

Dinkle Electric Machinery (China) Co., Ltd.

2022 Corporate Social Responsibility Report

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I. About This Report

This is the fourth CSR report of Dinkle Electric Machinery (China) Co., Ltd. ("Dinkle Electric Machinery") to present to corporate stakeholders about economic, environmental and social sustainability-related management practices and performance in FY2022.

Scope of report	<p>Time frame: January 1st, 2022 to December 31st, 2022. In order to maintain the integrity and continuity of the information, some matters in this report may be beyond this time frame.</p> <p>Reporting boundaries: The CSR data disclosed in this report covers the operation site of Dinkle Electric Machinery (China) Co., Ltd. located at No. 388 Middle Xingpu Road, Shipu, Qiandeng Town, Kunshan City, Jiangsu Province, and the operation site of Dinkle Electric Machinery (China) Co., Ltd. Branch 1 located at No.198 West Yuxi Road, Qiandeng Town, Kunshan City, Jiangsu Province. Unless otherwise stated, data in this report are aggregated for the two operating sites and some group data involved have been specially stated.</p> <p>Release cycle: This report is an annual report, consistent with the company's annual financial report cycle.</p>
Description of appellation	<p>For ease of expression, the terms "Dinkle Electric Machinery", "Dinkle", "we", and "the Company" used in the presentation of the report all refer to Dinkle Electric Machinery (China) Co. Ltd. "Middle Xingpu Road Operation Site" refers to the operation site at No. 388 Middle Xingpu Road, Shipu, Qiandeng Town, Kunshan City, Jiangsu Province, and "West Yuxi Road Operation Site" and "Screw Factory" refer to the operation site at No.198 West Yuxi Road, Qiandeng Town, Kunshan City, Jiangsu Province.</p>
Data source	<p>The financial data in this report are taken from the 2019 Annual Report of Dinkle Electric Machinery (China) Co., Ltd., which was independently audited by Suzhou Huaming united accounting firm (General Partnership). The amounts shown in this report are presented in RMB unless otherwise stated.</p> <p>Other data information is derived from original records and statistical reports of the actual operation of the company. Due to the statistical caliber, some relevant data of previous years are reported or appropriately revised. If there is any difference, please refer to this report.</p> <p>Dinkle Electric Machinery is responsible for the truthfulness, accuracy and completeness of the contents of the report.</p>
Basis of preparation	<p>The Report has been prepared in accordance with the GRI Standards (2021 version), and it also takes reference to the ISO 26000: Guidance on Social Responsibility, the United Nations Sustainable Development Goals (UN SDGs 2030) and the Ten Principles of the UN Global Compact (UNGC).</p>
Report approval	<p>The report was approved by the general manager.</p>
External assurance	<p>This report has been verified by TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch, an independent third party, with verification statement attached.</p> <p>This report is published online in electronic format, including Chinese and English versions. In case of any discrepancy, the Chinese version shall prevail.</p> <p>The electronic version can be downloaded from our website as follows: Chinese: https://www.dinkle.com/kscn/, English: https://www.dinkle.com/ksen/</p>
Report release	

Glossary

Abbreviations	Full Name	Abbreviations	Full Name
CCC	China Compulsory Certification	OEM	Customized Products
CMF	Continuous Microfiltration	PCB	Printed circuit board terminal blocks
CNAS	China National Accreditation Service for Conformity Assessment	PDCA	Plan, Do, Check and Act
CSA	Canadian Standards Association Certification	QA	Quality assurance
CUL	Canadian-Underwriter Laboratories Certified	RBA	Responsible Business Alliance
Ex	Explosion-proof certification	REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
GB	National Standard	RMI_CMRT	Responsible Minerals Initiative Conflict Minerals Reporting Template
GeSI	Global Enabling Sustainability Initiative	RO	Reverse Osmosis Unit
IEC	Standards of International Electrotechnical Commission	RoHS	Restriction of Hazardous Substances
IPC	The Institute of Printed Circuit, now renamed Association of Connecting Electronics Industries	SAP	System Applications and Products
ISO	International Organization for Standardization	TTT	Training the Trainer to Train
LMS	e-Learning Management System	UL	Underwriter Laboratories Inc. Certification
MCR	Membrane Chemical Reactor	VDE	Verband Deutscher Elektrotechniker Certification

Acknowledgements

Thanks to the following departments for their support and assistance in the preparation of the report! (all in random order)

Acknowledgements for the 2022 Annual Social Responsibility Report of Dinkle Electric Machinery (China) Co. Ltd.		
HR Department	Finance Department	Environment and safety Department
Works Branch	General Affairs Department	Quality Assurance Department
Purchasing Department	Research and Development Department	Business Department
Screw Factory	Electroplating Plant	Stamping Plant
Plasticizing Plant	Assembling Plant	Mold Factory

II. Message from Top Management

Headquartered in Taiwan, Dinkle Electric Machinery is a first-class professional terminal block design and manufacturing company in Asia dedicated to industrial automation. At present, Dinkle group owns six holding companies. In the development course over 40 years, it has been dedicated to mainland China market with a global presence, where business and services span across Asia, Europe and the Americas, setting up trading and service organizations in more than 20 countries, and employing approximately 2,500 people. The Group entered mainland China in 1995 and set up a global R&D center, OEM product development center and CNAS accredited laboratory of Dinkle Electric Machinery; and the Company has made many breakthroughs in intelligent manufacturing and patents, with R&D expenses reaching about RMB 146 million in the recent three years and more than 380 patents obtained in total, Dinkle Electric Machinery has also been certified as a municipal and provincial high-tech enterprise recognized by multi-parties.

Time passes surprisingly quickly. 23 years ago, Dinkle Electric Machinery (China) Corporation Limited has established in Kunshan, while the production base of Dinkle has been fully accomplished. During past years, we have weathered storms and seen booming growth. Along the way, Dinkle Electric Machinery has continued to provide competitive products and solutions to improve industrial competitiveness and create value for customers, offering products that are active in modern manufacturing fields. Dinkle Electric Machinery has always insisted on practicing corporate belief, i.e. Delight Through Connections! The saga of "Connections" continues. Up to this day, intend to practice the path of digital development, the brand-new second phase of the plant created something from nothing and started the process from imagination to reality. What's more, it will be the best sample of Dinkle's digital development by starting with the sublimation and great change of Dinkle core technology, exquisite workmanship and excellent quality.

Remain true to our original aspiration, forge ahead and move forward. From 2013—the thirtieth anniversary of the company—Dinkle have carried out a 10years developing plan of “Re-entrepreneurship” and launched a series of digital transformation strategies:

- First stage→Turned ERP to SAP , as to meet the demands of global users, imported the systems of PLM, PDM, CRM, Digital storage, MES in sequence, in the meanwhile established an internal information integration platform which entirely turned to platform management.
- Second stage→Equipment hardware digitization, so far the company has accumulated nearly seven years of experience, in addition to constantly actively expand the line, expand the factory, but also completed the digital transformation of the core manufacturing equipment, and invested in a large number of information tools to complete the upgrading and elimination of equipment.

- Third stage→Management decision digitization, positioned as “Global service provider with terminal manufacturing as the core”, in manufacturing, Dinkle leaded in whole-plant MES which aimed to strengthen the production management, storage allocation and order transfer of major factories at home and abroad.

Based on current circumstance while bearing in the mind the future development. Only by transcending the limitations of the industry under different time nodes can achieve enterprises sustainable development, only by digitizing the industry can we take the lead in the market. Beyond all doubt, digital factory is the trend of industrialization. From 2016, Dinkle continue to take 10% ~15% of annual revenue as capital investment target to accelerate the iteration and integration of various field equipment, which is one of the goals to promote the digital transformation of enterprise, and the same as the new plant based in Kunshan, is also belong to the part of the corporate strategy. The new factory, which was officially opened in 2022, will effectively support the growing needs of Dinkle customers around the world, with the introduction of a digitally dynamic empowered factory with modularity and continuous improvement capabilities, coupled with the investment in digital transformation; relying on the information technology independently developed by Dinkle, through the automatic data collection and algorithm analysis of production equipment, it will more effectively improve the company's operational policy-making ability, as well as could help Dinkle achieve digital transformation goals such as lean process optimization and operation model innovation, and at the same time it will make Dinkle make great strides towards the goal of full-process intelligent manufacturing, and also allow Dinkle to formulate response strategies in the face of various drastic changes in the external environment. The completion of the new plant also reveals that Dinkle will have more abundant production resources to provide the configuration required by the digital factory.

Our vision is to be the partner of choice for a sustainable future for our customers, to help them maximize their benefits, and to promote win-win cooperation.

On the other hand, the Company has continued to seek a balance between sound operation and innovative development for optimization and expansion of its connector-based business roadmap, building major business segments such as industrial control, consumer electronics, corporate communications and transportation business. In parallel with its rapid development, the Company has continuously strengthened and standardized its corporate governance, built an organizational governance structure in line with the actual situation of the Company, enhanced internal risk control and actively safeguarded the rights and interests of internal and external stakeholders. At the same time, we are committed to helping our customers improve their product productivity and competitive edge, while focusing on the sustainable development of global industries.

Sustainable development shall meet the needs of the present without jeopardizing those of future generations. Dinkle Electric Machinery always insists on maintaining the balance between economic development, environmental protection and social responsibility, and integrates the concept of sustainable development into all aspects of business operation and into the working practice of every Dinkle family member.

While growing, Dinkle Electric Machinery also bears in mind "the bigger the enterprise become, the more responsibility they take on". Employees have always been the most precious asset of the Company; therefore, the Company has been committed to creating a full range of capacity building and growth system for all employees, adhering to "people-oriented leadership, occupational health; continuous optimization, safe production" policy, while protecting the rights and interests of employees according to relevant policies and regulations as well as customer requirements, so as to build a team of satisfied employees. At the same time, the Company adheres to the philosophy of win-win cooperation to build strategic partnerships under relevant laws and regulations, and creates a responsible supply chain through corporate influence.

We are honest and transparent with our customers, and we provide them with high quality products and innovative production processes based on the principles of "quality improvement, customer fulfillment, prevention first and regulatory compliance". We have also set up a number of business sites to build a stronger global network, offering after-sales service and technical support upon request. These efforts have also been recognized by many customers and awarded the title of Excellent Supplier by well-known companies such as Siemens.

In terms of environment, Dinkle Electric Machinery is committed to pursuing green production and manufacturing, designing and selecting materials, producing and providing green products throughout product life cycle to reduce corporate environmental impact. Far-reaching layout, actively respond to and participate in the national carbon peak in 2030, carbon neutrality in 2060 and customer requirements, formulate continuous emission reduction plans and implement them in stages. Combining the concept of green production with the ISO 50001 energy management system, we optimize the industrial structure and energy structure to reduce the carbon emissions caused by resource consumption, control the growth of high energy consumption, reduce the energy consumption per unit of GDP year by year, and build a community with a shared future for the earth. We make product innovations to contribute to green operations in other industries, while remaining active in charitable activities to build good corporate citizenship.

With over 40 years of valuable experience, Dinkle team can help your business achieve success. We provide the basis for optimal production advantages, offer extensive industry experience and expertise, help ensure

product effectiveness and realize better automation and engineering technology. Proper understanding and execution is the professional dignity of the Dinkle team.

High-quality products are the foundation of Dinkle's survival. In the future, with intelligent manufacturing as the main direction, Dinkle will not forget their original intention, continue to practice the spirit of craftsmen in a down-to-earth manner, and are committed to providing fine industrial devices and electronic technologies, systems and solutions, so as to provide more efficient and high-quality intelligent manufacturing. Over the past 40 years since its establishment, Dinkle group has been committed to transforming into a "global service provider with professional terminal manufacturing as the core", and has continued to invest in the research and development of innovative technologies and products. In order to enter the second stage of re-entrepreneurship, the Dinkle group must make the digital transformation move toward intelligence, and the international transformation will move toward scale.

Based in Kunshan, competitive in China, present across the world! In the next 40 years, Dinkle will continue to uphold the corporate value of "business is the process, lifetime happiness is the goal", put entrepreneurship into full play, and create another growth peak!

General Manager: 陈男铭 Ken Chen



November 2023



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❖ Company Profile

Dinkle Group was founded on July 22, 1983 and is headquartered in Taiwan. At present, Dinkle group owns six holding companies, namely Dinkle Enterprise Co., Ltd., Dinkle International Co., Ltd., Liyang Electric Machinery (Dongguan) Co., Ltd, Dinkle Electric Machinery (China) Co., Ltd., Optikle International Co., Ltd and Dinkle Electric Trading (Shanghai) Co., Ltd., and employing approximately 2,500. So far, our service base has spanned Asia, America and Europe, and continues to move toward internationalization to create industrial competitiveness.



Dinkle Electric Machinery (China) Co., Ltd., an important member of Dinkle Group, was established on September 01st, 2000, with a registered capital of USD 45 million and a total investment of USD 90 million. The Company, located at No. 388 Middle Xingpu Road, Shipu, Qiandeng Town, Kunshan City, Jiangsu Province, is the largest manufacturing base built by Dinkle Group in mainland China. Its products cover terminal blocks, metal parts, plastic parts, surface treatment, screws, and other related products, which are widely used in industrial control, rail transit, power industry, building control and communication industries. Located at No.198 West Yuxi Road, Qiandeng Town, Kunshan City, Jiangsu Province, the first branch is built for the production of screw-related products. In 2020, Dinkle Electric Machinery (China) Co., Ltd. officially joined IPC membership and will be more active in the world in the future.

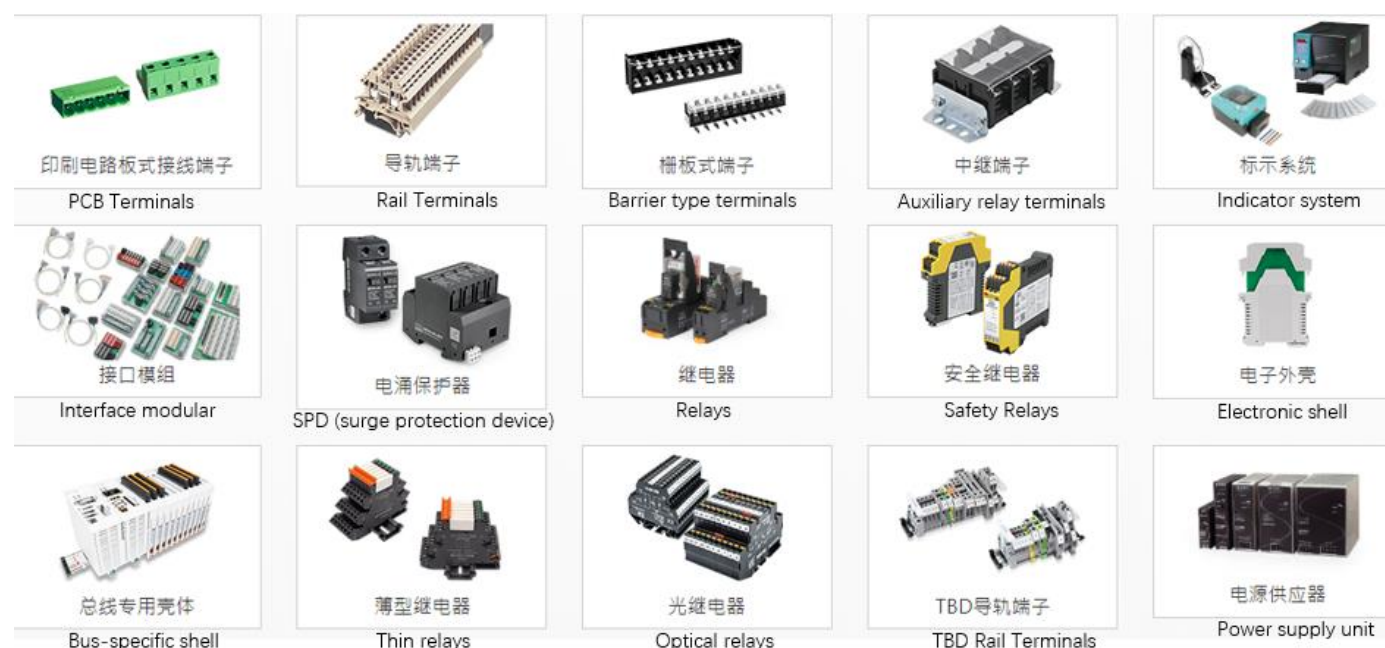
Chinese	English
叮洋机电（中国）有限公司	Dinkle Electric Machinery (China) Co., Ltd.
Nature of ownership	Markets served

Wholly owned by foreign legal persons	Europe, America, Asia
Industries served	Type of clients
Industrial control, rail transit, power industry, process control, building control and communication industries, etc.	Direct users, distributors, OEMs, etc.

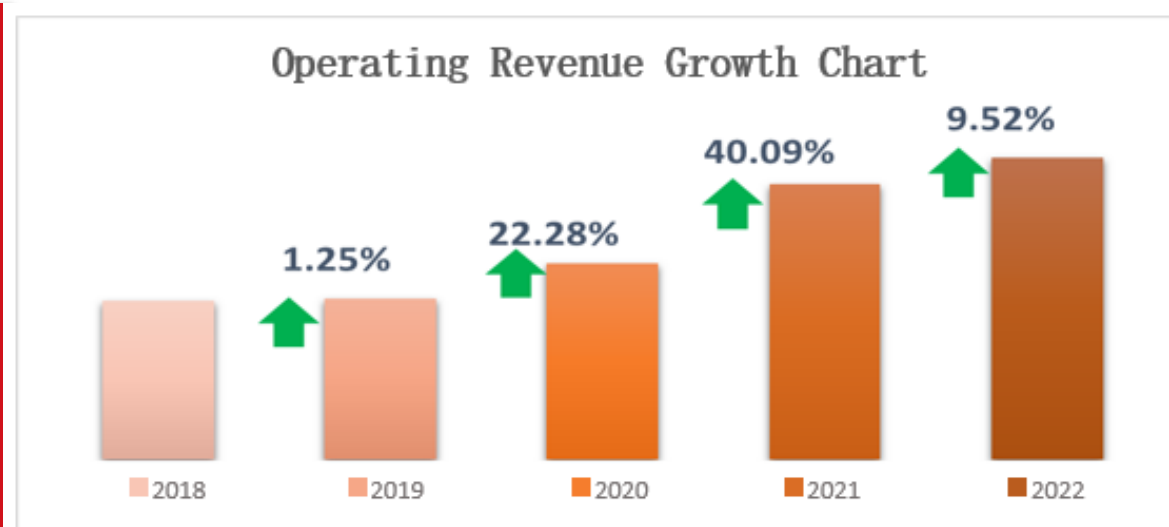
The general manager is responsible for the daily operation and management of Dinkle Electric Machinery and the daily operation and management of the first branch factory site on Yuxi West Road. Under the general manager, there are five functional departments: business department, general management department, manufacturing department, development department and the first branch. Under each functional department, there are different departments, sections, groups and factories responsible for the implementation, inspection, supervision and execution of specific work and the production and processing of each production link. The Company has built up a business management mode integrating R&D, design, production, and sales.



Some of the products display:



Operating Revenue Growth Chart

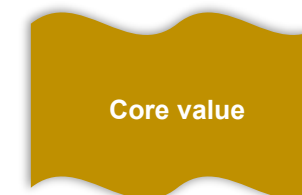


❖ Company Culture



Corporate belief

Delight Through Connections!!



Core value

Enterprise management is the process, life happiness is the purpose!



Course of action

New century 123

1 firm faith: Success

2 definite goals: Be required, be trusted

3 concrete practice: Continuous mutually beneficial dialogue, continuous learning and growth, and constantly meet the challenges of evolution

Corporate Social Responsibility policy

The Company and all of its management recognize that compliance with social responsibility requirements is an essential condition for a responsible company and an expectation of stakeholders such as customers, the public and the government. The company hereby appoints a senior executive to be responsible for social responsibility management, establishing, implementing and maintaining a good social responsibility management system, and extends this requirement to suppliers and subcontractors. To achieve our goals, we declare and implement the following policies:

While growing, Dinkle also bears in mind "the bigger the enterprise become, the more responsibility they take on". In practical performance, Dinkle meet the requirements of the laws and regulations at the same time, also undertake adhering to the highest ethical standards in all business contacts, so as to :

- ❑ Do not carry out commercial bribery in any form to seek improper benefits to government authorities, customers, third-party testing institutions, certification bodies and other units or individuals;
- ❑ No employee of the company shall take advantage of his position to solicit or illegally accept other people's property, seek benefits for others, accept kickbacks, handling fees and so on in various names, and to make the corruption and bribery incident as 0;
- ❑ Provide anti-corruption training to internal employees, and prohibit improper transactions, embezzlement of duty and public funds, etc.;
- ❑ Disclose information related to the company's business activities in accordance with the law to ensure the accuracy and compliance of the disclosed information;
- ❑ Respect intellectual property rights and protect the intellectual property rights of the company's own and external suppliers of the client;
- ❑ Provide unblocked channels for petitioning and reporting, set up employee suggestion boxes and electronic suggestion boxes, ensure that employees or stakeholders can report in an open/anonymous manner, and keep the identity information of the whistleblower confidential to protect the safety of the whistleblower.

Dinkle is committed to the pursuit of green production and manufacturing. In addition to the design, selection, production and provision of green products from the perspective of product life cycle, we are also committed to minimizing the impact on the environment in our production activities, so as to

- ❑ To identify and control environmental factors involved in the company's activities, products and services within the company's coverage, reduce or eliminate the emission and release of pollutants and the generation of waste at the source, and reduce the amount of hazardous waste generated in 2022 by $\geq 1\%$ compared to 2021;
- ❑ Monitor, count and analyze all kinds of energy resources, do our best to improve energy efficiency and reduce energy consumption (e.g., reduce equipment running dry, do not turn on unmanned lights, use paper on both sides, etc.), and reduce the electricity consumption of the plant in 2022 by $\geq 2\%$ compared with 2021, and the water consumption of the plant in 2022 will decrease by $\geq 0.8\%$ compared with 2021;
- ❑ Comply with the environmental laws and regulations of the company's products and the requirements of the market;
- ❑ Standardize the company's chemical and oil management, avoid the impact of chemical substances on the environment and harm to personnel in the process of transportation, handling, storage and use, and make the number of chemical leakage 0;
- ❑ Sort, collect, store and dispose of solid waste generated by the company's operations in accordance with the law;
- ❑ Classify, monitor, control and treat the company's water, air and noise pollution sources to ensure that the discharge standards are met, and the wastewater discharge is 100% qualified
- ❑ Identify the sources of greenhouse gas emissions involved in the company, conduct regular data collection and statistics, minimize greenhouse gas emissions, and reduce carbon emission intensity (10,000 yuan output value) by 20% in 2022 compared with 2020.

Responsible
Governance,
Compliance
Management

Win-win
Cooperation
and
Solidarity

Energy Saving
Environmental
Protection,
Practicing
Green
Development

People
Oriented and
Harmonious
Development

Adhering to the concept of win-win cooperation, Dinkle build strategic partnerships on the basis of adhering to the bottom line of compliance, build a responsible supply chain through corporate influence, and follow the principles of legality, voluntariness, fairness, integrity and mutual benefit in all trading activities, so as to:

- ❑ Follow fair trade, prohibit disrupting market transaction order, malicious competition, unfair trade and other behaviors, such as: forcing suppliers to return unconditional rebates, returning goods to suppliers without legitimate reasons, etc.;
- ❑ Maintain trade secrets of each other and prohibit illegal acquisition, disclosure, use or allowing others to use them;
- ❑ Comprehensively consider the risks related to environmental protection, safety and social responsibility for the admission of new suppliers and the management of qualified suppliers;
- ❑ Do not support or use conflict minerals such as gold, tantalum, tungsten, tin and other conflict minerals from the Democratic Republic of the Congo and its adjoining countries and regions, and make the same requirements to the upstream supply chain;
- ❑ Maintain the confidentiality of the personal information of all with whom we do business (including suppliers, customers, employees, etc.).

Knowing that employees are the most precious wealth of the enterprise, Dinkle is creating a comprehensive capacity building and growth system for all employees, adhering to the policy of "people-oriented, occupational health, continuous improvement, and safe production", while also according to the relevant policies and regulations and customer requirements to protect the rights and interests of employees, build a satisfactory staff team, to achieve, so as to:

- ❑ Harmonious employment, adhere to the principles of openness, equality, competition and merit-based recruitment, prohibit any forced and discriminatory behavior, and make discrimination and forced labor incidents 0;
- ❑ Prohibit child labor, provide labor protection for juvenile workers in accordance with the law, and ensure that the misuse rate of child labor is zero;
- ❑ Protection of rights and interests, to ensure that the rights and interests of employees such as voluntary overtime beyond the "5 days and 8 hours", minimum wage, overtime hours, statutory benefits, rest and vacation, freedom of association, etc., are effectively protected, and make the employee 30 days insurance coverage rate reached 99%;
- ❑ Respect human rights, prohibit sexual harassment, corporal punishment, beatings, body searches and other humiliating acts, and prohibit forced labor;
- ❑ Safety production, identify and control the hazards involved in the company's activities, provide safe and hygienic working and living conditions, ensure the health and safety of all personnel entering our business premises, and make the number of fires 0, the number of poisoning 0, the number of occupational diseases 0, and the quarterly injury expense is less than(\leq) 76100 yuan.

The policy content has been published on the company's official website, and communicated to employees and relevant parties through the website, employee handbook, publicity column, badge, notification letter, etc., Website link: <https://www.dinkle.com/kscn/about/about.php?dpid=9>

❖ Honors and certificates

Won MM *Maschinen Markt* "The Most Influential Chinese Manufacturing Excellence Enterprise"

On December 16, 2021, MM *Maschinen Markt* all-media held the fifth Entrepreneur International Forum in Shanghai. With the theme of "New pattern, high quality and sustainable", the selection activity of "Innovation-Driven Strong and Prosperous Chinese Manufacturing Industry - the most influential Chinese manufacturing Excellence Enterprise & Outstanding Person & Special Contribution Award & Intelligent Solution" was launched, aiming to record a glorious chapter for manufacturers who have made outstanding contributions to strengthen Chinese manufacturing industry.



Won the China Gongkong "Automation Innovation Award - Control Category"

On August 26, 2022, the "2022 China Automation + Digital Industry Annual Meeting" sponsored by China Gongkong was held in Beijing.

With its professional and reliable technical hard strength, in the product innovation category, Dinkle RES2 Series II surge protectors and a number of automation industry leaders were jointly awarded the "Automation Innovation Award - Control", and won a number of CAIMRS awards for many years in a row, which is the industry's recognition of Dinkle in the field of automation. It's what keeps us going.



EcoVadis silver award& Primary CDP disclosure

In 2022, evaluated with a score of 61 and won the title of "silver award" by Eco Vadis.

The CDP was disclosed for the first time in 2022, and the score was C.

Overall score
➤ **61/100**

Percentile ⓘ
81st



Your CDP score



Dinkle Smart Plant Start-up

On October 28, 2022, Dinkle "Smart Plant Start-up Ceremony" was held in the second plant.

Wu Zhengfang, Director of the Manufacturing Headquarters of Dinkle Group, Zhou Yuchan, Management Minister of Dinkle Electromechanical (China) Co., Ltd., Yao Xuehou, Director of Development, Wang Fayuan, Minister of Manufacturing, Feng Haifeng, Vice Minister and Wu Mengguo, Vice Minister of Dinkle Group, attended the launching ceremony and cut the ribbon for the launch of the smart factory. Hu Zhili, Deputy Director of the Manufacturing Department of Dongguan Liyang Electric Co., Ltd., Zhao Huiling, Senior Business Manager of Dinkle Electric (Shanghai) Co., Ltd., and cadres above the class level of Dinkle Electromechanical Kunshan Plant attended the launching ceremony as guests. At the same time, Dinkle Yang image spokesperson "Dinkle Lamb" also debuted at the ceremony to witness the milestone moment of Dinkle development.



Dinkle Electromechanical (China) Co., Ltd. Smart Plant



The launch ceremony of the Smart Plant

Dinkle Smart Plant Start-up



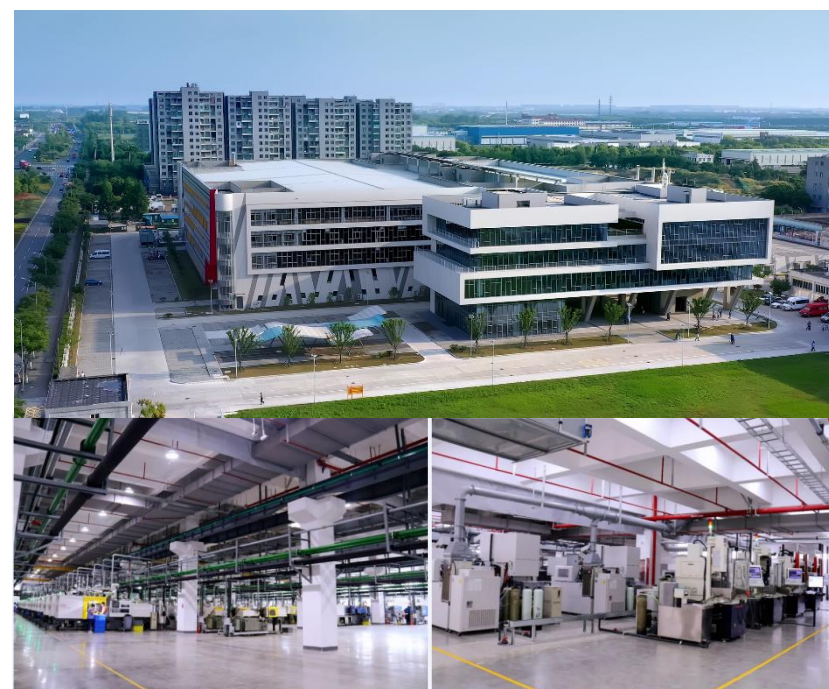
The launch conference revolves around the concept of "smart factory", which is of great significance in the development history of Dinkle Electromechanical, marking the official opening of a new chapter of digital transformation and intelligent manufacturing of Dinkle Electromechanical, Dinkle Electromechanical globalization strategic layout officially kicked off a new journey.



领导致辞



Dinkle second phase smart factory integrates the manufacturing process of the original workshop with intelligent manufacturing management system, and then adds intelligent mold processing center, intelligent injection molding equipment, and automatic assembly machine, so as to improve production efficiency while expanding production capacity. After the completion of the project, the overall efficiency index will be improved: it is expected that the equipment production efficiency will be increased by 40%, and the per capita output rate will be increased by 50%. Workshop operating costs are reduced by 30%, and product development cycle is shortened by 30%.



❖ System Construction

The certification ratio of Dinkle Electric Machinery' quality management, environmental management and occupational health and safety management system all reached 100%.



ISO 9001:2015 Quality management system
certification
period of validity 2022.10.04-2025.10.03



ISO 14001:2015 Environmental management
system certification
period of validity:2022.09.13-2023.11.22



ISO 45001:2018 Occupational health and safety
management system certification
period of validity 2021.02.06-2024.02.05



Explosion-proof system certification
period of validity 2022.09.09-2025.09.09



ISO 17025:2017 CNAS National Laboratory
accreditation certificate
period of validity 2019.06.21-2023.04.04



China national compulsory product certification
certificate
period of validity 2020.10.30-2025.10.30

Note: Ex system certification, ISO 17025:2017 CNAS Laboratory Accreditation Certificate, China Compulsory Certification only cover the Middle Xingpu Road Operation Site.



**IV、 Responsible Governance and Compliance
Management**

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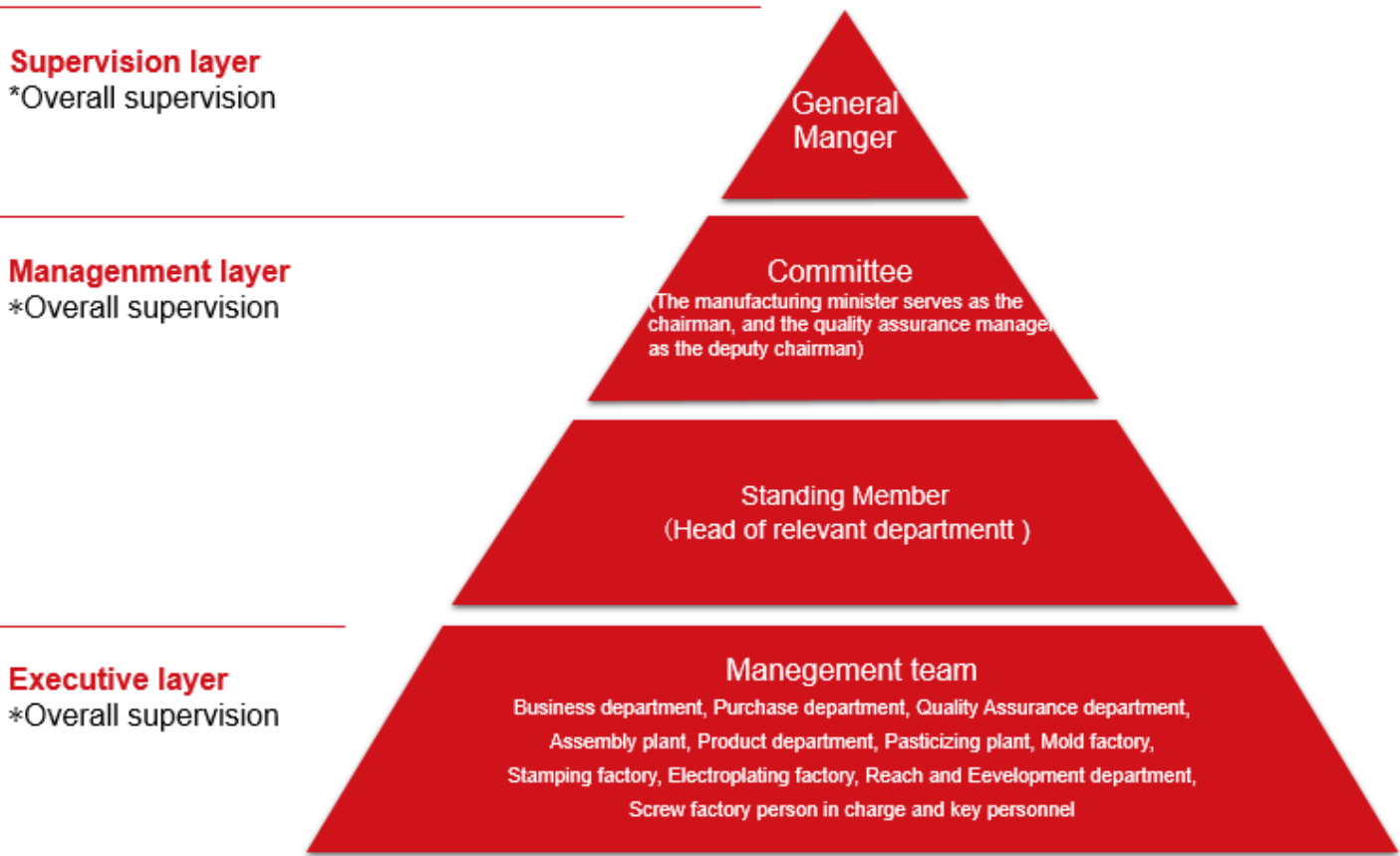
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❖ Sustainability Management

Dinkle Electromechanical always adheres to maintaining the balance of development in the three dimensions of economy, environment and society, runs the concept of sustainable development through all aspects of enterprise operation, improves the corporate social responsibility management structure through the establishment of Implementation Committees and management teams, continuously strengthen the strategic leadership role, and continuously improves the effectiveness of the company's management.



The company has established the *Social Responsibility Management Manual* as a programmatic document for corporate social responsibility management, implemented the requirements of the Code of Conduct of the Responsible Business Alliance, and fully considered the requirements of labor, moral, environmental, health and safety laws and regulations and management systems, so as to improve and improve the company's sustainable development management system, ensure compliance with the relevant requirements of labor, health and safety, environment and ethics, and continuously improve the company's social responsibility management performance.

The management team meets from time to time to discuss matters specific to corporate strategy, business, and environmental safety and health, and to sort out and formulate corporate strategy, management policies and goals. When the company formulates, amends or decides on rules and regulations or major matters that

directly affect the vital interests of employees, the company will decide on them after consultation with trade unions and employee representatives through free consultation, such as Staff Council.

To ensure effective control of the management system, timely identification of internal and external risks and opportunities, the effectiveness of measures taken to address risks and opportunities, and adequacy of resources, as well as to sort out and confirm the achievement of corporate goals and performance and explore the possibility of continuous improvement, Dinkle Electric Machinery holds annual internal audit and management review meetings to conduct an in-depth assessment of the management system in accordance with the *Organization's Environmental Management Procedures*. Michael Porter's Five Forces Model was used to identify risks and opportunities in the internal and external environment of the organization, and SWOT method was used to analyze risks and opportunities, and the risks and opportunities of social responsibility management methods such as environmental protection, occupational safety and health, and labor human rights were analyzed, and the severity, frequency, detectability and other evaluation methods were used to quantify the 25 opportunities, 16 risks, 17 advantages, and 25 opportunities, 16 risks, 17 advantages and 1 disadvantage, which were controlled or horizontally implemented accordingly, and regular monitoring and evaluation mechanisms were defined to ensure that the company's purpose and strategy and the expected results of the management system were achieved.

❖ Stakeholder Communication

The rapid development of Dinkle Electric Machinery is a result of the recognition and support of stakeholders alike. For this reason, we have been deepening the communication and exchange with various stakeholders through effective communication mechanisms such as official WeChat account, telephone, questionnaires, roundtable meetings, on-site visits, etc. to establish more active and extensive dialogues with stakeholders. Through these regular or ad-hoc communications, we respond to the demands and expectations of our stakeholders in a timely, quick and effective manner, and we insist on working together with multiple parties to promote the long-term development of our businesses and communities.

Stockholders	Main focus	Communication frequency	Communication methods
Shareholders and investors	Economic achievement Anti-corruption Compliance management Waste discharge and environmental compliance Energy resources Employment relations and industrial relations Occupational health and safety	Management review once/year Other ways are irregular	Meeting Written form Phone call Report Management, etc.
Client	Products safety Customer relations Scientific and technological innovation Purchasing practice	High Intensity Customer Satisfaction Survey once/year Other ways are irregular	Customer satisfaction investigation Meeting Written form Phone call On-site visit Exhibition Official accounts, etc.
Supplier	Economic achievement Anti-corruption Compliance management Supplier management Purchasing practice	Supplier audit once/year Other ways are irregular	Written form Phone call Meeting Audit, etc.
Staff	Employment relations and industrial relations Occupational health and safety Training and development Human rights evaluation	Congress of workers and staff once/year Other ways are irregular	Congress of workers and staff Questionnaire E-mail Interview Suggestion box League construction, etc.
Governments and Regulators	Employment relations and industrial relations Occupational health and safety Waste discharge and environmental compliance Anti-corruption Compliance management	Irregular	Phone call Meeting Questionnaire Working visit On-site inspect Official accounts Official website, etc.
NGOs(non-governmental organization)	Compliance management Waste discharge and environmental compliance Employment relations and industrial relations	Irregular	Internet Report, etc.
Public society	Economic achievement Compliance management Anti-corruption Waste discharge and environmental compliance Products safety Occupational health and safety	Irregular	Internet Report, etc.
Industry association	Compliance management Anti-corruption Occupational health and safety Waste discharge and environmental compliance	Irregular	Internet Report, etc.
Companies in the same industry	Economic achievement Compliance management Anti-corruption Products safety Scientific and technological innovation	Irregular	Exhibition market survey, etc.
Surrounding community environment (including residents)	Waste discharge and environmental compliance	Irregular	Written form Questionnaire Phone call, etc.



Kunshan Federation of Trade unions visited



Emergency management agency on-site inspection

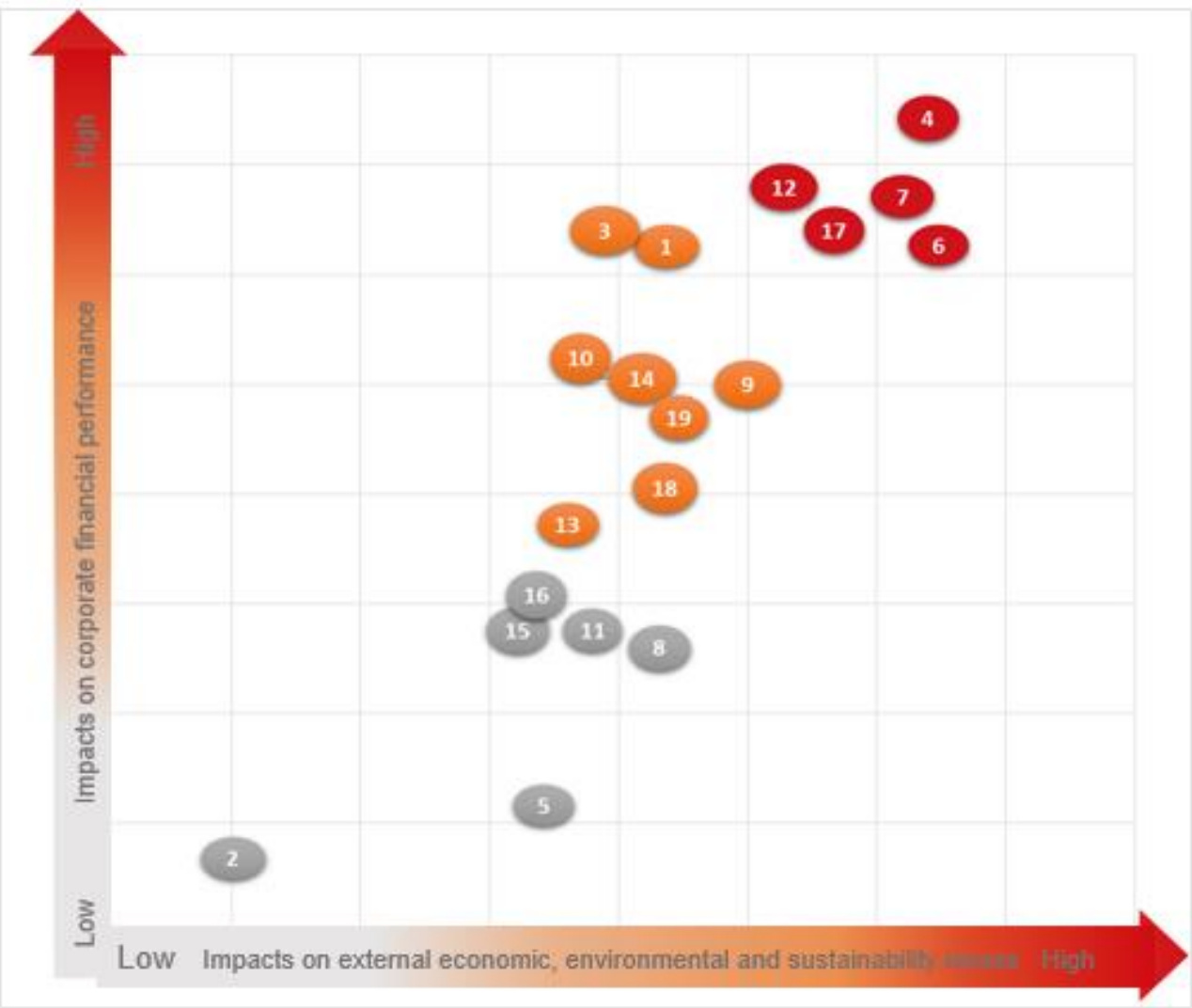
❖ Material topics analysis

In order to successfully disclose this social responsibility information, through roundtable meetings, high-level and internal discussions of each departments, the company finally identified the main stakeholders of Dinkle Electromechanical, collected feedback from stakeholders in the form of questionnaires, collected a total of 138 questionnaires, with a recovery rate of 100%, and integrated the opinions and demands of various stakeholders and regulatory agency into the edit of this report and responded to them. Combined with the internationally accepted GRI Standards, as well as the key issues learned from stakeholders, the 19 material topics finally disclosed in this report were prioritized based on the cross-analysis of the degree of influence on stakeholder decision-making and evaluation, as well as the company's impact on the economy, environment and society.

List of Material Topics for Dinkle Electric Machinery's 2022 Social Responsibility Report			
1. Economic Performance	2. Diversity and Equal Opportunities	3. Compliance Operation and Anti-corruption	4. Energy & Resources
5. Biodiversity	6. Climate Change	7. Waste Discharge and Environmental Compliance	8. Purchase Practices
9. Supply Chain Management	10. Employment Relations and Labor Relations	11. Freedom of Association and Collective Negotiation	12. Occupational Health and Safety
13. Training and Support	14. Legal Employment	15. Human Rights Assessment	16. Local Community
17. Product Safety	18. Customer relation	19. Intellectual Property Protection and Science, Technology and Innovation	

Note: The topic of "Energy conservation and emission reduction" in the 2021 report has been merged into the topic of "Energy & Resources, Climate change".

Material Topics Matrix for Dinkle Electric Machinery's 2022 Social Responsibility Report



Note: The numbers in the matrix correspond to the serial numbers of the material topics within the list of material topics of the 2022 Social Responsibility Report of Dinkle Electric Machinery.

❖ Responding to UN SDGs

In order to contribute to various sustainability goals, Dinkle Electric Machinery, as a responsible company, has incorporated UN SDGs 2030 into all aspects of its business and daily operation management, and regularly combs and reviews the goals to continuously improve its performance in terms of sustainability.

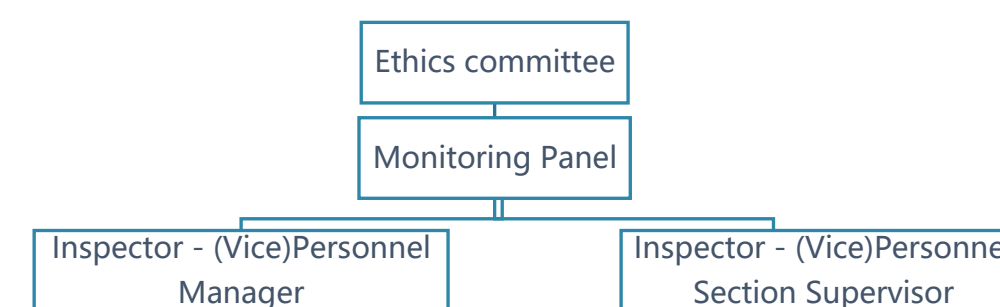
Dinkle actions	Report chapter	GRI Goals
Pay social insurance (including work-related injury insurance and unemployment insurance) on time for employees.	Employment relationship	<div>1 无贫穷</div>
<div>· Pay social insurance (including medical insurance and maternity insurance) on time for employees;</div> <div>· The occupational health examination shall be carried out before, during and after work for the workers in occupational hazard positions;</div> <div>· Provision of four periods(Menstruation, pregnancy, perinatal period, lactation period) of protection for female employees, provision of supplementary health insurance schemes and establishment of medical clinics.</div>	Employment relationship Safety production	<div>3 良好健康与福祉</div>
Relying on the five-member system learning platform of "special class +LMS (learning management system) + open class + external training + internal training of the department", we ensure that all staff have the opportunity to participate in training, cooperate with the guide mechanism and on-the-job experience, and cultivate talents in an all-round way, and the education and training rate is 100% during the reporting period.	Training and development	<div>4 优质教育</div>
We resolutely put an end to discrimination based on gender and other factors in all aspects of employee recruitment, salary, promotion, dismissal, etc., and signed a Collective Contract with the trade union to protect the rights and interests of female employees. As of December 31, 2022, 35.0% of governance organizations are women, up from 18.8% in 2019.	Employment relationship	<div>5 性别平等</div>
Construct a circulating cooling system and reclaimed water reuse system to save water consumption. In 2022, the unit intake of water resources in the plant area (t/ten thousand yuan output value) decreased by 35.54% compared with 2021, and the proportion of recycled water was 3.35%, the proportion of recycled water is 3.35%; And the wastewater treatment system was built to reduce the concentration of pollutants in wastewater to reduce the load on water, and the wastewater discharge compliance rate was 100%.	Water protection	<div>6 清洁饮水和卫生设施</div>
Through the replacement of energy-saving equipment, equipment transformation/energy efficiency optimization, production process optimization and other measures to save energy consumption, the energy intensity (KJ/ ten thousand yuan output value) in 2022 decreased by 3.25% compared with 2021.	Low carbon and energy-saving	<div>7 经济适用的清洁能源</div>

Dinkle actions	Report chapter	GRI Goals
<ul style="list-style-type: none"> Revenue in 2022 increased by 9.52% over 2021; The number of jobs in 2022 increased by 31.96% compared to 2021; Ensure equal pay for equal work, eliminate forced labor, prohibit child labor, protect labor rights, and provide a safe and secure working environment. 	Company profile Employment relationship	8 体面工作和经济增长
About 52.61 million had been invested in R&D in 2022, an increase of 3.56% over 2021.	Commercial ethics	9 产业、创新和基础设施
Ensure equal pay for equal work and adhere to the principles of fairness, equality and anti-discrimination in recruitment and employment.	Employment relationship	10 减少不平等
The recycling rate of hazardous waste was 94.31%, and the recycling rate of general waste was 99.73%.	Waste management	11 可持续城市和社区
In the process of production, manufacturing and purchase, Dinkle always adhere to the comprehensive consideration and protection of product quality, safety, human rights, energy conservation and emission reduction, save resources and energy consumption, strive to achieve environmentally sound management of chemicals and all wastes throughout the life cycle, and reduce emissions to air, water and soil to ensure the sustainability of the production process.	Product quality and safety, Low carbon and energy-saving, Green material	12 负责任消费和生产
<ul style="list-style-type: none"> Dinkle establish a carbon emission reduction task force, formulate medium and long-term plans, carry out carbon emission reduction actions, promote carbon data management, conduct relevant knowledge reserves and talent training, and respond to internal and external information disclosure requirements. In 2022, the greenhouse gas emissions was 14811.28 t CO₂e, and the carbon emission intensity was 0.18 t CO₂e/ ten thousand yuan of output value, which was lower than the output value of 0.23 t CO₂e/ ten thousand yuan in 2020. 	Low carbon and energy-saving,	13 气候行动
<ul style="list-style-type: none"> Dinkle has established an ethics management system to strengthen risk management, and adopted a zero-tolerance policy for any form of unethical business practices, the number of confirmed cases of corruption in 2022 was 0. Organized and carried out anti-corruption training, with a training coverage rate of 100% and a supplier anti-corruption policy communication rate of 83.04% Developed a responsible minerals policy and conduct due diligence on the supply chain. 	Commercial ethics, Responsible Minerals	16 和平、正义与强大机构

❖ Business Ethic

Dinkle Electric Machinery understands that unethical business practices will have a serious impact on corporate image and supply chain, so business ethics has always been a top priority in the Company's daily management. We believe that operating with integrity is the highest standard of honesty to be observed in all business interactions, thus maintaining a zero-tolerance policy for unethical business practices of any kind. In order to avoid the risk of corruption and bribery, our company does not participate in activities related to political donations.

Our Company has established an ethics committee to manage business ethical risk, which is designed to prevent. And set out a series of procedural documents, such as *Anti-Office Embezzlement*, *Commercial Bribery* and *Misappropriation Control Procedures*, *Fair-Trading Management Control Procedures*, *Risk Assessment and Risk Management Procedures for Labor and Ethics*, etc., covering integrity management, no improper gain, information disclosure, intellectual property rights, fair trade, advertising and competition, confidentiality of identity, responsible sourcing, privacy, and elimination of retaliation.



Organizational Chart of Ethics Committee of Dinkle Electric Machinery

Dinkel Electric Machinery discloses information related to the company's business activities in accordance with the law to ensure the accuracy and compliance of the disclosed information. We respect competitors in the same industry and partners in the supply chain, and always regard integrity and compliance and business ethics as the most basic requirements and prerequisites for all business, and strictly implement the company's relevant policies and procedures.

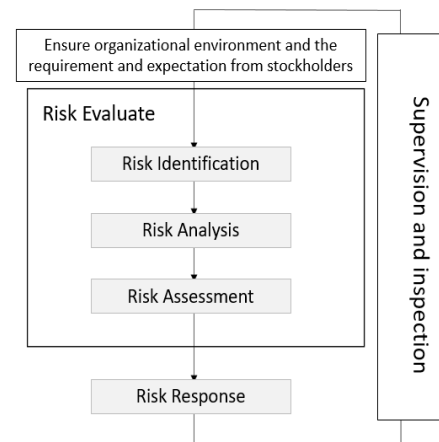
Cases of high fines and non-monetary sanctions received for violations of laws and regulations in the social and economic fields

0

Risk Management

In order to effectively identify and manage risks, we have formulated the Risk and Opportunity Management Procedures to guide all departments to routinely carry out risk identification, risk assessment and risk response, and integrate risk management into business processes.

The overall purpose of establishing a risk management process is to ensure that the company is able to achieve the desired results of the management system, prevent or reduce unintended impacts, and achieve continuous improvement. We believe that proactively identifying and managing risks and opportunities can help reduce business risks and help enterprises obtain new business opportunities, forming a virtuous circle that enables enterprises to grow healthily in the global business order. There was no high risk in the 2022 identification results.



Anti-corruption

Our company established procedures such as *Anti-Office Embezzlement*, *Commercial Bribery and Misappropriation Control Procedures*, any form of bribery, embezzlement of work duty or public funds, including the payment/acceptance of kickbacks, gifts/acceptance of cash and property, and the distribution of securities/stocks/shares, etc., were expressly prohibited.

Raise awareness of anti-corruption

All managers regularly participate in anti-corruption training, and sign the Employee Integrity Compliance Commitment.

Manage sensitive transactions

- Formulate the Gift Management Measure, carry out the management of official gifts handed over by employees, and designate a special person to be responsible for the registration, custody and disposal of gifts.
- Employees are not allowed to solicit gifts of any kind, express or implied. Gifts received in external activities, regardless of the amount, must be handed over to the general affairs unit for registration and management.

Manage and control corruption risk

- Conducted a risk assessment on the major corruption risks in the company's operations, and conducted regular compliance evaluations and employee compliance training.
- Conduct corruption risk assessment for our 2 operating points risk assessment procedures, implementation and performance.

Our Company requires all employees to strictly adhere to relevant requirements in *Employee Manual*, no staff member may take advantage of his or her position to solicit or illegally accept other people's finances, seek benefits for others, or accept kickbacks or fees in various names.

2022 Performance		
Management layer anti-corruption training 20 person	Employees anti-corruption training 1440 person	Training coverage 100 %
Corruption risk assessment operational points 2	Coverage 100 %	Significant corruption risks involved 0
Supplier anti-corruption policy communication 142	Communication rate 83.04 %	Confirmed incidents of corruption 0

Note: [Communication rate] The remaining 16.96% of suppliers are those with minimal or imminent termination of cooperation.

Anti-improper competition

Our company established procedures such as *Fair-Trading Management Control Procedures*, established legal, voluntary, fair, honest and mutually beneficial trading principles, and prohibited unfair trading practices.

[Transaction principle]: All trading activities of Dinkle shall not disrupt the order of market transactions, maliciously collude with relevant units in the same industry to damage the interests of the state or other operators, or force partners to sign contracts containing unfair and unreasonable terms, so as to protect the legitimate rights and interests of all stakeholders.

Lawsuits concerning improper competitive practices, violations of anti-trust laws.

0

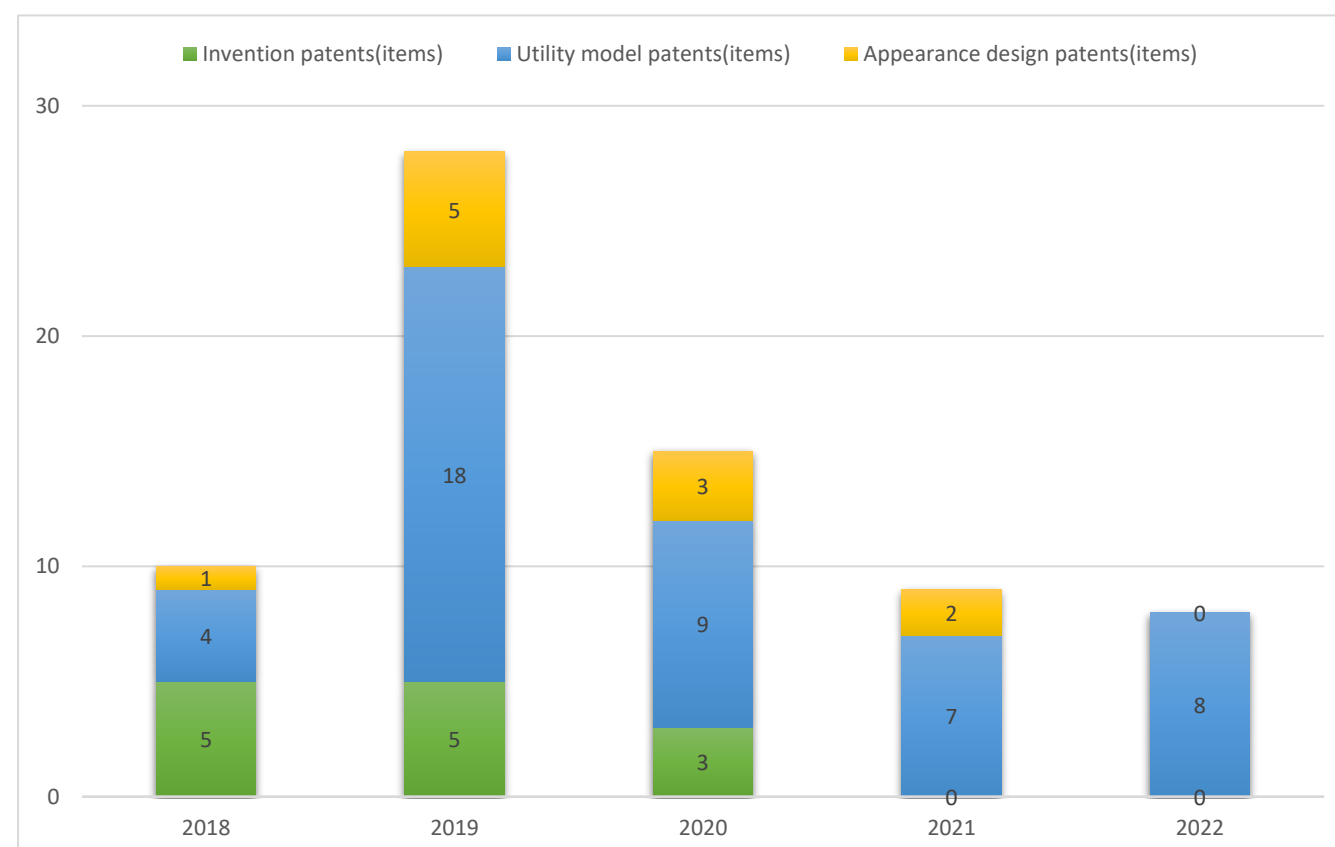
Intellectual property and business secrets protection

Our company strictly abides by the Patent Law of the People's Republic of China and other laws and regulations, and has formulated the Intellectual Property Protection Management Procedures, Patent Management Measures, and External Suppliers and Customer Property Management Procedures to prevent intellectual property risks and protect the intellectual property rights of the company's own, customers and external suppliers. We maintain trade secrets with each other in our dealings on all sides and prohibit misconduct in illegally obtaining, disclosing, using, or allowing others to use each other's trade secrets.

Patents and R&D investment

Annual R&D investment **about 52,61 million(CNY)**, compared with 2021 increased **3.56%**

Total patents granted **8(items)**; including: Invention patents **0**, Utility model patents **8**, Appearance design patents **0**



Note: R&D investment includes R&D personnel salary, R&D bonus, materials, patent application and other R&D investment costs.

Reporting mechanism

Our company has established Employee Grievance Management Procedures, employees and related parties are encouraged to report any violations of laws, regulations, and business ethics. Our Company has established Management Measures to Prevent Retaliation to protect physical and mental safety of whistleblowers, and shall not dismiss, demote, suspend, threaten, harass or treat employees differently in any other way because of their legitimate whistleblowing behavior. Kept impeachment paper, records or other relevant data strictly confidential.

A suggestion box has been set up in a conspicuous place in the factory and an electronic suggestion box has been announced in order to ensure that employees or relevant parties can report in an open/anonymous way, and keep the identity information of the whistleblower confidential to protect the safety of the whistleblower. The labor union and the general management department are responsible for receiving reports and conducting investigations, and the results of the investigation will be reported to the management representatives and the managers of the relevant departments involved in the case, in addition to punishing the relevant dereliction of job duty in accordance with the Measures for the Management of Employee Rewards and Punishments, and requiring an improvement plan to be submitted within a time limit.

Received complaints **11**
Rate of complaint resolution **100 %**

Our company continues to provide well-connected channels of communication and reporting through the official website, bulletin boards and other reporting channels, and established a reasonable reporting mechanism and whistleblower protection system to ensure the receipt of reporting information and the safety of whistleblowers. The reporting are as follows:



Report mail
COC@dinkle.com.cn



Employee Suggestion Box
Location : South gate entrance
on the first floor of canteen.



Complaint office
Location : Mediation room-the second floor at
the east gate of the company.




V. Win-win Cooperation and Solidarity

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❖ Customer Service

Adhering to the "Customer fulfillment" as original point, Dinkel Electric Machinery committed to innovative research and development of various products, to meet the diversified needs of customers, to provide diversified services, and to form a closer relationship with customers.

As a long-term partner of Siemens and an important supplier of equipment, Dinkle won the 2022 "Best Siemens Bold Moves + Best



In 2022, as a key global supplier of Schneider, Dinkle won the Schneider Electric "2022 Strategic Cooperation Excellent Supplier"



Dinkel Electric Machinery adheres to innovative service capabilities, and strengthens communication with customers through on-site exhibitions, online exhibitions, company websites, personal sales, etc. In the process of carrying out various marketing activities, we promise that all product promotional information is true and standardized, and in a responsible manner, all exaggerated and false propaganda are prohibited.

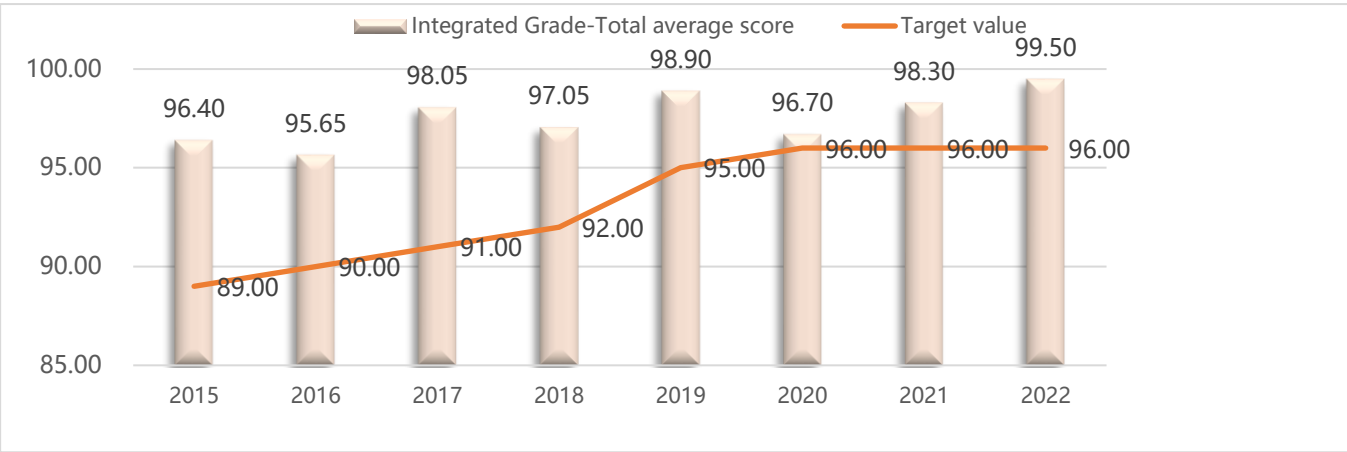
2022.12.1-12.6
Dinkle online
Industry Fair
started up



Dinkel Electric Machinery provides customers with well-established pre-sale, in-sale and after-sale service, and customers can consult at any time through the company's official website, WeChat public account, sales hotline and other channels. According to the After-sale Service Management Procedure, our company conducts customer satisfaction surveys for high-intensity customers in July every year, and proposes improvement measures based on the survey results.



2022.5.30-6.2
Germany
Hannover Messe
Industry Fair



Dinkle Electric Machinery 2015-2022 Customer Satisfaction Survey Overall Rating Results (Note: Out of 100)

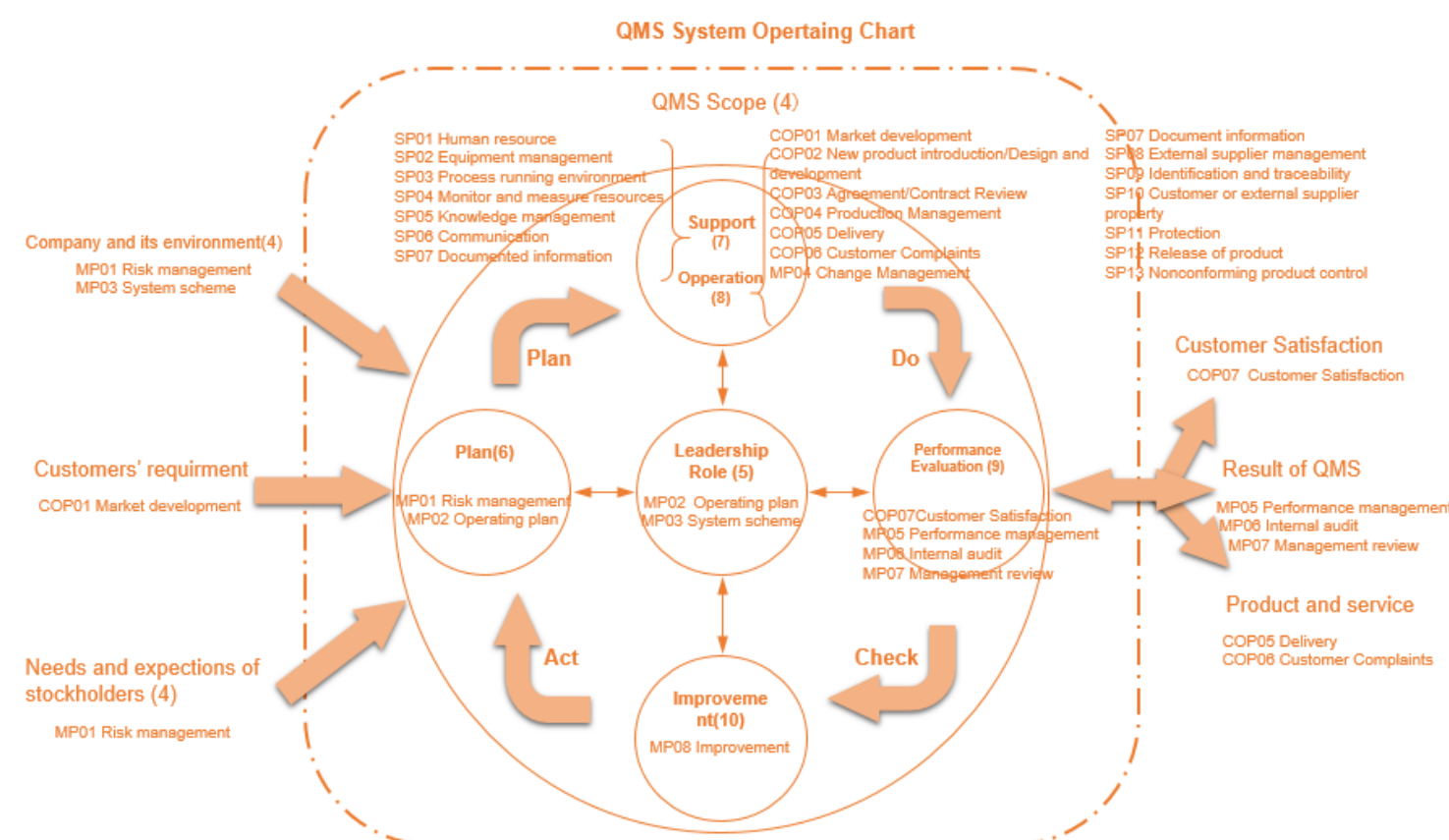
Dinkle Electric Machinery has established External Supplier and Customer Property Management Procedure, which applies to all samples, molding, jig, gauge, intellectual property and personal information provided by external suppliers and customers. The company will not illegally collect, use, process, or transmit personal information without the consent of the supplier or customer himself. Dinkle Electric Machinery is committed to protecting the personal information from all business partners. The collection, storage, processing, transmission and sharing of personal information is carried out in strict compliance with the requirements of laws and regulations related to privacy and information security.

2022
Performanc

Marketing violations 0
Incidents involving violations of customer privacy
and loss of customer data 0
Customer satisfaction 99.50

❖ Product quality and safety

Dinkle Electric Machinery always believes that quality is key to an enterprise, and quality products are the basis of customer recognition. In this regard, the Company strengthens its control over products and services, adheres to the policy of "Quality improvement, Customer fulfillment", continues to provide customers with quality products and user experience as a way to achieve development with customers alike.. Dinkle Electric Machinery has passed ISO 9001 quality management system and Ex system certification, integrating quality requirements into every management link. Our company set targets and indicators such as delivery date achievement rate, QA inspection finished batch pass rate, process defect rate, etc. and track and manage key performance and make targeted adjustments to next year's target setting based on year-end performance on a yearly basis for continuous product quality improvement.



Our company has formulated the APQP Management Procedure, which incorporates the quality, environmental and safety impacts into the assessment at the beginning of product design, and implements them in production and other links to ensure product quality, customer health and safety of use. Based on customer requirements and terminal application scenarios, the products certified by UL, CUL, CSA, VDE, TUV, CCC and other safety standards, in compliance with RoHS and REACH EU environmental standards as well. We also has established the Safety regulation management practice to standardize the safety certificate and safety identification printing management.

Safety Relay: Safety manager of semiconductor exhaust gas treatment system

Sample

Most industrial waste gas treatment systems require routine inspections by inspectors to ensure that they are operating in a stable state, but it is very dangerous for personnel to frequently enter and exit the production area. When the personnel are in a dangerous situation, the transmission of the signal cannot be ensured, and the emergency stop cannot be pressed in time, which often produces immeasurable losses and even casualties! Therefore, it is essential to have a safety relay in the working area that is suitable for the characteristics of the process gas!

This item adopted Dinkle RESR-01-3A1B safety relay, The product is applied to the safety control loop, urgently deal with faulty semiconductor process exhaust gas equipment, rapidly transmit signals to the motion controller and safely and effectively stop the operation of the equipment, and protect the safety of personnel and equipment..



- ✚ Sigh safety factor provides users with the best emergency stop protection
- ✚ The reset detection function can ensure that the device is not accidentally booted
- ✚ TÜV certification、PLe / Cat.4 / SIL3 highest industrial protection level

In order to ensure product compliance with the changing environmental laws and regulations and the requirements of customers and the market and ensure that its processes comply with the control requirements of environmental substances, and clarify the types of banned substances and controlled hazardous substances and the related changes in requirements of Dinkle Electric Machinery, the Company has formulated "Environmental Substances Management Procedures" and simultaneously improved the environmental management requirements for suppliers. The Company also responds positively and quickly when customers raise requests other than this procedure, or requests of updates to environmental information.

For product identification, there is no standard requirement in the terminal block industry, while Dinkle follows the design guidelines and customer needs, and plans according to the plastic housing space when designing new products, and the logo content may include: DINKLE logo, safety logo, product series name, rated parameters, etc. All safety and environmental protection related information is printed and displayed on the product standards in accordance with the Safety Management Operation Specification and Standard Label Operation Specification.

2022
Performance

Developed new products during reporting period **472**

Proportion of health and safety impacts assessed to be improved **0 %**

Violations of impacts on products health and safety **0**

The number of customer complaints about green products **0**

Product information and logo violations **0**

❖ Supply Chain Management

The prosperous development of Dinkle Electric Machinery is the result of teamwork and sincere cooperation with suppliers alike. In order to better improve sustainability of procurement and reduce supply chain risks, we have established a Supplier Management Procedure to screen and thoroughly assess qualification of our suppliers. Our company implements the whole process management from new supplier investigation, access, assessment, evaluation to exit, and incorporates environmental substances, environment, health and safety, labor human rights, and social responsibility into the evaluation criteria at each stage. According to the evaluation and assessment results, the suppliers will be given priority purchase, rectification, and elimination.



- Conduct qualification review of alternative suppliers, including business licenses, pollutant discharge permits and other qualification certificates, as well as basic information such as business conditions, supply capacity, financial risks, EHS management, labor and human rights, etc.
- Suppliers with ISO 9001 and ISO 14001 qualifications are preferred.

- After evaluation and initial screening, according to the Supplier Evaluation Recording and rate new suppliers according to the final scoring results of the form. The rating results are divided into four grades: A, B, C, and D, and suppliers who have received a C or D grade will not be used.
- The qualified suppliers shall be registered as qualified suppliers after signing the Purchase Contract, Quality Agreement, Prohibited Substance Guarantee Certificate and so on.

- For qualified suppliers, they will be assessed and scored every quarter, and the assessment grades are also divided into four grades: A, B, C, and D, and the suppliers who have obtained the C grade must improve in the next assessment period.
- The company will also carry out annual evaluation, and according to the assessment results of hierarchical management, the assessment of suppliers who do not meet the standards will be directly eliminated.

Admission

During the reporting period, **14** new suppliers were added, and **100%** of them passed social and environmental criteria.

Assess

There were **23** suppliers that carried out social and environmental impact assessments annually, accounting for **13.45%** of all suppliers, and **0** suppliers have actual and potential significant negative social and environmental impacts.

Terminate

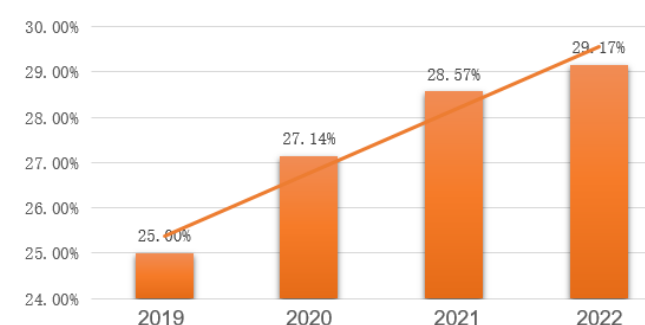
There were **9** suppliers who had terminated cooperation due to no longer purchasing materials, and **0** suppliers who have terminated cooperation due to unqualified evaluation.

The Company's main procurement scope includes basic raw materials, chemicals, hardware, electronic parts, packaging materials, plastic parts and others. There were a total of 171 qualified suppliers, and the distribution of regions and types are as follows.



At the same time, in order to improve efficiency and security of the supply chain and support local economy, we have deployed local procurement while ensuring production efficiency. In recent years, the percentage of the company's procurement budget spent on local (Jiangsu Province) suppliers in the regions where it operates has been steadily increasing year by year.

Local procurement ratio



2022
Performance

Local procurement ratio

29.17 %

❖ Responsible Minerals

In order to prevent responsible minerals from conflict-affected and high-risk areas (CAHRA) from being used in the company's raw materials, Dinkle has established the Responsible Minerals Management Procedure in response to the requirements of the Responsible Business Alliance (RBA) and Global Enabling Sustainability Initiative (GeSI), formulated a responsible minerals policy, supported regional procurement plans, and conducted due diligence on suppliers.

Responsible Minerals policy: As a global citizen, Dinkle Electric Machinery (China) Co., Ltd. does not support or use rare metals such as gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co) and mica from conflict-affected and high-risk areas (CAHRA), and requires our supply chain to conduct business in a socially and environmentally responsible manner, not to use responsible minerals from the above regions, and to make the same request to upstream suppliers.

When developing new suppliers and recognizing new parts, Purchasing Department is required to conduct a survey and assessment, contact suppliers to fill out RMI_CMRT, RMI_EMRT (Responsible Minerals Initiative Conflict Minerals Reporting Template) within the deadline, and suppliers who meet the requirements are required to further sign the Commitment to Not Use Conflict Minerals. As of the end of the reporting period, 100% of suppliers involved in metallic minerals have completed the RMI_CMRT and 100% of suppliers have signed the Commitment to Not Use Conflict Minerals.

Quality System Division will confirm the RMI_CMRT, RMI_EMRT on the Conflict Minerals website at the beginning of each month and assess whether a new survey is required if an update is available and whether the existing smelter is on the RMAP qualified smelter list; If a new survey is required, Purchasing Department will forward the survey to the supplier for them to fill in and return.

During the reporting period, the metals used by the company were gold (Au) and tin (Sn), which come from China, Malaysia and Indonesia respectively. During the reporting period, the company has carried out risk identification of conflict minerals, and no suppliers from high-risk areas have been identified.

2022
Performance

Total suppliers involved **64** (including, domestic **63** , overseas **1**) Evaluation ratio**100 %**

Raw material suppliers involved **35** Evaluated as a qualified raw material supplier **35**

Number of smelters **8** Number of qualified smelters **8**

The number of suppliers who have stopped introducing and working with them because they have not passed the RMI_CMRT certification **0**



VI. Energy Saving and Environmental Protection, Practicing Green Development

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Protection of Water48

Low-carbon and Energy-saving52

Exhaust gas and Noise.....58

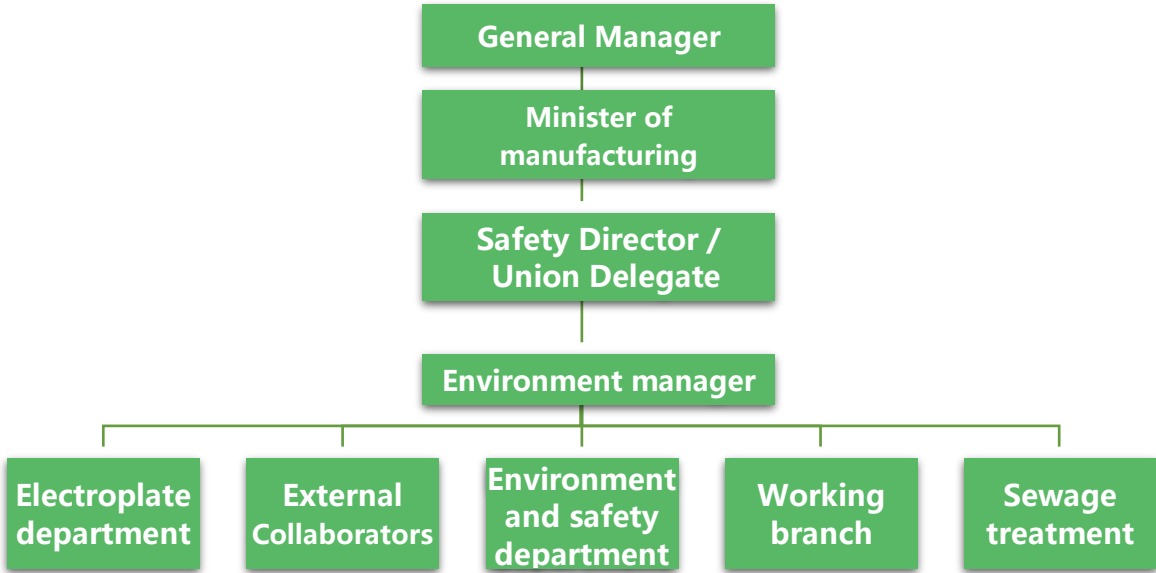
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Waste Management62

❖ Green Guarantee System

Dinkle Electric Machinery well aware that environmental protection and economic development are inseparable, and the two complement each other and influence each other, so we have been committed to reducing the environmental impact of our business development for many years. We adhere to the concept of environmental protection in the whole life cycle, and are committed to implementing green and clean production processes from the source, strictly implementing control requirements in the production process, and firmly controlling the end of the treatment line of defense, so as to prevent the occurrence of environmental pollution incidents.

We comply with the Environmental Protection Law of the People's Republic of China, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other relevant environmental protection laws, regulations and standards, are committed to the environmental protection policy of "Prevention-oriented, Compliance with Regulations", and have established a sound environmental management system. We have obtained ISO 14001 certification for our environmental management system and strive to meet environmental commitments.



Dinkle Electric Machinery Management Structure Chart of Environmental Protection Organization

Dinkle Electric Machinery is committed to identifying and examining the potential adverse environmental impacts of its operations. In order to mitigate impacts , We have established the Environmental Factor Identification and Evaluation Management Procedures to identify and control the environmental factors involved in the company's operation to the greatest extent, and have formulated a series of procedures and pollutant emission control standards such as Operation Control Procedures,, Fire Management Standards and Chemical and Oil Management Specifications for key management projects.

2022
Performance

Number of complaints about external environment 0 Number of chemical leakage cases 0

Environmental violation 0 Environmental administrative litigation/punishment 0

❖ Protection of Water

Dinkle Electric Machinery is located in the middle and lower reaches of the Yangtze River network area, and the main river near it is the Wusong River on the north side. The Zhaojiatun section where the town is located is a class III water body, which is not a protected area. The company's water intake comes from municipal water supply, and there is no negative impact on local water sources due to water withdrawal. In order to save water resources, the company has formulated a water-saving system and taken various measures, including increasing water recycling and reuse, rational use of pure water, and urging employees to save domestic water.

Sample

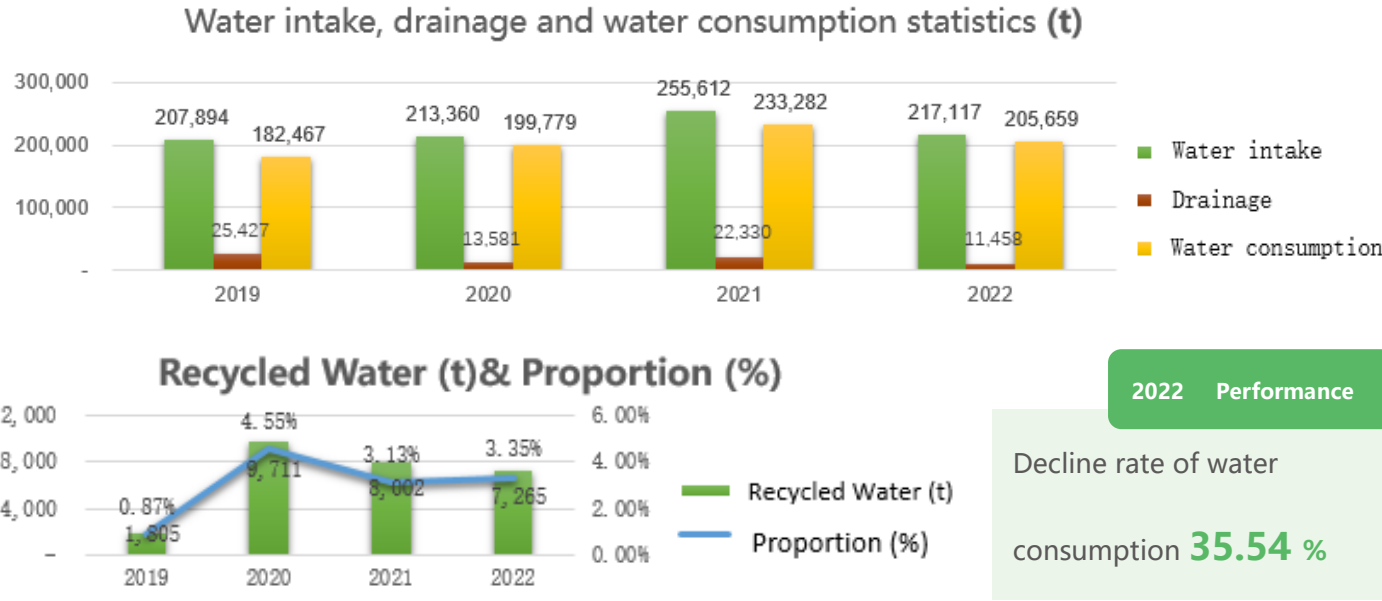
Reclaimed water reuse system

In 2019, the Company introduced water reuse facilities, deploying MCR membrane (effectively remove suspended solids, microfine colloids, organic polymer, etc. from water) and CMF membrane filtration unit. RO membrane group was utilized to ensure that wastewater reaches standard of reuse, and a total of **7,265 tons** of water were recycled in 2022, the proportion of water recycling is **3.35%**.

Sample

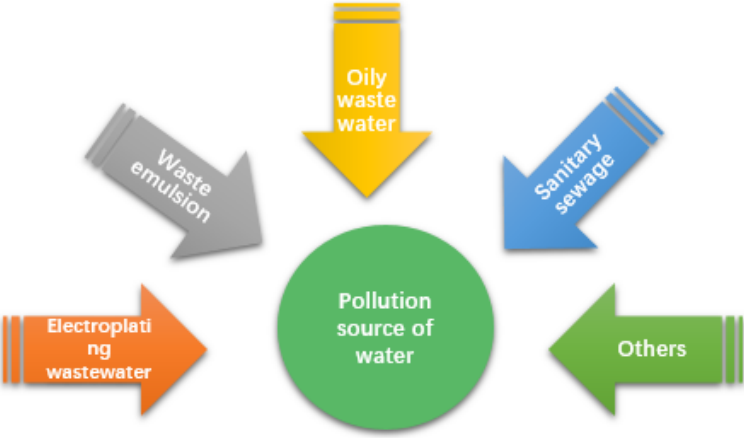
Rainwater harvesting and utilization system

From 2021 to 2023, 600,000 yuan be invested to implement the rainwater collection and utilization project, and a rainwater collection and utilization system with a water storage volume of 460m³ will be built on the reserved lawn of the factory, and the rainwater will be used for greening irrigation and site cleaning, which will reduce the water cost caused by greening and save about **3,000m³** of tap water annually.



Note: Decline rate of water consumption == (previous year's water consumption-current year's consumption)/ previous year's water consumption*100%, the unit is energy consumption in ten thousand yuan of output value.

The industrial wastewater generated by Dinkle Electric Machinery will enter the self-built sewage treatment station, which will be treated by Kunshan Fangyuan Water Treatment Co., LTD. Waste emulsion, coolant and waste electroplating solution were entrusted to qualified companies for disposal as hazardous waste. The company implements rain and sewage diversion, the cooling water discharge into the municipal rainwater pipe network, and the domestic sewage was taken over to Kunshan Qiandeng Kuncheng Water Purification Co., Ltd. for discharge. No industrial wastewater is generated at the West Yuxi Road Operation Site, and its domestic wastewater is discharged into municipal pipe network and tested by the unified arrangement of the plant owner. After the production wastewater and domestic sewage were treated in a centralized manner, the tail water was discharged into the Wusong River. For the impact of groundwater (environmental water) and soil, a qualified third party will take samples to test groundwater and soil pollution every year, and all of them meet the requirements of the standard.



For wastewater discharge control, our company has established Operation Control Procedures and Wastewater Treatment Operation Specifications to standardize operations. All departments will collect all kinds of production wastewater in production according to the requirements, and the wastewater treatment station will be centralized for treatment.

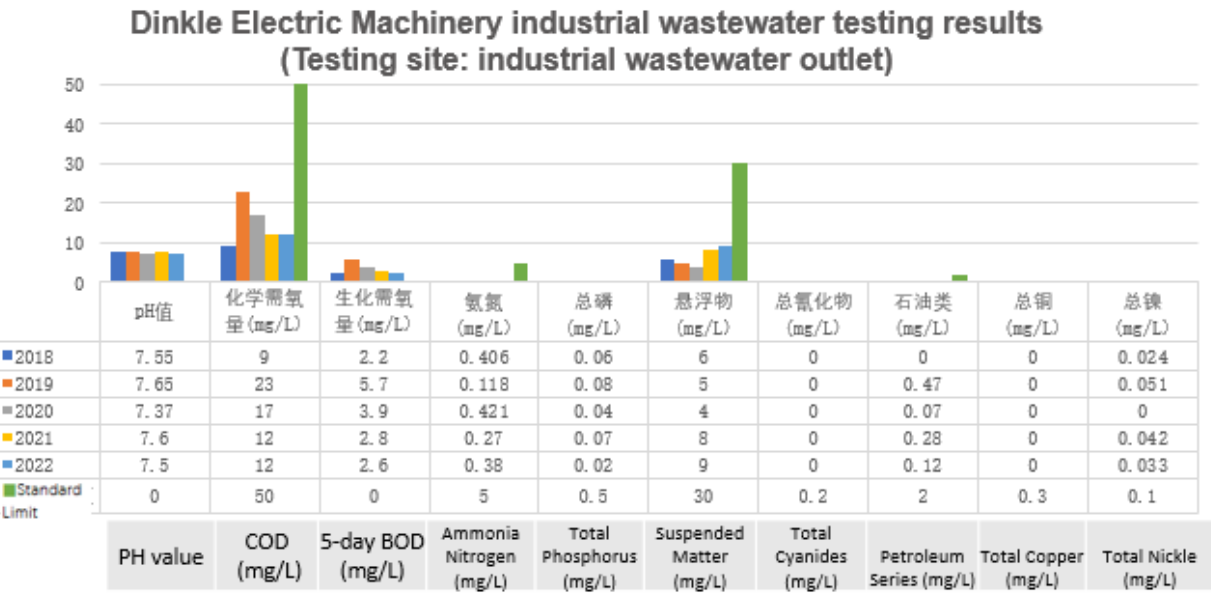
Sample

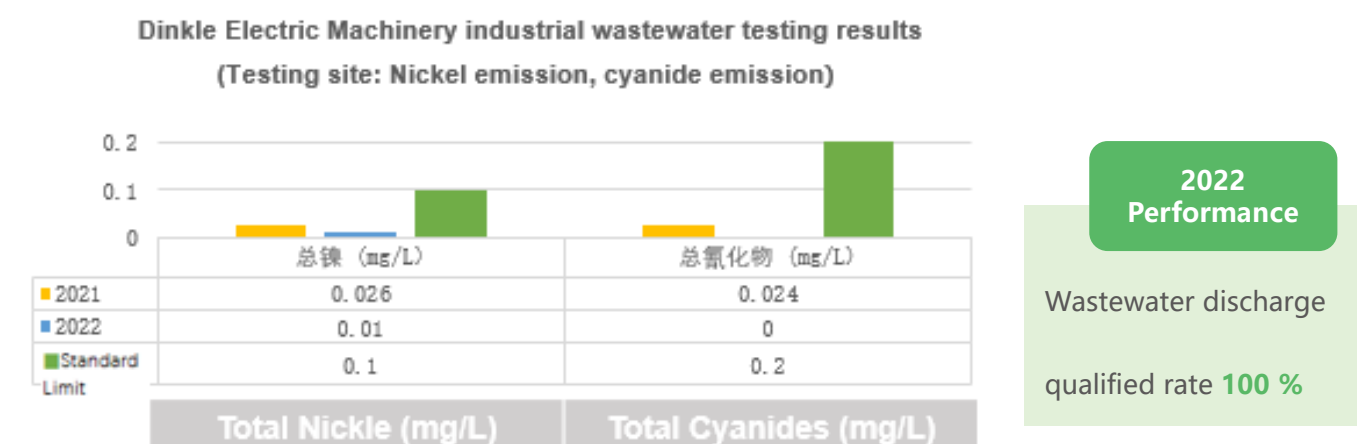
Wastewater Treatment System

The company has its own wastewater treatment station, which treats electroplating wastewater and production wastewater containing release agent and emulsion produced by cleaning products through chlorination and precipitation, with a designed treatment capacity of **160** tons/day.

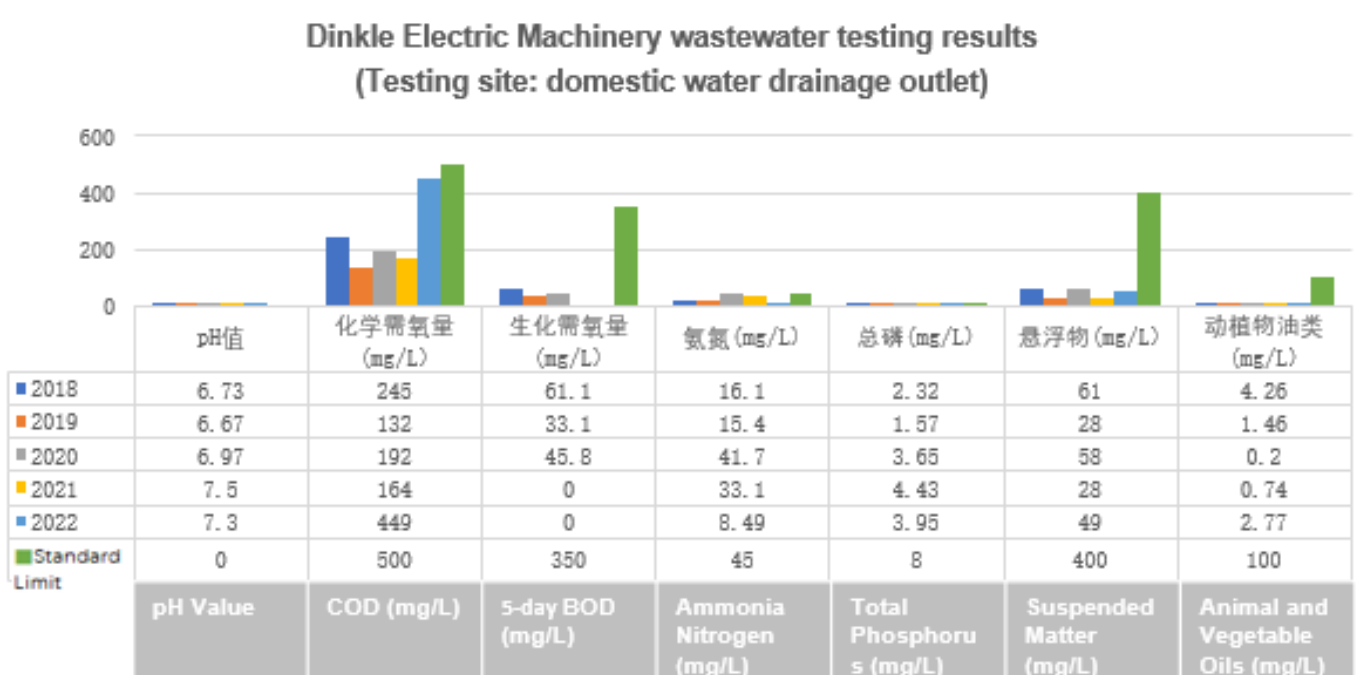
At the same time, an automatic monitoring system for water pollution sources has also been introduced to monitor the contents of COP, Cu, total Ni, total nitrogen, ammonia nitrogen and other contents in wastewater in real time. In addition, offline testing is used to regularly sample and monitor production wastewater, and compare and analyze it with online data.







Note: Note: The detection value of 0 means no detection, the PH standard limit is 6~9, and the Biochemical Oxygen Demand has no standard limit. The implementation standards for industrial wastewater are Discharge Limits of Main Water Pollutants in Urban Sewage Treatment Plants and Key Industrial Industries in Taihu Lake Region DB 32/1072-2018 Table 3 Electroplating industry standards and Discharge Standards for electroplating Pollutants GB 21900-2008 Table 3.



Note: Domestic sewage implementation standards 2018 and before: Wastewater Quality Standards for Discharge to Municipal Sewers CJ343-2010 Table 1 Class B, 2019 and beyond: Wastewater Quality Standards for Discharge to Municipal Sewers GB/T 31962-2015 Table 1 Class B. The detection value of 0 means no detection, the PH standard limit is 6.5~9.5.

❖ Low-carbon and Energy-saving

Dinkle Electric Machinery is fully aware that the earth's climate and environment are deteriorating due to greenhouse gases, it has become common challenges for all mankind to respond to climate change and low-carbon transformation and development. In order to respond to the national carbon peak plan in 2030 and carbon neutrality in 2060 and customer requirements, so that our company's carbon emissions can gradually decline and achieve carbon neutrality in accordance with relevant requirements, DINKLE has set up a carbon emission reduction task force to formulate and continuously optimize the carbon management working mechanism and action path, and comprehensively deploy low-carbon transformation. Set carbon emission reduction targets in 2022: carbon emission intensity (ten thousand yuan output value) will be reduced by 20% compared with 2020.

Carbon reduction strategies

Set up a carbon reduction task force

The cross-departmental carbon emission reduction project team led by the company's top management, who is responsible for the overall planning and implementation of carbon emission reduction related work, clarifying the responsibilities of each member and formulating a detailed project work plan.

Make medium - and long-term plans

Establish short-term, medium-term and long-term emission reduction targets, formulate medium- and long-term action plans, decompose targets year by year for implementation, and formulate corresponding annual plans for each department to implement according to the plan.

Take action to reduce carbon emissions

Each department carries out actions according to the annual carbon emission reduction plan, checks the progress of the completion of the action every month, statistically analyzes the implementation effect of the plan every quarter, and implements dynamic improvements.

Promote carbon data management

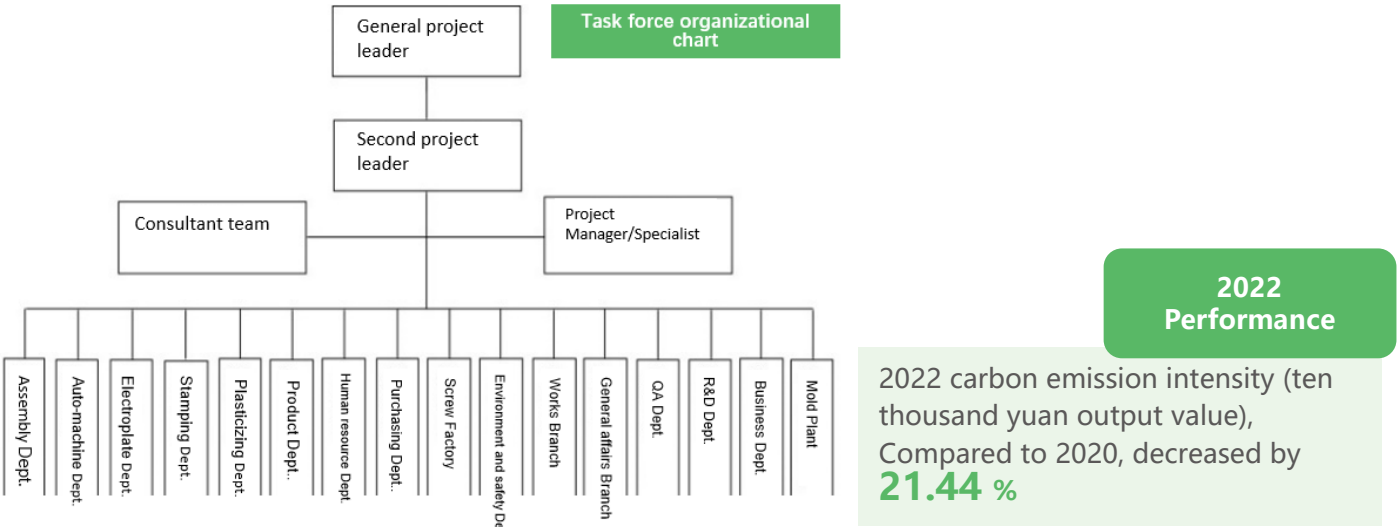
Since 2019, Greenhouse gas inventories have been carried out annually in accordance with ISO14064 standards and reports have been compiled.

Knowledge reserve & talent training

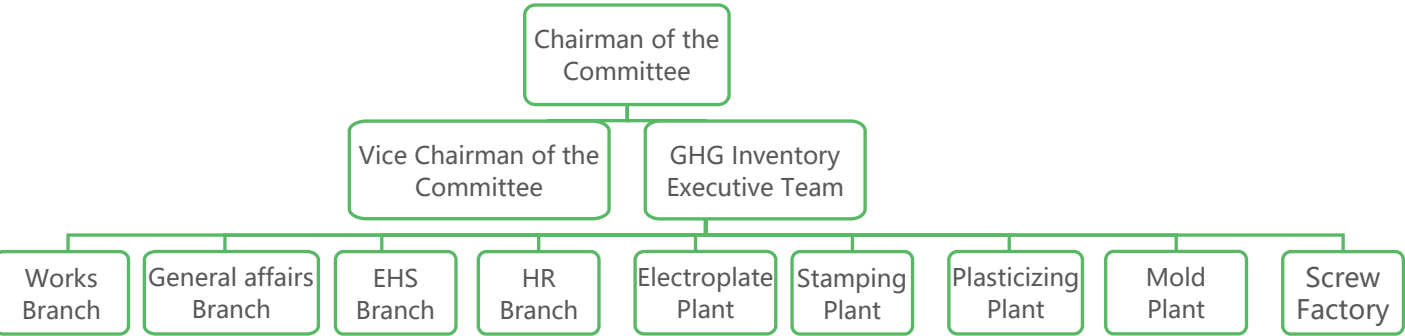
Organize carbon inventory and carbon emission reduction training, and carry out 6 related courses in 2022 to improve the carbon emission management ability of project personnel.

Information disclosure

In accordance with the requirements for internal and external information disclosure, gradually improve the disclosure of carbon emission information. In 2022, the CDP climate change questionnaire was completed for the first time, and the 2021 questionnaire score was C. The 2022 climate change questionnaire has been completed and scoring is in progress.



In order to effectively manage greenhouse gases, we have established relevant documents such as the Measures for the Management of Greenhouse Gas Emissions, regularly conducted greenhouse gas inventory and report preparation, and provided data support for the development of carbon emission reduction projects.



Organizational chart for the implementation of the GHG inventory of Dinkle Electric Machinery

When accounting for GHG emissions, we used the internationally accepted ISO 14064-1:2006 Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals and disclosed GHG emissions for Scope 1 (direct GHG emissions) and Scope 2 (energy indirect GHG emissions). The Greenhouse gas inventory of the two operating sites is carried out regularly.

Greenhouse gas emissions data table							
Scope	Emission Source	Unit	2018	2019	2020	2021	2022
Scope 1 (direct GHG emissions)	Diesel	t CO ₂	161.50	146.49	1.05	0.52	3.17
	Natural gas	t CO ₂	0.00	58.64	210.17	247.79	303.11
	Liquefied petroleum gas	t CO ₂	108.82	96.25	63.74	42.79	25.25
	Methanol	t CO ₂	30.63	30.16	40.26	22.66	46.59

	Acetylene	t CO ₂	0.19	0.08	0.08	0.07	0.05
	Gasoline	t CO ₂	55.07	49.37	29.06	30.40	23.28
	Septic tank, plating wastewater tank	t CO ₂	114.52	98.75	96.19	130.22	120.12
	Cooling medium	t CO ₂	56.10	72.95	51.54	50.47	60.19
	Other fugitive emissions	t CO ₂	0.28	0.13	0.08	0.11	0.12
Scope 2 (energy indirect GHG emissions)	Purchased power	t CO ₂	10378.26	11104.06	12015.10	14206.34	14229.4
Total emissions from Scope 1 + Scope 2	All emission sources	t CO _{2e}	10905.37	11656.88	12507.27	14731.37	14811.28
Greenhouse gas emission intensity of output (ten thousand yuan)	All emission sources	t CO ₂ /ten thousand yuan	0.25	0.27	0.23	0.19	0.18

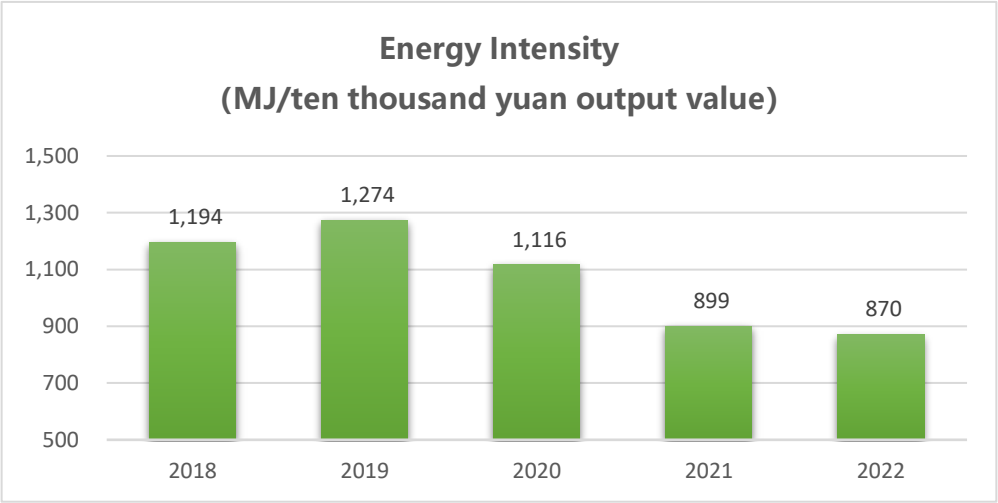
Note: 1. Activity data for 2018 does not include the West Yuxi Road Operation Site.; The Company began using natural gas in 2019; 2. There was a small increase in greenhouse gas emissions in 2022 compared to 2021 due to increased electricity for growing production.; 3. Our company's greenhouse gas emissions are calculated using the “Emission factor method”, and the fugitive amount of refrigerant is based on the fugitive method. The emission coefficients provided by the 2006 IPCC Guidelines for National Greenhouse Gas Inventories were mainly used for calculation, and the purchased electricity was calculated based on the coefficients provided by the National Development and Reform Commission of the People's Republic of China. 4. Other fugitive emissions: (Carburetor cleaner/power cleaner/rust inhibitor/fire extinguisher)

Dinkle Electric Machinery has established the Operation Control Procedure to reduce energy consumption in the production and operation process as much as possible, including reducing equipment idling, reducing unnecessary lighting/heating in the workshop, and replacing inverter energy-saving equipment. At present, the energy consumed in the company's production and operation is mainly gasoline, diesel, natural gas, liquefied petroleum gas, methanol, acetylene and electrical power.

Data Sheet of Energy Structure and Energy Consumption of Dinkle Electric Machinery						
Type	Unit	2018	2019	2020	2021	2022
Gasoline	Liters (L)	23,454	21,029	12,378	12,951	9,918
	Megajoule (MJ)	732,377	656,655	386,514	404,394	309,702
Diesel	Liters (L)	61,736	56,000	400	200	1,212
	Megajoule (MJ)	2,172,360	1,970,522	14,075	7,038	42,652

Natural gas	Cubic meter (m³)	-	24,204	83,774	113,345	138,651
	Megajoule (MJ)	-	942,286	3,261,406	4,412,632	5,397,822
Liquefied petroleum gas	Cubic meter (m³)	34,337	30,372	20,112	13,502	7,969
	Megajoule MJ)	1,723,017	1,524,032	1,009,193	677,520	399,858
Methanol	Kilogram (kg)	22,275	21,937	29,280	16,480	33,880
	Megajoule (MJ)	505,397	497,717	664,334	373,915	768,703
Acetylene	Kilogram (kg)	55	25	25	20	15
	Megajoule (MJ)	2,749	1,250	1,250	1,000	750
Electrical Power	Kilowatt hour (kWh)	12,947,194	13,800,727	15,168,660	17,935,030	17,964,146
	Megajoule (MJ)	46,558,110	49,627,416	54,546,501	64,494,368	64,599,069
Total energy consumption	Megajoule (MJ)	51,694,011	55,219,878	59,883,272	70,370,867	71,518,556

Note: 1. Increased electricity consumption due to increased output;
2. The Company haven't used renewable energy as of yet.;
3. Conversion factors source: China Energy statistical Yearbook 2010, Appendix IV; gasoline and diesel conversion densities source: China National Petroleum Corporation <http://center.cnpc.com.cn/bk/system/2007/08/09/001115560.shtml>.



Note: 1. The intensity ratio takes the amount of energy consumed within the organization;
2. All energy types are included
3. Rate of decline in electricity consumption = (previous year's electrical power consumption ten thousand yuan output value - current year's electrical power consumption ten thousand yuan output value)/ previous year's electrical power consumption ten thousand yuan output value *100%


In order to optimize the industrial structure and energy structure to reduce the carbon emissions generated by energy consumption, control the growth of high energy consumption, and reduce the energy consumption per unit of GDP year by year, our company has gradually implemented measures such as replacing energy-saving equipment, equipment transformation/energy efficiency optimization, production process optimization, production efficiency improvement, energy conversion, and erecting green energy facilities (photovoltaic panel street lights). In 2022, a total of 62 carbon emission reduction actions were completed, with a total effect of reducing carbon emissions by about 898 t CO₂e/year and saving about 1.13 million kWh/year. Below are some of the action records for energy conservation and emission reduction in 2022.

Sample

Replacing energy-saving equipment 1

☑ Replacing the hydraulic injection molding machine (9 sets) with electric injection molding machine, which were expected to save about 130,000 kWh of electricity per year and reduce emissions about 104 tCO₂.

☑ The plastic particle extractor (1 set) was replaced with an energy-saving pelletizer, which was expected to save about 80,000 kWh of electricity per year and reduce emissions about 63 tCO₂.




Sample

Replacing energy-saving equipment 2

☑ The air blowers of the continuous plating line (28 sets) were replaced with energy-saving air-blowers, which were expected to save about 300,000 kWh of electricity per year and reduce emissions about 239 tCO₂.

☑ The replacement of the fixed-frequency air compressor (1 set) with a variable frequency air compressor, which was expected to save about 50,000 kWh of electricity per year and reduce emissions about 38 tCO₂.



2022 Performance

Energy intensity decline **3.25 %**



Rate of decline in electricity consumption **23.02 %**

Sample

Equipment optimization 1

✔ The scrubber is equipped with a split line switch for sub-control management, which was expected to save about 170,000 kWh of electricity per year and reduce emissions about 133 tCO₂.

✔ The frequency conversion parameters of the oil purifier were adjusted, and the annual power saving was expected to be about 50,000 kWh and reduce emissions about 39 tCO₂.

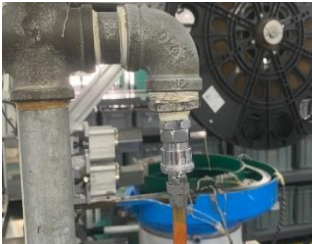



Sample

Equipment optimization 2

✔ The addition of PLC control to the vibrating plate was expected to save about 60,000 kWh of electricity per year and reduce CO₂e emissions by about 47 tCO₂.

✔ Check the leakage of equipment, replace the pipe joint/hand valve, etc., which were expected to save about 50,000 kWh of electricity per year and reduce emissions about 41 tCO₂.



Sample

Process optimization


✔ Shorten the output time per unit of product, improve product production efficiency, and save about 20,000 kWh of electricity per year and reduce emissions about 15 tCO₂.

✔ The development of two sets of molds to improve product production efficiency, which were expected to save about 30,000 kWh of electricity per year and reduce emissions about 23 tCO₂.

Sample

Daily management

✔ No lights are turned on in uninhabited areas, and natural light is used during the daytime, which is expected to save about 70,000 kWh of electricity per year and reduce CO₂e emissions about 58 tCO₂.





❖ Exhaust gas and Noise

For exhaust emission control, the company has established a series of procedures such as *Operation Control Procedure*, *Scrubber Operation Specification*, and *Waste Gas Treatment Equipment Operation Specification* and so on to standardize the operation. The exhaust gas produced includes electroplating exhaust gas, canteen fume, boiler exhaust gas, etc. The West Yuxi Road Operation Site

Sample

Waste gas treatment system: scrubber tower


The electroplating workshop is equipped with 4 sets of waste gas treatment systems, 3 sets of hydrochloric acid mist waste gas treatment system, and 1 set of hydrogen cyanide waste gas treatment system. The hydrochloric acid mist and hydrogen cyanide are treated by the neutralization scrubber and then discharged through the exhaust cylinder. The production site is equipped with an induced air device, which is linked with the production line switch system to ensure that the environmental protection facilities are turned on after operation, and warns and reminds when the environmental protection facilities are abnormal.



Sample

Waste gas treatment equipment


Waste gases during injection molding, printing, cleaning, and pump tablets were collected through pipelines, and were adsorbed by second activate carbon and discharged in an organized manner through a 15-meter-high exhaust cylinder.



Sample

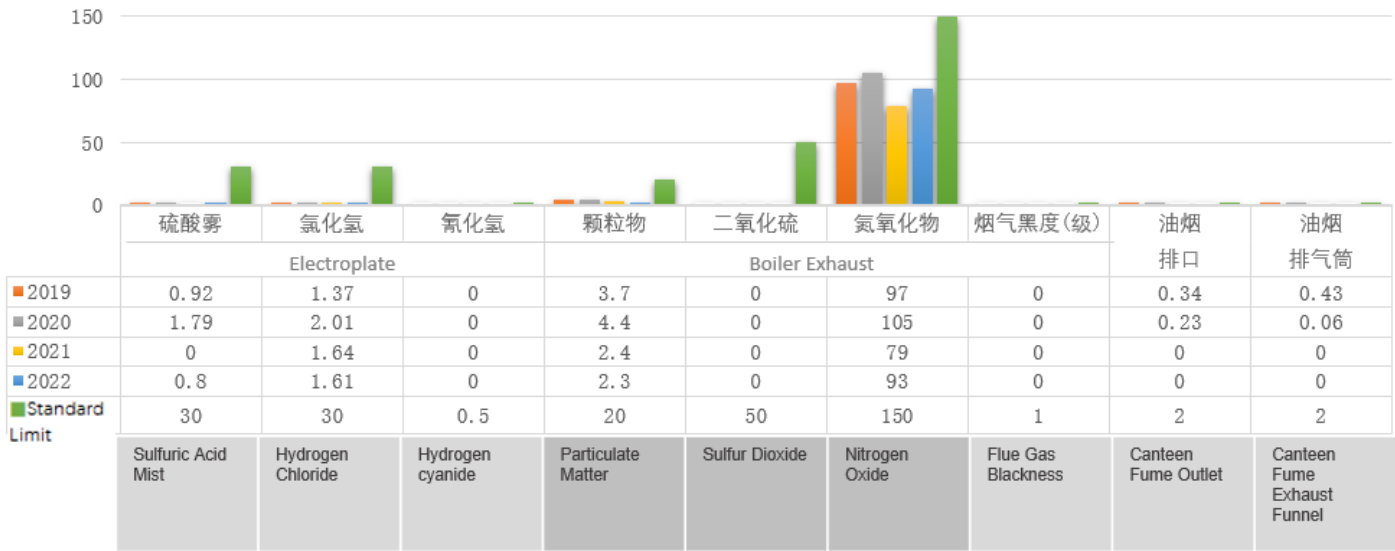
Oil fume purification equipment

The first branch adopted oil fume purification treatment equipment, erects the collection pipeline on the machine, and used activated carbon to filter and collect the oil fume and discharge.



does not generate exhaust. In order to effectively control the exhaust gas, Dinkle has set up an exhaust gas treatment system, through the operation of induction system, air washing device, activated carbon adsorption and other technical means, as well as strengthening daily inspection and maintenance and other management methods, and regularly monitoring the exhaust gas to ensure the environmental compliance of the exhaust gas discharge.

Dinkle Electric Machinery exhaust gas testing results
(mg/m³)



Note: 1. A value of 0 indicates no detection; 2. The implementation standard is Electroplating GB21900-2008 Table 5、Boiler GB13271-2004 Table 3 gas boiler、Cooking Fume GB18483-2001 table 2; 3. The company does not produce and use solvent-based coatings, inks and adhesives with high VOCs content.

We manage all noise sources, consider the environmental performance of new equipment upon procurement, to reduce noise and protect health and safety of employees. Vehicle noise and construction noise in the company area are strictly managed. A third party is commissioned to monitor the noise at the plant boundary every year, and the monitoring results turn out in line with relevant national requirements. No complaints of noise nuisance were received during the reporting period.

The noise source of the company is mainly the noise generated by the operation of various production machinery, such as presses, grinders, milling machines, pumps, fans, etc. The noise value ranges from 65 to 85 dB(A). At present, there are various measures to reduce the noise of production equipment through sound insulation, vibration reduction of the base, noise reduction, reasonable layout and reservation of sufficient attenuation distance, etc., so as to ensure that the noise at the boundary of the enterprise meets the requirements of the three types of standards of the *Environmental Noise Emission Standard for Industrial Enterprises at the Boundary of the Plant* (GB 12348-2008).

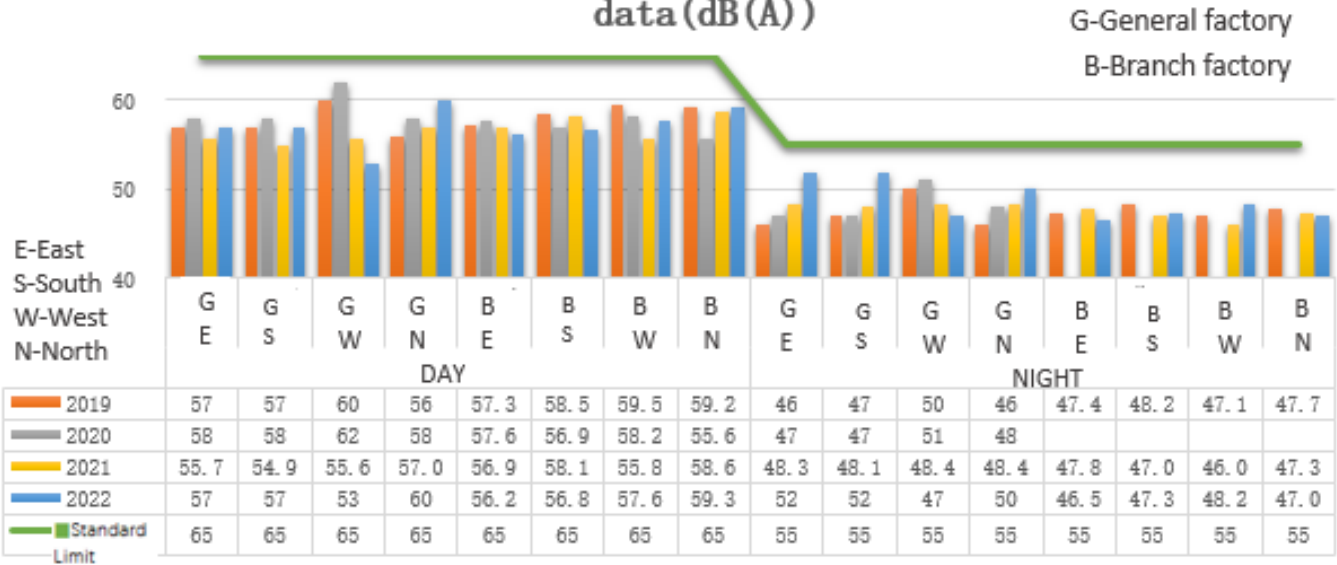
- (1) Reasonable layout, select low noise equipment in the equipment selection.
- (2) Place noisy devices indoors and use walls to prevent noise diffusion and propagation.
- (3) Set up the corresponding muffler on the pneumatic noise equipment.
- (4) Set up a separate foundation or take vibration reduction measures for the equipment base with large vibration, and take flexible connections between the strong seismic equipment and the pipeline to prevent the harm caused by vibration.

Sample

Soundproofing

Acoustic enclosures are installed on the production equipment to reduce noise.

Dinkle Electric Machinery noise monitoring data (dB (A))



Note: The test location is 1m outside the factory boundary

❖ The Green Materials

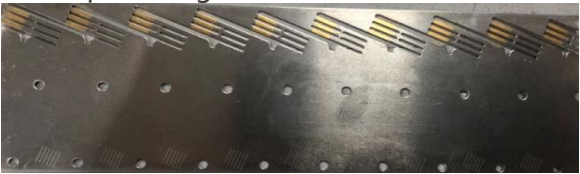
Dinkle advocated the use of green craft, reduced the consumption of raw materials, and promoted the recycling of raw materials and packaging materials. Our company has formulated the *Continuous Improvement Operating Procedures* to encourage all departments to realize the recycling and reuse of input materials by optimizing processes and technologies, using environmentally friendly raw materials, reducing the resource and energy consumption of products and materials, replacing harmful and toxic raw materials with less harmful and toxic raw materials, and adopting a cleaner production model to reduce the generation of hazardous waste and toxic substances.

Sample

Reduction of raw material consumption

Plastic material heads validation, granule extraction and recycling for some products and utilized on standard products, 11 material numbers have been completed for introduction, with a total recycling volume of 124.58 tons.


Optimized the spot-plating fixtures for some products, adjusted the universal wheel to a special spot-plating fixture to avoid non-functional area plating, and reduced the redundant plating area so as to reduce the consumption of gold salt.



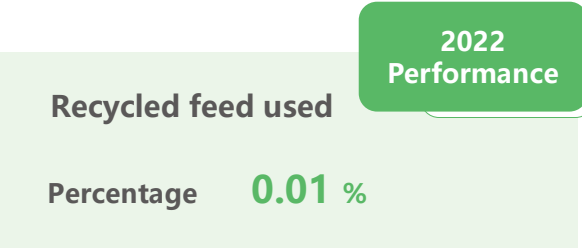
Sample

Shipment packaging improvement

Carton cost is high, as well as the number of recyclable turnover is low, and the storage and transportation process is prone to pressure and deformation. Replacing carton packaging with wooden crates and partitions for stackable products shipped from Liyang, saving 67,920 pcs of carton consumption in 2022.



The materials used in the company's production mainly include copper, iron, plastic particles, hardware parts, electronic parts, packaging materials, etc., all of which were purchased from external suppliers, with a total of 8,418.5 tons of various materials in 2022. Some of the packaging materials were made from recyclable packaging materials, and the total amount of material involved in 2022 was 1.25 tons. Since the production products are sold to the customer and assembled as components, the company itself cannot carry out the recycling operation, and the recycling situation of the customer cannot be counted due to insufficient data.



❖ Waste Management

For proper management and disposal of waste, Dinkle Electric Machinery has established and implemented a set of waste management systems, such as *Solid Waste Management Code*, and strictly complies with the requirements of laws and regulations for treatment, storage, collection, transport and disposal of waste in an environment-friendly manner.

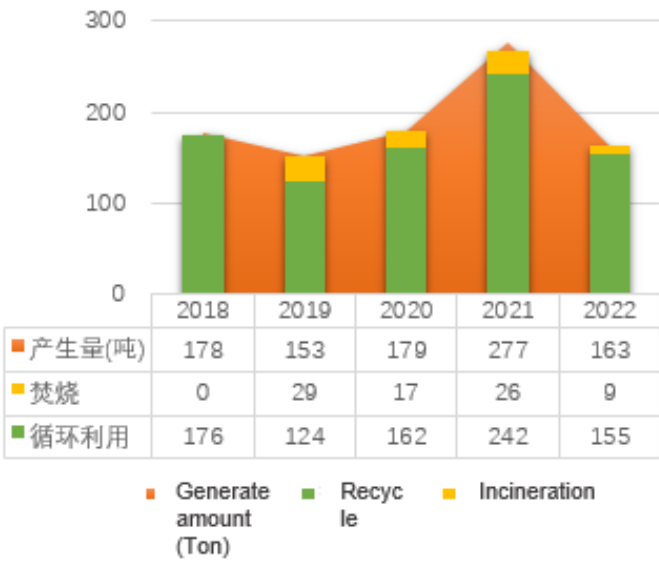


Our company has 2 temporary storage areas for hazardous waste and 1 general industrial waste dump, and strictly in accordance with the *Interim Measures for the Management of Hazardous Solid Waste in Jiangsu Province*, *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2001) and its modification list and *Hazardous Waste Pollution Placement Technical Policies* of the relevant provisions of the storage and management of hazardous solid waste. From the perspective of the complete life cycle of hazardous waste, including the entire chain of generation, collection, storage, transportation, utilization and disposal, the use of intelligent integrated technology, regular tracking and closed-loop supervision of waste.

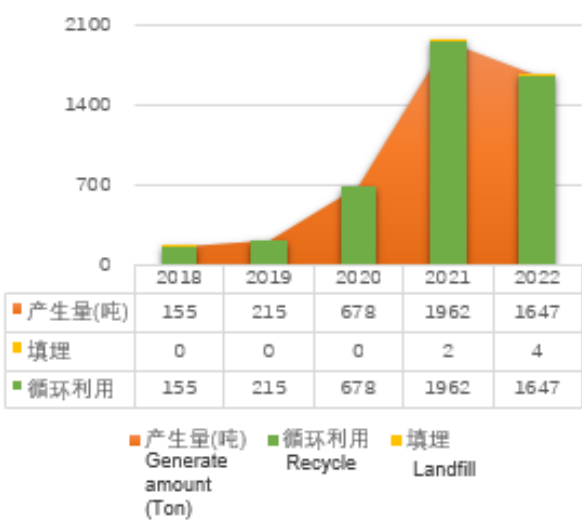
Hazardous waste	<ul style="list-style-type: none">Including waste emulsion, waste oil, oil-containing cartridge, waste electroplating cotton core, nickel-containing sludge, etc.There are special storage areas, which are systematically managed by professional hazardous waste management personnelEntrust a qualified unit for disposal
Recyclable	<ul style="list-style-type: none">Including metal scraps, waste plastics, waste packaging materials, etc.Each department plans a fixed collection site for various types of waste, using the company's unified collection deviceEntrust qualified units for recycling
Unrecyclable	<ul style="list-style-type: none">Entrust a qualified unit for disposal
Domestic waste	<ul style="list-style-type: none">Regular sanitation clearance

According to the unified requirements of the Kunshan Environmental Protection Bureau for the management of hazardous waste disposal, the company strictly implemented the online declaration system, classified collection and compliant storage in conjunction with the company's list of solid waste, and conducted hazardous waste safety training for relevant personnel, through the disposal of environmentally qualified disposal units. The company's existing waste storage, utilization and disposal are all managed in a standardized manner, with plans, declarations, qualifications, labels, classifications, transfers, pre-arranged plans, accounts and records.

Hazardous waste statistics(tons)



General waste statistics (tons)



Note: 1. there was no energy recovery for incineration here; 2. among the general waste, the data of recyclable waste will be collected from May 2020.

Sample

Renovation of garbage sorting facilities

During 2022, the original garbage sorting area in the living area was renovated, equipped with standard four-category garbage cans and maintained regularly, and after the renovation of the facilities, on-site supervision and classification training were strengthened, so that the factory environment was improved, and a total of 445 tons of classified garbage were sorted in 2022.



2022 Performance

Reduction rate of hazardous waste generation 44.09 %

Hazardous waste recovery rate 94.31 %

General waste recovery rate 99.73 %

Note: Reduction rate of hazardous waste generation = (previous year's ten thousand yuan output value of hazardous waste - current year's ten thousand yuan output value of hazardous waste)/previous year's ten thousand yuan output value of hazardous waste *100%

Biodiversity Protection

Kunshan has fertile soil, fast-growing plants and a wide variety of species. With the development of social economy, the ecological environment of the region has gradually transformed and evolved from agro-ecology to industrial ecology and urban ecology. Kunshan forest tree class has bamboo, pine, plum, mulberry, etc., ornamental tree species is increasing to agarwood as a treasure, among them, Guelder Rose for the pleasure; wild medicinal plants have more than a hundred species, among them, the two-blossoms lotus for the precious; a wide variety of wild animals, including the Yangcheng Lake hairy crabs are famous at home and abroad.

Biodiversity is an important part of maintaining ecological balance. Although it is not located in or near a protected area, Dinkle Electric Machinery continues to pay attention to and work for the harmonious development of human beings and nature. The plant has a large grassy area, the roads are lined with trees, and the favorable ecological environment has attracted egrets to roost here.

Sample

Garbage classification theme activities

In order to improve the awareness of garbage classification among employees, increase the publicity of garbage classification. At noon on August 24th, our company launched the publicity activity of "Garbage classification, starting from me", advocating more employees to participate in the practice of garbage classification. Through this activity, employees can experience the concept of "garbage classification, starting from me", starting from themselves, starting from their side, everyone does it, purifying the environment, and building a green factory.



Sample

Soil protected area

Dinkle regularly manually mowed and weeded, no pesticides were sprayed and no industrial fertilizers were used, and the structure of the soil is not broken down, so an ecological soil oasis has naturally formed over time.

So egrets, hedgehogs, waterfowls and other small animals are attracted here one after another, stopping, staying, playing, they choose to make their home here, and become a real "aboriginal" of this piece of protected land.

In the future, we will continue to uphold the development concept of green environmental protection, for the construction of ecological environment in Qiandeng to make the enterprise's due contribution.



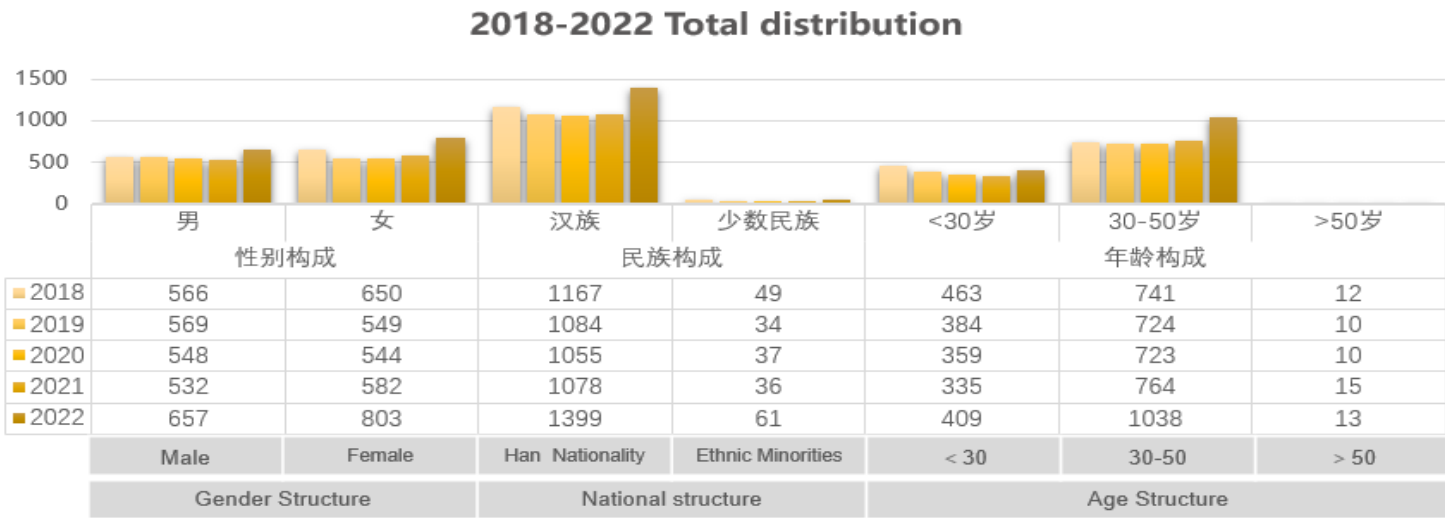


**VII. People Oriented and Harmonious
Development**

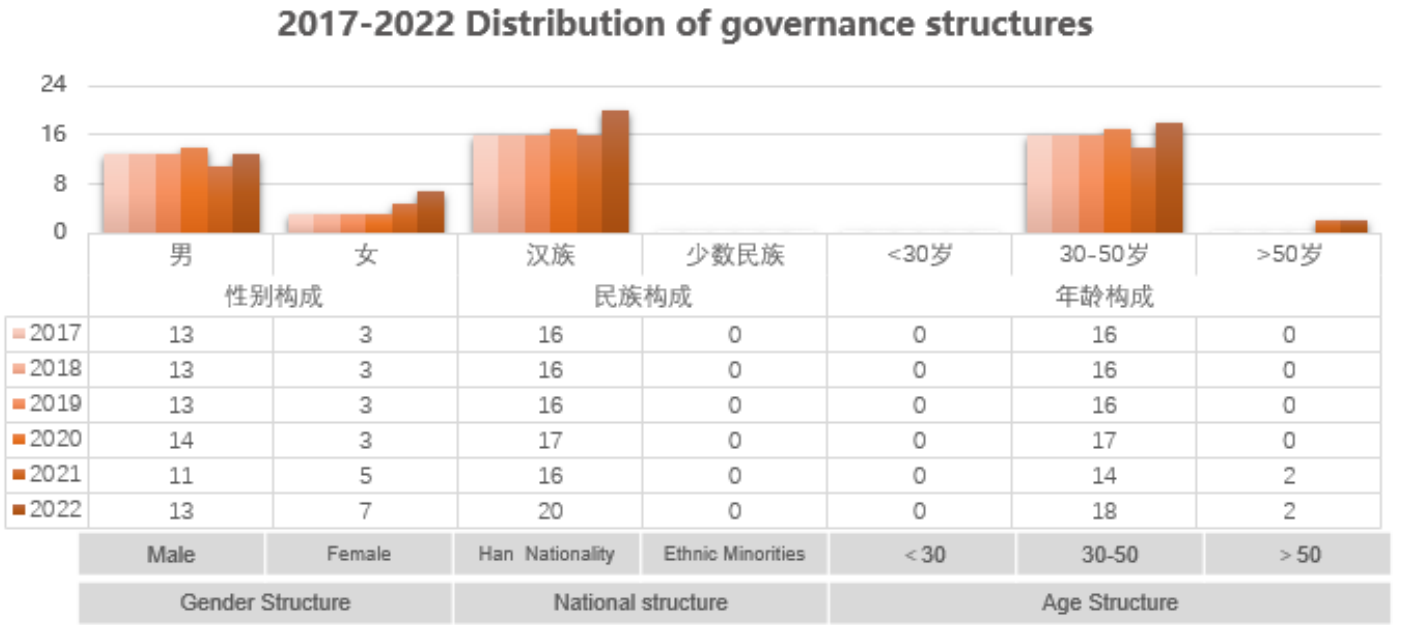
Employment Relations	69
Safety Production	77
Training and Development	84
Harmonious Community	87
United efforts to fight the pandemic	88

❖ Employment Relations

In terms of staff recruitment, Dinkle Electric Machinery complies with the *Civil Code of the People's Republic of China*, the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other relevant legal requirements, establishes internal documents such as *Human Resource Management Procedures* and *Recruitment Management Measures*, and upholds the recruitment principles of openness, equality, competition and merit. HR Department is responsible for professional talents recruitment through various social channels such as comprehensive and professional recruitment websites, employee recommendations, and recommendations from intermediaries, job market, and campus recruitment without any discrimination whatsoever. In order to protect the legitimate rights and interests of workers, all employees fostering labor relations with Dinkle Electric Machinery are required to sign a written Full-time Employment Contract on the day they report for duty.



Note: 1. The above number of employees was counted as the number of employees who have signed a labor contract directly with the company, including the number of governance organizations;
2. 13 ethnic minorities including Zhuang, Yi, Yao, Uygur, Wa, Tujia, She, Qiang, Miao, Manchu etc.;
3. Due to the official use of the second phase of the plant and the addition of corresponding positions, the number of employees will increase in 2022

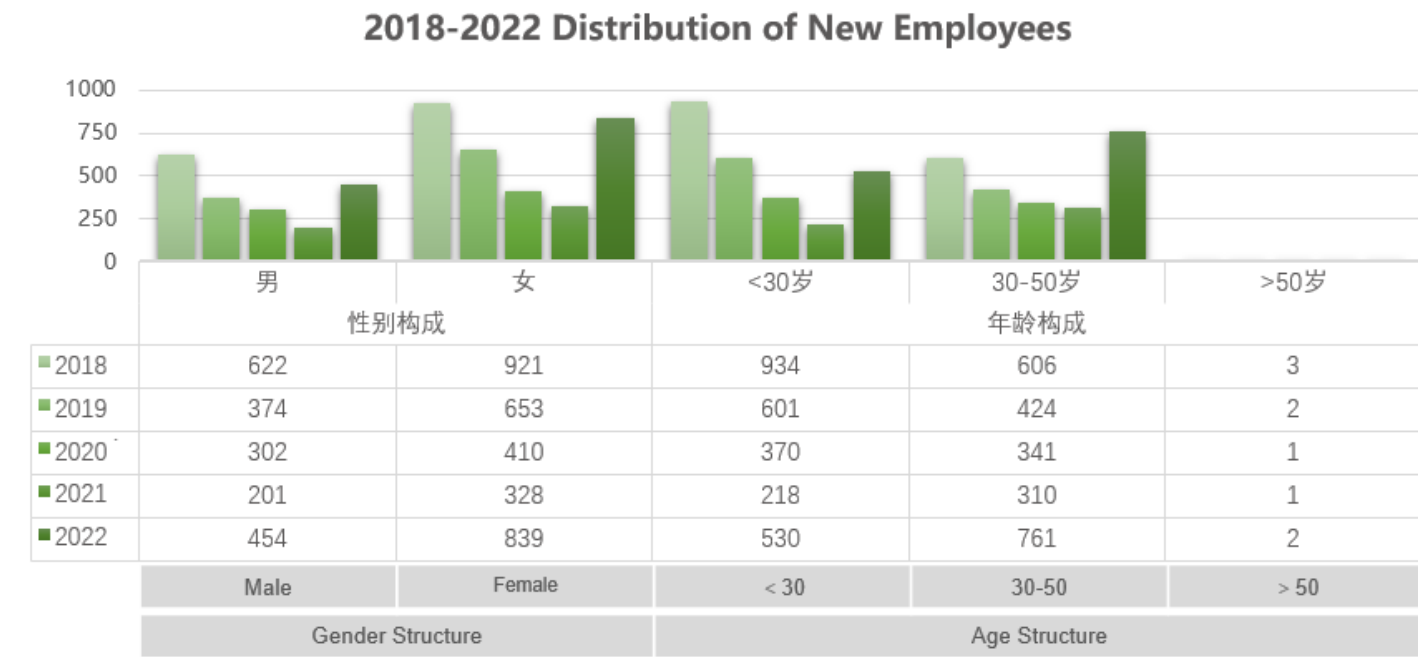


2022 Performance

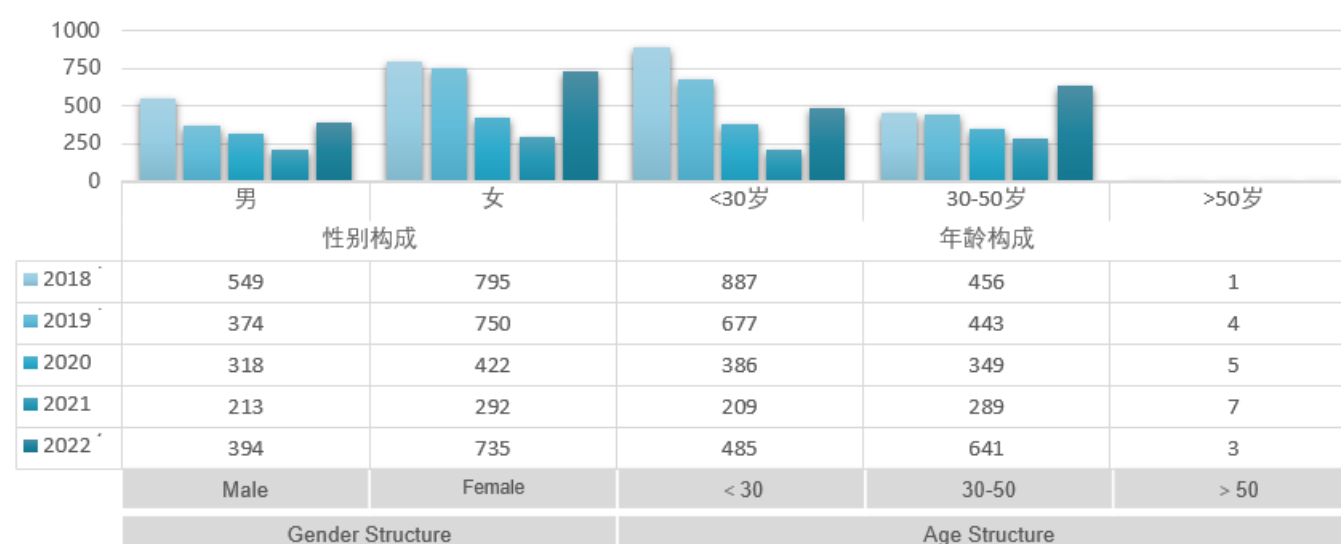
Total employees **1460 person** (All were formal worker, part-time employee **0** , dispatched worker **0**)

In governing level, **35.0 %** were women, ethnic minorities were **0 %**, **10.0 %** were over the age of 50, local employees rate **50.0 %**

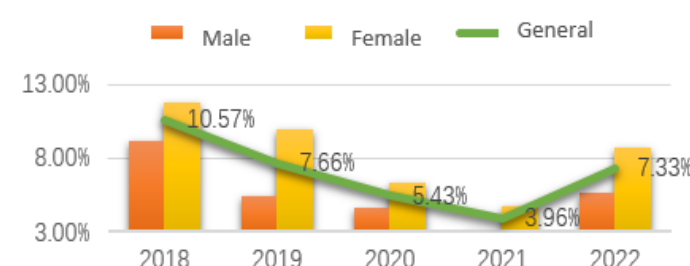
Note: The statistical caliber of the governing level was: management (inclusive) level or above (excluding Taiwanese cadres, because Taiwanese cadres have not signed contracts with Kunshan), local refers to Kunshan.



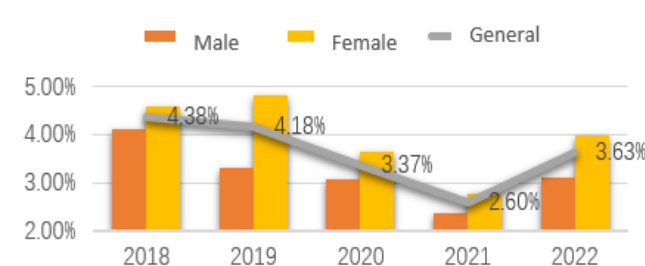
2018-2022 Distribution of Employees Turnover



Employee Hiring Rate



Employee Turnover Rates



Note: 1. Hiring rate of male (female) employees = total number of new male (female) employees during the reporting period / 12 / total number of male (female) employees in service at the end of the reporting period;

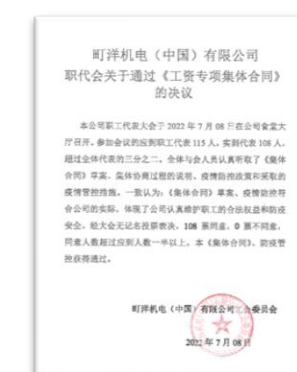
2. Male (female) employee turnover rate = total number of male (female) employees who left the Company during the reporting period / 12 / (total number of male (female) employees who left the Company during the reporting period + total number of male (female) employees in service at the end of the reporting period).

2022 Performance

Total number of new employee **1293 person**

Employee Hiring Rate **7.33 %** Employee Turnover Rates **3.62 %**

In order to further protect the legitimate rights and interests of employees and build a harmonious and stable labor relationship, Dinkle Electric Machinery established a labor union and formulated a Collective Contract in accordance with the Trade Union Law of the People's Republic of China, the former Ministry of Labor and Social Security's Provisions on Collective Contracts and Jiangsu Province Ordinance on Collective Contracts, signed between the Company and Dinkle Electric Machinery Trade Union. The agreement stipulates that when the Company formulates, modifies or decides on rules and regulations or major matters directly affecting the vital interests of employees, such as labor remuneration, working hours, rest and leave, labor safety and health, insurance and welfare, employee training, labor discipline and management of labor quotas, they shall be discussed by the staff representative assembly or all employees, who shall put forward their opinions on the proposal, and the Company shall discuss and determine the matter on an equal footing with the trade union or trade union representatives. In the process of implementing the rules and regulations and decisions on major matters, the trade union or its representatives may propose to the Company for amendment and improvement through consultation if they consider them inappropriate. The Company has also developed an Employee Manual to facilitate the clarification and communication of corporate policies. Revisions to the Manual will be communicated to employees in a timely manner through employee communication channels such as announcements, emails, and employee representative meetings.



In July 2022, the Staff Congress adopted a resolution on the *Wage special collective Contract*

In terms of contract termination, the Company is required to terminate the employment contract after giving one month's written notice in advance to the employee, or after giving appropriate compensation in accordance with labor regulations, except in some cases where the employee seriously damages corporate system, or is involved in discipline or leakage of secrets.

In terms of salary and benefits, the Company has proposed four major principles of strategy, fairness, incentive and economy, in addition to the principles of distribution according to work and equal pay for equal work. A year-end bonus will also be awarded at the end of the year based on annual business performance and the results of the individual's annual appraisal. In addition, the Company provides overtime pay, night shift allowance, high temperature allowance in summer in

accordance with the regulations of Jiangsu Province, and environmental allowance for employees working in electrician sections, printing teams and plating sites. The Company pays social insurance and housing provident fund for employees on time, and employees are entitled to paid annual leave, sick leave, marriage leave, parental leave and other leave according to the law.

Dinkle Electric Machinery Parental Leave for 2022	Male	Female
Total number of employees entitled to parental leave in 2022	666	804
Total number of employees on parental leave in 2022	9	28
Total number of employees due to return to work after 2022 holiday season	9	28
Total number of employees returning to work after 2022 holiday season	9	28

2022 Performance

Return to work rate 100 %

Retention rate 100 %

Note: 1. Return to work rate = total number of male (female) employees returning to work after parental leave / total number of male (female) employees due to return to work after parental leave;

2. Retention rate = total number of male (female) employees still in service at the end of the reporting period / total number of male (female) employees who returned to work after parental leave during the reporting period.

With regard to the protection of employees' rights and interests, the Company strictly abides by the provisions of the Labor Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Provisions on Special Protection for Minor Workers, the Provisions on the Prohibition of Child Labor, the Trade Union Law of the People's Republic of China and other laws and regulations, and has incorporated the concepts of respect for human rights, anti-discrimination, protection of freedom of association and collective bargaining rights, prohibition of child labor and prohibition of forced labor into its daily management and various systems, and formulated a series of internal management procedures, such as the Management Measures for Child and Minor Workers, the Management Measures for Prohibition of Discrimination, the Management Procedures for Prevention of Forced Labor, the Management Measures for Free Association, the Management Procedures for Prohibition of Harassment and Abuse, and the Management Measures for Anti-Human Trafficking, so as to prevent any incidents that undermine employees' basic rights of employees.

Anti-discrimination	<ul style="list-style-type: none">The Company require that no employee shall be discriminated in the recruitment and hiring process (such as wages, promotions, rewards and training opportunities) because of race, cooler, age, gender, sexual orientation, gender identity and gender expression, race or ethnicity, disability, pregnancy, religious beliefs, political affiliation, membership in associations, military service status, protected genetic information or marital status.The Company prohibits sexual harassment on the premises or in the office and prohibits requiring employees to undergo discriminatory medical examinations under any circumstances.
Child labor protection	<ul style="list-style-type: none">The Company avoid child labor through multiple channels such as recruitment age information review, creation of employee files, and reasonable anonymous reporting.The Company also has special remedial measures to ensure that child labor can be stopped as soon as it is discovered, and that the medical expenses, transportation and accommodation costs incurred for the health check-up and safe return of the child labor are borne by the Company, and that the child is escorted back to his/her place of residence where his parents or guardian reside.
Freedom of association, Collective bargaining	<ul style="list-style-type: none">Dinkle Electric Machinery always insists on guaranteeing the right of employees to participate freely in associations and societies. Within the company, the union or employees are encouraged to set up societies on their own initiative, such as dance club, yoga club, badminton club, etc., to enrich their spare time. The Company has established a comprehensive communication mechanism, whereby the company conducts collective negotiation with employees on equal footing through trade union, and agreement reached in the negotiations will be followed up by trade union. During the reporting period, corporate collective bargaining agreement coverage rate was 100%.
Prohibition of forced labor	<ul style="list-style-type: none">The Company strictly prohibits any personnel of any department from inflicting corporal punishment, beatings, body searches and other humiliating acts on employees, and any personnel of any department from forcing employees to work by means of violence, threats or illegal restriction of personal freedom,And from withholding personal documents, requiring employees to provide guarantees or collecting property from employees in other names.
Complaint handling	<ul style="list-style-type: none">When an employee's rights are violated, the employee may appeal the facts in accordance with internal procedures through both public (direct face-to-face meeting) and non-public (written form) grievances within the Company. The employee grievance processing period is usually three months, and the results of the grievance processing are recorded and filed in the Employee Grievance Book. Head of HR is responsible for following up on the incident and any major incidents related to this may be further dealt with by convening a staff representative meeting.
Annual inspection	<ul style="list-style-type: none">At the beginning of each year, the Company establishes an Annual Labor Human Rights Monitoring Plan to monitor labor ethical risks in terms of free choice of occupation, education and training, prohibition of child labor, working hours, humane treatment, and non-discrimination, etc. The Labor Ethics Committee will monitor in accordance with the plan and record it in the Daily Labor Human Rights Monitoring Form.

In order to further strengthen the attention and awareness of all employees on human rights, the Company has also arranged targeted training on social responsibility for employees, especially to enhance awareness and knowledge of the prohibition of discrimination, harassment and abuse, child labor, forced labor, and the protection of female workers and minor workers at all levels within the department.

2022
Performance

Coverage of training on Labor human rights for employees 100 %

Coverage of training of security personnel on Labor human rights 100 %

Labor human rights impact assessment site coverage 100 %

Violations of labor rights such as discrimination, child labor and forced labor occurred 0

Point of operation coverage with local community engagement/impact assessment 100 %

Operations that have a significant negative impact on the local community 0

According to the laws and regulations such as the *Special Rules on the Labor Protection of Female Employee*, *Regulations Concerning the Labor Protection of Female Staff and Workers in Jiangsu Province* and other relevant provincial and municipal regulations, after equal consultation, the company and the labor union signed *Special Collective Contract on Special Protection for Female Workers*, which covers all female staff to provide multiple protection for the rights and interests of female staff, and establish the *Employee health protection management procedures* to clarify the protection requirements of female employees during the "fourth period".



Dinkle Electric Machinery reserves a special breastfeeding area for female employees

Activity

38 Glamour Goddess Festival

On March 8, the company prepared a holiday gift for female colleagues, chocolate rose sweet delivery ~



Activity

Professional women quality class

At 1 PM on August 25, the professional women's quality class - Coffee latte training jointly organized by the thousand Lamps Town Trade union and our company officially kicked off.



Dinkle Electric Machinery provides employees with a high-quality and safe workplace and an ecologically sound factory environment. At the same time, the Company pays attention to enriching the spare time of employees and is committed to fostering a relaxed and pleasant atmosphere in this regard. Our company has held activities such as the Lantern Festival, Lantern Festival Night Tour, Tanabata Festival, Christmas Party & Birthday Party, New Year's Greetings and other activities to support employees to expand their spare time, so that employees can work happily and live a healthy life.

Activity

Lantern Festival Celebration

The willow tops on the moon, people about after dusk, and the lanterns are like day. Litter dinkle prepared a "Lantern Festival Joy Party" at the Dinkle Cafeteria for the employees stay in factory. Guess lantern riddles, throw pots and make lanterns skillfully, wrap Lantern Festival, eat, drink and have fun, and have a happy Lantern Festival.



Activity

2022 Kunshan Lantern Festival on both sides

On the evening of September 26, our company and the Federation of Trade Unions of Qiandeng Town organized the 2022 Kunshan Lantern Festival Night Tour on both sides of the Taiwan Strait.



Activity

Mid-Autumn Festival Gifts

During the Mid-Autumn Festival, the chairman of the board of directors in Taipei sent Mid-Autumn Festival blessings to the town family, and the small greeting card carried the good wishes and hopes of the chairman of the board, bringing warm strength to the town family! So that everyone can taste delicious mooncakes while admiring the moon.



Activity

Christmas Party & Birthday Party

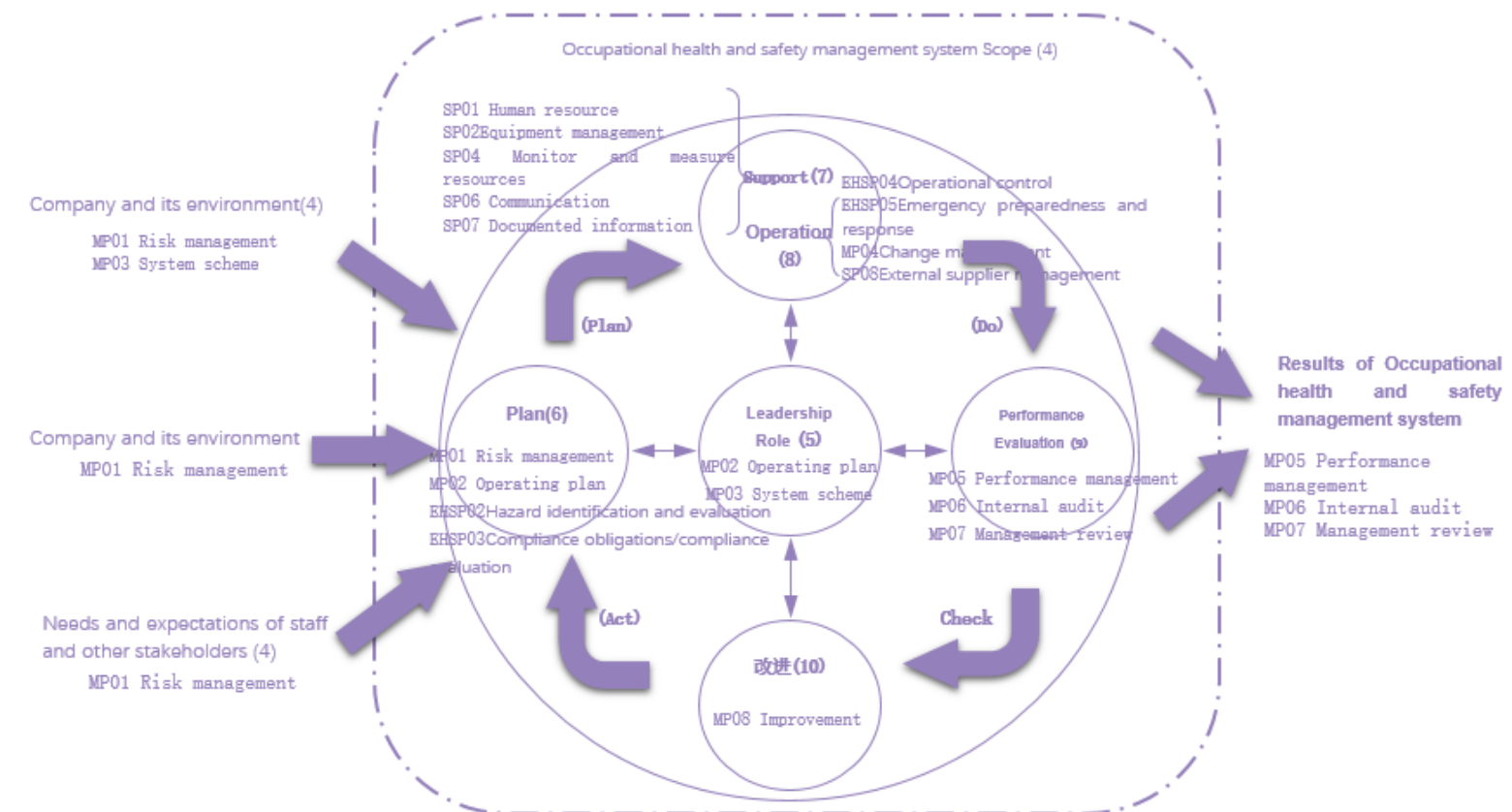
In the cheerful Christmas melody, a warm Christmas party & birthday party will come to the Dinkle Joy Hall on Christmas Eve.



❖ Safety Production

In terms of operational management, Dinkle Electric Machinery prioritizes occupational health and safety of its employees. Currently, the company has passed ISO 45001 Occupational Health and Safety Management System certification, and in 2019, we were awarded the title of Level 2 Enterprise (Light Industry) of Safety Production Standardization by Jiangsu Production Safety Association. The Company complies with the Work Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Measures for the Administration of Contingency Plans for Work Safety Accidents and other national laws and regulations and industry safety standardization guidelines, and has developed a relatively complete occupational health and safety management system, which includes occupational health and safety objectives, organization, laws and regulations and systems, education and training, operation and management, occupational health, emergency readiness and response and other management systems and corresponding management systems.

Occupational health and safety management system Operating Chart

2022
Performance

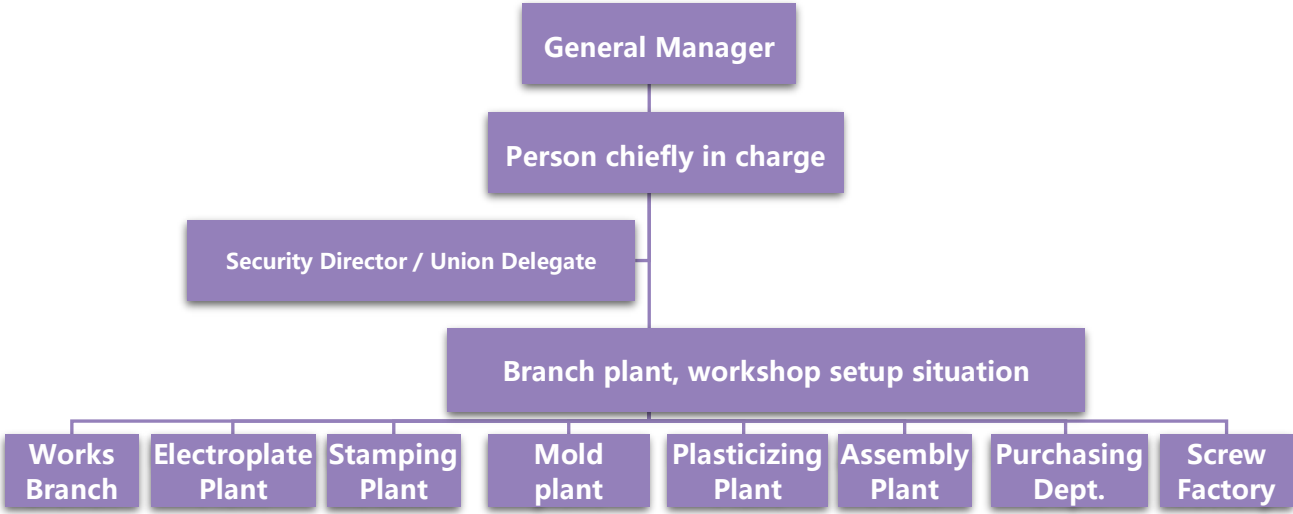
Covered by the management system audited by the internal (external) department

proportion **100 %**

We have formulated the occupational health and safety management policy of "People-oriented, occupational health, continuous improvement, and safe production", and ensured all employees understand and implement occupational health and safety policy by means of documents, announcements, and bulletin boards. At the same time, occupational health and safety policy of the Company is publicized through the Company website and notification letters, and is accessible to interested parties alike.

A safety committee has been set up to establish, implement and maintain the system. Our employees, as the most important participants in health and safety matters, are also actively involved in the management of health and safety, with seven health and safety-related issues covered by the

Company's collective negotiation agreement with the trade union, representing 16.28% of the total number of issues; It also gives employees the right to negotiate on rules and regulations directly related to the vital interests of employees or major matters such as labor remuneration, working hours, rest and vacation, labor safety and health, insurance and benefits, employee training, labor discipline and labor quota management



Dinkle Electric Machinery Safety Committee Structure

Our company has established the *Hazard Identification, Risk Assessment and Risk control Management Procedures*"; And we conducts hazard identification, risk evaluation and determination of necessary controls on an annual basis. Documented occupational health and safety objectives have been developed based on the requirements of laws and regulations and other requirements, risk assessment, optional technical options, financial/operational and operational requirements, and views of relevant interested parties.

- ❖ Strengthening fire-fighting management to avoid fire of all kind;
- ❖ Strengthening safety management to avoid major work-related injuries accidents;
- ❖ Strengthening labor protection to avoid occupational diseases.

	Male	Female	Total
Mortality from work-related injuries	0	0	0
Serious consequences work-related injury rate	0	0	0
Injury rate per million hours worked	3.52	0	1.54
Working day loss ratio	195.77	17.26	95.19
Absence ratio	0.24%	0.02%	0.12%
Serious accident rate of lost hours	2.36	0.22	1.17

2022 Performance

Number of fires 0

Number of poison 0

Injury expense 1280yuan/season

Note: 1. Work-related injuries in this table refer to: Circumstances treated as work-related injuries as defined in the People's Republic of China on Regulation on Work-Related Injury Insurance; The main types of work-related injuries are crushing and crushing, and there are no serious consequences of work-related injuries and deaths; 2. Million-hour injury rate = Total number of injuries/number of hours worked * million; 3. Working day loss ratio = Total days lost/total hours worked in the reporting period* million 4. Absence ratio = total days lost / total days worked during the reporting period 5. Serious accident rate of lost hours = Number of days lost due to work-related injuries / actual total hours worked * 1000

While creating a safe working environment, Dinkle Electric Machinery focuses on enhancing health and safety awareness of its employees and creating a harmonious working atmosphere. All new employees are required to receive no less than 24 hours of Three-level Safety Training at the Company, workshop and shift levels, and special operation personnel are trained in accordance with the requirements of relevant laws and regulations and are only allowed to work after passing relative exams. The Company organizes annual training on fire-fighting safety knowledge, employee occupational health and safety, first-aid and others, and ensures that health and safety awareness of all employees is strengthened through internal training across all departments. In addition, for project outsourcing or construction personnel, the General Management Department will conduct qualification inspections for project outsourcing or construction units and personnel, and the Environmental Safety Division will conduct safety training for engineering outsourcing or construction personnel before they can take up their posts.



2022/1/22 Safety training for resumption of work after the holiday (left)



2022/6/20 Special training on chemical safety (right)

In order to strengthen safety management and promote safe production, Dinkle Electric Machinery has established a series of operational control procedures, including *Facility and Work Environment Management Procedures, Environmental Safety Inspection and Hidden Hazard*

Correction Management Specifications, Chemical Oil Management Specifications, and Hazardous Work Regulations. Every year, in response to the call of the national “Safety Production Month”, we launch and organize relevant activities within the company, including mobilization of all staff, training, exercises, safety knowledge quiz and hidden danger investigation. The activities are mainly based on the hidden hazard investigation, where departmental self-inspection, mutual inquiry and mutual inspection across departments, random inspection by activity command office, and patrol inspection led by corporate principal are organized. Focus on the detailed and comprehensive inspection of safety facilities, fire protection facilities, safe electricity use, protective equipment, etc. of various departments.

Sample

“Safety Production Month” & “Safety production journey” Themed activities

On June 7, 2022, Dinkle organized a mobilization meeting for the theme activities of "Safety Production Month" & "Safety Production Journey", with the theme of "Complying with the Safety Production Law and Being the First Responsible Person". The company's safety department conveyed the plan of the 2022 safety production month activity to all employees, and elaborated on the content and specific scoring rules of the activity. At the end of the mobilization meeting, all participants signed the security banner together. In the afternoon of the same day, the Environmental Safety Division also organized a mobilization meeting for the safety month among the department/group-level cadres of various departments.


After a month, Minister Wang, the general person in charge of safety production, summarized the overall situation at the summary and commendation meeting of the safety production month and the safety production 10,000 miles. After the meeting, the safety director awarded prizes to the outstanding personnel in the activities such as "Safety Knowledge Prize Competition" and "Safety Hazards, I Contribute a Plan for Safety" during the Safety Production Month.



Sample

The equipment equipped with safety light curtains


Two sets of corresponding safety light curtains were added to the automatic assembly equipment to ensure the safety of personnel during the operation of the equipment.



Sample

Automatic loading replaces manual labor

Automatic loading device were added to the centrifuge to remove the manual feeding link and avoid potential safety hazards in the manual handling process.



The Company is committed to providing a healthy and safe work environment for its employees, eliminating hazards at work, and preventing and responding to potential threats that may endanger health and safety of corporate employees. Occupational disease hazards involved in corporate production and operation are: Dust, chemicals (including benzene), noise and radioactive factors.

The Company has established a sound occupational health management system, including Management System for Employee Health Protection, List of Hazardous Positions, Employee Registration Form for Occupational Hazardous Positions, and Management Specification for Personal Protective Equipment, etc. Priority is given to the use of advanced production processes, technologies and non-toxic (hazardous) or low-toxic (hazardous) raw materials to eliminate or reduce occupational hazardous factors such as dust and toxic. Annual monitoring of occupational hazard factors in workplaces is conducted and the results are posted on the bulletin boards of each department so that all employees are aware. The Company has established an employee occupational health monitoring file, and when a contract is signed, it informs of occupational disease hazards for certain positions; at the same time, occupational health checkups will also be in place before starting work, during work and after work. The Company regularly conducts training on occupational health and provides employees with appropriate labor protective equipment that meets national standards.

2022 Performance

Conduct health and safety training 11 times

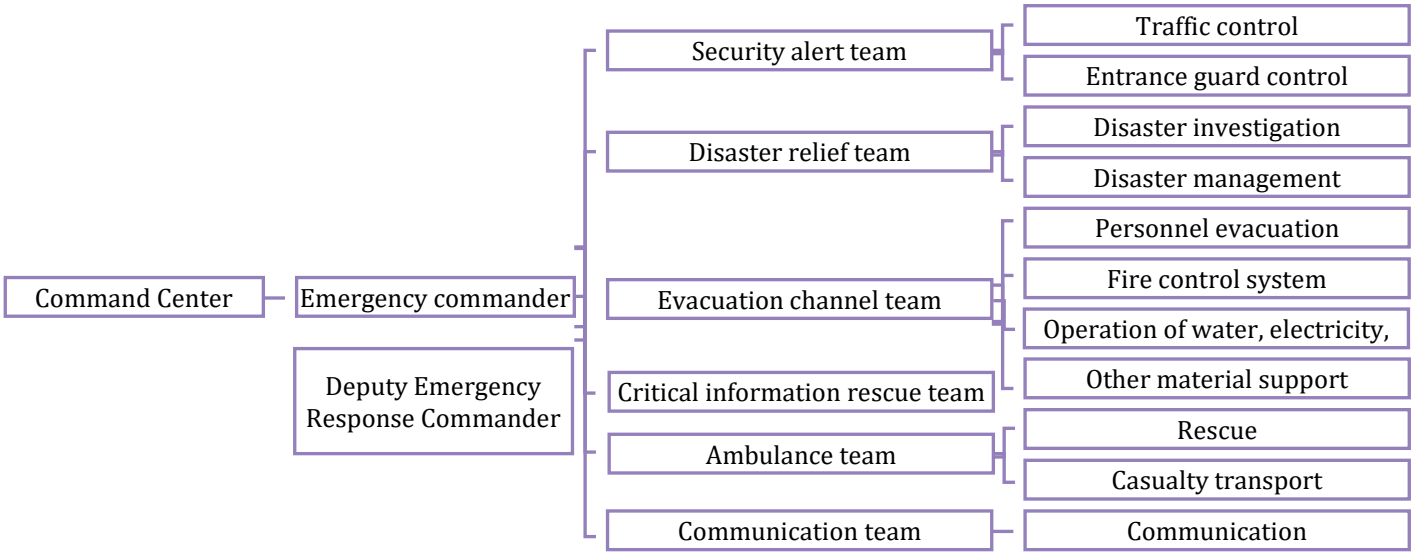
Check for potential safety hazards 214 items

Physical examination rate of personnel in occupational hazard positions 100 %

Number of people with occupational diseases 0

Rectification rate hazards 100 %

In accordance with Emergency Preparedness and Response Management Procedure, the Company has established an emergency response team with clearly defined job responsibilities. The Company has prepared comprehensive and special emergency plans and ensured emergency management accordingly.



Organizational Chart of Dinkle Electric Machinery Emergency Response Team

In order to improve the self-rescue and mutual rescue level of employees in the event Xi of an emergency, the company has held fire drills twice a year since 2019, covering the factory area, living areas, day and night shifts, and invited the fire department of Qiandeng Town, Kunshan City to provide on-site guidance.



Fire-drill of factory



Use and practice of fire extinguishing equipment

Night evacuation exercise

At the beginning of each year, the company formulates a schedule for various emergency plans such as chemical leakage, special equipment, fire, food poisoning, high temperature and heat stroke, etc., and conducts emergency drills and summaries according to the plan, and updates the emergency plan in a timely manner.



Chemical leakage emergency drill



Elevator malfunction emergency drill



Food poisoning emergency drill



High temperature emergency drill

Carry out emergency drill **26 times**

2022 Performance

❖ Training and Development

Employees are corporate assets and prime-movers of corporate development. Dinkle Electric Machinery has built a broad platform and scientific training system to explore the potential of employees and help them develop, so that employees can explore their own value and grow with the company at the same time. Our Company has formulated special *Training Management Measures* and established a 5-in-1 systematic learning platform of "Special Classes + LMS + Public Classes + External Training + Internal Departmental Training", coupled with mentoring mechanism and on-the-job training, to cultivate talents in all aspects.

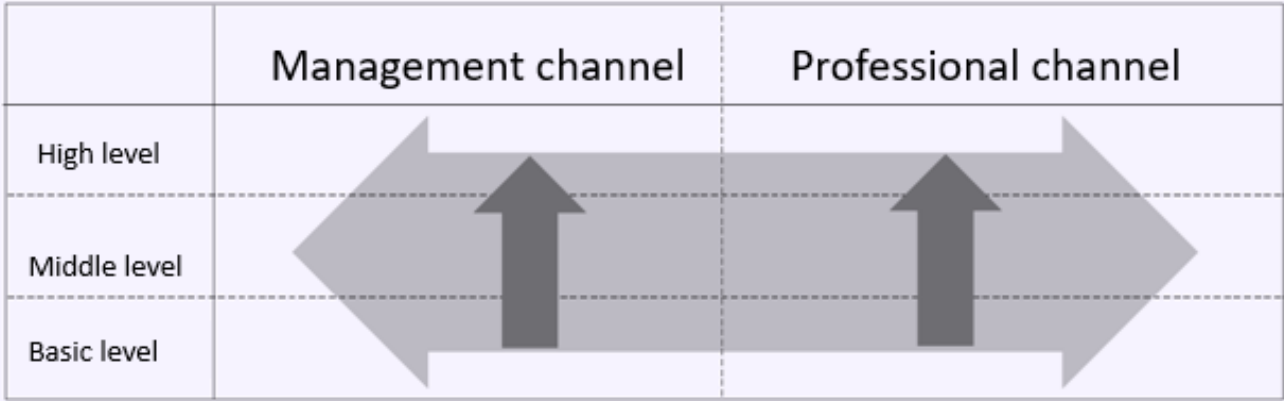
Special Classes	<ul style="list-style-type: none">Based on corporate talent development needs, offered to corporate management personnel (senior, middle and junior level), key staffs, newcomers and specific needs, such as: General onboarding orientation, TTT (Training the Trainer to Train), special training classes for key staffs, skill upgrading classes for team leaders, training courses for preparatory cadres, etc.
LMS system	<ul style="list-style-type: none">Created by Dinkle Group HQ, it contains a wealth of online learning resources. The Company has set up a computer classroom so that employees can take courses via LMS during their spare time.
Public Classes	<ul style="list-style-type: none">In order to guarantee that all employees have the opportunity to participate in training organized at corporate level, the Company offers some public courses in addition to special classes, such as: General courses in corporate culture, safety, health, environmental protection, professionalism, vocational skills, hobbies and other types of courses are available for interested employees.
External Training	<ul style="list-style-type: none">This includes, but is not limited to, participation in public courses, professional courses, exchanges or seminars, academic advancement, special operations qualification training, etc., conducted by external entities.
Internal Departmental Training	<ul style="list-style-type: none">Each department is required to draw up at the end of each year an Annual Departmental Internal Training Schedule for the next year based on the operational needs and the concepts, attitudes, knowledge and skills required for departmental jobs, and the schedule shall be implemented as planned. Departmental training needs to ensure that all personnel in the department have the opportunity to attend training.

Collection of training activities

Sample



In order to broaden the career development channel of employees, provide employees with a clear career development direction, and eliminate career bottlenecks, Dinkle Electric Machinery has established a two-way career development path. Employees can be promoted vertically and step by step in the "management channel" or "professional channel", and can also be promoted horizontally to the corresponding positions and levels across channels or sequences in a certain position level in one of the channels or sequences.



Dinkle Electric Machinery 2022 Employee Training			
Classification		Average number of hours of training received per employee per year	Percentage of employees who receive regular performance and career development appraisals
By Gender	Male	16.73	100%
	Female	16.73	100%
By Employee Category	Formal	16.73	100%
	New staff	27	100%
Average number of hours of training received per employee per year		19.88	

2022 Performance

Training transaction rate **100 %**

Note: 1. Average number of hours of training per male (female) employee per year = total number of hours of training during the reporting period x ratio of male (female) employees/total number of male (female) employees;;

2. The average number of hours of training for new employees is estimated as follows: All new employees are required to have a total 24 hours safety trainings at company, workshop and shift levels, and regulations training for hours.

❖ Harmonious Community

While developing and forging ahead, Dinkle Electric Machinery is committed to its corporate citizenship, returns to society what it has obtained, and insists on fulfilling its obligations as a corporate citizen. Passion for public welfare has always been part of the corporate culture of the entire Dinkle Group. The Group promotes social welfare activities from top to bottom, practicing Dinkle Group's unchanging belief in public welfare with practical actions.

Over the years, the Company has actively participated in community construction, contributed to serving the community, caring for the community, promoting community development with practical action, and work together with the whole community as a member.

99 Charitable donation

"99 Charity Day Charitable donation" was an annual national charity event jointly initiated by Tencent Philanthropy and hundreds of non-profit organizations, well-known enterprises, celebrities and top creative communication agencies. Each user donation of not less than RMB 1 will have the opportunity to receive a random amount of matching donations provided by the Tencent Foundation, and all donations will be directed to help the needy groups in Jiangsu. On the 99 Charity Day in 2022, in the special session of rural revitalization in Jiangsu, the Dinkle team completed a total of 428 donations, with a total donation of 13,106 yuan. Love donations allow warmth and love to be passed on in the town.



Sample

St. Raphael Opportunity Center Long-term sponsorship

St. Raphael Opportunity Center is a welfare organization located in Tainan, Taiwan, serving infants and children with developmental problems and people with mental or multiple disabilities. Founded in 1974, the center currently employs nearly 100 staff members, serves more than 250 clients, and provides community-based services (employment counseling, vocational assessment, community stronghold services, etc.) for about 1,000 visits a year. The center is committed to providing individualized education, training and rehabilitation services to enable people with mental disabilities to explore their potential, enhance their ability to care for themselves independently, integrate into society, and participate in community life.

In order to ensure a daily supply of organic vegetables at noon for over 100 mentally challenged children at the St. Raphael Opportunity Center, since 2018, Dinkle, based in Taipei, has been in collaboration with Taiwan's Aka Organic Farm to deliver fresh, non-toxic organic vegetables twice a week, with seasonal vegetables such as mushrooms. Dinkle helps to alleviate financial pressure of the center through long-term sponsorship, protect children's health, and provide assistance to disadvantaged groups and welfare organizations to the extent possible.



Sample

Picture and text excerpted from: https://straphaelold.iware.com.tw/event_news_detail.php?nid=925

Comfort in hot weather and send relief supplies

On the morning of 2022.7.14 , Dinkle carried out a high-temperature condolences and coolness activity to pay tribute to the strivers who stick to their front-line posts. Zhou Yuchan, Minister of the General Management Department, Jin Hua, Chairman of the Trade Union, Li Chunfeng, the leader of the trade union, and the company's management personnel braved the scorching heat to send cool condolences and thank you banners to the front-line personnel of Shipu Police Station, Qiandeng Fire Squadron, Power Supply Station, Comprehensive Administrative Law Enforcement Bureau (Safety Supervision Entrance), Comprehensive Administrative Law Enforcement Bureau (Environmental Protection Entrance), Social Security Bureau and Federation of Trade Unions, hoping to bring them a little coolness in the middle of summer.



Sample

❖ United efforts to fight the pandemic

Since 2020, the instability of personnel caused by the large-scale infectious diseases brought about by the epidemic has become an urgent problem for every enterprise to solve——how to successfully overcome a series of challenges brought by the new crown epidemic, how to resume work and production while ensuring the health and safety of employees and such questions?

Upon receipt of COVID-19 notification, according to Emergency Readiness and Response Management Procedures formulated by the company, we quickly kicked off an emergency plan, set up a leading group for prevention and control of infectious diseases in Dinkle with a team composed of the principal, head of the General Management Department, and heads of workshops/departments, and set up an epidemic prevention command center thereof, consisting of trade unions, personnel, general affairs, environmental safety, medical and nursing, workshop supervisors, and working group of employee volunteers. Dinkle Epidemic Prevention Command Center was quickly established on February 3rd 2020 , and each prevention and control emergency personnel clarified their respective responsibilities within a short period of time, carried out prevention and control of the epidemic, and formulated a series of policy measures such as management system for the entry of epidemic personnel, management system for those who stay at work in the factory, management system for health declaration and morning inspection of employees, and management system for discarded masks for better implementation of related work. More than 50 volunteer employees from various departments fought on the front line of the epidemic, from temperature measurement to sanitation

and disinfection, from access management to publicity and education, contributing to epidemic prevention and control efforts with practical actions.

On April 26, 2022, after many major inspections, Dinkle Electric Machinery became the first batch of enterprises to return work in Qiandeng Town. Since the outbreak of the epidemic, Dinkle Electric Machinery has formed an epidemic prevention and control team, in accordance with the unified arrangement of the municipal party committee and government, with the policy of silent management, from fully closed management to resumption of work and production in batches, epidemic prevention and control and enterprise production were grasped with both hands, and the stable and orderly development of the enterprise was combined with the normalized epidemic prevention and control. Meanwhile, with the full support of the board of directors, the unremitting efforts of the epidemic prevention team and the guidance of the investment personnel of Qiandeng Town Government, and with the help of corporate big data monitoring platform, Dinkle Electric Machinery finally effectively prevented and controlled the epidemic through the "Four in place" and the original "Three characteristic prevention and control measures".

Prevention and control mechanisms in place

- To further implement the prevention and control of the epidemic during the work resumption, more than 50 employee volunteers from the development department, stamping factory, plasticizing factory, electroplating factory, screw factory, business department, product department, quality assurance department and other departments and factories persisted to be responsible for 20 corporate employees each during the epidemic, supervised the employees to take their body temperature 3 to 4 times a day, checked whether each person filled in the health file faithfully every day, and strictly implemented one-person-one-file record in the system.



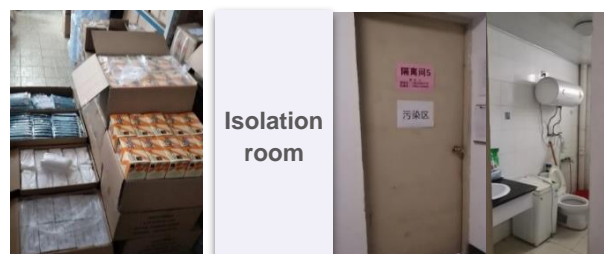
Staff screening in place

- Because of confined and semi-confined work environment, factories and businesses are at high risk for COVID-19 infection. In order to eliminate the risk of "import" and the first pass into the factory, the company has set up monitoring points at each gate to check the personal protection of all employees entering and leaving the factory, and to check the Su Kang code and travel code of each person entering and leaving the factory.



Facilities and materials in place

- In response to the epidemic, Dinkle Electric Machinery was equipped with sufficient materials for epidemic prevention, such as masks, disinfectant, thermometers, etc. in proper storage, and equipped with isolation rooms, so that if any employee had an abnormal condition during work resumption, he or she could be sent to the isolation room at once for diagnosis by professional medical personnel.



Internal management in place

- The staff canteen is positioned, divided into batches, and staggered rows to ensure a safe distance around the dining area, and the dining seats are marked with purple, green, blue, and red colors, corresponding to the names of employees and marked with colors for easy identification, so that employees can go to their exclusive seats and eat at ease during the designated time, make it easy for the meal delivery volunteers to quickly identify relevant positions with each batch isolated in different rows to ensure a safe distance from neighboring colleagues.
- The company's epidemic prevention and control staff will arrange special personnel to be responsible for comprehensive disinfection of staff dormitories, canteens, office buildings, conference rooms, toilets and other densely populated areas at a fixed time period every day.
- For foreign vehicles, truck drivers and passengers need to declare information on the "Kunshan Citizen (Lulutong)" APP in advance, and the vehicle must be disinfected first when it arrives, strictly check the truck driver's electronic pass, require the truck driver not to get off the car unless necessary, and set up a receiving and delivery static area outside the factory area, and the goods can be transported into the factory area by loading and unloading personnel after comprehensive sanitization, reducing personnel contact and all-round protection.

Positioned Dining



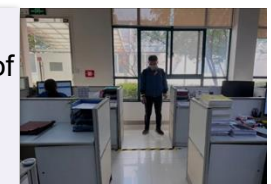
Divided Dining



Disinfection of common areas



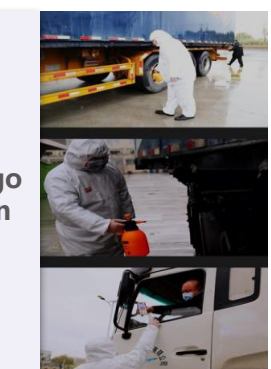
Disinfection of offices



Lulutong online report



Vehicle cargo disinfection




Not only that, the young people of Dinkle Electric Machinery were also charging at the front line of the fight against the epidemic, supporting the community, serving colleagues, up to nucleic acid testing and sampling, and down to sending "heart-warming vegetable packs" to employees who were isolated at home.

Sample

I am on the front line,
Retrograde Anti-epidemic


At 2 p.m. on February 23, Qiandeng Town launched the second round of nucleic acid testing, and after learning of the serious shortage of volunteers, the volunteers of Dinkle quickly formed two teams to support the nucleic acid testing work of Shipu community and Huaqiang community respectively. At 12 noon, the volunteers were ready to go to their respective communities by car, and after changing their equipment, they clarified their tasks and quickly put them to work.



Sample

Employee Volunteer
Commendation Conference

On June 3, the Dragon Boat Festival in 2022, Dinkle took advantage of the celebration of the festival to carry out a commendation meeting for employee volunteers with the theme of "Retrograde Anti-epidemic, I am on the front line", at which he thanked all volunteers and employees for their support and cooperation in the anti-epidemic work.





VIII. Independent Verification Statement

Independent Verification Statement



To the management and stakeholders of Dinkle Electric Machinery,

TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch (hereinafter referred to as "TÜV SÜD") has been engaged by Dinkle Electric Machinery (China) Co., Ltd. (hereinafter referred to as "Dinkle Electric Machinery" or "the Company") to perform an independent third-party verification on Dinkle Electric Machinery (China) Co., Ltd. 2022 Annual Social Responsibility Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with Dinkle Electric Machinery and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by Dinkle Electric Machinery and provided to TÜV SÜD. The scope of verification is limited to the given information. Dinkle Electric Machinery shall be held accountable for authenticity and completeness of the provided data and information.

Scope of Verification

Time frame of this verification:

- The Report contains the data disclosed by Dinkle Electric Machinery during the reporting period from 1st January 2022 to 31st, December 2022, including economic, environmental and social information and data, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- The on-site verification sampling took place at below listed location:
No.388 Xingpu Middle Road, Shipu, Qidong Town, Kunshan City, Jiangsu Province

Scope of data and information for the verification:

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

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

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

Limitations

- The verification process is conducted in the above scope and places. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1st, 2022 are beyond the scope of this verification.

Basis for the Verification

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

- International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance
- TÜV SÜD Procedure of Verification on Sustainability Report

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

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

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Tel: +86 21-61410737
Fax: +86 21-61408600
Web: <http://www.tuvsud.cn>

Independent Verification Statement



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

Verification Conclusions

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

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

Inclusivity	Dinkle Electric Machinery has identified the internal and external stakeholders such as shareholders and investors, customers, suppliers, employees, government and regulatory bodies, NGOs, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	Dinkle Electric Machinery has established the prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the management system structure and management approach in corporate sustainability management operation, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	Dinkle Electric Machinery has disclosed the management approach and performance of high material topics that stakeholders concern, such as energy resources, climate change, waste emissions and environmental compliance, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	Dinkle Electric Machinery has established a sustainability management system, assessed material environmental, social and governance topics and disclosed the related positive and negative impacts in order to improve the Company's efforts in the areas of environmental, social responsibility and corporate governance.

Recommendations on Continuous Improvement

- It is recommended that the Company adds more elements and outcomes to the work of the sustainable development governance structure.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specialises in testing, certification, auditing and advisory services. Since 1866, TÜV SÜD has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. TÜV SÜD has been committed to sustainable development and actively promotes environmental protection related projects. Over the years, TÜV SÜD has been actively expanding its performance in energy management, renewable resources, and electric automobiles, etc., helping its customers meet sustainable development needs.

TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch is one of TÜV SÜD's global branches and has an expert team whose

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

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Tel: +86 21-61410737
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Web: <http://www.tuvsud.cn>

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Independent Verification Statement



members have professional background and rich industrial experiences.
TUV SUD and Dinkle Electric Machinery are two entities independent of each other and both TUV SUD and Dinkle Electric Machinery and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral.

Signature:
On Behalf of TUV SUD Certification and Testing (China) Co., Ltd. Shanghai Branch

TUV SUD Sustainability Authorized Signatory Officer
Dec. 5th, 2023
Shanghai, China

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

ID: 26 2713 | Revision: 0 - released | Effect: vs. 25 Aug 2023

IX. Appendix

❖ GRI content index and ISO 26000 cross-reference table

Directions for use		Dinkle Electric Machinery (China) Co., Ltd in accordance with the GRI standards between January 1, 2022 and December 31, 2022				
Used GRI 1		GRI 1: Foundation 2021				
Applicable GRI industry standards		-				
GRI Standards /other resources	Disclosure	Position		Omission		ISO 26000 Clauses
		Chapter	Page	Cause	Explain	
GRI 2: General Disclosures 2021						
2-1	Organizational details	Company profile	11			6.2
2-2	Entities included in the organization’s sustainability reporting	About This Report	3			6.2
2-3	Reporting period, frequency and contact point	About This Report Reader Feedback	3 111			7.5.3
2-4	Restatements of information	About This Report	3			-
2-5	External assurance	About This Report Independent Verification Statement	3 93-95			7.6.2
2-6	Activities, value chain and other business relationships	Company profile	11-13			6.2
2-7	Employees	Employment Relations	69			6.2
2-8	Workers who are not employees	Employment Relations	69			6.2
2-9	Governance structure and composition	Sustainability Management	23			6.2
		Employment Relations	69			

2-10	Nomination and selection of the highest governance body	Sustainability Management	23			6.2
2-11	Chair of the highest governance body	Sustainability Management	23			6.2
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Management	23			6.2
2-13	Delegation of responsibility for managing impacts	Sustainability Management	23			6.2
2-14	Role of the highest governance body in sustainability reporting	Sustainability Management	23			6.2
2-15	Conflicts of interest	Sustainability Management	23			6.2
2-16	Communication of critical concerns	Sustainability Management Business Ethic	23 30			7.3.4 7.5
2-17	Collective knowledge of the highest governance body	Sustainability Management	23			6.2
2-18	Evaluation of the performance of the highest governance body	Sustainability Management	23			6.2
2-19	Remuneration policies	-		Confidentiality restrictions	Omitted due to commercial confidentiality	-
2-20	Process to determine remuneration	-		Confidentiality restrictions	Omitted due to commercial confidentiality	-
2-21	Annual total compensation ratio	-		Confidentiality restrictions	Omitted due to commercial confidentiality	-

2-22	Statement on sustainable development strategy	Message from Top Management	5-8			6.2
2-23	Policy commitments	Company culture	14			6.2
2-24	Embedding policy commitments	Company culture Sustainability Management	14 23			6.2
2-25	Processes to remediate negative impacts	Company culture Business Ethic	14 30			6.2
2-26	Mechanisms for seeking advice and raising concerns	Business Ethics Employment Relations	30 69			6.2 7.5
2-27	Compliance with laws and regulations	Business Ethic	30			4.6 6.7.1- 6.7.2 6.7.6
2-28	Membership associations	Company profile	11			6.2
2-29	Approach to stakeholder engagement	Stakeholder communication	24			5.3
2-30	Collective bargaining agreements	Employment Relations	69-77			6.4.5
GRI 3: Material Topics 2021						
3-1	Process to determine material topics	Material topics analysis	26			5.2 7.3.2- 7.3.4
3-2	List of material topics	Material topics analysis	26			7.3.4
GRI 201: Economic Performance 2016						
3-3	Management of material topics	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
201-1	Direct economic value generated and distributed	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-

201-2	Financial implications and other risks and opportunities due to climate change	-	-	Poor/incomplete information	Not counted, being progressively improved	-
201-3	Defined benefit plan obligations and other retirement plans	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
201-4	Financial assistance received from government	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
GRI 202: Market Presence 2016						
3-3	Management of material topics	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
202-2	Proportion of senior management hired from the local community	Employment Relations	69			-
GRI 203: Indirect Economic Impacts 2016						
3-3	Management of material topics	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
203-1	Infrastructure investments and services supported	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-

203-2	Significant indirect economic impacts	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
GRI 204: Procurement Practices 2016						
3-3	Management of material topics	Supply Chain Management	41-42			-
204-1	Proportion of spending on local suppliers	Supply Chain Management	41-42			6.4.3 6.6.6 6.8.1- 6.8.2 6.8.7
GRI 205: Anti-corruption 2016						
3-3	Management of material topics	Business Ethic	30-34			-
205-1	Operations assessed for risks related to corruption	Business Ethic	30-34			6.6.1- 6.6.3
205-2	Communication and training about anti-corruption policies and procedures	Business Ethic	30-34			6.6.1- 6.6.3 6.6.6
205-3	Confirmed incidents of corruption and actions taken	Business Ethic	30-34			6.6.1- 6.6.3
GRI 206: Anti-competitive Behavior 2016						
3-3	Management of material topics	Business Ethic	30-34			-
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethic	30-34			6.6.1- 6.6.2 6.6.5 6.6.7
GRI 207: Tax 2019						
3-3	Management of material topics	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-

207-1	Approach to tax	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
207-2	Tax governance, control, and Risk Management	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
207-3	Stakeholder engagement and management of concerns related to tax	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	-
207-4	Country-by-country reporting	-	-	Confidentiality restrictions	Omitted due to commercial confidentiality	
GRI 301: Materials 2016						
3-3	Management of material topics	The Green Materials	61			-
301-1	Materials used by weight or volume	The Green Materials	61			6.5.4 6.7.5
301-2	Recycled input materials used	The Green Materials	61			6.5.4 6.7.5
301-3	Reclaimed products and their packaging materials	The Green Materials	61			6.5.4 6.7.5
GRI 302: Energy 2016						
3-3	Management of material topics	Low-carbon and Energy-saving	52			-
302-1	Energy consumption within the organization	Low-carbon and Energy-saving	52			6.5.4
302-2	Energy consumption outside of the organization	-	-	Poor/incomplete information	Statistics in progress	6.5.4

302-3	Energy intensity	Low-carbon and Energy-saving	52			6.5.4
302-4	Reduction of energy consumption	Low-carbon and Energy-saving	52			6.5.4
302-5	Reductions in energy requirements of products and services	-	-	Poor/inc omplete informat ion	Not counted, being progressive ly improved	6.5.4
GRI 303: Water and Effluents 2018						
3-3	Management of material topics	Protection of Water	48-51			-
303-1	Interactions with water as a shared resource	Protection of Water	48-51			6.5.4
303-2	Management of water discharge-related impacts	Protection of Water	48-51			6.5.3
303-3	Water withdrawal	Protection of Water	51			6.5.4
303-4	Water discharge	Protection of Water	48-51			6.5.3
303-5	Water consumption	Protection of Water	51			6.5.4
GRI 304: Biodiversity 2016						
3-3	Management of material topics	-	-	Inapplic able	Not within the protected area	-
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	Inapplic able	Not within the protected area	6.5.6
304-2	Significant impacts of activities, products and services on biodiversity	-	-	Inapplic able	Not within the protected area	6.5.6
304-3	Habitats protected or restored	-	-	Inapplic able	Not within the protected area	6.5.6

304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	-	Inapplic able	Not within the protected area	6.5.6
GRI 305: Emissions 2016						
3-3	Management of material topics	Low-carbon and Energy-saving Exhaust gas and Noise	52-57 58			-
305-1	Direct (Scope 1) GHG emissions	Low-carbon and Energy-saving	52			6.5.5
305-2	Energy indirect (Scope 2) GHG emissions	Low-carbon and Energy-saving	52			6.5.5
305-3	Other indirect (Scope 3) GHG emissions	-	-	Poor/inc omplete informat ion	Statistics in progress	6.5.5
305-4	GHG emissions intensity	Low-carbon and Energy-saving	52			6.5.5
305-5	Reduction of GHG emissions	Low-carbon and Energy-saving	52			6.5.5
305-6	Emissions of ozone-depleting substances (ODS)	-	-	Inapplic able	There is no ODS emission in the company's operation and production process	6.5.3
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Exhaust gas and Noise	58			6.5.3

GRI 306: Waste 2020						
3-3	Management of material topics	Waste management	62-66			-
306-1	Waste generation and significant waste-related impacts	Waste management	62-66			6.5.3
306-2	Management of significant waste-related impacts	Waste management	62-66			6.5.3
306-3	Waste generated	Waste management	62-66			6.5.3
306-4	Waste diverted from disposal	Waste management	62-66			6.5.3
306-5	Waste directed to disposal	Waste management	62-66			6.5.3
GRI 308: Supplier Environmental Assessment 2016						
3-3	Management of material topics	Supply Chain Management	41-42			-
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	42			6.3.5 6.6.6 7.3.1
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	42			6.3.5 6.6.6 7.3.1
GRI 401: Employment 2016						
3-3	Management of material topics	Employment Relations	69-76			-
401-1	New employee hires and employee turnover	Employment Relations	69			6.4.3
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment Relations	69			6.4.4 6.8.7
401-3	Parental leave	Employment Relations	69			6.4.4

GRI 402: Labor / Management Relations 2016						
3-3	Management of material topics	Employment Relations	69-77			-
402-1	Minimum notice periods regarding operational changes	Employment Relations	76			6.4.3 6.4.5
GRI 403: Occupational Health and Safety 2018						
3-3	Management of material topics	Safety production	77-83			-
403-1	Occupational health and safety management system	Safety production	77			-
403-2	Hazard identification, risk assessment, and incident investigation	Safety production	77			6.4.6
403-3	Occupational health services	Safety production	77			6.4.6
403-4	Worker participation, consultation, and communication on occupational health and safety	Employment Relations	69-77			6.4.6
403-5	Worker training on occupational health and safety	Safety production	77			6.4.6
403-6	Promotion of worker health	Safety production	77			6.4.6
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety production	77-83			6.4.6
403-8	Workers covered by an occupational health and safety management system	Safety production	77			6.4.1 6.4.6
403-9	Work-related injuries	Safety production	77			6.4.6 6.8.8
403-10	Work-related ill health	Safety production	77			6.4.6 6.8.8

GRI 404: Training and Education 2016						
3-3	Management of material topics	Training and Development	84-86			-
404-1	Average hours of training per year per employee	Training and Development	84			6.4.7
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	84			6.4.7 6.8.5
404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development	84			6.4.7
GRI 405: Diversity and Equal Opportunity 2016						
3-3	Management of material topics	Employment Relations	69-77			-
405-1	Diversity of governance bodies and employees	Employment Relations	69-77			6.2.3 6.3.7 6.3.10 6.4.3
405-2	Ratio of basic salary and remuneration of women to men	-	-	Confidentiality restrictions	The company adheres to the principle of equal pay for equal work, and omits information confidentiality requirements	-

GRI 406: Non-discrimination 2016						
3-3	Management of material topics	Employment Relations	69-77			-
406-1	Incidents of discrimination and corrective actions taken	Employment Relations	69			6.3.6- 6.3.7 6.3.10 6.4.3
GRI 407: Freedom of Association and Collective Bargaining 2016						
3-3	Management of material topics	Employment Relations				-
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employment Relations	69			6.3.3- 6.3.5 6.3.8 6.3.10 6.4.5 6.6.6
GRI 408: Child Labor 2016						
3-3	Management of material topics	Employment Relations	69			-
408-1	Operations and suppliers at significant risk for incidents of child labor	Employment Relations	69			6.3.3- 6.3.5 6.3.7 6.3.10 6.6.6 6.8.4
GRI 409: Forced or Compulsory Labor 2016						
3-3	Management of material topics	Employment Relations	69			-
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employment Relations	69			6.3.3- 6.3.5 6.3.10 6.6.6
GRI 410: Security Practices 2016						
3-3	Management of material topics	Employment Relations	69			-
410-1	Security personnel trained in human rights policies or procedures	Employment Relations	69			6.3.5

GRI 411: Rights of Indigenous Peoples 2016						
3-3	Management of material topics	-	-	Inapplicable	There are no Indigenous people involved in the operations	-
411-1	Incidents of violations involving rights of indigenous peoples	-	-	Inapplicable	There are no Indigenous people involved in the operations	6.3.8-6.3.9
GRI 413: Local Communities 2016						
3-3	Management of material topics	Stakeholder communication Harmonious Community	24 86-87			-
413-1	Operations with local community engagement, impact assessments, and development programs	Employment Relations	69			6.8
413-2	Operations with significant actual and potential negative impacts on local communities	Employment Relations	69			6.8
GRI 414: Supplier Social Assessment 2016						
3-3	Management of material topics	Supply Chain Management	41-42			-
414-1	New suppliers that were screened using social criteria	Supply Chain Management	42			6.3.5 6.4.3 6.6.6 7.3.1
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	42			6.3.5 6.4.3 6.6.6 7.3.1

GRI 415: Public Policy 2016						
3-3	Management of material topics	Business Ethics	30			-
415-1	Political contributions	Business Ethics	30			6.6.4
GRI 416: Customer Health and Safety 2016						
3-3	Management of material topics	Product quality and safety	38			-
416-1	Assessment of the health and safety impacts of product and service categories	Product quality and safety	38			6.7.1-6.7.2 6.7.4-6.7.5 6.8.8
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product quality and safety	38			4.6 6.7.1-6.7.2 6.7.4-6.7.5 6.8.8
GRI 417: Marketing and Labeling 2016						
3-3	Management of material topics	Customer Service Product quality and safety	37-38			-
417-1	Requirements for product and service information and labeling	Product quality and safety	38			6.7.1-6.7.2 6.7.9
417-2	Incidents of non-compliance concerning product and service information and labeling	Product quality and safety	38			6.7.1-6.7.2 6.7.9
417-3	Incidents of non-compliance concerning marketing communications	Customer Service	37			6.7.1-6.7.3
GRI 418: Customer Privacy 2016						
3-3	Management of material topics	Customer Service	37			-
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Service	37			6.7.1-6.7.2 6.7.7

❖ UN SDGs 2030 index table

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1 No Poverty	P75
2 Zero Hunger	-
3 Good Health and Well-Being	P75~P77、 P84
4 Quality Education	P86
5 Gender Equality	P75、 P77
6 Clean Water and Sanitation	P50~P53
7 Affordable and Clean Energy	P58、 P59
8 Decent Work and Economic Growth	P14、 P75~P79
9 Industry, Innovation and Infrastructure	P35
10 Reduced Inequalities	P75~P77
11 Sustainable Cities and Communities	P64~66
12 Responsible Consumption and Production	P40-42、 P53-55、 P63
13 Climate Action	P53~P58
14 Life Bellow Water	-
15 Life on Land	-
16 Peace, Justice and Strong Institutions	P30~32、 P45~46
17 Partnerships for the Goals	-

❖ Reader Feedback

Dear readers,
Hello! Thank you for reading this report!
This is the fourth CSR report prepared by Dinkle Electric Machinery and we sincerely look forward to your valuable comments and suggestions on this report, which we will be happy to incorporate so that we can continue to improve in the preparation of future reports. In case of any inconsistency or discrepancy, the simplified Chinese version “Sustainability Report CN” of this report shall prevail, while the English is used for reference only.

You are welcome to answer the following questions and return this questionnaire in writing to the contact person below:

Quality Assurance Department of Dinkle Electric Machinery Co., Ltd.
Contact Person: Jojo Long
E-mail: Jojo.long@dinkle.com.cn
Tel: 0512-57088588
Contact address: No. 388, Xingpu Middle Road, Shipu, Qiandeng Town, Kunshan City, Jiangsu Province
Postal Code: 215343

1. Please mark "✓" in the appropriate place

Questions:	Yes	No	Not sure
(1) Do you think the report reflects the significant environmental, economic and social impacts and the environmental, economic and social achievements of the company?			
(2) Do you believe that the disclosed information in this report is true, accurate and valid?			
(3) Do you think the language description, content organization, and graphic design of this report are clear and accessible?			

2. Open questions:

- (1) What is your favorite part of this report?
- (2) What other information do you think needs to be disclosed in the report?
- (3) What are your expectations for future Dinkle Electric Machinery CSR reports?

3. If possible, please leave your information to facilitate our timely feedback on your comments and suggestions at:

Name:Working unit:

Tel:Email:

Contact Address: