

**BOTON**



# **BOTON 2024 Environmental, Social and Governance Report**



**ESG**

[www.boton-tech.com](http://www.boton-tech.com)



WUXI BOTON TECHNOLOGY CO., LTD.

# CONTENTS

## In the Name of Boton, Endowing the World with Beauty

- P01 About This Report
- P05 Chairman's Message
- P07 Honors in 2024
- P09 ESG Highlights in 2024
- P11 Introduction to Boton Technology

01

## Sustainable Development Management

- P21 Boton Technology's Sustainable Development Concept
- P22 Core Elements of Boton Technology's Sustainable Development
- P23 Boton Technology's ESG Strategy
- P29 Stakeholder Communication
- P31 Material Issue Assessment

02

## Steady and Trust - building, Driving the Ever - green Foundation

- P35 Deepening Governance
- P37 Board Independence and Diversification
- P38 Boton Technology's ESG Governance Structure
- P39 Integrating ESG Concepts into Corporate Culture
- P41 Risk Management
- P43 Compliance Operations
- P44 Business Ethics and Anti - Corruption
- P48 User Privacy and Data Security Protection

03

## Growing Together, Cultivating Diverse Development

- P56 Employee Care and Rights Protection
- P62 Occupational Health and Safety Management
- P69 Employee Training and Development
- P73 Building a Diverse, Equal and Inclusive (DEI) Workplace Environment

04

## Green Co - governance, Moving Towards a Zero - Carbon Future

- P81 Addressing Climate Change
- P93 Green Production
- P101 Green Operations

05

## Technological Co - prosperity, Stimulating the Power of Prosperity

- P108 Innovation Mechanism
- P112 Innovation Achievements

06

## Value Co - creation, Forging the Cornerstone of Trust

- P123 Product and Service Quality
- P131 Sustainable Supply Chain Construction
- P133 Continuously Creating Diverse Values for Global Customers

07

## Community Symbiosis, Achieving a High - value Landmark

- P142 Building High - quality Education
- P144 Ecological Protection
- P144 Promoting Inclusive Community Building
- P147 Assisting the Poor and Needy
- P148 Community Volunteer Service
- P149 Community Development

08

## Appendix

- P151 Appendix 1: ESG Performance Table
- P159 Appendix 2: GRI Index
- P167 Appendix 3: Greenhouse Gas Verification Statement
- P169 Appendix 4: Third - Party Assurance Statement

# About This Report

## Report Introduction



This report is the "Wuxi Boton Technology Co., Ltd. 2024 Environment, Social and Governance Report" issued by Wuxi Boton Technology Co., Ltd. (hereinafter referred to as "Boton Technology", "the Company" or "we"). It is the second ESG report of Boton Technology, aiming to disclose to stakeholders Boton's sustainable development concepts, specific actions and performance in business operations.

## Report Scope



The scope of information disclosed in this report covers Wuxi Boton Technology Co., Ltd. and its subsidiaries included in the annual report scope, which is consistent with the scope of Boton Technology's consolidated financial statements.

## Nomenclature Explanation



- **Brilliant Boton Manufacturing Base:**  
Wuxi Centennial Industrial Conveyor Co., Ltd.
- **Shandong Luxi Manufacturing Base:**  
Shandong Xinbaolong Industrial Technology Co., Ltd.
- **Boton Thailand Manufacturing Base:**  
Boton Conveyor Services (Thailand) Co., Ltd.

- **Boton Smart IOT:** Wuxi Boton Smart IOT Technology Co., Ltd.
- **Boton Australia:** Brilliant Boton(Australia) Conveyor Service Pty Ltd
- **Boton Australia Service:** Boton Conveyor Services Pty Ltd
- **Guangzhou Yihuan:** Guangzhou Yihuan Network Co., Ltd
- **Hainan Gaotu:** Hainan Gaotu Network Technology Co., Ltd.

## Time Frame



This report is an annual report, with a time frame covering January 1, 2024, to December 31, 2024. To enhance the comparability and forward - looking nature of this report, some content appropriately refers to previous years or has forward - looking descriptions.

## Compilation Basis



This report is compiled in accordance with the "Shenzhen Stock Exchange Self - regulatory Guidelines for Listed Companies No. 17 - Sustainable Development Report (Trial)" (2024). It also takes into account the recommendations of the Global Reporting Initiative (GRI) (2021 version of the "Sustainable Development Reporting Standard"), the United Nations Sustainable Development Goals (UN SDGs), and the International Financial Reporting Standards (IFRS).

## Data Source



The data used in this report is sourced from the Company's official documents, original records, statistical reports, audit reports, and financial disclosures, which are compiled, summarized, and reviewed by relevant departments. The Board of Directors is responsible for the final review and approval of this report to ensure its authenticity and completeness. Relevant financial data is consistent with the Company's annual report, and is denominated in RMB unless otherwise specified.

## Data Assurance



The data and textual information in this report have been verified by South German Certification and Testing (China) Co., Ltd., and a verification statement has been issued.

## Report Access



This report is available in both Chinese and English versions. The electronic version can be downloaded and viewed in the sustainable development column of the Shenzhen Stock Exchange and the Company's official website. In case of any discrepancy in the understanding of the Chinese and English texts, the Chinese version shall prevail.

## Information Restatement



There is no information restatement in this report.

## Contact Information



**Boton Technology Strategy and Sustainable Development Committee**  
Contact Address: Boton Technology Building, No. 19 Zhanggong Road, Xinwu District, Wuxi City, Jiangsu Province  
Contact Phone: **0510 - 88155778**  
Email: ESG@boton - tech.com

# In the Name of Boton, Endowing the World with Beauty

01

This chapter content:

---

Chairman's Message	05
Honors in 2024	07
ESG Highlights in 2024	09
Introduction to Boton Technology	11

## Chairman's Message



**Bao Zhifang**  
Chairman of Boton Technology

In the context of global sustainable development, corporate value is shifting towards the "triple bottom line". As a United Nations Global Compact signatory, Boton Technology takes sustainable development as its core strategy, fulfilling social and environmental responsibilities. Here's how we approach ESG:

### Governance Foundation

We reshape governance with long-termism. We set up a clear-cut decision-making mechanism and transparent supervision, integrating the ESG strategy into our DNA. The board gathers diverse views, consults experts, and uses digital tools for risk prevention, turning governance effectiveness into a competitive edge.

### Synergistic Growth

Employees are our key asset. We build a "strategy-resources-talent pool" ecosystem, with a five-level development plan and a global-perspective training system. Boton Academy offers over 1200 online courses, with employees' annual training hours over 80,000 and a 99% satisfaction rate.

### Carbon-neutral Pioneering

We aim high in carbon management. Using technological innovation, we drive the industrial ecosystem's greening. As a leader in industrial bulk material conveying, we focus on the life-cycle. In 2024, our operational-level greenhouse gas emissions dropped 31.8% year-on-year compared to the baseline, and emission intensity decreased by 32.7%.

### Technological Breakthrough

Facing global industrial restructuring, we define sustainable competitiveness through technology. Driven by customer needs, we follow a "demand-tech-scenario-value" cycle. AI is widely used in our businesses. We've completed 16 high-level tech achievement identifications, with conveyor heterotypic joint-head tech at an "international leading level".

### Moving Forward with Compassion

We foster a symbiotic relationship with society. 365 Boton Volunteers engage in 36 public-welfare activities, volunteering 1853.5 hours. We focus on education, community building, ecological protection, and poverty alleviation. We launch ESG-themed community education and cooperate with a UN-related network for community development.

At the crossroads of civilization transformation, we strive to be sustainable development "paradigm re-constructors", using technology and responsibility to drive progress. We believe in the symbiosis of economic, ecological, and social values. Let's turn our commitments into forces for change.



Wuxi Boton Technology Co., Ltd.  
Chairman: **Bao Zhifang**

# Honors in 2024

2024 CLS  
"ESG Pioneer Award"

Huajin Index ESG Rating  
AA

WIND ESG Rating  
BBB



## Industrial Internet



The Centennial Manufacturing Base of Boton was awarded the title of National-level Green Factory and National-level "Specialized and Sophisticated 'Little Giant' Enterprise".

The heterotypic joint - head technology for aramid conveyor belts and steel - cord conveyor belts has passed the scientific and technological achievement appraisal of the China Coal Industry Association, with the appraisal result of "reaching the international leading level".

The digital high - performance aramid conveyor belt has been included in the "2024 Mine Safety Advanced Applicable Technology and Equipment Promotion Catalogue" by the National Mine Safety Administration.

Boton was awarded the "Outstanding Supply Chain Partner Innovation Leadership Award" by China Baowu.

Boton received the "Outstanding Contribution Supplier Award in the Conveyor Belt Field" from Codelco, the National Copper Corporation of Chile.

Boton was awarded the "2024 Annual Excellent Supplier Award" by Alcoa Group.

The aramid flame - retardant conveyor belt for coal mines was listed first in the "Level - 1 Catalogue of Coal Science and Technology Innovation Achievements Transfer Projects" by the China Coal Industry Association.



Boton won the "Outstanding Employer Award for Private Enterprises in Xinwu District (Wuxi High - tech Zone)".

"Boton's Global Brand Image Building" was selected as a typical case of brand credit construction in 2024 by Xinhua News Agency.



## Mobile Internet

Boton was awarded the title of "2024 Progressive Enterprise" by the Guangzhou Game Industry Association.

Boton was named an Enjoy Global Game - going - global Star - shining Enterprise.

Boton won the 2024 Excellent Overseas - going Game Gold Award at the Global Internet Industry CEO Conference (GICC) hosted by Yangfan Chuhai.

Boton won the "Best Overseas Game" at the Huawei Developers Conference 2024 for New Swordsman World 3 and Bloodline: Heroes of Lithas.



## 2024 ESG Highlights and Performance



# Introduction to Boton Technology

Founded in 2000 and listed on the Growth Enterprise Market in 2009, Boton Technology has been dedicated to continuous innovation and development in the two major fields of industrial Internet and mobile Internet. It has become a paragon of cross-border innovation and value creation.

Securities Code  
**300031**



## - Industrial Internet -

The industrial Internet business provides digital conveyor life - cycle solutions and end - to - end intelligent conveying services, catering to customers in industries such as mining, iron and steel, cement, water conservancy, port terminals, and thermal power. With a high market share of green conveyor belts and ranking first in the export volume of leading conveyor belt brands in the industry.

**Corporate Mission**  
To make the conveying of industrial bulk materials greener

**Corporate Vision**  
To become a globally leading intelligent conveying service provider

**Corporate Values**  
Integrity, Collaboration, Sharing, Innovative Growth

## - Mobile Internet -

In the mobile Internet field, as a leading mobile game distribution platform, our game distribution covers more than **150** countries and regions globally, serving over **200** million users cumulatively. We are committed to promoting the global digital entertainment cultural exchange and dissemination, and driving the integration of virtual and real technologies with artificial intelligence. We continuously upgrade the gaming experience, bringing users a wonderful life with high - quality cultural experiences.

Through the deep integration and mutual empowerment of these two major business segments, a **"Technology - Scenario - Business"** cycle is formed. We break boundaries with technological innovation and continuously create incremental value for customers, leading the global industrial green and intelligent upgrading trend.

## Our Business

### Industrial Internet

Driven by the aspiration of "becoming a globally leading intelligent conveying service provider", we focus on digital conveyor belts, intelligent hardware detection systems, dust and material handling systems, intelligent mine integrated operation, digital twin technology, intelligent industrial site applications, and conveyor system turnkey solutions. Meanwhile, the Boton Intelligent Green Development Research Institute serves as a scientific and technological innovation platform, adhering to the sustainable development concept and stimulating industrial chain advantages, helping partners achieve innovative breakthroughs and transformations.



**Life - cycle management services for high - performance digital conveyor belt products**



**Turnkey services for conveyor system integration**



**Digital solutions for intelligent conveying**

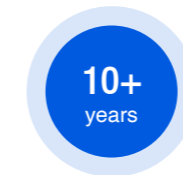
### Mobile Internet

We specialize in providing professional services for the globalization of mobile game products. As one of the earliest mobile game distributors in China to go global, with a rich portfolio of game products distributed overseas, we have gradually formed a business model centered around four major market forces: Hong Kong, Taiwan, Japan, South Korea, and Southeast Asia. We explore emerging markets such as the Americas, Europe, and the Middle East, and gradually build a global game distribution business.

In the practice of global distribution, the company has established long - term and mutually - beneficial partnerships with well - known international companies such as Facebook, Google, Twitter, Line, and Kakao. We have distributed more than **320** games cumulatively, serving approximately **224.69** million players globally (with around 148.88 million active users in 2024).



**Global digital entertainment research, development, and cultural export**



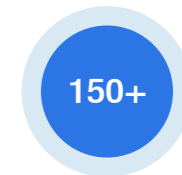
Game distribution experience



Cumulative games distributed



Cumulative players served

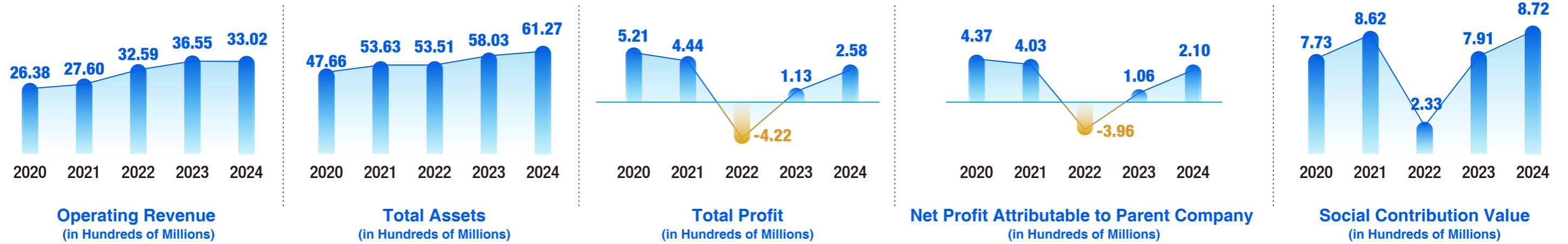


Countries/regions covered by games

## Reading Boton by Numbers

Years of Intelligent Conveying Experience	Total Social Donation Amount after IPO	Total Tax Payment after IPO	Total Employment Solutions Provided	Revenue in 2024	Total Assets	Number of Employees	Number of Female Employees
20 years+	6.161 billion	954 million	30,000+	3.302 billion	6.127 billion	1500+	400+
Types of Employee Diversity	Number of Intelligent Manufacturing Bases	Social Public Welfare Input	Number of Overseas Technical Service Centers	Global Waste Rubber Recycling Utilization Center	Proportion of Global Top 10 Industry Chain Customers	Number of Global Game Registered Players	Proportion of Overseas Business Revenue
20+	4	40 million	9	1	90%+	220 million+	66.72%

## Performance Chart of the Past 5 Years



### Industry Status



**Unique in the Industry**

National Enterprise Technology Center

National Science and Technology Progress Award

Full - line Intelligent Conveying Service Solution Provider



**First in the Industry**

CNAS Laboratory



**First in the Industry**

Listed Company on the Growth Enterprise Market



- Number of Authorized Invention Patents
- Export Volume Ranking of Independent Brands
- Group Total Revenue Industry Ranking
- Per Capita Social Contribution Industry Ranking
- Huajin Index ESG Rating AA, Industry Ranking
- Market Share of Green Conveyor Belts
- Market Share of Digital Conveyor Belts
- Market Share of Aramid Conveyor Belts
- Market Share of High - temperature - resistant Conveyor Belts
- Market Share of Intelligent Online Monitoring Products

# Global Business Layout

● Global Technical Service Network ● Mobile Internet

## R & D Centers

**2** Wuxi, China  
Guangzhou, China

## Global Technical Service Sites

**13** **Domestic**  
Southern Center  
Northern Center  
Northwest Center  
Shandong Center

**Overseas**  
Australia  
Indonesia  
Brazil  
Chile  
Peru  
Thailand  
Malaysia  
Mongolia  
Canada



## Global Production Bases

**4** **Domestic** Wuxi Hongshan Manufacturing Base  
Wuxi Meiyang Manufacturing Base  
Shandong Luxi Manufacturing Base

**Overseas** Boton Thailand Manufacturing Base

## Mobile Internet

**6** **Domestic** Guangzhou  
Chengdu  
Hong Kong

**Overseas** South Korea  
Singapore  
Japan

## Global Waste Rubber Recycling and Utilization Center

**1** Australia



The Chairman of Rio Tinto Group made his first visit to Boton Technology. They discussed innovation and sustainable cooperation and signed an eight - year long - term contract.

The manufacturing base for the intelligent conveying protection system was officially put into production.

The world's first project for recycling and reusing failed products was successfully contracted.

The digital conveyor belt life - cycle management platform was put into operation, filling an industry gap and helping to usher in a new era of intelligent conveying.



## 2024 Development Memorabilia



The game product "Mosaic Hero" continued to gain momentum, making a significant contribution to performance.



The global technical service center was established, implementing the concept of professional, reliable, and highly efficient service worldwide.

The number of products passing Australian and European coal - mine - underground flame - retardant certifications continued to increase, providing solid technical support for opening up the global coal - mine - underground flame - retardant market, especially achieving new breakthroughs in the Australian coal - mine - underground flame - retardant market.



Boton signed a memorandum of investment with the government of Minas Gerais, Brazil, to further develop the South American market.

The construction of the Thailand manufacturing base progressed steadily.

The Shandong Luxi manufacturing base was fully put into production.

# Sustainable Development Management

## 02

This chapter content:

---

Boton Technology's Sustainable Development Concept	21
Core Elements of Boton Technology's Sustainable Development	22
Boton Technology's ESG Strategy	23
Stakeholder Communication	29
Material Issue Assessment	31

# Boton Technology's Sustainable Development Concept



## People - Oriented

Ensure that corporate decision - making and activities take into account the interests and well - being of employees, suppliers, customers, and the community, and promote fairness and inclusiveness.



## Respect for Nature

Protect the environment and ecology. Corporate business activities should minimize the negative impact on nature through the lowest resource consumption, energy consumption, and environmental consumption.



## Continuous Innovation

Constantly pursue new technologies, new products, and solutions, adapt to market changes, empower customers, and drive industry transformation.



## Economic Stability

Ensure the long - term sustainability of economic activities, including financial health, profitability, and risk management, to achieve sustainable profit growth. Strengthen partnerships and mutual empowerment to ensure the healthy and stable operation of the entire ecosystem.



## Promote Social Progress

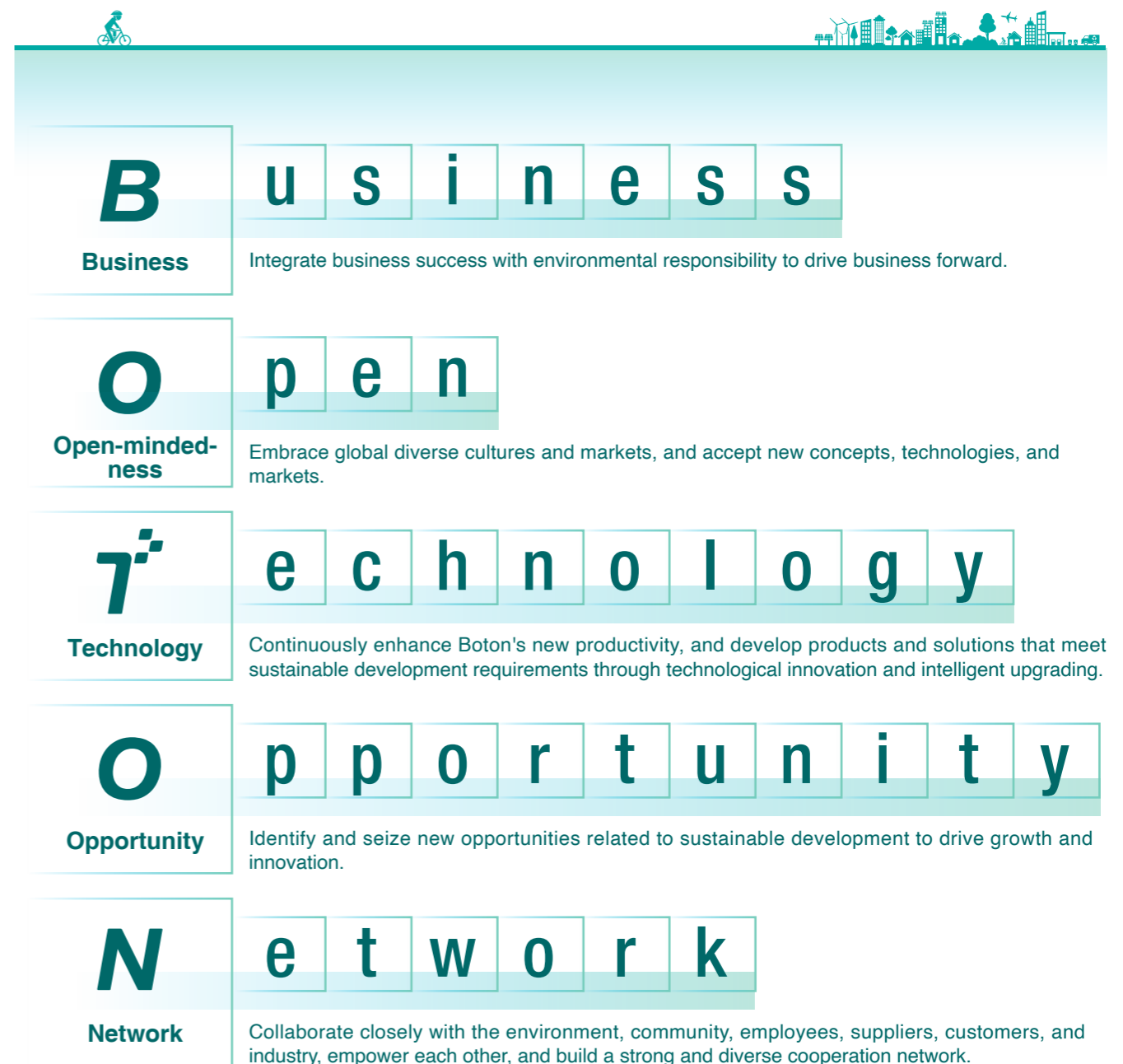
Promote economic growth through corporate operations, and at the same time participate in solving social challenges, making contributions to social economy and community development.



# Core Elements of Boton Technology's Sustainable Development

We integrate the five major elements of "Business", "Open - mindedness", "Technology", "Opportunity", and "Network" into the company's "green, intelligent, global, and integrated" new four - modernizations development strategy and sustainable development strategy. Combining the sustainability of business operations with the two aspects of environmental, social, and governance (ESG) sustainability, we continuously improve our governance and risk management capabilities.

It represents a forward - looking and integrated business model, which not only pursues economic benefits but also promotes a more open, interconnected, and sustainable business ecosystem.



# Boton Technology's ESG Strategy



The company integrates its **sustainable development concept and core elements** into its business strategy, aiming to continuously enhance its environmental, social, and governance (ESG) performance and contribute to achieving the United Nations Sustainable Development Goals (SDGs).


























We focus on six major areas and make decisions, manage, and implement daily practices in accordance with the set goals and commitments. Meanwhile, **taking ESG governance as the cornerstone and driven by the five major core elements of the company's sustainable development concept**, we build and improve the ESG system, continuously optimize the operating mechanism, strengthen ESG progress tracking and incentives, and ensure the effective implementation of the ESG strategy. We strive to build an ESG competitiveness with company - specific characteristics and move towards a sustainable future together with all stakeholders.



# Strategic Areas and Key Tasks

	Strategic Issues	Our Risks	Our Opportunities	Key Initiatives	SDGs
<b>Steady and Trust - building</b>	<ul style="list-style-type: none"> <li>Board Independence and Diversification</li> <li>Business Ethics and Anti - corruption</li> <li>Anti-unfair Competition</li> <li>User Privacy Protection and Data Security</li> </ul>	<ul style="list-style-type: none"> <li>ESG Governance Risk</li> <li>Business Morality Risk</li> <li>Compliance Risk</li> <li>Information Security Risk</li> </ul>	<ul style="list-style-type: none"> <li>ESG Strategy</li> <li>Risk Control System</li> <li>Innovation in Governance</li> <li>Building a Trusted Foundation</li> </ul>	<ul style="list-style-type: none"> <li>Formulate a diversified board policy and goals, and strengthen the guarantee for independent directors' duties.</li> <li>Strengthen internal clean - culture construction and establish an operating mechanism for clean governance.</li> <li>Strengthen compliance management and risk prevention.</li> <li>Improve data management systems, enhance technical protection measures, and strengthen user rights protection.</li> </ul>	
<b>Growth in Synergy</b>	<ul style="list-style-type: none"> <li>Employee Care</li> <li>Occupational Health and Safety</li> <li>Employee Rights Protection</li> <li>Employee Training and Development</li> <li>Diversity, Equity, and Inclusion (DEI)</li> </ul>	<ul style="list-style-type: none"> <li>Talent Loss Risk</li> <li>Regulatory Compliance Risk</li> <li>Welfare and Insurance Risk</li> <li>Equality Risk</li> <li>Occupational Health and Safety Risk</li> </ul>	<ul style="list-style-type: none"> <li>International-level Talent Team Building</li> <li>Human Capital Empowerment</li> <li>Employee Satisfaction</li> <li>Tools for Improving Work Efficiency and Collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Improve the employee care system and continuously enrich care content at various levels.</li> <li>Ensure investment in employee safety and rights protection.</li> <li>Build a talent cultivation system that adapts to industry trends, focusing on cultivating diversified and international talents.</li> <li>Integrate concepts of equality of opportunity and seamless diversification into employee organization and development and human resources management processes to create a diverse and inclusive workplace environment.</li> </ul>	
<b>Green Co-governance</b>	<ul style="list-style-type: none"> <li>Addressing Climate Change</li> <li>Energy Management</li> <li>Waste Management</li> <li>Green Operations</li> </ul>	<ul style="list-style-type: none"> <li>Policy and Regulatory Risk</li> <li>Climate Change Risk</li> <li>Production - process Emission Risk</li> <li>Waste Management Risk</li> <li>Energy Management Risk</li> </ul>	<ul style="list-style-type: none"> <li>Green Products</li> <li>Smart Products</li> <li>Recycling of Failed Products</li> <li>Green Production</li> </ul>	<ul style="list-style-type: none"> <li>Develop energy-saving and environmentally friendly production, actively improve resource utilization, and build the ability to reduce carbon throughout the product life cycle.</li> <li>Increase the proportion of clean energy use.</li> <li>Continuously reduce production energy consumption through equipment improvement, process optimization, and energy management monitoring systems.</li> <li>Establish an action group, organize product carbon footprint and verification audits, and build a product carbon - footprint management platform.</li> </ul>	
<b>Technological Co-prosperity</b>	<ul style="list-style-type: none"> <li>Technology R &amp; D and Frontier Exploration</li> <li>Industry - University - Research Cooperation</li> <li>Innovation Practice and Achievements</li> </ul>	<ul style="list-style-type: none"> <li>Technology R &amp; D Risk</li> <li>Intellectual Property Risk</li> <li>AI Impact Risk</li> </ul>	<ul style="list-style-type: none"> <li>Innovation Layout and Leadership</li> <li>Industry - University - Research Cooperation</li> <li>Biomaterial R &amp; D</li> <li>Development of Clean Products</li> <li>Digital Product Revolution</li> <li>Industry Resource Integration</li> </ul>	<ul style="list-style-type: none"> <li>Continue to increase the development of new materials and technologies.</li> <li>Continuously enhance the competitive advantage of green products.</li> <li>Strengthen industry - university - research cooperation and produce innovative results.</li> <li>Expand the application of AI in the two major businesses , mobile Internet and industrial Internet.</li> </ul>	
<b>Value Co-creation</b>	<ul style="list-style-type: none"> <li>Sustainable Supply Chain</li> <li>Quality Management</li> <li>Products and Services</li> </ul>	<ul style="list-style-type: none"> <li>Product Quality Risk</li> <li>Customer Relationship Risk</li> <li>Product Design Risk</li> <li>Supply Chain Risk</li> </ul>	<ul style="list-style-type: none"> <li>Mass Movement</li> <li>Global Technology Service Center</li> <li>Dual - focus Product Carbon - footprint Management Platform</li> <li>Supply Chain Empowerment</li> </ul>	<ul style="list-style-type: none"> <li>Implement ESG management and ESG audits on the supply chain, and help value - chain partners achieve sustainable development.</li> <li>Establish a global technology service center and continuously improve service efficiency and level.</li> <li>Implement high - standard and zero - defect quality strategies.</li> <li>Utilize digital technology to explore customer pain points and develop safe, stable, efficient, and energy - saving products based on market demand.</li> <li>Maintain a healthy game ecosystem and user operation.</li> </ul>	
<b>Community Symbiosis</b>	<ul style="list-style-type: none"> <li>Community Service and Development</li> <li>Community Public Welfare</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Social Responsibility Image Risk</li> <li>Public Perception Risk</li> <li>Reputation Risk</li> <li>Resource Allocation Risk</li> </ul>	<ul style="list-style-type: none"> <li>Increase Brand Social Value</li> <li>Build and Develop Sustainable Communities</li> <li>Rural Revitalization</li> <li>Innovation in Public Welfare</li> </ul>	<ul style="list-style-type: none"> <li>Continuously explore and innovate new models of public welfare in society, focusing on four major areas: high - quality education, ecological protection, inclusive community building, and poverty alleviation.</li> <li>Promote community volunteer service and community development issues, and innovate public - welfare models through funds like Boton Global Public - welfare Fund and Boton Dedication Education Fund.</li> </ul>	

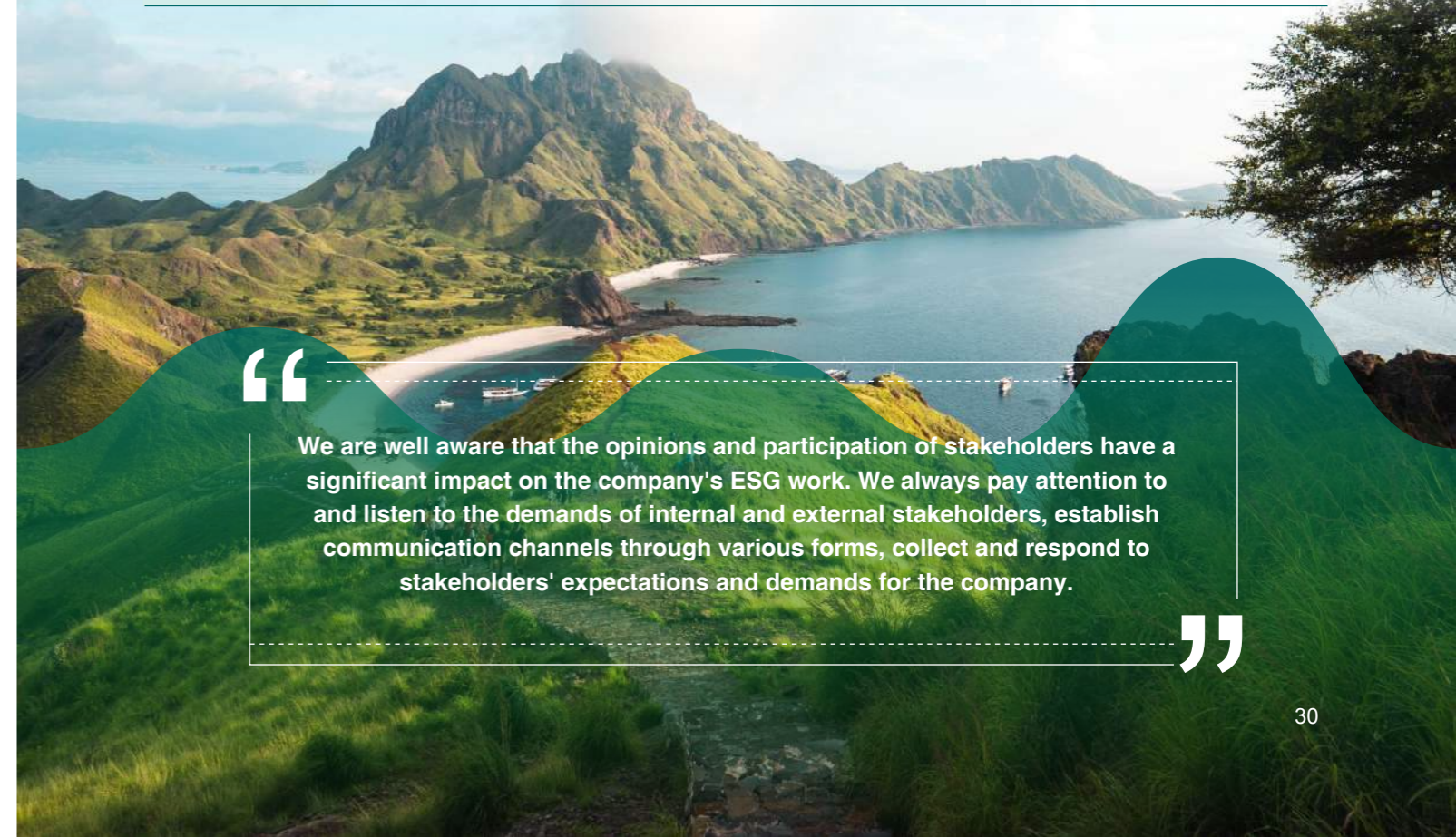
# Progress of Sustainable Development Commitments and United Nations Sustainable Development Goals

Sustainable Development Commitments	Progress in 2024	United Nations Sustainable Development Goals
<p><b>Steady and Trust - building</b></p> <ul style="list-style-type: none"> <li>Improve and implement business ethics and behavior standards in line with international standards, with an annual training coverage rate of <b>100%</b> to ensure the company maintains the highest ethical standards in its global business operations.</li> <li>Establish a compliance committee, continuously strengthen the compliance and supervision system, including internal control, risk management, and compliance training, to ensure that all company operations comply with applicable laws, regulations, and international standards.</li> </ul>	<p><b>Achieved</b> The coverage rate and pass rate of business ethics training are <b>100%</b>.</p> <p>In 2024, there were <b>11</b> internal audit projects, identifying <b>73</b> risk points; external audit results show that Boton Technology has maintained effective internal control in all major aspects in accordance with the <i>Enterprise Internal Control Basic Norms</i> and relevant regulations.</p>	 
<p><b>Growth in Synergy</b></p> <ul style="list-style-type: none"> <li>In 2030, the proportion of female employees and female managers will reach <b>35%</b> and <b>32%</b> respectively.</li> <li>In 2030, the average annual training hours per non - front - line and front - line employees will reach <b>65H</b> and <b>55H</b> respectively.</li> <li>In 2030, <b>28%</b> of management positions will be filled through internal promotion.</li> <li>In 2030, the proportion of professional technicians in key intelligent manufacturing positions will reach <b>90%</b>.</li> <li>Continuously promote the construction of a diverse, equal, and inclusive (DEI) workplace environment.</li> </ul>	<p>Female employees: <b>27.19%</b>, Female managers: <b>27.22%</b></p> <p><b>Achieved</b> Non - front - line: <b>47.3H</b>, Front - line: <b>61H</b></p> <p><b>9.4%</b></p> <p><b>41.7%</b></p> <p>Signed the <i>Women's Empowerment Principles (WEPs)</i> to promote global gender equality.</p>	    
<p><b>Green Co-governance</b></p> <ul style="list-style-type: none"> <li>By 2025, the production energy consumption per unit product will decrease by <b>25%</b> compared to the baseline.</li> <li>In 2030, achieve a <b>100%</b> coverage rate of production operation areas.</li> <li>In 2030, the proportion of green electricity used will reach <b>100%</b>.</li> <li>In 2030, the recycling and disposal rate of failed products will reach <b>85%</b>.</li> </ul>	<p><b>21.94%</b></p> <p>Production operation area carbon emissions in 2024 decreased by <b>31.8%</b> compared to the 2022 baseline.</p> <p><b>45.43%</b></p> <p>The recycling factory is under construction, and key equipment has been ordered for production.</p>	   
<p><b>Technological Co-prosperity</b></p> <ul style="list-style-type: none"> <li>Annual investment in R &amp; D and innovation is not less than <b>4%</b> of annual total revenue.</li> <li>By 2025, increase the proportion of green products and intelligent digital conveyor products in sales to reach <b>50%</b> and <b>23%</b> respectively.</li> <li>In 2030, the proportion of biological-based materials used will reach <b>30%</b>.</li> </ul>	<p><b>Achieved 4.28%</b></p> <p>Green products: <b>25%</b>, Intelligent digital conveyor products: <b>17%</b></p> <p><b>19.65%</b></p>	  
<p><b>Value Co-creation</b></p> <ul style="list-style-type: none"> <li>By 2028, the ESG audit coverage rate of the supply chain will reach <b>100%</b>.</li> <li>In 2030, the number of global technical service sites will increase to <b>50</b>.</li> <li>Continuously create diversified value for global customers, especially in the aspects of vision, digital transformation, and life-cycle services.</li> </ul>	<p><b>18.18%</b></p> <p><b>9</b></p> <p>Develop a digital conveyor life - cycle management platform.</p>	   
<p><b>Community Symbiosis</b></p> <ul style="list-style-type: none"> <li>In 2030, the cumulative volunteer service hours will be <math>\geq</math> <b>10,000</b> hours/year.</li> <li>In 2030, the cumulative number of people trained in community sustainable development education (ESD) courses and training will exceed <b>10,000</b> person - times.</li> <li>Support community sustainable development, and continue to deepen efforts in four areas: high - quality education, ecological protection, inclusive community building, and poverty alleviation.</li> </ul>	<p><b>2472.5</b> hours/year</p> <p><b>1320</b> person - times</p> <p>Joined the Sino - African Community Sustainable Development Action Network to assist in the sustainable development of African communities.</p>	      

# Stakeholder Communication

Key Stakeholders	Stakeholder Representatives	Main Communication Channels	Concerns and Expectations
<b>Government and Regulatory Agencies</b>	Local government at the place of operation, Shenzhen Stock Exchange	<ul style="list-style-type: none"> <li>Document exchanges, work meetings</li> <li>Policy implementation</li> <li>Industry research</li> <li>Information disclosure</li> </ul>	Corporate governance Compliance operations Economic efficiency Response to climate change Safety in production Industry development Research and development innovation Environmental protection Fair competition Circular economy Standard/policy formulation
<b>Investors</b>	Company shareholders and potential investors	<ul style="list-style-type: none"> <li>General meetings of shareholders</li> <li>Financial reports and announcements</li> <li>Investor briefings/roadshows/analyst meetings</li> <li>Telephone/conferences/company visits</li> </ul>	Investment returns Corporate governance Risk management Research and development innovation
<b>Customers</b>	Customers in the industrial Internet segment Customers in the mobile Internet segment	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Customer visits</li> <li>Customer meetings</li> <li>New technology/product launches</li> <li>Industry exhibitions/forums</li> <li>400 service hotline</li> <li>Company website and social media interaction</li> </ul>	Product quality Customer service Green product research and development innovation Safety in production Product life - cycle green management Response to climate change Sustainable supply chain Recycling of failed products Privacy protection and data security Game experience and quality
<b>Employees</b>	Senior management Department heads Employee representatives	<ul style="list-style-type: none"> <li>Employee satisfaction surveys</li> <li>Employee newsletters, corporate culture activities</li> <li>High - level direct communication/luncheon meetings</li> <li>Employee congresses</li> <li>Employee briefings</li> <li>Appeal channels</li> <li>Internal meetings/emails</li> </ul>	Career development Health and safety Rights protection and benefits Diversity and equal opportunities

Key Stakeholders	Stakeholder Representatives	Main Communication Channels	Concerns and Expectations
<b>Suppliers</b>	Core suppliers in the raw material field	<ul style="list-style-type: none"> <li>Purchasing activities</li> <li>Training and seminars</li> <li>Supply chain conferences</li> <li>Supplier code of conduct</li> <li>Supply contracts</li> <li>Supplier evaluation and audits</li> </ul>	Win - win cooperation Sustainable supply chain Supply chain empowerment Business ethics and anti - corruption
<b>Public and Community</b>	NGOs Charitable organizations Social organizations Community governments	<ul style="list-style-type: none"> <li>Social welfare projects</li> <li>Volunteer activities</li> <li>Community co - construction</li> <li>Exchange visits</li> <li>Information disclosure</li> </ul>	Community sustainable development Public welfare and volunteer services Environmental protection Business ethics and compliance
<b>Media</b>	Major mainstream media	<ul style="list-style-type: none"> <li>News reports</li> <li>News interviews</li> <li>Interaction on the company website and social media</li> </ul>	Transparent information disclosure Compliance operations Community public welfare Low - carbon transportation Privacy protection and data security



“ We are well aware that the opinions and participation of stakeholders have a significant impact on the company's ESG work. We always pay attention to and listen to the demands of internal and external stakeholders, establish communication channels through various forms, collect and respond to stakeholders' expectations and demands for the company. ”

# Material Issue Assessment



During the reporting period, we conducted an assessment of material issues. Referencing the GRI's recommendations on double - materiality analysis for important issues and combining with the company's business characteristics, we identified the most crucial sustainable development issues for the company. To ensure the continuity and comparability of this report, we also considered the materiality of important issues in last year's report. Ultimately, we identified 8 highly important issues, which determined the reporting boundary of this report and were reviewed and approved by the board of directors.



## Highly Important

- Safety in production
- Product and service quality
- Technological innovation
- Green management of the product life cycle
- Climate action
- Business ethics and anti - corruption
- User privacy and data protection
- Employee training and development

## Moderately Important

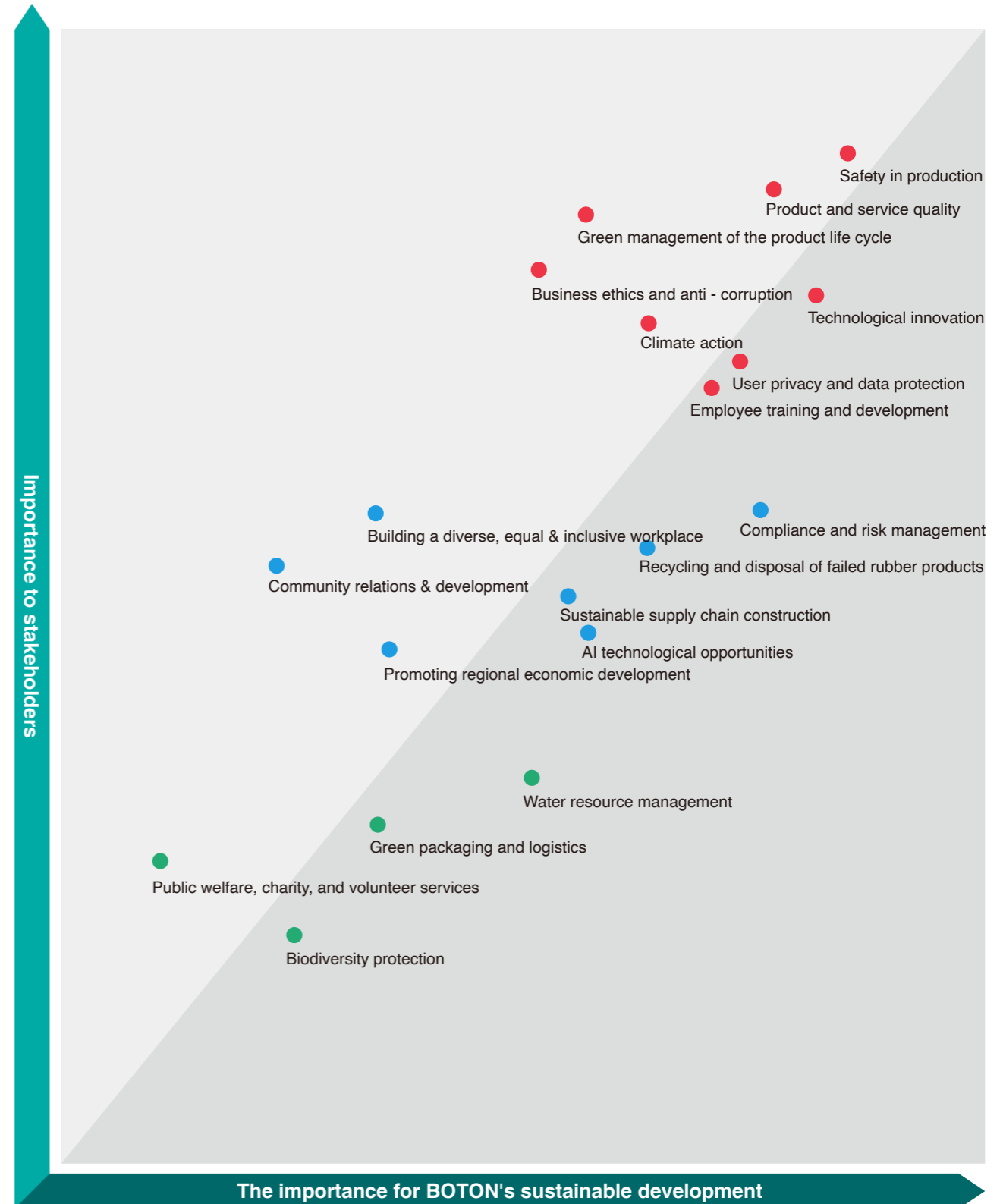
- Recycling and disposal of failed rubber products
- Building a diverse, equal & inclusive workplace
- Sustainable supply chain construction
- Compliance and risk management
- AI technological opportunities
- Promoting regional economic development
- Community relations & development

## Generally Important

- Water resource management
- Biodiversity protection
- Green packaging and logistics
- Public welfare, charity, and volunteer services



● Highly Important    ● Moderately Important    ● Generally Important



# Steady and Trust - building, Driving the Ever - green Foundation

## 03

SDGs Targets Responded in This Chapter



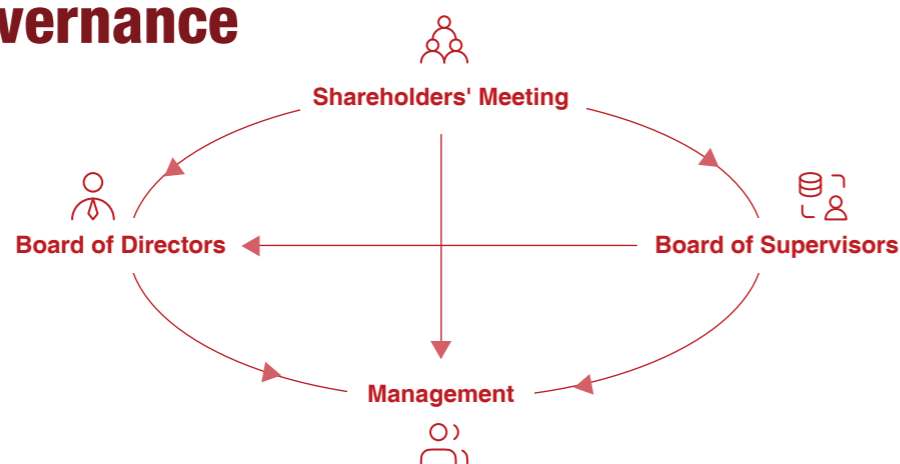
This chapter content:

Deepening Governance	35
Board Independence and Diversification	37
Boton Technology's ESG Governance Structure	38
Integrating ESG Concepts into Corporate Culture	39
Risk Management	41
Compliance Operations	43
Business Ethics and Anti-corruption	44
User Privacy and Data Security Protection	48

“ We always firmly believe that the "steadiness" of governance is the cornerstone for an enterprise to weather cycles, and the "trust - building" of confidence is the navigation beacon for the long - lasting foundation. We combine a global perspective with localized practices. Centering on the governance framework of a listed company, we establish a decision - making system with clear rights and responsibilities and effective checks and balances, ensuring the "high - efficiency synergy" of the "three meetings and one layer". We adhere to the bottom line of business ethics, streamline business processes, and safeguard a fair and competitive market ecosystem. With user privacy and data protection as the bottom line, we use encryption technology and privacy computing to break through digital barriers, adhere to scientific and technological ethics, and ensure that artificial intelligence and automation technology benefit humanity. At the same time, we strengthen risk prevention and compliance management to ensure the legality of global business operations and respond to industry risks and external uncertainties. ”

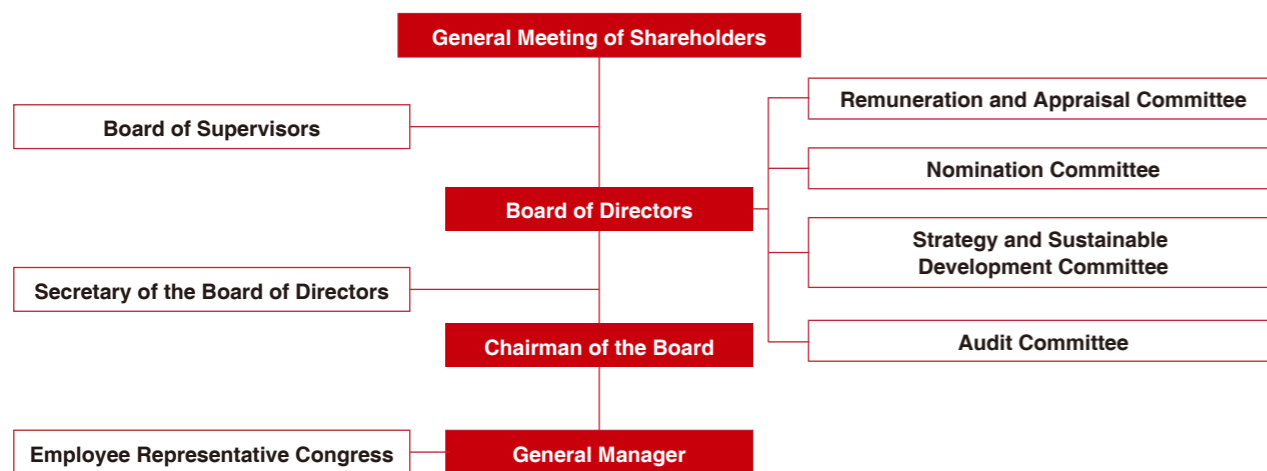
## Deepening Governance

The company strictly abides by laws and regulations such as the \*Company Law\*, \*Securities Law\*, \*Governance Guidelines for Listed Companies\*, and \*Guidelines for the Standardized Operation of Listed Companies on the Growth Enterprise Market\*. It constructs a sound and effective corporate governance framework composed of the general meeting of shareholders, the board of directors, the board of supervisors, and the management.



This framework forms a division of labor among power - holding, decision - making, supervisory, and operating institutions, as well as a management structure with clear rights and responsibilities, standardized operation, and effective checks and balances. This ensures the fairness and scientific nature of the company's decision - making.

### Governance Structure Chart



### Introduction to Committees under the Board of Directors

**Remuneration and Appraisal Committee:** Responsible for formulating assessment standards for directors and managers of the company and conducting assessments. It formulates and reviews the remuneration policies and plans for directors and managers to ensure that the remuneration system can attract, motivate, and retain outstanding talents.

**Nomination Committee:** Responsible for the selection, nomination standards, and procedures of directors and managers of the company and puts forward suggestions. By selecting excellent directors and senior managers, it provides strong talent support for the long - term development of the company.

**Strategy and Sustainable Development Committee:** Responsible for major issues related to the company's long - term development strategy, including major investment and financing decisions, and sustainable development in environmental, social, and governance aspects. It puts forward suggestions for the board of directors' decisions, provides professional opinions and suggestions for the board of directors, and improves the scientificity and accuracy of decision - making.

**Audit Committee:** Responsible for supervising and inspecting the internal and external audits and internal control systems of the company, etc. It is responsible to the board of directors, provides professional opinions and suggestions for the board of directors, and assists the board of directors in better performing its duties to promote the healthy development of the company.

### 2024 Meeting Convening Status of the Three Bodies

Meeting Name	Number of Meetings Convened	Motions/Reports Reviewed
General Meeting of Shareholders	3	Reviewed, examined, or listened to approximately <b>59</b> motions and reports
Board of Directors Meetings	11	
Board of Supervisors Meetings	10	

### Investor Relations

Annual External Announcements:

**171**

Annual Information Disclosure: **No supplements, no regulatory penalties**

As a listed company, the company strictly abides by the rules and regulations of the stock exchange and relevant laws and regulations. It improves the information disclosure and investor relations management system to ensure that information is disclosed to shareholders and investors accurately, completely, and in a timely manner, safeguarding their right to know. The company clearly designates the board secretary as the investor relations management person in charge, who is responsible for daily management. The company strengthens communication with investors through various methods such as performance briefings, telephone communication, interactive platforms, and on - site research. It also actively participates in strategy briefings, roadshows, reverse roadshows, and investor education activities, maintaining efficient communication with investors and stabilizing their long - term confidence.

Hotline Calls from Investors **≥ 600** times

Performance Briefings Held **3** times

Exchanges with Investment Institutions **≥ 400** person - times

Roadshow Attendees **≥ 1000** person - times

In the 7th Annual Investment Meeting of Cailianshe in 2024, the company won the **"Most Investment - worthy Award (Listed Company)"** for its outstanding performance in technological innovation, market performance, and sustainable development.



## Board Independence and Diversification

### Independence

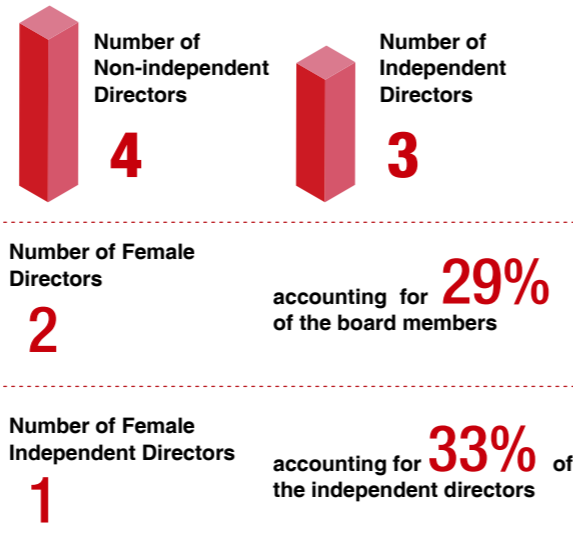
Independent directors of the company rely on their professional expertise. Independence of the board of directors is of utmost importance as it safeguards the interests of shareholders, ensures the fairness of decision-making, and enhances the company's credibility and investors' confidence, laying a solid foundation for the company's stable development.

The board of directors has established a nomination committee. When nominating members of the board of directors, it takes into full account factors such as gender, age, knowledge, skills, experience, and background of candidates. The candidates are screened by the nomination committee and then submitted to the board of directors for review. After passing the review, they are submitted to the general meeting of shareholders for decision-making. This ensures the realization of the board of directors' independence and diversification goals.

### Diversification

In 2024, the board of directors of the company consisted of 7 members, with diverse elements such as different genders, ages, educational backgrounds, and professional experiences, which can provide a rich range of perspectives and professional knowledge for the company's decision-making.

Members with different backgrounds bring diverse thinking patterns, promoting comprehensive and in-depth discussions, effectively improving the quality of decision-making. When the company faces complex market environments, it can draw on multiple viewpoints to better formulate strategies and expand its business. Meanwhile, a diverse composition of the board of directors can help the company understand and meet the needs of different stakeholders, enhance the company's adaptability, improve its brand image, and attract outstanding talents and investors.

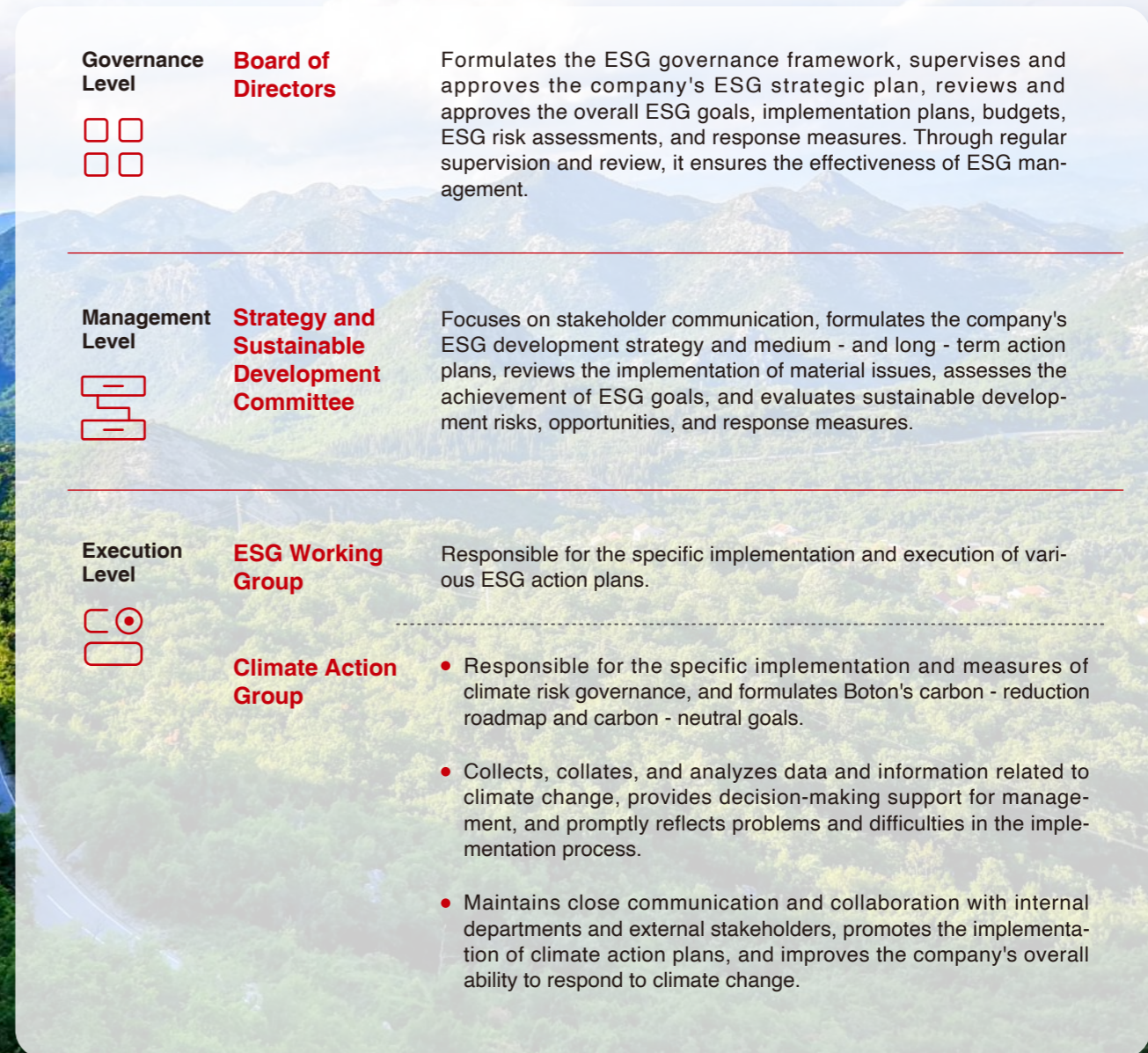


### Information of Boton's Board Members

Name	Gender	Position/Responsibility	Experience/Skills
Bao Zhifang	Male	Non-independent director	Industry expert
Tang Yu	Female	Non-independent director	Industry expert
Sun Yucheng	Male	Non-independent director	Industry expert
Zhou Qing	Male	Non-independent director and secretary of the board	Industry expert/finance expert
Ma Jianguo	Male	Independent director	Industry expert
Ji Cheng	Male	Independent director	Industry expert
Zhang Huifen	Female	Independent director	Industry expert/finance expert

## Boton Technology's ESG Governance Structure

To enhance the company's sustainable development management level, we incorporate environmental, social, and governance (ESG) principles into the corporate governance structure and business operations of the entire group. By establishing and improving the ESG governance structure, we ensure the long-term stability of business development and create more value for our stakeholders. We have established an ESG governance structure with the board of directors as the highest leader, which is divided into three levels, including the board of directors, the Strategy and Sustainable Development Committee, and the ESG working group. We have also set up a climate action group to address the challenges brought by climate change.





**ESG Training for All Employees:** ESG training was conducted for all employees, with a training coverage rate of **92%**

"Benevolence, Integrity, Collaboration, Sharing, and Innovative Growth" are the cultural values of the company, guiding the company's long-term sustainable development. Our cultural values are recognized by employees. During the reporting period, employees' overall satisfaction with the corporate culture was 82.2 points. Corporate culture is a crucial starting point for the implementation of the ESG strategy, inspiring employees to practice ESG concepts in their daily work.



The company and employees jointly create a diverse, equal, and inclusive workplace culture. Offline salons were held on issues such as gender equality, cross-cultural communication, and the seven principles of women's empowerment.

Data security training is part of our employee onboarding process. In addition, we provide more in-depth training for key positions, covering basic security awareness, prevention and defense of vulnerabilities, R & D security regulations, and data security requirements.

*Boton Employee Business Conduct Guidelines* and *Boton Self-discipline Pact* are compulsory courses for employees every year and require passing exams. In 2024, the completion rate and pass rate of learning were 100%. For some key positions and management positions, employees also need to sign the \*Clean and Self-disciplined Commitment Letter\*.

An ESG mini-classroom was held weekly to popularize knowledge. In the form of posters and Q&A, employees were helped to understand the United Nations Sustainable Development Goals, ESG, and the content of specific issues, as well as the latest trends. During the reporting period, the popularized issues included addressing climate change, circular economy, carbon neutrality, biodiversity, sustainable supply chain, water resource protection, diversity, equality, and inclusion (DEI), privacy protection, data security and network security, business ethics, etc.

## Integrating ESG Concepts into Corporate Culture



On World Earth Day, World Environment Day, Earth Hour, International Day for Biological Diversity, and International Endangered Species Day, we provided online and offline environmental protection popularization activities for employees.

We have self-developed a number of cultural and creative products themed around "Tongtong", the giant panda we sponsor. These products are used in the company's internal cultural activities and external customer reception, spreading the attention to endangered species and biodiversity protection to both internal and external parties.



We have self-developed sustainable development courses, leading employees to enter communities and schools to promote and popularize the United Nations Sustainable Development Goals (SDGs) to more community residents and students, guiding them to start with small daily actions and actions around them.

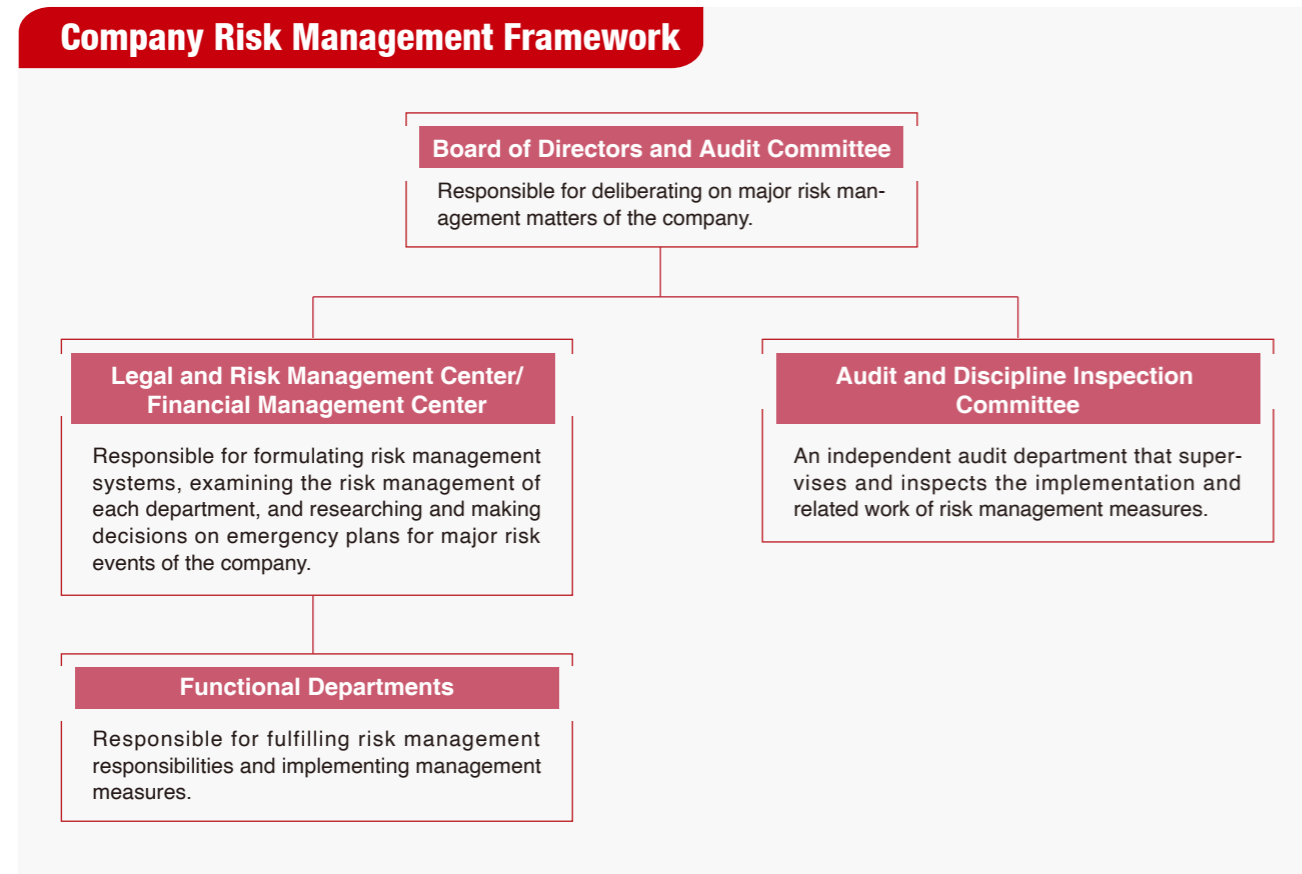


# Risk Management

## Risk Management System

The company attaches great importance to the construction of the risk management system and internal control system. During the reporting period, in accordance with relevant laws, regulations, and regulatory requirements, it improved audit - related systems to promote compliant operations and strategic implementation. The board of directors has an audit committee. During the reporting period, 11 supervision projects were carried out, and 73 risk points were identified, with a focus on high - risk areas such as data management and process design. The company has established a risk management center, an audit and discipline inspection committee, etc., and has set up internal control mechanisms in multiple dimensions to ensure standardized operations and prevent risks.

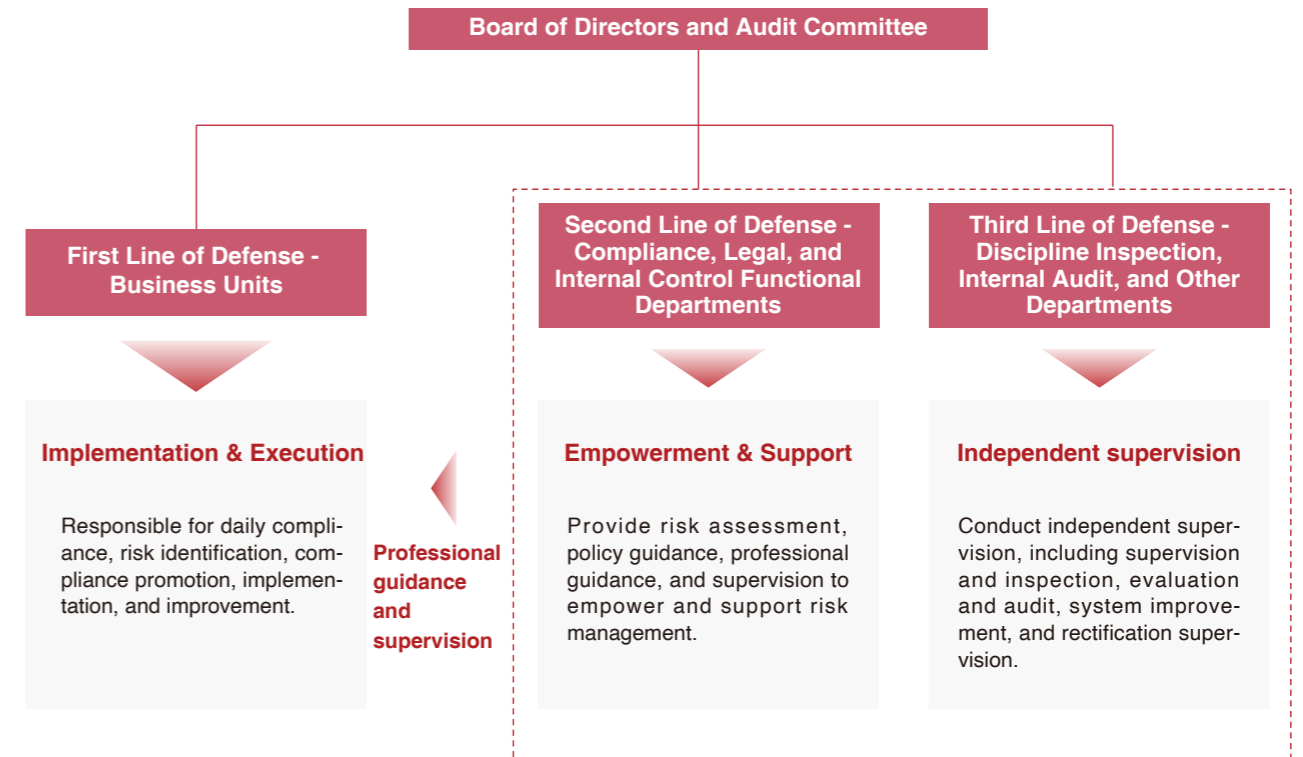
Supervised projects: **11**  
 Identified risk points: **73**



## Risk Identification and Response

We highly value risk management and internal control, forming a three - line defense control ecosystem. Based on the company's situation, we effectively ensure the implementation of various risk management tasks.

## Compliance Risk Control Management System



During the reporting period, facing the uncertainties of the global supply chain, such as geopolitical conflicts, high shipping costs, trade risks, customs barriers, and unstable raw material supply, the company adopted the strategy of "regionalized production + localized service" and built its first overseas conveyor belt manufacturing base in Rayong, Thailand. The first - phase project has an annual production capacity of 10 million square meters of conveyor belts, which helps achieve the globalization goal, strengthens connections with overseas customers, and can quickly respond to demands. Through geographical dispersion, production flexibility, and cost - aggregation, it mitigates supply - chain risks, reduces operating costs, and enhances product competitiveness.

## Risk Management Training and Communication Mechanism

**Enhancing the awareness of risk management among all employees can help the enterprise prevent and reduce potential risks from the source.** We regularly provide risk management training for relevant personnel to improve their response capabilities in risk management practice. Meanwhile, we also provide special risk management training for members of the board of directors, enabling them to be exposed to advanced risk management practical cases and rely on their independent functions to conduct objective monitoring of various risks. We encourage employees to participate in the risk management process, establish a communication and feedback mechanism for employees, and encourage them to report risks based on their work experience and put forward risk - mitigation suggestions. We also provide material rewards and spiritual incentives to employees who have made significant contributions to risk identification and management.

## Compliance Operations

A sound compliance risk control is crucial for the company's sustainable and healthy development. In response to compliance risks in business activities, we promote internal control and risk management in advance, and achieve compliance risk - circumvention management from multiple aspects such as organizational structure, institutional system, judicial protection for the enterprise, and compliance operation.

### Organizational Structure Guarantee



We have established group-level special committees such as the audit and discipline inspection committee, information security committee, bidding and procurement management committee, confidentiality management committee, and quality work committee, which are composed of the company's main leaders and specialized departments. These committees conduct **key supervision and work arrangements** for high - risk areas such as the company's major business operations, bidding and procurement, information security, business - secret protection, and product quality.

### Institutional System Guarantee



We have formulated a series of management methods, including \*Audit and Discipline Inspection System\*, \*Authorization Management System\*, \*Bidding and Procurement Management Method\*, \*Data Management System\*, \*Business - Secret Protection Management Method\*, \*Company Seal Management Method\*, and \*Mass Quality Assessment Management System\*, establishing a relatively **complete set of compliance and risk - control management systems**.

### Judicial Protection for the Enterprise



The company is a legal - service - outpost unit for intellectual-property-protection prosecution by the People's Procuratorate of Xinwu District (Wuxi High-tech Zone). It is also a demonstration unit for business-secret protection by the Wuxi Market Supervision Bureau. By establishing working - contact points with judicial and law - enforcement agencies, we promptly and effectively study laws, regulations, and compliance policies. We invite experts from judicial agencies to conduct legal education and "legal - system physical - examination" activities in the enterprise, continuously improving **the legal knowledge and risk - control level of all employees**.

### Compliance and Law - Abiding Operations



By promoting risk - control measures at multiple levels, including organizational structure, institutional system, and judicial protection for the enterprise, we achieve the **institutionalization, systematization, and normalization of risk - control management**.

## Business Ethics and Anti-corruption

Business ethics are the cornerstone of the company's clean - culture foundation and the unwavering belief we uphold. We firmly oppose all forms of corruption and unreservedly reject unfair competition, and are committed to practicing transparent and trustworthy business practices. In the company's growth journey, integrity is not only our guiding principle but also an important driving force for promoting the healthy development of the industry's economic environment.

### Governance Structure



### Our Actions

#### Construction of a Clean - culture System



#### Construction of clean - governance systems

**For Employees:** To comprehensively implement the corporate values of integrity, we create a clean and upright corporate culture and business environment. The company has formulated and issued \*Boton Employee Business Conduct Guidelines\*, \*Boton Self - discipline Pact\*, \*Reporting Management System\*, \*Audit and Discipline Inspection System\*, \*Boton Technology Special Audit System\*, and other management measures, clearly requiring all employees, suppliers, and business partners to abide by legal regulations and ethical norms, and to eliminate bribery, corruption, and other unfair trading behaviors, as well as any form of commercial bribery.

**For Subsidiaries:** We require each subsidiary to announce the reporting channels to all employees in accordance with the company's \*Reporting Management System\*. All employees and personnel of the company must accept the supervision of internal employees, suppliers, and business partners. For reported and complained - about issues, they should actively cooperate with the investigation and must not retaliate against the reporters or whistle - blowers.

**For Suppliers:** All cooperating suppliers are required to sign the \*Integrity and Clean - cooperation Agreement\*.

**Construction of a Clean - culture System**



Completion rate and pass rate of integrity training in 2024:

**100%**

**Clean - culture Construction**

The company always adheres to a zero - tolerance attitude towards corruption. It firmly combats corruption, embezzlement, and commercial - bribery in business activities. For employees' corruption - related behaviors, once verified, it will be dealt with in accordance with laws, regulations, labor contracts, and the company's relevant system regulations. The responsible parties will be reported to relevant authorities, and those reaching the standard for criminal case filing will be subject to legal prosecution regardless of whether they are in-office or not.

Meanwhile, we require all subsidiaries to strengthen compliance and legal education, and publicize the company's anti - corruption and anti - commercial - bribery - related system requirements to all employees. For management - level and key - position employees, the Human Resources Center is responsible for having them sign the \*Clean and Self - disciplined Commitment Letter\*, which is archived together with the labor contract.

**Clean - Culture Training**

**For Employees:** Through Boton Academy, we conduct training and publicity related to business ethics and anti - corruption. We require all employees to learn various job requirements and have set up compulsory special - topic video courses. The course content covers anti - commercial - bribery, anti - unfair - competition, and conflict - of - interest prevention. All employees must participate in the training and pass the post-training test. In 2024, the completion rate and pass rate were both 100%. We also jointly carried out special - topic training with departments such as production, operation, procurement, and marketing, covering anti - commercial - bribery and bidding - procurement project compliance.

**For Senior Management:** Learning and participation in activities by managers:

- On January 3, 2024, a legal lecture on "Business Ethics and Anti - commercial - bribery" was held, inviting an external lawyer to conduct legal - education activities for key - position managers such as senior management, marketing, and procurement.
- On April 18, 2024, the company organized middle - and senior - level managers and party - member cadres to visit the Wuxi High - tech Zone Procuratorate's legal - service center. A senior prosecutor was invited to conduct legal - education activities for all managers.
- On November 15, 2024, the company headquarters issued the \*Notice on Strengthening Anti - corruption and Anti - commercial - bribery Work\*, requiring middle - and senior - level managers and key - position employees to sign clean - operation commitment letters.



Signing Rate of Supplier Integrity and Clean - \*Co-operation Agreement\* in 2024:

**100%**

**Requirements for Clean - cooperation**

We require all departments and subsidiaries, when signing contracts with suppliers and business partners, to simultaneously sign the *Supplier Integrity and Clean - cooperation Agreement* and share the integrity files of suppliers. During the reporting period, clean - culture education and guidance were provided to more than **100** suppliers.



**Clean - Culture Supervision**

- Conduct annual audits related to business ethics and anti - corruption in the group and its subsidiaries.
- Conduct special audits on corruption risks as required.
- Establish a linkage mechanism with the People's Procuratorate of Xinwu District (Wuxi High - tech Zone) to seek professional support.

The company has established a multi - level reporting mechanism, with multiple channels leading directly to the office of the audit and discipline inspection committee or the board chairman. We publicly announce the reporting process, encourage all parties to report in accordance with the law, and offer rewards to informants. We also provide exemption from cooperation restrictions for partners who report actively. Once a report is received, it will be handled in accordance with the \*Reporting Management System\*. We strictly protect the information of reporters and will not tolerate any retaliation against them. **During the reporting period, no reports were received.**

**Reporting Channels**

**Telephone** 13906192070  
13861773597

**Email** baozhifang@boton-tech.com  
chukaihong@boton-tech.com

**Address** Boton Technology Building, No. 19, Zhanggong Road, Xinwu District, Wuxi City, Jiangsu Province, Office of the Board Chairman or Audit and Discipline Inspection Committee

**Reporting Management**



**Anti - unfair Competition**



The company strictly abides by laws and regulations such as the \*Civil Code\*, \*Anti - unfair Competition Law\*, and \*Bidding Law\*. In key areas such as intellectual - property protection, business - secret protection, and bidding and procurement, it formulates special management measures. Special - duty departments such as the Digital Information Management Center, Intelligent Conveyor Green Development Research Institute, Legal and Risk Management Center, and Bidding and Procurement Management Office are responsible for implementing and controlling processes, legally safeguarding its own rights and interests, and resolutely cracking down on illegal acts such as pirated software, counterfeiting trademarks, patent infringement, business - secret leakage, and illegal procurement.

**Institutional System Guarantee**

- **Intellectual - Property Protection:** \*Software Copyright Management Regulations\*, *Intellectual - Property Management Regulations*
- **Business - Secret Protection:** \*Business - Secret Protection Management Regulations\*, *Business - Secret Information Classification and Protection Regulations*
- **Bidding and Procurement Management:** \*Bidding and Procurement Management Regulations\*, *Engineering Project Bidding and Procurement Management Regulations*

**Our Initiatives**

During the reporting period, the company organized departments such as the Technology Center, Digital Information Management Center, and Green Development Research Institute to actively participate in intellectual - property and business - secret protection - related activities inside and outside the company:

- On April 19, 2024, organized participation in the Symposium on Intellectual - Property Protection and Compliance for Industrial Software in Wuxi City.
- On June 12, 2024, organized participation in the Second - phase Service "Training Activity" for Improving the Business - Secret Protection Capability of Enterprises in Wuxi City.
- On August 28, 2024, organized participation in the Business - Secret Protection Publicity Activity by the Wuxi Market Supervision Bureau.
- On November 11, 2024, organized participation in the Special - topic Training Activity on Overseas Intellectual - Property Rights Protection for Enterprises in the High - tech Zone.



**User Privacy and Data Security Protection**

**Our Risks**

**Legal and Regulatory Aspect:** Global data - protection laws and regulations are constantly evolving. Engaging in cross - border business and working with third - party service providers may lead to compliance conflicts. Moreover, new - technology applications bring regulatory uncertainties.

**Technical Management Aspect:** System vulnerabilities, internal unauthorized access, and reliance on third - party security services may result in data leakage or improper handling.

**Business Operation Aspect:** Excessive data collection, unclear privacy policies, and algorithmic biases may damage the trust of user groups and affect market competitiveness. In terms of market reputation, data - security incidents can trigger public - opinion crises, leading to user loss and business disruptions. Under the background of emerging technologies such as AI and the Internet of Things, privacy and social - culture issues emerge, and the improvement of users' privacy - awareness and cultural differences also pose higher requirements for privacy - protection strategies, necessitating the establishment of a comprehensive defense system to address complex challenges.

**Legal Basis**



We strictly abide by laws and regulations such as the *Cybersecurity Law of the People's Republic of China* and the \*Personal Information Protection Law\*. We have established a management system covering the entire **data life cycle**, clarifying the principles of legality, propriety, and necessity for data processing.

**Organizational Structure**



**Decision - making Level:** Establish the "Data Security Committee" and "Information Security Governance Committee" led by senior management to formulate overall data - security strategies.

**Execution Level:** Allocate a dedicated data - security management team (Data Security Management and Privacy Protection Center) to be responsible for daily operation and risk control.

**Supervision Level:** Ensure the implementation of systems through internal audits and third - party assessments.

**Institutional Support**



We have formulated regulations such as the \*Data Security Management Regulations\*, \*Game Disaster Recovery Control\*, \*Monitoring and Security Control\*, \*Operating System Security Control\*, \*Database System Security Control\*, \*Network Security Regulations\*, and \*Game Operation Management Regulations\*, \*Software Deployment Control for Applications\*, etc. We strengthen data - information security and control, formulate the *Customer Privacy Agreement* and \*Service Terms\*, clarify the boundaries of data usage, and disclose data - flow information synchronously through user agreements and privacy policies.

## Our Measures

### Technical Protection Measures



#### Data Encryption

Use strong encryption algorithms such as AES - 256 for data in storage and transmission.



#### Access Control

Implement the RBAC (Role - Based Access Control) dynamic permission model to restrict unauthorized personnel from accessing sensitive data.



#### Vulnerability Management

Regularly conduct vulnerability scanning and repair (quarterly penetration testing, automated scanning tools).



## Data Lifecycle Management

	Hainan Gaotu's Measures	Guangzhou Yimi's Measures
<b>Collection</b>	Only collect data necessary for business, and implement user - dynamic authorization through an embedded consent management system.	Clearly inform the purpose of data use and refine the data - sharing scope in the user agreement.
<b>Storage</b>	Use distributed storage + cold - hot data layering, and encrypt sensitive data with hardware encryption modules (HSM).	Classify and protect data, separate PII (Personally Identifiable Information) from general data for isolated storage.
<b>Transmission</b>	Fully enable the TLS 1.3 protocol and sign data protection agreements (SCCs) with third - parties.	Use a private encrypted channel for transmission and update keys regularly.
<b>Destruction</b>	Physically pulverize + blockchain certificate to ensure irrecoverability.	Overwrite multiple times + logical deletion, with deletion logs for review.

### User's Right to Know



Clearly inform users of the data collection scope, purpose, and storage period in the product interface and agreement terms.

### User Rights Protection



#### Consent and Option - giving Rights

- Support users in adjusting the authorization scope at any time (privacy protection tools, fine - grained authorization switches).
- Allow users to withdraw authorization or delete historical data with one click (response time < 24 hours, formal deletion of relevant data after a 7 - day cooling - off period, processed through a work - order system).

#### Complaint Handling

- Set up multi - channel complaint portals (in - app feedback, hotline, etc.) and establish a work - order system for follow - up and closure.

### Compliance and Emergency Response



#### Legal Compliance

- Regularly review data protection measures (internal and external audits) to ensure compliance with local laws and regulations.

#### Data Breach Response

- Develop a data breach emergency plan to ensure prompt action in case of a data breach.
- Establish an incident reporting mechanism (respond within 30 minutes, report to regulatory authorities within 72 hours) to ensure affected users and regulatory authorities are informed in a timely manner in case of a data breach.

## Governance Achievements & Shared Commitments



### Zero - incident Record

In 2024, a large number of major data security incidents were prevented from occurring, achieving "**zero incidents**". We continuously reduce risks through technological upgrades (such as dark - web monitoring, NLP - based complaint analysis, etc.).



### Enhanced User Trust

Through transparent governance and efficient response mechanisms, the user privacy complaint resolution rate reached **100%**, and the NPS (Net Promoter Score) is **significantly higher than the industry average**.



### Industry Responsibility

We jointly promote supply - chain security management, require partners to sign data protection agreements, and conduct regular safety training.

## Protection of Minors



We attach great importance to the healthy growth of teenagers and strictly abide by the **\*Law of the People's Republic of China on the Protection of Minors\***. Before individual users enter the game and after agreeing to the privacy agreement, they are required to submit personal information such as their real name, ID number, and contact information. This information will be transferred to the national anti - addiction real - name authentication system for real - name registration and identity - matching verification. Based on the verification results of the real - name information, we decide whether to apply anti - addiction measures for minors to the user.

## Measures and Guidance to Prevent Minors from Being Addicted to Games

### Real - name Authentication System

- **Identity Verification:** Require users to undergo real - name authentication during game registration and login. Verify the user's age through identity information to determine if they are minors.
- **Anti - addiction System:** Automatically activate the anti - addiction system for users identified as minors through real - name authentication and limit their game time.

### Game Time Limits

- **Holiday and Non - holiday Limits:** Impose different levels of restrictions on minors' game time during holidays and non - holidays. For example, the daily playtime limit is 1 hour on non - holidays.
- **Educational Time:** Set the period from 10 p.m. to 8 a.m. as the educational time for minors, during which game login is prohibited.

### Consumption Limits

- **Recharge Limits:** Set limits on the single - transaction and monthly recharge amounts for minors in the game. The recharge limits vary for different age groups of minors. For example, the monthly recharge limit for minors aged 8 - 16 is set at 200 yuan, and for those aged 16 - 18, it is set at 400 yuan.
- **Recharge Reminder:** Provide clear reminder information when minors recharge to warn them to consume carefully.

### Content Filtering

- **Healthy Game Content:** Strictly screen game content, filtering out content inappropriate for minors, such as violence and pornographic elements.
- **Positive Guidance:** Add positive educational content suitable for minors' development to encourage them to establish correct values.

### Publicity and Education

- **Promote Network Security Knowledge:** Through in - game prompts, special topics, and other means, promote network security knowledge and the importance of anti - addiction to minors.

SDGs Targets Responded in This Chapter



# Growth and Progress Together, Cultivating Diverse Development

# 04

This chapter content:

Employee Care and Employee Rights and Interests Protection	56
Occupational Health and Safety Management	62
Employee Training and Development	69
Building a Diverse, Equitable and Inclusive (DEI) Workplace Environment	73



On the road to the future, employees' well-being, safety and growth are closely related to the company's development. The company always attaches great importance to employees' interests, actively promotes the employee care and health plan, and helps employees' career growth through customized training.

**2024 Employee Satisfaction Survey**

Score: **99**



# Employee Care and Employee Rights and Interests Protection

## Our Risks

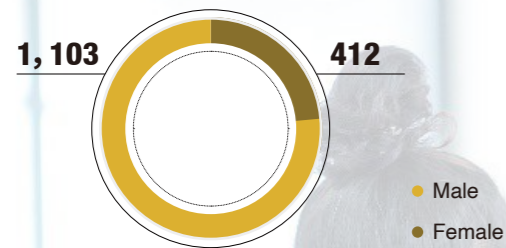
Issues such as insufficient employee benefits, job losses, low participation, physical and mental health risks, lack of motivation, a sense of loss of belonging, poor communication, and unprotected rights and interests are likely to cause dissatisfaction, affecting employee stability, efficiency, cohesion, and the brand value of the employer.

## Our Governance

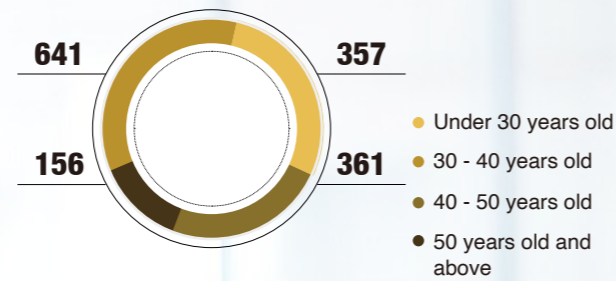
A staff care team led by the trade union, general manager, and human resources center has been established, responsible for building and implementing the employee care system and improving employee rights and interests protection. BOTON takes care of employees in all aspects, from work to life, from health development to rights and interests, continuously improving employees' well-being index.

### Company Employee Composition

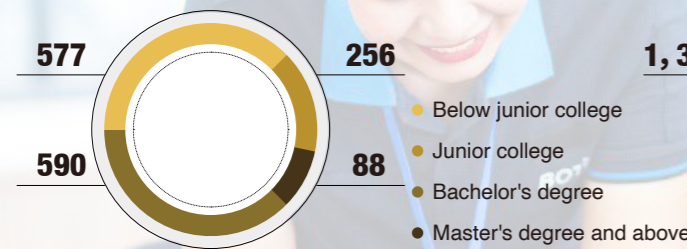
#### By Gender



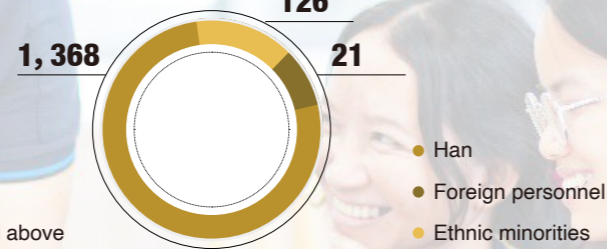
#### By Age



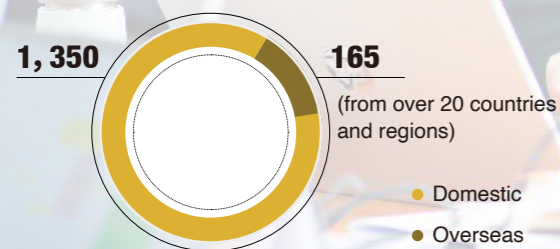
#### By Education Level



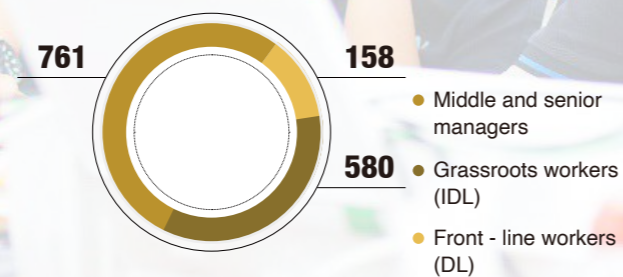
#### By Ethnicity



#### By Region



#### By Employee Type



### Company Employee Care System

Self-actualization Needs	Employee career planning and growth	Training system	Promotion channels Professional channel, Management channel	Social value Volunteer recruitment and volunteer activities
	Employee career life cycle awards Long-term service award, Joining the company, Transfer, Anniversary, Promotion, Award ceremony, Marriage, Childbirth, Resignation, Retirement		Instant recognition Behavior recognition, Care recognition, Contribution recognition, Growth recognition, Performance recognition, Improvement recognition	Employee feedback Appeal mechanism, Feedback channel, Democratic negotiation
Esteem Needs	Employee festivals Spring Festival, Women's Day, Youth Day, Labor Day, Dragon Boat Festival, Mid-Autumn Festival, Teachers' Day, Programmers' Day, Christmas Day		Recreational activities Fellowship, Annual meeting, Interest clubs, Gym, Sports meeting, Employee Salon, Birthday party, Anniversary Celebration, Theme tour	Enterprise culture Internal publications, Customized Merchandise, Family Open Day, Culture Bulletin, Book Sharing Session, Customized corporate activities, Culture day
	Environmental safety Working conditions and environment, Work protection, Occupational health and safety	Employee physical examination Comprehensive physical examination for all employees, Occupational health examination	Psychological EPA Evaluation and prevention, Psychological health counseling	Health care Health consultation, Health lectures, Health management center, Maternal and infant care
Safety Needs	Reasonable Employee Compensation	Reasonable employee benefits Work clothes, Festival and holiday benefits, Staff dormitory, Self-service canteen, Spring Festival travel subsidy, Subsidy for going out, Meal subsidy, Communication subsidy, Staff shuttle bus, Snacks in the workplace	Legal guarantee Social insurance and housing fund, Statutory holidays, Time off in lieu of overtime, Overtime compensation, Statutory two-day weekend	Other Comfortable working environment, Clean restroom, Reasonable working hours
	Employee Assistance Program (EAP)			

## Our Measures

### Employee Rights and Interests Protection

#### Abiding by Labor Standards

Strictly abide by the \*Labor Law\*, *Labor Contract Law* and other relevant national laws and regulations. Employ legally, and resolutely combat illegal employment, forced labor, anti - fraternal movement, anti - fraternity, anti - corruption and other behaviors.

#### Recruitment and Dismissal

Adhere to the principle of "openness and fairness", treat all applicants equally, and attract talents with preference. In terms of dismissal, based on *The Labor Law* and other laws, provide employees with relief work. Refer to \*The Recruitment, Employment Management and Regulations\*.

#### Working Hours and Holidays

Newly added parental leave for children, leave for only - child caregivers, extended maternity leave, and paternity leave for male employees. Arrange shifts according to production needs, and ensure that employees have sufficient rest time. Regularly control working hours to safeguard employees' physical and mental health. Refer to \*Employee Handbook\*.

#### Collective Bargaining and Freedom of Association

The company establishes a labor union and holds employee representative conferences, and implements the democratic consultation system to fully protect employees' collective bargaining and freedom of association rights. Refer to \*The Democratic Consultation Management System\*.

#### Appeal Mechanism

Establish an employee appeal channel. When an individual's rights and interests are infringed, employees can file an appeal, and the company's legal affairs department, labor union, human resources department, etc. will handle it. Refer to \*The Appeal Management System\*, \*The Employee Complaint Management Method\*.

#### Protection of Female Employees

Ensure gender equality, have anti - sexual harassment measures, provide support during pregnancy and childbirth, and offer menstrual leave. Refer to \*The Special Protection Management System for Female Employees\*.

#### Communication Channels

There are channels such as direct communication with senior management, breakfast meetings with senior management, employee representative conferences, employee salons, and mailbox suggestions. Employees are treated equally, and reasonable suggestions are accepted. Refer to \*The Employee Communication Management Method\*.

#### Anti - Discrimination

Regardless of gender, ethnicity, race, disability, age, religious belief, sexual orientation, etc., all employees are protected against discrimination. Refer to \*The Anti - Discrimination Management System\*.

#### Anti - Sexual Harassment

Clearly define sexual harassment, establish reporting and investigation mechanisms, and deal with it severely. Strengthen publicity and education, and enhance employees' self - protection awareness and respect for the workplace culture. Refer to \*The System for Preventing Sexual Harassment in the Workplace\*.

### Boton Dedeka Fund

Established in 2022, this is a deepening of all - round employee care, aiming to provide care and assistance to employees at crucial moments in their lives. The fund covers aspects such as marriage and childbirth, women's education, hospital medical care, family emergencies, home visit condolences, and employee hardship assistance, which is a concrete manifestation of the company's culture and social responsibility.



Expenditure of Boton Dedeka Fund during the Reporting Period

**354041.59** yuan

### Boton Employee Health Management Center

Established in 2023, it is an important project for caring about employees' health. The health management center provides comprehensive health support services, including guiding and cultivating healthy lifestyles, organizing regular employee physical examinations, arranging special health lectures and consultation meetings, holding various health and medical consultation activities, and providing personalized medical services for employees with basic diseases, such as health file management, disease and medication consultation, and medical services.



"Four - Season Health Escort" Series of Activities Carried Out during the Reporting Period:

- **Spring:** Traditional Chinese Medicine Health - preserving Culture Festival
- **Summer:** Lecture on Skin Disease Prevention
- **Autumn:** Mental Health Month
- **Winter:** Screening for Cardiovascular and Cerebrovascular Health

In addition, during the reporting period, the full - cycle health management system was upgraded and constructed. A general practitioner consultation was launched every week, covering departments such as orthopedics, traditional Chinese medicine, emergency medicine, cardiovascular medicine, stomatology, endocrinology, and dermatology.

Health lectures  
**4**

Group medical consultations  
**5**

Health promotion activities  
**3**



## Employee Activities

As an important part of ESG strategy implementation, we have built an employee care system that is "scenarized, emotionalized, and value - added". Organizing a variety of employee activities not only helps employees integrate into the collective but also serves as an effective way to implement Boton's employee care system.

Number of Employee Activities Organized

51

### Family Ecology Construction

The first "Camping for a Better Life" Family Camping Festival innovatively launched a "enterprise + nature + family" linkage model. **68** families and over **150** employees and their family members gathered together.



- By holding a promotion ceremony for employees' daughters, the company extends its care to the joy of family. In 2024, a total of **22** daughters of employees were admitted to their ideal universities, among which 3 were admitted to the top 211 and 985 universities in China.
- The company held a women's month opening day, presenting many highlights in front of female employees, such as small bank home - themed salons, science - loving lectures, smart factory tours, and intelligent conveying classes. Each activity link was wonderful.



### Team Efficiency Enhancement

The "Colorful Shuttlecock Flying" Shuttlecock - kicking Competition witnessed fierce competition among contestants. Employees showed their prowess. Through cooperation and teamwork, the tacit understanding and collaborative ability among team members were demonstrated.



Number of Participants	Number of Events	Number of Departmental Teams
270 person-times	70	20

### Health - Promotion Activities



Including environmental lake - circumambulating walks, autumn mountain - climbing challenges, basketball friendship matches, and badminton competitions.

### Cultural Heritage Activities



Including Han - costume experience, Mid - Autumn Festival gatherings, and rich intangible cultural heritage experiences.

### Green Cultural Activities

On Earth Day, a global alliance action was launched. The concept of environmental protection was integrated into the education of the next generation. Together with employees' children, we took small steps to actively practice the ESG concept. Each department actively responded, speaking up for the alliance.



### Team - Sharing Activities



A Christmas warm - hearted gift - exchange activity was held. **77** employees exchanged Christmas gifts. Through the form of "gift blind - selection + hand - written blessings", departmental barriers were broken, and communication among departments was strengthened.

**Care Activities for Female Employees**

A **Carnation Service Station** was established, offering services such as yoga classes, family legal consultation, and psychological health counseling.



**Legal Service Activities**

Jointly carried out legal consultation days for family affairs with external law firms, and organized activities like the employee legal consultation hotline.

**Social Club Ecosystem**

Number of Social Clubs

**30+**

Average Annual Number of Activities

**157**

Employee Participation Rate

**50%+**

We have built a "trinity" social club ecosystem of "hobby + growth + public welfare", covering more than 30 social clubs in areas such as sports competitions, cultural arts, skill sharing, and social responsibility. The average annual number of activities reaches 157 sessions, attracting over 50% of employees to participate.



**High - Temperature Season Condolences**

During the hot summer, the company's management launched the "Summer Cool - off" special campaign. A total of **32** grassroots condolence activities were organized. The chairman and the management team went deep into the front line, sending customized heat - prevention gift packages, setting up "cooling stations", and providing health monitoring services.

Through face - to - face communication at close range, the management team conveyed their care for employees' health and the safety of high - temperature operations, demonstrating the responsible attitude of "leaders taking the lead", and making the concept of "**putting people first**" deeply rooted in people's hearts.



**Occupational Health and Safety Management**

**Our Risks**

In the field of occupational health and safety production, the company faces many challenges:

- Non - compliance with industry safety standards and occupational disease prevention may lead to regulatory penalties or even production suspension and rectification.
- Production accidents not only endanger workers' lives and safety but also may cause huge losses to customers, disrupt order fulfillment, and pose a brand reputation crisis.
- Occupational health management deficiencies may lead to an increased incidence of occupational diseases, raising medical costs and employee turnover.
- Cultural awareness biases (such as management layers undervaluing safety and employees taking chances) may undermine the implementation of regulations, creating safety hazards.

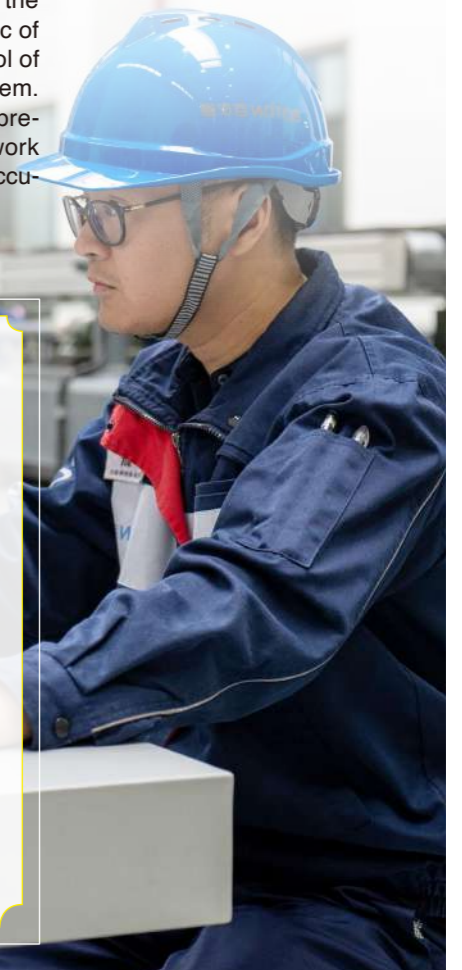
**Our Governance**

Strictly abide by laws and regulations, including the "Work Safety Law of the People's Republic of China", "Fire Protection Law of the People's Republic of China", "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", etc. Establish a sound safety management system. Guided by the national work safety management policy of "safety first, prevention - oriented, and comprehensive treatment", formulate relevant work safety regulations, and coordinate the company - wide work safety and occupational health management work through the EHS committee.

**Boton Technology's Occupational Health and Safety Management Policy**

Safety accidents and occupational diseases are preventable. Our goal is to achieve zero safety accidents and zero occupational diseases. We hereby commit:

- Abide by laws and regulations.
- Prioritize safety and health in business decision - making and daily management.
- Invest without limitation in safety.
- Design, maintain safety facilities, and ensure correct operation.
- Control safety risks through comprehensive inspection and rectification.
- Employees have full rights to report and decide on unsafe situations and hazards.
- Follow up and implement improvement measures for risk points.



## Our Measures

### Institutional and System Support

01

As of the end of the reporting period, all existing production bases have passed the ISO45001 occupational health and safety management system certification. Other construction bases are also actively investing in the construction of the ISO45001 occupational health and safety management system.



02

The *Work Safety Management System* has been established. With the core principle of "full - coverage, full - process control, and full - lifecycle management", a standardized safety framework covering the entire process of production, logistics, and storage has been constructed:

- The system clearly defines a three - level responsibility system (decision - making level, management level, and execution level), decomposing safety targets down to the general manager, management level, department KPIs, and individual job responsibility letters.
- A risk - grading control mechanism has been set up. A "red - yellow - blue" dynamic early - warning system is implemented for high - risk operations, with supporting work - stoppage and hazard - chasing mechanisms to ensure the safe operation of the enterprise.

03

Regarding suppliers and contractors, a production safety management system for suppliers has been established. Preference is given to suppliers with good safety records and safety management capabilities. Systems such as the Supplier Safety and Environmental Protection Management Procedure and Supplier Safety and Environmental Protection Agreement have been formulated to clarify the safety management of suppliers throughout the whole lifecycle, including selection, on - site entry, construction process management, and exit. **During the reporting period, the company provided 1,232 person - times of pre - entry safety training for construction contractors.**

04

The *Hazard Identification and Treatment System* has been established. Through regular organizational comprehensive risk identification and job safety analysis, internal hazard sources of the company are identified, and an internal risk list is formed. For the identified hazard sources, the company conducts control and grading through process, technical, and management measures. Different levels of personnel manage and control risks at different levels. Regular hazard inspections are carried out to eliminate hidden dangers. **During the reporting period, a total of 683 effective safety hazards were identified and reported, with a rectification rate of 100%.**

05

Documents such as the \*Environmental and Occupational Health and Safety Handbook\*, \*Identification of Environmental Factors and Hazards, Risk Assessment and Risk Control Procedures\*, \*Occupational Disease Prevention Management Procedures\*, \*Accident Management Regulations\*, and *Safety, Environment Protection and Occupational Health Education and Training Management Procedures* have been established to prevent occupational disease risks and safeguard employees' occupational health. **During the reporting period, no occupational disease cases were detected in the company.**

06

A work safety emergency management system has been established, with a three - level response mechanism. In the face of unforeseen challenges, the emergency management system can quickly and effectively protect employees' safety and health in emergency situations, while minimizing the impact on production and operations.

### Emergency Rescue Organization Structure



Safety Training for Construction Contractors

1232 person - times

Effective Safety Hazards Identified

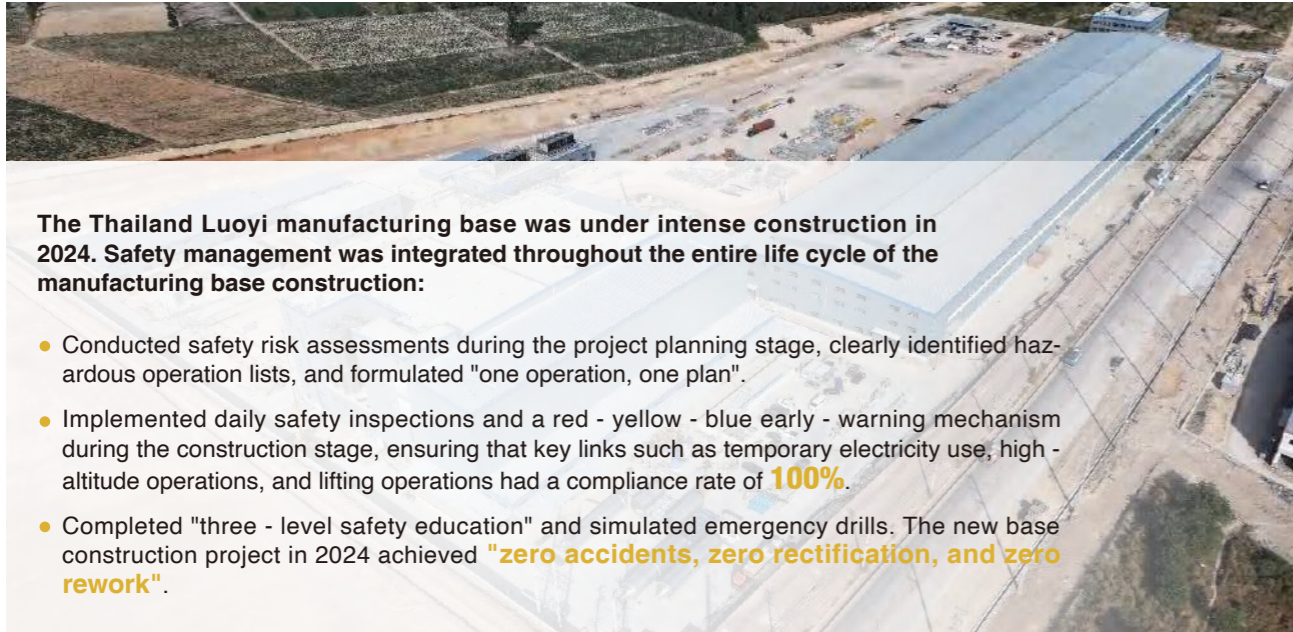
683 items

Hazard Rectification Rate

100%

## Continuously Strengthening Work Safety Management

### Safety Management in Manufacturing Base Construction



The Thailand Luoyi manufacturing base was under intense construction in 2024. Safety management was integrated throughout the entire life cycle of the manufacturing base construction:

- Conducted safety risk assessments during the project planning stage, clearly identified hazardous operation lists, and formulated "one operation, one plan".
- Implemented daily safety inspections and a red - yellow - blue early - warning mechanism during the construction stage, ensuring that key links such as temporary electricity use, high - altitude operations, and lifting operations had a compliance rate of **100%**.
- Completed "three - level safety education" and simulated emergency drills. The new base construction project in 2024 achieved **"zero accidents, zero rectification, and zero rework"**.

### Safety Management in Factory Relocation

Before the relocation of the new factory building in the Shandong Luoxi manufacturing base, a detailed risk assessment report and risk control measures were formulated. Risk assessments were carried out for each task in the relocation process to ensure the safety of the relocation. During the relocation, the company established a "relocation safety special team" and formulated a "Relocation Safety Operation Manual", covering key links such as material transportation, equipment disassembly and assembly, and new site commissioning:

- In the transportation link, the vehicle position and cargo status were monitored in real - time through an intelligent tracking system, ensuring a **100%** loss - free rate for high - value equipment transportation.
- In the disassembly and assembly link, the **"one machine, one file"** management was implemented, marking equipment safety risk points and conducting strict acceptance.
- In the new site commissioning stage, a third - party testing agency was introduced to comprehensively assess and rectify electrical circuits and fire - fighting systems.

In the 2024 relocation project, the company achieved zero safety accidents during the relocation, and the commissioning cycle was greatly shortened, providing a safety guarantee for rapid production resumption.



### Safety Management in Equipment Installation

The Shandong Luoxi manufacturing base and the Thailand Luoyi manufacturing base strictly implemented the "two - person operation / on - site supervision" mechanism for the equipment installation process, eliminating single - person high - risk operations. Multiple safety interlock devices were installed during the commissioning stage, and dynamic performance tests were carried out to ensure stable equipment operation. **In 2024, the company's equipment installation projects achieved zero safety accidents.**

### Safety Management in Existing Production and Operation Projects

- For new, renovated, and expanded projects and equipment, strict change management was implemented to ensure that new equipment, new technologies, and new facilities met safety protection and environmental requirements at the design stage. Equipment was accepted by relevant departments and project departments before use to ensure compliance with design requirements and standards.
- Completed the explosion - proof renovation for flammable dusts such as carbon black and sulfur. Installed explosion - proof devices, fire - fighting sprinkler devices, single - item explosion - suppression devices, gas cleaning devices, and pressure monitoring devices for carbon black and sulfur dust collectors and their air ducts.

## Safety Training and Education

An occupational health and safety training system has been established. New employees must receive "company - level, department - level, and position - level" three - level safety education and training before starting work and can only take up their posts after passing the assessment.

During the reporting period, occupational health and safety education and training were carried out:

Total Training Hours	Number of Participants
<b>34389</b> hours	<b>4777</b> person-times



**Case**

During the employee safety and health symposium held at the Thailand Luoyi manufacturing base, Chairman Fang Zhi had in - depth exchanges with the Chinese - Thai team. He emphasized the importance of employees' safety and health during the factory construction period. The company will strengthen safety training and improve safeguard measures to create a safe working environment for employees.

At the same time, the meeting shared the phased achievements of Boton's "New Four Modernizations" strategy, re - emphasized the company's "family - like culture" concept, and stressed the importance of employees' physical and mental health, career growth, and welfare security. This meeting not only strengthened the cohesion of the cross - cultural team but also laid a solid foundation for the smooth production of the Thailand factory, demonstrating Boton's continuous advancement of the globalization strategy and humanistic care.



## Safety Culture Construction

**Publicity:** Safety publicity activities were launched, such as one - line safety publicity in workshops. Each work section conducted publicity once a week in front of the safety commitment wall.

**Pair - assistance:** One - on - one safety assistance was provided for employees with weak safety awareness in the workshop. During the reporting period, 361 people received safety assistance and guidance, totaling **1,450** times.

**Daily Safety Topics:** Four safety topics were communicated every week. During the reporting period, a total of **119** safety topics were covered.

**Inspection:** New safety inspectors were appointed to observe employees' work around the clock, promptly stopping and correcting employees' unsafe behaviors and non - compliant operations.

**Incentives:** Safety incentives were increased. Employees were rewarded with 200 yuan / 300 yuan / 500 yuan / 800 yuan for consecutive accident - free days. In 2024, the total safety incentive amount was **259,800** yuan.

**Competitions:** Safety knowledge competitions were organized to help employees understand and further consolidate safety production theories and improve their ability to respond to emergencies.



## Emergency Management for Work Safety



Each company has established safety rescue teams and is equipped with various emergency rescue materials.

Number of Emergency Drills Conducted by the Company

**70** sessions

Firefighting and Evacuation	Heatstroke in High Temperature	Food Poisoning
Chemical Leakage	Flood Prevention	High - temperature Burns
		Drowning

## Occupational Health Protection

The company prevents occupational disease risks and safeguards employees' occupational health through means such as identification and management of occupational hazard factors and occupational health supervision. **During the reporting period, no occupational disease cases were detected in the company.**

- **Identification and Management of Occupational Disease Hazard Factors:** Employees in occupational - hazard - exposed positions must undergo pre - employment, in - service, and 离岗 occupational health examinations, and the company establishes occupational health files for employees.

- **Occupational Health Protection:** The company conducts annual occupational hazard factor monitoring for occupational - hazard - exposed positions and posts occupational disease hazard warning signs on - site; provides pre - employment, in - service, and 离岗 occupational health examinations for employees exposed to occupational disease hazards and establishes employees' occupational health files; provides personal protective equipment that meets national standards for all employees exposed to occupational hazards.



# Employee Training and Development

## Our Risks

With the implementation of the company's New Four Modernizations strategy and the expansion of its global business, the demand for high - quality talents is increasing. Currently, there are shortages in cross - cultural management, high - tech, overseas sales and service, and other types of talents, which restrict the expansion of the overseas market. Insufficient global capabilities, such as employees' English proficiency, international business etiquette, and cross - cultural cooperation ability, lead to an increase in the cost of overseas team collaboration. Meanwhile, with the arrival of the knowledge - replacement era and the era of AI, higher requirements are placed on talent introduction policies, training, and cultivation.

## Our Governance



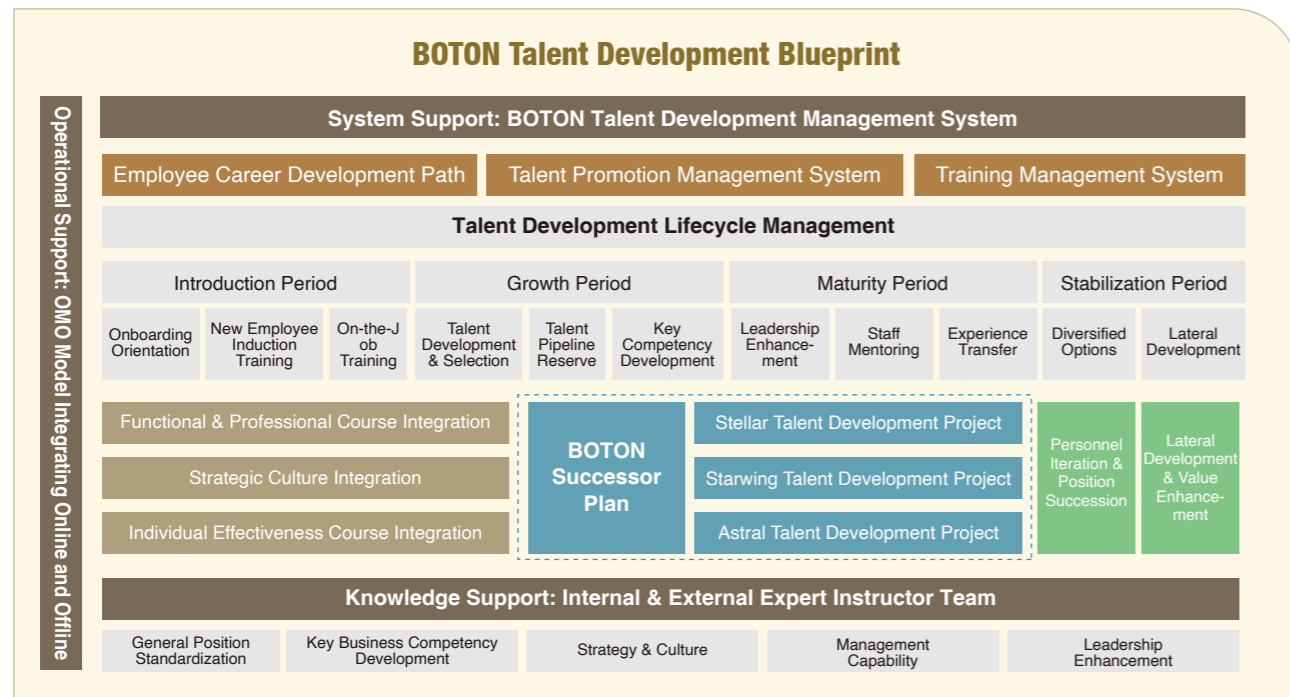
The company has constructed a "strategy - led, resource - empowered, and result - traced" three - dimensional governance structure and system. The Human Resources Center takes the lead in formulating the "Boton Talent Development Plan", based on the post - capability model, with the goal of improving employees' global perspective, aiming to precisely match training content with business needs.

## Boton Talent Development Plan

Relying on the company's talent management system framework, the knowledge system of internal and external expert lecturer teams, and the online - offline (OMO) operation system, it covers the introduction, growth, maturity, and stability periods of talent development, and provides all - round curriculum resources in professional skills, strategic culture, personal achievement, and leadership.

Total Training Hours during the Reporting Period

**81191** hours



## Our Measures

### Boton Academy

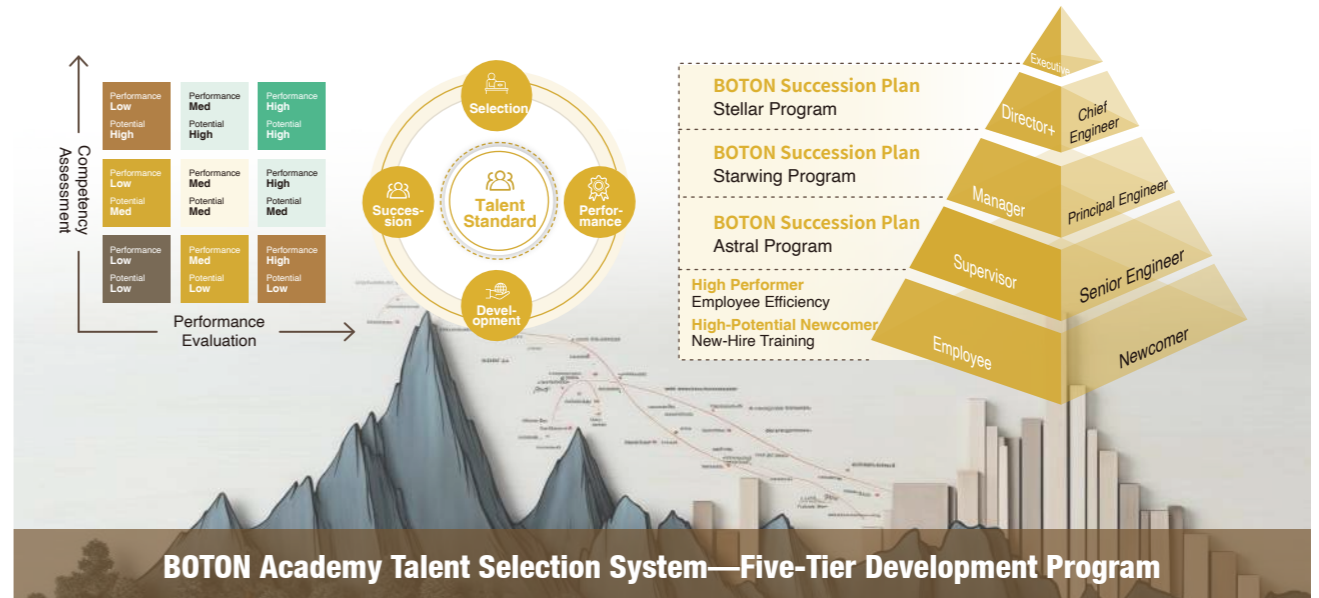
Number of Online Courses in the Academy

**1200+**

- Skills Management
- Technical Skills
- Competency
- Leadership

To achieve the company's strategic goals and develop employees' leadership, the company established "Boton Academy" to provide planned and phased training for employees, aiming to enhance their professional skills, development potential, and leadership at all levels.

Boton Academy invites professors from prestigious universities and internal lecturers of the company, focusing on business management, leadership development, and technical training. It emphasizes the combination of theory and practice, driving organizational development from talent cultivation, and becoming a source of innovation for the enterprise. Through the "Five - level Talent Development Project", it cultivates outstanding managers with professional qualities, industry knowledge, business operations, and management skills.



## Talent Development Hierarchical Training Project

According to different job levels and position characteristics, separate star - gazing training camps, star - rising training camps, and star - shining training camps are set up for management - level personnel, management - team personnel, and department - level personnel above the supervisor level for precise cultivation and empowerment.

Meanwhile, based on the company's \*Employee Continuing Education Assistance Management Regulations\*, we encourage employees to pursue further education, obtain various professional certificates, and provide subsidies.



## Empowering through External Training

To enhance the overall quality of employees and management at all levels, the company actively collaborates with external parties. It regularly invites experts and trainers to conduct in-house training on professional skills and leadership, providing systematic and targeted vocational quality training. Meanwhile, the company cooperates with well-known domestic universities such as Jiangnan University and Beijing University of Chemical Technology, and irregularly sends personnel to participate in high-level training, further study, and inspection activities at home and abroad. In addition, the company jointly runs a leadership development program for management cadres with the Business School of Jiangnan University to cultivate management talents suitable for Boton's development.



### Performance of Boton Academy during the Reporting Period



## Compensation and Incentives



During the reporting period, the *Boton Compensation Structure Management Regulations* and *Boton Compensation Adjustment Management Regulations* were formulated, making the compensation structure management more open and transparent, and clarifying the regulations for employee salary adjustments. These regulations were applied to the company's salary adjustment in 2024, establishing a linkage mechanism between the company's performance and employees' performance, effectively motivating employees' enthusiasm and promoting the win-win development of the company and employees.



# Building a Diverse, Equitable, and Inclusive (DEI) Workplace Environment

## Our Risks

- With the expansion of the company's globalization business, talent attraction and retention risks (such as local talents in emerging markets having doubts about cultural identity and international talents being sensitive to inclusive policies) may lead to an increase of more than 30% in the recruitment cycle for key positions.
- Team - collaboration efficiency risks (such as cross - cultural communication barriers and decision - making biases caused by implicit biases) may increase the execution cost of cross - border projects and undermine innovation efficiency.
- Legal compliance risks (such as gender pay gaps and ethnic discrimination) may trigger regulatory penalties and reputation crises.
- Cultural integration risks (such as conflicts between headquarters culture and local culture) may impede the strategic coordination of global teams and cause the loss of market opportunities if not effectively resolved.

## Our Governance

- We integrate the diverse, equitable, and inclusive strategy into multiple aspects and processes of the company, from recruitment to promotion, from training to development, and from communication to decision - making.
- Our goal is to ensure that every employee feels respected, empowered, and treated fairly.



## Our Measures

### Racial and Ethnic Diversity



In recruitment across the company's global operations, we treat candidates of different ethnicities, skin colors, religious beliefs, and cultural value systems equally.

By defining clear recruitment strategies and development plans, we ensure team diversity, reflecting the diversity of global communities and emphasizing the value and potential of people from different backgrounds.



### Diversity in Talent Selection



- Boton continuously recruits global talent from different backgrounds to build a diversified talent pool. We use extensive recruitment channels and unbiased evaluation methods to attract and identify outstanding people with different backgrounds, cultures, and experiences.
- Through implementing inclusive recruitment strategies and training recruiters to recognize implicit biases, we strive to build a diverse talent pool. During the reporting period, the company released and revised the \*Recruitment and Employment Management Regulations\*, providing safeguards for talent selection.



**Diversity of Communication Channels**



To ensure that every employee's voice is heard and respected, we have established a series of bottom - up communication platforms, including the general manager's mailbox, employee representative conferences, employee salons, HRBP, senior management direct communication, and breakfast meetings with senior management. Employees can freely express their opinions, share experiences, and raise suggestions, while also deepening mutual understanding and trust with the management.



**Equal Opportunities**



Employee promotion mainly considers performance output and value contribution. Based on department planning and employee competencies, we formulate career development paths for employees, clarify directions and promotion plans, and communicate and convey them to employees through the \*Job Description\*.

All promotions are carried out in accordance with the \*Job Rotation Management System\*, ensuring that the promotion process, evaluation, observation, and public announcement are reliable for candidates who meet the conditions.



**Cultural Diversity**



We provide regular cultural sensitivity and anti - bias training, encouraging employees to deeply understand and respect different ethnic and cultural backgrounds, thus promoting cultural understanding and respect.



**Equal Working Conditions**



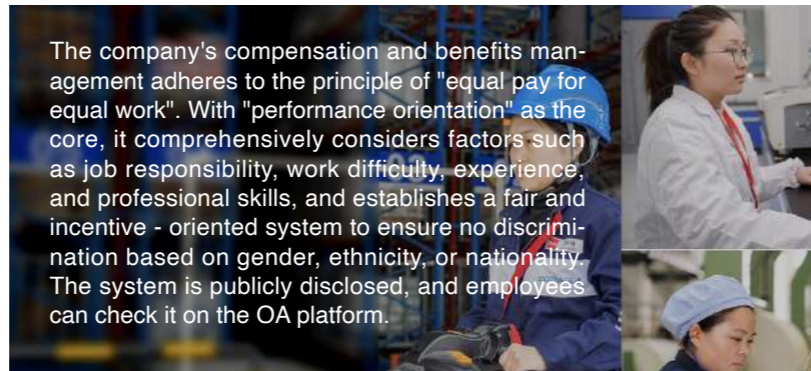
We strictly abide by national laws and regulations such as the *Labor Law* and \*Labor Contract Law\*, and formulate internal management regulations such as the \*Employee Handbook\*, \*Anti - Discrimination Management Regulations\*, \*System for Preventing Sexual Harassment in the Workplace\*, and *Special Protection Management System for Female Employees* to ensure legal employment and safeguard employees' rights and interests.



**Equal Pay and Benefits**



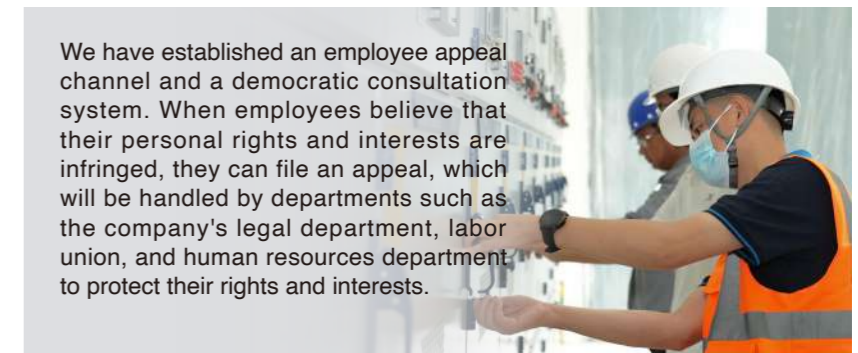
The company's compensation and benefits management adheres to the principle of "equal pay for equal work". With "performance orientation" as the core, it comprehensively considers factors such as job responsibility, work difficulty, experience, and professional skills, and establishes a fair and incentive - oriented system to ensure no discrimination based on gender, ethnicity, or nationality. The system is publicly disclosed, and employees can check it on the OA platform.



**Equal Working Environment**



We have established an employee appeal channel and a democratic consultation system. When employees believe that their personal rights and interests are infringed, they can file an appeal, which will be handled by departments such as the company's legal department, labor union, and human resources department to protect their rights and interests.



**Gender Equality**



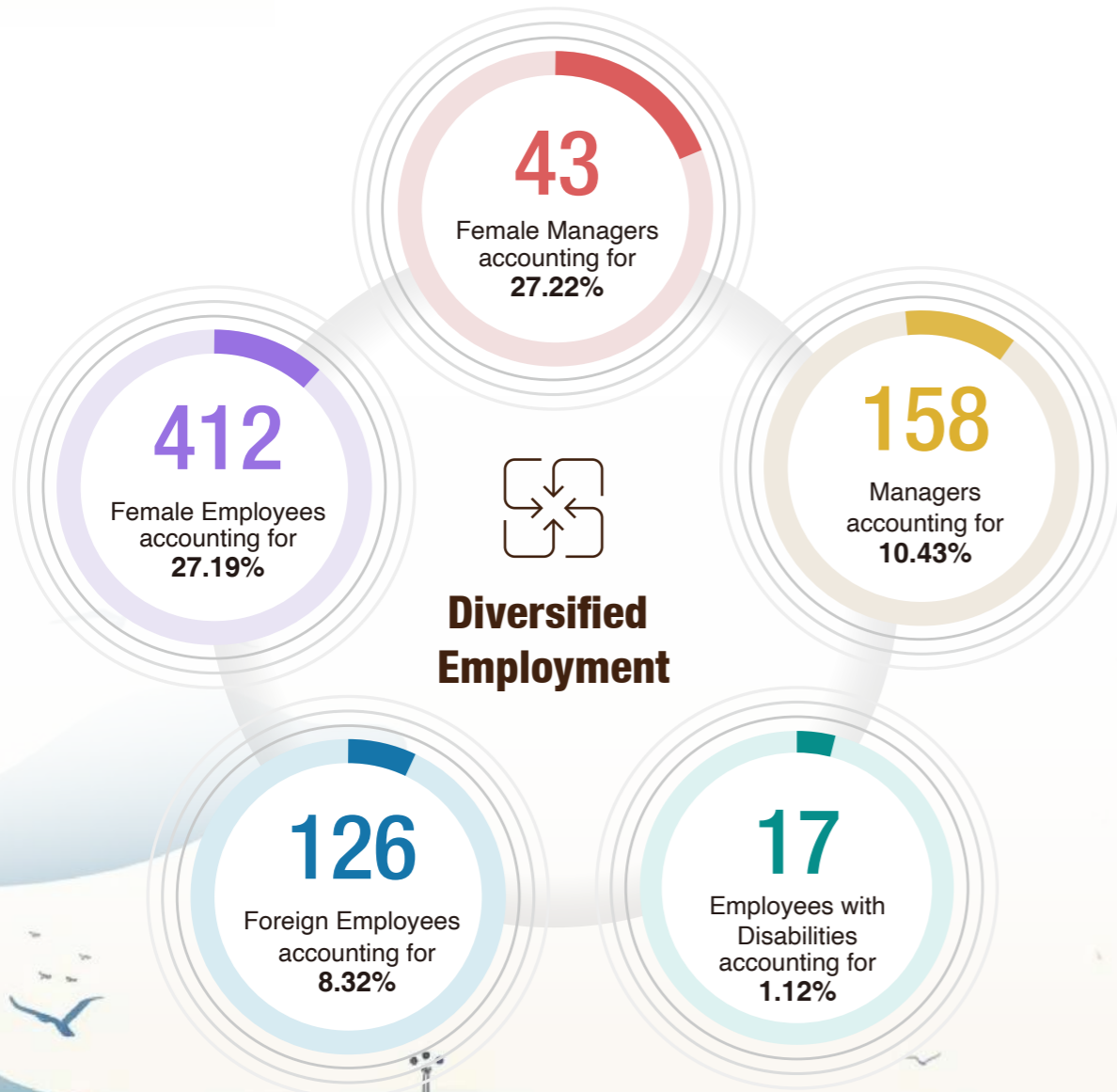
We have established an evaluation system based on ability and performance, rather than assumptions and biases based on gender. We have formulated anti - sexual harassment and female employee protection policies, which not only protect employees from gender - based discrimination and infringement but also further strengthen the commitment and practice of gender equality.



**Inclusivity for People with Disabilities**



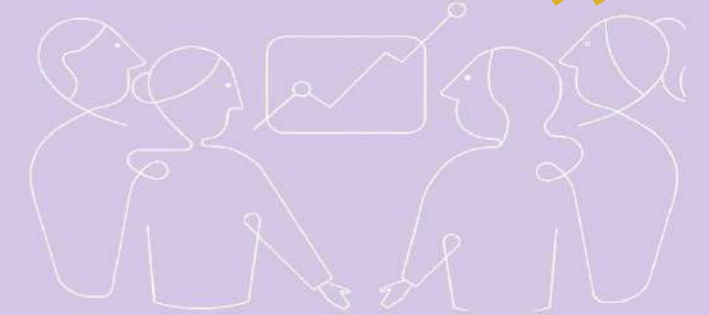
We recruit people with disabilities from the community, sign labor contracts with them, and provide suitable job opportunities, ensuring they enjoy the same salary and benefits as non - disabled employees.



During the reporting period, Mr. Fang Zhi, Chairman of Boton Technology, signed the United Nations Women's **"Women's Empowerment Principles" (WEPs)** on behalf of the company. This move marks Boton's official participation in the global gender equality initiative.



**平等即商机**  
**EQUALITY MEANS BUSINESS**



**BOTON**

In support of

**WOMEN'S EMPOWERMENT PRINCIPLES**  
Established by UN Women and the UN Global Compact Office

宝通正式成为联合国妇女署《赋权予妇女原则》(WEPs) 全球签署企业成员, 在工作场所、市场竞争和社区生活中为女性赋能

- We help employees deeply understand the essence of DEI, eliminate unconscious biases, and create a working atmosphere of mutual respect and innovation - encouraging.
- We also care about employees' family life and work - life balance, encouraging male employees to take paternity leave and shared parental leave, so that men can also have more time to take care of their families, alleviating the pressure on women in the family and promoting gender equality at home.



# Green Co - governance, Moving towards a Zero - Carbon Future

05

SDGs Targets Responded in This Chapter



Contents of This Chapter

Addressing Climate Change	81
Green Production	93
Green Operations	101

“ We are committed to creating a resource - saving, environmentally - friendly, safe, and intelligent industrial bulk material conveying system. By improving energy efficiency, reducing emissions, and minimizing resource consumption, we aim to maximize economic, social, and ecological benefits. We strive to reduce the environmental impact of our operations. From the perspective of the product life cycle, we pursue the concept of green development with the lowest resource consumption, energy consumption, and environmental impact, and actively cooperate with upstream and downstream partners in the industrial chain to jointly build a green intelligent conveying ecosystem. ”

## Addressing Climate Change

### Our Risks

### Climate Risk Management

Against the backdrop of global climate change and policy evolution, the company combines its own situation and carries out work centered around climate risk identification, response, and control. It incorporates climate risk identification, assessment, and management into its strategy and risk management system to manage climate - related opportunities and risks.

In accordance with the requirements of the IFRS disclosure framework and the \*Shenzhen Stock Exchange's Regulatory Guidelines for Sustainable Development Reporting by Listed Companies No. 17\*, the company classifies climate - related risks into two categories: physical risks and transition risks.

### Physical Risks

Physical risks affect the company's actual operations, supply chain, and on - site services during production and operation processes.

With the increase in extreme weather events nowadays, the company will include them in its risk assessment scope to reduce financial, market, operational, and reputational losses.

### Boton's Main Operating Locations



**Wuxi City, Jiangsu Province, China**

Located in the plain area of the Yangtze River Delta and the low - lying area around Taihu Lake, it has a subtropical monsoon climate. It is the location of the company's general office, R & D, and manufacturing bases. Some sales and service locations are in Shandong, Xinjiang, Inner Mongolia, Thailand, Australia, etc. Calculated by production capacity, the impact of climate change on Wuxi's operations is significant. Products and services cover more than **60** countries and regions globally, with the supply chain mainly in Mainland China and Southeast Asia, and the climate change in various locations is complex.



**Guangzhou City, Guangdong Province, China**

It has a subtropical monsoon climate. It has offices for mobile internet business, R & D, and marketing. Some sales and service locations are in Chengdu, Hong Kong, Singapore, Japan, etc. Judging by the distribution of personnel, the impact of climate change on Guangzhou's operations is significant.



The company collects and analyzes climate - environment data from the IPCC, CDP, domestic and international meteorological agencies, and operating regions to understand different climate scenarios. The main physical risks related to the company's operations include floods, typhoons, heatwaves, extreme weather, and sea - level rise, which affect the company's operations, workforce, and supply chain.

**Time Horizons: Short - term: 1 - 5 years、 Medium - term: 5 - 10 years、 Long - term: over 10 years**

### Risk Classification



Physical Risks



Transition Risks

### Impact Intensity



The level of impact needs to consider factors such as financial losses, reputational losses, litigation or fines, and loss of strategic partners.



**Likelihood of Occurrence:** The likelihood of risk occurrence needs to consider the frequency interval of risk occurrence.

## Physical Risks

### Floods, Typhoons, High Temperatures

Regions: Wuxi, Jining, Guangzhou, Thailand

Impact: Medium

Severity:

Time Horizon: Medium - to - long - term

#### Impact on the Company



##### Business Impact

- Disruption of the supply chain and production; difficulties in logistics and distribution.
- Decrease in production efficiency; increase in equipment failure rate.



##### Financial Impact

- Increased costs (energy, supply chain, insurance).
- Decline in revenue.



##### Employee Impact

- Impact on employee commuting and safety, resulting in reduced production efficiency and potential injuries to employees.

#### Risk Response Measures

01

##### Flood Prevention (Construction)

Renovate production facilities, improve ventilation; place key equipment and materials on high ground; improve flood prevention and drainage systems for quick water drainage.

02

##### Energy Management (Operations)

Upgrade equipment for heat dissipation, improve ventilation; adopt energy - saving technology and design; optimize production plans to select low - temperature energy sources for cost - effective production.

03

##### Supply Chain Logistics (Procurement and Logistics)

Diversify raw material suppliers; map out regional logistics and distribution routes in advance to ensure smooth transportation.

04

##### Emergency Response (Environment)

Develop emergency plans for disasters, protect employees and assets; provide training on heat - related operation guidance, reasonable rest arrangements, and heat - stroke prevention and response.

05

##### Financial Risk (Finance)

Ensure adequate insurance coverage to prevent financial risks.

06

##### Information Communication (IT)

Complete data backup; establish a remote work and recovery system

### Extreme Weather

Regions: Global

Impact: High

Severity:

Time Horizon: Medium - to - long - term

#### Impact on the Company



##### Operational Impact

- Facility damage, supply chain disruption, and logistics delays.



##### Financial Impact

- Increased costs (repair and insurance).
- Revenue loss.



##### Employee Impact

- Increased commuting difficulties and injury risks.

#### Risk Response Measures

01

##### Enhance Disaster Resistance

The infrastructure and IT departments should enhance flood protection and backup key data systems.

02

##### Supply Chain Optimization (Procurement)

Diversify suppliers to disperse geographical risks; establish safety stockpiles to deal with disruptions.

03

##### Emergency Management (Environment)

Develop emergency plans for extreme weather; conduct employee emergency training regularly.

04

##### Financial Protection (Finance)

Purchase sufficient insurance to cover weather - related risks; set up a special emergency fund.

### Sea - level Rise

Regions: Wuxi, Guangzhou, Thailand

Impact: Low

Severity:

Time Horizon: Long - term

#### Impact on the Company



##### Impact on Operational Locations

- Facility damage.



##### Impact on Supply Chain and Logistics

- Existing ports may be submerged
- Re - evaluation of the supply chain.



##### Financial Impact

- Increased costs.
- Market dynamics may change.

#### Risk Response Measures

01

##### Facility Reinforcement and Design Optimization (Construction)

Strengthen facilities in high - risk areas for flood prevention; adopt adaptive construction design for low - lying areas.

02

##### Strategic Adjustment (Strategic and Sustainable Development Committee)

Avoid investing in high - risk coastal areas; build a flexible supply chain

03

##### Emergency Preparedness (Environment)

Develop response plans; organize regular employee training and drills.

04

##### Financial Risk Management (Finance)

Ensure adequate insurance coverage; diversify investments to mitigate market risks.

## Transition Risks

### Policy and Regulatory Risks

Regions and Dimensions of Impact	Impact on the Company	Risk Response Measures
Wuxi, Jining, Thailand <b>Impact Severity:</b> High	May face stricter environmental laws and regulations and emission requirements, resulting in production restrictions, power rationing, etc., affecting production capacity and on - time order delivery.	<ul style="list-style-type: none"> <li>• Increase R &amp; D investment, develop more environmentally - friendly material conveying solutions and green products, improve transportation efficiency, and reduce energy consumption.</li> <li>• Promote the construction of green intelligent factories.</li> <li>• Promote the construction of the company's management platform, start organizational carbon inventory, product carbon footprint calculation, carbon verification and certification, and drive the green and low - carbon development of the value chain and consumer sectors.</li> </ul>
Wuxi, Jining, Thailand <b>Impact Severity:</b> Medium	The implementation of product carbon emission policies in some regions may affect exports or result in significant tariff increases.	Increase the proportion of green electricity use, continue to build a product life - cycle carbon reduction capability, and gradually transfer the carbon reduction pressure to the supply chain to jointly reduce product carbon footprints.
Guangzhou <b>Impact Severity:</b> High	The mobile internet business may be affected by strengthened data protection and privacy laws, especially in the European region.	Strengthen data protection measures to ensure that game products comply with data protection regulations in target markets.

### Technological Risks

Regions and Dimensions of Impact	Impact on the Company	Risk Response Measures
Wuxi, Jining, Thailand <b>Impact Severity:</b> Medium	The demand for low - carbon production is increasing, and traditional production technologies face obsolescence.	Continuously improve production processes and equipment, and promote equipment and technological innovation.
Wuxi, Jining, Thailand <b>Impact Severity:</b> Low	With the market's shift towards green and low - carbon products, traditional product technologies are gradually becoming obsolete.	Promote product technology upgrading and innovation.
Guangzhou <b>Impact Severity:</b> Low	The mobile internet business needs continuous innovation to attract users while ensuring the energy consumption of game operations is minimized.	Reduce the number of servers used, and give priority to data center suppliers using green energy for cooperation.

### Market Risks

Regions and Dimensions of Impact	Impact on the Company	Risk Response Measures
Wuxi, Jining, Thailand <b>Impact Severity:</b> High	Customers' demand for low - carbon and environmentally - friendly products and solutions is increasing.	Promote green intelligent conveying services and products.
Wuxi, Jining, Thailand <b>Impact Severity:</b> High	High - carbon - emitting raw materials may be restricted in the future.	Accelerate the R & D and promotion of green products.
Guangzhou <b>Impact Severity:</b> Medium	The market demand for mobile internet business may change at any time, and games need to be updated continuously to meet market demand.	Strengthen market research, adjust game content in a timely manner, and improve the attractiveness and user stickiness of games.

### Reputational Risks

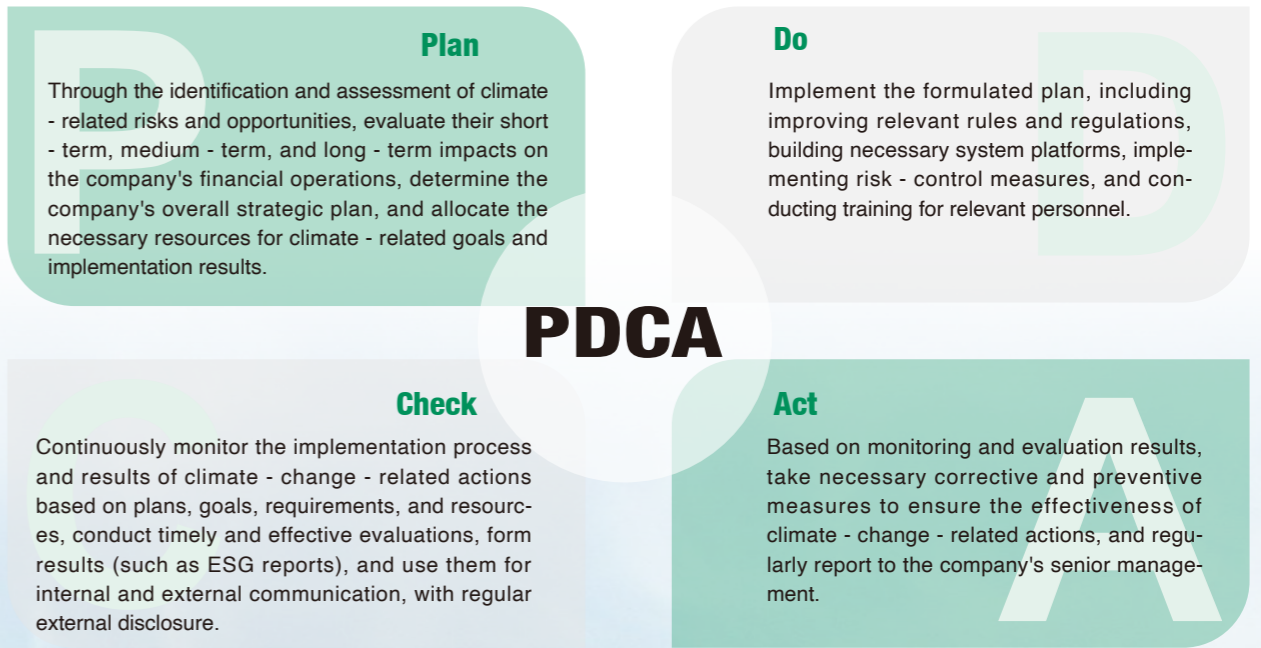
Regions and Dimensions of Impact	Impact on the Company	Risk Response Measures
Wuxi, Jining, Thailand <b>Impact Severity:</b> High	Globally, the company's environmental protection efforts receive attention, and any irresponsible environmental behavior may have a negative impact on the company's reputation.	Strengthen communication with stakeholders, actively showcase the company's environmental protection efforts and achievements, and establish a complete corporate social responsibility system to ensure that all business activities meet social and environmental responsibility standards.

## Governance of Climate Risks

The company has established an ESG governance framework led by the board of directors, which deliberates on climate - change - related issues, identifies climate risks and opportunities, and formulates measures to address the impacts of climate change. It conducts planning, deployment, and assessment coordination through the Strategy and Sustainable Development Committee, with the Climate Action Team responsible for specific implementation.



## PDCA Working Mechanism



## Opportunities in Climate Change

Facing the challenges of climate change, the company has actively transformed and established **a green intelligent conveying service business model based on green products and digital conveying solutions throughout the product life cycle**. The downstream market's demand for green intelligent conveying has significantly increased, bringing opportunities for technological innovation and market expansion, as well as new demands for green management throughout the product life cycle, such as intelligent conveying and failure recovery, creating new business opportunities. The new product and business model under the green - focused strategy have continuously extended the company's business, aiming to achieve a win - win situation.

In 2024, the green intelligent conveying service business thrived. Green conveying products accounted for more than **25%** of sales, and RFID digital conveying and in - line monitoring products accounted for **17%**. Energy - saving and high - efficiency conveying products, such as super - energy - saving conveying, can effectively reduce energy consumption by **10% - 40%** in actual applications, directly helping downstream customers achieve carbon reduction. By launching innovative low - carbon sustainable conveying belt products with high biomass content in the industry, it not only promotes the industrialization process of upstream materials like bio - based rubber, bio - based carbon black, and bio - based aramid, but also addresses the long - term environmental impact of waste products through the layout of waste product recycling projects.



# Boton Technology's Carbon - Neutrality Goals



2025

Achieve a 25% reduction in energy consumption per unit of product output.

01



2030

Achieve carbon neutrality in production and operation.

02



2050

Achieve carbon neutrality across the entire value chain.

03

## Company's Carbon - Neutrality Goals and Implementation Paths

The company aims to reduce carbon emissions in Scope 3 through green supply chain management, use of low - carbon sustainable materials, design of energy - saving and low - carbon conveying products, green intelligent conveying services, and recycling of waste products, and build a green intelligent conveying ecosystem. The relevant key targets include:

- Increase the proportion of bio - based low - carbon sustainable raw materials used, reaching 30% of green materials used by 2030.
- Expand the promotion of low - carbon and environmental - friendly products, with green product sales accounting for 50% by 2025.
- Deepen green intelligent conveying, with RFID digital conveying and in - line monitoring product sales accounting for 23% by 2025.
- Promote the recycling of waste products, with the recycling rate reaching 85% by 2030.

Green materials used by 2030

30%

Green product sales to account by 2025.

50%

RFID digital conveying and in line monitoring product sales to account by 2025.

23%

Waste product recycling rate to reach by 2030

85%

Focusing on carbon - neutrality goals at the operational level (Scope 1 and Scope 2), the main implementation paths are as follows:

### Green Capability Building

#### Key Implementation Measures

Establish an organizational carbon - emissions and product carbon - footprint management platform.

#### Stage Target

Complete the platform construction and go live in 2024.

#### Implementation in 2024

Completed the construction and went live of the "Boton Technology Group Management Platform for Green Organization Carbon - Emissions and Product Carbon - Footprint" in accordance with ISO14064 - 2018. Its greenhouse gas calculation method has passed third - party verification.  
Completed the group's organizational carbon - emissions review in 2024 in accordance with ISO14064.

### Process Optimization and Energy - Efficiency Management

#### Key Implementation Measures

Promote green intelligent manufacturing through production process optimization, energy - efficiency improvement, equipment energy - saving transformation, and energy - digitalization management, continuously reducing energy consumption per unit of product output.

#### Stage Target

Based on 2022, reduce energy consumption per unit of product output by 10% in 2023, 19% in 2024, and 25% in 2025.

#### Implementation in 2024

Invested 8.74 million yuan, completed energy - efficiency transformation and intelligent upgrading of 52 projects.  
Projects such as the automatic steam - water recovery system, old water - cooling tower renovation, and pressure - station interval renovation are expected to invest 35 million yuan, saving about 766 tons of standard coal.  
Achieved a 21.94% reduction in energy consumption per unit of product output.

### Utilization of Renewable Energy

#### Key Implementation Measures

Increase the use of clean energy through distributed photovoltaic projects at various regional factories and green electricity trading to expand clean energy utilization.

#### Stage Target

Complete distributed photovoltaic projects at regional factories in 2024; increase the proportion of clean energy use to **25%** in 2023, **35%** in 2024, **50%** in 2025, and **100%** in 2030.

#### Implementation in 2024

A **5.9MW** distributed photovoltaic project was added to the Shandong Luoxi manufacturing base, with an estimated annual power generation of about **3.6** million kWh; Boton Technology's total installed capacity of photovoltaic equipment reached **11.08MW**. In cooperation with Huaneng, green electricity was used through the green electricity trading platform, with the proportion of green electricity used by the group reaching **45.43%**.

### Development of Green Rights and Interests

#### Key Implementation Measures

Promote carbon - sink project demonstration and expand carbon - sink trading and transactions; increase investment in ecological projects.

#### Stage Target

—

#### Implementation in 2024

Focus on ecological projects, actively promote cooperation with relevant parties. Currently, the company has reached a strategic cooperation with Dongsu Ecology.

The company actively collaborates with upstream and downstream partners in the industrial chain, comprehensively promotes a low - carbon transformation strategy, and aims to achieve emission reduction goals through multiple measures. These comprehensive measures will effectively reduce the intensity of Scope 3 emissions, contributing to building a green, intelligent, and sustainable ecosystem for the conveying industry.

It is worth noting that in 2024, Boton and more than ten core suppliers carried out product carbon - footprint assessment and certification work, reducing environmental impact from the source of the supply chain and strengthening the sustainable development of the entire industrial chain.



## Achievements in Carbon Reduction

Total Carbon Emissions in 2024 (tCO<sub>2</sub>e)

**229867.98**

Total Carbon Emissions at the Operational Level (tCO<sub>2</sub>e)

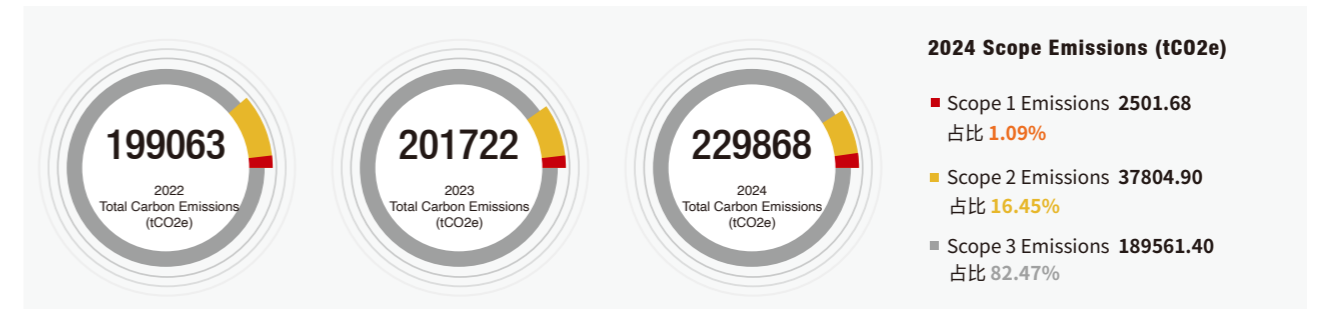
**40306.58** ↓ **31.8%**  
Compared to the base year of 2022

Carbon Emission Intensity (tCO<sub>2</sub>e/10,000 yuan)

**0.122** ↓ **32.7%**  
Compared to the base year of 2022

The company actively promotes the construction of the carbon - footprint and carbon - asset management platform, providing a verification process for low - carbon development. Since 2022, the company has organized group - wide carbon - footprint assessments, using the industrial Internet and mobile Internet modules, and incorporating enterprise carbon - footprint inspection results verified by international inspection teams. Adhering to the principle of "direct emission reduction first, elimination first, and offset later", the company effectively controls carbon emissions.

In accordance with ISO14064 - 2018, Boton completed the "Boton Technology Group Carbon - Management Platform V1" in 2024, and the greenhouse gas accounting method has been verified by a third - party organization. The platform constructs an accounting boundary in accordance with national standards, is equipped with core functions such as full - process emission source identification, automated accounting, and emission - source analysis, providing data support for emission reduction and investment strategies to meet emission - data needs.



After verification by a third - party organization, our carbon - emission results in 2024 are as follows:



The results of this inventory were audited by Bureau Veritas

## Green Production

The company continuously improves its environmental management system, continuously optimizes risk control in the production process, reduces energy consumption and waste emissions during production, and achieves environmental - friendliness in production activities.

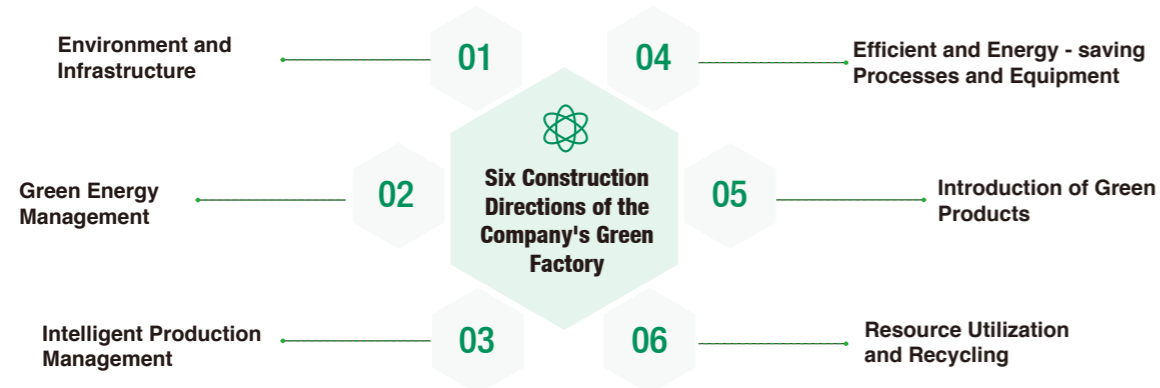
## Green Factory

We are committed to building sustainable green factories to reduce the environmental impact of the production process. Before the construction of manufacturing bases, we spend a great deal of time assessing environmental protection, pollution prevention, water resource management, biodiversity protection, and other aspects.

All manufacturing bases of the company have obtained environmental impact report approvals from local environmental protection departments and carried out construction and production in accordance with the law.



Awards Received by Brilliant Boton Manufacturing Base in 2024



## Environmental Management System

All of the company's production bases have obtained ISO14001 environmental management system certification, and the company continues to conduct annual internal and external audit work. It has established management systems for wastewater, waste gas, solid waste, and energy management. Currently, the company's waste gas emissions have been linked with the government, and it monitors the concentration of waste gas emissions in real - time through the platform. The company has established the \*EHS Laws and Regulations Management Procedure\*, and collects the latest regulatory standards every quarter for compliance assessment.

In accordance with the requirements of ISO14001, the company has formulated systems and standards including the \*Environmental Management Plan\*, \*Environmental and Occupational Health and Safety Handbook\*, \*Identification of Environmental Factors and Hazards, Risk Assessment and Risk Control Procedures\*, \*Environmental Pollution Prevention and Control Management Procedures\*, and \*Environmental Monitoring and Measurement Management Procedures\*. It integrates the concept of environmental friendliness into the company's development strategy and overall plan, and implements green management. To enhance the ability to respond to sudden environmental pollution accidents, the company has formulated the Emergency Plan for Sudden Environmental Incidents and established an emergency rescue team based on the plan. It organizes drills regularly and prepares emergency materials (such as emergency pumps, self - rescuers, and protective gear). In addition, the company has set up accident emergency pools at each base. By switching the valves of the rain and sewage pipes, the polluted wastewater can be diverted to the accident emergency pool, which can collect more than 800 cubic meters of accident wastewater.

- 01 Comply with laws and regulations
- 02 Establish and maintain an organization to implement all environmental management activities.
- 03 Train, share, and practice environmental protection concepts.
- 04 Set achievable technical and economic environmental goals.
- 05 Develop technologies, products, and services that support green and sustainable development.
- 06 Protect the global environment through optimization, recycling, and carbon - neutrality actions.

### Boton Technology's Environmental Management Policy

The company provides products and services with a full - life - cycle green and healthy approach, aiming to protect the environment and pursue zero emissions. To this end, we promise:

## Waste Gas Management

Waste gas management is a crucial task for safeguarding environmental quality and employees' health. We adopt a combination of source control, process optimization, and end-of-pipe treatment using various advanced technical means.



The waste gas emission concentrations of all manufacturing bases are significantly **lower** than the national - required emission standards.

### Results of Waste Gas Emissions in 2024

Indicator Name	Unit	2024	2023
Non - methane Total Hydrocarbons	Ton	7.84	2.87
Nitrogen Oxides	Milligram	Not Detected	Not Detected
Sulfur Dioxide	Milligram / Cubic Meter	Not Detected	Not Detected
VOC Emissions per Unit Product	Gram / Square Meter	0.23	0.13

## Wastewater Management

The company's wastewater mainly consists of domestic wastewater from canteens, bathrooms, and restrooms, as well as steam condensate water. Rain - sewage diversion is implemented for drainage. After wastewater treatment, it is discharged into the municipal sewage network, and rainwater on the base enters the municipal rainwater network. Advanced MBR biological treatment technology is adopted for wastewater treatment, and the concentration of pollutants in the treated wastewater is far lower than the \*Pollutant Discharge Standard for Rubber and Plastic Products Industry\*. To ensure the up-to-standard discharge of wastewater, a dedicated person is responsible for the daily management of the wastewater treatment station. The company conducts regular inspections of rainwater and wastewater outlets every year to ensure compliant discharge. **The monitoring results show that all monitored wastewater discharge indicators of the manufacturing bases during the reporting period are far lower than industry standards.**



## Results of Wastewater Discharge in 2024

Indicator Name	Unit	2024	2023
Chemical Oxygen Demand (CODCr)	Ton	3.08	NA
Five - Day Biochemical Oxygen Demand (BOD5)	Ton	1.09	NA
Suspended Solids	Ton	1.12	NA
Total Sulfur	Ton	0.05	NA
Total Nitrogen	Ton	1.63	NA
Ammonia Nitrogen	Ton	0.83	NA
Petroleum - type Animal and Vegetable Oil	Ton	NA	NA



All monitored wastewater discharge indicators of the manufacturing bases are far lower than industry standards.

## Waste Management

The company's waste management strictly adheres to the 3R principle (Reduce, Reuse, and Recycle). In accordance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and local environmental protection requirements, the Pollution Prevention and Control Procedures have been formulated to identify, classify, collect, store, utilize, transfer, and dispose of solid waste and hazardous waste that may be generated during the company's operations. The company's waste mainly includes domestic waste, general industrial waste, and hazardous waste. All waste is classified and stored.

The amount of solid waste generated per unit product during the reporting period was **107.15** grams/m<sup>2</sup>, a decrease of **0.42%** compared to 2023.



Recycle of Waste Carbon Black into Low - End Mixing Rubber: Approximately **20** tons were recycled in 2024.



Recycle of Rubber Oil into Low - End Mixing Rubber: Approximately **50** tons were recycled in 2024.

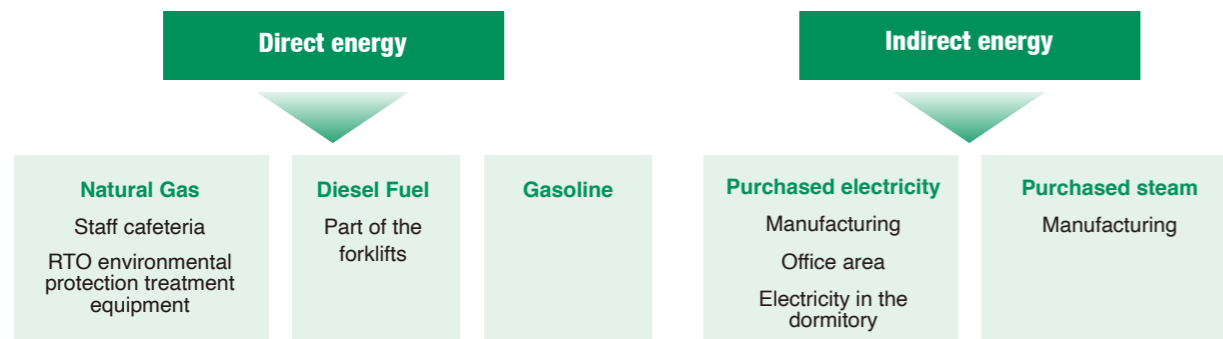


Extended Use of Zero - Head Cloth: Saving about **3,000** meters per year.

### Results of Non - Hazardous and Hazardous Waste Disposal in 2024

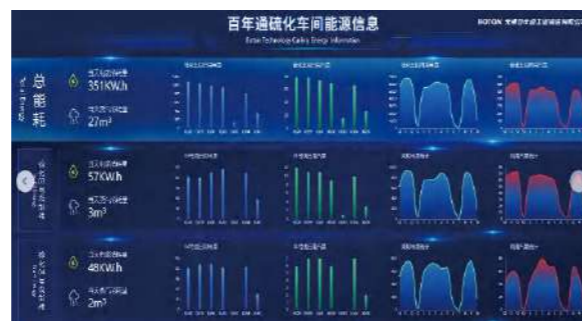
Indicator Name	Unit	2024	2023
Domestic Waste (including Food Residue)	Ton	504.15	101.2
General Industrial Solid Waste	Ton	2496.13	1976.3
Hazardous Waste	Ton	24.61	14.92
Solid Waste Discharge per Unit Product	Gram / Square Meter	107.15	107.59

## Energy Management



The company pays attention to the impact and dependence of the production process on the environment, establishes a complete energy management system, and continuously conducts energy - saving and emission - reduction activities.

Manufacturing bases have passed the ISO50001:2018 energy management system certification and have formulated regulations such as the «Energy Sourcing and Inspection Control Procedure», «Energy Benchmarking Control Procedure», «Energy Targets, Indicators and Management Plan Control Procedure», etc. The company has established an «Energy Data Collection and Control Procedure», «Energy Metering and Statistical Control Procedure», and a hierarchical energy consumption monitoring information system. It monitors the energy consumption of all production equipment and auxiliary equipment, automatically reports abnormal energy consumption, and immediately investigates the causes and makes corrections.



### Key Energy - Saving Projects and Achievements in 2024



#### Photovoltaic Power Generation Introduction Project

The Centennial Tong Manufacturing Base has laid distributed photovoltaic power generation components on the rooftops of the existing factory buildings, and connected to the grid at **400V**. It adopts the mode of "self-generation for self-use, and the surplus electricity sold to the grid". During the reporting period, the total power generation of the Centennial Tong Manufacturing Base was **4.02** million kWh, accounting for **11.44%** of the total electricity consumption, and reduced carbon emissions by **2,296** tons. The Shandong Luxi Manufacturing Base added a new photovoltaic installed capacity of **5.9MW** during the reporting period, and it is expected that the total power generation in 2025 will increase by **3.6** million kWh.



#### Energy - Saving Transformation of Production Equipment

Carry out a permanent magnet frequency conversion renovation on the motor of one twister, and replace the traditional fixed-frequency motor with a permanent magnet synchronous motor. Replace one variable-frequency screw air compressor. It is expected to save **0.0081** kilowatt-hours of electricity per cubic meter, with a total annual electricity savings of **17,000** kilowatt-hours.



#### Insulation Material Renovation

Replaced the heat - supply insulation materials, saving **180,000** Nm<sup>3</sup> of natural gas per year.

### Energy Consumption Data of Manufacturing Bases in 2024

Energy Type	Consumption		Consumption Intensity (kWh/10,000 yuan Output Value)	
	Brilliant Boton Manufacturing Base	Shandong Luxi Manufacturing Base	Brilliant Boton Manufacturing Base	Shandong Luxi Manufacturing Base
Electrical Energy (10,000 kWh)	3865.3	1012.1748	398.18	382.95
Steam (Ton)	47785	422353	0.40	0.879
Natural Gas (Cubic Meter)	833753	NA	6.99	NA

#### Brilliant Boton Manufacturing Base

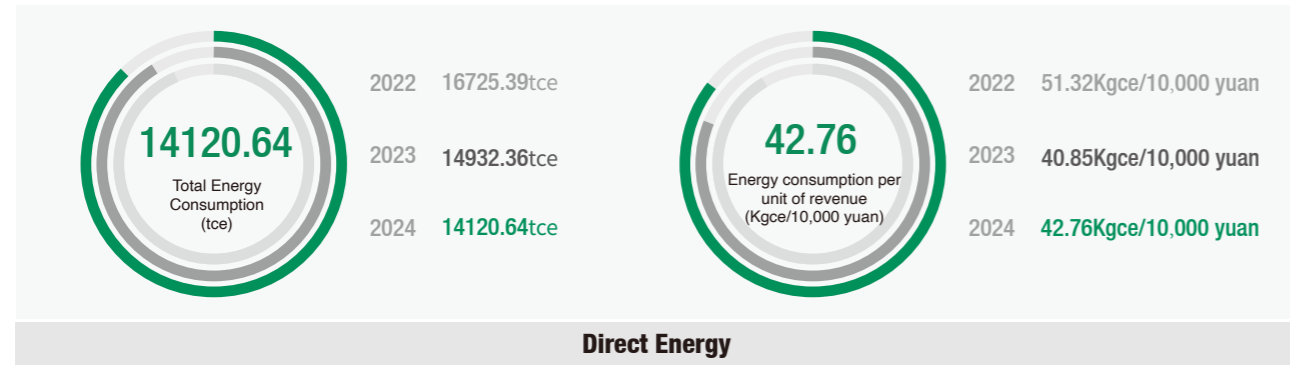
- Energy consumption per unit product decreased by **2.32%**.
- Steam consumption per unit product decreased by **15.24%**.
- Carbon emissions per unit product decreased by **8.22%**.

#### Shandong Luxi Manufacturing Base

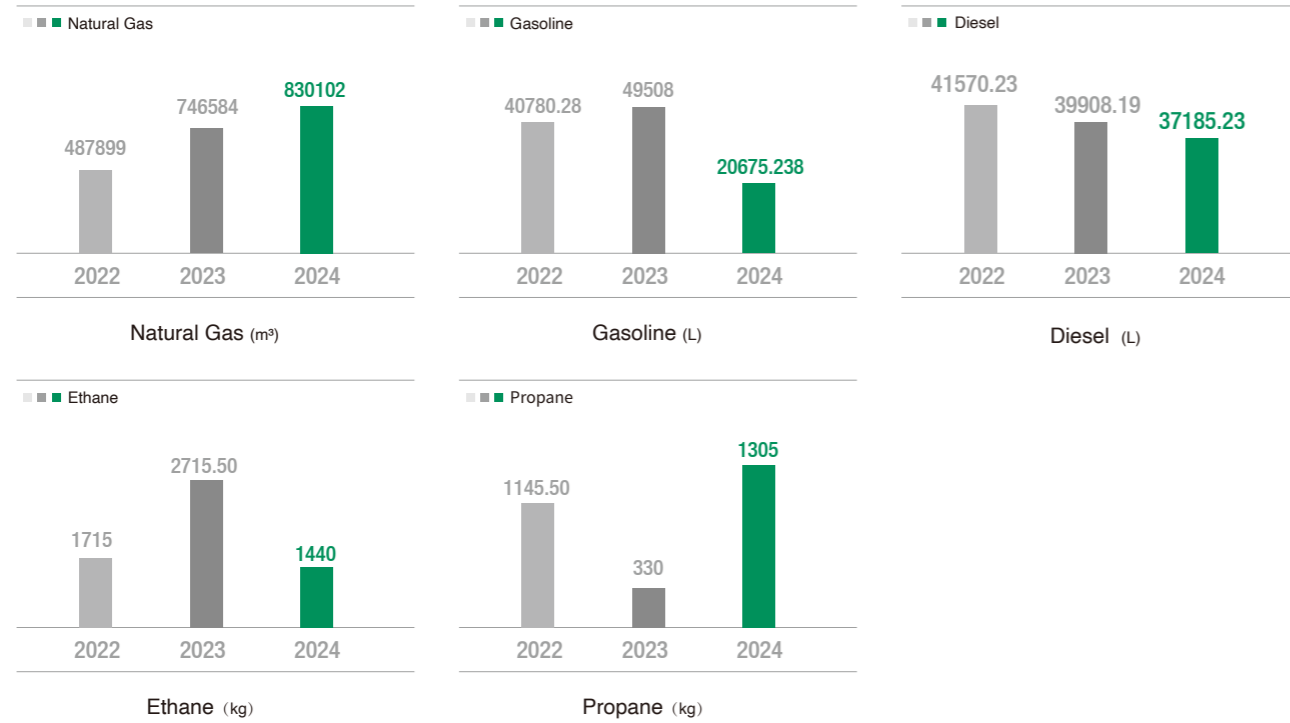
- Energy consumption per unit product increased by **4.5%** due to process changes in production, such as changing steam heating to electric heating, resulting in a significant decrease in steam consumption and a slight increase in electricity consumption.
- Steam consumption per unit product decreased by **65%**.
- Carbon emissions per unit product decreased by **39%**.



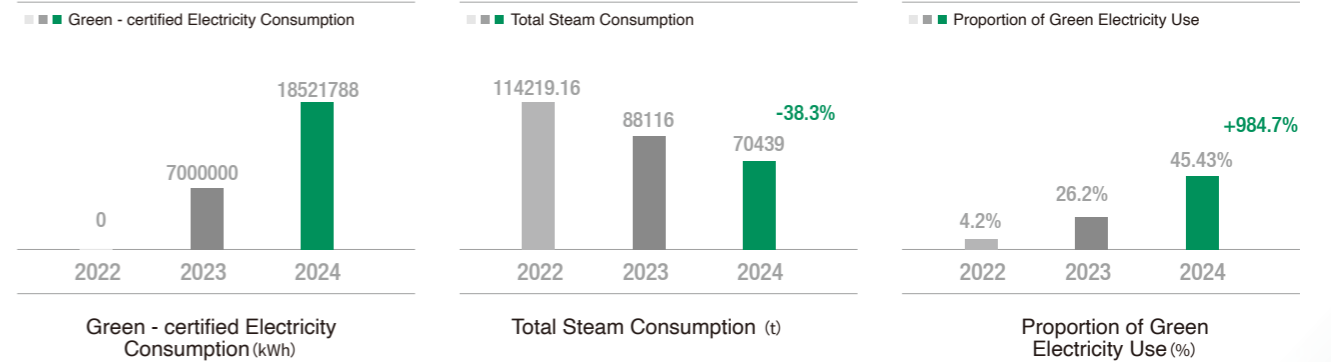
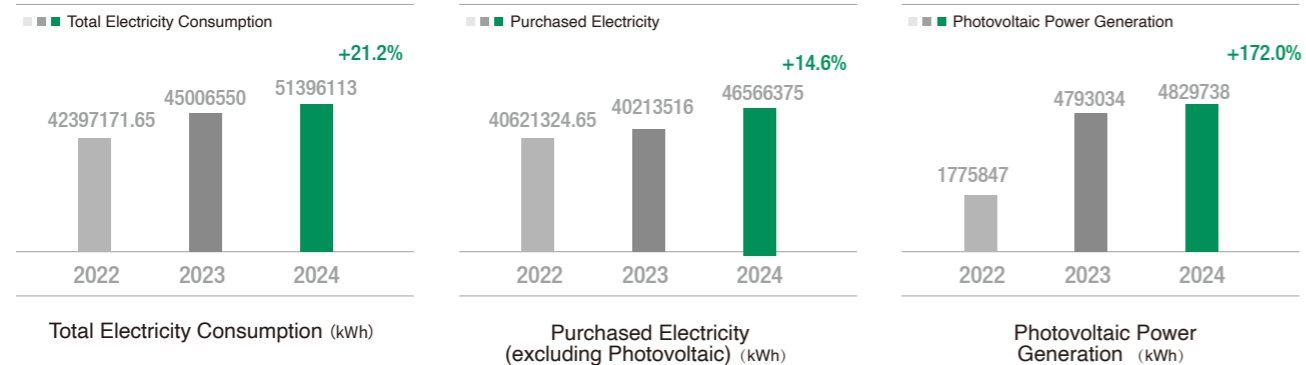
### Energy Indicators



#### Direct Energy



#### Indirect Energy



### Water Resource Management

Although the water consumption for our product production is relatively small, we always adhere to the concept that "every drop of water is valuable" and practice efficient water use and environmental protection. Through a management strategy of water - **saving priority, recycling, and employee participation**, we maximize the use of recycled water during operations. We have installed water - recycling facilities to optimize water treatment for pre - treatment and cooling water, and collect and reuse it for supplementary cooling water or garden - area greening and road cleaning.

By strengthening the recycling of water sources, we save about **9,000** tons of water annually. In office and production areas and at water - using appliances, **95** water - saving faucets and **38** water - saving showerheads were replaced in 2024, saving about **2,000** tons of water annually. Meanwhile, the Water - saving Management System was formulated, which stipulates water - saving measures in engineering and management aspects. We promise to abide by regional water resource management regulations, and actively promote and conduct water - saving education within the company, and promptly reward water - saving behaviors and measures.

#### Results of Water Resource Management in 2024

Indicator Name	Unit	2024	2023
Water Intake	Ton	182772	218169
Water Discharge	Ton	100661.80	NA
Water Consumption	Ton	82110.20	NA
Water Consumption per Unit of Revenue	Ton/10,000 yuan	0.55	0.60
Recycling Rate of Production Water	%	92%	NA

## Green Culture

The company takes low - carbon operation as its core, encourages green office, green living, and low - carbon production. Through the improvement of employees' low - carbon awareness and skills, a sustainable low - carbon production atmosphere is established. During the reporting period, the company implemented metered use of electricity, air - conditioners, elevators and other facilities in the office area and public area, replaced energy - saving lamps, and all employees' cars were updated to new energy vehicles. Priority was given to cooperating with cloud service providers with a high proportion of green electricity consumption.

We encourage employees to take all energy - saving actions in their daily work, advocate online meetings and reduce unnecessary business trips, and initiate an internal second - hand item trading market. We also encourage recycling and long - term use of goods. During the reporting period, energy - saving publicity, energy - saving science popularization training, quizzes with prizes, and waste collection activities were carried out to promote green culture.

## Green Operation

Continuously building the carbon - reduction ability throughout the product life cycle



	Indicator	Target	Progress in 2024
	<b>Green Materials</b> • Green Materials (Application days of natural rubber, bio - based isocyanate rubber, bio - based black, bio - based neoprene, bio - based aromatic oil, etc.)	• 2025: The proportion of green material application reaches <b>22%</b> • 2030: Reach <b>30%</b>	<b>19.65%</b>
	<b>Green Products</b> • Green Products (Proportion of green conveyor belt product sales)	• 2025: The proportion of sales exceeds <b>50%</b>	<b>25%</b>
	<b>Green Manufacturing</b> • Green Smart Manufacturing (Energy consumption per unit of product production; • construction of green factories and smart factories)	• Taking 2022 as the baseline, 2025: Energy consumption per unit of product production decreases by <b>25%</b> • The energy consumption per unit of product production decreased by <b>21.94%</b> compared with the previous year • Brilliant Boton Manufacturing Base was rated as a national - level green factory, and it was on the list of Wuxi's first batch of "zero - carbon factories"	
	<b>Green Energy</b> • Proportion of green electricity application	• 2025: The proportion of green electricity application reaches <b>50%</b> • 2030: Reach <b>100%</b>	<b>45.43%</b>
	<b>Green Recycling</b> • Recycling rate of expired products	• 2025: The disposal rate reaches <b>40%</b> • 2030: Reach <b>85%</b> • The disposal factory for failed products in the Pilbara region of Australia is under construction, and key production equipment has been purchased	

### Green Materials

Target for 2025: Reach **22%**  
Target for 2030: Reach **30%**

### Green Products

Target for 2025: Reach **50%**

### Green Manufacturing

Target for 2025: The energy consumption per unit of product production is **25%** less than the baseline in 2022

### Green Energy

Target for 2025: Reach **50%**  
Target for 2030: Reach **100%**

### Green Recycling

Target for 2025: Reach **40%**  
Target for 2030: Reach **85%**

### Target for 2030

Achieve carbon neutrality in production and operation levels

Mobile Internet

In 2024, we took the following three measures to reduce the number of cloud servers by **435** compared to 2023, resulting in an annual energy - saving of **53,698** kWh.t



Evaluate with business units and take down some eligible old games.



Cooperate with various R & D vendors to adjust the game architecture, migrate or integrate servers.

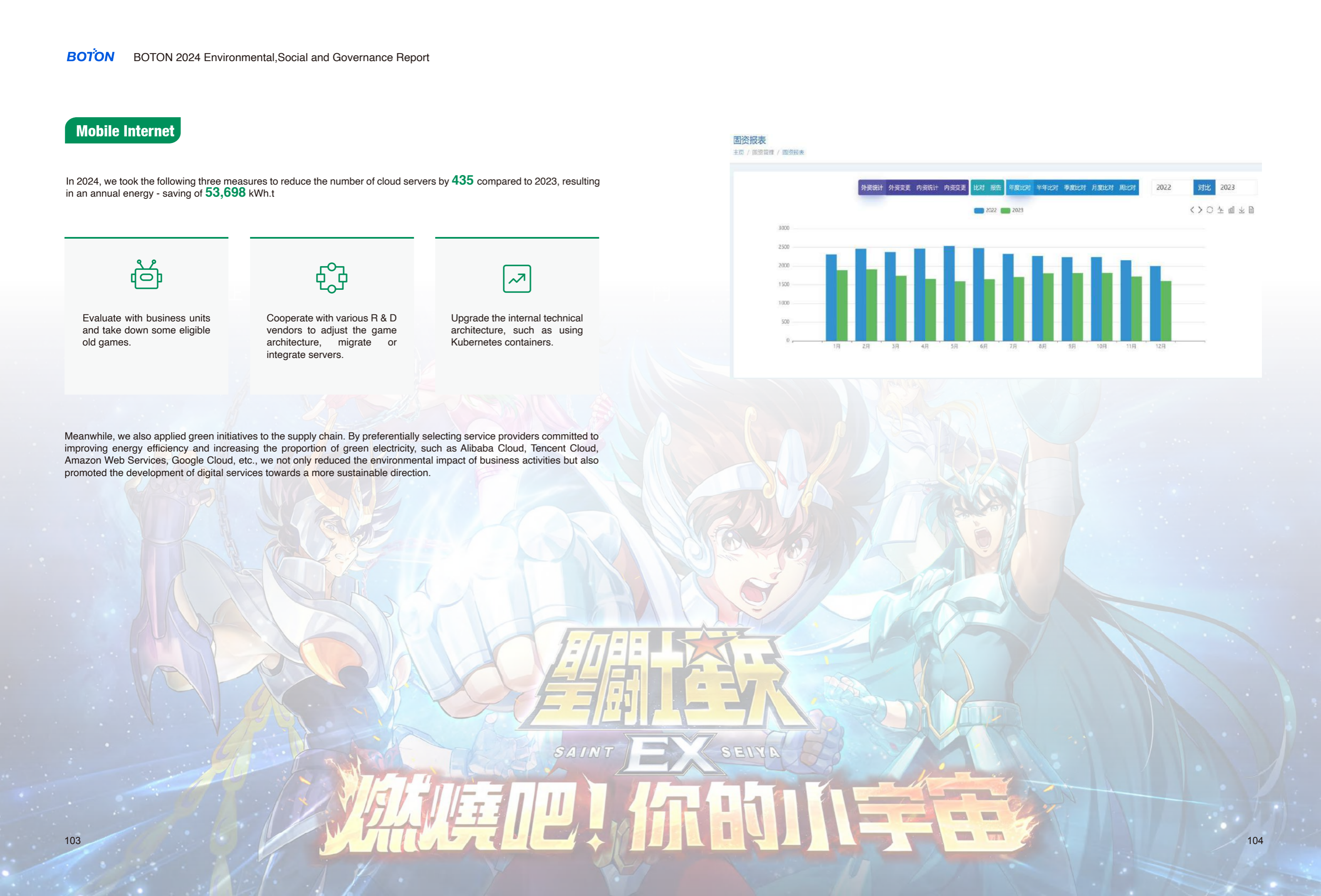


Upgrade the internal technical architecture, such as using Kubernetes containers.

Meanwhile, we also applied green initiatives to the supply chain. By preferentially selecting service providers committed to improving energy efficiency and increasing the proportion of green electricity, such as Alibaba Cloud, Tencent Cloud, Amazon Web Services, Google Cloud, etc., we not only reduced the environmental impact of business activities but also promoted the development of digital services towards a more sustainable direction.

固资报表

主页 / 固资管理 / 固资报表





# Technological Co - prosperity: Un-leashing the Power of Prosperity

# 06

SDGs Targets Responded in This Chapter



Contents of This Chapter

Innovation Mechanism	108
Innovation Achievements	112



“ We, as leaders in technological innovation, drive industry transformation through continuous research and development and technological breakthroughs. We deeply integrate advanced technology with sustainable development, creating a new model for win-win economic and environmental results, and generating greater value for customers and society with safe, efficient, and green solutions. ”

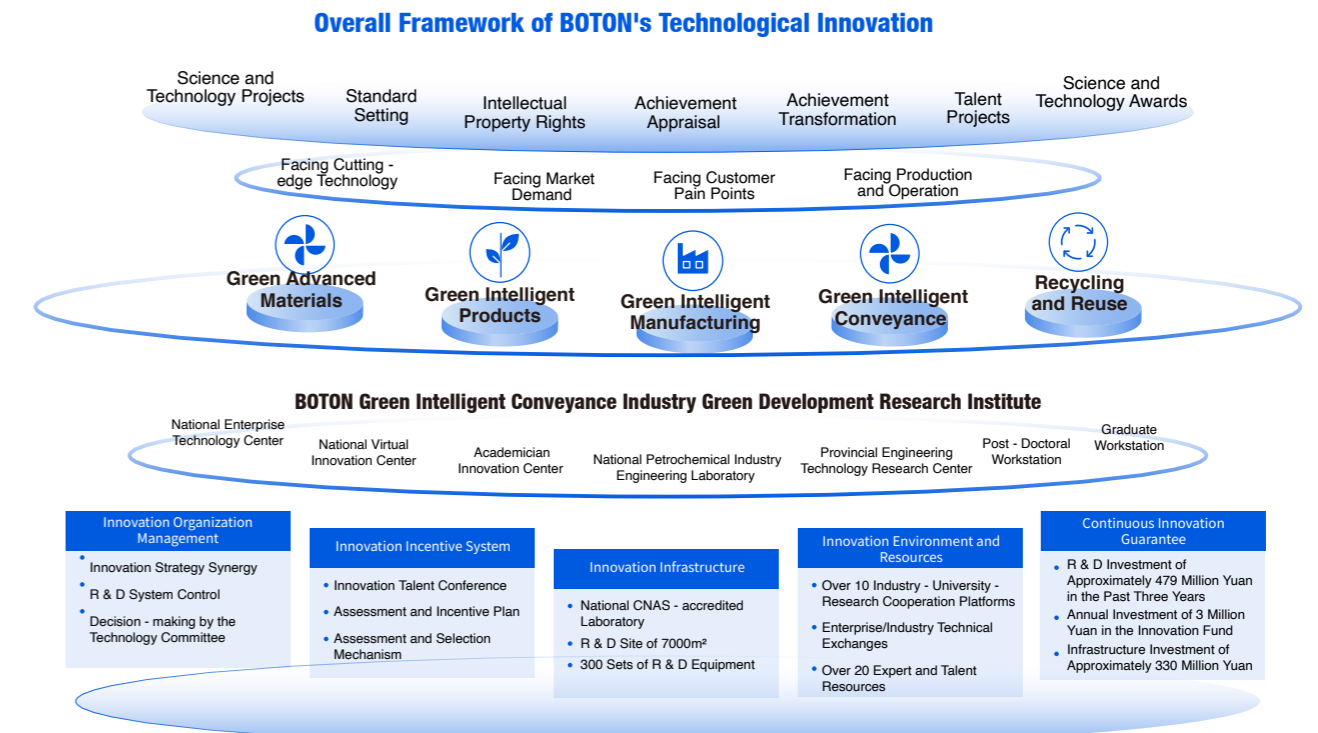
## Our Risks

Technological obsolescence will lead to a decline in the competitiveness of our products and the loss of market opportunities. Particularly, the customers we serve and the entire industry are undergoing green and intelligent transformation, which urgently requires innovative products or solutions to ensure the efficient, safe, cost-effective, and energy-saving transportation of bulk materials. If the R & D direction fails to keep up with industry trends, customer demands, or patent layout, it will be easily replaced by competitors' technologies or face patent barriers. Moreover, if the application of new technologies neglects ecological impacts, it will increase the environmental burden and deviate from ESG goals. The mobile internet segment also needs to continuously adopt new technologies to improve operational efficiency, enrich the gaming experience, and enhance user satisfaction.

## Our Governance

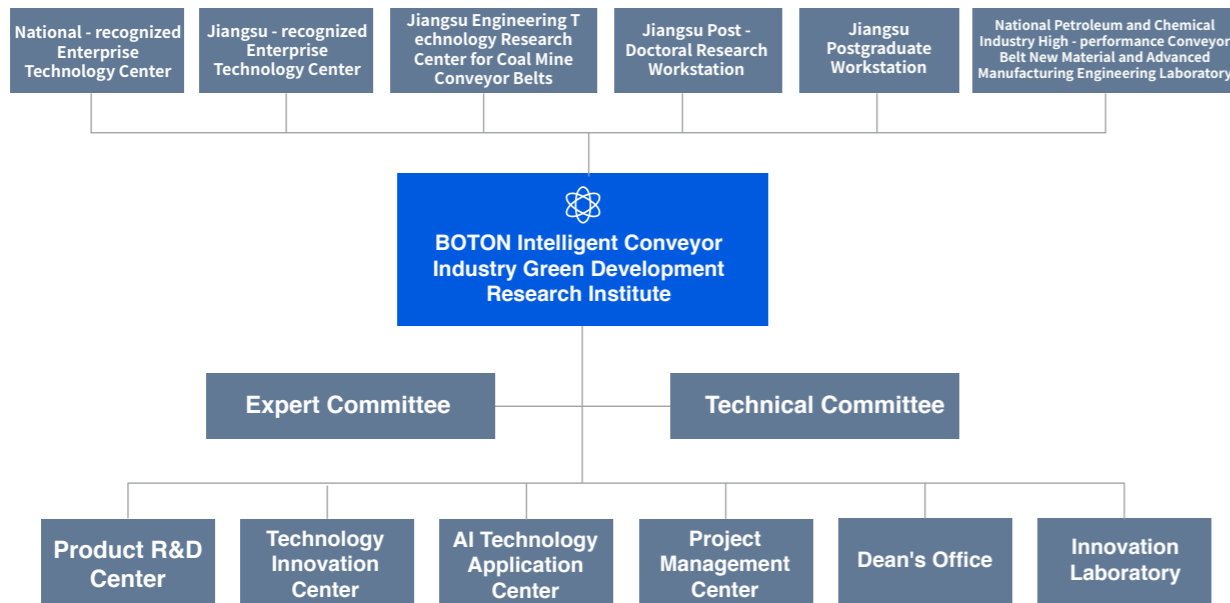
### Innovation Mechanism

Under the company's overall strategy and the key-development strategy of "innovation-driven differentiation", guided by the orientation of "facing cutting-edge technology, market demand, customer pain points, and production and operation", starting from the five aspects of "innovation organization management, innovation incentive system, innovation infrastructure, innovation environment and resources, and continuous innovation guarantee", a distinctive innovation overall framework of BOTON has been constructed.



### Innovation Organization Management

We focus on the strategy of "green and intelligent", and establish the innovation organization "BOTON Intelligent Conveyor Industry Green Development Research Institute". Centering on advanced materials, green intelligent manufacturing equipment and process technology, green conveyor belts, intelligent conveyor technology, and recycling technology, we carry out technological innovation and breakthroughs to achieve the corporate mission of "making industrial bulk material transportation greener".



The research institute has established two decision - making bodies, the "Expert Committee" and the "Technical Committee", and has set up the "Product R & D Center", "Technology Innovation Center", "AI Technology Application Center", "Project Management Center", "Dean's Office", and "Innovation Laboratory". The research institute also undertakes a series of national and provincial - level scientific research platforms, such as the "National Enterprise Technology Center" and "Jiangsu Post - Doctoral Research Station", providing a strong organizational guarantee for the company's innovation and development.

We have established a complete R & D management and control system. Centering on science and technology projects, we coordinate all departments of the company. Science and technology projects are strictly implemented in accordance with the process of project establishment, mid - term inspection, and final acceptance. There are six review points, and decisions and evaluations are made by the technical committee of the research institute.

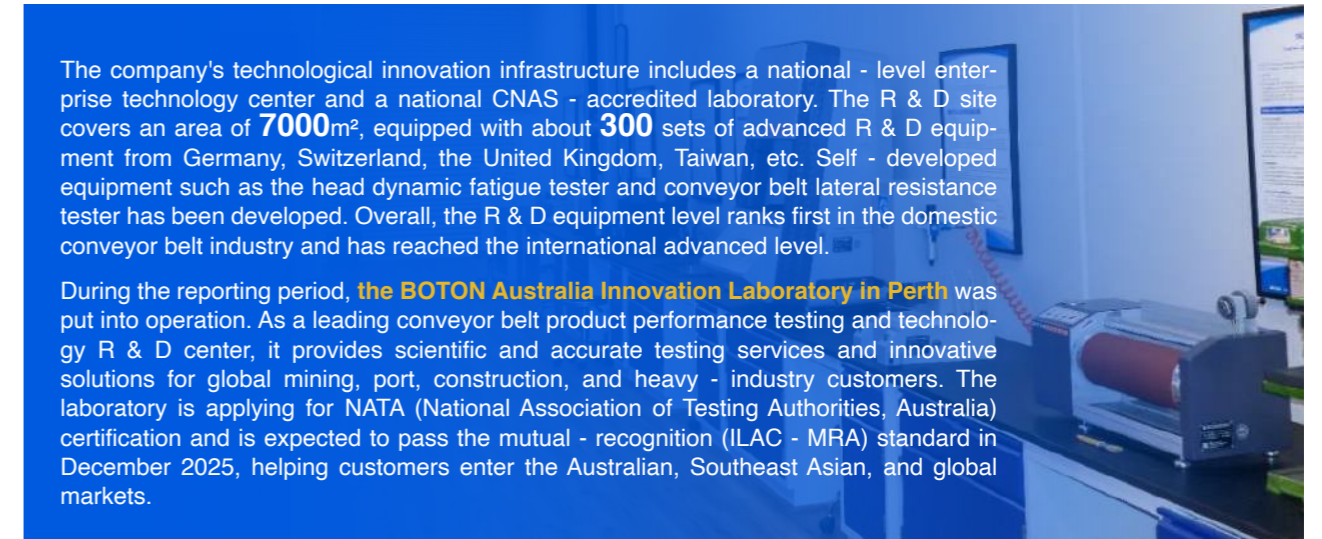
### Innovation Incentive System

To encourage and guarantee innovation activities, the company has issued a series of assessment and management systems, such as the Working Regulations of the Technical Committee, Science and Technology Project Management System, Science and Technology Project Fund Management System, R&D Expense Accumulation Management System, Intellectual Property Management System, Employee Training System, Incentive Measures for Continuing Education, Reward Measures for Professional and Technical Titles, Resettlement Allowance and Interest-free Loan for High-end Technical Talents, Professional Title Allowance for R&D Personnel, Management Measures for Industry-University-Research Cooperation, Management Measures for the Postdoctoral Research Workstation, and Employee Reward and Punishment System. These systems ensure the sustained impetus for internal scientific and technological innovation and the logistical support for talent cultivation, laying a solid institutional foundation for the company's innovation activities.



Meanwhile, to stimulate innovation, the company holds an "Innovation and Talent Conference" annually to publicly commend and reward projects with excellent outcomes and outstanding individuals.

### Innovation Infrastructure



The company's technological innovation infrastructure includes a national - level enterprise technology center and a national CNAS - accredited laboratory. The R & D site covers an area of 7000m<sup>2</sup>, equipped with about 300 sets of advanced R & D equipment from Germany, Switzerland, the United Kingdom, Taiwan, etc. Self - developed equipment such as the head dynamic fatigue tester and conveyor belt lateral resistance tester has been developed. Overall, the R & D equipment level ranks first in the domestic conveyor belt industry and has reached the international advanced level.

During the reporting period, the BOTON Australia Innovation Laboratory in Perth was put into operation. As a leading conveyor belt product performance testing and technology R & D center, it provides scientific and accurate testing services and innovative solutions for global mining, port, construction, and heavy - industry customers. The laboratory is applying for NATA (National Association of Testing Authorities, Australia) certification and is expected to pass the mutual - recognition (ILAC - MRA) standard in December 2025, helping customers enter the Australian, Southeast Asian, and global markets.

### Innovation Infrastructure - Key Testing Equipment in the National CNAS Laboratory



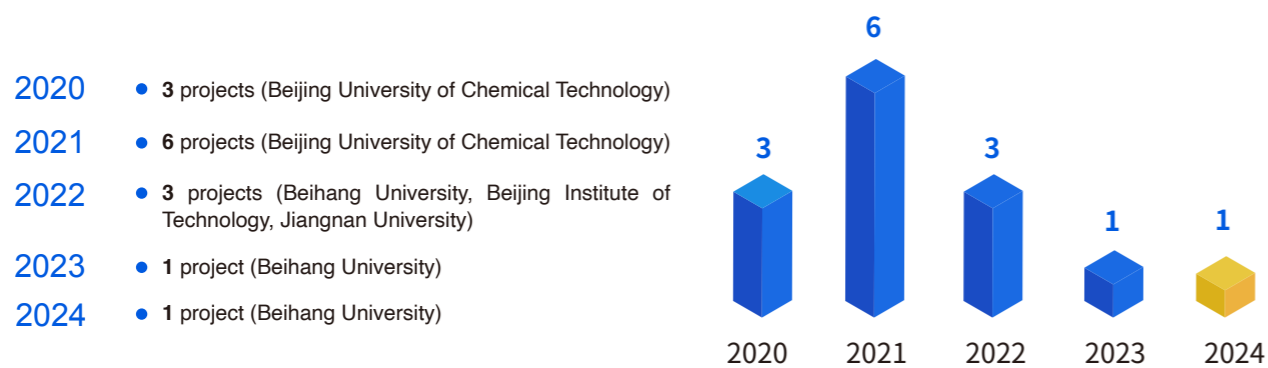
## Innovation Environment and Resources (Industry - University - Research Cooperation)

We actively make use of "external resources". An expert committee composed of external experts is formed to provide strategic guidance on the direction of the company's technological innovation through regular meetings and exchanges. In addition, the company actively promotes various industry - university - research cooperation projects. It has successively carried out cooperation with well - known domestic universities such as Beijing University of Chemical Technology, Beihang University, Beijing Institute of Technology, and Jiangnan University. A total of **35** industry - university - research cooperation projects have been launched, among which more than **23** completed projects have achieved successful transformation of results.

During the reporting period, BOTON Technology and its subsidiary signed 1 industry - university - research cooperation project with Beihang University, focusing on the "Research on the Hot - Melt Adhesive Tape Shaping Process for Rubber Conveyor Belts". Moreover, the company signed a cooperation agreement with Xi'an Jiaotong University, officially establishing a deep - seated cooperation in technological innovation and talent cultivation. Based on the two - party industry layout and development direction, through resource sharing and complementary advantages, it promotes scientific research and industrial development and cultivates more outstanding scientific and technological talents for society.

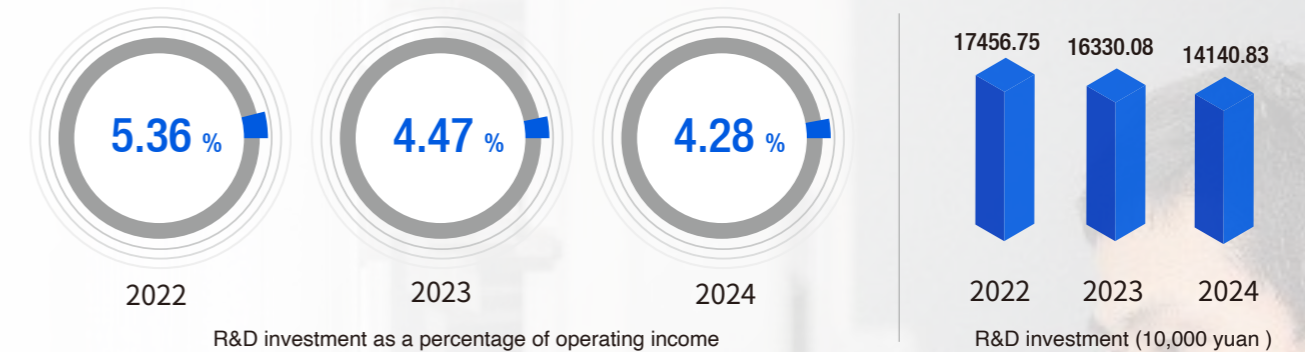


Number of Industry - University - Research Cooperation Projects Signed



## Continuous Innovation Guarantee


The company promotes continuous innovation by increasing R & D investment, setting up an annual innovation fund of **3** million yuan, and improving innovation infrastructure. R & D investment focuses on new materials, new technologies, new products, and new techniques to ensure technological leadership and product differentiation. The innovation fund supports innovative projects, stimulates employees' creativity, and promotes knowledge sharing and teamwork, providing institutional guarantees for the cultivation of an innovative corporate culture.



## Innovation Achievements

The company continuously exerts efforts in five innovation dimensions: advanced materials, green intelligent manufacturing equipment and process technology, green conveyor belts, intelligent conveying technology, and recycling technology, achieving new results.


### Advanced Materials

 R&D and application of emerging materials such as green, low-carbon, lightweight, and high-performance

#### Innovation Progress/Results in 2024

- Continuously increase the application of green and low - carbon high - performance new materials such as bio - based rubber, cracked carbon black, bio - based aromatic oil, and bio - based fabric in conveyor belts, and carry out differentiated development according to the performance levels of conveyor belts.
- Cooperate with suppliers to jointly develop and apply high - strength and lightweight new materials such as aramid fiber and polyphenylene sulfide in conveyor belts.

### Green Intelligent Manufacturing Equipment and Process Technology

 The process and development of green energy-saving equipment, the development and optimization of intelligent manufacturing systems

#### Innovation Progress/Results in 2024

- Energy Conservation:** Through multiple measures such as steam system upgrading and modification, steam pipeline and steam trap renovation, production efficiency improvement, and system - level energy source early - warning, the steam consumption per unit of BOTON's century - old manufacturing base decreased by 15.24% compared to the previous year.
- Automation:** Implement measures such as automatic weighing and feeding of dense - phase bulk materials, conveyor line modification, rubber mixing machine hydraulic pressure regulation, small - material system automatic inspection, three - roll calender winding modification, automatic detection and anti - sticking prevention of extruder thickness, multi - knife feeding, and automatic batching equipment feeding, effectively improving the automation and intelligentization level of the factory.
- System - level:** Implement life - cycle management systems for on - line equipment, security systems, RPA systems, etc., while upgrading the energy management system, MES system, ERP system, etc., effectively improving the factory's management level and work efficiency.

## Green Conveyor Belts



Development of low-carbon sustainable, low-rolling-resistance, energy-saving, lightweight, and environmentally-friendly conveyor belts

### Innovation Progress/Results in 2024

- Continuously optimize ultra-low-resistance conveyor belts and ultra-wear-resistant conveyor belts, and increase the application of large-particle carbon black.
- In July 2024, the bio-based conveyor belt was installed at the customer's site, and the operation and feedback were good.
- The aramid conveyor belt with the highest strength of DPPM4500 in the industry was applied at the customer's site.

## Intelligent Conveyance Technology



Development and application of technologies related to intelligent online monitoring equipment and systems, clean production products and technologies, and intelligent conveyance scenarios

### Innovation Progress/Results in 2024

- The intelligent transformation project of a large steel enterprise, which includes 18 subsystems such as longitudinal tear monitoring, X-ray non-destructive monitoring, intelligent deviation correction, intelligent idlers, temperature monitoring, vibration monitoring, foreign object monitoring, intelligent cleaning robots, water circulation cleaning devices, inspection robots, intelligent cleaners, etc., has been successfully put into operation and passed the acceptance. It has greatly improved the intelligent level, safety and conveying efficiency of on-site material conveying for customers.
- Intelligent products including longitudinal tear monitoring, intelligent deviation correction, mechanical deviation correction, wireless temperature measurement, vibration monitoring, etc. have been successfully applied on a large scale in a large steel enterprise in the south.
- The self-developed intelligent cleaning robots have been successfully applied at the sites of multiple customers.
- The X-ray non-destructive testing system for aramid belts has been successfully promoted and applied, and sold to multiple coal mine sites, ensuring the safety of on-site aramid belts, especially the safety of the joints.
- The thickness measurement technology of conveyor belts using 3D cameras has been studied, and a detection device integrating 3D thickness measurement and X-ray skeleton material detection has been developed. This device has been applied at the site of a customer in Mexico.
- Ten sets of coal dropping pipes designed by simulating the flow state of materials with EDEM have been successfully applied in a power plant. They have achieved remarkable results in reducing the impact of coal dropping, dust reduction and the crushing rate of materials, and have received high praise from customers.
- The compact and energy-saving frequency converter with a novel structure has passed the MA certification, providing a new solution for improving the production efficiency of coal mines.

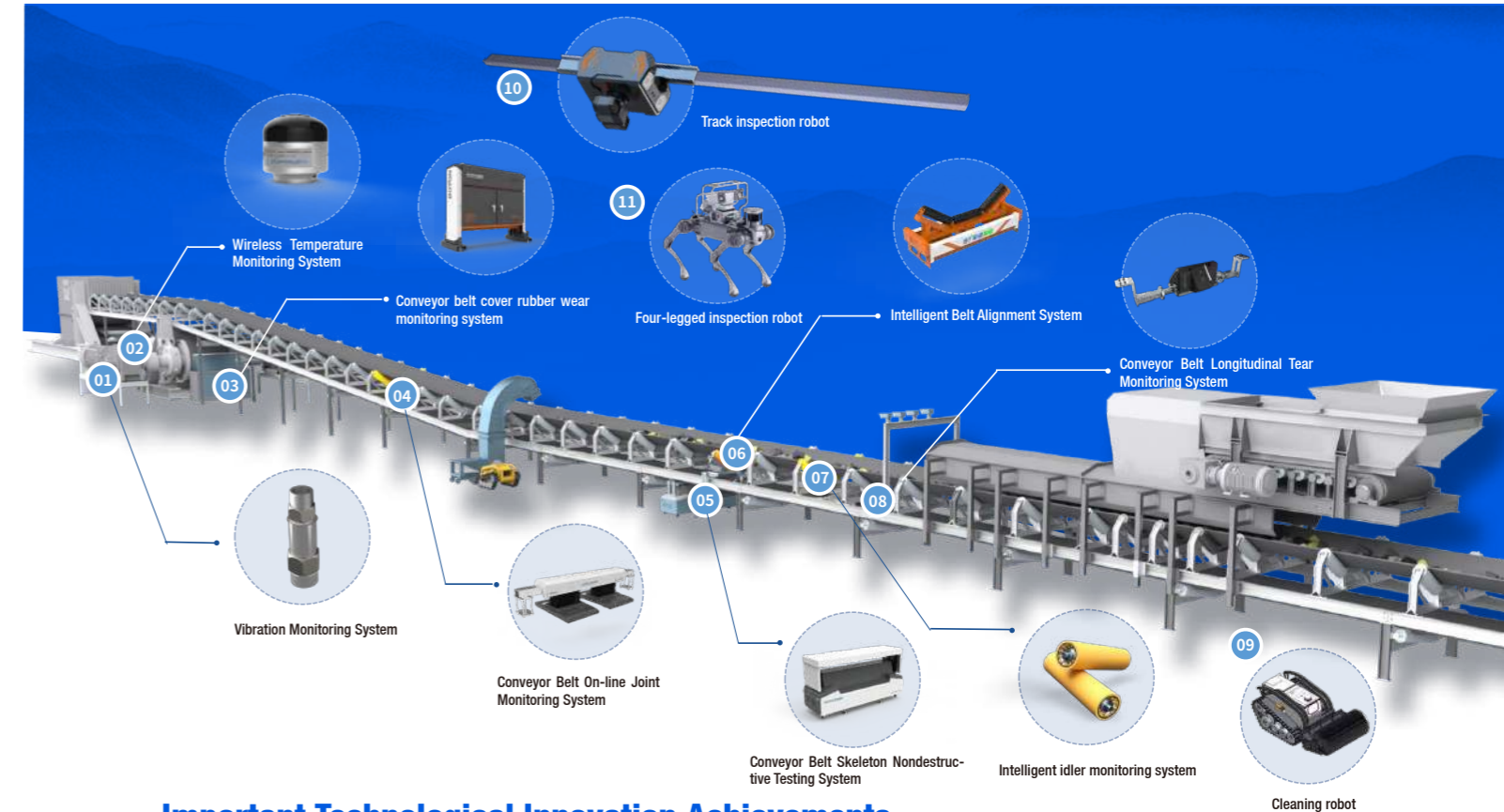
## Recycling Technology



Recycling and reutilization technology for failed conveyor belt products

### Innovation Progress/Results in 2024

- The Australian failed product recycling plant has successfully obtained Australian environmental approval. The construction of the factory building and facilities is in progress, and the foundation has been completed. Key production equipment has been ordered and is expected to be delivered in 2025.



## Important Technological Innovation Achievements

### Achievement 1

#### Research and Application of Key Technologies for Intelligent Conveyance Systems with Multimodal Sensing Fusion

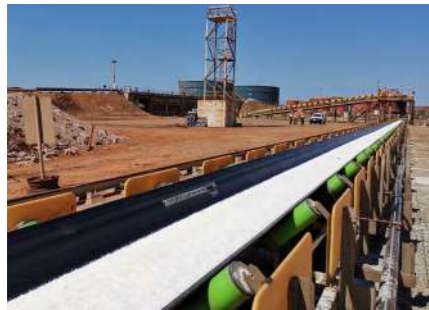
Relying on the company's years of accumulation in the field of conveyor belts and conveying systems, this project integrates multimodal sensing, industrial internet platforms, and digital twin systems to build an internationally leading intelligent conveyance solution. It has developed **7** intelligent monitoring systems, **6** intelligent cleaning modules, and **4** intelligent inspection core technologies. By building a digital twin control center and an industrial internet platform, it realizes the online and system-wide safety automatic monitoring of the conveying system, breaks the traditional manual inspection mode, and creates a new "intelligent control + automatic control + digital management" model. The research results have become a template for intelligent upgrading in the industrial bulk material transportation fields such as steel and ports, promoting the industry's transformation towards "green, unmanned, and digitalization". Currently, it has been applied in a large-scale steel enterprise, with high value for industry-wide promotion, and significant strategic guiding significance.

### Achievement 2

#### Research, Application, and Verification of Ultra-Wear-Resistant Conveyor Belts

In 2024, the company's self-developed ultra-wear-resistant products passed strict testing by third-party authoritative institutions, providing a quality assurance for expanding the international market. The company has successfully tested these products in two major international mining projects. The results show that the products perform outstandingly in the conveying system, significantly reducing conveyor belt wear, extending its service life, and reducing wear by up to **47%**. Customers highly recognize this, commenting that "the product has been met". This demonstrates the company's leading technical strength in wear-resistant materials, indicating that its products meet the needs of the international high-end market and injecting strong impetus into the company's expansion of the global market and internationalization strategy.

**Achievement 3** Ultra - Low - Rolling - Resistance Conveyor Belt Achieves Class A Energy Efficiency



The ultra - low - rolling - resistance conveyor belt has been tested by the internationally authoritative third - party testing institution Huazhiwei according to the latest AS1333 - 2024 standard, achieving Class A energy efficiency (the highest energy - efficiency standard). This shows that the company's products can greatly reduce energy consumption, enhance market competitiveness, and reach the international advanced level in energy - saving applications, providing customers with high - efficiency solutions and highlighting the company's R & D and innovation strength, thus supporting the expansion of the global market. In 2024, nearly **50** kilometers of the belt were produced/supplied, marking the company's remarkable achievements in green energy - saving innovation.

**Achievement 4** Development of a Series of Products for Coal - Mine - Underground Conveyor Belts Meeting Australian Standards

The company has basically achieved full coverage of the product series for coal - mine - underground conveyor belts meeting Australian standards, including layered belts, aramid belts, steel - cord belts, etc., meeting the market demand for coal - mine - underground conveyor belts in Australia. In 2024, the company's self - developed layered flame - retardant conveyor belt for Australian coal mines received an order from a 4 - kilometer - long project, indicating that the product has passed rigorous tests in the operating environment, highlighting its high safety and reliability.



**Achievement 5** Digital Conveyance Lifecycle Management Platform

To help customers better manage the entire lifecycle of conveyor belts, fully tap the value of conveyor belts, and ensure the safety of on - site conveying, during the reporting period, the company independently developed a digital conveyor belt lifecycle management system, taking the lead in the industry. Based on digital chip - embedded conveyor belts, it combines intelligent hardware, IoT, big data, and edge computing, and is an integrated digital solution for intelligent conveying constructed through industrial internet - based advanced technologies. The platform covers the entire process from exploration and design to production and manufacturing, from material flow to storage and management, and then to operation and recycling. By integrating data scattered across various links, it continuously creates value for customers through business model innovation.



## Science and Technology Projects

During the reporting period, BOTON and its subsidiaries served as the main project - undertaking/participating unit for **2** national key R & D plan projects and **1** municipal - level science and technology project. As of now, BOTON and its subsidiaries have undertaken a total of **9** national and provincial - level science and technology projects, including **3** national key R & D plan projects and **1** project under the "863 Program" of the National High - Technology Research and Development Program.

Total number of science and technology projects undertaken	Number of national key R & D plan projects	Number of municipal - level science and technology projects	High-tech Research during the 12th Five-Year Plan Period
<b>9</b>	<b>3</b>	<b>1</b>	<b>1</b>

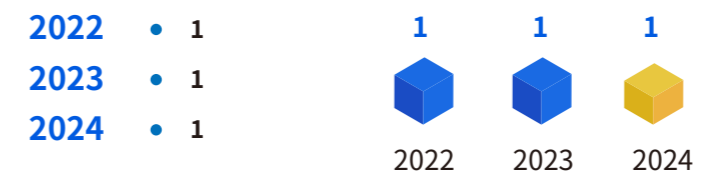
## Achievement Appraisal

During the reporting period, the company completed **1** achievement appraisal, which was rated as "internationally leading". As of now, the company has completed a total of **16** high - level achievement appraisals, among which **2** achievements reached the "internationally leading" level, and the rest reached the "internationally advanced" level. Thanks to the project "Key Technologies and Engineering Applications of High - Performance Rubber Composite Materials", the company won the second - class National Science and Technology Progress Award in 2019, achieving a breakthrough in national awards in the industry.

### Research and Application of Key Technologies for the Manufacture of Joints of Special - shaped Skeleton - Frame Conveyor Belts

Under the promotion of the national "Dual - Carbon" strategy, green and energy - saving belt conveyors are becoming increasingly mature, and the application scenarios are constantly expanding. However, steel - cord conveyor belts are still the mainstream for long - distance transportation. Due to the cumbersome repair and replacement process, the market share of aramid conveyor belts has been limited, with only a few projects having the opportunity. To overcome this bottleneck, this project innovatively develops aramid and steel - cord hybrid special - shaped joint technology. By developing special - shaped joint cores, high - adhesion adhesives, and high - strength joint technology, the joint strength remains above 95%, and the splice is optimized through simulation analysis. After passing high - intensity tests, the stable operation of the splice is ensured, promoting the large - distance and large - scale application of aramid conveyor belts. This technology has been successfully applied in some mining customer sites in China. In May 2024, it won the second - class science and technology award of the China Coal Industry Association. The research results are rated as "the joint technology of special - shaped skeletons has reached the internationally advanced level".

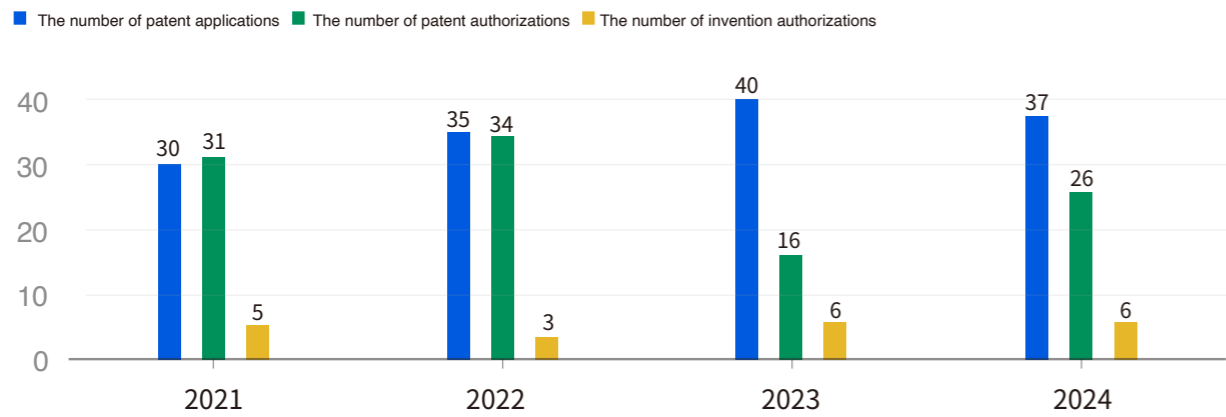
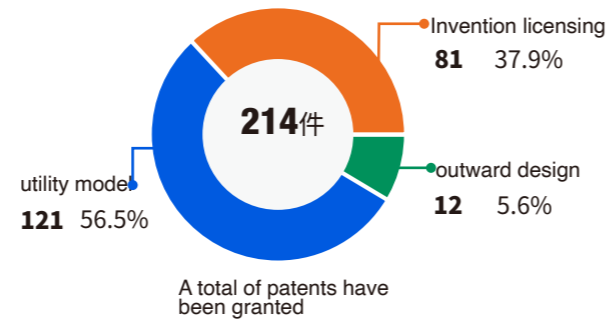
### Number of Scientific and Technological Achievement Appraisals in the Past Three Years



## Intellectual Property Rights

During the reporting period, BOTON Technology and its subsidiaries filed a total of 36 patent applications, including 21 invention patents (with invention patents accounting for 58.3%), 12 utility model patents, and 1 design patent; 1 PCT patent application was also made. In 2024, the company was granted a total of 26 patents, including 6 invention patents (invention patents accounting for 24%), 10 utility model patents, 9 design patents, and 1 software copyright.

As of the end of 2024, BOTON Technology and its subsidiaries had a total of 214 authorized patents, including 81 invention patents (invention patents accounting for 37.9%), 121 utility model patents, 12 design patents, and 53 software copyrights.



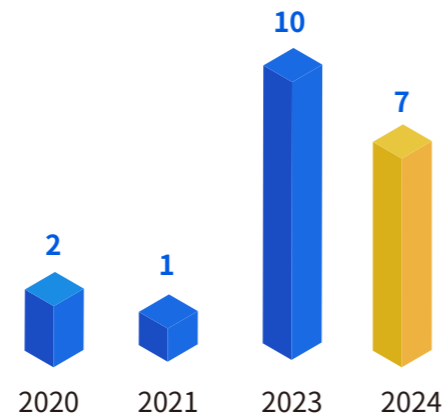
## Standard Revision

During the reporting period, BOTON Technology and its subsidiaries initiated a total of 7 standard-setting projects, including 1 international standard, 1 national standard, and 5 group standards. In addition, the company has 11 ongoing standard-setting projects (including 3 ISO standards).

As of now, BOTON Technology and its subsidiaries have completed a total of 32 standard-setting projects, including 7 national standards, 13 industry standards, and 12 group standards.

The number of standard revisions in the past three years

- 2021 • 2
- 2022 • 1
- 2023 • 10
- 2024 • 7



## Mobile Internet

In an era when AI technology is increasingly mature, the company has fully immersed itself in the wave of artificial intelligence, comprehensively integrating large-scale AI models into its core business. In 2024, we successfully implemented AI dubbing, AI painting, AI customer service, AI sentiment analysis, AI configuration, and AI video, achieving comprehensive empowerment of our business, significantly improving efficiency, and reducing operating costs. The company is committed to continuously innovating products and services through AI, ensuring it remains at the forefront in the highly competitive market and achieving sustainable value growth.

### Remarkable AI Innovation Achievements

#### Game Development Scenario

In-house AI gaming localization enables the localization of over a hundred games within a year. AI code review reduces the code bug rate by more than 50%. AI dubbing can handle 29 languages, greatly improving dubbing efficiency.

#### Game Operation Scenario

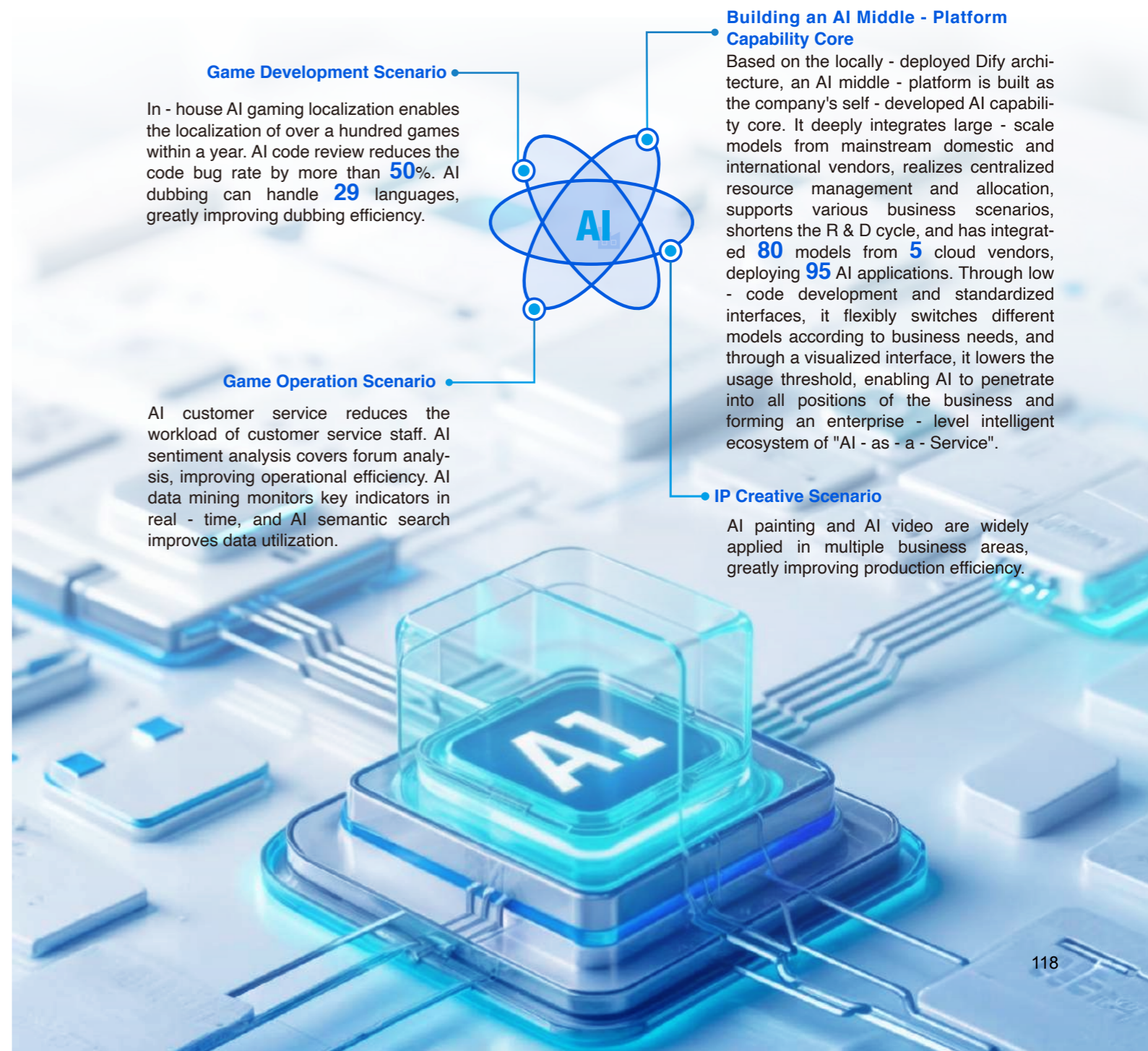
AI customer service reduces the workload of customer service staff. AI sentiment analysis covers forum analysis, improving operational efficiency. AI data mining monitors key indicators in real-time, and AI semantic search improves data utilization.

#### Building an AI Middle-Platform Capability Core

Based on the locally-deployed Dify architecture, an AI middle-platform is built as the company's self-developed AI capability core. It deeply integrates large-scale models from mainstream domestic and international vendors, realizes centralized resource management and allocation, supports various business scenarios, shortens the R & D cycle, and has integrated 80 models from 5 cloud vendors, deploying 95 AI applications. Through low-code development and standardized interfaces, it flexibly switches different models according to business needs, and through a visualized interface, it lowers the usage threshold, enabling AI to penetrate into all positions of the business and forming an enterprise-level intelligent ecosystem of "AI-as-a-Service".

#### IP Creative Scenario

AI painting and AI video are widely applied in multiple business areas, greatly improving production efficiency.



## AI - Empowered Game Development



### Cost Reduction and Efficiency Enhancement

Under the empowerment of AIGC, game projects can achieve cost reduction and efficiency enhancement throughout the entire process from initiation, development, launch, and promotion.



### Building Workflow

Utilizing AI technology, an art resource generation workflow is established, enabling efficient and automated mass production.



代号MBC

一款赛博机械风格的外骨骼拳击角色扮演游戏，让玩家体验高科技搏斗的刺激。



代号FTS

一款复古插画风格的农场休闲模拟经营游戏，让玩家体验与怀旧且有趣的田园生活。



代号ISG

一款AI情感陪伴的沉浸式恋爱模拟互动游戏。

## AI - Empowered Customer Experience Management

### AI - Assisted Construction of a Data - Driven Service System



#### Intelligent Optimization

The AI - driven intelligent service system has made breakthrough progress in the project. By building three core AI setups for the customer service scenario - the intelligent work order early - warning system, natural language processing knowledge model, and intelligent data dashboard platform, it has successfully optimized both operational efficiency and cost structure.



#### Human - Machine Collaboration

The human - machine collaboration model has significantly improved the timeliness of task processing. The intelligent work order dispatching mechanism, combined with optimized external team allocation, has driven down labor costs.



#### Intelligent Customer Service

Focusing on the implementation of a "lightweight AI service center", through experience - driven intelligent evolution, a high - cost - performance intelligent customer service solution has been constructed.

## VIP Business Upgrades to Intelligent Operation for Efficiency Enhancement

### Automatic Pushing

VIP core data is automatically pushed in real - time. Managers can obtain visual daily reports, with data response speed improved and decision - making timeliness upgraded exponentially.

### Intelligent Monitoring

An intelligent monitoring network is established, and an AI - driven user behavior monitoring system is built. It accurately captures changes in players' experience, automatically triggers personalized care plans, and significantly reduces the workload of manual monitoring.

### Churn Early - Warning

The churn early - warning rate for VIP users has been increased to over **90%**, and the quarterly retention rate of high - value users has increased significantly.

### AI - Driven Exclusive Service

An AI - driven exclusive service system is established, providing intelligent companionship throughout the VIP user's life cycle.

## Community AI - Enabled for a Heart - warming User Experience



#### AI Auto - Scan

Through the community sentiment radar system, AI automatically scans more than **2000** pieces of UGC content daily, generating real - time sentiment heat maps and keyword clouds, which greatly helps with business intervention and improves management efficiency.



#### AI Self - Service Butler

The online AI self - service butler supports players to independently complete high - frequency operations such as account binding and reward collection, significantly increasing the utilization rate of functions and promoting the self - service ecosystem for players.



#### Warm Community

Conduct warm - temperature community operations, establish a sentiment - behavior dual - path response mechanism, and respectively enhance the positive and mitigate the negative sentiment, stabilizing the overall community sentiment at a positive level.

# Value Co - creation: The Cornerstone of Trust

# 07

SDGs Targets Responded in This Chapter



## Contents of This Chapter

---

Product and Service Quality	123
Sustainable Supply Chain Construction	131
Continuously Creating Diverse Value for Global Customers	133



We deeply understand that product quality and service are the foundation of an enterprise's survival, and creating diverse value for global customers is our unwavering goal. Over the past year, we have thoroughly optimized our product portfolio, enhanced service quality, and integrated resources to provide a digital conveyor belt lifecycle solution, thus delivering quality value to our customers.

Meanwhile, we continue to drive the construction of a sustainable supply chain, aiming for a green transformation across the entire chain from raw material procurement to production and delivery. We firmly believe that only by truly understanding and meeting customer needs can we achieve genuine value co-creation, thereby promoting the green and efficient development of the entire industrial chain.



## Product and Service Quality

### Our Risks

Product and service quality is the foundation for BOTON to create value for customers.



#### In the Short Term

Product defects may lead to large - scale customer complaints, returns, compensation, and even legal disputes, directly affecting revenue and profit. Delayed or sub - standard service responses will reduce customer stickiness and cause market share losses. This is especially crucial for the iron and steel, cement, coal, and mining customers we serve, as it impacts the smooth transportation of bulk materials and the efficient utilization of resources worldwide.



#### In the Long Term

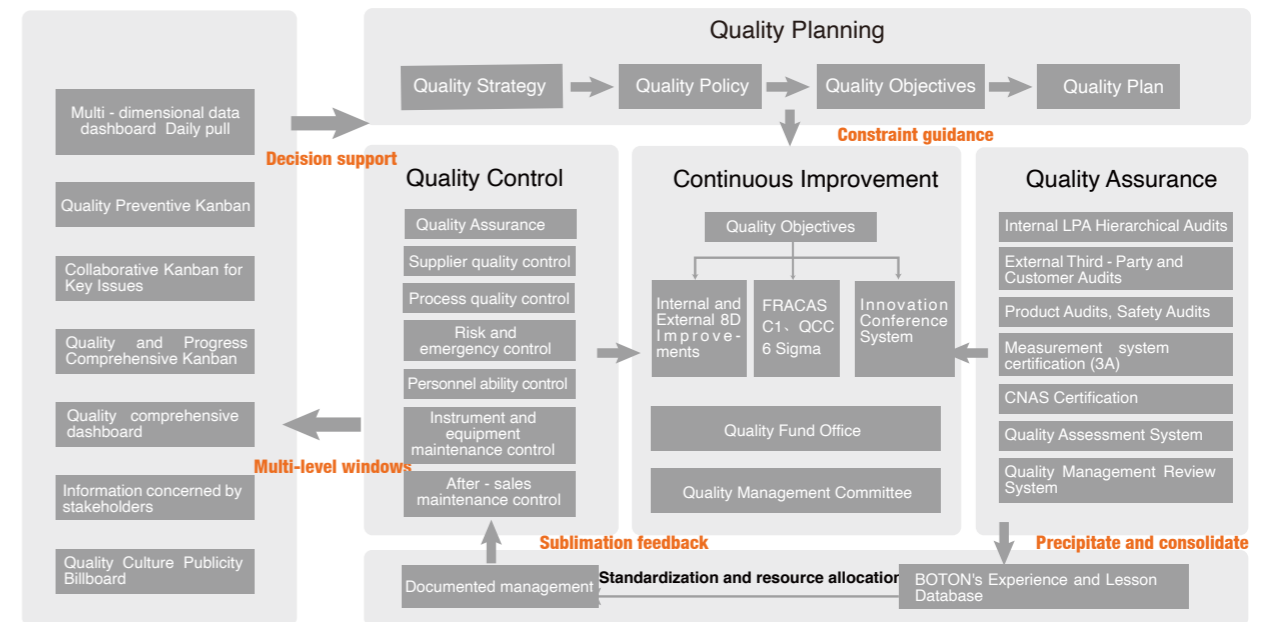
Over time, quality failures will erode brand reputation, causing the enterprise to lose customer loyalty and partner trust, and may even trigger supply chain reactions.

## Our Governance

### Quality Strategy

Based on the company's overall strategy, we have formulated a quality strategy of "pursuing highly reliable and zero - defect excellence". Through years of practical experience, the company has developed its own quality management model: a zero - defect, data - driven, full - process control management model. This quality management model is based on the classic PDCA cycle, emphasizing that all decisions are based on highly reliable data.

**Quality Strategy:** Pursuing highly reliable and zero - defect excellence  
**Quality Management Method:** Zero - defect, full - process control management method driven by highly reliable data



### Quality Policy

BOTON is committed to becoming a quality leader in the global intelligent conveyor field. To this end, we pledge:

All our actions are data - driven with high reliability.



## Quality Management System










Ultimately, we will deeply integrate these advanced management systems with the GB/Z 19580 excellent performance evaluation criteria, and successfully establish the company's unique, complete, and highly effective quality management system. This system comprehensively evaluates and improves the seven aspects of leadership, strategy, customers and market, resources, process management, measurement analysis and improvement, and results in a scientific manner, establishing a comprehensive, all - dimensional, and sustainable quality development model. This enables us to provide customers with high - quality products and services, thereby effectively promoting the company's long - term, stable, and sustainable development.



## Quality Promotion Framework

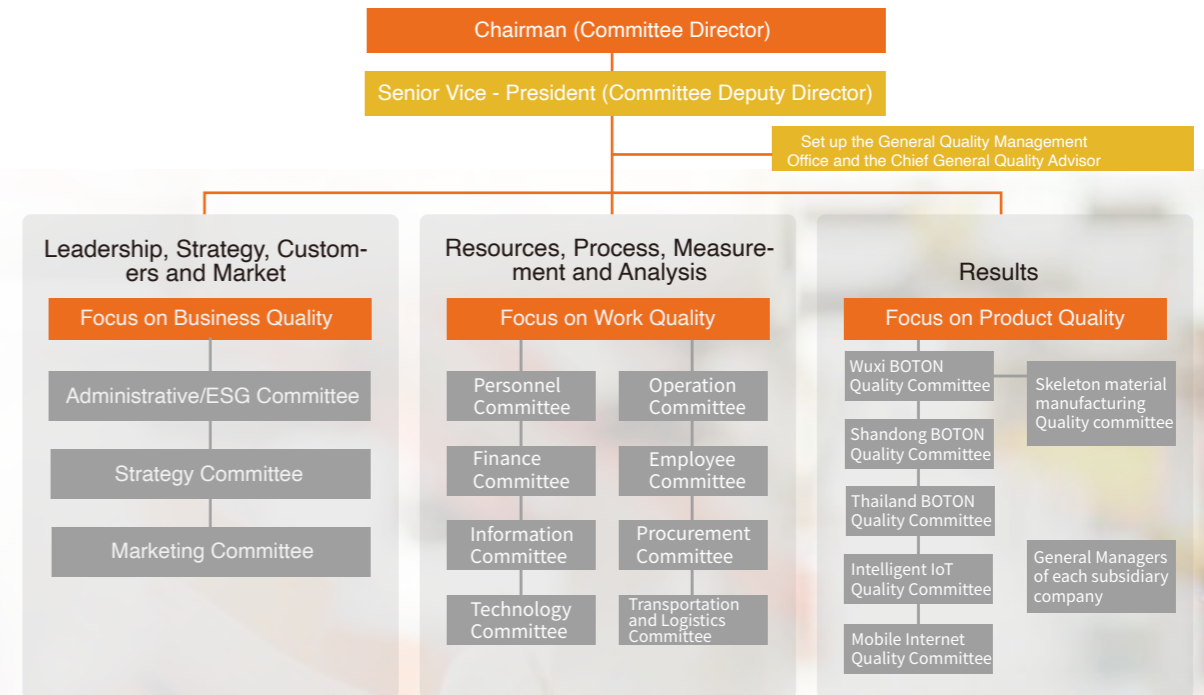
The company has established a Quality Working Committee, with the Chairman serving as the Director and the Senior Vice - President as the Deputy Director. Management personnel from various business lines serve as specific executive members, ensuring the continuous and efficient promotion of work quality, service quality, and business quality.

### Responsibilities of the Quality Committee:

 <p>Organize and formulate the group's quality work plan and submit it to the company's decision - making layer for review.</p>	 <p>Organize the establishment of quality promotion working groups in each subsidiary and form a backbone team for quality improvement.</p>	 <p>Determine the quality strategy and set corresponding quality objectives.</p>
 <p>Coordinate the decomposition and implementation of quality objectives to ensure full - staff participation.</p>	 <p>Develop relevant quality promotion training plans.</p>	 <p>Set annual key quality improvement projects and determine their priorities.</p>
 <p>Regularly organize quality work reviews and summaries, and listen to reports from various quality promotion teams.</p>	 <p>Conduct quality culture activities to create a positive atmosphere.</p>	 <p>Evaluate and commend advanced teams and individuals in quality activities.</p>

## Organizational Chart of the Committee

BOTON Quality Working Committee Organizational Chart



## Our Actions

### Establish a Quality Incentive Mechanism

To deeply promote quality work, the company has established a quality fund, aiming to give priority to providing necessary resource support for employees and teams that have made outstanding contributions in various quality work. This reflects the company's long - term investment in building a high - quality corporate culture. Through this fund, the company will reward positive behaviors that promote quality improvement throughout the entire process of product design, production, service optimization, and management enhancement, motivating all employees to care about quality with a higher sense of responsibility and mission, and creating a good atmosphere for all - staff participation in quality improvement.



## Service Quality

High - quality service is crucial for enhancing customer satisfaction, loyalty, and the company's competitiveness. During the service process, we gain in - depth understanding of customer needs, feedback, and pain points. This information provides valuable guidance for product improvement and innovation, and helps us better meet market demands and promote the sustainable development of the enterprise through continuous optimization of products and services.

Customer Satisfaction Score during the Reporting Period

**84.16**

### Establish a Scientific Service Quality Management System

#### Set service quality policy and objectives

Define a service quality policy centered around "creating value for customers", with a focus on ensuring the quality of conveyor belts and intelligent products. Set specific, measurable, and accountable service quality targets, such as customer satisfaction, complaint response, and service processing time. Delegate these targets to various departments and positions to ensure full - staff participation in service quality management.

### Optimize Service Processes and Standards

**Service process standardization:** Develop comprehensive service processes and operation guidelines, clarify the responsibilities and authorities of each department and position during the service process, and ensure smooth and efficient service delivery.

**Service content standardization:** Define the scope and content of services, including product installation and commissioning, training and guidance, inspection and maintenance, and technical consultation, to ensure comprehensive and professional service provision.

**Service standard quantification:** Set quantifiable service standards, such as response time, problem - solving time, and customer satisfaction, and conduct regular service quality evaluations and assessments to ensure the implementation of service standards.

### Improve Intelligent Service Levels

**Establish a digital customer service platform:** Based on standardized service processes and content, integrate service quality management to create a digital customer service platform. This platform effectively tracks product usage and quality, providing important data for product quality improvement. Since its launch in August 2024, it has handled **485** service requests, serving as an effective tool for enhancing service quality.

**Develop a customer service portal APP:** The customer service portal APP has been developed. It enables marketing personnel and customers to query product parameters and related joint parameters and obtain timely solutions when needed, thereby improving service efficiency and customer satisfaction.



### Strengthen Customer Feedback and Continuous Improvement

**Establish a customer feedback mechanism:** Collect feedback from customers on products and services through various channels in a timely manner, which helps us address customer needs promptly and make continuous improvements.

**Analyze customer feedback data:** Conduct in - depth analysis of the collected customer feedback data, identify the root causes and commonalities of problems, and formulate targeted improvement measures. Meanwhile, through data analysis, we can tap into customers' latent needs and market trends, providing a basis for product R & D and innovation.

**Continuous service quality improvement:** Based on customer feedback and data analysis results, continuously improve product and service quality, and constantly enhance customer satisfaction and market competitiveness.

### Establish a Global Technical Service Center

During the reporting period, the company officially established a global technical service center in Perth, Australia, to enhance global service capabilities and technical support efficiency. Domestically, there are Southern, Northern, Northwestern, and Shandong centers, and the overseas service network covers North America, South America, Australia, Africa, and Southeast Asia. By integrating global resources and technical support, we have built a powerful and flexible service system to ensure that customers can receive timely and professional services anywhere. The company is customer - oriented, promising to respond within **4** hours for regular services, arrive at the site within **48** hours, respond within **1** hour in case of emergencies, arrive at the site within **24** hours, and at the fastest within **2** hours. All these measures ensure that customers can quickly obtain support and solutions when facing challenges.

#### Service network



### Establish an African Technical Service Center

Under the framework of the global technical service center, the company has established an African technical service center in Nairobi, offering diversified technical services to customers across Africa. With an international perspective, the center provides a full range of technical services for the African market, including establishing a high - level, high - standard global service team that can independently handle the entire service process from pre - sales to installation, commissioning, and after - sales maintenance. Leveraging its rich industry experience, the African technical service center can provide customized solutions and value - added services according to the unique needs of the African market.

### Quality Culture Construction



With the in - depth advancement of the company's quality work, the company's quality fund has been operating efficiently. In 2024, the company issued a total of nearly **3,000** commemorative coins, rewarding more than **288** people. These coins can be directly exchanged for gold - related gifts. The distribution of commemorative coins has contributed to the construction of a quality culture where everyone cares about quality, improves quality, and enhances quality. The quality awareness has shifted from "I am required to care about quality" to "I actively care about quality".



Based on the company's long - term emphasis on quality brand culture construction and the guidance of the "I learn, I change, I build, I improve" campaign, the company continued to carry out quality activities in 2024, constantly enhancing its competitiveness in the industry and moving towards a higher - quality development path.

#### Held the Second Company - wide Quality Work Annual Meeting:

Summarized and commended the work, publicized the quality culture, and allocated the quality fund, promoting the quality work of each subsidiary of the group and providing guidance for the next - stage quality work.

#### Carried out various quality brand culture construction tasks:

Included the initiation of quality improvement projects, internal and external quality training, quality ratio evaluations, and daily zero - defect team evaluations, continuously enhancing the quality awareness of employees at all levels in the company, thus making the highly reliable zero - defect quality concept deeply rooted.

#### Launched the 2024 BOTON Quality Innovation Competition:

The event was rich in content, and employees actively participated, further promoting the improvement of employees' quality awareness. It encouraged employees to actively pay attention to quality details in daily work, and the quality management ability was continuously enhanced. The quality process was continuously improved and optimized, facilitating smoother cooperation among departments and promoting the company's quality brand culture construction.


# Sustainable Supply Chain Construction

## Our Risks

If upstream suppliers violate environmental or labor rights regulations, it may lead to regulatory penalties, legal disputes, and international customer boycotts, directly undermining the company's compliance foundation. Unsustainable raw material procurement will increase the risk of climate - related disasters, resulting in a sharp increase in key resource costs and affecting the achievement of the company's overall value chain goals. Insufficient supply chain resilience makes it vulnerable to geopolitical conflicts, natural disasters, or energy crises, disrupting production and delivery schedules and threatening customer relationships and market share.

## Our Governance

The company continuously improves its supply chain management system. Based on regulations such as the Procurement Management System and \*Procurement Control Procedures\*, during the reporting period, we formulated the \*Green Supply Chain Management System\*, further clarifying the requirement to fully consider environmental benefits in procurement activities. We prioritize the procurement of environmentally - friendly, energy - efficient, and resource - conserving raw materials, products, and services, balancing economic and environmental benefits. We comprehensively consider various aspects such as product design, procurement, production, packaging, logistics, sales, service, recycling, and reuse, working with upstream and downstream enterprises to create a green supply chain that fulfills social responsibilities in environmental protection and carbon reduction. Additionally, we have established an Intelligent Product Recycling System to promote the reuse of core components like batteries and chips.

		
<h3>Large suppliers</h3> <ul style="list-style-type: none"> <li>■ Seek win-win results through joint efforts and pursue collaborative development.</li> <li>■ Carry out in - depth cooperative relations.</li> </ul>	<h3>Small supplier</h3> <ul style="list-style-type: none"> <li>■ Ability cultivation</li> <li>■ Technical support</li> </ul>	<h3>Establish ecological network</h3> <ul style="list-style-type: none"> <li>■ Hold a supplier conference to share the best practices of suppliers' low-carbon development</li> <li>■ Initiate the sustainable supply chain initiative and promote the innovative development of the supply chain.</li> </ul>

## Our Actions

### Strengthen the Baseline

We require all tier - 1 suppliers to sign the \*Sustainable Cooperation Memorandum\*, committing to abide by labor rights, carbon neutrality, and other 12 principles. Suppliers must also sign the \*Code of Conduct for BOTON Suppliers\*, ensuring compliance with regulations regarding product quality, safety production, labor rights, employee care and development, business ethics, and environmental friendliness. Meanwhile, suppliers must sign the \*BOTON Supplier Integrity Agreement\*, ensuring compliance with business ethics laws and regulations, formulating corresponding policies and procedures, and assuming liability for violations.

### Build an Ecosystem

We issued a sustainable supply chain initiative, sharing best practices in low - carbon development with tier - 1 upstream and downstream suppliers. We jointly established a database of verified suppliers. During the reporting period, we held high - level exchanges with Jiangsu Powerway on intelligent conveying industry cooperation and completed an overseas conveying project, winning unanimous praise from customers. We also conducted high - level exchanges with a partner on aramid conveyor belt recycling and will continue to organize technical exchanges to jointly explore the research and development of recycling and reuse of aramid materials.

### Emphasize Assessment

The company has established a supplier evaluation mechanism, covering ESG assessment requirements in the assessment and evaluation of suppliers. During the reporting period, we completed ESG assessments for **30** suppliers.

### Promote Transformation

We introduced a "green procurement list", giving priority to energy - efficient and low - carbon sustainable materials, logistics transportation, and production methods with minimal environmental impact, while ensuring product performance.

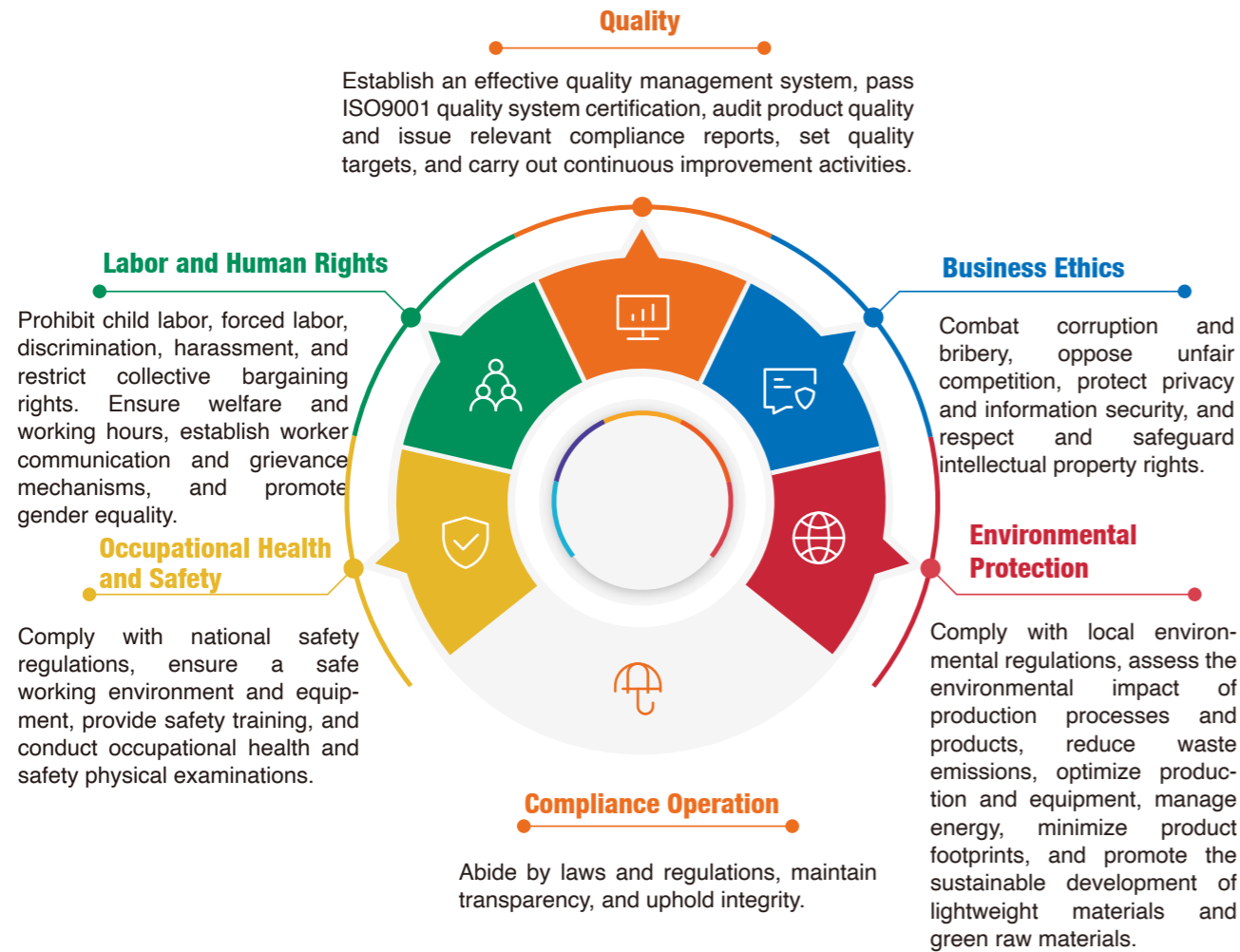
### Continuously Empower

During the reporting period, we continuously provided ESG - related training and publicity to suppliers, helping them take action in various aspects. Through publicity and training, some suppliers began to conduct carbon footprint assessments and obtain factory carbon emissions certifications. We also assisted three suppliers in improving their environmental management systems and occupational health systems through training. In 2024, we organized **65** ESG - related supplier communication, training, and policy promotion activities.

ESG Policy Promotion Activities	Number of Suppliers with Completed ESG Audits
<b>65</b>	<b>30</b>



### BOTON Supply Chain ESG Pre - approval Audit Requirements



## Continuously Creating Diversified Value for Global Customers

### Our Risks

A single - value orientation (such as focusing solely on price or function) and single - product or service offerings are insufficient to meet the increasingly diverse and personalized needs of customers. Under strategic trends like energy transformation and smart mining, customers have higher expectations for conveyor system lifecycle solutions and expect suppliers to be more proactive in innovation. Failure to provide diversified value may lead to decreased customer loyalty and loss of market share. Moreover, the lack of value co - creation at a deeper level weakens the industrial chain's synergy and effectiveness. In the context of ESG trends, customers have higher demands for enterprises' sustainable development capabilities. Diversified value creation is not only the core of customer relationship management but also crucial for enterprises to meet future market challenges.

### Our Governance

We adopt innovative technologies, provide fast - professional services and personalized solutions, and offer value - added services to provide customers with more precise value propositions. We continuously innovate and transform, evolving from a single - product manufacturer to a digital conveyor lifecycle solution service provider. Guided by strong customer demand, we follow the "product → service → ecosystem" evolution path, breaking through from single points to solve problems across the entire value chain. We lead from technology to ecosystem, constantly expand our capabilities, create value, and reshape the industry paradigm. Meanwhile, the company is also transforming from simply delivering products to delivering value, which is a powerful driving force for our leap - forward transformation.

### Our Actions

#### Diversified Value Creation

As a leading provider of intelligent end - to - end solutions for industrial bulk material transportation, BOTON Technology has established a green intelligent conveying service business model based on green products and digital conveyor lifecycle solutions. It has built a customer - centric ecosystem that continuously creates and provides diversified value.

#### Full Participation in the World's Energy Green - transition Key Metal Industrial Chain to Assist Global Decarbonization

##### West Musgrave Project

The company is involved in the construction of the world's largest new mining project, the West Musgrave Project. Collaborating with global renowned mining companies and global iron and steel giants, we have achieved success in intelligent online monitoring of conveyor belts and conveyor systems. This ensures that the ore from the West Musgrave Project can be smoothly transported globally, contributing to the decarbonization of the iron and steel industry.



### Improving Efficiency and Productivity

#### 70 Million Tons of Sand and Stone Aggregate Project under Construction

The company is currently building the largest 70 - million - ton sand and stone aggregate project in Asia. The project is equipped with a 40 - kilometer ST4500 high - performance steel - cord conveyor belt, which is the longest conveyor belt supplied by the company with a width of 4000 mm. It also includes a 4000 - meter aramid conveyor belt, the world's first long - distance aramid belt in the non - coal mine field. Under the same weight, the strength of the aramid conveyor belt is 6 times that of the steel - cord conveyor belt, enabling it to easily withstand the impact of gravel, significantly improving the conveying efficiency.

Supply the longest - route high - performance steel - cord conveyor belt

**40**km

Supply the world's first long - distance aramid conveyor belt in the non - coal mine field

**4000**m

#### Gansu Coal Mine Inclined Shaft Strong - Force Belt Extension and Modification Project

The company carried out the inclined shaft strong - force belt extension and modification project for a coal mine in Gansu. By replacing the original steel - cord conveyor belt with an aramid conveyor belt, the number of splices was reduced from 16 to 7, and the self - weight of the conveyor belt decreased from 81 tons to 48 tons. This significantly improved the safe operation coefficient of the conveyor and effectively reduced the number of repairs and labor intensity.

Number of splices reduced

**9**

Self - weight of conveyor belt reduced

**33**t

### Promoting Digital Transformation, Strengthening Customer Risk Management Capabilities, and Facilitating the Construction of Customer Digital Ecosystems

#### Successful Installation of X - Ray Frame Non - Destructive Monitoring Equipment in a Xinjiang Coal Mine

The company successfully installed 10 sets of X - ray frame non - destructive monitoring equipment for a coal mine in Xinjiang. This project marks the large - scale commercial success of the company's X - ray non - destructive monitoring equipment, winning customer recognition in the highly competitive market.

#### Successful Application of X - Ray and Thickness - Measurement Integrated Monitoring System

The company's X - ray and thickness - measurement integrated monitoring system has been successfully applied in a large - scale Australian iron ore mine of a top - three international mining company. It has been further recognized in the international market, and the X - ray and thickness - measurement integrated monitoring system has been applied at the Xstrata project site in Mexico, providing an intelligent solution for overseas mining and steel industries.

### Providing Innovative and Customized Solutions to Ensure Significant Competitive Advantages in the Market

#### Customized Intelligent Transformation for a Special Steel Enterprise

The company customized an intelligent transformation for a special steel enterprise in the Soviet - southern region. It implemented a series of digital systems, including an intelligent dot inspection system, intelligent online monitoring system, inspection robot, intelligent cleaning robot, water - recycling cleaning device, intelligent cleaner, and total package management system. The successful acceptance of this project demonstrates the company's professional capabilities and project execution efficiency in the field of intelligent technology.

### Joint Innovation and Technical Cooperation to Promote the Enhancement of Global Strategic Partnerships

#### Aramid Conveyor Belt and Steel - Cord Conveyor Belt Heterogeneous Joint Technology

The company collaborated with a coal mine in Inner Mongolia and another in Shanxi to develop the heterogeneous joint technology for aramid conveyor belts and steel - cord conveyor belts. Through the unique structural design of the aramid conveyor belt, the connection method between aramid and steel cords of different skeletons, and the research and development of adhesive for steel cords and aramid, this technology solved the technical problem of manufacturing joints for special - shaped skeleton - frame conveyor belts. The technology passed the scientific and technological achievement appraisal of the China Coal Industry Association on May 12, 2024, with experts deeming it "internationally leading".

- ✓ Solved the technical problems of the preparation process for the joints of conveyor belts with special-shaped skeleton layers

### Products and Services Facilitating the Dissemination of Customer Culture and Values



During the reporting period, the company joined the China - Africa Community Sustainable Development Action Network established by the United Nations Global Compact Organization (UNGC). By integrating the resources and efforts of all parties in the network, the company actively participates in the community construction and public welfare in African mining areas where customers are located, jointly contributing to the sustainable development of local communities.

## Mobile Internet

### Ensuring Product and Service Quality

Our business modules have established a comprehensive quality assurance system to ensure that users receive high-quality game products and services.



#### Stringent Game Product Quality Control

##### Full - process Quality Management

The company has established a full - process quality management system covering game research and development, testing, launch, and operation. By conducting user - habit adaptation assessments for product releases and having business evaluation departments conduct art, gameplay, and data evaluations, we ensure that products are in line with the target market.

##### Multi - level Testing System

We have established a multi - level testing system, including function testing, performance testing, security testing, compatibility testing, and user - experience testing, to comprehensively guarantee product quality.

##### Continuous Iterative Optimization

Based on user feedback and data analysis, we continuously optimize game products to improve product quality and user experience.



#### Continuously Improving User Service Quality

##### Diversified Service Channels

We provide diversified user service channels, including online customer service, telephone hotline, community forum, and social media group, for users to obtain assistance.

##### Enhancing Customer Service Professionalism

We strengthen customer service staff training to improve their professional ability and service awareness, providing efficient and friendly service for users.

##### Optimizing Service Processes

We continuously optimize user service processes, simplify operations, improve service efficiency, and shorten user waiting time.

##### User Feedback Mechanism

We have established a complete user feedback mechanism, actively collecting user feedback, and promptly responding to and resolving user issues to improve user satisfaction.



#### Responsible Game Operation

##### Underage Protection

We strictly abide by national laws and regulations regarding underage protection, implement measures to prevent underage addiction, and protect the physical and mental health of minors.

##### Review and Supervision

We have established a complete game content review and supervision mechanism to ensure that games are healthy, positive, and in line with social morality and ethics.

##### Anti - Addiction Measures

We have established complete anti - addiction measures, rationally arranging game time, and preventing excessive addiction.

##### Healthy Guidance

We guide users to develop a healthy lifestyle through in - game announcements, community publicity, and other means.

##### Anti - Cheating Efforts

We severely crack down on cheating in games to maintain game fairness and ensure normal user gameplay experience.

### Continuously Creating Value for Customers

#### VIP Customer Management Achievements

Our business modules have established a comprehensive quality assurance system to ensure that users receive high-quality game products and services.

**Achievement:** The scale of VIP users has increased by **200%** in one year, the quarterly user satisfaction has steadily increased, and the churn rate has been controlled within **5%**.

#### Community Management Achievements

In community operation, we have optimized content production mechanisms, deeply applied AI intelligent technology, achieved multi - channel user growth, and increased new user acquisition by 50% compared to before. We have comprehensively reorganized and optimized operations, specifically by establishing a special information synchronization mechanism. Targeting previous operation pain points such as low content output efficiency and slow response, we have implemented these measures. Through these efforts, the community sentiment environment has significantly improved, with positive sentiment volume increasing by over 100%, and both user participation and satisfaction have been significantly enhanced.

VIP user scale growth

**200%**

Quarterly churn rate control

**5%**

New user acquisition growth in the community

**50%**

Positive sentiment volume growth

**100%**



Successfully achieved a significant improvement in the community sentiment environment. The volume of positive sentiment has increased by more than **100%** year - on - year, and both user participation and satisfaction have been significantly enhanced.

# Community Symbiosis: Building a Value - driven Ecosystem

08

SDGs Targets Responded in This Chapter



## Contents of This Chapter

Building Quality Education	142
Ecological Protection	144
Promoting Inclusive Community Building	144
Poverty Alleviation and Assistance	147
Community Volunteer Services	148
Community Development	149

## Our Risks

The community is the "social license" for an enterprise's survival and development. In emerging markets and resource-dependent industries, the quality of community relations directly determines an enterprise's long-term stability and growth potential. Poor community management may lead to issues such as local residents' mistrust of local enterprises, including risks related to reputation, brand, and potential regulatory actions. Ignoring the real needs of the community can result in a lack of public resources, difficulties in achieving sustainable resource allocation, and potential disruptions to operations. Positive community relations also serve as an implicit competitive edge for talent attraction.

## Our Governance

The company's philosophy on community building is to contribute to local communities wherever its business operates globally. The company's community strategy is formulated by the Board of Directors' Strategy and Sustainable Development Committee, with the ESG working group overseeing implementation. Each subsidiary designates a general manager responsible for community management, while labor unions and administrative departments handle community participation, volunteer services, and community development projects. To ensure effective communication, we require subsidiary general managers to regularly visit the community and engage directly with residents.

## Our Actions

In today's interconnected world, every act of kindness can create a ripple effect. We firmly believe that even the smallest act of kindness can foster boundless love. The company adheres to the concept of "using small kindness to inspire great love", focusing on four key areas: "enlightening the mind", "providing quality education", "protecting the environment", and "building inclusive communities", as well as poverty alleviation and assistance. Guided by the four principles of "lighting the lamp of wisdom", "protecting the earth", "gathering diverse paths", and "uniting hearts", the company continuously explores a sustainable public-welfare model, striving to achieve the goal of sustainable development where people, industry, and society coexist harmoniously.



## Building Quality Education

### 01 Continued Contribution of 2 Million Yuan to BOTON Dedicate Education Foundation

BOTON Dedicate Education Foundation and relevant schools signed scholarship agreements. During the reporting period, a total of 2 million yuan was contributed to the foundation, which was used for school-level scholarships, teaching project support, teaching material upgrades, and teacher talent cultivation, promoting the development of national education.

In 2024, the BOTON Dedicate Education Foundation donated 1 million yuan to the "Lighting the Lamp, Dreaming of the Future" youth mental health care project. This youth mental health project focuses on the widely-concerned issue of youth mental health, targeting teachers, students, and parents in primary and secondary schools across the district. In the next three years, the BOTON Dedicate Education Foundation will invest 1 million yuan in this project, covering 38 primary and secondary schools (including special education schools), serving 4,687 teachers and benefiting 69,941 students.



### Establishment of a Youth Science Education Practice Base



During the reporting period, the company collaborated with the Xishan Charity Federation and the Xishan Science and Technology Association in Wuxi to establish the BOTON Youth Science Education Practice Base. The base aims to cultivate young people's scientific spirit, help them develop innovative thinking, and enhance their practical abilities. The company will utilize its technological advantages to provide professional systematic courses and increase opportunities for hands-on practice, project participation, and problem-solving.

### 03 Launch of the Company's Engineering Education Project

During the reporting period, we launched the engineering education base project, aiming to cultivate children's sense of responsibility towards the earth and life and to promote sustainable development. The project focuses on three aspects: community sustainable development education, scientific exploration, and family-school-community collaboration. It integrates courses into community and school activities, enabling children to start small, explore science, and experience scientific exploration firsthand. The scientific exploration activities, such as field trips and experiments, inspire children's interest in science, and the family-school-community collaboration provides a platform for environmental protection, encouraging participation in global governance.



# 04

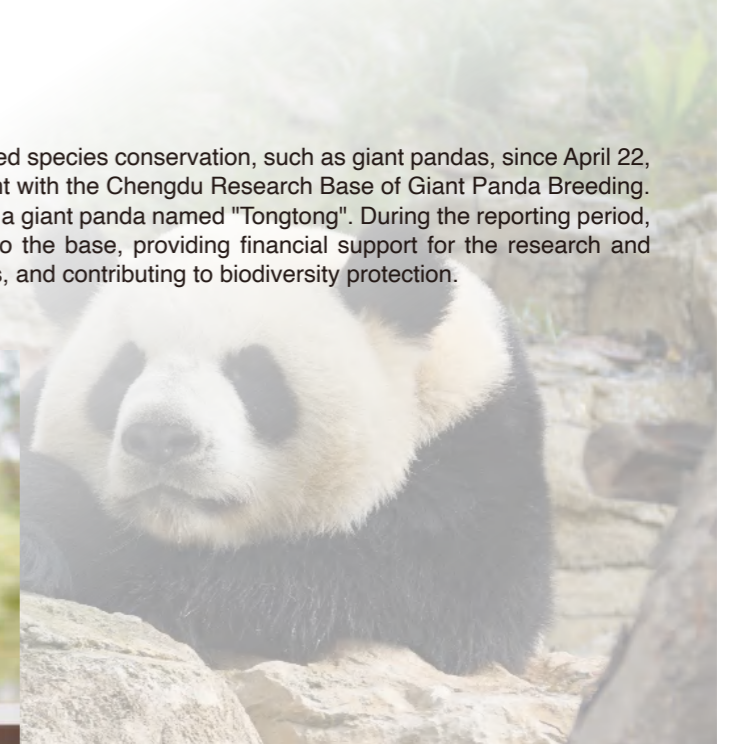
## Boosting Community Youth Sports

In Rayong, Thailand, the company collaborated with Ban Khao Khai County, the Royal Thai Navy Base, and the administrative organization of Nong Lalok Sub - district to host a youth soccer league, creating a "Sports + Education" community development model. The league was open to youth under 18, providing them with a platform to showcase and surpass themselves. The company's support injected energy and cohesion into the community, attracting numerous families and residents to participate and fostering a sense of community. Soccer not only enhances youth physical fitness but also imparts values such as teamwork, competition, and sportsmanship. This "Sports + Education" model offers a new educational perspective for the community, aiding in the cultivation of well - rounded, adaptable individuals.



# Ecological Protection

To promote the sustainable development of endangered species conservation, such as giant pandas, since April 22, 2022, the company has signed an adoption agreement with the Chengdu Research Base of Giant Panda Breeding. Through adoption, the company successfully adopted a giant panda named "Tongtong". During the reporting period, the company continued to donate 500,000 yuan to the base, providing financial support for the research and conservation of endangered species like giant pandas, and contributing to biodiversity protection.



## Company - organized Space - themed Summer Camp

During the reporting period, the company launched a space - themed summer camp for the community, aiming to help young people learn about space and intelligent manufacturing, and create an "integrated virtual - real" immersive educational environment. The camp was held four times during the summer vacation, with over 500 students participating. Based on engineering education concepts, the camp combined scientific knowledge with fun. Students had the opportunity to access advanced production lines and equipment, visit digital experience halls, listen to digital employee lectures, and experience Space1 through 3D immersion, gaining a preliminary understanding of space exploration. Employees also shared the intelligent delivery mini - stations they developed. This initiative breaks the traditional education model, stimulates students' interest and critical thinking, and lays the groundwork for cultivating innovative talent.

# 05



# Promoting Inclusive Community Building

## Making Friends with Children with Special Needs

During the reporting period, the company continued its cooperation with the Wuxi Xishan Special Education School, providing educational assistance to children with autism. During the donation ceremony of the "Special Love for Special You" project, the company donated 300,000 yuan to the school. Over the years, the company has consistently supported this special group, offering assistance and humanistic care to help them better integrate into society and explore more possibilities. Notably, the children from the Xishan Special Education School also presented the company with ESG - themed paintings.



The young volunteers from Guangzhou Yimeng and the Guangzhou Qizhi Volunteer Team visited the Zhiling School in Guangzhou. They meticulously planned and spent Children's Day with the children there. The volunteers brought various teaching aids, set up an evening event, and participated in interactive games with the children, bringing them joy and warmth. This experience made the children deeply feel the care and respect from society, facilitating their smoother integration into the larger social community.



**Guarding the Dream of Australian Women's Basketball**

BOTON Australia has established the **"BOTON Community Sport Sponsorship"** in the local community to encourage young people to engage in sports and promote sportsmanship. To promote gender equality and empower young women in sports, we have been supporting the Cockburn Cougars, a women's youth basketball team in Western Australia. This support enables them to participate in the Women's Western Australian Basketball League (WABL), one of the highest-level youth basketball leagues in the region. The team has previously achieved remarkable third-place results, and our sponsorship helps them receive systematic training and guidance, promoting their continued participation in sports. This is especially important for young women in the region, as over 50% of girls stop participating in sports by the age of 15.



Meanwhile, the BOTON Australia community public-welfare fund also sponsored the local CARINE NETBALL girls' youth netball tournament, providing support and training opportunities for girls with basketball dreams. This not only enhances BOTON Australia's influence in the local community but also strengthens the bond with community residents.



A very BIG thank you to our 2025 sponsors ...



**Innovative Special Public-welfare Bazaar**



The "Back-up Public-welfare Bazaar" is a special project that embodies the benevolence of all employees in the company. Since 2023, It has formed a unique model of **"enterprise leadership + community participation + long-term assistance"**, allowing the public-welfare project to receive support from employees and management. The bazaar also invites the Wuxi Xishan Disabled Persons' Home and Xishan Special Education School to participate, purchasing their handicrafts to help them increase income and improve their lives. In September 2024, the total revenue from the employees' public-welfare stalls, exceeding 200 pens of consumption records, was donated to the Xishan Special Education School for vocational and technical education projects, creating a deeper impact.

**Joining Hands with a Coffee Shop Run by the Deaf to Play a Symphony of Inclusiveness**

The company has established a long-term and in-depth partnership with "Leyue Coffee", a unique coffee shop in Wuxi run by a deaf person. We take a series of actions to promote a **more inclusive and diverse community**: first, we invite "Leyue Coffee" to participate in internal activities and set up special booths to showcase its products; second, we prioritize using its products for external customer reception to increase its exposure and sales, helping the deaf community. These actions draw public attention to special groups, enhance public understanding and acceptance of them, and guide society to show more care, thus building an inclusive and harmonious community.



**"Hello, World!"**

"Hello, World!" is a project designed for **young women in poverty**-stricken ethnic minority areas, aiming to provide them with opportunities to explore the world and experience scientific and technological charm, thereby promoting community inclusiveness. The project is held every summer vacation, inviting young women from Guizhou, the province with the largest ethnic minority population in China, to participate in a summer camp. In August 2024, these girls visited the company's factory, laboratories, and exhibition halls.

In the factory, they witnessed modern production processes and learned about advanced productivity improvement principles; in the laboratories, complex instruments and precise operations allowed them to feel the charm of science; in the exhibition halls, innovative achievements and applications broadened their horizons and made them realize the boundless possibilities of technology. This not only stimulates their potential and dreams but also fundamentally promotes the multi-faceted inclusiveness of the community.



## Poverty Alleviation and Assistance

For many years, BOTON's senior leadership has consistently visited poverty-stricken households in the community. Over the past **16** years, they have provided assistance to **150** poverty-stricken families, offering necessary material and financial support. Moreover, through education and skills training, the company has helped these families enhance their self-development and livelihood-improvement capabilities. In 2024, the company visited **40** poverty-stricken households. While expressing care and solicitude, it actively implemented various assistance policies, helped solve medical problems for residents, and encouraged them and their families to stay positive, cooperate with treatment, and recover as soon as possible.



We actively contribute to rural revitalization. In Yichuan County, Yan'an, Shaanxi, we have taken the lead in managing apple orchards, providing a stable income source for fruit farmers. In the local area, apple cultivation is the main source of income for many families. However, due to market fluctuations, sales channels, and other factors, fruit farmers' incomes were unstable. The company's action of taking the lead in managing apple orchards is equivalent to pre-ordering some of the fruit farmers' products in advance, solving their worries and ensuring that the fruits on every tree can be sold, thus turning the hard work of fruit farmers into tangible economic benefits and facilitating industrial prosperity.

On the path of public welfare, the company has always spread the light of love. Internally, BOTON actively encourages employees to engage in public welfare, cultivating their sense of love and social responsibility, and integrating philanthropy into corporate culture, making it a continuous corporate tradition. Employees actively responded to the company's "Love-giving Day" initiative, with a total of **67,392.66** yuan raised. As the main body of the enterprise, the company, as an exemplary role model, donated **1** million yuan to assist those in need, sending warmth and hope to people in distress. This act of giving not only reflects love but also a sense of social responsibility, gathering love and hope to make the world a better place.



## Community Volunteer Services

In 2024, we officially issued the BOTON Dedicate Volunteer Public-welfare Points Management Implementation Measures internally. This uses points to record every act of kindness and manages public-welfare activities in a standardized way, opening up more possibilities for public-welfare initiatives. During the reporting period, 355 people participated in volunteer services, accumulating 1853.5 hours of public-welfare time and 6676 public-welfare points.

### "1+N" Volunteer Service Matrix

We have constructed a "1+N" volunteer service matrix. In multiple volunteer service activities, 1 venue offers N types of services, covering themes such as home safety, health consultation, emergency training, low-carbon promotion, elderly care services, and waste sorting. During the reporting period, we provided services to over **300** elderly people in the community, contributing to community development.



### Charity Bazaar Activities

In October 2024, the company held a unique charity bazaar in Meili Ancient Town. This event was a celebration of the 75th anniversary of the founding of the People's Republic of China through practical actions, and it was also the first time this classic charity project of the company stepped out of the enterprise. The bazaar generated **107** orders, raising a total of **2,039** yuan, all of which was donated to the "Children - friendly Urban (Community) Construction Public - welfare Project".

In November 2024, the second Children's Charity Bazaar, "A Better Future: Walk with Love", jointly organized by the Women's Federation, Communist Youth League, Civil Affairs, Education, and Health departments of Meicun Sub - district, was successfully held at the Meili Ancient Town City Square. People from all walks of life and volunteers actively participated, creating a warm symphony of love.



## Community Development

### Joining the China - Africa Community Sustainable Development Action

During the reporting period, the company joined the **China - Africa Community Sustainable Development Action Network** initiated by the United Nations Global Compact Organization (UNGC). This network is an international platform that establishes long - term relationships among enterprises investing and operating in Africa, public sectors, and stakeholders in the social field. Enterprises and organizations within the network collaborate, leveraging their resources and advantages, to jointly promote the sustainable development of African communities.



We have released two action plans through this network:

#### Future Conveyor Operator Training Plan

We aim to enhance the technical service capabilities of young people in the community in intelligent conveying systems through training, thereby improving their **vocational skills and employability**. This provides long - term development momentum for the community. For those who pass the training, the company gives priority to providing employment opportunities.



#### "Sunshine Road" Project

This project uses decommissioned rubber conveyor belts to pave community roads, improving the **infrastructure and living environment of the community**.



### Company's Sustainable Development Course in the Community Project

"Let's Walk Towards a Sustainable Future" is a public - welfare course on sustainable development developed by our company for the community. In an era when the world faces numerous sustainable development challenges, this course focuses on the **17** sustainable development goals of the United Nations and innovatively constructs a three - level education network of "family - community - society". As the basic unit of society, the family is where environmental awareness and sustainable development concepts are cultivated. By extending education to the family level, sustainable development concepts can be spread and practiced in daily life, cultivating family members' sense of environmental responsibility and action.

The community is a crucial platform for spreading and practicing sustainable development concepts. It enables different families to learn, communicate, and cooperate, forming a positive community environmental protection atmosphere. By promoting sustainable development concepts to a wider social group, it drives the entire society to transform towards a sustainable development model. In 2024, through immersive workstations and interactive experience devices, this course reached more than **300** families, popularizing the significance of sustainable development. It also called on everyone to start with small actions, starting from themselves, gathering the power to change the world, and cultivating **a vanguard group for community sustainable development**.



## Appendix 1: ESG Performance Table

Economic Performance			
Indicator Name	Unit	2024	2023
Total Assets	Ten - thousand Yuan	612,691.69	580,337.19
Operating Revenue	Ten - thousand Yuan	330,202.29	365,540.32
Net Profit	Ten - thousand Yuan	25,391.38	11,099.91
Net Profit Attributable to Shareholders of Listed Company	Ten - thousand Yuan	20,993.04	10,606.38
Basic Earnings per Share	Yuan / Share	0.5073	0.2572

Environmental Performance				
Greenhouse Gas Emissions				
Indicator Name	Unit	2024	2023	2022
<b>Total Emissions</b>				
Total Greenhouse Gas Emissions	Ton of Carbon Dioxide Equivalent	229867.98	201721.83	199062.60
Scope 1 Emissions	Ton of Carbon Dioxide Equivalent	2501.68	1743.06	1216.34
Scope 2 Emissions	Ton of Carbon Dioxide Equivalent	37804.90	45688.01	57910.12
Scope 3 Emissions	Ton of Carbon Dioxide Equivalent	189561.40	154290.76	139936.14
Total Greenhouse Gas Emissions at the Operational Level (S1 + S2) Decreased by 31.8% Compared to the Baseline Year				
<b>Emission Intensity</b>				
Greenhouse Gas Emission Intensity	Ton of Carbon Dioxide Equivalent / Ten - thousand Yuan	0.122	0.130	0.181
Greenhouse Gas Emission Intensity Decreased by 32.7% Compared to the Baseline Year				

Three - Waste Emissions				
Indicator Name	Unit	2024	2023	
<b>Waste Gas Emission Pollutants</b>				
Net Profit Attributable to Shareholders of Listed Company	Ton	7.84	2.87	
Nitrogen Oxides	Milligram	Not Detected	Not Detected	
Sulfur Dioxide	Milligram / Cubic Meter	Not Detected	Not Detected	
VOC Emissions per Unit Product	Gram / Square Meter	0.23	0.13	
<b>Wastewater Pollutants</b>				
Chemical Oxygen Demand (CODcr)	Ton	3.08	NA	
Five - Day Biochemical Oxygen Demand (BOD5)	Ton	1.09	NA	
Suspended Solids	Ton	1.12	NA	
Total Sulfur	Ton	0.05	NA	
Total Nitrogen	Ton	1.63	NA	
Ammonia Nitrogen	Ton	0.83	NA	
Petroleum - type Animal and Vegetable Oil	Ton	NA	NA	
<b>Non - Hazardous and Hazardous Waste</b>				
Domestic Waste (including Food Residue)	Ton	504.15	101.2	
General Industrial Solid Waste	Ton	2496.13	1976.3	
Hazardous Waste	Ton	24.61	14.921	
Solid Waste Discharge per Unit Product	Gram / Square Meter	107.15	107.59	
<b>Resource Use</b>				
Indicator Name	Unit	2024	2023	2022
<b>Direct Energy</b>				
Domestic Waste (including Food Residue)	m³	830102	746584	487899
General Industrial Solid Waste	Liter	20675.238	49508	40780.28

Diesel	Liter	37185.23	39908.19	41570.23
Ethane	kg	1440	2715.50	1715
Propane	kg	1305	330	1145.50
<b>Indirect Energy</b>				
Total Electricity Consumption	kWh	51396112.73	45006550	42397172
Purchased Electricity (Excluding Photovoltaic)	kWh	46566374.73	40213516	40621324.70
Photovoltaic Power Generation	kWh	4829738	4793034	1775847
Green - certified / Green Electricity	kWh	18521788	7000000	0
Total Steam Consumption	Ton	70439	88116	114219.16
Proportion of Green Electricity Use	%	45.43	26.2	4.2%
<b>Total Energy Consumption Data</b>				
Total Energy Consumption	tce	14120.64	14932.36	16725.39
Energy Consumption per Unit Revenue	Kgce/10,000 Yuan	42.76	40.85	51.32
<b>Water Resource Use</b>				
Water Intake	Ton	182772	218169	213902
Water Discharge	Ton	100661.80	NA	NA
Water Consumption	Ton	82110.20	NA	NA
Water Consumption per Unit Revenue	Ton/10,000 Yuan	0.55	0.60	0.66

**Social Performance**

**Employment**

Indicator Name	subdivide	Classification	2024Result	Proportion (%)	2023Result	Proportion (%)
Gender		Male	1103	72.81%	1132	74%
		Female	412	27.19%	404	26%
		<30 years old	357	23.56%	440	28%

Employee composition	Age	30 - 40 years old	641	42.31%	644	42%
		40 - 50 years old	361	23.83%	333	22%
		>50 years old	156	10.30%	119	7.8%
	Education	Below Junior College	577	38.09%	585	38.46%
		Junior College	256	16.9%	269	17%
		Bachelor's Degree	590	38.94%	590	38%
		Master's Degree and Above	88	5.81%	92	6.04%
	ethnic group	Han	1368	90.30%	1364	88%
		Ethnic Minorities	21	1.39%	25	2%
		Foreign Employees	126	8.23%	147	9%
	region	Domestic	1350	89.11%	1385	89.5%
		Overseas	165	10.89%	151	9.8%
Employee Type	Middle and Senior Management	158	10.43%	177	11%	
	Grassroots Employees (IDA)	777	51.29%	785	51%	
	Front - line Employees (DL)	580	38.28%	574	38%	
	R & D Technical Personnel	294	19.41%	314	21%	
	Marketing Personnel	214	14.13%	238	15%	

Employee Turnover Rate	2024	2023
Voluntary Turnover Rate	15.91%	19.68%
Involuntary Turnover Rate	8.52%	11.06%
Labor Contract Signing Rate	100%	100%
Social Insurance Coverage Rate	100%	100%
Employee Satisfaction	99	94.73

Health and Safety				
Indicator Name	Unit	2024	2023	
<b>Industrial Injury</b>				
Death of Employees due to Industrial Injury	Person	0	0	
Number of Industrial Injury Incidents of Employees	Case	6	6	
Industrial Injury Rate of Employees	%	0.8	0.39	
Lost - work - hour Injury	Hour	5664	2376	
<b>Safety Training</b>				
Number of Sessions	Session	324	333	
Total Duration	Hour	34389	11333.3	
Number of People Covered	Person-time	4777	6981	
Emergency drill	Session	70	62	
Contractor/Supplier Safety Training	person-time	1232	172	
<b>Occupational Health</b>				
Pre-job, in-job, and post-job physical examination rates	%	100	100	
Annual inspection qualification rate of occupational hazard posts	%	100	100	
Occupational diseases and suspected occupational disease cases	Case	0	0	
<b>Safety Investment</b>				
Number of Safety Hazards Found Throughout the Year	Item	683	186	
Rectification Rate of Safety Hazards	%	100%	100%	
Total Safety Investment	Ten - thousand Yuan	396.73	880.02	
<b>Employee Health Management Center</b>				
Number of Health Lectures and Consultation Activities	Session	12	8	
Percentage of Employees with Chronic Diseases Managed by Specialist Doctors for Health Files	%	100	100	

Employee Training					
Indicator Name	Unit	2024	2023		
<b>Number of People Covered by Training</b>					
Middle and Senior Management	Person	151	124		
Grassroots Employees	Person	753	505		
Front - line Employees	Person	622	772		
<b>Total Training Duration</b>					
Middle and Senior Management	Hour	7013.7	7028.7		
Grassroots Employees	Hour	36258.6	22609.05		
Front - line Employees	Hour	37918.7	22956.8		
<b>Annual Average Training Hours per Person</b>					
Middle and Senior Management	Hour	46.4	45.2		
Grassroots Employees	Hour	48.2	33.2		
Front - line Employees	Hour	61	32.2		
<b>Total Training Investment</b>					
Annual Total Training Investment	Ten - thousand Yuan	292.96	110.01		
<b>Equality, Inclusion, and Diversity</b>					
Indicator Name	Unit	2024Data	Proportion (%)	2023Data	Proportion (%)
Disabled Employees	Person	17	1.12%	15	0.98%
Number of Managers	Person	158	10.43%	177	11%
Number of Female Managers	Person	43	27.22%	46	26%
Number of Foreign Employees	Person	126	8.32%	147	10%
Number of Employee Activities	Session	51		53	
Number of Community Activities	Session	157		174	

R & D Investment			
Indicator Name	Unit	2024Data	2023Data
R & D Investment	Ten - thousand Yuan	14140.83	16330.08
Proportion of R & D Investment to Operating Revenue	%	4.28	4.47

Intellectual Property Protection			
Indicator Name	Unit	2024Data	2023Data
Patent Applications	Piece	37	40
Authorized Patents	Piece	26	16

Standard Revision			
Indicator Name	Unit	2024Data	2023Data
Number of Standard Revisions	Item	7	10

Supplier Management			
Indicator Name	Unit	2024Data	2023Data
Supplier Code of Conduct Signing Rate	%	100	100
Supplier Integrity Agreement Signing Rate	%	100	100
Supplier ESG Training and Communication	Session	65	75
Supplier ESG Audits	Home	30	NA

Customer Service			
Indicator Name	Unit	2024Data	2023Data
Customer Service Satisfaction	Score	84.16	83.6
Technical Service Patents	Item	0	3

Community Public Welfare			
Indicator Name	Unit	2024Data	2023Data
Total Public Welfare Investment	Ten - thousand Yuan	313.74	224.94
Investment in Education	Ten - thousand Yuan	100	138.3

Investment in Ecological Protection	Ten - thousand Yuan	50	50
Number of Public Welfare Activities	Session	36	32
Volunteer Service Hours	Hour	1853.5	619

Governance Performance		
Board of Directors Composition		
Indicator Name	Number of Board Members (Person)	Proportion (%)
Total	7	100%
Non - independent Directors	4	57.14%
Independent Directors	3	42.86%
Female Directors	2	29%
Female Independent Directors	1	33%

Business Ethics Training Coverage			
Indicator Name	Unit	2024Data	2023Data
Board of Directors and Senior Management	%	100	100
Employees	%	100	100
Suppliers	%	100	100

Information Disclosure and Investor Relations			
Indicator Name	Unit	2024Data	2023Data
Number of Disclosures	Piece	171	125
Earnings Briefings	Times	3	5
Exchanges with Investment Institutions	Person-time	≥400	≥500
Roadshow Exchanges	Person-time	≥1000	≥1000

## Appendix 2: GRI Index Table

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
<b>General Disclosures</b>			
<b>Organizations and Their Reporting Practices</b>	GRI 2-1 Organization Details	Introduction to Boton Technology	
	GRI 2-2 Entities Included in the Organization's Sustainability Report	About This Report	
	GRI 2-3 Reporting Period, Reporting Frequency, and Contact Person	About This Report	
	GRI 2-4 Information Reproduction	About This Report	
	GRI 2-5 External Assurance	Appendix 3: Third - Party Assurance Statement	
<b>Activities and workers</b>	GRI 2-6 Activities, Value Chains, and Other Business Relationships	Boton Technology's Business   Construction of Sustainable Supply Chain	
	GRI 2-7 Employees	Employee Development and Rights   Occupational Health and Safety Management   Diverse and Inclusive Employment   Employee Training and Development	
	GRI 2-8 Workers Other Than Employees	ESG Performance Table	
<b>Governance</b>	GRI 2-9 Governance Structure and Composition	Deepening Governance	
	GRI 2-10 Nomination and Election of the Highest Governance Body	Deepening Governance	
	GRI 2-11 Chair of the Highest Governance Body	Deepening Governance	
	GRI 2-12 Oversight Role of the Highest Governance Body in Managing Impacts	Deepening Governance   ESG Governance Structure	
	GRI 2-13 Delegation of Responsibility for Managing Impacts	Deepening Governance	
	GRI 2-14 Role of the Highest Governance Body in the Sustainability Report	Deepening Governance   ESG Governance Structure	
	GRI 2-15 Conflicts of Interest	Deepening Governance   Board Independence and Diversity	
	GRI 2-16 Communication on Key Governance Issues	Deepening Governance   ESG Governance Structure   Risk Management	
	GRI 2-17 Common Knowledge of the Highest Governance Body	ESG Governance Structure   Sustainable Development Management	
	GRI 2-18 Performance Evaluation of the Highest Governance Body	Deepening Governance   ESG Governance Structure	
	GRI 2-19 Remuneration Policy		Not applicable. The relevant information has been disclosed in the annual report.
GRI 2-20 Procedures for Determining Remuneration		Not applicable. The relevant information has been disclosed in the annual report.	

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
	GRI 2-21 Annual Total Remuneration Ratio		Due to the privacy policies of some subsidiaries and the collective bargaining management of labor unions in some subsidiaries, the group has not collected relevant information in this regard
<b>Strategy, Policies, and Practices</b>	GRI 2-22 Statement of the Sustainability Development Strategy	Sustainable Development Management   Boton Technology's ESG Strategy	
	GRI 2-23 Policy Commitments	Risk Management   Business ethics and anti-corruption   Compliance operation   User Privacy and Data Security Protection	
	GRI 2-24 Integrated Policy Commitments	Risk Management   Business ethics and anti-corruption   Compliance operation   User Privacy and Data Security Protection	
	GRI 2-25 Procedures for Addressing Negative Impacts	Risk Management   Business ethics and anti-corruption   Compliance operation   User Privacy and Data Security Protection	
	GRI 2-26 Mechanisms for Seeking and Submitting Relevant Inputs	Risk Management   Business ethics and anti-corruption   Compliance operation   User Privacy and Data Security Protection	
	GRI 2-27 Compliance with Laws and Regulations		Not applicable. There were no illegal or irregular incidents during the reporting period.
	GRI 2-28 Membership in Associations	ESG Governance Effect   Green Production	
	<b>Green Production</b>	GRI 2-29 Methods of Stakeholder Engagement	Stakeholder Engagement
GRI 2-30 Collective Bargaining Agreements		Employee Development and Employee Rights Protection	
<b>Substantive issues</b>			
<b>Substantive issues 2021</b>	GRI3-1 Process for Determining Materiality Issues	Stakeholder Engagement	
	GRI3-2 List of Materiality Issues	Substantive issue assessment	
<b>Economic Performance 2016</b>	GRI 3-3 Management of Substantive Issues	Response to Climate Change	
	201-1 Directly Generated and Distributed Economic Value	ESG Performance Table	
	201-2 Financial Impacts of Climate Change and Other Risks and Opportunities	Response to Climate Change	
	201-3 Obligations under Statutory Welfare Plans and Other Provisions	Employee Development and Employee Rights Protection	
<b>Indirect Economic Impact 2016</b>	GRI 3-3 Management of Substantive Issues		Not applicable. The relevant information has been disclosed in the annual report.
	203-1 Infrastructure and Support Services		Not applicable. The relevant information has been disclosed in the annual report.
	203-2 Major Indirect Economic Impacts		Not applicable. The relevant information has been disclosed in the annual report.

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
<b>Procurement Practices 2016</b>	GRI 3-3 Management of Substantive Issues	Sustainable Supply Chain Building	
	204-1 Proportion of Purchases from Local Suppliers		Not applicable. The relevant information has been disclosed in the annual report.
<b>Anti - corruption 2016</b>	GRI 3-3 Management of Substantive Issues		
	205-1 Operational Sites Where Corruption Risk Assessments Have Been Conducted	Business Integrity and Anti - corruption	
	205-2 Communication and Training on Anti - corruption Improvement Programs and Procedures	Business Integrity and Anti - corruption	
	205-3 Actions on Confirmed Corruption Incidents and Purchases	Business Integrity and Anti - corruption	
<b>Anti - competitive Behavior 2016</b>	GRI 3-3 Management of Substantive Issues	Anti - unfair Competition	
	206-1 Lawsuits Against Anti - competitive Behavior, Antitrust, and Anti - Monopoly Practices	Anti - unfair Competition	
<b>Tax 2019</b>	GRI 3-3 Management of Substantive Issues		Not applicable. The relevant information has been disclosed in the annual report.
	207-1 Tax Policy		Not applicable. The relevant information has been disclosed in the annual report.
	207-2 Tax Governance, Control, and Risk Management		Not applicable. The relevant information has been disclosed in the annual report.
	207-3 Stakeholder Participation in Tax - related Matters		Not applicable. The relevant information has been disclosed in the annual report.
	207-4 Country - by - country Reporting		Not applicable. The relevant information has been disclosed in the annual report.
<b>Materials 2016</b>	GRI 3-3 Management of Substantive Issues	Green Operation	
	301-1 Quantity or Volume of Materials Used		Not applicable. The core business has relatively little relevance to this, so it has not been disclosed.
	301-2 Recycled Materials Used	Green Operation	
	301-3 Recycled Products and Packaging Materials	Green Operation	
<b>Energy 2016</b>	GRI 3-3 Management of Substantive Issues	Energy Management, Response to Climate Change	
	302-1 Energy Consumption within the Organization	ESG Performance Table	
	302-2 Energy Consumption outside the Organization		Not applicable, this data is currently not collected by the company. In the future, as data collection expands, it will be included in the ESG report.
	302-3 Energy Intensity	ESG Performance Table	
	302-4 Reduction of Energy Consumption	Energy Management	

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
	302-5 Reduction of Energy Requirements for Products and Services	Response to Climate Change	
<b>Water and Waste-water 2018</b>	GRI 3-3 Management of Substantive Issues	Water Resource Management	
	303-1 Interaction between the Organization and Shared Water Resources	Water Resource Management	
	303-2 Impacts Related to Water Management and Discharge	Water Resource Management	
	303-3 Water Intake	ESG Performance Table	
	303-4 Water Discharge	ESG Performance Table	
	303-5 Water Consumption	ESG Performance Table	
<b>Biodiversity 2016</b>	GRI 3-3 Management of Substantive Issues	Waste Gas Management   Wastewater Management   Waste Management	
	304-1 Operational Sites Where the Organization Owns, Leases, or Manages Biodiversity - rich Areas within or near Protected Areas		The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
	304-2 Activities, Products, and Services with a Major Impact on Biodiversity		The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
	304-3 Protected or Restored Habitats		The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
	304-4 Species Listed in the IUCN Red List and National Protection Lists in Protected Habitats		The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
<b>Emissions 2016</b>	GRI 3-3 Management of Substantive Issues	Response to Climate Change	
	305-1 Direct (Scope1) Greenhouse Gas Emissions	ESG Performance Table	
	305-2 Indirect (Scope2) Greenhouse Gas Emissions	ESG Performance Table	
	305-3 Other Indirect (Scope 3) Greenhouse Gas Emissions	ESG Performance Table	
	305-4 Greenhouse Gas Emission Intensity	ESG Performance Table	
	305-5 Greenhouse Gas Reduction Volume	ESG Performance Table	
	305-6 Emissions of Oxides of Nitrogen(ODS)	ESG Performance Table	
	305-7 Emissions of Oxides of Nitrogen (NOx), Oxides of Sulfur (SOx), and Other Major Air Pollutants	ESG Performance Table	

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
<b>Waste 2020</b>	GRI 3-3 Management of Substantive Issues	Waste Management	
	306-1 Generation of Waste and Major Impacts Related to Waste	Waste Management	
	306-2 Management of Major Impacts Related to Waste	Waste Management	
	306-3 Waste Generated	Waste Management	
	306-4 Waste Transferred from Disposal	Waste Management	
	306-5 Waste Entering Disposal	Waste Management	
<b>Supplier Environmental Assessment 2016</b>	GRI 3-3 Management of Substantive Issues	Building a Sustainable Supply Chain	
	308 - 1 Suppliers Screened Using Environmental Evaluation Criteria	Building a Sustainable Supply Chain	
	308 - 2 Negative Environmental Impacts of the Supply Chain and Actions Taken	Building a Sustainable Supply Chain	
<b>Employment 2016</b>	GRI 3-3 Management of Substantive Issues	Employee Relations and Employee Rights Protection	
	401-1 New Hires and Employee Turnover Rate	ESG Performance Table	
	401-2 Benefits Provided to All Employees (Excluding Temporary or Contract Workers)	Employee Relations and Employee Rights Protection	
	401-3 Parental leave	Employee Relations and Employee Rights Protection	
<b>Labor - management Relations 2016</b>	GRI 3-3 Management of Substantive Issues	Employee Relations and Employee Rights Protection	
	402-1 Shortest Notice Period for Relevant Operational Changes	Employee Relations and Employee Rights Protection	
<b>Occupational Health and Safety 2018</b>	GRI 3-3 Management of Substantive Issues	Occupational Health and Safety Management	
	403-1 Occupational Health and Safety Management System	Occupational Health and Safety Management	
	403-2 Hazard Identification, Risk Assessment, and Accident Investigation	Occupational Health and Safety Management	
	403-3 Occupational Health Services	Occupational Health and Safety Management	
	403-4 Worker Participation, Consultation, and Communication in Occupational Health and Safety Affairs	Occupational Health and Safety Management	
	403-5 Occupational Health and Safety Training for Workers	Occupational Health and Safety Management	
	403-6 Promotion of Workers' Health	Occupational Health and Safety Management	

GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Related to the Business	Occupational Health and Safety Management	
	403-8 Coverage of the Occupational Health and Safety Management System for Workers	Occupational Health and Safety Management	
	403-9 Industrial Injury	ESG Performance Table	
	403-10 Health Problems Related to Work	Occupational Health and Safety Management	
<b>Training and Education 2016</b>	GRI 3-3 Management of Substantive Issues	Employee Training and Development	
	404-1 Average Annual Training Hours per Employee	ESG Performance Table	
	404-2 Employee Skill - improvement Plans and Transition Assistance Plans	Employee Training and Development	
	404-3 Regular Acceptance of Performance and Career Development Assessments by Employees	ESG Performance Table	
<b>Diversity and Equal Opportunity 2016</b>	GRI 3-3 Management of Substantive Issues	Building a Diverse, Equitable, and Inclusive (DEI) Workplace Environment	
	405-1 Diversity of the Governance Body and Employees	Board Independence and Diversity ESG Performance Table	
	405-2 Proportion of Female Basic Wages and Remuneration		Not applicable, relevant data is not included in the ESG report currently. It will be further expanded and disclosed in the future when data collection is available.
<b>Discrimination 2016</b>	GRI 3-3 Management of Substantive Issues	Building a Diverse, Equitable, and Inclusive (DEI) Workplace Environment	
	406-1 Discrimination Incidents and Corrective Actions Taken	Building a Diverse, Equitable, and Inclusive (DEI) Workplace Environment	
<b>Freedom of Association and Collective Bargaining 2016</b>	GRI 3-3 Management of Substantive Issues	Employee Relations and Employee Rights Protection	
	407-1 Risk of Violation of Freedom of Association and Collective Bargaining Rights at Operational Sites and among Suppliers	Employee Relations and Employee Rights Protection	
<b>Child labor 2016</b>	GRI 3-3 Management of Substantive Issues	Compliance Operations	
	408-1 Operation sites and suppliers with significant risks of child labor incidents	Compliance Operations Building a Sustainable Supply Chain	
<b>Forced or Compulsory Labor 2016</b>	GRI 3-3 Management of Substantive Issues	Compliance Operations	
	409-1 Operational Sites and Suppliers with a High Risk of Forced or Compulsory Labor Incidents	Compliance Operations Building a Sustainable Supply Chain	


GRI Standard	Disclosure Item	Location	Remarks / Reasons for Omission
<b>Indigenous Rights 2016</b>	GRI 3-3 Management of Substantive Issues	Community symbiosis	
	411-1 Incidents Involving Violation of Indigenous Rights		Not applicable. The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
<b>Local Community 2016</b>	GRI 3-3 Management of Substantive Issues	Community symbiosis	
	413-1 Operational Sites with Local Community Participation, Impact Assessment, and Development Plans	Community - based Development	
	413-2 Operational Sites with Actual or Potential Major Negative Impacts on the Local Community		Not applicable. The core business of the company has little relevance to this information, so it has not been disclosed in the ESG report.
<b>Supplier Social Assessment 2016</b>	GRI 3-3 Management of Substantive Issues	Building a Sustainable Supply Chain	
	414-1 New Suppliers Screened Using Social Assessment Criteria	Building a Sustainable Supply Chain	
	414-2 Negative Social Impacts of the Supply Chain and Actions Taken	Building a Sustainable Supply Chain	
<b>Public Policy 2016</b>	GRI 3-3 Management of Substantive Issues		The company's business behavior complies with clear regulations, so it has not provided financial or in-kind support for political campaigns or political parties.
	415-1 Political Donations		
<b>Customer Health and Safety 2016</b>	GRI 3-3 Management of Substantive Issues	Create diverse value for global customers   Product and Service Quality Management	
	416-1 Assessment of the Health and Safety Impacts of Product and Service Categories	Product and Service Quality Management	
	416-2 Non-compliance Incidents Related to the Health and Safety Impacts of Products and Services	Product and Service Quality Management	
<b>Marketing and Labeling 2016</b>	GRI 3-3 Management of Substantive Issues	Product and Service Quality Management	
	417-1 Requirements for Product and Service Information and Labeling	Product and Service Quality Management	
	417-2 Non-compliance Incidents Related to Product and Service Information and Labeling	Product and Service Quality Management	
	417-3 Non-compliance Incidents in Marketing Communication	Product and Service Quality Management	
<b>Customer Privacy 2016</b>	GRI 3-3 Management of Substantive Issues	Customer Privacy and Data Security Protection	
	418-1 Substantiated Complaints Regarding Infringement of Customer Privacy and Loss of Customer Data	Customer Privacy and Data Security Protection	

**Definition**

**Green Products:** Conveyor belts whose raw materials meet legal requirements, with production - process energy consumption lower than industry - specified values, featuring lightweight and low - resistance characteristics. They include conveyor belts made of low - carbon sustainable materials, carbon - neutral certified conveyor belts, anti - static conveyor belts with environmental protection properties, pipe conveyor belts, and super - abrasion - resistant conveyor belts with long - service - life characteristics, as well as tear - resistant conveyor belts.

# Appendix 3: Greenhouse Gas Verification Statement

Bureau Veritas Certification



## Greenhouse Gases Verification Opinion

is awarded to

### WUXI BOTON TECHNOLOGY CO., LTD.

Bureau Veritas Certification (Beijing) Co., Ltd. was engaged to conduct an independent verification of the greenhouse gases (GHG) emissions reported by Wuxi Boton Technology CO., LTD. for the period stated below. This verification opinion applies to the related information included within the scope of work described below.

**Boundaries covered by the verification:**

- Verification site name: Wuxi Boton Technology CO., LTD.
- Verification site address: No.19, Zhanggong Road, Xinwu District, Wuxi City, Jiangsu Province, P.R. China
- Reporting period covered: 01/01/2024 to 31/12/2024

**Organizational boundaries:** Activities and facilities of Wuxi Boton Technology CO., LTD. under operational control.

**Reporting boundaries:** GHG emissions generated in Intelligent industrial bulk material handling and mobile internet and related management activities within the organizational boundaries, as well as significant indirect greenhouse gases emissions.

**Emissions data verified under reporting boundaries:**

- Category 1: Direct GHG emissions: 2,501.68 tCO<sub>2</sub>e
- Category 2: Indirect GHG emissions from imported energy (Market-based): 37,804.90 tCO<sub>2</sub>e
- Category 2: Indirect GHG emissions from imported energy (Location-based): 46,369.50 tCO<sub>2</sub>e
- Category 3: Indirect GHG emissions from transportation: 9,415.56 tCO<sub>2</sub>e
- Category 4: Indirect GHG emissions from products used by organization: 180,145.84 tCO<sub>2</sub>e
- Category 5: Indirect GHG emissions associated with the use of products from the organization: Non-significant indirect emissions and not quantified
- Category 6: Indirect GHG emissions from other sources: Non-significant indirect emissions and not quantified

Total quantified emissions (Market-based): 229,867.98 tCO<sub>2</sub>e  
 Total quantified emissions (Location-based): 238,432.59 tCO<sub>2</sub>e

**Limitations and exclusions:** Excluding other non-significant indirect GHG emissions

**GHG verification protocol used to conduct the verification:**

- ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
- ISO 14064-3:2019 Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

**Level of assurance:**

- Reasonable assurance

Certification body address: Room 02, 9 / F, West Office Building 1, Oriental Economic and Trade City, Oriental Plaza, No.1 East Chang'an Street, Dongcheng District, Beijing, China. 100738  
 Further clarifications regarding the verification scope of this opinion may be obtained by consulting the organization.  
 To check this opinion validity please call: +86 10 59683663  
 Page 1 of 2

Bureau Veritas Certification



**GHG verification methodology:**

- Interview for relevant personnel
- Review of the documentary evidence
- Evaluation of the methodology and information systems for data collection, aggregation, analysis and review
- Audit of sampled sites and data to verify source

**Verification conclusion:**

Based on the verification process and findings, the GHG emission data in the GHG inventory report from Wuxi Boton Technology CO., LTD. is in compliance with ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

**Statement of independence, impartiality and competence:**

Bureau Veritas Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 190 years' history in providing independent assurance services.

No member of the verification team has a business relationship with Wuxi Boton Technology CO., LTD. and its directors or managers beyond that required by this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Bureau Veritas Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

**Lead verifier:** Vistar Chang  
 No.: EMI26108217  
 Version No.: No.1


**Verification date:** 2025-03-25  
**Issue date:** 2025-04-15



Signed on behalf of  
 Bureau Veritas Certification (Beijing) Co., Ltd.

Certification body address: Room 02, 9 / F, West Office Building 1, Oriental Economic and Trade City, Oriental Plaza, No.1 East Chang'an Street, Dongcheng District, Beijing, China. 100738  
 Further clarifications regarding the verification scope of this opinion may be obtained by consulting the organization.  
 To check this opinion validity please call: +86 10 59683663  
 Page 2 of 2

# Appendix 4: Third - Party Assurance Statement



**Independent Verification Statement**

Verification Statement: EIV2 131811 0001 Rev. 00

---

**To the management and stakeholders of Boton Technology,**

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by Wuxi Boton Technology CO.,Ltd (hereinafter referred to as "Boton Technology" or "the Company") to perform an independent third-party verification on *Wuxi Boton Technology CO.,Ltd. 2024 Environmental, Social and Governance Report* (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with Boton Technology and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by Boton Technology and provided to TÜV SÜD. The scope of verification is limited to the given information. Boton Technology shall be held accountable for authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

**Scope of Verification**

Time frame of this verification:

- The Report contains the data disclosed by Boton Technology during the reporting period from January 1<sup>st</sup>, 2024 to December 31<sup>st</sup>, 2024, including governance, environmental and social information and data, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- The on-site verification sampling took place at below listed location:  
Building of Boton Technology, No. 19 Zhanggong Road, Xinwu District, Wuxi City, Jiangsu Province

Scope of data and information for the verification:

- The scope of verification is limited to the data and information of Boton Technology and all companies under its operational control covered by the Report.

The following information and data are beyond the scope of this verification:

- Any information and contents beyond the reporting period of this Report; and
- The data and information of Boton Technology's suppliers, partners and other third parties; and
- The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.


**Limitations**

- The verification process is conducted in the above scope and places. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1<sup>st</sup>, 2024 are beyond the scope of this verification.
- TÜV SÜD's verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute a guarantee of the credibility or status of the subject of verification.

TÜV SÜD Certification and Testing (China) Co., Ltd.  
No.151 Heng Tong Road,  
Shanghai 200070

Page 1 of 3  
Tel: +86 21-61410123  
Fax: +86 21-61408600  
Web: www.tuvsud.com

ID: CCB\_EIV\_F\_10.03E Version: 2 Effective Date: 08 Feb 2025 Page 1 of 3



**Independent Verification Statement**

Verification Statement: EIV2 131811 0001 Rev. 00

---

**Basis for the Verification**

This verification process was conducted by TÜV SÜD's expert team with extensive experience in the economic, environmental, social and other relevant areas and drew the conclusions thereof. The verification conforms to the following standards:

- International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance
- Sustainability report verification programme operation rule (CCB\_EIV\_GR\_002E Rev02)

In order to perform adequate verification in accordance with the contract and provide reasonable verification for the conclusions, the verification team conducted the following activities:

- Preliminary investigation of the relevant information before the verification;
- Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- On-site review of all supporting documents, data and other information provided by Boton Technology; tracing and verification of key performance information;
- Special interview with the representative of Boton Technology's management; interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

**Verification Conclusions**

According to the verification, we believe that the data and information presented in Boton Technology's report are objective, factual and reliable, without systematic problems, and can be used by stakeholders.


The verification team has drawn the following conclusions on this Report:

<b>Inclusivity</b>	Boton Technology has fully identified both internal and external stakeholders, including Government and regulatory agencies, investors, customers, employees, suppliers, the public and communities, media. The Company has established stakeholder communication mechanisms to systematically collect the genuine concerns of stakeholders on a regular basis.
<b>Materiality</b>	Boton Technology has established the prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the strategy, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
<b>Responsiveness</b>	Boton Technology has clearly disclosed the management methods and performance in highly substantive issues that stakeholders concern such as production safety, product and service quality, technological innovation, green management throughout the product life cycle, and climate action. It has also established a communication mechanism to fully respond to the demands and expectations of stakeholders.
<b>Impact</b>	Boton Technology has established a Strategy and Sustainability Committee to enhance the Company's work in environmental, social responsibility, and corporate governance aspects. By formulating the Company's ESG development strategy and short -, medium - and long - term

TÜV SÜD Certification and Testing (China) Co., Ltd.  
No.151 Heng Tong Road,  
Shanghai 200070

Page 2 of 3  
Tel: +86 21-61410123  
Fax: +86 21-61408600  
Web: www.tuvsud.com

ID: CCB\_EIV\_F\_10.03E Version: 2 Effective Date: 08 Feb 2025 Page 2 of 3



**Independent Verification Statement**

Verification Statement: EIV2 131811 0001 Rev. 00

---

ESG action plans, tracking the implementation of material issues, reviewing the achievement of ESG goals, assessing the execution of sustainable development risks, opportunities and response measures, it continuously promotes the process of corporate sustainable development.

**Recommendations on Continuous Improvement**

- The management improvement recommendations have been communicated to Boton Technology's management for reference during the verification process.


**Statement on Independence and Verification Capability**

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1886, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 26,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd. is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and Boton Technology are two entities independent of each other and both TÜV SÜD and Boton Technology and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by Boton Technology. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

**Signature:**  
**On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.**



Zhu Wenjun  
TÜV SÜD Sustainability Authorized Signatory Officer  
Apr 18<sup>th</sup>, 2025  
Shanghai, China

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement CN" of this verification statement shall prevail, while the English translation is used for reference only.

TÜV SÜD Certification and Testing (China) Co., Ltd.  
No.151 Heng Tong Road,  
Shanghai 200070

Page 3 of 3  
Tel: +86 21-61410123  
Fax: +86 21-61408600  
Web: www.tuvsud.com

ID: CCB\_EIV\_F\_10.03E Version: 2 Effective Date: 08 Feb 2025 Page 3 of 3