



ZHEJIANG DAHUA TECHNOLOGY CO., LTD.

Environmental, Social and Governance Report

2024



Contents

About This Report	03
Statement from the Chairman	04
Introduction to Dahua	05
Corporate Introduction	05
Development History	06
Corporate Strategy	07
Honors and Awards	08
Sustainable Development	09
ESG Governance Structure	09
ESG Strategic Framework	10
Stakeholder Engagement	12
Double Materiality Assessment	13
Feature: Technology for Social Good, Empowered by Digital Intelligence	14
Appendix	84
Appendix 1: Key Performance Indicators	84
Appendix 2: Indices of Guidelines Topics of the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange-Sustainability Report (For Trial Implementation)	86
Appendix 3: UNGC Principles Index	86
Appendix 4: SDGs Index	87
Appendix 5: GRI Index	88

01 Strengthening the Foundation of Governance

Corporate Governance	20
Compliance Management	21
Risk Management	24
Business Ethics	26

02 Protecting the Green Ecosystem

Environmental Management	29
Green R&D	30
Green Products	35
Green Operation	37
Addressing Climate Change	46

03 Building the Future with Intelligence

Creating Customer Value	50
Responsible Supply Chain	60
Building an Industrial Ecosystem Together	63

04 Creating a Better Life

Empowering Talent Growth	70
Advancing Public Welfare Together	79

About This Report

This report describes the practice of Zhejiang Dahua Technology Co., Ltd. (hereinafter referred to as "the Company", "Dahua" or "we") in environment, society and governance (ESG) in 2024. It also details the Company's efforts at corporate governance, integrity management, environmental protection, technological innovation, industrial responsibility and social welfare, so as to strengthen the communication and connection between interested parties and the Company.

Basis of Preparation

This report is prepared with reference to the *Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies* and the Global Reporting Initiative's (GRI) *GRI Standards 2021*. It also responds to the issues of concern raised by capital market ESG index rating agencies such as Morgan Stanley's ESG ratings (MSCI ESG ratings).

Time Scope

This report covers the ESG work of Zhejiang Dahua Technology Co., Ltd. and its major subsidiaries in the financial year from January 1, 2024, to December 31, 2024 (the Reporting Period). Some information may trace back to previous years or extend to 2025.

Data Source

This report can be downloaded from Juchao Information Network (www.cninfo.com.cn) and the website of Dahua (www.dahuatech.com). For more information beyond this report, refer to the Company's annual report or visit the Company's website.

Report Data Description

Financial Data Description: Unless otherwise specified, all amounts mentioned in this report are denominated in RMB. The financial data involved in this report is consistent with the Company's 2024 annual report.

ESG Data Description: The ESG data and case descriptions in this report are sourced from the Company's statistical reports and related document. The Board of Directors of the Company warrants that this report contains no false records or misleading statements, and assumes full responsibility for the objectivity, authenticity, and accuracy of its content.

The final interpretation rights of all data are reserved by Zhejiang Dahua Technology Co., Ltd.

Confirmation and Approval

This report, confirmed by the Company's management, was approved by the Board of Directors on March 28th, 2025. The Board of Directors is responsible for the authenticity, accuracy, and completeness of the content.

Statement from the Chairman



Fu Liquan
Chairman & President,
Dahua Technology

“

The year 2024 marks the inaugural year of Dahua's "New Journey Beyond Three Decades of Achievement". Faced with increasingly complex and volatile internal and external environments, we remain steadfast in our commitment to innovation-driven development. By deepening our expertise in intelligent IoT domains and maintaining strategic focus, we are advancing with strong determination towards high-quality sustainable development.

This year, we are comprehensively implementing the Dahua Think#2.0 Strategy, concentrating our efforts on dual core sectors – Smart City solutions and Enterprise digital transformation. We are enhancing holistic solutions that enhance urban governance efficiency and accelerate enterprise digital-intelligent upgrades. Through reconstructing our cloud infrastructure foundation and piloting the deployment of the Dahua Galaxy, we are accelerating the industrial application of AI large-scale models. Concurrently, aligned with our Environmental, Social, and Governance (ESG) development objectives, we continue to advance green and low-carbon initiatives, expanding our role in promoting sustainable social development.

We are committed to fostering a harmonious coexistence between humanity, society, and urban ecosystems through digital and intelligent empowerment across industries. In urban governance, we leverage data-driven frameworks to build more efficient and human-centric smart management systems, deepening our digital and intelligent practices across public safety, traffic management, urban operations, smart water conservation, and natural resource protection. For industrial transformation, we use innovation as our driving force, empowering enterprises to achieve new heights in green development and digitalization while driving industry-wide progress in safe production, operational efficiency, and intelligent management. Together with global partners, we are dedicated to co-creating a robust digital and intelligent ecosystem that shapes the future of smart development.

We continue to improve our corporate governance framework and risk management capabilities. This year, Dahua became the first Chinese enterprise in the video-centric AIoT industry to obtain ISO 37301 compliance management system certification, integrating compliance, integrity, transparency, and accountability into every facet of our global operations. We have integrated sustainability metrics – including environmental protection, occupational health, and safety – into employee performance evaluations, consistently improving both individual and organizational sustainability performance.

Resolutely pursuing green development, we are intensifying R&D and application of clean technology to enrich our

products' eco-friendly attributes, thereby driving sustainable advancement across industries. Our green product portfolio has earned multiple authoritative certifications such as Type II Environmental Labeling, Environmental Protection Product Certification, and Circular Economy Product Certification. Focusing on green manufacturing, green logistics, and green office operations, we utilize smart technologies to optimize energy consumption through intelligent green transportation, green warehousing, and recycling and circulation. These initiatives collectively drive energy conservation and emission reduction, setting benchmarks for green industrial parks.

In our innovation journey, we remain guided by the core philosophy of "Empowering Customers, Empowering Strivers". We maintain a comprehensive quality management system to ensure product safety and service excellence. Leveraging our global service network and robust data security management framework, we actively protect client privacy and information integrity. Simultaneously, Dahua is committed to building sustainable supply chains and open technology ecosystems, collaborating with partners to accelerate industrial digital-intelligent transformation and collaborate to create smarter and more efficient futures.

We continuously strengthen our social responsibility efforts through active participation in public welfare initiatives. Using digital-intelligent technology, we contribute to biodiversity conservation and ecological balance protection. Through the Huayu Public Welfare Development Center, we carry out programs such as the Common Prosperity Initiative, Yongquan Education Assistance Program, and Digital Empowerment for Disability Inclusion. Our "Technology for Social Good" philosophy promotes wider sharing of technological dividends across society.

Looking ahead, we will persistently anchor our development in video-centric innovations and AI-driven solutions, steadily working towards our vision to become the "world-leading provider of video-centric AIoT solutions and services." We remain dedicated to fulfilling our mission of "Enabling Smarter Societies, Creating Better Lives," continuously striving for technological democratization and the construction of secure, low-carbon, harmonious communities.

”

Introduction to Dahua

Corporate Introduction

Zhejiang Dahua Technology Holdings Co., Ltd. is a world-leading video-centric AIoT solutions and service provider, with more than 23,000 employees, over 50% of which are engaged in R&D. Its products are available in over 180 countries and regions worldwide. We continuously practice the Dahua Think#2.0 strategy, shifting from "intelligence" to "integrated intelligence." We maintained our focus on our two core business segments: City and Enterprise, relying on the two strategic pillars of AIoT technology and the IoT digital intelligence platform. By fully harnessing the value of data elements centered around video, we injected strong impetus into the establishment of an efficient urban governance system and the digital and intelligent transformation of enterprises. With a keen understanding and foresighted deployment of AIoT, the Company continues to explore emerging opportunities, successfully expanding its portfolio of innovative businesses, including iRAYPLE, Pixfra, Hirige, Waythcan, Wisualarm, Dahua Memory, etc.



23,000+

employees

10,800+

patents

180+

Distribution coverage
(number of countries & regions)

69

Overseas subsidiaries,
branches and
representative offices

200+

China offices

No.2

Global market share¹

¹ Data source: Omdia 2024 Video Surveillance & Analytics Market Share Database

Development History

2001

- The Group was founded.
- Started to enter the field of video surveillance.

2002

We invented 8-channel audio and video synchronous embedded DVR, becoming the first brand of embedded DVR.

2003

The Company went global.

2007

We launched the Integrated Intelligent Traffic Machine, which became a standard for electronic police in China.

2008

On May 20, the Company was listed on the Shenzhen Stock Exchange.

2010

- We introduced CMOS technology and launched high-definition and high-magnification chips.
- We established the first post-doctoral station in China's security industry.
- Dahua Security Network Operation Service Co., Ltd. was founded.

2018

- We launched the Dahua HoC New Smart City Architecture.
- The European supply center went in operation.

2017

Dahua Intelligence (IoT) Industrial Park went into operation.

2016

The Company's CMMIS certification establishes its position as a global leader in software development capabilities.

2014

- We introduced IT Universal Cloud Technology.
- We established the first overseas branch.

2013

We introduced "software platform hardware" technology, making large-scale deployment and maintenance extremely simple.

2012

We launched self-developed HDCVI technology, which was adopted by HDcctv Alliance and became the first international standard in domestic security industry.

2019

- We launched the AIoT and SDTV strategies.
- The Gaia Big Data Platform was released.

2020

- We launched a body temperature measurement system with ultra-high precision thermal imaging technology within a week to help with pandemic prevention and management.
- 8 regional software development centers were landed to enhance software capability of sinking into lower tier markets.

2021

- Dahua Think#**
云联万物 数智未来
- We upgraded and launched the Dahua think# strategy.

2022

- Dahua's "Cloud Connects of Everything, Digital Intelligence for the Future" Forum was held.

2023

- We upgrade the Dahua Think #2.0 Strategy.
- Dahua Galaxy was released. We launched new corporate mission.

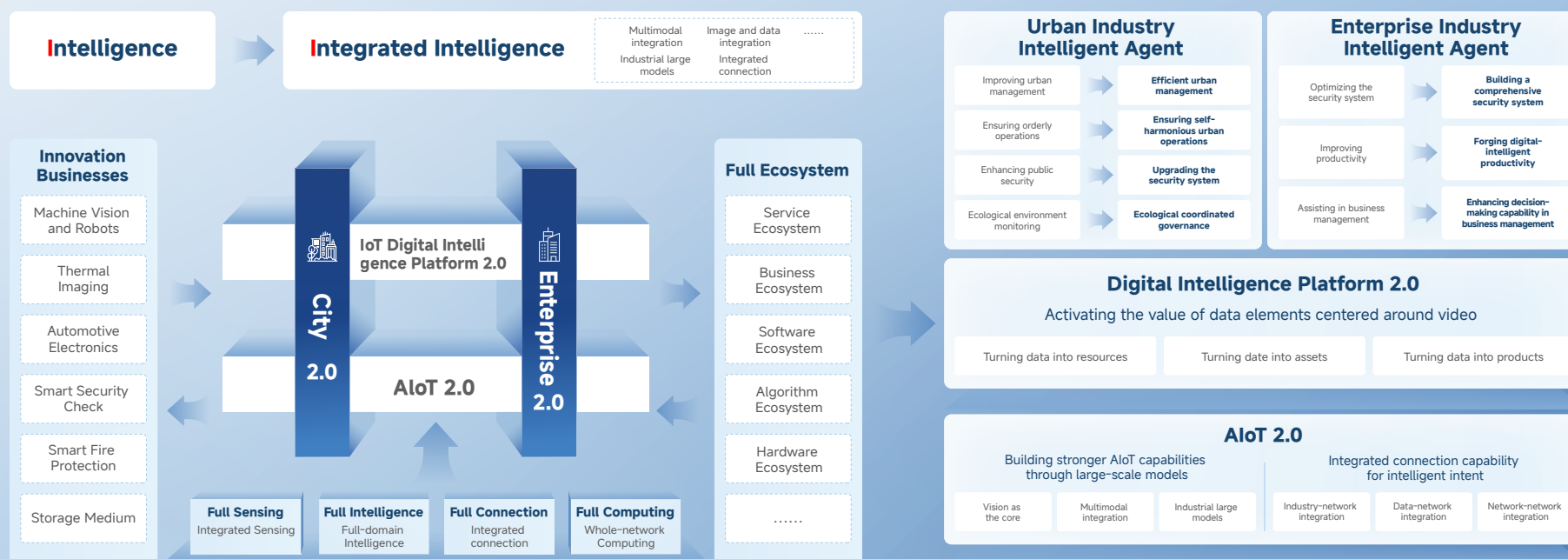
Going forward

- We will continue to serve as a video-centric AIoT solution and service provider.
- We will facilitate efficient urban governance and digital intelligence upgrading, and uphold the corporate mission of "Enabling a Smarter Society and Better Living."

Corporate Strategy

From Intelligence to Converged Intelligence, we are advancing "Dahua Think# 2.0" strategy by harnessing large-scale AI models to enhance AIoT capabilities and integrated connectivity. We are unlocking the full potential of video-centric data to develop urban and enterprise intelligence systems, enabling more efficient city governance and accelerating digital transformation for businesses. This progress embodies Dahua's commitment to the mission of "Enabling a Smarter Society and a Better Life" through technological innovation that bridges the physical and digital worlds.

The new upgrade of *Dahua Think#* 2.0 strategy



Honors and Awards

● ESG award

Selected as the 2nd Guoxin Cup "ESG Golden Bull Award Top 100"

China Securities Journal & China Reform Holdings Co., Ltd.

The 2nd Yidong ESG+8 "Value 100"

Shenzhen Value Online Information Technology Co., Ltd.

● Cybersecurity

Advanced Enterprise in Vulnerability Management Practice in 2023

National Vulnerability DataBase (NVDB)

2023 Award for Excellence in Vulnerability Resolution

China National Vulnerability Database (CNNVD)

Outstanding Vulnerability Management Enterprise in CNNVD
2023 Outstanding Partner in Vulnerability Information Sharing

Level 1 Technical Support Unit of China National Vulnerability Database of Information Security (CNNVD)

China National Vulnerability Database of Information Security (CNNVD)

Two-star Technical Support Unit of China Information Security Evaluation Center Vulnerability Database (CAPPVD)

Ministry of Industry and Information Technology (MIIT) Mobile Internet APP Product Security Vulnerability Database (CAPPVD)

● Low-carbon and environmental friendly

Third Prize in the 2nd "Xinlv Cup" Information and Communications Industry Innovation Competition for Empowering Carbon Peak and Carbon Neutrality

China Academy of Information and Communications Technology

Third Prize of the Scientific and Technological Award in the Packaging Industry

China Packaging Federation

2024 Second Prize in Quality Technology Award by the China Association for Quality (CAQ)

China Association for Quality

● Board office awards

"The most investable company" of the Golden Bull Award

China Securities Journal

Top Ten Companies on the Capital Market Value List

Yicai

● Product innovation

The Second Prize of the Innovation & Invention Entrepreneurship Award of the China Invention Association in 2024

China Association for Invention

2024 German iF Award – Product Award

iF Design Award Jury Committee

The First Prize of 2024 China Innovation Method Competition

Organizing Committee of China Innovation Method Competition

The First Prize of 2024 Asian Quality Innovation Case

Asian Quality Function Deployment Association

The Second Prize of "Direct to Wuzhen" Global Internet Competition

World Internet Conference

● Customer service

Seven-star After-Sales Service System

Beijing Wuzhou Tianyu Certification Center

12-Star After-Sales Service System for Products

China Certification Center Inc.

2023 Zhejiang IoT Annual Collaborative Innovation Industry Service Award

Zhejiang IoT Industry Association

● Talent development

2024 Zhejiang Outstanding Contribution Unit for Graduate Employment

Zhejiang Provincial Department of Education, Zhejiang Provincial Department of Human Resources and Social Security

2024 Top Campus Employer for Tech Talent

Nowcoder.com

Hangzhou Municipal High-skilled Talents Hangzhou Public Training Base (Branch of the Municipal Public Training Base)

Hangzhou Vocational Ability Construction Guidance and Service Center

2024 China Annual Preferred Employer

Zhaopin.com

2024 Extraordinary Employer

Liepin.com

2024 Star Employer

Offershow

Sustainable Development

As a world-leading provider of video-centric AIoT solutions and services, Dahua Technology is consistently dedicated to fostering a green, environmentally friendly, and secure world driven by intelligence. We not only focus on technological innovation and business expansion but also integrate the concept of sustainable development into every aspect of our operations. We are committed to achieving simultaneous improvements in economic, ecological, and social benefits, contributing to the creation of a sustainable future.

ESG Governance Structure

Dahua has established a comprehensive ESG governance framework to enhance its ESG governance standards. The Board of Directors, as the highest decision-making body, is responsible for the overall management and decision-making of ESG-related issues. The Strategy Committee represents the Board of Directors in supervising ESG-related issues. The Environmental, Social, and Governance (ESG) Management Committee is responsible for formulating ESG strategies, defining objectives, and facilitating information disclosure. Executive Working Group of the Environmental, Social and Governance Management Committee coordinates key projects and collaborates with various functional departments to steadily enhance the Company's ESG management efforts.

ESG Governance Structure



ESG Strategic Framework

To comprehensively advance sustainable development, Dahua has formulated an ESG strategy around four major dimensions: governance responsibility, environmental responsibility, product responsibility, and community responsibility. By strengthening the governance foundation for sustainable development, Dahua is committed to making society smarter, the planet greener, and life better.



Based on the above strategic framework, the Company has established an overall ESG strategic goal and integrated the goal into daily management, regularly tracking the achievement of the goal.

Strategic Pillars	ESG Strategic Goals	Progress on Goals
 Protecting the Green Ecosystem	- With clean technology innovation and R&D as the core strategic direction, the Company continues to invest in the development of green products and promotes the transition of the industry towards clean development, ensuring funding for R&D targeting opportunities in clean technology and the commercialization of innovative outcomes. - Continuously improve environmental management to ensure 100% compliant disposal of production and operation waste, continuously enhance resource utilization efficiency, and reduce and actively eliminate the negative impact of company operations on natural resources and the environment.	- In 2024, the Company launched 53 models across four series of new energy charging piles and has previously launched a total of 745 products in the clean technology field. - Revenue from clean technology services and products increased by 80.34% from 2023 to 2024. - The Company has achieved 100% compliant disposal of production and operation waste, and through a series of environmental and energy management measures, it has improved the efficiency of resource and energy utilization, achieving energy conservation and emission reduction.
 Building the Future with Intelligence	- Continuously innovate and develop safe, high-quality intelligent products. - Establish a comprehensive quality control system that covers the entire product lifecycle to prevent product recalls caused by quality and safety issues. - Continuously enhance the level of digital quality management. - Achieve compliant management of data security and customer privacy protection, using advanced data protection and privacy measures to ensure information security and customer privacy.	- No product recalls were triggered for quality or safety issues during the reporting period. - Through a digital quality management platform, the Company achieved a 35% reduction in market repair rates and a 20% improvement in quality traceability efficiency. - No customer privacy leakage incidents occurred during the reporting period.
 Creating a better Life	- Create a diverse, equal, and inclusive work environment, provide high-quality career development opportunities and comprehensive employee benefits, and safeguard employee well-being. - Actively fulfill social responsibilities, participate in community building and support public welfare projects, to achieve sustainable development and a win-win situation for society.	- The Company has successfully implemented a number of measures to promote diversity and inclusion in the workplace, with an overall employee satisfaction rate exceeding 86%. - In 2024, the Company invested over 1.5 million yuan to support community building and public welfare projects from three dimensions: assisting vulnerable groups, empowering industrial development, and encouraging employee participation.
 Strengthen the Foundation of Governance	- Refine the corporate governance structure to ensure transparency in decision-making and accountability traceability mechanisms. - Adhere to business ethics and compliance in operations, strengthen risk management, actively respond to the concerns and needs of stakeholders, and protect the rights and interests of stakeholders.	- The Company's ESG governance framework and corporate governance framework are operating stably, with the management of sustainability issues and risk management integrated into daily operations. - In accordance with external requirements, the Company has conducted research and completed the double materiality assessment of ESG issues. - The Company has obtained ISO 37301 certification, further enhancing its compliance management level.

Stakeholder Engagement

Dahua is committed to maintaining open communication with all stakeholders. Through daily interactions and specialized surveys, we gather feedback from shareholders, investors, customers, employees, partners, governments, regulatory bodies, and the community. The Board of Directors is responsible for reviewing and identifying key ESG issues, ensuring that the concerns of stakeholders are fully disclosed and addressed.

Stakeholder	Main Concerns		Communication Mechanisms		Corporate Response
 Shareholder/ Investor	• Stakeholder communication • Corporate governance • Due diligence		• Shareholders' meeting, information disclosure, the Company's website • Irm.cninfo.com.cn, investor hotlines, investor meetings, field research, strategy meetings, investor presentations, etc. • Official accounts for investor relations		• Improve the governance mechanism, ensure timely and accurate disclosure of business information, and regulate the operation of the general meeting of shareholders, the board of directors, the board of supervisors regularly • Continuously improve risk governance framework and enhance risk management capability
 Customer	• Product safety and service quality • Data security and customer privacy protection • Climate change and green house gas emissions		• 400 customer service hotlines • Customer satisfaction survey • Customer meeting • Customer evaluation, research and cooperation projects • Questionnaires		• Insist on customer-centric, quality-backed craftsman spirit that meets customer demands • Establish a strict product safety control mechanism, and implement strict product safety standards • Take network security and user privacy protection as important components of corporate governance • Enhance daily communication with customers, establish additional complaint channels, and ensure smooth feedback of opinions • Strive to reduce the carbon emissions in operations and increase the use of renewable energy
 Employee	• Labor rights • Employee benefits and development • Health and safety at work		• Employee representative meeting • Employee survey • Manager feedback	• Dahua staff electronic magazine • Hotline and e-mail for receiving complaints, suggestions, reports and grievance	• Provide competitive remuneration and benefits • Safeguard employee rights, and enhance employee benefits • Define the path for career development and provide training support system • Establish a sound employee health and safety management system
 Partner	• Supply chain management • Industrial cooperation and development • Anti-corruption and anti-commercial bribery • Circular economy		• Field investigation • Supplier conference • Supplier training	• Channel conference • Cloud-e-commerce platform • Questionnaires	• Conduct supplier training and coaching and carry out supplier development program • Empower partners, protect the rights and interests of small and medium-sized enterprises in the industry, shared benefits and win-win cooperation • Adhere to ethical and compliant procurement, and strength anti-corruption efforts • Advocate for a circular economy
 Governments and Regulators	• Labor rights • Health and safety at work • Anti-corruption and anti-commercial bribery • Anti-competitive practices	• Environmental compliance management • Waste treatment and pollutant management • Circular economy • Climate change and green house gas emissions	• Policy consultation • Governmental meetings • Compliance management • Information declaration • Government training and conferences		• Compliant employment • Work safety • Adhere to laws, regulations, and business ethics • Actively promote local employment and procurement, provide job opportunities, and stimulate the local economy • Reduce carbon emissions in operations and increase the use of renewable energy
 Community	• Public welfare and rural revitalization • Community participation		• Community activities • Interviews and investigations • Employee public welfare activities		• Allocate time and funds for community development • Actively engage in philanthropic projects

Double Materiality Assessment

To comprehensively identify and evaluate the key factors that impact the Company's long-term development and actively respond to external challenges and opportunities, Dahua conducted a double materiality analysis during the reporting period. We thoroughly analyzed our business operations and market dynamics, combined with the Company's actual conditions, to systematically identify issues and establish an issue inventory. We assessed the financial materiality and impact materiality of each issue, integrated and summarized the assessment results, and disclosed them accordingly.

In assessing financial materiality, we determined the extent of financial impact on Dahua's business operations, financial condition, operating results, and cash flow based on two key factors: the continuity of resource use and the dependency of relationships. For impact materiality evaluation, we comprehensively considered four dimensions: the scale of impact, scope of influence, remendability, and likelihood of risks associated with each issue to assess their impact on the Company's business operations and overall societal and environmental effects. Ultimately, through this evaluation process, we initially identified 26 issues with significant impact materiality and confirmed 3 of them as having financial materiality.

Double Materiality Assessment Process

Background Analysis

- Analyze the current business operations and the upstream and downstream of the business.
- Examine the potential impact of the external environment on the company's development.
- Identify key stakeholder.

Develop an Issue Inventory

- Analyze the applicability of the 21 issues in the *Self-Regulatory Guidance for Listed Companies No. 17 – Sustainability Report (Trial)* of the Shenzhen Stock Exchange, and incorporate the appropriate issues into the materiality issue list.
- Combine the actual development situation of Dahua Technology to identify other key materiality issues.
- Analyze the potential impacts and opportunities that the above issues may bring to the company, and ultimately form an issue list.

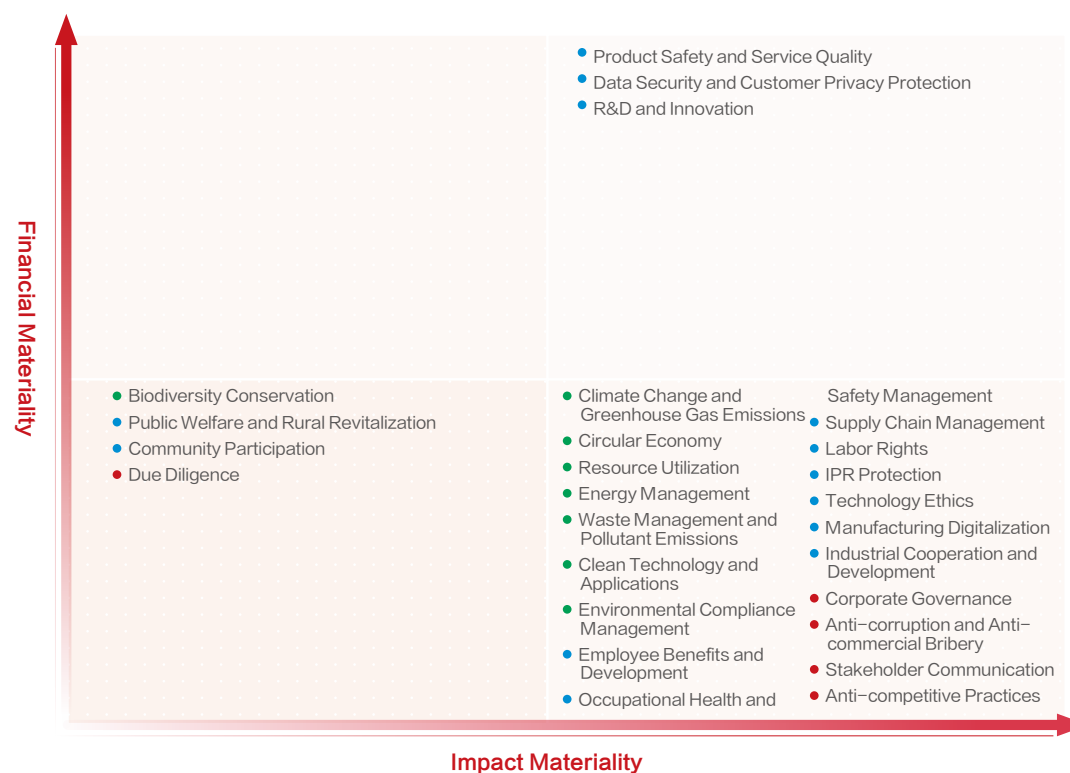
Materiality Assessment of Issues

- Conduct the survey on financial materiality and impact materiality for both internal and external stakeholders, including employees, senior management (including financial experts), regulatory authorities, investors, and shareholders.
- Based on the feedback from the questionnaire survey, and in combination with peer benchmarking analysis and Dahua's business performance this year, conduct a comprehensive consideration of the double materiality assessment and adjust and improve the distribution of materiality.

Issue Reporting

- Summarize the issue analysis process and conclusions to form the results of impact materiality and financial materiality analysis.

Results of Double Materiality Issue Analysis



• Environmental Issues • Social Issues • Governance Issues

[Feature] Technology for Social Good, Empowered by Digital Intelligence

Guided by the vision of "technology for social good", we dedicate ourselves to driving intelligent technological innovation and its implementation. We inject new momentum into efficient urban governance while accelerating enterprise digital-intelligent transformation. Through steadfast pursuit of our mission "Enabling a Smarter Society and Better Living", we collaborate with global partners to develop intelligent strategies, relentlessly working toward building secure, eco-friendly, and harmonious future ecosystems.

Driving Industrial Advancement

We stay committed to driving product innovation based on market demands, continuously developing competitive solutions by leveraging our strong technological expertise and forward-looking market insights to lead industrial advancement. Our advanced technologies and diversified product ecosystems empower industries to build comprehensive security frameworks, enhance intelligent decision-making capabilities, and develop digital productivity platforms. Through these efforts, we are enabling cross-sector partners to achieve high-quality development while actively creating smarter operational models across all industries.

AI-powered innovation, compact excellence: Dahua Tian Series all-in-one smart systems



We continuously invest in AI innovation, and our newly launched Tian Series All-in-One Smart Systems deliver complete AI solutions within single device, enabling smart applications across cities, energy sectors, campuses, and diverse industries.

Dahua Tian Tuan

We integrate algorithms, platforms, computing power, smart scheduling, and algorithm training into a unified system. Our innovative AI-powered optimization system effectively enhances algorithm's output accuracy, while the multi-algorithm orchestration engine upgrades basic alerts into operational compliance notifications, improving intelligent and refined safety management practices.

Dahua Tian Gong

Designed for medium and small-scale urban projects, this system combines intelligent algorithms, image storage, high-performance databases, and video analytics. We help partners reduce costs while improving efficiency, with open architecture enabling seamless integration of third-party platforms and algorithms to create tailored solutions.

Dahua Tian Suan

Featuring unified storage, computing, retrieval, and application modules, we provide multi-object analysis covering personnel, vehicles, and non-motorized objects. Powered by our holographic multi-dimensional engine, target detection rates in extreme scenarios are doubled, delivering cost-effective intelligent clustering solutions for campus-scale deployments.

Dahua Twin-Star

Combining IoT connectivity, AI capabilities, and ecosystem integration, we collaboratively develop competitive solutions with partners through technology synergy. Our bidirectional value-sharing model enhances both parties' technical strengths, creating market-leading co-innovation products.

Building group-managed smart photovoltaic plants to accelerate industry advancement



We collaborate deeply with photovoltaic industry leaders to co-develop Smart Factory Integrated Management Platforms that integrate safety protocols, production workflows, and operational systems. By comprehensively addressing the intelligent and digital transformation needs of the photovoltaic sector, our solutions enable centralized group-level management while optimizing operational efficiency, driving the industry's sustainable evolution.



Production Process Visualization

We enable real-time monitoring of operations and equipment alerts while digitizing production line inspection processes, achieving 100% efficiency improvement in monitoring and quality control workflows.

Workshop Safety Management

Through continuous surveillance and proactive warnings, workshop violations have been reduced by 50%.

Cross-Campus Collaborative Operations

We facilitate multi-campus coordination and resource optimization to drive group-wide industrial modernization.

Automated Material Handling

By developing robotic scheduling platforms, we've automated material transport from raw input to finished goods, reducing manual handling by over 95% while boosting production efficiency.

Empowering petrochemical enterprises with enhanced safety management excellence



Petrochemical enterprises face significant safety challenges due to large-scale production, complex operational environments containing high volumes of flammable, explosive, and corrosive chemicals. Our AIoT solutions not only integrate video surveillance resource management and scheduling but also enhance safety oversight through AI-powered capabilities, setting a new benchmark for safety management in the refining and chemical industries.

Improvement in Risk Detection Capability

50%

Through 24/7 intelligent analysis and early warning systems, we enable real-time identification of unsafe behaviors within plant areas, significantly enhancing risk detection capabilities.

Reduction in Hazardous Operation Violations

30%

Our real-time on-site analysis and warning functions effectively reduce violations during high-risk operations, further minimizing the likelihood of safety incidents.

Reduction in Regulatory Workforce Investment

30%

By implementing centralized remote monitoring and control, we achieve efficient plant-wide supervision, substantially reducing manual oversight while improving management efficiency.

Advancing Ecological Protection

Nature and ecosystems are closely linked to human well-being, forming the foundation of our survival and development. At Dahua Technology, we advance the national initiative for ecological civilization by leveraging our advanced technologies and R&D capabilities. We are committed to protecting green mountains and clear waters, providing technological solutions for environmental sustainability, and building a harmonious future where humans and nature thrive together.



Forest Protection

We have implemented advanced systems for identifying diseased and pest-infested trees, while establishing a comprehensive forest fire monitoring and early warning network. These technologies efficiently monitor forest health threats such as pests and fires, protecting the vitality of forest ecosystems through innovative solutions.



Water Resource Protection

By integrating video IoT and artificial intelligence, we enhance water volume monitoring, environmental protection, flood prevention, drought relief, and water resource management. Our systems currently protect over 10,000 kilometers of water systems nationwide, ensuring clear waters and green landscapes through advanced water management technologies.



Wildlife Protection

Across diverse ecosystems including wetlands, forests, and oceans, we deploy situation-specific monitoring devices equipped with over 1,000 deep learning species recognition algorithms. These systems enable intelligent monitoring and protection of rare and endangered animals, ensuring their survival in natural habitats.

Empowering nature conservation through digital intelligence

Leigong Mountain in Guizhou—a national nature reserve and forest park, is renowned for its rich biodiversity and large population of rare and endangered species. Recognized by UNESCO as "*One of the Best-Preserved Unpolluted Ecological and Cultural Sanctuaries*" this area is a critical natural heritage.

In recent years, we have equipped forest rangers with advanced IoT-based patrol systems, enabling precise positioning and dynamic route optimization even in remote, network-free environments, significantly improving operational efficiency. By leveraging remote sensing data for intelligent comparative analysis, the reserve can now monitor vegetation changes in real time, swiftly identifying and addressing fire risks and anomalies.

Furthermore, our Low-Power Wildlife Cameras automatically transmit monitoring data without frequent battery replacements, offering invaluable research data for the reserve. These technologies collectively form a robust digital and intelligent defense system, safeguarding Leigong Mountain's biodiversity and ecological integrity.



Fire Monitoring System



Biodiversity Monitoring System

Empowering Urban Governance

Leveraging our leadership in digital-intelligent technologies, we deeply integrate into urban governance systems, delivering smart solutions that enhance the scientific precision and efficiency of city management. By optimizing resource allocation and utilization, we create safer, smarter cities, tangibly improving residents' quality of life and satisfaction.

AIoT-Driven modernization of urban governance

We harness digital-intelligent technologies to drive scientific and efficient transformations in urban management. By integrating video AI and IoT sensing capabilities, we've developed comprehensive smart management systems covering municipal environmental monitoring, supervision of landscaping, and municipal facility protection.

In the area of monitoring of the urban environment, we utilize industry products and intelligent analysis algorithms to provide real-time surveillance and automated alerts, ensuring clean and well-maintained city spaces. On the regulation of landscaping, we employ IoT sensors and video monitoring technologies to enable dynamic tracking of green areas and implement smart irrigation systems. In municipal facility protection, our advanced solutions offer real-time monitoring and risk warnings for roads, bridges, and other critical infrastructure, safeguarding the safety of urban transportation.

Additionally, we actively explore smart parking and intelligent lighting solutions, striving to deliver holistic smart city ecosystems that advance urban management towards modernization, intelligence, and precision.

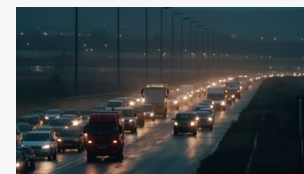


Intelligent urban management system

Smart solutions revolutionizing highway monitoring

Highway operations have long faced challenges such as nighttime glare from vehicle headlights and persistent video instability, which hinder effective daily video inspections, remote emergency coordination, and accident scene analysis.

Dahua's Yizhen PTZ Camera tackles these issues with Backlight Capture Technology, featuring nano-level optical lenses and a backlight optimization engine that evenly balances intense light exposure while intelligently adjusting brightness levels. Additionally, the camera incorporates AI Gyro Stabilization Technology to deliver unparalleled image stability, effectively resolving nighttime monitoring challenges and significantly enhancing road safety standards.

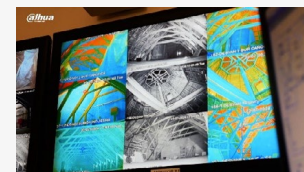


Dahua Yizhen PTZ Camera: empowering smarter highway operations

Digital intelligence guards historical and cultural heritage

During the reporting period, Dahua customized an advanced intelligent surveillance solution for the Alcázar of Segovia, with the aim of strengthening the protection of this historical and cultural heritage and upgrading the visitor experience. The castle receives around 700,000 visitors per year. We actively responded to the multiple challenges of visitor flow management, building structure maintenance and security by carefully deploying an integrated system covering access control, perimeter policing, behavioral intelligent recognition and thermal monitoring. To further ensure the safety of visitors, the castle is also equipped with emergency help stations and video intercom systems to provide visitors with immediate assistance channels.

The application of this series of intelligent technologies not only significantly improves the protection efficiency of the Alcázar of Segovia, but also greatly optimizes the visitor experience, setting a new benchmark for the combination of cultural heritage protection and innovative technology application.



Dahua Intelligent Monitoring Solution Safeguards Alcázar Castle in Spain

Enhancing Public Well-being

Dahua actively fulfills its corporate social responsibility and gives full play to its role in promoting people's well-being and creating a better life. We focus on addressing social issues and supporting vulnerable groups, continuously expanding the application of our products and solutions. Through technological innovation, we strive to build a harmonious society where the elderly are cared for, children are supported, those in need receive assistance, and medical treatment is accessible to all.

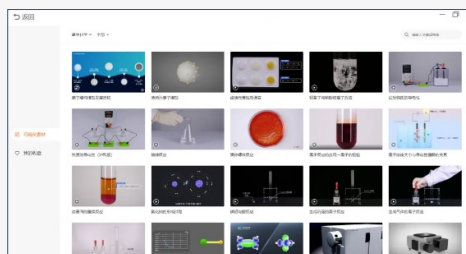
Empowering educational informatization with digital intelligence

As educational informatization continues to evolve, digital-intelligent technologies are being increasingly adopted across campuses and classrooms. Dahua Technology collaborated with the Luoyang Education Bureau to pioneer the "Learning in Luoyang" Bureau-School Integrated Collaborative Management System. By centralizing educational data and enabling unified management, the system has boosted teaching management efficiency by 30% and achieved a 100% resource sharing rate, revitalizing educational development in this millennia-old city.

The Luoyang Smart Education Application System includes modules such as premium recording and broadcasting systems, Class Access to ICTs, and resource aggregation and sharing platforms. It effectively consolidates high-quality courses and learning materials from various schools, making them accessible to more teachers and students, thereby enhancing teaching quality. Additionally, the system enables centralized remote management of 22 types of campus information systems, ensuring that informatization and intelligence better serve every aspect of campus life.



Remote unified management platform



Resource aggregation and sharing platform

Safeguarding the "dream of secure housing" with digital intelligence

Housing is a cornerstone of public well-being and addressing the housing challenges of low- and middle-income families is crucial for fostering a better quality of life. During the reporting period, we supported Chengde County in Hebei Province to develop the Dahua Smart Public Rental Housing Management Platform. This platform features a three-tier control system—from community entrances to unit doors and individual apartments—integrating tenant management, property management, anomaly management, and operational management into a unified solution. By establishing a comprehensive smart public housing management model, we are leveraging digital intelligence to safeguard the "dream of secure housing" for all.



Dahua smart public rental housing management platform

01

Strengthening the Foundation of Governance

We adhere to the principles of excellence in governance, strictly complying with regulations and international standards while continuously optimizing our governance framework. By establishing robust compliance mechanisms and risk management systems, we actively foster a fair and transparent market environment. At the same time, we uphold ethical integrity and deepen stakeholder engagement, creating long-term value for all stakeholders and ensuring the Company's sustainable growth.

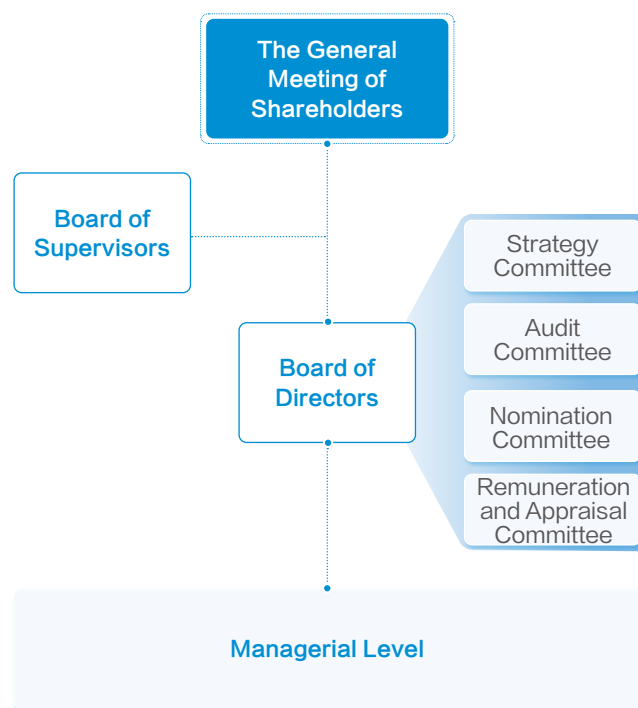
● Corporate Governance	20
● Compliance Management	21
● Risk Management	24
● Business Ethics	26



Corporate Governance



The Company rigorously complies with laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Code of Corporate Governance for Listed Companies*. We have established a governance structure comprising the General Meeting of Shareholders, Board of Directors, Board of Supervisors, and Management—referred to as the "Three Boards and the Management".² The Board of Directors has four specialized committees: the Strategy Committee, Audit Committee, Nomination Committee, and Compensation and Evaluation Committee. Each level of governance operates with clear responsibilities and collaborative synergy.



Dahua Technology Board of Directors Structure

We place high importance on the independence and diversity of our Board of Directors, viewing it as the cornerstone for protecting shareholder rights and ensuring the Company's steady progress. The selection of board members adheres to the principle of diversity, considering factors such as gender, age, professional background, industry experience, and career history.

As of the end of the reporting period, the Company's Board of Directors consists of nine members, including six non-independent directors and three independent directors, one of whom is female. The board members bring extensive industry experience and possess strong expertise in risk management and financial oversight, providing diverse perspectives to optimize corporate governance and support strategic decision-making.

Type of Directors	Name	Gender	Professional Ability		
			Industrial Experience	Risk Management	Financial Management
Non-independent director –Chairman	Fu Liquan	Male	●		
Non-independent director –Vice Chairman	Wu Jun	Male	●		
Non-independent director	Chen Ailing	Female			●
Non-independent director	Zhao Yuning	Male	●		
Non-independent director	Yuan Lihua	Male	●	●	
Non-independent director	Zhang Xiaoming	Male	●		
Independent director	Cao Yanlong	Male	●		
Independent director	Liu Hanlin	Male			●
Independent director	Zhang Yuli	Male		●	

² "Three meetings and the management": "three meetings" refer to the general meeting of shareholders, the Board of Directors, and the Board of Supervisors. The Board of Directors has four specialized committees: the Strategic Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee; "the management" refers to the management of Dahua Technology.

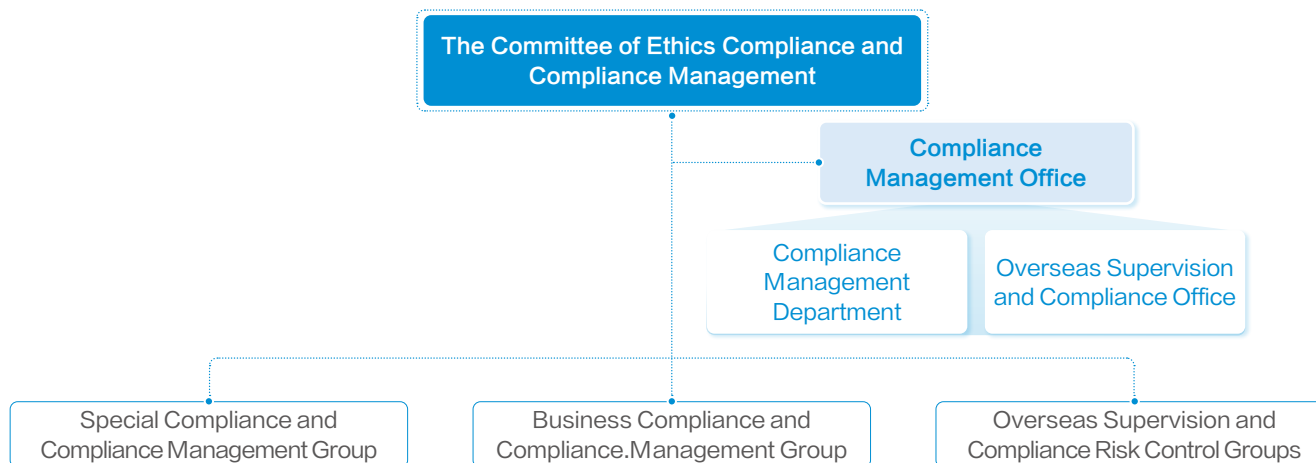
Compliance Management



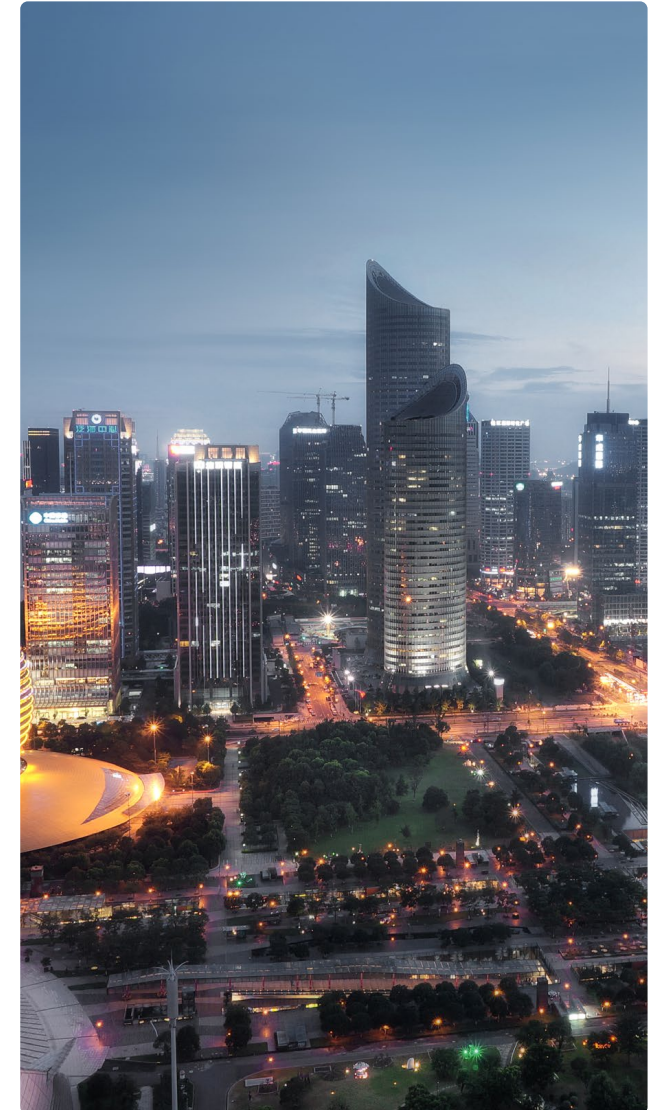
Dahua Technology adheres strictly to the principles of compliance, fully abiding by the laws and regulations of all jurisdictions where it operates. The Company has established a robust compliance management system and efficient operational mechanisms to accurately identify and effectively address global compliance risks, ensuring sustainable development.

The Committee of Ethics Compliance and Compliance Management, led by the Chairman of the Board, oversees the implementation of compliance operations, risk management, and related decision-making. Under the committee's guidance, the Compliance Management Office formulates and executes compliance policies, objectives, and plans to ensure effective implementation of compliance requirements across the company. The Compliance Management Office includes the Compliance Management Department and the Overseas Regulatory Compliance Office, responsible for internal compliance and overseas regulatory compliance, respectively. Additionally, the Company has established specialized teams such as the Specialized Compliance Group, Business Compliance Group, and Overseas Regulatory Compliance Risk Control Group to ensure comprehensive compliance across all business areas, subsidiaries, and international markets.

During the reporting period, we expanded our compliance framework by adding two new groups: the Product Compliance Group and the AI Security and Compliance Group, strengthening risk management in product access, quality safety, and algorithm security. To ensure subsidiaries promptly implement the group's compliance requirements and enhance business risk management, the company also established the Subsidiary Business Compliance Group, integrating subsidiary compliance management and daily operations under the oversight of the Ethics and Compliance Management Committee, thereby standardizing compliance practices across all subsidiaries.



Dahua Technology Compliance Management Structure



Building on our comprehensive compliance management framework, we implement thorough risk identification and management across the company's critical projects and business processes. These initiatives cover key areas such as technology ethics, trade compliance, product compliance, cybersecurity and data protection, AI safety and compliance, high-risk employee behaviors, and financial and tax compliance. Additionally, we place strong emphasis on risk control in core business operations, including domestic and international marketing, R&D activities, supply chain management, product delivery and services, and procurement management.

Technology Ethics

- We are committed to ethical technology practices, striving to strengthen technology ethics management and build a comprehensive ethical framework. We strictly adhere to relevant laws and regulations, effectively preventing and controlling technology ethics risks. During the reporting period, we formulated and released the *Technology Ethics Management Guidelines*, guiding the implementation of technology ethics initiatives.
- To reinforce awareness, we conducted online compliance training on technology ethics and standards for all employees.

Product Compliance

- The Product Compliance Group at Dahua Technology is responsible for establishing a robust global product compliance system, creating end-to-end product compliance risk control processes. This ensures that all product compliance and quality safety requirements are met, maintaining the company's products' compliance and safety in global markets.
- By forming and operating an Overseas Product Compliance Task Force, implementing IT system controls, and establishing emergency response mechanisms, we effectively address overseas product compliance challenges.

Financial and Tax Compliance

- Our finance and tax department are dedicated to building a global financial and tax compliance system to comprehensively manage financial and tax risks. We have established specialized financial and tax compliance teams tailored to the unique requirements of different countries and regions, gradually improving our global compliance management framework.
- Through upgrading information systems, optimizing record-keeping, standardizing tax templates, and updating operational manuals, we continuously enhance the compliance and efficiency of financial and tax processes.

Trade Compliance

- We continue to optimize and enhance our export control compliance system. During the reporting period, we updated our *Trade Compliance Management System*, *Export Control Compliance Statement*, and operational guidelines for procurement, supply chain, R&D, and sales, further clarifying compliance requirements and accountability. Specialized compliance training was provided to business units, covering key personnel to improve compliance awareness and practical skills.
- We established an ECCN Classification Expert Group to strengthen the identification and monitoring of multi-country-controlled product lists, ensuring product classification compliance.
- Dynamic tracking of local laws and regulations is conducted, with regular compliance monthly reports issued to business units to effectively mitigate potential risks.



AI Safety and Compliance

- The AI Safety and Compliance Group is tasked with establishing and improving the company's AI safety assurance system, covering policies, organization, processes, management, technology, and standards. This proactive approach addresses algorithm safety and regulatory challenges, ensuring the compliant application of AI technologies.
- In response to the EU AI Act and China's *Interim Measures for the Administration of Generative Artificial Intelligence Services*, we have developed relevant algorithm compliance policies and initiated algorithm and large model registration processes.

Cybersecurity and Data Protection

- We place high importance on cybersecurity and data protection, closely monitoring updates to relevant laws and regulations. The company strictly complies with the *Cybersecurity Law of the People's Republic of China*, the EU's *General Data Protection Regulation (GDPR)*, California's *Consumer Privacy Act (CCPA)*, and India's the *Digital Personal Data Protection Bill*, among others.
- We have integrated diverse data and privacy protection requirements into its internal *Personal Data and Privacy Protection Guidelines*. Privacy-by-design principles are embedded throughout the product development life cycle.

High-Risk Employee Behavior

- Upholding the principle of "Integrity in Dahua, Success through Righteousness," we established the Integrity and Ethics Management Committee and formulated policies such as the *Business Ethics and Anti-Corruption Policy* to promote lawful and compliant operations.
- Regular integrity audits and business ethics training are conducted to prevent and address ethical risks, fostering a culture of corporate integrity.

During the program

Online compliance training exam pass rate of

99.47%



During the reporting period, we actively identified compliance obligations in high-risk countries worldwide, conducted risk assessments and responses, strengthened compliance framework, and carried out internal and external management reviews. We achieved ISO 37301 certification, signifying that our compliance management has met international standards and elevated corporate governance to a new level.

Simultaneously, we organized a company-wide compliance month event, promoting compliance culture through posters and seminars focused on key areas such as trade compliance, anti-corruption, and data protection. This initiative significantly enhanced employee compliance awareness, with a 99.47% pass rate in the online compliance training exams. Additionally, we launched a compliance excellence recognition program to honor individuals and teams who made outstanding contributions to compliance management. As a member of the United Nations Global Compact (UNGC), we fully adhere to the *Ten Principles of the UN Global Compact* and has published a group-wide employee code of conduct. These efforts have deeply embedded a culture of compliance into the Company's DNA, ensuring that all employees are committed to upholding compliance standards.

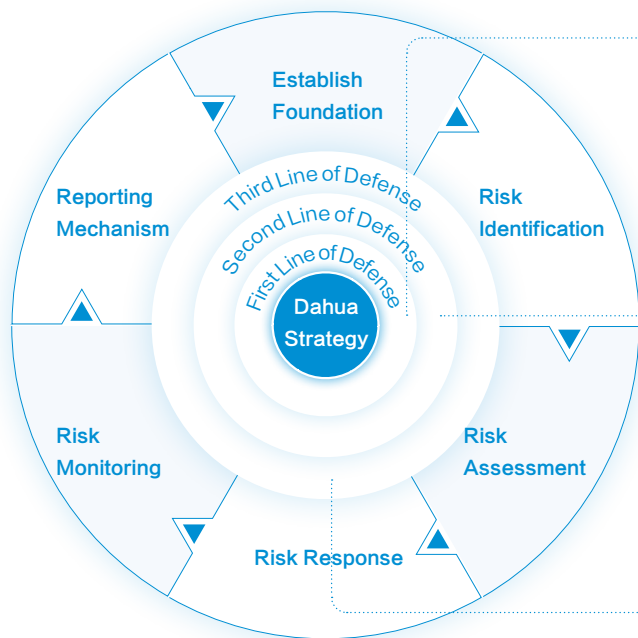


Dahua Technology 2024 company-wide compliance month initiative

Risk Management



We continuously refine our "One-Three-Six" risk management system based on the COSO-ERM framework and BCM system. This system is risk-oriented, institution-based, process-driven, control-focused, and IT-supported. We have established a robust risk management organization to implement comprehensive risk identification, precise assessment, timely response, and ongoing monitoring. A well-defined reporting mechanism ensures the effectiveness of the Three Lines of Defense in risk management, supporting the achievement of our strategic objectives.



Business line

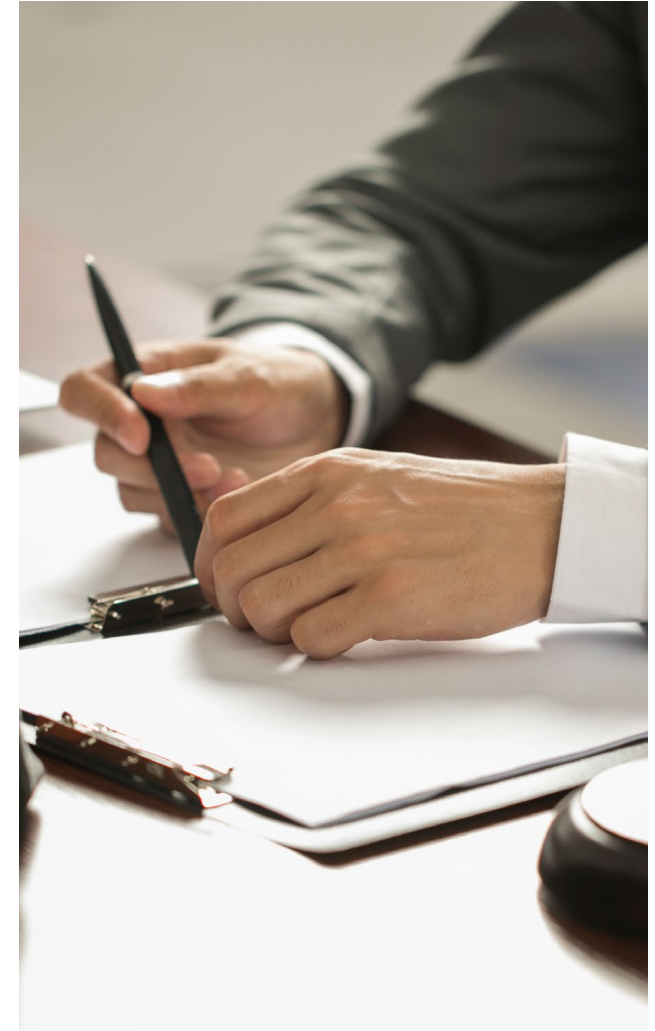
Business line serves as the first line of defense in risk management. It is responsible for integrating risk management measures and internal control processes into daily operations to effectively address risks in business management.

Internal control line

Internal control line forms the second line of defense in risk management. It organizes and coordinates risk management activities across business units, ensures the implementation of risk management measures, and conducts continuous monitoring of related efforts.

Internal audit line

Internal audit line acts as the third line of defense in risk management. It fulfills the role of corporate oversight, evaluating the effectiveness of risk solutions and measures at our headquarters to ensure the successful execution of risk management strategies.



Risk management processes	Risk management measures
Establish Foundation	• We have established specialized risk control committees, including the Strategy Committee, Audit Committee, The Committee of Ethics Compliance and Compliance Management, Information Security Committee, and Workplace Safety Committee. • We have implemented a Three Lines of Defense Model (Business Units, Internal Control Department, Internal Control and Audit Department) and built a risk-oriented internal control framework. • Each major business function and subsidiary has designated department-level internal control liaisons.
Risk Identification	• Through methods such as policy reviews, interviews, internal audits, and business process analysis, we identify and review risks at both the corporate and subsidiary levels. We continuously enrich our risk databases across business segments and departments, mapping risk landscapes to ensure scientific and systematic risk management. • We dynamically identify risk changes based on the latest business adjustments and plans.
Risk Assessment	• Leveraging the risk database, we integrate regulatory alerts, industry risks, research findings, audit results, and management feedback to assess the likelihood, impact, and effectiveness of risk responses. Comprehensive risk analysis and evaluation are conducted based on risk categories.
Risk Response	• Based on risk assessment outcomes, we formulate risk response strategies, including risk reporting, risk acceptance, risk avoidance, risk mitigation, and risk transfer. Specific measures include: Compliance-driven risk response: focus on legal and regulatory compliance, asset security, and operational efficiency, with particular attention to high-risk areas and adherence to regulatory requirements. Scenario-based risk response: conduct in-depth evaluations of processes and controls in high-risk areas, implementing differentiated risk management for various business scenarios. Hierarchical risk response: establish tiered authorization mechanisms across high-risk domains, clarifying authorization content at each level. Specialized risk response: develop corporate and departmental internal control initiatives for high-risk operations, integrating controls into business processes to avoid or reduce risks.
Risk Monitoring	• We have established a risk monitoring mechanism to regularly oversee and evaluate the implementation of risk responses, ensuring the effectiveness.
Reporting Mechanism	• To enhance risk management, a comprehensive risk reporting mechanism has been established, comprising three formats: regular periodic reports, special risk reports, and major risk/emergency risk reports. These reports are designed to comprehensively, promptly, and objectively reflect the substantive risks faced by subsidiaries and departments during the reporting period, ensuring a clear and actionable understanding of risk exposures across the organization.

Business Ethics



We place high importance on business ethics, upholding values of integrity and probity. A robust business ethics management framework has been established, led by the Ethics and Integrity Management Committee, an executive-level committee chaired by the Chairman of the Board. This committee oversees the Company's integrity governance initiatives. Additionally, formal policies such as the *Dahua Anti-Bribery and Anti-Corruption Management Regulation* and the *Dahua Technology Business Ethics and Anti-Corruption Policy* have been implemented. These policies firmly oppose corruption and bribery, ensuring compliance in business operations and management while fostering the Company's steady and sustainable growth.

Ethics and Integrity Management Committee



- The Ethics and Integrity Management Committee serves as an executive-level committee at Dahua Technology, chaired by the company's Chairman. Its members include the CEO, senior vice presidents, and the CFO.
- The committee oversees all anti-corruption and anti-bribery initiatives, including compliance obligation identification, risk assessment, system development, supervision, inspection, and continuous improvement.
- Under the committee's leadership, the Legal Compliance Department, Compliance Management Office, Human Resources Center, and Internal Control and Audit Department collaborate to implement specific measures.
- The Internal Control and Audit Department operates independently from other first-tier departments, conducting impartial investigations into corruption cases to ensure factual accuracy and objective reporting. Upon confirming corrupt activities, the Human Resources Center, Compliance Management Office, and Legal Compliance Department jointly decide on appropriate actions. The Human Resources Center handles internal disciplinary measures, while the Legal Compliance Department and Compliance Management Office manage external reporting and legal proceedings.

Dahua Technology business ethics management framework



We are committed to upholding business ethics through concrete actions, implementing multiple initiatives to foster a culture of integrity. During the Reporting Period, we conducted extensive anti-corruption and anti-bribery education and training for all directors, senior executives, frontline employees, part-time staff, and contractors, achieving a 100% training coverage rate. These efforts have deeply embedded a culture of integrity across the organization.

Building a culture of integrity

We actively promote a culture of integrity by organizing integrity-themed training programs, requiring employees to sign integrity pledges, and implementing multiple measures to enhance ethical awareness. Additionally, the Company hosts an *Integrity and Compliance Awareness Month* to further cultivate a transparent and ethical organizational culture.

Enhancing employee anti-corruption awareness

- For new employees, we require the signing of the *Integrity and Anti-Commercial Bribery Compliance Pledge* upon onboarding to prevent and resist corrupt practices. New hires also participate in a mandatory monthly *Integrity in the Workplace* training session to instill strong ethical values.
- Newly promoted managers are required to complete an online course titled *Strengthening Supervision, Promoting Compliance, and Preventing Corruption*, reinforcing their awareness of anti-corruption principles.
- Employees in high-risk roles, such as procurement and supply chain management, attend specialized training sessions led by judges from the Binjiang District Procuratorate on *Preventing Occupational Crime Risks in Enterprises*, deepening their understanding of workplace-related criminal risks.

Integrity and compliance awareness month

- We designate August each year as *Integrity and Compliance Awareness Month*, organizing activities such as integrity pledges, visiting to integrity education bases, and online learning programs to strengthen employees' self-discipline and ethical awareness. Furthermore, we send integrity reminders to all employees, suppliers, and clients during major holidays, further solidifying our commitment to a culture of integrity.

We uphold business ethics principles and maintain a zero-tolerance stance toward illegal activities and disciplinary violations, addressing such incidents with strict actions and public notifications to reinforce disciplinary boundaries and enhance the deterrent effect of audits. We particularly focus on high-risk areas, such as supply chain operations, by increasing audit resources and implementing refined management practices to ensure managerial accountability and thoroughly uncover violations. The Internal Control and Audit Department conducts audits in high-risk areas, and upon confirming corruption, immediately terminates the employment of involved individuals and refers the cases to judicial authorities. Additionally, we conduct comprehensive business ethics audits covering all operational locations and processes at least every three years. In 2024, we carried out 17 supply chain audits, with no violations of business ethics identified.

A comprehensive anti-corruption reporting system and handling process have been established, with policies such as the *Fraud Reporting Management Measures* and *Violation Reporting and Investigation Management Regulations* developed to ensure transparency and accessibility. Reports and complaints are accepted through multiple channels, including hotlines, email, WeChat official accounts, and mail, enabling smooth feedback on any unethical behavior.

Anonymous reports and complaints are welcomed at Dahua, and a whistleblower protection policy has been implemented to strictly prohibit the disclosure of any personal information, such as names, departments, or addresses to protect related whistleblowers from retaliation. Additionally, during investigations, measures are taken to ensure that no materials potentially revealing the whistleblower's identity are shared with the investigated individuals or departments.

Dahua Technology Business Ethics Reporting Channels

-  Hotline: 0571-28816326
-  E-Mail: jbrx@dahuatech.com
-  WeChat Official Account: Fanghua Society-Integrity Dahua-Reporting Channel
-  Address: Internal Control and Audit Department, A20, 1399 Binxing Rd., Binjiang District, Hangzhou City, Zhejiang Province

We adhere to the principle of fair competition, complying with anti-monopoly and anti-unfair competition laws and regulations in China and all jurisdictions where it operates. During the reporting period, the *Anti-Monopoly and Anti-Unfair Competition Compliance Management Regulations* were established, clearly defining our compliance policies and prohibited practices in these areas. Risk assessments and compliance improvements were conducted for key markets, including China, the EU, the UAE, Mexico, and India.

Additionally, specialized training on anti-monopoly and anti-unfair competition was provided to core departments such as R&D, procurement, and domestic marketing to strengthen compliance awareness. During the reporting period, no litigation or significant penalties related to unfair competition practices were incurred.



Protecting the

Green Ecosystem

02

Dahua is dedicated to green development, minimizing the environmental impact of its production and operations by enhancing its environmental management system. The Company actively leverages clean technology opportunities to improve resource efficiency in critical areas such as R&D, logistics, production, products, and office operations. By optimizing operational practices, the Company reduces its overall environmental footprint and actively advances the realization of the "dual carbon" goals.

● Environmental Management	29
● Green R&D	30
● Green Products	35
● Green Operation	37
● Addressing Climate Change	46

Environmental Management

We deeply implement our environmental management philosophy of "safety and environmental protection, green and healthy practices, regulatory compliance, and continuous improvement". A comprehensive environmental management framework has been established, covering R&D, products, and operations. We strictly adhere to environmental laws, regulations, and industry standards in all operational regions, compiling the *Legal and Regulatory Compliance Identification and Evaluation List* to ensure compliant operations.

Additionally, Dahua enforces the *Regulation on the Recognition and Evaluation of Environmental Factors* to comprehensively evaluate the environmental impacts of its business activities. The Company implements effective control measures and continuously updates its management strategies to improve environmental performance and promote sustainable development.

Environmental Management System

In compliance with the ISO 14001: 2015 standard, we have established a series of environmental management policies, developed a comprehensive environmental management system, and implemented multiple environmental management measures. We exercise full control over water, air, noise, and other factors, effectively reducing the environmental impact of production and operations. Additionally, Dahua regularly invites third-party agencies to conduct three waste detection and environmental supervision and evaluation, thereby strengthening the dual assurance of internal management and external oversight. During the Reporting Period, Dahua successfully maintained the ISO 14001:2015 Environmental Management System certification, marking a milestone in the systematic and scientific approach to environmental management.



Dahua Environmental Management System Certification

Energy Management System

We have developed and implemented internal policies such as the *Energy Review Management Procedures* and the *Energy Benchmark, Energy Performance Parameter Management Control Procedures* to continuously monitor and evaluate energy consumption. The *Energy Management Factor Identification Checklist* is used to strengthen oversight and inspection of energy usage, improving energy efficiency. Additionally, a digital energy consumption monitoring platform has been established to manage energy usage through refined and visual methods, enhancing energy management efficiency. During the Reporting Period, Dahua maintained ISO 50001: 2018 Energy Management System certification



Dahua Energy Management System Certification

Hazardous Substance Process Management System

In the management of waste and hazardous substances, strict waste disposal processes have been established in accordance with internal policies such as the *Solid Waste Pollution Prevention and Control Management Norms* and the *Management Measures for Hazardous Waste Disposal*. These ensure compliance with local regulations at every stage, from generation to disposal, achieving standardized and systematic waste management. Additionally, a robust hazardous substance process management system has been developed, successfully certified under IECQ QC080000:2017. Close collaboration with suppliers is maintained to reduce the use of hazardous substances in production processes, further enhancing environmental management effectiveness.



Dahua Hazardous Substance Management System Certification

Biodiversity

Dahua deeply recognizes the importance of biodiversity in maintaining ecological balance and human well-being and are committed to respecting and protecting biodiversity through concrete actions. Emissions and pollutants from operations are strictly controlled to minimize the potential negative impacts of business activities on ecosystems.

We leverage technological strengths to support scientific research and conservation efforts in biodiversity. For instance, our fire prevention monitoring and early warning systems, video IoT solutions, and deep learning algorithms are playing a critical role in fields such as forest fire prevention and rare species monitoring. Dahua is committed to advancing practices in biodiversity conservation and contributing to the creation of a harmonious and symbiotic ecological environment.

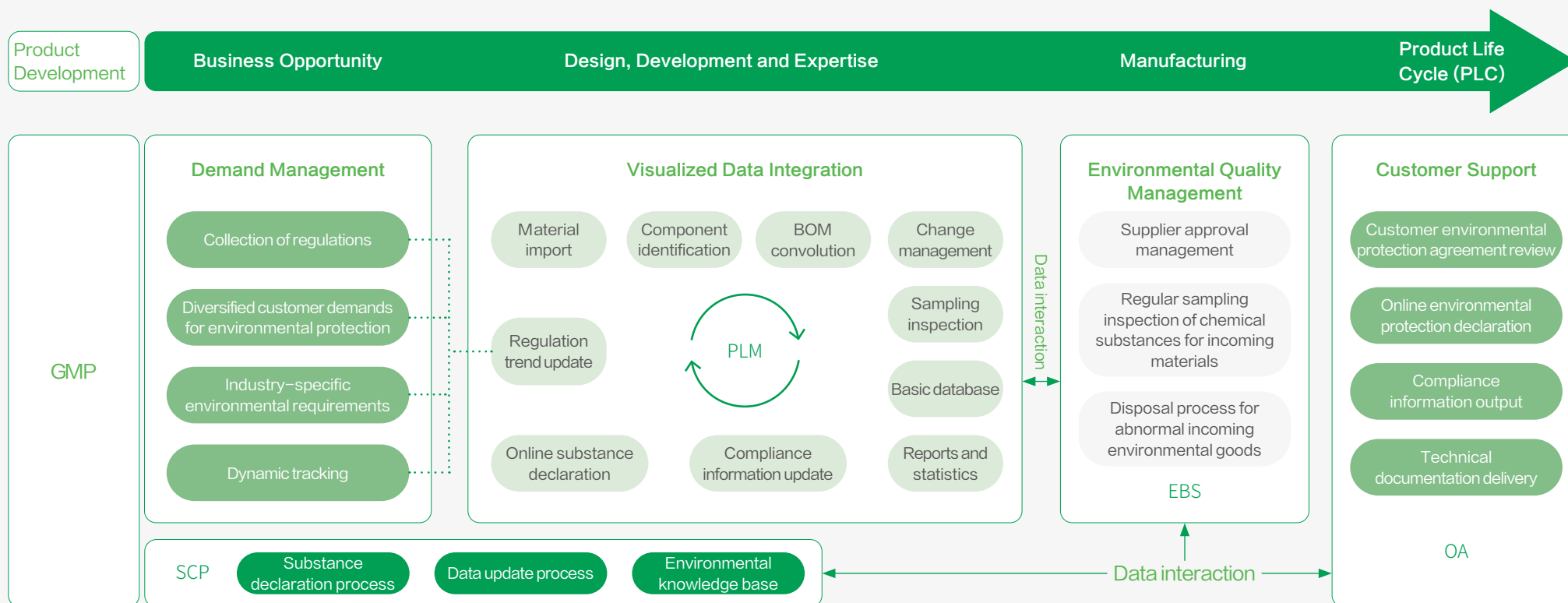


Green R&D

Dahua adheres to the philosophy of green innovation in its R&D efforts, advancing green R&D practices through establishing a green product quality management platform, selecting eco-friendly raw materials, optimizing R&D processes, and upgrading sustainable packaging. We integrate environmental considerations into every phase of product development, ensuring that the entire product lifecycle complies with sustainability standards and actively fulfills our environmental commitments through concrete actions.

Platform Empowerment

Dahua has integrated clean technology into its core development strategy, driving innovation and application through increased investment. We have developed the Green Product Management Platform (GPM), designed for the environmental management of product materials. This platform enables green production across the entire product lifecycle and ensures intelligent, digitalized management of hazardous substances. Additionally, the *Product Full Lifecycle Environmental Management Specification* has been implemented, setting stringent environmental management criteria for every stage from product design and development to recycling, ensuring comprehensive environmental responsibility.



During the Reporting Period, Dahua dedicated resources from all Group departments to collaboratively establish a Product Carbon Footprint Accounting System. This system enables intelligent and accurate batch assessments of the carbon footprint of group products, analyzing emissions at each stage of the product life cycle. It is designed to address regulatory compliance needs, develop low-carbon products, and advance green and sustainable procurement practices. This marks a significant milestone in identifying product decarbonization opportunities and supporting the achievement of climate goals.

Product Carbon Footprint System



During the Reporting Period, Dahua developed and tested key metrics such as data analysis and data scoring, ensuring the full functionality and launch of the carbon footprint system. This system enables the rapid generation of product carbon footprint reports with exceptional efficiency.

PCR Template Data Maintenance	Factor Rules Established	Single Model Calculation Rate	Product Baseline Models Created
100+	1,500+	>80%	4,000+

The system has implemented a comprehensive lifecycle accounting logic and solution, featuring industry-leading core functions such as intelligent calculation, smart factor matching, PCR product prototype management, supplier performance, and a visual data cockpit. The first version deployed in Dahua's internal production environment enables zero-based modeling of product carbon footprints, generating accounting results and multiple report versions.

By the end of the Reporting Period, we supported multiple domestic and international projects, calculating and reporting the carbon footprints of 30 products, including commercial displays, IPCs, and NVRs. A project submitted to the National Carbon Footprint and Carbon Neutrality Innovation Competition won third prize, and one software copyright application was filed.

Product Carbon Footprint Calculation and Reporting	Material Carbon Data Submission Completed	Overall Progress
30 Products	40,000+	>92%

Green Raw Materials

We are committed to integrating green attribute management into the early stages of R&D, adhering to various environmental standards. We continuously monitor and complies with domestic and international environmental regulations and standards, such as RoHS, REACH, CA65, and PAHs. The *Dahua's Hazardous Substance Restriction Requirements* have been established for both the Company and its suppliers, systematically identifying all chemical substances used in product manufacturing to ensure compliance with environmental regulations and low-carbon standards. In alignment with the IECQ QC080000:2017 standard, a Hazardous Substance Process Management System (HSPM) has been implemented to continuously optimize the management of environmental data.



Standard Identification

A robust environmental regulation database is embedded within the R&D system, and internal standard interpretation cases are regularly shared on the knowledge platform to ensure full-spectrum identification of controlled substances and multi-level implementation of regulations.



R&D Process Management

A multi-material library function has been developed to support green product development by selecting eco-friendly materials. During the Reporting Period, the system operated smoothly, with no recalls or customer complaints due to environmental compliance issues.



New Material Introduction

Before introducing new materials, we rigorously evaluate our compliance, focusing on sensory verification and employee operability during the validation process. For sensitive materials, third-party test reports are required from suppliers. Process monitoring and regular sampling ensure the stability of hazardous chemical properties and safety indicators.



Awareness Promotion

Key employees in relevant roles participate in environmental compliance training through annual programs such as the "Green Seed Plan" and "Green Pine Plan". Over 6,000 employees have completed online courses and exams via the Dahua Learning Platform, creating a multi-dimensional closed-loop awareness system to enhance compliance awareness.

Supported by systematic management and growing employee awareness, we strictly control the safety and compliance of raw materials while continuously optimizing the green attributes of our products. Efforts are being made to phase out hazardous chemicals in both production processes and product applications.

During the Reporting Period, 4,155 RoHS reports were updated, covering over 97% of production materials. Using environmental testing equipment, 3,546 production materials were tested, ensuring a 100% RoHS sampling compliance rate for self-developed products. Additionally, 100% REACH declaration coverage was achieved for various materials, SCIP registration was completed for over 1,000 products sold in Europe, and the WEEE product recycling rate was increased to over 85%.

Dahua updates RoHS report

4,155_{opies}



We have achieved the coverage of REACH declarations for different materials to

100%

R&D Technique

While building a green product R&D platform, Dahua has deeply researched and applied intelligent simulation technologies. The Galaxy Cloud Simulation Management Platform achieves high-precision simulation through interdisciplinary integration, increasing simulation automation efficiency to over 80% and significantly reducing the need for physical testing and experiments during R&D. Additionally, the thermal-electric model reduction further optimizes the simulation technique. Currently, simulation processes are fully adopted in new product development, achieving 100% coverage for new products and projects. The application of intelligent simulation technologies in thermal, mechanical, and electrical fields has improved simulation efficiency by 5 times, 3 times, and 3 times, respectively, comprehensively supporting green R&D and enhancing product development success rates.

Green Packaging

Dahua is committed to reducing the environmental impact of product packaging, actively adhering to a series of domestic and international packaging standards and regulations. These include the *EU 2005/20/EC Packaging and Packaging Waste Directive*, China's *GB/T 12123-2008 General Requirements for Packaging Design*, the *GB/T 8166-2011 Cushioning Packaging Design*, the *GB/T 6544 Corrugated Board*, and the *GB/T 13024 Carton Boards*.

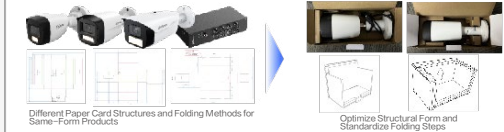
The Company adheres to the principles of lightweight, standardized, and green sustainable packaging. In accordance with the *DH JS 1730 Packaging Design Technical Specification* and the *T/ZJAF 9-2021 Green Packaging Technical Specification* for Electronic Security Products, and considering industry trends and product characteristics, we have established the *Green Energy Efficiency Packaging Technical Requirements and Grading Standards*. These standards quantify packaging energy efficiency levels across five dimensions: packaging system optimization, material recycling, energy recovery, organic recycling, and packaging void ratio management. They guide packaging design, lead optimization efforts, and drive the development of green packaging materials with high protection, low energy consumption, and strong environmental benefits.

Packaging miniaturization

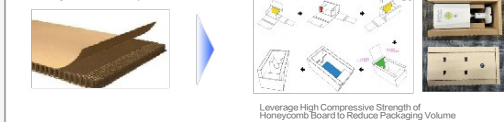
During the Reporting Period, Dahua implemented a packaging miniaturization initiative for over 30 new products, successfully reducing the packaging volume of these products. This initiative led to an average 20% reduction in the total packaging volume of shipped products and a 1.2x improvement in container loading efficiency. Additionally, the company-wide packaging miniaturization design achieved a 10% reduction in the overall packaging volume of shipped products and a 20-ton annual reduction in single-use plastic packaging materials.



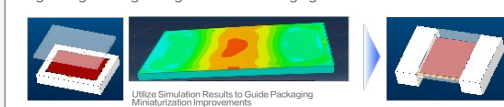
Paper Card Folding/Form Optimization and Standardization



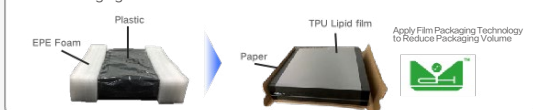
Honeycomb Composite Structure Reinforcement Technology



Lightweight Design Integrated with Packaging Simulation Structure



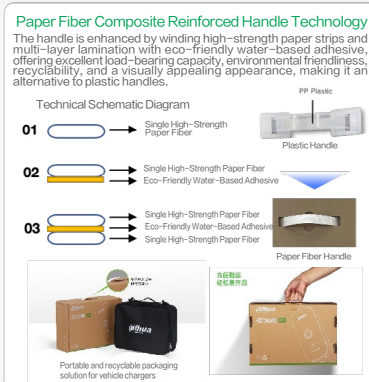
Film Packaging



Application of eco-friendly packaging materials

Dahua actively explores the application of eco-friendly packaging materials, enhancing the green attributes of products through more sustainable and efficient packaging solutions.

- The paper fiber composite reinforced handles are made by rolling and reinforcing high-strength paper strips, then bonding them with eco-friendly water-based adhesives in multiple layers. They offer excellent load-bearing capacity, are environmentally friendly, and easy to recycle. These handles have replaced plastic handles, meeting the demand for plastic-free packaging in overseas markets.
- In paper-wood composite crates, L-shaped paper corner protectors are innovatively used to replace some metal steel edges, enhancing crate assembly flexibility and enabling customized quick disassembly. This has increased average assembly efficiency by 47% and reduced metal usage per crate by 50%, addressing both environmental sustainability and efficiency improvement needs.



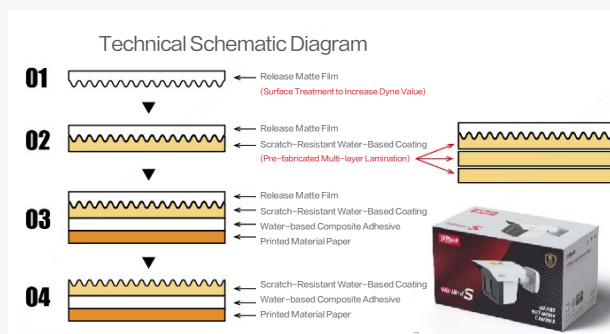
Logistics packaging optimization

Dahua transforms logistics packaging through innovative technologies and designs, empowering the green development of the industry.

- Pre-coated oil film transfer technology has been adopted, developing pre-coated multi-component water-based matte oils and automated transfer processes. This iteration of color printing packaging eliminates plastic and enhances color fixation, reducing the average delivery cycle for complex packaging by 1.3 days and promoting the establishment of green packaging technical standards.
- Comprehensive packaging optimization measures have been implemented, including the removal of heat-sealed films from outer boxes. Pilot and batch applications in front-end video product transport packaging are expected to reduce annual single-use plastic consumption by 22.8 tons.
- Packaging designs have been improved to better adapt to automated palletizing lines. By adjusting pallet structures, foot pad heights, and materials, resource consumption has been reduced while efficiency has been enhanced.

Reduced average lead time for
complex product packaging by

1.3days



Pre-Coated Oil Film Transfer Technology

Pilot and batch applications in front-end video
product shipping packaging could achieve annual
single-use plastic reduction of

22.8tons



Plastic films have been eliminated from overseas
product transport boxes.

Packaging efficiency improvement

For some products exported overseas, we adopt the CKD (Completely Knocked Down) production model for shipment. To reduce the use of EPE (Expanded Polyethylene) materials and cardboard during this process, minimizing the potential environmental impact of material usage and waste. We initiated a packaging optimization project. This project ensures the safety of components while improving loading efficiency and reducing packaging waste. After implementation, it is estimated that EPE usage will decrease by 40 tons annually, and cardboard usage will be reduced by 36 tons per year.

Estimated reduction in EPE
use per year:

40tons



Reduction in the use of
cardboard boxes:

36tons



We primarily use packaging materials such as paper, plastic, wood, and metal. The consumption of paper and plastic packaging materials per unit of production over the years is as follows.

Packaging Material Type	Units	2024	2023	2022
Paper	Tonne/Million units	343	325	357
Plastic	Tonne/Million units	34	42	50
Wood	Tonne/Million units	17	14	/



Green Products

Dahua adheres to the strategic principle of "digital intelligence empowerment, low-carbon future, shared ecology, and compliant operation", integrating green concepts into every stage of product development, design, packaging, and usage. Through carbon footprint audits and certifications, we identify opportunities for product decarbonization. Clean technology opportunities have also been incorporated into the business sustainability strategy, with enhancing low-carbon attributes as a core focus in product development and service optimization, providing sustainable, high-quality solutions for various industries.

Clean Technology Application

Roadside parking cameras

To meet the monitoring needs of roadside parking, we have developed a solar-powered system designed for off-grid solar applications. It can operate continuously for 21 days even in rainy weather, meeting power supply demands under extreme climate conditions. By effectively reducing battery degradation and extending product lifespan, this system improves overall performance and saves 11,000 kWh of electricity annually per 10,000 units.



Low-power cameras

Our 2-inch 4G low-power camera is an integrated monitoring device suitable for environments without network or grid power. Featuring a lightweight design and solar panel power supply, it operates with low energy consumption. The camera utilizes AOV technology, supporting 100mW-level low-power monitoring and over one month of standby time, with the ability to operate continuously for more than 7 days in rainy conditions. Solar MPPT technology ensures efficient energy replenishment, enabling stable operation in complex weather conditions. It is estimated to save 180,000 kWh of electricity annually per 10,000 units.



EV charger products

European standard (Type2) 22KW AC EV charger

This product provides charging services across different power levels, catering to both commercial and residential scenarios. It effectively promotes the use of clean energy, reduces greenhouse gas emissions, and decreases reliance on fossil fuels. The charging pile features multiple energy usage modes, including a "Green Mode" that adjusts charging power based on the energy storage status of photovoltaic and other residential storage devices. This allows for high-power charging when clean energy is abundant, maximizing green energy utilization and reducing grid load.



Chinese Standard 7KW AC EV Charger

This product offers charging services for new energy electric vehicles, supporting scheduled off-peak charging. It provides efficient and economical fast charging during periods of low grid load at night. Additionally, it supports load balancing technology, dynamically adjusting charging power based on real-time household electricity usage, significantly improving energy efficiency.



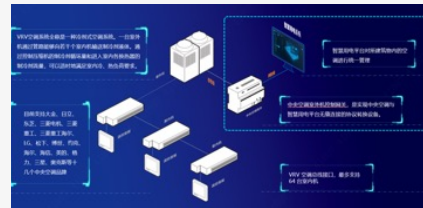
Smart energy products

We actively promote the development of smart energy products, continuously improving energy efficiency on the consumption side. Our smart energy products integrate core functions such as energy management, energy analysis, energy control, and strategy configuration. Through an intuitive data visualization interface, these products provide customers with comprehensive energy management solutions.

The product supports monitoring of various types of energy consumption, including electricity, water, gas, and oil, and is compatible with our self-developed smart devices such as smart circuit breaker gateways, smart meters, air conditioning gateways, and lighting gateways. This enables precise monitoring and management of energy consumption. Additionally, the product facilitates real-time data collection, enabling energy consumption aggregation, multi-dimensional analysis, and carbon emission management, helping users identify energy-saving opportunities and achieve low-carbon development.



Circuit Breaker Solution



Air Conditioning Solution

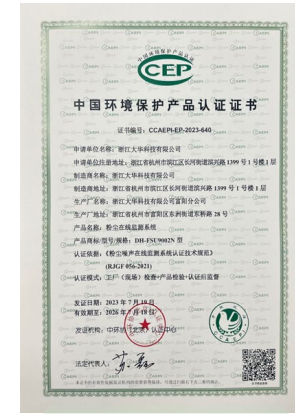


Lighting Solution

Our products have obtained multiple authoritative green certifications, with 90 products certified under China's Energy-Saving Product Certification. In 2024, our Corporate Carbon Footprint Management System also received external awards during the Reporting Period.



China Environmental Labeling
Certification (Type II)



China Certification of
Environmental Products (CCEP)



Attestation of Chinese
environment mark

Revenues from clean tech products and services during the
Reporting Period RMB

879.392million



Green Operation

We actively fulfill our environmental responsibilities by focusing on green manufacturing, green logistics, and green office practices. We continuously strengthen our environmental management capabilities, ensure compliance, and improve resource efficiency.

Green Manufacturing

While promoting green transportation, developing eco-friendly packaging, and creating green products, we further integrate environmental concepts into the production process. An energy consumption monitoring platform has been established to intelligently monitor and control energy usage, continuously improving energy efficiency. Additionally, water and production resources are recycled to minimize environmental impact. Waste and chemicals generated during production are managed in compliance with regulations, ensuring safe and harmless disposal. These actions demonstrate the Company's commitment to environmental responsibility and sustainable development.

Energy Management

During the Reporting Period, we deepened our energy management system, enhancing energy efficiency in production and operations through refined energy management and monitoring. Significant achievements were made in smart energy products, with energy-saving strategies implemented and the construction of a green and safe electricity platform strengthened, enabling refined management of supply chain energy consumption. Furthermore, rooftop photovoltaic projects for dormitories and integrated solar-storage-charging systems for parking sheds were advanced, further optimizing the energy structure.

Green and safe digital platform

During the Reporting Period, we developed a safe electricity usage platform that ensures end-to-end safety and energy consumption monitoring and early warning for entire production lines and equipment. This platform extends safety measures to the end-use circuits and devices, forming a closed-loop monitoring system for safe electricity usage. Additionally, the platform continuously monitors and analyzes energy consumption across various scenarios, providing data support for energy-saving measures, reducing power waste, and enabling cost-effective and environmentally friendly operations.



Supply chain energy consumption monitoring platform

We established a supply chain energy consumption platform that monitors real-time electricity meter data and generates data dashboards and reports using allocation rules, enabling visual management of energy usage. Users can categorize and analyze energy consumption data, identifying high-energy-consuming equipment and areas. The platform also records meter anomalies, ensuring timely detection and resolution of potential issues, helping business units achieve refined management of energy consumption and improve energy efficiency.



Clean energy utilization

Rooftop Photovoltaic Project

We adopted a "local generation, local grid connection, self-consumption, and surplus feeding" approach to deploy photovoltaic projects. On the rooftops of dormitory and Phase 1 canteen of Fuyang Campus, 2,723 solar panels were installed, with a total capacity of 1.5MW. In the Phase 2 production and residential areas of Fuyang Campus, photovoltaic panels were installed on 70,600 square meters of rooftop. The total power generation of the rooftop photovoltaic project in 2024 is 8.191million kWh.



Rooftop Photovoltaic Project

Parking Shed Photovoltaic Project

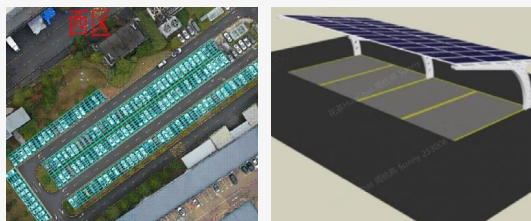
In February 2024, we launched the Parking Shed Photovoltaic Project, installing 1,565 solar panels across 275 parking spaces in Phase 1 and Phase 2 garages, covering a projected area of 4,200 square meters. The project also included the installation of 21 self-developed 7W AC charging piles, with a total photovoltaic capacity of 860.75kWp. The project is designed to convert and store solar energy for charging new energy vehicles, with all equipment operational between June and July 2024.

Project Benefits

Electricity Savings in the Second Half of 2024

478,551 kWh

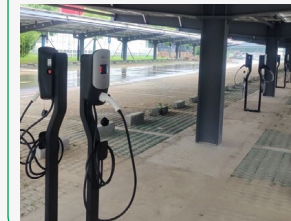
Photovoltaic Carport Layout Diagram



Photovoltaic Carport Activation



Dahua Self-Developed Charging Piles Activation



Parking Shed Photovoltaic Project

Energy Consumption ^{3,4}		Unit	2024	2023	2022
Direct Energy Consumption	Direct Energy Consumption	kg standard coal	2,375,904	2,520,444	2,053,365
	Direct Energy Consumption Intensity	kg standard coal /RMB million revenues	74	78	67
Indirect Energy Consumption	Indirect Energy Consumption	kg standard coal	13,268,284	12,785,680	11,676,721
	Indirect Energy Consumption Intensity	kg standard coal /RMB million revenues	412	397	382
Comprehensive Energy Consumption	Comprehensive Energy Consumption	kg standard coal	15,644,188	15,306,125	13,730,087
	Comprehensive Energy Consumption Intensity	kg standard coal /RMB million revenues	486	475	449

Water Resource Management

We have established a rigorous water resource management system in compliance with relevant regulations. By aligning with the actual needs of production processes, we continuously improve water resource efficiency. A dedicated working group has been formed to develop and implement annual water-saving plans. Measures such as water usage monitoring, water-saving technology upgrades, and rainwater collection have been adopted to reduce water consumption and enhance recycling rates.

Water-saving renovation

We actively introduce water-saving equipment and fixtures, adopt efficient technology, and install anti-overflow systems to minimize water resource waste.

Rainwater recycling system

We utilize collected rainwater for landscape irrigation, green area spraying, and road cleaning, effectively reducing municipal water consumption and lowering daily operational costs.

Water consumption	Unit	2024	2023	2022
Total Water Consumption	tonne	798,532	798,597	807,292
Water Consumption Intensity	tonne/RMB million revenues	25	25	26

³ The energy conversion factors used for calculating energy consumption in this table are based on Appendix A of GB/T 2589-2020 *General Principles for Calculation of Total Energy Consumption* (reference values).

⁴ The statistical scope of energy consumption data (including purchased electricity, diesel, natural gas, and gasoline) has been updated. Starting from 2024, only the total amount used for the Group's production and office operations will be counted.



Production Resource Management

We implement lean strategies in production resource management, enhancing operational efficiency through the recycling and reuse of assets. We have established a management platform to effectively utilize and recycle all production resources, maximizing the efficiency of production consumables, engineering equipment, protective gear, and office assets. This approach minimizes waste and reduces idle resources.

Consumables Management Platform

Dahua has developed a platform system to enhance the transparency, precision, and standardization of managing consumables, engineering equipment, and protective gear. This platform provides data support for business unit oversight, optimizes procurement processes, reduces material waste, and improves asset utilization.

Platform-based operations



- Achieves standardized and systematic management by regulating the application, requisition, and distribution of consumables, ensuring unified and standardized operations across all departments.

Clear responsibilities



- The online system enables real-time tracking of engineering equipment and material status, including accountability attribution. Responsible personnel and administrators can access real-time information, facilitating material handovers during employee role transitions and clarifying custodial responsibilities to prevent material loss.

Efficient assessment



- Leverages historical requisition data recorded in the system to conduct rapid and accurate demand assessments, improving the accuracy and rationality of monthly demand forecasts. This ensures balanced procurement and minimizes waste.

Data transparency



- Materials are categorized and tracked with transparent consumption data. Monitoring spans every stage from requisition to distribution across production lines, ensuring rational usage and providing data support for cost analysis and control.

Idle assets sharing



- An idle resource repository has been established to enable resource sharing and reuse, effectively improving consumable utilization and reducing stagnant waste.

We have implemented an idle office asset sharing mechanism, re-evaluating and categorizing returned office assets to ensure optimal reallocation or disposal of each item. During the Reporting Period, we successfully redeployed a significant amount of idle assets and recycled fixture consumables and test tooling boards. Additionally, the maintenance process for reflow ovens was improved, significantly enhancing resource utilization and reducing resource waste.

Highlights of recycling initiatives

- **Fixture Consumables Recycling:** During the upgrade and replacement of fixtures, innovative management methods have been adopted to effectively reduce resource waste. We disassemble reusable probes from fixtures before they are scrapped and reintroduce them into fixture operations. This initiative enables the reuse of 18,000 probes annually.
- **Test Tooling Board Recycling:** By repairing and reusing defective test tooling boards originally slated for disposal, we have significantly reduced the number of scrapped tooling boards and improved resource recycling efficiency. It is estimated that approximately 720 tooling boards can be saved each year.
- **Reflow Oven Maintenance Process Improvement:** The cleaning process for reflow ovens has been optimized by replacing traditional cleaning agents with waste liquid from stencil cleaning machines. This effectively reduces oil contamination, enhances product quality, and is expected to save 700 liters of cleaning agent annually.

Emissions Management

We rely on a comprehensive waste management system to strictly oversee waste generated during production and operations. We ensure that waste treatment and emissions fully comply with local environmental regulations. Additionally, proactive measures are taken to reduce waste emissions, aligning with the principles of green manufacturing.

Waste gas management

- During the Reporting Period, we upgraded the exhaust gas emission systems for injection molding and dispensing processes, introducing a combined photocatalytic and activated carbon treatment technology. This improved the efficiency of volatile organic compound (VOCs) treatment and reduced the emission of harmful substances.
- We also commissioned third-party organizations to conduct regular testing of waste gas emissions and issued the *Industrial Waste Gas Testing Report* to ensure compliance with national environmental standards. All waste gas emission indicators met national standards during the Reporting Period.

Wastewater management

- The wastewater generated by Dahua primarily includes domestic sewage and canteen wastewater. All wastewater is treated through oil separation tanks to ensure compliance with the *Comprehensive Wastewater Discharge Standards* before being discharged into the municipal pipeline network.
- Annual water quality testing is conducted by the Binjiang Monitoring Station, confirming that discharge indicators meet national standards.



Solid waste management

Our main hazardous wastes include toner cartridges, ink cartridges, batteries, and lamps. We strictly adhere to relevant laws and regulations, such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and has established detailed hazardous waste disposal management measures. These ensure that the identification, collection, storage, and disposal processes strictly comply with national and local legal requirements, reducing environmental pollution risks.

- **Standardized Management of Hazardous Waste Warehouses:** Electronic management of hazardous waste warehouse operations, with data directly connected to provincial platforms. Real-time monitoring of hazardous waste warehouses ensures standardized operations throughout the entire process.
- **Hazardous Waste Reduction Plan:** Reducing hazardous waste generation through domestic substitution verification, increasing low-volatility, easy-to-operate, and easy-to-dispose process indicators. Strict import standards are applied to new materials to ensure compliance.

We not only focus on the compliant management of our own emissions but also empower cities to improve environmental quality. During the Reporting Period, we launched an Unorganized Environmental Monitoring Platform, effectively addressing environmental challenges arising from urban industrialization.

Unorganized environmental monitoring platform – enhancing environmental quality in Yuncheng City

Our Unorganized Environmental Monitoring Platform effectively addresses environmental challenges arising from Yuncheng City's industrialization process. The platform is divided into a government supervision module and an enterprise operation module, utilizing modern information technology to achieve precise monitoring and management of unorganized emissions. On the government side, environmental violations can be monitored and warned against in real time, while on the enterprise side, emission behaviors can be adjusted based on data to ensure compliance with regulations.. Additionally, the platform has established an enterprise environmental archival system, providing 7/24-hour monitoring of corporate emissions to enhance the timeliness and accuracy of data.

Since its implementation, the platform has led to a significant reduction in the concentration of major pollutants in Yuncheng City, a marked improvement in air quality, an 80% decrease in pollution incidents, and a 50% increase in corporate processing efficiency. This initiative promotes the informatization of environmental supervision and the optimization of industrial structures, laying a foundation for sustainable development.



Waste Emissions from Dahua Technology's Production and Operations in 2024:

Types of emissions		Unit	2024	2023	2022
Solid waste	Total disposal amount of hazardous waste	tonne	72	76	51
	Legal transfer rate of hazardous waste	%	100	100	100
	Compliance disposal rate of hazardous waste	%	100	100	100
	Disposed hazardous waste density	tonne/RMB million revenues	0.002	0.002	/
	Total recyclable waste	tonne	2,024.5	2,209.5	1,524
	Total non-recyclable waste	tonne	6,223.3	5,540.5	1,228

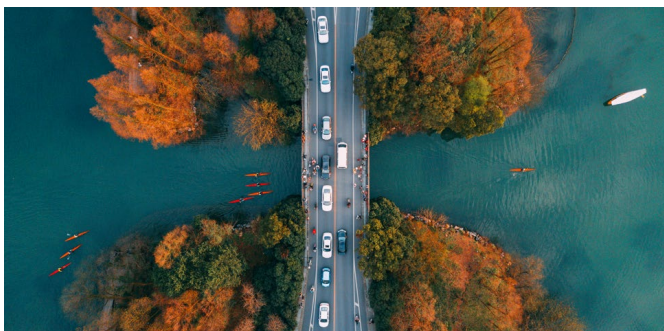
Chemical Management

We have implemented stringent measures for managing hazardous chemicals. We adhere to relevant chemical safety laws and regulations and have established the *Hazardous Chemical Management Regulations*, specifying requirements for full-process management of chemical procurement. Internal protocols such as the *Chemical Spill Emergency Response Plan* and the *Liquid Nitrogen Leak Contingency Plan* have been developed to strengthen employee emergency response capabilities during chemical incidents.

For hazardous chemical storage, dedicated warehouses are equipped with comprehensive facilities, including firewalls and fire suppression systems. Regular risk assessments and management effectiveness evaluations ensure safe storage, mitigate production risks, prevent accidents, and safeguard corporate assets as well as employee health and safety.

Green Logistics

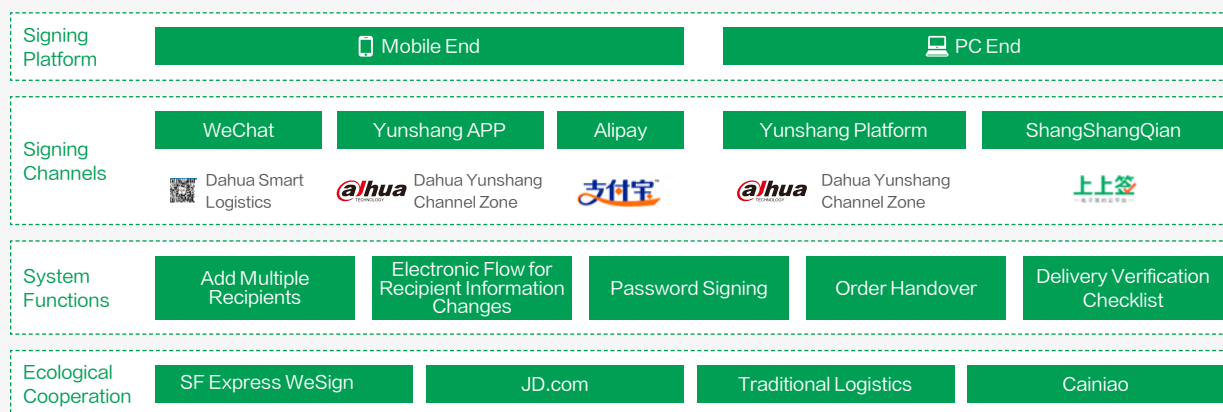
We collaborate with upstream and downstream partners across the industrial chain to establish a green and intelligent logistics ecosystem. This system integrates supplier deliveries, product distribution and transportation logistics, internal warehousing, and resource recycling, enhancing industrial chain efficiency while advancing energy conservation and emission reduction objectives.



Green transportation and distribution

• Promotion of E-Signature Platform

We have developed a Logistics E-Signature Platform that integrates blockchain technology and digital signatures to ensure data accessibility and the immutability of hash data. This platform addresses challenges in logistics sign-off processes, including user identity verification, signature legality, and evidence validity. It enables end-to-end digital management of logistics route planning, identity authentication, approval, and signing, improving the accuracy and efficiency of logistics signoffs while ensuring timely performance confirmation. During the Reporting Period, the platform achieved a 91% completion rate for e-signatures.



• Integrated Logistics Labeling

By enabling data exchange between the Warehouse Management System (WMS) and Transportation Management System (TMS), we electronically transmit order information to logistics partners. We have unified our logistics sorting labels with network-based shipping labels, allowing logistics providers to directly integrate these labels into their systems without relabeling.

After the implementation of this function, logistics partners can load goods directly during pickup at Dahua facilities, reducing on-site handling and intermediate storage requirements while shortening pickup times, thereby enhancing overall logistics efficiency and advancing energy conservation. Following the project's rollout, a single major logistics partner achieved a reduction of 300 square meters in intermediate storage space (saving approximately 9,600 kWh of annual energy consumption), eliminated 500,000 shipping labels annually, and improved logistics efficiency by 1.16%.

Green warehousing

We continue to advance green warehousing models, focusing on "digital intelligence" and "energy conservation". During the Reporting Period, we expanded the coverage of autonomous guided vehicles (AGVs) in finished product warehouses at our subsidiaries. By adopting a goods-to-person AGV model, overall warehousing efficiency has been enhanced. In newly added AGV operational areas, lights-out warehouse operations are expected to significantly reduce energy consumption.

New AGV Coverage Area

5,000 square meters

Overall Warehousing Efficiency Improvement

34%

Annual Energy Savings

38,500 kWh/year



Green Office

Dahua prioritizes sustainable campus development and cultivate green office awareness among employees. Through energy-saving technologies and environmental training, we have fostered smart, efficient, and low-carbon office environments.

Green office initiatives

- Digital and Paperless Operations:

An electronic document management system has been introduced to enable digital file storage and management, reducing paper usage and printing costs while improving document handling efficiency.

- Online Approval Workflows:

A digital approval system has been established to streamline business applications and approvals, minimizing the use of physical documents.

- Environmental Culture Promotion:

During the Reporting Period, four environmental training sessions and exams were conducted. Group-wide sustainable and low-carbon activities were organized, including eco-knowledge quizzes with rewards and electronics recycling programs where employees exchange old devices for plants. These initiatives have significantly raised environmental awareness among staff.



Water conservation initiatives

- Signage promoting water-saving practices has been posted in office and restroom areas to raise employee awareness and encourage responsible water usage.



- Property custodians are instructed to regularly monitor and adjust faucet flow rates while strengthening emergency maintenance capabilities, minimizing water waste in both routine operations and unexpected scenarios.



Optimize energy usage

- An intelligent energy management system has been installed to automate control of air conditioning, lighting, and other equipment. The system adjusts device operations based on real-time demand, preventing energy waste. Additionally, energy-efficient LED lighting has been deployed across multiple facilities to advance green practices.
- We have implemented a boiler heating system at Fuyang campus, which supplies thermal energy for workshop air conditioning and dormitory hot water. This system achieves effective utilization of waste heat, reducing energy consumption while maintaining operational efficiency.



Fuyang Campus Boiler Heating System



Addressing Climate Change

Governance

We have established an ESG governance framework comprising the Board of Directors, the Strategy Committee, the Environmental, Social, and Governance (ESG) Committee, and the ESG Management Committee Execution Working Group. This structure is responsible for overseeing climate change and other ESG-related issues.

- The Board of Directors and the Strategy Committee: Supervises and manages climate change-related matters, receives reports from the ESG Committee, coordinates the implementation of specific initiatives, formulates the Company's climate change strategies and goals, conducts risk and opportunity analyses, and ensures effective execution of relevant policies to continuously enhance Dahua's climate risk and opportunity management capabilities.
- ESG Committee: Leads climate change affairs by developing related strategies and objectives, coordinates the work of the ESG Management Committee Execution Task Force, implements risk and opportunity analyses and response measures, and ensures the effective implementation of climate-related policies.
- ESG Management Committee Execution Working Group: Under the centralized leadership of this task force, Dahua's functional departments act as operational units for addressing climate risks and opportunities. They execute risk mitigation measures, advance the R&D and promotion of clean energy technologies, and implement routine energy conservation and carbon reduction projects.

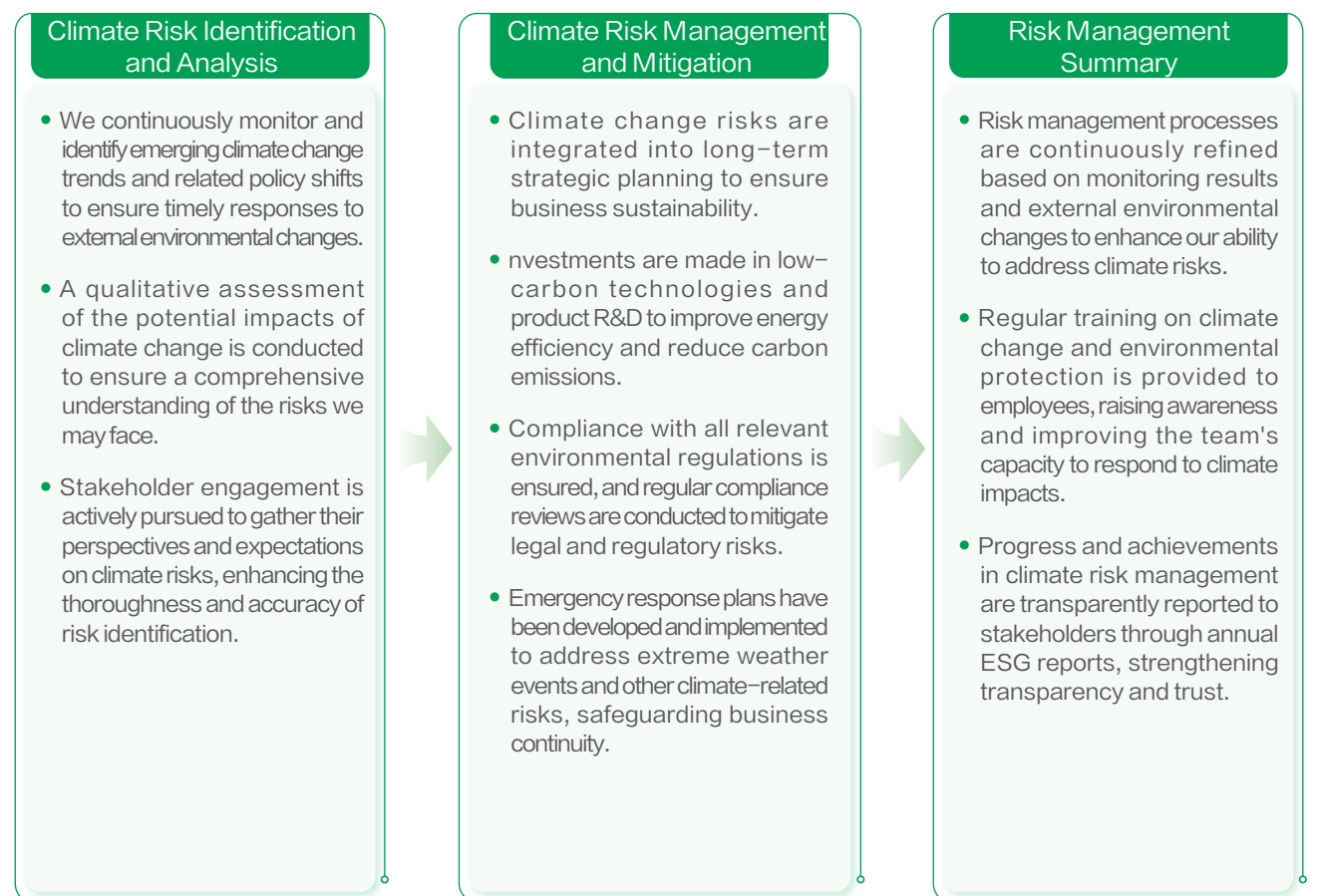
Strategy

We systematically identify and analyze climate change risks using the framework of the Task Force on Climate-related Financial Disclosures (TCFD). Based on business characteristics, these risks are assessed, and effective mitigation measures are formulated to continuously strengthen the Company's capacity to manage climate-related challenges.

Risk Category	Item	Risk Description	Mitigation Measures
Transition Risks	Policy & Legal	As national climate change regulations become increasingly stringent, new laws, regulations, and policy frameworks may impose stricter requirements on the Company regarding emission standards and energy usage, potentially increasing compliance operating costs.	• Closely monitor policy changes and update internal systems promptly. • Integrate climate risks into long-term strategic planning and enterprise-wide risk management.
	Technology	Low-carbon technology upgrades may increase production costs and carry investment failure risks.	• Conduct feasibility and risk assessments before initiating low-carbon retrofits to reduce investment failure risks. • During the R&D phase, mitigate climate change impacts through measures such as lightweight packaging and the development of clean technology products.
	Market	Domestic and international customers, while focusing on product quality and service, may increasingly demand environmentally friendly products. This could pose a risk that our existing offerings may not meet market demands, potentially impacting market share.	• Strengthen market research to develop new products aligned with low-carbon trends. Publicly disclose the green and low-carbon attributes of products to enhance market competitiveness.
	Reputation	Public scrutiny on climate action and corporate responsibility may lead to negative perceptions if responses are inadequate.	• Enhance CSR communication to transparently showcase emission reduction efforts. • Proactively address societal concerns to uphold corporate image.
Physical Risks	Acute Risks	Extreme weather events (typhoons, blizzards, temperature extremes) may damage equipment or disrupt production.	• Develop emergency plans for extreme weather events, enhance facility resilience, and ensure the continuity of critical business processes. • Conduct regular emergency drills to improve employees' emergency response capabilities.
	Chronic Risks	Long-term temperature shifts may degrade production conditions and raise costs.	• Adopt energy-saving technologies, optimize production processes, and implement long-term environmental monitoring and adaptive management to reduce sensitivity to environmental changes and improve energy efficiency.
Opportunities	Products & Services	We could drive innovation in low-carbon products and services through R&D investments, which can help develop new market segments, attract more customers, and increase market share.	• Invest in research and development to drive innovation in low-carbon products and services, develop new market segments and improve brand competitiveness.
	Resource Efficiency	We could achieve sustainable development goals, increase investor confidence and enhance its corporate image by improving resource efficiency and reducing production costs.	• Improve the efficiency of resource use, reduce costs and enhance the market competitiveness of enterprises through technological innovation and process optimization.

Risk and Opportunity Identification

We place high importance on the profound impact of climate change on long-term business operations and development. To this end, we have implemented a comprehensive risk and opportunity identification process to ensure adaptability and leadership in a changing market. Through continuous monitoring, analysis, and management, climate risks are viewed as critical drivers of business resilience and innovation. Proactive measures are being taken to address these challenges, advancing sustainable development.



Indicators and Targets

We firmly believe that sustainable development is the core driver of long-term corporate development. In the face of the serious challenge of climate change, we have set a series of targets and goals to ensure that the Company achieves substantial progress and results in several areas, including energy transition, carbon emissions management, supply chain greening, product innovation and climate risk response.

Issues	Goals
Energy Transformation	Optimize the energy mix and increase the share of clean energy in the Company's energy consumption.
Carbon Emission	Establish a comprehensive carbon emission management system, formulate scientific and reasonable carbon emission accounting methods and standards, and carry out regular carbon emission data monitoring and accounting to reduce operational carbon emissions.
Supply Chain Management	- Promote the participation of upstream and downstream enterprises in the supply chain in green transformation, formulate green supplier entry standards, prioritize the cooperation of suppliers with strong environmental awareness and effective energy saving and emission reduction performance, and guide suppliers to adopt green production methods. - Strengthen communication and collaboration with suppliers, jointly carry out green technology innovation and R&D, promote the implementation of green packaging, green logistics and other projects, and improve the greening level of the supply chain.
Products	- Increase investment in green product R&D, set up R&D budgets, encourage R&D teams to develop new products with energy-saving, emission reduction, low-carbon and environmental protection characteristics, and continuously launch innovative products that meet green standards to meet market demand for green products. - Strengthen marketing efforts for green products, formulate marketing strategies for green products, enhance consumer awareness and acceptance of green products through online and offline multi-channel publicity, expand the market share of green products, and promote the popularization of the concept of green consumption.
Climate Risk Response and Adaptation	- Establish a climate risk assessment mechanism, conduct regular assessments of the potential impact of climate change on Dahua's data centers and smart devices, identify climate risks faced by key business areas, and formulate corresponding risk response plans to improve the Company's ability to respond to extreme weather events and climate change. - Enhance the climate resilience of infrastructure and carry out green renovation of existing production facilities and offices, such as increasing the heat insulation performance of buildings and improving the drainage system, to ensure the stability and safety of the Company's operations.



03 Building the Future with Intelligence

Dahua Technology emphasizes innovation-driven growth, continuously increasing R&D investment to build competitive advantages. At the same time, we provide customers with peace of mind through exceptional product quality and safety performance. With an open and collaborative approach, we work with suppliers and ecosystem partners to build an efficient and prosperous industrial chain. In advancing the high-quality development of a smart society, we adhere to the core principles of "integrity, innovation, efficiency, excellence, and win-win collaboration".

- Creating Customer Value 50
- Responsible Supply Chain 60
- Building an Industrial Ecosystem Together 63



Creating Customer Value



We always keep in mind the noble mission of "Enabling a Smarter Society and Better Living" and adhere to the core value of "Empowering Customers, Empowering Strivers". We attach great importance to information security and customer privacy protection and are committed to providing our customers with excellent products and high-quality services and creating greater value together with our customers.

Ensuring Product Quality

Governance

We have established a comprehensive, multi-layered quality management system that covers five core processes—LTC, IPD, ISC, ISD, and ITR—as well as other supporting processes. A robust quality governance framework has been implemented, with a dedicated Quality Management Center overseeing all quality-related activities. Strict quality requirements and standards are integrated into daily business processes and management practices. By optimizing quality control in key areas such as R&D innovation, lean manufacturing, supply chain collaboration, and service delivery, we ensure product quality and safety.



Quality Governance Framework

Strategy

We understand that product quality and safety have a significant impact on the Company's business development and financial position. High-quality products can help us quickly gain market recognition, enhance customer trust and customer satisfaction, and achieve double growth in market share and sales revenue in a short period of time. If we suffer from negative incidents related to quality and safety, the costs of product recall and maintenance will directly lead to an increase in our operating costs and have a long-term negative impact on the Company's market share, customer loyalty and brand competitiveness.

For this reason, we spare no effort in ensuring product quality and safety. Based on the quality policy of "actively listening to customers' feedback, meticulously constructing product quality, sincerely providing satisfactory services, and continuously creating customer value", we have formed a comprehensive quality management strategy with industry characteristics, focusing on three major aspects, namely digital quality management, continuous quality improvement, and quality culture construction, to continuously improve the quality level.

>> Digital Quality Management

We practice the strategy of quality digitalization and adhere to the customer-centered approach. We have established a digital quality management platform that is fully structured, fully intelligent, fully inspected, fully closed loop, and fully improved to manage key quality management processes and activities in each value chain. We fully apply tools and means such as mathematical analysis, modeling operations, data lakes, pareto charts, regression analysis, etc. to form an intelligent data BI covering the whole life cycle of the product, which guarantees the efficiency and scientific of quality management and decision-making.

>> Continuous Quality Improvement

Adhering to the core principle of "Continuous Improvement", we regularly identify potential quality risks and carry out various quality improvement programs every year to continuously improve the quality of our products and services. During the Reporting Period, we carried out more than 500 quality improvement projects, including Six Sigma, QC, etc., analyzed the quality data of each product line in depth, and identified 54 key improvement items for key tracking and management considering our overall quality management strategy and product planning.

Air-Tightness quality improvement initiative



To enhance the pass rate of air-tightness tests and reduce customer complaints related to quality issues, our R&D and supply chain teams launched a dedicated initiative during the Reporting Period. This initiative systematically addressed challenges across four areas: design, materials, processes, and inspection. After six months of effort, the proportion of defective work orders within the scope of the initiative decreased by over 50%.

>> Quality Culture Construction

We attach great importance to the construction of quality culture and strives to create a quality culture atmosphere with "full participation". During the Reporting Period, we organized and carried out a variety of quality training programs, such as quality training camps, six sigma training camps and quality improvement seasons, with the aim of further enhancing the quality awareness of all employees. In addition, we conducted in-depth training on quality awareness and quality tools and methods for employees in positions closely related to quality work, covering a total of 2,322 people.

Cumulative coverage of
quality training:

2,322 persons

Indicators and Targets

We have set clear quality management objectives, established a systematic monitoring indicator system, and regularly publicized the progress of the objectives to demonstrate to all stakeholders our strong commitment to product quality and safety. In addition, we have obtained ISO 9001 quality management system certification.

Six sigma training camp

To deepen the continuous improvement of our quality management system, we adopted a training-and-practice model by organizing Six Sigma Green Belt and Yellow Belt training camps. These camps aim for "zero defects", driving continuous quality improvement.

During the Reporting Period, 52 employees received Six Sigma Green Belt certification, and 13 employees received Six Sigma Yellow Belt certification. A total of 66 projects successfully completed their final reviews.

Risk and Opportunity Management

We emphasize the principle of "prevention at the source", integrating quality-related risks and opportunities into the Company's overall risk management process. By considering changes in policies, regulations, quality standards, and industry trends, we assess the likelihood and potential impact of quality-related risks and opportunities, planning and implementing targeted mitigation and response measures.

To better cope with quality-related risks, we have established the *Major Incident Response Mechanism*, *Quality Problem Retrospective Protocol* and other institutional documents to ensure that we can quickly and effectively handle potential or existing quality incidents, and safeguard product quality and safety.

Meanwhile, we have established a comprehensive quality audit mechanism and are committed to minimizing quality-related risks. During the Reporting Period, we completed two hardware quality audits and two software quality audits, covering multiple dimensions such as traceability documents, major quality issues, important quality special projects, etc., and implemented closed-loop improvement for the non-conformities found to ensure that each product line complies with our strict quality standards.

Objectives

Zero product recalls due to quality or safety issues

2024 Progress

✓ **Achieved**

Objectives

Continuous improvement in quality management

2024 Progress

Achieved a

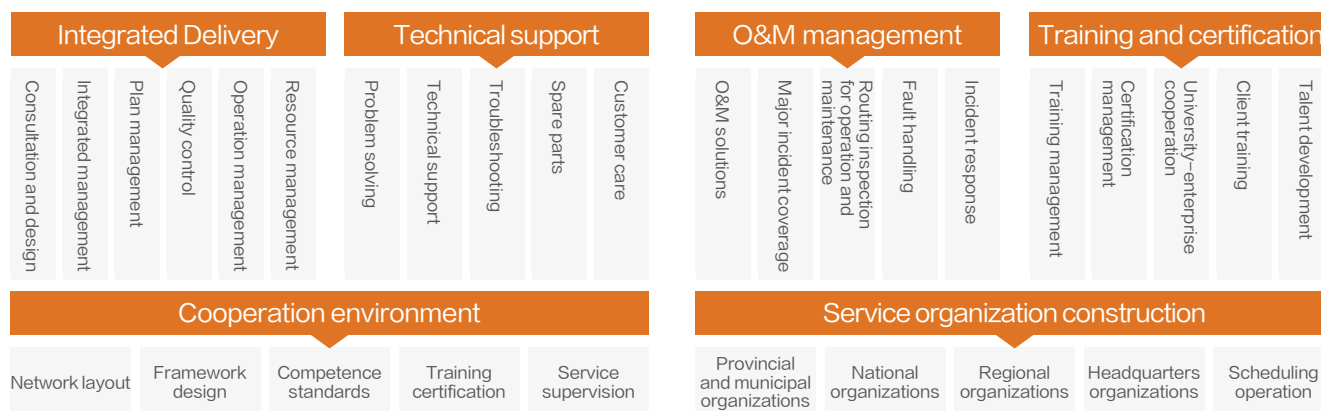
10.7% ↘

year-on-year reduction in ITR product quality-related defect intensity through digital platforms

Enhancing Service Quality

Service System

We adhere to the service philosophy of "customer-centricity, delivering exceptional service experiences" and upholds the principles of "speed, efficiency, and warmth". We have established a global service network covering over 180 countries and regions. Through integrated delivery, technical support, operation and maintenance management, and training and certification systems, we provide customers with high-quality services spanning the entire life cycle of products and solutions.



Four major service systems



We value customers' opinions and feedback, and have formulated the *Customer Complaint Handling Process*, *Dahua Customer Service Department After-sales Service Specification* and other process documents and operation norms to continuously strengthen the standardized construction of after-sales service.

Diversified Customer Communication Channels

- Established 24/7 service hotlines, WeChat Official Accounts, WeChat Mini Programs, online chat support, and service email channels to ensure seamless customer communication.
- During the Reporting Period, an AI-powered self-service channel was introduced, featuring voice self-service, online self-help, and AI quality inspection functions, significantly improving service responsiveness.

Complaint Classification and Tiered Management

- Complaints are categorized into product, service, pricing, and business-related types, with standardized handling processes implemented.
- Complaints are classified into three tiers—Level 1 (Critical), Level 2 (Major), and Level 3 (General)—based on severity and customer impact. Root cause analysis is conducted for each incident, risk scope is assessed, and solutions are promptly delivered to accelerate customer issue resolution.

Closed-Loop Complaint Resolution

- Complaint engineers must acknowledge and escalate issues within 30 minutes of receipt via the call center.
- Responsible departments are required to respond within 2 hours, propose initial solutions within 24 hours, and achieve closed-loop resolution within 3 business days.
- The ITR Dispatch System Platform monitors key process nodes in real-time to ensure timely and effective resolution of customer issues.

Customer Complaint Handling Process

We are committed to protecting the rights of our customers and practicing responsible marketing and have established a rigorous review process for all marketing-related materials. At the same time, we regularly conduct various types of responsible marketing-related employee training to strengthen our position on responsible marketing. During the Reporting Period, we conducted online empowerment training on brand compliance and 10 sessions of brand knowledge classes for all employees and required them to pass the relevant exams to further enhance their awareness of compliance.

Service Optimization

As we continue to expand our business, customer service demands have become increasingly diversified. Recognizing the importance of enhancing service capabilities and quality, we have implemented multiple measures in customer demand insight, service platform upgrades, and technological tool applications to respond promptly and efficiently to customer needs, thereby creating greater value.

We established the Market Insight Committee as the decision-making hub for market insights on products and solutions. Through its subordinate teams—the Demand Management Team, Industry Insight Team, and Provincial Insight Committees—the committee systematically conducts critical tasks such as demand management, in-depth analysis of industry scenarios, and precise collection of regional requirements. During the Reporting

Period, the committee gathered 2,528 customer demands, identified 221 high value demands, and incorporated them into product and solution planning to drive continuous optimization and innovation.

Simultaneously, we leverage intelligent applications to improve service efficiency. A smart maintenance workstation was developed, integrating industrial control computers, area array cameras, and code readers with the after-sales service platform and intelligent fault diagnosis tools. This workstation combines functions such as process recording, maintenance task management, intelligent fault analysis, firmware queries, and automatic upgrades, significantly enhancing service efficiency and customer satisfaction.

Customer Satisfaction

We place high importance on customer satisfaction across all business processes. The Customer Satisfaction and Issue Management Committee was established to conduct annual customer satisfaction surveys and real-time service evaluations based on the *Customer Satisfaction Survey Methods*.

During the Reporting Period, a delivery service journey customer satisfaction survey was conducted, collecting 383,252 customer feedback samples with an overall satisfaction score of 98.39. Based on the survey results, multi-dimensional data analysis was performed to identify key improvement areas impacting satisfaction. These areas were incorporated into priority action plans, with progress closely monitored to continuously optimize customer experience and enhance satisfaction levels.

Total Customer Research
Samples Recovered

383,252

Overall Customer Satisfaction

98.39points



Data Security and Customer Privacy Protection

We are deeply committed to data security and privacy protection, adhering to the legal and regulatory requirements of all operational regions. We continuously optimize customer privacy protection policies and establish a robust network and data security management system. Through external audits, system certifications, and regular emergency drills and training, we ensure the protection of both company and customer rights in data security and privacy.

Governance

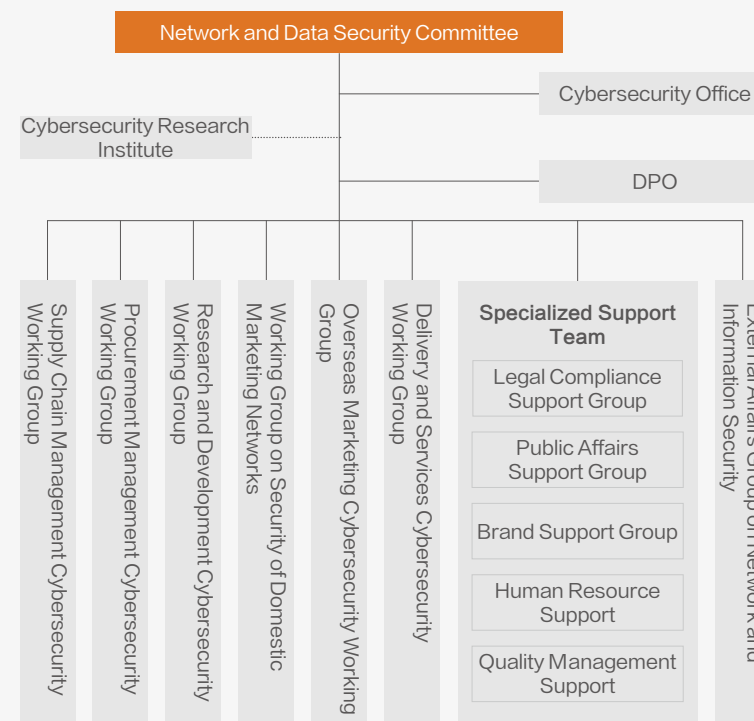
We have implemented comprehensive cybersecurity and privacy protection policies, along with a well-defined management framework, to achieve standardized governance and risk control over data assets.

The Company strictly complies with cybersecurity laws and regulations such as the *Data Security Law of the People's Republic of China* and the *Network Data Security Management Regulations* and adheres to national standards like the *Data Security Technology Data Classification and Grading Rules*. Dahua has established and enforces the *Dahua Data Classification and Grading Management Standards*, defining data classification and grading principles to ensure full life cycle data security. Additionally, policies such as the *Anti-Virus and Malware Management Regulations*, *Information Asset Classification Management System*, and *Data Backup Management Regulations* safeguard the security of software, hardware, data, and information management.

In terms of customer privacy protection, we comply with laws such as the *Personal Information Protection Law of the People's Republic of China* and the *California Privacy Rights Act (CPRA)*. Internal policies, including the *Dahua Customer Information Data Protection Security Management Standards*, *User*

Rights Response Process, and *Customer Information Protection Security Management Standards*, strengthen the security management of customer data and mitigate risks of misuse or unauthorized dissemination. We also implement the *Privacy Impact Assessment (PIA) Process*, clarifying departmental responsibilities, assessment procedures, and methods to ensure effective and standardized privacy protection.

Under this continuously strengthened institutional framework, we have established and continually improve a global end-to-end network and data security assurance system. The Network and Data Security Committee, as the highest decision-making body for related matters, oversees the strategic planning, coordination, and supervision of network and data security initiatives. The committee also makes decisions and provides guidance on responding to and handling major cybersecurity incidents, ensuring that security measures are integrated into all stages of the product life cycle—supply chain, procurement, R&D, sales, delivery, and service—to comprehensively safeguard customer security and privacy rights.



Cybersecurity and Data Security Governance Structure

Strategy

We consistently regard network and data security as one of the core strategies for sustainable development. In the context of the accelerating digital transformation, we recognize that network and data security are not only the lifeline for stable operations but also a critical foundation for fulfilling social responsibilities and protecting user rights. Guided by the principles of "proactiveness, openness, collaboration, and accountability", Dahua continuously improves governance mechanisms, strengthens investment in technological R&D, and deepens collaboration on industry standards. This ensures the deep integration of network and data security capabilities with business development, safeguarding the security and privacy rights of global customers, partners, and the public.

We have implemented comprehensive risk identification and analysis in cybersecurity, data security, and customer privacy protection. The management of these issues significantly impacts the Company's business growth and financial performance. The cybersecurity risks faced by the Company include DDoS attacks and malware intrusions, which may lead to network paralysis and data breaches, affecting remote access and control functions, thereby damaging customer experience. Data security risks involve data leaks and tampering, potentially impacting business compliance and triggering legal disputes. Privacy protection risks pertain to the lawful collection and use of customer sensitive information, where improper handling may result in legal penalties and reputational damage.

We are committed to building a secure, reliable, and compliant data network environment to drive steady and sustainable growth. To address these risks, we enhance cybersecurity and data protection across multiple dimensions, including product security assurance, customer privacy protection, internal system security management, and cybersecurity awareness promotion. These efforts ensure information security and business continuity.

>> Product Security Protection Capabilities

We continue to advance the development of a secure software development life cycle (SDLC), strengthening security control requirements and capabilities throughout the software development process. Through in-depth security activity maturity assessments, we refine and optimize security development processes tailored to our needs. Additionally, we have increased investment in key technologies such as trusted computing, end-to-end encryption, and privacy protection, integrating these advancements into our products to enhance security capabilities. We actively pursue the third-party security testing and certifications, achieving multiple security credentials during *the Reporting Period*, including *Commercial Cryptography Product Certification*, *Common Criteria (CC) EAL3+ Certification*, *RED*, and *PSTI*.

Dahua Technology Certifications and Recognitions

- China National Vulnerability Database of Information Security (CNNVD) Vulnerability Information Sharing Partner
- China National Vulnerability Database of Information Security (CNNVD) Technical Support Unit (Level 1)
- China National Vulnerability Database of Information Security (CNNVD) "China National Vulnerability Database of Information Security Excellent Vulnerability Management Enterprise"



Commercial
Cryptography Product
Certification

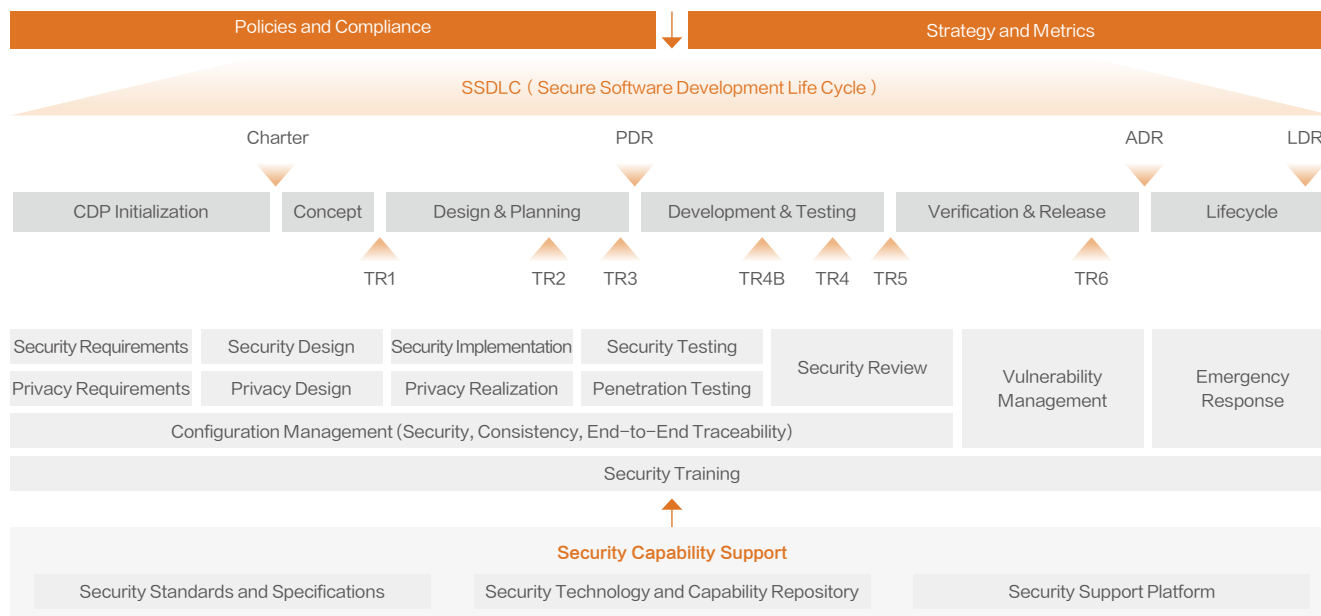


Common Criteria
(CC) EAL3+
Certification



RED

Security Governance & Risk Management [Policies, Strategies, Measures]



During the Reporting Period, we closely monitored the EU Network and Information Systems Security Directive (NIS2) and its implementing regulations, staying updated on the legislative developments in EU member states. We reviewed and updated our compliance management measures and published a NIS2 Compliance Statement on our overseas website, establishing a leading image in cybersecurity compliance within the industry. Additionally, we actively participated in the development of national and industry standards related to network and data security, contributing to the collective advancement of industry security capabilities. The standards co-developed during the Reporting Period include:

- GB/T 15843.2-2024: *Cybersecurity Technology – Entity Authentication – Part 2: Mechanisms Using Authenticated Encryption*
- GB/T 15843.4-2024: *Cybersecurity Technology – Entity Authentication – Part 4: Mechanisms Using Cryptographic Check Functions*
- GB/T 44602-2024: *Cybersecurity Technology – Technical Specifications for Smart Lock Cybersecurity*
- GB/T 15852.2-2024: *Information Security Technology – Message Authentication Codes – Part 2: Mechanisms Using Dedicated Hash Functions*
- GB/T 43848-2024: *Cybersecurity Technology – Security Evaluation Methods for Open-Source Code in Software Products*
- GB/T 44248-2024: *Information Technology – Biometric Recognition – Application Requirements for Face Recognition Systems*

We consistently uphold the principle of open collaboration, actively engaging in external cooperation and exchanges. We have successfully joined multiple authoritative organizations, where it actively contributes as a member to foster collaborative mechanisms for sharing cybersecurity threat intelligence. These initiatives not only enhance Dahua's professional capabilities in cybersecurity but also strengthen its global risk management capabilities.

International CVE Numbering Authority (CNAs)
National Information Security Vulnerability Database (CNNVD)
National Information Security Sharing Platform (CNVD)
Ministry of Industry and Information Technology Mobile Internet APP Product Security Vulnerability Database (CAPPVD)
National Industrial Information Security Vulnerability Database (CICSVD)

International and Domestic Cybersecurity Organizations Joined by Dahua Technology

>> Customer Information Privacy Protection

We place high importance on privacy protection, fulfilling its commitments through concrete actions. We actively build a privacy protection management system and conduct regular audits to continuously enhance the security of customer privacy data. Dahua performs 1 to 2 internal inspections annually to ensure compliance with industry standards and regulatory requirements.

Since its listing, Dahua has established a comprehensive privacy protection management system and successfully obtained the *ISO 27701 Privacy Information Management System Certification*. Additionally, its cloud services have achieved *ISO 27018 Certification for Public Cloud Personal Privacy Information Security Management*, demonstrating Dahua's leadership in data security and privacy protection.

Manual inspections and interviews are conducted to audit listed apps, with detailed audit reports prepared. During the Reporting Period, in accordance with the latest notifications from the Ministry of Industry and Information Technology and external regulatory requirements, the Company completed privacy compliance self-inspections and rectifications for 8 internal apps and mini programs, optimizing privacy protection processes.

>> Internal System Security Management

Dahua Technology is committed to building a comprehensive system security prevention and control framework. Through vulnerability management, risk assessment, security audits, and emergency response, we enhance our information security management capabilities to meet the rapid development demands of digital intelligence. Regular vulnerability scans and repairs are conducted, risks are monitored, and strict audit processes are enforced. Emergency response capabilities are strengthened through drills and contingency planning. Additionally, employee awareness of information security responsibilities is reinforced to ensure the effective implementation of security policies, safeguarding both company and customer information. Dahua has achieved certifications such as ISO 27001, and ISO 27017, comprehensively evaluating its information security management framework and validating the effectiveness of its cybersecurity management.



>> Cybersecurity Awareness Promotion

We consistently regard ensuring cybersecurity and information security as a critical responsibility in its development. Through multi-level and multi-dimensional training and awareness campaigns, the Company comprehensively enhances employees' cybersecurity awareness and skills, fostering a strong culture of collective defense against cyber threats.

In September 2024, we held our 4th Cybersecurity Awareness Month, featuring activities such as anti-fraud campaigns, phishing drills, and cybersecurity knowledge dissemination to educate employees on cybersecurity. Additionally, new employees are required to pass a cybersecurity exam upon joining to ensure they possess fundamental security awareness. To further elevate employees' awareness and capabilities, annual cybersecurity training is conducted, equipping staff with practical skills and knowledge to mitigate cybersecurity risks.

Moreover, regular exams and periodic notifications are used to reinforce the importance of information security, driving the implementation of network and information security protection measures.

Cybersecurity training

To enhance employees' awareness and skills in network and information security, we conduct two company-wide training sessions annually. The training adopts an innovative online virtual avatar format, breaking the limitations of traditional venues while delivering content in a more engaging and impactful manner. The training covers comprehensive and in-depth topics, including daily information security behavior standards, customer information and privacy protection, data security, mobile device security, personal information protection, and phishing email drills for all employees.



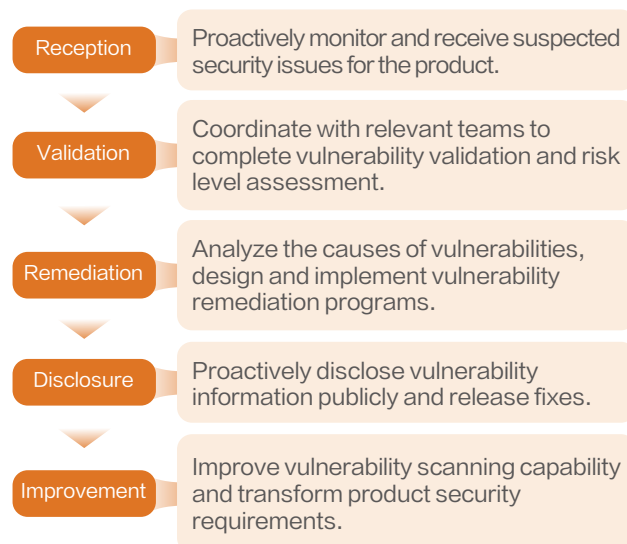
Risk and Opportunity Management

In the digital age, we and our products may face cybersecurity threats such as denial-of-service (DDoS) attacks, brute force cracking, SQL injections, and malware, which could lead to system failures or service interruptions, thereby impacting business continuity and customer trust. To effectively manage and mitigate these risks, the Network and Data Security Committee oversees comprehensive cybersecurity assurance efforts. By integrating policy development, organizational structure optimization, process refinement, management mechanisms, technological innovation, and standardization, the Company has established and continuously improves a global end-to-end network and data security assurance system.

Proactive measures are taken to strengthen security defenses, optimize emergency response mechanisms, and elevate organization-wide security awareness. These efforts address cybersecurity challenges head-on, prevent major incidents, and ensure the safety and stability of operations, delivering reliable services and safeguards for customers and stakeholders.

To operationalize cybersecurity safeguards, we formed a Product Security Incident Response Team. This team is responsible for receiving, addressing, and publicly disclosing security vulnerabilities related to products and solutions.

It continuously reviews and refines emergency response processes to enhance risk management capabilities. The security incident response workflow encompasses five critical phases: reception, validation, remediation, disclosure, and improvement, systematically reducing risks and reinforcing product security resilience.



Indicators and Targets

We have set clear management targets for information security and customer privacy protection and continuously tracked the progress of target completion to promote the realization of the targets with practical actions to safeguard the sustainable development of the Company and the rights and interests of customers.

Targets

100% annual security alert response rate

2024 Progress

✓ **Achieved**

Targets

Average security emergency response time within 24 hours annually

2024 Progress

✓ **Achieved**

Targets

100% annual employee training coverage on data security/customer privacy protection

2024 Progress

✓ **Achieved**



Responsible Supply Chain



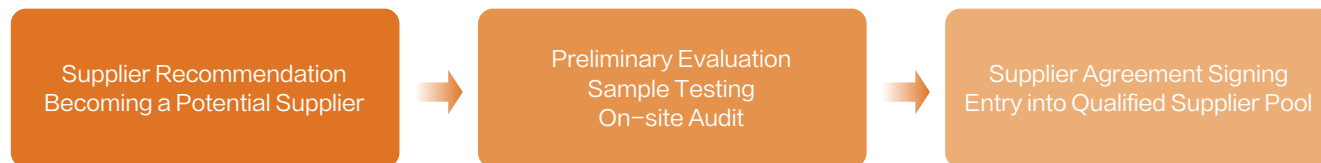
In the context of globalization, enterprises are increasingly dependent on their supply chains, and related risks may pose threats to a company's reputation and financial stability. We are committed to building a stable and sustainable supply chain, adhering to the principles of "collaboration, mutual benefit, transparency, and compliance". We continuously optimize our supplier management system, working together with supplier partners to promote responsible business practices.

Supplier Management

We have established a comprehensive supplier management system covering the entire supplier lifecycle. Through internal policies such as the Supplier Onboarding Process, Supplier Performance Management Process, and Supplier Resource Layout Management Process, we achieve detailed management across all stages, including supplier selection, cooperation, evaluation, auditing, and capacity building.

Supplier Onboarding

We have developed diverse supplier recommendation channels, including the official WeChat account and procurement website, to widely attract potential supplier. All prospective suppliers undergo a comprehensive preliminary review, covering multiple dimensions such as operational strength, innovation capability, environmental protection, and social responsibility. This ensures the selection of supplier partners with outstanding professional capabilities and alignment with Dahua's values. Subsequently, we conduct sample testing, on-site audits, and other processes to screen suppliers that meet Dahua's high standards and incorporate them into the qualified supplier pool.



Supplier Admission Process

We adopt a category-based management approach for qualified suppliers, classifying them into four categories based on material type, technical complexity, and importance levels: Strategic Suppliers, Key Suppliers, Bottleneck Suppliers, and General Suppliers. Through the One-Stop Supplier Management Platform, we implement targeted management strategies for each category, enhancing efficiency and transparency in supplier management.

Supplier Evaluation and Auditing

To continuously optimize the supplier management system, we strictly follow the Supplier Performance Management Process, conducting comprehensive supplier evaluations and audits and implementing a tiered supplier management system to ensure the stable development of the supply chain.

We evaluate suppliers monthly across multiple dimensions, including compliance, product quality, service capability, and delivery performance. Based on the evaluation results, suppliers are categorized into four levels: A, B, C, and D, with corresponding incentives, corrective actions, or elimination measures applied.

For suppliers that have a significant impact on the quality of Dahua's products and services, we conduct on-site supplier audits that include field inspections, document reviews, and a combination of questionnaire surveys and interviews.. These audits assess suppliers' management in areas such as quality systems, functional capability, production capacity, environmental compliance, occupational health and safety, and social responsibility, allowing us to identify risks in the supply chain promptly and continuously enhance supply chain standards. During the Reporting Period, Dahua conducted annual on-site audits of 99 key suppliers, achieving a 100% completion rate.

During the reporting period



Number of critical suppliers scheduled for annual on-site audits

99



Audit completion rate

100%

Supplier Communication and Empowerment

We regard suppliers as important partners and are committed to fostering effective communication and supplier development initiatives, promoting collaboration across the supply chain. Based on findings from the evaluation process, regulatory requirements, external trends, and industry best practices, we provide suppliers with targeted training in multiple areas, including quality, service, and environmental protection, empowering them to improve management capabilities and performance.

Supplier Environmental Training

During the Reporting Period, we conducted online environmental training sessions for suppliers across various regions through the Supplier Online Platform. The training focused on key topics such as environmental regulations and policies, product carbon footprint, and the control of high-risk substances, offering in-depth explanations and guidance. Additionally, Dahua invited external experts to share practical case studies, helping suppliers better understand of the importance of environmental practices. These efforts are designed to enhance suppliers' environmental performance and contribute to the sustainable development of the entire value chain.



Sustainable Supply Chain

Supply Chain Security and Stability

We adhere to a "prevention at the source" management strategy, conducting supply chain risk assessments and preventive measures to enhance supply chain stability and sustainability. The Company has established management policies and procedures such as the *Risk Supplier Management Process* and the *Emergency Response Mechanism Process*, defining various supply chain risks and corresponding response mechanisms. During the Reporting Period, we identified potential supply chain risks including suppliers' operational stability, unforeseen events, geopolitical factors, market fluctuations, and price volatility. In response, we implemented targeted measures such as: signing strategic cooperation agreements with suppliers, reserving resources of alternative suppliers, and adjusting supplier stocking and inventory strategies, ensuring the security and stability of the supply chain.

We have also obtained *ISO 28000 Supply Chain Security Management System Certification*, demonstrating the Company's excellence in supplier management and supply security system development.

Supply Chain ESG Management

We continuously strengthen our supply chain ESG management strategy, integrating ESG-related topics such as anti-corruption, environmental protection, and labor and human rights into the supplier management process. The Company supports suppliers in adopting ESG measures to promote the sustainable development of the value chain.

Environmental	• Environmentally friendly design • Resource conservation • Hazardous substance control • GHG emissions • Product carbon footprint	• Execute <i>Environmental Commitment Letters</i> with long-term suppliers, requiring strict adherence to <i>ISO 14001 Environmental Management System</i> and <i>RoHS 2.0</i> standards, setting non-negotiable thresholds for non-compliant suppliers. • Prioritize suppliers with outstanding environmental performance; all material suppliers must provide environmental certifications and undergo dedicated audits organized by the Company.
Social	• Labor standards • Occupational health and safety • Quality management • Conflict minerals control	• Execute Supplier Social Responsibility Agreements and Quality Assurance Agreements with all suppliers, requiring compliance with <i>ISO 45001 Occupational Health & Safety Management System</i> and <i>ISO 9001 Quality Management System</i>, ensuring that suppliers meet their social responsibilities obligations.
Governance	• Ethical business practices • Anti-corruption • Intellectual property protection • Privacy protection	• Execute <i>Supplier Compliance Commitment Letters</i> and <i>Integrity Commitment Letters</i> with all suppliers, ensuring adherence to ethical business practices. • Conduct regular business ethics training for all suppliers, with targeted business ethics audits for high-risk suppliers, enhancing ethical awareness and fostering an ethical supply chain.

Responsible Minerals Management

We recognize the importance of responsible minerals management in protecting labor rights, promoting environmental protection, and promoting social peace, and continuously strengthen its control over conflict minerals. In accordance with the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, we have formulated a publicly stated formal policy – the *Responsible Minerals Procurement Policy* and implemented a conflict minerals management system covering minerals such as tin, tungsten, tantalum, gold, and cobalt, demonstrating our commitments to address controversial sourcing practices.

Additionally, we leverage resources from initiatives such as the Responsible Minerals Initiative to enhance supply chain transparency and traceability, fostering collective social responsibility of the entire supply chain. We have set clear quantitative targets, aiming for 100% of raw material suppliers to sign the *Conflict-Free Minerals Declaration*.

Supplier Onboarding Audit

- Incorporate conflict minerals control as one of the basic requirements in the *Supplier Admission Management Process*.
- Require all production-related suppliers to sign and comply with the *Conflict-Free Minerals Declaration*, ensuring that products supplied to Dahua and its affiliates are free from conflict minerals or metals.
- During the Reporting Period, the signing rate of the *Conflict-Free Minerals Declaration* by suppliers reached 82%.

Supply Chain Due Diligence

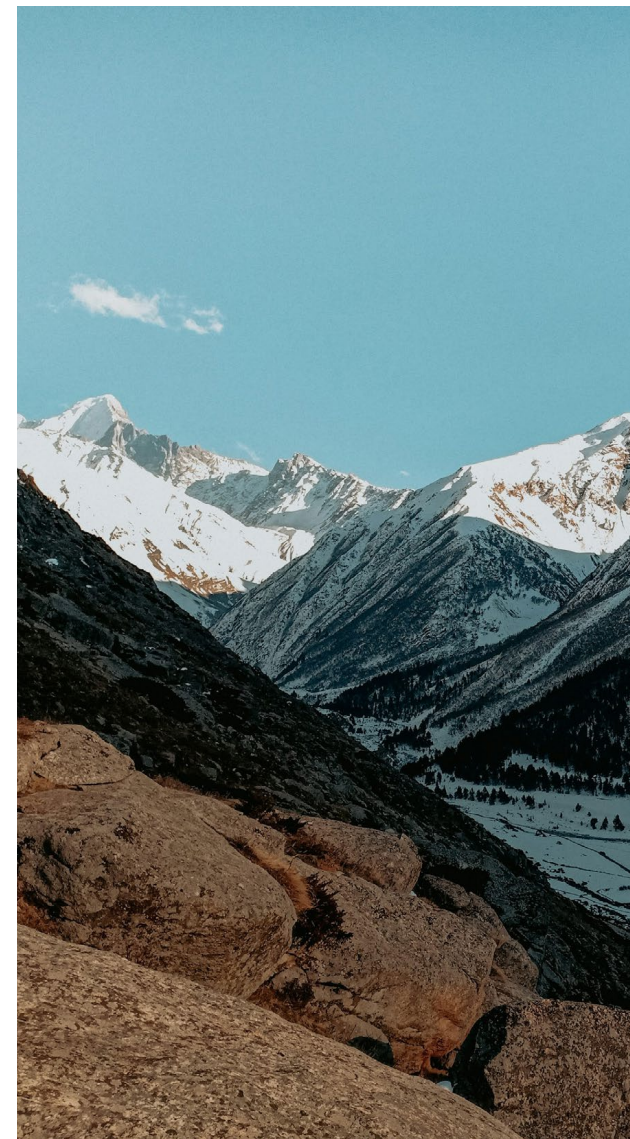
- Regularly conduct supply chain conflict minerals due diligence via the Supplier Portal. Require suppliers to provide and disclose information on the country of origin of minerals, smelters, refiners, and downstream supply chain using the *Conflict Minerals Reporting Template (CMRT)* for gold, tantalum, tungsten, tin, and the *Cobalt Reporting Template (CRT)* under the *Responsible Minerals Initiative*.

Supplier On-Site Audit

- Conduct regular on-site special audits of suppliers based on due diligence findings. If supplier-provided information cannot be verified, or if suppliers fail to take effective measures to comply with Dahua's *Responsible Minerals Procurement Policy*, Dahua reserves the right to terminate cooperation.

To ensure compliance with our controversial materials sourcing policy and effectively manage potential conflict minerals risks, we have established a comprehensive emergency response plan, defining the response mechanisms, response procedures, and specific responsibilities of the designated teams for conflict minerals-related issues. Additionally, we conduct regular supply chain training and awareness programs to enhance suppliers' understanding of conflict minerals-related laws and regulations. We empower suppliers to complete conflict minerals due diligence and support them in developing their own responsible minerals procurement policies and conducting multi-tier due diligence programs.

During the Reporting Period, no violations related to conflict minerals occurred at Dahua.



Building an Industrial Ecosystem Together

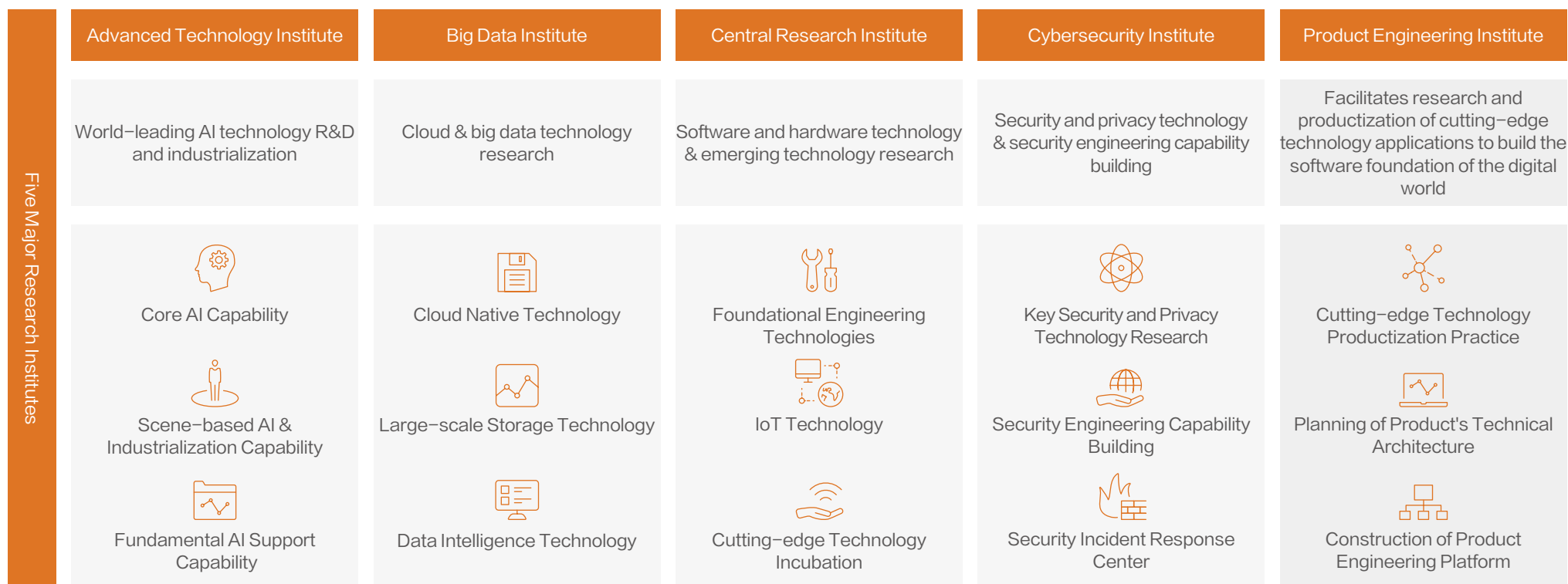


Dahua regards technological innovation as a strategic pillar driving high-quality corporate development, continuously enhancing innovation capabilities to inject fresh momentum into industry advancement. Upholding the concept of a "holistic ecosystem", we have built an open and comprehensive capacity framework spanning technology, business, and services. Together with our ecosystem partners, we co-create and co-develop limitless possibilities for industrial growth, empowering the digital transformation across diverse sectors.

Innovation-Driven

Governance

We are committed to deploying global R&D resources, with our headquarters in Hangzhou and additional R&D sub-centers established in Xi'an, Chengdu, Poland, and Mexico. We have formed a comprehensive innovation governance structure, comprising a central R&D center and five specialized institutes: Advanced Technology Research Institute, Big Data Research Institute, Central Research Institute, Cybersecurity Research Institute, and Product Engineering Institute. Each institute has clear responsibilities and operates in collaboration, jointly driving technological innovation and industrial upgrades.



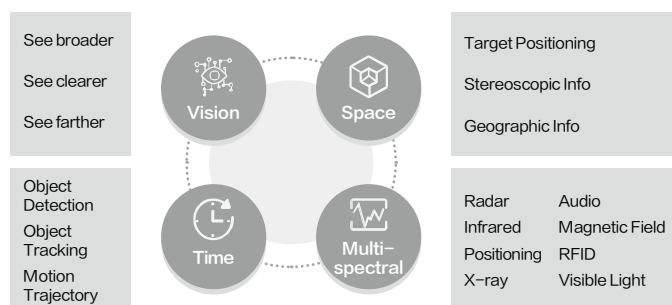
Strategy

Innovation and R&D are critical to maintaining Dahua's leading position in the industry and significantly impact on our business development and financial performance. Through continuous innovation, we consistently introduce new products and solutions with high-tech and high-value, enhancing product competitiveness, expanding business areas, and addressing diverse market needs—all of which contribute to revenue and profit margin growth.

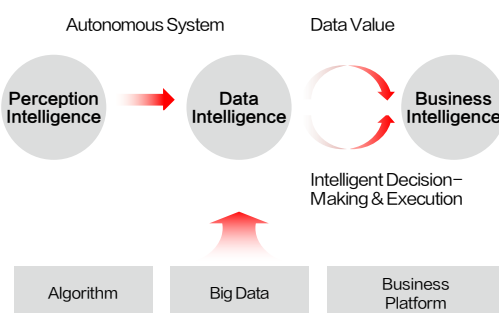
However, if we encounter issues such as insufficient R&D efficiency or innovative products failing to achieve expected commercial value, we may face a decline in product competitiveness, resulting in decreased revenue and increased R&D costs.

Recognizing the risks and opportunities associated with innovation and R&D management, we firmly believe in "Technology leads innovation, innovation drives development." Supported by two major strategies—AIoT and the Digital Intelligence IoT Platform—we effectively integrate artificial intelligence, big data, and IoT technologies into our products and solutions, facilitating urban digital innovation and enterprise digital transformation. We continuously increase investment in building our "Five-All" capabilities: All-Sensing, All-Connectivity, All-Computing, All-Intelligence, All-Ecosystem. This ensures Dahua's technology and products maintain industry leadership.

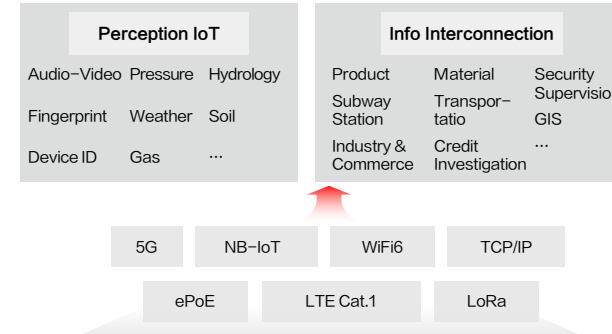
Total Sensing Convergent Sensing



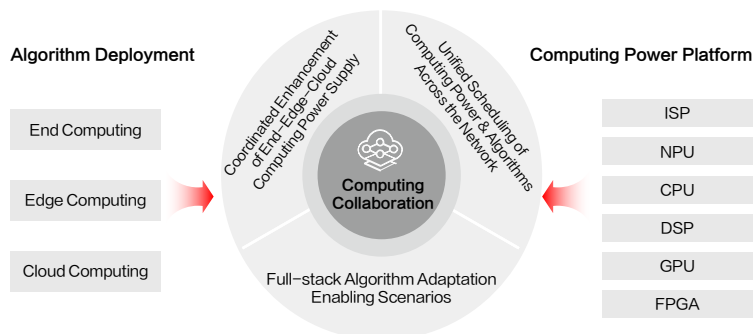
Total Intelligence Intelligence Anywhere



Total Connectivity Converged Connectivity



Total Computing Network-Wide Computing



All-Ecologies: Win-Win Cooperation



Additionally, we consistently regard our talent strategy as a crucial pillar supporting our innovation and R&D efforts. We are committed to fostering a diverse and vibrant culture of innovation, encouraging employees to become active participants and contributors to innovation. We continue to implement the "Leadership Program", strengthening the development of our expert teams, focusing on achieving breakthroughs in core technologies, and enhancing the Company's industry competitiveness and leadership. During the Reporting Period, we organized various activities such as the R&D Innovation Conference, Software OJ League, and Technical Skills Competitions, continuously fostering employees' innovative and creativity.

Technical Expert Achievements Exhibition



During the Reporting Period, we organized the 2024 Annual R&D Center Technical Expert Achievements Exhibition, focusing on two key dimensions—commercial and technological value. 19 expert projects were evaluated and showcased, covering core technology areas such as software, algorithms, hardware, big data, and solutions. This exhibition highlighted Dahua's industry leadership and influence, further fostering a culture of breakthroughs and bold innovation.



Risk and Opportunity Management

We place great importance on the impact of risks and opportunities related to innovation and R&D on our operations and development. Through a comprehensive risk management system, we identify potential risks and opportunities, and design and implement response strategies and work plans tailored to industry characteristics and our development needs.

We closely follow market and technological trends, gain in-depth insights into customer needs, and continue to expand into emerging business areas. We actively invest in artificial intelligence, big data, and the Internet of Things, meeting the market's growing demand for smart and connected products while improving R&D efficiency. At the same time, we recognize the challenges posed by the widespread application of artificial intelligence to our business operations. We closely monitor domestic and international regulations related to AI and algorithm security, have established a dedicated AI and Security Compliance Task Force, formulated a series of algorithm compliance management policies, and initiated the filing process for algorithms and large models, to prevent major algorithm security incidents.

In addition, we attach great importance to intellectual property (IP) protection to mitigate IP infringement risks. We have obtained the GB/T 29490–2023 Corporate Intellectual Property Compliance Management System Certification and continuously build and optimize our IP management system based on strategic needs and business characteristics, ensuring that IP management objectives remain aligned with our overall strategic direction.

Innovation Incentives and IP Protection

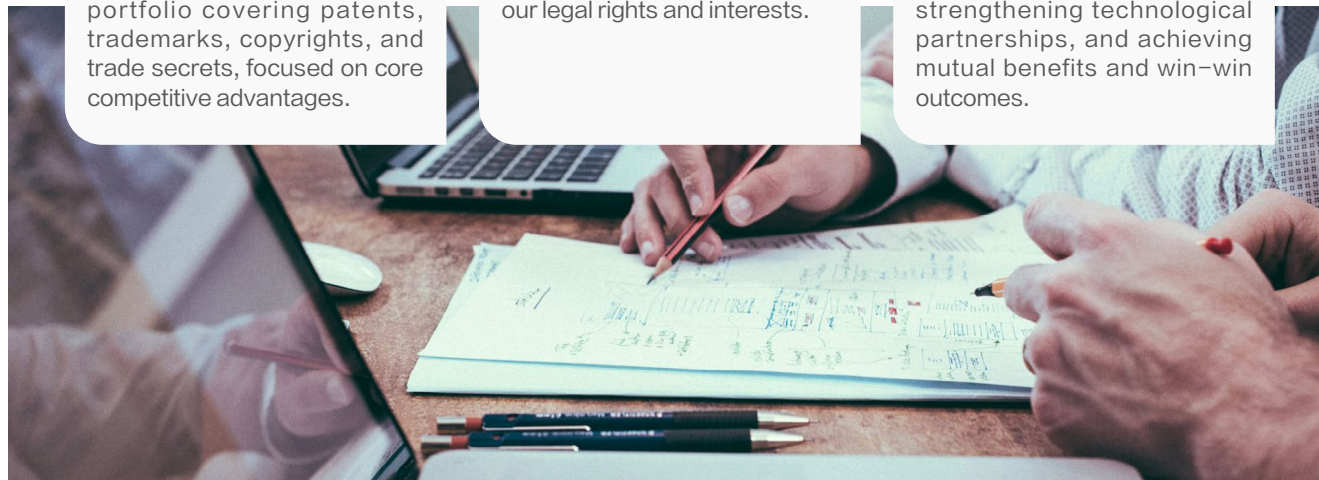
Building a multi-dimensional intellectual property asset portfolio covering patents, trademarks, copyrights, and trade secrets, focused on core competitive advantages.

IP Risk Control

Ensuring operational security and freedom, and safeguarding our legal rights and interests.

Advancing IP Operations

Unlocking the commercial value of intellectual property, strengthening technological partnerships, and achieving mutual benefits and win-win outcomes.



Indicators and Objectives

We have established a comprehensive innovation and R&D management system and evaluation mechanism, continuously pursuing technological breakthroughs and innovation. We regularly communicate our commitment and outstanding contributions to product advancement and industry progress with all stakeholders.

Objective

Launch of industry-specific algorithms for large models and pilot projects

Progress in 2024

✓ **Achieved**

Objective

Continued increase in R&D investment, with R&D spending accounting for over 10% of total revenue

Progress in 2024

✓ **Achieved**

Objective

Expand R&D team in alignment with business strategy; maintain 30%+ of R&D staff with master's degrees or higher

Progress in 2024

✓ **Achieved**

During the Reporting Period, we were awarded the First Prize in the National Innovation Method Competition and have won the First Prize in the Zhejiang Innovation Method Competition for eight consecutive years. Additionally, we received the prestigious First Prize in the 2024 Asian Quality Innovation Case Awards, further demonstrating Dahua's outstanding innovation and R&D capabilities. Meanwhile, we actively promote the transformation of innovative achievements and strengthen intellectual property protection. In 2024, we were granted 1,495 new patents. As of the end of the Reporting Period, our intellectual property holdings are as follows:

patents

7,181

software copyrights

1,383

trademarks

1,099

Technology Ecosystem

We firmly believe that an open and co-constructed technology ecosystem brings unlimited market vitality and scenario-driven potential to the digital intelligence future. As an industry leader, we fully leverage the advantages of the industry-academia-research-application model, collaborating with various partners to achieve synergistic growth and shared success, and driving value co-creation across the ecosystem.

We are committed to fostering industry talent development, actively promoting industry-academia collaboration, and advancing the comprehensive, in-depth integration of technology and education. We have partnered with top universities such as Zhejiang University and Hangzhou Dianzi University to jointly establish Smart Information Processing Engineering Research Centers and Joint Laboratories, focusing on cutting-edge fields such as artificial intelligence and big data. In addition, we are deeply involved in the university talent development system, setting up training bases to provide students with practical platforms, helping them enhance their innovation capabilities.

The First "Dahua Cup" Technology Innovation Competition

During the Reporting Period, we expanded the reach of our Innovation Conference by introducing a university-level competition for the first time—the inaugural "Dahua Cup" Technology Innovation Competition. The competition attracted nearly 300 participants from 47 universities, who actively engaged in proposing solutions to industry technology challenges across various cutting-edge fields such as intelligent algorithms, environmental technology, and healthcare. The event created a platform for providing innovative solutions to industrial technical challenges.

The "Dahua Cup" Technology Innovation Competition marks a new initiative in Dahua's industry-academia collaboration efforts. While uncovering outstanding technological innovation projects, the competition also stimulated the innovation enthusiasm and practical abilities of university students, contributing to the development of next-generation technological innovators.

At the same time, we are committed to sharing our leading technological standards and management expertise, driving the industry toward standardization and regulation compliance. During the Reporting Period, we participated in the formulation of over 30 domestic and international standards, including *GB/T 44297-2024 Public Security Video Image Information Data Items* and *GB/T 44602-2024 Cybersecurity Technical Specification for Smart Lock Network Security*, contributing valuable insights to support the advancement of the industry.

Chair Unit of the Industrial Design Professional Committee of the Provincial Invention Association

We actively promote industry exchange and collaboration by leading the establishment of the Industrial Design Professional Committee of the Provincial Invention Association, serving as the Chair Unit and playing a leading role in the industry. The formation of this committee not only promotes the concept of innovative methods in industrial design and enhances our influence within the industry, but also facilitates the implementation of innovative achievements, academic exchange, and strengthens intellectual property protection in design innovation.

At the committee's first working meeting, Dahua, together with experts from enterprises, design firms, and universities, discussed key industry topics such as intelligent transformation and green development. We also shared our design cases in areas including photovoltaics, new energy charging stations, and multi-sensor video fusion technology. Looking ahead, the committee will continue to leverage its professional strengths, promote the role of industrial design in empowering industrial development, spread the culture of technological innovation, and contribute to the high-quality development of the industry.



Business Ecosystem

Under the "Dahua Think#2.0" strategy, we adhere to our dual technological strategies of AIoT and the IoT Digital Intelligence Platform, with a continuous focus on our two core business areas: city and enterprise solutions. By fully unlocking the data value centered around video, we empower the construction of efficient urban governance systems and support the digital transformation and upgrading of enterprises. To date, we have provided over 8,000 specific application scenarios and more than 230 industry solutions for government and enterprise clients.

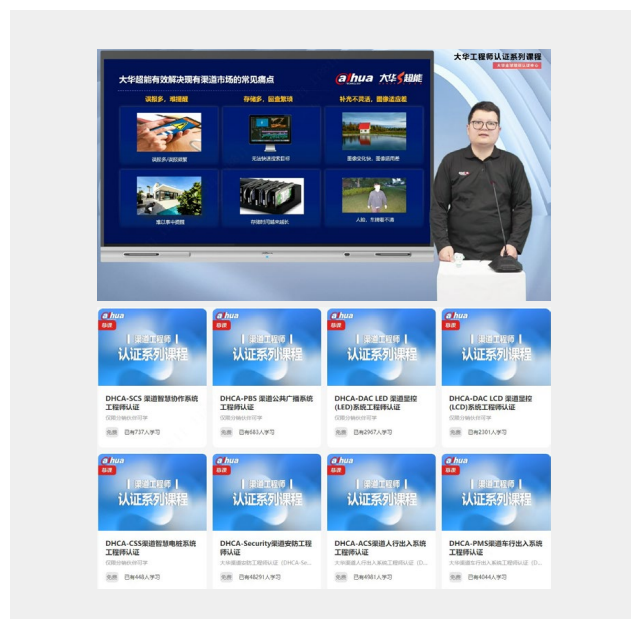
At the same time, we continue to deepen our presence in the global market, continuously improving our global supply capabilities. We are dedicated to delivering better quality, and more intelligent digital products, solutions, and services to global users, contributing to the advancement of sustainable development worldwide.



Service Ecosystem

We are committed to building an efficient and professional service ecosystem, establishing four open systems covering project delivery, technical support, operations and maintenance management, and training and certification. This comprehensive service model continuously empowers partners and provides the market with high-quality services throughout the entire product and solution lifecycle.

To improve the professional capabilities of distribution partners, during the Reporting Period, we launched a brand-new Channel Certification System, covering four key areas: distribution products, solutions, delivery techniques, and general workplace skills. Additionally, we developed 56 comprehensive channel certification courses, with a cumulative total of 2,567 participants.



Dahua Engineer Certification Series Courses

National Partner Skills Competition

During the Reporting Period, we organized the National Partner Skills Competition for our distribution partners across the country. A total of 261 participants from 98 distributors nationwide took part in the competition. Through a comprehensive series of activities—including virtual bidding simulations, technical quiz challenges, new media marketing, and hands-on technical exercises—the event enhanced partners' understanding of Dahua's products and solutions, while enhancing their technical capabilities for project delivery.

New Order, New Model, New Dream: 2024 Dahua Channel Ecosystem Partner Conference

During the Reporting Period, the 2024 Dahua Channel Ecosystem Partner Conference, themed "New Order, New Model, New Dream", was grandly held in Hangzhou. Nearly 1,000 channel ecosystem partners from across the country gathered to focus on co-creating value through ecosystem collaboration. The conference explored insights and practical experiences in ecosystem development strategies, scenario-based innovation, and industry digital intelligence upgrades, while sharing market opportunities and jointly shaping the future of the digital intelligence ecosystem. A new order paves the way for new models, and new dreams lead to a new future. We will continue to leverage our deep insight into industry development trends, and remain committed to collaborating with channel partners through cutting-edge technology, industry-leading products and solutions, and continuously optimized channel policies. By enabling partner success and self-growth, we and our partners will work together to build a new ecosystem and achieve mutual success in the digital future.



Creating a Better Life

04

We firmly believe that a united and efficient team is a key driver of sustainable corporate development. We implement fair and transparent employment policies, establish a scientific incentive mechanism, and develop a comprehensive talent development system to provide a broad platform for the diverse talent pool within Dahua. Furthermore, we actively fulfill our social responsibilities by participating in community development and encouraging all employees to engage in volunteer services, fostering a win-win development for both the Company and society.

- Empowering Talent Growth 70
- Advancing Public Welfare Together 79



Empowering Talent Growth

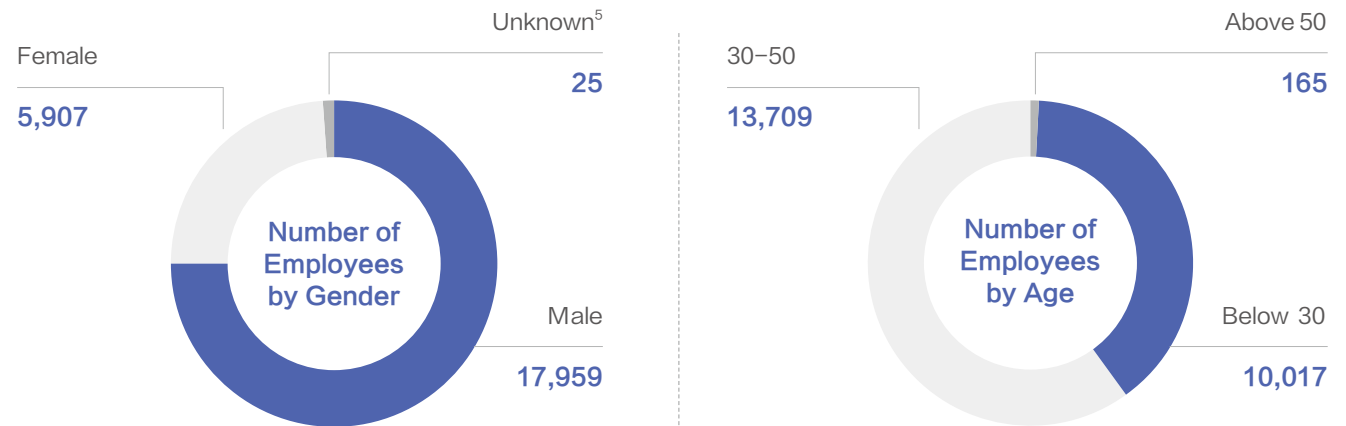
We uphold the talent philosophy of "Respecting, Developing, Caring for, and Empowering Employees", regarding our workforce as an invaluable asset to the Company. We continuously invest in attracting and nurturing talent, ensuring employees' physical and mental well-being while fostering a dynamic and thriving organization.

Embracing Diversity

We strictly comply with the *Labor Law of the People's Republic of China*, the Labor Contract Law of the People's Republic of China, and other relevant laws and regulations. Upholding the principles of fairness, justice, and legal compliance in talent recruitment, we actively attract external talent to provide strategic support for our business development. We have established internal policies to prevent employment discrimination, explicitly stating in the *Employee Handbook* that we oppose any form of discrimination based on ethnicity, race, gender, educational background, religion, age, or other factors. We ensure equal employment opportunities, guaranteeing that employees receive fair treatment in all aspects, including recruitment, compensation, training, promotion, and benefits.

As part of our global business strategy, we strictly adhere to local laws and fully respect diverse cultural customs. We flexibly adjust work hours and holiday policies to ensure that overseas employees can lawfully observe religious holidays. Moreover, we are committed to fostering an inclusive and diverse workplace by creating employment opportunities for disadvantaged groups, such as individuals with disabilities, ensuring that all hiring practices comply with local regulations.

As of the end of the Reporting Period, our employee demographics are as follows:



This year, we employed a total of

23,891 people worldwide

and provided job opportunities for

8 individuals with disabilities



⁵ Due to privacy protection policies in certain overseas operational locations, some employees' gender information has not been recorded or disclosed.

We are committed to protecting employee rights and have established policies such as the *Regulations on the Protection of Female Employees' Rights* and the *Anti-Sexual Harassment Management Measures*. We actively promote the *Employee Representative Conference System* and have established a labor union to listen to employees' voices, ensuring that no discriminatory behavior occurs and that female employees' rights in the workplace are fully safeguarded.

We encourage employees to report incidents of discrimination, harassment, and other misconduct and firmly protect the legal rights of whistleblowers. To this end, we have implemented a confidential reporting system and an anti-retaliation management mechanism to ensure the safety and anonymity of whistleblowers.

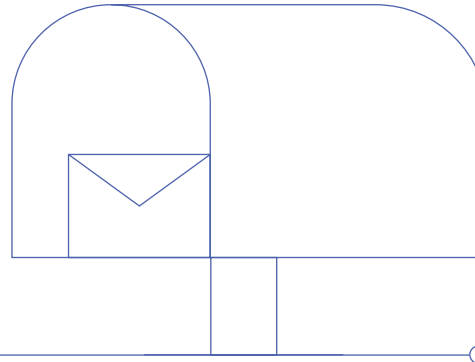
Reporting Channels for Discrimination and Harassment

HR Hotline: 558868 – 2 / 0571 87688868

Internal Reporting Mini Program (on Wechat): Huacha "HR Assistant"
(花茶 "HR 小助手")

WeChat Account: "Fanghua Community(芳华社)"

Company Integrity and Compliance Management Committee Email:
dh_lzwyh@dahuatech.com



We have joined the *United Nations Global Compact (UNGC)* and adhere to the human rights principles outlined in the *Universal Declaration of Human Rights*, the *International Covenant on Economic, Social and Cultural Rights*, the *International Covenant on Civil and Political Rights*, and the *United Nations Guiding Principles on Business and Human Rights*. In accordance with the SA 8000 International Standard and our social responsibility policies and objectives, we have established the *Social Responsibility Management Manual* to protect employees' rights to freedom of association and collective bargaining under national laws and voluntary conditions. We explicitly prohibit any form of child labor, forced labor, or restrictions on personal freedom and ensure strict compliance with regulations related to the protection of employees' personal information and privacy.

To ensure the effective implementation of the beforementioned management policies, we verify employees' identity information during the recruitment process to prevent the employment of child labor.

As of the end of the Reporting Period, 100% workforce of Dahua is covered by the labor union, and the collective agreement signing rate has reached 100%.

As of the end of the reporting period.

Dahua's labor union employee
coverage rate

100%

Rate of signing of collective
agreements

100%



Employee Growth

We are committed to building an efficient talent pipeline, standardizing training management mechanisms, accelerating talent development, and enhancing organizational efficiency to effectively align with corporate and business growth needs.

Talent Acquisition

We attract outstanding talent through multiple recruitment channels, including social recruitment, campus recruitment, and internal referrals. We strictly adhere to the principles of "open recruitment, fair competition, and merit-based selection", making hiring decisions based on standardized written tests and interview results while comprehensively evaluating candidates' qualifications. Additionally, we have established a key position talent pool and a resume database tagging system to ensure timely and precise identification of high-potential talent, driving business innovation and growth.

Alongside external recruitment, we have also developed a tiered and categorized talent strategy system to promote internal talent mobility. We continuously enhance our "selection, development, utilization, and training" talent mechanism and utilize career personality assessment tools to build competency models. These initiatives support employees in new roles, job transitions, and promotions, fostering their professional growth.

During the Reporting Period, we hired 3,897 new employees, including 2,793 through social recruitment and 1,104 through campus recruitment. Among the campus hires, 58.4% hold a master's degree or higher, and 40.4% graduated from top domestic and international universities.

Establishing an External Talent Pool: "Eagle Training Camp" for Students

We have launched the Eagle Training Camp program, which integrates modules covering R&D, career planning guidance, and other professional courses. By combining theoretical learning with practical experience, the program enhances students' workplace awareness, introduces them to cutting-edge technologies, and helps them plan their future career paths. Additionally, the program serves as a platform to promote our employer brand image.

In total, 329 students successfully completed the program, with 49 participants recognized as Outstanding Trainees.



Eagle Training Camp



Activating the Internal Talent Pool: Internal Recruitment Programs

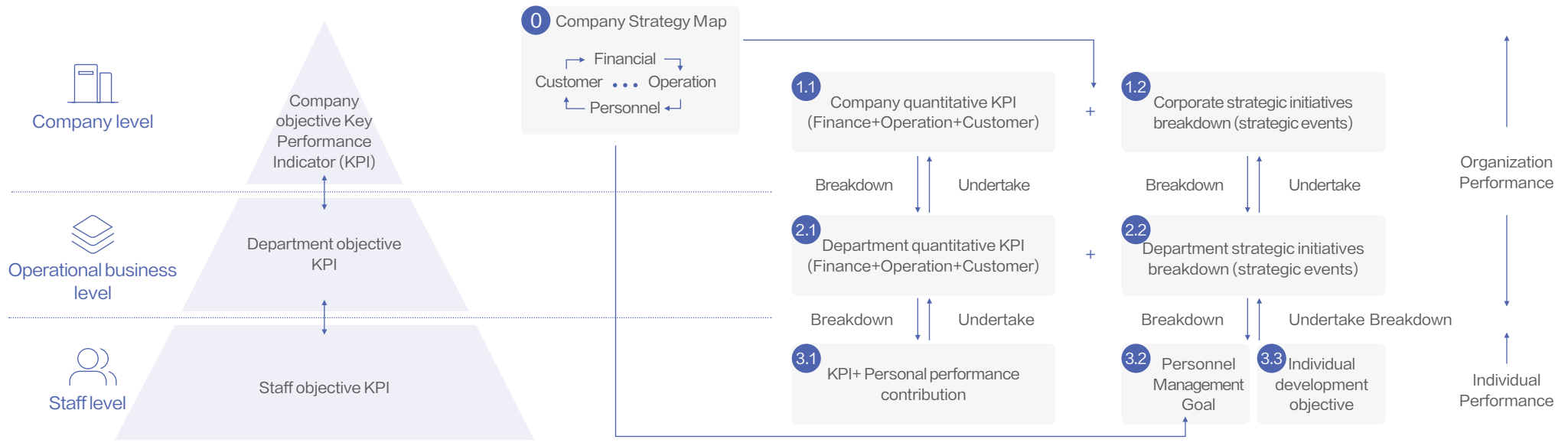
To further enhance employees' skills and potential while advancing the Company's talent strategy, we continuously implement the Dandelion Plan and Internal Mobility Plan. During the Reporting Period, the first batch of internally transferred talents successfully advanced to frontline management positions.

- **Dandelion Plan:** As a strategic initiative at the corporate level, this program focuses on transitioning R&D talent into market-oriented roles. It aims to cultivate and deliver technically skilled professionals to the market while providing broader career pathways and solid institutional support for outstanding core technical talent.
- **Internal Mobility Plan:** Our internal recruitment initiative plays a key role in building departmental teams, particularly within R&D and market divisions. We prioritize the training and development of fresh graduates, facilitating structured talent mobility and cross-functional growth. This program encourages talent to transition from mid-office to frontline roles and from technical positions to solution-oriented and sales roles, fostering comprehensive talent development and continuous corporate innovation.

Performance Management

We adhere to the principles of fairness, transparency, impartiality, scientific evaluation, clarity, and objectivity in performance assessment. We have established the *Performance Management Measures*, implementing a combination of absolute and relative evaluation methods to assess employee performance. Our performance management system closely integrates business strategic planning with individual employee performance, encompassing processes such as assessment planning, ongoing coaching, annual performance evaluation, application of assessment results, and performance improvement initiatives. This system not only supports employee personal growth but also ensures that their development aligns with our strategic direction.

We have incorporated key corporate sustainability indicators into employee performance assessments. Core indicators such as green innovation, green supply chain management, employee welfare and well-being, product quality and safety, and internal control and risk management are directly linked to the performance evaluation of responsible business personnel. Additionally, we have established a clear linkage between corporate environmental protection, occupational health and safety performance indicators, and the compensation of relevant employees and management teams. This approach ensures that while pursuing economic benefits, we actively fulfill our environmental responsibilities and social commitments.



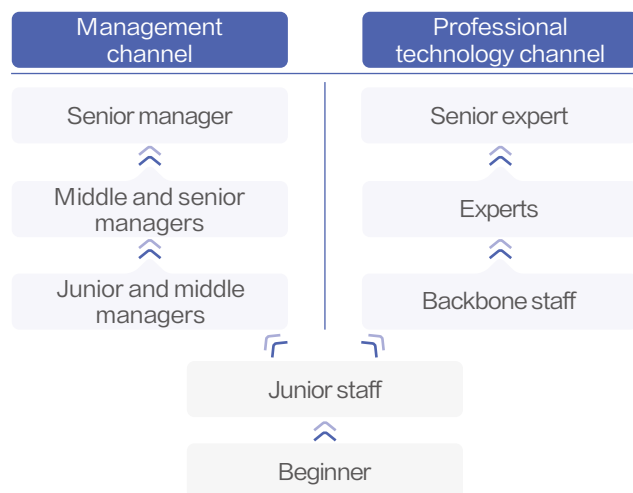
Performance Breakdown Process

Career Development

We value the long-term growth of our employees and provide a dual career development pathway that includes both professional and managerial tracks. We have established clear job competency standards and comprehensive learning resources, along with a fast-track promotion mechanism for high-performing employees. This ensures that employees can continuously grow within the Company and enhance their competitiveness.

We take responsibility for the career progression of every employee. Employees who have completed one year of service, met performance evaluation standards, and passed professional competency certification are eligible for promotion nominations. The promotion process involves preliminary screening, comprehensive discussions, performance score evaluations, official appointment, and on-site assessment, ensuring a rigorous review of candidates' professional capabilities.

Based on the annual promotion results, each department strategically plans workforce allocation for the following year and adjusts the compensation structure accordingly, ensuring that employees' growth and contributions are fully recognized and rewarded.



Employee Career Development Pathways

⁶ The company increased in-house developed training programs while decreasing externally procured training services, leading to lower training expenditures compared to the previous year.

Employee Training

Employee training plays a critical role in enhancing our core competitiveness, fostering personal growth, and improving organizational efficiency. Recognizing its growing importance, we uphold the learning philosophy of "Empowering Excellence with Excellence, Replicating Success for Success". Through a combination of learning, training, practical application and assessment, we provide every dedicated employee with opportunities to challenge themselves, break barriers, and achieve professional growth.

In 2024, we offer knowledge and skill development training for full-time employees, part-time employees, and contractor staff, ensuring that all personnel receive the necessary support to develop essential skills and achieve personal growth. During the Reporting Period, we updated *Training Management Guidelines* and *Course Development Management Guidelines*, refining policies related to training initiation, effectiveness evaluation, and learning platform regulations. These improvements facilitate better access to corporate learning resources, ensuring employees can fully leverage the Company's training programs.

The training data for Dahua employees during the Reporting Period is as follows:

Total number of employees trained

27,824

E-Learning platform user

26,969

Total training hours

687,000 hours

Total online learning hours

381,000 hours

Total courses available

2,282

Average training hours per employee

24.7 hours

Average online learning hours per employee

14.1 hours

Total investment in employee training

RMB 2.068 million⁶

Employee training coverage rate

96 %



Specialized Training

We have established a comprehensive training system, leveraging internal and external instructor resources and the E-learning platform to build a strong and convenient learning resource library, continuously enhancing employees' professional skills.

For employees with different experience backgrounds and at various career stages, we offer general training, new employee training, professional training, and management training, providing diverse development programs to build a healthy talent pipeline and a dynamic internal talent pool.

Management Training

For reserve cadre development, Dahua has designed a two-tiered training program—basic and advanced—to cater to managers at different levels. Additionally, the Company has introduced a new column, "Monday Morning Leadership Lessons", which brings real business management cases to life, helping new managers transition smoothly into their roles.

Professional Training

For key positions within the Company, Dahua implements Individual Development Plans (IDP) and monthly evaluations to track and assess the learning and growth progress of key talent.

New Employee Training

Dahua conducts training sessions for all new employees, including intensive onboarding programs that emphasize professional skill development. During the Reporting Period, the Company updated some general competency course content and regularly reminded new employees to complete their training through live broadcasts and lecture sessions.

General Training

Dahua provides general training for all employees, delivering key knowledge under the theme of "Essential Knowledge and Skills for All Employees". This training covers corporate culture, workplace communication skills, and other fundamental topics.

Professional Skills Development and Academic Advancement

We actively encourage employees to pursue higher education and obtain professional certifications, offering a range of supportive measures. During the Reporting Period, we promoted mid-to-senior level professional title recognition and evaluations, assisting 282 employees in completing their title applications, with senior engineer evaluations accounting for 64.5% of the total.

We also provide certificate renewal and replacement services for employees holding key certifications, covering full-time, part-time, and contract employees. We fully reimburse exam and education expenses and offer allowances and quarterly performance bonuses as incentives. For more challenging certifications such as Cost Engineers and Construction Engineers, we provide renewal support two months in advance to ensure employees can successfully maintain their credentials. Additionally, we assist employees in obtaining occupational qualifications such as Category III Personnel Certificates and Electrician Certificates, reimbursing certification costs based on actual needs, thereby fully supporting employees' professional skills development.

Beyond our internal workforce, we are also committed to enhancing professional skills and employment levels across society. We launched the "Cultivate and assist talents" dual-certification vocational skill training program, targeting key employment groups such as college graduates, registered unemployed individuals, and job seekers. During the Reporting Period, this initiative has successfully helped over 300 individuals obtain certifications.

During the reporting period

Vocational Skill Level Public Service Training Recognition Program has helped

300+ people



Compensation and Benefits

Employee Compensation

We strictly comply with national labor laws and regulations, including the *Regulations of the State Council on Working Hours* and the *Implementation Measures for Paid Annual Leave for Enterprise Employees*. We have established policies such as the Leave Management Policy, Attendance Management Policy, and Compensation Management Policy to ensure reasonable working hours and fair compensation distribution, safeguarding employees' physical and mental well-being.

We have developed a comprehensive performance-based compensation system eligible to all employees, consisting

of fixed and variable components to pay. The variable salary is linked to both organizational performance and individual performance evaluations, encouraging employees to continuously enhance their professional skills and work performance, thereby achieving personal value. Additionally, we have implemented a stock option incentive plan covering management, technical, and business core employees. In 2022, we launched a three-year equity incentive plan, involving over 4,000 employees. Furthermore, we have introduced special incentives, an annual bonus system, an employee innovation platform, and the "Star of Dedication" honorary award, providing a diverse range of incentive

strategies for all employees.

We have also established a non-compensation benefits program providing pension and retirement benefits covering 100% of our employees, continuously expanding benefit offerings to enhance workplace satisfaction and overall well-being. During the Reporting Period, we updated our *Retirement Management Process*, which includes providing living allowances and organizing cultural and sports activities for retired employees who have served at Dahua for over 10 years.



Statutory Benefits

- Paid leave, including public holidays, rest days, sick leave, marriage and bereavement leave, maternity leave, paternity leave, breastfeeding leave, and annual leave
- Social insurance programs, including basic pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund



Health Support

- Traditional Chinese medicine consultation
- Health check-ups
- Fitness facilities
- EAP (Employee Assistance Program) psychological counseling



Financial Support

- Interest-free housing loans
- General subsidies, including meal allowances, communication subsidies, high-temperature allowances, and travel funds
- Employee benefits points system for shopping



Family Support

- Extended maternity and nursing leave
- Parental leave
- Leave for caring for elderly parents
- Mother and baby nursing rooms



Work-Life Balance

- Additional annual leave
- Afternoon tea and late-night snacks
- Hobby and interest clubs
- Holiday celebrations and team-building activities

Dahua hosted the "Global Dream Gathering – Cross-Cultural Exchange Journey" event

From August 6 to 9, 2024, we hosted the "Global Dream Gathering – Cross-Cultural Exchange Journey" event in Hangzhou, with a total of 44 overseas employees participated. During the event, we organized the "Olympic Friendship Games", featuring various ball game competitions, Chinese martial arts practice, and traditional therapy massage experiences. These activities showcased the energy of employees and the spirit of teamwork and collaboration.



Overseas employees toured West Lake in Hangzhou

We value the creation of a positive work environment and conduct annual employee engagement and satisfaction surveys. In 2024, we expanded the survey scope across multiple dimensions, including senior management, resource allocation, policies and procedures, performance management, career development opportunities, learning and training, compensation, benefits, recognition and rewards, and employer brand image. The survey was distributed to all employees, achieving a response rate of 65.7%. Results indicated an overall employee satisfaction rate of 86%. Based on the feedback received, we have implemented targeted improvements to policies and benefits, striving to provide employees with an enhanced work experience.

Employee Health

We strictly comply with the *Work Safety Law of the People's Republic of China*, the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and other relevant regulations. We have established a comprehensive occupational health and safety management system, clearly defining the responsibilities and obligations of managers at all levels and employees, with a continuous focus on enhancing workplace safety management. We have also obtained *ISO 45001 Occupational Health and Safety Management System Certification*.

We have formed a *Safety Committee (EHS Committee)* led by a Senior Vice President, which serves as the highest management body for occupational health and safety issues, overseeing the coordination and decision-making of safety management. The committee consists of heads of all first-tier departments and has established secondary safety management teams, responsible for implementing safety and occupational health requirements within their respective business areas.

Occupational Health Hazard Management

Dahua follows work safety standardization and risk classification management requirements, conducting annual EHS system audits and quarterly safety inspections on a regular basis. We carry out specialized safety hazard assessments, focusing on critical areas such as gas systems, fire safety, hazardous chemicals, and laboratories. Detailed analysis and inspection reports are issued for these areas, ensuring that all identified safety hazards are fully rectified to comprehensively safeguard workplace safety and production security.

Occupational Hazard Identification

- Conduct occupational disease hazard identification in accordance with laws, regulations, and system standards.
- Regularly engage third-party professional agencies to assess occupational disease risk factors.

Occupational Health Awareness

- Provide safety training and operational guidance for employees exposed to occupational disease hazards.
- Equip relevant employees with protective gear, including masks, earplugs, and safety goggles.
- Display occupational hazard information cards and safety awareness posters in prominent areas at production sites.

Occupational Health Records

- Conduct regular occupational health inspections, maintaining records and analyzing results.
- Establish and enhance the employee occupational health record management system.
- Continuously monitor policy and social developments to strengthen the safety and health of the workplace environment.

During the Reporting Period, no occupational disease cases or work-related fatalities occurred at Dahua. A total of 18,689 employees completed occupational health examinations. We conducted two hazard identification, organized 68 safety training sessions, and delivered a total of 1,192 hours of safety education.

During the reporting period

The number of people who completed occupational health checkups amounted to

18,689

Dahua Conducts Risk Factor Testing

2_{rounds}

Safety Education and Training

68_{sessions}

Total hours of safety education

1,192_{hours}

Safety Awareness Training

We place great emphasis on employee safety and continuously enhance safety awareness training, actively promoting a strong safety culture. In 2024, we organized multiple safety training programs to reinforce employees' awareness of workplace safety and ensure their health and well-being.

Work Safety Month

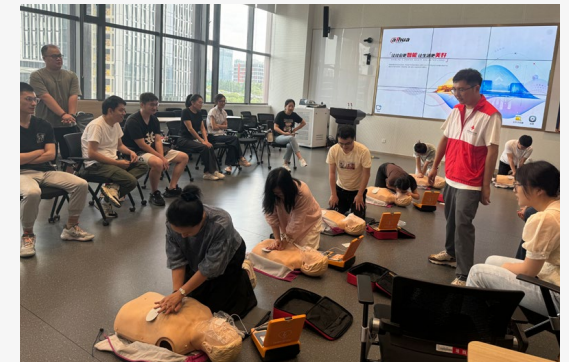
On June 13, 2024, Dahua hosted a Work Safety Month event, implementing various initiatives to enhance employees' emergency response skills. These activities included screening safety awareness videos, distributing safety notebooks, inviting fire safety experts to provide emergency training, and conducting fire extinguisher usage training. During the event, we also organized a fire emergency evacuation drill, ensuring that all participants successfully evacuated to the designated emergency assembly point. This initiative significantly improved disaster response capabilities, reinforcing the foundation for our stable operations and long-term development.



Work Safety Month

Red Cross First Aid Training

To enhance employees' emergency response capabilities, on June 22, 2024, our labor union invited a professional training team from the Red Cross to conduct first aid training and certification sessions. This initiative aimed to equip employees with essential emergency response skills. The event attracted over 60 participants from various departments. During the Reporting Period, we organized two Red Cross first aid training sessions, with more than 130 employees obtaining certification.



First Aid Training

Advancing Public Welfare Together

We uphold the corporate mission of "Smart Technology for Good" and have established the *Volunteer Association Management Policy* to actively fulfill our corporate social responsibility. With a commitment to enhancing employee well-being, empowering customer development, and ultimately contributing to societal progress, we support vulnerable groups in society, including the elderly, children, and individuals with disabilities, especially in response to major challenges. Leveraging our industry leadership, we utilize our technological and industrial advantages to empower community and ecological sustainability. We also encourage employees to actively participate in charitable and public welfare activities, contributing to community development and embodying the mission of "Enabling a Smarter Society and Better Living" through tangible actions.

During the Reporting Period, we actively expanded our social impact ecosystem, collaborating with multiple charitable partners to support social welfare initiatives. We engaged with organizations such as the Jinlongyu Charitable Foundation, Hailiang Rural Education Foundation, and the Zhejiang Police Association, fostering interactive partnerships. We were honored as a Public Welfare Partner of the Yihai Kerry Educational Assistance Program and recognized as a Common Prosperity Initiative Advocate. Additionally, the Huayu Public Welfare Development Center, a Dahua subsidiary, was awarded the 4A-Level Social Organization Honor.

Supporting Vulnerable Groups in Society

We view giving back to society and promoting public well-being as our core responsibility. We actively engage in philanthropic initiatives, focusing on caring for the elderly and children, contributing to rural revitalization, and supporting disadvantaged groups. Through concrete actions, we demonstrate corporate warmth and responsibility, striving to build a more harmonious and inclusive social environment and bringing hope to those in need.

Supporting the Starlight Children's Foundation—Enhancing the Well-Being of Children with Serious Illnesses

In 2024, we continued our partnership with the Starlight Children's Foundation, providing financial support to help bring hope and joy to children with serious illnesses and their families. We make quarterly donations to Starlight and actively encourage customer participation, working together to improve the lives of the children and their families while contributing to greater social well-being.



Supporting the Starlight Children's Foundation

New Year Warmth · Charity in Action—Supporting Vulnerable Communities with Positive Energy

In January 2024, Dahua, in collaboration with the District Civil Affairs Bureau, District Charity Federation, and Huayu Public Welfare, organized the "New Year Warmth · Charity in Action" initiative to bring warmth and support to disadvantaged communities. During the event, a total of 319 households in need received essential supplies, including rice, rice and oil gift boxes, pickled goods gift boxes, and Lingyin New Year calendars. This initiative aimed to encourage recipients to maintain a positive outlook while fostering social harmony and progress.



New Year Warmth · Charity in Action" Charity Event



"Collaborating for Common Prosperity" – Promoting Agricultural Product Sales in Zhejiang and Sichuan

In 2024, Dahua partnered with the Zhejiang Federation of Industry and Commerce, Zhejiang Provincial Committee of the CPPCC, Binjiang District Government, and Zhejiang TV Qianjiang Channel, along with other stakeholders, to support agricultural product sales in 26 mountainous counties across Zhejiang Province and Guangyuan, Sichuan. Through donations, direct purchases of agricultural products, and other initiatives, we have helped establish sales channels for rural agricultural products. During the Reporting Period, we facilitated the sale of agricultural products worth approximately RMB 70,000, significantly contributing to market expansion for local agricultural producers in regions such as Lishui Zhu'an, Changshan in Quzhou, and Taishun in Wenzhou.



"United for Common Prosperity · 100 Villages Partnership" – Supporting High-Quality Development in Taishun

We actively respond to China's rural revitalization strategy by deeply engaging in the high-quality development of Taishun County through the "United for Common Prosperity · 100 Villages Partnership" initiative. As part of this effort, we have formed a partnership with Xiarenyang Village in Luoyang Town, Taishun County, providing five years of educational sponsorship for underprivileged students, helping them pursue their dreams beyond the mountains. Additionally, we signed a corporate employee wellness retreat agreement with the local government, leveraging corporate resources to promote rural tourism and inject new vitality into rural revitalization.



Letter of Appreciation from Taishun County

In 2021, we established the Huayu Public Welfare Development Center, creating a non-profit organization dedicated to social services and public welfare. Guided by the core values of "devotion, helping others, and serving society", Huayu Public Welfare has flourished under the leadership of our management and the strong support of various social sectors. Today, it has evolved into a team that emphasizes collaboration, embraces volunteerism, and demonstrates strong execution capabilities.

Closely aligned with our organizational mission and leveraging our business expertise, Huayu Public Welfare has launched specialized programs in three key areas: rural revitalization, education assistance, and disability support. Specifically, these programs include the "Common Prosperity Initiative Advocates" project aimed at promoting shared prosperity, the "Yongquan Educational Assistance" project focused on supporting students in need, and the "Smart Tech for Disability Support" project utilizing digital intelligence technology to assist individuals with disabilities. These initiatives have been continuously and effectively implemented. At the same time, Huayu Public Welfare is actively exploring new approaches in smart elderly care, aiming to contribute to the diversified development of social well-being.

Hua 30 Principal-Retained Charitable Fund

To promote the traditional Chinese virtue of helping those in need and actively fulfill social responsibility, Zhejiang Dahua, in collaboration with Huayu Public Welfare, established the "Hua 30 Principal-Retained Charitable Fund" in August 2023. This fund will generate RMB 200,000 in annual donations and is planned to continue for three consecutive years.

The raised funds will be equally divided into two parts: 50% will be used to assist disadvantaged communities in regions partnered with Binjiang District.

50% will be dedicated to supporting impoverished elderly individuals and families with disabled children within Binjiang District.

This initiative aims to spread positive social energy and bring warmth and care to those in need.

Supporting Industry-Driven Social Empowerment

We uphold the philosophy of balancing technological innovation with social responsibility. By leveraging technology, we strive to eliminate barriers to unequal resource distribution and provide solutions for diverse social and cultural scenarios, enhancing the efficiency of community operations. During the Reporting Period, our products have played an increasingly important role in disaster relief, disability assistance, and education.

Supporting Kazakhstan's Flood Relief Efforts

In July 2024, Kazakhstan faced its worst flooding in 80 years. In response, Dahua swiftly mobilized to support disaster relief and reconstruction efforts. We donated PTZ dome cameras, Thermal handheld thermographic camera, and DeepHub smart interactive whiteboards, providing essential 24-hour flood monitoring in critical areas. These technologies enabled real-time body temperature detection for affected residents, enhanced disaster prevention and control, and improved coordination efficiency within emergency command centers. Our contributions have provided strong technological support for local communities in their disaster response efforts.



Supporting Kazakhstan Flood Relief Supplies

Empowering the Smart Technology Disability Assistance Program

Dahua remains committed to giving back to society and actively participates in the Smart Technology Disability Assistance Program led by the Hangzhou Disabled Persons' Federation. We have launched the "Smart Technology Empowerment for Hangzhou's Top Ten Disability Service Centers" initiative and have installed smart locks in 100 households of individuals with disabilities, enhancing convenience and safety in their daily lives. This initiative highlights our strong sense of social responsibility and demonstrates the deep integration of technology and human-centered care, bringing practical improvements to the lives of individuals with disabilities.

Donating Smart Interactive Whiteboards to Support Education in Indonesia

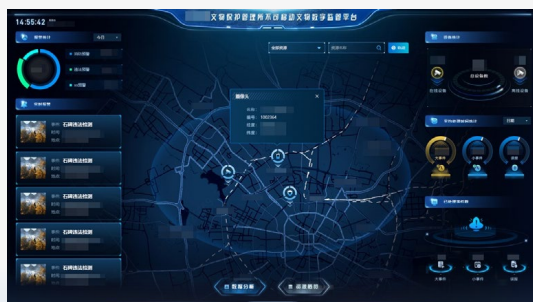
Dahua Indonesia donated a DeepHub smart interactive whiteboard to the Faculty of Economics and Business at Gadjah Mada University (UGM), contributing to the advancement of education in Indonesia. Professor Didi Achjari, the Dean of the Faculty, expressed gratitude for the donation, stating that this initiative not only enhances collaborative learning experiences for students but also provides strong support for the faculty's educational, research, and community service activities.



Donating the Smart Interactive Whiteboard

Dahua Supports Smart Digitalization in Cultural Heritage Protection

Dahua is empowering heritage protection authorities with AIoT and IoT digital intelligence platforms to efficiently safeguard immovable cultural heritage sites, including ancient buildings, historical ruins, and temples. By establishing an integrated aerial, space, and ground digital monitoring system, we enable comprehensive oversight and real-time early warning mechanisms. We have developed a AIoT monitoring and event management platform, leveraging advanced AI algorithms for dynamic condition detection of cultural relics. This approach enhances protection efficiency, reduces damage risks, and helps preserve cultural heritage for future generations.



Immoveable Cultural Heritage Digital Monitoring Platform

Donating Products to Support Stray Animal Shelters

In 2024, Dahua partnered with the Colombian nonprofit organization "Peluditos con Futuro" in Latin America to promote the "Adopt, Don't Shop" initiative. Utilizing our latest wireless camera series with AI-powered pet detection, we provide precise monitoring to ensure the safety of rescued animals, reinforcing our brand commitment to "Protect What You Love Most." Additionally, we donated \$500 worth of dog food and offered free promotional support via social media platforms, showcasing our dual investment in technological innovation and social welfare.



Supporting Stray Animal Shelters

Encouraging Employee Participation in Public Welfare

We actively encourage employees to engage in social welfare activities, supporting their contributions to community development by establishing organizational structures and providing necessary resources. During the Reporting Period, we organized an employee blood donation drive, with over 200 employees successfully donating blood, and one employee donating hematopoietic stem cells. Additionally, during the Dragon Boat Festival, we purchased handmade sachets crafted by individuals with disabilities, distributing them to employees. This initiative not only enriched the festive atmosphere but also supported employment opportunities for disadvantaged groups, demonstrating our commitment to respect and care.

Volunteer Association

- The Dahua Volunteer Association is a non-profit social organization voluntarily established by Dahua employees, dedicated to long-term service for both the Company and society. Its core philosophy is "Devotion to Kindness, Serving Society, and Achieving Self-Value."

As of December 31, 2024

the number of registered volunteers of the association reached

287

Volunteer services have benefited over

7,000 people

Total participants of public welfare activities have accumulated at

300

The total volunteer service time exceeds

2,000 hours

"Clothes for love, Books for dream" Donation Drive

For eleven consecutive years, Dahua has organized the "Clothes for love, Books for dream" public welfare initiative, spreading warmth and hope through clothing and book donations. This year, the campaign successfully collected 823 pieces of clothing filled with love and 798 books to inspire young minds. All donated items were sent to Zengjia Town Kindergarten and Yihai Kerry School in Chaotian District, Guangyuan City, Sichuan Province, providing valuable educational and daily necessities to local students and delivering heartfelt care from afar.



"Clothes for love, Books for dream" Donation Drive

Appendix

Appendix 1: Key Performance Indicators

Key Operational Performance Indicators

Indicator	Unit	2022	2023	2024
Revenue	RMB100 million	305.65	322.18	321.81
Cash dividends	RMB100 million	8.02	22.67 ⁷	21.04
Tax revenue	RMB100 million	20.69	19.24	23.69

Key Environmental Performance Indicators

Indicator	Unit	2022	2023	2024
Revenue from cleantech services and products	RMB 10,000	/	48,761	87,939.2
Installed capacity of roof PV	MW	/	5.99	7.25
Energy Consumption				
Gasoline	Liter	36,004	27,466	16,827
Natural gas	Cubic meter	1,088,363	1,324,917	961,417
PV usage	MWh	/	/	8,781.68
Direct energy consumption	Kg standard coal	2,053,365	2,520,444	2,375,904
Direct energy consumption intensity	Kg standard coal/RMB million revenues	67	78	74
Consumption for purchased powers	10,000 kWh	9,501	10,403	10,796
Indirect energy consumption	Kg standard coal	11,676,721	12,785,680	13,268,284
Indirect energy consumption intensity	Kg standard coal/RMB million revenues	382	397	412
Total energy consumption	Kg standard coal	13,730,087	15,306,125	15,644,188
Total energy consumption intensity	Kg standard coal/RMB million revenues	449	475	486

⁷ The data covers Dahua Technology's the first three quarters dividends of 2023 and the annual dividends of 2023.

⁸ The data is from the certificate of Dahua Technology's 2024 Carbon Footprint Verification, covering 1399 Campus, 1199 Campus and Fuyang Campus, with the assigned certificate number CEPREI-2025-GHG-0012.

Indicator	Unit	2022	2023	2024
Resource Consumption				
Paper	Tonne/Million units	357	325	343
Plastic(EPE)	Tonne/Million units	50	42	34
Wood	Tonne/Million units	/	14	17
Total amount of water consumption	Tonne	807,292	798,597	798,532
Water consumption intensity	Tonne/RMB million revenues	26	25	25
Emission				
Scope 1	tCO ₂ e	2,665	3,038	6,477
Scope 2	tCO ₂ e	66,840	59,330	55,632
Scope 1 and Scope 2 ⁸	tCO ₂ e	69,505	62,368	62,109
Scope 1 and Scope 2 emission intensity	tCO ₂ e/RMB million revenues	2.27	1.94	1.93
Total disposal amount of hazardous waste	Tonne	51	76	72
Legal transfer rate of hazardous waste	%	100	100	100
Compliant disposal rate of hazardous waste	%	100	100	100
Intensity of disposed hazardous waste	Tonne/RMB million revenues	/	0.002	0.002
Recyclable waste	Tonne	1,524	2,209.5	2,024.5
Non-recyclable waste	Tonne	1,228	5,540.50	6,223.3

Key Social Performance Indicators

Indicator	Unit	2022	2023	2024
Number of employees				
Number of employees worldwide	People	23,587	23,452	23,891
Number of employees by gender				
Male	People	/	17,623	17,959
Female	People	/	5,788	5,907
Unknown	People	/	41	25
Number of employees by age				
30 岁以下	People	/	10,475	10,017
30–50 岁	People	/	12,817	13,709
50 岁以上	People	/	160	165
Employees' rights and interests				
Coverage of labor union	%	/	100	100
Coverage of Collective Bargaining Agreement	%	/	100	100
Employee diversity				
Proportion of female directors	%	/	11	11
Proportion of female managers	%	/	13	13
Proportion of local-employed executives	%	/	89	55.6
Number of employees with disabilities	People	/	3	8
Employee training				
Average employee training hours	Hour	25.4	28.1	24.7
Proportion of trained employees	%	/	96	96
Occupational health and safety				
Number of work-related fatalities	Case	0	0	0

Indicator	Unit	2022	2023	2024
Occupational disease case	Case	0	0	0
Safety education coverage	%	100	100	100
R&D innovation				
R&D investment	RMB100 million	38.83	39.67	42.13
Number of new patents during the Reporting Period	Pcs	1,322	1,318	1,495
Number of new software copyrights during the Reporting Period	Pcs	83	127	89
Number of new trademarks during the Reporting Period	Pcs	53	90	145
Cumulative number of patents and software copyrights	Pcs	4,979	7,079	8,564
Supply Chain Management				
Proportion of Suppliers Committed to Social Responsibility Agreements	%	/	/	100
Proportion of Suppliers Committed to Conflict-Free Minerals Declarations	%	/	/	82
Conflict Minerals Compliance Violations	Pcs	/	/	0
Stakeholder Engagement				
Shareholders' Meetings	Times	/	/	3
Proposals Reviewed at Shareholders' Meetings	Items	/	/	17
Disclosure Announcement Count	Pcs	/	/	141
Earnings Briefing Count	Times	/	/	4
Investor Q&A Volume	Items	/	/	240

Appendix 2: Indices of Guidelines Topics of the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange–Sustainability Report (For Trial Implementation)

Dimension	No.	Topic	Chapters in the Report
Environment	1	Climate response	Chapter 2– Addressing Climate Change
	2	Pollutant discharge	Chapter 2– Green Operation
	3	Waste disposal	Chapter 2– Green Operation
	4	Ecosystem and biodiversity protection	Feature: Technology for Social Good, Empowered by Digital Intelligence
	5	Environmental compliance management	Chapter 2– Environmental Management
	6	Energy utilization	Chapter 2– Green Operation
	7	Water resources utilization	Chapter 2– Green Operation
	8	Circular economy	Chapter 2– Green Operation
Society	9	Rural revitalization	Chapter 4–Building a Better Life
	10	Social contributions	Chapter 4–Building a Better Life
	11	Innovation	Chapter 3– Building an Industrial Ecosystem Together
	12	Ethics of science and technology	Chapter 1– Compliance Management
	13	Supply chain security	Chapter 3– Responsible Supply Chain
	14	Equal treatment of SMEs	Chapter 3– Building an Industrial Ecosystem Together
	15	Product and service safety and quality	Chapter 3– Creating Customer Value
	16	Data security and customer privacy	Chapter 3– Creating Customer Value
	17	Employees	Chapter 4–Building a Better Life
Sustainability-related Governance	18	Due diligence	Chapter 3– Responsible Supply Chain
	19	Stakeholder engagement	Sustainable Development – Stakeholder Engagement
	20	Anti-commercial bribery and anti-corruption	Chapter 1– Business Ethics
	21	Fair competition	Chapter 1– Business Ethics

Appendix 3: UNGC Principles Index

Human rights	Chapter
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;	Chapter 4–Building a Better Life
Principle 2: make sure that they are not complicit in human rights abuses.	Chapter 4–Building a Better Life
Labour	Chapter
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Chapter 4–Building a Better Life
Principle 4: the elimination of all forms of forced and compulsory labour;	Chapter 4–Building a Better Life
Principle 5: the effective abolition of child labour;	Chapter 4–Building a Better Life
Principle 6: the elimination of discrimination in respect of employment and occupation.	Chapter 4–Building a Better Life
Environment	Chapter
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Chapter 2– Environmental Management
Principle 8: undertake initiatives to promote greater environmental responsibility;	Chapter 2– Environmental Management Chapter 2– Green R&D Chapter 2– Green Products Chapter 2– Green Operation Chapter 2–Addressing Climate Change
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Chapter 2– Green R&D Chapter 2– Green Products
Anti-Corruption	Chapter
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Chapter 1– Business Ethics

Appendix 4: SDGs Index

SDGs	Chapter
	Chapter 3– Responsible Supply Chain Chapter 4–Building a Better Life
	Feature: Technology for Social Good, Empowered by Digital Intelligence Chapter 4–Building a Better Life
	Chapter 4–Building a Better Life
	Chapter 2– Green Operation
	Chapter 2– Green Products Chapter 2– Green Operation
	Chapter 4–Building a Better Life
	Feature: Technology for Social Good, Empowered by Digital Intelligence Chapter 2– Green Products Chapter 3– Building an Industrial Ecosystem Together

SDGs	Chapter
	Feature: Technology for Social Good, Empowered by Digital Intelligence Chapter 2– Environmental Management Chapter 2– Green R&D Chapter 2– Green Products Chapter 2– Green Operation Chapter 2– Addressing Climate Change Chapter 4–Building a Better Life
	Chapter 2– Green R&D Chapter 2– Green Operation
	Chapter 2– Green Operation
	Chapter 2– Green R&D Chapter 2– Green Operation
	Feature: Technology for Social Good, Empowered by Digital Intelligence Chapter 2– Green R&D Chapter 2– Green Operation
	Chapter 1– Corporate Governance Chapter 1– Compliance Management Chapter 1– Business Ethics Chapter 4–Building a Better Life
	Chapter 3– Building an Industrial Ecosystem Together

Appendix 5: GRI Index

Disclosure Item	Disclosure Title	Sections
Universal Standards		
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	Introduction to Dahua
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	There were no restatements of information during the Reporting Period
2-5	External assurance	There were no external assurance obtained for the report
Activities and workers		
2-6	Activities, value chain and other business relationships	3.2.1 Supplier Management
2-7	Employees	4.1.1 Embracing Diversity
2-8	Workers who are not employees	Not applicable
Governance		
2-9	Governance structure and composition	Sustainable Development – ESG Governance Structure 1.1 Corporate Governance
2-10	Nomination and selection of the highest governance body	1.1 Corporate Governance
2-11	Chair of the highest governance body	1.1 Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Corporate Governance

Disclosure Item	Disclosure Title	Sections
2-13	Delegation of responsibility for managing impacts	Sustainable Development – ESG Governance Structure 1.1 Corporate Governance 2.1 Environmental Management
2-14	Role of the highest governance body in sustainability reporting	Sustainable Development – ESG Governance Structure
2-15	Conflicts of interest	See our 2024 Annual Report
2-16	Communication of critical concerns	Sustainable Development – Stakeholder Engagement Sustainable Development – Double Materiality Assessment
2-17	Collective knowledge of the highest governance body	1.1 Corporate Governance
2-18	Evaluation of the performance of the highest governance body	See our 2024 Annual Report
2-19	Remuneration policies	4.1.4 Compensation and Benefits
2-20	Process to determine remuneration	4.1.4 Compensation and Benefits
2-21	Annual total compensation ratio	Omitted due to confidentiality constraints
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Statement from the Chairman
2-23	Policy commitments	1.4 Business Ethics 3.2.2 Sustainable Supply Chain
2-24	Embedding policy commitments	1.2 Compliance Management 1.4 Business Ethics
2-25	Processes to remediate negative impacts	1.4 Business Ethics
2-26	Mechanisms for seeking advice and raising concerns	1.4 Business Ethics
2-27	Compliance with laws and regulations	See sections of the report for details
2-28	Membership associations	See sections of the report for details



Disclosure Item	Disclosure Title	Sections
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Sustainable Development – Stakeholder Engagement
2-30	Collective bargaining agreements	4.1.1 Embracing Diversity
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Sustainable Development – Double Materiality Assessment
3-2	List of material topics	Sustainable Development – Double Materiality Assessment
3-3	Management of material topics	Sustainable Development – Double Materiality Assessment
Topic Standards		
GRI 201: 经济绩效 2016		
201-1	Direct economic value generated and distributed	Appendix 1 : Key Performance Indicators
201-2	Financial implications and other risks and opportunities due to climate change	Information unavailable
201-3	Defined benefit plan obligations and other retirement plans	4.1.4 Compensation and Benefits
201-4	Financial assistance received from government	Not applicable
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Omitted due to confidentiality constraints
202-2	Proportion of senior management hired from the local community	Appendix 1 : Key Performance Indicators
GRI 203: Indirect Economic Impact 2016		
203-1	Infrastructure investments and services supported	Feature: Technology for Social Good, Empowered by Digital Intelligence
203-2	Significant indirect economic impacts	Feature: Technology for Social Good, Empowered by Digital Intelligence
GRI 204: Procurement Practices 2016		

Disclosure Item	Disclosure Title	Sections
204-1	Proportion of spending on local suppliers	Omitted due to confidentiality constraints
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	1.4 Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	1.4 Business Ethics
205-3	Confirmed incidents of corruption and actions taken	1.4 Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no relevant legal actions during the Reporting Period
GRI 207: Tax 2019		
207-1	Approach to tax	1.2 Compliance Management
207-2	Tax governance, control, and risk management	1.2 Compliance Management
207-3	Stakeholder engagement and management of concerns related to tax	1.2 Compliance Management
207-4	Country-by-country reporting	Not applicable
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	2.2.4 Green Packaging
301-2	Recycled input materials used	2.2.4 Green Packaging
301-3	Reclaimed products and their packaging materials	2.2.4 Green Packaging
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	2.4.1 Green Manufacturing 2.4.2 Green Logistics 2.4.3 Green Office
302-2	Energy consumption outside of the organization	2.4.2 Green Logistics
302-3	Energy intensity	2.4.1 Green Manufacturing
302-4	Reduction of energy consumption	2.2.3 R&D Technique 2.4.1 Green Manufacturing 2.4.2 Green Logistics 2.4.3 Green Office



Disclosure Item	Disclosure Title	Sections
302-5	Reductions in energy requirements of products and services	2.2.3 R&D Technique 2.3 Green Products 2.4.1 Green Manufacturing 2.4.2 Green Logistics
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared Resource	2.4.1 Green Manufacturing 2.4.3 Green Office
303-2	Management of water discharge-related impacts	2.1 Environmental Management 2.4.1 Green Manufacturing
303-3	Water withdrawal	2.4.1 Green Manufacturing
303-4	Water discharge	2.1 Environmental Management 2.4.1 Green Manufacturing
303-5	Water consumption	2.4.1 Green Manufacturing
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	2.1 Environmental Management
304-2	Significant impacts of activities, products and services on biodiversity	2.1 Environmental Management
304-3	Habitats protected or restored	2.1 Environmental Management
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	2.1 Environmental Management
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	2.4.1 Green Manufacturing
305-2	Energy indirect/Scope 2 GHG emissions	2.4.1 Green Manufacturing
305-3	Other indirect/Scope 3 GHG emissions	Information unavailable
305-4	GHG emissions intensity	2.4.1 Green Manufacturing
305-5	Reduction of GHG emissions	Information unavailable
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
GRI 306: Effluents and Waste 2016		

Disclosure Item	Disclosure Title	Sections
306-1	Waste generation and significant waste-related impacts	2.4.1 Green Manufacturing
306-2	Actions taken to prevent waste generation	2.1 Environmental Management 2.4.1 Green Manufacturing
306-3	Composition of waste generated	2.4.1 Green Manufacturing
306-4	Recovery operations used to divert waste from disposal	2.4.1 Green Manufacturing
306-5	Disposal operations	2.4.1 Green Manufacturing
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	3.2.1 Supplier Management
308-2	Negative environmental impacts in the supply chain and actions taken	3.2.2 Sustainable Supply Chain
GRI 401: Employment 2016		
401-1	New employee hires and employee Turnover	4.1.1 Embracing Diversity
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1.4 Compensation and Benefits
401-3	Parental leave	4.1.4 Compensation and Benefits
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Not applicable
GRI 403: Occupational Health and safety 2018		
403-1	Occupational health and safety management system	4.1.5 Employee Health
403-2	Hazard identification, risk assessment, and incident investigation	4.1.5 Employee Health
403-3	Occupational health services	4.1.5 Employee Health
403-4	Worker participation, consultation, and communication on occupational health and safety	4.1.5 Employee Health
403-5	Worker training on occupational health and safety	4.1.5 Employee Health
403-6	Promotion of worker health	4.1.5 Employee Health



Disclosure Item	Disclosure Title	Sections
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.1.5 Employee Health
403-8	Workers covered by an occupational health and safety management system	4.1.5 Employee Health
403-9	Work-related injuries	4.1.5 Employee Health
403-10	Work-related ill health	4.1.5 Employee Health
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Appendix 1 : Key Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	4.1.2 Employee Growth 4.1.3 Employee Training
404-3	Percentage of employees receiving regular performance and career development reviews	4.1.2 Employee Growth 4.1.3 Employee Training
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Appendix 1 : Key Performance Indicators
405-2	Ratio of basic salary and remuneration of women to men	Omitted due to confidentiality constraints
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	4.1.1 Embracing Diversity
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.1.1 Embracing Diversity
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	3.2.2 Sustainable Supply Chain 4.1.1 Embracing Diversity
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.2.2 Sustainable Supply Chain 4.1.1 Embracing Diversity
GRI 410: Security Practices 2016		

Disclosure Item	Disclosure Title	Sections
410-1	Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Feature: Technology for Social Good, Empowered by Digital Intelligence
413-2	Operations with significant actual and potential negative impacts on local communities	None
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	3.2.1 Supplier Management
414-2	Negative social impacts in the supply chain and actions taken	3.2.2 Sustainable Supply Chain
GRI 415: Public Policy 2016		
415-1	Political contributions	None
GRI 416: Customer Health and Safety 2016		
416-1	GRI 416: Customer Health and Safety 2016	3.1.1 Ensuring Product Quality
416-2	GRI 416: Customer Health and Safety 2016	There were no relevant incidents during the Reporting Period
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	3.1.2 Enhancing Service Quality
417-2	Incidents of non-compliance concerning product and service information and labeling	There were no relevant incidents during the Reporting Period
417-3	Incidents of non-compliance concerning marketing communications	There were no relevant incidents during the Reporting Period
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no relevant complaints during the reporting period

「让社会更智能 让生活更美好」
ENABLING A SMARTER SOCIETY AND BETTER LIVING

This document is a translated version of the Chinese version 2024 Environmental, Social and Governance Report (“2024 年度环境、社会及管治报告”) and the published ESG report in the Chinese version shall prevail.