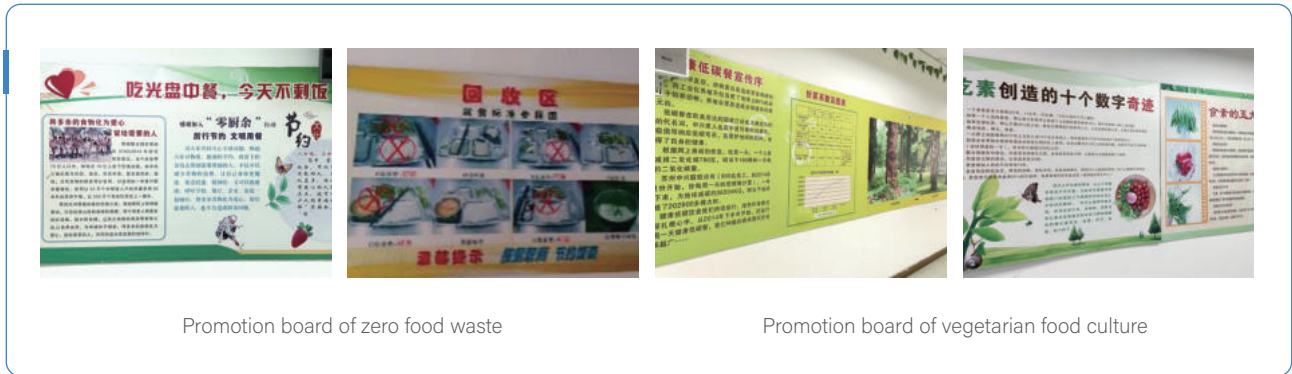
Food shortages exist in many parts of the world, and at the same time, there is a significant amount of food waste. Bearing in mind the old saying that "Every grain of rice is hard-earned", we combine digital tools with measures such as introducing a meal ordering system for employees, promoting zero kitchen waste, and advocating vegetarianism to provide healthy and nutritious meals while effectively reducing food waste and promoting environmental awareness.

Case:

**Sunrise Technology effectively reduced food waste through an online ordering system**

In order to reduce food waste and ensure the quality of employee meals, Sunrise Technology innovatively employs its self-developed "Cloud Ordering" mode and software system. Employees can conveniently view the names, prices, ingredients, and nutritional information of the dishes offered through the ordering system and select their preferred meals based on their dining preferences and needs. The ordering system aggregates employees' dining preferences and needs, making it easier for the kitchen to accurately estimate ingredient usage and implement fine-grained ingredient procurement management, thereby avoiding the generation of a large amount of leftover food.

Sunrise Technology values fostering employees' awareness of cherishing food. We promote zero food waste. During employee induction training, we emphasise and promote zero kitchen waste activities and post slogans in prominent locations such as employee canteens to encourage employees to practice the Clean Plate Campaign and cultivate a dining culture that values food conservation. Furthermore, we actively advocate a vegetarian diet as a healthy and environmentally friendly eating choice, establish a vegetarian culture, and help employees develop healthier dietary habits while reducing the consumption of resources such as water, land, and energy associated with the production and consumption of animal-based food, thereby reducing our carbon footprint.



Promotion board of zero food waste

Promotion board of vegetarian food culture

### 5.3 Response to Climate Change

Climate change is a shared challenge facing humanity. As global warming intensifies, extreme weather events such as floods and droughts are becoming increasingly frequent, and the impacts of climate change on human society and ecosystems are growing more profound. Sunrise Technology has recognised the various risks that climate change may pose to the Company's development, including the threat of extreme weather events such as floods, droughts, and typhoons to the Company's operations and assets; safety risks associated with power outages and flooding accidents caused by extreme weather; compliance costs that may increase as regulatory bodies tighten policies in response to climate change; and unprecedented challenges that may arise from changes in customer demand and market competition as the world moves towards net-zero emissions.

Sunrise Technology has accelerated its efforts in green technology research and development, energy conservation and consumption reduction, and extreme weather response to address these challenges. We are taking multiple measures to accelerate the development and implementation of green technology that is safe and reliable and are dedicated to reducing the consumption of energy and materials in the production process so that we can provide customers with cleaner, low-carbon products. While gradually improving our energy management organisational structure, we continuously upgrade our energy conservation and consumption reduction targets. At the same time, we have established internal emergency response systems, including the *Sunrise Technology Emergency Rescue Plan for Flood and Typhoon Prevention* and established a typhoon and flood prevention and control team. In the event of extreme weather, we can take immediate measures to ensure the safety of our employees and their property and minimise disaster losses.

Sunrise Technology is gradually integrating climate-related risk management into our ESG governance strategy, continuously improving our ability to manage climate-related risks and maximising the reduction of carbon emissions in our production and operation activities scientifically and reasonably. We are committed to working with all our employees, customers, and other partners to make unremitting efforts to mitigate the trend of climate change.



Typhoon and flood prevention in 2022

# 06 Public Welfare for Common Prosperity

Being committed to “contributing to the development and progress of mankind and society”, Sunrise Technology deeply recognises the importance of alleviating poverty and inequality for sustainable development. Moreover, Mr. Zhang Zhongliang, Chairman of the Company, was awarded the 7th “Charity Star” of Ningbo City. Driven by the effort of the management, we have been actively participating in public welfare with a focus on the inheritance of traditional culture, care for families in need and the construction of beautiful countryside, striving to give back to the society through various ways.



During the Reporting Period,

Sunrise Technology donated RMB **3** million worth of cash and supplies.

We are particularly concerned about the underprivileged in the community, and provide constant care and support through targeted donations, material purchase and door-to-door visits, to support the public welfare of local communities.

Case:

**Visit to the nursing home on Double Ninth Festival**

On the occasion of 2022 Double Ninth Festival, Suzhou Zhongxing Lian's general manager and secretary of the CCP branch, chairman of the Labor Union, HR and administrative manager and other staff, on behalf of all the staff of Suzhou Zhongxing Lian, sent deep greetings and care to the elderly living in YangShan Nursing Home at Suzhou High-tech District. The condolences included milk, fruits, bread, miscellaneous cereals etc., to help the elderly have a warm and beautiful golden autumn season.



Representatives from Suzhou Zhongxing Lian visited nursing home

Case:

**Visit to low-income families and impoverished students**

On August 13, 2022, Xingrui Technology Cixi regional CCP members, executive managers and youth backbones of a total of more than 70 people, consoled 29 low-income families in Ningfeng Village, Changhe Town, as well as all 39 students from impoverished families in villages and neighborhood committees in Changhe Town and Lianxing Village, Zong Han Street, sending them love and care.



Company representatives visited low-income families

Case:

**Clothing donation**

Our "good wife volunteer team" organised an activity themed "share the clothing, send the love" among female employees. Our female employees collected, cleaned and folded the unused clothing, and donated them through the "volunteer team" to people in need.

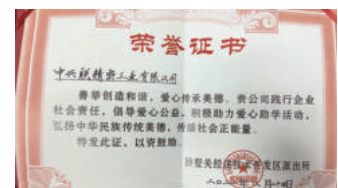


"Good wife volunteer team" with the donated clothing

Case:

**Care for impoverished students**

In July 2022, Suzhou Zhongxing Lian launched the "education assistance activity" to visit local impoverished students and send them love and hope.



Certificate of Honor received after the "education assistance activity"

# GRI Standards Index

<b>Statement of use</b>	Ningbo Sunrise Elc Technology Co., Ltd. has reported the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards.	
<b>GRI 1 used</b>	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021		
2-1	Organizational details	About Sunrise Technology
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-6	Activities, value chain and other business relationships	About the Report 3. Responsible Procurement for Win-Win Cooperation with Partners
2-7	Employees	4.1. Employee Rights Protection and Communication
2-9	Governance structure and composition	11 Corporate Governance
2-10	Nomination and selection of the highest governance body	11 Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	1.4 ESG Management
2-13	Delegation of responsibility for managing impacts	1.4 ESG Management
2-20	Process to determine remuneration	4.1. Employee Rights Protection and Communication
2-22	Statement on sustainable development strategy	Message from the Chairman
2-24	Embedding policy commitments	1.3 Business Ethics and Integrity
2-26	Mechanisms for seeking advice and raising concerns	About the Report
2-27	Compliance with laws and regulations	1.3 Business Ethics and Integrity
2-29	Approach to stakeholder engagement	1.4 ESG Management
2-30	Collective bargaining agreements	4.1. Employee Rights Protection and Communication
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	1.4 ESG Management
3-2	List of material topics	1.4 ESG Management
3-3	Management of material topics	1.4 ESG Management
Economic		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	11 Corporate Governance
201-2	Financial implications and other risks and opportunities due to climate change	5.3 Response to Climate Change
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	3.2 Responsible Procurement for Sustainable Development
GRI 205: Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	1.3 Business Ethics and Integrity
205-3	Confirmed incidents of corruption and actions taken	1.3 Business Ethics and Integrity

GRI STANDARD	DISCLOSURE	LOCATION
<b>Environmental</b>		
GRI 302: Energy 2016		
302-4	Reduction of energy consumption	5.2 Energy and Resource Conservation for Carbon and Consumption Reduction
302-5	Reductions in energy requirements of products and services	2.4 Collaboration for Developing Green Products
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	5.2 Energy and Resource Conservation for Carbon and Consumption Reduction
303-2	Management of water discharge-related impacts	5.1 Emissions in Compliance for Environmental Protection
GRI 305: Emissions 2016		
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	5.1 Emissions in Compliance for Environmental Protection
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	5.1 Emissions in Compliance for Environmental Protection
306-2	Management of significant waste-related impacts	5.1 Emissions in Compliance for Environmental Protection
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	3.2 Responsible Procurement for Sustainable Development
<b>Social</b>		
GRI 401: Employment 2016		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1. Employee Rights Protection and Communication 4.2. Care for Employee Wellness
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	4.4. Production Safety and Health Management
403-2	Hazard identification, risk assessment, and incident investigation	4.4. Production Safety and Health Management
403-3	Occupational health services	4.4. Production Safety and Health Management
403-5	Worker training on occupational health and safety	4.4. Production Safety and Health Management
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4. Production Safety and Health Management
403-8	Workers covered by an occupational health and safety management system	4.4. Production Safety and Health Management
403-9	Work-related injuries	4.4. Production Safety and Health Management
403-10	Work-related ill health	4.4. Production Safety and Health Management
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	4.3. Diverse Training for All-Round Development
GRI 404: Training and Education 2016		
405-1	Diversity of governance bodies and employees	1.1. Corporate Governance 4.1. Employee Rights Protection and Communication
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	3.2 Responsible Procurement for Sustainable Development



# Feedback from Readers

Thank you for reading the *Sunrise Technology 2022 ESG Report*. We sincerely invite you to give your comments and suggestions on this report to help us better communicate valuable information to stakeholders and improve our ESG management.

You can fill in the feedback form and give it back to us via:

E-mail: Sunrise001@zxec.com

Address: No. 1511, Lu'an Road, Changhe Town, Cixi, Zhejiang Province

1. How will you rate the report?

Very Good  Good  Average  Bad  Very Bad

2. How will you rate the social and environmental performance of Sunrise Technology?

Social performance  Very Good  Good  Average  Bad  Very Bad

Environmental performance  Very Good  Good  Average  Bad  Very Bad

3. Do you think this report reflects the impact of the social practice of Sunrise Technology on society and the environment?

Truly reflect  Well reflect  generally reflect  Not reflect so well  Can't reflect

4. What do you think of the clarity, accuracy and completeness of the information, data and indicators disclosed in this report?

Clarity  Very Good  Good  Average  Bad  Very Bad

Accuracy  Very Good  Good  Average  Bad  Very Bad

Completeness  Very Good  Good  Average  Bad  Very Bad

5. Do you think the structure and layout of this report help you to read?

Yes  Average  No

6. What are your other comments and suggestions on Sunrise Technology and this report:

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