

2024

Sustainability Report
United Nova Technology Co., Ltd.

ENVIRONMENTAL
SOCIAL AND GOVERNANCE

Sustainability Report

United Nova Technology Co., Ltd.

CONTENTS

About this Report	01
Letter from the Chairman	03
We are UNT	05
UNT Milestones	07
Responses to United Nations (UN) Sustainable Development Goals (SDGs)	09
Product and Service	10
2024 Honors and Awards	11
Industry Associations	11
Sustainability Governance	12
Sustainable Development Strategy	13
Materiality Analysis	15
Communication with Stakeholders	17
C1 Integrity Governance	19
Corporate Governance	21
Integrity Management	24

Compliance Management	25
Risk Management	26
Information Security Management	27
Sustainable Supply Chain	29
C2 Innovation and Services	33
Innovation Management	35
Intellectual Property Protection	37
Industry-University-Research Cooperation	38
Quality Management	38
Dedicated Service	41
C3 Environmental Protection	43
Environmental Management System	45
Responding to Climate Change	46
Energy Management	50
Water Stewardship	53
Circular Economy	55

Air Pollution Control	56
C4 Happy Workplace	57
Talent Attraction and Retention	59
Human Rights Management	63
Talent Development	65
Occupational Health and Safety	67
Employee Care	71
C5 Social Contribution	75
Appendix	77
Table of Performance for the Reporting Year	77
Index of GRI Standards	81
Index of Sustainability Accounting Standards Board (SASB)	85
Index to Shanghai Stock Exchange's Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)	86

About this Report

United Nova Technology Co., Ltd (hereinafter referred to as “UNT”, “the Company” or “we” in the report) publishes its Sustainability Report annually. This is UNT's 2024 Sustainability Report, which details UNT's environmental, social and governance development management, practices, and performance during the reporting year, with the aim of communicating with stakeholders about the Company's sustainability and fostering joint efforts towards a more sustainable future.

Reporting Scope

The scope of disclosure in this report is consistent with that of the Annual Report, covering the environmental, social and governance performance data of United Nova Technology Co., Ltd and its controlled subsidiaries. For the sake of presentation, the terms “country”, “state”, “domestic” and “government” in the report without full names refer to the People's Republic of China and its administrative organizations.

The time-frame of this report spans from January 1, 2024 to December 31, 2024, and certain sections may include data from previous or subsequent years in order to provide stakeholders with a clearer understanding of the development and changes in the Company's environmental, social and governance performance.

Reporting Period

This is the sixth sustainability report published by UNT. The Company publishes its Sustainability Report for the previous year every natural year in conjunction with the Company's annual report.

Reference Standards

The following disclosure standards have been referenced in the preparation of this report:

- ① Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards);
- ② Shanghai Stock Exchange's “Rules Governing the Listing of Stocks on SSE STAR Market”, “Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Reporting (Trial)”;
- ③ IFRS 1 - General Requirements for Disclosure of Sustainability-Related Financial Information and IFRS 2 - Climate-Related Disclosures of the International Accounting Standards Board (IASB);
- ④ Sustainability Accounting Standards Board (SASB) Sustainability Accounting Standards;
- ⑤ European Financial Reporting Advisory Group (EFRAG) European Sustainability Reporting Standards (ESRS).

Data Sources

The report contains certain financial data quoted from the Company's Annual Report for the year 2024, which has been independently audited, and other information and data are mainly derived from the Company's internal relevant statistical reports or documents. Unless otherwise stated, all amounts are measured in CNY.

Confirmation and Approval

The report was confirmed by the management and approved by the Board of Directors on 25 April 2025.

Report Release

This report is published in both English and Chinese electronic versions. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail. For more information about UNT's background and sustainability philosophy, please visit UNT's official website.

The electronic version of the report is available to all stakeholders on the Corporate Responsibility page of the Company's official website, and the report will also be publicly disclosed on the information disclosure platforms for listed companies designated by the Shanghai Stock Exchange and the China Securities Regulatory Commission.

Feedback

Should you have any comments or suggestions regarding this report or UNT's sustainability strategy, please contact us at:
United Nova Technology Co., Ltd.

☎ Tel: 0575-88060000

✉ Email: IR@unt-c.com

🌐 Official Website: <https://cn.unt-c.com/>

📍 Address: No. 518, Linjiang Road, Yuecheng District, Shaoxing, Zhejiang, China

Letter from the Chairman



United Nova Technology Co., Ltd.
Chairman

Zhao Qi

On behalf of United Nova Technology Co., Ltd. (UNT), I would like to extend my sincere gratitude to all stakeholders for your longstanding trust and support.

The year 2024 marked a period of rapid development for UNT.

Driven by continuous technological innovation, we remained committed to becoming a leading force in the new energy industry. In 2024, we launched a series of automotive- and industrial-grade technology platforms, including a digital-analogue hybrid embedded control chip platform, a high-side intelligent switch chip platform, a 120V high-voltage BCD platform, an SOI BCD platform, and an 8-inch SiC process platform. These advancements filled key gaps in the domestic market and allowed us to seize important opportunities in industrial development.

We leveraged capital operations to integrate resources and expand our strategic reach. The Company's CVC investment platform UNT Capital was officially launched. By deepening the connection between the semiconductor industry chain and partners in the new energy industry, we have gathered industrial strength and formed an industrial ecosystem.

Our relentless focus on technical precision and customer responsiveness sustained our strong momentum, resulting in consistent revenue growth quarter by quarter throughout 2024. In the second half of the year, we achieved a positive gross profit margin—marking a significant milestone in UNT's history.

With all our business achievements, we understand in the wave of the global digital economy, the semiconductor industry, as the core driving force, has projected an impact that has long exceeded the scope of the industry itself, and has been endowed with the significance of human development and well-being. Against this backdrop, UNT integrates ESG into its strategy and is committed to practicing a sustainable development vision that is environmentally responsible, socially responsible, fair and transparent.

In 2024, we formulated a comprehensive ESG management system and began to deeply cultivate the three pillars of ESG. In terms of the environment, we continue to improve our renewable energy usage and reduce the carbon footprint of our products. In 2024, the percentage of our renewable energy usage has reached 8.51%; In terms of our employees, UNT has continued to improve our employee benefits over the long term and is committed to building a diversified and inclusive workplace culture to create a happy workplace for our employees, which has led us to be recognized as one of the "Outstanding Employers" in Shanghai in 2024. In terms of sustainable governance, the Company has changed the Strategy Committee of the BOD to the Strategy and Sustainable Development Committee, and formally established a sustainable governance structure of "Oversight - Decision Making - Execution" starting from the BOD level.

At UNT, we are guided by the values of Partnership, Proactive, Passionate, and Persistence. Looking ahead, we will continue to connect resources and ideas, drive innovation, and actively contribute to the global energy transition. We remain committed to our responsibilities—environmental, social, and governance—and will work hand in hand with our employees, shareholders, and partners across the value chain to create a more sustainable future together.

I WE ARE UNT

United Nova Technology Co., Ltd.

📄 Stock Code: 688469.SH

🕒 Established in: March, 2018

¥ Registered capital: CNY 7.059 Billion

📍 Headquartered at: No. 518, Linjiang Road, Yuecheng District, Shaoxing, Zhejiang, China





























UNT is a leading specialty process foundry in China, focusing on power semiconductors, sensing and signal chain, and connectivity solutions. The Company offers vertically integrated, one-stop foundry services, covering the full process from wafer fabrication to module-level assembly and testing.


The Company's process platform covers ultra-high voltage, automotive, advanced industrial control and consumer power devices and modules, as well as automotive, industrial and consumer sensors, with application areas covering smart grid, new energy vehicles, wind power generation, photovoltaic energy storage, consumer electronics, Internet of Things, household appliances and other industries.

UNT is one of the few domestic foundries capable of producing automotive-grade chips. It has built a comprehensive, end-to-end quality management system covering all stages—from R&D to large-scale mass production. The Company has obtained a series of international quality certifications, including ISO 9001, IATF 16949, ISO 26262, and TISAX. It has also formed strategic partnerships with several leading companies in the industry.

UNT's corporate mission is to strengthen economic cooperation and technological exchange, adopt advanced technologies and scientific management practices, and continuously improve product quality and competitiveness—delivering mutual economic benefits to all parties. The Company operates with a global outlook. In addition to the headquarters in Shaoxing, Zhejiang, the Company has sales and marketing offices in Shanghai, Shenzhen and Hefei, Tokyo and Switzerland. UNT has established a wide range of strategic partnerships with many domestic and international customers, and continues to collaborate in the development of technologically advanced products on the basis of supporting our customers' large-scale mass production. We are committed to becoming one of the world's most outstanding IC manufacturing companies.



UNT MILESTONES						
2018	2019	2020	2021	2022	2023	2024
 United Nova Technology Co., Ltd. was founded	 8-inch fab F1 started mass production	 F1 capacity reached 50,000 8-inch wafers/month	 Assembly plant A1 started mass production	 6/8-inch fab F2 started mass production	 UNT listed on SSE STAR Market (Stock Code: 688469)	 Launched M&A and reorganization of UNT-YueZhou for integrated operation
 Entered the U.S. sensor market	 Entered the Japanese power semiconductor market	 Entered the automotive semiconductor market	 Ultra-high voltage IGBTs entered the national power grid	 Entered the wind, solar and energy storage market	 12-inch fab F3 started mass production	 Launched R&D of GaN
 Launched R&D of MOSFET and IGBT	 Mass production of MOSFET	 Launched R&D of Power Modules	 Launched R&D of BCD	 Launched R&D of MCU	 SiC joint venture UNT Power Technology was established	 MCU platform received major design-win
 Mass production of MEMS		 Mass production of automotive IGBT	 Launched R&D of SiC	 Mass production of SiC MOSFET	 Expanded IC customers comprehensively, received significant order in automotive and AI servers	
			 Launched R&D of VCSEL		 MCU process platform fully released	
			 Mass production of automotive power modules		 10+ BCD platform released	
			 Mass production of power ICs			

<div></div> <div>Responses to United Nations (UN) Sustainable Development Goals (SDGs)</div>		
Chapter Title	UN SDGs	Response
Integrity Governance	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>17 PARTNERSHIPS FOR THE GOALS</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>	UNT continues to enhance its corporate governance and promote the Company's sustainable development through a comprehensive risk management, compliance, and business ethics management system. Based on this system, the Company is committed to collaborating with upstream and downstream partners in the value chain to create environmentally friendly products.
Innovation and Service	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>13 CLIMATE ACTION</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>	With continuous innovation and R&D, and relying on a comprehensive comprehensive, multidimensional quality management system, UNT continues to provide excellent services to customers and exports core chips to the new energy industry, supporting China's energy transformation.
Environmental Protection	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>	UNT emphasizes its low- carbon operations. We are actively addressing climate change by introducing a range of low-carbon technologies in our power equipment and manufacturing processes, while continuing to focus on emissions compliance and sustainable manufacturing.
Happy Workplace	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>	UNT adheres to the values of “Partnership, Proactive, Passionate, and Persistence,” and is committed to creating a diverse and inclusive workplace environment through comprehensive care and communication, enhancing employee participation and achieving shared growth with the Company.

Product and Service

The Company focuses on key technology platforms, including power, MEMS, BCD, MCU. We are actively developing four major growth engines across automotive, artificial intelligence (AI), consumer electronics, and industrial control. Among these, two strategic application areas—new energy and AI—have been identified as core priorities. UNT provides end-to-end system-level foundry solutions, covering design services, wafer fabrication, module packaging, application validation, and reliability testing.

The Company's product portfolio primarily includes chips and modules for power control, power drive, and sensor signal chains. These products are widely used in automotive, industrial control, high-end consumer electronics, and AI-related applications.

1

Power Control

Through the “8-inch + 12-inch + compound SiC and GaN” multi-line layout, UNT has built a production capacity system covering medium and high-end power semiconductors. With the full production of 12-inch line, expansion of SiC production and mass production of GaN, UNT's cost advantage and technical barriers will stand out to support the long-term growth in the automotive, industrial control, consumer electronics, AI-related applications.

2

Analog IC

UNT's BCD platform can provide complete automotive-grade wafer foundry services from three dimensions: high voltage, high current and high density. The Company's unique BCD 60V/120V BCD+eflash, BCD SOI200V, 0.35μm IPS40V integrated foundry platforms can be used with integrated SoC solutions for new energy vehicles and Industry 4.0 to provide customers with highly reliable and more cost-effective process solutions; more than 10 BCD process platforms into mass production, covering automotive 48V systems, AI server power supply and other hot applications; driver IC, BMS AFE, CAN/LIN, high-voltage DC/DC and many other applications are about to enter mass production; launched 55nm MCU platform, 40nm MCU platform has been in R&D verification.

3

Sensor Signal Chain

Through the production of silicon microphone, scanning mirrors in LiDAR, pressure sensors and other products, UNT strives to promote the process of electrification of automotive industry and life intelligence. Among them, the third generation microphone applied in high-end consumer market and NEVs has entered mass production, and the fourth generation dual-diaphragm microphone has been sent to the sample; VCSEL products applied in high-end consumer market have been mass production, and continue to grow in production volume; the verification of automotive motion sensors has been completed, and entered the stage of small batch production; multi-axis sensors for consumer products have been sent to the sample; the scanning mirrors of automotive LiDAR have entered the product validation, and the import of new customers has been completed, and simultaneously launched the promotion of the new application areas of the product.

2024 Honors and Awards

Time	Award	Awarding Entity
2024.1	Municipal Smart Factory	Shaoxing Municipal Bureau of Economy an information Technology
	Best Contribution Prize	BYD
	Annual Investment Sample of Zhejiang Entrepreneurs	General Association of Zhejiang Entrepreneurs
	Cooperative Synergy Award	Xpeng Inc.
2024.6	SiC Power Module TOP Company Award	NE Times
	Annual Electric Drive Technology Innovation Award	
2024.7	The Most Innovative Listed Company of SSE STAR Market	China Star Market Daily
2024.9	The First Batch of IC Industry Chain “Chain Master” Enterprises in Zhejiang Province	Zhejiang Province Manufacturing Quality Development (Digital Economy Development) Leading Group Office
2024.10	Green Leaf Award	“Yunshi” Education Fund of Gaobu Chamber of Commerce
	Annual “Golden Collection Award” China’s top 100 automotive new supply chain	Gasgoo.com
2024.12	UNT-Pioneer 12-inch digital-analog hybrid advanced process and automotive-grade power semiconductor chip manufacturing high-tech enterprise research and development center	Economy and Information Technology Department of Zhejiang
	UNT-Yuezhou Automotive Grade Power Semiconductor Chip Manufacturing High-tech Enterprise Research and Development Center	
	3rd Generation Semiconductor Annual Benchmark Leader Award	Hangjianet
	8-inch Silicon Carbide Pioneer Award	
	China SiC Module Top Ten Enterprises Award	
	Annual China Automotive Chip Innovation Achievement Award	China Association of Automobile Manufacturers (CAAM)
	Science and Technology Contribution Award	2024 China CSR Ranking by Yicai
	Annual Automotive Semiconductor Technology Breakthrough Award	IC Trends by Jiwei

Industry Associations

UNT actively maintains cooperative relationships with government and related entities, joins public associations and non-profit organizations, and actively participates in the development of related industries and the formulation of related policies.

Organization	Position
China Semiconductor Industry Association	Member
China Sensor Industry Alliance	Member
China Electric Power Promotion Council	Vice President
Zhejiang Semiconductor Industry Association	Vice President
The IC Industrial Technology Alliance of Zhejiang Province	Vice President
China Advanced Semiconductor Industry Innovation Alliance	Managing Director

Organization	Position
Zhuzhou Power Semiconductor Industry Alliance	Vice President
Shaoxing City General Chamber of Commerce	Vice President
Shaoxing Integrated Circuit Industry Association	President
Shaoxing Foreign Invested Enterprises Association	Member
Shaoxing Yuecheng District Gaobu Chamber of Commerce	Vice President

Sustainable Governance

Sustainable Development Policy

To fulfil its social responsibility and sustainability goals, UNT has developed the UNT Social Responsibility Management Manual and the RBA Self-Commitment Statement, both of which are available in the CSR section of the Company’s official website. The Company has designated personnel responsible for monitoring changes in domestic and international regulations and sustainability-related developments. Based on operating conditions, UNT conducts regular reviews of the applicability and effectiveness of the Manual to ensure continued alignment with global sustainability trends.

Sustainable Governance Structure

As the Company continues to grow, UNT focuses not only on operational performance but also on environmental, social, and corporate governance (ESG) responsibilities. In November 2024, to embed ESG principles into its business philosophy and corporate culture, UNT restructured the former Strategy Committee of the Board into the Strategy and Sustainability Committee. The Company also formally published the Rules of Procedure of the Strategy and Sustainability Committee, thereby strengthening the governance responsibilities of this Board-level body in overseeing the Company’s sustainability initiatives.

The Board of Directors of UNT serves as the highest authority in the Company’s sustainability governance structure, playing a critical oversight and strategic leadership role.

The Board has delegated relevant responsibilities to its Strategy and Sustainability Committee, which is tasked with providing research and recommendations on ESG-related matters, reviewing and approving the Company’s sustainability strategies, objectives, and annual sustainability reports, and overseeing the progress of implementation. The Committee also makes recommendations based on the evaluation of implementation results and the achievement of performance targets. The Committee is chaired by Mr. Zhao Qi, who concurrently serves as the Chairman and General Manager of the Company.

The Sustainability Management Committee is the decision-making level in the Company’s sustainability governance structure, and this specialized committee is composed of the management level of each department of the Company. Mr. Zhao Qi, Chairman and General Manager of the Company, is the Chairman of the Committee, the Director of the Capital Operation Department of the Company is the management representative of the Committee, and the heads of the Company’s secondary departments are the members. The Sustainability Management Committee is responsible for cross-departmental decision-making, formulating the Company’s strategic vision for sustainable development and the Company’s sustainable development objectives, leading the formulation of the annual ESG work plan, and reviewing the Company’s disclosure of sustainability-related information.

To support the operational implementation of sustainability initiatives, the Sustainability Management Committee has established the ESG Working Group as the Company’s primary execution body for ESG-related matters. This Working Group operates as a matrix-style structure composed of ESG coordinators appointed by each second-tier department. It is responsible for coordinating the execution of the annual ESG work plan developed by the Sustainability Management Committee and supporting the preparation and disclosure of the Company’s annual sustainability report and related ESG information.

The Capital Operation Department of the Company is the day-to-day executive body of the Sustainable Development Management Committee, which is responsible for operating the ESG working group and coordinating the ESG working group to execute the annual ESG work plan of the Company. The department regularly collects ESG-related regulations and developments, and initially formulates the strategic vision, target planning and annual ESG work plan for the reference of the Sustainability Management Committee. In addition, the department is directly responsible for the Company’s sustainability-related disclosure work, regularly collects ESG-related data and performance from the coordinators of the ESG working group, and summarizes and drafts the Company’s annual sustainability report.



Sustainable Development Strategy

Guided by its vision—“Connecting Resources, Gathering Wisdom, Continuously Innovating, and Supporting the Global Intelligent New Energy Revolution”—and its mission—“Innovative Science and Technology Lighting up the Planet”—UNT is committed to technology for good and long-term sustainable development. In alignment with these values, UNT has formulated its core sustainability strategy, eco-CORE, which addresses key environmental and social challenges over the long term. Based on this strategy, the Company has set clear short-, medium-, and long-term goals, and launched a series of targeted action plans.

These efforts aim to ensure responsible business operations while minimizing negative environmental and social impacts—jointly building a more sustainable future with all stakeholders.



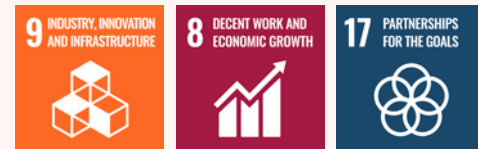
With “eco” at the center, we are leading by example in environmental protection.

We are committed to green manufacturing and process optimization to reduce the ecological impact of our operations and ensure a sustainable legacy for future generations.



Collaboration

We are committed to fostering partnerships, adhering to the highest environmental and social standards, green purchasing, and providing dedicated service to our customers.



Originality

We are committed to standing at the forefront of technological breakthroughs, pioneering the new energy industry, and driving the positive transformation of society and the sustainable development of the industry through independent innovation.



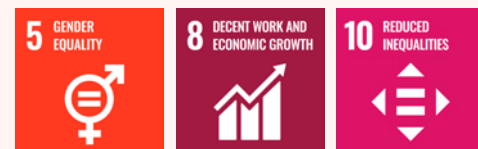
Responsibility

We are committed to proactively contributing to the advancement of society, utilizing our resources and knowledge to enhance the communities in which we operate, becoming responsible corporate citizens, and leaving a lasting, positive impact on society.



Engagement

We are committed to creating an inclusive and respectful workplace, and by providing opportunities for growth and development, we foster a sense of engagement and belonging among our employees, recognizing their integral role in creating our success.



eco-CORE	Issue	Indicator	Base year Performance (2023)	Short-term Targets for 2025	Mid-term Targets for 2027	Long-term Targets for 2030
eco	Waste Management /Air Pollution Control	Reduction of wastewater discharge intensity (based on production)	0% (2.77 m³/8 inch wafer equivalent)	1%	2.5%	5%
		Environmental violations	0 case	0 case	0 case	0 case
	Response to Climate Change	Reduction of greenhouse gas emission intensity (based on production)	0% (0.205 tCO ₂ e/8 inch wafer equivalent)	5%	15%	30%
	Energy Management	Reduced energy intensity (based on production)	0% (0.309 MWh/8 inch wafer equivalent)	8%	10%	15%
		% of renewable energy use	4.96%	10%	20%	40%
	Water Stewardship	Process water recycling rate	42.2%	52%	58%	70%
		Reduced water withdrawal intensity (based on production)	0% (3.30 m³/8 inch wafer equivalent)	2%	5%	10%
Collaboration	Sustainable Supply Chain	% of procurement personnel who have received sustainable procurement training	100%	100%	100%	100%
		% of conflict-free mineral use	100%	100%	100%	100%
	Quality Management	Significant recall incident	0 case	0 case	0 case	0 case
		% of satisfied customers	95.10%	≥95%	≥95%	≥95%
Originality	Innovation Management	R&D investment as % of revenue	28.72%	≥20%	≥20%	≥20%
		% of revenue from Cleantech	92.8%	≥85%	≥85%	≥85%
Responsibility	Social Participation	No. of social participation events organized	8 events	≥5 events	≥5 events	≥5 events
		Annual donation of social welfare	CNY 322,100	CNY 300,000	CNY 500,000	CNY 1,000,000
Engagement	Diversity & Inclusion	% of female in R&D positions	28.31%	29%	31%	33%
	Employee	Voluntary turnover rate	24.09%	≤20%	≤20%	≤20%
		Employee Satisfaction Rate	4.47/5	≥4.5/5	≥4.5/5	≥4.5/5
	Talent Development	Training hours per employee	18.69 hours	27 hours	30 hours	35 hours
	Occupational Health and Safety	★ LTIFR	0	0	0	0
		★ Work-related fatalities	0 case	0 case	0 case	0 case
		Incidents of occupational diseases	0 case	0 case	0 case	0 case
		Coverage of occupational safety training	100%	100%	100%	100%

★ Work-related injuries caused by employees commuting to and from work is not included.

Materiality Analysis

The sustainability report is the primary channel for UNT to communicate ESG issues to various stakeholders. UNT conducts an annual materiality analysis to identify material issues that concern both internal and external stakeholders, as well as those related to its operations. Following the "Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)", "GRI 3: Substantive Issues (2021)", and the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG) in response to the CSRD, UNT prioritizes ESG issues in terms of stakeholder focus, economic impact, and sustainability impact. A matrix of ESG issue materiality is formed annually.

In 2024, UNT identified 7 categories of significant stakeholders, summarized 25 material ESG issues and ranked them in order of importance.

MATERIALITY ANALYSIS PROCESS

1 Identification of organizational context

Identification of material stakeholders

Based on the Company's industry and main business, and in reference to the AA1000 Five Principles standard, UNT has identified seven categories of key stakeholders: customers, employees, investors, suppliers, governmental organizations, communities and the media.

Collection of ESG issues

The Company summarizes the collection of relevant ESG topics concerning the following standards:

Self-Regulatory Guidelines for Listed Companies No.14-Sustainability Reporting (Trial);
ISO 26000; UN SDGs; UNGC; SA 8000; RBA Code of Conduct 8.0;
MSCI, FTSE, S&P CSA and other international ESG ratings concern topics;
Issues of concern to peers according to the SEMI.

Identification of the significance and interest of the issue

In its daily operation, UNT collects opinions on sustainable development from internal management, employees, external customers, investors, governmental organizations, the media, the public and other stakeholders as the basis for the screening issues of concern. The Strategy and Sustainability Committee of the Board of Directors participates in the process of screening, evaluating, and supervising substantive issues, and provides feedback on issues of concern as well as suggestions for ESG management.

2 Assessing the significance of issues

Evaluate the dual materiality of each issue based on the issues of concern to each stakeholder.

Impact Materiality:

Analyze the actual or potential positive or negative impacts of the issue on the environment and society, either directly or indirectly, in the Company's operations;

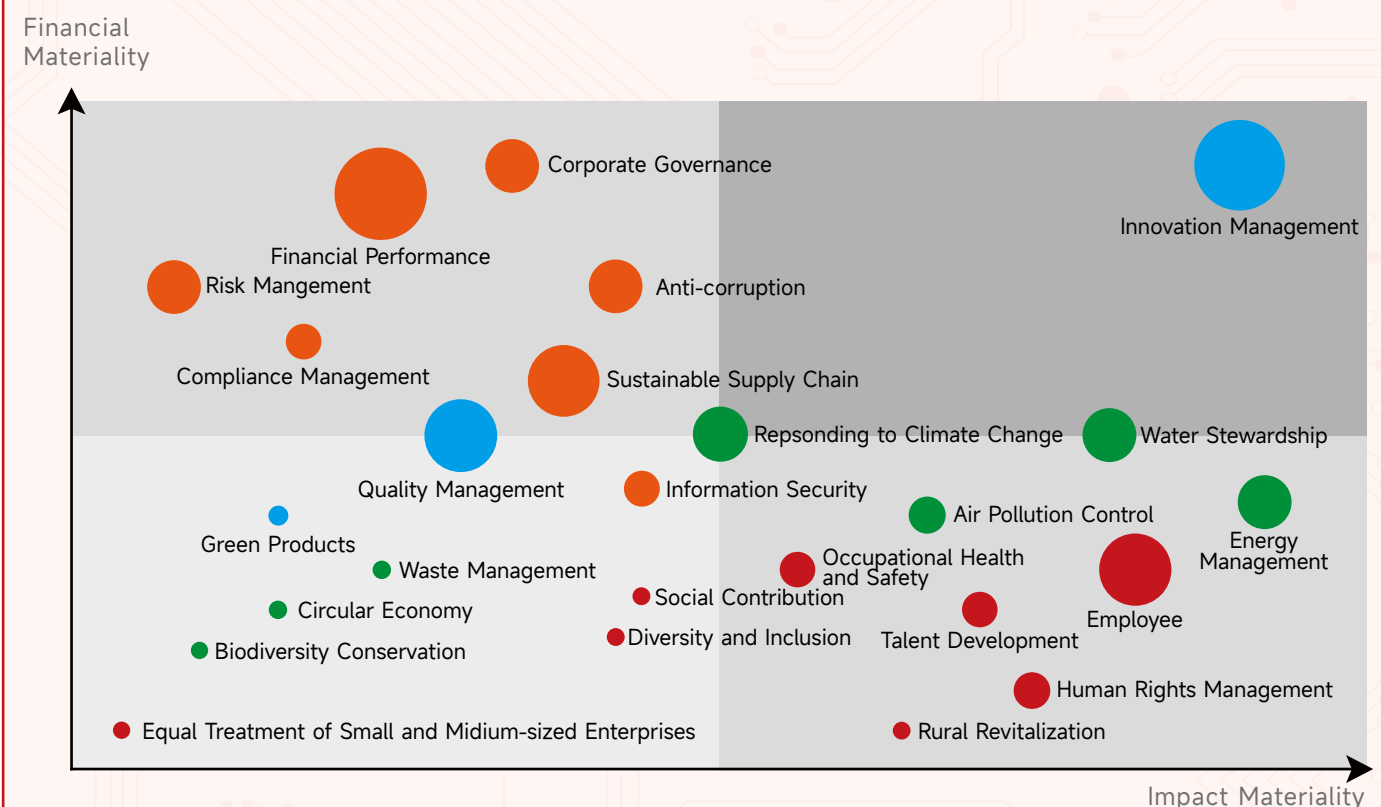
Financial materiality:

Analyze whether the issue has a positive or negative impact on the Company's operational activities in terms of finance, goodwill, and operational sustainability.

3 Formation of the UNT 2024 Materiality Matrix

Based on the results of the first two steps, each ESG issue is ranked to form a matrix of materiality issues for the year under review.

Combined with the Company's development strategy and sustainable development practice measures, the matrix of materiality is as follows:



● Governance ● Environment ● Social ● Innovation Management

The X-axis represents the impact materiality of the issue, the Y-axis refers to the financial materiality. The size of the bubbles represents the level of attention to the issue by each stakeholder.

Communication with Stakeholders

UNT identifies material stakeholders and communicates with them proactively, timely, adequately and effectively through multiple channels.

Identification of Material Stakeholders	
Customers	Customers are the source of the Company's revenue
Employees	Employees are the foundation of the Company's development
Investors	Investors provide sources of capital for the Company
Suppliers	Suppliers are the Company's partners in maintaining stable production
Government	The Company complies with laws and regulations designated by government agencies
Community	The Company operates within the local community
Media	Media are the bridge between the Company and the outside world

Overview of Material Stakeholder Communications

	Method and Frequency of Communication		Issues of Concern
	Regular	Irregular	
Customers	Customer satisfaction survey	Channels for Suggestions On-site Visit Technical Review	Quality Management Innovation Management Information Security Sustainable Supply Chain Compliance Management
Employees	Employee Satisfaction Survey Labor-Management Meeting Employee Representative Conference Conferences of Recognition	Channels for Suggestions Daily Meeting Whistleblowing Grievance Bulletin Board in OA	Occupational Health and Safety Employee Development Human Rights Management Employee
Investors	Periodic Reports Annual Investor Day	Investor On-site Research Strategy Session Reverse roadshow (i.e. staging a rally) Interim disclosure	Financial Performance Innovation Management Risk Management Anti-Corruption Corporate Governance
Suppliers	Supplier Conference	Supplier Introduction Supplier Audit	Sustainable Supply Chain Quality Management
Government	Routine Inspection	Reporting and Communication Sessions Thematic Research	Energy Management Occupational Health and Safety Air Pollution Control Water Stewardship Social Engagement
Community		Social Welfare Events	Human Rights Management Social Engagement Rural Revitalization
Media		Press Releases Wechat Subscription Media Conference	Innovation Management Anti-corruption Financial Performance Corporate Governance

C1 INTEGRITY GOVERNANCE

A sound corporate governance system is indispensable for the healthy development of an enterprise.

UNT continues to improve its corporate governance, clarify the responsibilities of each internal management unit, implement the principle of integrity and anti-corruption, and implement the enterprise risk control system to ensure its own healthy and sustainable development while actively fulfilling its social responsibility and creating long-term corporate value.



2024 Highlights

- 1 100% coverage of employee anti-corruption training
- 2 Formation of a three-tier sustainability management structure of “Board of Directors - Sustainability Management Committee - ESG Working Group”
- 3 100% signing rate of the “Supplier’s Commitment to the Code of Business Ethics and Integrity”
- 4 100% utilization of compliant minerals



Corporate Governance

Board of Directors

UNT has established a Board of Directors in accordance with the Company Law and UNT’s Articles of Association, and is accountable to the General Meeting of Shareholders. As of the issuance of this report, the Board of Directors of UNT consists of 9 directors from various industries such as semiconductor, accounting, law, finance, management, etc., all of whom have senior experience in their respective fields, as well as professional skills in corporate management, law, finance, risk management, microelectronics, etc., and are responsible for the operation and supervision of the Company. The Board of Directors consists of four independent directors, with one chairman and no vice-chairman. The chairman of the board is elected by a majority of all directors on the board. The Board of Directors has established a Strategy and Sustainability Committee, an Audit Committee, a Remuneration and Evaluation Committee, and a Nomination Committee in accordance with the approval of the General Meeting of Shareholders.

Among them, the Audit Committee, the Remuneration and Evaluation Committee and the Nomination Committee have a majority of independent directors among their members and are chaired by independent directors; the chairman of the Audit Committee is an accounting professional. The functional Committees are accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors.

Board of Directors	Nomination Committee	<ul style="list-style-type: none">To make suggestions to the Board of Directors on the size and composition of the Board of Directors based on the Company's business activities, asset size and shareholding structure;To develop the criteria and procedures for the selection of directors and senior management and make suggestions to the Board of Directors;To conduct search for qualified candidates for directors and senior management;To review and make suggestions on director candidates and senior management candidates;To review and make suggestions on other senior management personnel to be appointed by Board of Directors;In the event of a general election of the Board of Directors, to make suggestions to the current Board of Directors on candidates for the next Board of Directors.
	Remuneration and Evaluation Committee	<ul style="list-style-type: none">To develop and review the remuneration policies and programs for directors and senior management; to formulate remuneration plans or programs based on the main scope, duties and importance of the management positions of directors and senior management and the remuneration levels of the relevant positions in peers;To review the Company's remuneration plans or programs, including but not limited to performance evaluation criteria, procedures and major evaluation systems, major programs and systems for rewards and penalties;To develop the criteria for the evaluation of directors and senior management, and to evaluate and make suggestions on the fulfillment of their duties;To oversee the implementation of the Company's remuneration system;To draft equity incentive plan.
	Audit Committee	<ul style="list-style-type: none">To guild and oversee the establishment and implementation of the Company's internal audit system;To guide and assess the work of the Audit Department and make suggestions on the appointment and removal of the head of the Company's Audit Department;To review the work plan, report and other documents submitted by the internal audit department;To report to the Board of Directors on the progress and quality of the internal audit work as well as major issues identified;To propose the engagement or replacement of the external auditor, related audit fee and report to the Board of Directors; to evaluate the work of the external auditor and oversee the external auditor's independence, work procedures, quality and results;To coordinate the relationship between the Audit Department and external audit units such as accounting firms and national audit institutions;To issue an annual internal control self-evaluation report on the establishment and implementation of the internal control system related to financial reporting and information disclosure matters based on the evaluation report issued by the internal audit department and relevant information;To review the Company's financial information and its disclosure;To review and evaluate major related transactions.
	Strategy and Sustainability Committee	<ul style="list-style-type: none">To develop and make suggestions on the Company's development strategies and medium- and long-term development plans, and to evaluate and monitor their implementation;To conduct research and make suggestions on major capital operations that are required to be approved by the Board of Directors or the general meeting of shareholders as stipulated in laws, regulations and regulatory documents, and the Articles of Association of the Company.To develop and make suggestions on the Company's expansion into new markets and businesses;To track on trends of ESG, conduct research and make proposals on the Company's sustainable development and ESG-related matters;To review and approve the Company's ESG strategies and targets, the Company's annual ESG reports, etc., and to monitor the progress of the Company's ESG implementation, and make suggestions based on the results of ESG implementation and the achievement of performance targets.

During the reporting period, the Board of Directors of UNT held a total of 12 meetings, which were attended by all directors during their tenure.

Composition of BOD

The Board of Directors of UNT is nominated by the Nomination Committee of the Board and elected by all shareholders at the Annual General Meeting in accordance with the Company's Articles of Association and relevant laws and regulations; the members of the functional committees of the Board of Directors are nominated, selected, and resolved by the Board of Directors in accordance with the Rules of Procedures for the Board of Directors.

Position	Name	Gender	Membership in Functional Committee	Background	Age
Chairman, General Manager	ZHAO QI	Male	Chairman of the Strategy and Sustainability Committee / Member of Nomination Committee	Semiconductor	51
Director, Executive Deputy General Manager	LIU XUANJIE	Male	Member of the Strategy and Sustainability Committee / Member of the Remuneration and Evaluation Committee	Semiconductor	49
Director	WANG JINGSONG	Male	Member of the Strategy and Sustainability Committee	Semiconductor	54
Director	YE HAIMU	Male	Member of the Strategy and Sustainability Committee	Organization Leadership	52
Director	LIN DONGHUA	Male	Member of the Audit Committee	Finance	53
Independent Director	CHEN LIN	Male	Member of the Strategy and Sustainability Committee	Semiconductor	39
Independent Director	LI SHENGXIAO	Male	Chairman of the Nomination Committee Member of the Audit Committee	Financial Accounting	62
Independent Director	LI WANGRONG	Male	Chairman of the Remuneration and Evaluation Committee Member of Nomination Committee	Law	62
Independent Director	WANG BAOPING	Male	Chairman of the Audit Committee Member of the Remuneration and Evaluation Committee	Financial Accounting	61

Board Diversity

UNT takes into account the diversity of BOD members in various factors when setting the composition of the Board of Directors, including, but not limited to, age, gender, educational background, professional experience, skills, and tenure of service. During the reporting period, the Board of Directors of UNT completed its renewal, and in order to further strengthen the professionalism of the decision-making of the Board of Directors of UNT, nearly half of the directors of the current Board of Directors of the Company have experience in the semiconductor industry.

Independence of BOD

In order to ensure that the members of the Board of Directors are not influenced by conflicts of interest in the exercise of their duties and are able to independently and objectively perform their supervisory and decision-making duties, UNT's Articles of Association stipulate that: if the enterprise involved in the matter to be resolved by the Board of Directors has an interest relationship with a director or the legal person he or she represents, the director shall state such interest in the Board of Directors at the current meeting, shall not join in the resolution of the matter, shall recuse himself or herself from the discussion of the matter and the resolution, and shall not exercise the voting right on behalf of the other directors.

With respect to independent directors, UNT has established the Independent Director Work Rule in accordance with the Opinions on Reform of the Independent Director System of Listed Companies, the Measures for the Management of Independent Directors of Listed Companies and other relevant regulations to strengthen the performance of independent directors and the supporting performance safeguards, and to give full play to the role of independent directors. In the nomination and

election of independent directors, the Nomination Committee will screen the candidates to ensure that each candidate meets the qualifications of an independent director and is independent. The Board of Directors will also assess the independence of each independent director and issue special opinions in accordance with the Measures for the Management of Independent Directors of Listed Companies and the Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies on SSE STAR Market when appointing the independent directors.



Supervisory Board



The Supervisory Board is the supervisory body of UNT, responsible to the General Meeting of Shareholders, performing its duties in accordance with the Company Law, the Articles of Association and other relevant regulations, supervising the Company's finances as well as the compliance of the directors and senior management in the performance of their duties, and safeguarding the lawful rights and interests of the Company and its shareholders. The Supervisory Committee consists of five Supervisors, with the Chairman of the Supervisory Committee elected by a majority of all Supervisors. The Supervisory Committee consists of three external supervisors and two employee representative supervisors. The nomination and selection process of the external supervisors also takes into account the diversity of the members, including but not limited to age, gender, educational background, professional experience, skills and term of service. The employee representative supervisors are democratically elected by the Company's employees through the employee representative meeting.

General Meeting of Shareholders



The General Meeting of Shareholders is the highest authority of UNT and enjoys the highest decision-making power over the Company's major operation and development matters, including the appointment and dismissal of directors. The Company strictly follows the requirements of the Company Law, the Articles of Association, the Rules of Procedure for General Meetings of Shareholders and other relevant regulations to standardize the convening, holding and proceedings of general meetings of shareholders, and employs lawyers to attend the general meetings of shareholders and issue legal opinions, to ensure that all shareholders, in particular small and medium-sized shareholders, fully enjoy and exercise their rights.

Senior Management



The Company shall have a general manager, four deputy general managers, a chief financial officer and a secretary of the Board of Directors as required, who shall be appointed or dismissed by the Board of Directors. The general manager, deputy general manager, CFO, secretary of the board of directors and other personnel recognized by the board of directors of the Company are the senior management personnel of the Company. The Company has established complete performance evaluation standards and incentive &

constraint mechanisms to conduct comprehensive and integrated appraisal of senior management personnel. During the reporting period, the senior management of the Company was able to conscientiously perform their duties in accordance with the laws and regulations and actively implement the relevant resolutions of the general meeting of shareholders and the Board of Directors of the Company, thus promoting the standardized operation and sustainable development of the Company.

Decision-making Process for Directors', Supervisors' and Senior Management's Remuneration



According to UNT's Articles of Association, the Remuneration and Evaluation Committee of the Board of Directors deliberates on the remuneration policies and programs of directors and senior management, and the Supervisory Board deliberates on the remuneration programs of supervisors; the remuneration programs of senior management shall be implemented after approval by the Board of Directors; and the remuneration programs of directors and supervisors shall be approved by the Board of Directors and the Supervisory Board, and then submitted to the General Meeting of Shareholders for consideration and approval, and then implemented.

For senior management, we link the KPIs of our executives to their performance on ESG issues related to their functions in order to promote the continuous improvement of the Company's ESG performance.

Information Disclosure



UNT attaches great importance to investor relations, standardizes information disclosure, is oriented to investor needs, ensures the truthfulness, accuracy, adequacy and compliance of information disclosure, and formulates the "Information Disclosure Management Policy" to effectively safeguard the legitimate rights and interests of investors.

During the reporting period, the Company fulfilled its information disclosure obligations in strict accordance with the relevant provisions and requirements of the Memorandums on Information Disclosure of Companies Listed on SSE Star Market, disclosing a total of 94 periodic reports and temporary announcement documents covering a wide range of categories such as corporate governance, shareholders' meeting and board of directors.

The Company's communication with investors includes but is not limited to: announcements, shareholders' meetings, performance briefing sessions, SSE e-interactive, investor hotlines, mailboxes, the Company's official website, roadshows and counter-roadshows, on-site research, and teleconferences.

During the reporting period, the Company held four General Meetings.

94

Total Number of
Different Disclosures

4

Times of Shareholder
Meetings in 2024



Integrity Management

UNT Code of Ethics Reporting Channel

E-mail: compliance-office@unt-c.com

TEL: +86 (0575) -88060000-61054/62590

Code of Business Conduct

UNT attaches great importance to anti-corruption and anti-bribery. We believe that the development of enterprises must be based on a high standard of business ethics, business operations need to always build up a clean bottom line and moral defense for all staff, to create a clean and positive atmosphere. The Company has formulated and released the "UNT Code of Business Conduct and Ethics Rule", "UNT Anti-Fraud Management System Rule", "UNT Gift Accepting&Gifting Policy" and other policies, to a complete and effective business ethics management system. UNT is committed to prohibiting any form of bribery, corruption, extortion, money laundering and etc., to ensure that all business activities of the enterprise follow the highest standards of integrity, to achieve openness, fairness, justice and transparency.

The Board of Directors and the Audit Committee of the BOD oversee the review of UNT's business ethics-related matters, and the Audit Department was established under the Audit Committee to lead the Company's business ethics management.

The Company has open channels for anti-corruption complaints and reports, and has formulated the "UNT Business Ethics and Code of Conduct Complaint Acceptance Rule" to standardize the process of report acceptance, providing telephone hotlines, e-mail, letters and other reporting channels, as well as setting up a report box for the prevention of commercial bribery in the factory. The Company accepts anonymous and real-name reports, after receiving any report information will be reported to the emergency response organization within 24 hours. The Company is committed to feedback the results of the investigation to the whistleblower, or in the case of a real name report, within 48 hours of feedback to the whistleblower. For all reports related to the Code of Business Conduct and Ethics, the Company is committed to protecting the confidentiality of the whistleblower as well as all information about the incident. All the information about the incident will only be circulated within the relevant personnel in the case handling process to strictly ensure the confidentiality of the report and to prevent any retaliation against the whistleblower. If retaliation occurs, the related personnel will be strictly punished. If there are any violations of relevant laws and regulations, the personnel will be transferred to the judicial authorities.

Implementation of Integrity Management

The Company has established a business ethics training management system to raise the awareness of integrity and self-discipline of employees, customers, suppliers and other relevant interest groups through business ethics training sessions, posting of anti-fraud information at workplaces and on the OA webpage, etc., and to create an atmosphere of purity where “we dare not, cannot and do not want to corrupt”.

During the reporting period, UNT has not experienced any confirmed incidents of corruption, nor has it received any litigation related to integrity management.

Integrity Mangement Performance			
Indicator	Unit	2024	2023
No. of employees trained in business ethics	Person	912	595
Coverage of business ethics training	%	100	100
Coverage of training on business ethics for Directors	%	100	100
No. of reports received	Cases	0	0
Total number of confirmed incidents of corruption	Cases	0	0

Compliance Management

UNT strictly abides by the Anti-Money Laundering Law of the People's Republic of China, Anti-Monopoly Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China and other domestic laws and regulations as well as relevant laws and regulations in the places where the Company exports and sells, resists undue competition, does not tolerate any form of money laundering, promises not to circumvent normal market competition with any unfair competition, and actively maintains and keeps the equal, fair, integrity of the market competition order.

The Company attaches great importance to trade compliance and revised the “UNT Internal Compliance Procedure for Export Compliance” during the reporting period to strictly comply with trade compliance to ensure that the import, export and transfer of the Company's products, services and technologies comply with the requirements of trade laws and regulations. In 2024, the Company assessed the risks of economic sanctions and export controls, and the possibility of the Company being affected by the above risks is low at this stage.

During the reporting period, UNT did not engage in any unfair competition, nor did it have any litigation cases resulting from the violation of the Anti-Monopoly Act, the Antitrust Act and other relevant laws and regulations.

In terms of equal treatment of small and medium-sized enterprises (SMEs), UNT always follows the principles of fairness, impartiality and transparency in its cooperation with SMEs, giving all kinds of partners the same business opportunities and respect, and creating a market ecology of fair competition and mutual benefit.

During the reporting period, there were no overdue payments to SMEs.

Risk Management

Internal Control

UNT carries out a comprehensive evaluation of the design and operation of internal control based on the relevant internal control system and working procedures, centering on the specific content of the evaluation of the internal environment, risk assessment, control activities, information communication, internal supervision and other elements. Based on the results of the annual internal control evaluation, combined with the internal control evaluation form and internal control deficiencies summary table and other information, the internal control evaluation report is prepared in a timely manner to support and supervise the Company to improve internal control.

Enterprise Risk Management System

UNT regularly identifies various types of risks, utilizes various risk management methods to effectively prevent and control corporate risks and identify potential corporate opportunities, and implements them in the Company's daily operation and management, forming a corporate risk culture to maintain the Company's long-term stable operation.

Enterprise Risk Management (ERM) Operation Process

1 Risk identification and assessment

Led by the BOD Office with the participation of all departments in evaluating risks from operations, finance, strategy, and natural disasters, financial and non-financial risks related to the Company's operations are identified and evaluated according to the risk category, the likelihood of occurrence of the risk and the degree of its impact, and the ranking of the risk.



2 Risk response strategy development and implementation

Evaluating the Company's tolerance for risk through stress testing and sensitivity analysis in order to formulate countermeasures or mitigation measures to be taken by the Company under various risk scenarios, and coordinating with various departments to form a team to formulate and implement preventive measures for risk control for some of the possible risks.



3 Risk monitoring and continuous improvement

Monitor mitigation or adaptation progress and ensure the effectiveness of internal processes through annual internal control evaluation reports and external audits.



ERM Strategy

UNT effectively prevents and controls corporate risks and identifies possible opportunities through various risk management methods and the Company's internal control organization, deepens the Company's risk culture internally, and establishes a complete and transparent risk communication mechanism with all stakeholders to maintain continuous operations.

1 Effective control and prevention

Reducing corporate risks by improving the internal control system and achieving the goal of sound operation of the enterprise.



2 Deepen the risk culture

each department cooperates to complete the Company's internal and external environment identification and annual internal audit.



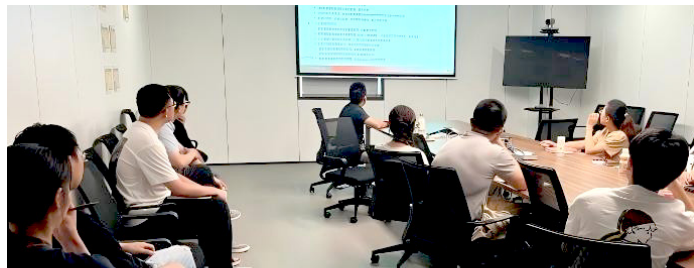
3 Promote communication

Establish complete risk communication channels with the Company's investors, employees and other stakeholders.



We have also established a monthly information security executive meeting system, which convenes the information security specialists of each second-tier organization to attend the meeting every month for in-depth exchanges and sharing of the Company's latest information security system, precautions and communication issues.

During the reporting period, the Company did not experience any information security-related crisis incidents, and the coverage rate of information security training for employees (including full-time employees, interns, part-time and outsourced personnel) reached 100%.



Protecting Personal Privacy

UNT treats employees' personal information as highly confidential data, and maintains strict confidentiality of employees' identity information, health information, and other private information, and has internally formulated the "UNT Employee File Management Rules", which strictly stipulates the access rights to employees' personal records. The Company has also established an emergency response plan for personal information leakage incidents, and has built an emergency response organizational structure consisting of an incident decision-making group, an incident coordination group, and an incident disposal group. In the event of a relevant incident, the Company will confirm the scope of influence of the incident and classify it, take necessary containment and eradication actions, and report the risk disposal situation to the regulatory authorities in the region in accordance with relevant regulations.

During the reporting period, UNT did not receive any penalties for violation of personal information protection regulations.

Sustainable Supply Chain

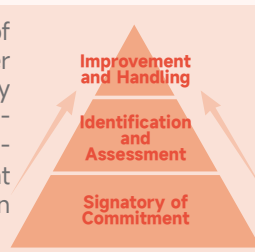
Supply Chain Management System

UNT is committed to extending its sustainable operation to the supply chain. We actively build a secure, efficient, and sunny supply chain, practicing the principles of fair, open, and integrity procurement, and implementing strict supplier certification standards and access systems to control supplier qualifications. In addition to quality management, we attach great importance to the ESG performance of our suppliers, and under the same conditions, we give priority to suppliers with ISO 14001, ISO 45001, ISO 50001, QC 080000 and other system certifications, as well as good labor management performance.

The Company has formulated "UNT Raw Material and Parts Procurement Rule", "UNT Raw Material Supplier Performance Evaluation Instruction", and has been continuously improving its supplier management, on which it implements sustainable management of its suppliers in three ways to achieve common sustainable and healthy development.

Referring to the Responsible Business Alliance (RBA) Code of Conduct 8.0, UNT has developed the "Letter of Commitment of suppliers for Corporate Social Responsibility" and requires all new suppliers to sign it as an attachment to the purchase agreement during the supplier introduction phase. At the same time, UNT also encourages first-tier suppliers to ask their upstream suppliers to implement their social responsibility management in accordance with the same guidelines.

We emphasize the incorporation of ESG considerations at the supplier selection stage, and the Company conducts annual training on sustainable supply chains for our procurement staff, taking into account supplier sustainability factors when making supplier selections.



Indicator	Unit	2024	2023	2022
No. of procurement personnel	Person	27	15	26
No. of procurement personnel who have received sustainable procurement training	Person	27	15	26
% of procurement personnel who have received sustainable procurement training	%	100	100	100

During the supplier introduction stage, we require suppliers to sign the "Letter of Commitment of suppliers for Corporate Social Responsibility". On the basis of signatory, we identify potential risks in the sustainable development of suppliers through risk assessment and on-site auditing processes, manage their negative impacts, and ensure that the Company's suppliers are compliant in all aspects of ESG and have no red line violations.

For suppliers with negative impacts identified by audits and assessment, we mitigate their negative impacts through improvement counseling and regular tracking, and conduct on-site audits again in the following year to confirm the effectiveness of the improvements; and terminate cooperation with suppliers who repeatedly fail to be compliant, to ensure the compliance of UNT's supply chain.

Supplier Evaluation and Audit

UNT conducts supplier performance evaluation every year, evaluating all aspects of supplier Q (Quality), C (Cost), D (Delivery), S (Service), E (ESG), and T (Technology). Supplier performance is categorized into four rating grades: A (excellent), B (good), C (qualified) and D (unqualified). Supplier performance is closely related to business cooperation and is applied at the stages of supplier selection, bidding and order allocation. For suppliers with good performance, they are given priority to increase the share of cooperation or provide business cooperation opportunities under the same conditions; for suppliers with poor performance, they are required to rectify the situation within a certain period of time, reduce the share of procurement, restrict business cooperation or terminate the cooperation.

Coverage

Significant Suppliers New Suppliers High-risk Suppliers Non-above-scope suppliers included in the annual audit plan

Implementation Guideline — "UNT Supplier Audit Procedure"

Risk Assessment

Send the "UNT Supplier Social Responsibility Checklist" and "UNT Supply Chain ESH Checklist" to suppliers in scope to initially assess supplier ESG risk.

Suppliers with scores lower than UNT's requirements or with incomplete information will be listed as potentially high-risk suppliers and will be audited during subsequent on-site or online audits in collaboration with the Company's ESG management department.

Supplier ESG Risk Assessment	Risk issue	Content
	Environment protection	Measures for the management of waste, sewage and air pollution as defined by statute
	Occupational health and safety	Plant safety hazards, employee numbers, chemical management, workplace hazards management
	Fire protection	Factory fire risk, high-risk production facilities, warehouse management, flammable and explosive materials management
	Social	Record of major accidents and violations, labor human rights risks (e.g., working hours, wages, protection of female workers during pregnancy, childbirth and breastfeeding)
	Governance	Anti-corruption and anti-bribery system, privacy management
	Industry	Conflict minerals, supply chain management, industrial risk

On-site or Online Audit:

UNT's SQE team, in collaboration with ESG work group, conducts on-site audits or online meeting audits, focusing on reviewing supplier documentation and execution records.

Discuss and provide suggestions for improvement when non-conformances are identified during the audit process;

Suppliers found to have priority non-conformities during the audit process will be placed on the high-risk supplier list.

Improvement and Monitor:

Suppliers are required to submit Corrective Action Plan (CAP) in accordance with the audit results, and suppliers whose corrective results do not meet UNT's requirements will be included in the next year's supplier audit list as high-risk suppliers.

Supplier ESG risk assessment and audit results will become an important part of the supplier performance evaluation, for different categories of suppliers with different performance results, we have developed different response strategies:

Rating	Strategy		
	Strategic Suppliers	Significant Suppliers	Normal Suppliers
A	Reinforcement of cooperation to increase the interests of both parties and stabilize the order quota in the long term	Enhanced cooperation to increase mutual benefits; increased order quotas and incentives based on evaluation results	Giving incentives to maintain supplier loyalty
B	Make suppliers closer to the A grade through promotional activities; expand the scope of cooperative business as appropriate	Make suppliers closer to the A grade through promotional activities; expand the scope of cooperative business as appropriate	Provide incentives to make suppliers closer to A
C	Support activities (technical support, trainings, etc.) to bring suppliers closer to the A and B	Closer to B with very limited support; improvement protocols in place, 1-2 opportunities for improvement	Terminate transactions through continuous sourcing of new suppliers
D	Improvement agreements and monitoring; termination of suppliers who do not make improvements	Termination of the transaction if improvements cannot be obtained as required	Terminate transactions through continuous sourcing of new suppliers

2024 Supplier evaluation performance

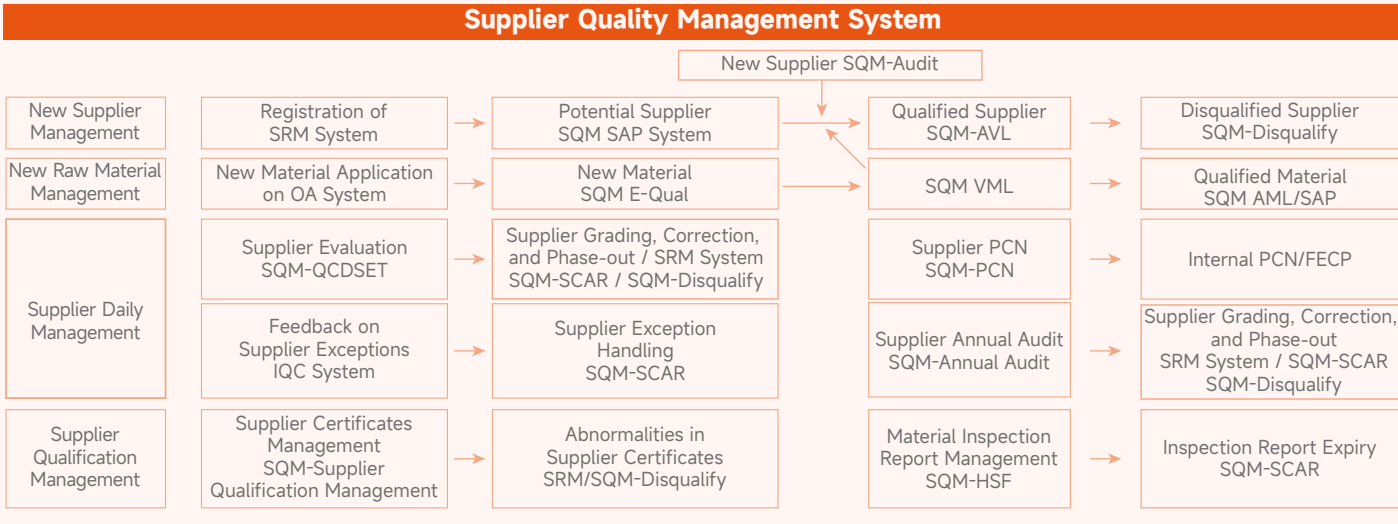
Indicator	Unit	2024	2023
No. of Tier-1 suppliers	Count	1,324	/
No. of significant (or above) suppliers in Tier-1	Count	171	/
% of total spend on significant suppliers in Tier-1	%	85	/
No. of suppliers who have completed social responsibility questionnaire	Count	67	46
No. of suppliers who have undergone social responsibility on-site audits	Count	59	86
No. of significant suppliers who have completed social responsibility questionnaires	Count	67	46
% of significant suppliers audited	%	100	100
No. of suppliers audited to have negative impact	Count	0	0
No. of suppliers assisted with improvement plans	Count	0	0
% of negative suppliers covered by improvement plans	%	/	/

Supplier Quality Mangement

In 2024, the Company continued to optimize and improve the supplier full life cycle management system, set up the Supply Chain Development Department, the Procurement Department, and the Supplier Management Department to be responsible for the three key phases of procurement - supplier certification and selection, procurement execution, and supplier performance management, respectively, and continued to enhance the management functions and optimize the supplier introduction process. We continue to enhance our management functions and optimize the supplier introduction process, supplier selection process, supplier performance process, etc., so as to guarantee the healthy and sustainable operation of the supply chain from the organizational and institutional perspectives. The Company continues to vigorously implement digitalization and informatization, build a procurement business platform, continuously optimize the SRM system, and go online with the e-tendering platform to ensure the sunshine, traceability and high efficiency of the whole supply chain process.

UNT is deeply cooperating with suppliers to build a whole-chain quality control system in order to realize a highly control-lable and high-quality industrial chain cluster effect. The Company's quality control of suppliers is innovative and continuously refined to meet the Company's business expansion needs and to fully satisfy the needs of world-class customers. UNT assists suppliers to establish and improve the basic quality system through the new supplier certification system; assists suppliers to diagnose the problems and make improvement and continuous improvement through the regular performance evaluation system; assists suppliers to establish the material quality assurance capability through the material e-qualify/PPAP control system; assists suppliers to confirm and improve the process quality control capability through the professional process auditing and certification method (VDA6.3);assist suppliers to confirm and improve process

quality control to ensure process control, stabilization and improvement of process capability (CPK/PPK). Through the target-driven management method and continuous improvement special, Lesson learn & Fan out (experience summary and sharing) and a series of control system methods to assist suppliers to establish the quality of the analysis and improvement of the problem, and to promote its continuous and steady improvement. Through a series of control system mechanisms and customized development of proprietary SQM system (Supplier Quality Management IT system) for landing, to ensure that suppliers continue to provide high-quality, reliable products, and ultimately achieve win-win situation and synergistic development with suppliers.



Conflict Minerals Management

UNT is committed to responsible sourcing, continuously ensures the compliance of procurement behavior, adheres to the basic principle of not using conflict minerals, and works with upstream and downstream companies to resist the use of conflict minerals. The use of conflict minerals damages the environment, violates human rights, and contributes to armed conflict, and has significant negative social impacts. UNT has been committed not to purchase Tantalum, Tin, Tungsten and Gold (collectively referred to as the "3TGs"), as well as cobalt and mica from the Democratic Republic of the Congo (DRC) and its neighboring regions such as Rwanda, Uganda and other high-risk areas that do not meet the "Conflict-Free Norms".

During the reporting period, UNT continued to promote the management of conflict minerals. At the supplier introduction stage, the relevant suppliers were required to sign the "Declaration of Metal Conflict-free", and strictly follow OECD Due Diligence Guidance for Responsible Mineral Supply Chains, and use the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) provided by Responsible Minerals Initiative (RMI), to ensure the management of conflict minerals. By the end of 2024, UNT had conducted conflict minerals due diligence on more than 20 suppliers involved in the 3TGs, and verified that the smelters were 100% non-conflict.



Conflict Minerals Management Process

- Declaration signatory and classification
Inform suppliers to sign a Declaration of Metal Conflict-free and provide the latest version of the CMRT to identify whether the material supplied by the supplier contains 3TGs, cobalt, and mica.
- Risk level identification
Perform a preliminary analysis of conflict metal usage to determine supplier risk.
- Verification of mineral sources
Conduct audits to medium and high-risk suppliers by requesting information on smelters involved in their materials and determining whether they are located in conflict-free areas defined by the RMI organization.

C2 INNOVATION and SERVICES

Innovation is the inexhaustible driving force for the sustainable development of an enterprise. UNT always insists on independent innovation, strictly controls product quality, is committed to providing customers with excellent products and services, integrates the concept of sustainable development into products, and strives to become a pillar force of the green new energy industry in China and even in the world.

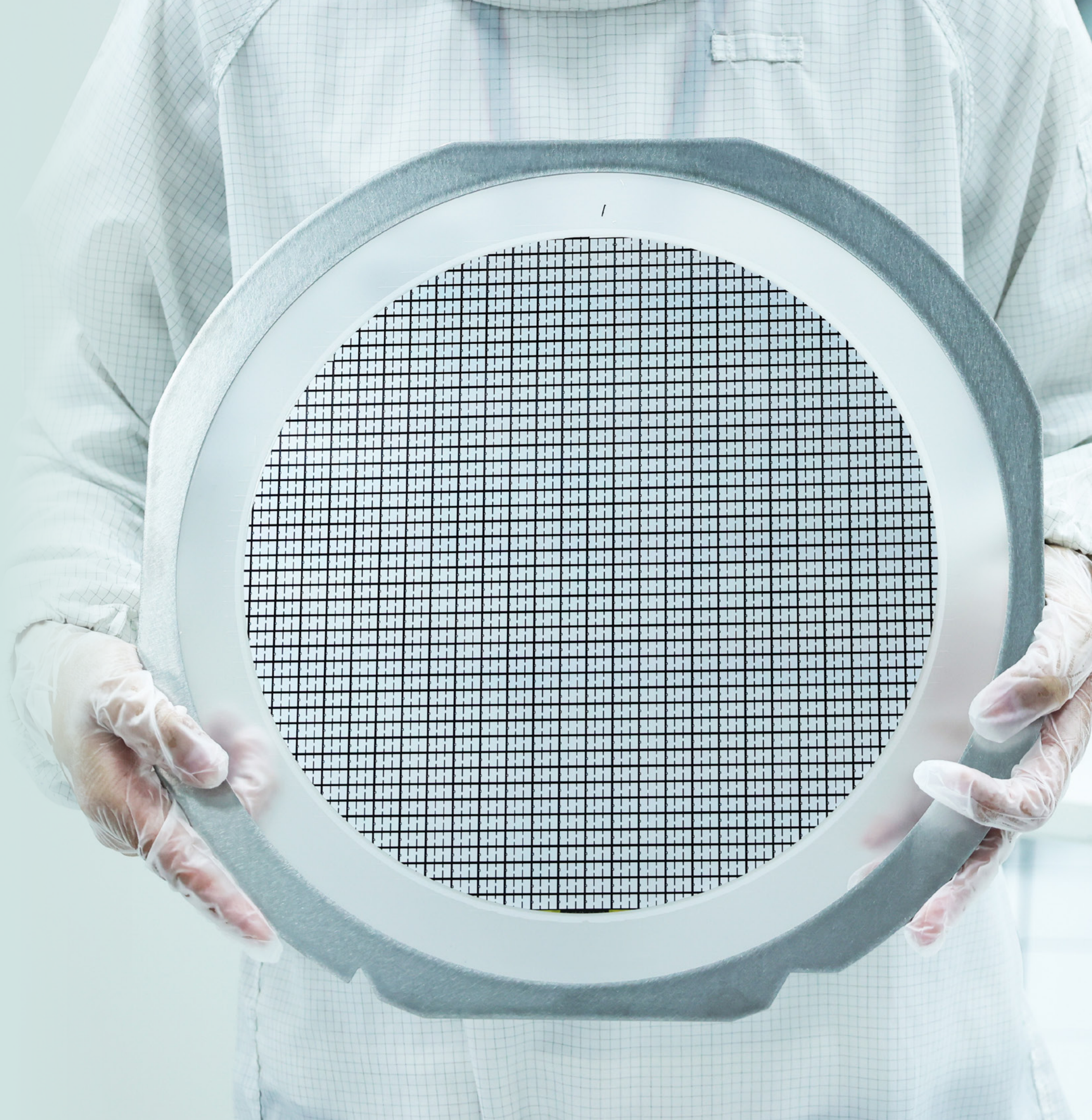


HIGHLIGHTS:

CNY **1.842** billion
Annual R&D Investment
Amount

28.30%
of Annual Revenue

- Annual R&D investment of CNY 1.842 billion, reaching 28.30% of annual revenue
- Updated ISO 26262, IATF 16949 and ISO 9001 certifications to ensure product quality
- No significant returns or product recall incident
- Responded to and resolved 100% of customer complaints, with 95.52% of customers satisfied



Innovation Management

Innovation Decision Making

Based on the mission of “Innovative Technology, illuminating the Earth”, UNT adopts a matrix organization structure and flat management style according to the characteristics of the process platform and the common international and domestic R&D process design flow, with team members from all relevant departments and project leaders responsible for the overall project management. Each project team member performs specific tasks based on the detailed task book decomposed by the main project plan, and the support service department participates in the whole process to supervise the completion of each task, promote the resolution of project bottlenecks/technical bottlenecks through multi-party collaboration, and ensure that the product development cycle is achieved on schedule. UNT standardizes the R&D process according to the “UNT New Platform Development and Qualification Procedure”, “UNT Fab Wafer manufacturing process design development management procedure”, and “UNT Product and Process Design Management Procedure for Assembly”.

The Company's R&D process specifically includes feasibility assessment, R&D planning and project initiation, R&D project cost management, R&D project implementation and schedule control, engineering trial validation, R&D project acceptance and evaluation.

Performance related to innovation management

Indicator	Unit	2024	2023
No. of R&D staff	Person	943	662
R&D investment	CNY 100 million	18.42	15.29
% of R&D investment in revenue	%	28.30	28.72
Cumulative No. of invention patents granted	Case	199	142
Cumulative No. of utility model patents	Case	209	149

Key Technological Innovations

UNT insists on the path of independent research and development of core technology, and aims to achieve the ultimate product performance.

The Company has established a comprehensive R&D system of design service, process development and application testing. During the reporting period, the Company has obtained 118 new patents, including 57 invention patents, 60 utility model patents and 1 design patent, and has accumulated 416 patents.

118

New Patents

57

Invention Patents

60

Utility Model
Patents

416

Accumulated
Patents

The Company's core technologies and their advancements are listed below:

Category	Core Technology	Technical/Product Features
01 Power Process Technology	IGBT process technology	<ul style="list-style-type: none">Covering the mainstream 4th-7th generation IGBT technology generation, full voltage range 650V~6,500V;Utilized in automotive, home appliance and industrial new energy, industrial control and other markets;Ultra-High Voltage Devices.
	MOSFET process technology	<ul style="list-style-type: none">Advanced and comprehensive chip technology covering battery management, power supply, automotive electronics and other markets;Features low RSP, low on-resistance, low switching loss performance, achieving high power density, high efficiency and high reliability;Support for customized integration.
	SiC process technology	<ul style="list-style-type: none">Widely used in high power inverter modules in NEVs' main driving system;High yield, excellent parameter consistency for mass production platforms;Low RSP, low on-resistance, low switching loss performance for high power density, high efficiency and high reliability ;Excellent device with high short-circuit capability;Supports a variety of metal film layers to meet different assembly needs.
02 Power Assembly Technology	High Power IGBT/SiC Power Module Assembly Technology	<ul style="list-style-type: none">Using advanced assembly technology to improve product reliability, low module energy loss, strong heat dissipation, high power density, adapt to high temperature and high humidity and other harsh environments. The assembled products can meet the core requirements of high power density, low EMI and long life for renewable power generation, NEVs, industrial inverter and other scenarios, which can reduce the comprehensive cost and accelerate the product iteration and upgrading for users.
03 BCD Process Technology	High-voltage integrated BCD process technology	<ul style="list-style-type: none">Covers 0.35μm-0.18μm technology node automotive-grade G0 high-voltage platform;Supports a huge range of operating voltages 5V-650V;Advanced technology of deep trench isolation, which is scarce in China;
	High power BCD process technology	<ul style="list-style-type: none">Excellent overcurrent and fast switching capabilities for high-computing-power server applications;Competitive device area, obvious cost reduction advantages, to meet customer differentiated product requirements;High reliability.
	SOI BCD process technology	<ul style="list-style-type: none">High-voltage BCD process platform for system integration;Highly reliable automotive-grade G0 high-voltage platform;High stability Zener device for precise measurement.
	High-side switching process platform process technology	<ul style="list-style-type: none">Driver + switch single-chip integration technology platform, optimize the cost, simplify the system solution;The second generation is under continuous development, providing better RSP to meet the needs of digital integration;Provide better circuit protection and fault detection function.
	Digital-analog hybrid embedded control chip manufacturing platform process technology	<ul style="list-style-type: none">Automotive G0 digital and control-integrated process simulation process combined with globally recognized high-performance, high-reliability flash memory.
04 MEMS Process Technology	MEMS microphone process technology	<ul style="list-style-type: none">Signal-to-noise ratio covering 58dB-72dB;Comprehensive application coverage, including high-end cell phones, TWS headphones, consumer electronics and car microphones.
	Inertial sensor technology	<ul style="list-style-type: none">A complete process platform including accelerometers, gyroscopes, and IMUs;Products are mainly used in consumer cell phones, TWS headsets, industrial and automotive inertial navigation, chassis control, airbags and other fields.
	Pressure sensor process technology	<ul style="list-style-type: none">Complete process platform for different ranges of pressure sensors;Comprehensive application coverage, with a wide range of in-vehicle applications, such as oil pressure, exhaust gas detection, etc.
	MEMS micro scanning mirror technology	<ul style="list-style-type: none">The platform is mature and complete, the process supports a variety of different sizes of scanning mirrors;Applications in automotive LIDAR, industrial applications, data center optical modules, etc.
	8-inch RF filter process technology	<ul style="list-style-type: none">Owns a full set of filter process technologies, including breakthroughs in highly doped AlN technology.
	VCSEL technology	<ul style="list-style-type: none">GaAs-based VCSEL laser process platform is complete;Wide range of applications, such as consumer electronics, floor sweeping robots, automotive LIDAR, data center optical modules, etc.

Cleantech Process Platform

UNT was founded based on MEMS sensors, and since 2018, recognizing the green transition trend in China and globally, the Company has started to enter the power semiconductor field and deepen its commitment to the renewable energy and NEV industry.

01. In the field of wind, solar and energy storage, IGBT and other power devices are the core semiconductor devices in photovoltaic inverters, wind power inverters, energy storage PCS, BMS and other systems, the Company's current IGBT device foundry platform has reached a leading position in China, end product will effectively reduce power generation losses, helping produce more clean energy;
02. In the field of NEVs, IGBT and SiC MOSFET are the core semiconductor devices in electric drive system and auxiliary control. The Company has a large-scale wafer manufacturing foundry capacity in automotive IGBT and SiC MOSFET, and continues to promote the healthy development of new energy vehicle industry;
03. In the industrial control and consumer products field, UNT continues to iterate on low-power, high-performance MCUs and BCD process platforms to reduce power loss in end-product applications and realize energy saving and emission reduction.

With the determination to fully support China's new energy revolution, relying on superior R&D and technical strength, strong manufacturing capability and perfect supporting services, revenue from these clean technology process platforms has long accounted for more than 85% of UNT's annual revenue. As of the end of the reporting year, the Company has grown into a pillar force in chips and modules for the new energy industry.

Indicator	Unit	2024	2023
% of revenue from cleantech process platform	%	89.8	92.8

Intellectual Property Protection



UNT complies with the Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, Copyright Law of the People's Republic of China and other laws and regulations related to intellectual property rights, respects and protects intellectual property rights, and internally introduces the "UNT Patent Policy" and the "UNT Customer Property Management Procedure" to regulate the management of the internal exchange and sharing of knowledge, the management of external intellectual property rights, and the management of the enterprise's intellectual property assets, to ensure that the operation does not infringe on the Company's or individual's patents, copyrights or other intellectual property rights.

UNT's intellectual property protection is managed exclusively by the Legal Department, and in 2024, UNT did not have any dispute cases related to the infringement of intellectual property rights.

Industry-University-Research Cooperation



UNT adheres to the enterprise-centered, under the premise of mastering the core intellectual property rights, it actively carries out technical cooperation and exchange in the industry, establishes close cooperative relationship with domestic and foreign famous universities and industry enterprises, invites industry experts to conduct technical guidance and exchanges, providing professional guidance and technical consulting for the enterprise's high and new technology development.

The Company jointly with Peking University, Zhejiang University and other universities as well as enterprises in the industry, take the lead to undertake "MEMS sensors batch manufacturing platform" project in the 14th Five-Year National Key R&D Program "Intelligent Sensors"; jointly with Tsinghua University to carry out product development and process analysis of new third-generation semiconductor power devices, such as SiC; and work with the Hangzhou Dianzi University to build a modern integrated circuit industry college to cultivate high-quality applied, complex and innovative talents who can adapt to the development of the modern integrated circuit industry, and to promote the integration of high-quality industry and education and innovation.

Quality Mangement

UNT has always been committed to achieving the quality goal of "Zero Defects" through a sound quality system, robust product and process development, stable process control, and continuous improvement. Through innovation and niche technology, we continue to meet customer demand for high quality products, on-time delivery, full participation and continuous improvement.

Quality Management System

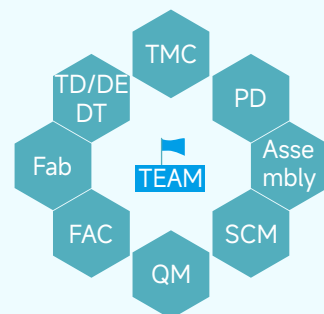
UNT has an independent quality management department with responsibilities covering all aspects of quality management, including design and development, supplier quality, manufacturing, and after-sales service. As one of the few foundries in China providing automotive-grade chips, the Company has established a comprehensive automotive-grade quality system process based on ISO 9001, IATF 16949, ISO 26262, and TISAX, combined with customer-specific requirements. Based on the quality concept and goal of 0 defects, UNT has built a set of robust quality management IT systems, including MES, SPC, EPIDB, SQM, E-OQC, LIMS, etc.



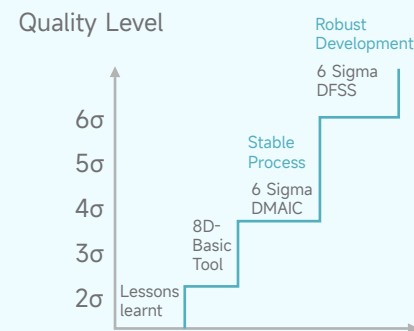
Strengthen the Awareness of Quality Management

UNT focuses on fully tapping the potential of internal and external resources to create a series of courses and quality tools about lean management. Through diversified promotion and learning of quality knowledge, we share lean experience within the Company, promote lean concepts, and improve the Company's high attention to quality culture construction. In 2024, around the theme of National Quality Month, the Company organizes and carries out a series of quality activities, including quality management knowledge competition, quality king competition, competition for quality winning team and other activities. In addition, the Company organizes annual training sessions specialized on 6 Sigma, VDA6.3, IATF 16949, automotive quality management, etc., which greatly promotes employees' understanding of automotive standards and quality management tools.

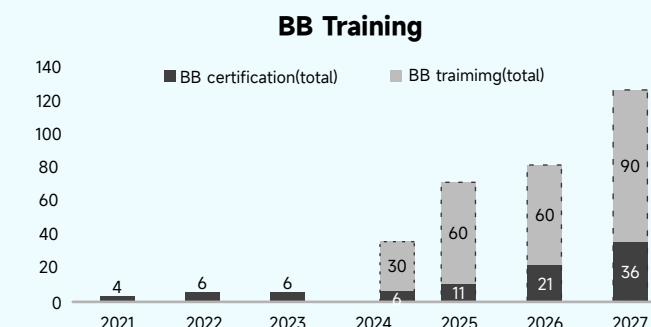
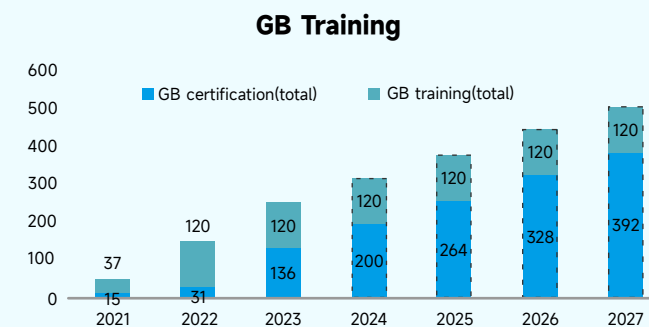
UNT Quality Management-6 Sigma Deployment



6 Sigma Approach



6 Sigma Management Policy



Targets of 6 Sigma Training and Certification

2024 UNT Quality Conference



On May 29th, 2024, UNT held its annual quality conference at its headquarters in Shaoxing, Zhejiang, to summarize and commend the 144 continuous improvement projects that were closed in the previous year. With the main theme of the conference, "Do it right once, all staff take action, continuous improvement, courage to take responsibility, the pursuit of excellence, and the mission will be achieved", all kinds of quality-related awards were presented in the conference, and a new round of continuous improvement activities was launched through commitment pledges.

Hazardous Substances Management

UNT attaches importance to green chemical management and obtained the IECQ QC 080000 Hazardous Substance Process Management System certificate in 2020. By continuously improving and implementing the management system according to the "PDCA" cycle management model, UNT ensures that our products comply with the requirements of the EU RoHS Directive and REACH, as well as the laws and regulations on chemical control in the destinations where our products are sold.



UNT adheres to the policy of "no use, no mixture, and no contamination" for banned substances, and is committed to providing customers with environmentally compliant products. The Company has set up a Hazardous Substance Process Management System (HSPMS) Manager's Representative with the internal "UNT Product Hazardous Substances Process Management Manual" and "UNT Hazardous Substance Management Procedure" as the standard, and has set up a special group within the Company's quality management department to practice green chemical management and reduce the use of hazardous substances.

UNT's management of hazardous substances is divided into four stages, namely, supplier management, incoming material inspection, process management, and shipment management.

At the supplier introduction stage, we require suppliers to sign the "Warranty for Non-inclusion of Hazardous Substance in Products" and provide qualified third-party test reports within the validity period to our quality department every year. At the incoming material stage, we will send incoming materials to our own CA lab for testing of hazardous substances and retain the samples in accordance with our internal operation guide "UNT Hazardous Substance Inspection for Incoming Raw Materials Procedure".

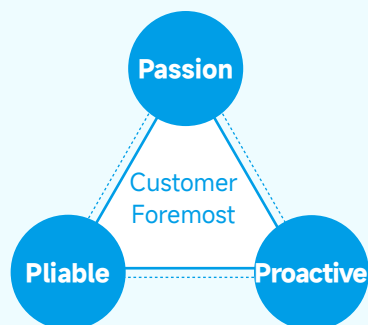
In the production stage, UNT adheres to the principle of "No use or minimal use" for hazardous substances. When the use of hazardous substances cannot be avoided, the Company has set up strict process control over the procurement, storage, use and disposal of hazardous substances, and clarified the responsibilities of all internal parties involved to ensure that the entire life cycle of hazardous substances complies with domestic and international regulations, and that there is no significant harm to the safety and health of employees and the environment.

The Company also sends finished products to a third party for testing of hazardous substances at least once a year to ensure that the products supplied to customers meet their requirements for hazardous substances.

UNT also conducts education and training on hazardous substances for all employees, and has set up a mandatory course, "Basics of Hazardous Substances Management", to raise the awareness of product and environmental management of substances for all employees at the entry stage. At the same time, UNT also conveys the relevant concepts to suppliers.

UNT upholds the principle of customer first.

Dedicated Service



UNT upholds the principle of “customer foremost”, considering the customer satisfaction as good quality.

All departments of the Company have established a good sense of customer service, putting customers' needs first and giving them the best support in a warm, proactive and flexible way. The Company attaches importance to customer needs, establishes task force teams for key projects, communicates actively with customers, and accomplishes goals professionally and efficiently, which is highly praised by customers. The Company strengthens staff training and weekly meetings to enhance staff's awareness of “customer orientation” in order to improve service quality.

Optimizing the Service System

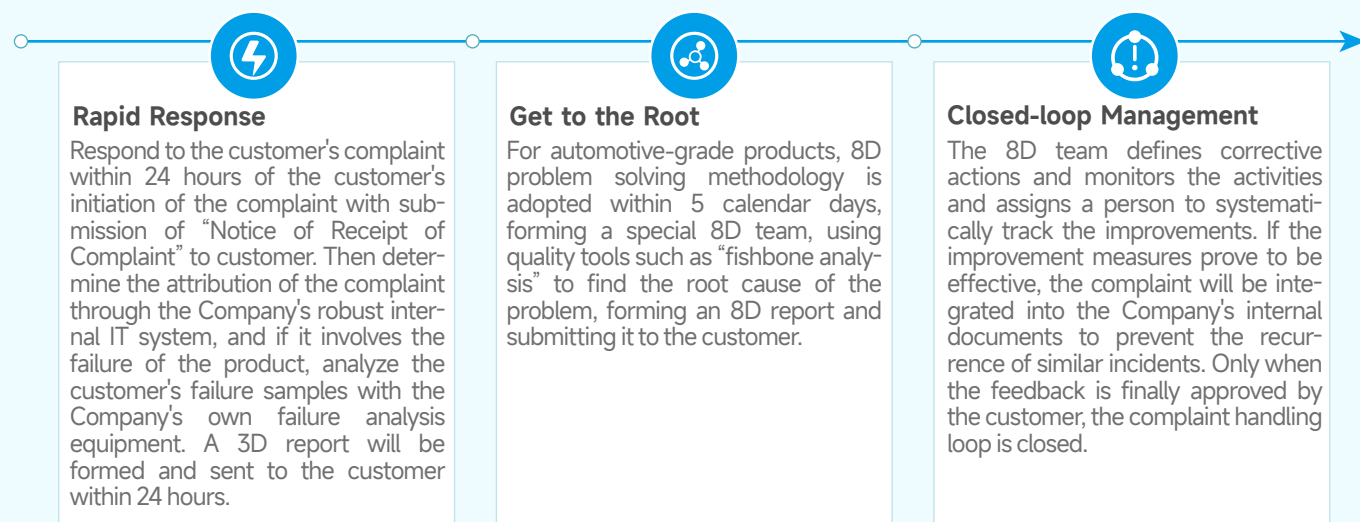
Adhering to the principle of “customer-centered, on-time delivery”, UNT has formulated “UNT Fab Capacity Enhancement Procedure”, “OTDO Normal Delivery Process”, “OTDO Delivery Abnormality Emergency Response”, “Finished Goods Warehouse Management Procedures”, and other procedures to standardize the activities of business personnel in the entire service delivery process. In addition, UNT has the industry's leading warehouse management system and adopts the FIFO management principle, which is committed to delivering stable and fast products that exceed customer expectations.

Safeguard Customer Rights and Interests

UNT formulates procedures such as “UNT RMA Handling Procedure”, “UNT Customer Claim Disposition Procedure” to standardize the activities of personnel in the customer service process and build up the service capability to exceed customers' expectations.

In 2024, the Company had no significant product recalls or returns.

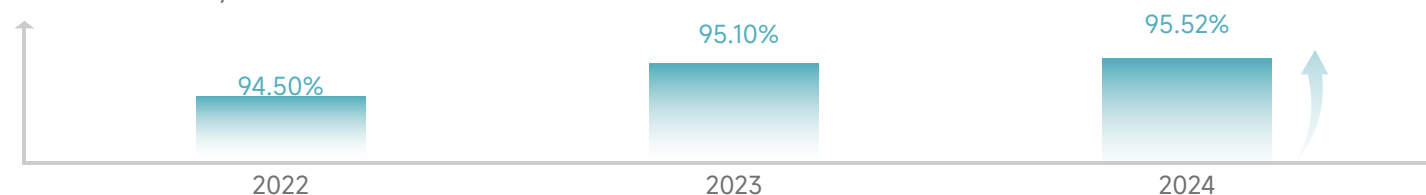
Customer Complaint Handling Process



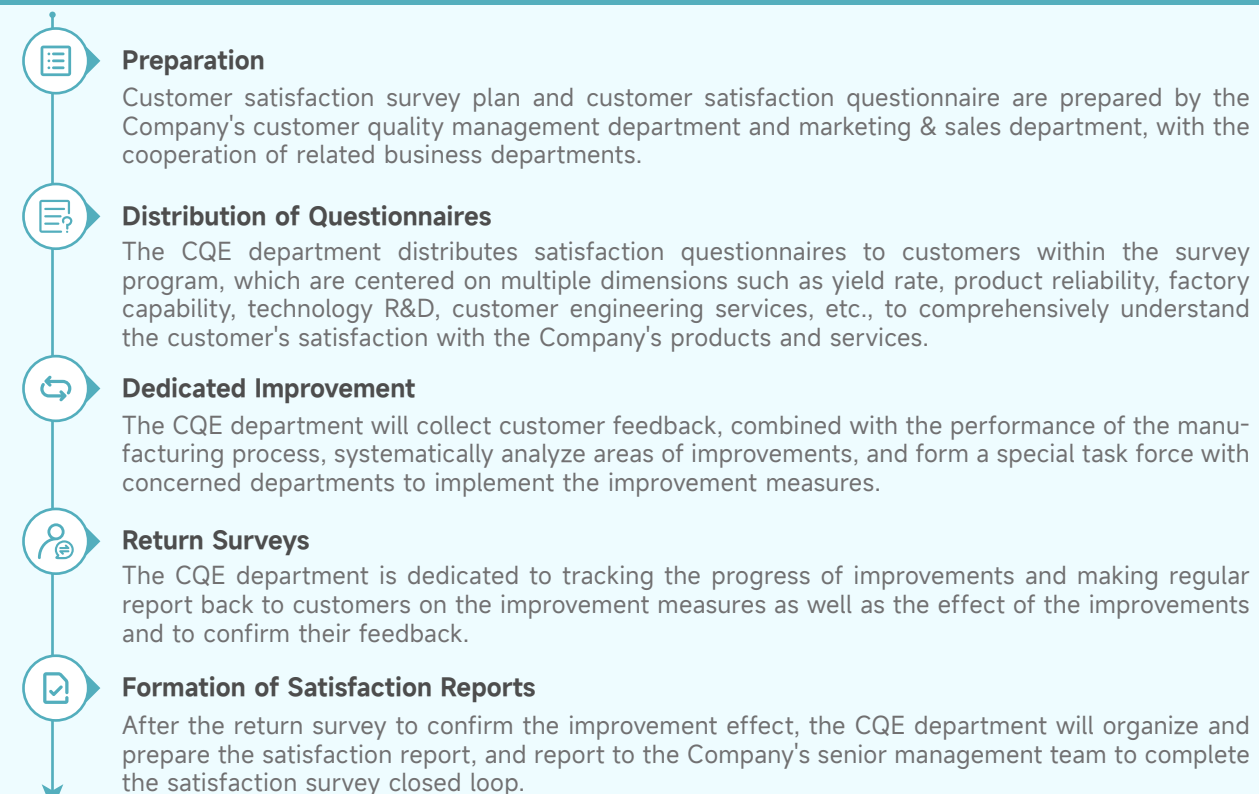
Customer Satisfaction Survey

UNT attaches great importance to customer satisfaction, and has formulated the “UNT Customer Satisfaction Survey Procedure” to standardize the Company's customer satisfaction survey process. We use open-ended questions and single-item scoring to regularly conduct customer satisfaction surveys and special enhancement work. Generally, the frequency of customer satisfaction survey is quarterly, and the specific frequency will be adjusted in real time with the change of customer satisfaction and customer needs. UNT responds quickly to customer feedback in the survey and formulates and implements corrective measures to promote the continuous improvement of customer satisfaction.

The Company's percentage of satisfied customers has continued to increase over the past three years. During the reporting period, UNT conducted a customer satisfaction survey on 14 key customers, and the proportion of satisfied customers for the consolidated year amounted to 95.52%.



Customer Satisfaction Survey Process



Customer Recognition

The Company continuously improves customer service capability and quality, optimizes customer service experience, meets customers' needs, accompanies customers in their growth, and receives recognition and affirmation from many customers.

In FY2024, UNT won the “Science and Technology Innovation Award” from Guangzhou Automobile Group and the “Annual Supplier Excellence and Technology Innovation Award” from United Electronics, among other awards and honors.

C3 ENVIRONMENTAL PROTECTION

UNT adheres to the ecological priority orientation, takes ecological environmental protection as an important element of sustainable development of the enterprise, and is committed to creating excellent business performance while continuously reducing the impact on the environment, creating green competitiveness with low-carbon and efficient operation mode, and injecting green power for the high-quality development of the enterprise.



HIGHLIGHTS

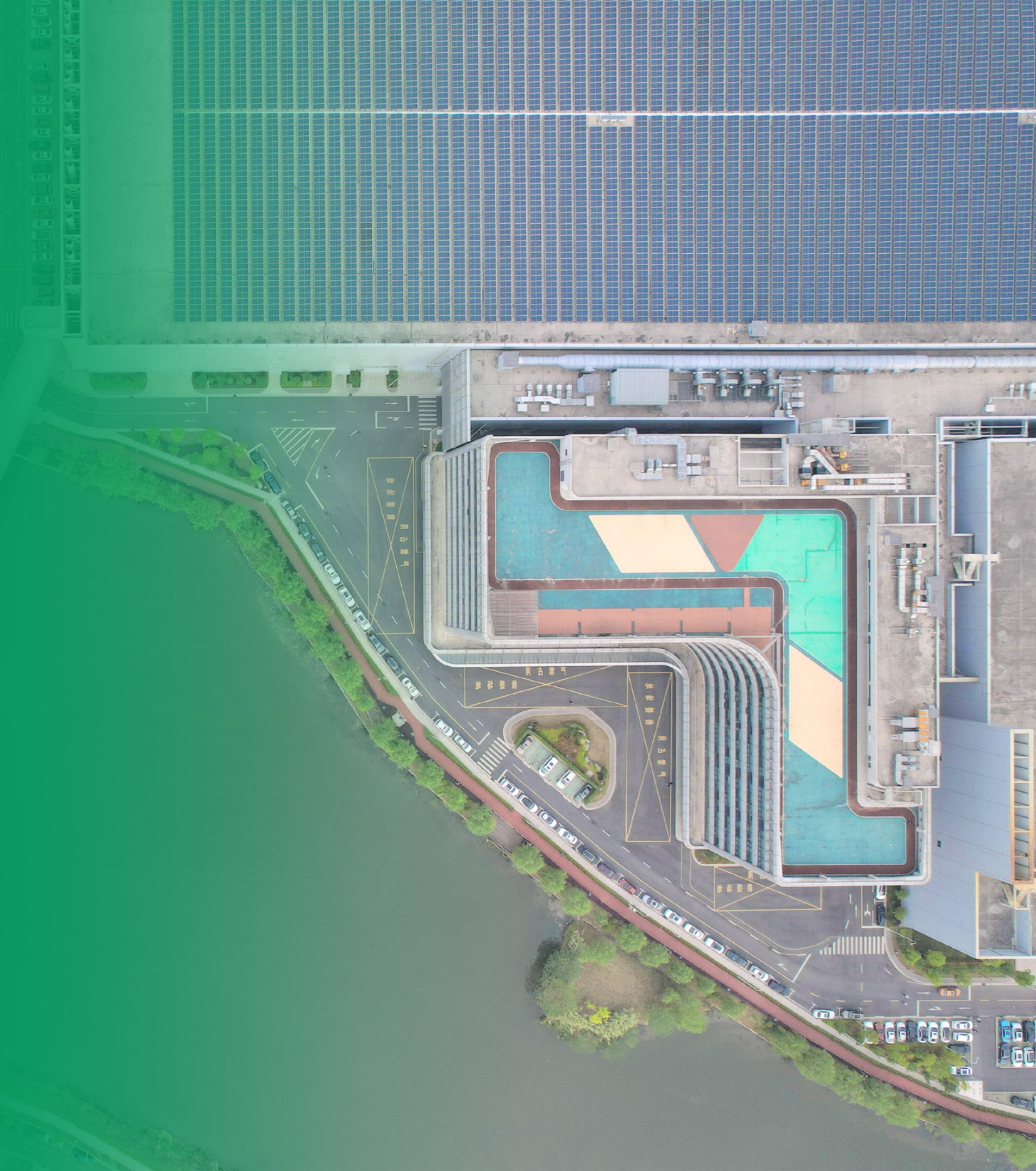
51,751.6 MWh

Annual renewable energy use

8.51 %

Percentage of green energy use

- Renewable energy use for the year was 51,751.6 MWh, with a percentage of 8.51% of total energy consumption;
- Energy intensity is 0.301MWh/equivalent 8-inch wafer, a decrease of 2.24% compared with the previous year;
- Saved 989MWh of electricity in energy-saving actions, equivalent to 7,805 tons of carbon dioxide equivalent emissions reduction;
- Process water recycling rate reached 50.28%.



01 Environmental Management System

UNT has been committed to environmental protection for a long time in accordance with the Company's sustainability policy. We disclose the environmental impact of our production and operations every year, and we also continue to minimize the environmental impact of our production and operations. The Board of Directors of the Company regularly accepts the management effectiveness of environmental topics such as climate change, circular economy, water resource management, etc. as reported by the Sustainable Development Management Committee. At the executive level, the ESG working group promotes the Company's energy saving and emission reduction, water saving, and reduction of pollution emission according to the annual action plan.

The Company has passed ISO 14001 certification, and organizes and carries out environmental management work continuously according to the requirements of the system.

In 2024, UNT was not sentenced to relevant penalties as well as fines for any environmental violations.



Training on Environmental Awareness

UNT hopes that every employee participates in environmental protection. We regularly organize employees to participate in special training on environmental protection, strengthen the environmental protection training and publicity for employees and important environmental positions, from energy saving and emission reduction, green eco-construction, sustainable development, garbage classification, reduce consumption and increase efficiency and other aspects of the training and explanation, and constantly improve the staff's awareness of environmental protection and environmental protection management techniques. The Company makes full use of banners and display boards, and organizes various departments to make use of the "6-5" World Environment Day and Energy Conservation Awareness Week to widely carry out energy conservation and environmental protection publicity activities, so as to create an atmosphere of ecological environmental protection and energy conservation, and participation of all people in the whole company.



Environmental Emergency Response Management

UNT attaches great importance to the early warning and prevention of environmental accidents and incidents. Apart from regular risk management and control, we also do a good job of emergency preparedness, formulate and implement a number of environmental emergency rescue plans, carry out regular identification of environmental factors, identify potential areas for improvement, and take corrective measures and preventive measures in a timely manner. The Company regularly carries out emergency drills for environmental accidents, effectively improves the emergency response capability of frontline staff, and forms an environmental protection early warning and emergency response mechanism with internal and external synergy and up and down linkage.



02 RESPONDING TO CLIMATE CHANGE

UNT adheres to the concept of energy saving and emission reduction, focuses on the risks and opportunities brought by climate change, and practices the national dual-carbon goal. The Company is committed to applying technological innovation and continuous optimization concepts to the Company's greenhouse gas reduction, energy efficiency improvement and waste reduction, to promote the Company's overall sustainable development for the environment.

UNT has independently conducted a climate change risk and opportunity assessment with reference to TCFD's recommendations. Climate-related risks and opportunities are analyzed in terms of policy and regulatory changes, market and technological transitions, as well as physical risks, and are used to develop adaptation or mitigation strategies.

TCFD Disclosure

- Governance**

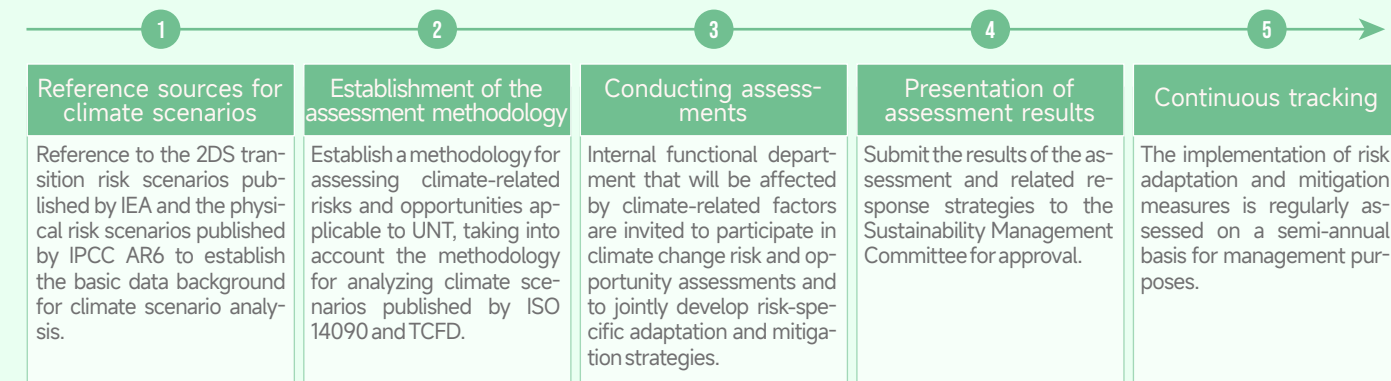
UNT's sustainability governance structure encompasses the governance of climate-related issues, with the Strategy and Sustainability Committee of the Board of Directors overseeing, at least once a year, climate-related risks, opportunities, responses and action plans, including the approval of related budgets and add-ons, and reviewing their cost-effectiveness and performance results. The Sustainability Management Committee is responsible for making decisions on climate-related strategies and objectives and reports regularly to the Board Strategy and Sustainability Committee.
- Strategy**

UNT annually assesses the climate-related risks and opportunities in the short term (within 3 years), medium term (within 5 years) and long term (10 years and beyond) and analyzes the potential negative and positive impacts on the Company's operations in accordance with the TCFD guidelines. With reference to climate transition scenarios and physical scenarios such as IEA 2DS, IPCC RCP 8.5 and SSP 2.6, UNT analyzes the financial potential impacts that the identified risks and opportunities will have on the Company under different scenarios.
- Identification of climate-related risks and opportunities**

Against the backdrop of global climate change, frequent occurrence of extreme weather, and market transition, UNT actively focuses on and identifies risks and opportunities that may arise from climate change. We refer to the TCFD climate-related financial disclosure recommendations as well as climate risk and opportunity frameworks, such as ISO 14090, to disclose information about the climate-related risks and opportunities that we identify each year in order to enhance the transparency of our corporate disclosure. UNT identifies and analyzes risks and opportunities from the perspectives of policy and regulation, market and technological transformation, corporate reputation, and physical risks, and develops adaptation and mitigation strategies accordingly. UNT's identification of climate risks and opportunities encompasses all of the Company's manufacturing operations.



Climate-related risk and opportunity assessment process.



● Reference climate scenario for climate change risks and opportunities identification ●		
Risk Category	Scenario	Description
Physical risks	IPCC RCP 8.5	<ul style="list-style-type: none">Baseline climate scenario with no climate mitigation targets and measuresGlobal average surface temperature increase of 0.9-1.7°C in 2040Increase in daily maximum temperature by 0.75°C in the eastern coastal areas of China from 2016-2035; increase in the number of consecutive annual cumulative precipitation days with less than 10 mm by 3% and increase in the annual maximum daily precipitation by 10%
	IPCC SSP1-2.6	<ul style="list-style-type: none">Optimistic climate scenariosGlobal average surface temperature increase of 1.2-1.8°C in 2040Temperature increase of more than 1.3°C along the eastern coast of China, 2036-2065; increase in the number of days with high temperatures above 36°C by 6.8 days, and increase in the maximum number of consecutive days without rainfall by 1.8%
Transition risks	APS	<ul style="list-style-type: none">Scenarios under current government commitmentsIncludes NDCs and China's 3060 Carbon Neutral Target and its related action program
	NZE	<ul style="list-style-type: none">Positive transition climate scenariosWidespread global deployment of clean energy to reach zero greenhouse gas emissions from energy consumption by 2050

● Climate risks and response strategies ●				
Category	Risk	Risk Description	Potential Impact	Response Measures
Transition risks	Policy and Regulation	Companies are included in the carbon trading scheme: the carbon market will expand, and semiconductors, as a higher carbon emitting industry, may be included in the carbon market and will then be subject to a carbon fee	Increase in operating cost	<ul style="list-style-type: none">Promote the implementation of greenhouse gas reduction targetsBuild more photovoltaic panels in the Company
		Green power use requirement from Peak Carbon Policy: 5 years from now, 2030 will be the target year for the country to reach Carbon Peak, and as the majority of carbon emissions come from the electricity, the Company will be required to use more green power and increase the cost of electricity.	Increase in operating cost	<ul style="list-style-type: none">Increase the purchase of green electricity and RECs year by year and reach long-term cooperation with the supply sideBuild more photovoltaic panels in the Company
	Market	Customers' needs for sustainable supply chains: Reducing the carbon footprint of products, increasing the use of green energy, etc., as required by customers.	Increase in R&D, operating costs	<ul style="list-style-type: none">Actively introduce green manufacturing technologies to reduce carbon emissions per unit of productIncrease the purchase of green electricity and RECs year by year
		Customers' demand for green products: Customers' request for products to be certified as energy-saving products and to obtain certifications such as the European EuP has led to adjustments in the Company's R&D strategy.	Increase in R&D costs	<ul style="list-style-type: none">Develop green process platforms with the aim of lower end-product energy consumption
	Reputation	Increased stakeholder attention: negative publicity for failure to comply with international climate-related initiatives or for actual corporate climate performance that falls short of set strategic objectives	Worse reputation and increased pressure on financing	<ul style="list-style-type: none">Active coverage of company initiatives to achieve green goals
Physical risks	Acute	Extreme weather leads to unstable supply chains: Extreme weather affects normal logistics	Increase in operating costs; Decrease in revenues	<ul style="list-style-type: none">Establishment of risk detection mechanismsEstablishment of a diversified supply chain

● Climate risks and response strategies ●				
Category	Risk	Risk Description	Potential Impact	Response Measures
Physical risks	Acute	Natural disasters resulting in power outages or employees being unable to go to work: the Company is located in the east coast of China and is at a higher risk of receiving extreme natural weather phenomena such as typhoons and tsunamis.	Decrease in revenues	<ul style="list-style-type: none">Perform storm and typhoon related BCP drills
		Water scarcity leads to higher water costs: the emergence of extreme weather phenomena leads to higher water costs	Increase in operating costs	<ul style="list-style-type: none">Establish a water risk contingency planContinuously Focus on water availability
	Chronic	Rising temperatures lead to increased loads on air conditioning systems	Increase in operating costs	<ul style="list-style-type: none">Implementation of energy-efficient air-conditioning equipment

● Climate Opportunities and Response Strategies ●			
Opportunity Category	Opportunity	Potential Impact	Response Measures
Market	Increase in revenue from green products	Increase in revenues	Continue the strategy of deepening into the new energy industry and producing green products with high energy efficiency
	Climate management performance helps finance	Meeting financial needs	Continue to enhance the Company's ESG performance through its corporate sustainability strategy
	Helping clients to establish green supply chain to gain better market reputation	Increase in revenues	Continue to response to customer supply chain carbon accounting and supply chain carbon reduction needs
Resource efficiency	Upgrades to power facilities resulted in increased energy efficiency for the Company	Decrease in operating costs	Continue to promote power equipment energy saving

Risk Management

UNT's climate risk and opportunity identification and assessment is conducted by the ESG working group, and through the participation of relevant departments to form a specialized task force to assess and form response strategies for various types of risks, which have been incorporated into the Company's overall risk management framework (ERM).

Metrics and Targets

UNT has established management metrics to assess the level of climate-related risk management in terms of water consumption, energy use, greenhouse gas emissions, and green products, and has set short-, medium-, and long-term targets for these metrics.

Mechanism for Reporting the Results of the Assessment of Governance of Climate Change Risks and Opportunities

The Capital Operations Department collects all indicators on a monthly basis and forms an annual report, which is evaluated by the ESG Working Group every year and the results are submitted to the Sustainability Management Committee for further review. If the assessment results indicate that there are significant risks to the Company's operations, the ESG Working Group will gather the coordinators of each level 2 department to formulate adaptation and mitigation strategies and action plans.

Greenhouse Gas Inventory

UNT continuously improves its carbon management level and conducts carbon inventory every year to reduce greenhouse gas emissions. The Company formulates "UNT Greenhouse Gas Emission Management O.I." and regularly collects data on the activity levels of electricity, diesel, natural gas, and various raw material gases in accordance with the requirements of the "Zhejiang Province Key Enterprises (Units) Greenhouse Gas Emissions Reporting Notification" and the "Guidelines for Greenhouse Gas Emission Accounting and Reporting for Electronic Equipment Manufacturing Enterprises (Trial)", and submits them

to the Zhejiang Province Climate Change Research and Communication Platform. In addition, UNT organizes specialists to check the Company's GHG emissions in a year with reference to the ISO 14064 GHG inventory standard and the requirements of the GHG Protocol issued by the World Resources Institute (WRI) to verify the Company's GHG management measures annually.

Indicator	Unit	2024	2023	2022
Scope 1	tons of CO ₂ equivalent	100,115.95	62,306.17	58,730.39
Scope 1: F Fuel combustion	tons of CO ₂ equivalent	3,727.33	2,358.21	2,583.76
Scope 1: Process emissions	tons of CO ₂ equivalent	96,388.62 ¹	59,947.96	55,786.63
Scope 2 ²	tons of CO ₂ equivalent	317,258.32	264,592.67 ³	187,669.47 ³
GHG emissions from operations (Scope 1 + Scope 2)	tons of CO ₂ equivalent	417,374.27	326,898.84	246,399.86
GHG emission intensity	tons of CO ₂ equivalent/ million CNY revenue	64.12	61.40	53.49
GHG emission intensity	tons of CO ₂ equivalent/ 8-inch wafer equivalent	0.207	0.205	0.195

1. The GWP values provided in the Sixth Assessment Report of the IPCC (AR6) were used to convert the equivalent emission results of various types of F-gases.
2. Calculated using the market approach, with electricity emission factors from the National GHG Emission Factor Database - Electricity Consumption - Average CO₂ Emission Factors for Electricity (excluding market-traded non-fossil energy electricity).
3. Replacement of emission factors, recalculated using electricity consumption - average carbon dioxide emission factor for electricity (excluding market-traded non-fossil energy electricity).

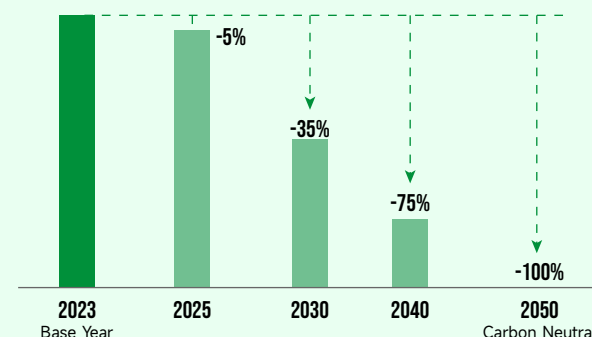
UNT's total GHG emissions from the organization's operations in 2024 are 417,374.27 tons of CO₂ equivalent. Scope 1 direct GHG emissions are 100,115.95 tons of CO₂ equivalent, and Scope 2 energy indirect GHG emissions are 317,258.32 tons of CO₂ equivalent; the emission intensities based on the Company's production and revenue are 0.207 tons of CO₂ equivalent/8' wafer equivalent and 64.12 tons of CO₂ equivalent/million CNY of revenue.

From the results of the GHG inventory, it was found that the main source of UNT's Scope 1 direct GHG emissions is the use of fluorinated greenhouse gases (F-gases) in the manufacturing process, and the Scope 2 indirect GHG emissions come from the use of non-green electricity, which account for 99.11% of the total emissions. Therefore, UNT's main anchors for GHG reduction are the reduction of F-gas use and the reduction of GHG emissions from purchased electricity, and UNT has set targeted carbon reduction goals and paths accordingly.

Net Zero Goals and Strategies

UNT is committed to be a pioneer in responding to the national dual-carbon strategy and leading the domestic semiconductor industry to reduce carbon emissions. By the end of 2024, UNT has adopted the Net Zero Goal and Path internally, and committed to achieve Net Zero Emissions from its own operations in 2050.

Using 2023 as the baseline, UNT's plan commits to reduce its own operational carbon emissions (Scope 1 and Scope 2) by 5% in 2025 and 35% in 2030, to achieve Scope 2 net-zero in 2040, and to reach its net-zero target in 2050.



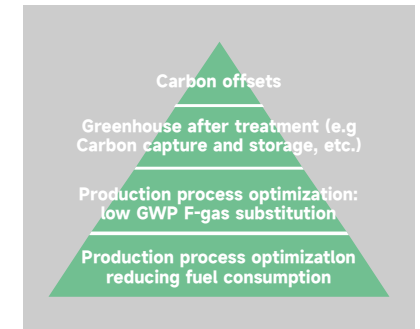
Scope 1 Emission Reduction Strategy

UNT's Scope 1 direct carbon emission reduction strategy is divided into four levels: reduction of base fuel consumption, substitution of fluorinated gases, gas treatment and carbon capture, and carbon offsetting mechanisms.

For Scope 1 we have a number of opportunities to reduce GHG emissions, the most basic of which is to improve current production processes to reduce the use of natural gas. For example, the introduction of a zeolite rotor for the treatment of tail gas VOCs: the production process emits low concentrations of VOCs, and the introduction of a zeolite rotor to significantly concentrate the VOCs and TO combustion will significantly reduce the consumption of natural gas, reducing the use of natural gas by 85,775m³ per year.

Optimization of process F-gases represents the greatest opportunity to reduce Scope 1 carbon emissions. F-gases have always been one of the key feedstocks for semiconductor manufacturing processes, and UNT continues to investigate the possibility of replacing traditional process gases with low GWP F-gases.

Greenhouse gas aftertreatment and carbon offsets are further Scope 1 reductions planned by UNT and will be further utilized to reduce unavoidable carbon emissions from manufacturing processes.

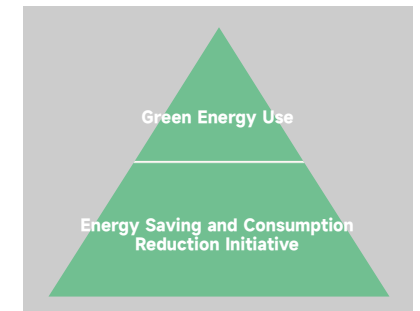


Scope 2 Emission Reduction Strategy

Scope 2's emissions reduction strategy includes energy audits, energy conservation initiatives, system optimization and renewable energy usage, which can be broadly categorized as "cost-cutting" and "open-source".

In the "cost-cutting" strategy, we continue to review and understand the energy usage of the plant through various energy audits, so as to find out the points that can be optimized for energy saving in each system of the plant and put them into improvement actions. In 2024, UNT has introduced a series of system optimization measures to reduce energy consumption, such as EC fans and lighting system optimization. The Company has also been developing a strong awareness of energy and cost reduction among its employees, and has implemented energy saving initiatives such as paperless, off-site switching off, and energy saving initiatives for office air conditioning.

In addition to the above cost-cutting strategies, we have also adopted an "open-source" strategy to reduce Scope 2 carbon emissions through the use of distributed energy systems and outsourcing of green power. Since 2023, UNT has been promoting the construction of rooftop photovoltaic panels with a total capacity of 6,834kWp. By the end of June 2024, the Company's photovoltaic panel construction project has been completed with a capacity of 6,560 kWp. According to the plan, the full life cycle of the project is 25 years, with an estimated total power generation of 142 million kWh and an average annual power generation of 5.69 million kWh. In addition, UNT has increased its external green power purchases annually, and by the end of 2024, the Company's total annual renewable power usage has reached 51,751,600 kWh, significantly reducing the Company's Scope 2 carbon emissions.



03 Energy Management

UNT has established a comprehensive energy management system, setting electricity consumption targets and related action plans every year, and actively promote the realization of the targets through daily oversight and review.

Indicator	Unit	2024	2023	2022
Comprehensive energy consumption	MWh	608,256.66	492,793.86	333,460.97
Energy intensity	MWh/ 8-inch wafer equivalent	0.302	0.309	0.264
	MWh/ million CNY revenue	93.45	92.55	72.39
Direct energy use	MWh	15,379.05	16,529.97	12,987.15
Natural gas	m ³	1,648,931	1,846,450	1,432,986
Diesel	L	62,679	360	16,304
Indirect energy use	MWh	592,877.61	476,263.894	320,473.819
Purchased electricity	MWh	588,131.26	475,831.746	320,473.819
Green power	MWh	46,365	24,000	0
Self generated electricity (PV panels)	MWh	5,386.584	432.148	0
% of green power use	%	8.73	5.13	0
% of green energy use	%	8.51	4.96	0

Main Measures to Improve Energy Efficiency

UNT develops an annual energy saving plan, and through the introduction of 54 energy-saving technologies, including energy-saving ice machines, inverter equipment, temperature and humidity optimization, and lighting system optimization, the power saving for the year amounted to 989MWh, which reduces carbon emissions by approximately 7,805 tons of carbon dioxide equivalent.

◆ Electricity Efficiency Improvements:

AC fan to EC fan renovation in general air conditioning boxes / Batch supply of warm water system / Warehouse temperature and humidity system improvement / Lighting system modification / Inverter energy saving

◆ Case Study:

AC fan to EC fan renovation in general air conditioning boxes

In November 2024, based on the preliminary data measurement and feasibility assessment, the Company initiated an energy-saving renovation project for the plant's air conditioning system, upgrading and optimizing 33 air-conditioning box fans. The project adopts high-efficiency, self-speed-regulating EC fans to fully replace the original traditional industrial frequency AC fans, in order to improve the overall operating efficiency of the system and reduce the level of energy consumption.

The traditional AC fan relies on direct drive from the AC power supply, which is relatively simple in structure and high in reliability, and is suitable for working conditions with high demand for air volume and pressure. However, their operating characteristics are limited, with a significant drop in energy efficiency at less than full load, and high noise and vibration, resulting in higher energy consumption and maintenance costs during long-term operation. In contrast, the EC fan adopts the integrated design of permanent magnet synchronous motor and electronic commutation technology, and is equipped with a built-in controller, which can realize precise stepless speed adjustment, with excellent performance such as high energy efficiency, low noise, long service life and maintenance-free.

As of March 2025, the retrofitting of all 33 air-conditioning box EC fans has been successfully completed. By comparing the electricity data before and after the retrofit, the overall average energy saving rate exceeded 56%, with an estimated annual electricity saving of about 1.77 million kWh.

Structure of Energy Use

In addition to the continuous promotion of energy efficiency improvement projects, UNT is also actively purchasing and setting up in-plant renewable electricity.

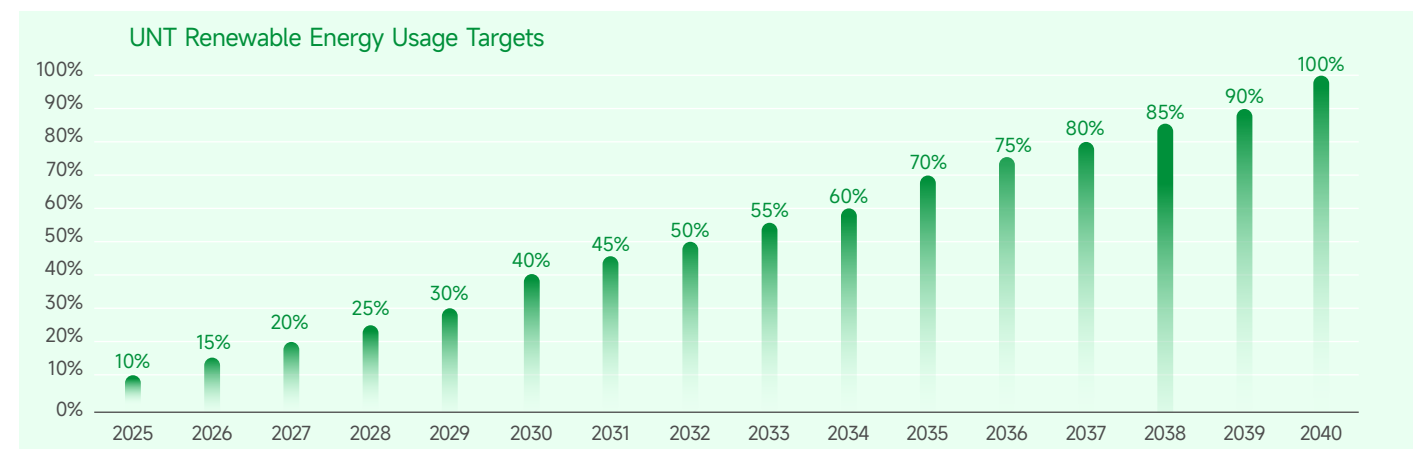
In the past two years, we have continued to increase the number of rooftop photovoltaic (PV) panels installed on the plant, and have utilized all unused rooftops of the plant to build PV panels. By the end of 2024, UNT's total installed capacity of solar photovoltaic panels reached 6,560kWp, with an annual power generation capacity of nearly 6 million kWh. In order to promote the Company's green transformation and to assist in the creation of a sustainable supply chain for the Company's downstream customers, UNT will continue to diversify its use of green energy through the installation of photovoltaic panels on newly built factories and purchasing RECs.



Renewable Energy Transition Target

Promoting the use of renewable energy is one of the key paths for UNT to achieve carbon neutrality. As a result of the carbon inventory, nearly 75% of the Company's carbon emissions come from indirect emissions of purchased electricity. In order to reach the goal of carbon neutrality for its own operations by 2050, UNT has committed to reach Scope 2 net zero emissions by 2040, which means that 100% of its electricity usage will come from renewable energy sources.

In addition to the 5,386,000 kWh of green power generated by the PV panels in the factory, the Company will purchase 46,360,000 kWh of green power, reducing carbon emissions by more than 36,000 tons, and increasing the proportion of green energy from 4.96% in 2023 to 8.51% in 2024, reaching the annual target of green energy usage rate exceeding 8%. UNT will continue to promote the use of green energy on a yearly basis, and gradually reach the milestones of 10% renewable energy use by 2025, 45% by 2030, and 100% by 2040.



Green Building

UNT fully considers energy conservation and environmental protection in construction and tries to adopt building energy conservation design. The exterior walls use rock wool insulation boards, and the reinforced concrete roof uses extruded polystyrene boards for insulation. The main factory building's external wall enclosure structure employs rock wool sandwich insulation boards for insulation. The windows have an air tightness not lower than level 6, water tightness not lower than level 4, wind pressure resistance not lower than level 5, and sound insulation performance not lower than level 4.

04 Water Stewardship

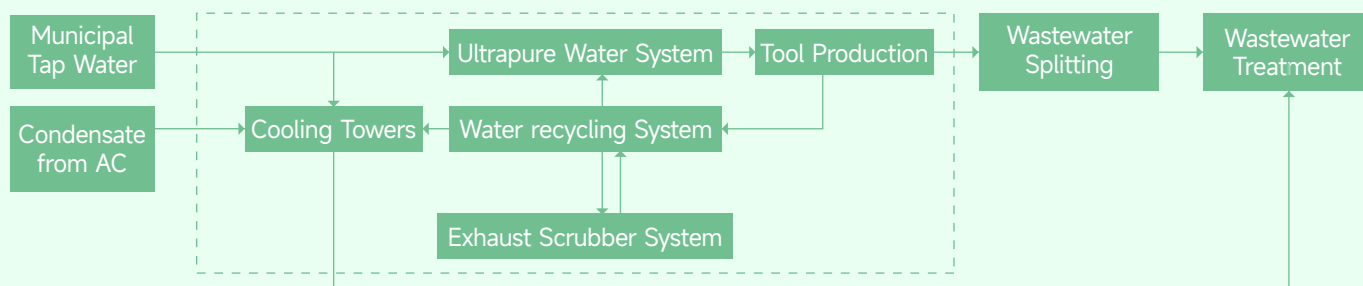
The demand for ultrapure water has become a growing challenge in the semiconductor manufacturing industry, and external stakeholders' attention to the issue of water stewardship has increased in recent years. UNT always seeks to maximize the efficiency of water use and reduce the sensitivity of the value chain to water risks in its operations. Driven by UNT's ESG Working Group and the Facility Department, UNT has set water management goals each year to improve water recycling and reduce water intensity.

◆ Water Use Efficiency Improvements

The original flow rate of ordinary faucets used in UNT office area is about 7.5L/min, which is large in water consumption and easy to splash when using, resulting in water waste; in June 2023, UNT reached a water-saving effect of more than 70% by replacing the adjustable spray-type bubblers with a flow rate of about 2.3L/min. The estimated water saving is 9,378.4m³/year.

UNT Water Stewardship Performance				
Indicator	Unit	2024	2023	2022
Total water withdrawal	m ³	6,331,336	5,262,471	3,601,200
Tap water	m ³	6,331,336	5,262,471	3,601,200
Other	m ³	0	0	0
Total water discharge	m ³	4,430,799	4,429,205	3,020,363
Third party treatment	m ³	4,430,799	4,429,205	3,020,363
Other	m ³	0	0	0
Total water consumption	m ³	1,900,537	833,266	580,837
Fresh water withdrawal intensity	m ³ /8" wafer equivalent	3.14	3.30	4.17
Wastewater discharge intensity	m ³ /8" wafer equivalent	2.20	2.77	2.39
Process water recycling rate	%	50.28	42.2	32.2

UNT Process Water Balance Diagram:



Process Water Recycling System

UNT actively implements wastewater resource management and uses water recycling technology to improve water efficiency and reduce wastewater discharge. UNT diverts various process wastewater to different systems for treatment and recycling based on the composition and source of process wastewater. The total annual volume of water recycled by all systems reaches 6,403,820 tons, and the total process water recycling rate reached 50.28% in the reporting year. The following is an introduction of the Company's major water recycling systems and their performance in the reporting year.

01. Acid and alkali recycling system: The acid and alkali wastewater discharged from the machine will be returned to the pure water system for use by the machine or go to the water tank for the cooling water tower after process treatment. The designed treatment volume of this system is 4,000 m³/d, the recycling rate is 70%, and the total recycling volume is 858,532 m³ in 2024;
02. LS recycling system: Wastewater generated from the treatment machine exhaust gas scrubber is recycled to the scrubber tower for use after treatment by the system process, with a total recycled water volume of 1,267,218m³ in 2024;

03. FR/LR Recycling System: Used for the first and last rinse water of the machine, which is treated and returned to the UPW system for use by the machine after process treatment, with a recycled water volume of 1,451,022m³ in 2024.

Wastewater discharge management

For wastewater that cannot be recycled, UNT is equipped with acid and alkali wastewater treatment system, ammonia wastewater treatment system, fluorine wastewater treatment system, abrasive wastewater treatment system, and heavy metal wastewater treatment system in accordance with the "Water Pollutant Discharge Standards for the Electronics Industry", which focuses on the indicators of wastewater discharge, and ensures that wastewater meets national standards of discharge to the outside world through real-time monitoring of dual instrumentation. During the reporting year, there were no incidents of abnormal wastewater discharge or exceeding the standard in UNT's plant, and no administrative penalties or fines were received as a result.

Wastewater treatment system	Wastewater category	Treatment
Acid and Alkali Wastewater Treatment System	Acid and alkali wastewater	Neutralization
Fluorine Wastewater treatment system	Fluorine wastewater	Chemical Precipitation + Deep Defluoridation with Defluorinating Agents
Ammonia Wastewater Treatment System	Ammonia Wastewater	Blow-off + Sulfuric Acid Absorption
Copper Wastewater Treatment System	Copper Wastewater	Chemical Precipitation
Organic Wastewater Treatment System	Organic Wastewater	Bio-oxidation
Polishing Wastewater Treatment System	Polishing Wastewater	Flocculation
Nickel Wastewater Treatment System	Nickel Wastewater	Chemical Precipitation
Chromium Wastewater Treatment System	Chromium Wastewater	Chemical Precipitation
Arsenic Wastewater Treatment System	Arsenic Wastewater	Chemical Precipitation
Cyanide Wastewater Treatment System	Cyanide Wastewater	Chemical Precipitation

Indicator	Unit	2024	2023	2022
Total wastewater discharge	ton	4,430,799	4,429,205	3,020,363
Chemical Oxygen Demand, COD	ton	246.16	386.96	301.80
Ammonia nitrogen	ton	36.18	36.98	24.00
Suspended solids	ton	172.62	280.52	242.00
Total arsenic	ton	0.0014	0.0029	0.004
Total phosphorus	ton	3.27	2.73	2.87

Water stress assessment

UNT uses the WRI Aqueduct Tool developed by WRI to assess the sensitivity of UNT's current operations to water risk on an annual basis starting in 2024. According to the results of the WRI Aqueduct Tool assessment, UNT's main manufacturing operation in Shaoxing, Zhejiang Province, is located in an area of medium to high water stress. UNT adopts water conservation measures every year to improve water recycling to reduce the impact of water stress on its operations, and UNT withdraws less than 5% of its water from the region, which does not have a significant impact on the water sources in the region where it operates. After further consideration of the stability of the water quality, the supply and demand in the region, the risk of drought and flooding, and using Water Risk Atlas' built-in weighted integrated water risk assessment for the semiconductor industry, the results show a high risk. This is mainly due to the fact that Shaoxing is located in a region close to the mouth of the Yangtze River, a region prone to extreme weather and climate events, and has a developed regional river system with a high risk of coastal zone flooding. Shaoxing City issued the Shaoxing City Urban Drainage and Flood Control Emergency Plan at the end of 2024, which regulates regional flood control, and UNT has developed a business continuity management plan that conducts regular emergency drills for heavy rainfall and flooding in order to have water risk resilience.

During the reporting period, UNT did not experience any incidents due to water shortage or heavy rainfall and flooding that had an impact on the Company's operations.

05 Circular Economy

UNT follows the 3R's principle in waste treatment, i.e. Reduce, Resource, Harmless, and is committed to reducing the amount of waste at the source in order to minimize the output of waste.

— Waste Generation and Disposal —				
Indicator	Unit	2024	2023	2022
Total amount of waste generated	ton	15,339.12	11,606.85	7,102.11
General Waste				
General waste generated	ton	2,895.24	2,143.66	2,130.53
Hazardous Waste				
Hazardous waste generated	ton	12,443.88	9,463.19	4,971.58
Waste empty barrels	ton	105.82	102.26	129.08
Chemical nickel waste liquid	ton	149.66	122.2	108.14
Chemical palladium waste liquid	ton	0	0	6.14
Chemical gold waste liquid	ton	0	0	17.16
Waste Cr7 etching solution	ton	0	0	15.6
Ammonium sulfate waste liquid	ton	2,791.72	1,300.02	623.8
Waste acid	ton	6,191.38	5,529.38	2,182.46
Waste solvent	ton	2,999.24	2,254.68	1,679.28
Waste glass bottles	ton	17.2	15.52	16.52
Contaminated solid waste	ton	64.1	51.02	53.46
Copper-containing waste liquid	ton	0	3.74	2.66
Tin-containing waste liquid	ton	0	0	2.18
Copper-containing sludge	ton	29.94	3.76	29.96
Chromium-containing sludge	ton	0	27.44	37.7
Nickel-containing sludge	ton	8.6	4.22	4.9
Arsenic-containing sludge	ton	10.52	33.58	53.06
Waste activated carbon	ton	17	14.48	8.56
Waste resin	ton	58.7	0.89	0.92
Waste engine oil	ton	0	2.28	0

For hazardous waste, UNT has set up a standard management procedure, whereby hazardous waste is classified and stored in sealed tanks according to different categories after it is generated, and then treated regularly by a hazardous waste treatment provider that has obtained the qualification for hazardous waste treatment according to the amount of emissions.

01. Hazardous waste identification and classification: Hazardous wastes are wastes with hazardous characteristics that are listed on the national hazardous waste list or identified according to nationally defined criteria. Hazardous waste generators need to classify the waste according to its nature, composition and degree of hazard;
02. Formulate a management plan: Units generating hazardous wastes need to formulate a management plan that specifies specific measures and requirements for the generation, collection, storage, transport and disposal of the wastes. At the same time, they should regularly declare to the local environmental protection department the types of hazardous wastes, amount generated, flow, storage and disposal;
03. Selection of disposal units: Select units with hazardous waste operation license for disposal. When choosing, their qualifications need to be reviewed, including whether they have the appropriate disposal facilities and technical capabilities;
04. Signing contracts and transferring wastes: sign a contract with the selected disposal unit, specifying the rights and obligations of both parties. Transfer the hazardous waste to the disposal unit according to the time and method agreed in the contract, and strictly abide by the national regulations on the transfer of hazardous waste to ensure safe transport;
05. Supervise the disposal process: carry out regular supervision of the disposal unit to ensure that it carries out the disposal in accordance with the requirements of the contract and national regulations. At the same time, hazardous waste disposal accounts are set up to record information such as the source, type, quantity and disposal method of the waste;
06. Compliance with regulations: Throughout the disposal process, relevant regulations, such as the Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution of the Environment and the Regulations on the Safe Management of Hazardous Chemicals, must be strictly complied with. Violation of the regulations will bear the corresponding legal responsibility.

06 Air Pollution Control

Acidic and alkaline exhaust gases as well as VOCs generated by semiconductor equipment are the main air pollutants generated in the semiconductor manufacturing process, and UNT minimizes their negative impact on the environment through multi-stage treatment by emitting them directly into the atmosphere. As of the end of the reporting year, the Company is equipped with a total of 21 sets of acidic exhaust treatment systems, 10 sets of alkaline exhaust treatment systems, 11 sets of organic exhaust treatment systems, and 6 sets of arsenic-containing exhaust treatment systems.

Indicator	Unit	2024	2023
Total waste gas emissions	ton	80.61	114.91
NOx	ton	15.59	14.89
SOx	ton	22.03	24.55
Chlorine gas	ton	12.11	4.56
Particulate matter (PM)	ton	17.62	19.08
Sulfuric acid mist	ton	3.23	1.54
Hydrogen Chloride	ton	6.79	30.5
Ammonia gas	ton	6.57	7.5
VOCs	ton	14.29	12.29

For acidic and alkaline exhaust gas, UNT carries out preliminary elution through the first section of Local Scrubber on the line, and then send it to the central waste gas treatment equipment through the secondary exhaust ducts, and then discharge it into the atmosphere until meeting the emission standards. The Company commissions a third party to conduct emission monitoring of acidic and alkaline waste every six months.

For VOCs, after condensation treatment, it is sent to the zeolite rotor system for concentration and adsorption through the main exhaust duct, and then the high concentration gas is desorbed for TO combustion, which effectively reduces its emissions and natural gas usage. The VOCs removal rate of the project can reach 95%, the Company also installed online monitoring equipment for the treatment of VOCs, and the Environmental Protection Bureau network real-time monitoring of emissions data to ensure that emissions meet standards.

During the reporting period, UNT was not subject to administrative penalties and fines for incidents of excessive air pollution emissions.



C4 HAPPY WORKPLACE

Based on the Company's vision, mission, values and strategy, UNT formulates human resource development strategy, creates a diverse and harmonious working atmosphere, attaches great importance to the protection of employees' rights and interests, improves the performance and incentive mechanism, and endeavors to build a value-fulfilment platform for the employees, share the fruits of development with the employees, and achieve the common development of both employees and the Company.



HIGHLIGHTS

70 → 1% Employees with disabilities >1% percentage of the total workforce	26 hours Average training time per employee	100% coverage of occupational safety and health training
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- Owned the title of “Outstanding Employer”
- Employed 70 employees with disabilities, accounting for more than 1% of the total workforce
- 26 hours of training per employee
- 100% coverage of occupational safety and health training



01 Talent Attraction and Retention

UNT strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other labor-related laws and regulations. We are committed to practicing the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization's (ILO) International Labor Standards and applicable International Human Rights Guidelines, and establishes an internal labor management system based on the Responsible Business Alliance Code of Conduct 8.0 and SA 8000 Social Responsibility Guidelines to ensure that all employ-

ment practices are compliant with these standards. The Company has carried out equal pay for equal work and non-gender discriminatory recruitment process, and adhered to the principle of equal employment to ensure that all employment practices are in compliance with the law. The Company signs formal employment contracts with all full-time employees and labor contracts with interns and temporary workers.

Labor management procedures:

"UNT Human Resource Management Procedure" "UNT Recruitment Management Procedure"
"UNT Female workers and underage workers management rule" "UNT Employee Grievance Rule"
"UNT OT, Time-off in lieu, On-duty Rule" "UNT Employee File Management Rule" "UNT Leave Rule"
"UNT Training Management Workflow" "UNT Performance Management Procedure" "UNT Salary Management Rule"

Diverse Talent

UNT values diversity and provides fair, open, and transparent employment opportunities, starting with our company values of 'Partnership, Initiative, Enthusiasm, and Perseverance', and focusing on the overall qualities of the candidate and teamwork during the recruiting process. Discrimination in hiring on the basis of race, colour, age, gender, sexual orientation, ethnic group, disability, pregnancy, religion, marital status or any other legally protected characteristic is strictly prohibited.

At the end of 2024, the Company had a total of 4,857 full-time employees, with 1,248 female employees, accounting for 25.69% of consolidated employees, and employed 230 ethnic minority employees.

4,857	1,248	230
Full-time Employees	Female Employees	Ethnic Minority Employees

Indicator		Unit	2024	2023	2022
Total No. of Employees		Person	4,857	4,324	3,656
By Gender	Male	Person	3,609	3,187	2,717
	% of Male	%	74.31	73.70	74.32
	Female	Person	1,248	1,137	939
	% of Female	%	25.69	26.30	25.68
By Position	Management	Person	192	202	136
	R&D	Person	943	662	412
	Sales	Person	62	31	27
	Production	Person	3,660	3,429	3,081
By Education Level	PhD	Person	25	21	14
	Master	Person	943	712	577
	Bachelor	Person	1,824	1,595	1,367
	Associate and below	Person	2,065	1,996	1,698
By Age	18-30	Person	3,168	2,684	2,249
	30-50	Person	1,647	1,601	1,380
	50	Person	42	39	27
By Nationality	China Mainland	Person	4,846	/	/
	China Taiwan, Hong Kong, and Macau	Person	11	/	/
	Overseas	Person	0	0	0
Diversity	No. of Employees with Disabilities	Person	70	69	55
	No. of Ethnic Minority Employees	Person	230	/	/

We provide job opportunities for people with disabilities in accordance with the actual situation. In 2024, the Company employed 70 people with disabilities, representing over 1% of our total workforce.

UNT continues to tap into its talent potential and actively emphasizes employee diversity. In 2024, 267 female employees held R&D positions, accounting for 28.31% of R&D team, and 14.29% of our executives were female.

The Company also respects employees' freedom of religion and has set up a multi-religious prayer room in the office building to support their daily religious activities.

70

Employees with Disabilities

267

Female Employees in R&D positions

Diversified Recruitment

UNT constantly broadens recruitment channels, using a combination of online and offline methods to attract talented people from different backgrounds. At the same time, we focus on internal referrals and internal competition to uncover potential talent; every year, we carry out campus recruitment for talent pool, constantly improve the construction of talent echelon, organize and participate in campus job fairs, campus recruitment conference, and other forms of concurrently, to conserve the Company's professional and technical talent pool, and make positive contributions to youth employment.

HR Recruitment Process

- 01 The hiring department puts forward a staffing request, and upon approval, the HR department screens candidates' CVs from various channels and schedules interviews in accordance with UNT's Recruitment Management Procedures;
- 02 The candidate passes the HR interview session, the hiring department interviews the candidate and makes a comprehensive evaluation of the candidate's abilities based on the "UNT Interview Evaluation Form";
- 03 The Candidate passes the interview process, then the offer will be declared and approved to a certain level, to ensure alignment with the employment of people in line with the Company's job requirements;
- 04 Background checks are conducted for certain levels and some special positions, output background check reports, and conduct business ethics compliance checks to determine that personnel have no adverse factors;
- 05 Candidates are issued a letter of intent to hire, with personnel grades and salaries are determined, and communication is made to determine their specific on-boarding information, and they are required to sign a non-compete agreement during the contract signing process to ensure hiring compliance.

Campus Recruitment

UNT understands the importance of talent development, we cooperate with universities and colleges to conduct campus recruitment for fresh graduates every year, and select outstanding talents through campus recruitment seminars, double-selection meetings, and campus ambassadors programs.

• UNT 2025 Campus Recruitment

The 2025 campus recruitment seminar covered 12 provinces, 14 cities and 29 colleges and universities, collecting 2,000+ CVs. Enrolled in 43 colleges and universities to participate in the double-selection meeting, collected 3,000+ CVs, and signed 200+ tripartite agreements.

Provinces: Liaoning, Shandong, Guangxi, Gansu, Jiangsu, Fujian, Jiangxi, Anhui, Shaanxi, Heilongjiang, Zhejiang, Shanghai.



Dalian University of Technology



Nanjing University of Information Science & Technology

• Outstanding Employer

In November 2024, UNT participated in the Northeast Six Schools Job Fair, a series of job fairs for college graduates in autumn 2024 in Shanghai, which was jointly organized by Shanghai Municipal Commission of Education and Shanghai Municipal of Human Resources and Social Security Bureau, with the active participation of 650 companies including Bank of China and Huawei, and won the title of 'Outstanding Employer' conferred by the organizers.



Social Recruitment

The Company recruits professionals from various backgrounds every year according to its business needs, and establishes diversified recruitment channels such as online recruitment, on-site job fairs, and headhunting services, with the goal of recruiting professionals and industry experts to create a high-quality workforce system. In addition, the Company also encourages internal referrals of high-level talents, and provides bonuses and rewards to employees who successful introductions.

In 2024, UNT recruited 740 outstanding talents through various social recruitment channels.

Overview of New Employees

In 2024, UNT has 1,311 total new employees, the new hire rate of 26.99%, and the per capita recruitment cost of CNY 1,048.

Indicator	Unit	2024
No. of new employees	Person	1,311
Accession rate	%	26.99
New employee - male	Person	1,020
New employee - female	Person	291
New employee - below 30 years old	Person	1,036
New employee - 31-49 years old	Person	273
New employee - over 50 years old	Person	2

Remuneration and Benefits

The Company is actively benchmarking against excellent enterprises in the industry, to provide a variety of protection for the work and life of employees, and share the fruits of corporate development with employees. The Company strictly implement the national and local social security mechanism, for employees to pay five social insurance and one housing fund and buy additional commercial medical insurance; employees enjoy the rights such as rest days, leave entitlements, and holidays including marriage leave, bereavement leave, maternity leave and other holidays, in accordance with relevant laws and regulations, introducing a paid leave policy.

Adhering to the concept of "win-win", we have established a comprehensive salary and benefits system that centers on fixed salary while incorporating bonuses and other incentives. We are committed to providing competitive salary and benefit policies.

We follow the principle of "distribution according to work" and adhere to the principle of equal pay for equal work in the implementation of remuneration, and do not designate different salary and bonus standards for employees based on their gender, religion, political affiliation or marital status. In the reporting year, the average salary ratio between male and female employees in the Company was 1.18:1.

— Employee Benefits —



Maternity Benefits

UNT has formulated the "UNT Female workers and underage workers management rule" to provide protection for female employees during pregnancy, in full compliance with the Labor Law of the People's Republic of China. It is strictly prohibited to arrange overtime work, night shifts, or hazardous positions for female employees during pregnancy, childbirth or breastfeeding, and the ESH department of the Company will evaluate and identify the work of each position to ensure the implementation of protection measures. The Company provides maternity leave, as well as paid maternity check leave in accordance with the law.

In 2024, a total of 50 female employees went on maternity leave, and 45 of them returned to work at the end of their maternity leave, resulting in a 90% of return rate.

Indicator	Unit	2024
Number of employees on maternity leave	Person	50
Number of employees on paternity leave	Person	146
Employee return rate after maternity leave	%	90
Employee return rate after paternity leave	%	95.89
Number of employees on parental leave - Male	Person	274
Number of employees on parental leave - female	Person	116

The Company has also set up a breastfeeding room equipped with a rest area and a refrigerator storage area to meet the needs of breastfeeding female employees to collect breastmilk, and to provide support for postpartum mothers to return to the workplace.

For male colleagues, the Company emphasizes the balance between family and work, and provides paternity leave and parental leave for them in accordance with the law.

Short-term Performance Incentives

Based on the Company's overall strategic objectives, UNT develops differentiated performance policies for different positions.

Individual performance is closely linked to company performance and departmental performance through individual employee Key Performance Indicator (KPI) assessment, which serves as the basis for subsequent issuance of personnel-related benefits such as salary raise, employee benefit housing purchase, stock options and personnel adjustment.

During the reporting period, the coverage rate of employee performance evaluation and incentives was 100%.

Performance Appraisal Process	
Formulate performance plan (P) Formulate performance objectives and action plans for each department based on the Company's strategic business targets.	Performance Communication and Coaching (D) Implement the plan, implement the work corresponding to the performance objectives, and keep complete data and records.
Performance feedback, motivation and improvement (A) Conduct performance feedback interviews and performance motivation based on the results of the performance appraisal, and propose the next round of performance objectives and action plans.	Performance Appraisal and Feedback (C) Evaluate performance of the employee on a predetermined cycle.

Long-term Incentives

In order to create a benefit-sharing mechanism between employees and owners, realize the consistency of the interests of the Company, shareholders and employees, attract and retain outstanding management talents, and enhance the cohesion of employees and the competitiveness of the Company, the Company commenced the first phase of the stock option incentive plan in 2021, and granted 68 million shares of stock options to 568 incentive recipients. In 2024, the Company carried out an incentive plan with Class II Incentive Plan with restricted stock as incentive, and on June, 4, 91.664 million shares of Class II restricted stock were granted to 763 incentive recipients who were eligible for the first grant. Currently, all of the Company's core technical staff and management personnel are linked to the Company's shareholdings.

As at the end of the reporting year, the Company's employee shareholdings were as follows:

Indicator	Unit	2024
Number of employees holding shares	Person	958
Number of employee shareholdings as a percentage of the total number of employees in the Company	%	19.72
Number of shares held by employees	10,000 shares	72,238.59
% of shares held by employees of total share capital	%	10.23

In order to fully mobilize employees' incentives and retain core and outstanding talents, UNT will continue to establish and improve the Company's medium- and long-term incentive and discipline mechanism by implementing salary diversification, etc., so as to effectively attract and retain the Company's outstanding talents, and to enhance the core cohesion of the team and the core competitiveness of the Company.

Talent Retention

UNT attaches great importance to the construction of theor- ganization. The Company's HR department pays attention to the organizational atmosphere and monitors the status of employees. When the HR department detects that an employee has a tendency to leave, it will immediately collaborate with the employee's direct supervisor to provide care and counseling through informal conversations, aiming to enhance his/her willingness to stay in the Company.

When an employee has requested to leave, every effort is made to achieve employee retention through three measures: immediate supervisor retention interviews, HR retention interviews, and targeted pain point resolution. After the interview to grasp the reasons for employees to leave, the Company will take care of the employee's personal wishes under the premise of targeted according to the employee's situation to provide changes in job content, workplace or based on the staff's personal ability to provide opportunities for internal transfer, in order to maximize the promotion of staff retention.

After an employee departs, the HR department will summarize and analyze the employee's claims and reasons for leaving, through regression analysis, summarize the common and objective reasons, feedback to the employing departments and follow-up measures to improve the situation.

Indicator	Unit	2024
Employee turnover rate	%	18.34
Voluntary turnover rate	%	17.85
Number of employees departed- male	Person	668
Number of employees departed - female	Person	223
Number of employees departed - below 30 years old	Person	678
Number of employees departed - 31-49 years old	Person	209
Number of employees departed - over 50 years old	Person	4
Internal transfer rate	%	4.30

will be borne by the Company. After completing the above emergency response, UNT will investigate the cause of the misuse of child labor, and if there is any external collusion, all individuals or groups involved will be held accountable in accordance with laws and regulations.

At the same time, the Company pays attention to the inspection of illegal use of child labor and forced labor by suppliers, and any behavior involving child labor or forced labor by suppliers is regarded as a violation of the Company's red line. In 2024, the Company did not have any incidents of child labor and any form of forced labor. In the audits of suppliers conducted in the reporting year, no supplier was found to have used non-compliant labor (any form of child labor or forced labor).

Implementation of Human Rights Management

UNT established a CSR Management Committee in 2022 to manage human rights issues, including labor, health and safety, environment, and business ethics, in alignment with RBA standards. In recent years, as the Company's focus on sustainability has increased, we have further iterated the CSR Management Committee and integrated it into the current three-tiered sustainability governance structure of "Oversight - Decision Making - Execution", and the corresponding responsibilities have been migrated accordingly. Currently, the Capital Operation Department and the ESG Working Group collaborate to formulate RBA-related performance targets and regularly track the results of implementation, and annually assess the Company's human rights-related risk level through the RBA Online platform to avoid potential risks. 2024, the Company's RBA standard self-questionnaire scores are above 90, and the risk level is low.

In addition to the self-questionnaire, UNT also responded to the needs of some of our customers by conducting the first Validated Assessment Process (VAP) in the reporting year for the implementation of the RBA standard at the factory level, to validate the Company's current management system and risk processes through the external auditing process, and to share the results of the audits with our customers through the RBA Online platform.

During the reporting year, the Company conducted a human rights risk assessment process of its own operations, value chain, and suppliers in accordance with RBA standards, identified five types of objects affected by the Company's operations, took into account both the likelihood of occurrence of risks and the severity of their impacts, assessed the level of risks, and formulated improvement measures and management objectives and implementation plans for the next year.



2024 UNT Human Rights Risk Assessment Results				
Object	Issue	Risk Level	Improvement Measures	2025 Objectives
Female employees	Anti-discrimination	Low	Standardize anti-harassment and anti-discrimination reporting channels; emphasize anti-discrimination and anti-harassment policies in RBA-related training for all new employees.	100% coverage of RBA training; 0 incident of discrimination, harassment
	Occupational Health and Safety	Medium	Revision of the Company's Policy on the Protection of Female and Underage Workers, with the Company's ESH department regularly assessing the suitability of each position for female employees.	0% Occupational Safety Incident Rate related to female employees during pregnancy, childbirth and breastfeeding
Suppliers	Conflict Minerals	Low	Revision of the supplier social responsibility checklist in accordance with RBA guidelines and auditing of suppliers against the new checklist.	100% coverage of ESG risk assessment and on-site or online audits of significant suppliers
	Forced Labor	Low		
	Child Labor	Low		
	Working Hours	Medium		
	Occupational Health and Safety	Medium		
All Employees	Working Hours	Medium	Establishment of an overtime alert mechanism to remind those who work overtime in excess of the legal limit.	Enhanced working hour management system to ensure that employees have one day off after six days of work
	Freedom of Association	Low	To ensure the effectiveness of labor unions and other labor-management communication channels, employees are introduced to various employee communication channels and feedback methods during induction training.	100% closure rate of employee grievance cases
	Occupational Health and Safety	Low	Regular monitoring of occupational diseases and harmful factors in the workplace; Regular medical examination of direct labor employees for occupational diseases.	100% coverage rate of medical examination for occupational diseases for entry, in-service and exit of employees; Concentration of occupational hazards in the workplace meets national standards
Customers	Information Security	Low	Train all employees on information security and keep customer-related information in the hands of specialized units only.	0 incidents of information leakage
Community	Pollution	Low	Regular monitoring of noise in and around the plant, real-time monitoring of air pollution.	No violations in noise and air pollution monitoring results

*The magnitude of the impact of the risk and the likelihood of occurrence have been considered.

Human Rights Management

Compliant Employment



UNT strictly prohibits the use of child labor and forced or compulsory labor (including the use of corporal punishment) by any entity within the Company's operations and by its partners. Candidates for all positions are required to go through human resources recruiting process with their own legal identification documents to ensure that they meet the legal working age.

At the same time, the Company verifies the compliance of employment, and has "UNT Labor Emergency Response Plan" to set up an emergency response plan for mis-recruitment of child labor and forced or compulsory labor, including thorough investigations, in order to take effective measures to eliminate similar incidents.

If any child labor or forced labor is found in UNT, we will immediately take appropriate legal measures. In the case of wrongful or mistaken employment of child labor, the child will be removed from work at the first time of discovery, prohibit him/her from continuing any work for the Company, report the incident to the labor department for review, and send him/her to the occupational labor and health inspection agency the next day to confirm that he/she has not been exposed to any health impacts during his/her work. After receiving official guidance from the labor department, UNT will return the employee to his/her place of residence and return him/her to his/her guardian after paying him/her all his/her salary, and all costs incurred in this process

Anti-discrimination, Anti-workplace Harassment

UNT emphasizes equality and inclusion in the workplace. In addition to its basic human rights policy, which strictly prohibits any workplace harassment such as discrimination, sexual harassment, workplace bullying, and intimidation, UNT has also set up an employee grievance channel for employees to make related complaints in order to appropriately deal with related incidents.

UNT takes a “zero tolerance” approach to sexual harassment in the workplace. In the event of harassment, the reporter can choose to report the incident either anonymously or under their real name. For anonymous reports, the Company will strictly keep the information of the person concerned hidden to ensure that the reporter will not be retaliated against. After the incident is identified, the Company will deal with the offender according to the seriousness of the violation. The Company will terminate the labor contract of any person found to have committed sexual harassment. If the situation is serious, the matter will be referred to law enforcement for criminal investigation, and will publicize the information within the Company in order to achieve the role of discipline and education.

The Company will provide each employee with training on the Company's RBA policies and regulations when he/she joins the Company, publicize the Company's anti-discrimination and anti-workplace harassment policies, and introduce the Company's relevant whistleblowing channels and specific procedures.

In 2024, UNT did not receive any complaints of workplace harassment and there were no identified incidents of sexual harassment in the workplace.

Complaint Handling Procedures for Incidents of Harassment, Discrimination:

- Responsible unit - HR Department
- Whistleblowing channels - Internal complaints: Relevant company departments (Labor Union, HR, Audit Department) / External: Police (110)
- Investigation process - After the acceptance of the case, a person will be assigned to investigate the case, and the investigation process will maintain the confidentiality of the information of both parties. Upon completion of the investigation, the case will be reported to the Disciplinary Committee of the Company and will be handled in accordance with the Company's system of rewards and penalties.

03 Talent Development

Talent Development Model

UNT implements the dual-channel growth path of “management talent development” + “professional talent development”, providing employees with diverse career development paths; clearly defines and classifies employees' job sequences and refine professional sequences to realize differentiated management for different positions.

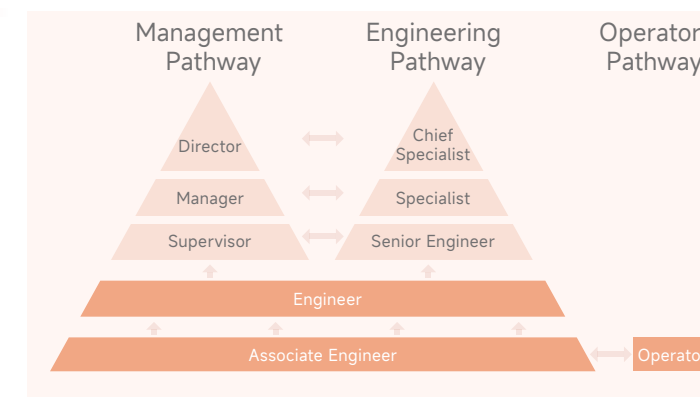


Parallel Development Pathway

According to the business needs, the Company releases internal recruitment information in the internal OA system and WeCom every year, and all qualified employees can apply according to their own career plans and interests. The internal recruitment mechanism broadens the development space of professional channels, provides a mechanism to guarantee the conversion of employees within the professional channels and between the sequences, and the employees can combine their personal interests and strengths to choose their own development channels according to their own career planning, which further stimulates the passion of the employees' work and the vitality of the organization, contributing to the Company's multi-level talent development system.

Dual-channel Talent Development Model

Under the dual-channel development model, the Company has set up a standardized promotion mechanism, offering two promotion types, regular promotion and merit promotion, through the “UNT Promotion Management Rule”. These two promotion channels set up a fixed promotion window every year to provide employees with an upward development path and realize the common development of employees and the Company. All employees can be nominated by their direct supervisors, and the evaluation criteria are based on the qualifications of each grade/position. And the evaluators cover department heads, direct supervisors, and the human resources department, to ensure that the promotion process is fair, impartial, and transparent.



Talent Cultivation

UNT applies advanced learning technologies to continuously optimize the training mechanism, enhance employee learning efficiency and learning experience, and continuously empower organizations and talents.



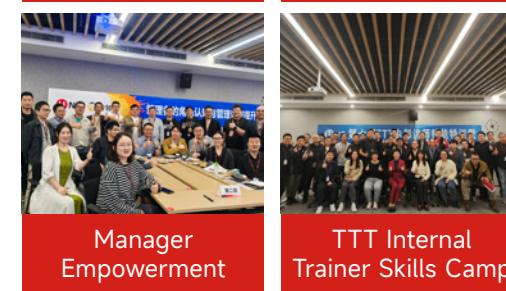
According to the different training objects, the Company adopts the training strategy of “post, grade and section”, and carries out the new employee induction training and employee on-the-job training respectively, covering different groups such as engineering positions, management positions, operation positions and internal trainers, etc., to help the employees adapt to the new situation and new development requirements while improving their capabilities and competencies.

UNT focuses on the majority of engineers, starting from the entry of engineers, setting up Individual Development Plan (IDP) around the professional competence requirements of the positions they belong to, and continuing to carry out professional advancement on-the-job training and cross-departmental cross-training.



Indicator	Unit	2024	2023	2022
Total training Investment	Thousand CNY	141.4	100.4	105.3
Total training Hours	Hours	137,791	80,830	92,137
Total No. of participants of various training	Person-time	118,993	108,250	153,273
Training hours per employee	Hours	26	18.69	25.20

In 2024, the Company conducted a total of 682 new employee induction training program courses, 165 job-specific training courses for fresh graduates, 174 engineer series training courses, 31 management training courses, 12 training courses for mentor training (internal trainers, mentors, production line leaders), and a total of 77 courses for the rest of the general class open courses. The content involves safety, environment and health, project management, 6 Sigma, quality tools, wafer process equipment, information security, and so on. A total of 118,993 offline and online trainings were held, with an average of 26 hours of training per person.



04 Occupational Health and Safety

Occupational Safety Management System

UNT has adopted the ISO 45001 management system, which implements occupational safety and health management with a PDCA structure and covers all employees of UNT.

The Company has established a three-tier occupational safety and health management structure with clear functions, a dedicated ESH department in the plant, and an ESH Safety Committee that is closely integrated with the Company's administrative organizations and production operations. The Safety Committee meets regularly to review the Company's ESH management performance and formulate the Company's safety policy, objectives and annual safety work plan.



We set key safety performance indicators, including the number of major safety incidents, the frequency of abnormal incident, and the coverage of three-tier safety training for newcomers. In 2024, UNT's Safety Committee met 10 times to review the Company's ESH performance on a monthly basis.

Indicator	Unit	2024	2023	2022
Employee Lost Time Incident Frequency Rate (LTIFR) ★	/	0	0	0
Employee Incident Severity Rate (SR) ★	/	0	0	0
No. of lost days due to work-related injuries ★	Count	0	0	0
No. of employee fatalities	Cases	0	0	0
No. of medical examinations for occupational diseases	Person	1,875	2,101	928
Coverage of occupational disease medical examination	%	100	100	100
Employee occupational disease incidents	Cases	0	0	0

★ Statistics do not include work injuries caused by employees commuting to and from work

Occupational Safety Risk Management

UNT routinely conducts occupational hazard identification and risk assessment in accordance with ISO 45001, and has internally standardized the risk management process with process documents such as the "UNT Environmental Factor and Risk Identification Procedure", "UNT Hidden Danger Inspection Management Procedure" and other related procedures. As defined in the documents, the hazard identification and risk assessment mechanisms routinely used by the Company currently include:

• Environmental Factor and Risk Identification

Under the guidance of the ESH department, each functional department will identify and evaluate the environment, hazardous and harmful factors, and formulate and adopt appropriate control measures for new activities, products or services before they are put into use. After being put into use, functional departments regularly update the status of the environment and hazardous and harmful factors according to the results of the previous evaluation.

• Hidden Danger Inspection

The ESH department formulates the annual safety inspection plan, and each department cooperates to formulate the daily and special safety checklist for the hazardous areas or facilities in their own departments, and organizes self-inspection on a regular basis. UNT's routine hidden danger inspection mechanism is divided into daily inspections, regular inspections, seasonal inspections, holiday inspections and special inspections to ensure that hidden dangers from all time points and special areas are eliminated completely. In addition, there is also a hidden danger inspection based on accident analogy.

After a major safety accident occurs in the industry, the ESH department will send a safety notification letter to each department to carry out targeted inspections and rectifications for similar hazards within the Company.



• Occupational Hazards Inspection

In accordance with Article 26 of the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Company annually commissions a third party to test the occupational hazards of the Company's operations for a total of 35 occupational hazards, such as chemical and physical hazards, so as to ensure that the health of employees is not infringed upon by hazardous factors in the work environment.



Occupational Safety Training

In order to improve the safety awareness of all employees, UNT actively carries out all kinds of occupational health and safety trainings in various forms, including the three-tier safety training for new employees, general safety and occupational health trainings, and targeted professional enhancement trainings. During the reporting period, UNT conducted various occupational health and safety trainings covering all employees.

Type of Safety Training or Drills	Training performance
Evacuation drills	12 drills were conducted, covering 3,571 person-time.
Disaster Relief Drills	118 drills were conducted, covering 885 person-time.
ERT No-warning Assembly Drill	4 drills were conducted, covering 288 person-time.



Indicator	Unit	2024	2023
Hours of safety training per employee	Hours	4.64	8.00
Coverage of safety and health training for employees	%	100	100



UNT Safety Month

In June 2024, UNT responded to the National Safety Month and carried out the 5th Work Safety Month with the theme of "Everyone talks about safety, everyone knows how to respond to emergencies - Open up the channel of life". This year, the Company carried out a total of nine safety activities, including "CPR+AED Competition", "SCBA Competition", "Firefighting Target Shooting Competition", fire escape drills using the fire simulation chamber, and safety propaganda of the production department. A total of 9 safety activities were held, with a total participation of 950 people.

950 Person-time

Total Participants



Contractor Safety Management

In order to strengthen and standardize the management of the safety and environmental behavior of contractors in the Company's operating sites, the Company has formulated the "UNT Interested Party Safety Management Procedure" to clarify the responsibilities of all parties and ensure safe operations. Each new contractor is required to complete the signing of the Safety and Environmental Management Agreement, commit to abide by UNT's safety code, and verify all relevant materials by the ESH department before entering the site.

After that, they are required to participate the safety trainings and pass a training test before entering the site to carry out construction. UNT's ESH personnel will also conduct occasional inspections of contractors working on site to verify the effectiveness of the training. Contractors' safety status is included in the review of the Safety Committee, and the ESH department conducts quarterly safety audits of contractors, which are reviewed by the Safety Committee.



Indicator	Unit	2024	2023	2022
Contractor Incident Severity Rate (SR)	/	0	0	0
Contractor Lost Time Incident Frequency Rate (LTIFR)	/	0	0	0
Contractor Fatalities	Cases	0	0	0
Contractor safety education coverage	%	100	100	100

Investigation and Handling of Occupational Safety Accidents

UNT is committed to achieving zero accidents in production and emphasizes the process of handling every accident. We have developed the "UNT Incident Reporting and Investigation Procedure" internally to categorize accidents into five levels based on injury severity, economic loss, and incident impact, and to quantify the assessment of various types of accidents in order to facilitate the assessment of the performance of the occupational safety and health management system of UNT.

The ESH department of the Company has formulated emergency handling procedures for all kinds of emergency accidents. Immediately after the occurrence of an accident, the Company's Emergency Response Center (ERC) will first determine the type of accident and the severity of the accident and notify the ESH department. The ESH department then takes the lead in completing the emergency treatment according to the standard procedures for different accidents in terms of the impact on personal safety, the environment, property damage, and the impact on normal production. After completing the emergency response, the ESH department conducts a review of the accident within 24 hours of the accident, clarifies how the accident occurred and how it was handled, and sends out an electronic accident investigation form to further analyze the root cause of the accident. Within 48 hours, the incident investigation report on the safety and health accident is completed and submitted to the highest supervisor of the regional department responsible for the accident for review and confirmation of its completeness. After completing the above basic process, UNT ESH department will submit the investigation

report to the Company's safety committee according to the level of the accident, and formulate and validate corrective measures to complete the accident handling process.

In 2024, UNT did not have any major occupational safety accidents causing disabling injuries to employees or any occupational safety fatalities (including contractors) within the entire area of UNT.

Occupational Health Management

01. Management of Occupational Diseases

In accordance with the "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", "Provisions on Supervision and Management of Occupational Hygiene in Workplaces" and other laws, regulations and norms, UNT has continuously improved and conscientiously implemented the occupational health management system, established a comprehensive occupational safety and health system, and soundly developed the three-level prevention system for occupational diseases.

♦ Level-1 Prevention

To prevent workers from being exposed to or minimize exposure to occupational hazards;

♦ Level-2 Prevention

When occupational hazards have begun to harm workers' health, early detection, early diagnosis, early treatment should be ensured (pre-employment, on-the-job, and post-employment medical examinations);

♦ Level-3 Prevention

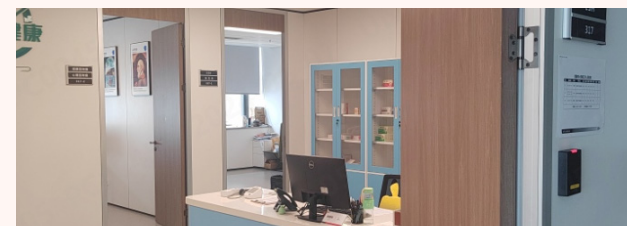
Timely and correct diagnosis, timely treatment, including timely cessation of exposure, effective treatment, prevention of deterioration and complications for workers should be provided.

The Company has established an occupational health management system to track employees in occupational positions from entry, during employment, to departure, and for follow-up examinations (with reminders sent to health center management for execution). The system can also send emails or text messages to remind individuals.

The Company regularly conducts occupational hazard inspections, provides pre-employment, on-the-job, and postemployment occupational medical examinations for employees, and promptly transfers personnel with occupational contraindications to suitable positions to ensure the health of employees.

No recognized incidents of occupational diseases among UNT's own employees were found in 2024.

02. Health Promotions



UNT is committed to creating a safe and healthy working environment for both physical and mental health of its employees. The Company has set up a 24-hour service Health Center, and through organizing health lectures, health promotion activities, internal publication of health columns, and medical checkups, it carries out all-around health management for its employees to guard their physical and mental health. The Company has also signed a strategic cooperation agreement on health protection with the neighboring hospitals in the factory to further guarantee the convenience of employees' medical treatment.

♦ Health Promotion Education

Health education content is regularly published in the Company's internal employee OA system.

In 2024, the health column was published 12 times, with a cumulative total of 33,817 reads.

♦ Health Lectures

According to the annual health promotion plan, professional doctors are invited to the plant to hold lectures for employees and provide them with professional health advice and knowledge.

In 2024, 13 health lectures were held with a total of 825 participants.



♦ Medical Checkups

UNT provides all employees with welfare medical checkups every two years. In addition, we also invite doctors from Shaoxing People's Hospital to our factory from time to time to organize free clinics.



♦ Other

The Company has set up a mental health station in the factory to provide stress relief counseling to employees who feel anxious and stressed at work.



05 Employee Care

UNT emphasizes the health and well-being of its employees, and we believe that a healthy and happy staff can bring the Company the power of continuous development. The Company has a special labor union, organizes sports and cultural activities for employees every year, pays attention to the physical and mental health of employees, and adheres to the spirit of fusion of vitality and public welfare, so that all colleagues can get health and vitality in their work and life.

In 2024, with the support of the Company's administration and the cooperation of relevant departments, the Company's labor union organized 25 cultural and sports activities, including singles' fellowship activities, all kinds of ball games, concerts, open days for employees' children, etc. Throughout the year, the Company paid condolences to 33 people for the births of the employees and their hospitalization, and talked to 4 employees with large fluctuations in their thoughts, and proactively gave them sincere care and help.

Colorful Employee Activities

• Welcome Gala & Top 10 Singers Competition

Every year, UNT organizes a welcome gala to welcome newcomers, aiming to provide a stage for employees to show themselves, and all employees can sign up to participate in the party. In October, UNT organized the 2024 Welcome Gala and the Top Ten Singers Competition among employees. The programs were in various forms, from emotional solo songs to exciting band performances, to dance performances. The Company also invited a number of local professional judges in Shaoxing to add authority to the competition.



• Employee Interest Association & Ball Games

UNT encourages its employees to explore the joy of life while exercising their professional abilities and work. The Company has set up more than 20 cultural and sports associations, including Table Tennis Association, Basketball Association, Cycling Association, etc. When each new employee joins the Company, the HR department will give him/her an introduction and encourage him/her to take part in the activities of various associations and societies, so as to support the employees in exchanging their spare time interests with their partners who share the same interests.

Each association also helps to organize related events every year, among which, table tennis and basketball associations have been assisting in organizing related team events for three consecutive years, providing a platform for colleagues to work together as a team and to show their own selves.



• Employee Fun Games

In order to enhance the staff's fitness awareness and team cohesion, UNT holds staff games every year. 2024 April, UNT's second employee fun games were held in Shaoxing Gaobu Middle School, with a total of six events such as "water to the canal", "stacking cup relay", "soccer goal", etc.



• Events in Women's Day

Every year on 3.8 International Women's Day, in order to thank all female colleagues for their contribution to the development of the Company, UNT organizes activities for female employees. In the report year, we organized the "Goddess Day Cake DIY Workshop", in which we invited external professional bakers to provide on-site guidance. 100 female colleagues participated in this activity.



• Open Day for Employees' Children

UNT pays attention to the integration of the Company's corporate culture with the emotions of employees' families, and organizes open day activities for employees' children during their summer and winter vacations every year. Since the summer vacation of primary and secondary school students in 2022, the Company has organized 6 open day activities for employees' children, and a total of more than 230 employees' children have participated in the series of activities.

During the reporting year, the Company organized two open days for the children of its employees. In the fifth event in the summer, the Company cooperated with China Merchants Bank Shaoxing Branch to set up the "I am a little banker" series of activities to cultivate the basic financial knowledge of the staff's children and exercise their team spirit.





Convenient Living Facilities

Dormitory and Life Services

There are three dormitory buildings in UNT, D1, D2 and D3, with a total of 496 dormitories and 1,873 beds, and the average occupancy rate reaches 85%. Each dormitory room has a usable area of 35 square meters, with a per capita usable area of 8.8 square meters. Each dormitory is uniformly equipped with beds, closets, air-conditioners and other basic living facilities, as well as independent bathrooms and water heaters. Each floor of the building is individually set up a public laundry room to meet the basic needs of employees. In addition to the basic configuration of the accommodation, the factory has also set up a barber store to provide employees with more convenient services and improve the quality of life of employees.



In-plant Fitness Facility

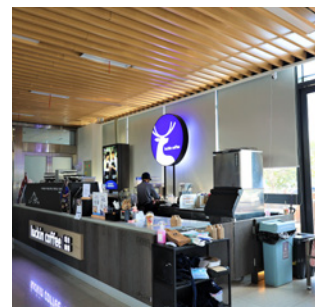
To encourage employees to maintain good exercise habits and create a healthier lifestyle, UNT has set up specialized fitness facilities within the Company's factory and a running track at the riverbank near the dormitory.



Catering Services

There are 5 staff restaurants in UNT, offering a wide variety of dishes for colleagues to choose from, and providing monthly subsidies to employees for daily meal.

The factory has also introduced a chain convenience stores and a cafeteria to meet the more diversified catering needs of the employees, in addition to the basic cafeteria meals.



Commuter Shuttles & Weekend Shuttles

UNT has set up a commuter shuttle bus to provide free transportation to and from the living areas where employees live near the Company. Due to the large number of employees living in Shanghai, a special Shanghai-Shaoxing shuttle bus is set up every weekend to provide a more convenient transportation service for employees who have this kind of needs.



Employee Communication

UNT emphasizes the opinions of colleagues, and strives to create a working environment where communication is free of obstacles. The Company has set up diversified communication channels between employees and the Company through the Employee Congress, departmental meetings, suggestion boxes and other channels to facilitate the conveyance of employees' voices and to solve the problems raised by employees.

Main Employee Communication Channels in UNT:

Active communication channels	Fab OP daily meeting	OA suggestion box	HR interviews
	Labor Union interviews	Employee satisfaction survey	Employee Congress
Passive communication channels	General Manager Meeting	OA bulletin board	Bulletin board in the Company
	Email / telephone feedback	Employee grievances	

In 2024, among the various active communication channels, the OA suggestion box received 12 cases of feedback, with a 100% satisfaction closure rate.

For each grade sequence of employees in the Company, the HR department has set up different key communication strategies and summarized the communication results to form an annual report on the results of employee communication and formulated different measures to improve their working environment.

2024 Employee Communication Results Overview by Positions:

Objective	Communication Channel	Focused Issue	Potential Impact	Response Measure
Operators	Satisfaction survey	Working environment Work load Basic needs,etc.	Well-being Job satisfaction	Improve the working environment Enhance living conditions
	Communication meetings	Remuneration and benefits	Job satisfaction Motivation	Establish a reasonable remuneration system
Junior and Mid-level management personnel	Satisfaction survey	Rewards for work	Career Path	Personalized training plan
	Performance interviews	Teamwork	Motivation Employee Turnover	Enhance team building
Engineers	Satisfaction survey	Rewards for work	Career Path	Personalized training plan
	Performance interviews	Career Path	Motivation Employee Turnover	Standardized career path
Senior management personnel	Interviews	Respect & Recognition	Sense of accomplishment	Develop incentive systems
		Company culture	Sense of belonging	Integrate company culture

Employee Satisfaction Survey

In order to understand the satisfaction of the employees to the Company, to help managers find out the Company management to be improved, to create a harmony labor relations, and at the same time to fully mobilize the enthusiasm of the staff, the HR Department carries out an annual employee satisfaction survey covering the entire staff.

The satisfaction questionnaire for employees is designed by the human resources department in the form of a structured questionnaire, with a total of 34 scoring questions designed from six aspects related to the employees' work (including job return satisfaction, job satisfaction, work environment satisfaction, general affairs category satisfaction, direct supervisor satisfaction, and business management satisfaction). The questionnaire was anonymous, and no less than 50% of the valid questionnaires were finally collected. The human resources department is responsible for statistical analysis of the survey data, and for the key issues reflected by the employees, the relevant responsible departments will follow up with countermeasures and recommendations to form a report on the annual employee engagement results, and continuously improve employee satisfaction.

2024 Employee Satisfaction Survey

Response Rate
to Questionnaires

78%

Satisfaction
Ratings

4.47/5



C5 SOCIAL CONTRIBUTION

Indicator	Unit	2024
No. of Employees Participated	Person-time	40
Number of Social Participation Events Organized	Events	3
Total Amount of Donations	Thousand CNY	56.70

UNT, while creating enterprise value, does not forget the original intention of sharing the fruits of development with the society, and actively participates in social welfare undertakings, through supporting education, donating love, serving the community and other forms, to take practical action to convey warmth to the society, show the enterprise's commitment, and enhance the Company's social image.

During the reporting period, the Company actively participated in poverty alleviation, rural revitalization and other public welfare undertakings by organizing the donation of cooling vests to the streets where the Company is located, and carrying out the blood donation activities, etc.



Appendix

Table of Performance for the Reporting Year

	Indicators	Unit	Data
Response to Climate Change	Scope 1	tons of CO ₂ equivalent	100,115.95
	Scope 1: F Fuel combustion	tons of CO ₂ equivalent	3,727.33
	Scope 1: Process emissions	tons of CO ₂ equivalent	96,388.62
	Scope 2	tons of CO ₂ equivalent	317,258.32
	GHG emissions from operations (Scope 1+Scope 2)	tons of CO ₂ equivalent	417,374.27
	GHG emission intensity	tons of CO2 equivalent/ million CNY revenue	64.12
		tons of CO2 equivalent/ 8-inch wafer equivalent	0.207
Energy Management	Comprehensive energy consumption	MWh	608,256.66
	Energy intensity	MWh/ 8-inch wafer equivalent	0.302
		MWh/ million CNY revenue	93.45
	Direct energy use	MWh	15,379.05
	Natural gas	m ³	1,648,931
	Diesel	L	62,679
	Indirect energy use	MWh	592,877.61
	Purchased electricity	MWh	588,131.26
	Green power	MWh	46,365
	Self generated electricity (PV panels)	MWh	5,386.584
	% of green power use	%	8.73
	% of green energy use	%	8.51
	Water Stewardship	Total water withdrawal	m ³
Tap water		m ³	6,331,336
Other		m ³	0
Total water discharge		m ³	4,430,799
Third party treatment		m ³	4,430,799
Other		m ³	0
Total water consumption		m ³	1,900,537
Fresh water withdrawal intensity		m ³ /8' wafer equivalent	3.14
Wastewater discharge intensity		m ³ /8' wafer equivalent	2.20
Process water recycling rate		%	50.28
Circular Economy		Total amount of waste Generated	ton
	General waste generated	ton	2,895.24
	Hazardous waste generated	ton	12,443.88
	Waste empty barrels	ton	105.82
	Chemical nickel waste liquid	ton	149.66
	Chemical palladium waste liquid	ton	0
	Chemical gold waste liquid	ton	0
	Waste Cr7 etching solution	ton	0
	Ammonium sulfate waste liquid	ton	2,791.72
	Waste acid	ton	6,191.38
	Waste solvent	ton	2,999.24
	Waste glass bottles	ton	17.2
	Contaminated solid waste	ton	64.1

	Indicators	Unit	Data
Circular Economy	Copper-containing waste liquid	ton	0
	Tin-containing waste liquid	ton	0
	Copper-containing sludge	ton	29.94
	Chromium-containing sludge	ton	0
	Nickel-containing sludge	ton	8.6
	Arsenic-containing sludge	ton	10.52
	Waste activated carbon	ton	17
	Waste resin	ton	58.7
	Waste engine oil	ton	0
	Total waste gas emissions	ton	80.61
	NOx	ton	15.59
	SOx	ton	22.03
	Chlorine gas	ton	12.11
	Particulate matter (PM)	ton	17.62
Air Pollution Control	Sulfuric acid mist	ton	3.23
	Hydrogen Chloride	ton	6.79
	Ammonia gas	ton	6.57
	VOCs	ton	14.29
	Total No. of Employees	Person	4,857
Talent Attraction and Retention	By Gender		
	Male	Person	3,609
	Female	Person	1,248
	By Position		
	Management	Person	192
	R&D	Person	943
	Sales	Person	62
	Production	Person	3,660
	By Education level		
	PhD	Person	25
	Master	Person	943
	Bachelor	Person	1,824
	Associate and below	Person	2,065
	By Age		
	18~30	Person	3,168
	30~50	Person	1,647
	50	Person	42
	By Nationality		
	China Mainland	Person	4,846
	China Taiwan, Hong Kong, and Macau	Person	11
	Overseas	Person	0

	Indicators	Unit	Data
Talent Attraction and Retention	No. of Employees with Disabilities	Person	70
	No. of Ethnic Minority Employees	Person	230
	Ratio of average remuneration of male to female employees	/	1.18
	No. of new employees	Person	1,311
	Accession rate	%	26.99%
	New employee - male	Person	1,020
	New employee - female	Person	291
	New employee – below 30 years old	Person	1,036
	New employee – 31-49 years old	Person	273
	New employee – over 50 years old	Person	2
	Number of employees on maternity leave	Person	50
	Number of employees on paternity leave	Person	146
	Employee return rate after maternity leave	%	90
	Employee return rate after paternity leave	%	95.89
	Number of employees on parental leave - Male	Person	274
	Number of employees on parental leave - female	Person	116
	Number of employees holding shares	Person	958
	Number of employee shareholdings as a percentage of the total number of employees in the Company	%	19.72
	Employee turnover rate	%	18.34
	Voluntary turnover rate	%	17.85
	Number of employees departed- male	Person	668
	Number of employees departed - female	Person	223
	Number of employees departed – below 30 years old	Person	678
	Number of employees departed – 31-49 years old	Person	209
	Number of employees departed – over 50 years old	Person	4
	Internal transfer rate	%	4.30
Talent Develop- ment	Total training Investment	Thousand CNY	141.4
	Total training Hours	Hours	137,791
	Total No. of participants of various training	Person-time	118,993
	Training hours per employee	Hours	26
	Training hours per employee – professional skills	Hours	5
	Training hours per employee -personal development	Hours	16
	Training hours per employee – other courses	Hours	5
Employee Care	Response rate to questionnaires:	%	78
	Satisfaction rating	/	4.47/5
Occupational Health and Safety	Employee Lost Time Incident Frequency Rate (LTIFR) ★	/	0
	Employee Incident Severity Rate (SR) ★	/	0
	No. of lost days due to work-related injuries ★	Count	0
	No. of employee fatalities	Cases	0
	No. of medical examinations for occupational diseases	Person	1,875
	Coverage of occupational disease medical examination	%	100

	Indicators	Unit	Data
Occupational Health and Safety	Employee occupational disease incidents	Cases	0
	Hours of safety training per employee	Hours	4.64
	Coverage of safety and health training for employees	%	100
	Contractor Incident Severity Rate (SR)	/	0
	Contractor Lost Time Incident Frequency Rate (LTIFR)	/	0
	Contractor Fatalities	Cases	0
	Contractor safety education coverage	%	100
Integrity Manage- ment	No. of employees trained in business ethics	Person	912
	Coverage of business ethics training	%	100
	Coverage of training on business ethics for Directors	%	100
	No. of reports received	Cases	0
Sustain- able Supply Chain	Total number of confirmed incidents of corruption	Cases	0
	No. of procurement personnel	Person	27
	No. of procurement personnel who have received sustainable procurement training	Person	27
	% of procurement personnel who have received sustainable procurement training	%	100
	No. of Tier-1 suppliers	Count	1,324
	No. of significant (or above) suppliers in Tier-1	Count	171
	% of total spend on significant suppliers in Tier-1	%	85
	No. of suppliers who have completed social responsibility questionnaire	Count	67
	No. of suppliers who have undergone social responsibility on-site audits	Count	59
	No. of significant suppliers who have completed social responsibility questionnaires	Count	67
	% of significant suppliers audited	%	100
	No. of suppliers audited to have negative impact	Count	0
	No. of suppliers assisted with improvement plans	Count	0
	% of negative suppliers covered by improvement plans	%	/
Innova- tion Manage- ment	No. of R&D staff	Person	943
	R&D investment	100 million CNY	18.42
	% of R&D investment in revenue	%	28.30
	Cumulative No. of invention patents granted	Case	199
	Cumulative No. of utility model patents	Case	209
Dedicated Services	% of revenue from cleantech process platform	%	89.8
	% of satisfied customers	%	95.52

★ Statistics do not include work injuries caused by employees commuting to and from work.

Index of GRI Standards

Standards	Item	Corresponding Chapter
GRI 2: General Disclosures	2-1 Organizational details	About this Report; We are UNT
	2-2 Entities included in the organization's sustainability reporting	
	2-3 Reporting period, frequency and contact point	
	2-4 Restatements of information	
	2-5 External assurance	
	2-6 Activities, value chain and other business relationships	
	2-7 Employees	C4 Happy Workplace
	2-8 Workers who are not employees	
	2-9 Governance structure and composition	C1 Integrity Governance
	2-10 Nomination and selection of the highest governance body	
	2-11 Chair of the highest governance body	
	2-12 Role of the highest governance body in overseeing the management of impacts	
	2-13 Delegation of responsibility for managing impacts	About this Report
	2-14 Role of the highest governance body in sustainability reporting	
	2-15 Conflicts of interest	C1 Integrity Governance
	2-16 Communication of critical concerns	
	2-17 Collective knowledge of the highest governance body	
	2-18 Evaluation of the performance of the highest governance body	
	2-19 Remuneration policies	/
	2-20 Process to determine remuneration	
	2-21 Annual total compensation ratio	We are UNT
	2-22 Statement on sustainable development strategy	

Standards	Item	Corresponding Chapter
GRI 2: General Disclosures	2-23 Policy commitments	We are UNT
	2-24 Embedding policy commitments	
	2-25 Processes to remediate negative impacts	
	2-26 Mechanisms for seeking advice and raising concerns	
	2-27 Compliance with laws and regulations	C1 Integrity Governance
	2-28 Membership associations	We are UNT
	2-29 Approach to stakeholder engagement	
	2-30 Collective bargaining agreements	Collective agreements have been signed with all employees.
GRI 3: Material Topics	3-1 Process to determine material topics	We are UNT
	3-2 List of material topics	
	3-3 Management of material topics	
GRI 302: Energy	302-1 Energy consumption within the organization	C3 Environmental Protection
	302-2 Energy consumption outside of the organization	
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
	302-5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	
	303-2 Management of water discharge-related impacts	
	303-3 Water withdrawal	
	303-4 Water discharge	
	303-5 Water consumption	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	

Standards	Item	Corresponding Chapter
GRI 305: Emissions	305-2 Energy indirect (Scope 2) GHG emissions	C3 Environmental Protection
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	
	305-5 Reduction of GHG emissions	
	305-6 Emissions of ozone-depleting substances (ODS)	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	C1 Integrity Governance
	308-2 Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment	401-1 New employee hires and employee turnover	C4 Happy Workplace
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3 Parental leave	
GRI 402: Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	

Standards	Item	Corresponding Chapter
GRI 403: Occupational Health and Safety	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	C4 Happy Workplace
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 404: Training and Education	404-1 Average hours of training per year per employee	
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	
	405-2 Ratio of basic salary and remuneration of women to men	
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	C5 Social Contribution
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	C1 Integrity Governance
	414-2 Negative social impacts in the supply chain and actions taken	
GRI 415: Public Policy	415-1 Political contributions	Not applicable, no political contributions
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	C1 Integrity Governance
	417-2 Incidents of non-compliance concerning product and service information and labeling	
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	

Index of Sustainability Accounting Standards Board (SASB)

Semiconductor Sustainability Accounting Standard			
Topic	Metric	Unit of Measure	Data
Greenhouse Gas Emissions	Gross global Scope 1 emissions	tCO ₂ e	100,115.95
	Amount of total emissions from perfluorinated compounds	tCO ₂ e	96,388.62
Energy Management in Manufacturing	Total energy consumed	MWh	608,256.66
	Percentage grid electricity	%	96.69
	Percentage renewable	%	8.51
Water Management	Total water withdrawn	Ton	6,331,336
	Total water consumed	Ton	1,900,537
Waste Management	Amount of hazardous waste from manufacturing	Ton	12,443.88
	Percentage recycled	%	0
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	/	Workforce exposure to occupational hazards is assessed and detected through environmental factors and hazards assessment, hidden hazard identification, and occupational hazards testing, as described in the “Occupational Safety and Health” section.
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	CNY	0
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that require a work visa	%	0
Product Life cycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	/	/
	Processor energy efficiency at a system level for: (1) servers, (2) desktops and (3) laptops 4	/	Not applicable
Materials Sourcing	Description of the management of risks associated with the use of critical materials	/	/
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	CNY	0

Activity Metrics		
Activity Metric	Category	Data
Total production	8" wafer equivalent	2,015,353
Percentage of production from owned facilities	%	100%

Index to Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)

Dimension	No.	Topic	Chapter
Environment	01	Climate change tackling	C3 Environmental Protection > Responding to Climate Change
	02	Pollutant discharge	C3 Environmental Protection > Water Stewardship; Air Pollution Control
	03	Waste disposal	C3 Environmental Protection > Circular Economy
	04	Ecosystem and biodiversity protection	Non-material issue
	05	Environmental compliance management	C3 Environmental Protection > Environmental Management System
	06	Energy usage	C3 Environmental Protection > Energy Management
	07	Usage of water resources	C3 Environmental Protection > Water Stewardship
	08	Circular economy	C3 Environmental Protection > Circular Economy
Society	09	Rural revitalization	C5 Social Contribution
	10	Contributions to the society	
	11	Innovation-driven	C2 Innovation and Services > Innovation Management
	12	Ethics of science and technology	
	13	Supply chain security	C1 Integrity Governance > Sustainable Supply Chain
	14	Equal treatment of small and medium-sized enterprises	C1 Integrity Governance > Compliance Management
	15	Safety and quality of products and services	C2 Innovation and Services > Quality Management; Dedicated Services
	16	Data security and customer privacy protection	C1 Integrity Governance > Information Security Management
	17	Employees	C4 Happy Workplace
Sustainability related to sustainable development	18	Due diligence	We are UNT
	19	Communication with stakeholders	
	20	Anti-commercial bribery and anti-corruption	C1 Integrity Governance > Integrity Management
	21	Anti-unfair competition	C1 Integrity Governance > Compliance Management