

Salcomp (Guigang) Environmental Management and Target

Salcomp develops and manufactures adapters for mobile phones and other electronic devices. Company is the market leader in smartphone and tablet chargers, and the main customers include all major smartphone and tablet manufacturers. Salcomp aims to develop environmentally friendly products and operations. Operations follow national environmental laws and regulations and ISO 14001:2015 certified environmental management system. Salcomp(Guigang) is one manufacture site of Salcomp group.

Environmental Policy-- Salcomp (Guigang) is committed to protecting the environment and controlling the use of resources in manufacturing and related activities. As a Responsible Business Alliance RBA member, Salcomp (Guigang) is ISO 14001:2015 certification, Salcomp (Guigang)' s environmental management system helps maintain a safe and healthy environment for the employees, while ensuring the commitment to environmental responsibility. To achieve these goals, the environmental management programs comply with relevant environmental legislation, rules and regulations prescribed by the city, province and country in which we do business. Salcomp(Guigang) aims to continuously develop environmentally effective products and operations. Salcomp(Guigang) focuses both on improving the energy efficiency of products and on reducing standby consumption. In addition, emphasis is put on improving the efficiency of the production facilities and operations.

Environmental Compliance—Salcomp (Guigang)' s environmental management system is certified and audited according to the ISO 14001:2015 standard. Throughout local environmental organizations and management systems, Salcomp (Guigang) can ensure we meet the local environmental compliances and have the needed permits. From the opening of company till to 2022, there were no violations of environmental regulations.

Environment Monitoring and Disclosure—Salcomp (Guigang)' s production processes are efficient and ensure high-quality end products and the lowest possible environmental load per unit product. Environmental data is monitored on a monthly basis. The most significant environmental considerations relate to energy consumption, the use of water, the generation of waste, and GHG emissions, we set long-term reduction target for these key indicators, and we participate the environmental disclosure through CDP platform and IPE platform and other customer platforms every year.

Energy Consumption Management-- The main energy needed at Salcomp(Guigang) is electricity, the electricity is used for production and employee life. In recent years, the product development towards smart and fast chargers, these more complex products

increase the automation level, but this has increased the need of electricity accordingly . Salcomp (Guigang)' s environmental protection programs are focusing on controlling and reducing the consumption of electricity, we conduct energy reduction projects, and cooperate with solar power plant from Aug 2022 to generate renewable energy sources. **We set target to reduce the use of electricity, aim to reduce 35% electricity consumption from 2021 to 2030 at the base of year 2020, and we also commit to achieve the goal of using 100% renewable energy by 2030.**

Water Consumption Management –Salcomp (Guigang)' s production processes are environmentally friendly, we do not produce production waste water, only produce life waste water, to reduce the consumption of water, **we set the target to reduce 35% water consumption from 2021 to 2030 at the base of year 2020, the target is set in term of water consumption per product.**

Waste Management—Salcomp (Guigang) 's waste includes life waste, recycle waste, and dangerous waste, we aim to increase the rate of recycle waste, reduce life waste and dangerous waste, **we aim to reduce 10% intensity waste from year 2021 to 2030 at the base of year 2020, the target is set in term of waste per product.**

GHG Emissions Management—Salcomp(Guigang) is supporting the greenhouse gas (GHG) protocol and is taking continuous improvement activities to reduce greenhouse gas emissions. We monitor the GHG emission every year, more than 95% of GHG emissions are produced from purchasing electricity, we **commit to reduce absolute GHG emissions 35% by 2030 at the base of year 2020.**

2022 Environmental Target--The environmental performance and 2022 target setting proposal as following:

	Y2020 performance	Y2021 performance	Y2022 Target
Waste per product (g/PC)	7.69	7.62	7.54
Electricity consumption per product (W.h/PC)	319.23	246.08	237.46
GHG emission per product (g/PC)	256.66	202.00	196.95
Water-saving (L/PC)	4.65	2.56	2.47