



Stock Code: 688601

# 2024

## Environmental, Social and Governance Report

WUXI ETEK MICROELECTRONICS CO., LTD.



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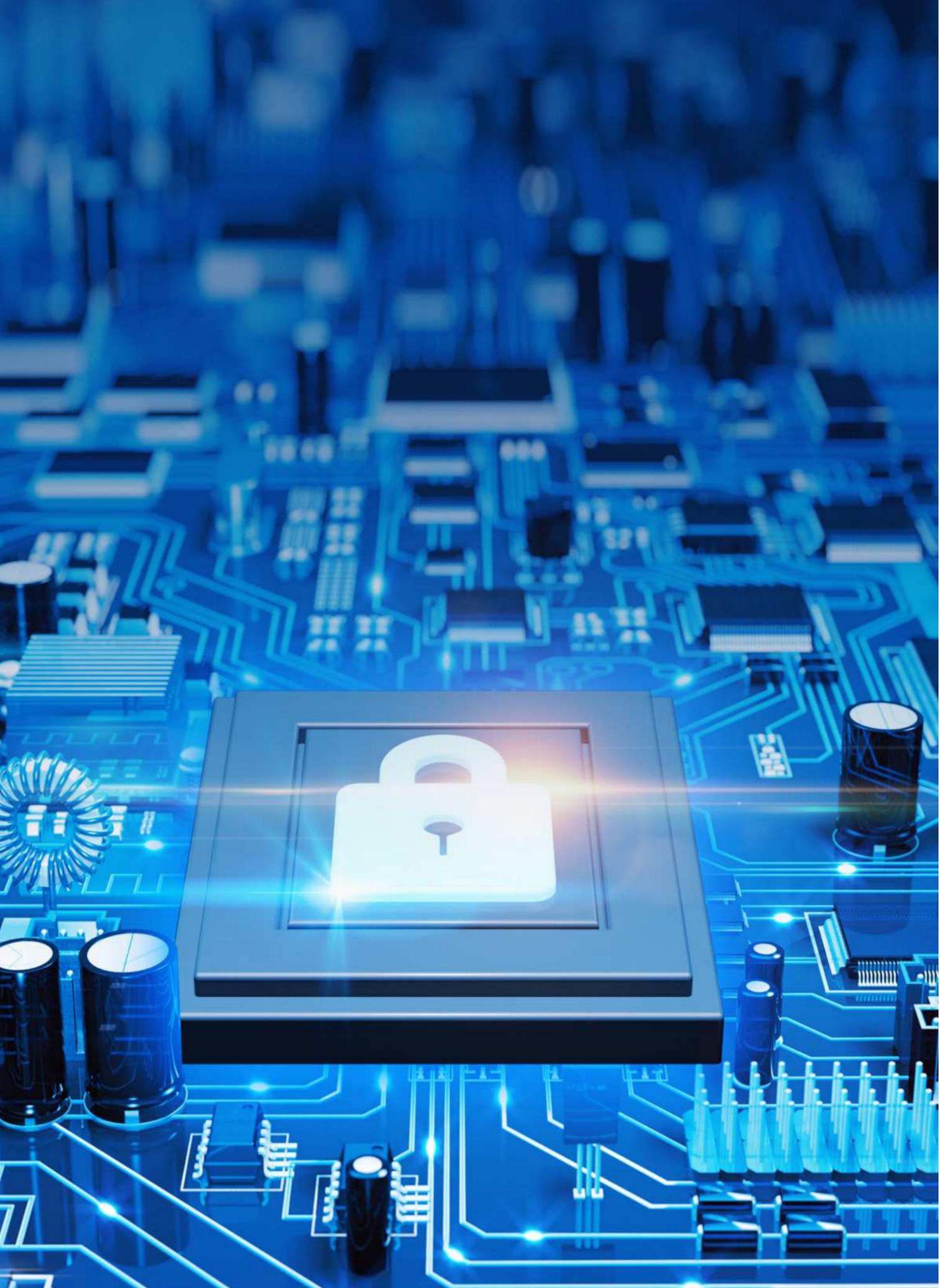
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## About This Report

This Report is the second Environmental, Social and Corporate Governance ("ESG") report released by Wuxi ETEK Microelectronics Co., Ltd. (Stock Code: 688601), aiming to comprehensively present the Company's efforts and achievements in ESG in 2024 to our stakeholders, so that they can better understand the Company's sustainable development philosophy, measures and performance.

### Basis of Preparation

This Report follows the Guidelines No. 14 of Shanghai Stock Exchange for Self-regulation of Listed Companies - Sustainability Report (Trial) issued by the Shanghai Stock Exchange, and refers to the Sustainability Report Preparation Standards (GRI Standards) published by the Global Reporting Initiative (GRI), the reporting framework of the Task Force on Climate-related Financial Disclosures (TCFD), the UN Sustainable Development Goals (UN SDGs) for 2030, the China's Corporate Social Responsibility Reporting Guidelines (CASS-ESG 6.0) issued by the Chinese Academy of Social Sciences, and the SJ/T 16000-2016 Guidance on Social Responsibility of Information and Communication Technology Industry.

### Reporting Period

This Report covers the reporting period from January 1, 2024 to December 31, 2024 (the "Reporting Period"), with portions of this Report extending moderately into previous and future years. This Report is released on an annual basis.

### Scope of The Report

The scope of this Report includes Wuxi ETEK Microelectronics Co., Ltd. and its holding companies. Unless otherwise specified, the scope of this report is consistent with the Company's annual report.

### Notes on Appellations

Wuxi ETEK Microelectronics Co., Ltd. is referred to as the "Company", "we/our/us" or "ETEK" in this Report.

### Data Description

The qualitative and quantitative information used in this Report comes from the Company's actual operational raw data, annual financial data, internal relevant statistical reports, approval documents from relevant regulatory authorities, etc. Specifically, the financial data cited in this Report comes from the financial statements in the 2024 Annual Report, which have been independently audited by an accounting firm and received an unqualified audit opinion. Unless otherwise specified, the monetary unit in this Report shall be RMB.

### Reliability Assurance

In line with the principles of accuracy, comparability, substance, and verifiability, this Report objectively, truthfully, and completely discloses information without any false records, misleading statements, or significant omissions. This Report has been reviewed and approved by the Board of Directors that is responsible for the authenticity, accuracy, and completeness of the content.

### Access to the Report

This Report is published in both simplified Chinese and English. In case of any discrepancy between the two versions, the simplified Chinese version shall prevail. You can access and download this Report from the official website of the Company at <https://www.etek.com.cn/> and that of the Shanghai Stock Exchange at <http://www.sse.com.cn/>.

# Chairman's Message

Dear stakeholders,

Time flies, and ETEK has once again walked through a year full of challenges and opportunities, hand in hand with everyone. Amidst the global wave of transformation and challenges in the semiconductor industry, we have always adhered to the business philosophy of "Based on Honesty, Customer First, Value Sharing." Thanks to the hard work of all our employees, the strong support of our partners, and the care of all sectors of society, ETEK demonstrated outstanding resilience and innovative vitality in 2024. Looking back at the past year, the Company achieved remarkable results in areas such as technological breakthroughs, market expansion, ESG practices, and social responsibility, laying an even stronger foundation for the sustainable development of the Company in the future.

In 2024, ETEK continued to progress steadily in the field of analog integrated circuits, adhering to the concept of "Chip Makes Power". Not only did we further solidify our leading position in power management chips within the consumer electronics market, but we also actively expanded into diverse business areas such as home appliances, industrial applications, automotive electronics, and network communications. Through continuous technological innovation, we have injected a steady stream of new energy into industrial development.



## Uphold integrity and advance normative governance

Corporate governance is the cornerstone of a company's steady development and is also the core pillar of ESG principles. In 2024, ETEK continued to optimize its corporate governance structure and internal control system, ensuring standardized and transparent operations. The Board of Directors reviewed and approved numerous proposals throughout the year, ensuring transparent and compliant decision-making. We have formulated the Working Rules for the Board of Directors Strategy and ESG Committee, incorporating ESG governance into the Company's development strategy. We attach great importance to the authenticity, accuracy, and timeliness of information disclosure, enabling shareholders and investors to gain immediate insight into the Company's operational status and strategic direction. At the same time, we continue to strengthen risk management awareness, strictly controlling supplier quality and compliance standards, and working together with our partners to build a healthy and transparent business environment.

## Pursue innovation-driven development and strengthen core momentum

In the rapidly evolving semiconductor field, innovation has always been the intrinsic driving force propelling ETEK forward. In 2024, we adhered to a market-oriented approach, continuously increasing our R&D investment. Our independent innovation capability has steadily improved, and we have achieved significant results in new product development. The Company's R&D expenses amounted to RMB140 million, a 30.63% increase compared to the previous year. The Company launched a series of new products with significantly improved performance, which not only enriched the Company's product line but also injected new momentum into revenue growth, significantly enhancing the Company's competitiveness in the semiconductor industry. At the same time, we actively engaged in industry-academia-research collaboration, deepening partnerships with universities such as Southeast University and Jiangnan University. We successfully developed low-consumption power IC, contributing to energy efficiency improvements in the industrial automation sector and promoting industry-wide collaborative innovation.

## Boost green empowerment and practice social responsibility

As a high-tech enterprise, ETEK actively practices the concept of green development, deeply integrating environmental friendliness with product innovation, and is committed to providing energy-saving and environmentally friendly chips and solutions to customers. The Company continues to strengthen environmental management, upgrade its green product R&D system, and promote the application of the next generation of low-power consumption chips in fields such as new energy vehicles and smart homes, working with customers to contribute more to reducing carbon emissions. Our "High-Performance Power and Driver IC" project successfully concluded, not only effectively improving resource utilization efficiency but also demonstrating ETEK's firm commitment to the path of "green empowerment."

## Adhere to the people-centered principle and give back to society

Employees are the "core" engine of a company's development. In 2024, we continuously improved our occupational health and safety system, created a better work environment for employees, and further stimulated the creativity and potential of our R&D team. We actively explore diverse talent development paths. Despite the fluctuating industry landscape, we have maintained a stable recruitment scale for fresh graduates, attracting over a hundred professional talents to the semiconductor industry. At the same time, the Company actively participates in social welfare, continuously focusing on educational equity and social responsibility. Through the "ETEK Award Fund," we help students fulfill their dreams and put our commitment to social contribution into practice, striving to give back to the care and support of all sectors of society.

Standing at a new starting point, ETEK will continue to adhere to the core philosophy of "Quality First, Service As the Foundation," taking higher positions, stricter standards, and more practical measures to continuously deepen our efforts in the field of sustainable development. We will comprehensively integrate ESG principles into the Company's strategic planning, product R&D, production operations, and market expansion, promoting the deep integration of economic development with environmental protection, social responsibility, and corporate governance. In doing so, we will fulfill our corporate mission in a more open, inclusive, and socially beneficial manner, creating greater value for the industry and society.

Wuxi ETEK Microelectronics Co., Ltd.

Yuan Minmin

## About ETEK

Wuxi ETEK Microelectronics Co., Ltd., established in 2002, is a high-tech enterprise focused on the design, development, and sales of high-performance analog and mixed-signal integrated circuits. The Company is headquartered in Wuxi, Jiangsu. In June 2021, the Company was successfully listed on the SSE STAR Market, with the stock code 688601.

After more than 20 years of development, ETEK has become one of the leading analog integrated circuit design companies in China. Based on its strong position in applications such as mobile phones and wearable devices, the Company has become one of the major suppliers of power management chips in the consumer electronics market, and continues to expand into areas such as home appliances, the Internet of Things (IoT), automotive electronics, and network communications.



# Corporate Culture

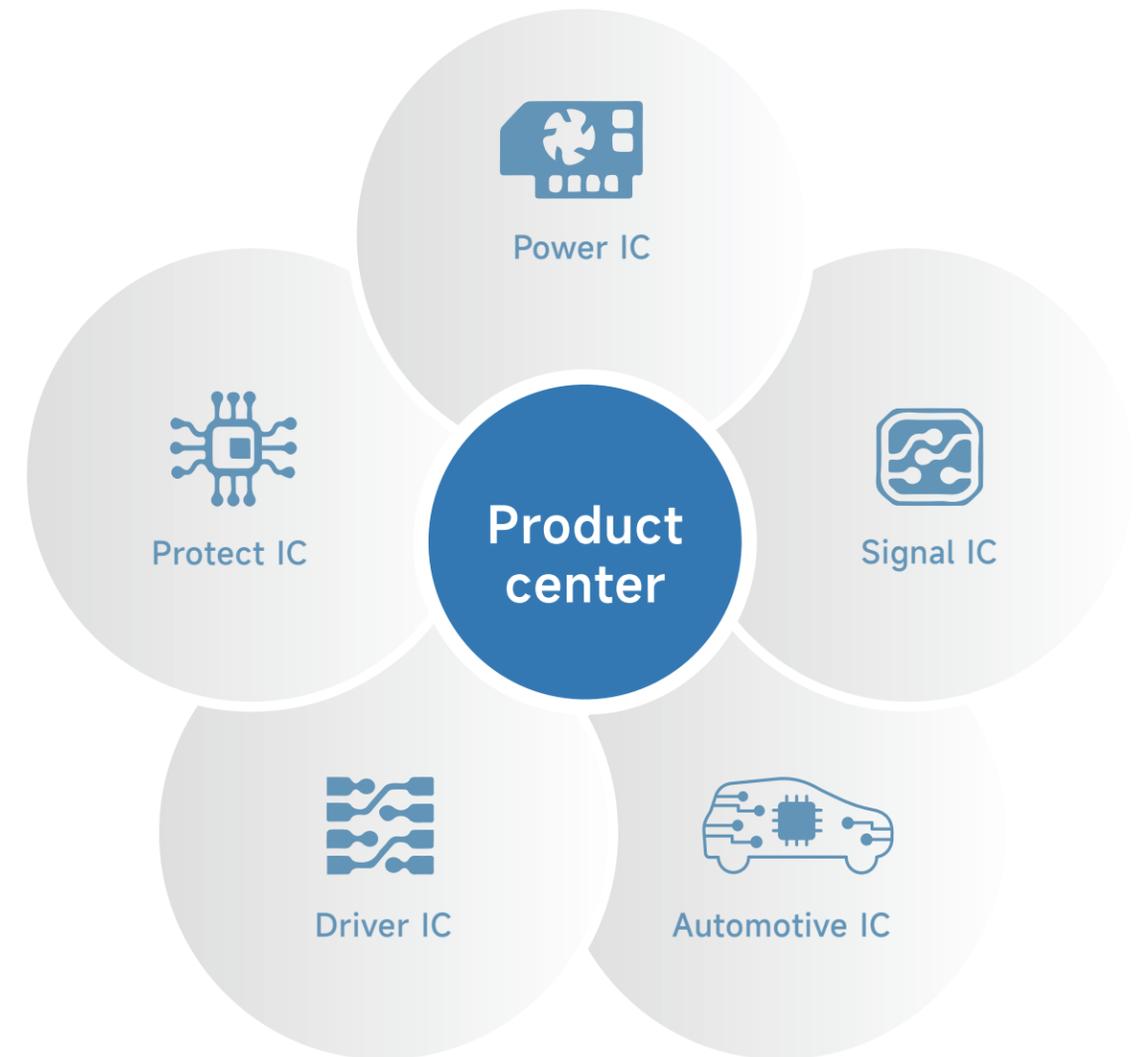
ETEK has always adhered to the core philosophy of "Quality First, Service As the Foundation," and has built a unique corporate culture system. The Company advocates an innovation culture, encouraging employees to break through conventional thinking and explore cutting-edge technologies. At the same time, ETEK values teamwork, with close collaboration between departments to overcome challenges. Under this cultural guidance, ETEK steadily moves toward becoming a global leader in integrated circuit design.



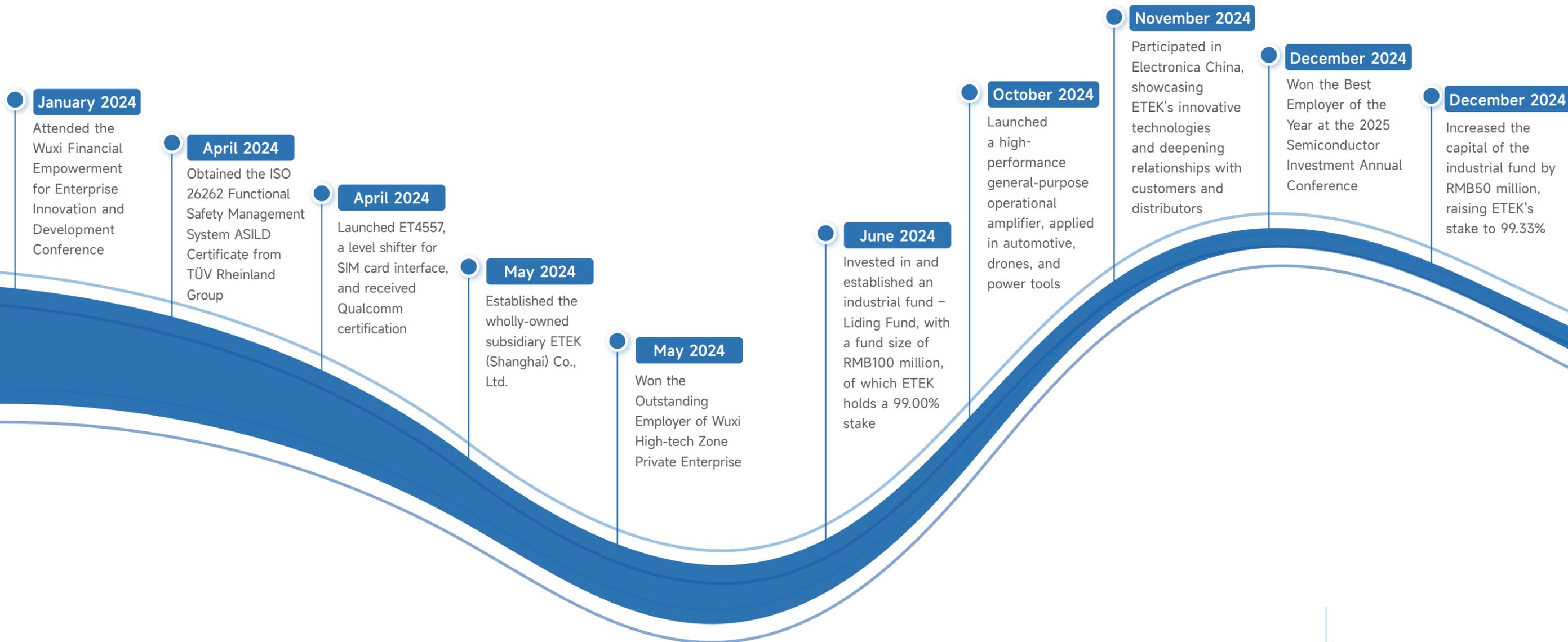
# Primary Business

The Company is dedicated to the research and development and sales of analog chips. By providing high-performance and highly reliable power management chips, the Company creates excellent power management solutions for its customers. At the same time, the Company is continuously expanding and enhancing its product line in other categories, such as signal chain chips and high-precision Hall chips, to meet the diversified market demands and the needs of customers in various application scenarios. In the area of intelligent networking delay management units, the Company is also actively expanding its sales scale to better serve a wide range of customers.

The Company's main products are power management chips, forming a comprehensive and reliable product series in the power management field. This includes power conversion chips, power protect chips, display driver circuits, automotive power management chips, as well as intelligent networking delay management units, high-precision Hall chips, signal chain chips, and other types of chips. These products are widely applied in industries such as consumer electronics, industrial applications, automotive electronics, and healthcare, providing efficient and innovative solutions.

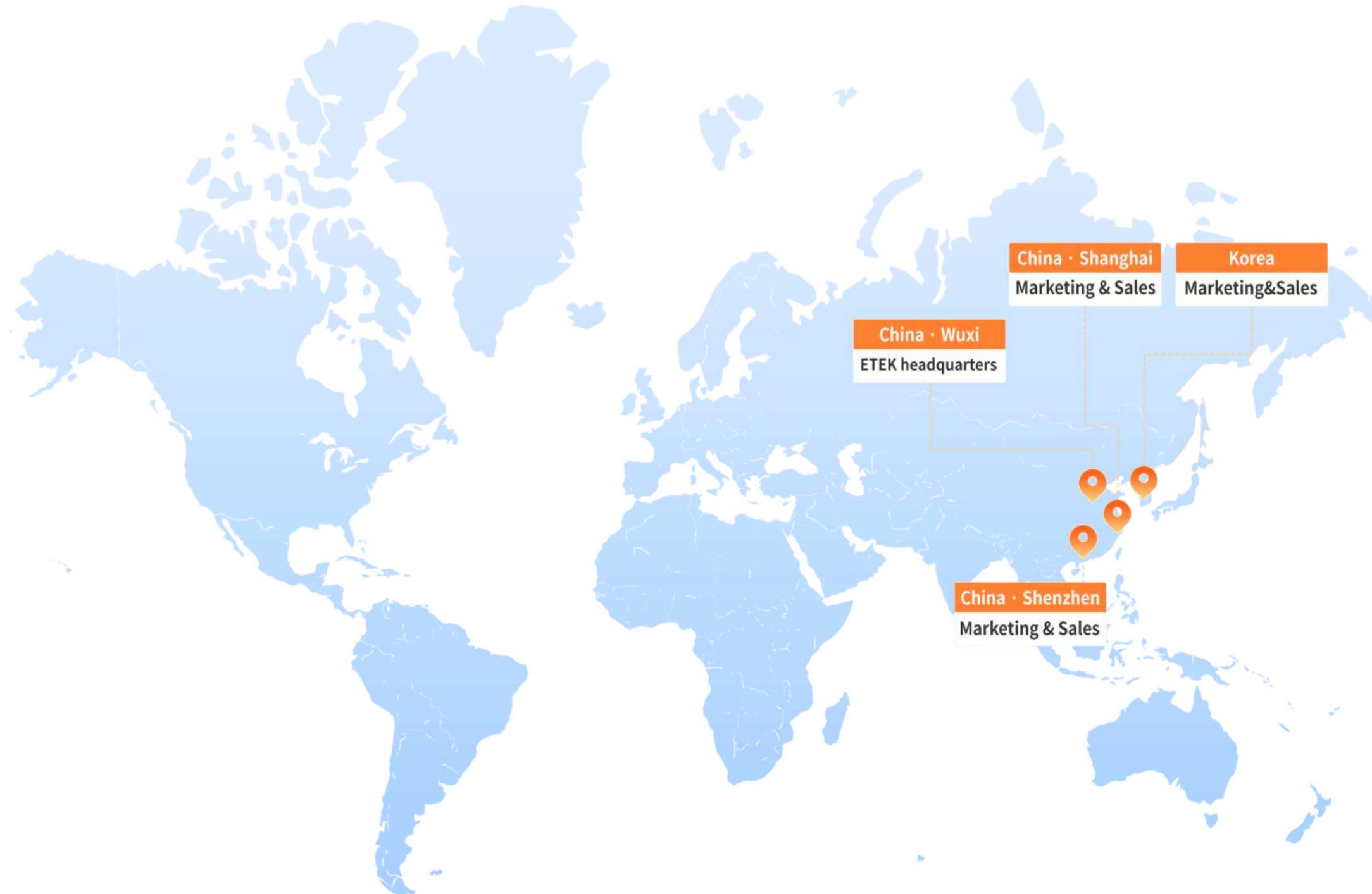


# Highlights of 2024



# Industrial Layout

ETEK currently operates eight subsidiaries. Of these, seven domestic subsidiaries, located in Wuxi, Wenling, Shenzhen, Shanghai, and other cities, are in charge of the crucial R&D and sales tasks, while one South Korea subsidiary is actively developing the South Korean market to enhance the Company's competitiveness in the region. The Company actively promotes its global business strategy, further expanding into international markets. It has established a presence in Europe, Japan, and South Korea, exploring new market opportunities and deeply engaging in the global integrated circuit market competition, firmly advancing toward a broad international development platform.



# Annual Achievements and Honors

## 2024 Sustainability Highlights

### Economic Performance

Operating revenue **78,749.33** RMB'0,000      Total assets **145,748.26** RMB'0,000

Net profit attributable to the listed company **12,585.74** RMB'0,000      Weighted average return on net assets **9.87** %

Basic earnings per share **0.94** RMB

### Environmental Performance

Total water intake volume **4,160** Ton      Total energy consumption **260.99** Ton of standard coal

Total electricity consumption **173.46** kWh      Total GHG emissions **1,137.72** tCO<sub>2</sub>e

### Social Performance

R&D investment **14,055.93** RMB'0,000      Number of employees trained **578** Persons

Proportion of R&D personnel **56.45** %      Employee training hours **7,523.70** Hours

Total number of intellectual property rights **191** Cases      Social insurance coverage rate **100** %

### Governance Performance

Total number of the Board of Directors' meetings held **8** Times      Investor research receptions **4** Times

Number of proposals approved by the "Three Meetings" **73** Items      Major rule or law violations **0** Cases

Documents disclosed in compliance **62**

## Recognitions and Honors

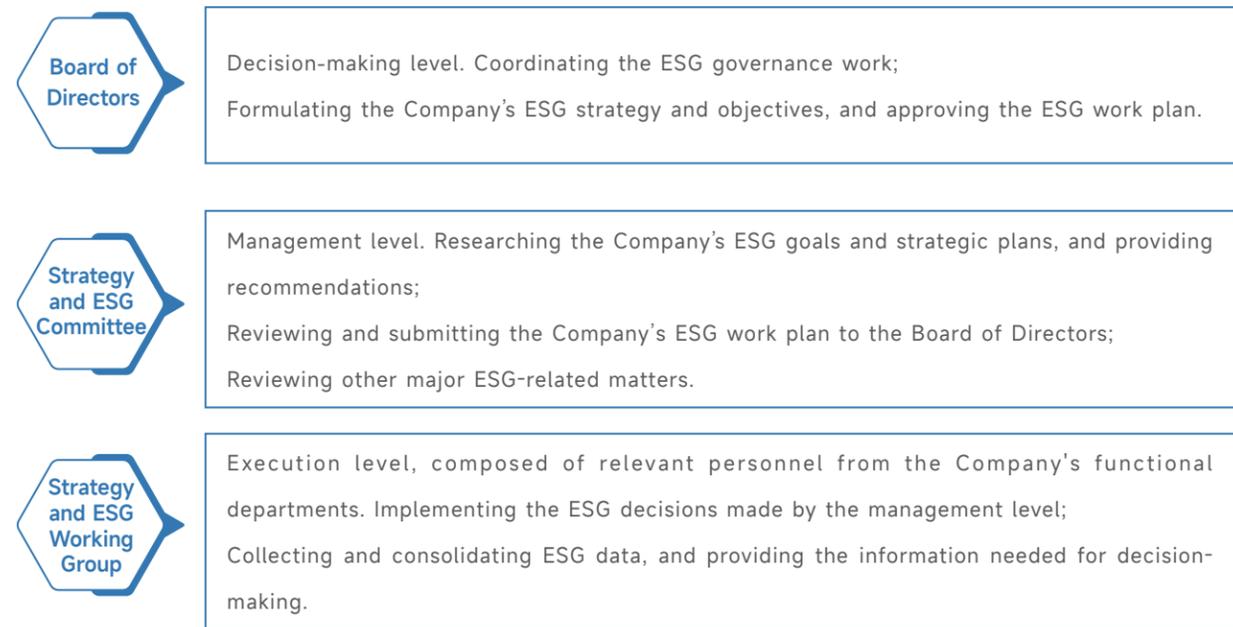
- Entrepreneurial Leader of the National Science and Technology Talent Program**
- Specialized, Refined, Featured and Innovative "Little Giant" Company**
- Specialized, Refined, Featured and Innovative Small and Medium-sized Enterprise in Jiangsu Province**
- Advanced Technology Service Enterprise of Jiangsu Province**
- High-tech Enterprise of Jiangsu Province**
- Outstanding Employer**
- Outstanding Innovation Capability**
- SPDT4 Shipments Exceeding RMB100 Million**
- Best Employer of the Year**

Note: The original "General Meeting of Shareholders" is now referred to as the "Shareholders' Meeting."

# Adherence to Sustainable Development Management

## ESG Management

ETEK regards ESG management as a core strategy for its development and systematically integrates ESG principles into the overall strategic planning and operational management system. The Company has established an ESG governance structure, with a three-level management system comprising the "Board of Directors - Strategy and ESG Committee - Strategy and ESG Working Group" to ensure the effective implementation and continuous optimization of the ESG strategy. By establishing and improving ESG management systems, optimizing information disclosure mechanisms, and strengthening risk management frameworks, the Company continually enhances the scientific and standardized nature of its ESG governance. These initiatives not only demonstrate the Company's firm commitment to sustainable development but also provide strong support for long-term value creation, driving high-quality development through the coordinated integration of economic, social, and environmental benefits.



## Due Diligence and Communications with Stakeholders

Stakeholder expectations and demands are the key driving forces and sources that propel a company to continuously improve its sustainability performance. We place high importance on stakeholder feedback and use it as a crucial basis for optimizing ESG efforts. In 2024, we further improved the information feedback mechanism and deepened dialogue and collaboration with key stakeholders, including government and regulatory authorities, customers, shareholders and investors, employees, suppliers, and others. By systematically identifying and managing the core issues of concern to stakeholders, we actively respond to their demands, continuously improving the ESG management system and promoting a virtuous cycle of sustainable development and value co-creation with stakeholders.

Key Stakeholders	Key Topics	Communication Methods/ Channels
 <b>Government and regulatory authorities</b>	Risk and compliance management Honest operation Anti-commercial bribery and anti-corruption Business Ethics Safety and quality of products and services Climate change tackling Environmental compliance management Pollutant and Waste Management	Inspection by regulatory authorities Government research activities Information disclosure platforms
 <b>Shareholders and investors</b>	Innovation-driven Risk and compliance management Corporate governance Economic performance Information disclosure	Shareholders' Meeting Results briefings Exchange interaction Investor exchanges Information disclosure platforms
 <b>Customers</b>	Data security and privacy protection Safety and quality of products and services Supply chain security Anti-commercial bribery and anti-corruption Business ethics	Customer satisfaction surveys After-sales services and complaints Customer exchanges Product exhibitions and sales Whistleblowing and supervision channels
 <b>Employees</b>	Protection of employee rights and interests Occupational health and safety Career development and training	Internal management meetings Communication meetings at all levels
 <b>Suppliers</b>	Innovation-driven Information security and customer privacy protection Supply chain security Promote industry development	Open and transparent procurement Industry seminars and exchanges Supplier meetings Whistleblowing and supervision channels
 <b>Communities and the public</b>	Waste management Environmental compliance management Social contribution and rural revitalization Climate change tackling	Environmental information disclosure Active participation in volunteer activities Community research WeChat official account

## Management of Material

ETEK focuses on interpreting international and domestic ESG standards and government laws and regulations every year, identifying key topics of concern for leading companies in the industry, and combining its own development strategies and ESG practices to determine material topics that are material to the Company and stakeholders. We develop management goals and strategies for key topics, provide detailed responses in the Report, and continuously promote the sustainable development of the Company.

**01 Learn about the company profile**

- Activities and business relations: Analyze the Company's core business, strategic plans, major products and their distribution, business relations, etc.
- Analyze the external objective environment: Learn about the laws, regulations, and external documents related to ETEK in order to fully comprehend its external environment.
- Analyze major affected stakeholders: Learn about the current stakeholder engagement methods and the impacts, risks, and opportunities the Company faces.

**02 Create a list of topics**

- Identify additional topics that are financially significant or impactful to improve the topic list, based on the 21 topics set in the Guidelines, and in combination with ETEK-related national policies and industry characteristics, as well as stakeholder feedback, and benchmarking with peers.

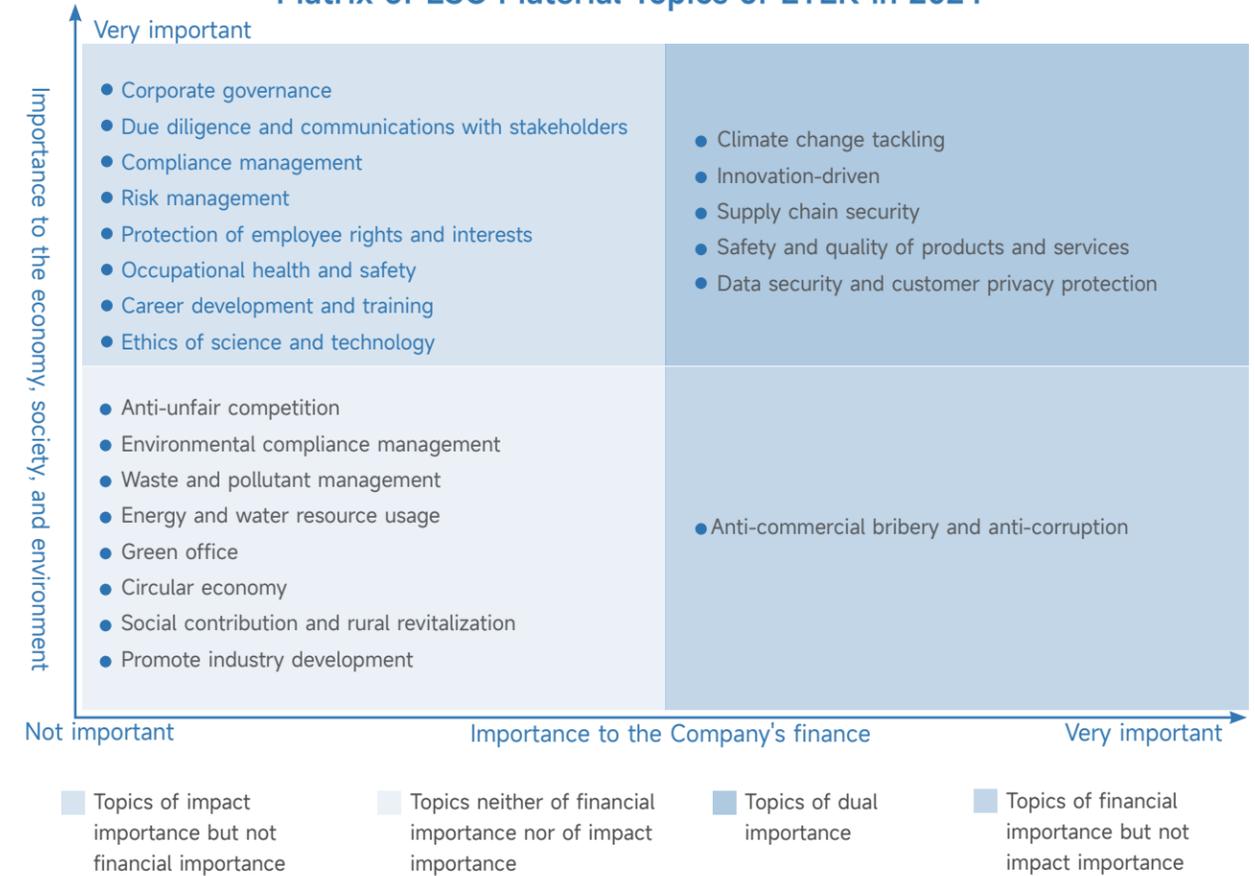
**03 Assess and determine the importance of topics**

- Assess the dual importance of each topic and determine the priority of topics based on the industry and business characteristics of ETEK, as well as the results of the questionnaire survey and assessment from sustainability experts.

**04 Disclose information on the materiality of topics**

- Create an importance analysis matrix that shows the topics' level of importance based on the topic assessment results, and disclose topics deemed highly important in detail in the Report.

Matrix of ESG Material Topics of ETEK in 2024



**Environment**

Climate change tackling, Waste and pollutant management, Environmental compliance management, Energy and water resource usage, Circular economy, Green office

**Society**

Innovation-driven, Supply chain security, ethics of science and technology, Safety and quality of products and services, data security and customer privacy protection, Promote industry development, Protection of employee rights and interests, Career development and training, Occupational health and safety, Social contribution and rural revitalization

**Governance**

Corporate governance, Stakeholder communication, Anti-commercial bribery and anti-corruption, Anti-unfair competition, Risk management, Compliance management

Note: Ecosystems and Biodiversity Conservation is subject to subject-specific disclosure and is not covered by the Company for now.

The topic "Equal Treatment to Small and Medium-sized Enterprises" applies to entities with accounts payable (including notes payable) exceeding RMB30 billion or accounting for more than 50% of total assets by the end of the reporting period, or those that have disclosed overdue payments to small and medium-sized enterprises via the National Enterprise Credit Information Publicity System. ETEK does not apply this topic and has not included it as an ESG topic.

# 01 Governance Innovation: Laying a Strong Foundation for Sustainable Development

ETEK places great importance on corporate governance. A standardized and effective corporate governance system is essential for achieving steady business operations and is the basic premise for comprehensively preventing compliance risks. We strictly comply with the laws, regulations, and regulatory requirements related to operational standards set by the China Securities Regulatory Commission and the Shanghai Stock Exchange. We adhere to business ethics, practice standardized operations, maintain a positive corporate image, and share the results of the company's development and operations with our shareholders.

ESG topics addressed:

- ✓ Corporate Governance
- 📄 Compliance Management
- ⚖️ Anti-commercial Bribery and Anti-corruption
- ⚡ Anti-unfair Competition

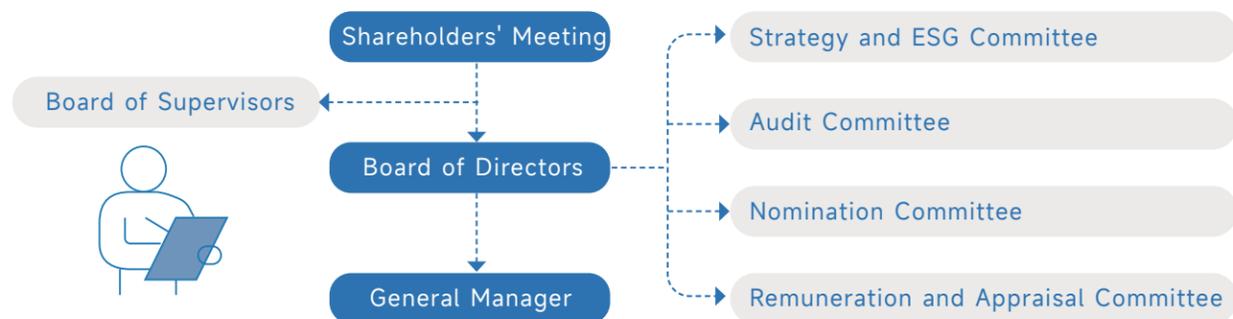
UNSDGs:



# Corporate Governance

## Governance structure

ETEK strictly complies with the requirements of laws, regulations, and normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and the Rules Governing the Listing of Stocks on the STAR Market of Shanghai Stock Exchange. The Company has established a series of policies and normative documents, including the Articles of Association, Rules of Procedure for Shareholders' Meeting, Rules of Procedure for Board of Directors' Meeting, Rules of Procedure for Board of Supervisors' Meeting, and Work Guidelines for Independent Directors, to clearly define the operational standards for the "Three Meetings." The governance structure is based on a clear division of responsibilities and standard operations, composed of the Shareholders' Meeting, Board of Supervisors, Board of Directors and its committees, and the General Manager.



### Shareholders' Meeting

Shareholders' Meeting is the highest body of the Company. The Company convenes and holds the Shareholders' Meeting in strict accordance with the Articles of Association and the Rules of Procedure for Shareholders' Meeting to ensure the shareholders' right to know and participate.

### Board of Directors

The Board of Directors is the decision-making body for the Company's operations and management, and is accountable to the Shareholders' Meeting.

The Board of Directors has four specialized committees: the Strategy and ESG Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. These committees provide consultation and advice for important decisions of the Board of Directors, ensuring the professionalism and efficiency of Board of Directors' procedure and decision-making.

### Board of Supervisors

The Board of Supervisors, as the permanent supervisory body of the Company, supervises the performance of duties of directors and senior managers in accordance with law, and reviews the securities issuance documents and periodic reports produced by the Board of Directors and issues written review comments.

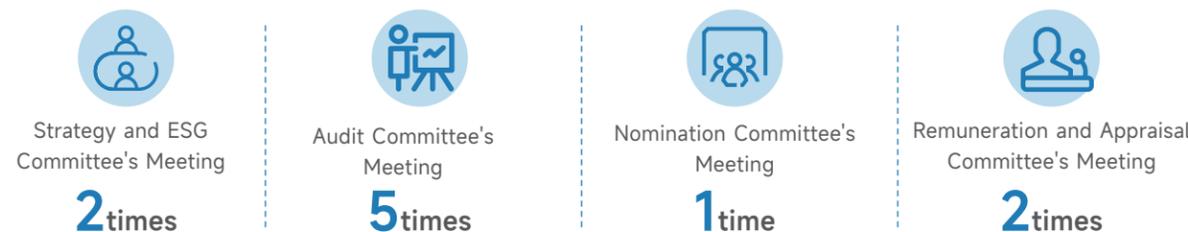
### General Manager

The General Manager is responsible for the Company's routine operation and management, implementing the strategies and plans set by the Board of Directors, and ensuring the Company operates in an orderly manner.

### Convening of the Three Meetings in 2024



### Convening of Committee Meeting in 2024



## Diversity of the Board of Directors

We strive to promote diversity in the Board of Directors in terms of gender, culture, professional skills, and other aspects. The Board of Directors consists of nine directors, with three independent directors, accounting for 33.33%, and two female directors, accounting for 22.22%. The current members of the Board of Directors possess professional expertise in various fields such as chip design, corporate management, investment and financing management, financial management, and law, which helps the Board of Directors make informed risk decisions and enhance overall governance capability.

Member structure		Unit	Data of 2024	
Composition of the Board of Directors	Members of the Board of Directors	/	9	
	By independent director	Number	3	
	By educational background	Doctor	Number	2
		Master	Number	4
		Bachelor	Number	3
	By gender	Male directors	Number	7
		Female directors	Number	2
	By age	Aged under 40	Number	1
		Aged 40 to 49	Number	3
		Aged 50 to 59	Number	2
Aged over 60		Number	3	

## Investor relations

ETEK places great importance on communication with investors. To strengthen the information communication with investors and effectively protect the legitimate rights and interests of investors, especially public investors, and to establish a long-term, stable, and harmonious interactive relationship between the Company and its investors, the Company has formulated the Management Policy for Investor Relations in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Work Guidelines for the Investor Relations Management of Listed Companies, and other laws, regulations, and normative documents, as well as the provisions of the Articles of Association.

The Board Secretary is responsible for organizing and coordinating investor relations management work, and the Securities Department is the dedicated department for managing investor relations, handling related matters regarding investor relations.

The Company has established a registration system for reception activities, which records in detail the research, communication, interview, promotion, and advertising activities of the recipients or invitees. After the reception activities are completed, a Record Form of Investor Relations Activities is compiled and regularly published on the SSE e-interactive website. The Company has established multiple investor interaction channels, such as phone, email, and on-site reception, and regularly publishes its website, consultation phone number, and investor relations email address in its periodic reports.

### Investor Interactions of ETEK in 2024



## Risk management

ETEK complies with relevant laws and regulations and has established risk management control procedures such as the Response and Control Procedures for Risks and Opportunities, the Identification and Assessment Procedures for Environmental Factors, and the Emergency Preparedness and Response Procedures. The Company continuously optimizes its risk management system, strengthens emergency management for unforeseen events, ensures the early identification and control of potential risks, minimizes negative impacts, and promotes the Company's sustainable, healthy, and stable development.

The Company has established a comprehensive risk assessment system and a systematic risk management mechanism to continuously monitor macroeconomic policy risks, operational risks, financial risks, market risks, legal risks, and ethical risks. The Company promptly identifies and assesses various risks it faces and takes necessary control measures.

### Management representatives

- Providing the necessary resources for risk management, including personnel qualifications, necessary training, and information acquisition
- Determining acceptable risk standards and policies, and regularly reviewing and updating risk and opportunity management

### Risk and opportunity assessment groups

- Organizing and implementing risk and opportunity analysis and assessment
- Developing risk and opportunity response measures and implementing them
- Developing risk management plans
- Organizing the implementation of risk response measures and verifying their effectiveness

### Quality Management Department

- Establishing response and control procedures for risks and opportunities and maintaining them
- Organizing and implementing risk and opportunity reviews at least once a year, following up on the completion and effectiveness of various measures, and preparing the Report on Assessment and Analysis of Risks and Opportunities
- Conducting risk assessment and risk response planning within the department, and implementing and supervising various risk response measures

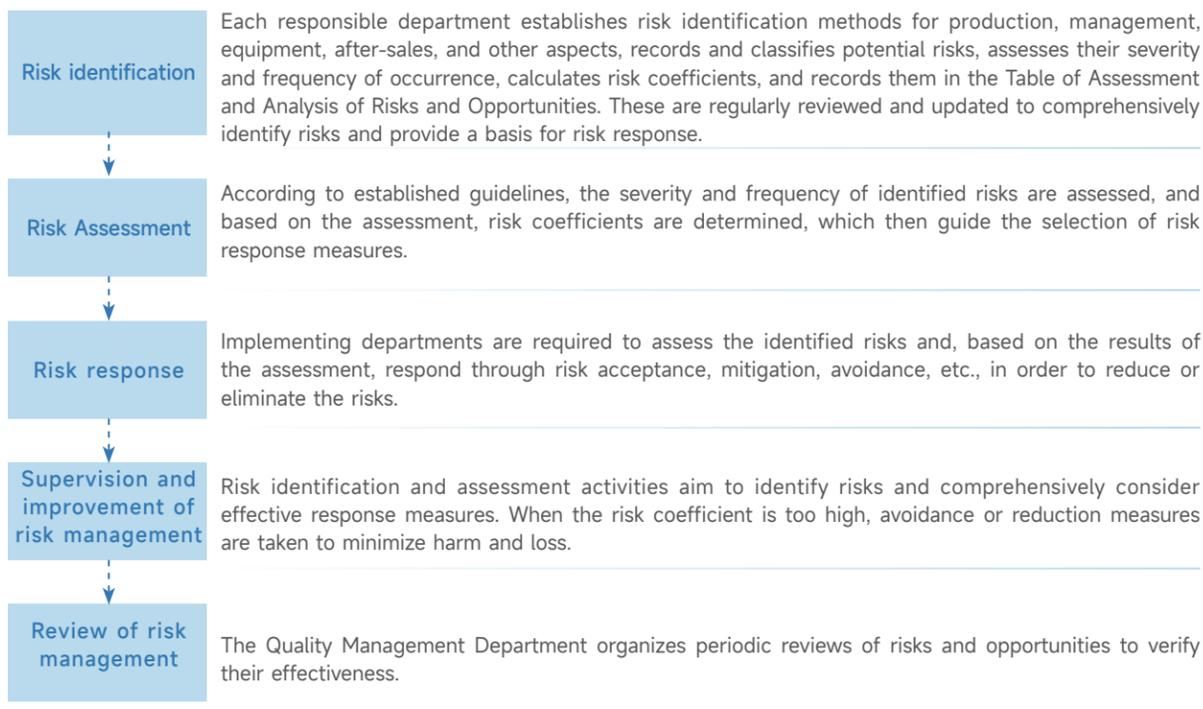
### Departments

- Assessing the risks and opportunities of quality and environment in the department, developing corresponding measures to avoid or reduce risks, and implementing them item by item

### Sales Department

- Collecting risk information on product after-sales, conducting risk identification work within the department, formulating corresponding measures to avoid or reduce risks, and implementing them item by item

### ○ Risk Management Procedures



## Compliance Management

### ▀ Audit compliance

To standardize internal audit work, improve the quality of internal auditing, and protect shareholders' legal rights, ETEK complies with the Audit Law of the People's Republic of China, the Regulations on Internal Auditing Work by the National Audit Administration, the Code of Corporate Governance for Listed Companies, and the Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Standardized Operation, as well as other relevant laws, regulations, and normative documents. The Company has formulated the Internal Audit Policy to evaluate and supervise the effectiveness of internal controls and risk management, the authenticity and completeness of financial information, and the efficiency and effectiveness of business activities.

The Board of Directors of the Company has established the Audit Committee, which guides the construction and effective operation of the Company's internal control system and is responsible for overseeing the Company's financial statement disclosures and internal control processes. At the same time, the Company has established the Audit Department, which inspects and supervises the authenticity and completeness of the Company's financial information and the establishment and implementation of internal control policy. The Audit Department, as the internal audit department of the Company, is accountable to the Audit Committee and reports to it. The Audit Department issued the Internal Control Evaluation Report for 2024 on the Company's internal control management during the Reporting Period, confirming that there are no significant defects in the internal controls over financial reporting.

In addition to internal audit management, the Company also engages an external independent third-party auditor to issue an external assurance report on the financial and internal controls for the Reporting Period. For the 2024 annual report, an independent auditor with securities qualifications issued an unqualified internal control audit report and a standard unqualified financial audit report. These were approved and reported by the Board of Directors on April 11, 2025.

### ▀ Internal control compliance

To improve the Company's risk management level and protect the legitimate rights and interests of investors, ETEK has developed the Internal Control Policy based on the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Notice on Strengthening Internal Control Construction of Listed Companies and Enterprises to be Listed to Promote Internal Control Evaluation and Audit, and other relevant laws and regulations. This policy also incorporates the requirements of the Basic Standard for Enterprise Internal Control to enhance internal control management, ensure the effectiveness of internal controls, and promote standardized operations.

The Company has established and improved an internal organizational structure that meets the requirements of modern enterprise management, forming a scientific decision-making mechanism, implementation mechanism, and supervision mechanism.

#### Organizational Structure for Internal Control

<b>Board of Directors</b>	The Board of Directors is fully responsible for the formulation, implementation, and improvement of the Company's internal control policy, and regularly conducts comprehensive inspections and effectiveness assessment of the Company's internal control. The Board of Directors has established the Audit Committee, which guides the construction and effective operation of the Company's internal control system according to its responsibilities.
<b>Board of Supervisors</b>	The Board of Supervisors is fully responsible for supervising the implementation of the Company's internal control policy. In case of any identified internal control deficiencies, the Board of Supervisors may order corrective actions and report to the Shareholders' Meeting on the implementation of the internal control policy.
<b>Management</b>	The Management is responsible for establishing and improving the internal control policy within the operational processes, promoting the comprehensive implementation of the internal control policy, and checking how each department and unit formulates and implements specific internal control policies.

## Tax compliance

The Company's Finance Department is responsible for the Company's tax management, including the establishment of the tax management system, tax risk assessment, maintenance of tax credit rating, tax training, tax archive management, tax team development, routine tax approval, and participation in investment and operational decisions, among other tax-related matters.

The Finance Department conducts tax control and pre-risk management through financial inspections, special tax inspections, and daily reporting reviews. Additionally, the Finance Department ensures close communication with the tax authorities to guarantee timely and accurate tax filings and compliance with tax laws.

The Company's current tax assessment received an A rating. During the Reporting Period, the Company paid a total of RMB22,310,100 in taxes.

## Information disclosure compliance

To standardize the Company's information disclosure practices, ensure that the information disclosed is truthful, accurate, and complete, and protect the legitimate rights and interests of investors, ETEK has established the Management System for Information Disclosure in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Management Measures for Information Disclosure by Listed Companies, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the STAR Market of Shanghai Stock Exchange, the Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Standardized Operation, as well as other relevant laws, regulations, and normative documents, and the provisions of the Articles of Association.

The Company's information disclosure work is uniformly led and managed by the Board of Directors, with the Board Secretary responsible to the Board of Directors for organizing and coordinating the Company's information disclosure affairs. The Company actively monitors media coverage and proactively verifies the accuracy of reported information.



## Compliance Review Process Before Information Disclosure

- 01 The department head providing information carefully verifies the relevant information
- 02 The Board Secretary conducts a compliance review
- 03 The Chairman signs and issues the approval

In 2024, the Company disclosed 63 announcements and reports, with no incidents of penalties due to non-compliance with information disclosure. The Company received a B rating in the annual information disclosure evaluation by the Shanghai Stock Exchange.

## Honest Operation

### Anti-commercial bribery and anti-corruption

#### Governance

ETEK is fully aware of the harm caused by illegal business practices such as commercial bribery, which not only damages the Company's economic interests but also undermines its reputation for honest operations. The Company complies with the Interim Regulations on the Prohibition of Commercial Bribery and other relevant laws and regulations. It has established the Management System for Anti-Commercial Bribery and requires key personnel to sign integrity and honesty commitment agreements. Personnel in important positions, as well as entities or individuals they conduct business with, sign the Anti-Commercial Bribery Commitment Letter with the Company to strictly monitor and prevent commercial bribery, thereby regulating employees' business conduct. The Company's Comprehensive Department, as the supervisory department, is responsible for coordinating and executing anti-commercial bribery and anti-corruption work.

## Strategy

ETEK builds a "zero tolerance" integrity culture strategically, actively formulating and implementing a series of key measures to ensure that business activities comply with laws, regulations, and international anti-corruption standards. The Company has set up a commercial bribery prevention reporting box, implements the Anti-Commercial Bribery Commitment Letter, and promotes the initiative through posters in office areas. The Company ensures open and accessible anti-corruption reporting channels, ensuring that corruption and bribery incidents are dealt with fairly, effectively, and promptly. At the same time, we have implemented a reporting incentive and protection mechanism, such as anonymous reporting and confidentiality of the reporter's information, to enhance employee participation and initiative. This encourages employees, suppliers, and other partners to engage in the Company's anti-corruption supervision efforts.

### Supervision Measures for Anti-Commercial Bribery

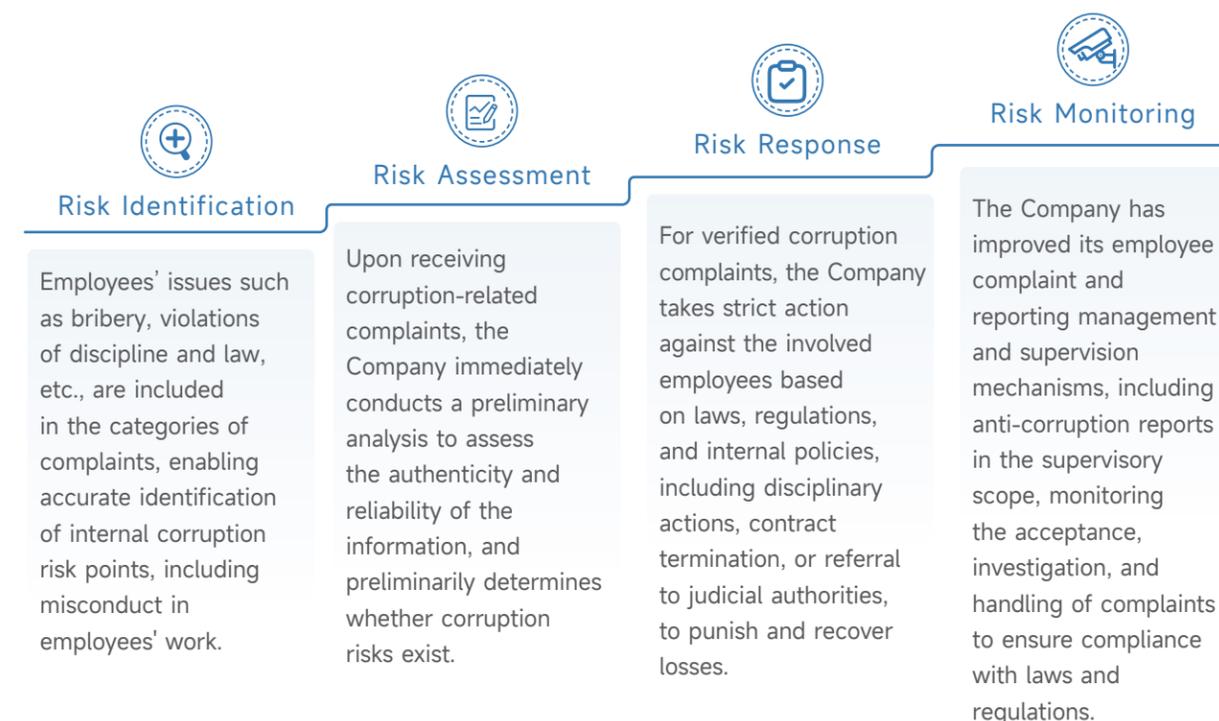
- 01 Set up a commercial bribery prevention reporting box and publish the reporting phone number.
- 02 The Company's supervisory department regularly arranges for managers and key personnel to conduct integrity and honesty self-inspections, retaining records. For individuals with issues identified in self-inspections, corrective action plans are created, and records are retained.
- 03 Conduct random interviews with middle and senior management involved in the Company's business with suppliers to inquire whether they are aware of the Company's Anti-Commercial Bribery Commitment Letter with suppliers.

### Reporting Channels for Anti-Commercial Bribery

 <p>Complaint phone 0510-85217779</p>	 <p>Email maocl@etek.com.cn</p>
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## Management of impact, risk, and opportunity

ETEK has established a risk management process for anti-commercial bribery and anti-corruption. Identified potential risks and opportunities are assessed and classified, and response measures are formulated based on the analysis to enhance the Company's risk resilience.



## Metrics and targets

The Company sets clear anti-corruption indicators and objectives to measure and promote the effectiveness of anti-corruption efforts. In daily operations, the Company continuously strengthens education on anti-corruption and anti-commercial bribery laws and regulations, periodically trains employees on anti-corruption matters, and handles complaints and reports promptly to prevent corruption incidents. During the Reporting Period, the Company did not experience any corruption incidents.

## Anti-unfair competition

ETEK always adheres to the principle of fair competition in the market and firmly opposes any form of unfair competition. The Company strictly complies with the Law of the People's Republic of China Against Unfair Competition, the Interim Regulations on the Prohibition of Commercial Bribery, and other relevant laws and regulations. It requires all employees to adhere to business ethics in market competition, uphold honest operation, and ensure that product information is truthful, accurate, and complete in interactions with competitors, customers, and suppliers. The Company resolutely opposes any behavior that could harm the fair market competition order or consumers' legitimate rights and interests.



# 02

## Innovation-Driven: Leading High-Quality Industry Development

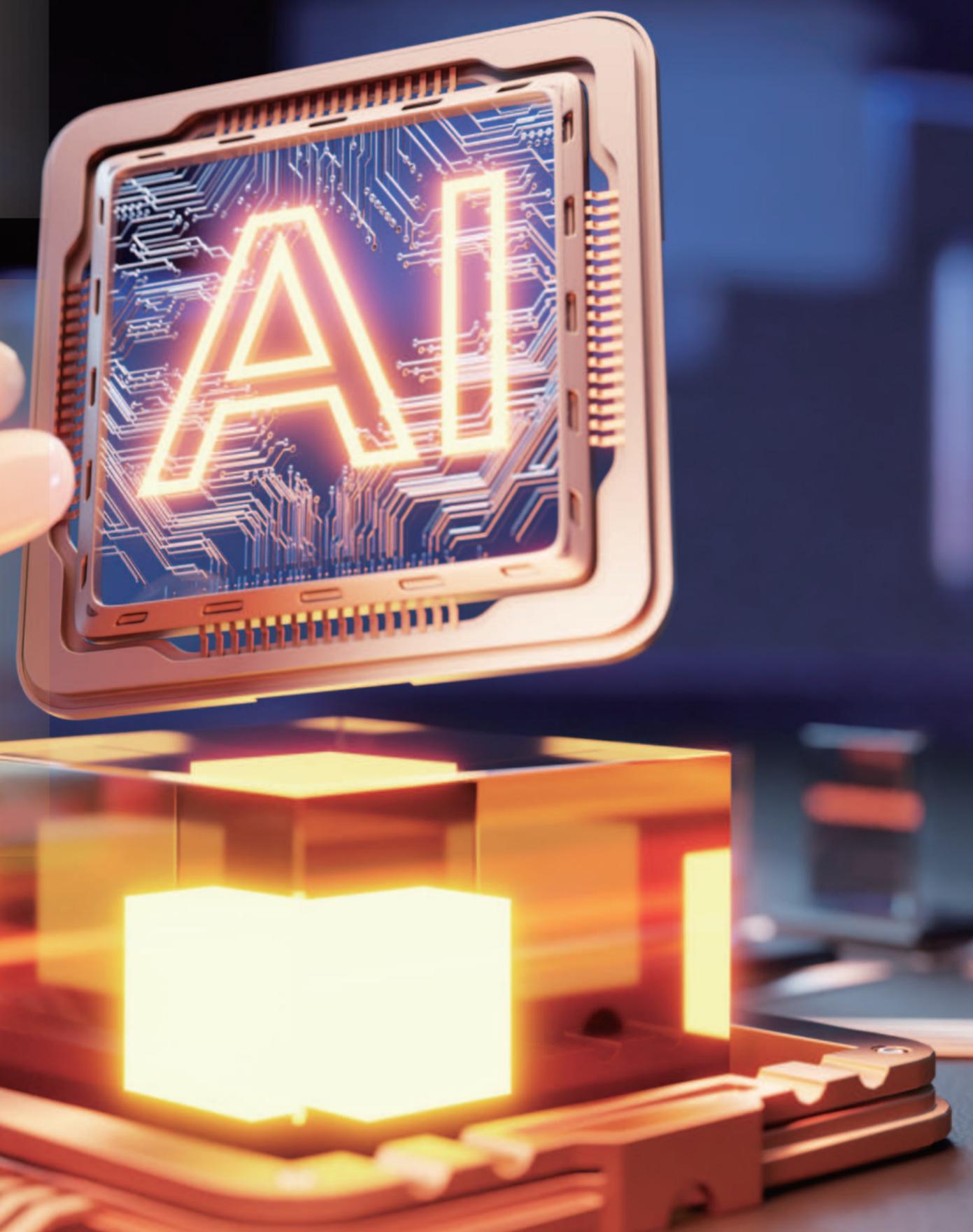
ETEK has always regarded research and development innovation as the cornerstone of its corporate growth and systematically promotes independent R&D projects. The Company attracts and introduces outstanding talent through the establishment of effective incentive mechanisms, continuously stimulating the vitality of technological innovation. At the same time, we strictly control product quality, strengthen the management of the sustainable supply chain, and continuously improve the customer service system. With concrete actions, we convey our firm commitment to creating value for society to all stakeholders and actively promote the continuous progress of China's semiconductor industry.

Material topics addressed:

- 📍 Innovation-driven
- 🔗 Promote Industry Development
- 🔒 Protection of Intellectual Property Rights
- ⚙️ Safety and Quality of Products and Services
- 👁️ Data Security and Privacy Protection
- 📦 Supply Chain Security
- 🧑‍🔬 Ethics of Science and Technology

UNSDGs:

 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	 <p><b>12</b> SUSTAINABLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns.</p>	 <p><b>17</b> PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.</p>
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# Innovation-Driven

## Governance

ETEK fully understands that R&D innovation is the fundamental driving force for the sustainable development of the Company and the enhancement of core competitiveness. To this end, the Company has formulated comprehensive innovation policies, including the Guidance on the Development Process for Chip Projects and the Policy for Organization, Implementation, and Incentive for Technology Achievement Transformation, providing strong institutional support for technological breakthroughs and product upgrades, while also inspiring the creative energy of all R&D personnel.

### Development of R&D system

The Company has established a complete R&D organizational system, with the chip development team as the core driving force. The team is composed of personnel from the Marketing Department, Quality Management Department, Design Institute, and Operations Department. These departments work collaboratively to steadily push forward the R&D efforts.

**Product manager**

Preparing the \*\*Chip Project Charter Material, proposing the project, conducting preliminary research, and submitting the materials for project evaluation.

**Project manager**

Drafting and compiling the project plan, requirements list, and TR nodes (technical review points) report; the primary person responsible for project development, planning, and scheduling management; concurrently held by the System Engineer.

**Quality engineer**

Developing and executing circuit quality inspection plans and verification plans, as well as conducting project quality control.

**System engineer**

Conducting circuit design, including architecture planning, solution development, new IP organization, Tapeout (delivery to manufacturing), and designing report compilation.

**Other engineers**

Coordinating and collaborating on specific aspects of the project, providing continuous technical support.

### Strengthening of R&D capabilities

The semiconductor industry is a typical technology-intensive and talent-intensive sector, where a highly skilled and technically strong R&D team is the soft power guarantee for the Company's continued innovation capacity. The Company actively responds to national incentive policies and has developed the Policy for Organization, Implementation, and Incentive for Technology Achievement Transformation. It has implemented a reward mechanism for R&D achievements to ensure the legal rights and interests of the achievers and all parties involved in the enterprise. At the same time, the Company actively conducts relevant R&D technical training to ensure the continued innovation capacity of the Company.

### Transformation of technology achievements

Led by the R&D Center with cooperation from other departments, the transformation process is approved and supervised by the Board of Directors and the Finance Department. The Company has established an innovation and entrepreneurship platform to provide resource support to R&D personnel or project teams, allowing them to independently or collaboratively carry out technology achievement transformation.

### Incentives and rewards

The Company encourages R&D personnel's initiative and creativity through a clear benefit-sharing system (considering funding sources, contribution ratios, etc.) and methods such as patent/design layout subsidies. The benefits from R&D achievements are independent of basic salaries and performance bonuses, promoting continuous innovation.

R&D personnel

The Company continues to expand its high-quality R&D team based on actual needs

The total number of R&D personnel is **293**, an increase of **56** compared to the previous year

Proportion of R&D personnel to total employees (%)

The proportion of R&D personnel has steadily increased

R&D personnel now account for **56.45%** of the total, an increase of **4.25%** compared to the previous year

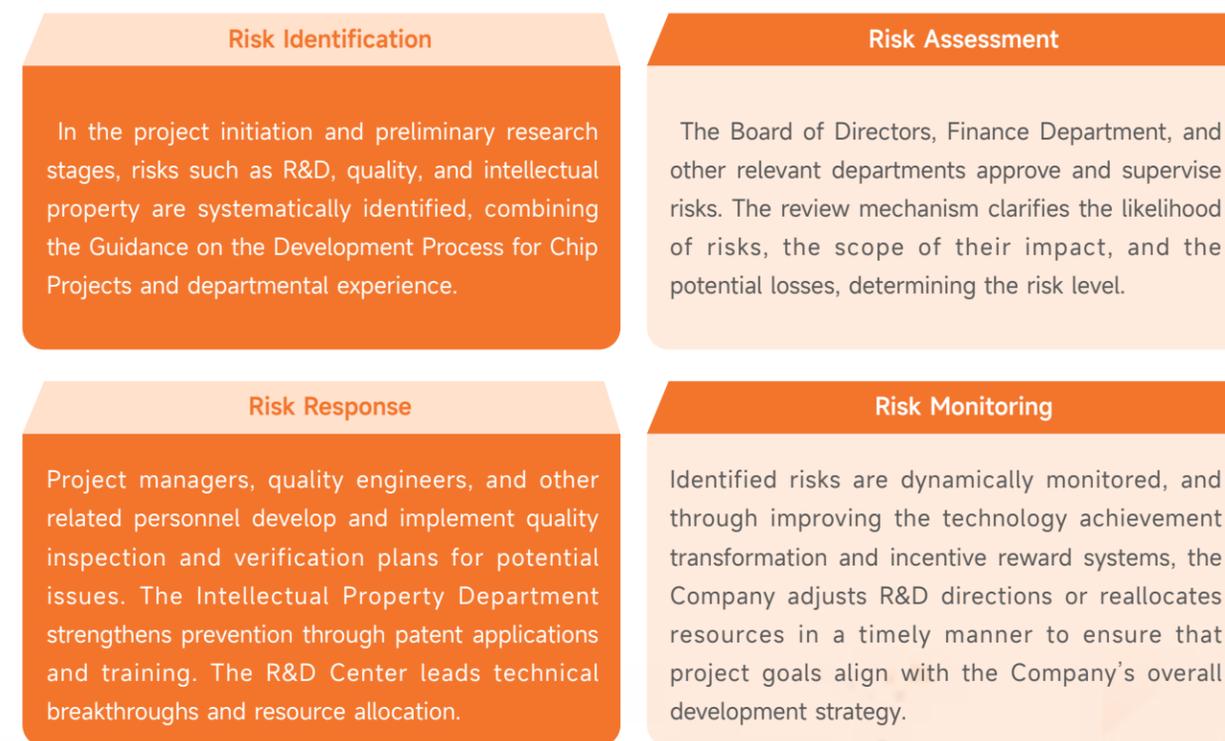
## Strategy

ETEK is committed to implementing an innovation-driven development strategy. By accurately identifying potential risks and opportunities in the R&D process, the Company strives to explore key breakthroughs that will enable stable, sustainable, and rapid growth.

Risk Type	Description	Potential Financial Impact	Countermeasures
 Risk of R&D delay	If technological breakthroughs or product upgrades are not achieved in time, the Company may lose its competitive edge in the fast-evolving semiconductor market.	Decrease in operating revenue	Through the Guidance on the Development Process for Chip Projects, the Company clarifies the R&D goals for each stage, encourages continuous innovation, and accelerates the project development process.
 Risk of transformation failure	Lack of a well-established system for the transformation of technological achievements and incentive mechanisms may result in difficulties in effectively implementing innovative results, impacting the Company's competitiveness.	Increase in operating costs	The Board of Directors and the Finance Department approve and supervise the transformation process, stimulating the motivation of R&D personnel through a clear benefit-sharing system.
 Intellectual property risk	Failure to apply for patents for R&D results in a timely manner or infringement by others could lead to the loss of technology or legal disputes.	Increase in operating costs	The Company strengthens patent applications and training, and builds a sound intellectual property management system through the Enterprise Intellectual Property Management Manual and the Compilation of Documents on Intellectual Property Procedures.
Opportunity Type	Description	Potential Financial Impact	Countermeasures
 Opportunity of market upgrade	Rapid changes in demand in application areas such as mobile platforms and motor control allow new products to quickly enter the high-end market.	Increase in operating revenue	The Company quickly follows up on market technology needs and enhances the speed of R&D through a well-established project development process.
 Opportunity of technology achievement transformation	The transformation of technology achievements helps industrial upgrading, and the flexible revenue distribution mechanism can stimulate greater innovation vitality.	Increase in operating revenue	The Company has established an innovation and entrepreneurship platform, ensuring benefit distribution and providing resource support to R&D personnel or project teams.

## Management of impact, risk, and opportunity

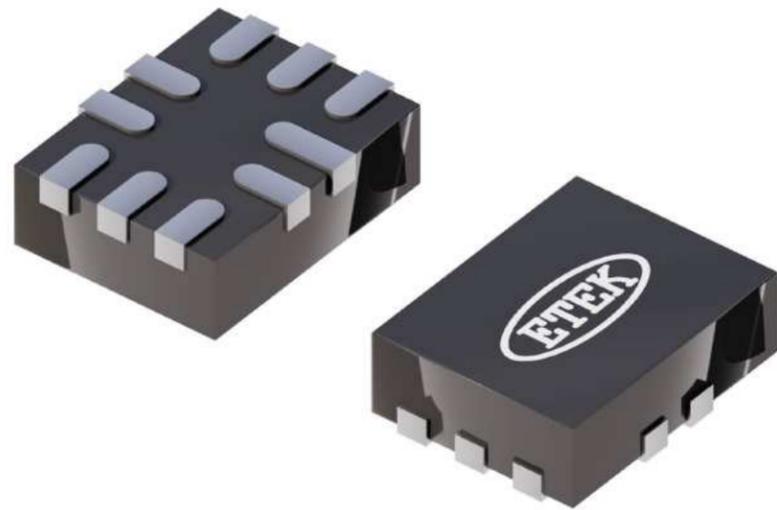
ETEK primarily adopts an independent R&D model, continuously optimizing various safeguards to address the risks and opportunities in R&D innovation. This improves the Company's risk prevention ability and strengthens its independent R&D capabilities and core competitive advantages.



**Case** ETEK launched the level shifter ET4557 for SIM card interfaces, effectively solving the communication adaptation problem between the baseband processor and SIM card

With the rapid development of mobile platforms, new process nodes have reduced the voltage of mobile baseband processors. The voltage of mainstream flagship platforms has dropped from 1.8V to 1.2V, while SIM cards primarily use 3.0V (B type) or 1.8V (C type) logic level interfaces. ETEK launched the level shifter ET4557 for SIM card to enable communication between the host platform and SIM card. The chip successfully entered Qualcomm's high-end platform reference design and received the highest recommendation level (GOLD).

The ET4557 features a dual-power design: the host processor side operates between 1.08V and 1.98V, while the SIM card side operates between 1.62V and 3.6V. It includes three level shifters to convert the I/O, RST, and CLK signals of the SIM card, enabling proper communication with the main chip.



ET4557 Achieves the Highest Recommendation Level on Qualcomm's Platform

**Case** Semiconductor's "Electronic Control Module and Detonating System" assisted in ice-blasting to prevent flooding in Heilongjiang

As a well-known domestic manufacturer of civil explosives, the subsidiary Semiconductor primarily produces electronic control modules, encoders, and blasting controllers. These products are used in specialized sectors such as tunnel excavation, building demolition, mining blasting, weather modification, geological exploration, petroleum extraction, and firefighting. They are known for their high reliability, precision, and safety. The products have made breakthroughs in technologies such as ultra-long delay settings, long-distance communication, leakage resistance, and resistance to extreme temperatures, giving them strong competitiveness in the market.

To effectively prevent ice flood disasters, starting from March 29, 2024, artificial ice-breaking operations were conducted on an ice-prone river section in Huma County, Daxing'anling Prefecture, Heilongjiang Province, with a total blasting length of 11,100 meters. For this ice-blasting operation, a detonator from a civil explosive company in Heilongjiang was used, along with the electronic control module and detonating system from Wuxi Semiconductor Technology Co., Ltd., providing key support for the work.



Semiconductor's Electronic Control Module and Detonating System Assisted in Ice-blasting to Prevent Flooding in Heilongjiang

**Case** High-performance operational amplifier -- ETEK launched a high-performance general-purpose operational amplifier, ensuring a stable circuit environment

As modern intelligent vehicles extensively use DC motors in their bodies, precise current sampling is required to ensure the motors operate correctly. Similarly, applications such as drones and power tools require current-sensing circuits to control the motors.

ETEK launched the high-performance general-purpose amplifier ET85602. ET85602 is a dual-channel low-voltage (1.8V to 5.5V) operational amplifier with rail-to-rail input and output swing capabilities. With a bandwidth of 10 MHz, it can be used for motor and power system current sampling, as well as sensor signal conditioning. ET85602 supports high capacitive load driving, and even with a capacitive load of 100pF, it can operate stably.



ET85602 Operational Amplifier

**Case** ETEK launched an OVP chip with built-in 200V surge protection and high current handling capability

The ET9668 is an OVP chip with a built-in 9mΩ power switching transistor, supporting a maximum operating voltage of 28 V. Its built-in over voltage protection shutdown module ensures a shutdown response time of less than 50ns, with typical performance around 10ns. This response speed cannot be matched by the "OVP control chip + external FET" solution. Additionally, the chip includes a 200 V surge protection module, which helps minimize the number of components in the product's power interface protection circuit, reducing design complexity.

The product has passed the full suite of customer tests and has started mass production, providing strong support for the customer's flagship AI smartphones.



ET9668 Chip

**Metrics and targets**

ETEK has clear objectives and plans for R&D innovation to maintain its continued leadership in the semiconductor field, enhancing the Company's market competitiveness and industry influence.

Metric	Target	2024	Growth Rate
Annual R&D investment	To continuously increase investment in new technologies and projects	RMB140,559,300	30.63%
Proportion of R&D investment to operating revenue	To continuously optimize the structure to ensure steady increase in R&D investment	17.85%	5.72%
Number of intellectual property applications	To expand the number of intellectual property rights	42	16.67%

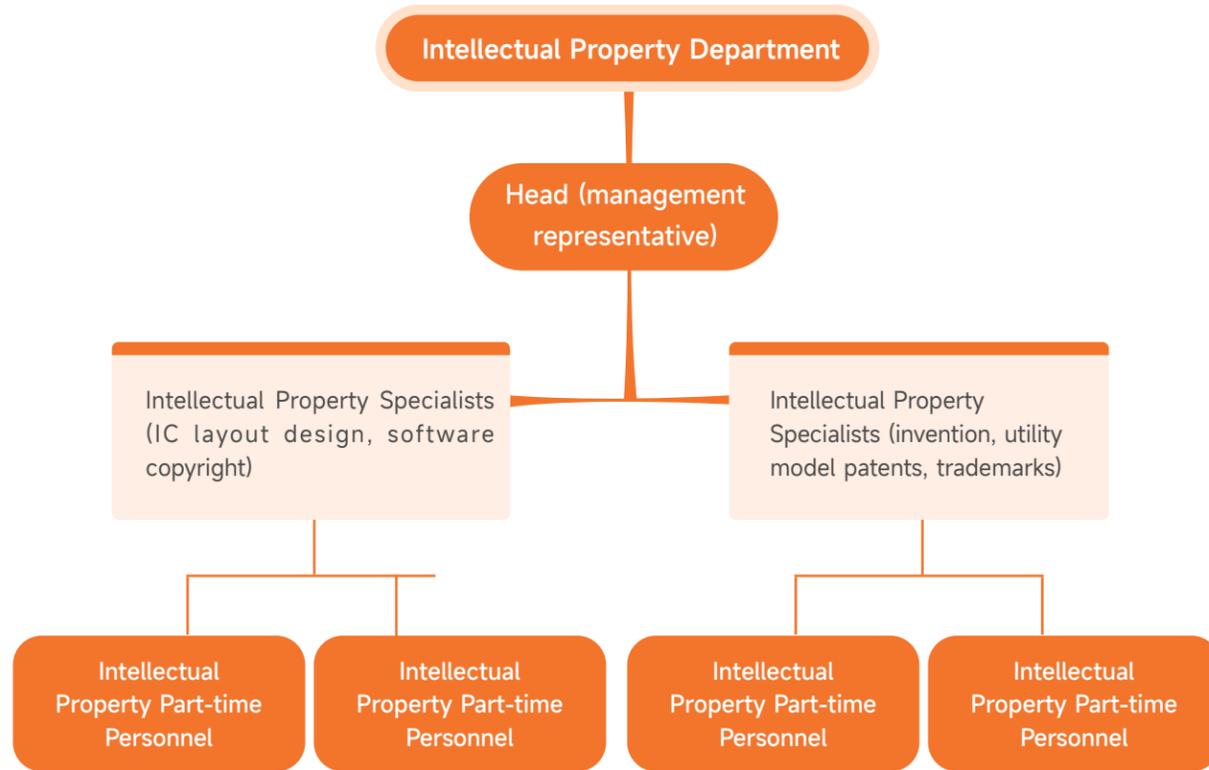
**Protection of intellectual property rights**

"Technological Innovation as the Primary Productive Force" is ETEK's intellectual property policy. In order to further consolidate the advantages of technological innovation, the Company has actively constructed and continuously optimized the intellectual property management system, and has obtained the intellectual property management system certification and intellectual property compliance management system certification. Meanwhile, the Company has continued to establish sound intellectual property management policies. By leveraging measures such as patent applications and technology protection, the Company not only safeguards the originality and value of our own technological achievements, but also lays a solid intellectual property foundation for the Company's sustained technological innovation and development.

The Company has formulated the Enterprise Intellectual Property Management Manual and the Compilation of Documents on Intellectual Property Procedures. The Intellectual Property Department has established a three-level structure: "Management Representative – Intellectual Property Specialists – Intellectual Property Part-time Personnel," with intellectual property personnel responsible for tasks related to acquiring, reviewing, maintaining, and managing intellectual property.



Organizational Structure of Intellectual Property Department



The Company encourages the R&D team to proactively apply for patents, thereby solidifying our innovative achievements through legal means. At the same time, we have actively reinforced a company-wide culture of respect and protection on intellectual property, and strengthened employee awareness education on intellectual property protection through both online and offline training, thereby ensuring that our innovation is characterized by both bold exploration and prudent progress, avoiding any infringement on the rights of others.

Intellectual Property Protection



**3**Sessions  
Number of intellectual property training sessions



**24**Hours  
Intellectual property training duration



**20**Persons  
Number of persons received intellectual property training

In 2024, ETEK made significant achievements in technological innovation, with 42 new intellectual property applications and 52 new intellectual property authorizations. By the end of the Reporting Period, the Company had accumulated a total of 191 intellectual property authorizations. These patented products enhance the Company's market competitiveness.



Certificate of Completion of Online Training on Intellectual Property

Intellectual Property Item	New Items in 2024		Cumulative Number	
	Applications	Items granted	Applications	Items granted
Invention patents	24	40	127	96
Utility model patents	4	5	35	31
Design patents	0	0	1	1
Software copyrights	3	3	9	9
Others	11	4	62	54
<b>Total</b>	<b>42</b>	<b>52</b>	<b>234</b>	<b>191</b>

Ethics of science and technology

In the process of innovative R&D, the Company strictly adheres to the norms of scientific ethics, respects the spirit of science, values humanistic care, avoids the misuse of technology, and prudently evaluates the application of achievements, striving to benefit society and the environment while promoting technological innovation with a responsible attitude. During the Reporting Period, the Company did not face any accountability or penalties from relevant authorities for violating scientific ethics regulations.

# Promote Industry Development

As a leading semiconductor chip design company in the industry, we are committed to driving industry development through continuous product innovation, constantly pushing the boundaries of technology. The Company actively participates in the formulation and promotion of industry standards, setting benchmarks with high-quality products and services, and driving improvements in industry technology and quality. At the same time, ETEK collaborates closely with upstream and downstream partners, promoting technological advancements and efficiency improvements in the industrial chain through deep collaboration with suppliers and customers.

ETEK continues to strengthen its core competitiveness, gaining widespread industry recognition through technological innovation and excellent product quality. During the Reporting Period, the Company received multiple honors and certifications from industry associations, demonstrating its strong industry influence and market competitiveness. These awards and certifications not only recognize the Company's technological strength and management achievements but also inject new momentum into its development, further enhancing its brand image and industry position. In the future, ETEK will continue to drive industry breakthroughs with technological innovation, striving to become a global leader in high-tech enterprises.



Jiangsu Semiconductor Industry Association



Jiangsu Integrated Circuit Society



Wuxi Integrated Circuit Industry "Xinchain" Party Building Alliance



Wuxi High-Tech Zone Sci-Tech Enterprise Federation



Wuxi Internet of Things Innovation Development Research Association

## Case

### Co-founding of the Wuxi Innovative Enterprise Development Service Alliance

In January 2024, the Wuxi Financial Empowerment for Enterprise Innovation and Development Conference, jointly hosted by the Wuxi Daily Newspaper Group and the Wuxi High-tech Industry Association, was successfully held. The theme of the conference was "Two-Way Empowerment · Sci-Tech Innovation for Mutual Win." The conference aimed to build an innovative enterprise ecosystem with "finance + industry" and "capital + projects" empowering each other, promote the efficient aggregation of financial resources, and encourage collaboration between government, banks, and enterprises to support the innovation and growth of Wuxi's high-tech enterprises.

By participating in the Wuxi Financial Empowerment for Enterprise Innovation and Development Conference, ETEK showcased its industry leadership and social responsibility in promoting the integration of finance and industry, supporting the development of SMEs, driving intelligent transformation, and building a cooperative and win-win ecosystem. ETEK's practices not only inject new momentum into the development of high-tech enterprises in Wuxi but also set a model for the sustainable development of the industry.



Speech by Mr. Yuan Minmin, Chairman of Wuxi ETEK Microelectronics Co., Ltd.



Wuxi Innovative Enterprise Development Service Alliance

Case China IC Design Innovation Conference & the Fourth IC Application Show

From September 25 to 27, 2024, the China IC Design Innovation Conference & the Fourth IC Application Show (ICDIA-ICShow) were grandly held at the Wuxi Taihu Expo Center. ETEK actively participated in the exhibition, joining industry peers to celebrate the event, exchange ideas, and move forward together.

At this exhibition, ETEK showcased its latest R&D achievements in four major product lines: protection, power management, signal chains, and drivers. Additionally, ETEK introduced a series of innovative power management solutions focused on cutting-edge application areas such as AI terminals, environmental sustainability, and smart living, demonstrating the company's strong capabilities and forward-looking vision in the field of integrated circuit design.

Among them, ETEK's flagship imaging PMIC product was particularly notable. This product integrates a 7-channel LDO, including dual 1.5A channels and five 0.6A channels. It not only maintains high-performance power output capabilities but also significantly reduces the overall solution's power consumption and cost, providing users with more efficient and energy-saving power solutions.



2024 IC (Wuxi) Innovation and Development Conference

# Supply Chain Security

## Governance

As a leading analog chip design company in the industry, ETEK has established a comprehensive supplier management system. The Company has formulated various systems such as the Supplier Management Procedures, Implementation Rules for Supplier Management System, Supplier Control Procedures, and Procurement Control Procedures, and has set up a complete supplier access, evaluation, and exit mechanism. The Operations Department serves as the execution department for supply chain security control, with the Quality Management Department and the Design Department providing assistance and collaboration. The quality control system covers the entire procurement and product processes, ensuring product quality and gaining customer recognition and trust.

## Strategy

ETEK integrates supplier management into its corporate development plan. Through comprehensive assessment of each link in the upstream and downstream supply chain, the Company anticipates risks and opportunities. The Company implements a transparent procurement model, working with supply chain partners to build a responsible supply chain, strengthen supply management, improve supplier quality capabilities, and ensure that the purchased raw materials and production processes meet high standards, achieving win-win cooperation. At the same time, ETEK emphasizes supplier training and information sharing, promptly conveying quality management and environmental requirements to ensure product quality and supply stability, while promoting mutual development between the Company and its suppliers.

## Management of impact, risk, and opportunity

The Company has established a systematic supply chain risk control framework. Various departments collaborate to regularly conduct risk assessments and are able to quickly respond to any sudden supply chain events, ensuring the continuous stability of the supply chain.

Risk Identification	Risk Assessment	Risk Response	Risk Assessment
The Company regularly identifies potential risks in each link of the supply chain, including raw materials, finished goods suppliers, procurement, transportation, storage, and production.	The identified risks are comprehensively analyzed and managed through a graded system to ensure that the severity and potential impacts of the risks are understood in a timely manner, providing strategic reference for formulating appropriate response measures.	Based on the results of risk assessments, risk response strategies are formulated, including emergency plans, to ensure that the Company can respond quickly and maintain stable supply chain operations in the event of unexpected situations.	A long-term monitoring mechanism is established to continuously track the overall operation of the supply chain. The Company maintains sensitivity to supply chain risks through regular evaluations and real-time monitoring, ensuring proactive management.

## Metrics and targets

To ensure the effectiveness of supply chain management, suppliers are required to sign the Anti-Commercial Bribery Commitment Letter for Suppliers and provide relevant certificates such as quality management system and environmental management system certifications. The Company has formulated a series of quantitative indicators to ensure the safety and stability of the supply chain.

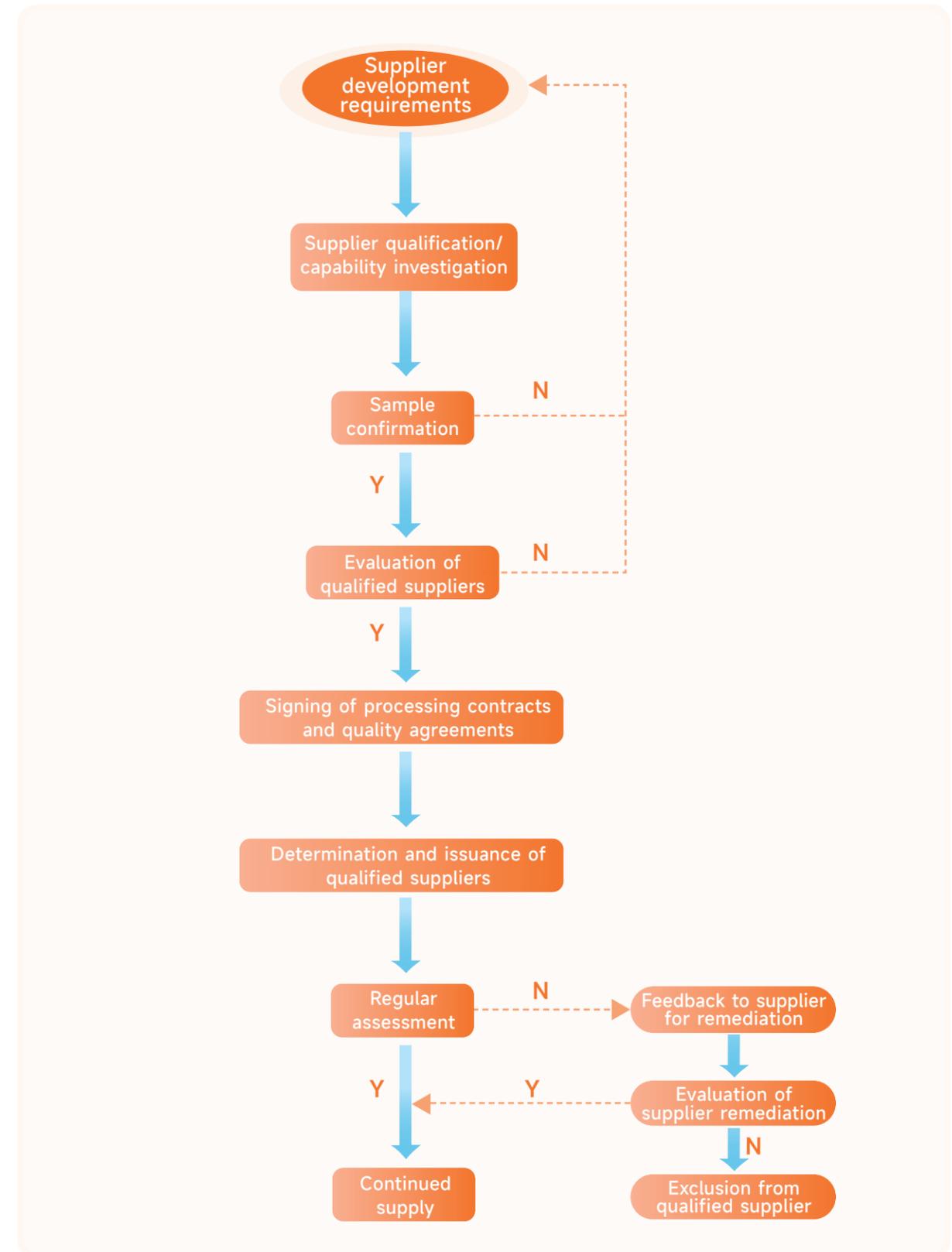
Metric	Unit	2024
Total number of suppliers	/	109
Number of suppliers certified by quality management system	/	82
Proportion of suppliers certified by quality management system	%	75
Number of suppliers certified by environmental management system	/	62
Proportion of suppliers certified by environmental management system	%	57



## Strengthening of supply chain management

The Company insists on optimizing processes, strictly controlling quality, and deeply collaborating with partners. An efficient and transparent supply chain management process is established, comprehensively enhancing the Company's competitiveness and demonstrating its leading position in the industry and continuous innovation strength.

### Supplier Management Flowchart



ETEK classifies suppliers into three categories based on their nature and scale, and adopts differentiated evaluation and confirmation methods:

Category	Description	Evaluation and Confirmation
Category 1 Supplier	Companies providing wafers as well as listed packaging and testing companies	Suppliers with excellent reviews are included in the qualified list. Qualified suppliers are subject to re-evaluation as needed. Suppliers requiring improvements are given a deadline for remediation and re-evaluation. Suppliers who continuously fail to meet standards or are seriously unqualified are disqualified.
Category 2 Supplier	Medium-scale packaging and testing companies providing photolithography and wafer testing	Samples and mass production batches must be qualified and comply with green GP product and ROHS requirements. After review and signature by the quality, R&D, and other departments, they can be listed as qualified suppliers.
Category 3 Supplier	Small-scale packaging and testing companies, trading companies, and suppliers of non-product-related consumables	Only suppliers whose products meet the Company's requirements can be registered as qualified suppliers.

ETEK has established a management structure consisting of the "General Manager – Design Institute, Project Team, Operations Department, and Quality Management Department," with the General Manager leading the construction of the quality management system. The Operations, Quality, Testing, and Sales Departments collaborate closely to ensure the quality of products and services through enhanced communication and cooperation, helping ETEK win market trust with its high-quality image.

### Strategy

In terms of safety and quality of products and services, ETEK has developed a systematic strategic plan based on internal and external environments to address potential risks and seize key opportunities. The Company takes corrective and preventive measures through internal audits, management reviews, and data analysis to address product and service issues, achieving continuous improvement. The Company closely monitors the changing demands for higher-quality products and services from customers, proactively adjusts strategic deployments, and ensures a quick response to market changes while continuously exceeding customer expectations. At the same time, the Company organizes quality training irregularly, conducts promotional and educational work on quality requirements to raise employees' quality awareness.



Quality Training

## Safety and Quality of Products and Services

### Governance

ETEK always regards quality management as the core pillar of the Company's steady development. The Company fully implements the Product Quality Law of the People's Republic of China and international standards such as ISO 9001, and has developed policies such as the Regulations on Quality Objective Management, Product Testing and Assessment Process, and Product Monitoring and Measurement Control Procedures to provide systematic assurance for product and service safety and quality.

### Management of impact, risk, and opportunity

ETEK has established a management process for safety and quality of products and services. From the perspective of product quality and services, potential risks and opportunities are comprehensively identified and classified. Strict quality and risk controls are implemented at every stage of the product's lifecycle, from the initial design to the final use by customers, ensuring that product quality meets high standards.

Process	Specific Content
Quality planning	Before the product or project development, a quality plan is formulated, setting clear quality objectives, acceptance standards, inspection methods, etc., to provide guidance for subsequent product validation.
Control over production outsourcing	During the production outsourcing process, the Company actively communicates with suppliers, provides quality requirements for their products, and ensures that product quality meets the specified standards.
Quality inspection and testing	A comprehensive inspection system is established, and reliability testing equipment (such as imaging devices, X-ray fluorescence spectrometers, etc.) is configured. Products are tested according to standards, and non-conforming products are controlled and processed accordingly.
After-sales services	An after-sales service system is established to handle customer feedback and complaints in a timely manner, track and resolve quality issues during the product use process, and collect customer feedback to improve product quality.

## Metrics and targets

ETEK has defined its quality policy and integrated it into regular assessments. Through a clear system of indicators and targets, the Company ensures continuous improvement in customer satisfaction and product compliance, driving quality excellence and safety assurance. During the Reporting Period, the Company did not experience any significant responsibility incidents related to the safety and quality of product and service.

### Customer Service Metrics and Targets

Metric	Unit	Target	2024
Customer complaint handling rate	%	100	100
Customer complaint resolution rate	%	100	100
Customer satisfaction rate	%	Above 95	100
Product quality compliance rate	%	100	100

### Case ETEK Quality Month activities of "Small Things, Big Quality"

In September 2024, ETEK launched a series of Quality Month activities under the theme "Small Things, Big Quality." These activities included soliciting small things encountered in daily work that could impact work quality, holding a prize-winning essay contest themed "Small Things, Big Quality" for all employees, and organizing quality knowledge quizzes. The aim was to enhance quality awareness across the Company.



"Quality Month" Activities



ISO 9001 Certificate



ISO 26262 Road Vehicles — Functional Safety

## Protection of customers' rights and interests

ETEK fully recognizes the critical role of quality customer service in market expansion. The Company has formulated a series of management policies, including the Customer Complaint Handling Procedures, Customer-Related Process Control, Service Control Procedures, and Customer Satisfaction Service Procedures, to strengthen customer service management and continuously improve service quality.

We always adhere to the business philosophy of "Based on Honesty, Customer First, Value Sharing", which is integrated into every operational process of the Company. We implement targeted service strategies for different types of customers (including major strategic customers as well as small and medium-sized customers) and different industries (such as new energy, industrial automation, etc.). Currently, the service coverage for exclusive teams for major customers has reached 100%. We put customers first, aim to create customer value, focus on communication and interaction with customers, treat customers sincerely, win their trust, respond to customer needs and solve customer problems.

### Case High-reliability, high-efficiency, and high-performance charging protection solution

The Company has customized a complete charging protection solution for global leading smartphone manufacturers. The solution includes over voltage protection chips with built-in surge suppression, TVS protection diodes, and RCB protection chips. This complete solution, with its robust current handling capability, rapid over-voltage protection response, high flexibility, and high integration, offers significant advantages in the charging protection design of customers' flagship products, including enhanced system safety, improved user experience, and support for miniaturized design. The product significantly increases the safety level of smartphone charging by establishing a solid protective barrier for the battery, while also providing customers with a competitive edge and positive market feedback.



ETEK attaches great importance to customer experience and has a complete set of procedures for handling customer complaints, returns and compensation, etc. It responds to and handles customer issues in a timely and efficient manner, and achieved 100% customer satisfaction during the Reporting Period.

#### 1 Complaint reception and identification

Upon receiving a complaint, the responsible departments must notify the Quality, Application, Design, and Sales Departments. The Quality Management Department records the complaint in the FA system, requests the return of defective samples, determines whether it is a yield issue or a single-failure issue, and handle it according to the corresponding process.

#### 2 Responsibility investigation and handling

The Quality Management Department leads the coordination with R&D, Production, and Sales Departments, initiate a special investigation, and produce an analysis report based on the complaint type (yield/single failure).

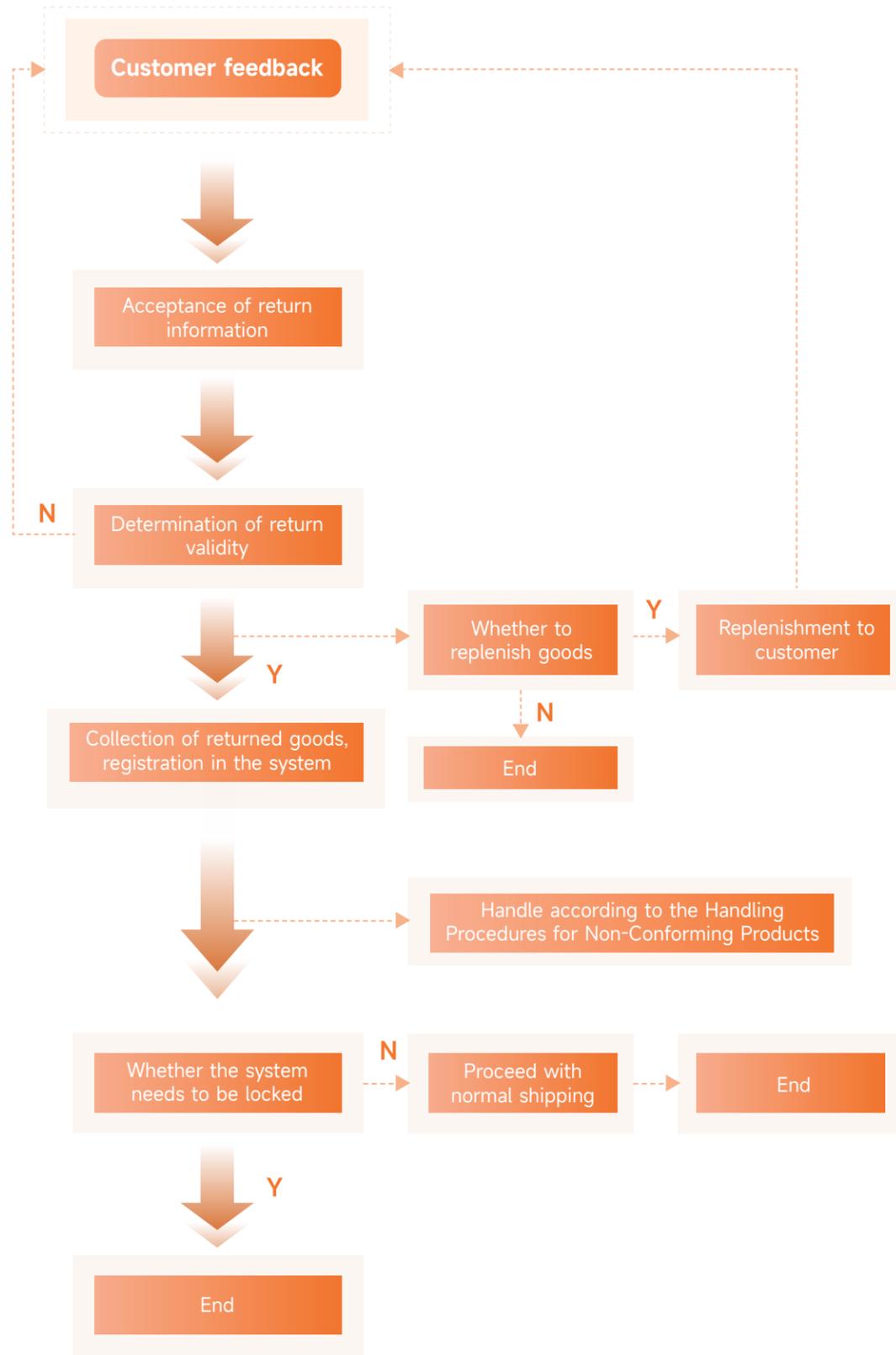
#### 3 Handling of customer returns and compensation

Based on the analysis report, we maintain close communication with the customer. Returns are processed according to the Customer Return Flowchart, and compensation claims are handled in accordance with the Compensation Flowchart.

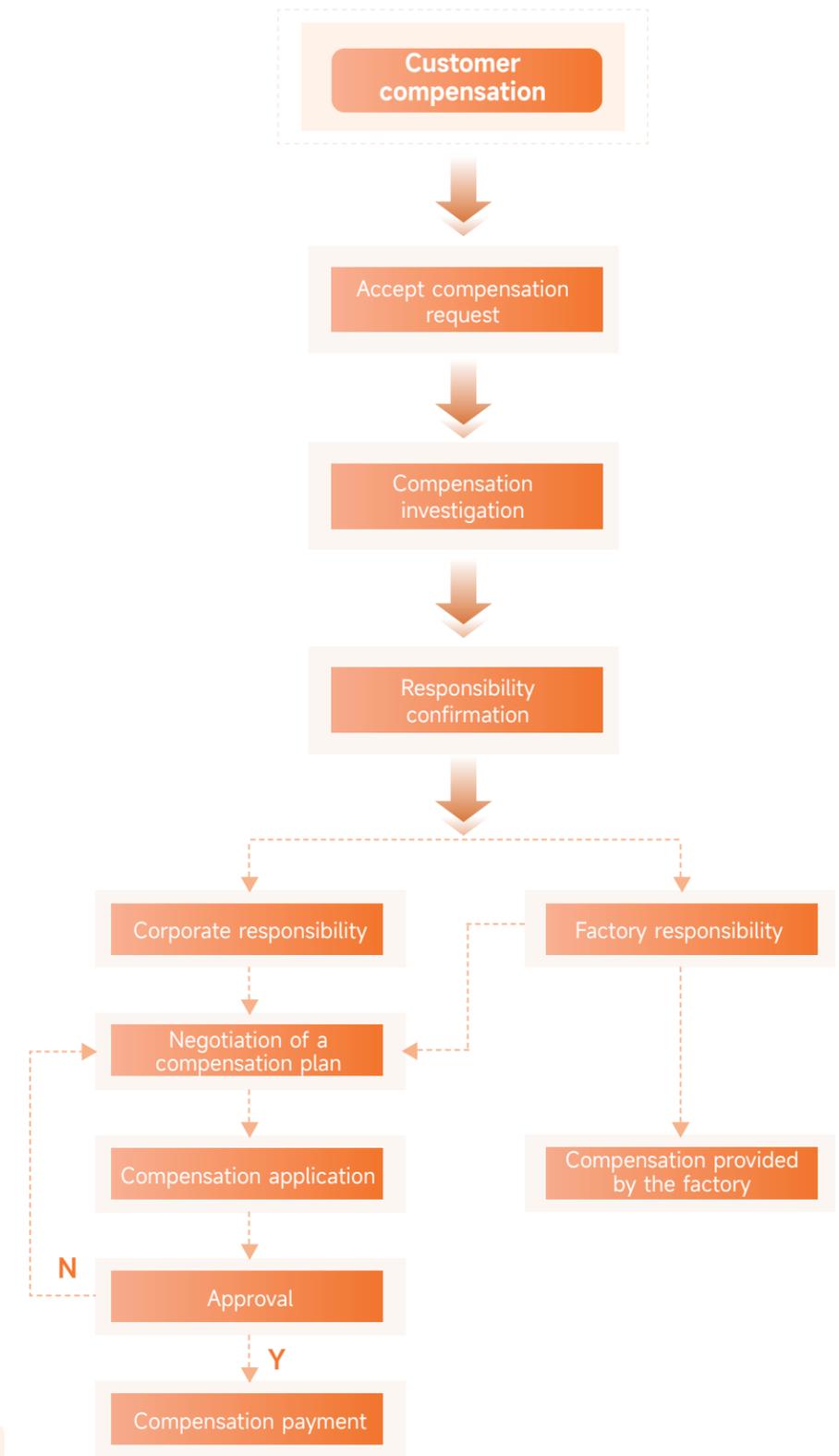
#### 4 Escalation of exceptional issues

Depending on the severity and impact scope of the product issue, as well as the judgment of the responsible person, manager, or director, the issue may be escalated, with timely reporting to higher-level management.

Customer Return Flowchart



Compensation Flowchart



# Data Security and Privacy Protection

## Governance

ETEK places great importance on data security and privacy protection. The Company has formulated internal policies such as the Information Security Management Rules and Cybersecurity Norms to clearly define responsibilities, standardize operating procedures, and establish emergency response plans. These provide comprehensive security throughout the data lifecycle (collection, storage, transmission, usage, and destruction) as well as for network infrastructure and application systems.

### Information Security Management Rules and Cybersecurity Norms

**Information Security Management Rules:** The Company should establish security management requirements across the entire data lifecycle, covering data collection, storage, transmission, usage, and destruction, ensuring that information security risks are identifiable and controllable.

**Cybersecurity Norms:** The Company should focus on network infrastructure and application system security, and reduce the risk of network attacks and data leakage through measures such as hierarchical protection, rights management and log auditing.

## Strategy

ETEK has formulated a security strategy focused on prevention and supported by emergency response, promptly identified potential threats and weak points through regular information security risk assessments, and adjusted its security strategy dynamically. To respond to security incidents, the Company has established a comprehensive emergency response plan, including incident reporting, handling procedures, follow-up recovery, and summary analysis. This ensures rapid and effective action in the event of a security incident, minimizing the impact on operations and stakeholders.



Information Security Training

The Company has also conducted regular data and information security training to educate all employees on confidentiality policies, cybersecurity norms, risk prevention essentials, and emergency measures, continuously reinforcing security and compliance awareness.

## Management of impact, risk, and opportunity

Based on the key processes of risk identification, assessment, and control, the Company has developed the ETEK Information Security Management Rules. By accurately identifying potential threats and formulating systematic countermeasures, ETEK ensures that its information systems operate continuously and stably in strict accordance with established procedures, regulations, and standards.

### Risk Identification

The Company conducts a comprehensive inventory of all information assets, clarifying the security attributes (confidentiality, integrity, and availability) of various assets such as data, software, hardware, services, and personnel. On this basis, potential security vulnerabilities are identified by analyzing threats and weaknesses.

### Risk Assessment

The Company adopts a combination of qualitative and quantitative methods, using asset importance, threat frequency, and vulnerability severity as key indicators. A risk matrix is used to calculate risk values (Risk Value = Asset Importance × Threat Frequency × Vulnerability Level), which are then used to assess identified risks and visually present the likelihood and potential impact of security incidents, providing a scientific basis for risk mitigation.

### Risk Response

The Company has developed targeted response strategies based on different risk levels. For unacceptable high risks, the Company adopts a comprehensive approach that includes strengthening security controls, transferring risk, or even avoiding the risk altogether. For low risks, continuous monitoring and appropriate management measures are implemented to keep them under control.

### Risk Monitoring

The Company monitors the effectiveness of risk management measures through weekly log recordings and biannual security training sessions, continuously tracking key security indicators and making timely adjustments. When new risks or major security incidents occur, the Company reassesses the risk level to ensure residual risks remain controllable, thereby enhancing the overall level of information security management.

### Risk Assessment Process



## Metrics and targets

In 2024, ETEK established clear management indicators and objectives for data security and privacy protection, ensuring the security and compliance of information and continuously enhancing its data protection capability. During the Reporting Period, no information leakage incidents of any kind occurred.

### Information Security Performance

Information security training conducted	Total participants in information security training	Total hours of participation in information security training	Offensive and defensive drills conducted
<b>4Times</b>	<b>30Persons</b>	<b>4Hours</b>	<b>2Times</b>

# 03 Green Transformation: Creating a New Low-Carbon and Eco-Friendly Pattern

ETEK places great importance on environmental protection and is committed to resource conservation and sustainable development. The Company adheres to the policy of “Compliance with Regulations, Pollution Prevention, Enhanced Environmental Awareness, and Product Compliance Assurance,” and refers to the TCFD framework to formulate practical measures in areas such as climate change response, environmental compliance, waste management, and energy and water resource usage, continuously promoting a green transformation.

Material topics addressed:

- 🌱 Climate Change Tackling
- 🏠 Environmental Compliance Management
- ♻️ Waste and Pollutant Management
- 💧 Energy and Water Resource Usage
- 🌿 Green Office

UNSDGs:



# Climate Change Tackling

## Governance

potential challenges it poses to business and operations. The Company actively responds to national calls for action and continuously enhances its ability to climate change tackling by establishing the Strategy and ESG Committee and its subordinate Strategy and ESG Working Group to identify, assess, and manage relevant risks. Risk assessment covers the likelihood of occurrence, potential impacts, and consequences. Based on the assessment results, the Company develops response measures, which are implemented by relevant functional departments to mitigate potential risks and enhance resilience to climate change tackling.

## Strategy

To better climate change tackling, the Company, based on the characteristics of the semiconductor industry and its medium- to long-term development strategy, addresses both mitigation and adaptation aspects by formulating and implementing multi-level corporate strategies and internal management measures. The Company is committed to improving energy efficiency, optimizing production processes, promoting low-carbon technological innovation, and strengthening green management across the supply chain to reduce its carbon footprint. At the same time, we enhance our risk warning mechanisms, improve emergency response plans, and promote sustainable operational models to continuously strengthen the Company's climate adaptation capacity and accelerate the green transformation process.

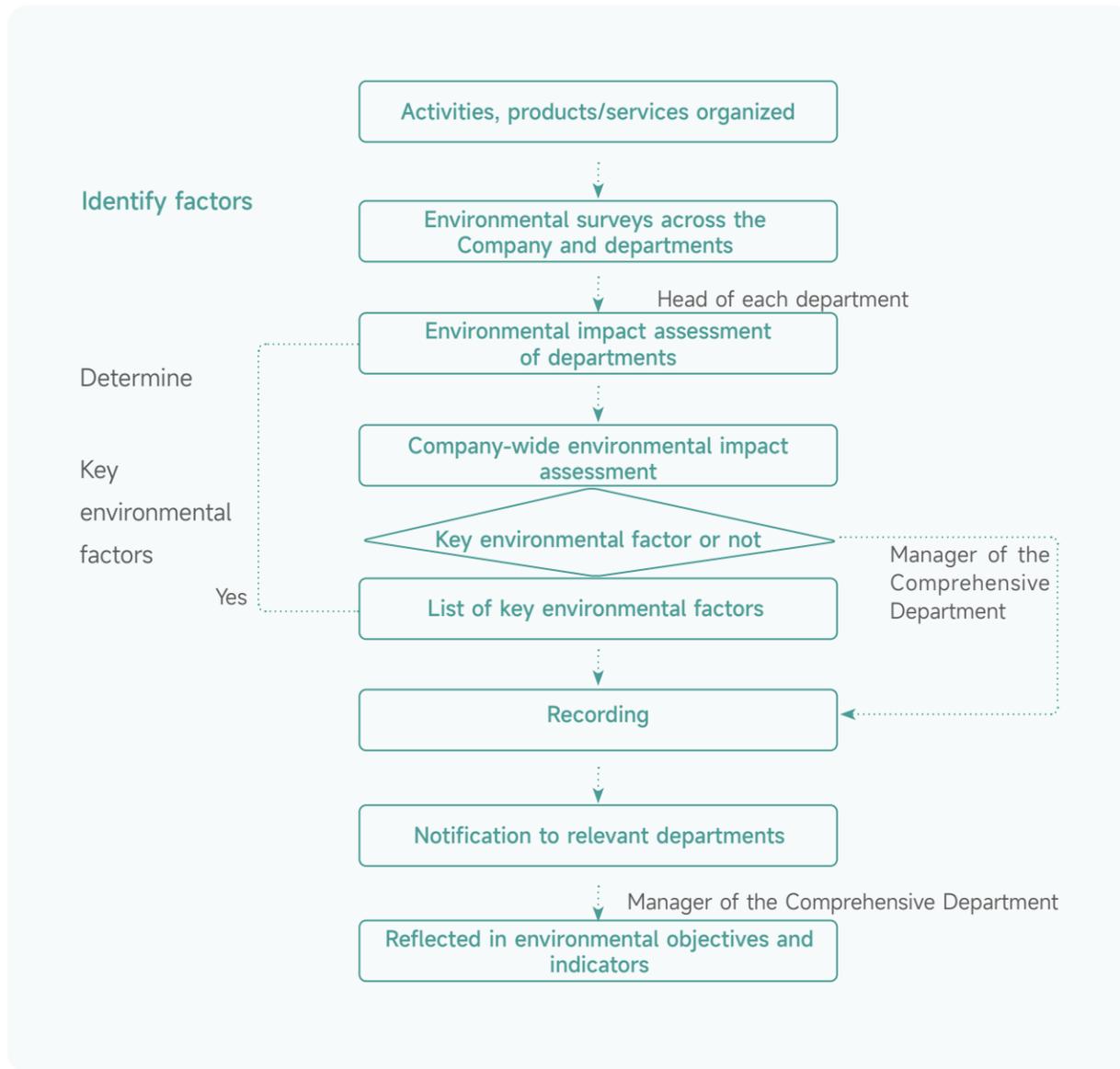
Risk Type	Description of Potential Risk	Financial Impact	Countermeasures
Physical risks resulting from climate change			
Acute risk (extreme weather, such as typhoons, heavy rain, flooding, caused by climate change)	It may cause transportation disruptions, damage power and communication systems, and affect the Company's normal operations and delivery stability. It may damage office facilities, affect data center operations, cause software crashes and data loss, thereby disrupting business operations and resulting in direct economic losses. It may damage warehouses, leading to product loss, increased repair and production costs, and greater operational pressure.	Operating cost + Asset value - Operating revenue -	The Company should conduct regular safety hazard inspections, and reinforce and repair aging or vulnerable facilities as needed to ensure their stability and safety. The Company should closely monitor weather forecasts and extreme weather warnings, establish comprehensive emergency response plans to ensure timely response, and take preventive measures in advance to minimize losses. The Company should enhance the waterproofing, moisture-proofing, and mildew-resistance capabilities of storage facilities, and optimize storage environments to reduce the impact of extreme weather on the quality of chips and other products, ensuring supply chain stability. The Company should conduct regular inspections and reinforcement of office facilities to ensure the safe operation of critical equipment. At the same time, the Company should establish a sound data backup mechanism to prevent data loss and business interruption risks caused by natural disasters.
Chronic risk (rise in average temperature, etc.)	A rise in average temperature may increase water and cooling demands, thereby increasing energy consumption. The increase in energy load can strain power lines, shorten equipment lifespan, and raise the risk of fires caused by high-power electricity usage. Rising temperatures may also increase the risk of heatstroke among employees, affecting workplace safety.	Operating cost + Asset value -	The Company should monitor the effects of external temperature changes on equipment performance and lifespan, and conduct regular testing and maintenance to ensure stable operation. The Company should optimize the working environment, and establish high-temperature operation management mechanisms to protect employee health and safety.
Transitional risks resulting from climate change			
Policy and law risk	With the introduction of relevant global regulations and standards, the requirements for climate change disclosure by domestic regulators have been refined and upgraded. The Company needs to pay continuous attention to compliance requirements. Failure to stay current with the latest environmental regulations may result in non-compliant disclosures, affecting overall compliance.	Operating cost +	The Company should establish a routine management mechanism for GHG emissions data. The Strategy and ESG Committee and its working group should regularly follow up on laws and regulations, and review the compliance of the Company's environmental practices. ESG reports should be continuously disclosed based on international standards and domestic regulatory requirements, reflecting progress in addressing climate change.

Risk Type	Description of Potential Risk	Financial Impact	Countermeasures
Transitional risks resulting from climate change			
Technology risk	The introduction of new laws, regulations, and green products imposes higher requirements on the Company's green innovation capabilities, increasing both R&D costs and technical difficulty.	R&D cost +	The Company should increase R&D investment and talent reserves, carry out industry-academia-research collaborations, and actively develop products with green innovation concepts to meet government and customer demands for green and low-carbon products and services.
Market risk	The market is placing increasing emphasis on the environmental friendliness of the Company's products. Customers are more inclined to purchase power control chips with higher energy efficiency and better energy-saving performance.	Operating cost + Operating revenue -	The Company should promote the development of green products, and integrate sustainability concepts into the Company's business operations.
Reputational risk	Stakeholders have higher expectations for low-carbon corporate operations. Failure to enhance the Company's low-carbon operational capabilities may negatively affect the brand image.	Operating cost + Operating revenue -	The Company should share green practices at industry forums, obtain authoritative certifications to enhance credibility, release special reports disclosing environmental protection measures, and leverage media to promote sustainable development achievements.

Opportunity Type	Description of Potential Opportunity	Financial Impact	Countermeasures
Climate change-related opportunities			
Product and service	Develop high-quality, green, low-carbon products and services	Operating revenue +	The Company should increase R&D investment and design more energy-efficient, eco-friendly power control chips.
Changes in market demand	Respond to the trend of global market demand for green products	Operating revenue +	The Company should actively expand into international markets with stringent environmental standards, such as Europe and the United States, participate in international green exhibitions, and obtain relevant certifications to enhance global brand influence.

## Management of impact, risk, and opportunity

The Company refers to the TCFD framework and has formulated the Identification and Assessment Procedures for Environmental Factors to identify physical and transitional risks brought about by climate change. These risks are integrated into the overall risk assessment and management system, with targeted response measures developed accordingly. The Company's environmental identification procedures apply to all environmental aspects related to its production and business activities. The Strategy and ESG Committee and the Strategy and ESG Working Group are responsible for leading the identification, assessment, and management of related risks. Risk assessment covers the likelihood of occurrence, potential impacts, and consequences. Based on the assessment results, the Company develops response measures, which are implemented by relevant functional departments to mitigate potential risks and enhance resilience to climate change tackling.



ETEK Identification and Assessment Flowchart for Environmental Factors

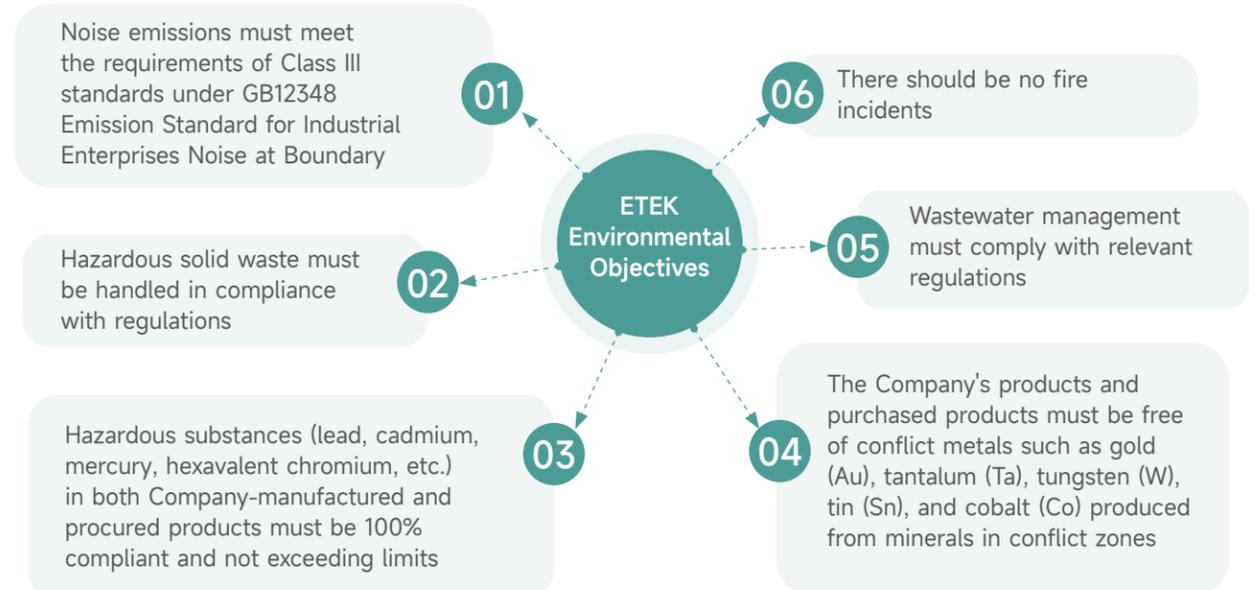
## Metrics and targets

The Company adheres to a green and low-carbon development path. To ensure that its environmental capabilities meet industry requirements, ETEK has established phased objectives for 2025 to serve as a guide for future development. The Company relies on its internal carbon emission monitoring platform and follows international standards such as ISO 14064, ISO 14067, ISO 14040, and ISO 14044 to continuously quantify and monitor carbon emissions. Strategic directions are adjusted in a timely manner based on data analysis.

Metric	Unit	2024
Scope 1 direct carbon emissions ①	tCO2e	100.78
Scope 2 indirect carbon emissions ②	tCO2e	1,036.94
Total GHG emissions (Scope 1 and 2)	tCO2e	1,137.72
GHG emissions intensity	tCO2e/RMB1 million	1.44

① Scope 1 emission factors for gasoline, natural gas, and liquefied petroleum gas are sourced from the National Greenhouse Gas Emission Factor Database.

② Scope 2 GHG emissions are calculated based on the National Greenhouse Gas Emission Factor Database issued by the Ministry of Ecology and Environment. The average CO2 emission factor for Jiangsu provincial electricity in 2022 was 0.5978 kgco2e/kwh.



# Environmental Compliance Management

## Environmental management system and policy

ETEK regards environmental management as a vital component of its corporate social responsibility. The Company actively responds to national sustainable development goals and strictly complies with laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Law of the People's Republic of China on Environmental Impact Assessment. The Company has formulated and implemented internal policies such as the Identification and Assessment Procedures for Environmental Factors and the Environmental Management Standards for Products, establishing a systematic environmental management framework led by the Strategy and ESG Committee. This enhances the Company's green operational capabilities and deeply integrates low-carbon concepts into corporate operations and strategic planning.

The Strategy and ESG Committee and its working group conduct comprehensive reviews of environmental risks and opportunities faced during business operations, formulate targeted emergency response plans, and regularly organize employee training to continuously enhance environmental compliance awareness and risk response capabilities.

During the Reporting Period, ETEK obtained an ISO 14001 Environmental Management System Certification and had no violations of environmental laws or regulations, nor any penalties from regulatory authorities.





ISO14001 Environmental Management System Certificate

## Response plan for environmental risk emergencies

The Company is deeply aware of the important impact of environmental risk emergencies on its business and employee safety, so it has formulated the Emergency Preparedness and Response Procedures, providing systematic guidelines for safety protection and emergency response. The Company carries out all-round management at three levels, namely, risk inspection, emergency response, and post-event conclusion, so as to cultivate the rapid response capability of all employees and responsible departments, and to minimize the losses brought by the emergencies.

The Company is exposed to unexpected environmental risks including fire, power outages, catastrophic weather, and poisoning. In daily operations, the Company actively conducts environmental risk identification and hazard inspections, regularly organizes emergency drills, and raises employee awareness of risk prevention. A Safety Committee and Emergency Response Team, led by the General Manager, have been established. In the event of an emergency, the Company will immediately initiate its emergency response plan, prioritize personnel safety, and implement protective and transfer measures for critical equipment to minimize loss. Following any incident, the Company will conduct a thorough root cause investigation, produce an Incident Investigation and Handling Report, and propose improvement and prevention measures to continuously optimize the emergency management system and strengthen overall risk prevention capabilities.

## Environmental protection-related training

To better implement the environmental management system and improve responsiveness to emergency environmental events, the Company conducts regular training in environmental protection and emergency response.

### 2024 Key performance highlights

**4** training sessions on environmental protection and emergency response

**155** participants in training



Rescue Drill



Fire Safety Training

# Green Office

ETEK strictly abides by the Environmental Protection Law of the People's Republic of China, the Water Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China. Internally, it has implemented the Energy Conservation Management Policy, Energy Conservation Technology Supervision Standards, and 5S Management Regulations to promote comprehensive energy-saving and consumption-reduction practices, reduce resource waste, and encourage all employees to participate in green environmental initiatives. The Company sets specific requirements for energy conservation, water saving, and recycling, and places green office reminders in its workplace to foster a sustainable corporate culture and effectively implement the green development philosophy.



## Energy Conservation Initiatives



**Energy conservation and consumption reduction**

- Use energy-efficient lighting equipment; avoid “always-on” lights
- Set office equipment to automatic sleep mode and turn off all non-essential equipment after work hours
- Control A/C frequency and temperature reasonably to avoid energy waste; ensure windows and doors are closed when A/C is operating
- Give priority to the procurement and use of energy-saving devices; reduce use of non-essential high-power equipment



**Water saving**

- Regularly inspect water-use equipment and promptly repair dripping faucets to reduce water waste
- Distribute water-saving educational materials, guide employees to use water responsibly, and improve sink hygiene management



**Other eco-friendly initiatives**

- Promote the “Clean Plate Campaign” in the cafeteria to eliminate food waste and foster good habits of frugal dining
- Encourage employees to prioritize green and low-carbon transportation methods for business travel to reduce carbon emissions

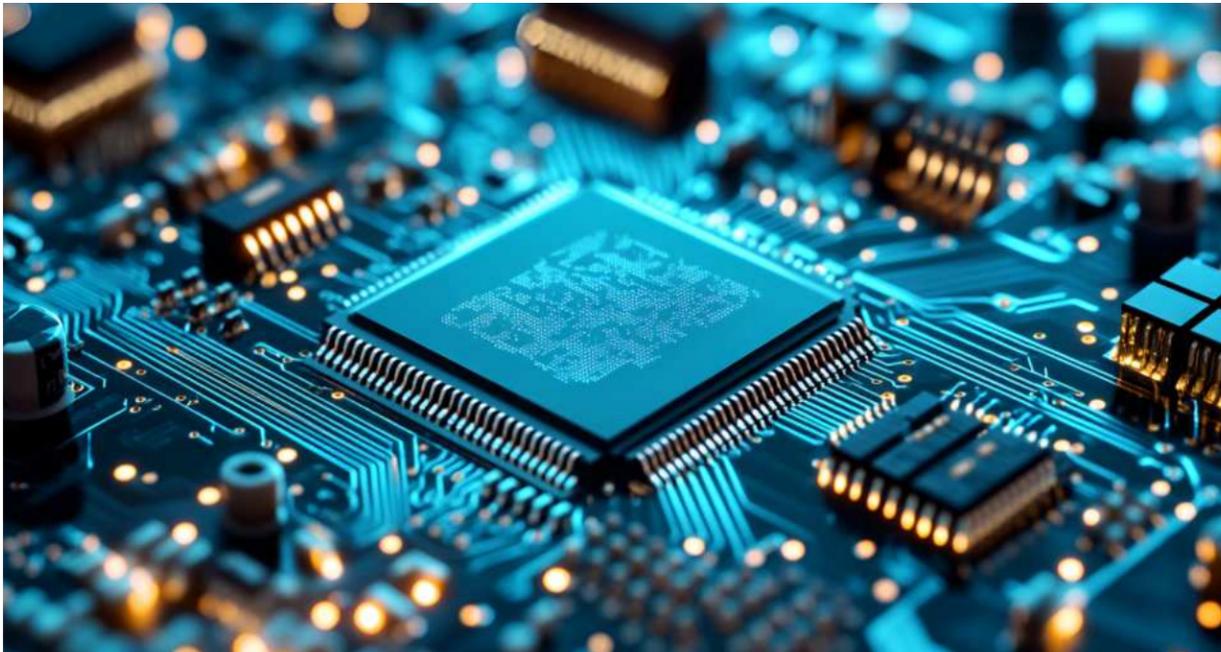
## Circular economy

The Company actively practices the circular economy philosophy, and promotes internal resource recycling management to drive an efficient and low-carbon operating model. Through maintenance and reuse initiatives, equipment such as fans, UPS units, motors, and IGBTs are repaired to maximize component reuse and reduce resource waste. The Company encourages the conservation of office resources by setting up a reused paper collection point, promoting paper recycling, defaulting printers to double-sided printing, and reducing color printing to improve resource utilization efficiency.



Secondary-use Paper Pick-up Area

# Waste and Pollutant Management



ETEK is a fabless IC design enterprise, which does not directly engage in product manufacturing. As such, the environmental impact caused by waste generated during operations is relatively minimal. Nonetheless, the Company attaches great importance to waste management and strictly complies with laws and regulations such as the Environmental Protection Law of the People’s Republic of China, the Law of the People’s Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, the Law of the People’s Republic of China on Prevention and Control of Water Pollution, the Law of the People’s Republic of China on the Prevention and Control of Noise Pollution, and the Measures for the Management of Hazardous Waste Transfer Forms. Internally, it has formulated policies including the Management Regulations on Wastewater Discharge, the Management Regulations on Solid Waste, the Management Regulations on Energy Conservation and Consumption Reduction, and the Management Regulations on Noise Emission to ensure the compliance of waste disposal and minimize environmental impact to the greatest extent.

## Waste management

ETEK’s operations do not involve hazardous solid waste from production. Only a small amount of copper-containing waste circuit boards is generated during design and testing processes. Non-hazardous waste mainly consists of household waste. Despite the limited amount of hazardous waste, the Company places high importance on its management. It has developed hazardous waste emergency response plans and prepared an annual hazardous waste management training plan. Each project department of the Company maintains a solid waste ledger, with dedicated personnel responsible for the storage, inspection, and supervision of waste materials. The Company also organizes competitive bidding for qualified used items to ensure the standardized and compliant handling of waste.



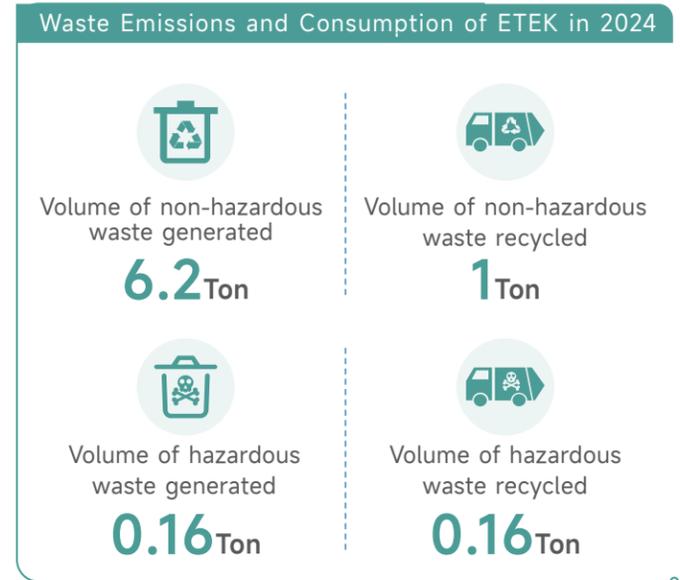
Non-hazardous waste

- Establish designated waste storage areas equipped with features such as rain-proofing, leak prevention, spill containment, and loss prevention, and strictly store non-hazardous solid waste in accordance with regulatory requirements.
- Strictly comply with environmental protection laws and regulations, implement garbage classification management, prohibit arbitrary disposal or landfill, and entrust qualified third-party organizations to centralize garbage disposal.



Hazardous waste

- Assign dedicated personnel to supervise the implementation of hazardous waste management, organize training to enhance employees’ environmental awareness, and standardize the recording of ledgers and reports to ensure that the waste disposal process is controlled.
- Strictly implement the Measures for the Management of Hazardous Waste Transfer Forms, fill out the transfer forms accurately, and report it in a timely manner to environmental authorities, ensuring data accuracy, consistency, and traceability.



## Wastewater management

The Company has no production-related water usage; wastewater is mainly generated from domestic water use. The Company strictly complies with the Integrated Wastewater Discharge Standards and the Wastewater Quality Standards for Discharge to Municipal Sewers, ensuring that discharged water meets quality standards and that wastewater is discharged in a regulated manner through the park’s sewage system to ensure environmental compliance. Each year, the Company commissions a professional agency to conduct water quality monitoring and issue a Water Quality Testing Report to ensure that water resource management aligns with relevant regulations and to promptly identify and resolve potential issues.

### Wastewater Treatment Measures of ETEK

-  The use of wastewater to flush pipelines is prohibited. If such an operation is necessary, it must be approved by relevant authorities, and effective pollution prevention measures must be implemented.
-  If there is too much wastewater in the wastewater pool on site, the Company should contact qualified wastewater treatment organizations for handling.
-  Dumping of waste oil or leftover food into the sewage system is strictly prohibited. The use of phosphate-containing detergents for dishwashing is also forbidden to prevent water pollution.
-  Domestic waste must be cleared regularly to prevent contamination caused by rainwater runoff.

### Noise management

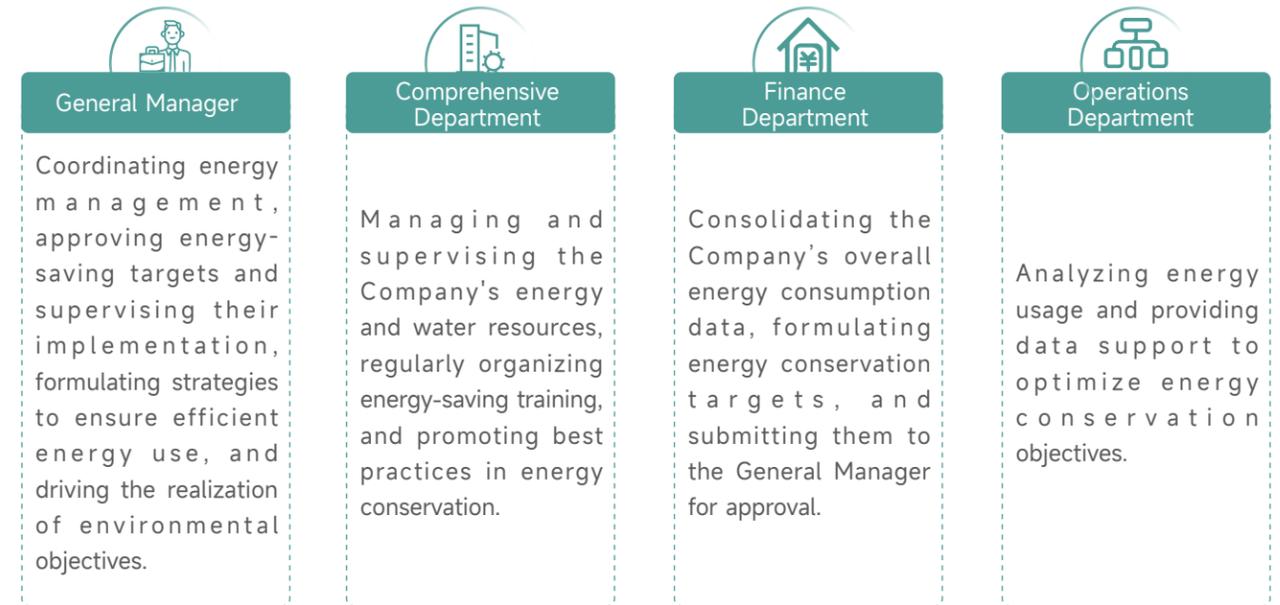
The Company strictly adheres to the Class III standards under GB12348-2008 Emission standard for industrial enterprises noise at boundary, ensuring that boundary noise levels do not exceed 65 dB during the day and 55 dB at night. To ensure effective noise control, the Company regularly monitors noise pollution points. Third-party organizations are engaged to provide a Noise Testing Report, and relevant equipment is maintained and serviced to reduce noise impact and ensure compliance with environmental standards.

## Energy and Water Resource Usage

ETEK's operations primarily consume electricity and water. The Company places great emphasis on energy and resource management and has implemented the Management Regulations on Energy Conservation and Consumption Reduction in the long term, which define the scope, processes, and specific requirements of the management system. Through a systematic management model, the Company continues to promote technological upgrades, optimize energy usage, and improve resource utilization efficiency.

A resource conservation management system has been established, led by the General Manager and executed collaboratively by all departments. Responsibilities are clearly defined to ensure implementation. Through a systematic evaluation mechanism, the Company regularly monitors energy consumption, continuously optimizes management strategies, and improves resource efficiency.

### Management of Energy Conservation and Consumption Reduction



### Energy conservation and consumption reduction initiatives

ETEK strictly follows the Management Regulations on Energy Conservation and Consumption Reduction, and actively implements control measures to support the enhancement of energy and water resource management. In 2024, the Company launched several practical initiatives—for example, posting water-saving signs in office and production areas to raise employees' awareness of water conservation, and regularly inspecting and maintaining water-use equipment to ensure optimal performance. These efforts significantly enhanced water management efficiency and delivered notable results in water-saving practices.

#### Key performance highlights

Gasoline	<b>32.14</b> Ton	Total energy consumption	<b>260.99</b> Ton of standard coal
Electricity purchased	<b>173.46</b> kWh	Total water consumption (municipal water supply)	<b>4,160</b> Ton

# 04

## People-Centered Coexistence: Shaping the Future Together with Employees

ETEK always adheres to the values of “empathy in relations, rigor in operations,” and places great importance on the growth and well-being of every employee. We are committed to building a diverse, equal, and inclusive work environment where employees can thrive in a safe, healthy, and dynamic atmosphere. The Company continuously optimizes communication mechanisms and enriches employee activities, forming an open, transparent, and efficient management system. Adhering to a people-oriented approach, we promote the steady and sustainable development of both the enterprise and its employees, achieving people-centered coexistence. At the same time, as a company focused on sustainable development, we fully recognize the importance of assuming social responsibility. Through active participation in public welfare and social initiatives, we spread warmth and positive energy with concrete actions, contributing to the creation of a more harmonious and better society.

Material topics addressed:

- Protection of Employee Rights and Interests
- Diversity and Inclusiveness
- Occupational Health and Safety
- Career Development and Training
- Social Contribution and Rural Revitalization

UNSDGs:



# Protection of Employee Rights and Interests

## Employment compliance

To protect the legal rights and interests of employees, ETEK strictly complies with the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Minors, and the Law of the People’s Republic of China on Labor-dispute Mediation and Arbitration, ensuring that all processes including recruitment, attendance, payroll, and resignation management are lawful and compliant. Based on the Company’s operational needs, internal documents such as the Personnel Management Regulations and Implementation Standards and the Recruitment and Onboarding Management Policy have been established to continuously improve the personnel management system and provide employees with clear career development pathways.

The Company publishes job postings through diverse channels such as online platforms, campus recruitment, headhunting firms, and offline recruitment events. Following the principles of "recruitment by need, fairness, and merit-based selection," the Company adopts multi-dimensional interviews and assessment mechanisms to ensure fair recruitment practices. Upon onboarding, the Company promptly signs standardized labor contracts with employees and, in accordance with relevant laws and internal policies, pays full social insurance and housing provident fund contributions to comprehensively safeguard employees’ rights.

### Eradication of child labor

In terms of prevention of child labor and forced labor, we abide by laws and regulations such as the Law of the People’s Republic of China on the Protection of Minors and the Provisions on Prohibition of Child Labor. In case of any breach of required procedures or inadequate control during the recruitment, we will hold relevant departments and personnel accountable to prevent any incidents involving child labor or forced labor. No child labor incidents occurred during the year.

## Equality and inclusion

ETEK actively recruits employees from diverse backgrounds, cultures, and skill sets. Through cross-departmental collaboration and internal job rotations, we foster diverse thinking and innovation. The Company fosters a respectful and inclusive workplace environment and strictly prohibits all forms of discrimination and harassment in recruitment, promotion, and performance evaluation. Any unfair treatment based on gender, age, ethnicity, or other characteristics is forbidden. Regarding the protection of women’s rights and interests, the Company strictly complies with the Law of the People’s Republic of China on the Protection of Rights and Interests of Women and has formulated the Management Procedures for Female Employee Protection to ensure fair recruitment and equal employment opportunities for female employees. We prohibit unreasonable conditions based on gender or marital/childbearing status, fully safeguard the rights of female employees, and support them in realizing their full potential. At the same time, the Company has established independent complaint and feedback channels, equipped with dedicated investigation mechanisms. Once any misconduct is discovered, the Company upholds a zero-tolerance policy and ensures timely handling of such incidents.

### Key performance highlights

Male employees: **64%**      Employees with disabilities: **0.2%**  
 Female employees: **36%**      Return-to-work rate after parental leave: **100%**  
 Ethnic minority employees: **0.9%**      Number of discrimination incidents during the year: **0**

### New recruits



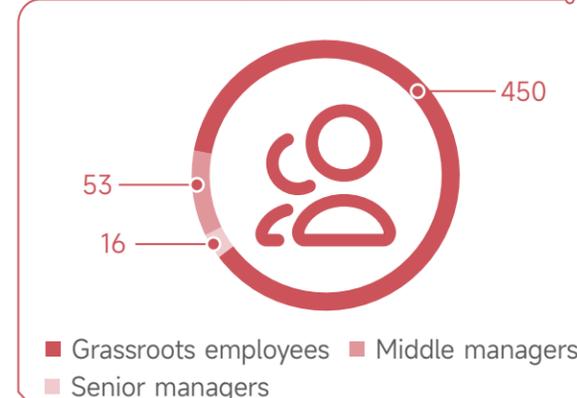
### Number of employees by gender



### Number of employees by educational background



### Number of employees by position level



## Employee democratic management

ETEK places high importance on employees' rights and interests and has established a comprehensive complaint and grievance mechanism, aiming to build a harmonious and stable labor relationship. The Company has formulated the Management Procedures for Employee Feedback, Suggestion, Complaint Handling and Response, and established a mechanism for employee grievances and complaints. The Comprehensive Department or a management representative is responsible for managing employee complaints.

Speaking up for rights

The Company actively encourages employees to express their opinions and suggestions through multiple channels such as written or direct complaints. These measures ensure employees' rights to know, participate, express, and supervise are fully protected. This not only helps safeguard employees' legal rights and interests but also fully activates their initiative, encouraging them to actively participate in corporate management. In turn, this promotes scientific and democratic development in corporate decision-making.



Key performance highlights



Employee satisfaction rate: **95.34%**

## Remuneration and benefits

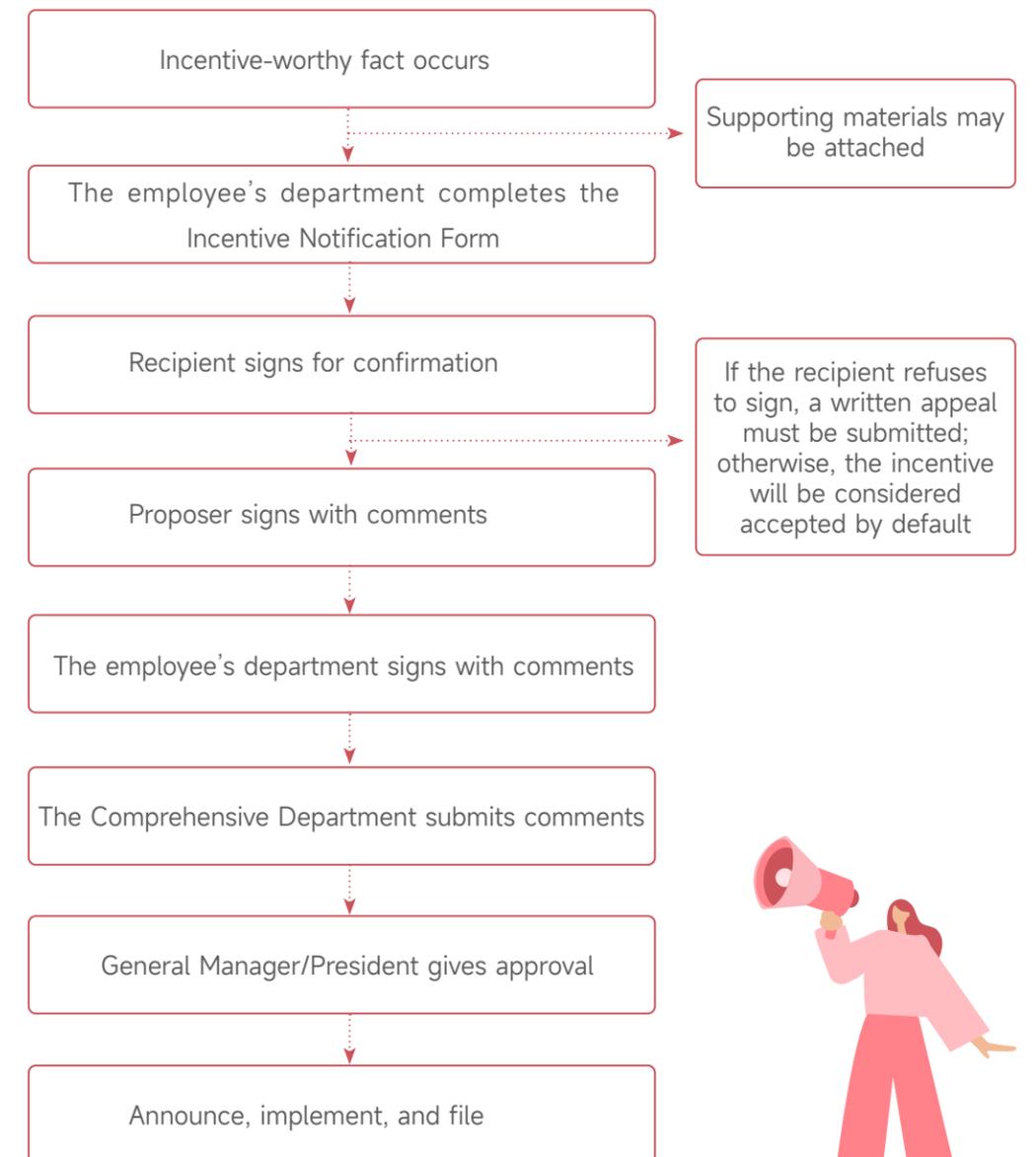
ETEK adheres to the management principles of "legal compliance, transparency, incentive orientation, and adaptability", continuously improving its remuneration policies and payment mechanisms. The Company has formulated a series of policies, including the Corporate Remuneration Management Policy, the Remuneration and Benefits Policy, and the Year-end Bonus Appraisal Measures. Based on job value, individual capability, and market trends, a diversified salary structure has been developed.

Flexible remuneration management

The Company adjusts salaries with flexibility based on business performance and labor market pricing, while also considering individual contributions and skill development. Higher salary increases are offered to high-level, in-demand talent, and salary adjustments are made for employees with outstanding performance or promotion. At the same time, the Company monitors overall payroll budgets using indicators such as labor cost ratio and labor distribution rate to maintain a balance between long-term operational stability and employee motivation.

Incentive mechanism

ETEK has established a comprehensive employee incentive mechanism to fully mobilize employee enthusiasm. The Company developed the Employee Incentive Management Mechanism and built a scientific incentive system. In line with the Company's characteristics, the incentives are categorized into three types: Commendation, Merit Awards, and Promotion. Employees who demonstrate exceptional performance in safeguarding the Company's honor, accomplishing tasks, saving costs, innovating, and protecting the Company's assets are rewarded. Through this incentive mechanism, ETEK effectively motivates employees' enthusiasm and creativity, promoting mutual growth between employees and the Company.



Employee Incentive Flowchart





### Employee care

ETEK provides a comprehensive benefit and welfare system for all employees, focusing on their physical and mental well-being. In addition to providing basic legal benefits, the Company offers a wide range of non-salary benefits, covering both work and life scenarios, to provide all-around care and support for employees and their families.

Pension fund, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance, and housing provident fund

#### Statutory benefits

Holidays, birthday celebrations, benefits for female employees, team-building activities, meal benefits, health check-ups, and travel

#### Caring benefits

Rental subsidies, Best New Product Award, rewards for outstanding employees, disability subsidies, and invention patents

#### Special benefits



### Colorful activities

ETEK actively organizes a series of diverse and unique activities for employees to enhance team cohesion and collaboration, building a positive corporate culture. The Company organizes a variety of activities such as Lantern Riddle Guessing, Birthday Celebrations, Outdoor Hiking, and Travel. These activities, designed to be both fun and educational, foster better understanding and cooperation among employees, helping them relieve work stress, broaden their horizons, and strengthen their sense of belonging. Through these initiatives, we continuously create a positive and uplifting corporate culture atmosphere, showcasing our attention and investment in the well-being and quality of life of our employees.



Lantern Riddle Guessing



Birthday Celebration



Mountain Climbing



Basketball Game



Outdoor Hiking



Team Building

## Career Development and Training

### Open training platform

ETEK adheres to the principle of hiring people based on both virtue and talent and always views employee training as a crucial strategy for enhancing the Company's core competitiveness. We have established the Training Management Policy and offer systematic, tiered, and diverse training to help employees quickly master job-related skills, understand the corporate culture, and continuously improve service levels and management abilities. This ultimately fosters the shared growth of both the Company and its employees.

To ensure the systematization and effectiveness of training, the Company has built a training system that covers all employees, with training categorized by levels. We use performance evaluations, surveys, departmental interviews, and other methods to accurately identify training needs for each position, and compiled the Summary of Annual Training Plans as a blueprint for employee training.

Trainees	Content
Management personnel	Modern business management theories, organizational decision-making skills, and strategic management of the Company and its systems.
Technical professionals	Specialized techniques, fundamental theories, and business practice.
Internal auditors of systems	System-related knowledge, auditing skills, and system-related laws and regulations.
Design, processing, production, and quality control personnel	Refresher training on professional knowledge required for implementing certification systems.
HR and financial staff	HR and financial knowledge commensurate with their roles.

### Multi-dimensional training



ETEK has built a comprehensive talent development system, with the Comprehensive Department responsible for organizing and implementing the training. A variety of methods, including internal instructors, external experts, and team-building activities, are adopted. The training process follows a strict procedure: needs assessment, curriculum development, training execution, effectiveness evaluation, and archive management. This ensures that the training results are implemented effectively and provide strong support for employee promotion and performance evaluations.

### Key performance highlights



Investment in employee training: RMB**594,000**

Total participants in training: **578** person-times

Total training duration: **7,523.70** hours

Average training duration per employee: **13.01** hours

Training coverage rate: **60%**



### During the reporting period, the company organized and carried out various training activities

#### Mid-to-senior management training

Specialized training themed "Quality Lecture" has effectively enhanced the management's understanding and practical ability in quality management.



#### Training for technical professionals

The R&D department organizes training to comprehensively enhance technical capabilities.



#### Onboarding training for new employees



Six sessions of training were organized, covering 94 person-times, helping new employees quickly integrate into the corporate culture and job requirements.



**Training on Golden Rule of Recruitment Interview**

Based on the requirements of the Company and specific positions, training is provided on interview techniques to help select candidates who match the required competencies for the positions.



**Fenbei Tong training**

Training on the use of Fenbei Tong software is conducted for certain personnel.



**Knowledge sharing competition**

The Company organizes internal knowledge competitions, providing employees with a platform to showcase their skills, learn, and communicate, which helps stimulate employees' innovative spirit.

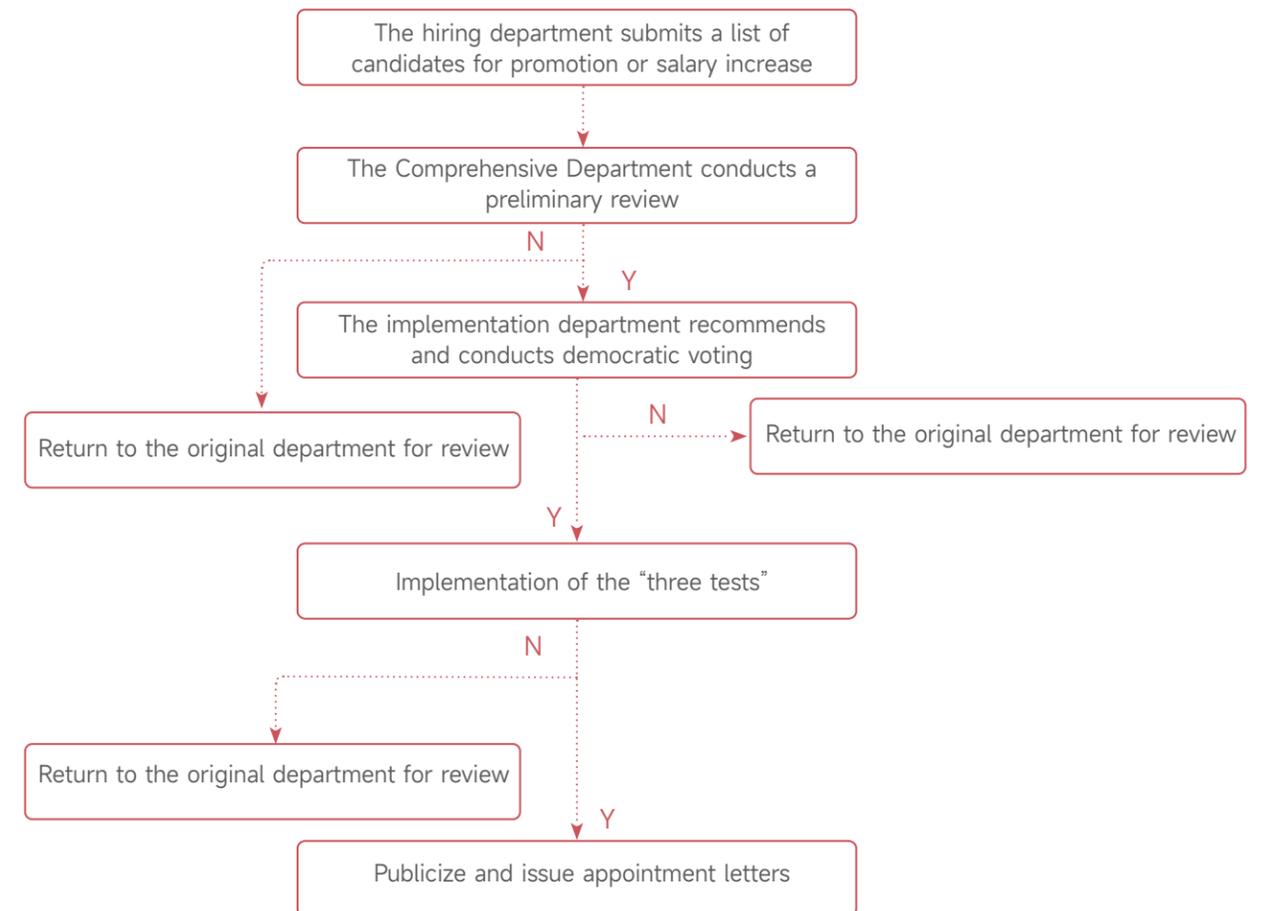


**Career development**

The Company has established a comprehensive development system for employees. Based on factors such as experience, responsibilities, work skills, performance, job positions, and market positioning, a specialized promotion and development mechanism has been established for different levels of employees. This system covers all job categories, including management, support, R&D, engineering, and after-sales skills, and provides dual development paths in both management and professional roles, allowing employees to better unleash their potential.

**Promotion mechanism**

The Company offers two career development paths: management and technical. Employees can choose their development direction based on their strengths and career plans. Management path focuses on cultivating leadership and team management skills. Promoted employees will be responsible for overall planning, team coordination, and similar tasks. Technical path focuses on enhancing professional technical expertise. Employees are encouraged to deeply explore their technical fields and provide the Company with innovation and support in technology. Each year, through performance evaluations and talent reviews, promotion conditions and assessment standards are clearly defined, ensuring that "the capable rise, and the incompetent are replaced." This creates broad and fair career development paths for employees.



Promotion Process

# Occupational Health and Safety

ETEK regards occupational health and safety as an important cornerstone for sustainable development. The Company strictly adheres to relevant laws and regulations such as the Labor Law of the People's Republic of China, Fire Prevention Law of the People's Republic of China, and industry standards, and has formulated sound safety production responsibility system and internal management policies, including but not limited to the Safety Production Responsibility System, Regulations on Safety and Civilized Production, ESD Protection Regulations, Fire Safety Management Regulations, Operating Standards for Hazardous Substance Testing Equipment, and Emergency Preparedness and Response Procedures, ensuring that all production and management activities comply with legal requirements.

The Company is actively advancing the establishment of an occupational health and safety management system by systematically identifying and assessing hazardous factors in the production process, improving safety risk identification and control mechanisms, and implementing preventive measures and continuous improvements. In this process, the Company conducts regular internal and external audits, risk assessments, and performance evaluations to gradually achieve the standardization, scientific approach, and internationalization of occupational health and safety management.

## Identification of hazardous factors

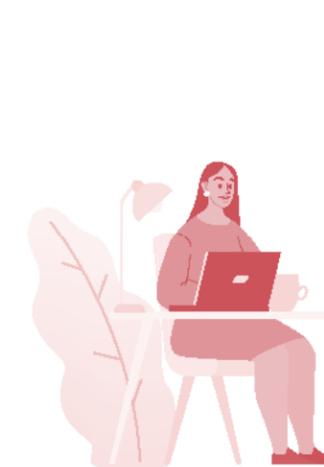
The Company is equipped with professional testing equipment such as the XRF spectrometer to strictly test raw materials, semi-finished products, and finished goods that may contain environmentally regulated substances. This ensures that materials containing prohibited or restricted chemicals do not enter the production process, protecting employee health and environmental safety. The Company regularly monitors occupational hazards such as noise and dust concentration. Based on the testing reports, the Company conducts risk assessments and implements corresponding protective and corrective measures. Anti-static zones are established in the production workshops, with temperature and humidity controlled within reasonable ranges. Employees are required to wear anti-static wristbands, gloves, shoes, and clothing to ensure the safety of production operations and product quality.

## Occupational health protection

The Company provides employees in different positions with personal protective equipment that complies with national standards and industry norms, and regularly checks its effectiveness and proper usage. The Company organizes annual occupational health checkups for employees. For positions with higher risks such as exposure to high temperatures, dust, chemicals, and noise, stricter specialized health examinations and monitoring are conducted. The Company also provides training on occupational disease prevention to ensure that employees are fully aware of the risks and protection measures related to their positions.

### Case

The Company has equipped office areas with ergonomic desks and chairs to improve the working environment and reduce the risk of occupational injuries caused by prolonged poor posture.

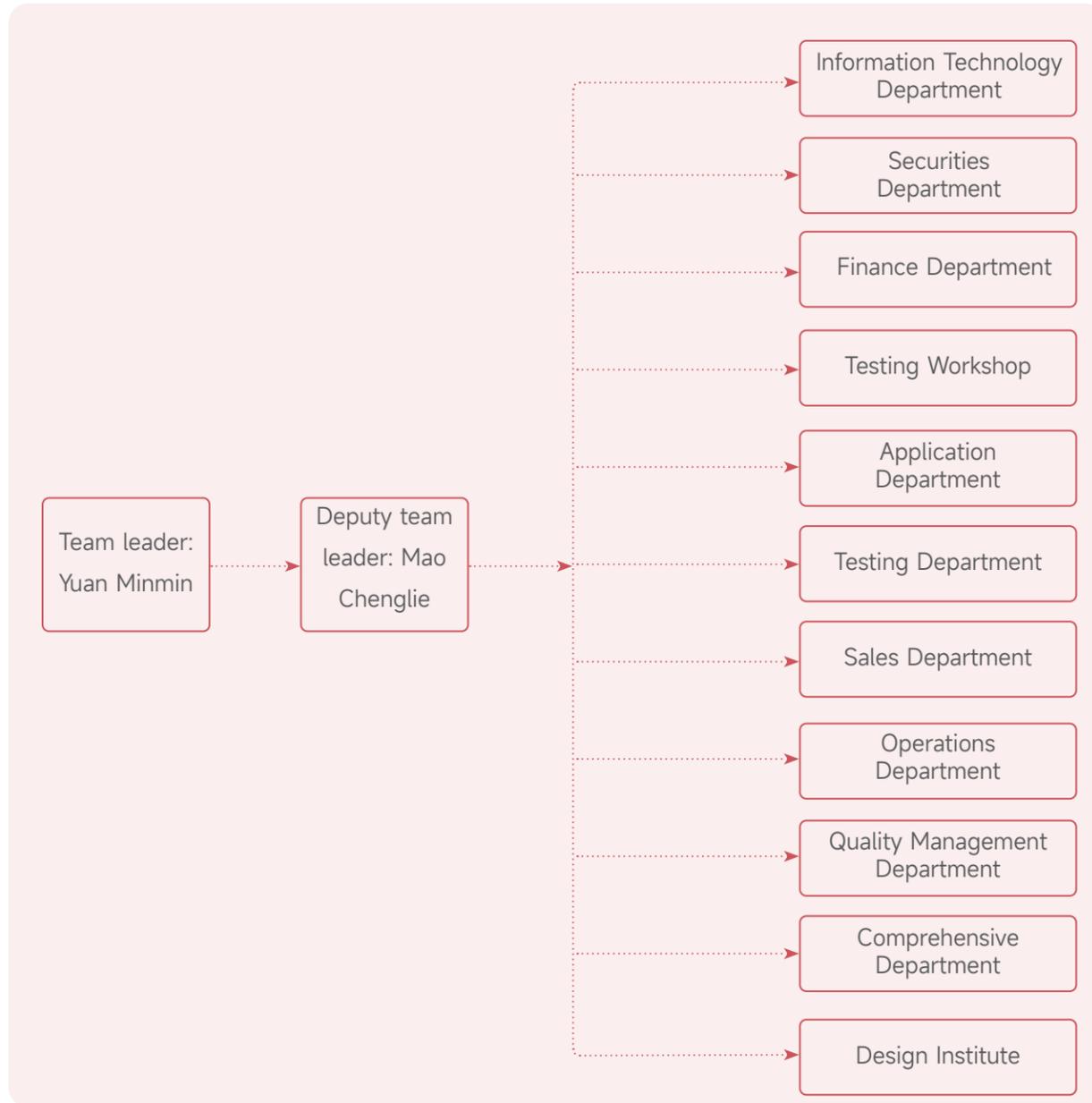


Ergonomic Chairs in the Office Area

## Safety emergency plan

ETEK has developed emergency response plans covering scenarios such as fires, power outages, natural disasters, chemical spills, and workplace injuries based on the Emergency Preparedness and Response Procedures (ETEK/QP-30), and has established an emergency command organizational structure. The Company has clarified safety production responsibilities at all levels, from the Senior Management to frontline employees, with specific safety management duties assigned to each department. The General Manager leads the safety production leadership team, and department heads take direct responsibility for safety management, ensuring the principles of "who is in charge, who is responsible, who executes, who implements."

The Company regularly organizes AED training, hazardous material handling, and equipment safety operations. Each department collaborates with the Comprehensive Department to conduct at least one fire drill and other emergency exercises each year, ensuring a rapid and efficient response to emergency situations, including rescue, personnel evacuation, and accident control. In 2024, the Company conducted four emergency training and drill activities, significantly enhancing employees' emergency response and self-rescue capabilities.



Organizational Structure for Emergency Command

In specialized fields such as hazardous chemical management, ESD protection, and noise control, the Company regularly invites external experts to provide targeted training and technical guidance, continuously strengthening employees' awareness and skills in risk prevention and control.

ETEK continues to enhance employee safety awareness and skill training, improving risk control and emergency management, and steadily progressing toward the goal of "zero accidents, zero injuries."

Metric	Unit	2024
Safety investment	RMB'0,000	21.44
Safety training coverage rate	%	100
Participants in safety training	Person	519
Total training hours of production safety	Hour	6,228
Work-related injury rate	%	0
Occurrence of occupational disease	%	0
Employee checkup coverage rate	%	100

Employee Health and Safety Performance

## Social Contribution and Rural Revitalization

### Support for public welfare and charity

ETEK has always adhered to the responsibility philosophy of "Originating from Society, Giving Back to Society." The Company actively participates in various community public welfare activities and charitable donations, encouraging employees to engage in public welfare through various means and contribute positively to social development. We firmly believe that only by continuously enhancing the Company's competitiveness while actively fulfilling social responsibility can we achieve mutual benefit and progress for both the Company and society.



Training on the Operation of AED Rescue Equipment



Fire Drill

Case

ETEK donated to the drinking well project in Halazhigou Village, Huzhu County, supporting water supply projects

As a representative enterprise in the Xinwu District, ETEK actively practices social responsibility and, along with other enterprise representatives, generously donated to the drinking well project in Halazhigou Village, Huzhu County. This philanthropic effort reflects ETEK's concern for the welfare of the people and contributes positively to regional collaboration and development.



Case

ETEK hosted the "ETEK Cup" badminton match, energizing campus life

ETEK actively supports university campus culture and sports activities. We partnered with Southeast University Wuxi Campus to jointly organize the ETEK Cup badminton match, enriching students' extracurricular lives and promoting industry-academia-research exchanges.



### Public welfare education for the talented

ETEK understands that education is the foundation for stimulating innovation and achieving sustainable development. We collaborate closely with multiple universities, supporting teaching, research, and the cultivation of high-level talents through donations, scholarships, and academic exchanges.

Case

ETEK established the ETEK Award Fund to promote education for good

ETEK established the ETEK Award Fund, which helps students pursue their dreams through scholarships. Upholding the spirit of "Striving for Perfection," we promote the wider cultivation of innovative talent.

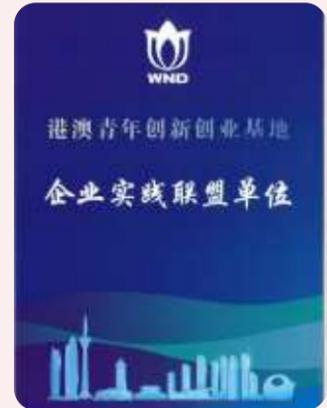


### Supporting youth and accompanying career development

ETEK actively builds platforms to provide innovative practice opportunities for young talents, helping them stay at the forefront of the industry and grow through experience. We provide quality job opportunities for university graduates, broaden their career paths, and deeply participate in talent cultivation, assisting from teaching practices to career guidance, ensuring students' smooth transition into employment.



Best Strategic Partner for University Graduate Employment



Hong Kong and Macau Youth Innovation and Entrepreneurship Base Enterprise Practice Alliance Unit

# Appendices

## Appendix 1 Table of Key Performance

Metric	Unit	Data of 2024
Operating revenue	RMB'0,000	78,749.33
Net profit attributable to the listed company's shareholders	RMB'0,000	12,585.74
Total assets	RMB'0,000	145,748.26
Basic earnings per share	RMB	0.94

Environmental Performance			
	Metric	Unit	Data of 2024
Environmental input	Total investment in environmental protection	RMB'0,000	1.09
	Direct (Scope 1) GHG emissions	tCO2e	100.78
GHG emissions	Indirect (Scope 2) GHG emissions	tCO2e	1,036.94
	Total GHG emissions (Scope 1 and 2)	tCO2e	1,137.72
	Total GHG emissions per million revenue (Scope 1 and 2)	tCO2e/RMB1 million	1.44
Energy usage	Total electricity consumption	kWh	173.46
	Gasoline	Ton	32.14
	Natural gas	10,000 cubic meters	0.03
	Liquefied petroleum gas	Ton	0.07
	Outsourced electricity	kWh	173.46
	Total energy consumption	tons of standard coal	260.99
	Total energy consumption per million revenue	tons of standard coal/RMB'0,000	0.33
Water usage	Total water intake volume	Ton	4,160
	Volume of non-hazardous waste generated	Ton	6.2
Solid waste discharge	Volume of non-hazardous waste recycled	Ton	1
	Volume of hazardous waste generated	Ton	0.16
	Volume of hazardous waste recycled	Ton	0.16

Social Performance			
	Metric	Unit	Data of 2024
Innovation and R&D	Amount of R&D investment	RMB'0,000	14,055.93
	Proportion of R&D investment to operating revenue	%	17.85
	Number of R&D personnel	/	293
	Percentage of researchers in total workforce	%	56.45
	New intellectual property applications in 2024	Case	42
	—New invention patent applications	Case	24
	—New utility model patent applications	Case	4
	—New software copyright applications	Case	3
	—Other new applications	Case	11
	Total number of intellectual property rights applications	Case	234
	New intellectual property authorizations in 2024	Case	52
	—New invention patent authorizations	Case	40
	—New utility model patent authorizations	Case	5
	—New software copyright authorizations	Case	3
—Other new authorizations	Case	4	
Total intellectual property authorizationsw	Case	191	
Educational background of R&D personnel	Employees with bachelor's degree or above	/	279
	Employees with below bachelor's degree	/	14

Social Performance				
Age of R&D personnel	Aged under 30	/	206	
	Aged 31-50	/	77	
	Aged 51-60	/	10	
Product quality	Product quality compliance rate	%	100	
Customer service	Customer complaint resolution rate	%	100	
	Customer satisfaction rate	%	100	
	Number of employees	/	519	
New recruits	Number of employees engaged during the Reporting Period	/	100	
	Of which: New graduates	/	51	
Employment	Number of employees by gender	Male employees	/ 328	
		Female employees	/ 191	
	Number of employees by position level	Senior managers	/	16
Middle managers		/	53	
Grassroots employees		/	450	
Number of employees by educational background	Employees with bachelor's degree or above	/	392	
	Employees with below bachelor's degree	/	127	
Employee turnover rate	Turnover rate	%	9	
Employee training	Number of employees trained	Person	578	
	Total employee training hours	Hour	7,523.70	
	Average training hours of employees	Hour	13.01	
	Employee training coverage rate	%	60	
	Proportion of employees who received training (by level)	Senior employees	%	28
		Mid-level employees	%	32
Grassroots employees		%	40	
Employee satisfaction survey	Employee satisfaction	%	95.34	

Social Performance			
Labor standards	Employment contract signing rate	%	100
	Social insurance coverage rate	%	100
	Total employee discrimination cases	Case	0
	Coverage rate of union/collective bargaining agreement	%	100
	Forced labor incidents	Case	0
	Child Labor Incidents	Case	0
Occupational health and safety	Participants in safety training	Person	519
	Total training hours of production safety	Hour	6,228
	Per capita training duration	Hour	12
	Safety training coverage rate	%	100
	Safety drills and emergency exercises	Time	4
	Coverage of occupational health examination	%	100
Supplier management	Occurrence of occupational disease	%	0
	Major production safety accidents for the year	Case	0
	Work-related injury rate	%	0
	Number of work-related death	/	0
	Work-related deaths per 100 million revenue	Person/RMB100 million	0
	Total number of suppliers	/	109
Information security	Number of suppliers by geographical region	China (including Hong Kong, Macau, and Taiwan)	/ 107
		Overseas suppliers	/ 2
Contributions to the society	Information security training conducted	Time	4
	Total participants in information security training	Person	30
	Total hours of participation in information security training	Hour	4
	Offensive and defensive drills conducted	Time	2
Information security	Information leakage incidents	Case	0
	Charitable contribution	RMB' 0,000	45
	Tax rating	level	A

Governance Performance				
	Metric	Unit	Data of 2024	
Composition of the Board of Directors	Members of the Board of Directors	/	9	
	Independent or not	By independent director	Number	3
		Percentage of independent directors	%	33.33
	By educational background	Doctor	Number	2
		Master	Number	4
		Below bachelor's degree	Number	3
	By gender	Male directors	Number	7
		Female directors	Number	2
	By age	Aged 50 and above	Number	5
		Aged under 50	Number	4
Company operations	Board of Directors' meetings	Time	8	
	Meetings of the Board of Directors' Audit Committee	Time	5	
	Board of Supervisors' meetings	Time	8	
	Number of Shareholders' Meeting held	Time	2	
	Number of proposals approved by the Board of Directors	/	38	
	Number of proposals approved by the Board of Supervisors	/	22	
	Number of proposals approved by the Shareholders' Meeting	/	13	
Compliance management	Number of violations of antitrust and unfair competition laws	Case	0	
	Number of violations of social laws and regulations	Case	0	
Interests of investors	Cash dividend per share in 2024	RMB	0.6	
	Number of disclosed report documents	/	62	
	Number of investor research meetings held	Time	4	
Anti-commercial bribery and anti-corruption	Integrity education and employee training coverage	%	100	

## Appendix 2 Report Index Table

Report Index Table of the Guidelines No. 14 of Shanghai Stock Exchange for Self-regulation of Listed Companies - Sustainability Report (Trial) (April 2024)

Dimension	No.	Disclosure Requirement	Article	Corresponding Report Chapter
Environment	1	Climate change tackling	Articles 21-28	Section 1 of Chapter III Climate Change Tackling
	2	Pollutant discharge	Article 30	Section 4 of Chapter III Waste and Pollutant Management
	3	Waste disposal	Article 31	Section 4 of Chapter III Waste and Pollutant Management
	4	Ecosystem and biodiversity protection	Article 32	Not applicable. The Company's location is not within a key protection area, and its production and business activities do not have a significant negative impact on ecosystems and biodiversity. As such, this issue has not been included in ETEK's ESG topics.
	5	Environmental compliance management	Article 33	Section 2 of Chapter III Environmental Compliance Management
	6	Energy usage	Article 35	Section 5 of Chapter III Energy and Water Resource Usage - Energy usage
	7	Usage of water resources	Article 36	Section 5 of Chapter III Energy and Water Resource Usage - Usage of water resources
	8	Circular economy	Article 37	Section 3 of Chapter III Green Office - Circular economy
Society	9	Rural revitalization	Article 39	Section 4 of Chapter IV Social Contribution and Rural Revitalization
	10	Contributions to the society	Article 40	Section 4 of Chapter IV Social Contribution and Rural Revitalization
	11	Innovation-driven	Article 42	Section 1 of Chapter II Innovation-Driven
	12	Ethics of science and technology	Article 43	Section 1 of Chapter II Innovation-Driven - Ethics of science and technology
	13	Supply chain security	Article 45	Section 3 of Chapter II Supply Chain Security

Dimension	No.	Disclosure Requirement	Article	Corresponding Report Chapter
Society	14	Equal treatment to small and medium-sized enterprises	Article 46	Not applicable. The topic "Equal Treatment to Small and Medium-sized Enterprises" applies to entities with accounts payable (including notes payable) exceeding RMB30 billion or accounting for more than 50% of total assets by the end of the reporting period, or those that have disclosed overdue payments to small and medium-sized enterprises via the National Enterprise Credit Information Publicity System. ETEK does not apply this topic and has not included it as an ESG topic.
	15	Safety and quality of products and services	Article 47	Section 4 of Chapter II Safety and Quality of Products and Services
	16	Data security and customer privacy protection	Article 48	Section 5 of Chapter II Data Security and Privacy Protection
	17	Employees	Article 50	Section 1 of Chapter IV Protection of Employee Rights and Interests
Sustainability-related governance	18	Due diligence	Article 52	Due Diligence and Communications with Stakeholders
	19	Communications with stakeholders	Article 53	Due Diligence and Communications with Stakeholders
	20	Anti-commercial bribery and anti-corruption	Article 55	Section 3 of Chapter I Honest Operation - Anti-commercial bribery and anti-corruption
	21	Anti-unfair competition	Article 56	Section 3 of Chapter I Honest Operation - Anti-unfair competition

## Appendix 3 Feedback Form

Dear Reader,

Thank you for reading this Report. This is the 2024 ESG Report released by ETEK.

To enhance the communication value of this Report and effectively advance our ESG management and practices, we sincerely invite you to complete this feedback form. Your invaluable feedback will help us continuously improve.

Wuxi ETEK Microelectronics Co., Ltd.

Address: 8 Xinhui Ring Road, Xinwu District, Wuxi City, Jiangsu Province

Tel.: 0510-85210118

Email: marketing@etek.com.cn

Website: <https://www.etek.com.cn>

Your Information

Name:

Post:

Profession:

Email:

### 1. How would you rate the overall quality of this Report?

Excellent  Good  Average  Poor  Very Poor

### 2. How effectively do you think this Report has reflected ETEK's significant impact on the environment, society, and governance?

Excellent  Good  Average  Poor  Very Poor

### 3. How would you rate ETEK's performance in stakeholder communication?

Excellent  Good  Average  Poor  Very Poor

### 4. How would you rate the authenticity, accuracy, and usefulness of the information and data disclosed in this Report?

Excellent  Good  Average  Poor  Very Poor

### 5. How would you rate the overall structure and readability of this Report, including its content design and layout?

Excellent  Good  Average  Poor  Very Poor

Which section of this Report interests you the most?

Which ESG information in this Report is the most helpful to you?

Do you have any suggestions or feedback for ETEK's future ESG reports?

## **Wuxi ETEK Microelectronics Co., Ltd.**

 8 Xinhui Ring Road, Xinwu District, Wuxi City, Jiangsu Province

 0510-85210118

 marketing@etek.com.cn

 <https://www.etek.com.cn>