

Participation in external advocacy associations

Avary Holding actively implements energy-saving and carbon-reduction actions at our global operating locations to respond to "Net-Zero by 2050 Roadmap" and the Paris Agreement. The Company is committed to setting targets in accordance with the Paris Agreement, such as limiting global warming to below 2°C or 1.5°C, achieving net-zero emissions by 2050, and related energy-saving and carbon-reduction measures. In addition to actively promoting energy-saving initiatives among all employees internally, we also participate in external climate-related industry organizations to continuously exchange and stay updated on the latest net-zero emission trends.

Avary Holding primarily engages with various international or local industry associations and non-profit organizations. Through diverse methods such as advocacy and policy recommendations, the Company provides relevant suggestions to the government, public associations, or industry associations. These efforts aim to promote industry sustainability, technological innovation, environmental benefits, human rights protection, and responsible supply chain practices. The ESG Development Committee served as the highest management organization for planning and overseeing sustainable development strategies. It supervised the progress of related work and advocacy for organizational participation, ensuring alignment with the company's sustainability goals and policies, and reported to the board of directors. Given that each public association is established with different objectives and purposes, Avary Holding's membership in a public association does not imply agreement with all of its positions. We participate in various initiatives or public associations and engage with stakeholders based on the goals set by Avary Holding to continuously work together to promote relevant policies.

Management System for Climate Lobbying Activities and Trade Associations

We have established a management system for climate-related lobbying activities and participation in industry associations, covering all operational locations of Avary Holding and its subsidiaries worldwide. This management system ensures that our engagement in climate-related public affairs aligns with the company's sustainability goals, climate change policies, and the requirements of the Paris Agreement. The Corporate Governance Task Force, led by the Vice President under the ESG Development Committee, is responsible for overseeing and coordinating all climate-related activities, ensuring that they are consistent with our corporate values and strategic objectives. The committee reviews and approves participation in industry associations and lobbying efforts, monitors compliance with relevant policies, and reports on the effectiveness of these activities to the Board of Directors.

Trade Associations and Direct Lobbying

Avary Holding actively participates in industry associations related to climate change, hoping that the operations of these associations will better align with our principles for addressing climate change and achieving net-zero emissions. Regarding participation in these associations, Avary Holding has established the following management and oversight procedures:

1. We will review the industry associations we participate in to identify those that address climate change and related goals, such as the Paris Agreement, or engage in advocacy and promotion on climate issues, thereby including them in our organizational management focus.
2. We will regularly assess and monitor these entities to ensure their activities align with the goals of the Paris Agreement, such as the 2050 net-zero target and the ongoing promotion of sustainable development.
3. For industry associations that are inconsistent with our climate policies and objectives, we will coordinate and communicate with the associations or their members to align their goals and positions with those of the company. If alignments is not achieved within two years, we will withdraw from the association.
4. We will track the execution progress and report regularly to the Board of Directors on progress and outcomes.

2024 Evaluation Results

Direct Lobbying

Avary Holding did not conduct any direct lobbying in 2024.

Trade Associations

All climate-related trade associations in which Avary Holding participates are aligned with the Company's climate objectives; no misalignments were identified in 2024.

Name of Associations	Remarks on Assessment
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China Printed Circuit Association (CPCA)	Issued industry energy-saving and emissions reduction initiatives, emphasizing the responsibility of the PCB industry in facing environmental challenges. Called for increased environmental awareness, optimized production processes, reduced waste, promoted technological innovation, and self-discipline to facilitate green development.
Guangdong Printed Circuit Association (GPCA)	Since 2011, the "Environmental PCB Enterprise Selection" has been continuously held to encourage companies to recognize climate risks and integrate sustainability concepts into PCB enterprises, while also organizing related environmental forums.
Shenzhen Printed Circuit Association (SPCA)	Co-hosted multiple environmental forums and green enterprise evaluations with Guangdong Printed Circuit Association (GPCA), aiming to encourage companies to address climate risk issues and achieve sustainable development.

FY 2020~2024 Total Monetary Contributions & Other Spending

Item (RMB)	2020	2021	2022	2023	2024
Lobbying, interest representation or similar	-		-	-	-
Political campaigns / organizations	-		-	-	-
Trade associations or tax-exempt group	50,000	346,161	359,161	359,161	500,000
Others	-	-	-	-	-
Total contributions and other spending	50,000	346,161	359,161	359,161	500,000

2024 TOP 5 Largest Contributions & Expenditures for Trade Associations and Tax-exempt Organizations

Name of Organization	Type of Organization	Description	Total amount paid(RMB)
Responsible Business Alliance (RBA)	Tax-exempt group	<p>In compliance with the RBA Code of Conduct and internationally recognized labor human rights principles, Avary Holding conducts internal human rights assessments and formulate internal management policies to address human rights "concerns" such as labor, equal pay for equal work, child labor, discrimination/ harassment, forced labor, human trafficking, freedom of association, provision of a safe working environment, and corporate culture building.</p> <p>We ensure that labor and human rights are protected through ongoing improvement of mitigation and remedial measures such as awareness-raising and regular risk assessment.</p>	237,658
Shenzhen Public companies Association	Trade Association	Avary Holding is the member of Shenzhen Public companies Association.	60,000
China Association for Public Companies (CAPCO)	Trade Association	Avary Holding is the member of China Association for Public Companies.	50,000
China Environment News	Trade Association	China Environment News fosters environmental stewardship and accountability through comprehensive reporting and analysis. By partnering with academic institutions, NGOs, and industry leaders, it aims to drive positive change towards a sustainable future. Through contributions, Avary Holding supports the organization's efforts to raise awareness and promote sustainability within the industry and the broader public.	45,000

Guangdong Printed Circuit Association (GPCA)	Trade Association	Avary Holding is the member of Guangdong Printed Circuit Association.	8,000
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