### **Jolywood ESG Strategic Goals Overview**



**Strategy** 



### Harmonious Coexistence, Embrace a Sustainable Future



# **Environmental Symbiosis**





# **Corporate Co- Governance**



Core Scope We are committed to advancing the application of green technologies and clean energy, minimizing the negative environmental impacts of our operations, and achieving harmonious coexistence between humans and nature.

We strive to create a diverse and equitable workplace, continuously improve compensation and benefits, training and development system, safeguard occupational health and safety, fulfill social responsibilities, support rural revitalization, and contribute to building a harmonious society.

We are dedicated to establishing a robust corporate governance framework, promoting transparent and efficient decision-making, adhering to high ethical standards, fostering a healthy business environment, and driving high-quality socio-economic development.

We aim to advance the sustainable development of industry partners across the value chain, reduce the environmental footprint of products through sustainable design and production, and collaborate with the industry to deliver and optimize clean energy solutions.

### Focus Topics

- Responding to Climate Change
- Emissions and Waste Management
- Resource Utilization and Circular Economy
- Labour Rights and Human Rights Protection
- Human Capital Development
- Occupational Health and Safety
- Rural Revitalisation

- Corporate Governance
- Business Ethics

- Sustainable Supply Chain
- Product Full Lifecycle
  Management
- Innovation and Intellectual Property

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ESG Strategy	Goals	Progress in 2023	Indicators
Environmental Symbiosis  6 CLEAN WATER AND SANITATION  7 AFFORDABLE AND CLEAN ENERGY  13 CLIMATE ACTION	<ul> <li>By 2030, the share of renewable energy will reach 60%; by 2040, it will reach 90%; and by 2050, it will reach 100%.</li> <li>By 2030, absolute emissions of Scope 1 and Scope 2 will decrease by 40% compared to the baseline year (2023).</li> <li>By 2040, carbon neutrality in operations (Scope 1 and Scope 2) will be achieved.</li> <li>By 2030, absolute emissions of Scope 3 will decrease by 30% compared to the baseline year (2023).</li> <li>By 2050, net-zero carbon neutrality will be achieved.</li> </ul>	<ul> <li>Direct emissions: 23,500.08 tonnes of CO<sub>2</sub> equivalent</li> <li>Indirect emissions: 336,323.21 tonnes of CO<sub>2</sub> equivalent</li> </ul>	<ul> <li>Renewable Energy Proportion</li> <li>Carbon Emissions (Scope 1 &amp; 2)</li> <li>Carbon Emissions (Scope 3)</li> </ul>
	<ul> <li>By 2035, the recycling and reuse rate of industrial waste will reach 80%.</li> <li>The proportion of annual research and development investment in clean technologies as a percentage of annual revenue will increase year by year.</li> </ul>	Relevant practice exists, but statistics are not yet available	<ul> <li>Recycling and reuse rate of industrial waste</li> <li>Ratio of clean technology research and development investment to annual revenue</li> </ul>
	• By 2030, the proportion of production water that is fully recycled will reach 98%.	Relevant practice exists, but statistics are not yet available	Proportion of water recycled for production

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• Actively participating in charitable causes every year.



of projects participated in

ESG Strategy	Goals	Progress in 2023	Indicators
Social Collaboration  5 GENDER EQUALITY  7 AFFORDABLE AND CLEAN ENERGY	<ul> <li>Elimination of prejudice and discrimination, and full guarantee of non-infringement of human rights</li> <li>By 2025, &gt;27% of all employees are female; by 2030 &gt;30%</li> <li>By 2030, the proportion of female in middle and senior management is &gt;23%</li> <li>Disability recruitment 4 per year</li> </ul>	<ul> <li>The company has no instances of employing child labor or forced labor, or any other non-compliance in this regard.</li> <li>Proportion of female employees: 27.61%</li> <li>Proportion of female in middle and senior management positions: 23%</li> <li>The number of employees with disabilities in the current year has been disclosed, but a recruitment plan for people with disabilities each year has not yet been disclosed.</li> </ul>	<ul> <li>Number of human rights violations</li> <li>Proportion of female employees</li> <li>Proportion of female in middle and senior management positions</li> <li>Number of employees with disabilities</li> </ul>
8 DECENT WORK AND ECONOMIC GROWTH	<ul> <li>Employee training coverage rate exceeds 98% each year.</li> <li>Average annual training hours per employee exceed 24 hours (Calculation method: Total training hours divided by the number of employees on duty at the end of the year).</li> <li>By 2025, the cumulative one-year attrition rate of key talents will not exceed 35%.</li> </ul>	<ul> <li>Employee training ratio: 97%</li> <li>Average training hours per capita: 59.59 hours</li> <li>The attrition rate of key talents has not yet been calculated.</li> </ul>	<ul> <li>Employee training coverage rate</li> <li>Average training hours per employee</li> <li>Key talent attrition rate</li> </ul>
<ol> <li>Definition of Key Talents: Middle and senior management personnel.</li> <li>Data Source: 2023 ESG Report, Data Collection Forms</li> </ol>	<ul> <li>0 general and above-level safety accidents per year</li> <li>0 occupational disease incidents per year</li> </ul>	<ul> <li>The rates of work-related injury, workdays lost due to work-related injury, deaths due to work-related accidents, and work-related fatality rate are all 0.</li> <li>0 occupational disease incidents.</li> </ul>	<ul><li>Number of safety accidents</li><li>Number of occupational disease incidents</li></ul>
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Goals

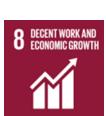
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### **ESG Strategy**

### **Progress in 2023**

#### **Indicators**

# Corporate Co-Governance



- The proportion of female members on the board of directors will be progressively increased year by year. At the same time, the company will focus on increasing the representation of board members from different age groups, industry backgrounds, and geographical origins to ensure the diversity and inclusiveness of the board.
- The board of directors consists of a total of nine members, including one female director and three independent directors.
- Proportion of female directors on the board

- By 2027, ensure that the compensation structure of all senior executives (e.g., C-level) is linked to ESG performance, such as achievements in environmental improvement and fulfillment of social responsibilities.
- By 2030, in the annual performance evaluation of senior executives, the weight of ESG-related indicators will exceed 5%, and will be adjusted appropriately year by year according to the importance of the ESG strategy.
- Executive compensation is not directly linked to ESG goals, but there is an indirect association. The compensation is primarily tied to business performance, with specific metrics varying across different departments.
- ESG proportion in the compensation structure

- Invite independent third-party auditing firms to conduct at least one business ethics standards audit per year, covering all business departments and core processes. The audit results must be reported in detail to the board of directors and disclosed to the public.
- Organize at least one business ethics training session per year for employees in key positions and key departments. The training content will cover the business ethics code of conduct, compliance requirements, ESG concepts, and other relevant topics.
- Achieve a participation rate of at least 80% among employees in key positions and key departments for the annual business ethics training.

- Business ethics standard audits have not yet been conducted.
- The business ethics code of conduct has been incorporated into the new employee quarterly onboarding training program. Additionally, integrityfocused training sessions are conducted irregularly for personnel in key business segments.
- The coverage rate for personnel attending business ethics training activities has not yet been calculated.

- Number of business ethics audits conducted
- Number of business ethics training sessions for key personnel and key positions
- Coverage rate of business ethics training participation



<b>ESG Strategy</b>	Goals	Progress in 2023	<b>Progress in 2024</b>	Indicators
Industrial Prosperity  8 DECENT WORK AND SECONOMIC GROWTH  12 RESPONSIBLE CONSUMPTION AND PRODUCTION AND PRODUCTION CGOO  17 PARTIMESHIPS  18 DECENT WORK AND PAINTENSHIPS  19 INDUSTRY, INNOVATION PAINTENSHIPS  10 FOR THE GOALS	<ul> <li>Conduct a comprehensive ESG assessment for all new suppliers every year.</li> <li>Carry out ESG due diligence for all core suppliers every year.</li> <li>By 2030, all core suppliers will obtain ISO 14001 certification.</li> <li>By 2030, all core suppliers will obtain ISO 45001 certification.</li> </ul>	• The performance indicators of supplier reviews from 2022 to 2023 show a significant increase in the number of suppliers with certifications for quality management systems, environmental management systems, and occupational health and safety management systems. The numbers increased from 92, 71, and 64 to 218, 186, and 149 respectively.	• /	<ul> <li>Ratio of new suppliers undergoing ESG assessments</li> <li>Ratio of core suppliers undergoing ESG due diligence</li> <li>Certification rate of core suppliers for ISO 14001</li> <li>Certification rate of core suppliers for ISO 45001</li> </ul>
	• By 2030, conduct life cycle assessments (including carbon footprint, water footprint, etc.) for all new products.	• /	• /	<ul> <li>Ratio of new products undergoing life cycle assessment</li> </ul>
	<ul> <li>By 2035, achieve a product recycling rate of 90%.</li> <li>By 2035, 80% of product raw materials will be sourced from recycled materials.</li> </ul>			<ul> <li>Product recycling rate</li> <li>Proportion of recycled materials in product raw materials</li> </ul>
	<ul> <li>The proportion of research and development personnel exceeds 20% annually.</li> <li>The proportion of research and development investment in revenue exceeds 3% annually.</li> <li>The number of newly authorized patents exceeds 50 annually.</li> </ul>	<ul> <li>Proportion of research and development personnel: 23.75%</li> <li>Research and development investment as a percentage of revenue (as per annual report): 2.56%</li> <li>Number of newly granted patents: 61</li> </ul>	<ul> <li>Proportion of research and development personnel: 22.6%</li> <li>Ratio of research and development investment to revenue (pre-audit number, annual report scope not yet available): 4.08%</li> <li>Number of newly authorized</li> </ul>	<ul> <li>Proportion of research and development personnel</li> <li>Ratio of research and development investment to revenue</li> <li>Number of newly authorized patents per year</li> </ul>
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