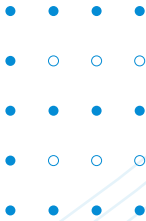


ROBAM老板



Robam Appliances

**Environmental, Social,
and Governance Report 2023**



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PREPARATION INTRODUCTION

Reporting Scope

The Report covers Hangzhou Robam Appliances Co., Ltd. (hereinafter referred to as Robam, Robam Appliances, we or the Company) and its subsidiaries. The reporting scope of the Report is in line with that of the consolidated financial statements of Robam (stock code: 002508) annual report.

Reporting Period

The report is an annual report spanning a period from January 1, 2023 to December 31, 2023. Some of the information is beyond this scope and is described where relevant.

Preparation Basis

This report has been prepared in accordance with the Social Responsibility Instructions to Listed Companies (2006) of Shenzhen Stock Exchange, Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1-Guidelines for Standardized Operation of Companies Listed on the Main Board (SZSE [2023] No. 1145), and GRI Standards (2021) of Global Reporting Initiative (GRI).

Preparation Principles

Materiality

The Company identifies material issues related to its operations that are of interest to investors and other stakeholders and focuses on them in this report. The reporting of material issues in this report also focuses on the characteristics of the industries in which the Company operates and the regions in which it is located. The process of analyzing material issues and the results is detailed in the "Management of Material Issues" chapter of this report. This report also focuses on environmental, social and corporate governance issues that may have a significant impact on investors and other related parties.

Accuracy

The information in this report is as accurate as possible. The quantitative information has been measured by stating the data diameter, the basis of calculation and assumptions to ensure that the margin of error of the calculation is not misleading to the users of the information. The quantitative information and the accompanying notes are detailed in the "Key Performance" chapter of this report.

The Board of Directors asserts that the Report is devoid of any false record, misleading statement, or material omission.

Equity

The content of this report reflects objective facts and disclose both positive and negative information about the Company in an unbiased manner. No negative events that should be disclosed but have not been disclosed were found during the reporting period.

Clarity

This report is published in simplified Chinese. Tables and model diagrams are included as a supplement to the text in the Report to enable stakeholders to better understand the text. The contents and a benchmarking index table for ESG standards are provided to facilitate faster access to the information by stakeholders.

Quantification and Consistency

This report discloses key quantitative performance indicators and, where possible, historical data. The statistics and disclosure of the same indicator in this report are consistent across different reporting periods; if there are changes in the statistics and disclosure of the same indicator, they will be fully explained in the notes to the report, so as to enable stakeholders to conduct meaningful analysis and assess the development trend of the Company's ESG performance level.

Time-Efficiency

The report is an annual report spanning a period from January 1, 2023 to December 31, 2023. The Company will publish the report as soon as possible after the end of the reporting year to provide stakeholders with timely information for decision-making.

Reliability

Robam Appliances asserts that the Report is devoid of any false record, misleading statement, or material omission. The Board of Directors is responsible for ensuring the authenticity, accuracy and completeness of the Report.

Data Explanation

Data and cases in the Report are from original records and financial reports of the Company prepared during actual operations.

All financial data in the Report is stated in RMB. Where financial data herein is inconsistent with that in the annual financial reports of the Company, the latter shall prevail.

Contact Information

Office of the Board of Directors, Hangzhou Robam Appliances Co., Ltd.

Tel.: 0571-86187810

More ESG information of Robam Appliances is available on: www.robam.com and www.cninfo.com.cn





01

ABOUT ROBAM APPLIANCES

Founded in 1979, Hangzhou Robam Appliances Co., Ltd. has grown to become one of the leading manufacturers of high-end kitchen appliances in China, with the longest development history, highest market share, largest production scale, widest range of products, and broadest sales territory nationwide. Robam Appliances is dedicated to shaping Chinese kitchens with modern technologies. Every kitchen appliance of Robam is made following Chinese cooking rules, thus making cooking easier, healthier and more fun for Chinese households.

Adhering to our unique entrepreneurship of hard-working and guided by the principle of innovation, responsibility and pragmatism, Robam Appliances shoulders the mission of fulfilling people's diverse desires for exceptional kitchen experience, and strives to embody our belief in becoming a respectable enterprise in the society and a world-renowned time-honored enterprise leading the cooking revolution.



 **Markets Served**
30 countries in 5 continents



Major Business

The Company's major business includes the research and development, production, sales and comprehensive services of kitchen appliances. Major products include range hood, gas stove, combi-steam oven, dishwasher, disinfection cabinet, integrated stove, gas water heater, water purifier and so on.

1979
Year of Foundation

Company Name
Hangzhou Robam Appliances Co., Ltd.

Listing Code
Listed on the Shenzhen Stock Exchange
(Stock Code: 002508; Stock Name: Robam Appliances)



02

ESG MANAGEMENT SYSTEM

- 2.1 ESG Management Architecture
- 2.2 ESG Management Strategies
- 2.3 Management of Material Issues



2.1 ESG Management Architecture

Robam Appliances established a top-down ESG management architecture to ensure efficient progress in ESG management, forming an ESG management system that "involves the management, horizontally coordinates all functional departments, and vertically covers all subordinate companies". The Board of Directors is responsible for decision-making for and supervision of ESG matters. The Office of the Board of Directors is responsible for coordinating and arranging all ESG assignments under the guidance of the Board, and departments and subsidiaries are responsible for implementing specific ESG tasks.

ESG Management Architecture of Robam Appliances



2.2 ESG Management Strategies

The Company has adhered to an ESG management strategy featuring "operation in good faith, quality improvement, harmonious development, environment protection, supply chain optimization, and shared prosperity", and has integrated ESG into its strategic management activities. In view of the key role of supply chain management in the Company's sustainable development, the Company has added the dimension of "supply chain optimization" to this year's ESG management strategy, which further demonstrates the Company's great importance to the all-round and in-depth management of the supply chain, as well as its determination to systematically implement management measures.

ESG Management Strategies of Robam Appliances



ESG Strategies	Prioritized Issues	Major ESG Actions & Practices
Operation in Good Faith	<ul style="list-style-type: none"> · Normative Governance · Compliance Management 	<ul style="list-style-type: none"> · Steadily advance corporate governance · Create corporate culture on business ethics
Quality Improvement	<ul style="list-style-type: none"> · R&D and Innovation · Quality Management · User Service 	<ul style="list-style-type: none"> · Promote R&D and innovation of products · Improve product quality · Protect users' rights and interests and improve user satisfaction
Harmonious Development	<ul style="list-style-type: none"> · Employee Rights and Interest · Employee Development and Promotion · Occupational Health and Safety 	<ul style="list-style-type: none"> · Improve employee welfare system · Develop multi-level employee training system · Occupational health and safety management system
Environment Protection	<ul style="list-style-type: none"> · Environmental Management · Climate Change Response · Resource Management · Emissions and Wastes Management 	<ul style="list-style-type: none"> · Improve environmental management systems · Climate change mitigation and adaptation · Multi-measures to promote green manufacturing · Comprehensively carry out energy saving, consumption reduction and emission reduction
Supply Chain Optimization	<ul style="list-style-type: none"> · Supply Chain Quality · Supply Chain Resilience · Responsible Supply Chain 	<ul style="list-style-type: none"> · Strengthening supply chain quality management · Enable supply chain resilience · Promoting social responsibility along the value chain
Shared Prosperity	<ul style="list-style-type: none"> · Promoting Industry Development · Social Welfare · Promoting Cooking Culture 	<ul style="list-style-type: none"> · Promote industry exchanges and development · Encourage employees to participate in volunteer work · Create a favorable community atmosphere

2.3 Management of Material Issues

Stakeholder Communication

The Company defines a stakeholder as a person or group of persons who affect or are affected by the Company's operational activities. According to the industry and business characteristics, the primary stakeholders are identified, including: shareholders and investors, users, government and regulatory authorities, employees, suppliers, communities, and the general public.

The Company is committed to establishing a communication mechanism with all stakeholders. The Company actively communicates with them through its website, media, meetings, reports, events and other channels and methods to understand and respond to their expectations and demands, and incorporates the issues of concern to stakeholders into the Company's operations and decision-making process, so as to enhance the Company's operation and management capabilities and sustainable development capabilities.

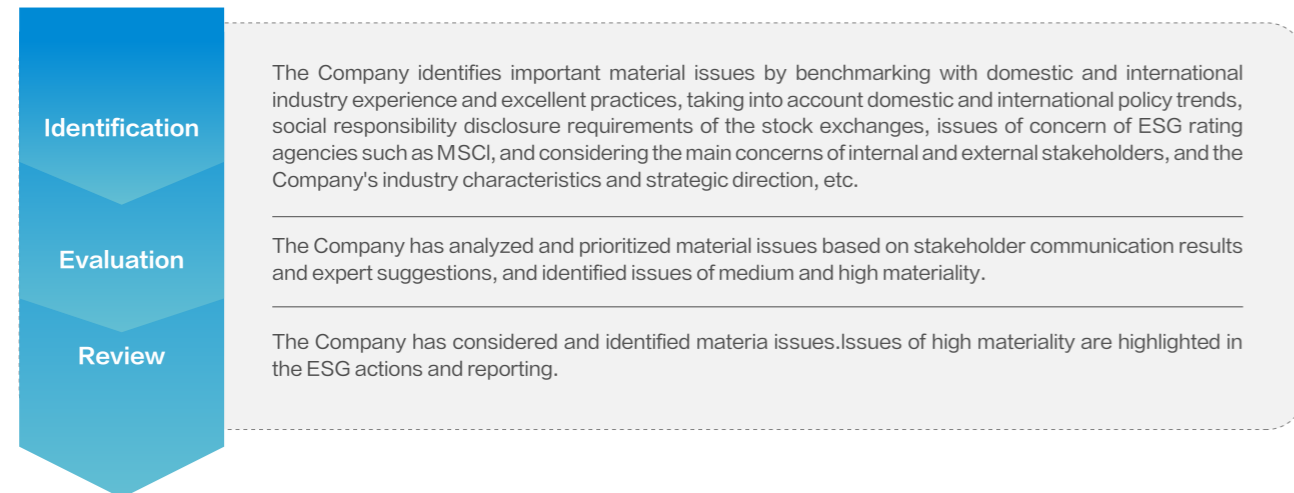


Types of Stakeholders	Representatives of Stakeholders	Main Concerns	Ways of Communication and Response
 Shareholders and Investors	Shareholders and potential investors	Economic performance, corporate governance, internal control and risk management, compliance management, business ethics, intellectual property protection	Shareholders General Meeting, financial reporting, performance reporting, business ethics management, etc.
 Employees: senior management employees	General manager, deputy general manager, department heads	Corporate governance, compliance management, R&D and Innovation, quality management, occupational health and safety, information security and privacy management	Internal management meetings and reports, corporate governance-related training, internal information communication platform, etc.
 Employees: other than senior management employees	Representatives of labor union members and employees and representatives of other workers serving the Company	Employee rights and interest, employee development and promotion, occupational health and safety, information security and privacy management	Internal information communication platform, employee activities, staff council activities, employee handbook, employee training, employee appraisal and promotion, etc.
 End Users	Consumers who buy and use kitchen appliances	R&D and Innovation, quality management, user service, information security and privacy management	Scientific research and innovation, product exhibition, user research, user service hotline, user satisfaction survey, user privacy protection measures, etc.
 Channel Customers	Channel partners	R&D and Innovation, quality management, user service	Distributor meetings, sales meetings, marketing activities, marketing training and technical support, channel customer satisfaction surveys, etc.
 Government and Regulatory Authorities	Government and regulatory authorities, Shenzhen Stock Exchange	Compliance management, quality management, user service, climate change response, resource management, emissions and wastes management	Field visiting to the relevant institutions and organs, communication via official documents, policy implementation, information disclosure etc.
 Supplier	Final product assembly suppliers, component suppliers, and other raw material suppliers	Supply chain quality, supply chain resilience, responsible supply chain, compliance management, business ethics	Supplier management systems, transparent and fair procurement, strategic cooperation, exchange visits, etc.
 Partners	National/local industry associations, standards working groups, partner universities	Promoting industry development, R&D and Innovation, quality management, emission and waste management	Visits, industry-university-research cooperation programs, standards policy related associations and working groups meetings, etc.
 Communities and the Public	Non-governmental organizations, charities, social organizations, mainstream media	Resource management, emission and waste management, green products, Social Welfare	Enhancement of environmental management, social welfare programs, community volunteer activities, etc.

Management of Material Issues

Based on GRI Standard for the management of material issues, the Company conducts material issue analysis every year. The Company identifies important material issues by benchmarking with domestic and international industry experience and excellent practices, taking into account domestic and international policy trends, social responsibility disclosure requirements of the stock exchanges, issues of concern of ESG rating agencies such as MSCI, and considering the main concerns of internal and external stakeholders, and the Company's industry characteristics and strategic direction, etc., and defines issues of highly important materiality according to the procedure of identifying, evaluating and deliberating on these issues as the focus of actions and reports. and as the focus of the Company's actions and reports.

Robam Appliances Analysis Program of Material Issues



In 2023, the Company conducted materiality issue analysis in accordance with the above procedures and formed the following material issue matrix for 2023. During the year, the Company added the issues of "Climate Change Response" and "Intellectual Property Protection" to respond to the concerns of international ESG rating agencies and stakeholders, and to respond to the hot topics in the industry and policies; and adjusted the expressions of some of the issues to make them more comprehensive and clearer, and to facilitate the understanding of stakeholders.

Robam Appliances Material Issue Matrix



Main Adjustments of Material Issues in 2023

Presentation Adjustment

Current Issue	Employee Rights and Interest	Employee Development and Promotion	Emissions and Wastes Management	Resource Management
Original Issue	Employee Rights	Employee Development and Training	Pollution Prevention	Resource Saving

New Issue

Current Issue	Climate Change Response	Intellectual Property Protection
Reason	Responding to Rating Agency and Stakeholder Concerns	Responding to Industry and Policy Hotspots



03

OPERATION IN GOOD FAITH

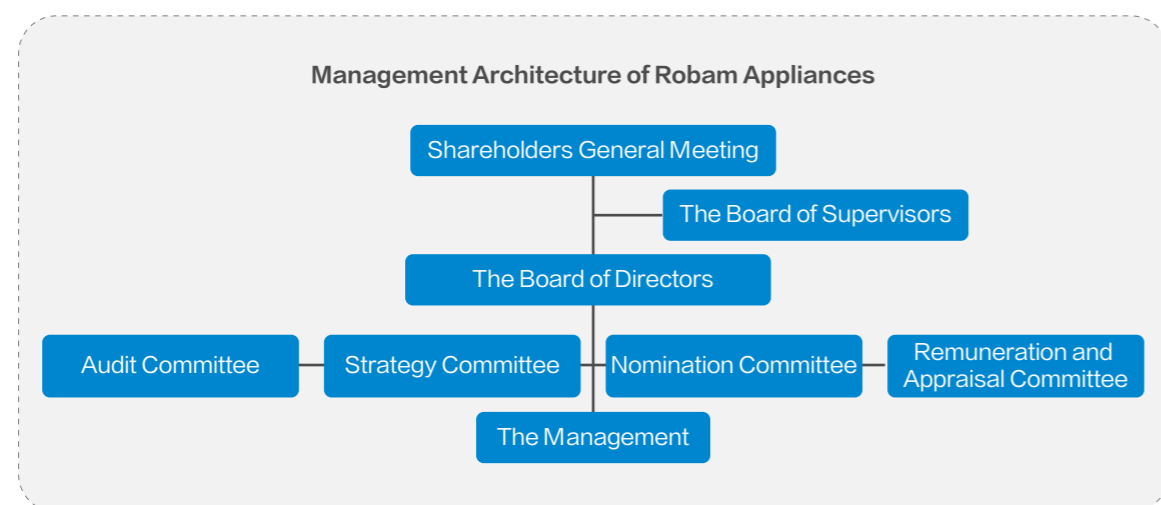
3.1 Normative Governance

3.2 Compliance Management

3.1 Normative Governance

Governance Structure

The Company has strictly complied with Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Stock Listing Rules of the Shenzhen Stock Exchange and other applicable laws, and established the Shareholders General Meeting, the Board of Directors, the Board of Supervisors and the Management, building a modern corporate organization system and operating mechanism. Under the Board of Directors are an Audit Committee, a Strategy Committee, a Nomination Committee, and a Remuneration and Appraisal Committee, which perform their respective duties and functions, playing a part in ensuring the efficient, scientific and regulated operation of the Company.



The "Three Committees" and Their Responsibilities in Robam Appliances

<p>Shareholders General Meeting</p>	<ul style="list-style-type: none"> As the supreme decision maker of the Company, the Shareholders General Meeting is responsible for determining operation policies and investment plans of the Company, electing and replacing any director or supervisor who is not an employee representative, deciding the remuneration for directors and supervisors, and examining and approving reports by the Board of Director and the Board of Supervisors.
<p>The Board of Directors</p>	<ul style="list-style-type: none"> The Board of Directors is composed of nine members, among whom three are independent directors. The main powers and functions of the Board of Directors include convening the general meeting of shareholders, executing the resolutions of the general meeting of shareholders, and managing the disclosure of information of the Company. Under the Board of Directors are an Audit Committee, a Strategy Committee, a Nomination Committee, and a Remuneration and Appraisal Committee. The members of the specialized committees are all composed of directors, of which a majority of the independent directors of the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee serve as chairpersons (convenors).
<p>The Board of Supervisors</p>	<ul style="list-style-type: none"> The Board of Supervisors consists of 5 supervisors, including 2 employee representatives (1 female). The main responsibilities of the Board of Supervisors include reviewing and providing written opinions on the Company's regular reports prepared by the Board of Directors, examining the Company's finances, and supervising the actions of directors and senior executives in performing their duties.

According to the Articles of Association of Hangzhou Robam Appliances Co., Ltd., the nomination and dismissal of members of the Board of Directors and The Board of Supervisors are conducted as per regulations. Directors of the Company are elected or replaced by the shareholders' meeting for a term of three years, with the possibility of reelection at the end of their term. Before the end of their term, directors cannot be dismissed without cause by the shareholders' meeting. The Board of Directors meetings are convened according to the prescribed procedures, with a quorum requiring more than half of the directors in attendance.

The Company ensures that the Board of Directors, The Board of Supervisors, and specialized committees of The Board of Directors play a full role in decision-making on operational matters and review significant company development issues. During 2023, the Company organized 3 Shareholders' General Meetings, 7 meetings of the Board of Directors, and 7 meetings of the Board of Supervisors.

3 Shareholders General Meetings

7 meetings of the Board of Directors

7 meetings of the Board of Supervisors

The Company fully considers factors such as industry experience, educational background, and overall competence of members of the Board of Directors to ensure diversity and professionalism in the Board of Directors. Current members of the Board of Directors possess professional capabilities in various fields such as industry, finance, economics, and human resources management, along with extensive industry experience.

The Company has defined the remuneration and evaluation criteria for directors and senior executives. The Remuneration and Appraisal Committee under the Board of Directors is responsible for formulating evaluation criteria and assessing directors and senior executives, as well as developing and reviewing remuneration policies and plans for them.

In 2023, the Company held elections for the Board of Directors and the Board of Supervisors, determined the composition of the new Board of Directors and Board of Supervisors, and revised a series of company regulations including the Articles of Association, the Rules of Procedure of the Shareholders' General Meeting, Independent Director Working System, Independent Director Special Meeting Mechanism, Management Measures for Shareholdings and Changes in Shareholdings of Directors, Supervisors, and Senior Management, Audit Committee Rules of Procedure, Nomination Committee Rules of Procedure, Remuneration and Evaluation Committee Rules of Procedure, and Strategy Committee Rules of Procedure. These were published on the platform - <http://www.cninfo.com.cn> - for stakeholders' access, ensuring the effectiveness, transparency, and compliance of corporate governance.

Investor Protection

The Company has strictly complied with Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, Work Guidelines for the Investor Relations Management of Listed Companies, the Stock Listing Rules of the Shenzhen Stock Exchange and other applicable laws, as well as relevant provisions in the Articles of Association of Hangzhou Robam Appliances Co., Ltd., by formulating management measures such as Investor Relations Management Measures and Information Disclosure Management Measures, conducting investor relations management, and fully protecting investor rights.

The Company attaches great importance to information disclosure and communication with shareholders and creditors, ensuring that all investors promptly receive information on major developments affecting the Company's business status and obtain information about the Company. The Company discloses information to investors via meetings, publications, and online platforms, including the annual Shareholders' General Meeting, temporary shareholders General Meeting, and regular reports. The information of Robam is available on the China Securities Journal, Securities Daily, Securities Times, Shanghai Securities News, <https://www.cnstock.com/>, and other platforms.

The Company discloses regular reports and interim announcements in accordance with the requirements, and the content of the announcements are true, accurate and complete, with no false records, misleading statements or material omissions, and there is no violation of the relevant regulations or inconsistency with the relevant regulations in the actual operation of the Company. During 2023, the Company released 57 announcements, including 4 regular reports and 53 interim announcements.

The Board of Directors of the Company attaches great importance to the management and maintenance of investor relations, and has deepened the scope of investor relations management to include various types of investors such as institutional investors, strategic investors, and small and medium-sized investors. The Company maintains continuous communication with the capital market through various forms such as investor hotline, Easy IR platform of Shenzhen Stock Exchange, online performance briefings, investor reception day, domestic and international strategy meetings and reverse roadshow for domestic and foreign investors, etc.

Robam Appliances Communication with Investors in 2023



The special session of "Knowing my listed company—Entering Zhejiang" series of activities of Robam Appliances

In December 2023, the special session of "Knowing my listed company—Entering Zhejiang" series of activities of Robam Appliances was successfully held. The event was jointly organized by the Investor Service Center and the Zhejiang Securities Regulatory Bureau, with co-organization from the Zhejiang Listed Companies Association, Zhejiang Securities Industry Association, and Caitong Securities. The secretary of the Board of Directors and CFO of Robam Appliances accompanied a shareholder observation group consisting of individual investors, institutional investors, and media reporters for on-site visits and in-depth exchanges. During the event, the shareholder observation group visited the Company's overall layout sand table, future factory, and Global Culinary Art Center, experiencing firsthand the Company's profound understanding of Chinese cooking and learning about its digital development strategy and the integrated future trend of kitchen appliances.



At the same time, the Company focuses on investor returns. In April 2023, Board of Directors approved the Proposal for Profit Distribution for the Year 2022 and in December 2023, the Special Dividend Plan for Shareholders was approved. In the future, while ensuring growth, the Company will steadily increase its dividend ratio, actively rewarding investor trust.

In 2023, the Company was rated "A" (excellent) at the 2022 information disclosure evaluation over listed companies on the Shenzhen Stock Exchange, securing such a rating for ten years in a row. In the investor relations filed, the Company won awards such as the "Best New Media Operation Award" and the "Best Secretary to Investor Relations" at the 14th Tianma Award.

Regulating Related Party Transactions

The Company strictly complies with Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Stock Listing Rules of the Shenzhen Stock Exchange, Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No.7—Transactions and Related Party Transactions and other applicable laws, as well as relevant provisions in the Articles of Association of Hangzhou Robam Appliances Co., Ltd. The Company has established the Related Party Transaction Management Measures and other management systems to standardize the scope, decision-making procedures, and information disclosure of related party transactions, ensuring that the Company's related party transactions do not harm the legitimate rights and interests of the Company and non-related shareholders.

The Company takes effective measures to prevent related parties from intervening in the Company's operations through monopolistic procurement and sales channels, and specifies that the pricing or fee principles for related party transactions should not deviate from the standards of prices or fees charged by independent third parties in the market, with full disclosure of pricing basis for related party transactions. The Company signs written contracts or agreements with related parties and takes effective measures to prevent shareholders and their related parties from using various forms to occupy or transfer the Company's funds, assets, and other resources.

The Company has established and improved related party transaction decision-making procedures. For significant related party transactions between the Company and related legal person that require approval from the shareholders' meeting, intermediary institutions with qualifications in securities and futures-related businesses are hired to evaluate or audit the transaction targets. The Board of Supervisors clearly expresses its opinions on whether related party transactions requiring approval from Board of Directors or shareholders' meeting are fair, reasonable, and whether they harm the legitimate rights and interests of the Company and non-related shareholders.

During the reporting period, the related party transactions entered into by the Company were based on the normal production and operation needs and business development, following the principles of fairness and reasonableness in pricing, and all necessary decision-making procedures and information disclosure obligations were fulfilled.

Internal Control and Risk Management

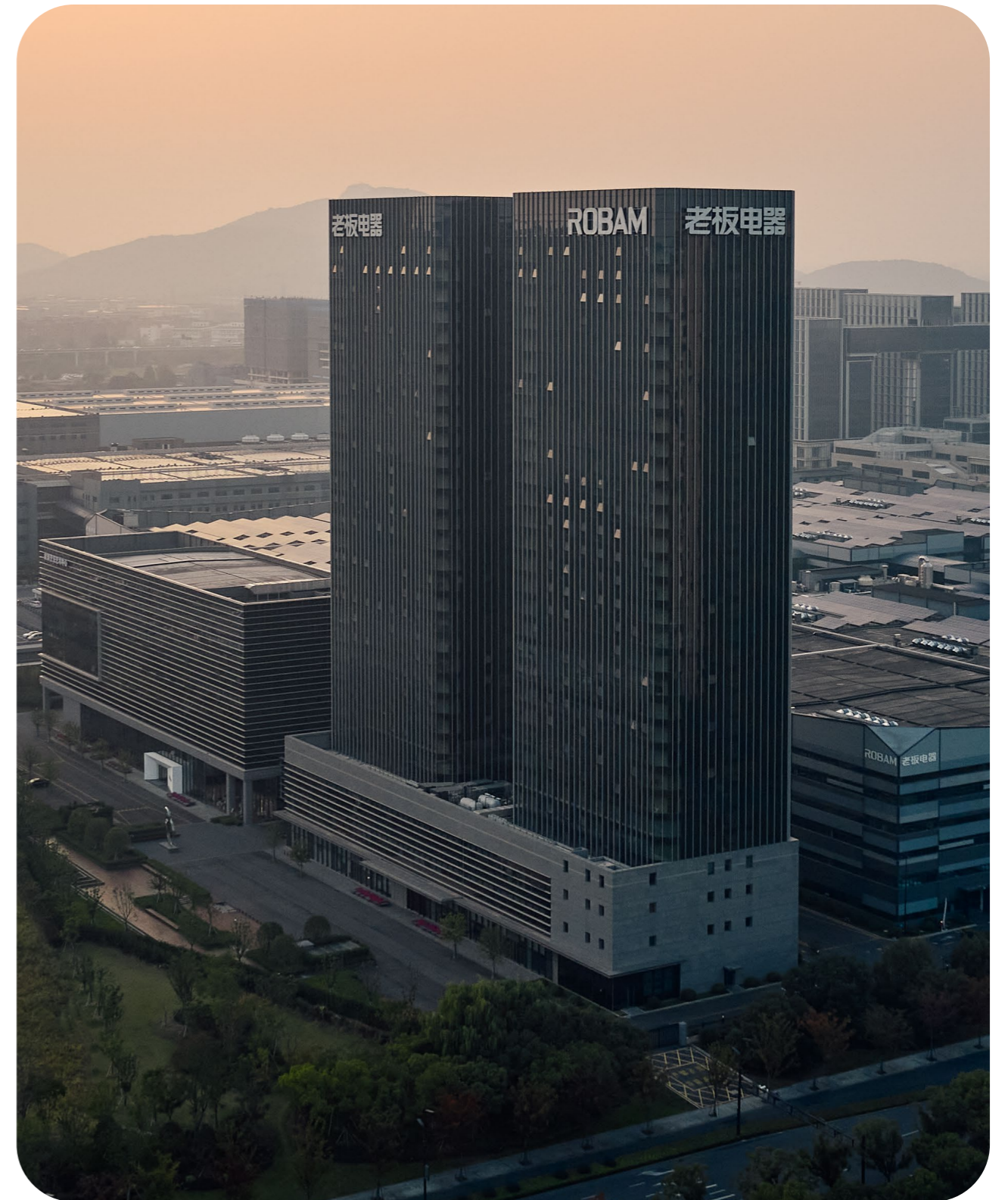
The Company actively explores and establishes effective internal control mechanisms, and improves internal control systems serving the risk management needs and strategic development requirements of the Company according to industry changes and company transformation dynamics. In accordance with regulations and guidelines such as the Basic Internal Control Norms for Enterprises, the Company has formulated the Internal Control System and Internal Control Audit Management Measures to standardize internal control audit activities, improve the Company's management level and risk prevention capabilities, and promote sustainable development.

In 2023, the Company further improved its internal control organizational structure by establishing an internal control team responsible for supervising various executive departments and reporting directly to the Audit Committee. The internal control team completed a total of 15 internal control audit projects during the reporting period, including "Project Management" and others, with 12 internal audits and 3 external audits. Internal control audits covered functions, sales, production, and technology, and any internal control defects identified were rectified. The Company did not have any significant internal control defects during this year.

At the same time, the company has established a Risk Control Management Committee to fulfill its risk management responsibilities and prevent systemic risks. The committee is chaired by the President and is responsible for supervising and guiding the company's risk identification, prevention, and control. The permanent Legal Affairs Department is responsible for developing and improving business risk control measures, irregularly producing risk analysis reports for submission to the Risk Control Management Committee. It also collaborates with the Accounts Receivable Risk Control Team to implement accounts receivable disposal plans, effectively preventing and resolving business risks.

The Company conducted self-assessment of major risks on a regular basis, assessed dynamic changes in risks based on domestic and international market environment and business data, and formulated countermeasures in a timely manner. In 2023, the Company's risk management work revolved around information security risk management, quality risk management, intellectual property management, environmental management, and occupational health and safety management, further improving relevant risk management processes and systems.

In enhancing employees' risk prevention capabilities, the Company continued to strengthen efforts in risk culture development and conducted training in risk-related areas. In 2023, the Company provided mandatory training on information security, quality, intellectual property, environmental protection, safety, and other systems for all administrative staff, with a total of 1,812 participants and a pass rate of 99% in the exams. At the same time, the Company promoted the use of risk management tools such as "Risk Maps", "Risk Level Coordinate Charts", "Risk Occurrence Probability Measurement Standards", "Risk Consequence Measurement Standards", and "Risk Summary Tables" to help all employees enhance their risk management abilities.



3.2 Compliance Management

Business Ethics

The Company strictly adheres to laws and regulations related to anti-bribery, anti-corruption, anti-fraud, anti-extortion, anti-money laundering, and other aspects in the locations where it operates, placing high importance on governance related to business ethics. The Board of Directors supervises and manages corporate business ethics issues, and the Audit Department, under the authorization of the Board of Directors or Audit Committee, conducts special and comprehensive audits, audit supervision, departure audits, and surprise inspections, effectively monitoring the integrity and performance of Party members, cadres, and management personnel.

Robam Appliances Business Ethics System

<p>System Construction</p>	<ul style="list-style-type: none"> The Company has formulated and strictly implements a Standard for Development of a Clean and Honest Enterprise, Audit Standard, Norms for Procurement and Supplier Behaviors – Anti-Corruption Pledge, Employee Daily Behavior Code of Conduct, etc. It requires employees working at important positions are required to sign the Integrity and Self-discipline Commitment and urges all employees to observe business ethics. In order to protect the fair and just environment for suppliers to carry out cooperation with enterprises, the Company has signed Contract Anti-Corruption Clauses and Anti-Corruption Pledge with its suppliers, and set up clear clauses on anti-bribery and anti-corruption policies in contracts with all suppliers. The Company has established a supplier admission screening mechanism to select suppliers that meet the Company's standards and requirements.
<p>Cultural Development</p>	<ul style="list-style-type: none"> Annually, the Company conducts business ethics training for the Board of Directors, Party members and officials, and all employees through regular summaries by the board, regular "warning and education meeting for Party members and officials" and case study presentations to enhance the business ethics awareness of all employees.
<p>Supervision Mechanism</p>	<ul style="list-style-type: none"> Through auditing, the Company ensures full coverage of "horizontal and vertical" supervision on issues such as malpractice, corruption and bribery, and conducts routine business ethics audits on suppliers every year, and conducts business ethics-related audits on all businesses at least once in every three years. Based on the audit results, the Company continuously improves and optimizes its policies, procedures and overall compliance management.

At the same time, the Company encourages employees and related parties to report suspected irregularities by formulating the Reward Systems for Reporting, setting up a special auditing, supervision and reporting platform, and providing anonymous reporting channels such as WeChat official account, reporting QR code, reporting email and reporting hot line, etc., which are openly available in the internal office system and business system for the convenience of the employees and suppliers and other related parties to make reports.

Robam Appliances Reporting Channels

- Tel**
0571-86282818
- WeChat Official Account**
ROBAM-InternalAudit
- Email**
sjb@robam.com

With regard to the protection of whistleblowers and auditors, the Company implements strict confidentiality measures such as minimizing the number of informed individuals and appointing specific personnel to protect the identities of whistleblowers. The Company is responsible for the fairness and impartiality of the reporting process and results in accordance with the standardized procedures of auditing standards, and strictly protects the personal privacy of whistleblowers and audit supervisors. In case of retaliation against whistleblowers, the Company will deal with it strictly and transfer the case to judicial authorities if necessary.

During the reporting period, there were no litigation cases related to bribery, corruption, fraud, extortion, money laundering and unfair competition.

Information Security and Privacy Management

The Company places high importance on information security and strictly complies with laws and regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, Administrative Measures for Internet Information Services, and Administrative Measures for the Graded Protection of Information Security. In 2023, the Company introduced new management systems such as the Confidentiality Management System, Temporary Measures for File Encryption Management, and Trial Operation Management Measures for Desktop Cloud, while revising existing management systems such as the Information Security Risk Assessment Management System, Database Management System, Information Security Early Warning Plan, and Information Security Work Operation Guide, to standardize information security management within the Company.

The Company has established a comprehensive information security management system, set up a cross-departmental information security team, and regularly carried out the formulation, implementation and effect assessment of information security control work to realize the inter-departmental linkage of security management capability, timely discovery of risks and hidden dangers, and advance planning of information security construction work. In addition, the Company has set up information security officers in each department, who are responsible for the implementation and feedback of information security work to continuously improve the Company's business security operation capability.

The Company has formulated security management standards for the whole life cycle of information technology projects, established an emergency response mechanism for data leakage risks, and taken a series of action measures to safeguard information security to comprehensively control information security risks.

Robam Appliances Information Security Measures (Partial)

Comprehensively promote the document decryption system

Reduce the risk of commercial secret data leakage such as design drawings, planning schemes, and various office documents.

Optimize cloud security protection strategies

Expand the scope of host security protection, enhance application security protection capabilities, and strengthen the ability to respond to cloud security threats.

Emergency drills

During the reporting period, the Company conducted two emergency drills with the theme of "data recovery and business failures", covering relevant departments and employees of the business systems. The drills confirmed the effectiveness and integrity of backup data, successfully verified the rationality and operability of emergency plans and processes.

In 2023, the Company actively carried out third-party information security audits, penetration testing, and attack-defense drills. Based on the results, improvement measures were taken, including but not limited to revising security areas, databases, contracts, and various business activity files and workflows. It refined information security management indicators, developed physical security area maps and area identifiers, addressed high-risk vulnerabilities in business systems, and optimized user account permission control strategies.

As of the end of the reporting period, the Company has obtained ISO 27001 Authentication of information security management system. The Company's official online shopping mall "Robam Appliances Official Mall" has passed the Level 3 information security protection assessment.

In terms of privacy management, the Company has established management systems such as the Interim Measures for Personal Information Management, which provide specific regulations and requirements for various business activities involving personal information processing throughout the information life cycle. This is aimed at standardizing the Company's behavior in handling personal information data, reducing the risk of personal information leakage and related security risks.

The Company emphasizes protecting the legitimate rights and interests of internal employees and external users, ensuring that all employees sign supplemental personal information collection consent forms, and follows the principles of lawfulness, legitimacy, and necessity when obtaining and processing personal information. It fully respects and protects each employee's right to information, decision-making, and privacy regarding their personal information processing, ensuring transparency and compliance in privacy information collection management. Additionally, the Company reviews and publishes privacy policy terms for websites, apps, mini-programs, and other business systems that involve collecting personal information to ensure compliance with relevant legal requirements.

The Company actively promotes awareness of information security and privacy management by publishing information security-related articles bi-weekly on DingTalk and WeChat platforms, encouraging employees to learn about information security through the Company's E-learning platform. At the same time, the Company regularly carries out targeted training covering all employees to enhance their information security awareness.

Robam Appliances' Information Security and Privacy Management Training Implementation in 2023

Business departments and information security personnel

Conducted 4 sessions of specialized training in information security skills and 1 session of training in information security management system.

New Employees

Provided "Employee Information Security Awareness" E-learning course.

All Employees

Conducted 1 training session on the "Three Laws" on information security.

During the reporting period, the Company was not penalized by the administrative department for violating the laws and regulations related to information security and privacy management, and there were no other related lawsuits or controversial incidents.





04 QUALITY IMPROVEMENT

- | 4.1 R&D and Innovation
- | 4.2 Quality Management
- | 4.3 User Service

4.1 R&D and Innovation

Digital Innovation

The Company has always prioritized enhancing its research and development capabilities as a strategic focus, increasing funding support for technology research and development year by year to ensure there are enough resources for core product R&D and crucial technological breakthroughs. At the same time, the Company fully leverages its technological advantages to accelerate the industrialization of scientific and technological achievements. By continuously enriching its product lines, improving product quality and technological content, it aims to establish significant advantages in the fierce market competition, thus maintaining steady growth and sustained leadership in the future development journey.

In 2023, the Company embraced a new corporate positioning as a comprehensive solution provider for the entire cooking chain, focusing on the cooking track, establishing a backbone in Chinese cooking, and vertically integrating the entire cooking chain in each direction of the cooking scene. To serve different segmented groups, the Company gathered the full brand matrix of its 8 major brands, creating integrated solutions including hardware, software, content, and ecology.

Full brand matrix of eight major brands









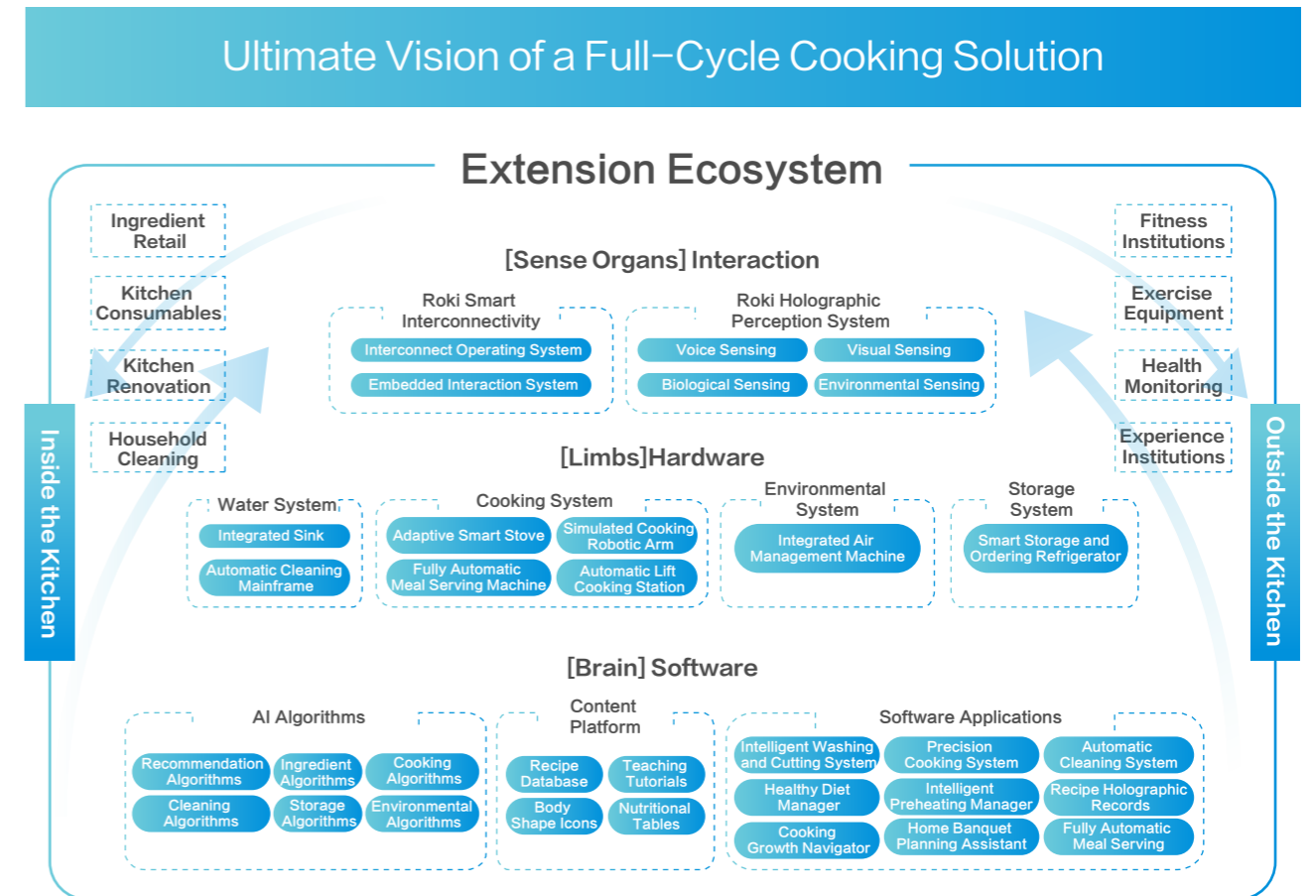








Furthermore, leveraging the new digital cooking product line brand "ROKI Digital Kitchen Appliances" as a focal point, the Company created the world's first AI cooking assistant. It generates personalized cooking plans through built-in cooking algorithm models and content generation knowledge bases using a diverse range of content ingredients. ROKI also extends beyond traditional kitchen appliances by integrating with external platforms across the pre-cooking, cooking, and post-cooking phases, meeting users' needs in ingredient procurement, nutritional analysis, kitchen renovation, and more. This achieves a new cooking experience of "a thousand chefs, a thousand styles" across the entire cooking chain.



In terms of establishing R&D platforms, the Company has set up the Central Research Institute as the decision-making body for various innovative projects. It includes two secondary research institutes, namely the Basic Research Institute and the Innovation Research Institute, to promote innovation and transformation across multiple dimensions such as basic research, new product categories, new forms, application of new materials, and technological breakthroughs.

In 2023, to actively embrace the digital economy and create a new model for kitchen appliance transformation, the Company officially established the Digital Kitchen Appliance Research Institute. Focused on the research and development of digital kitchen appliance products, the institute has brought in experts from various fields to help accelerate the transformation of scientific research achievements, enhance core technology reserves, and achieve high-quality development.

As of the end of the reporting period, the Company has been recognized as a National Enterprise Technology Center, a National Industrial Design Center, a National Intellectual Property Advantage Enterprise and Demonstration Enterprise, a National Accredited Laboratory, and has received multiple awards for scientific and technological innovation.

List of Robam Appliances' 2023 Technological Innovation Recognitions and Honors (Partial)






Green Product

Robam Appliances follows a sustainable green development path, actively engages in energy conservation and emission reduction practices, and deeply participates in the transformation of the green industry. The Company is committed to further enhancing its own level of green development and embedding green concepts into its products for promotion among consumers.

The Company has established a resource and environmental impact database covering the entire lifecycle of its products. By using lifecycle assessment tools and methods, it proposes improvement plans for green product design and manufacturing. Through the Product Lifecycle Management (PLM) platform, the Company implements improved designs. Over a hundred green products (reaching Level One energy efficiency) have been developed, including products such as the CXW-200-8229S range hood and the PRU400-J306 dual outlet water purifier, both of which have been recognized as demonstration products for green design by the Ministry of Industry and Information Technology.

Robam Appliances' Design Perspectives of Green Products

<p>Modular Design</p>	<ul style="list-style-type: none"> The product is designed with modularity in mind to improve production efficiency, reduce material usage, and minimize resource waste. Additionally, it simplifies the replacement of parts during maintenance, enhances disassembly capability, improves product reparability, and reduces environmental pollution during disassembly and recycling processes. 	 <p>Modular assembly of electrostatic fume purifiers to accommodate various airflow requirements.</p>
<p>Selection of Green Raw Materials</p>	<ul style="list-style-type: none"> The Company implements green control over raw materials and strictly adheres to requirements for managing hazardous substances in electrical and electronic products. In addition to complying with domestic and international regulations regarding hazardous substances, the Company proactively limits other harmful substances. For example, it uses a new generation of environmentally friendly water-based degreaser synthesized from plant extracts as a phosphorus-free degreaser, and selects national first-class energy-efficient motors for use. 	
<p>Recyclable Design</p>	<ul style="list-style-type: none"> The product is designed with full consideration of recyclability and disassembly. Components such as steel plates, hardware, plastic parts, motors, and wires used in the product are all environmentally friendly and recyclable. After use, users can send the product to a disassembly plant for unified disassembly, and then reuse each component to achieve the purpose of reusability and remanufacturing. 	 <p>Catalytic purifiers use high-quality coconut shell activated carbon, which has high mechanical strength, easy regeneration, durability, and other excellent features.</p>
<p>Energy-saving Design</p>	<ul style="list-style-type: none"> The Company fully optimizes production lines based on maximizing production efficiency and optimizing internal logistics layouts. It monitors material and energy inputs at key production control points to achieve goals such as minimal material input, low energy consumption, and high production efficiency. By incorporating ecological design concepts, the Company focuses on developing environmentally friendly ecological design products to improve product efficiency and reduce emissions. 	 <p>The new gas stove has a thermal efficiency of up to 76%.</p>

The Company is committed to creating a green kitchen ecological cycle system and providing a green intelligent overall solution. It has developed a variety of environmentally friendly products around product lines such as range hoods, stoves, dishwashers, and water purifiers, leading the trend of healthy and green living.

Range Hood Product Line: Dual-Cavity High Suction Series

To break through the bottleneck of fume control speed and smoke purification effects and care for clean air, the dual-cavity high suction range hood is equipped with Robam Appliance's 1-second fume control technology. It pioneers algorithmic intelligent smoke control, combined with outstanding product performance that meets multiple leading industry standards. It predicts the moment when fume first rises, achieving "anticipatory smoke control" and thoroughly solving the problem of Chinese cooking fume escape.

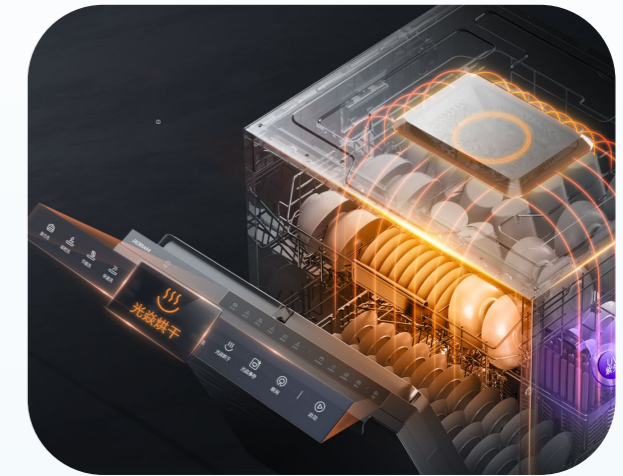


Stove Product Line: Purple Flame High Firepower Series

The Purple Flame high firepower gas stove, with its spiral jet burner, dual internal flames, and dual-layer lock-temperature flame concentrating plate "triple combustion technology", releases highly efficient firepower with a thermal efficiency of up to 76% (the national standard for first-level energy efficiency is 63%), achieving 10-second cooking technology.

Dishwasher Product Line: Guangyan S1 Series

Robam dishwashers use an intelligent water division valve system and a unique triple spray arm to powerfully clean dishes with less water and timed and layered washing. The Guangyan S1 series dishwasher disinfectant, based on efficient water-saving, adds an independent disinfection function with a sterilization rate of 99.99%. Under the independent drying mode, the drying index reaches 1.28, far exceeding the national highest standard of 1.08, avoiding the secondary pollution of manual dish drying. The cleaning index reaches 1.18, surpassing the national first-level standard of 1.12.



Water Purifier Product Line: "U" Series

Robam water purifiers use innovative integrated water circuit boards, water and gas mixed flushing membrane filters, and optimized concentrated water recovery systems. Coupled with an intelligent wastewater circuit adjustment system, it fully recycles the wastewater that needs to be discharged, reducing the amount of wastewater used for membrane filter flushing to ensure minimal discharge of wastewater when the membrane filter is in normal use. The triple outlets "U" series water purifiers exceed the national first-level water efficiency standard in water production rate. They also enhance active ultra-microbubble technology on the basis of efficient water saving, efficiently removing pesticide residues and ensuring clear and safe ingredient washing.

In addition, the Company responds to the Ministry of Industry and Information Technology's green manufacturing system construction initiative. According to the requirements for creating green factories, it has established a green factory management mechanism, carried out clean production audits, and has been awarded the title of the fifth batch of green factories by the Ministry of Industry and Information Technology.

R&D Team Construction

In terms of talent team construction, the Company is committed to cultivating internal talent and actively attracting high-end talent in the industry to create a vibrant R&D team, ensuring the continuous evolution of the organizational structure.

The Company provides specialized training for R&D personnel, establishes a Technology Innovation Academy, and conducts a total of 20 training sessions throughout the year. Additionally, R&D personnel share classic cases and solutions encountered during work processes through internal sharing sessions, knowledge base sharing, and other methods, further enhancing the team's professional capabilities and cohesion.

As of the end of the reporting period, the Company has 919 R&D personnel, including 2 employees with doctoral degrees and 152 with master's degrees, positioning the overall R&D team's size and strength at the forefront of the industry.

To attract and retain innovative R&D personnel and effectively stimulate their potential, the Company has established a comprehensive innovation incentive system. Employees who achieve outstanding results in R&D and Innovation receive material and spiritual incentives, along with ample promotion opportunities and broad career development space, to inspire their innovative enthusiasm.

Robam Appliances R&D Personnel Innovation Incentive System

Material incentives	Spiritual incentives
<p>The Company provides equity incentives to senior R&D talents and offers accommodation or housing subsidies as benefits. Moreover, the Company has established five major categories of awards including patents, appearance design, product development, technical research, and patent application, providing corresponding material rewards to personnel involved in project research and development.</p>	<p>The Company emphasizes spiritual incentives for R&D personnel, setting up annual technology festival awards, scientific spirit awards, innovation spirit awards, and breakthrough spirit awards, enhancing R&D personnel's sense of belonging and accomplishment.</p>

Intellectual Property Protection

The Company, as a listed and innovative enterprise, adheres to the intellectual property concept of "respecting knowledge, advocating innovation, and building credibility and abiding by law", firmly believing that respecting intellectual property rights is essential for maintaining market order. The Company has developed internal intellectual property system documents in accordance with GB/T 29490-2013 Intellectual Property Management Specifications for Enterprises, strengthening the planning and implementation of intellectual property. It has obtained certification for the GB/T 29490-2013 Intellectual Property Management System.

The Company actively carries out intellectual property protection work, establishing a dedicated team, comprehensively implementing the Intellectual Property Management System, and effectively executing the Patent Application System and Intellectual Property Maintenance Management Standards, continuously improving intellectual property operation capabilities. Additionally, the Company has conducted multiple intellectual property training and publicity campaigns covering all employees to enhance awareness of intellectual property protection.

The Company applies for patents for core technologies, improves patent application and review processes, ensuring timely and effective protection of company innovation achievements. By analyzing existing and industry patents, the Company identifies blind spots in protecting core technologies, guiding the Company's research and development and operational directions favorably. To encourage technical personnel to effectively protect intellectual property with quality and quantity, the Company rewards authors of authorized patents based on patent types. As of the end of the reporting period, there were 4,484 valid patents in total, including 161 invention patents. In 2023, the company applied for 1,530 patents, including 617 invention patents.

The Company actively promotes trademark registration and rights protection. In 2023, the Company improved the Trademark Management System, established a trademark management system, promoted the declaration of key trademark directories at all levels, and achieved positive results. Simultaneously, the Company effectively combats trademark infringement through legal means such as administrative, civil, and criminal litigation. During this year, the Company initiated criminal proceedings against infringers for counterfeiting registered trademarks and pursued their criminal responsibilities, fully safeguarding the Company's legitimate rights and interests.

Robam Appliances' 2023 Application for Trademark List

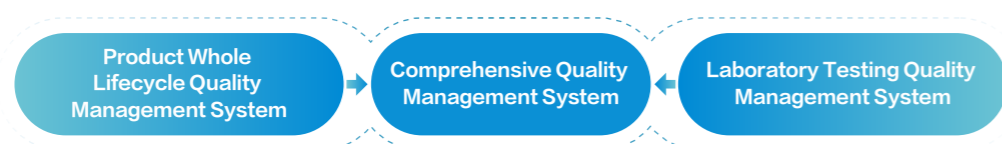
Trademark List	Unit
<p>The first batch of enterprises participating in the "Thousand Enterprises, Hundred Cities" action for enhancing trademark brand value</p>	<p>China National Intellectual Property Administration</p>
<p>The second batch of key trademark protection lists in the Yangtze River Delta G60 Science and Technology Innovation Corridor</p>	<p>Yangtze River Delta G60 Science and Technology Innovation Corridor Intellectual Property Administrative Protection Center</p>
<p>The first batch of key trademark protection lists in Linping District, Hangzhou</p>	<p>Hangzhou Municipal Market Supervision Bureau</p>

While rigorously protecting its own intellectual property rights, the Company also strictly manages itself to ensure that it does not infringe upon others' intellectual property rights. Before engaging in activities involving intellectual property such as technological innovation, new product sales and management, and external exhibitions, relevant departments of the Company conduct searches to determine whether there will be intellectual property infringement. At various stages of developing new technologies, new processes, and new products, the Company conducts patent analysis and searches for technical solutions to avoid duplicate development or intellectual property disputes. No infringement of others' intellectual property rights occurred during the reporting period.

4.2 Quality Management

Quality Management System

The Company is committed to establishing a comprehensive product quality management system throughout the product lifecycle and a laboratory testing quality management system, ensuring the excellent quality of products, and regularly implementing quality improvement work to continuously enhance its quality management efficiency.



The Company has adopted internationally leading quality management concepts and established a quality management system covering the entire product process. It has obtained ISO 9001 Quality Management System certification and Zhejiang Manufacturing certification (product testing + management system).

Based on the main factors affecting product quality, the Company has developed systems such as Market Quality Early Warning and Graded Handling Methods, Process Exception Handling Methods, Blind Spot Implementation Detailed Rules, and Non-conforming Product Management Standards. Through measures such as tracking quality indicators, conducting quality activities, developing quality assurance plans, and controlling non-conforming products, the Company implements comprehensive quality control. This ensures the improvement of first-time delivery pass rate and QC inspection pass rate indicators, thereby avoiding quality incidents.

Robam Appliances Product Quality Management Measures

Quality Indicator Tracking	<ul style="list-style-type: none"> Set multiple indicators such as market quality, new product quality, supplier quality, manufacturing process quality, quality improvement and talent development; and track the indicators for accomplishment and improvement.
Conduct Quality Activities	<ul style="list-style-type: none"> Carry out quality activities such as pre-job training, quality control point examination, case education, minesweeping, and blind spot, etc.
Quality Assurance Plan Development	<ul style="list-style-type: none"> Develop the Comprehensive Quality Assurance Commitment Plan centered around the user to enhance overall user experience and satisfaction.
Non-conforming Products Control	<ul style="list-style-type: none"> All products must pass the inspection before flowing into the next process or leaving the factory. Any unqualified products are marked, recorded, evaluated, isolated and complying with processing requirements. All types of non-conforming products must undergo re-inspection and be deemed qualified before proceeding to the next process after rework or repair. Establishment of a product quality traceability system. For all quality problems, the Company has detailed data records, and product data and data of key components of some products are traceable.

Regarding the effectiveness of quality management, in 2023, the Company concluded a total of 208 projects under Six Sigma¹ projects and QCC, with actual economic benefits from Six Sigma projects and QCC reaching RMB 18.61 million. As of the end of the reporting period, the Company had a total of 169 in-house Six Sigma Black and Green Belt quality talents, including 70 Black Belts and 99 Green Belts.

Key Achievements in Quality Field for Robam Appliances in 2023

Type	Awarded by	Award
QC Team	Hangzhou Association for Quality	First Prize
	Zhejiang Association for Quality	Second Prize
	China Association for Quality	Excellence Award
	China National Light Industry Council	Excellent Achievement
Six Sigma	The Asia Symposium on Quality Function Deployment and Innovation	A First Prize and a Second Prize

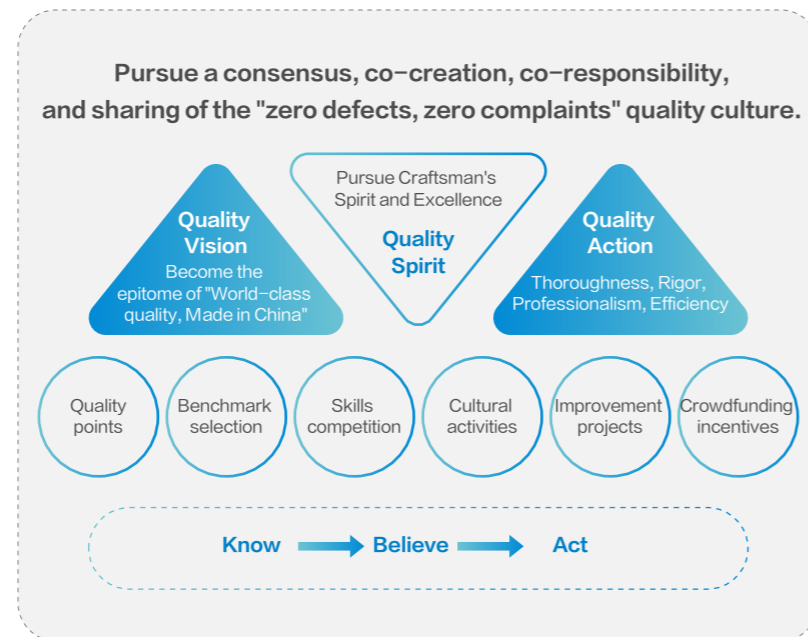
[1] Six Sigma is a technology aimed at improving enterprise quality process management. Six Sigma Black Belts are the backbone of implementing Six Sigma comprehensively within the company. They are responsible for executing and promoting Six Sigma initiatives and also bear the task of training Green Belts. Six Sigma Green Belts are directly involved in frontline production and management. A high-quality team of Green Belts plays a crucial role in the top-down implementation and continuous advancement of Six Sigma principles.

The Company's laboratory mainly carries out safety performance, operational performance and reliability performance tests of kitchen appliances, gas stove and other products, as well as the testing of corresponding parts and materials. In accordance with ISO/IEC 17025:2017 General Requirements for the Competence of Testing and Calibration Laboratories, CNAS-CL01:2018 Accreditation Criteria for the Competence of Testing and Calibration Laboratories, CNAS-CL01-A003:2018 Guidance on the Application of Testing and Calibration Laboratories Competence Accreditation Criteria in the Field of Electrical Testing and the requirements of relevant accreditation regulations and relevant laws and regulations by the China National Committee for Conformity Assessment (CNAS), we have developed the Quality Management Handbook and procedure documents to ensure the quality of laboratory testing and services and provide accurate and reliable test data and results.

The Company's laboratory has been assessed as a national CNAS accredited laboratory, a laboratory registered with the China Energy Efficiency Labeling Management Center, and a leading laboratory in the electronic and electrical industry recognized by the China Inspection and Testing Society. It became the first "Seven-Star" leading laboratory in the field of range hood to receive recognition and was appointed as a physical standard collaboration laboratory by the China Inspection and Testing Society.

Quality Culture

The Company vigorously promotes the development of a quality culture, establishing a Quality Culture Promotion Committee and creating the Company's characteristic "243 Quality Culture System" based on our spirit of entrepreneurship: Double "zero" pursuit: zero defects, zero complaints; Four "common" means: consensus, co-creation, co-responsibility, and sharing; Three-step implementation: know, believe, act.



In accordance with the requirements of the national standard GB/T 32230-2015 Guidelines for Enterprise Quality Culture Construction, the Company has deployed quality culture advocacy work and established a trilogy of quality culture dissemination: "know, believe, act".



At the same time, the Company has compiled the Robam Appliances Quality Culture Manual and carried out full learning and practicing. By carrying out rich quality activities, the Company has formed a good quality atmosphere, created value for the related parties, and improved the economic and social benefits of the enterprise.

The Implementation of Quality Activities of Robam Appliances in 2023 (partial)

Quality Innovation and Improvement Activities	<ul style="list-style-type: none"> Build a "user-centered" quality innovation system, carry out IE proposals, QCC quality control circles and Six Sigma projects to improve the ability of whole-process quality prevention and control. Relying on the education platform of the Quality Academy, promote the maturity of quality tools application in each department of the Company, cultivate quality professionals, and build an industry-leading and influential quality management team.
Six Sigma Activities	<ul style="list-style-type: none"> Initiating project proposals, implementing projects, reviewing project closures, releasing project results via OA, and rewarding project crowdfunding for Six Sigma Black Belts and Green Belts. In 2023, the Company launched the seventh batch of Six Sigma Black Belt and Green Belt classes, cultivating and outputting 11 Black Belt talents and 9 Green Belt talents.
"Zero Defect" Quarterly Activities	<ul style="list-style-type: none"> "Zero Defect" activities include "315" quality culture activities, "September Quality Month" cultural activities, and "full staff participation" quality awareness activities, which are promoted through posters, displays, and quality culture platforms. In 2023, departments organized a series of "315" quality culture-themed activities, while suppliers synchronized activities to enhance overall staff quality awareness and capabilities. The "September Quality Month" cultural activities had a total participation of 4,238 people.
Quality Academy Training	<ul style="list-style-type: none"> A total of 35 courses were offered throughout the year, with the development and optimization of 6 courses. Course categories include quality management systems and standardization, application of quality tools, product quality knowledge, thinking and innovation, and supplier quality improvement². A total of 2,120 people received education from the Quality Academy throughout the year, with a cumulative quality education duration of 260 hours and a classroom test pass rate exceeding 95%.
Selection Activities	<ul style="list-style-type: none"> Throughout the year, the Company collected over 60 cases of quality culture practices from various departments. Five quality culture benchmarks were selected each quarter, with each person receiving an incentive of RMB 2,500.

In 2023, the Company conducted an evaluation based on the maturity model of Robam Appliances' quality culture development. The overall maturity of quality culture construction reached 73.55 points for the year, an increase of 4.65 points from 2022, demonstrating the Company's firm determination and significant achievements in the practice of quality culture.

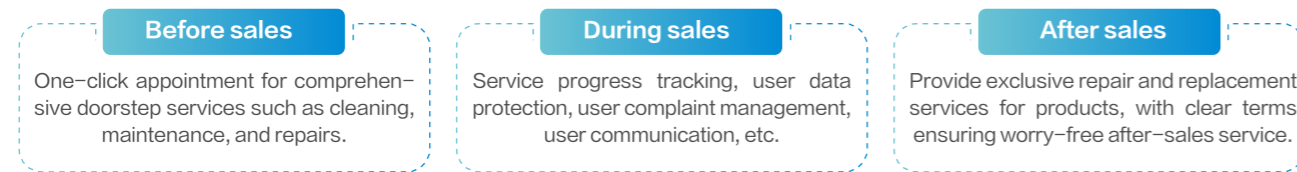
[2] For more information on "Supplier Quality Improvement," please refer to Chapter 5.



4.3 User Service

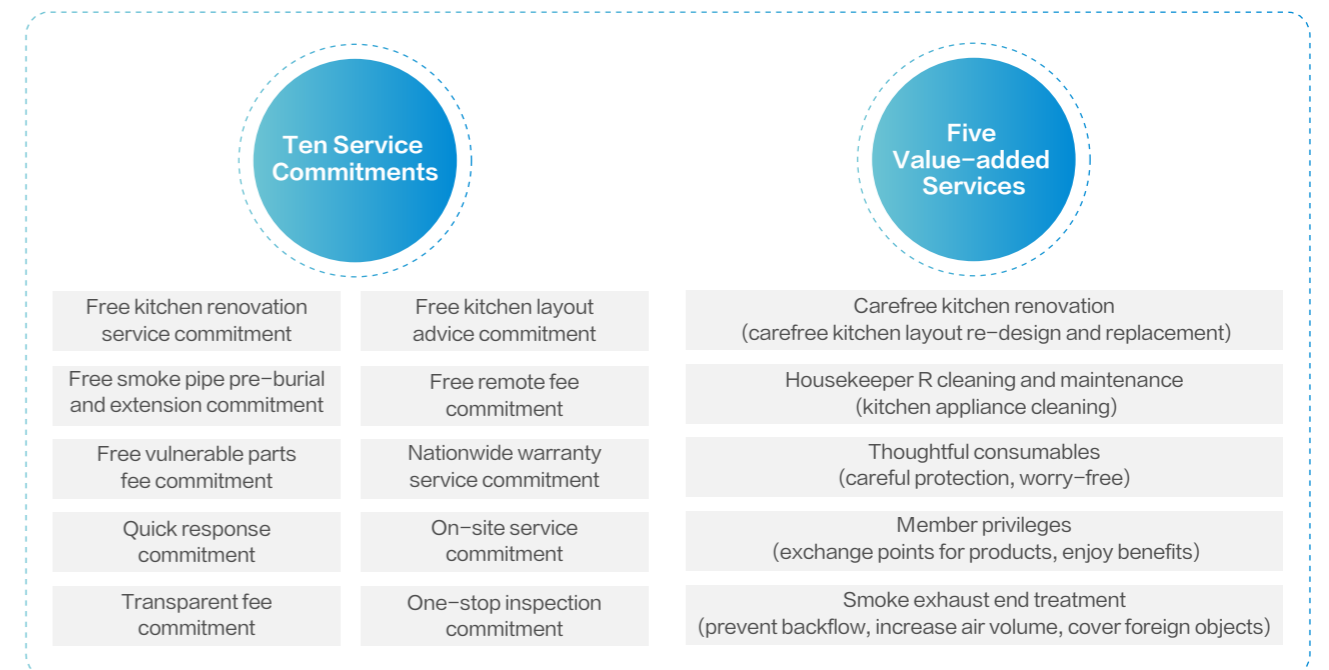
User Relations Management

The Company adheres to the service concept of "delivering instant, warm, professional, meticulous and transparent services", relying on four interactive platforms, such as telephone, WeChat, e-commerce and enterprise WeChat account, to realize comprehensive technical services³ before, during and after sales, achieving positive interaction with users and creating differentiated user experiences.



[3] For more details about user services, please visit the company's official website: www.robam.com

In 2023, the Company proposed "Ten Service Commitments and Five Value-added Services" for certain products, further improving user relationship management and providing comprehensive product lifecycle service guarantees to users.



The Company centers its operations around its headquarters and establishes a hierarchical management user service model extending to agent outlets and service points. It assigns dedicated technical support engineers based on product categories and appoints technical supervisors at national agent outlets to provide comprehensive technical services at all stages of national after-sales. Through the establishment of a nationwide support system, it empowers service technicians nationwide, enhancing their service technical capabilities.

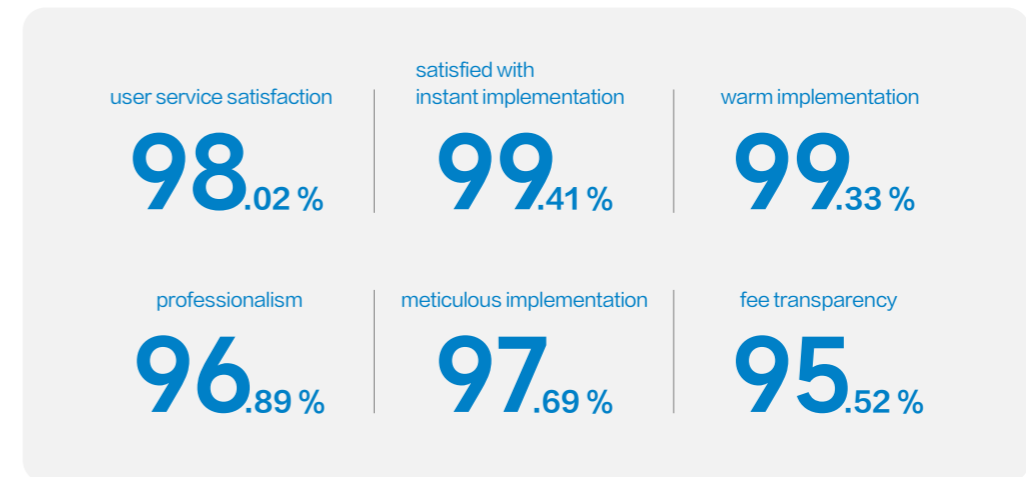
In addition, the Company has improved the agent management system with detailed regulations on agent introduction, operation management, training, assessment, and withdrawal to meet user needs in a standardized way, enhance user service experience and improve the user reputation of Robam Appliances. The Company also conducts training for relevant employees on a regular basis to continuously improve their professional and service capabilities.

In terms of user complaint management, the Company has formulated the Robam Appliances Standards for Handling Agency Complaints to standardize the process of handling complaints and crises in each agency. The Company promptly accepts user complaints through channels such as user feedback hotlines and the Company's official website. All information received by the Company is classified, and specific response and resolution time requirements are established. At the same time, the Company supervises the processing progress to ensure that each complaint is resolved within the stipulated time.



In 2023, the Company further strengthened complaint management by formulating the Complaint and Public Opinion Management system, and issued a notice to all agents nationwide titled Notice on Strengthening Complaint and Public Opinion Management at National Marketing Centers and officially established hotline 95105855-8 for complaints. It also implemented a tracking and closed-loop mechanism for complaint work orders. Personnel for the complaint hotline are high-performing individuals with rich experience from the headquarters. In 2023, the overall complaint resolution rate of the Company exceeded 94%.

The Company emphasizes active communication with users, conducting 100% follow-ups on all service work orders, and conducting user satisfaction surveys based on the service concept of "instant delivery, warm, professional, meticulous and transparent services" across five dimensions. In 2023, the overall user service satisfaction rate of the Company reached 98.02%. Among them, 99.41% were satisfied with instant implementation, 99.33% with warm implementation, 96.89% with professionalism, 97.69% with meticulous implementation, and 95.52% with fee transparency.





Responsible Marketing

The Company adheres to responsible marketing by providing accurate and comprehensive information to users through product labels, product manuals, the Company's official website, offline marketing networks, and service outlets. This ensures that users can make informed decisions about relevant products and services.

The Company strictly complies with national laws and regulations such as the Advertising Law of the People's Republic of China, the Cybersecurity Law of the People's Republic of China, the Trademark Law of the People's Republic of China, and relevant industry regulations. It has established a Guidelines for External Publicity to conduct compliance reviews of all new product detail pages and advertisements for new product launches. The review involves departments such as the submission department, patent-related technical support department, product line department, laboratory, legal department, and other relevant departments to ensure no infringement or violation of advertising law requirements in the content or description.

Meanwhile, the Company actively carries out training activities for users, and conveys relevant information, including product performance, usage efficiency, potential risks, instructions for safe use, operation and maintenance methods, etc., to users in a true and effective manner with regard to different product characteristics.

During the reporting period, the Company was not penalized by the administrative department for violating the laws and regulations related to product and service market promotion, information disclosure, and labeling requirements.



05

Harmonious Development

- 5.1 Employee Rights and Interest
- 5.2 Employee Development and Promotion
- 5.3 Occupational Health and Safety

5.1 Employee Rights and Interest

Employee Rights

The Company strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws and regulations, formulates the Human Resource Management Guideline, the Employee Attendance Management Standards, the Management Standards for Labor Protection of Female Employees and Minors and other documents to ensure the basic rights of employees and guarantee compliant employment practices.

The Company adheres to the principle of equal employment and opposes all forms of discrimination based on gender, age, region, education level, religious beliefs, nationality, race, sexual orientation, disability, etc. It strives to create a diverse and inclusive work environment. Meanwhile, the Company has established a fair, impartial, and transparent recruitment and employment mechanism and strictly prohibits child labor, forced labor, overtime work beyond regulations, harassment, and abuse. The Company emphasizes safeguarding the rights and interests of female and disabled employees, effectively protecting the legitimate rights and interests of all employees.

During the reporting period, the Company did not encounter any incidents of discrimination, harassment, child labor, or forced labor. It also did not face any penalties from relevant authorities due to violations of laws and regulations related to employee recruitment and employment practices.



Overview of Employee Employment Rights at Robam Appliances

Recruitment and Elimination

- Recruitment: We recruit employees according to our Recruitment Management Standards and the applicable laws and regulations, and following the fairness, impartiality and no discrimination principles.
- Elimination: We abide by our Elimination Management Standards in eliminating employees, to protect their legal rights and interests.

Remuneration and Incentives

- Remuneration: We adjust remuneration twice a year and make remuneration raising plans for employees according to our Remuneration Management Standards.
- Incentives: We give physical and spiritual incentives to employees delivering extra performance, contribution or value according to our Incentives Management Standards.

Work Hours and Leave

- Work hours: Employees take mixed weekends (meaning one day off for a week and two days off for another). Employees are required to work 8 hours a day/shift.
- Leave: Employees are entitled to statutory leave and personal leave, sick leave, work-related injury leave, annual leave, marriage leave, prenatal check-up leave, maternity leave, paternity leave, breastfeeding leave, bereavement leave and other paid leave.

During the reporting period, the Company received honors such as

"2023 Extraordinary Employer of Zhejiang"
from Liepin and

"Most Influential Employer of 2023"
from Haitou.com.



Employee Benefits and Care

The Company insists on the working concept of "happy work, healthy life", and aims to "improve the happiness index of employees, accumulate happy energy, and improve the quality of life and work". It has established management systems such as the Employee Welfare Manual and Welfare Management System to cover all employees and enhance their sense of belonging and happiness.

Robam Appliances Employee Welfare System



Festival Energy Station

Welfare benefits for holidays such as New Year's Day, Spring Festival, Lantern Festival, International Women's Day, Labor Day, Mid-Autumn Festival, National Day, and listing commemorative bonuses.



Happy Life Bar

Canteen meals and subsidies, birthday wishes, continuous improvement points, employee discounts on purchases, high-temperature subsidies, energy packs, team-building activities, employee events, employee clubs, shuttle buses.



Health Boost Station

Accident insurance, business travel insurance, safety liability insurance, critical illness insurance, outpatient and inpatient medical insurance, high-end medical care, inpatient medical mutual aid, traditional Chinese medicine therapy, health check-ups, dental care, fitness facilities, health seminars.



Role Model Promotion Room

Spirit of Vise Award, Innovation Award, Excellent Team Award, Golden Bull Award, Quarterly Vise Model Staff, Quarterly Three-Star Culture Employee, Outstanding Communist Party Member, Excellent Party Worker, Active Party Member, Outstanding Contribution Award for Craftsman Spirit, Top Ten Youth Models, Top Ten Youth/Young Talent, red-banner pacesetter and red-banner pacesetter models of International Women's Day.



Brain Recharge Room

E-learning, professional sub-colleges, special training programs, outbound training, corporate library.



Warm Holiday

In addition to statutory holidays, provide employees with: extended Spring Festival holidays, wedding travel leave, prenatal examination leave, bereavement travel leave, childcare leave, companionship leave.



Talent Service Station

High-level talents in Hangzhou, high-level talents in Linping District, four types of talents, fresh graduates, skilled talents, high-level engineers.



Housing Relief Station

Well-equipped single apartments, housing/housing subsidies, Linping District public rental housing subsidies, settling-in allowances for fresh graduates/rental subsidies.

Robam Appliances Gemini Apartments

The Gemini Apartments are self-built staff dormitories by Robam Appliances, guided by the strategies of talent hub development, livable design concepts, and quality management practices. They provide housing and living guarantees for the company's highly skilled and young talents, aiming to attract and retain talent effectively and promote the high-quality development of the company.

The ground floor of the Gemini Apartments covers an area of 2,648 square meters, with each standard room (including a balcony) measuring 38 square meters. The rooms are fully equipped with necessary facilities. Additionally, fitness facilities such as yoga rooms, sports rooms, a library, and a supermarket are provided within the apartment building. Surrounding parks and squares have been built to create a high-quality shared space integrating fitness, education, leisure, and other elements, catering to the employees' needs for a better quality of life.



To enrich employees' leisure activities, the Company regularly organizes various holiday events and entertainment activities, provides rich bonuses and prizes, and enhances employee happiness. Additionally, the Company has established eight major employee clubs, regularly holds themed club activities and recruitment events. Employees can join clubs based on personal preferences and enjoy various training and activities provided by the clubs.

Robam Appliances Employee Activities and Club Activities Classification

Employee activities	Work Start Day Events	Company Anniversary Events	New Year Events	Dragon Boat Festival Events	Mid-Autumn Festival Events
	Cooking Culture Festival	Staff Sports Competition	Karaoke Contest	"The Voice of Robam" concert	Youth Networking Event
Club activities	Football Club	Basketball Club	Badminton Club	Yoga Club	
	Frisbee Club	Photography Club	Cycling Club	Board Games Club	

Regarding the assistance for employees facing difficulties, the Company formulated the Robam Group Love and Assistance Fund Implementation Regulations. This policy aims to provide assistance to employees or their immediate family members who face severe living difficulties due to sudden incidents, accidents, major illnesses, or other special reasons, and whose basic livelihood cannot be covered temporarily by social assistance systems or even after receiving assistance, they still face severe difficulties. Assistance is provided following the relevant procedures.

In 2023, the Company penetrated into the workshop sections through workshop section visits, labor union grid groups, and quarterly reports of party members via DingTalk to understand employees' difficulties and actively provide assistance. During the reporting period, the Company resolved issues related to the education of 47 employees' children, provided condolences and support for 36 employees facing hospitalization, work injuries, major illnesses, family changes, and other challenges.

Employee Communication Mechanism

The Company is committed to creating an open work environment, establishing a labor union, an enterprise labor dispute mediation committee, and regularly convening workers' congresses. During the reporting period, the labor union organized joint discussions on technical issues to understand the collaborative problems encountered by employees in business operations, collected employee feedback, and created a better development environment to enhance employee recognition and a sense of belonging.

Representatives from employees and the enterprise negotiated collective agreements on issues such as employee wages, signing the Job Level Wages Special Collective Contract. In addition, according to the Regulations of Zhejiang Province on Collective Contracts, Special Provisions on Labor Protection for Female Employees, Regulations on Population and Family Planning of Zhejiang Province and other relevant regulations, the representatives of the Company and the representatives of the employees signed the Special Collective Contract on Labor Safety and Health, the Special Collective Contract on Protection of Rights and Interests of Female Employees and the Special Collective Contract on Company Cares for Employees and Employees Love for the Company on the basis of equality and voluntariness.

The Company has established diversified employee communication channels, through the regular vice conferences, HR tea party, the establishment of the post-90s cultural think tank and other forms, to build a perfect employee communication platform, listen to the voices of employees, and establish a comfortable and positive employee relations.

Robam Cooking Festival Series Events

The Robam Cooking Festival is a unique cultural event of Robam Appliances. The Robam Cooking Festival of 2023, themed "Cooking from the Heart · Seeking the Taste of Beauty", revolved around two major themes: "Cooking Enthusiasts" and "Cooking Orators", carefully crafting a series of rich and colorful activities, such as exciting cooking competitions and poetic prose creation, and aiming to ignite the passion for cooking arts among all employees. The event provided a stage for employees to showcase their talents and, through a platform of shared cooking culture, aimed to enhance team cohesion and a sense of belonging, allowing every employee to feel the warm care and humanistic attention from the Company amidst their work.



Robam Appliances Employee Communication Channels

Channels	Content
Vise Conference	The Vise Conference is an important platform for the management of Robam Appliances to communicate and interact with employees and convey ideas, and it is an important channel for offline communication, allowing young people to come together to discuss important company events. In 2023, several executives engaged in face-to-face communication with employees through Vise Conference.
HR Tea Party	The HR Tea Party is hosted by the Human Resources Department. It is held monthly with different themes, gathering employees in a relaxed atmosphere to discuss various topics such as cultural activities and employee motivation. This event helps promote and implement corporate culture, providing a valuable and diverse feedback channel for the company's development and construction efforts.
Post-90s Cultural Think Tank	The Post-90s Cultural Think Tank better utilizes the potential of outstanding young people. Through symposiums and other forms, the Company listens to the voices of young people, carries out collective brainstorming in a relaxing and pleasant atmosphere, and collides with different ideological sparks, as well as provides diversified and youthful creativity for the development of cultural activities.

In 2023, the Company conducted its annual employee dedication and satisfaction survey, receiving a total of 4,719 questionnaire responses and 6,079 valid feedback comments.

The dedication survey covered dimensions such as retention, effort, challenge, and willingness to recommend, while the satisfaction survey included aspects such as time, intensity, management, environment, processes, systems, policies, compensation benefits, and culture. The survey results indicated an employee satisfaction rate of 88.3% and a dedication rate of 86.44%, both showing improvements compared to 2022. Based on employee feedback, the Company conducted analyses from organizational and talent development perspectives, planning improvements to continuously create a satisfactory work environment for employees.

5.2 Employee Development and Promotion

Employees Training and Development

Talent is the source of vitality for the development of the enterprise, the Company focuses on the personal development of the staff to help employees grow. The Company fully implements an endogenous talent development strategy, while seeking industry experts externally to lead teams in rapid development. At the same time, it recruits a large number of high-potential fresh graduates to increase talent reserves, comprehensively building a strong force for the Company's talent development.

Robam Endogenous Talent Development Strategy

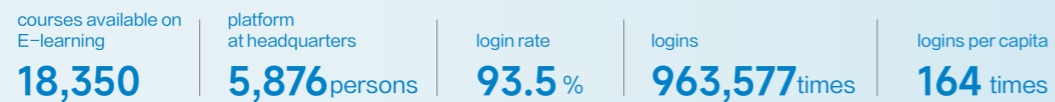


The Company has established and implemented management systems such as the Training Management Guidelines, creating a specialized training model including the Quality Academy, Technology Innovation Academy, Advanced Manufacturing Academy, Financial and Economic Academy, and others. Additionally, the Company has launched the E-learning platform and established a corporate library with over 20,000 volumes of books, promoting continuous learning and growth among employees and striving to create a learning-oriented organization.

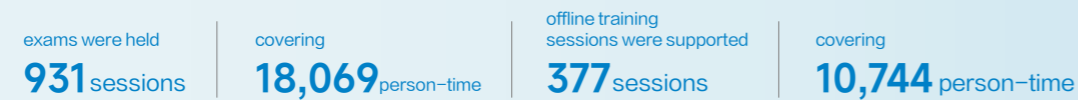
E-learning

E-learning is a free online learning platform available to all employees of Robam. As the learning hub for Robam employees, it houses a wealth of cases and knowledge, facilitating knowledge retrieval, acquisition, and storage for employees.

As of the end of the reporting period, there were 18,350 courses available on E-learning, 5,876 persons had access to the platform at headquarters, with 93.5% login rate, 963,577 logins, and 164 logins per capita;



931 exams were held, covering 18,069 person-time, 377 offline training sessions were supported, covering 10,744 person-time;



knowledge was updated 6,221 times, with 10,128,500 minutes of total learning time, and 28.73 hours of learning time per capita.



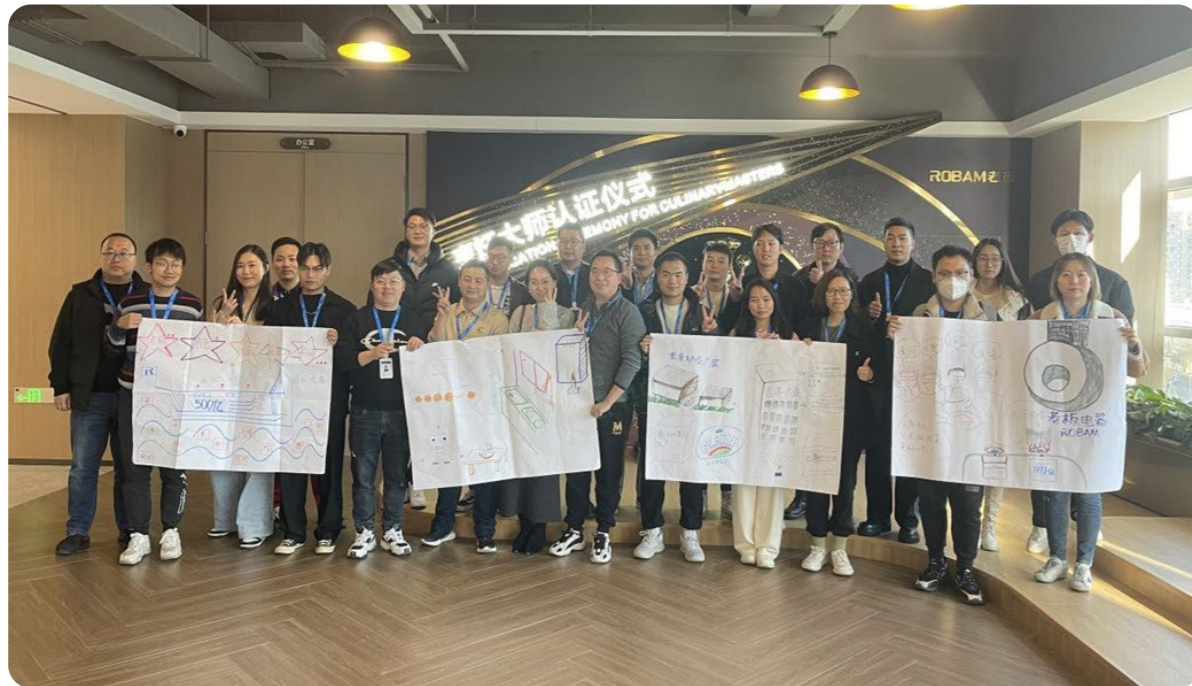
The Company has established a comprehensive employee training system, implementing specialized training plans every year. Based on competency models, it sets targeted training themes and modes for different training targets, including but not limited to programs like the "Blue Whale Plan", "Lemon Plan", "Sunflower Plan", "Ivy Plan", and "Rainbow Plan". Eligible employees can enjoy free learning and training courses under these specialized training plans. Additionally, the Company encourages and supports employees to obtain certification of academic qualifications. Depending on job positions and training needs, the Company provides paid external training opportunities to help employees make continuous progress in their careers.

Robam Appliances Talent Development Plan

Training Plan	Training Target	Introduction
Blue Whale Plan	New recruits from social channels	Help new employees quickly understand the Company system common processes, and corporate culture.
Lemon Plan	New recruits from school channels	Facilitate fresh college graduates to quickly integrate into the workplace. There are Lemon high potential class, Lemon management class and Lemon skill class.
Sunflower Plan	Employees with 2-3 years of tenure	Guide employees to develop along professional channels, cultivate departmental business backbones, and young expert talents with high professional qualities, rapidly enhancing employees' professional abilities.
Ivy Plan	Middle Management	Combine management skills with coaching techniques, with team activities centered around competition and cooperation. This allows middle managers to gain inspiration and understand the art of management through team activities.
Rainbow Plan	Senior Management	Combine leadership with business acumen, tailored to the development of future leaders with personalized training programs. Programs include Rainbow Forums, Vice Lectures, as well as coaching techniques, project experience, and study tours.

Blue Whale Plan

The training of externally recruited new employees from social channels is an important part of the Company's talent development. In 2023, the Company upgraded the Blue Whale Program, a training program for new recruits, to develop targeted training content for new employees, including company culture, development history, strategy, branding, products and other multi-dimensional knowledge, to help new employees understand the Company in a more in-depth manner. The program also designed several actions learning sessions, focusing on cultivating new employees' collaborative and innovative abilities, to help them master essential skills and knowledge, and improve work efficiency and work quality. In the future, the program will continue to strengthen communication with new employees to understand their needs and confusion and provide better support and assistance.



Ivy Plan

Ivy Plan is a training program for mid-to-senior-level managers in the Company aimed at comprehensively enhancing their comprehensive management capabilities. In 2023, the project, with strategic objectives as traction and cadre requirements as a basis, involved multiple teaching modes including classroom sessions, seminars, and action learning. Participants completed collaborative, user, growth, and value strategic-level thinking on four topics through four steps of theoretical learning, sharing seminars, benchmarking learning, and practical application. They demonstrated their learning outcomes through summary defenses.

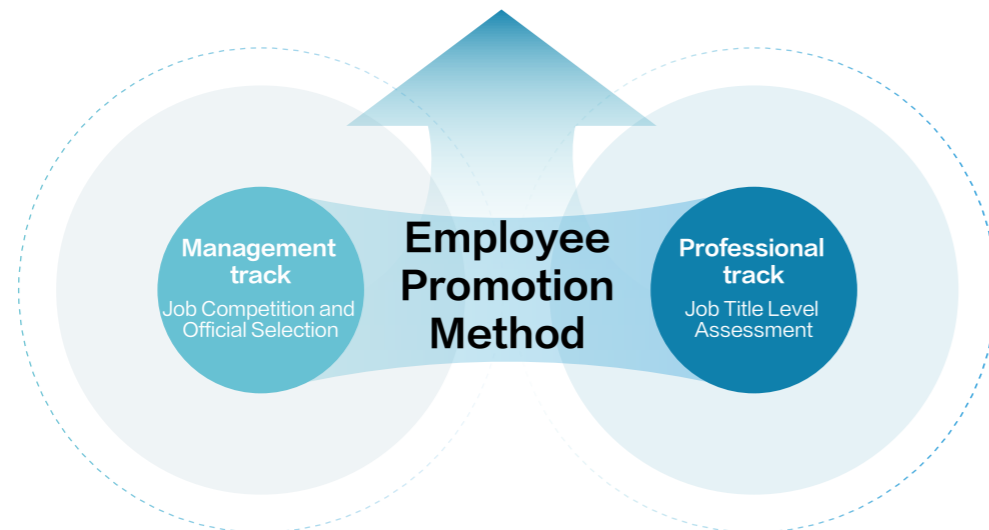


Employee Promotion and Incentives

The Company is committed to talent pipeline construction, establishing management systems such as the Talent Development Management Standard, Incentive Management Standard, and Vise Model Employee Incentive Program. It has set up a complete employee promotion channel and implemented diverse incentive measures to help employees achieve development goals, promote talent retention, and talent pipeline construction.

The Company, guided by employee capabilities and value creation, designs a dual-track career promotion channel for management (management track) and professional (professional track) development, forming six position categories: management, product development, supply chain, marketing, professional service, and technical operations. Employees whose management or professional abilities match can grow across sequences, encouraging employees to transition into compound skilled talents.

Robam Appliances Employee Dual-Track Promotion Channel



The Company has formulated the Job Performance Management System, which specifies the method, dimension and procedure of employee performance evaluation, etc. According to the type of employees, the Company carries out performance appraisals on a monthly, quarterly and annual basis to comprehensively evaluate the working ability of employees.

During the reporting period, the Company conducted the 2023 stock incentive plan in accordance with the regulations and relevant rules of the China Securities Regulatory Commission's Measures for the Administration of Equity Incentives of Listed Companies, the Shenzhen Stock Exchange, and China Securities Depository and Clearing Co., Ltd. Shenzhen Branch. This incentive plan targeted 325 persons, including mid-level management personnel and core technical (business) backbone employees, granting a total of 5.52 million stock options.

incentive plan
325 persons
 granting a total
5.52 million stock options



"Seeking the Annual Outstanding Figures"

– Annual Selection of Outstanding Employees and Teams

The Company regularly conducts the "Seeking the Annual Outstanding Figures" – Annual Selection of Outstanding Employees and Teams activity, aiming to honor outstanding employees and teams, spreading the spirit of excellence to more colleagues.

In 2023, the Company evaluated employees based on the dimensions of responsibility, innovation, and pragmatism, selecting more than 300 outstanding employees for awards such as the Vise Spirit Award, Innovation Award, Star Award, Golden Bull Award, and Excellent Team Award. These awards set cultural benchmarks for the entire company, and outstanding employees receive exclusive benefits such as bonuses, reward points, and other incentives.

5.3 Occupational Health and Safety

Safe Production Management

The Company takes the responsibility of production safety as the core and risk evaluation and control as the means to build up the safe production culture. The Company complies with laws and regulations such as the Work Safety Law of the People's Republic of China and Regulation on Emergency Responses to Work Safety Accidents, establishing management systems including the Safety Management Responsibilities of Various Levels of Organizations and Personnel, Criteria for Judging Major Hidden Safety Hazards, Safety Management Standards for Hazardous Operations, Safety Management Standards for Gas Cylinder Operations, On-site Emergency Drug Management Standards, Electrical Safety Management Standards, and Gas Distribution Room Safety Management Standards, among others. It has set up an Emergency Management Committee and emergency management working groups to comprehensively implement the system of production safety responsibility, thereby reducing the occurrence of safety accidents and ensuring the safety of the Company and its employees' lives and property.

After identification, the risks related to production safety that the company faces include safety risks during project testing, workplace safety risks during production and operation phases, and risks associated with chemical management. The company implements various measures such as continuous and thorough safety inspections and hazard rectifications, emergency management, safety training, among others, to effectively reduce production safety risks. This helps enhance safety awareness among all employees and comprehensively builds a safety defense line.

Robam Appliances Safety Production Management Measures and Performance in 2023

Safety Inspection and Hazard Rectification	<ul style="list-style-type: none"> Added a special EHS inspection every Thursday and provided QR codes for reporting safety hazards in production areas. Employees can scan the codes to report, thus collecting information on potential safety risks comprehensively. During the reporting period, the Company identified and rectified 4,199 hidden dangers promptly, achieving a rectification rate of 99.8%.
Emergency Management	<ul style="list-style-type: none"> Established management systems such as the Emergency Response Plan for Production Safety Accidents and regularly conducts emergency drills, including exercises for chemical spills, gas leaks, confined space rescues, electrical injuries, special equipment incidents, fire evacuations, environmental equipment failures, heatstroke prevention, etc., totaling 23 drills. Conducts safety production months, traffic safety months, fire safety months, and employee emergency management skills competitions to simulate accident scenes and continuously improve emergency plans.
Safety Training	<ul style="list-style-type: none"> Conducts daily pre-job training and monthly special safety training covering various departments, laboratories, and administrative departments. It includes themes like pre-holiday safety training, return-to-work safety training, environmental protection special training, dust and explosion prevention special safety training, chemical safety special training, etc. Conducts Level Three safety education training, achieving a training coverage rate of 100%. Organizes safety certification training for special operation personnel and safety management personnel, ensuring that all employees in special positions hold relevant certificate qualifications. During the reporting period, the Company conducted a total of 145 training sessions with 16,271 participants in safety-related education and training.

Regarding chemical management, the Company strictly adheres to rules and regulations such as the Regulations on the Safety Management of Hazardous Chemicals, Regulations on the Safe Use of Chemicals in the Workplace, and the Catalog of Hazardous Chemicals, among others. It has established management systems such as the Chemical Management System, improving regulations for the procurement, handling, purchase, use, storage, and disposal of chemicals to prevent unintended purchases, acquisitions, and uses, reducing risks in the Company's chemical usage processes.



During the reporting period, the Company did not experience any fire, explosion, chemical poisoning, or other safety accidents resulting in deaths from work injuries. The completion rate of the Company's main safety production objectives reached 100%.



Occupational Health and Safety

The Company strictly complies with laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Provisions on the Supervision and Administration of Occupational Health at Work Sites, establishing systems including the Occupational Disease Management Standards, Occupational Hazard Monitoring and Evaluation Management System Occupational Hazard Warning and Notification System, Occupational Hazard Emergency Plan, Occupational Hazard Project Declaration Standards, Occupational Health and Safety Testing Standards, and Occupational Hazard Protection Equipment and Facility Management System, among others. The Company has also obtained ISO 45001 Occupational Health and Safety Management System certification.

Identified occupational disease hazards in the Company mainly include noise, welding fumes and dust, radiation, fluorides, potassium hydroxide, sodium carbonate, solvent gasoline, hexane, other dust particles, glass wool dust, grinding wheel dust, manganese and its inorganic compounds, zirconium and its compounds, welding arc light, monoaromatic hydrocarbons, esters, ketones, alcohols, acrylic acid, etc. The Company commissions qualified third-party organizations to conduct occupational hazard factor monitoring annually. The monitoring results are reported to the Administration of Work Safety in Linping District and recorded in the occupational health management ledger. At the same time, the administration department of the Company feeds the test results to the production department, which informs the employees of each position in the workshop of the occupational disease hazards and their concentration values by means of posting notices or circulation, and informs them of the protective measures.

The Company carries out daily equipment monitoring in response to the monitoring results, regularly organizes special safety training for the prevention and control of occupational diseases, and also carries out special physical examinations for employees on occupational diseases once a year. During the reporting period, the Company focused on improving noise hazards by updating the equipment of old machines and providing employees with 3M noise protection earplugs and other protective gear.

The Company pays attention to employees' psychological health, sets up employee relations posts, expands employee communication channels and platforms, and understands employees' psychological status in a timely manner; develops employee psychological health courses, stimulates participants' discussion and interaction through course lectures, and promotes the orderly development of employees' psychological health.

Robam Appliances Occupational Health Objectives

Zero occurrence of occupational diseases

Timely Transfer Rate for Occupational Prohibitions

Implementation rate of safety training for job transfer (including secondment for more than three days)

Pre-employment Health Examination Rate for Frontline Employees

Complete Occupational Health Procedures for Frontline Employees Leaving Their Positions

100%

During the reporting period, the Company was not punished for violating the laws and regulations related to occupational health and safety, and the occupational health goals achieved a completion rate of 100%.





06

ENVIRONMENT PROTECTION

6.1 Environmental Management

6.3 Resource Management

6.2 Climate Change Response

6.4 Emissions and Wastes Management

6.1 Environmental Management

Robam Appliances strictly abides by the Environmental Protection Law of the People's Republic of China, Water Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes, and other laws and regulations of China as well as laws and regulations of the place where it operates, and has set up an environmental management system to ensure its effective operation.

In accordance with the environmental protection policy of "protection first, prevention centered, comprehensive management, company participation, and damage responsibility", the Company realizes the efficient use of energy resources and effective control of pollution emissions by establishing environmental management structure, improving environmental management system, implementing environmental management objectives and carrying out environmental system certification.

Robam Appliances Environmental Management System

Environmental Management Architecture	<ul style="list-style-type: none"> The Company has established an emergency management committee to guide, inspect and supervise the environmental protection work and promote the environmental management of the Company.
Environmental Management System	<ul style="list-style-type: none"> EHS Assessment Management Standard, Environmental Factor Identification and Evaluation Management Standard, Environmental and Occupational Health and Safety Management Performance Monitoring Management Standard, etc.
Main Environmental management objectives	<ul style="list-style-type: none"> Environmental pollution accidents: 0 Waste classification and storage rate:100%; collection and disposal rate: 100% Harmless treatment rate of hazardous waste: 100%
Environmental System Certification	<ul style="list-style-type: none"> Pass the ISO 14001 Environmental Management System Certification

Robam Appliances Environmental Management Measures and Performance in 2023

Environmental Management Inspection	<ul style="list-style-type: none"> Require each department to regularly identify and evaluate all environmental factors within their department Conduct daily environmental condition inspections at each base Introduced weekly EHS special inspections in 2023
Environmental Impact Assessment and Approval	<ul style="list-style-type: none"> Conduct environmental impact assessments, acceptances, and approvals for new and expansion projects Conduct environmental impact assessments for new construction projects in Zone A in 2023
Environmental Pollution Emergency Drills	<ul style="list-style-type: none"> Develop emergency plans for sudden environmental incidents, organize environmental emergency drills, and enhance environmental emergency response capabilities Conducted emergency drills for abnormal sewage data in 2023, summarized the drills, reflected on shortcomings, and continued to improve the ability to handle emergencies
Environmental Protection Knowledge Training	<ul style="list-style-type: none"> Provide training on environmental protection covering environmental safety, waste management, hazardous waste classification, relevant environmental laws and regulations, etc., to enhance employees' environmental awareness
Stakeholder Management	<ul style="list-style-type: none"> Strengthen environmental safety management for construction parties, contractors, suppliers, etc., control relevant environmental factors during operations, and provide environmental standards training for stakeholders

In 2023, the Company's annual environmental protection investment expenditure reached RMB 9.35 million. The Company did not experience any penalties from relevant departments due to violations of environmental management laws and regulations related to pollutant emissions, pollutant leaks, waste generation, etc., nor were there any major environmental impact accidents in these areas.

6.2 Climate Change Response

Climate change is a common challenge for both countries and enterprises. The Company actively responds to China's goal of peaking carbon emissions by 2030 and achieving carbon neutrality by 2060. Referring to the International Financial Reporting Standard Sustainability Disclosure Standard 2: Climate-Related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), the Company is structuring its climate change management system from the perspectives of governance, strategy, risk management, indicators and goals. This includes identifying climate change-related risks and opportunities and integrating climate change mitigation and adaptation into daily management.

Robam Appliances Climate Change Management System

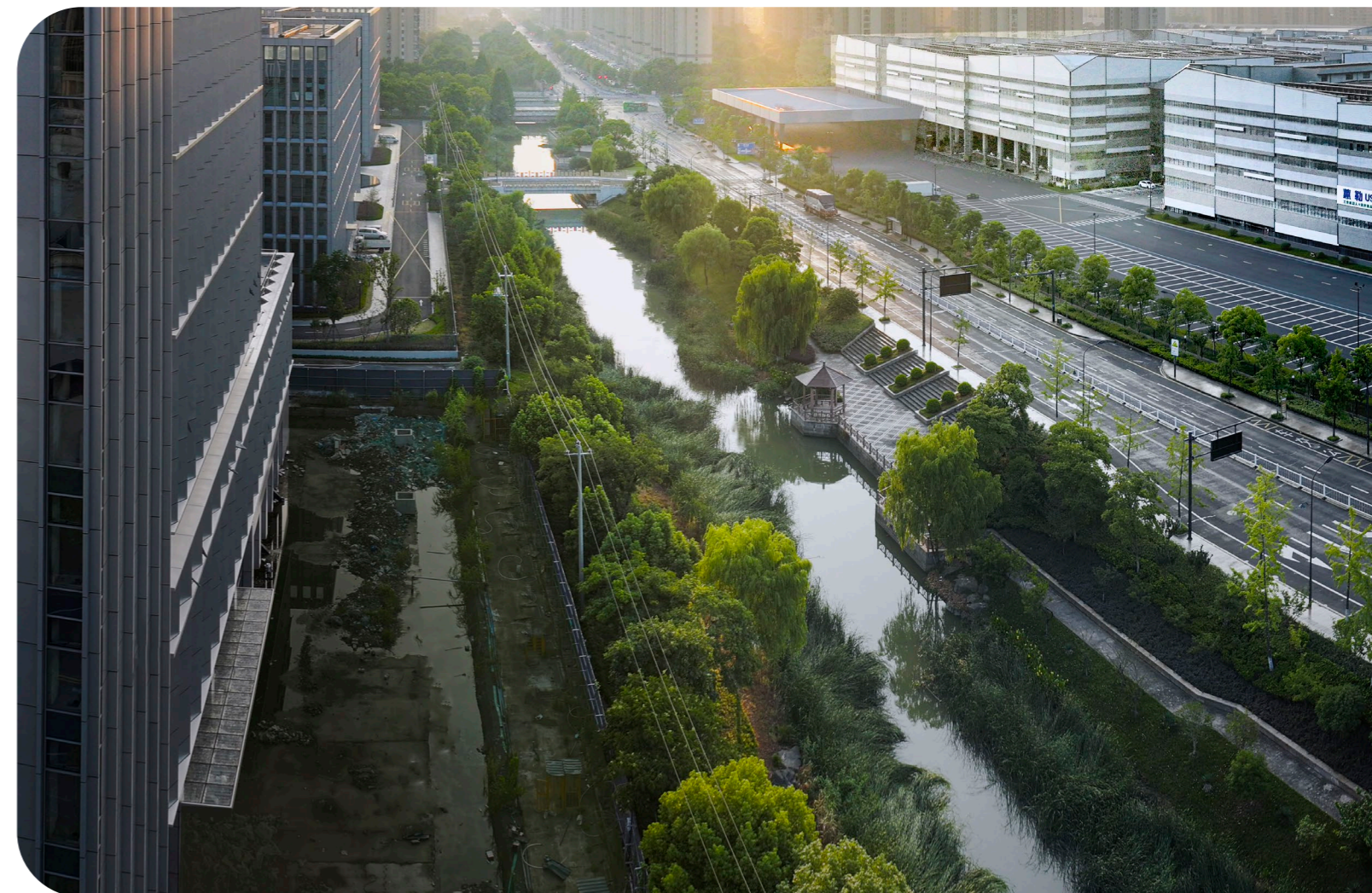
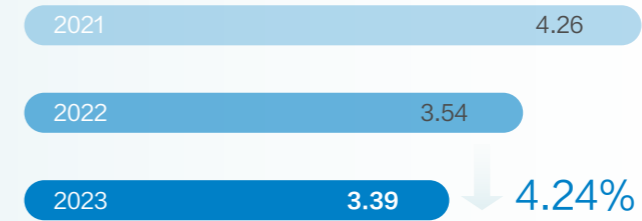
Governance	<ul style="list-style-type: none"> Incorporate the issue of climate change into the highly important materiality of the Company's ESG management, with the Board of Directors overseeing and managing the climate change issue of the Company. Relevant functional departments and subsidiaries will prioritize climate change management in their daily work.
Strategy	<ul style="list-style-type: none"> Actively identify the main sources of greenhouse gas emissions. Identify the climate change-related risks to the Company's operations, planning to integrate climate change risks and opportunities into overall operational risk management. Organize carbon-neutral pathway design and actively explore the "carbon-neutral" kitchen appliance new model.
Risk Management	<ul style="list-style-type: none"> Undertake management actions related to resource conservation and emission reduction to minimize greenhouse gas emissions caused by energy use. Encourage employees to adopt green office practices to reduce greenhouse gas emissions.
Indicators and Goals	<ul style="list-style-type: none"> Regularly disclose greenhouse gas emissions and emission intensity to assess the Company's performance in climate change management. Based on consecutive years' greenhouse gas emission data, conduct calculations to lay the foundation for setting quantifiable climate goals.

In 2023, the Company completed the carbon inventory activities for the entire factory area for the year 2022 and completed preliminary carbon inventory work for greenhouse gas emissions in 2023. This effort clearly identified the major energy consumption trends in production and office processes, recognized the energy efficiency levels of high-energy-consuming equipment in the Company, and provided strong data support and clear improvement directions for the Company's carbon reduction efforts.

Greenhouse gas emission intensity:

In 2023, the greenhouse gas emissions per million RMB of revenue were 3.39 metric tons of carbon dioxide equivalent, marking a YoY decrease of **4.24%**.

Data Performance



6.3 Resource Management

Energy

The Company strictly complies with laws and regulations such as the Energy Conservation Law of the People's Republic of China and the Renewable Energy Law of the People's Republic of China, establishing an Energy Management System and setting up an energy management leadership group. The head of each unit serves as the energy management person in charge to form an energy management network. In 2023, the Company organized the formulation and revision of relevant energy management systems according to the requirements of GB/T 23331 for energy management systems, improving the institutional construction of energy management.

The Company's energy consumption mainly consists of electricity, natural gas and steam, making energy consumption a primary source of greenhouse gases. Adhering to the principle of energy conservation and consumption reduction, the Company continuously improves energy efficiency through energy-saving technology upgrades, unreasonable energy use inspections, and other measures, achieving dual improvements in environmental protection and economic benefits.

The implementation of Energy-Saving and Carbon Reduction Measures of Robam Appliances in 2023

Energy-saving Technology Upgrades	<ul style="list-style-type: none"> Implemented localized energy-saving improvements for high-energy-consuming equipment in production workshops, such as spray blowing devices and stamping line blowing devices. Utilized energy-saving technologies within the industry, such as stepwise pressure adjustment for auxiliary equipment air compressors. Completed a total of 22 energy-saving improvement projects throughout the year, achieving a cost reduction of RMB 2.0287 million, with an energy consumption reduction rate of 3.2%.
Unreasonable Energy Use Inspections	<ul style="list-style-type: none"> Strengthened inspections for unreasonable energy use, totaling 309 instances for the year, with a completion rate of 98.9% for rectification. Rectifying unreasonable energy use reduced energy waste by approximately RMB 289,000.
Digital Energy Management and Consumption Analysis	<ul style="list-style-type: none"> Established individual energy consumption models for high-energy-consuming equipment mixed lines in various factory areas, enabling the differentiation of energy consumption data for mixed-line products. This provided more convincing data support for energy consumption analysis and laid the data framework for energy digital transformation. Conducted daily/weekly/monthly/yearly energy consumption data sorting and analysis. Performed analyses on areas with excessive energy consumption, budgeting for energy consumption exceeding the norm, etc. Based on analysis results, conducted monthly departmental energy consumption review meetings and provided suggestions.
Renewable Energy Consumption	<ul style="list-style-type: none"> The Company uses the roof of the existing production plant to generate PV power, and the electricity generated is directly supplied to the production. Annual electricity generation can reach 7,757.3 thousand kilowatt-hours.
Energy-saving Education	<ul style="list-style-type: none"> Regularly conducted energy-saving training to enhance all employees' understanding and practical abilities regarding energy management and energy-saving and emission reduction practices.

Water Resource

The Company's main source of water is externally purchased municipal water. The Company has improved its water management system by establishing a comprehensive water distribution network and equipment inspection system. It promptly repairs leaks and eliminates water waste. Additionally, the Company reduces water consumption and continuously explores water-saving opportunities through measures such as regular inspections, water recycling, energy-saving technological improvements, and water-saving education.

The Implementation of Water-Saving Measures of Robam Appliances in 2023

Regular Inspections	<ul style="list-style-type: none"> Strengthening water management in office buildings and restrooms by regularly inspecting water fixtures for prolonged water flow and leaks.
Recycling	<ul style="list-style-type: none"> Recycling cooling water used in the production process through cooling towers. Partially reusing treated production wastewater through wastewater treatment facilities.
Energy-saving Technology Upgrades	<ul style="list-style-type: none"> Converting open cooling towers to closed systems to reduce water vapor evaporation. When refilling the cooling tower with water, there is a risk of float ball damage. If the float ball malfunctions, it can cause water overflow. Therefore, we have redesigned the overflow outlet. Now, when there is water overflow, the overflow water is recovered, eliminating water loss. Bathroom circuit renovation to prevent sensor flush valves from staying in constant open state, reducing water wastage.
Water-Saving Education	<ul style="list-style-type: none"> Enhancing water-saving awareness through promotional campaigns and posters at key water usage points to raise employee awareness.

Raw Materials and Packaging Materials

The Company's production materials mainly include cold-rolled plates, galvanized plates, stainless steel, as well as cardboard boxes, foam, and other packaging materials. The Company explores material conservation possibilities in production, packaging, and office processes. It achieves efficient production through digital management, recycling, process improvements, and continuously increasing material utilization rates.

Robam Appliances' Management Measures for Raw Materials and Packaging Materials in 2023

Digital Management	<ul style="list-style-type: none"> Digitize daily workflow processes and material usage to achieve paperless operations.
Recycling	<ul style="list-style-type: none"> Pilot recycling delivery methods using reusable turnover boxes, panels, and other packaging materials in logistics to increase material utilization rates.
Change in Production Auxiliary Materials	<ul style="list-style-type: none"> Replace plastic and wooden pallets with iron materials to increase the reuse rate of production auxiliary materials.
Process Improvement	<ul style="list-style-type: none"> Single-component silicone gel packaging improvement project, reducing packaging weight.

6.4 Emissions and Wastes Management

Wastewater Discharge Management

The Company has formulated the Wastewater Treatment Management System and a series of practical documents, such as the Spray Wastewater Treatment Operation Guide and Three-line Wastewater Treatment Equipment PM Daily Maintenance Operation Guide, to standardize and detail the operational behaviors and management processes throughout the wastewater discharge process.

The Company applies for wastewater discharge permits in accordance with the requirements of national and local governments, strictly implement discharge declaration and discharge registration, and establish wastewater treatment systems. Parameters such as Chemical Oxygen Demand (COD) and Ammoniacal Nitrogen (NH₃-N) in wastewater generated during production and operation are monitored, and the wastewater is discharged through the unified discharge outlet in compliance with standards.

Robam Appliances Wastewater Discharge Standards and Monitoring Indicators

Enforced Discharge Standards	Monitoring Indicators	Monitoring Measures
Integrated Wastewater Discharge Standards (GB8978-1996), Class III Standard	COD	Regular third-party testing
Indirect Discharge Limits for Ammonia and Phosphorus Pollutants in Industrial Wastewater (DB33/887-2013)	NH ₃ -N	Regular third-party testing

Exhaust Gas Discharge Management

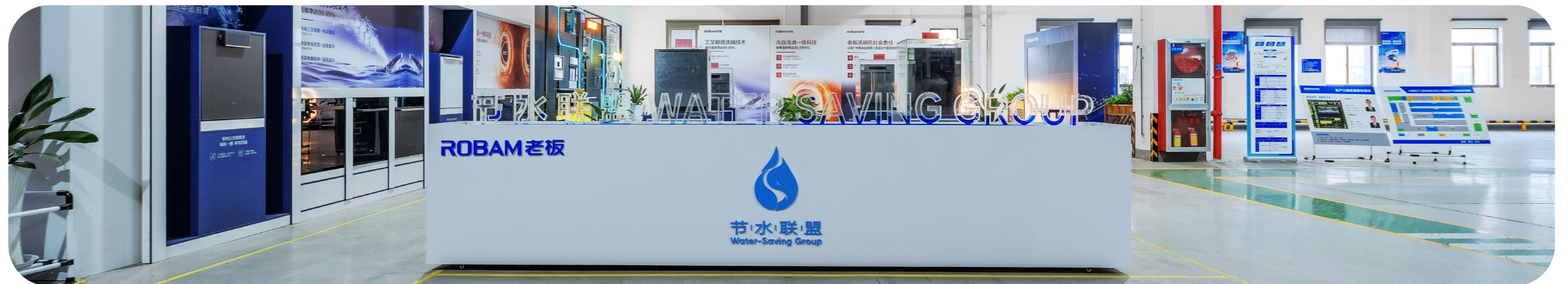
The atmospheric pollutants generated during the Company's production and operation mainly include combustion gas fumes, canteen fumes, and spray powder dust. The Company has developed practical documents such as the Spray Exhaust Gas Treatment Equipment Operation Guide, Spray Line Exhaust Gas Treatment Equipment Safety Operation and Maintenance Guide, and Powder Curing Furnace Exhaust Gas Treatment Equipment Safety Operation and Maintenance Guide to detail air emission management work.

The Company effectively supervises the emission of waste gas and ensures that all emission indicators comply with local and industry emission standards through strict treatment and testing measures.

Robam Appliances Exhaust Gas Discharge Categories and Discharge Standards

Categories	Enforced Discharge Standards	Monitoring Measures
Natural gas combustion exhaust	Implementation Plan for Comprehensive Management of Atmospheric Pollution from Industrial Furnaces and Kilns in Zhejiang Province (Zhejiang Environmental Letter [2019] No. 315)	Regular third-party testing
Canteen fume	Standard for Emission of Oil Fume in Catering Industry (GB 18483-2001)	Regular third-party testing
Praying organic waste gas	Emission standard of air pollutants for Industrial Coating Process (DB33 2146-2018)	Regular third-party testing

In addition, the Company actively takes measures to reduce exhaust emissions. In 2023, the Company upgraded the exhaust gas treatment facilities in some individual factory areas to further improve emission reduction effects.



Wastes Management

The Company has established the Waste Management Standard to ensure waste classification, standardized disposal, pollution prevention, and maximum control of the impact of waste on the environment.

The Company follows the principle of reduction and reuse. For waste generated in the production process, the Company first sorts out metal waste, sells directly usable metal waste to downstream manufacturers as raw materials, and sells unusable metal waste to recycling plants for reuse. Secondly, in accordance with waste classification requirements, recyclable waste (plastics, waste paper, foam, etc.) is sorted, while other waste is entrusted for disposal.

Robam Appliances Waste Categories and Disposal Measures

Categories	Content	Measures
Hazardous Waste	sludge from water treatment, paint residues, spent activated carbon, waste oil, empty oil drums, Viton bottles, silicone gel packaging, alcohol bottles (drums), oil rags, laboratory waste liquid, waste emulsion, grinding sludge, etc.	Entrust qualified units for standardized disposal
General Waste	Industrial Waste	Sheet metal scraps, waste cardboard boxes, waste foam, waste wood, waste plastics, etc.
	Household Waste	Beverage bottles, food packaging materials, napkins, bathroom waste, etc.
	Construction Waste	Waste generated during construction processes
	Waste Cooking Oil	Waste cooking oil generated during canteen activities
		Regularly tender for sale or entrust qualified units for comprehensive utilization
		Entrust sanitation departments for disposal
		Entrust qualified units for disposal
		Entrust qualified units for collection and cleaning

Robam Appliances Waste Management Process

Collection	· Relevant departments collect waste by classification
Cleaning, Transport, and Storage	· Cleaners handle cleaning, follow storage requirements, and entrust qualified units for transportation
Disposal	· Entrust qualified units for disposal or regularly tender for sale, etc.
Prevention	· Before the implementation of new, expanded, or modified projects, relevant departments should conduct prior environmental impact assessments, considering equipment and facilities that emit less waste or have filtering devices
Inspection	· The administrative department organizes regular inspections of daily waste disposal by functional departments

E-waste Management

In accordance with the Basel Convention, the Company explicitly prohibits the export of electronic waste to developing countries and regions and strengthens e-waste management.

The Company signs annual procurement contracts with suppliers, clearly stipulating the return of market-returned electronic components to relevant suppliers for disposal. Suppliers are required to provide contracts and qualifications from accredited third parties for the disposal of electronic waste, ensuring proper disposal of electronic waste.

Regarding recovered whole products, the Company dismantles and recycles them, recovering recyclable parts. In addition, the Company implements the "Trade-in for New" project for all product categories within China, using a "dismantle old + install + subsidy" model. For existing customers who need to upgrade, we provide dismantling and installation services for old machines. Some agents carry out recycling services, and local maintenance personnel dismantle and collect the old machines either by visiting the customer's location or through mail-in services. After the recycling process is completed and the new machine is delivered, customers receive a subsidy for the upgrade. This approach ensures proper handling of old products while providing excellent user service.





07

SUPPLY CHAIN OPTIMIZATION

- | 7.1 Supply Chain Quality
- | 7.2 Supply Chain Resilience
- | 7.3 Responsible Supply Chain

7.1 Supply Chain Quality

Supply Chain Quality Management

The Company adopts a comprehensive approach to building a sustainable supply chain throughout the product lifecycle. It has established supplier management documents such as the Management Measures for Productive Materials Suppliers, Management Measures for Unreliable Suppliers, and Business Conduct Norms for Procurement Operations and Supplier Relations.

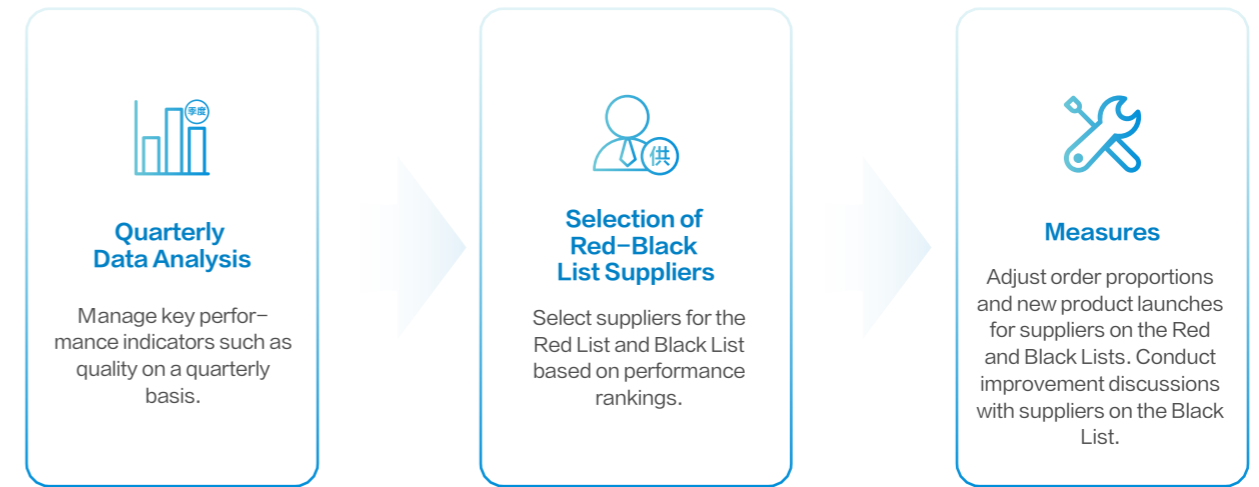
The Company's suppliers include production material suppliers and non-production material suppliers, among which production material suppliers cover three categories of suppliers: raw materials, general parts and outsourced parts. The Company classifies its suppliers into four categories: strategic, bottleneck, general and leveraged, based on procurement amount and supply risk.

The Company conducts admission audits and routine performance evaluations for suppliers as part of its quality management efforts. Clear quality requirements are outlined for suppliers, focusing on incoming material quality, process quality, customer complaint quality, quality improvement, quality cooperation, and quality system capabilities. In routine performance evaluations, supplier quality accounts for 35% of the assessment.

The Company implements monthly, quarterly, and annual performance assessment mechanisms for suppliers. Quarterly evaluations emphasize short-term incentives, using a "Red-Black List" rule for adjusting supplier order proportions and new product launches. Blacklisted suppliers undergo improvement discussions. Annual evaluations emphasize cooperative relationship positioning. Suppliers are categorized into five-star levels based on overall evaluations of their daily performance and sustainable development capabilities. Unqualified suppliers undergo elimination assessments.



Quarterly "Red-Black List" Assessment Process for Robam Appliances Suppliers



Annual "Five-Star" Assessment Process for Robam Appliances Suppliers



The Company implements a supplier audit mechanism. In 2023, the Company conducted supplier audits through written documents and on-site inspections, covering a total of 99 suppliers across all product categories. This included 10 final product assembly suppliers (OEM/ODM), 86 component suppliers, and 3 raw material suppliers. The audit content encompassed various aspects such as product quality, social responsibility, and supply chain credit risks. Among these audits, the Company performed on-site admission audits for 20 suppliers, including 5 final product assembly suppliers (OEM/ODM), 13 component suppliers, and 2 raw material suppliers.

The Company continues its efforts in supplier communication. In 2023, quarterly exchange activities were conducted with 1 Lean Model Supplier, totaling interactions with 8 quality model suppliers throughout the year. This strengthened two-way communication with suppliers, contributing to consolidating achievements in quality management.

Enhancing Supply Chain Capability

Robam Appliances continues to implement a systematic supplier empowerment project, integrating internal high-quality resources and leveraging its industry experience to empower supply chain partners, providing strong support for the healthy development of the supply chain.

The Company has built a supplier empowerment system around "Lean Maturity", "External Learning", "Training", and "Model Learning", aiming to help suppliers improve product quality while building brand value and industry competitiveness.

Robam Appliances Supplier Empowerment System



The implementation of Supplier Empowerment Project of Robam Appliances in 2023 (partial)

Lean Maturity	<ul style="list-style-type: none"> In March 2023, the Company organized Lean Degree regulation introduction training for suppliers, clarifying the common project language through the interpretation of terms. At the same time, the Company carried out the initial assessment of Lean Degree for participating suppliers, and based on the diagnostic results of the 9 modules, gave participating partners improvement suggestions to help them carry out Lean management. Throughout the year, the Company organized 7 large-scale training sessions on Lean Management, Digitalization, and other themes, covering a total of 160 suppliers.
External Learning	<ul style="list-style-type: none"> In 2023, the Company organized several external visits for supplier partners, including visits to benchmark enterprises in the automotive parts or electronics industries. Through visits to Lean and Digitalization workshops, as well as sharing and exchanging digital implementation experiences, supplier partners gained firsthand experience of advanced management concepts and practices from excellent enterprises. This facilitated their thinking and planning regarding digitalization and lean management.
Training	<ul style="list-style-type: none"> The Company has established a special empowerment mechanism for suppliers to carry out process 19 system promotion and reengineering, system upgrading, quality improvement and other work. The program involves a total of 25 suppliers, of which 8 will be added in 2023. The Company promotes advanced quality management methods. In 2023, the Company carried out "Quality Control Circle (QCC) to suppliers" for 23 suppliers, and organized more than 10 trainings on PPAP, 8D and lean production.
Model Learning	<ul style="list-style-type: none"> In 2023, the Company organized 4 internal model visits for suppliers, and commended outstanding suppliers at the end of the year at the summary meeting of the supplier empowerment project, to motivate all suppliers to improve together and further promote supply chain synergy and optimization.



7.2 Supply Chain Resilience

Ensuring Supply Chain Stability

To ensure supply chain stability, the Company actively built a diversified supply layout and adopted differentiated supply strategies. Flexible and diverse procurement plans were formulated based on different product line characteristics, market demands, and brand positioning. On one hand, the Company emphasized establishing long-term stable cooperation with strategic suppliers, sharing market information and collaborating on innovation. On the other hand, it timely introduced new suppliers with unique advantages to meet the demands for new products and technologies during brand and channel development processes. In 2023, the Company deepened cooperation with strategic suppliers and implemented a dual-track supply resource system based on "brand positioning" and "cost positioning" for supplier operations. Additionally, the Company continued to expand its supplier base for new product categories, implementing a diversified supply policy.

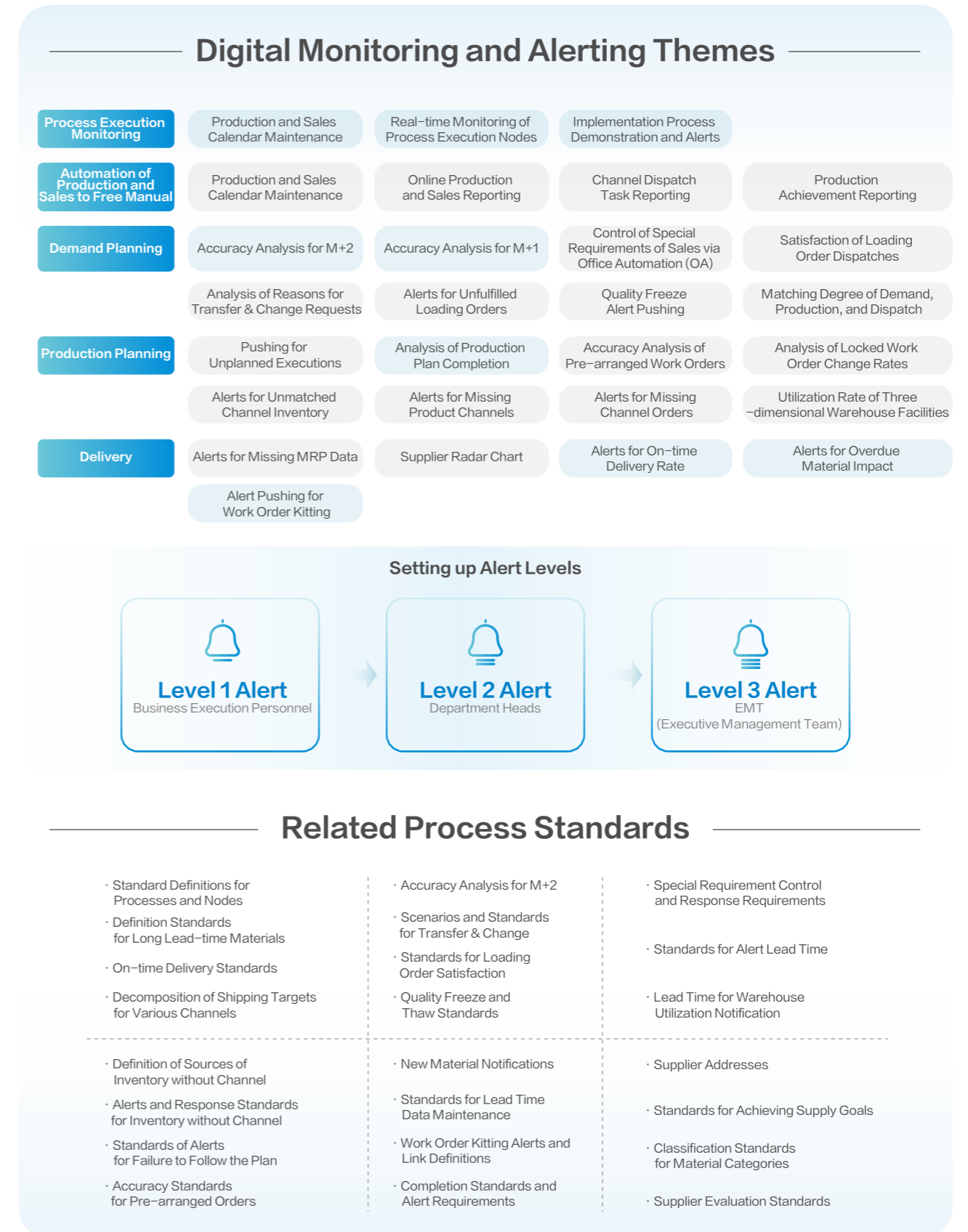
Furthermore, the Company localized its supply chain layout to reduce transportation cycles, shortened supply times, and established mechanisms to prevent quality risks from extreme weather conditions such as typhoons and high temperatures, ensuring supply chain stability. These measures aim to enhance supply chain resilience, risk response capabilities, maintain stable supply conditions, and ensure business continuity and sustainable development.

Supply Chain Digital Management

Elevating supply chain digitization is a key strategic initiative for the Company amidst ever-changing user demands and the need for internal operational optimization. This initiative aims to enhance overall operational efficiency, improve response speed, and reduce risks and costs. The Company showcases supply chain business conditions through data and employs real-time data monitoring to detect and alert relevant personnel about issues during business processes. This hierarchical alert system ensures the effectiveness and efficiency of business processes by intervening when necessary.

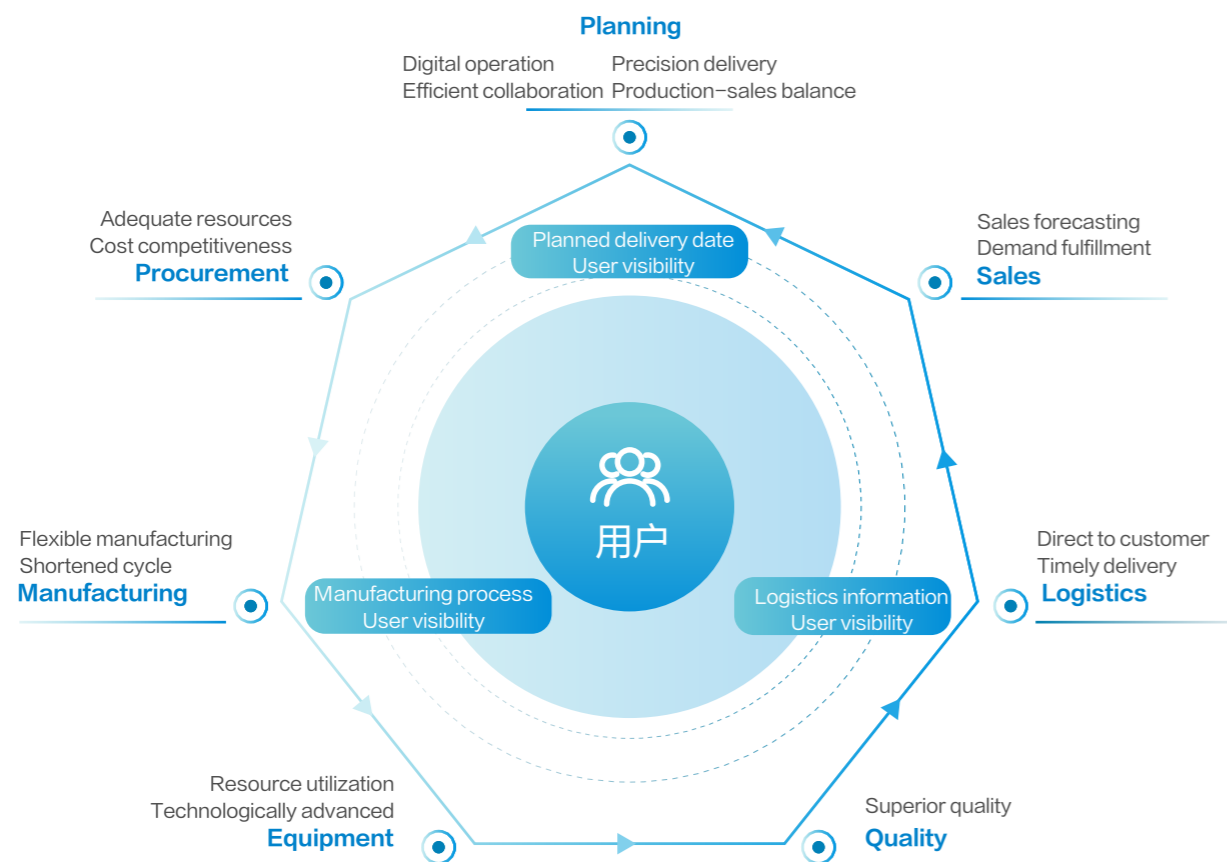


Supply Chain Digitalization and Upgrading



Simultaneously, the Company proposes the "Direct-to-User Digital Integrated Supply Chain" strategy, which centers around users and deepens supply chain management transformation. It aims to build an integrated procurement-production-inventory-sales delivery system directly reaching users. The front-end of the supply chain reaches the users directly, carrying out direct distribution reform and centralized inventory management; the middle-end of the supply chain is demand-driven, and through intelligent forecasting and replenishment, associated with agile manufacturing and accurate supply, to realize rapid delivery of orders; the back-end of the supply chain is deeply collaborative, combining the logistics model of vendor-managed inventory (VMI) and just-in-time production (JIT), and continues to build up the cost competitiveness based on the basis of punctual delivery and integrity and quality, achieving win-win outcomes for all parties in the whole chain; and outcomes by material requirements planning (MRP), supplier relationship management (SRM), manufacturing execution system (MES), warehouse management system (WMS) and other information technology integration and intelligent procurement, production, storage, marketing system, the company achieves whole process visualization and control from "user requirements - production planning - material planning - manufacturing - finished product delivery" through the supply chain digital map, continuously improving customer satisfaction.

Direct-to-User Digital Integrated Supply Chain System



7.3 Responsible Supply Chain

Supplier Sustainability Management

The Company requires 100% of selected suppliers to sign the Supplier CSR Guidelines and the Environment, Occupational Health and Safety Commitment. These documents outline clear management requirements regarding labor rights, anti-discrimination, forced labor prevention, child labor management, working hours, overtime pay, minimum wage, freedom of association, and health and safety. Violations may lead to immediate termination of procurement contracts, and legal actions will be pursued against non-compliant suppliers.

Robam Appliances Supplier Social Responsibility Guidelines (Partial)

Labor and Human Rights	· Suppliers must uphold employees' human rights in a manner recognized internationally to ensure dignity and respect.
Anti-discrimination	· Suppliers must not discriminate against employees based on race, color, age, gender, sexual orientation, ethnicity, disability, religious beliefs, political affiliation, union membership, nationality, or marital status during recruitment, promotion, rewards, training opportunities, work arrangements, wages, benefits, penalties, or termination.
Prevention of Involuntary Labor	· Suppliers are prohibited from using any form of forced labor.
Prevention of Child Labor	· Hiring child labor or supporting such practices is strictly prohibited.
Working Hours	· Suppliers must comply with all applicable laws and regulations regarding working hours and overtime.
Wages and Benefits	· Suppliers should pay their employees at least the minimum wage required by local laws and regulations, as well as provide statutory benefits. In addition to compensation for normal working hours, suppliers should also compensate employees for overtime in the proportion required by relevant laws and regulations.
Freedom of Association	· Suppliers must respect employees' rights to freedom of association, to form and join employee organizations, to seek representation, and to bargain collectively, as permitted by local laws and regulations.
Health and Safety	· Suppliers must strive to create safe working conditions and a healthy work environment for all their employees.


To further encourage suppliers to fulfill their social responsibilities, the Company not only conducts social responsibility module audits during supplier admission and in the daily management of qualified suppliers by relevant internal departments but also commissions third-party organizations to conduct special audits on social responsibility-related issues of suppliers. In 2023, the Company commissioned third-party organizations to conduct labor management audits on 63 suppliers. The audit content includes prevention of involuntary labor, prevention of child labor, working hours, wages, and benefits, among other aspects. No violations were found, achieving 100% compliance with the audit.

Additionally, the Company continues to empower suppliers to enhance their labor management capabilities by organizing external visits for supplier partners. They learn about employee management methods from visited companies, fostering in-depth discussions among suppliers on issues related to employee incentives, equipment personnel management, and other labor-related matters.


Regarding the construction of green supply chain, the company requires suppliers to clearly define their environmental responsibilities and outline environmental impacts as well as measures to reduce adverse environmental effects in procurement procedures and contracts. The company has formulated the Strategic Supplier Selection Evaluation and Downgrading Criteria, with environmental management as a veto criterion, clearly defining restrictions on the selection and downgrading of strategic suppliers. The Company adheres to the concept of green procurement and strives to minimize the impact of products on the environment by incorporating environmental factors into the management of design, quality, packaging and logistics, and by establishing a supplier incentive mechanism.

Robam Appliances Green Procurement Management


Green Quality Management	<ul style="list-style-type: none"> Select high-quality suppliers through comprehensive assessments, and integrate green products into strategic indicators
Green Design Management	<ul style="list-style-type: none"> Collaborate with suppliers using suitable raw materials and adhering to green design product and environmental guidelines
Green Packaging Management	<ul style="list-style-type: none"> Establish a packaging standards project team, adopting standardized containers or designing specialized tools
Green Logistics Management	<ul style="list-style-type: none"> Evaluating suppliers' transportation vehicles and logistics methods, adding new circular pickup modes, planning reasonable routes and order quantities, and improving logistics efficiency, thereby reducing greenhouse gas emissions during transportation




Green Quality Management



Green Design Management



Green Packaging Management



Green Logistics Management

The Company conducts annual audits on whether suppliers follow the Supplier CSR Guidelines formulated by the Company and other supplier codes of conduct. During the reporting period, no supplier violated relevant code of conduct, and the pass rate for social responsibility module audits reached 100%. As of the end of the reporting period, a total of 105 suppliers obtained occupational health and safety management system certification, and 181 suppliers obtained environmental management system certification. The Company will continue to promote social responsibility-related certifications for suppliers and implement sustainable development management, working hand in hand with suppliers to build a responsible supply chain.

Responsible Mineral Management in the Supply Chain

The Company's product manufacturing process involves the use of Aurum (Au) and Stannum (Sn), which are conflict minerals. The Company adheres to the Responsible Business Alliance (RBA) and Global Enabling Sustainability Initiative (GeSI) principles, following the OECD guidelines for responsible mineral management to manage and reduce risks in its supply chain. The Company pledges not to purchase or support conflict minerals from illegal mining activities or profits used to fund armed conflicts, explicitly prohibiting the purchase of raw materials from regions that do not respect human rights, engage in illegal trade, or fund violence.

The Company conducts risk identification and management for mineral resource procurement, requiring suppliers to provide Conflict Minerals Reporting Templates (CMRT) for conflict mineral investigations and ensuring that primary smelters in the supply chain pass third-party Responsible Minerals Assurance Process (RMAP) audits.

The Company signs Conflict Mineral Declarations with all suppliers, requiring them to declare and ensure that their products do not use conflict minerals from Congo and its neighboring countries. They must trace the sources of all products containing Aurum (Au), Tantalum (Ta), Stannum (Sn), Tungsten (W), Cobalt (Co), and colored gemstones, refrain from participating in or supporting conflict mineral mining, and ensure that upstream suppliers pass on conflict mineral management requirements.

In 2023, the Company continued to strengthen responsible mineral management, achieving 100% traceability of product material origins. They also launched the "Supplier Conflict Mineral Investigation" in the Supplier Relationship Management (SRM) system, investigating 15 electronic control suppliers involved in conflict minerals, and conducted conflict mineral investigations for eight OEM manufacturers' secondary suppliers, with a compliance rate of 100%.

In the future, the Company will continue to uphold its conflict-free mineral commitment, aiming for the use of 100% qualified smelters, continue supplier conflict mineral investigations, gradually expand the scope of investigations, and advance responsible mineral management efforts.





08

SHARED PROSPERITY

- | 8.1 Promoting Industry Development
- | 8.2 Social Welfare
- | 8.3 Promoting Cooking Culture

8.1 Promoting Industry Development

Robam Appliances has been focusing on the cooperation between industry, academia and research, actively establishing various forms of cooperation and collaboration with universities and research institutes, and strengthening exchanges and cooperation with domestic and international peer companies, effectively organizing and utilizing social resources. The Company is committed to promoting the construction of industry ecological alliances, working with industry partners to build new industry formats, and promoting industry development and innovation.

In terms of industry-academia-research cooperation, the Company has collaborated with multiple universities to establish innovative key project teams, achieving numerous innovative outcomes. Relying on university technical platforms, the Company appoints senior R&D engineers to lead project progress in cooperation, while also entrusting university professors to conduct technical capacity building for high-potential talents.

In terms of industry exchanges, the Company regularly visits subcontracting factories and brand partners, inviting enterprises to participate in seminars at the Company, seeking new win-win models through exchanges and sharing, and reaching consensus on key technology R&D investments. Additionally, the Company collaborates with major supply chain platforms, holding monthly technical exchange conferences to discuss the application prospects of cutting-edge technologies in kitchen and electrical products.

In terms of participating in standard setting, the Company is committed to promoting industrial development, actively participating in or leading the formulation of relevant national standards, industry standards, and group standards.

The implementation of Industry Development Promotion of Robam Appliances in 2023

<p>Industry-academia-research cooperation</p>	<ul style="list-style-type: none"> In 2023, the Company collaborated with several universities including Huazhong University of Science and Technology, Northwestern Polytechnical University, China Jiliang University, Yangzhou University, Zhejiang Gongshang University, etc., to conduct research on the technological industrialization transformation of specialty cooking equipment, heat transfer performance, noise reduction technology, etc.
<p>Industry exchanges</p>	<ul style="list-style-type: none"> The Company participated in the Hangzhou City "Spark" Incubation Program's inaugural study tour, focusing on "Robam Appliances Comprehensive Quality Education Practice and Application" and "Robam Appliances Quality Culture Leading Quality Management and Innovation", engaging in in-depth discussions and exchanges with the study group. The Company participated in the 2023 Zhejiang Gas Appliances and Kitchen Appliances Industry Quality Achievement Exchange Conference hosted by the Zhejiang Quality Association. The Company participated in the 2023 Digital Technology and Innovation Application (Shanghai) Exhibition and the 5th Smart Maintenance Technology Conference.
<p>Participation in standard setting</p>	<ul style="list-style-type: none"> During the reporting period, the Company led the development of 12 industry standards, including 1 international proposal, 1 national standard, 1 industry standard, and 9 group standards. The Company participated in the formulation of 18 standards, including 7 national standards, 2 industry standards, and 9 group standards.

Robam Appliances hosted the 2023 China Kitchen Ecology Conference and established the "China Kitchen Ecology Alliance"

From December 11th to 12th, 2023, Robam Appliances hosted the 2023 China Kitchen Ecology Conference themed "Harmony and Coexistence, Reconstructing WE Future". The Company proposed a new corporate positioning as a comprehensive solution provider for the entire cooking chain and established the "China Kitchen Ecology Alliance".

As the first and currently only kitchen ecology alliance in China, the alliance will meet market demands for personalized products through product intelligence, user sharing, data integration, and service improvement among partners. It will also fulfill social responsibilities, achieve win-win situations for enterprise growth and social value, build new industry formats, and drive healthy industry development.



8.2 Social Welfare

Public Charity

The Company actively fulfills its social responsibility by establishing the Hangzhou Linping District Robam Appliance Public Welfare Charity Foundation. The foundation has formulated regulations such as the Hangzhou Linping District Robam Appliance Public Welfare Charity Foundation Charter and the Hangzhou Linping District Robam Appliance Public Welfare Charity Foundation Charity Project Management System to systematically manage the Company's charitable and public welfare projects.

The foundation is guided by the principles of "aiding the vulnerable, repaying society, and improving the cooking environment for Chinese families". Depending on the specifics of each project, the foundation provides funding, goods, and other forms of assistance to approved social charity projects. During the project implementation, dedicated personnel from the project department monitor and manage the progress. The Foundation leads by example and plays a leading role in the region, focusing on the areas of poverty alleviation, relief of serious illnesses, disaster relief, and health education. During the reporting period, a total of 22 public welfare charity projects were conducted, with a cumulative investment of RMB 19.37 million.

Robam Appliances' Charity Projects in 2023 (partial)

Area	Project details
Support poverty	Supported five impoverished students in Guizhou Province, with a total donation of RMB 25,000.
Major Illness Assistance	Conducted the "Boundless Love" rescue activity, helping critically ill patients through difficult times. During the reporting period, a total of 3 people were helped, with a total donation of RMB 110,000.
Disaster Relief	The Company supported post-disaster reconstruction in flood-hit areas of Beijing-Tianjin-Hebei by donating 1,000 units each of range hoods, stoves, and dishwashers, with a total value of RMB 12.29 million.
Health Education	Donated kitchen equipment worth RMB 75,000 to the Nailang Temple Buddhist Academy in Doilungdèqên District, Lhasa City, Tibet Autonomous Region.
	Donated prizes worth RMB 200,000 to the first "Hangzhou Digital Craftsman" event.
	Donated dishwashers worth RMB 2.5 million to the Health Bureaus of Linping District and Yuhang District in Hangzhou City, Zhejiang Province, supporting healthcare workers' health and well-being.
	Supported the "China-Europe Action of Light" project of the Tianjin Red Cross Society with a donation of RMB 20,000.

Robam Supported the Post-Disaster Reconstruction in Beijing-Tianjin-Hebei Region

In late August 2023, the Beijing-Tianjin-Hebei region experienced extreme rainfall, leading to severe flooding disasters. To assist thousands of families in rebuilding their homes, the Company promptly implemented donation plans, targeting severely affected areas such as Wuqing District, Jinghai District, Xiqing District in Tianjin City, Mentougou District in Beijing City, and Gaobeidian City in Hebei Province. The Company donated 1,000 range hoods, gas stoves, and dishwashers each, totaling over RMB 12 million in value. To expedite the process, Robam Appliances collaborated across departments, swiftly implementing and supporting frontline efforts.



Additionally, the Company actively organized employee volunteer activities, consistently fostering charitable awareness and social responsibility among staff. The Company organized events such as the "3.5 Learning from Lei Feng" Community Service, "Children's Day-Hand in Hand" activities, Teacher's Day appreciation, Double Ninth Festival celebrations, and provided high-temperature care visits to traffic police, firefighters, sanitation workers, among other social welfare activities. These efforts extended to neighboring communities, not only igniting enthusiasm for contributions among all employees but also effectively driving regional philanthropic development.



Common Prosperity and Rural Revitalization

The Company actively responded to the call for Zhejiang's common prosperity demonstration zone for high-quality development, focusing on rural revitalization, integrating the requirements of high-quality development of common prosperity with the Company's mission and vision.

The Company's overall goal is to "creating people's growing needs for a better life, giving full play to the paradigm effect of Robam Appliances, and comprehensively developing a common prosperity demonstration zone for high-quality development in Zhejiang". It has identified six key action guidelines including "Employee Income Doubling Plan, Advancing Philanthropy and Charity as Leading Examples, Promoting Regional Coordinated Development as a Pioneering Model, Fostering Intelligent Manufacturing and Reinventing the Cultural Environment of Chinese Industrial Civilization through Technological Innovation, Popularizing 'Food Education', and Promoting Chinese Culinary Culture".

During the reporting period, the Company carried out assistance and donation projects in Luosiqiao Village, Yunhe Street, Linping District, Hangzhou City, Zhejiang Province; Daliangshan Mountain, Liangshan Yi Autonomous Prefecture, Sichuan Province; Jindong District, Jinhua City, Zhejiang Province; Fengshuling Town, Chun'an County, Hangzhou City, Zhejiang Province; and Shangling village, Luoxu Town, Shiqu County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province, to contribute to the common prosperity and rural revitalization.

Donation of Robam Appliances to Help Common Prosperity and Rural Revitalization in 2023

Project	Amount (RMB)
Donation for Giving Back to Hometown in Luosiqiao Village, Yunhe Street, Linping District, Hangzhou City, Zhejiang Province ⁴	2,190,000
Donation of Kitchen Products to Public Welfare Canteen in Daliangshan, Liangshan Yi Autonomous Prefecture, Sichuan Province	100,000
Targeted Donation in Jindong District, Jinhua City, Zhejiang Province	100,000
Paired Assistance in Fengshuling Town, Chun'an County, Hangzhou City, Zhejiang Province	100,000
Paired Assistance in Luoxu Town, Shiqu County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province	30,000

This donation data includes the amount donated by the Robam Group.

"Gas Access for Villages"
Charity Project in Linping District, Hangzhou City, Zhejiang Province

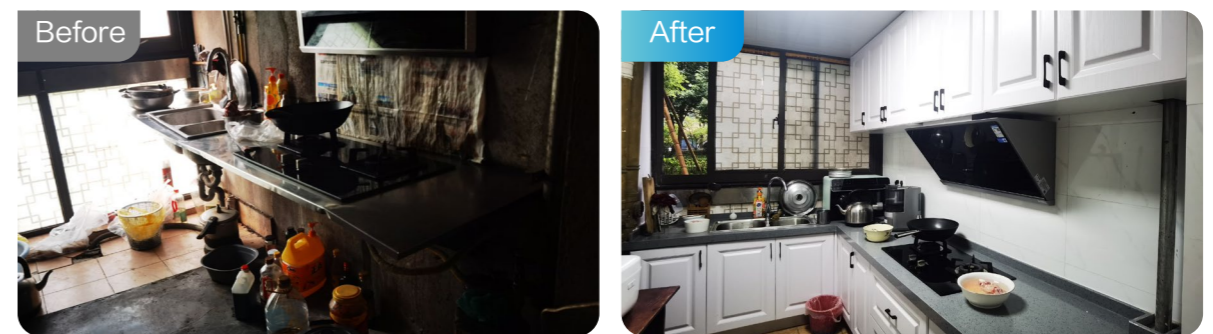
To effectively promote the construction of the Zhejiang Province Demonstration Zone for Common Prosperity and in conjunction with the three-year action plan for full coverage of rural natural gas pipelines in the Linping District, and in coordination with the District Housing and Construction Bureau's 'Gas Access for Villages' project, the Company has initiated the 'Blue Flame Plan' and 'Gas Access for Villages' charity project. Through various forms such as providing Robam Kitchen appliances and subsidizing gas account opening fees to families in the Linping District who are on low-income support (income and expenditure types), low-margin, destitute households, etc., the project aims to increase the penetration rate of piped gas among disadvantaged families. This effort aids in the integrated development of urban and rural public facilities, thereby achieving common prosperity.

Special Projects: "Warm Kitchen Project" and
"Beautiful Kitchen Initiative"

The Company aims to assist low-income families in improving their outdated kitchen conditions and promote social inclusion for vulnerable groups through the launch of featured programs such as the "Warm Kitchen Project" and the "Beautiful Kitchen Initiative".

"The Warm Kitchen Project has" been implemented across multiple regions in Hangzhou City, Zhejiang Province; Xifeng County, Tieling City, Liaoning Province; Ning County, Qingyang City, Gansu Province; Diebu County, Gannan Tibetan Autonomous Prefecture, Gansu Province, closely coordinating with local charitable foundations. The project involves a series of processes such as preliminary surveys, on-site inspections, delivery and installation, acceptance and signing, etc., to provide free replacement services for kitchen appliances to low-income families across the city. This initiative aims to help more impoverished families improve their kitchen cooking conditions. During the reporting period, the project covered 631 households of needy families, with donated products valued at approximately RMB 3.5 million.

The "Beautiful Kitchen Initiative" project covers Hangzhou City, Zhejiang Province, as well as Linping District and Yuhang District, focusing on helping low-income families upgrade their outdated kitchens to improve their quality of life. During the reporting period, the project renovated 26 kitchens with a total investment value of approximately RMB 456,000.



8.3 Promoting Cooking Culture

As a cooking-focused national enterprise, the Company upholds the concept of "nourishing intelligence and educating through food", actively promoting cooking culture. The Company established a unique Cooking Experience Center within the industry, continuously researching the relationship between products and cooking practices. Concurrently, the Company initiated a series of online and offline events such as the China Cooking Competition and Cooking Creators Conference, enabling more people to experience the joy of cooking.

The Company established the world's first Global Culinary Art Center in Hangzhou, covering over 8,000 square meters. The center is divided into four parts, showcasing the historical evolution of Chinese cooking, Robam Appliances' 40-year innovation journey and achievements, demonstrating the beauty of products and scenes through museum-style displays, and integrating cooking basics research into a cooking experience pavilion. Rooted in an international perspective and bridging the past with the future, the center spreads Chinese cooking culture worldwide through sensory experiences, emotions, heritage, innovation, technology, humanities, and global connections.



The Company firmly believes that cooking is a universal language. During the Asian Games, the Company partnered with the Hangzhou Municipal Bureau of Commerce to host cultural exchanges and launched a "Hangzhou Food Guide" in 15 different languages. This initiative fundamentally addressed the question of "What to Eat in Hangzhou during the Asian Games", enabling global visitors to better enjoy Chinese cuisine. Furthermore, the Company's Global Culinary Art Center began trial operations and was included in the "Experience Linping - Witness the Asian Games" tourism route, welcoming delegations from various Asian countries attending the Asian Games for visits and experiences.

Mid-Autumn Cultural Exchange Event at the Deshou Palace Ruins Museum

On September 29, 2023, under the joint initiative of the Hangzhou Municipal Bureau of Commerce and the Company, the "Taste of the Song Dynasty - Asian Games Reunion" themed banquet was held at the Southern Song Deshou Palace Ruins Museum. The event aimed to revive the aesthetics of life during the Southern Song Dynasty through culinary arts and delicacies, showcasing Hangzhou's cooking culture.

At the event, the ambassadors of Thailand and Bangladesh, members of the Cambodian delegation, the Vice Chairman of the Olympic Council of Asia (OCA) and other officials of the Asian Organizing Committee (AOC), the General Administration of Sport of China (GASAC), Hangzhou Asian Organizing Committee (HASOC) and Hangzhou Municipal Government (HZMG) at all levels, the champion of the Beijing Olympic Games and the management of Robam Appliances were present. Guests engaged in deep exchanges on various topics such as national histories, Song Dynasty culture, and culinary arts. They participated in interactive activities such as visiting the Deshou Palace, experiencing the four elegant pastimes of the Song Dynasty, tasting Mid-Autumn Festival delicacies from the Southern Song era, and enjoying cultural performances, immersing themselves in the culture of the Song Dynasty.





The Company emphasizes the dissemination of food education culture among student groups. In April 2022, the Ministry of Education issued the Compulsory Education Labor Course Standards (2022 Edition), explicitly listing "cooking and nutrition" as goals for grades 1–9. The Company actively responded by collaborating with the Linping District Ministry of Education in Hangzhou, Zhejiang Province, to create the "Perfect Food" food education project, dedicated to establishing a complete food education chain of "food education base + food education courses + food education activities". By the end of the reporting period, the Company had established 12 food education teaching bases in local schools, all of which were operational. The equipment in these bases adheres to the highest safety standards, and the Company specially designed and developed electromagnetic stoves suitable for student cooking, ensuring a safe learning environment for culinary education.

The Company continues to refine the food education curriculum system, appointing Professor Liu Guangwei, Chairman of the World Food Studies Forum and founder of the Chinese food education system, as Chief Consultant. Together, they developed food education teaching materials, providing a theoretical basis for the long-term development of food education projects. Through food education courses, students not only engage in hands-on cooking but also learn cooking customs, dietary etiquette, natural laws, and nutritional knowledge, experiencing the profoundness of Chinese culinary culture. Moreover, through collaborative cooking, emotional connections between children and children, as well as between children and parents, have strengthened, adding warmth to the class and family relationships and comprehensively enhancing students' comprehensive quality and physical and mental health.

"Perfect Food" Food Education Program

The Company actively organizes various food education activities. During the Spring Festival, in collaboration with the Linping District Ministry of Education in Hangzhou, the Company took the opportunity of the Chinese New Year family banquet to jointly launch the "Our New Year Flavor, Perfect Food" parent-child reunion dinner event. For 12 consecutive days during the Chinese New Year period, there were daily special episodes of the reunion dinner, where elementary school students personally took charge of cooking and prepared creative dishes for the family banquet, showcasing their learning achievements from the food education classes.

After the Spring Festival holiday, the Company also collaborated with the Linping District Ministry of Education in Hangzhou, Zhejiang Province, to launch the "First Class of the New Term" event. Under the guidance of teachers, students delved into the long history of Chinese cuisine and witnessed the digital cooking revolution driven by technological innovation, deeply impressed by the profoundness of Chinese cooking arts. During the class, students applied the knowledge and skills learned in food education classes to personally create the Hangzhou specialty dish "Meat Balls Coated with Sticky Rice", turning the heritage into steaming hot classic delicacies in their own hands.





09

KEY PERFORMANCE



Economic Performance

Indicators	Unit	2021	2022	2023
Operating revenue	RMB 10,000	1,014,770.60	1,027,150.06	1,120,189.58
Operating revenue growth rate	%	24.84	1.22	9.06
Total assets	RMB 10,000	1,390,603.52	1,503,982.53	1,677,953.13
Net profit attributable to shareholders of the listed company	RMB 10,000	133,171.21	157,240.49	173,278.93
Basic earnings per share	RMB/share	1.41	1.67	1.83

Governance Performance

Anti-corruption

Indicators	Unit	2021	2022	2023
Employee anti-corruption training coverage rate	%	-	-	100
Number of anti-corruption training sessions	Time(s)	-	-	11
Average hours of employee anti-corruption training	hour	8.00	8.00	5.55
Number of director participating in anti-corruption training sessions	Person	6	6	7
Average hours of director anti-corruption training	hour	24.00	32.00	29.00
Number of incidents of anti-corruption litigation	Case	0	0	0
Number of incidents of corruption reported by employees	Case	15	8	8

Environmental Performance

Environmental Management

Indicators	Unit	2021	2022	2023
Annual environmental investment expenditure	RMB 10,000	125.98	1,050.00	935.00
Number of environmental training sessions oriented to employees	Time(s)	12	16	12
Number of cases punished for violations against environmental protection laws and regulations	Case	0	0	0

Energy Consumption

Indicators	Unit	2021	2022	2023
Electricity	kWh	49,954,337.00	51,642,891.00	49,547,160.00
Natural gas	cubic meter	3,354,251.00	3,612,164.00	4,287,991.00
Gasoline	liter	–	32,758.00	22,940.00
Diesel oil	liter	–	119,095.20	100,080.00
Steam	ton	4,103.45	3,435.00	3,022.00
Total PV power capacity	kW	–	10,013.87	10,013.87
Total PV power generation ¹	kWh	5,014,979.00	5,246,663.00	7,757,324.00

[1] In 2023, the photovoltaic (PV) power generation capacity remained consistent with that of 2022; however, the total PV power generation in 2023 saw a significant increase compared to 2022. This increase was primarily due to the completion of the PV installation in Sector Four by the end of 2022, with grid-connected power generation starting in December 2022.

Water Resource

Indicators	Unit	2021	2022	2023
Water Consumption	cubic meter	688,627.00	723,076.00	683,068.00
Total recycled water ¹	cubic meter	–	17,436,846.00	20,658,846.00

[1] The company has retrospectively disclosed the total volume of recycled water for the year 2022.

Greenhouse Gas Emission¹

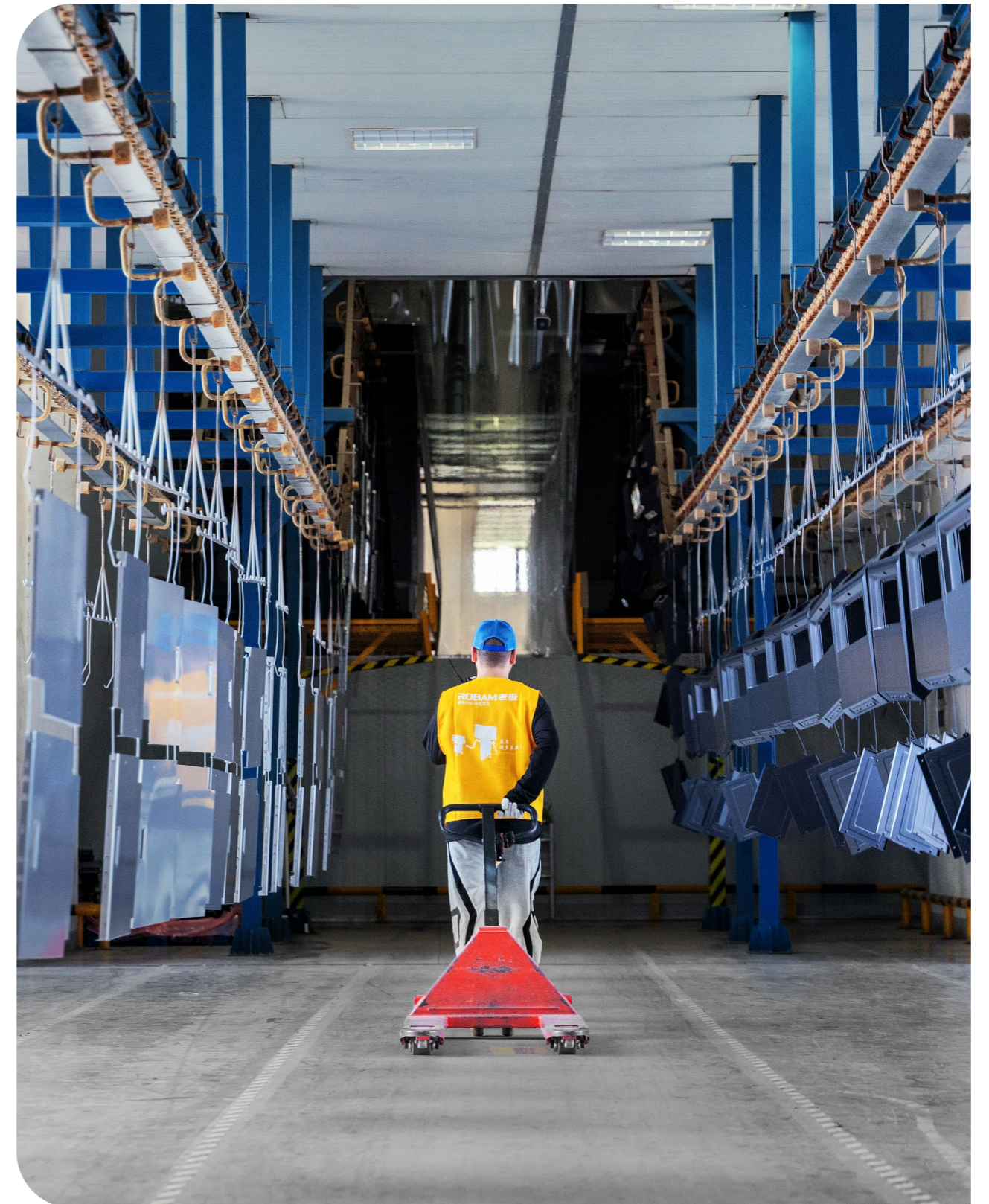
Indicators	Unit	2021	2022	2023
GHG emissions	tCO ₂ e	43,251.03	36,383.75	38,014.87
Scope 1	tCO ₂ e	7,607.43	8,070.55	9,647.09
Scope 2	tCO ₂ e	35,643.60	28,313.20	28,367.78
GHG emissions per million revenue	tCO ₂ e/million RMB	4.26	3.54	3.39

[1] Scope one greenhouse gas (GHG) emissions include direct GHG emissions from natural gas, gasoline, and diesel consumption, calculated using emission factor methods. The emission factors and related parameters are sourced from the China Energy Statistics Yearbook (2022), Guidelines for the preparation of provincial greenhouse gas inventories (trial) (2011), and Guidelines for Greenhouse Gas Emission Accounting and Reporting for Land Transport Enterprises (Trial) (2015). GHGs considered include CO₂, CH₄, and N₂O, with GHG equivalence calculated using IPCC AR6 GWP 100-year average values (GWP 100). Scope two greenhouse gas emissions include indirect GHG emissions from purchased electricity and steam consumption, calculated using emission factor methods. For purchased electricity, the GHG emission factor is based on the average emission factor of the national grid in China, as per the guidelines from the Ministry of Ecology and Environment of China Guidelines on Corporate Greenhouse Gas Emission Accounting Methodology and Reporting for Power Generation Facilities (Revised 2022) and Notice on the Work Related to the Management of Corporate Greenhouse Gas Emission Reporting in the Power Generation Sector for the Period 2023–2025. The GHG emission factor for purchased steam is sourced from the National Development and Reform Commission of China Guidelines for Greenhouse Gas Emission Accounting and Reporting for Other Industries (Trial) (2015). The company has retrospectively disclosed relevant GHG emission data for the years 2021 and 2022.

Emissions and Solid Waste

Indicators	Unit	2021	2022	2023
Wastewater				
Total wastewater discharge	ton	482,039.00	519,177.00	603,124.00
COD	ton	–	6.174	2.312
Ammonia Nitrogen	ton	–	0.090	0.028
Total Phosphorus	ton	–	0.039	0.014
Waste Gas				
VOCs	ton	–	1.61	1.30
Non-hazardous Waste				
Total Non-hazardous Waste	ton	27,523.00	29,328.00	31,481.87
Volume of non-hazardous waste by disposal method: recycling/reuse	ton	–	28,778.00	30,935.10
Volume of non-hazardous waste by disposal method: Incineration	ton	–	550.00	546.77
Hazardous Waste¹				
Total Hazardous Waste	ton	253.76	304.29	353.23
Volume of hazardous waste by disposal method: recycling/reuse	ton	–	40.63	39.84
Volume of hazardous waste by disposal method: Incineration	ton	–	263.66	313.39

[1] The company has retrospectively disclosed the amount of hazardous waste generated for the year 2022.



Social Performance

R&D and Innovation

Indicators	Unit	2021	2022	2023
R&D expenses	RMB 10,000	36,602.67	39,161.48	38,736.86
Percentage of R&D expenses in operating revenue	%	3.61	3.81	3.46
Number of R&D personnel	Person	876	929	919
Percentage of R&D personnel	%	17.95	18.23	16.76
Number of trademark applications during the reporting period	PCS	69	28	60
Number of trademarks approved during the reporting period	PCS	123	60	15
Number of patent applications during the reporting period	PCS	1,093	1,351	1,530
Number of patents granted during the reporting period	PCS	630	831	1,091

Product Quality Management

Indicators	Unit	2021	2022	2023
During the reporting period, incidents of fines or penalties due to violations of safety and health regulations related to products and services	Case	0	0	0
The number of products sold or shipped that need to be recalled due to safety and health reasons	Case	0	0	0

User Service Management

Indicators	Unit	2021	2022	2023
User satisfaction	%	98.09	98.66	98.02
Customer complaint resolution rate	%	91.08	91.13	94.50

Information Security and Privacy Management

Indicators	Unit	2021	2022	2023
Number of information Security training sessions	Time(s)	4	5	6
Employee Number of information Security training sessions	Person	3,144	3,523	3,675



Employee Hiring

Indicators	Unit	2021	2022	2023
Number of Employees				
Total Number of Employees	Person	4,879	5,095	5,482
Number of Minority Employees	Person	–	–	195
By Gender Group				
Male	Person	3,142	3,255	3,472
Female	Person	1,737	1,840	2,010
By Employment Type				
Labor Contract	Person	3,812	3,941	5,032
Labor Dispatch	Person	1,067	1,154	450
By Age Group				
Under 30 years old	Person	1,606	1,400	1,370
30 to 50 years old	Person	3,029	3,333	3,785
50 years old or above	Person	244	362	327
By Function				
Production personnel	Person	1,303	1,937	1,850
Technical personnel	Person	876	929	881
Sales personnel	Person	1,768	1,467	1,758
Finance Staff	Person	173	176	178
Management	Person	759	586	815

Indicators	Unit	2021	2022	2023
By Category				
Total Number of Grass-roots employees	Person	4,727	4,920	5,265
Total Number of Middle Management Employees	Person	124	143	182
Total Number of Senior Management Employees	Person	28	32	35
By Education Background				
Employees with PhD degrees	Person	8	8	8
Employees with master's degrees	Person	155	200	244
Employees with bachelor's degrees	Person	1,310	1,499	1,618
Employees with two-or-three-year college diploma or below	Person	3,406	3,388	3,612
Turnover				
Employee Turnover Rate ¹	%	14.78	13.66	17.79
By Gender Group				
Male	%	14.92	13.93	17.65
Female	%	14.52	13.17	18.03
By Age Group				
Under 30 years old	%	18.35	17.89	24.43
30 to 50 years old	%	13.56	12.95	15.34
50 years old or above	%	3.94	1.36	14.84

[1] Employee turnover rate = Number of employees who left during the reporting period / (Number of employees in the category at the end of the reporting period + Number of employees who left during the reporting period) × 100%.

Indicators	Unit	2021	2022	2023
Other Indicators of Employment				
Labor contract signing rate	%	100	100	100
Social insurance coverage rate	%	100	100	100
Employee medical examination coverage rate	%	100	100	100
Percentage of employees subjected to regular performance and career development evaluation	%	100	100	100



Employee Training

Indicators	Unit	2021	2022	2023
Total number of employees trained	Person	4,879	5,095	5,482
Employee training coverage rate ¹	%	100	100	100
Total hours of training received by employees	hour	131,274	162,153	168,808
By Gender Group				
Male	hour	84,538.63	114,412.24	100,501.39
Female	hour	46,734.87	47,740.78	68,307.02
By Category				
Grass-roots employees	hour	127,182.92	155,631.95	161,955.00
Middle management employees	hour	3,340.64	5,842.22	6,170.93
Senior management employees	hour	749.94	678.83	681.65
Average hours of employee training ²	hour	26.91	31.83	30.79
By Gender Group				
Male	hour	26.91	35.15	28.95
Female	hour	26.91	25.95	33.98
By Category				
Grass-roots employees	hour	26.91	31.63	30.76
Middle management employees	hour	26.94	40.85	33.91
Senior management employees	hour	26.78	21.21	19.48

[1] Employee training coverage rate = Total number of employees receiving training / Total number of employees.

[2] Average training hours per employee = Total training hours for employees in the category / Number of employees in the category.

Occupational Health and Safety

Indicators	Unit	2021	2022	2023
Number of employees in positions exposed to occupational diseases	Person	1,432	1,692	1,692
Number of employees suffering from occupational diseases	Person	0	0	0
Transfer rate for Occupational Prohibitions	%	100	100	100
Compliance rate of monitoring of occupational hazard factors	%	91.30	100	100
Number of employees meeting with work-related injury accidents	Case	0	0	0
Number of work-related fatal accidents	Case	0	0	0
Number of employees who died as a result of work-related accidents	Person	0	0	0
Number of employees covered by safety education	Person	4,879	5,095	5,482
Safety training coverage rate ¹	%	100	100	100
Number of safety emergency drills	Time(s)	–	17	23
Total hours of training received by employees	hour	–	16,106	16,271
Implementation rate of safety training for job transfer (including secondment for more than three days)	%	100	100	100

[1] Safety training coverage rate = Number of employees covered by safety education / Total number of employees.

Supplier Management

Indicators	Unit	2021	2022	2023
Total number of suppliers	–	312	324	329
Number of localization suppliers	–	163	175	180
Number of suppliers signing Supplier Code of Conduct	–	290	324	329
Number of suppliers audited based on the Company's supplier assessment system	–	83	101	99
Audit pass rate	%	100	100	100

Social Welfare

Indicators	Unit	2021	2022	2023
Charitable donation ¹	RMB 10,000	422.26	624.29	1,529.00
Rural revitalization investment	RMB 10,000	55.00	28.50	242.00
Rural revitalization materials discount	RMB 10,000	144.00	435.41	405.60
Of which: Amount invested in improving education resources in rural areas	RMB 10,000	10.00	14.15	2.50
Hours of volunteer activities	hour	2,738.70	2,785.30	1,815.00

[1] The charitable donations in 2023 include significant material donations for supporting post-disaster reconstruction in the Beijing-Tianjin-Hebei region (valued at RMB 12.29 million).



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BENCHMARKING INDEX

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8.12 Scientific Ethics Standards	Not Applicable
8.13 Social Responsibility Report Content	Preparation Introduction

Index for GRI

Usage Declaration	Robam Appliances reported the information referenced in this index for GRI from January 1 to December 31, 2023 according to the GRI standard.		
GRI used	GRI 1: Foundation 2021		
GRI Standard	Disclosures	Chapter of the Report	
GRI 2: General Disclosure 2021	2-1	Organizational profile	About Robam Appliances
	2-2	Included in the organization's sustainable development report	Preparation Introduction
	2-3	Reporting period, reporting frequency and contact person	Preparation Introduction
	2-4	Information restatement	Preparation Introduction
	2-6	Activities, value chains and other business relationships	About Robam Appliances
	2-7	Employee	Key Performance
	2-9	Governance structure and composition	Normative Governance
	2-10	Nomination and selection of the highest governance body	Normative Governance
	2-11	Chairman of the highest governance body	Normative Governance
	2-12	The supervisory role of the highest governance body in terms of management impact	ESG Management System
	2-13	Delegate responsibility for managing impacts	ESG Management System
	2-14	The role of the highest governance body in the sustainable development report	ESG Management System
	2-16	Communication of key issues	ESG Management System
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	2-23	Policy commitments	Compliance Management Quality Management User Service Responsible Supply Chain Employee Rights and Interest
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	2-25	Procedures for remedying negative impacts	Compliance Management Quality Management User Service Responsible Supply Chain
	2-26	Mechanisms for seeking advice and raising concerns	Preparation Introduction
	2-27	Compliance with laws and regulations	See Each Chapter of The Report for Details
	2-29	Approaches to stakeholder engagement	Management of Material Issues
	2-30	Collective bargaining agreement	Employee Rights and Interest

GRI Standard	Disclosures	Chapter of the Report	
GRI 3: Material Topics 2021	3-1	Process of determining material issues	Management of Material Issues
	3-2	List of material issues	Management of Material Issues
	3-3	Management of material issues	Management of Material Issues
GRI 201: Economic Performance 2016	201-1	Economic value directly generated and distributed	Key Performance
	201-2	Financial impacts and other risks and opportunities arising from climate change	Climate Change Response
	201-3	Defined benefit plan obligations and other retirement plans	Employee Rights and Interest
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investment and supporting services	Social welfare
GRI 205: Anti-Corruption 2016	205-1	Operation sites that have conducted corruption risk assessment	Compliance Management
	205-2	Communication and training of anti-corruption policies and procedures	Compliance Management
	205-3	Identified corruption incidents and actions taken	Compliance Management
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Key Performance
	302-4	Reducing energy consumption	Resource Management
GRI 303: Water and Effluents 2018	303-1	Interaction between organization and water as common resources	Resource Management
	303-2	Managing drainage related impacts	Resource Management
	303-4	Water discharge	Key Performance
	303-5	Water consumption	Key Performance
GRI 305: Emissions 2016	305-1	Direct (range 1) greenhouse gas emission	Key Performance
	305-2	Energy indirect (range 2) greenhouse gas emission	Key Performance
	305-4	Greenhouse gas emission intensity	Key Performance
	305-7	NOx, SOx and other major gas emissions	Key Performance
GRI 306: Waste 2020	306-1	Production of wastes and major impacts related to wastes	Emissions and Wastes Management
	306-2	Management of significant impacts related to waste	Emissions and Wastes Management
	306-3	Waste generated	Key Performance
	306-4	Waste transferred from disposal	Key Performance
	306-5	Wastes for disposal	Key Performance
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers filtered by environmental assessment dimension	Responsible Supply Chain

GRI Standard	Disclosures	Chapter of the Report	
GRI 401: Employment 2016	401-1	New employee employment rate and employee turnover rate	Key Performance
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	Employee Rights and Interest
	401-3	Parental leave	Employee Rights and Interest
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice period for operation change	Employee Rights and Interest
	403-1	Occupational health and safety management system	Occupational Health and Safety
	403-2	Hazard identification, risk assessment and accident investigation	Occupational Health and Safety
	403-3	Occupational health services	Occupational Health and Safety
	403-4	Occupational health and safety affairs: workers' participation, consultation and communication	Occupational Health and Safety
	403-5	Occupational health and safety training for workers	Occupational Health and Safety
	403-6	Promote workers' health	Occupational Health and Safety
	403-7	Prevent and mitigate occupational health and safety impacts directly related to business relationship	Occupational Health and Safety
	403-8	Workers covered by occupational health and safety management system	Occupational Health and Safety
	403-9	Injury from workplace	Key Performance
GRI 403: Occupational Health and Safety 2018	403-10	Work related health problems	Key Performance
	404-1	Average number of training hours per employee per year	Key Performance
	404-2	Staff skills upgrading program and transitional assistance program	Employee Development and Promotion
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development assessment	Key Performance
	405-1	Diversification of governance institutions and employees	Employee Rights and Interest Key Performance
GRI 405: Diversity and Equal Opportunity 2016	407-1	Operating points and suppliers whose freedom of association and collective bargaining rights may be at risk	Employee Rights and Interest Responsible Supply Chain
GRI 407: Freedom of Association and Collective Bargaining 2016	408-1	Operation sites and suppliers with risk of major child labor incidents	Employee Rights and Interest Responsible Supply Chain
GRI 408: Child Labor 2016	409-1	Operating points and suppliers with significant risk of forced or compulsory labor events	Employee Rights and Interest Responsible Supply Chain
GRI 409: Forced or Compulsory Labor 2016	414-1	New suppliers screened using social evaluation dimensions	Responsible Supply Chain
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impact of supply chain and actions taken	Responsible Supply Chain
	417-1	Requirements for product and service information and identification	User Service
GRI 417: Marketing and Labeling 2016			

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Environmental, Social,
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Hangzhou
Robam Appliances Co., Ltd.



0571-86187810



wg@robam.com



www.robam.com