

2023

Homa Group

Environmental,
Social and
Governance Report



About the Report

Reporting Period

This is an annual report covering the period from January 1, 2023 to December 31, 2023. To improve the completeness of the report, some of the data is beyond the above range.

Scope of Organization

The scope of the Report covers Guangdong Homa Group Co., Ltd. and its principal subsidiaries. For ease of presentation and perusal, "Homa Group", "Homa", "the Company", "we" and "us" in the Report refer to Guangdong Homa Group Co., Ltd. and its principal subsidiaries below, unless otherwise specified.

Full Name of Principal Subsidiaries	Short Name
TCL Home Appliances (Hefei) Co., Ltd.	Hefei Home Appliances
Homa Appliances Co., Ltd.	Homa Appliances

Report Data Description

All data and examples used in this Report are derived from the Company's official documents, statistical reports as well as summaries and statistics on the performance of responsibilities.

Standards of Reference for Report

Global Reporting Initiative (GRI) *Sustainability Reporting Standards (2021)*

UN Sustainable Development Goals (SDGs)

United Nations Global Compact (UNGC) *The Ten Principles of the UN Global Compact*

HKEX *Environmental, Social and Governance Reporting Guide*

Report Reliability Assurance

The Company guarantees that the content of this Report does not contain any false records or misleading statements.

Revision of Information of Previous Reports

None.

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Message from the Board of Directors

Homa Group is committed to becoming a global leader in smart household appliances. In order to advance its globalization strategy, the Company is focusing on smart home appliances powered by artificial intelligence. The Company strives to achieve comprehensive interconnection, collaborative operation, and self-learning optimization for household appliances through technological innovation, offering users innovative technological experiences and healthy lifestyles, and enabling the industry to develop further through technology. Despite our rapid growth, we are steadfastly moving forward on our path to sustainable development, actively taking on environmental, social, and governance responsibilities.

This year marks a significant year for Homa Group in environmental protection. We established an intelligent manufacturing base for high-end air-cooled refrigerators while promoting automated and lean production. We are committed to building an energy management system that is robust, integrating environmental management into all aspects of our production and operations, controlling pollution emissions, reducing the Company's carbon footprint, improving resource utilization efficiency, and reducing the environmental impact of our operations. In 2023, Homa Group's total GHG emissions are 169,233.87 tons and the total energy consumption are 32,189 tons of standard coal. As part of our product design efforts, we continue to explore high-efficiency designs that reduce carbon emissions throughout the product lifecycle using cutting-edge technologies. Furthermore, we continually promote green culture within the company, fostering a positive corporate culture.

Homa Group has also been active in its social responsibility efforts this year. Adhering to the principles of innovation and user orientation, we consider product quality management to be the core policy of our corporate operations. We promote the upgrade of product technology through practical and rational R&D, which allows us to continuously launch a range of products such as "Zero Embedded" series and "Intelligent Zero Degree Ultra Freshness Preservation" series. In 2023, Homa Group has 57 innovative research projects, 330 patents authorized annually, and an annual R&D investment of approximately RMB 542.05 million. Furthermore, we have established an employee training system focused on individual employee growth, providing comprehensive benefits protection, and creating a fair, inclusive, and equitable workplace. During the reporting period, Homa Group had 12,684 employees on board and conducted 3,150 employee training sessions. Meanwhile, Homa Group actively takes part in social welfare, and the warmth of our organization is conveyed through action and care. During the reporting period, Homa Group organized 25 employee volunteer activities, and the amount of social welfare donations reached 1.85 million yuan.

Throughout this year, Homa Group has continued to optimize governance models and structures. We continuously improve the Company's governance structure, division of responsibilities, and business processes, enhancing risk management levels. As part of our governance principles, we adhere to standardized and transparent standards as we strengthen both the implementation and supervision of our internal ESG policies. By strengthening internal control and compliance management, the company can maintain a stable operation and develop sustainably, creating greater value for stakeholders and shareholders.

In the context of global economic changes and uncertainties, we are well aware that we will face many new challenges in the future. While these challenges may seem overwhelming, they are actually opportunities for Homa Group to demonstrate its relentless pursuit of quality, design, innovation, and cost.

A key focus for Hefei Home Appliances in the future will be the concept of "technology-driven, vitality-first," and the establishment of a core strategic path of "brand-leading value, global efficiency operation, with a focus on mid-to-high-end breakthroughs."

In the meantime, Homa Appliances will continue to develop its global positioning as a "Global Professional Refrigerator ODM Supplier" while adhering to global operation with a focus on research and development. In addition, we actively cultivate the vast field of air-cooled technology, and vigorously promote the deep application of intelligent manufacturing technology, providing our global customers with high-performance, cost-effective refrigerators and freezers that combine professional and extreme design concepts with high quality.

Taking a new direction, we will continue to emphasize sustainable development, advance the globalization strategy, drive green and intelligent innovation, achieve remarkable performance, and jointly promote the achievement of sustainable development goals as we embark upon this new journey.

The Board of Directors of Homa Group

April 2024



About Homa Group

Company Profile

Established in 2002, Guangdong Homa Group Co., Ltd (listed on the main board of Shenzhen Stock Exchange, stock code: 002668) is a globalized home appliance enterprise integrating research and development, manufacturing and sales service. The company's main products include refrigerators (including freezers) and washing machines, covering the two brands "TCL" and "Homa", with good brand awareness and reputation, the products are exported to more than 130 countries and regions around the world, and with the world's many well-known home appliance brands to establish important partnerships (or providing quality products for more than 2,000 partners around the world). As of 2023, the Company has achieved the first place in China's refrigerator export volume for 15 consecutive years, and the first place in China's refrigerator export to Europe for 16 consecutive years. Domestic sales of TCL refrigerators and washing machines have ranked among the top five in the industry.

Industrial Layout

The company has two core production and operation bodies, Hefei Home Appliances and Homa Appliances, and two production bases located in Zhongshan, Guangdong Province and Hefei, Anhui Province.

Hefei Home Appliances mainly develops and produces TCL brand refrigerators and washing machines. Specific products include two-door refrigerators, door-to-door refrigerators, cross-door refrigerators, T-door refrigerators, French four-door refrigerators and other types of refrigerators, as well as various types of washing machines, such as duplex washers, tumble dryers, heat pump dryers, clothes care machines, washing and drying machines. Homa Appliances adopts the ODM business model in global market, and has won the trust of many customers with its cost-effective products and stable supply capability; in the domestic market, it produces and sells refrigerators and freezers under its own brand "Homa", and provides ODM services for strategic customers.

Driven by Innovation

Homa Group adheres to innovation-driven, user-oriented, and constantly launches innovative products that lead the market. The company has established a complete R&D system, with several R&D centers for refrigerators and washing machines. The company has 894 R&D personnel, accounting for 7.04% of the total number of company staff, and a cumulative total of 2,055 patents, making its R&D strength one of the tops in the domestic home appliance industry. In addition, Hefei Home Appliances has been awarded the honors of "National High-tech Enterprise", "National Intellectual Property Advantage Enterprise", "Anhui Enterprise Technology Center", and received many other honors.

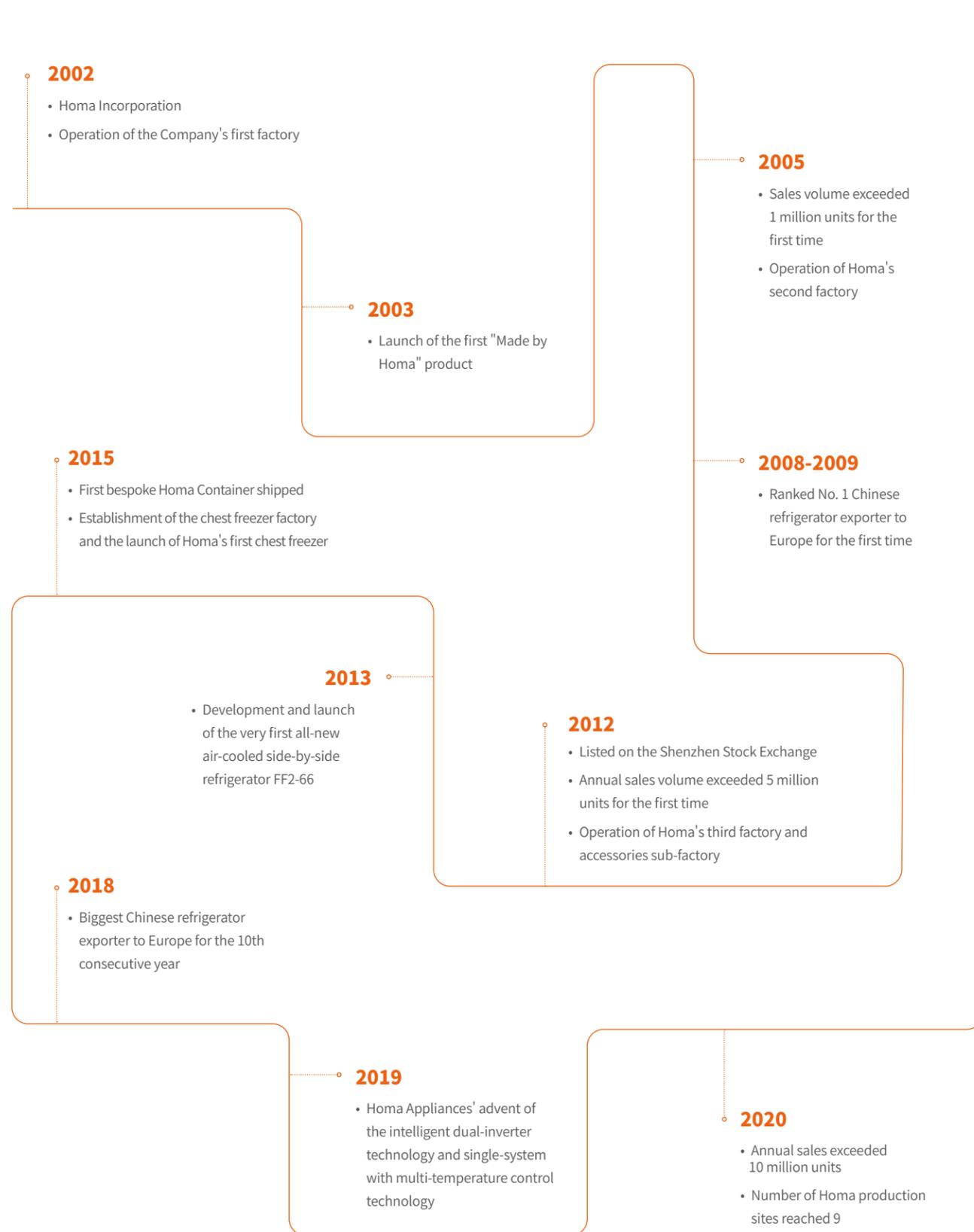
Development Vision

Homa Group is committed to becoming a world-leading smart home appliance enterprise, firmly promoting the globalization strategy, taking AI smart home appliance as the direction of development, and realizing the interconnection, collaborative operation and self-learning optimization of home appliance products through scientific and technological innovations, so as to bring forward-looking scientific and technological experiences and smart and healthy life for the users, and to promote the further development of the industry through science and technology.

Hefei Home Appliances is deeply committed to the "TCL" brand, unswervingly shaping the "technology-driven, vitality-first" organizational core. It has established the core strategic path of "brand-leading value, global efficiency operation, with a focus on mid-to-high-end breakthroughs", and persistently pursues excellence in product quality and performance experience. Homa Appliances unswervingly practices the unique strategic positioning of "Global Professional Refrigerator ODM Supplier" and is committed to providing global customers with refrigerator and freezer products with both top quality and high-cost performance.

History of Development

Milestones



Enterprise Strategy and Culture



Performance Highlights in 2023



Sustainable Development Governance

Homa Group strives to satisfactorily manufacture and deliver every unit of product while keeping a sustainable attitude in mind. Homa has always adhered to a long-term development strategy and incorporated the concept of corporate social responsibility into all aspects of production and operation with a strong emphasis on environmental friendliness and sustainability in the manufacturing process. We will continue to promote the process of sustainable development through constant innovation.

ESG Management

Homa Group is well aware that actively responding to the challenges of ESG risks and operating in a sustainable manner is not only key for enterprises to meet future needs, but also the cornerstone for social prosperity. In 2022, Homa Appliances, a subsidiary of Guangdong Homa Group Co., Ltd., established its ESG committee, which is responsible for overseeing and execute the ESG policy of Homa Appliances. In 2023, Homa Group released its first ESG report, which comprehensively examined its environmental, social and governance performance.

This year, combining the latest local and international policies, the Company further improved its performance on 23 material topics revolving around environmental, social and corporate governance, including 6 in the environmental aspect, 11 in the social aspect and 6 in the governance aspect. It has also taken into account suggestions from stakeholders, demonstrating its firm determination and practical actions on the road of sustainable development. Through sustainable development practices, Homa Group will continuously improve its long-term competitiveness and contribute to achieving the UN 2030 Sustainable Development Goals as a Chinese enterprise.



Response to Climate Change

Climate change is one of the world's biggest challenges, and the continuous emission of greenhouse gases will result in global warming, which will further damage the economic and social environment. According to the "14th Five-Year Plan" in 2020, China has clearly stated its targets of "carbon peaking" by 2030 and "carbon neutrality" by 2060, as well as the reduction of greenhouse gas emissions and the construction of ecological civilizations. To combat climate change, Homa Group has taken comprehensive actions within the Company and its related industries, promoted green transformation, and continuously improved its climate resilience.

TCFD Analysis

To accelerate the green transformation of the Company, Homa Group, with reference to the disclosure proposal formulated by the Task Force on Climate-related Financial Disclosure established by the Financial Stability Board (FSB) in 2017, analyzes the Group's efforts in response to climate change from three aspects: governance, strategy, and risk management. This enables better understanding and management of the potential impact of climate change on the financial condition and business operations of the Company.

Core Elements for the Disclosure of Climate-related Financial Information

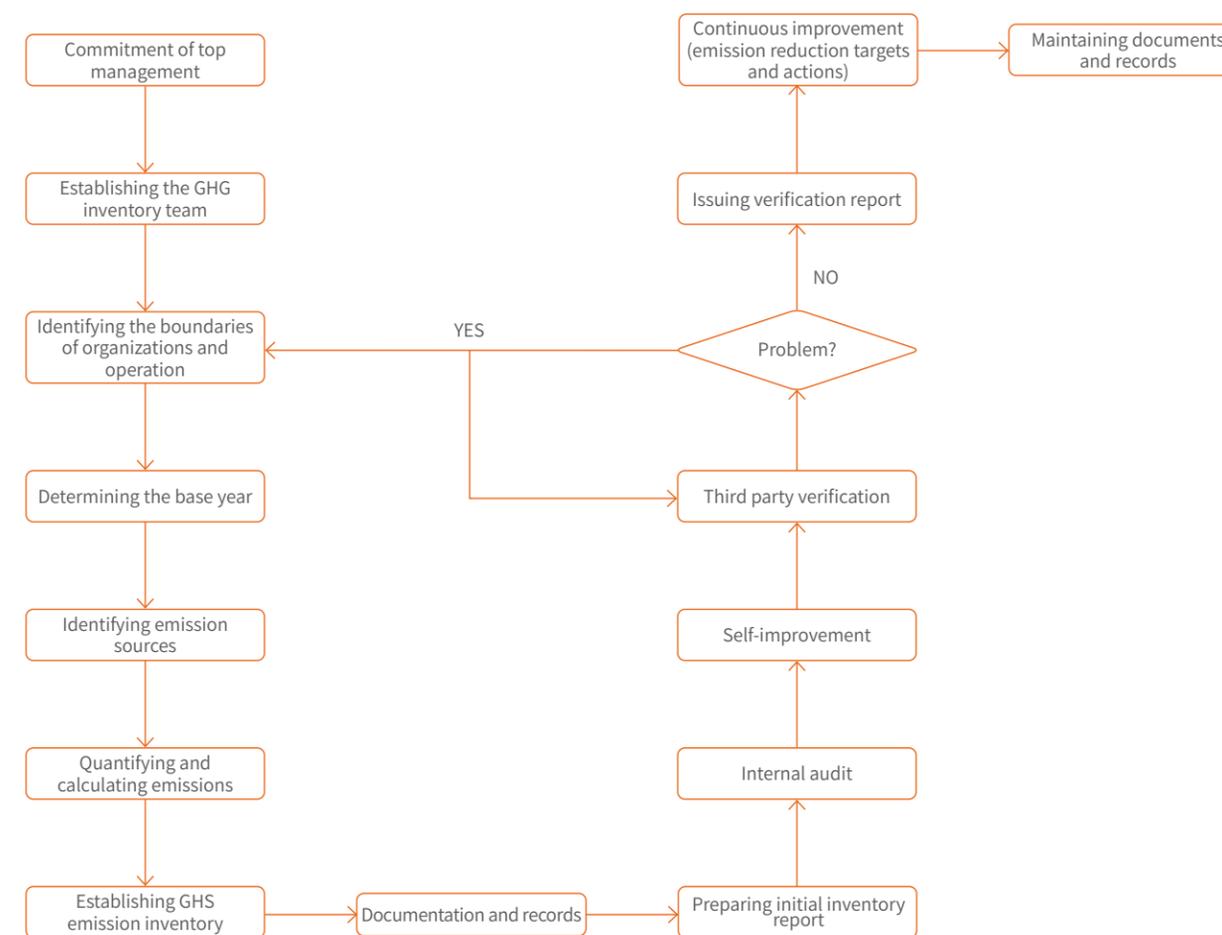
Governance	Homa Group continuously improves the corporate governance structure with respect to climate change, and promotes the improvement and management related to climate change within the Company. In 2022, Homa Appliances, a subsidiary of Guangdong Homa Group Co., Ltd., established its ESG committee, which is responsible for overseeing and executing the ESG policy. In addition, Hefei Home Appliances and Homa Appliances, subsidiaries of Homa Group, have respectively established the greenhouse gas group, which is responsible for the management of carbon emission audit.
Strategy	<ul style="list-style-type: none"> Establish low-carbon production modes to reduce costs and increase efficiency of production and operation Optimize the energy management system and adjust the energy consumption structure Continue to strengthen carbon emission management and promote internal greenhouse gas inventory Strengthen the green design of products and pay attention to the environmental impact of the whole life cycle of products Build the green corporate culture and continuously improve corporate image
Risk Management	<p>The working group divides the climate-related risks into two categories, i.e. transformation risks related to low-carbon economy and physical risks related to the impact of climate change.</p> <p>A. Transformation Risks</p> <ul style="list-style-type: none"> Policy and regulatory risks: With the government constantly tightening regulatory requirements, failure to follow the "carbon peaking and carbon neutrality" policy and the information disclosure policy of the stock exchange will lead to compliance risks. Technical risk: Green production, green packaging and transportation technologies will affect the Company's competitiveness, production and distribution costs. Market risk: The adjustment of green trade and product packaging policies in European and US markets may hinder the entry of Homa's products to the European and US markets. Reputation risk: The corporate image related to climate change will further affect the reputation of the Company among customers. <p>B. Physical Risks</p> <ul style="list-style-type: none"> Acute risks: Extreme and unforeseen weather conditions such as drought, rainstorm, flood and typhoon caused by climate change will affect the infrastructure and operation activities of the Company. Chronic risks: Continuous climate change will cause risks such as energy shortage and cost increase.

Carbon Emission Management

Homa Group conducts carbon footprint inventory and verification on a regular basis, and summarizes Company's greenhouse gas emissions by year with reference to *ISO 14064-1: 2018 Greenhouse Gases, Part 1: Specifications with Guideline at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals* and *IPCC Guidelines for National Greenhouse Gas Inventories*, etc.

The Company established the greenhouse gas inventory team, which is responsible for the identification, inventory and calculation of the specific emissions of various emission sources within its operational control boundary and participating in regular internal verification. The leader of the greenhouse gas system inventory team is responsible for leading the completion of the annual greenhouse gas inventory, formulating and issuing the greenhouse gas inventories and greenhouse gas reports. Meanwhile, the Quality Management Center is responsible for planning all work and activities related to the Company's greenhouse gas emissions. On the other hand, the members of the greenhouse gas inventory team are responsible for providing various data on the activities, jointly completing the greenhouse gas emission inventory and drafting the inventory, coordinating internal verification, etc.

Flow of Greenhouse Gases Emissions Management



Key Performance Indicators of Greenhouse Gas Emission

	Unit	2023 data
Total GHG emissions	tCO ₂ e	169,233.87
Scope 1	tCO ₂ e	31,482.02
Scope 2	tCO ₂ e	137,391.85
Emission strength of greenhouse gas	tCO ₂ e/Million output value	11.15

Stakeholder Communication

Homa Group conducts regular importance assessment surveys for all stakeholders to identify sustainable development issues of concern to all stakeholders, including the government and regulatory authorities, shareholders and investors, customers, suppliers and partners, employees and the community. They serve as an important reference for the disclosure of the Report and further practice of the concept of sustainable development of the Company. The Company also attaches great importance to communication with stakeholders, and constantly improves its communication mechanisms, listening to the opinions and requirements of stakeholders, understanding their demands, and responding positively with practical actions, so as to achieve mutual development with stakeholders.

Stakeholders	Concerns	Method of Response
 Government and Regulatory Authorities	<ul style="list-style-type: none"> • Legal and compliant operation • Product quality and safety • Response to climate change • Leading industry development 	<ul style="list-style-type: none"> • Operation and compliance with national laws and regulations • Improve product quality management system • Promote energy conservation and emission reduction, and develop green products • Fully leverage the advantages of corporate resources to actively fulfill social responsibilities
 Shareholders and Investors	<ul style="list-style-type: none"> • Transparent information disclosure • Sustained value creation • Comprehensive risk management 	<ul style="list-style-type: none"> • Regulate company management and establish clear investor communication channels • Establish effective communication systems
 Customers	<ul style="list-style-type: none"> • Responsible marketing • Customer privacy protection • High quality products and services 	<ul style="list-style-type: none"> • Improve product quality and offer excellent services • Conduct customer satisfaction surveys and extensive research on customer needs to continuously improve customer service • Enhance customer privacy protection
 Suppliers and Partners	<ul style="list-style-type: none"> • Fair procurement • Shared development • Mutually beneficial and win-win relationship 	<ul style="list-style-type: none"> • Standardize the procurement process • Evaluate and audit supplier • Promote the healthy development of the industry
 Employees	<ul style="list-style-type: none"> • Employee rights and protection • Diversity and equality • Occupational health and safety • Talent training and development • Care for employees 	<ul style="list-style-type: none"> • Guarantee basic rights and interests of employees • Diversify workplace environment • Guarantee occupational safety and health of employees • Establish a smooth career development channel • Improve welfare and care for employees
 Community and Environment	<ul style="list-style-type: none"> • Rewarding society • Response to climate change • Management of three wastes • Efficient waste recycling 	<ul style="list-style-type: none"> • Engage in public welfare • Organize volunteer activities • Enhance three wastes management • Develop green production • Develop energy-saving innovative products

Materiality Analysis

Homa Group carried out materiality analysis on key issues in environmental, social, and governance aspects, with reference to the guidelines on the determination of material topic distribution outlined in *GRI Standards 2021* issued by the Global Reporting Initiative (GRI). The Company carried out thorough analyses on material topics based on local and international disclosure standards and guidelines, in combination with local and international policies, peer topics, and opinions from industry experts and all stakeholders. This allows us to gain deeper insights into the stakeholders' expectations for sustainability-related works of Homa Group.

Based on feedback from stakeholders, the Company sorted out a total of 23 material topics, including 6 environmental topics, 11 social topics and 6 governance topics, thus providing an important basis of reference for the strategic ESG planning, performance management and information disclosure of Homa Group.



Environment

- 01 Environmental management system
- 02 Response to climate change
- 03 Energy management
- 04 Management of three wastes
- 05 Water resource management
- 06 Green products
- 07 Electronic wastes

Social

- 08 Protection of employees' rights and interests
- 09 Diversity and equal opportunities
- 10 Employee training and development
- 11 Occupational health and safety
- 12 Product quality and safety
- 13 R&D and innovation
- 14 Customer service
- 15 Supply chain management
- 16 Industry development
- 17 Social welfare

Governance

- 18 Corporate governance system
- 19 Compliance and risk control
- 20 Intellectual property right (IPR) protection
- 21 Anti-corruption
- 22 Business ethics
- 23 Information security and privacy protection

Topic | Implement Intelligent Manufacturing and Help Build Digital Intelligent Factories

In the context of Industry 4.0, the Homa Group has achieved impressive advancements in household appliance intelligent manufacturing through continuous innovation and technological breakthroughs. As two major bands of the Group, Hefei Home Appliance and Homa Appliances have long been committed to boosting the development of intelligent manufacturing and have likewise made major breakthroughs in their business of refrigerators and washing machines.

With the construction, expansion and operation of intelligent manufacturing bases, Homa Group has elevated its competitive edge with its ever-expanding manufacturing scale. Through constant technological innovation and the introduction of high-caliber technical talents, we will be able to deliver cutting-edge products of cutting-edge design that are both high-quality and cost-effective in order to meet the ever-growing demand for intelligent household appliances. As a leading manufacturer of refrigerators and washing machines, Homa Group will drive China's manufacturing industry to become more intelligent while contributing actively to the thriving of China's manufacturing industry.

Hefei Home Appliance: Manufacturing center of refrigerators and washing machines

Hefei Home Appliance's industrial park in Feixi County, Hefei City, Anhui Province has made significant progress. With decades of expertise in product and technology, and recognition from the market and customers, TCL has seen its refrigerators and washing machines industry making a shift from quantitative change to qualitative change.

Under the umbrella of Hefei Home Appliances, TCL Refrigerators and Washing Machines Industrial Park is equipped with 9 production lines. In 2023, the sales volume of refrigerators will reach 2.16 million units and the sales volume of washing machines will reach 2.56 million units. In terms of production process, TCL Refrigerators and Washing Machines Industrial Park is equipped with complete machine assembly and inspection lines, automatic metal plate production lines, German Tox automatic case riveting lines, inner drum riveting and assembly production lines as well as 600T+ injection molding production equipment. The production process has been highly automated.

With a total floor area of 756.06 mu (around 370 acres) and a total building area of 459,159.06m², the Industrial Park is equipped with production workshops, material warehouses, R&D building, integrated office building, living auxiliary facilities, green space and auxiliary facilities. In addition to comprehensive infrastructure construction, Hefei Home Appliances has also established a number of incentive schemes to attract high-caliber technical talents with the aim to improve the innovation, technology and manufacturing of TCL refrigerators and washing machines.

2.16 million
The sales volume of refrigerators

8 %
Year-on-year growth

2.56 million
The sales volume of washing machines

19 %
Year-on-year growth

756 mu
total land area

45 m²
total building area



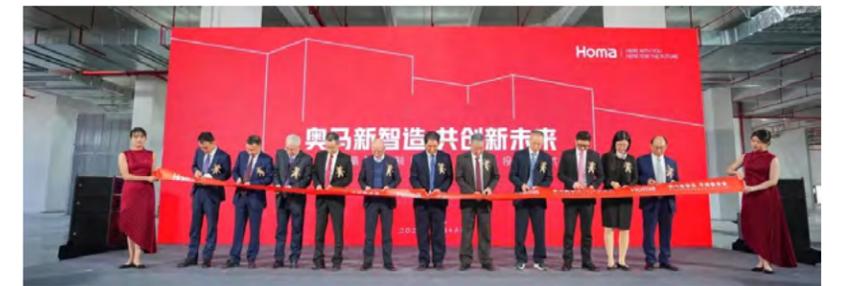
▲ TCL Refrigerators and Washing Machines Industrial Park



▲ Product lines of TCL refrigerators and washing machines factories

Homa Appliances: High-end Air-cooled Refrigerator Intelligent Manufacturing Base

Located in Zhongshan, Guangdong, Homa Appliances' high-end air-cooled refrigerator intelligent manufacturing base fully demonstrates the Company's achievements in intelligent manufacturing over the past few years. With the strong support from the Party Committee and People's Government of Zhongshan City and Nantou Town, the commissioning ceremony themed "Build a Better Future with Homa Intelligent Manufacturing" was successfully held at the new base on November 18, 2023. This marks the official kickoff of the phase I operation of high-end air-cooled refrigerator intelligent manufacturing base. It also opens up a new chapter of Homa intelligent manufacturing.



▲ Commissioning ceremony: Build a Better Future with Homa Intelligent Manufacturing

16 million
The new base will allow Homa Appliances to manufacture refrigerators

Thanks to the Homa's major investment in digital intelligent production and digital intelligent logistics, the new base will serve as a benchmark in the refrigerator industry with the highest degree of automation, the highest level of intelligent manufacturing and the highest production efficiency. The new base put into operation will allow Homa Appliances to manufacture up to 16 million refrigerators per year, giving the Company a greater competitive edge in manufacturing scale.

In order to ensure employees' quality of life and improve the overall production efficiency of the Park, Homa Appliances has developed an integrated work-, entertainment- and leisure-oriented living community that is exquisitely decorated with intelligent manufacturing. Moreover, Homa consistently seeks to ensure safety, sustainability and efficiency in the construction and operation of new bases throughout the entire process of planning and preparation.



▲ Demonstration of back sheet metal forming line



▲ Appearance of the phase I high-end air-cooled refrigerator intelligent manufacturing base

Putting Environment First to Build a Green Future

As a global manufacturing company, Homa Group believes in that being responsible for the environment is essential to our business model. Relying on the Company's long-term development strategy, we continue to make innovations in all aspects of R&D, manufacturing, marketing and logistics to promote environmental sustainability.

ENVIRONMENT

Green Production

Homa Group has developed a robust environmental management system. Starting with key issues such as management of energy, pollution, wastes and water resources, we make concrete efforts to reduce the impact of our production process on the environment. We are dedicated to building a green Homa manufacturing system that covers design and development, production and marketing as well as packaging and transportation in order to create reliable, environmentally friendly products with a strong commitment to sustainability in a detail-oriented and holistic manner.

Environmental Management System

Homa Group has established a sound environmental management system in line with the *Environmental Protection Law of the People's Republic of China, Standard for Pollution Control on Hazardous Waste Storage and Technical Specification for Setting Identification Signs of Hazardous Waste*, while integrating environmental management into the production and operation processes of the Company. All factories of Homa's subsidiaries, Hefei Home Appliances and Homa Appliances, have passed the ISO14001 management system certification.

Hefei Home Appliances has established an Environmental Safety Committee, with the Human Resource Development Department responsible for key performance in the aspect of environmental management. The relevant environmental management systems are prepared by each respective department. At the institutional level, the Company has issued the *Control Procedure for Identification and Assessment of Environmental Factors, Control Procedures for Operation of Environmental Management System* and other relevant regulations, which stipulate the identification, evaluation and update of environmental factors within the company's jurisdiction throughout the entire life cycle of products. Furthermore, Hefei Home Appliances was certified as a Provincial Green Factory in 2017.

Homa Appliances and its branch factories perceive the principle of "making continuous improvement in an environmentally-friendly and law-abiding way" as a key strategy in environmental protection. As such, they have established an environmental management system under the leadership of the General Management Department with the joint participation of multiple departments. It is the responsibility of the General Management Department to organize company-wide inspections as well as to supervise the implementation and rectification of inspections and rectifications carried out by the branch factories and departments pertaining to occupational safety and health, fire safety, and environmental protection.

In 2023, Homa Appliances issued the *System for Identification and Control of Occupational Health, Safety and Environment Potential Risks*, which stipulates the guidelines for basic management of occupational health, production safety, fire protection and environmental protection. Meanwhile, four types of inspection procedures, namely, daily inspection, periodic inspection, comprehensive inspection and special inspection, were formulated. In order to identify potential risks in the production and office environments, the General Management Department conducts a yearly internal audit based on the ISO14001 and ISO45001 management systems.

Moreover, Homa Group formulates an environmental emergency response plan every year to evaluate the effectiveness of environmental safety management and to identify any management vulnerabilities. Hefei Home Appliances and Homa Appliances have promptly filed with the local environmental protection department in accordance with the *Emergency Response Plan for Environmental Emergencies* and carried out emergency drills as scheduled according to the response plan. At the same time, the Company has established an emergency coordination mechanism with external government units in order to ensure the pre-event management and emergency response of environmental risks and address such risks in a timely and effective manner.

0 times
Major violations of environmental regulations

0 times
Penalties incurred by the Company for violations of environment-related laws and regulations

0 times
Number of environment-related lawsuits resulting from violations of environment-related regulations

14 times
Number of annual environmental emergency drills

Energy Management

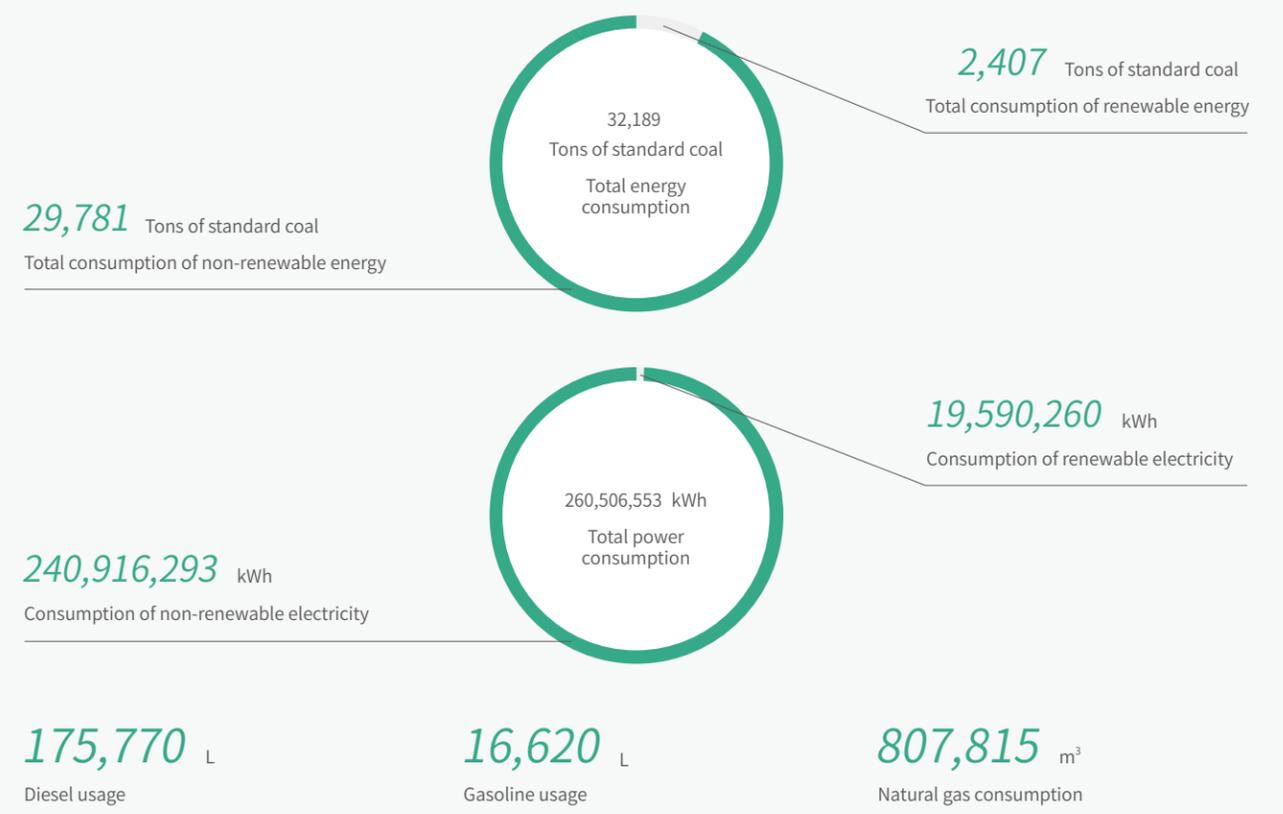
To regulate energy usage while promoting energy conservation and emission reduction within the Company and related industries, Homa Group has established a sound energy management system in strict accordance with the *Law of the People's Republic of China on Energy Conservation*. Homa Appliances has passed ISO50001 certification.

Homa Group and its related industries have developed a sound internal system of energy management. Hefei Home Appliances has formulated the *Management Manual of Energy Management System, Workshop Energy Management Regulations, Energy Review and Control Procedures, Energy Benchmark Control Procedures* and other systems, which explain the management of the Company's energy goals, indicators and control plans in details. In addition, Homa Appliances formulates the internal systems, such as *Energy Management Measures* and *Management Measures for Energy Consumption of Key Machines*, which stipulate the assessment of energy consumption in key machine areas, to reduce the energy consumption in the area.

Homa Group and its subsidiaries have established energy efficiency budgets based on national policies and actual energy management. Hefei Home Appliances sets savings indicators for total energy consumption every year, assigns these indicators to each department, assesses the accomplishment by each department and calculates their accomplishment rate on a monthly basis. During the reporting period, Hefei Home Appliances has set a goal of reducing water consumption and power consumption by 3% by the year 2023. According to the actual results, we were able to save 4.61% of electricity and 8.47% of water, both of which were higher than our goal. During the reporting period, Homa Appliances also fulfilled its annual budget effectiveness goal of saving water and electricity.

A variety of measures have been taken by Homa Group and its subsidiaries to promote the use of renewable energy sources and energy-saving and conservation technologies to reduce greenhouse gas emissions. To achieve energy conservation and emission reduction, Hefei Home Appliances set an objective of using 15% clean energy during the reporting period, and accelerated clean energy transformation through photovoltaic projects, green electricity, and other measures. At the same time, the Company began proactively promoting energy-saving improvements, such as the replacement of solar lamps and an optimization of the frequency conversion controls on air compressors. Clean energy accounted for 16% of Hefei Home Appliances' total energy consumption in 2023. As part of its proactive approach to phase out low-efficiency and high-energy-consuming equipment, Homa Appliances proactively implemented solar power generation projects.

Key Performance of Energy Consumption



Energy Conservation Achievements of Hefei Home Appliances

Nancang photovoltaic construction project

Hefei Home Appliances completed the construction of the Nancang photovoltaic project in 2023. The project delivers an annual power generation of 5 million kWh and can reduce up to 2,851.5 tons of CO₂ emissions every year. The project provides clean and renewable energy for the local area, alleviates energy shortages, and reduces carbon emissions. Furthermore, the self-generation of electricity allows the project to save around RMB 630,000 in electricity bills annually, thereby reducing the cost of operation for the Company.

5,000 thousand kWh	2,851.5 tons	630 thousand yuan
Annual electricity generation capacity	Annual reduction in carbon dioxide emissions	Annual savings on electricity bills

Park street lamp optimization project

In 2023, TCL Hefei Refrigerators and Washing Machines Industrial Park launched a street lamp optimization project. The Park optimized the layout of street lamps by replacing the original street lamps with high-efficiency and energy-saving ones. It has also achieved automatic switching and brightness adjustment of lamps through intelligent control technology. The project can save about 80,000 kWh of electricity every year, equivalent to RMB 60,000 in annual electricity charges, and reduce 45.6 tons of CO₂ emissions.

80 thousand kWh	45.6 tons	60 thousand yuan
Annual electricity saving	Annual reduction in carbon dioxide emissions	Annual savings on electricity bills

APF (active power filter) reconstruction project

APF is an advanced technology that improves power quality and reduces energy usage. As a result of implementing such a technology, Hefei Home Appliances was able to reduce harmonic interference and voltage fluctuations as well as improve the stability of its power supply in 2023. In comparison with the previous year, the failure rate of the Company's equipment decreased by 30%. Additionally, APF technology saves the Company 120,000 kWh of electricity annually, which equates to a savings of RMB 90,000 in electricity charges and a reduction in CO₂ emissions of about 68.4 tons.

120 thousand kWh	68.4 tons	90 thousand yuan
Annual electricity saving	Annual reduction in carbon dioxide emissions	Annual savings on electricity bills

Pollution and Waste Management

Air Pollution Management

In 2023

58.74 tons

the volatile organic compound (VOC) emission of Hefei Home Appliances

As a home appliance manufacturer, Homa Group mainly emits production waste gases and domestic waste gases during the production process. Air pollutants released include nitrogen oxides, sulfur dioxide, particulate matters, volatile organic compounds (VOC), etc. In response to the national policies on waste gas emission, Homa Group exercises strict management of all kinds of air pollutant emissions in its production process in strict accordance with relevant laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes*, *Law of the People's Republic of China on Promotion of Cleaner Production and National Circular on Further Promotion of Cleaner Production Audit in Key Industries*.

Hefei Home Appliances has formulated the *Waste Gas Management System (3.0)* in accordance with the *Regulations of Anhui Province on Prevention and Control of Air Pollution and Regulations of Hefei on Prevention and Control of Air Pollution*. Equipped with waste gas treatment facilities, the Company stipulates that process waste gases must be incorporated into the waste gas vent pipeline networks and discharged via a chimney after treatment. In accordance with environmental impact assessment, pollutant discharge permit and the *Self-monitoring Technology Guidelines for Pollution Sources (HJ 819-2017)*, the Company carries out environmental monitoring on a regular basis and strengthens supervision and reporting of waste gas emissions.

Homa Appliances has formulated the *Wastewater and Waste Gas Management Measures* to treat and monitor waste gas emissions. This ensures that the waste gases emitted during the production process comply with the relevant laws and regulations as well as the requirements of local environmental protection authorities. In accordance with the *Wastewater and Waste Gas Management Measures*, the General Management Department formulates monitoring plans and programs at the beginning of each year, and periodically commissions qualified environmental testing agencies to monitor waste gases from production as well as issue air pollutants monitoring reports. Based on the reports, each factory prepares a waste gas and pollution prevention map. The map identifies the scope and location of waste gas emissions.

Waste Management

Homa Group is committed to minimizing waste generation and promoting waste management and disposal by implementing strict measures. The Company has formulated a series of internal management measures with reference to the *Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2023)* and *Technical Specification for Setting Identification Signs of Hazardous Waste (HJ 1276-2022)*.

As for general recyclable wastes and general non-recyclable wastes, Hefei Home Appliances has formulated a hazardous waste management and recycling system to sell recyclable solid wastes according to routine procedures as well as hand over waste electronic components to manufacturers for professional recycling and disposal. In this way, the negative impacts of the Company's operational activities on the environment can be minimized. Aside from that, Homa Appliances has formulated systems such as the *Waste Classification List* and *Waste Management Measures*, to refine the management of solid waste throughout the entire process of waste generation, collection, storage, transportation and disposal.

As for hazardous wastes, Hefei Home Appliances has formulated the *Hazardous Waste Warehouse Management System*, to ensure that hazardous wastes are managed by special personnel and stored in a special warehouse. The Company hands over hazardous wastes to professional third-party agencies for disposal based on a review of supplier certification. Homa Appliances has formulated a hazardous substance management system with reference to the QC080000 and other relevant requirements from customers. The Company regularly commissions professional agencies to conduct inspections and supervision of the workplace environment as well as the management of solid wastes and hazardous chemicals, so as to ensure that the disposal of wastes meets national and local standards.



Waste Type	Waste contents	Responsible department	Disposal methods
General recyclable wastes	Waste metal, waste plastic, waste paper, waste wood, etc.	All relevant departments and the manufacturing department	Commission qualified units for disposal
General non-recyclable wastes	Domestic waste, construction waste, etc.	All relevant departments and the manufacturing department	Commission qualified units for disposal
General recyclable wastes	Electronic waste, used packaging drums, surface treatment sludge, etc.	General Management Department	Store in hazardous waste warehouse, and commission qualified hazardous waste disposal agencies for disposal

Noise Management

Homa Group seeks to minimize the impact of production noise on employees and the surrounding environment in strict accordance with environmental protection laws and regulations by adopting a number of measures to control noise in the manufacturing bases and their vicinity. Homa Group and its subsidiaries reduce noise levels and ensure that the noise generated meets standards by updating testing programs as well as improving equipment protection and operating environment testing on a regular basis.

Water Resource Management

1,484,629 tons

Total water consumption

288,360 tons

Total wastewater discharge

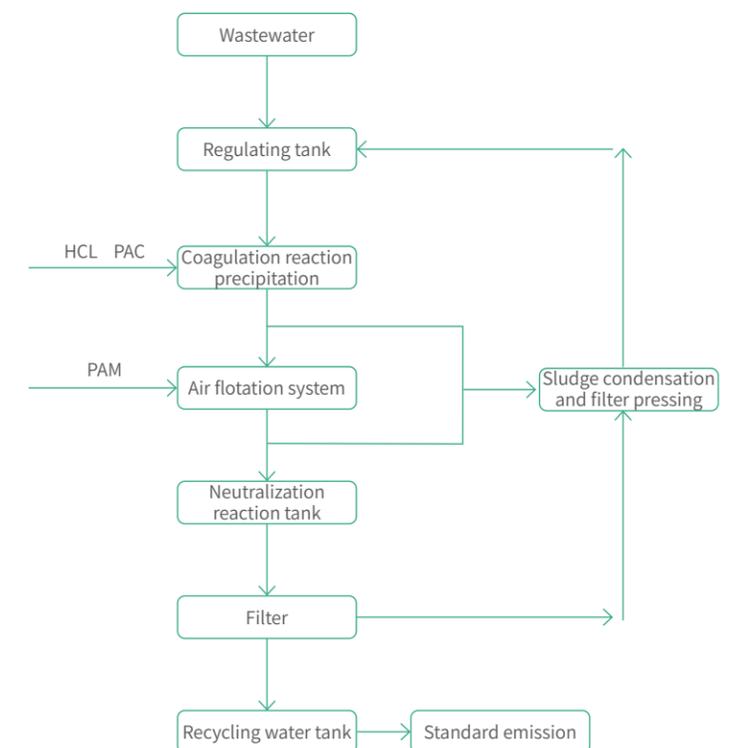
At Homa Group, water is primarily used in production processes for laboratory tests, production tests, fire control, and other domestic uses. By prioritizing water conservation, Homa Group strictly observes the laws, regulations and relevant specifications, such as the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, *Action Plan for Prevention and Control of Water Pollution* and *Integrated Wastewater Discharge Standard of the People's Republic of China*, in order to continuously promote the full life-cycle management of water resources.

Homa Group has formulated a series of internal management methods to continuously refine the water resources management system and measures. Hefei Home Appliances has established the *Wastewater Management System* in accordance with the *Hefei Water Environment Protection Regulations* to standardize the sewage discharge process and supervision system. In addition, Homa Appliances has implemented the *Wastewater and Waste Gas Management Measures* and other systems, with strict monitoring of the operation and maintenance of wastewater treatment facilities to ensure that the quality of discharge meets the requirements of water pollution discharge limits for existing projects in the Pearl River Delta stipulated in Guangdong Province's *Electroplating Water Pollution Discharge Standard (DB44/1597-2015)*. At the same time, the Company regularly commissions third-party agencies to monitor the wastewater generated during production and conduct follow-up operations with reference to the *Procedures for Corrective and Preventive Measures* for the treatment of substandard wastewater.

Homa Group and its subsidiaries are constantly exploring new ways to improve efficiency of water use in production by recycling water and reusing wastewater. Hefei Home Appliances vigorously promotes water-saving measures in the production process, including recycling of wastewater arising from mold injection and extrusion machine and laboratory testing. Furthermore, Homa Appliances has taken a variety of water conservation measures in its production process, including using circulating water and minimizing water consumption through the implementation of low-pressure water supply. Meanwhile, Homa Appliances has equipped each plant area with the intelligent IoT water meter system to analyze data in real time and conduct timely troubleshooting at a lower cost.



▲ Hefei Home Appliances sewage station



Hefei Home Appliances sewage treatment process

Green Culture

Good environmental awareness and practices are essential to a company's sustainable development. Homa Group has long advocated sustainable development and continued to push forward the progress of green culture. Among the energy conservation measures adopted by the Company in office areas are enhancing employees' environmental awareness, refining green office practices and enhancing employee awareness of environmental issues. On a regular basis, the Company conducts training and education activities designed to promote green culture, so that employees are aware of and engaged in environmental protection, thereby laying the foundations for the Company's sustainable development culture.

Green Office Practices

In 2023, Homa Group carried out a series of key activities as part of its green office efforts through the creation of an environmentally friendly workplace that provides a healthier and more comfortable office environment for employees. Using high-efficiency, energy-saving LED lamps, the Company improves lighting effects and reduces energy consumption and CO2 emissions. Air conditioning at the Company is controlled regionally. In addition to that, the Company strives to achieve a paperless office by using electronic document management systems, encouraging duplex printing, providing paper recycling bins on each floor, and encouraging employees to recycle as much paper as possible.

Green Culture Advocacy

Homa Group is committed to enhancing the environmental awareness of employees while boosting the implementation of green office systems and measures. Through diversified environmental protection activities, the Company encourages employees to voluntarily put ecological civilization values into practice, thus increasing their passion for environmental protection and driving them to be more engaged in it. Furthermore, the Company regularly conducts education and training on environmental protection for employees with the aim to enhance their environmental awareness and skills while ensuring that the concept of green office is spread and put into practice among all employees.

Environmental Protection Training by Hefei Home Appliances

In 2023, Hefei Home Appliances vigorously carried out environmental protection training for employees to enhance their environmental awareness and knowledge. In June and November, the Company held two rounds of training on environmental protection. Full-time and part-time safety and environmental management executives from each department, and hazardous waste management personnel from workshops and warehouses were invited to participate in the training. The training covered various aspects of environmental protection, including specifications for hazardous waste labels, general industrial solid waste management, and the Company's environmental management system.



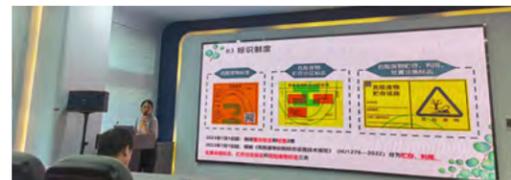
▲ Photo taken at the site of environmental training in June

World Environment Day Theme Event by Homa Appliances

Homa Appliances carried out the World Environment Day themed event on June 5, 2023. During the event, employees were introduced to the origins of World Environment Day, and the solid waste classification system and hazardous waste identification system were discussed under the theme of standardized waste management. Through this activity, employees gained more knowledge about hazardous waste management processes and requirements, and they learned how to handle accidents and emergencies.



▲ World Environment Day theme event



▲ Introduction of hazardous waste labeling system

Green Industry Chain

Homa Group has been committed to building a green industrial chain to achieve environmentally friendly production and sustainable development. By acting in line with the Company's long-term development strategy, Homa Group puts the concept of green development into practice in product development and production, warehouse and logistics, product packaging and other aspects in order to continuously reduce unnecessary emissions and wastes generated during operation. Besides, the Company continues to boost communication and collaboration with supply chain partners with the objective of boosting the development of environmental technology and innovation and create a green industrial chain.

Homa Group has always adhered to developing efficient and energy-saving products and improving the energy efficiency grade of its product line-up through innovation in the management of energy efficiency. Hefei Home Appliances, a subsidiary of the Company, strictly complies with all international energy efficiency standards in order to ensure that its products are energy-efficient and environmentally friendly. Hefei Home Appliances Company began research on ultra-low temperature technology in 2021, and was able to successfully develop the TCL-36°C crystalline film deep-freezing preservation technology based on the R600a refrigerant in 2022, which contributed to its leadership position in the industry for energy efficiency performance. At the same time, Homa Appliances continues to optimize energy-saving technologies to reduce the energy consumption of products. Homa Appliances has been utilizing the R600a refrigerant for its products, thus reducing millions of tons of potential ozone-depleting substance emissions.

In the procurement of raw materials for production, the Company proactively advocates the concept of environmental protection in the supply chain by prioritizing raw materials and products that meet environmental standards. Homa Group has established a comprehensive green procurement management system, which stipulates that the procurement investigates the ability of each manufacturer or relevant party to control environmental pollution factors as well as their environmental performance. We have formed a list of qualified suppliers accordingly and overseen as well as verified the implementation status of all relevant parties.

With the use of advanced energy-saving equipment and technologies, Homa Group continuously improves its energy use efficiency during product production. As for the choice of product materials and packaging, the Company refrains from using plastics and instead utilizes metals that are more recyclable to enhance the recyclability of the product. Homa Appliances continues to promote the use of green packaging materials for our products. To reduce the negative environmental impact of products, all instruction manuals are printed on recycled paper using eco-friendly soy ink.

In the product warehousing and logistics phase, Homa Group has been proactively implementing green logistics to reduce resource consumption in product warehousing and logistics. Hefei Home Appliances continuously reduce cartons used in product packaging and circulation, and promote the use of recyclable packaging appliances, such as special industrial vehicles and recyclable plastic boxes. In addition, Hefei Home Appliances, has replaced all warehouse clamp trucks with new energy battery-powered vehicles, and built a 10,000 m² low-carbon, pollution-free intelligent stereoscopic warehouse.

In the future, Homa Group will continue to promote innovation in all aspects of production and operation, continuously improve its informatization and digitization capabilities throughout the value chain, and ensure that the Company's products and business remain relevant to future development trends.

Safety Assurance and Product Innovation

Homa Group takes pride in its sustainable technology innovation and excellent products. We aspire to become a world-leading intelligent household appliance manufacturer and pursue sustainable development driven by the core concept of utmost professionalism and expertise as well as utmost cost-effectiveness, which is at the core of our competitive edge.

INNOVATION

R&D and Innovation

Committed to exploring the boundaries of innovation, Homa Group combines advanced R&D capability with profound industry expertise in its continuous advancement of innovative product development. Moreover, it attaches great importance to IPR protection, and continues to improve production efficiency and product quality with ever-improving intelligent manufacturing technologies.

R&D Strength

Guided by the philosophy of creating people-oriented innovative technology that is rational and practical in product development, Homa Group continues to make intensive efforts in the area of R&D. The Company is now staffed with 894 R&D personnel, accounting for 7.04% of the total employees. In 2023, the Company's R&D investment reached an estimated amount of RMB 542 million, a year-on-year increase of 15.10%. At the same time, Homa Group has formulated a significant number of R&D incentive measures, including technological innovation awards and scientific & technological innovation awards, to unleash employees' creativity.

542.05 Million RMB
R&D investment

Homa Group is home to multiple R&D centers. Among them, Hefei Home Appliances is equipped with a refrigerator R&D center, and a washing machine R&D center, each of which is responsible for formulating product technology routes and building R&D system capabilities while driving product development and ensuring product performance and quality. In order to continually strengthen the Company's research and development capabilities, Homa Appliances R&D Center focuses on air-cooled products as well as other technical products and technology.

TCL White Household Appliances Testing Center

Founded in August 2014, the TCL White Household Appliances Testing Center, which occupies a total floor area of 6,000 m² and holds a total investment of over RMB 40 million, can achieve an annual output of 5 million refrigerator and washing machine units. The Testing Center is equipped with comprehensive testing capabilities such as a refrigerator laboratory, a washing machine laboratory, a reliability laboratory, parts laboratory, and a freshness preservation laboratory. These laboratories cover a wide range of test criteria, such as product performance, safety, mechanics, acoustics, EMC, software, electrical performance, intelligent interconnection, freshness preservation, RoHS, etc. The Testing Center operates in strict accordance with the IEC/ISO17025 and has established long-term collaboration on testing technology sharing with the China Household Electric Appliance Research Institute, Hefei General Electromechanical Product Testing Institute, Weikai Testing Technology Research Institute, Anhui Testing Technology Research Institute, and Hefei Product Quality Inspection Institute. Our testing center has also been certified as an SGS accredited laboratory.



▲ Hefei Home Appliances Testing Center

Homa Appliances R&D center

Enterprise R&D center

Provincial industrial design center

Laboratory accredited by CNAS

Research orientation

Development of air-cooled products, tackling of technical issues related to energy efficiency, efficiency improvement of process and reduction of expenditure and consumption

Product appearance design, panel materials and interior design, and silk-screen printing design

Product performance testing, and product safety and stability testing

Innovative Technologies and Products

Homa Group attaches great importance to the commercialization of the successful results of R&D innovation and develops innovative products via multiple channels in adherence to the sustainable R&D concept. In 2023, Homa Group made a major breakthrough in improving refrigeration efficiency, lowering energy consumption and applying environmentally friendly materials. A total of 57 innovative research projects were carried out. The Company was granted 330 patents in the same year, bumping the cumulative number of patents granted to 2,055.

The product design of Hefei Home Appliances incorporates multi-dimensional advanced concepts such as environmental protection, health, and intellectualization. The Company has achieved breakthroughs in various areas, such as the R&D of refrigerator freshness preservation, deep-freezing, high-energy efficiency, low noise, ice-making, built in, CMF and other product features. It has since launched the ultra-thin built-in series. Furthermore, Hefei Home Appliances has developed a healthy pollution-free washing machine technology, and launched a multi-domain pollution-free technology and products characterized by ultra-thinness, large drum sizes, and pleasant appearances, thereby enhancing its washing machine products' competitiveness.

Innovative Technologies of Hefei Home Appliances

Technology	Refrigerator	Washing machine
Energy efficiency	<ul style="list-style-type: none"> Upgraded foaming agent system that reduces the consumption of foaming materials by 5%. Ultra-thin built-in series that boasts industry-leading energy consumption and thickness of foamed insulation layer in refrigerator cabinet without using VIPs (Vacuum Insulation Panels). 	<ul style="list-style-type: none"> National standard efficiency grade 1 EU standard grade A or A-10% Australian Standard water efficiency star: 4.5, electricity efficiency star: 5
Noise	<ul style="list-style-type: none"> Research on flow noise of capillary tube Improvement of reservoir reflux noise Application of pipe vibration simulation technology 	<ul style="list-style-type: none"> Noise level of EU standard grade A Dual-drum model G160C16-HDY/G160Q10-HDY won the Excellence Award in the acoustic quality evaluation and certification organized by the China Household Electric Appliance Research Institute.
Health	<ul style="list-style-type: none"> Molecular freshness preservation technology T-fresh technology Dry-wet separate storage 	<ul style="list-style-type: none"> Drum model G120T6-HB has been certified by the China Household Electric Appliance Research Institute as Grade A in terms of deodorization.
Intellectualization	<ul style="list-style-type: none"> Precise temperature control using AI technology Molecular level intelligent preservation technology Intelligent noise reduction technology Remote OTA upgrading Integrated frequency conversion technology Intelligent diagnostic technology, etc. 	<ul style="list-style-type: none"> WiFi function for automatic detergent feeding Intelligent weighing Cleanliness intelligent detection Intelligent dual dryness judgement technology

Awarded by

Organizing Committee of China Household Appliance Retail Innovation Summit

Organizing Committee of 2023 China Refrigerator Industry Summit Forum

National Household Electric Appliance Industry Information Center

iF Industrie Forum Design

Design Zentrum Nordrhein Westfalen

China Household Electric Appliance Research Institute

Organizing Committee of China Household Clothes Washing, Drying and Care Industry Summit Forum

Organizing Committee of China Household Clothes Washing, Drying and Care Industry Summit Forum

Award

TCL refrigerator: Excellent Case Award of 2023 China Household Appliance Retail Innovation Summit

Ultra-thin built-in preservation products of year 2023 in China refrigerator industry

TCL ultra-thin freestanding series, model products of deep-freezing fresh preservation freestanding refrigerator.

2023 iF Product Design Award

2023 Red Dot Product Design Award

Outstanding Product Innovation of Year 2023

Washing and care innovative brand of year 2023 under the category of TCL washing machine in China household clothes washing, drying and care industry

Innovative washing, drying and care integrated machine of year 2023 in China household clothes washing, drying and care industry



Hefei Home Appliances T10 Washing, Drying and Care Integrated Machine

On September 20, 2023, TCL held a washing machine launch event for fall, revolving around the theme of "integrated design for better washing and drying". The event saw the launch of the TCL dual-compartment model T10, which provides a one-stop solution for washing, drying and care. The product stands out for its ultra-thin, built-in design and intelligent interconnection functions. Featuring product diameters of 555 mm in thickness, it stands as the thinnest in the industry. T10 features the heat pump intelligent temperature management technology, which is more efficient and saves more energy while preventing damage to clothing. Besides, the dual-compartment T10 model adopts cutting-edge water- and temperature-regulating technology, and is equipped with a honeycomb style internal drum, which increases the cleaning ratio to 1.1, which is an industry-leading ratio.



▲ TCL T10 Model

In 2023, the Company's subsidiary, Homa Appliances, continued to enrich its product lineup of air-cooled refrigerators by developing customized products of various sizes, styles and functional configurations, with the objective of providing a better user experience. At the same time, Homa Appliances steps up its efforts in development and technical reserves of intelligent refrigerators while constantly exploring solutions for smart IoT integration. It has since launched multi-door counter-depth models, products with energy consumption that meets the criteria for the new EU standard Grade B, as well as an ultra-narrow drawer air-cooled refrigerator, thus leading the way in the future of smart home technology.



Ultra-thin Built-in Four-door Refrigerator

Model FF4-650 (BCD-520) is designed as an ultra-thin, built-in refrigerator with four doors, which can be completely enclosed in a cupboard without any gaps, saving up to 35% of floor area, thus freeing up kitchen space. In addition, the product is equipped with a 26-level full-range temperature refrigeration control system to achieve full-range, convenient temperature regulation to meet the storage needs of various food ingredients. The cold storage chamber is equipped with an independent moisture retention and freshness preservation area with superior sealing capabilities, which can effectively block out external moisture and ensure long-lasting freshness of fruits and vegetables. The product adopts AG+blue crystal odor-purifying bacteria-removing technology, with a bacteria removal rate up to 99.99%, ensuring the safety and health of food materials.



Awarded by

China Household Electric Appliance Research Institute

All View Cloud

Award

Outstanding Product Innovation of the Year

Trend Empowering Brand of Year 2023

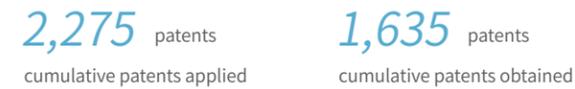
Low-carbon Energy-saving Trend Product of Year 2023

IPR Protection

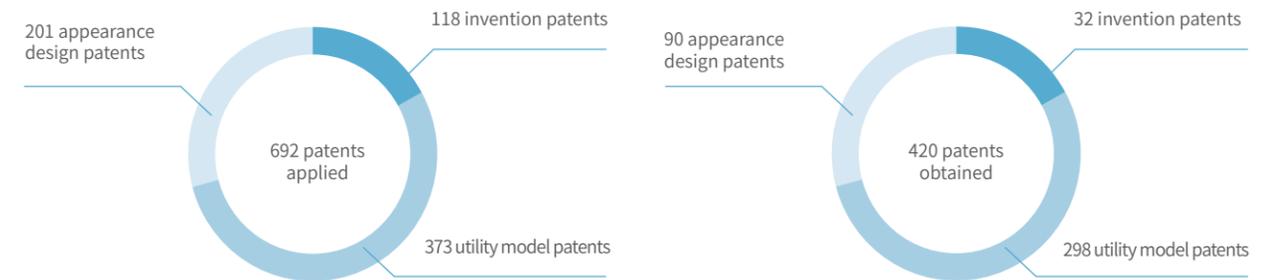
Homa Group attaches great importance to the protection of IPR and has always prioritized intellectual property management at a key position in its corporate management strategy. Homa Group strictly abides by laws and regulations such as *the Patent Law of the People's Republic of China* and *the Rules for the Implementation of the Patent Law of the People's Republic of China*, promoting the Company's protection of IPR. Hefei Home Appliances has issued institutional documents such as the *Patent Management Work Measures*, which clearly stipulate the Company's patent protection and punishment methods. Moreover, special personnel have been assigned for patent management, which involves running through the entire process of product development, production and sales. Homa Appliances has established a comprehensive patent application system to ensure that the Company as well as the research results of the R&D staff are fully protected.

To increase patent awareness among the Management and engineers of the Company, Homa Group organizes patent trainings from time to time in order to continue enhancing employees' patent awareness and their enthusiasm for research and development. In 2023, Hefei Home Appliances organized training on Discovery And Drafting of High-Value Patents for a total of 40 trainees, with a view to enhancing patent application skills of R&D personnel.

As of 2023, Hefei Home Appliances has



As of 2023, Homa Appliances has



Product Quality and Safety

Homa Group is committed to becoming a world-leading smart household appliance manufacturer by adhering closely to the policy of product innovation as the driving force and quality and safety as the guarantee. We remain dedicated to the customer-oriented principle and continuously improve the product quality management system to guarantee product quality safety and improve the quality of customer service.

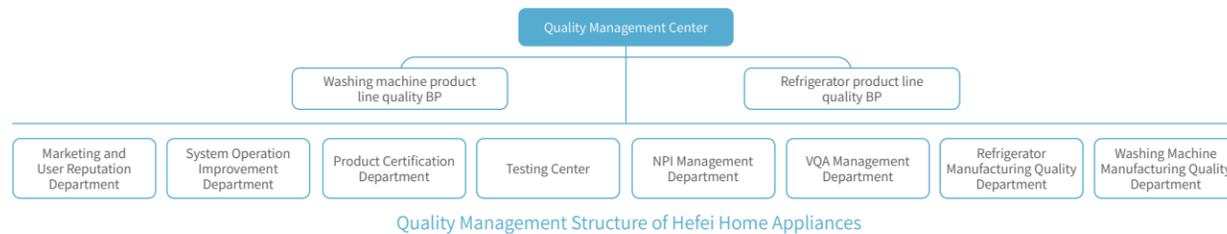
Quality Management System

In strict accordance with the *Product Quality Law of the People's Republic of China* and other domestic and international quality management standards, Homa Group continuously improves the Company's quality control process and product quality improvement process. Hefei Home Appliances has formulated the *Quality, Environment & Occupational Health System Management Manual, Control Procedures for Management of Consistency and Identification of Domestic Sales Products, Control Procedures for Substandard Products, Control Procedures for Product Monitoring and Measurement, Control Procedure for Product Identification and Traceability* and other internal quality management systems, to standardize the quality management system and operation processes. In order to ensure product quality and safety, Homa Appliances has implemented several regulations, including the *Quality Manual, the After-sales Quality Monitoring Program for New Products, the Product Recall Management Measures, and the Procedures for Corrective and Preventive Measures.*

Homa Group reference standards	
ISO Standards	ISO9001:2015、ISO/IEC17025
National Standards	GB4343.1-2018、GB4706.1-2005、GB470.13-2014、GB/T8059-2016、GB12021.2-2015、GB19606-2004、GB470.24-2008、GB/T4288-2018、GB12021.4-2013、GBT 4214.4-2008
US Standard	CAN/CSA-C300-18、ANSI/AHAM HRF-1-2019
EU Standards	EN 60335、EN 62552:2013、EU 2019/2016
Australian/New Zealand Standard	AS/NZS 60335、AS/NZS CISPR 14.1:2013、AS/NZS 4474.1:2007、AS/NZS 4474.2: 2009

*The reference standards listed above are all the standards certified by Homa Group and its subsidiaries. Some of the above standards are only applicable to Hefei Home Appliances or Homa Appliance.

In terms of management structure, Hefei Home Appliances has established a Quality Management Center to coordinate the Company's whole-process, full-chain quality management and aligning global after-sales services management. The Center establishes quality KPI goals and specific evaluation mechanisms to produce issues reports on market quality anomalies and quality costs as scheduled. Meanwhile, the Center is responsible to addresses and resolves quality accidents and disputes in a timely manner and participates in the evaluation of suppliers. Additionally, Homa Appliances has set up a Quality Management Committee to coordinate the Company's quality management efforts. Under the leadership of the Vice President in charge of quality system, the Committee entrusts the Management to formulate and review the annual quality indicators, analyze and plan improvement measures as well as improve the operational effectiveness of the Company's quality management system.



Guarantee of Quality and Safety

Homa Group puts product quality and safety under strict control and has always organized production in a standardized manner with accordance to the relevant systems. In strict accordance with the GB/T2828.1 national standard and the incoming inspection guidelines, the Company has formulated the process management system and other documents, stipulating that raw materials must comply with RoHS and REACH regulations. At the same time, the Company inspects the packaging, appearance, size and performance of each batch of these materials to ensure their quality and safety. By the end of 2023, Hefei Home Appliances has obtained CCC certificate; export refrigerators business have obtained certifications including SAA, CB, CE, GS, and KC certificate; the washing machine business for export have completed certifications including SAA, CB, CE, GS, SASO, BSMI, KC, TISI, and BPS. Homa refrigerators have completed quality and safety certifications including CCC, UL, TISI, TUV and VDE.

To closely regulate the production process, Homa Group has established a sound process inspection management process. Among them, Hefei Home Appliances has established an inspection and management process for inbound goods to ensure that the quality of the input materials and the quality of the process meets the unified standards. The component processing department of Homa Appliances has implemented a comprehensive inspection mechanism that follows the "first pre-production inspection, mold change, first product inspection" concept, and carries out quality and safety management for each batch of products. To further guarantee the quality of products exported, Homa Appliances requires each branch factory to perform quality inspection throughout the entire product assembly line, which includes the inspection of semi-finished products and product appearance, refrigerant leak detection, refrigeration, safety performance, etc. During the assembly process of key components, the application of MES intelligent error-proofing inspection system further improves product quality.

Homa Group has formulated a comprehensive inspection and management specifications for finished products to ensure that their quality is up to par. Homa Appliances has established a random sampling inspection system to supervise the quality of finished IPQC process products. It includes daily random inspection of the structure of the finished products, conformity of safety certification, refrigeration line and other dimensions to ensure that the components and functions of the finished products meet the quality and safety management standards. At the same time, Homa Appliances conducts further random sampling inspections before the finished products leave the factory to ensure that the quality of each batch to be delivered complies with the national "Santong" (same line, same standard, same quality) standard and the EU standards.

In 2023, Homa Group and its industry obtained the following product quality awards.

Awarded by	Awarded Entity	Honor
China Quality Certification Center	Hefei Home Appliances	"Good Household Appliance" Certification
	Hefei Home Appliances	"Grade I Embedded Mounting of Built-in Refrigerator" Certification
	Hefei Home Appliances	2023 FT Quality Award
Organizing Committee of Appliance & Electronics World Expo/China Household Electrical Appliances Association	Hefei Home Appliances	2023 AWE Award-Excellent Product Award
Organizing Committee of China Household Clothes Washing, Drying and Care Industry Summit Forum	Hefei Home Appliances	Smart Washing and Care Star Product of year 2023 in China household clothes washing, drying and care industry
CHEAA.Com & JD Household Appliance and Home Supplies	Hefei Home Appliances	Excellent Channel Performance Product of year 2023 in China household clothes washing, drying and care industry
China Household Electric Appliance Research Institute	Homa Appliances	2023 Good Product of China Household Appliance Industry

To continuously improve product quality and enhance consumer experience, Homa Group has adopted a series of measures, such as intelligent upgrading, design optimization, and process technology innovation. In addition, Homa Group constantly enhances employees' awareness and knowledge on product quality by organizing diversified quality skills training. These measures achieved product quality enhancement through dimensions ranging from production equipment upgrades and employee operation improvement.

In 2023, Hefei Home Appliances upgraded its intelligent production and manufacturing equipment, introduced automated production tools & equipment and appearance AI monitoring equipment. It also transformed its production lines to facilitate a comprehensive improvement of the Company's production efficiency and product quality in all aspects.

Program for Reduction of Annual Accumulative Defect Rate of Air-cooled Refrigerator Noise by Hefei Home Appliances

To reduce the annual accumulative defect rate of air-cooled refrigerator noise and increase customers' trust in our products, the quality improvement personnel of the Company retrieved the annual accumulative defect data to analyze the U920, U700, U595, U545, and U520 platforms of air-cooled products, identified the common key problems of these platforms, defined the four main factors and formulated targeted improvement measures. The target to reduce noise generated by air-cooled refrigerators was achieved by June 2023. The air-cooled noise was optimized by 63% when compared with the level in January 2023.

Homa Appliances Was Awarded the "Santong" Product Authentication Certificate

"Santong" product authentication certificate

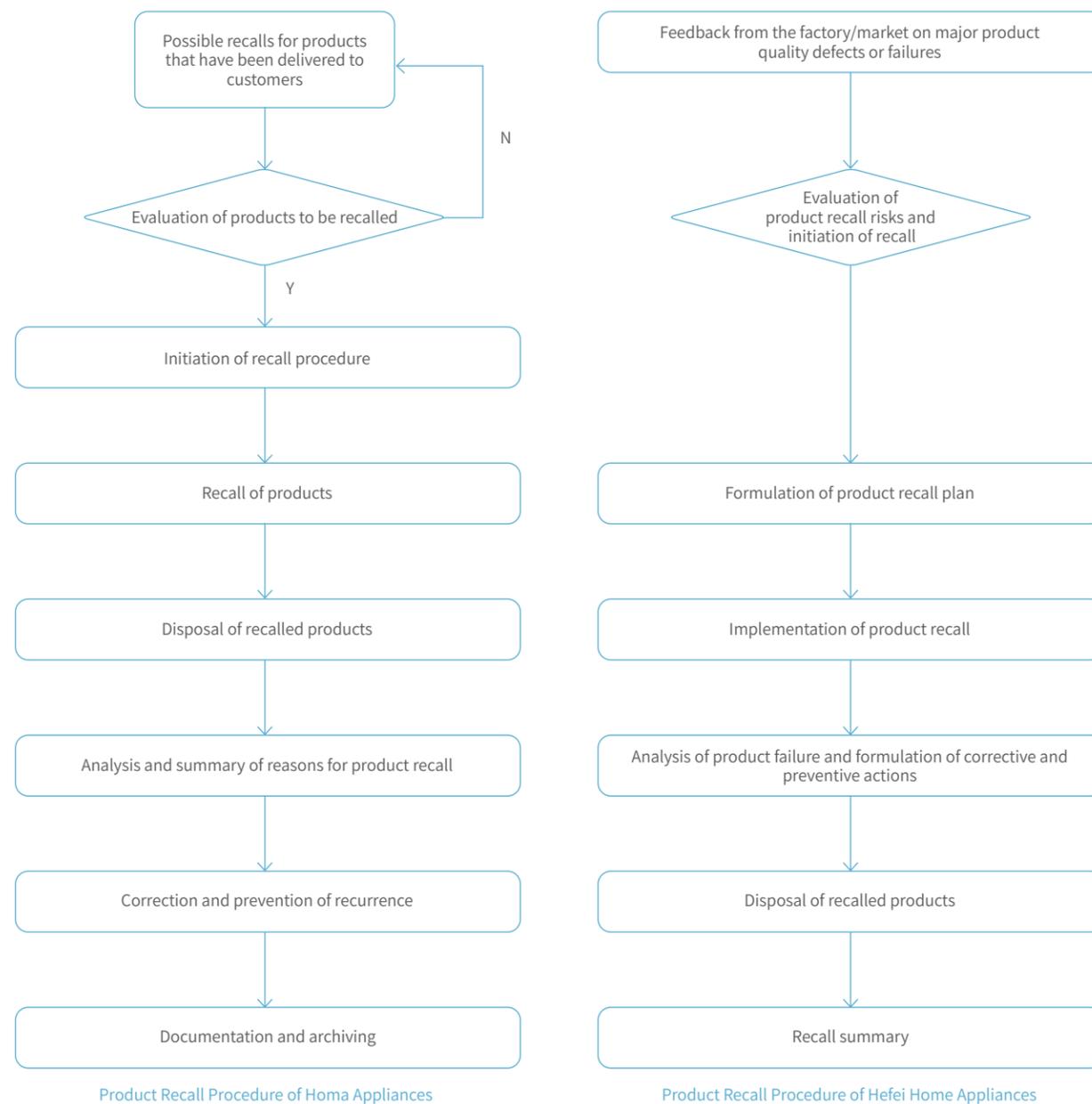
On November 21, 2023, at Homa's new launch event for the built-in series refrigerator, Qu Zongfeng, the Deputy Director of China Household Electric Appliance Research Institute (CHEARI), officially granted the "Santong" (products sold domestically should be produced on the same production lines, meet the same standards, and be of the same quality as products for export) product certificate issued by the CHEARI Beijing Certification & Testing Center to Homa Appliances. This represents a high degree of recognition for the quality of Homa products and its pursuit of supreme quality in household appliance manufacturing.

Homa Appliances is the first receiver of the "Santong" certificate issued by the China Household Electric Appliance Research Institute. As a high-end export brand, Homa has always adhered to the "Santong" principle, which requires products from the same production lines to have equal quality based on the same standards. In this way, we can guarantee that all users across the globe can enjoy our quality refrigerators that meet the EU standards.

Management of Unqualified Products

Homa Group places great emphasis on product recall management, and has established a robust product recall management process and system with the purpose of minimizing the damage to consumer interests while keeping product quality and safety under control.

To address product recalls, Homa Group has developed a variety of systems to ensure the rational protection of consumers' rights and interests. Among them, Hefei Home Appliances introduced *Control Procedures for Substandard Products*, while Homa Appliances formulated the *Product Recall Management Measures, Procedures for Corrective and Preventive Measures, Nonconforming Product Output Control Procedure* and other systems, which stipulate strict requirements for all departments and procedures involved in product recall. Once a product recall occurs, the Company convenes R&D, quality, manufacturing factories, sales, and after-sales service and other relevant departments to set up a product recall team that shall be responsible for planning, notifying, recording, and evaluating the products to be recalled. Once the product recall is completed, the Company will arrange for the relevant departments to review the recall incident and provide a summary of it.



Quality Management Training

452 sessions
quality management and control trainings

13,987 attendances
trainees participated

24 sessions
product safety trainings

1,500 attendances
trainees participated

Homa Group attaches great importance to training on employee quality management. It is committed to enhancing employees' awareness of quality management, and provides support for various departments in product safety, high-quality production and testing works. On this basis, Homa Group has actively developed quality management training plan to standardize the requirements of employee training management.

Training on Introduction of PFEMA Knowledge and Quality Management Model Based on Active Prevention by Hefei Home Appliances

In September 2023, Hefei Home Appliances held two lectures on quality management knowledge, which revolved around PFEMA related knowledge and training on Quality Management Model Based on Active Prevention, respectively. During the event, PFEMA (Process Failure Modes and Effects Analysis) experts were invited to introduce PFEMA basic knowledge and general method guidelines, PFEMA application and implementation, etc. They also shed light on active quality management applications in quality, R&D, components, manufacturing, and market services with employees.



▲ site of PEEMA-related knowledge lecture



▲ site of Training on Quality Management Model Based on Active Prevention

Training on Management of Finished Product Audit Standards by Homa Appliances

In December 2023, Homa Appliances carried out a quality management training on the theme of finished product audit standards and control requirements. The objective of the training was to help employees gain deeper insights into quality standards and inspection requirements as well as enhance the inspection capabilities of the quality inspection team. A total of 50 employees participated in the training.

Customer Service

Homa Group has always adhered to the principle of "serving customers wholeheartedly and determined to impress customers" in customer services. We have established a robust warranty policy and after-sales service system to continuously improve customer service efficiency and provide consumers with better products and an enhanced service experience, thereby increasing brand recognition and customers' trust in the brand.

Protection of Consumer Rights and Interests

In 2023

94.37%

Homa Group's customer satisfaction rate

100%

Hefei Home Appliances' complaint handling rate

5.2 days

the average complaint closure time

87.8%

the complaint handling satisfaction rate

Homa Group seeks to strengthen after-sales service and respond to customer demands in a timely and effective manner. Hefei Home Appliances addresses customer responses using intelligent reply robots and continues to expand the categories of robot services to improve the service efficiency of each product line. In 2023, Hefei Home Appliances made comprehensive upgrades to its customer management system, USS, and other management systems to improve customer service management and response speed. In addition, on the basis of multi-channel, multi-platform communication, Homa Appliances has established archives on the Call Recording Quality Inspection Platform to track customer demands more efficiently. In 2023, Homa Appliances further clarified the service tracking plan for premium customers and those who have purchased high-end models. This enables the Company to respond promptly within 2 hours and complete 75% of working orders on time.

As for its after-sales policy, Homa Group proactively expands the scope of warranty and strives to provide consumers with the best user experience. Within 7 days of the date of sale, customers can choose to refund, exchange or repair the product should it be faulty. Within 15 days of the date of sale, customers may opt for an exchange or repair.

As a leader in the intelligent household appliance industry, Homa Group has also developed a robust maintenance system. Homa Appliances, a subsidiary of the Group, assures that customer service will be provided within 24 hours in central cities and 48 hours in rural areas, with appointment services provided for remote areas. On this basis, the Company has specifically outlined the service requirements and maintenance standards for service stations, and prepared manuals like the *Product Parts Disassembly and Assembly Training and Product Maintenance Service Manual* for the reference of service personnel.

Homa Group attaches great importance to customer complaints and the way they are handled. We have set up diversified customer communication channels to allow customers to submit inquiries and appeals through our official WeChat account, customer service hotline, the Company's official website and e-commerce platform. We have also assigned special personnel to follow up, handle and respond to such inquiries and appeals. Hefei Home Appliances, a subsidiary of the Group, follows the *TCL All-category User & Customer Complaint Resolution Mechanism* to handle various complaints via a targeted approach. At the same time, Hefei Home Appliances regularly monitors public opinion to ensure that customer complaints are effectively resolved.

Additionally, Homa Group attaches great importance to customer privacy protection, and has formulated strict data management policies and permission settings. The Company has established protection mechanisms for various stages of acquiring, monitoring and distributing customer information, to safeguard customer privacy. In this regard, Hefei Home Appliances carried out a comprehensive inspection for data masking of all customer information in data system to strengthen the management and protection of user information.

Hefei Home Appliances won the following customer service awards in 2023:

Awarded by	Honor
China Customer Service Festival	<ul style="list-style-type: none"> Best employer The most beautiful customer service provider Training Guru
JD	<ul style="list-style-type: none"> Ingenuity Service Award Best Promotion Award

Empowerment of Service Team

As of 2023, Hefei Home Appliances has carried out

402 sessions

on-site training for engineers

24 sessions

online training for engineers

243,924 personnel

participants covered

To better serve consumers, Homa Group remains dedicated to empowering the service team by improving its service awareness and skills. The Company has formulated the *Regulations on Management of Training for User Service Center* and other customer service management systems, to provide hierarchical training and management for employees in charge of different types of work. In this regard, Hefei Home Appliances carries out on-site training and online training for engineers, as well as training on construction of white household appliances service capacity across the country in order to fully empower the Company's service team. At the same time, Homa Appliances conducts diversified training in various forms, such as knowledge library, video and live-streaming to enhance capability of engineering service personnel.



OBG Global Refrigerators and Washing Machines Technical Training by Hefei Home Appliances

From June 13 to 17, 2023, Hefei Home Appliances held OBG global refrigerators and washing machines technical training. The objective of the training is to share OBG product technical expertise, promote communication and technical exchanges between the front-end and the back-end, and help foreign technicians and service providers learn more about TCL refrigerators and washing machines. Combining theory with practice, the training session mainly revolves around basic knowledge about products, disassembly practices and troubleshooting.



▲ Group photo of global refrigerators and washing machines technical training



Post-sales Supervisors Training Session by Homa Appliances

On December 27, 2023, post-sales supervisors of all Homa Appliances branch factories gathered in the large training room on the 4th floor of the Homa headquarters to participate in a training session. The session provided a comprehensive summary of the service efforts fulfilled by the Group in year 2023 as well as a further clarification on future requirements for product quality based on after-sales data.

Talent Cultivation and Joint Development

At Homa Group, talents are deemed as valuable assets. By putting the people-oriented principle into practice, the Company is committed to providing employees with a fair, safe and healthy working environment, a holistic training system, and an extensive career development platform, marching ahead hand in hand with employees for joint development.

PERSONNEL

Protection of Employees' Rights and Interests

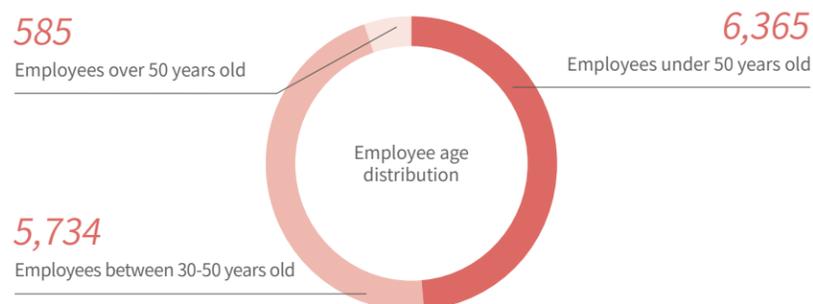
Homa Group regards employees' rights and interests as the benchmark for enterprise employee management and protects employees' rights and interests in a comprehensive way. At the same time, the Company also provides diversified welfare benefits to meet the needs of employees and further enhance their job satisfaction and sense of belonging to the Company. As a result, we effectively protect employees' legitimate rights and interests while building a harmonious, stable labor relationship. In addition, Homa Group vigorously advocates democratic communication by encouraging employees to participate in corporate governance and carries out multi-channel communication to ensure that the voices of employees can be fully heard and that their opinions are respected.

Protection of Employees' Rights and Interests

Homa Group attaches great importance to the protection of employees' rights and interests. Acting in strict accordance with the *Labor Contract Law of the People's Republic of China*, *Labor Law of the People's Republic of China* and other relevant laws and regulations, the Company has always perceived compliance as a bottom line and strictly adhered to lawful employment, with a commitment to providing a fair, safe and healthy working environment for all employees.

100%

Homa Groups labor contract signing rate



Homa Group strictly prohibits forced labor and child labor of any form. Its subsidiary, Hefei Home Appliances, has issued the *Management Procedures for Prohibition of Child Labor and Underage Labor*, which strictly prohibits the use of child labor or supporting child labor by any entity and stipulates that effective methods must be used to identify the true age of an employee in recruitment in order to prevent the recruitment of child labor by mistake due to a false document of proof of age. The recruitment management system of Homa Appliances clearly stipulates that those aged below 16 are not allowed to be registered in the HR system or go through the onboarding procedures. Homa Appliances signs an internship agreement with underage employees with reference to the requirements of underage employment and conducts management and training in strict accordance with relevant laws and regulations to fully protect their legitimate rights and interests.



Diversity and Equal Opportunities

Homa Group adheres to the principle of fair employment and firmly opposes against any form of employment discrimination. It pledges to treat all employees equally regardless of their gender, age, race, religious belief, disability and marital status in recruitment, training, promotion or other aspects.

As for employees with disability, the Company provides positions that meet their abilities and needs, along with special monthly allowances to effectively support their career development. Moreover, the Company holds cultural activities for ethnic minorities on a regular basis. This allows us to show respect for employees and protect their freedom of belief and ethnic culture, thus creating a diverse and inclusive work environment.

Remuneration and Welfare

Homa Group has established a salary and incentive system that is highly competitive in the market, in which salary is closely bound with employee performance through the employee performance management system. To ensure the fairness and rationality of employee remuneration, the Company measures the relative value of each position through job analysis and evaluation in a comprehensive, accurate way, and determines the salary grade accordingly based on job position. Furthermore, the Company makes dynamic adjustments to job ranks and salary grade based on the employee's job value and working competence and attitude. This will guide and motivate employees to keep continuously improve their competence and performance.

In terms of employee welfare, Homa Group pays close attention to the diversified needs of employees, and has set up a variety of welfare policies, including but not limited to overtime subsidies, meal subsidies, attendance bonus, high-temperature subsidies, transport allowance, etc., to enrich the employee welfare system through multiple channels. Moreover, the Company provides employees with free dormitories equipped with air conditioners, washing machines, water heaters and other facilities, to ensure a comfortable living environment for employees.

Democratic Communication

To safeguard the legitimate rights and interests of employees to the greatest extent possible, Homa Group has established an efficient and transparent communication mechanism and problem-handling process with the aim to create a democratic communication atmosphere at the workplace where employees are encouraged to speak their minds freely. Homa Group and its subsidiaries, Hefei Home Appliances and Homa Appliances, regularly conduct employee seminars to ensure that suggestion of every employee can be effectively conveyed.

In 2023, Homa Appliances issued the *Notice on Further Improving Communication Channels for Employees* to promote closer communication between the Company and employees. At the same time, Homa Appliances has set up communication channels including the General Manager's Letterbox, Employee Suggestion Box, special telephone line, and "Talk to Homa" WeChat official account and others, which serve as convenient platforms for employees to express their opinions and exchange ideas. In addition, Homa Appliances regularly provides training aimed at fostering communication between grassroots supervisors or superiors and their subordinates. This also helps to constantly strengthen the internal communication bridge of the Company.



Employee Representative Symposium of Hefei Home Appliances

Hefei Home Appliances actively encourages employees to engage in communication, and regularly holds symposiums between the general manager and employee representatives, thus creating an important platform for gathering employee feedback and responding to them accordingly afterwards. At the symposium, the employee representatives and the management worked together on formulating the optimization plans on issues such as cross-departmental team building, shuttle bus routes and dormitory configuration. They also carried out full communication on the progress of the resolutions provided based on feedback, thus effectively responding to the employees' voices and improving employee satisfaction.



▲ Employee Representative Symposium of Hefei Home Appliances

Employee Training and Development

Homa Group is well aware that the growth and promotion of employees is the core driving force of the Company's sustainable development. Therefore, the Company actively makes constant improvements to the internal promotion mechanism to ensure that every employee can enjoy fair and transparent promotion opportunities. At the same time, the Company established an all-rounded and multi-level training system, to empower employees to acquire more knowledge and skills while promoting the common growth and prosperity of the Company and talents.

Smooth Promotion Channels

Homa Group has always prioritized the career development of employees holding important positions within an enterprise, with constant efforts made to optimize and improve the internal talent system. In terms of talent selection, Homa Group has adopted the strategy of combining internal competition with external recruitment, which effectively facilitates the optimal allocation and flow of talent in the Company and further stimulates the vitality and potential of talent. At the same time, the Company actively participated in campus recruitment and large-scale double-election meetings in addition to establishing school-enterprise cooperation relations with numerous universities. We have also set the internal recommendation channel through leveraging the alumni resources of the Company, so as to realize resource-sharing and complementary advantages between enterprises and universities, which contributes to the diversification of selection channels and talent allocation.

Homa Group conducts comprehensive performance evaluation on a regular basis according to the nature of the various job positions held by employees, with a focus on the performance of employees in key areas such as safety, quality and discipline. Based on the results of talent inventory, job qualifications and data analysis, Hefei Home Appliances, a subsidiary of the Group, introduced 360-degree evaluation, engagement evaluation and other tools to build a comprehensive evaluation and assessment framework, which not only effectively promoted the enthusiasm of employees, but also promoted their self-improvement and all-round development in all aspects.

To ensure the regular and fair career development of employees, Homa Appliances has formulated the *Management Measures of Homa Managers* and the *Management Measures for the Evaluation of Technical Staff Titles* and established a two-way career development path including the "management channel" and "technical channel". A clear description of each career development channel and the corresponding qualification requirements is provided to offer employees a broader and diversified development space.

Empowerment through Comprehensive Training

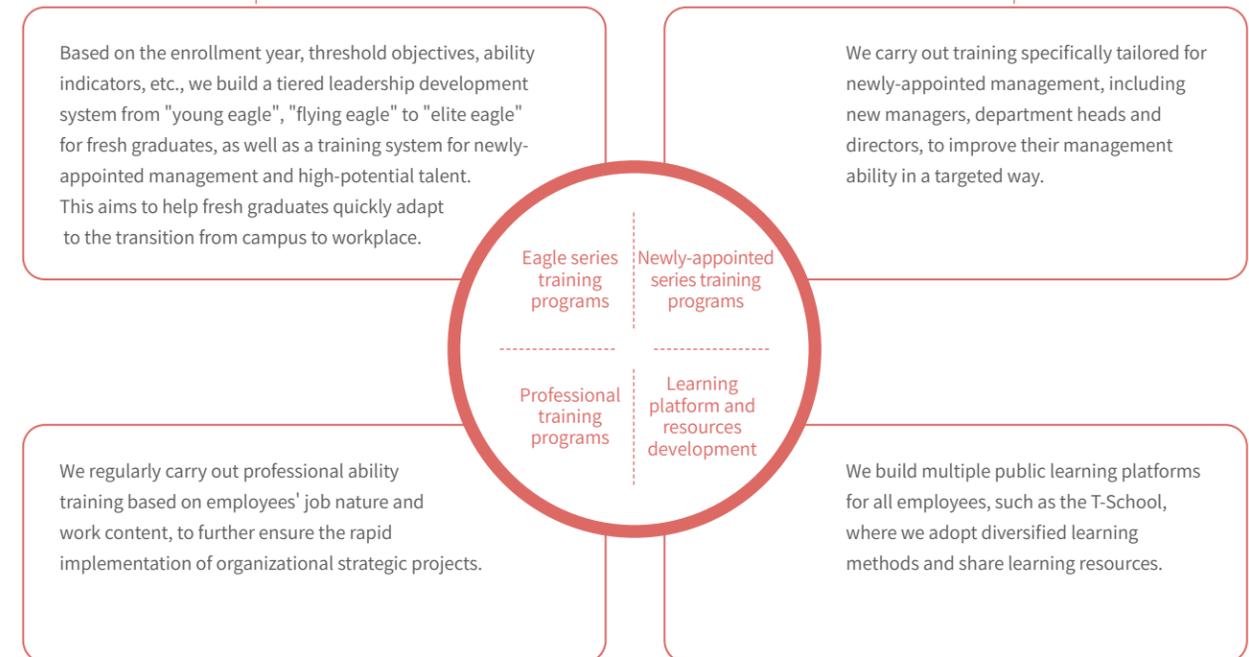
To fully empower employees and help them with their personal development, Homa Group has established a systematic and hierarchical talent training system, and formulated *Training Management Measures* and *Instructor Management Measures* among other policy documents, which clearly regulate training activities.

To enhance the enthusiasm of employees and implement the talent training system of the Company, Homa Group actively drives the establishment of an internal learning platform within the enterprise. In the design of training contents, Homa Appliances places great emphasis on comprehensiveness and pertinence, with the establishment of diversified courses such as corporate culture concept, product knowledge, professional skills and job qualification training aimed at enhancing employees' professional quality and comprehensive ability in multiple dimensions. Meanwhile, the Company provided customized training programs for employees at different employment levels (such as management trainees, technical personnel, grassroots managers, middle-level managers, and internal trainers, etc.), to promote sustainable development and enhance the competitive advantages of the Company. In 2023, Homa Appliances saw a training attendance of over 100,000, with training hours nearly 160,000 hours.

In 2023, employee training organized in Homa Group:

3,150 Sessions	13.15 Hours	10.24 Hours
Total sessions of employee training	Average hours of training for male employees	Total training attendance by female employees

Talent Training System of Hefei Home Appliance



Hefei Home Appliances Arranging "Gathering New Strength and Forging Ahead on a New Journey" Training for New Employees

To improve employees' understanding of the Company and help new employees better adapt to their jobs, Hefei Home Appliances rolled out a training program for new employees with the theme of "Gathering New Strength and Forging Ahead on a New Journey". The 9-day new employee training was conducted in the form of online community interaction, including online learning and in-person instruction and activities. 34 new employees from 9 departments attended the training.



▲ "Gathering New Strength and Forging Ahead on a New Journey" Training for New Employees

Hefei Home Appliances Arranging Basic Management Training for Team Leaders

To fulfill the requirements for the rapid development and expansion of the production scale of the refrigerator and washing machine business of white appliances, and develop the professional ability of talents, Hefei Home Appliances HR Development arranged empowerment training for the grassroots management personnel of the Manufacturing Center in October 2023 with the aim of improving the basic management ability of team leaders.



▲ Group photo of basic management training for team leaders

Talent Training Program of Homa Appliances

<p>Outstanding Talent Program</p>	<p>The "Outstanding Talent Program" (Management Trainee Program) aims to nurture outstanding fresh graduates and help these trainees achieve rapid growth at work. The Company has established a detailed training path for the management trainees of the one-year "Outstanding Talent Program" training program. As part of the program, one Homa professional mentor is assigned to each trainee to enable them to adapt to Homa and immerse themselves well.</p>
<p>Talent Development Program</p>	<p>The "Talent Development Program" backup team leader program is designed to train a group of backup junior management talents who have a clear sense of self, with management and improvement skills, so as to develop backup talents for the Company. The Company has customized courses such as "Role Awareness and Execution" and "Interpersonal Leadership" for the participants of this program. At the same time, the program is carried out in combination with thematic practices, which effectively improves the vocational skills of backup team leaders through case discussions, scenario cases, group sharing, simulation exercises, etc.</p>
<p>Elite Program</p>	<p>The "Elite Program" (Training Program for Managers) is targeted at newly promoted junior managers. It is based on solving practical business problems and trains talents for enterprise development through centralized training, mentoring, forums, sharing sessions and on-the-job practices, so as to enable them to complete role transformation and improve their management skills.</p>

Occupational Health and Safety

Homa Group pays close attention to the employees' occupational health and safety, strictly abides by relevant laws and regulations, establishes and improves the occupational health and safety management system of the Company, and provides all employees with a safe environment at production bases. At the same time, the Company actively builds a safe production culture and effectively protects the occupational health and safety of employees.

Management of Safety in Production

Homa Group has continuously improved the construction of occupational safety management system, and formulated more than 100 internal systems related to production safety, based on the *Labor Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, and other laws and regulations. Hefei Home Appliances has formulated 69 relevant programs and systems including the *Occupational Risk Identification and Evaluation Control Procedures* and the *Laws, Regulations and Other Identification Requirements for Regulatory Controls*. Meanwhile, Homa Appliances has formulated 36 production safety-related systems, including the *Occupational Health and Safety and Environmental Hazard Investigation and Management System* and the *Measures for the Classification and Control of Production Safety Risks*. At present, Homa Group and its affiliates have obtained the ISO45001 system certification. On this basis, Homa extended the construction of safety management system to suppliers, requiring them to implement occupational health and safety management.

<p>7,202.7 thousand RMB Expenses for safe production</p>	<p>0 Work-related deaths</p>	<p>0 Major safety accidents</p>
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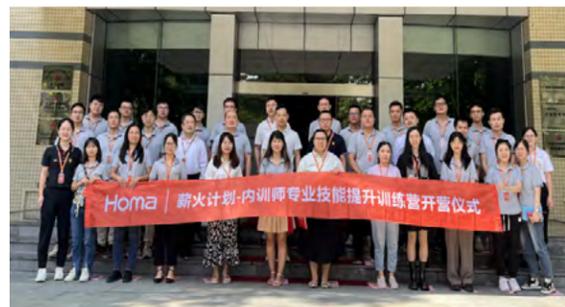
To implement relevant national safety technical standards, discover and in a timely manner, eliminate potential risks of accidents related to safety, fire protection, occupational health and environmental protection, and avoid accidents such as work-related injuries, occupational diseases, fires and environmental pollution, Homa Group has established a sound safety production inspection mechanism to fully ensure the safety of employees during production. In the production process, Homa Group identifies and manages the production risks through daily inspection, patrol inspection, special inspection and other measures in order to reduce fire and production safety risks.

Hefei Home Appliances has actively implemented the responsibility system for safety production and established the Occupational Health and Safety Committee in accordance with the relevant rules and regulations on occupational health and safety, responsible for research, deployment and guidance of safety management, improvement of the construction of the management system, and implementation of safety management responsibilities of the Company. Hefei Home Appliances requires strict compliance with the principle of "three simultaneities" during the introduction of new materials such as natural gas and R600 refrigerant. The Company also requires each branch factory to carry out no less than two assessments of production risk points every year, and rectify the inappropriate behaviors during operation through daily inspections. In 2023, Hefei Home Appliances passed the certification of "Level 2 Enterprise of Safety Production Standardization" of Anhui Emergency Management Department.

During the reporting period, Homa Appliances updated the System for Identification and Control of Occupational Health, Safety and Environment Potential Risks, and continued to implement the "Six Checks" of safety inspection, i.e. checking awareness, management, education, behavior, hidden risks and measures. This enables the Company to carry out comprehensive management of production risks and lays the groundwork for safe production. In addition, Homa Appliances issued the Measures for Classified Control of Safety Production Risks and revised the Control Procedures for Hazard Identification, Risk Assessment and Risk Planning, so as to comprehensively identify and evaluate hazards and harmful factors. The Company conducts regular potential risk identification and testing to ensure the production safety of each factory.

Homa Appliances: Spark Program- Professional Skills Workshop for Internal Trainers

To continuously strengthen the internal training force and expand the internal trainer team of the company, Homa Appliances initiated the "Spark Program" Professional Skills Workshop for Internal Trainers. The "Spark Program" aims to systematically improve the instructional quality and curriculum development ability of internal trainers while effectively promoting the career development and skill upgrading of employees. In 2023, Homa Appliances developed 27 high-quality courses under the Program, which provided strong support for employees' personal growth.



▲ 2023 Spark Program- Professional Skills Workshop for Internal Trainers

Homa Appliances: Manager Instruction Program

To improve the leadership and educational capacities of managers, Homa Appliances initiated the "Manager Instruction Program" empowerment project. The Program is intended to promote the exchange of knowledge within the Company and mutual learning among managers through the sharing of experiences and imparting knowledge. In 2023, the heads of the first-level departments of the Company actively participated in the Program, and a total of 51 heads completed the instruction tasks, with an average instruction time of 2 hours and a completion rate of 100%.



▲ Scene of training of 2023 Manager Instruction Program

Framework for Identifying Potential Risks in Occupational Health, Safety and Environment of Homa Appliances

<p>Daily inspection</p> <ul style="list-style-type: none"> Daily inspection Daily inspection in teams Daily inspection on posts 	<p>Regular inspection</p> <ul style="list-style-type: none"> Seasonal inspection Major holiday inspection 	<p>Comprehensive safety and environment inspection</p> <ul style="list-style-type: none"> Evaluation inspection for compliance of EHS indicators and preventive indicators Internal audit of ISO14001 and ISO45001 management system 	<p>Special inspection</p> <ul style="list-style-type: none"> Company level special potential risk identification of safety and environment Plant level special potential risk identification of safety and environment
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In 2023

340
safety inspections conducted by Homa Appliances

18
safety inspections conducted by Hefei Home Appliances

Emergency Response

Practices of emergency response serve as a vital backup for ensuring production safety. Homa Group has formulated internal systems such as the *Emergency Response Plan for Production Safety Accidents and Emergency Preparedness and Response Procedures* to provide guidance for the actions to be taken during emergency events. At the same time, Homa Group and its subsidiaries actively carried out various emergency management drills in order to continuously improve the Company's emergency management capabilities.

Homa Appliances has installed a fire and chemical leakage alarm system in each factory area, which is equipped with automatic broadcasting, to improve the efficiency of identification in production safety accidents. In addition, to ensure that all employees can tackle dangerous situations, each factory is also equipped with an automatic fire sprinkler system and safety exhaust system, along with various emergency firefighting systems such as indoor and outdoor fire hydrants, as well as emergency lights, emergency evacuation indicators, and "No Fire" and other fire safety signs. In 2023, Homa Appliances carried out 33 emergency drills including chemical leakage drills and fire emergency evacuation drills.



Hefei Home Appliances Conducted Comprehensive Fire Emergency Drill in the Park

In November 2023, Hefei Home Appliances conducted a comprehensive fire emergency drill, simulating the fire of the power line of the distribution room. The factory employees and visitors were evacuated in an orderly manner in a short time. After the end of the drill, the safety officer led all the employees in a session on common emergency rescue skills and the use of fire extinguishers, to comprehensively improve the emergency management ability of the Company and the employees' awareness and abilities to cope with emergencies.



▲ Fire emergency drill of Hefei Home Appliances

Safety Culture

In 2023, Homa Group

783 sessions

occupational health and safety training

68,325 attendances

participants covered

Safety culture provides the premise and foundation of safe practices during production. Homa Group focuses on safety culture, and continuously strengthens the construction of the safety culture atmosphere, arranging various activities to enhance the awareness of occupational health and safety among employees.

Hefei Home Appliances has formulated the internal training systems including *Regulations for Occupational Health and Safety Training Management* and *System for Occupational Disease Prevention Publicity, Education and Training*, to regulate the daily safety training of employees. Homa Appliances requires all employees to complete three levels of safety education prior to joining the organization, along with a diverse range of occupational health and safety training once they are onboarded. In 2023, Homa Appliances organized various safety training, covering a wide range of categories such as emergency rescue, fire safety, mechanical safety risk control principles, etc., for publicity and guidance on the safety culture of employees in fire protection, environment, production, etc.



Training on "1+3 Safety Mechanism" of Hefei Home Appliances

In the first half of 2023, Hefei Home Appliances implemented the "1+3 Safety Mechanism", i.e. "the mechanism of pre-shift disclosure and training meeting on safety operation procedures, correctly wearing safety helmet and safety belt, and safety officer going on duty", arranging safety production inspection and training in advance, to prevent major violations and safety accidents.



▲ Training on "1+3 Safety Mechanism" of Hefei Home Appliances

Occupational Health Management

During the reporting period, Homa Group

100 %

employee health examination coverage rate reached

Homa Group is committed to providing employees with holistic protection of their health and safety. Homa Group and its branches strictly comply with the management requirements of occupational disease prevention and control in the place where they operate, and provide sufficient personal protective equipment for the personnel working in harmful workplaces with noise, dust, etc. Employees at risk of occupational disease exposure are all required to receive training on industrial hygiene and occupational disease management, confined space management, ventilation facility management, personal protective equipment management and other issues. They are also required to wear personal protective equipment such as ear plugs and dust masks while working.

Homa Group arranges regular occupational health examinations for employees and implements the full process occupational disease monitoring and health management for on-board employees. Furthermore, the Company invites medical personnel to improve employees' medical knowledge for common diseases on a regular basis. During the reporting period, Homa's employee health examination coverage rate reached 100%.

Care for Employees

Homa Group consistently adheres to the "people-oriented" concept, continuously improves the work experience and quality of life of employees and conducts employee care activities with regard to physical and mental health and quality of life.

To improve the work and life experience of employees, Homa Group has established a variety of entertainment facilities such as the billiards room, dance hall and cinema in the employee dormitory area, to create a harmonious and healthy working environment. The Company also organizes badminton competitions, basketball competitions, fun sports meetings and other activities every year to enrich the life of employees during their spare time. For pregnant and lactating employees, the Company has set up nursing rooms and pays close attention to their special needs.

During traditional festivals, such as New Year's Day and Spring Festival, the Company will distribute holiday allowances and exquisite gifts to employees as a means to convey the Company's care and blessings. For employees encountering difficulties, Homa Group provides timely assistance and support to them in addition to organizing internal donation activities to help them solve problems and tide through times of difficulty.



Fun Card Game Competition in Hefei Home Appliances

Hefei Home Appliances organized a fun card competition to promote the development of corporate culture and enhance the teamwork ability of employees. The activity aims to strengthen communication and cooperation within the enterprise and enrich employees' spare time life through the competition of intelligence and strategy.



▲ Fun Card Competition in Hefei Home Appliances



Badminton Competition of Hefei Home Appliances

To enrich the lives of employees during their spare time and promote physical and mental health among them, Hefei Home Appliances organized a badminton competition for all employees, which ran from November 1 to 3, 2023. This activity is not only helpful for strengthening the physique of employees, but also improving the friendship and team cohesion among colleagues.



▲ Badminton Competition of Hefei Home Appliances

Harmonious Society, Shared Victory

Homa Group actively fulfills its social responsibilities, makes constant improvements to the supplier management mechanism it has established, and shares the results of technical innovation and practical experience with the aim of promote the coordinated development of the industry, and to contribute to building a harmonious society.

SOCIETY

Supply Chain Management

Homa Group adheres to the principle of "Honesty and trustworthiness, fairness and justice, equality and mutual benefits", attaches great importance to supply chain management and supplier empowerment, and pays attention to responsible mineral management, and works hand in hand with supply chain enterprises and upstream and downstream industries, to build a harmonious industrial ecosystem and support the sustainable development of partners in the value chain.

Supplier Management

Homa Group establishes and improves the supplier management system, and improves the supplier access, audit and exit mechanism in order to improve the efficiency and stability of the supply chain. Meanwhile, it urges its supply chain to follow the same responsible values as the Company.

Homa Group has established supplier admission regulations in accordance with applicable laws and regulations and in reference to RBA's Code of Conduct for the Electronics Industry. Under these regulations, suppliers must protect the rights and interests of their employees, ensure health and safety, meet environmental responsibilities, maintain ethical behavior, and support management systems in multiple dimensions. Moreover, they clearly define the responsibilities of relevant parties with regard to safety and the environment, and they strictly regulate suppliers' social responsibility activities. Specifically, Hefei Home Appliances requires suppliers who meet the admission criteria to sign agreements including the *Supplier Code of Conduct*, quality agreements, social responsibility agreements, and integrity agreements to ensure that they fulfill their obligations. Homa Appliances has established strict supplier management systems, including the *Related Party Safety and Environmental Management System*, which assesses suppliers' environmental, social, and governance practices. In order to establish a list of qualified suppliers, suppliers are audited based on the *Vendor Environmental Safety Questionnaire* to determine their ability to control environmental pollution factors and their environmental performance.

In terms of everyday supplier management, Homa Group and its various businesses formulate the annual supplier audit plan, and holds regular supplier quality review (QBR), to evaluate the supplier's business performance and development, which is included in the environmental, social and governance audits. Suppliers found to be in violation of any laws or regulations will be required to carry out correction or rectification. In the event that they fail to take rectifying measures, Homa Group will either cease cooperation with the supplier or impose relevant penalties. Through these measures, the Company ensures that products and services meet the requirements of sustainable development.

To further improve the efficiency of supplier management, Homa Appliances classifies suppliers according to their influence on the Company's business as key influential related parties, general influential related parties, and temporary non-influential related parties, for classified management.

Supplier Classified Management Measures of Homa Appliances

Key Influential Related Parties

- Conduct publicity and educational activities, to help suppliers understand the Company's environmental policies and the related environmental management regulations.
- Sign agreements to put forward Homa Appliances' environmental management requirements.
- Verify and confirm the performance of all suppliers annually or at random, forming the *Questionnaire for Key Influential Related Parties*.
- As soon as a non-compliance is identified, suppliers are required to propose corrective measures, and Homa Appliances supervises the implementation of those measures.

General Influential Related Parties

- Get to know their environmental status and obtain the corresponding information on its pollution generation and pollution control.
- Promote Homa Appliances' environmental policies and, if necessary, make requests or recommendations for environmental management.

Temporary Non-influential Related Parties

- Provide information on Homa Appliances' environmental policies, goals, and targets to the related parties upon request.

Homa Group is determined to grow and develop further together with suppliers. Hence, it provides various training activities for suppliers and communicates with suppliers regularly, improving the risk resistant capacity of supply chain. During the reporting period, Homa Group conducted a total of 101 supplier training activities.

Responsible Mineral

According to the Code of Conduct Responsible Business Alliance (RBA) and other requirements, Homa Group strictly refrains from purchasing or supporting the use of conflict minerals in areas affected by armed conflicts and ensure the legality of its procurement practices through exercising due diligence and other means. This will enable us to reduce the potential impact of conflict minerals on its operations. The Company has developed the *Standard for Conflict Mineral Management*, signed a conflict mineral agreement with suppliers, and reviewed and evaluated the suppliers with whom it has collaborated, to ensure that the suppliers are not involved in conflict minerals, thereby creating a conflict-free supply chain.

Collaborative Development of Industry Partners

To build a mutually beneficial environment with shared value as well as deepen cooperation and exchanges in the industry, Homa Group, as a leader in the household appliances field, actively participates in industry exchanges, discussions on industry standards and promotes high-quality development of the industry. During the reporting period, Homa Group participated in the formulation of 19 industry standards and 42 major industry exchange activities.

In 2023, Hefei Home Appliances participated in development of several team and industry standards, such as the Technical Requirements and Test Methods for Microfiber and Debris Filtration Performance of Household and Similar Electric Washing Machines, Technical Requirements for Smart Preservation of Smart Refrigerators, Technical Requirements and Test Methods for Volatiles of Household and Similar Electrical Appliances, and Technical Specification for Certification of Cryogenic Capacity Features of Household Refrigerators.

In 2023, Homa Group

19 items

participated in the formulation of industry standards

42 activities

Industry events joined



Hefei Home Appliances Attending Appliance & Electronics World Expo (AWE)

On April 27, 2023, Appliance & Electronics World Expo (AWE), one of the top three exhibition events in the world in the field of household appliances and consumer electronics, was held at Shanghai Pudong New International Expo Center. Hefei Home Appliances participated in the AWE, during which its design concept and understanding of the integration of household appliances industry to achieve a high-quality lifestyle was shared with other members of the industry, demonstrating the world leading intelligent technologies of Chinese enterprises.



▲ TCL washing machines on exhibition



▲ TCL refrigerators on exhibition



Homa Appliances Attending the 134th China Import and Export Fair

In October 2023, Homa Appliances attended the 134th China Import and Export Fair (Canton Fair) and held the Autumn Launch Conference in Guangzhou International Media Port aimed at fostering communication and facilitating sharing sessions with industry partners to drive win-win cooperation.



▲ Entry to the 134th China Import and Export Fair



▲ Autumn Launch Conference of Homa Appliances

Social Public Welfare

Homa Group actively fulfills its corporate social responsibility and supports the development of social welfare undertakings while uniting social forces by organizing public welfare activities and encouraging employees to participate in voluntary services.

Community Welfare

With the mission and vision of "rewarding society with a passion for public welfare", Homa Group is committed to promoting the concept of public welfare by actively fulfilling its corporate social responsibilities to demonstrate its support. During the reporting period, Homa Group carried out five community public welfare activities and donated a total of RMB 1.85 million.

During the reporting period, Homa Group

5 activities
community activities organized

1.85 million
donation

Homa Appliances Participating in Zhongshan Charity Parade Event

"Zhongshan 10,000-Person Charity Parade Striving for a National Civilized Model City" is the longest-running 10,000-person charity event in China. In February 2023, Homa Appliances participated in the Zhongshan Charity Parade themed "Walking with Love in Zhongshan" and made a donation of RMB 800,000.



▲ 2023 Zhongshan Charity Parade

Homa Appliances Arranging Chongyang Seniors' Day Activities in Community

During the Chongyang Festival in September 2023, Homa Appliances organized an event to honor the elderly in Jiangjun Community and Min'an Community in Zhongshan, to provide company and warmth to the elderly in the community. As part of the event, Homa Appliances donated RMB 30,000 to each community.



▲ Homa Appliances making donation to Jiangjun Community

Employee Volunteer Services

Homa Group regards employee volunteer services as an important part of undertaking corporate social responsibility and enhancing the team building of employees. We regularly arrange for our volunteer teams to participate in public welfare activities, and constantly encourage employees to give back to the community.

In 2023, Homa Group

25 activities
organized employee volunteer service activities

210 hours
total volunteer time

Hefei Home Appliances Arranging Popular Science Education Activities for Students

To improve the overall capabilities of students, Hefei Home Appliances arranged for more than 20 employees to provide regular science education activities for primary and secondary school students. In 2023, TCL Home Appliances (Hefei) Co., Ltd. received the "2023 Anhui Demonstration Unit for Science Popularization" award.



▲ Science education activities for primary school students

Homa Appliances Organizing Tree Planting Activity for Youth Volunteers

In response to the ecological construction of Green Guangdong and guidance given to employees of the Company when it comes to establishing the concept of "Lucid waters and lush mountains are invaluable assets", Homa Appliances arranged for young volunteers to plant trees along Yanjiang East Road on the morning of February 13, 2023.



▲ Tree planting event

Robust Governance for Solid Foundation

Robust corporate governance is the cornerstone for sustainable development of enterprises. Homa Group adheres to the values of honesty, transparency and respect, with active implementation of the requirements of party building and the establishment of a compliant internal control and risk management system. It takes due responsibility to the greatest extent possible at all times and bases morality as the guide for effective protection of the rights and interests of all stakeholders while promoting healthy development of the Company in the long run.

GOVERNANCE

Party Building Leadership

Homa Group attaches great importance to the leadership role of party building in the development of the Company. The effective development of party building can enhance the organizational power of grassroots Party organizations and the execution of party member teams, thus providing strong support for the Company's development and social progress. The Company focuses on laying a solid foundation and strengthening the existing basic efforts of party building, particularly with a strong focus on implementing the party building system, significantly improve the standardization level of party building work in the General Party Branch. At the same time, the Party branch conscientiously implements the decision-making arrangements of the CPC Central Committee and the superior party committees, with constant optimization of the development strategy and decision-making system of the Company.

2023 年

190 persons
Number of Party members

10 persons
Number of new Party members

During the reporting period, Homa Group organized a total of 27 party building activities, including party branch general meeting, life meetings organized by the Party branch, democratic evaluation of party members by the Party branch. In 2023, with the goal of achieving the institutionalization and standardization of Party branch work, we took the lead and continued to strive for the establishment of an activity room for outstanding party members, improve relevant work systems, and implement the construction of Party branches.

During the reporting period, Homa Group

27 sessions
Party building activities

"Example 8" Special Learning Activities of Hefei Home Appliances

On December 22, 2023, the General Party Branch of Hefei Home Appliances organized party members in Hefei to study "Example 8" jointly produced by the Organization Department of the CPC Central Committee, the Office of the Leading Group for Ideological Education in Socialism with Chinese characteristics and China Media Group, with a total of 20 participants.



▲ "Example 8" Special Learning Activities of Hefei Home Appliances

Party Day Activities of Homa Appliances

On July 4, 2023, the General Party Branch of Homa Appliances organized the Party Day Activities centered on the theme of "Recalling Initial Intention and Learning from Models" to commemorate the 102nd anniversary of the founding of the CPC. The activity revolved around carrying forward the requirements of the 20th CPC National Congress and reviewed the Party building work in 2022, and made arrangements for Party building in 2023.



▲ Homa Appliances arranged the Party Day activities with the theme of "recalling the original intention and learning from models"

Homa Group upholds the overall leadership of the CPC at all times and thoroughly implements the spirit of the 20th CPC National Congress. In the daily operation and management of the Company, we always take the party building efforts as the guide and the CPC policies and regulations as the code of conduct as we strive to create a clean and upright environment for development. In 2023, the General Party Branch of Guangdong Homa Appliances Co., Ltd. joined hands with the CPC Committee of Zhongshan Ecological Environment Bureau and the CPC Committee of Nantou Fire Rescue Brigade for party building. Together, they worked hard with the goal of building a new pattern of party building featuring "resource sharing, complementary advantages, mutual promotion and common improvement".

Joint Party Building between Homa Appliances and Party Committee of Zhongshan Ecological Environment Bureau

To thoroughly incorporate the requirements of the 20th CPC National Congress and fully implement the general requirements of Party building in the new era, the ecological environment system of Zhongshan convened a mobilization meeting on March 9, 2023 to promote the high-quality development of Zhongshan through style revolution. At the meeting, the General Party Branch of Homa Appliances signed an agreement on joint party building with the CPC Committee of Zhongshan Ecological Environment Bureau. The cooperation, which takes the CPC political construction as the core and innovating the carrier of party building as the means, aims at further optimization of the business environment of enterprises through party building pairing. At the same time, it adopts a comprehensive approach in helping enterprises to develop with high quality.



▲ Zhongshan mobilization meeting for high-quality development



▲ General Party Branch of Homa Appliances was awarded "Paired Joint Party Building Unit"

Joint Party Building between Homa Appliances and the CPC Committee of Nantou Fire Rescue Brigade

To improve the relationship between enterprises and the Fire Rescue Brigade while promoting civilized construction, the CPC Committee of Nantou Fire Rescue Brigade and the General Party Branch of Homa Appliances signed the joint party building agreement on March 9, based on the principles of giving full play to respective advantages, common development and mutual assistance, so as to gather the joint efforts for party building, promote the complementary advantages of party building, and strive to achieve the compounding effect of "1+1>2".



▲ Signing ceremony of joint party building between the Company and fire rescue brigade

Governance Structure

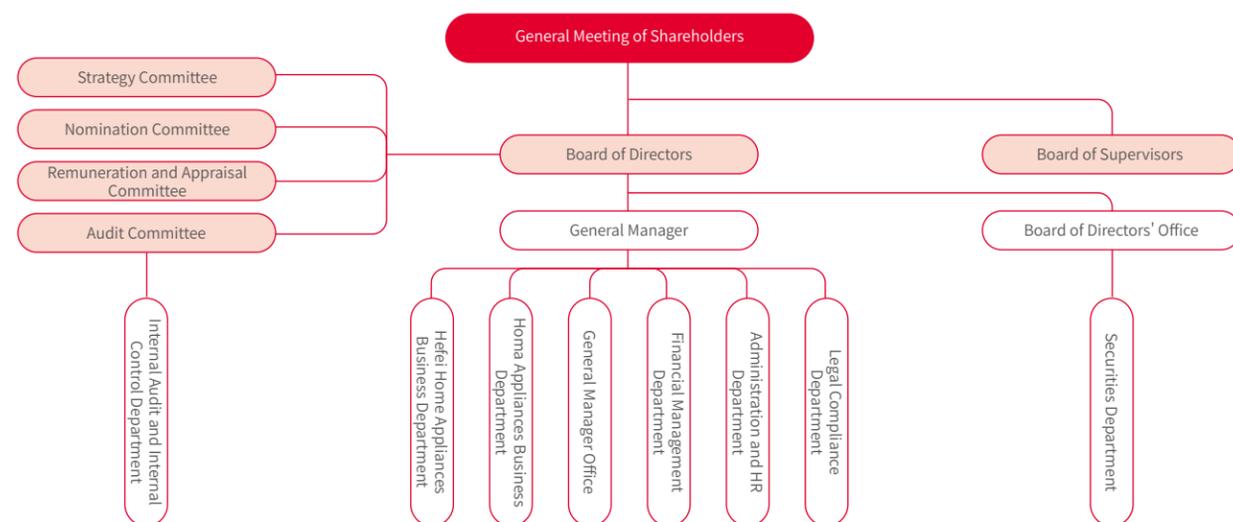
In strict accordance with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Code of Governance for Listed Companies*, *Rules Governing the Listing of Shares on Shenzhen Stock Exchange* and other relevant requirements of the China Securities Regulatory Commission, Homa Group regards compliance with the laws and regulations as the primary principle of governance, and constantly improves the design of governance structure and system regulations in order to ensure the legality, compliance and robustness of business activities of the Company.

Corporate Governance Structure

Homa Group regards the long-term, healthy development of the Company as an important governance goal, and has always maintained a clear corporate governance structure and operation according to relevant laws and regulations. The Company has formulated rules and regulations such as *Rules of Procedure for the Board of Directors*, *Work System for Independent Directors*, *Rules of Procedure for the Board of Supervisors*, etc., to ensure that the Company's operation meets the requirements of the laws and regulations, optimally serve the strategic objectives of the Company, and poses minimal operational risks.

The Company is committed to building a scientific and efficient internal management system and has since established the corporate governance structure consisting of the general meeting of shareholders, board of directors, board of supervisors, and the senior management. The Board of Directors consists of four special committees, namely, the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee and the Audit Committee, which are responsible for ensuring the robust operation and sustainable development of the Company. The Company's Board of Directors currently comprises seven directors, including three independent directors. The Board of Supervisors currently has one employee representative.

In 2023, Homa Group convened three General Meetings of Shareholders, eight meetings of Board of Directors and six meetings of Board of Supervisors. All meetings have been convened and voting procedures have been executed in accordance with relevant laws and regulations and the Company's Articles of Association. This provides strong support for the robust operation and long-term development of the Company.



Protection of Investors' Rights and Interests

Homa Group places great emphasis and attention on the protection of investors' rights and interests, with constant improvements made to the transparency and quality of information disclosure and publicly disclosures of the governance structure, internal management and risk control of the Company to shareholders, investors and the public. These disclosures are performed through regular reports, announcements, and annual reports, so as to enhance investors' trust and market transparency. In 2023, the Company held four performance briefings, targeted surveys and other activities, to actively safeguard the rights and interests of small and medium investors.

Regulation of Information Disclosure

Homa Group strictly regulates information disclosure and continuously improves the management level and quality of the Company's information disclosure systems, so to protect the legitimate rights and interests of investors. Based on the *Company Law of the People's Republic of China*, *Measures for the Administration of Information Disclosure of Listed Companies*, *Self-Regulatory Guidelines No.5 for Companies Listed on Shenzhen Stock Exchange-Management of Information Disclosure Affairs*, *Rules Governing the Listing of Shares on Shenzhen Stock Exchange* and other laws and regulations, the *Articles of Association* of the Company, as well as the actual condition of the Company, the Company has formulated the *Management System for Information Disclosure* to comprehensively regulate the subjects of information disclosure. In addition, the Company has established fair, timely and accurate communication relations with investors through multiple channels such as e-mail, official website, investor Q&A hotline, interactive platforms for investor relations, etc.

Legal Compliance and Risk Control

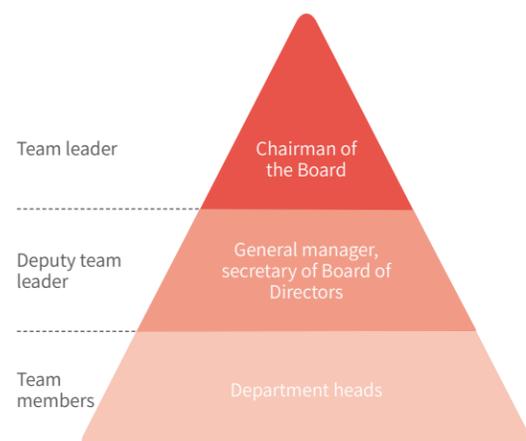
Compliance governance is the cornerstone for the robust operation of the Company. In accordance with the related laws and regulations and the relevant provisions of the *Articles of Association*, as well as the actual condition of the Company, Homa Group has formulated the *Internal Audit System of Guangdong Homa Group Co., Ltd.*, *Detailed Rules of the Audit Committee under the Board of Directors* and other related systems with the objective of comprehensively regulations of the internal control of the Company.

Board of Directors	Responsible for the sound establishment and effective implementation of internal regulations, approving internal control evaluation reports, identifying significant internal control shortcomings, and undertaking ultimate responsibility for internal control evaluations.
Board of Supervisors	Responsible for supervising the establishment and implementation of internal control and the internal control evaluation system by the Board of Directors.
Audit Committee of the Board of Directors	Report to and function under the direct management of the Board of Directors. The Audit Committee exercises and assumes the responsibility of supervising and inspecting the implementation of the internal control system, evaluating the effectiveness of internal controls and making suggestions for improving internal controls and correcting errors and shortcomings through the internal audit organization.
Internal Audit Organization	Report to the Board of Directors and its Audit Committee.
Management	Coordinate and resolve major issues arising in the process of internal control evaluation; stay informed of the work arrangements, work progress, and assessment reports of internal control evaluation; promptly obtain the results of daily internal control risk monitoring; and organize the implementation of efforts to rectify shortcomings.
Functional departments	Assist in internal control evaluation and audit, provide opinions and suggestions on the design and operational defects that have been identified, and implement actions for rectification of shortcomings.



To increase the capacity to respond to major risks, Homa Group classifies major risks and emergencies into various categories and conducts risk assessments for major risks and emergencies to identify potential events that could impact normal operations or market stability. In the aspect of early warnings and emergency handling, Hefei Home Appliances has established an emergency response team, which is responsible for studying and proposing plans in the event of major risks and emergencies. At the same time, the team implements various emergency measures according to the decisions of relevant government authorities while handling the emergencies based on the actual situation. The department heads will learn more about emergency response, track and analyze the incident in real time, report the information to the emergency response task force of the Company in a timely manner, and provide professional analysis opinions.

Structure of Emergency Handling Task Force of Hefei Home Appliances



Classification of Major Risks and Emergencies of Hefei Home Appliances

Classification type	Solutions
Extremely serious incident	<ul style="list-style-type: none"> The departments involved in the incident should report the incident to the Emergency Handling Task Force within 30 minutes, and the Emergency Handling Task Force will report it to the relevant departments.
Serious incident	<ul style="list-style-type: none"> The departments involved should report the details in writing to the Emergency Handling Task Force within three hours after occurrence of the incident, after which the Emergency Handling Task Force will submit the written report to the relevant departments in a timely manner.
Major incident	
Minor incident	<ul style="list-style-type: none"> The Emergency Handling Task Force shall sort out the written materials and report to the Board of Directors and the Board of Supervisors of the Company in a timely manner.

To enhance the compliance awareness of the entire Group and build the awareness of strictly adherence to the compliance bottom line within the Company, Homa has actively carried out compliance-related training and cultural construction activities aimed at creating the good compliance culture atmosphere.

Compliance Training of Hefei Home Appliances

In January 2023, Hefei Home Appliances organized a compliance training activity, during which the general manager of the Compliance and Legal Department of TCL Industrial was invited to share some insights on the compliance and legal issues in the operation of white appliance business, give a comprehensive introduction on export compliance, intellectual property rights, foreign-related OEM contracts and other topics. He also provided suggestions on management. The training activities not only systematically improve employees' knowledge and awareness on compliance, but also effectively promote the management team to improve compliant management strategies of the Company.

Anti-corruption and Business Ethics

Homa Group has always adhered closely to the principles of equality, mutual benefit, and win-win cooperation. It continuously strengthens internal integrity management and has formulated the Integrity Management Code to regulate business operations and eliminate violations of business ethics such as commercial bribery and unfair competition.

Homa has always maintained a "zero tolerance" attitude towards corruption. The Company strictly abides by the United Nations Convention against Corruption and complies with the national laws and regulations related to anti-corruption while consistently improving its internal anti-corruption system to prevent the occurrence of corruption. At the same time, we have comprehensively strengthened our integrity culture and training to create an honest and clean atmosphere in the Company. The Company was not involved in any corruption litigation cases in 2023.

As part of its employee complaint and whistleblowing policy, Hefei Home Appliances provides its employees with an OA system, email, and other channels through which they can report complaints and whistleblowing, establishing a 24-hour response time for reports. Each reported lead is investigated and evidence collected by special project teams, which publish the results of their investigations. Additionally, Hefei Home Appliances regularly reports past corruption cases on its intranet. As of the reporting period, Hefei Home Appliances conducted four anti-corruption and business ethics training sessions for 132 employees.

Homa Appliances has established an anti-corruption whistleblowing system. We encourage employees, business partners and other personnel to provide tip-offs in their real names via various channels including mailing of letters, personal visits, telephone call, WeChat or e-mail, providing audio-visual materials, etc. Cash rewards will be granted once the tip-off is verified after investigation. In the process of investigation of reports, we strictly adhere to the principle of "absolute confidentiality" to ensure the protection of whistleblowers. Furthermore, Homa Appliances has formulated the Accountability Management Regulations, which clearly defines the "red line" of operation and management, strictly prohibits abuse of power for personal gain, fraud and other violations, and establishes corresponding punishment mechanisms in order to effectively promote the construction of internal anti-corruption and business ethics management systems.

We are committed to creating an open, equal and fair competitive environment. In response to the call for a policy to resolutely combat monopoly and unfair competition, we have continuously strengthened our antitrust and unfair competition management. The Company has exercised regulation of unfair competition in its compliance management system and reached a consensus on the relevant terms in the agreement with the partners, strictly adhere to the bottom line of business compliance. Hefei Home Appliances operates according to principles that support the Company's sustainable development and its shareholders' interests. This ensures the independence of company personnel, the integrity of assets, and the financial independence of the Company by preventing industry competition between actual controllers and associated parties.

Homa Appliances Whistleblowing Channel

Email for tip-off	Tip-off hotline	Mail address
CEO@homa.cn	0760-23128959	Homa Human Resources Department, 54 Dongfu North Road, Nantou Town, Zhongshan, Guangdong, China

Information Security

Homa has continuously improved its internal information security management system to comprehensively ensure the data privacy of employees and customers.

In accordance with relevant laws and regulations, Hefei Home Appliances has formulated system documents such as Information System Security Plan and Information Security Management Police and established the information security management system for the entire process of patrol inspection, backup, early warning, training and audit, all with the objective of regulating the internal information security management of the Company. In 2023, Hefei Home Appliances increased the firewall isolation between the production network and the office network, which regularly detects network security issues through probes and improves the company's information security management capacity.

To ensure comprehensive safeguarding of the Company's information security, Homa Appliances has established the information security team and appointed an information security commissioner, who are responsible for coordination, planning, audit and specific implementation of information security measures, and regularly invites third-party entities to conduct annual information security inspections in order to discover information security vulnerabilities as early as possible. In 2023, Homa Appliances launched the network access system, optimized the data backup mechanism, and established an internal data sharing management system to ensure the cybersecurity and information security of the Company.

On this basis, Homa Group and its various businesses focus on the construction of a culture of information security. In 2023, the company concluded a total of four information security training sessions for over 600 people, strengthening the awareness of information security among its employees.

Outlook for the Future

2023 is a year filled with profound changes in the global smart home appliance industry, but also one for Homa Group to forge ahead and create brilliant achievements. Looking forward, the upgrading trend of intelligent, high-end and healthy refrigerators and washing machines is obvious, and innovative products will be the driving force of the growth of the industry. In the international market, with the rapid development of emerging economies, the import demand for refrigerators and washing machines is increasing constantly, and there is still a large room for growth of China's export market of refrigerators and washing machines. Homa Group will continue to strengthen its faith, embrace difficulties with courage and zeal, and constantly seek innovation and breakthroughs.

As for green commitment, we will continue to promote green and low-carbon development and integrate the concept of environmental protection into every detail of business operations. Homa Group will strive to develop a green production system and make continuous improvements to the environmental management system. Starting with key issues such as management of energy, pollution, wastes and water resources, we make concrete efforts to reduce the impact of our production process on the environment. At the same time, we will vigorously promote green product design, make innovations based on the original equipment we have, and create reliable and environmentally friendly products with a sustainable attitude.

In the practice of social responsibility, we will continue to play a positive role as an enterprise and contribute Homa Power to society. We will continue to improve the protection of the rights and interests of employees, provide a comprehensive talent training system, and create a diverse, inclusive, and equal working environment. On the other hand, while adhering to the values of "customer first, team-oriented, efficient and reliable", we will continue to provide consumers with high-quality products and conscientious customer service, thus taking responsibility for every consumer. For social welfare, we will also strengthen social responsibility, actively participate in public welfare activities, pay attention to vulnerable groups, and make more contributions to society.

For scientific governance, we will constantly improve the corporate governance structure to ensure the robust operation of the Company. In the future, Homa Group will strengthen implementation and supervision of ESG policies within the Company and optimize governance for sustainable development. We will formulate strict internal control procedures and establish a comprehensive risk management framework to identify, evaluate and manage potential risks. We will also continue to strengthen information disclosure and maintain good communication and interaction with stakeholders.

Considering the trends of product structure adjustment, dynamic reshaping of the competition pattern, etc. in the global smart home appliance industry, Homa Group will continue to become a global leader in smart household appliances. In order to advance its globalization strategy, the Company is focusing on smart home appliances powered by artificial intelligence. The Company strives to achieve comprehensive interconnection, collaborative operation, and self-learning optimization for household appliances through technological innovation, offering users innovative technological experiences and healthy lifestyles, and enabling the industry to develop further through technology.



Key Performance Table¹

Environmental Performance			
	Key Performance Indicators	Unit	2023 Data
Environment Management	Investment on Environment Protection	10,000 RMB	312.80
	Penalties incurred by the Company for violations of environment-related laws and regulations	Session	0
	Fine incurred by the Company for violations of environment-related laws and regulations	RMB	0
	Number of environment-related lawsuits resulting from violations of environment-related regulations	Session	0
	Number of employee training on environment protection	Session	14
	Number of employees' participation in environment protection training	Attendance	10,024
Greenhouse Gases Emissions Management	Total greenhouse gas emissions	Tons of carbon dioxide equivalent	169,233.87
	Scope 1	Tons of carbon dioxide equivalent	31,842.02
	Scope 2	Tons of carbon dioxide equivalent	137,391.85
	Emission strength of greenhouse gas	tCO ₂ e/Million output value	11.15
Energy Management	Total energy consumption	Tons of standard coal	32,189
	Total consumption of non-renewable energy	Tons of standard coal	29,781
	Total consumption of renewable energy	Tons of standard coal	2,407
	Diesel usage	Liter	175,770
	Gasoline usage	Liter	16,620
	Natural gas consumption	Cubic meter	807,815
	Total power consumption	kWh	260,506,553
	Consumption of renewable electricity	kWh	19,590,260
Packaging Materials Usage	Total amount of used packaging materials	Ton	65,175
	Amount of used paper packaging materials	Ton	49,179
	Amount of used plastic packaging materials -EPS	Ton	4,126
Water Resource Usage	Total water consumption	Ton	1,484,629
	Total wastewater discharge	Ton	288,360
Pollution and Waste Management	Total emissions of hazardous wastes	Ton	15,781.48
	Total discharge of hazardous wastes	Ton	215.17
	Total discharge of non-hazardous wastes	Ton	15,566.31
	Total recycling of wastes	Ton	4,687.01
	Total recycling of wastes	Ton	4,687.01
Social Performance			
	Key Performance Indicators	Unit	2023 Data
Employment	Total number of employees	Person	12,684
	Number of male employees	Person	8,806
	Number of female employees	Person	3,878
	Number of employees aged under 30	Person	6,365
	Number of employees aged 30 to 50	Person	5,734
	Number of employees aged above 50	Person	585

¹ Without specification, the data in the table refers to adjusted (i.e. including Hefei Home Appliances) data.

Social Performance			
Diversity and equal opportunities	Number of employees from ethnic minorities	Person	1,938
	Number of employees with disabilities	Person	135
Protection of employees' rights and interests	Labor contract signing rate	%	100
	Total sessions of employee training	Session	3,150
	Average hours of training for male employees	Hour	13.15
	Average hours of training for female employees	Hour	10.24
	Total training attendance by male employees	Attendance	79,303
	Total training attendance by female employees	Attendance	26,609
Employee Training	Total training hours of training for male employees	Hour	115,772
	Total training hours of training for female employees	Hour	39,727
	Number of work-related deaths	Person	0
	Number of work-related injuries	Session	74
	Total number of days lost due to work-related injuries	Day	1,356
	Expenses for safe production	10,000 RMB	720.27
Occupational Health and Safety	Number of major safety accidents	Session	0
	Number of safety inspections	Session	358
	Number of employees' occupational diseases	Session	0
	Number of occupational health and safety training sessions conducted	Session	783
	Number of persons covered by occupational health and safety training	Attendance	68,325
	R&D and Innovation	R&D investment	RMB
Number of innovative study programs		No.	57
Total number of R&D and technical employees		Person	1,108
R&D and Innovation	R&D investment	10,000 RMB	54,205
	Number of innovative research programs	Item	57
	Total number of R&D and technical employees	Person	1,108
	Cumulative number of patents granted	Item	2,055
	Annual number of patents granted	Item	330
	Expenses for clean technology-related R&D ²	10,000 RMB	1,107.02
Customer Service	Turnover of green products ³	10,000 RMB	1,542.25
	Number of participation of industry standards	Item	19
	Number of participation of industry exchange activities	Session	42
	Number of customer complaints	Session	7
	Total number of suppliers	No.	1,562
	Number of suppliers in Chinese mainland	No.	1,530
Suppliers	Number of suppliers in other regions	No.	32
	Number of supplier training activities	Session	101
	Monetary donation	10,000 RMB	185
Social welfare	Number of public welfare activities	Session	5
	Number of employee volunteer activities	Session	25
	Number of volunteers	Attendance	140
	Volunteer hours	Hour	210
Party Building	Number of Party members	Person	190
	Number of new Party members	Person	10
	Number of party building activities	Session	27

² Homa Refrigerator has not collected the statistic data yet, the total data for Expenses for clean technology-related R&D only includes data from Hefei Home Appliances.

³ Homa Refrigerator has not collected the statistic data yet, the total data for Turnover of green products only includes data from Hefei Home Appliances.

Reporting Index

Global Reporting Initiative (GRI) Standards

Homa has reported the information referenced in this GRI internal index with reference to the GRI standards for the period January 1, 2023 to December 31, 2023.

GRI Standards	Disclosure	Corresponding Chapter
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report About Homa Group
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	About the Report
	2-6 Activities, value chain and other business relationships	About Homa Group
	2-7 Employees	Talent Cultivation and Joint Development
	2-9 Governance structure and composition	Robust Governance for Solid Foundation
	2-10 Nomination and selection of the highest governance body	Robust Governance for Solid Foundation
	2-12 Role of the highest governance body in overseeing the management of impacts	Robust Governance for Solid Foundation
	2-13 Delegation of responsibility for managing impacts	Robust Governance for Solid Foundation
	2-14 Role of the highest governance body in sustainability reporting	Sustainable Development Governance
	2-16 Communication of critical concerns	Sustainable Development Governance
	2-17 Collective knowledge of the highest governance body	Sustainable Development Governance
	2-19 Remuneration policies	Robust Governance for Solid Foundation
	2-22 Statement on sustainable development strategy	Sustainable Development Governance
GRI 3: Material Topics 2021	2-23 Policy commitments	Talent Cultivation and Joint Development Harmonious Society, Shared Victory Robust Governance for Solid Foundation
	2-27 Compliance with laws and regulations	Robust Governance for Solid Foundation
	2-28 Membership associations	About Homa Group
	2-29 Approach to stakeholder engagement	Sustainable Development Governance
GRI 201: Economic Performance 2016	3-1 Process to determine material topics	Sustainable Development Governance
	3-2 List of material topics	Sustainable Development Governance
	3-3 Management of material topics	Sustainable Development Governance
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About Homa Group Key Performance Table
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainable Development Governance
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Topic Story Safety Assurance and Product Innovation Harmonious Society, Shared Victory
	203-2 Significant indirect economic impacts	Safety Assurance and Product Innovation

GRI Standards	Disclosure	Corresponding Chapter
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Robust Governance for Solid Foundation
	205-2 Communication and training about anti-corruption policies and procedures	Robust Governance for Solid Foundation
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Robust Governance for Solid Foundation
	301-1 Materials used by weight or volume	Putting Environment First to Build a Green Future Key Performance Table
GRI 301: Materials 2016	301-2 Recycled input materials used	Key Performance Table
	301-3 Reclaimed products and their packaging materials	Putting Environment First to Build a Green Future Key Performance Table
	302-1 Energy consumption within the organization	Putting Environment First to Build a Green Future Key Performance Table
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization	Key Performance Table
	302-4 Reduction of energy consumption	Putting Environment First to Build a Green Future
	302-5 Reductions in energy requirements of products and services	Putting Environment First to Build a Green Future
	303-1 Interactions with water as a shared resource	Putting Environment First to Build a Green Future
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Putting Environment First to Build a Green Future
	303-3 Water withdrawal	Putting Environment First to Build a Green Future
	303-4 Water discharge	Putting Environment First to Build a Green Future Key Performance Table
	303-5 Water consumption	Putting Environment First to Build a Green Future Key Performance Table
	305-1 Direct (Scope 1) GHG emissions	Putting Environment First to Build a Green Future Key Performance Table
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Putting Environment First to Build a Green Future Key Performance Table
	305-4 GHG emissions intensity	Putting Environment First to Build a Green Future Key Performance Table
	305-5 Reduction of GHG emissions	Putting Environment First to Build a Green Future
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Putting Environment First to Build a Green Future Key Performance Table
	306-1 Waste generation and significant waste-related impacts	Putting Environment First to Build a Green Future
GRI 306: Waste 2020	306-2 Management of significant wasterelated impacts	Putting Environment First to Build a Green Future
	306-3 Waste generated	Putting Environment First to Build a Green Future Key Performance Table
	306-4 Waste diverted from disposal	Putting Environment First to Build a Green Future Key Performance Table
	306-5 Waste directed to disposal	Putting Environment First to Build a Green Future Key Performance Table
	GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria
308-2 Negative environmental impacts in the supply chain and actions taken		Harmonious Society, Shared Victory

GRI Standards	Disclosure	Corresponding Chapter
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Talent Cultivation and Joint Development Key Performance Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Talent Cultivation and Joint Development
	403-1 Occupational health and safety management system	Talent Cultivation and Joint Development
	403-2 Hazard identification, risk assessment, and incident investigation	Talent Cultivation and Joint Development
	403-3 Occupational health services	Talent Cultivation and Joint Development
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Talent Cultivation and Joint Development
	403-5 Worker training on occupational health and safety	Talent Cultivation and Joint Development Key Performance Table
	403-6 Promotion of worker health	Talent Cultivation and Joint Development
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Talent Cultivation and Joint Development
	403-8 Workers covered by an occupational health and safety management system	Talent Cultivation and Joint Development Key Performance Table
	403-9 Work-related injuries	Talent Cultivation and Joint Development Key Performance Table
	403-10 Work-related ill health	Talent Cultivation and Joint Development
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Cultivation and Joint Development Key Performance Table
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Cultivation and Joint Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Cultivation and Joint Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Talent Cultivation and Joint Development
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Talent Cultivation and Joint Development
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Talent Cultivation and Joint Development Harmonious Society, Shared Victory
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Talent Cultivation and Joint Development Harmonious Society, Shared Victory
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Harmonious Society, Shared Victory
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Harmonious Society, Shared Victory
	414-2 Negative social impacts in the supply chain and actions taken	Harmonious Society, Shared Victory
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Safety Assurance and Product Innovation
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Safety Assurance and Product Innovation
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safety Assurance and Product Innovation Robust Governance for Solid Foundation

HKEX Environmental, Social and Governance Reporting Guide

Disclosure	Corresponding Chapter
A. Environmental	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: • Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. • Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. • Hazardous wastes are those defined by national regulations.	Putting Environment First to Build a Green Future
A1: Emissions	
A1.1 The types of emissions and respective emissions data.	Putting Environment First to Build a Green Future Key Performance Table
A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Putting Environment First to Build a Green Future Key Performance Table
A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Putting Environment First to Build a Green Future Key Performance Table
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Putting Environment First to Build a Green Future Key Performance Table
A1.5 Description of emissions target(s) set and steps taken to achieve them.	Putting Environment First to Build a Green Future
A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Putting Environment First to Build a Green Future
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i>	Putting Environment First to Build a Green Future
A2: Use of Resources	
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Putting Environment First to Build a Green Future Key Performance Table
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Putting Environment First to Build a Green Future Key Performance Table
A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Putting Environment First to Build a Green Future
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Putting Environment First to Build a Green Future
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Putting Environment First to Build a Green Future Key Performance Table
A3: The Environment and Natural Resources	
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Putting Environment First to Build a Green Future
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Putting Environment First to Build a Green Future

Disclosure	Corresponding Chapter
<p>General Disclosure</p> <p>Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p>	Putting Environment First to Build a Green Future
A4: Climate Change	
<p>A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	Putting Environment First to Build a Green Future Sustainable Development Governance
B. Social	
Employment and Labour Practices	
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Talent Cultivation and Joint Development
B1: Employment	
<p>B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.</p>	Talent Cultivation and Joint Development Key Performance Table
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Talent Cultivation and Joint Development
B2: Health and Safety	
<p>B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.</p>	Talent Cultivation and Joint Development Key Performance Table
<p>B2.2 Lost days due to work injury.</p>	Talent Cultivation and Joint Development Key Performance Table
<p>B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.</p>	Talent Cultivation and Joint Development
<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p><i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i></p>	Talent Cultivation and Joint Development
B3: Development And Training	
<p>B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p>	Talent Cultivation and Joint Development Key Performance Table
<p>B3.2 The average training hours completed per employee by gender and employee category.</p>	Talent Cultivation and Joint Development Key Performance Table
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p>	Talent Cultivation and Joint Development
B4: Labour Standards	
<p>B4.1 Description of measures to review employment practices to avoid child and forced labour.</p>	Talent Cultivation and Joint Development
<p>B4.2 Description of steps taken to eliminate such practices when discovered.</p>	Talent Cultivation and Joint Development

Disclosure	Corresponding Chapter
Operating Practices	
<p>General Disclosure</p> <p>Policies on managing environmental and social risks of the supply chain.</p>	Harmonious Society, Shared Victory
B5: Supply Chain Management	
<p>B5.1 Number of suppliers by geographical region.</p>	Harmonious Society, Shared Victory Key Performance Table
<p>B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.</p>	Harmonious Society, Shared Victory
<p>B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.</p>	Putting Environment First to Build a Green Future Harmonious Society, Shared Victory
<p>B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.</p>	Putting Environment First to Build a Green Future Harmonious Society, Shared Victory
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Safety Assurance and Product Innovation
B6: Product Responsibility	
<p>B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p>	Safety Assurance and Product Innovation
<p>B6.2 Number of products and service related complaints received and how they are dealt with.</p>	Safety Assurance and Product Innovation
<p>B6.3 Description of practices relating to observing and protecting intellectual property rights.</p>	Safety Assurance and Product Innovation
<p>B6.4 Description of quality assurance process and recall procedures.</p>	Safety Assurance and Product Innovation
<p>B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.</p>	Safety Assurance and Product Innovation Robust Governance for Solid Foundation
<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p>	Robust Governance for Solid Foundation
B7: Anti-corruption	
<p>B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.</p>	Robust Governance for Solid Foundation
<p>B7.3 Description of anti-corruption training provided to directors and staff.</p>	Robust Governance for Solid Foundation
Community	
<p>General Disclosure</p> <p>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p>	Harmonious Society, Shared Victory
B8: Community Investment	
<p>B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Harmonious Society, Shared Victory
<p>B8.2 Resources contributed (e.g. money or time) to the focus area.</p>	Harmonious Society, Shared Victory

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