

awinic

Stock Code: 688798



2024

Awinic Technology Co., Ltd.

Sustainability Report

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ABOUT THIS REPORT

REPORT OVERVIEW

This report is the first Sustainability Report published by Awinic Technology Co., Ltd. (hereinafter referred to as "Awinic," "the Company," or "we"). It is compiled based on the Company's specific actions in the areas of corporate governance, social responsibility, and environmental protection during the year 2024. The purpose of this report is to present the Company's commitment to ESG principles and to demonstrate its performance in fulfilling corporate social responsibility to all stakeholders.

REPORTING PERIOD

The reporting period covers January 1, 2024, to December 31, 2024. To enhance the comparability and forward-looking nature of the report, some content and data may refer to previous years or be extended to future periods as appropriate.

REPORTING BOUNDARY

The report presents information and exemplary cases demonstrating the Company's and its subsidiaries' fulfillment of economic, environmental, social, and corporate governance responsibilities.

DATA SOURCES

The data used in this report come from the company's actual operation data, public data from government departments, annual financial data, and internal statistical reports, etc. Financial data in this report are presented in RMB. In the event of any discrepancies with the financial statements, the financial reports shall prevail.

ACCESS TO THE REPORT

The electronic version of this report is available on the company's official website (<https://www.Awinic.com>) or the Shanghai Stock Exchange website (www.sse.com.cn). Readers are welcome to provide feedback regarding this sustainability report. Should you have any questions or comments, please send an email to [\[securities@Awinic.com\]](mailto:securities@Awinic.com).

REFERENCE STANDARDS

[1].The United Nations *2030 Sustainable Development Goals* (SDGs)
[2].*Global Reporting Initiative* (GRI Standards)
[3].GB/T 36001-2015: *Guidelines for the Preparation of Social Responsibility Reports*. Chinese National Standard
[4].*Guidelines for the Preparation of Chinese Corporate Social Responsibility Reports* (CASS-ESG 6.0). Chinese Academy of Social Sciences
[5].*Self-Regulatory Guidelines No. 4 on the Preparation of Sustainability Reports for Listed Companies*. Shanghai Stock Exchange
[6].*Self-Regulatory Guidelines No. 13 on the Preparation of Sustainability Reports for STAR Market Listed Companies*. Shanghai Stock Exchange

▶ LETTER FROM THE CHAIRMAN



On behalf of Awinic, I am honored to present our 2024 Sustainability Report – a reflection of our steadfast dedication to the "long-termism" philosophy and sustainable development.

The semiconductor industry is dynamic and full of challenges. Awinic has consistently adhered to the principle of "Meeting customer needs is Awinic's only reason to exist." Despite challenges such as the slowdown in global economic growth and the downturn in the semiconductor cycle, Awinic remains committed to its long-term development philosophy, maintaining a comprehensive and strategic approach to investment. We continue to prioritize high-performance mixed-signal, power management, and signal chain—focusing on long-term value product. By integrating design, algorithms, applications, and process development, we provide customers with holistic and innovative solutions. In 2024, our performance once again reached a new high record. We recognize that technology drives product innovation and industry progress while contributing to environmental protection, social development, and corporate governance. Guided by our commitment to high-quality and sustainable growth, **we continue to advance green transformation through technological innovation, empower social co-benefits through industry collaboration, and safeguard long-term value through transparent governance.**

"Relentlessly striving for excellence in the smallest details to become a world-class enterprise." The company is driven by its mission to "leverage the power of technology to create a better future and generate value for customers, employees, partners, and shareholders." Our unwavering commitment to long-termism enables us to confidently navigate industry cycles. We firmly believe that only by upholding "long-termism" can we build corporate resilience and achieve greatness. In 2024, we rationalized the layout of highquality R&D investment, improved efficiency, and achieved breakthroughs in key products and technologies. It has obtained a total of 649 domestic and foreign patents, including 412 invention patents; 42 product subcategories, more than 1,400 product models, with shipments exceeding 6 billion units, and business covering consumer electronics, industrial Internet, automobiles and other fields. Experience has shown that short-term gains cannot build great companies. Only through meticulous refinement and balancing technology with market needs can we realize Awinic's vision: "Dancing on the tip of a needle, shaping the world with Awinic's core."

Our long-term value goal is guided by the principle of **"Technology for Good, Sustainability for All"**, leading our path toward sustainability, aligning with global climate initiatives, inclusive social development, and a healthy industrial ecosystem.

Our long-term vision is to create a **"Zero-Carbon Chip Ecosystem"**. In 2024, we have enhanced chip performance while lowering energy consumption, helping customers build more efficient smart devices. Lingang Awinic Automotive-Grade Reliability Testing Center completed structural capping. Experimental Testing Center passed the national 'Smart Factory' assessment, marking a key step toward intelligent production. Looking ahead, we will collaborate with industry leaders to strengthen sustainable supply chains and support the green transition of the new energy vehicle sector.

High-quality teams are Awinic's greatest asset. We remains committed to its talent philosophy of being **"simple, resilient, intelligent, and reliable"**, providing employees with high-quality training and sustainable career development opportunities. In 2024, we conducted 385 in-person training sessions to empower new employees, technical professionals, and management leaders. We have strengthened collaboration with universities and industry associations, leveraging our R&D capabilities to drive industry advancement. At the same time, we actively fulfill our social responsibilities by supporting vulnerable groups through public welfare initiatives, striving to make technology accessible to all.

Governance Innovation: We embed ESG into strategy, integrate key metrics into executive evaluations, promote the integration of digital transformation and AI technology, improve R&D standardization and management data visualization, dynamically monitor compliance risks, and safeguard the company's development.

Long-term value creation is driven by the dual engines of **"Technology + Responsibility"**. Awinic adheres to the concept of long-term development and always insists on comprehensive and three-dimensional investment, and continues to focus on the layout of high-performance mixed-signal, power management, signal chain research and development to ensure the launch of more high-performance, low-power chips in the future to promote green and sustainable development. As a single champion enterprise in the manufacturing industry recognized by the Ministry of Industry and Information Technology, we integrate into the construction of the integrated circuit industry cluster to accelerate upstream and downstream collaborative innovation. At the same time, we are working closely with our value chain partners to incorporate ESG criteria into supplier due diligence, promoting green supply chains in alignment with international sustainability standards.

We act with a global vision while upholding our local responsibilities. We actively promote the construction of an ESG ecosystem with Chinese characteristics. The completing of our Lingang Awinic Automotive-Grade Reliability Testing Center and the revenue-generating launch of our CNAS laboratory have strengthened our competitiveness in high-end manufacturing and reliability testing. While reinforcing our market position, we are also diving into emerging sectors, expanding our AIoT and automobile product portfolio, and deepening our global market presence to establish a diversified growth framework.

Looking ahead, 2025 will be a pivotal year for global sustainable development. With the principles of **"Technological Inclusion"** and **"Responsibility Symbiosis"**, we will improve ESG performance to meet expectations, strengthen partnerships, believe in the power of continuous learning and progress, and explore new frontiers of sustainable growth. We extend my deepest gratitude to our partners, employees, and investors and the public. Together, let us set sail on the journey of sustainability, with "Long-term Vision" as our vessel and "Innovative Responsibility" as our oars.

Respectfully,
Chairman of Awinic
April, 2025



COMPANY PROFILE

Awinic, established in June 2008 and headquartered in Shanghai, is a nationally recognized high-tech enterprise specializing in the design of high-performance mixed-signal, power management, and signal chain integrated circuits. The company was listed on the SSE STAR Market in August 2021 (Stock Code: 688798).

Awinic operates under the guiding principle that "Meeting customer needs is Awinic's only reason to exist. High-quality teams are Awinic's greatest asset." The company has consistently demonstrated excellence in operations and innovation, earning multiple accolades, including recognition as a "Manufacturing Single Champion Enterprise" by the Ministry of Industry and Information Technology (MIIT), designation as a "National Intellectual Property Advantage Enterprise", and inclusion in both the "Shanghai Hardcore Technology Top 100" and the "National High-Tech Zone Listed Companies Innovation Top 100."

Awinic's products are widely adopted in consumer electronics, industrial IoT, and automotive applications, meeting industry-leading standards for performance and quality.



KEY ECONOMIC PERFORMANCE

- In 2024, Awinic reported annual operating revenue of **RMB 2.933 billion**, up **15.88%** year-on-year.
- Net profit attributable to shareholders was **RMB 255 million**, up **399.68%** year-on-year.
- The comprehensive gross profit margin was approximately **30.43%**, increased by **over 5 percentage points** year-on-year. The company's operating performance achieved a new high.
- From 2022 to 2024, the cumulative cash dividends paid to shareholders amounted to **RMB 144 million**.
- As of 2024, the total number of product models has reached over **1,400**.
- In 2024, Awinic shipped **over 6 billion units**, bringing its total historical shipments to **over 30 billion units**.

KEY PERFORMANCE

01 ECONOMIC
PERFORMANCE

Annual operating revenue
RMB 2.933 billion
increased by
15.88% year-on-year

EPS **1.10** yuan per share

From 2022 to 2024, the
cumulative cash dividends paid
to shareholders amounted to
RMB 144 million

3 product categories;
40+ product subcategories;
The total number of product
models has reached over
1,400+ units

Net profit attributable to shareholders
RMB 255 million
increased by
399.68% year-on-year

Comprehensive gross profit margin
30.43%
increased by **over 5 percentage**
points year-on-year

Shipments in 2024 are **over 6 billion**
units;
Cumulative shipments are **over**
30 billion units

02 SCIENTIFIC
MANAGEMENT

Evaluation results of
information disclosure
A

Number of revised regulatory
documents
43

Number of disclosure
announcements
136

100% signing of Integrity
Agreements by management,
employees and suppliers

During 2022-2024, the total
cash dividends paid to
shareholders amounted to
RMB 144 million

Major internal control deficiencies
in management and operation
0

Number/person-time of
diversified communication with
institutional/individual investors
110+

Organized performance briefings
4 times

03 R&D INNOVATION

Cumulative,
649 global patents;
125 software copyrights;
595 Integrated circuit layout
designs

R&D investment **509 million**,
representing approximately **17%**
of revenue

leading and participating in the
formulation of **3** international
standards and **2** industry group
standards

In 2024 added,
117 domestic and international
patents;
14 software copyrights;
37 integrated circuit layout designs

R&D personnel accounted for
64% of total staff;
Technician accounted for **74%**
of total staff;
53% holding master's degrees
or higher

04 QUALITY
ASSURANCE

Proportion of wafer and
packaging key suppliers that
have passed ISO14001 system
certification and product
environmental certification
100%

Proportion of suppliers signing
the "Commitment Not to Use
Hazardous Substances"
100%

The localization rate of
mass-produced test
equipment exceeds
95%

Proportion of suppliers signing
integrity clauses
100%

Proportion of suppliers that have
passed third-party RoHS testing
reports on hazardous substances
100%

Achieving high-precision signal
measurement and improving testing
efficiency by **25%+**;
Standardized test solutions and
modularized mass-production test
hardware improving testing
efficiency by **35%+**

05 PEOPLE-ORIENTED

Total number of employees **869**
Overall male-to-female ratio **2.1:1**
Contract signing rate **100%**

Social insurance coverage rate
100%
Coverage rate of occupational
accident insurance **100%**
Employee health check-up
coverage rate **100%**

Production safety related
accidents in 2024
0 cases

Total investment in employee
training **RMB 2.4 million**
Total employee training
20,832 hours
Training coverage rate **100%**

Coverage rate of employee year-
end performance evaluation
100%

Employee response rate **100%**

Employee Stock Ownership Plan
involved **977,600** shares in
2024

06 GREEN
OPERATIONS

Total Energy Consumption
9,540,000 kWh
Total Energy Savings
(Photovoltaic power generation)
46,377 kWh

Total Water Consumption
33,362 tons

Waste water, waste gas, noise
detection are
Qualified

Electronic Waste Scrap
Weight **1.954** tons
Chemical Waste Scrap
Weight **0.99** tons

Total Patents Related to Clean
Technology
39 pieces

Environmental complaints
from customers or the
government
0 pieces

COMPANY LAYOUT



GEOGRAPHIC NETWORK

Awinic has established a multi-tiered, cross-regional strategic network, effectively strengthening global technology collaboration and market responsiveness.

Centred in Shanghai, Awinic has built an extensive business network covering major economic and technology hubs such as Shenzhen, Beijing, and Xi'an, and overseas branches in South Korea. This strategic footprint optimizes resource allocation, reduces environmental impacts through localized operations, and fosters resilient supply chains and semiconductor ecosystems.

PRODUCT PROFILE

Awinic offers over 40 product subcategories, 1,400 product models, forming a complete product portfolio and making it a leading platform-based company in China.

40

+ product subcategories

Three Core Domains

Awinic specializes in R&D and design of high-performance mixed-signal, power management, and signal chain chips, which are widely used in Consumer Electronics, industrial internet and automobiles, continuously expand the application scope based on customer demands.

1400+

product models

Awinic continuously invests in high-quality R&D, standardizing and cataloguing its product offerings to better understand and meet end-client needs while driving market innovation.

01

Hight-performance Mixed-signal

02

Power Management

03

Signal Chain

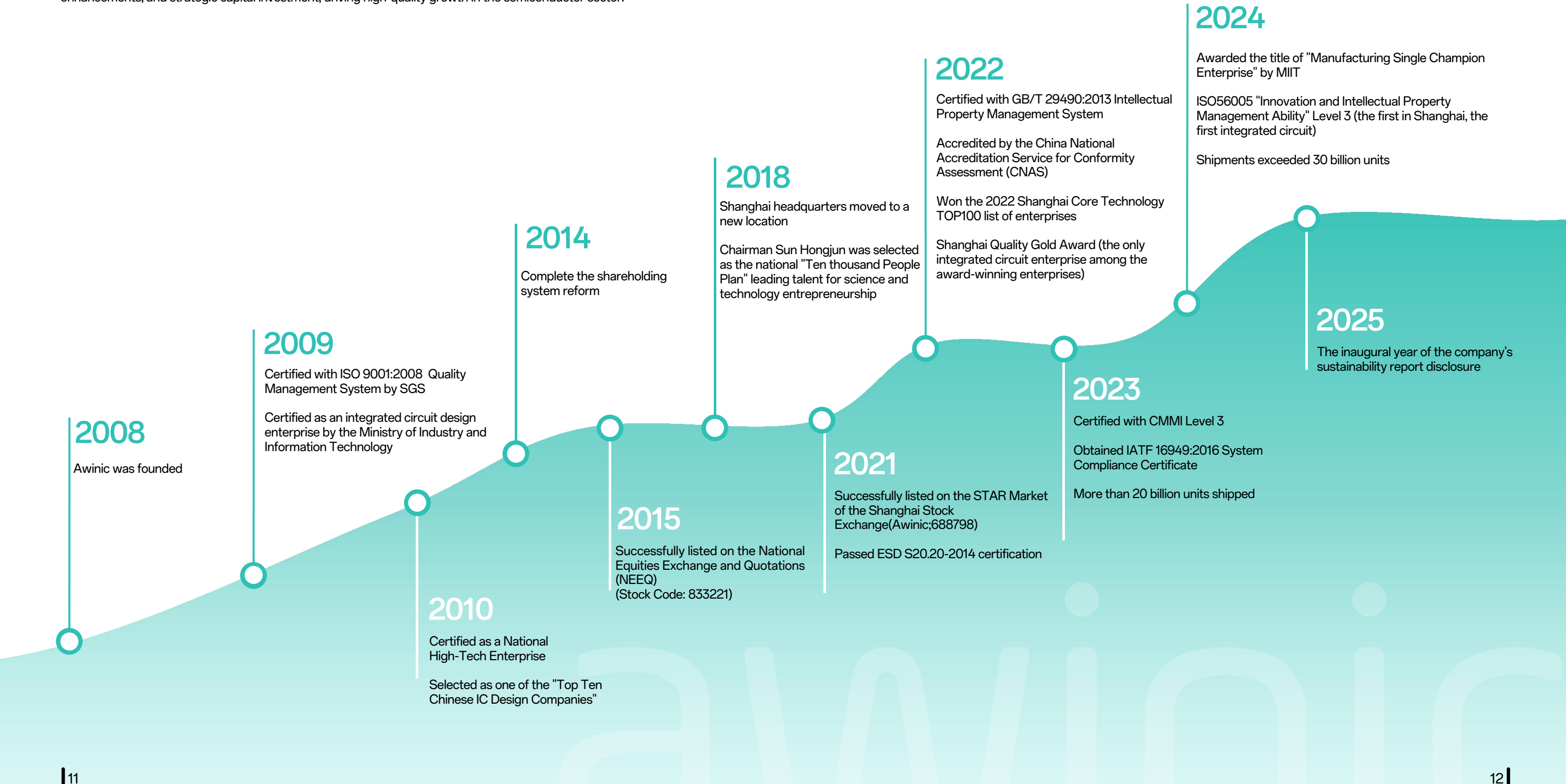
Mixed-signal Chip Design Leading Company

As the leading domestic Analog and Mixed-Signal IC design enterprise, Awinic continues to develop a platform-based strategy based on its deep technical accumulation and complete product series in the field of IC design.

The company meets the product needs of the segmented market through a diverse and collaborative product portfolio and provides customers with comprehensive three-dimensional solutions for the entire chain of design, algorithm, application, and process.

MILESTONES

Since its founding in 2008, Awinic has centred its growth on technological innovation, continuously refining its quality management system. In 2021, the company successfully listed on the STAR Market, marking a significant milestone in its development. Since then, Awinic has evolved from a startup to an industry leader through technological iteration, quality enhancements, and strategic capital investment, driving high-quality growth in the semiconductor sector.



CULTURE

Values
Mission
Vision
Talent
Concept

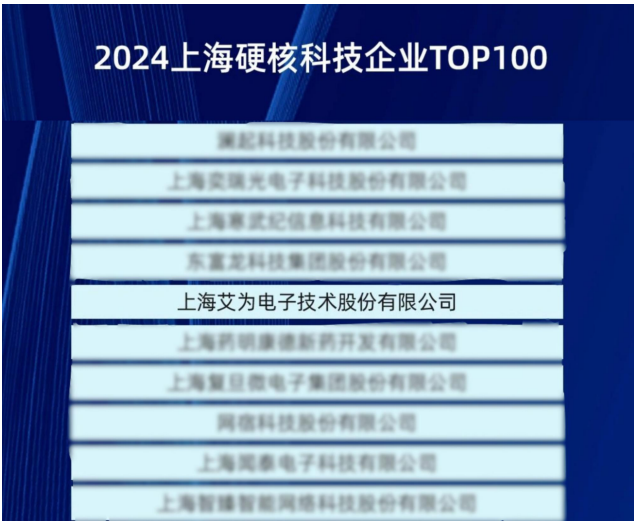
Meeting customer needs is awinic's only reason to exist.
High-quality teams are awinic's greatest asset.

all-win
World-class
Integrity
Never give up
Innovation
Commitment

HONORS

Government Recognition

As a national innovation leader, Awinic actively aligns with national strategies, driving digital transformation across the industrial chain while fostering sustainable industry growth. In the past three years, Awinic has been awarded as the single champion enterprise of the manufacturing industry of the Ministry of Industry and Information Technology, the National intellectual property advantage Enterprise, selected as the "Top 100 Innovation List of Listed Companies in National High-tech Zone", and won the honorary titles of Shanghai Innovative Enterprise Headquarters, Shanghai Quality Gold Award, Shanghai Municipal Design Innovation Center, Shanghai Enterprise Technology Center, and Shanghai Hardcore Technology Enterprise TOP100 list.



2024 Shanghai Hardcore Technology Enterprise TOP100



The Ministry of Industry and Information Technology recognized the manufacturing industry as a single champion enterprise

Government commendation certificate



Shanghai patent work pilot unit

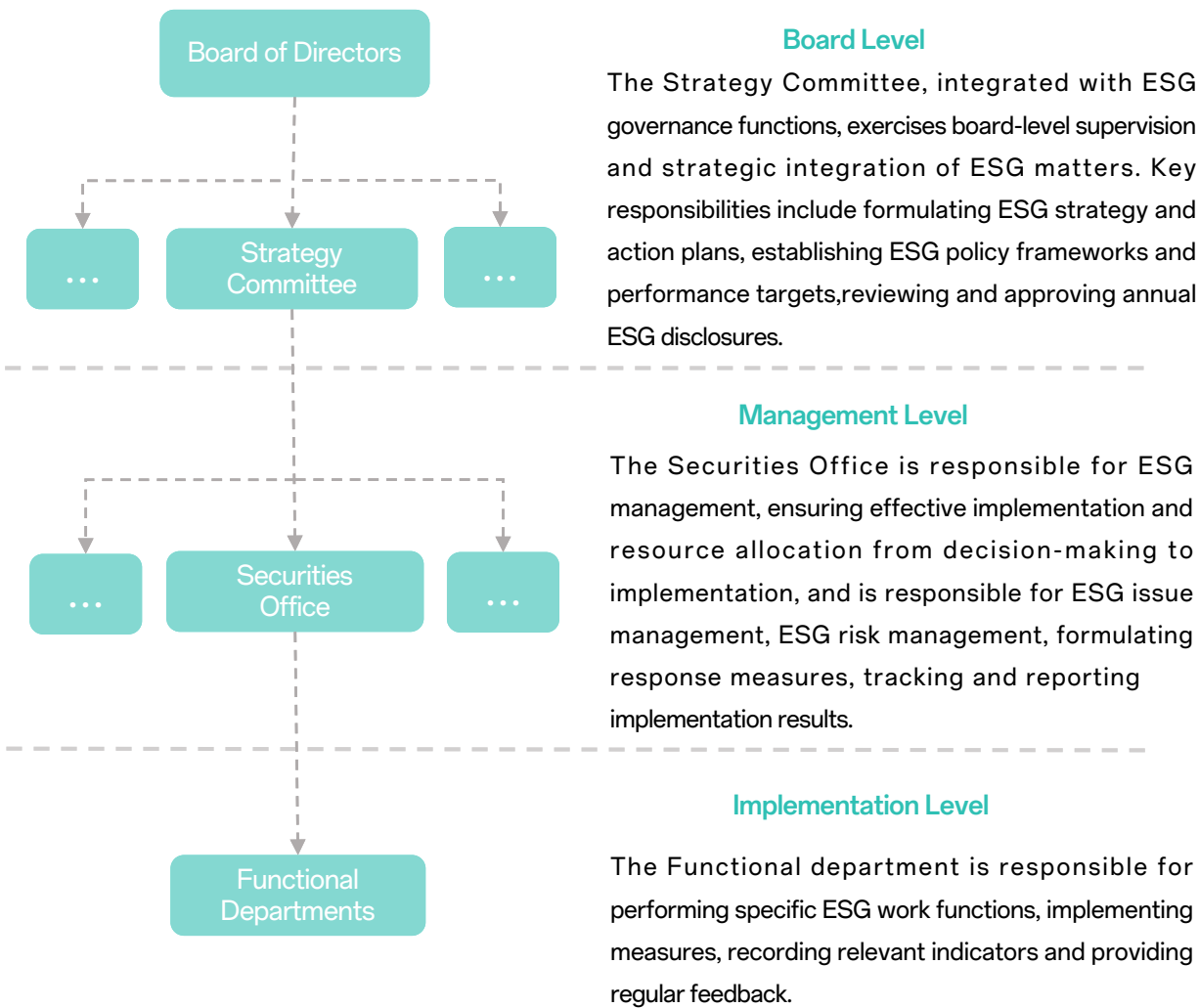


2023-2026 National Intellectual Property Advantage Enterprise Certificate

ESG MANAGEMENT

To systematically implement its sustainability strategy, Awinic has established a three-tier ESG governance structure comprising the board, management, and implementation levels. Through clearly defined responsibilities and cross-level coordination, Awinic ensures ESG principles are integrated from strategic planning to operational execution.

GOVERNANCE FRAMEWORK



Awinic ESG Governance Framework

ESG STRATEGIC GOALS

Awinic actively responds to the United Nations Sustainable Development Goals (SDGs) in its business operations, integrating ESG principles into corporate governance to achieve a seamless alignment between its ESG goals and overall business strategy.

- Sustainable Governance & Corporate Responsibility**
 - Build a sound and efficient governance system to strengthen the sustainability framework.
 - Establish a transparent communication platform for stakeholders and enhance ESG collaboration across the value chain.
 - Implement diverse disclosure mechanisms to demonstrate corporate responsibility.
- Talent Development & Inclusive Growth**
 - Develop a comprehensive talent cultivation system that promotes workplace diversity and inclusivity.
 - Leverage technological strengths to drive industry progress and enhance customer products through intellectual property advancements.
 - Participate in the formulation of technical standards to elevate Awinic's industry influence.
- Green Innovation & Energy Conservation**
 - Focus on energy-efficient technology innovation and establish a low-carbon management system for the value chain.
 - Expand clean technology applications and develop a quantifiable environmental performance assessment system.
 - Integrate circular economy principles into product R&D and build a climate-resilient system.



STAKEHOLDER ENGAGEMENT

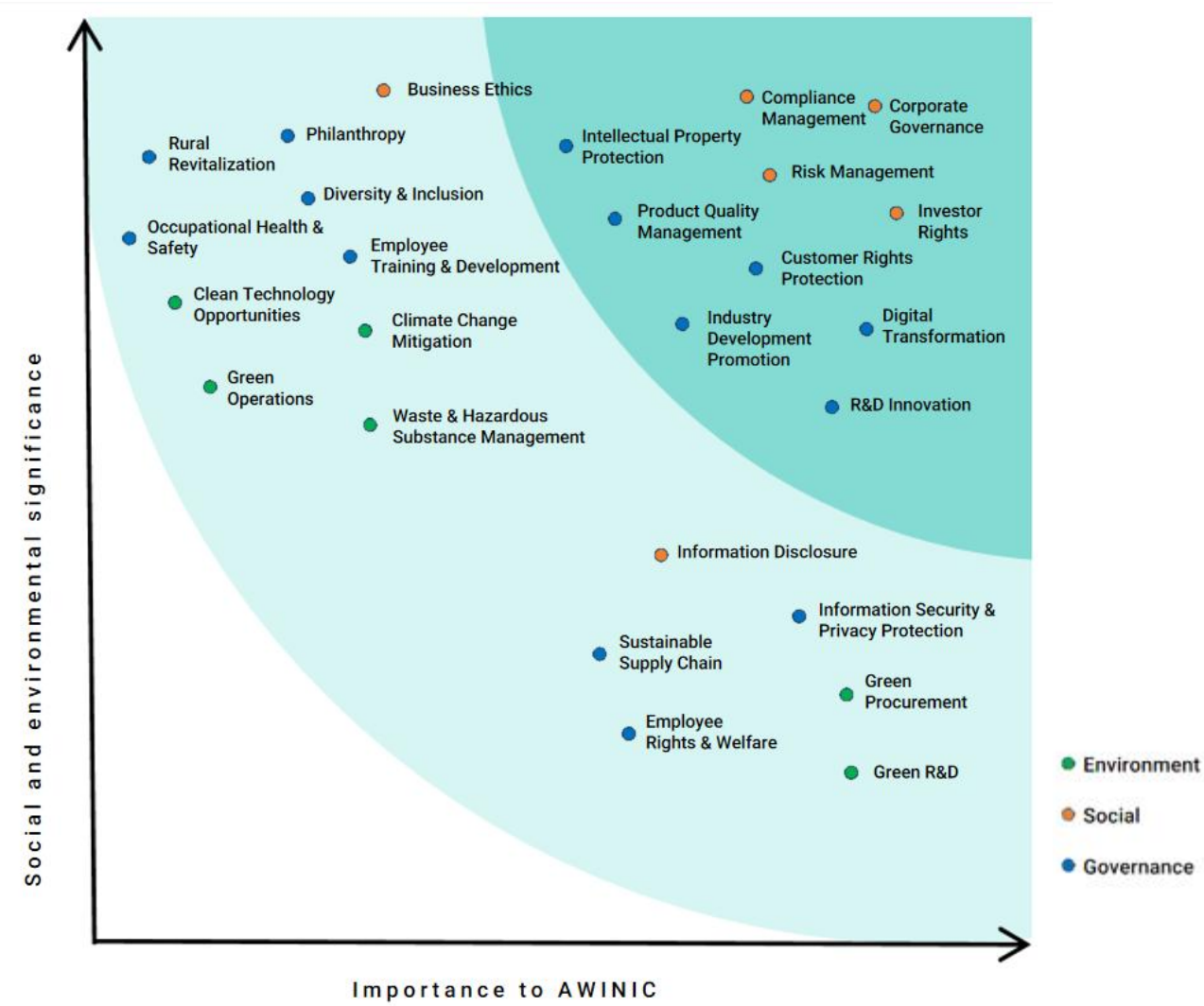
Awinic places great importance on communication with stakeholders. Through a variety of channels and methods, we actively listen to their perspectives, ensuring transparency and smooth information flow. In 2024, Awinic conducted 4 shareholder meetings, engaging in direct face-to-face discussions with shareholders to understand their needs and expectations. Besides, we conduct client satisfaction surveys to gather feedback and continuously enhance our products and services. Additionally, we organize employee and management forums to foster internal communication and strengthen team cohesion. At the same time, we fully utilize our official website, WeChat public account, and other platforms to promptly share company updates and key information, maintaining close engagement with various stakeholders. Through these initiatives, Awinic continuously improving sustainability performance and striving for mutually beneficial relationships with stakeholders.

Stakeholders	Issues Most Concerned	Communication & Responses
 Shareholders and Investors	<ul style="list-style-type: none">Information DisclosureInvestor RightsCorporate GovernanceCompliance Management	<ul style="list-style-type: none">Convene general meetings and earnings briefingsPublish disclosure reports and investor relations activity records
 Employees	<ul style="list-style-type: none">Employee Rights & WelfareEmployee Training & DevelopmentOccupational Health & Safety	<ul style="list-style-type: none">Training programsPerformance evaluationsEmployee forums
 Suppliers	<ul style="list-style-type: none">Sustainable Supply ChainGreen ProcurementClimate Change Mitigation	<ul style="list-style-type: none">Supplier qualification auditsIntegrity agreementsSupplier communication & feedback
 Customers	<ul style="list-style-type: none">Customer Rights ProtectionProduct Quality ManagementR&D Innovation	<ul style="list-style-type: none">Customer satisfaction surveysPre-/post-sales supportCustomer visits and researchProduct & Technology Presentations
 Media	<ul style="list-style-type: none">Data Security & PrivacyBusiness EthicsInformation Disclosure	<ul style="list-style-type: none">Disclosure report releasesCorporate milestone announcementsMedia interviews
 Government Agencies	<ul style="list-style-type: none">Risk ManagementBusiness Ethics	<ul style="list-style-type: none">Government project applicationsPolicy implementationInformation Disclosure
 Industry Associations	<ul style="list-style-type: none">Industry Development PromotionClean Technology Opportunities	<ul style="list-style-type: none">Strategic partnershipsIndustry standard developmentTechnology communication
 Non-Profit Organizations	<ul style="list-style-type: none">Philanthropy & Rural RevitalizationDiversity & InclusionWaste & Hazardous Substance ManagementClimate Change Mitigation	<ul style="list-style-type: none">Social responsibility initiativesCollaborative charitable donations

ESG MATERIALITY ANALYSIS

Awinic places high importance on the identification and management of ESG topics. The Securities Office leads the identification and evaluation of material sustainability topics for Awinic in 2024.

Awinic ESG Material Topics



Process of Developing the Topic Library and Materiality Matrix

Establishing Awinic’s Topic Library

By aligning with the Shanghai Stock Exchange disclosure standards and industry-recognized ESG topics, combined with Awinic’s business context, we identified the company’s sustainability topic library.

Assessing Topic Materiality

Through the "2024 Awinic ESG and Sustainability Material Topics Survey" and interviews, we engaged directors, management, employees, suppliers, and clients. The data collected from stakeholders about the importance of various topics was used to inform the creation of the topic matrix.

Generating Materiality Matrix

Based on the results, we classified Awinic’s topics according to two dimensions: "Importance to Awinic" and "Social and Environmental Significance".

SCIENTIFIC GOVERNANCE

Awinic adheres to the principle of "scientific governance" to transform governance effectiveness into internal drivers for innovation and growth. We are committed to establishing a high-efficiency compliance system while continuously elevating governance standards to maintain competitiveness and advance sustainability in dynamic markets.

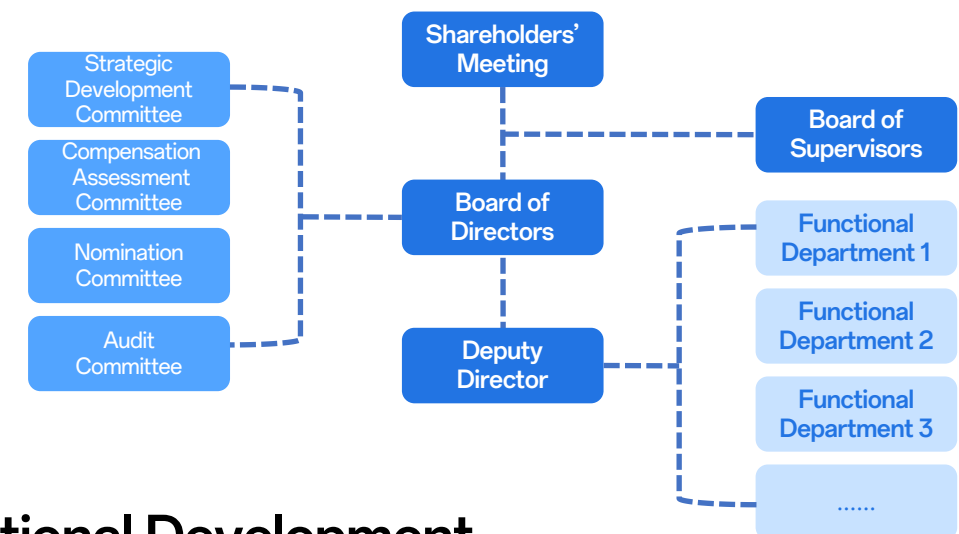
CORPORATE GOVERNANCE

OVERVIEW

Organizational Structure

Awinic places great emphasis on information disclosure and the standard governance framework. In 2024, the company held four shareholders' meetings, eight board meetings, and seven supervisory board meetings. The company operates strictly in accordance with the governance structure, improves information transparency, and protects the rights and interests of shareholders. Awinic prioritizes robust organizational design to optimize resource allocation and enhance management capabilities, which forms a solid foundation for the company's stable operation and continued growth.

The governance structure of Awinic consists of the Shareholders' Meeting, the Board of Directors and its specialized committees, the Supervisory Board, and the management team.



Institutional Development

Awinic places high importance on institutional development. In strict accordance with "the Company Law", the company has established its "Articles of Association", formulated "the Shareholders' Meeting Rules", "Board of Directors' Rules of Procedure", working regulations for various special committees, and various corporate management systems. Through continuous improvement in governance practices, the company has refined its institutional framework, providing standardized guidance for stable operations.

By persistently enhancing institutional development, Awinic has progressively standardized various management processes, which has not only strengthened risk prevention and control capabilities but also demonstrated to external stakeholders the robust institutional safeguards supporting the company's stable operations.

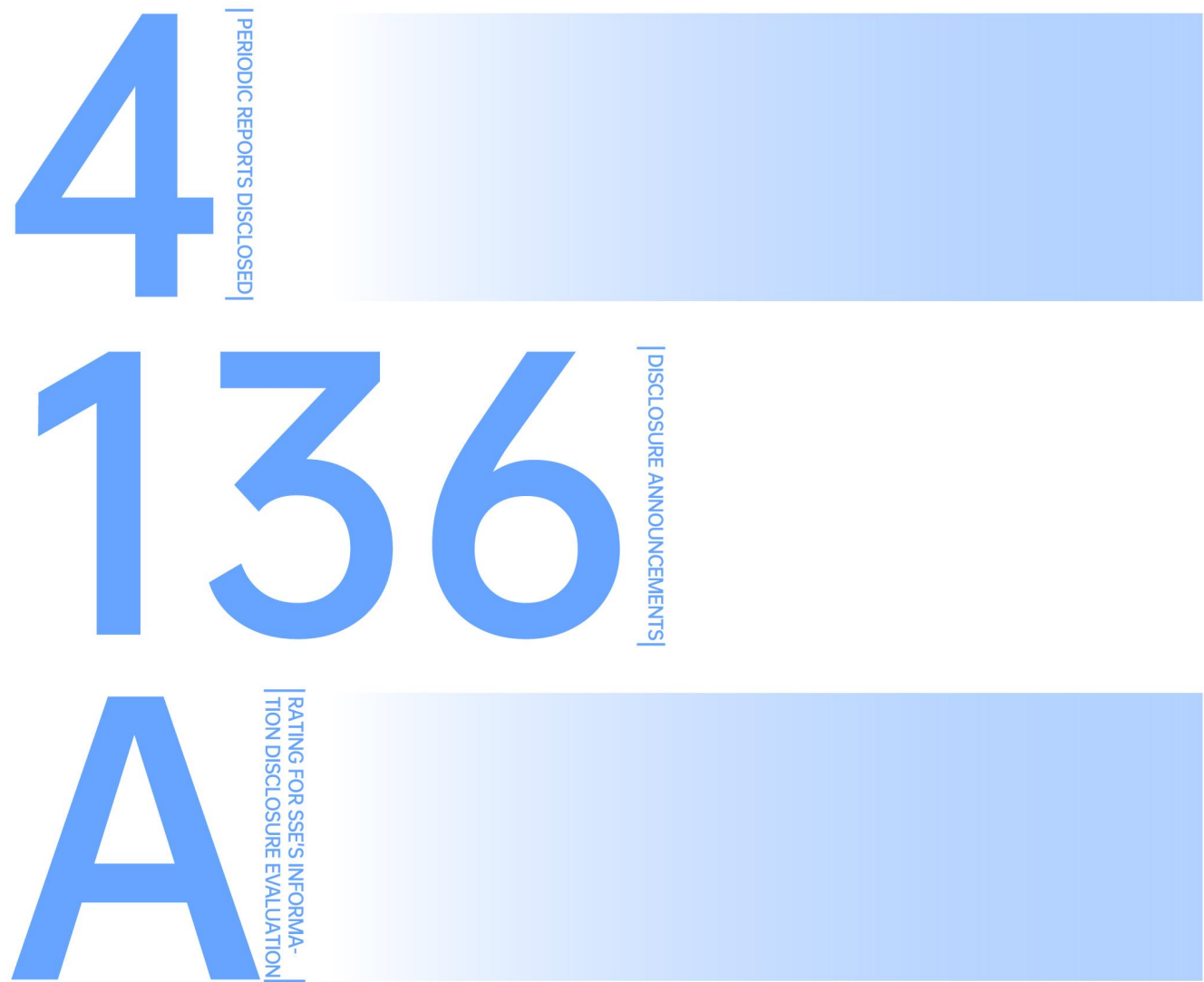
INFORMATION DISCLOSURE

Awinic recognizes that information disclosure is a key aspect of corporate governance.

To safeguard investor interests and enhance market trust, the company adheres to legal requirements and has established a series of information disclosure management systems, ensuring the proper handling of disclosure responsibilities.

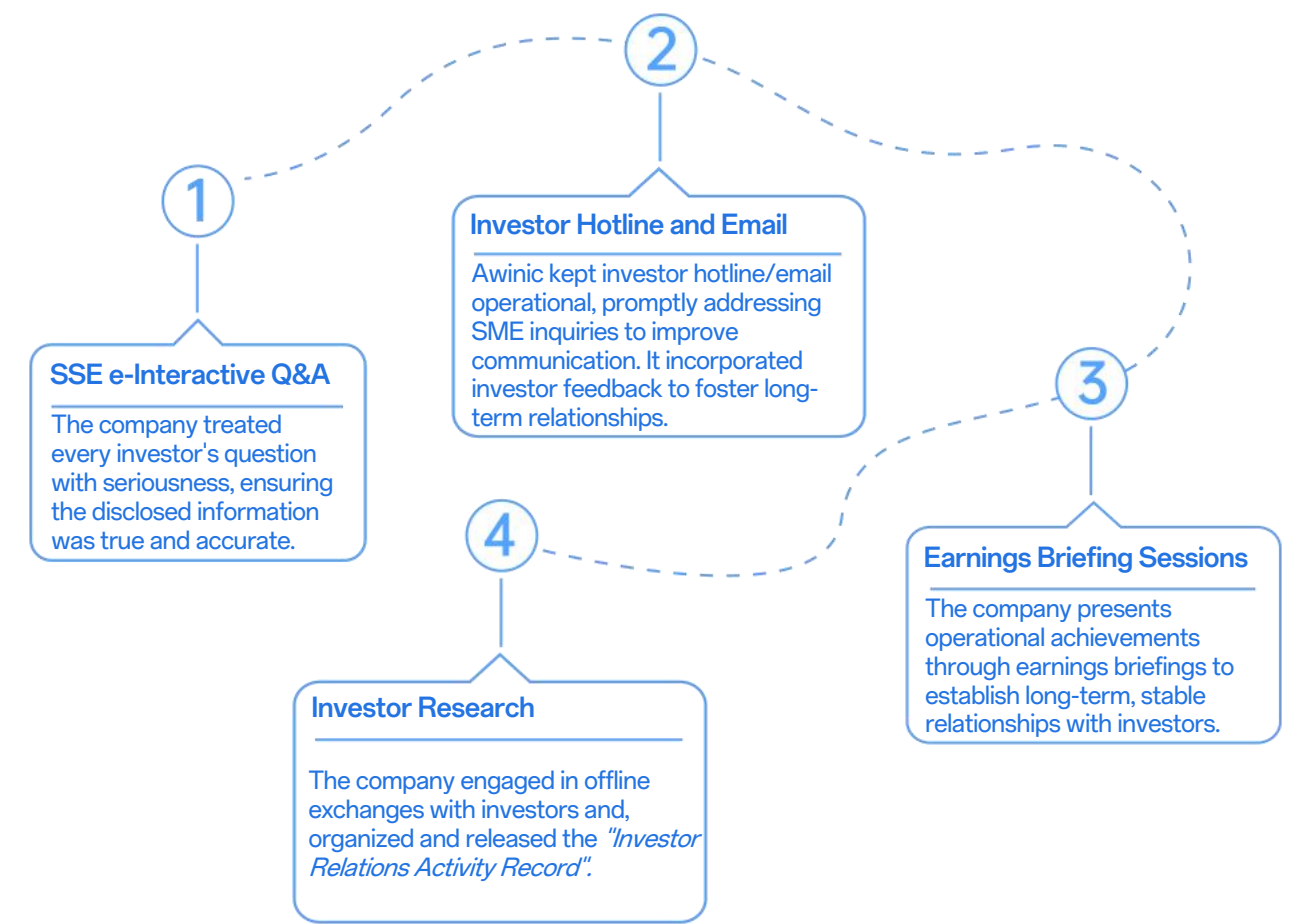
The company designates media outlets such as “China Securities Journal”, “Shanghai Securities News”, and the Shanghai Stock Exchange website as channels for publishing company announcements and other disclosures, fulfilling its information disclosure obligations.

The quality of Awinic's information disclosure work in 2023-2024 was highly recognized by the exchange and won the A-level rating for information disclosure by the Shanghai Stock Exchange.



INVESTOR RELATIONS

- ▶ Awinic adheres to the principle of "transparent, timely, accurate" principles, communicating with investors through various channels, and actively addressing investor concerns.
- ▶ The company's other investor relations management and protection measures were as follows:



- ▶ In 2024, our Securities Office engaged in face-to-face/telephone communication with more than 110 investment institutions/individuals through visits, company tours, participation in investment strategy meetings, and organized 4 performance briefings, publishing 19 investor relations activity reports to convey Awinic's value to the external market.
- ▶ To enhance market confidence and reward investors, the company has distributed dividends to shareholders in accordance with the profit distribution policy stipulated in its “Articles of Association”. During 2022-2024, the total cash dividends paid to shareholders amounted to RMB 144 million.

RISK MANAGEMENT

Awinic implements a comprehensive risk management strategy to identify, assess, and monitor various risks. Awinic has established a risk early-warning system to proactively address challenges across the supply chain, market, R&D, compliance, and other areas, ensuring stable operations. This is supported by a multi-tiered institutional framework spanning from overall strategy to corporate management systems, and from processes to detailed operational manuals and forms.

ASSESSMENT AND RESPONSE

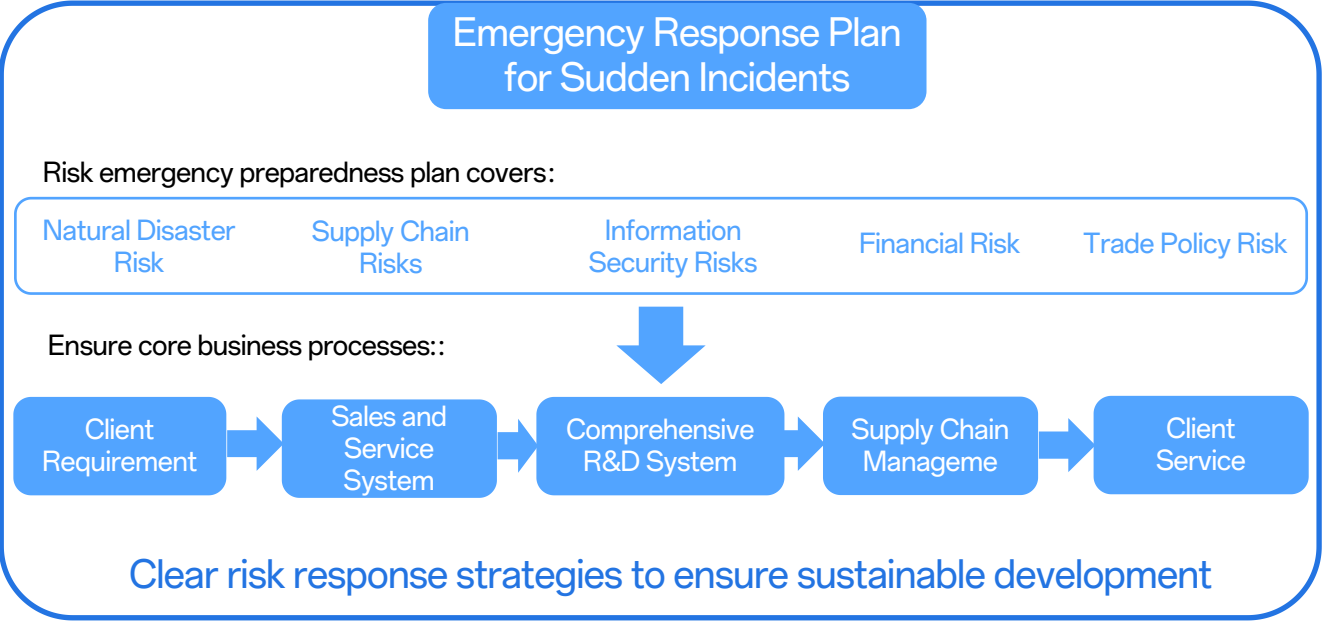
- ▶ **Internal Control System Development:** The company has established its “*Internal Control Management System*” in compliance with national regulations including the “*Basic Standards for Enterprise Internal Control*” and 18 supporting guidelines. The system undergoes annual updates and now comprehensively covers all business operations.
- ▶ **Internal Control Implementation:** The internal audit department identifies and assesses control risks while monitoring the internal control system's operation. Guided by the COSO framework and aligned with corporate strategy, it executes internal control audits.
- ▶ **Evaluation of Internal Control Effectiveness:** The company's Board of Directors conducts a comprehensive evaluation of the effectiveness of internal controls.

Awinic's internal control management system features comprehensive design, covering the entire process from "policy design - execution monitoring - evaluation."
In 2024, the company revised 43 regulatory documents.
This robust internal control framework ensured the company maintained zero material control deficiencies throughout the year.

BUSINESS CONTINUITY

Awinic has established a Business Continuity Management (BCM) System in line with ISO 22301 standards, deeply integrated with the company's actual operations. The system covers risk assessments, business process analysis, critical process identification, and contingency planning, enhancing both risk management and internal control effectiveness.

This framework ensures operational continuity across sales and customer service, R&D, supply chain management, and customer service functions through alternative resource allocation and emergency response protocols, providing strong support for the company's steady development and the fulfillment of customer needs.



In 2024, the company organized an annual BCM emergency drill to ensure the effective implementation of contingency plans for key areas such as supply chain, IT, and administration.

ETHICS AND ANTI-CORRUPTION

Awinic upholds integrity as a core business principle, committed to maintaining customer trust and fostering fair competition. The Company maintains zero tolerance for fraudulent conduct and rigorously enforces compliance with ethical standards among employees and partners. Institutional frameworks such as the “*Anti-Corruption Management System*” have been established to standardize ethical business practices and anti-corruption operations.

Anti-Corruption Measures:

- ▶ Awinic conducts regular anti-corruption awareness campaigns through internal communications platforms, supplemented by mandatory ethics training programs for all personnel;
- ▶ A dedicated whistleblowing channel (complaint@Awinic.com) ensures systematic handling of reported violations, including case registration and thorough investigations to;
- ▶ A 100% signing rate of “*Integrity Agreements*” has been achieved across management, employees, and supply chain partners.

These measures standardize employee behavior, protect the interests of the company and its shareholders, enhance corporate reputation, and contribute to a fair and competitive market environment while promoting the healthy development of the industry.





R&D INNOVATION

Awinic recognizes that R&D innovation is the key to maintaining leadership in the semiconductor industry. Awinic continuously works to overcome process technology bottlenecks, address diverse client demands, and foster synergistic collaboration across the industry value chain.

R&D MANAGEMENT

Awinic remains consistently focused on R&D in high-performance mixed-signal, power management, and signal chain IC design. To meet the diverse needs of various market segments including consumer electronics, industrial AIoT, and automotive, the company has comprehensively developed R&D innovation through the construction of experimental testing center, investment in R&D talent, development of patents and industry standards, and implementation of digital systems, committed to providing customers with optimal product services and effective solutions.



Through internationally certified laboratories and intelligent testing center, Awinic has established a closed-loop quality management system spanning reliability verification to mass production. Standardized workflows improve product iteration speed and market responsiveness significantly, ensuring rapid response to business expansion and customer demands.

In 2024, the company invested RMB 509 million in high-quality R&D, representing approximately 17% of revenue. R&D personnel accounted for 64% of total staff, with 53% holding master's degrees or higher.

LABORATORY AND TESTING CENTER CONSTRUCTION

CNAS-Certified Laboratory

Awinic is the first IC design company in China to obtain CNAS accreditation and the first to establish a comprehensive failure analysis and reliability testing laboratory.



01

Self-developed laboratory testing system

Collects and analyzes test results, enhances data management and traceability capabilities, and strategically drives product development and improvement.

Localization of Laboratory Equipment

By collaborating with suppliers to develop localized equipment solutions, we aim to reduce dependence on external suppliers in the technical domain, enhance the company's R&D independence, and accelerate the development process.

03

Laboratory Information Management System(LIMS)

Integrated management of the entire experimental process, test data results, and materials/equipment to enhance R&D and management efficiency.



The facility has passed national assessments for "Smart Factory Evaluation and Diagnostics", "Smart Factory Capability Enhancement, "and "National Outstanding Smart Manufacturing Scenarios".



Future developments will integrate big data platforms and smart scheduling systems while incorporating industrial robotics to enhance R&D efficiency. Once operational, the testing center will provide comprehensive and precise testing services for chips, components, and related products, further strengthening Awinic's technological capabilities.



With continuous investment in its testing center, Awinic has significantly enhanced its annual testing capacity. The facility now not only supports in-house R&D quality control but also provides comprehensive reliability testing and failure analysis services for Consumer Electronics, Automotive, Industrial and AIoT. In 2024, Awinic's CNAS-accredited laboratory successfully generated its first external revenue.

The testing center includes advanced failure analysis and reliability laboratories, supported by a team of professional technical experts. It has been accredited by CNAS and certified under ISO9001, ANSI/ESD S20.20, and has obtained the IATF16949 automotive quality management system compliance statement.



03
R&D
Innovation

Automotive-Grade Testing Center

The under-construction Lingang Awinic Automotive-Grade Reliability Testing Center achieved structural completion in 2024. Its architectural design integrates the philosophical concept of "round sky and square earth" with the company's chip and wafer elements, embodying the vision of "creating a better future through technological power."

TALENT DEVELOPMENT

Awinic firmly upholds the belief that “High-quality teams are Awinic’s greatest asset”. The company has built a full-cycle talent cultivation system encompassing recruitment, training, career development, and retention.

In recruitment, Awinic actively attracts experienced technical experts and senior engineers to strengthen its R&D capabilities while bringing in fresh graduates to inject new energy into the company.

For talent development, Awinic has implemented a dual career path system that allows employees to advance in both technical and managerial roles, creating a multidimensional growth platform.

The company fosters a culture of cross-disciplinary collaboration, encouraging key R&D personnel to engage in academia-industry partnerships, forming a positive cycle of "technological breakthroughs - commercialization - industry leadership." Our stable and dynamic talent structure provides strong momentum for continued breakthroughs in high-end semiconductor technologies.



INTELLECTUAL PROPERTY PROTECTION

Awinic has consistently demonstrated a high level of strategic awareness in the field of intellectual property (IP) protection and has actively established a comprehensive IP management system. By strategically planning the breadth and depth of its patent portfolio, the company ensures comprehensive coverage of core technologies and key business areas, thereby building a robust IP protection framework.

▶ Respect for Intellectual Property and Commitment to Fair Competition

Awinic places great emphasis on strengthening patent early-warning mechanisms, trademark searches, and other IP-related inquiries to uphold fair competition. To mitigate infringement risks, the company has established robust internal procedures, including the “*Intellectual Property Risk Management Control Procedure*” and the “*Intellectual Property Dispute Handling Control Procedure*”. Additionally, IP review checkpoints have been integrated into the R&D process, where compliance analysis and risk control are conducted by specialized personnel.

▶ Emphasis on Intangible Asset Management to Strengthen Innovation Protection

Awinic regards intellectual property as a cornerstone of its corporate development. The company has implemented systems such as the “Intellectual Property Maintenance Control Procedure” and developed a comprehensive IP strategy that spans the entire lifecycle of IP assets—from creation and application to protection and management.

▶ Effective Litigation Response to Safeguard Rights

In the event of IP-related litigation, Awinic promptly activates its response mechanisms. Throughout the litigation process, the company adheres to factual evidence and vigorously defends its legitimate rights and interests.

Awinic has established a holistic IP management system that encompasses patent portfolio planning, risk early-warning mechanisms, and a closed-loop rights protection process. Leveraging a “Law + AI” approach, the company has developed an IP management platform to enhance operational efficiency, enable intelligent management of contract templates, improve patent search efficiency, and align patent strategies with business processes, thereby creating a robust foundation for the commercialization of technological innovations and market competitiveness.

DIGITAL TRANSFORMATION

For Awinic, digitalization is more than just an upgrade in tools—it is a strategic driver of innovation. By leveraging a data-driven platform and AI integration, we have established end-to-end data connectivity across R&D, production, and customer service ecosystems.

Digital Architecture

Awinic’s business systems achieve end-to-end collaboration through efficient data flows. Centered on the ERP system, the company has integrated market, supply chain, production, and warehouse data, enabling full-chain data connectivity and operational synergy to provide real-time, unified decision-making support for R&D and production.

The digital transformation focuses on ERP integration, connecting all business subsystems to establish a data middleware platform while actively exploring AI integration. Departments including R&D, legal, and marketing have implemented AI-assisted tools and patent risk early-warning systems, driving intelligent process automation.



By 2025, AI will be embedded in ≥30% of standard operating procedures (SOP) to automate routine tasks and enhance operational efficiency.

DIGITAL APPLICATION RESULTS

Awinic's digital transformation integrates data middleware and AI, with implemented applications including AI assistance and patent risk early-warning systems across R&D, legal, and marketing departments to advance process intelligence.

- The first phase of Awinic's digital R&D platform has launched, enabling visual management of the entire project lifecycle.
- The official website's new AI assistant provides comprehensive support from product inquiries to recommendations and industry knowledge, winning the 2024 Semiconductor AI Innovation Award.
- The company's e-commerce platform achieved its first online transaction milestone.



Moving forward, Awinic will continue advancing AI automation capabilities to enhance R&D innovation and design efficiency. The company plans to implement AI-assisted functionalities across all business areas, supporting strategic decision-making and data-driven growth. This commitment to technological innovation aims to achieve high-quality corporate development and comprehensively strengthen core competitiveness.

In 2024, the inaugural year of AI exploration:

Business Module

8 individuals

AI Assistant

15 individuals

AI Features

25 items

AI assistant used in DingTalk

16,240 Times/year

R&D AND INNOVATION ACHIEVEMENTS

ACADEMIA-INDUSTRY PARTNERSHIPS

Awinic has been recognized as a National Intellectual Property Advantage Enterprise and a Shanghai Patent Demonstration Enterprise and obtained the ISO56005 "Innovation and Intellectual Property Management Capability" Level 3 certification. Through integrating innovation and intellectual property management systems, Awinic has enhanced company's R&D efficiency,with intellectual property quality, and commercialization.



Accumulated:

649
Domestic and International Patents

125
Software Copyrights

595
Integrated Circuit Layout Designs

In 2024, added:

117
Domestic and International Patents

14
Software Copyrights

37
Integrated Circuit Layout Designs

The first in Shanghai and the integrated circuit industry to obtain ISO 56005 "Innovation and Intellectual Property Management Capability" Level 3 certification.

Passed the GB/T 29490 "Enterprise Intellectual Property Compliance Management System" surveillance audit.

Recognized as a National Intellectual Property Advantage Enterprise and Shanghai Patent Demonstration Enterprise.

PRODUCT R&D ACHIEVEMENTS

Awinic's product portfolio spans three core product domains: high performance [mixed-signal analog chips](#), [power management chips](#), and [signal chain chips](#). Through years of dedicated R&D, the company has developed a series of industry-leading core technologies, intellectual property, and products that enhance power efficiency and optimize energy consumption.

01

Case: SAR sensor Chips

Designed for mobile phones, laptops, and other wireless devices, SAR (Specific Absorption Rate) sensor chips detect proximity to the human body, reducing electromagnetic radiation exposure from WWAN to ensure compliance with SAR regulations.

Awinic launched its first domestically developed SAR sensor chips (AW96103/5) in 2020 and has since advanced to the fourth-generation. These chips feature high-resolution sensing, an advanced SoC architecture with online upgrade support, and the patented Smart ATC (adaptive temperature compensation) algorithm. The latest models improve packaging efficiency while enhancing chip performance.

02

Case: Camera Motor Drivers

These chips provide precise control for autofocus, zoom, and optical stabilization in camera modules. Awinic's camera motor driver portfolio includes Open Loop AF, Close Loop AF, and OIS (Optical Image Stabilization) solutions, offering high-precision control and dynamic voltage regulation. These features improve data transmission efficiency while reducing power consumption.

03

Case: Awinic SKTune®

Awinic's SKTune® audio algorithm suite enhances sound quality, reduces noise, and optimizes power efficiency.

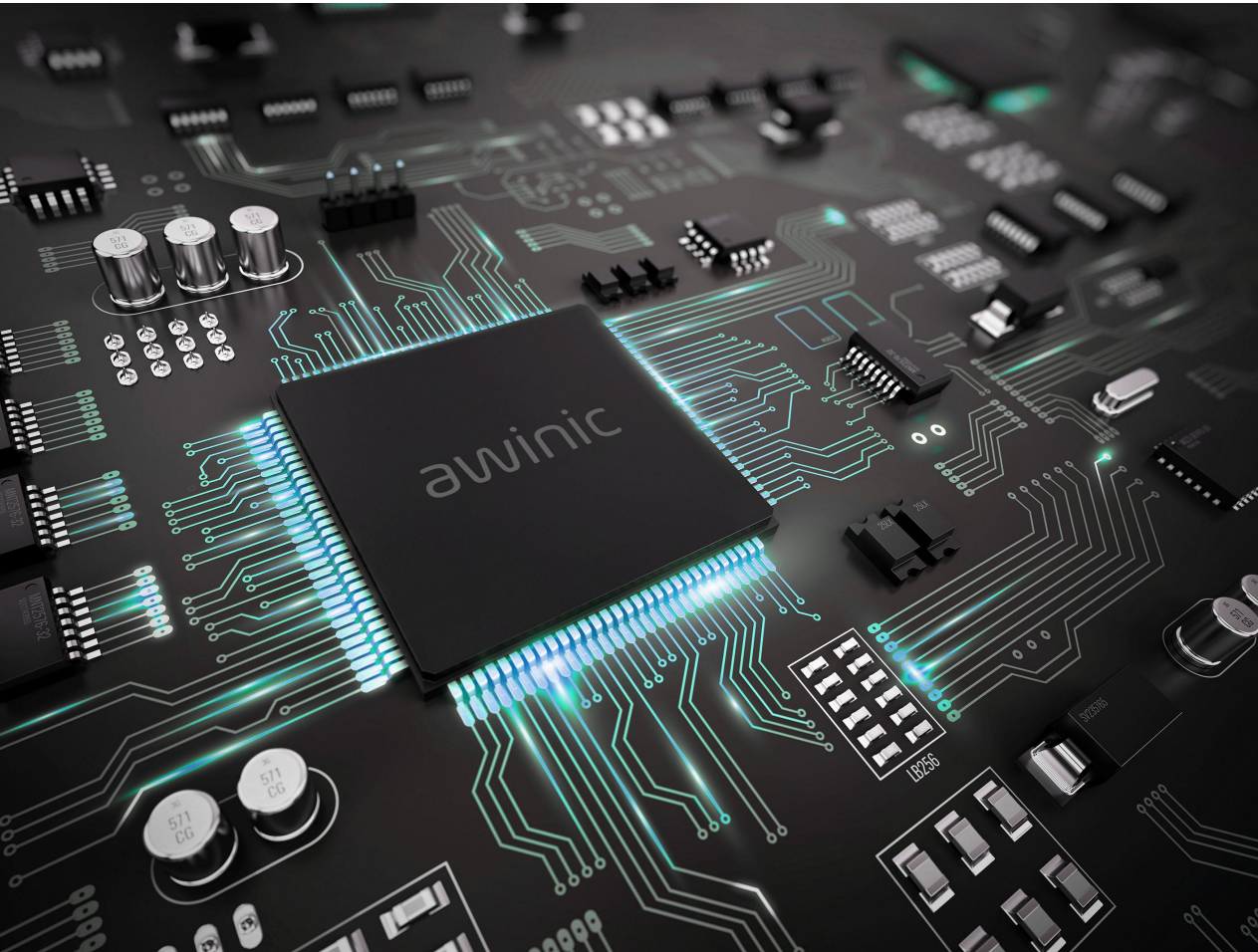
Awinic's advanced SKTune® algorithm features a bass enhancement module that enriches low-frequency performance while automatically optimizing sound clarity. Additionally, it integrates low-battery protection, temperature protection, and low-pressure protection algorithms to safeguard devices under various conditions.

GREEN R&D

Awinic integrates energy-efficient design principles into its chip development process, embedding power optimization technologies and testability circuits from the design stage to enhance efficiency and proactively detect potential issues for both manufacturers and end customers. These measures not only improve production efficiency but also enhance customer experience in later product stages.

Awinic continues to drive green R&D with advanced technology and strong laboratory capabilities. By focusing on the products from its three core domains, the company has built a full-chain R&D system covering design, development, and testing.

Awinic’s CNAS-certified failure analysis and reliability laboratories enable full-cycle quality control, supporting innovation in domestic alternatives in high-precision SAR sensors and camera motor driver chips. Lingang Awinic Automotive-Grade Reliability Testing Center integrates intelligent facilities and ultra-low-energy designs to enhance testing efficiency, while speeding up collective innovation across the value chain.



INDUSTRY COLLABORATION AND ACADEMIA-INDUSTRY PARTNERSHIPS

ACADEMIA-INDUSTRY PARTNERSHIPS

Industry-academia-research collaboration has become a crucial strategy for enterprises to enhance core competitiveness and achieve sustainable development. Awinic places high importance on in-depth cooperation with universities, having established strong partnerships with leading institutions such as Southeast University, Shanghai Jiao Tong University, and Harbin Institute of Technology in recent years. These collaborations have yielded multiple research projects, including the joint development of high-performance charging chips for AI platform devices under specific requirements for high precision, efficiency, cost-effectiveness, and miniaturization, injecting robust momentum into the company's high-quality development.

Through these initiatives, Awinic actively promoted practical talent cultivation, contributing to industry talent development. In 2024, the company launched a joint training program with Harbin Institute of Technology for undergraduate and graduate students. Awinic's experts and senior technical executives participated in curriculum development and delivered on-site lectures, effectively integrating frontline R&D practices with theoretical knowledge. This knowledge-sharing approach helps students bridge academic learning with industrial applications, enhancing their comprehensive capabilities and professional competencies.

INDUSTRY DEVELOPMENT PROMOTION

Industry Association Memberships

Awinic is a member of 12 industry associations, including 2 international and 10 domestic organizations, strengthening its influence in the semiconductor industry.

- Institute of Electrical and Electronics Engineers
 - World Ultra HD Video Industry Alliance
 - Components Committee, China Power Supply Society
 - China Young Entrepreneurs Association
 - Shanghai Integrated Circuit Industry Association
 - Shanghai Industrial Technology Innovation Promotion Association
- Haptics Industry Forum
 - Artificial Intelligence Industry Committee, China Computer Industry Association
 - Talent Reserve Base, Integrated Circuit Branch, China Semiconductor Industry Association
 - Shanghai Young Entrepreneurs Association
 - Chengdu Integrated Circuit Industry Association
 - Integrated Circuit Professional Committee, Shanghai Industry-Education Cooperation Association

Standards Development Contributions

Awinic has made significant achievements in standard establishment, leading and participating in the formulation of 3 international standards and 2 industry group standards.

Categories	Name of Standard	Collaborating Organizations	Awinic's Level of Participation
Organizations	"Functional Requirements for Intelligent Diagnostic Integrated Circuits in Audio Applications" T/SICA 005—2023	Shanghai Integrated Circuit Association	Leading Organization
	"Signal Transmission and Control Interface Requirements for Audio Integrated Circuits" T/SICA 004—2023	Shanghai Institute of Quality and Standardisation	
International	"Standard for Haptic Interface Enhancement for Mobile Gaming" IEEE P2861.3	Tencent, IEEE, etc.	Participating Organizations
International	"Standard for Mobile Gaming Performance Evaluation and Optimization" IEEE Standard 2861TM-2021	Tencent, IEEE, etc.	Participating Organizations
Organizations	"Near-ear open audio devices—Measuring methods for acoustic performance" T/CECA 87—2023	Goertek, China Electronic Components Industry Association	Participating Organizations
International	"Standard for Game Voice Enhancement for Mobile Gaming" IEEE P2861.4	Tencent, IEEE, etc.	Participating Organizations

With the support of the Shanghai Quality & Standardization Research Institute, Awinic, as the lead drafting organization, collaborated with the Shanghai IC Association to secure approval from the Shanghai Science and Technology Commission for the ‘Technology Innovation Action Plan’, resulting in the formulation of two integrated circuit standards:

- "T/SICA 005-2023: FUNCTIONAL REQUIREMENTS FOR SMART AUDIO DIAGNOSTIC ICS":**

Standardized diagnostic mechanisms for internal circuit failures in audio ICs, improving testing reliability.
- "T/SICA 004-2023: SIGNAL TRANSMISSION AND CONTROL INTERFACE REQUIREMENTS FOR AUDIO ICS":**

Addressed the lack of standardized audio interfaces by introducing DDR-based signal transmission, optimizing IC cost and enhancing real-time interaction with platforms.

Industry Advancement Initiatives

Awinic actively contributes to the integrated circuit industry's development through talent cultivation, cultural promotion, and technical exchange programs. These efforts drive sustained industry advancement and prosperity.

[Case 1] National University IC Innovation & Entrepreneurship Competition



Organized by the Talent Exchange Center of MIIT (Ministry of Industry and Information Technology), the National University IC Innovation & Entrepreneurship Competition influential event attracts hundreds of teams annually from Tsinghua University, Xidian University, Shanghai Jiao Tong University, Southeast University, and other leading institutions. Awinic has been a corporate sponsor and challenge setter for three consecutive years, enriching contest content and providing real-world semiconductor challenges for students. As of 2023, the competition has successfully hosted 8 editions.

[Case 2] "Building China's Chip Future" Campaign



As an official youth education base in Minhang District, Awinic collaborates with Shanghai Minhang Education Bureau to create semiconductor-themed study programs. The third "My Chinese Chip • Building China's Chip Future" campaign engaged students across regions, schools, and age groups, receiving submissions in four categories: calligraphy/painting, design, essays, and videos. Future plans include expanded "China Chip" science outreach and themed contests to mobilize younger generations in advancing domestic semiconductor innovation.



QUALITY ASSURANCE

Awinic firmly believes that outstanding product quality is the cornerstone of customer trust and corporate success. As a leading supplier of high-performance integrated circuit solutions, the company adheres to the quality policy of "Excellence in Quality, Innovation in Technology, and Customer Satisfaction" and is committed to exceeding customer expectations through cutting-edge design and rigorous production standards.

COMPREHENSIVE MANAGEMENT OF PRODUCT QUALITY



SUSTAINABLE SUPPLY CHAIN

As systemic risks such as geopolitical tensions, environmental governance, and technology supply disruptions continue to intensify, the stability and sustainability of the supply chain are critical to customer delivery commitments and long-term brand value.

Awinic has built a standardized supply chain management system driven by demand planning to promote the coordinated operation of procurement, production, logistics, sales, and other departments. The system deeply undertakes the company's strategic goals, and ensures that the supply chain strategy is consistent with the company's overall development direction through annual planning, resource allocation and execution oversight. The supply chain department leads the whole process management, quickly responds to market fluctuations through cross-departmental linkage cooperation mechanism, we can quickly respond to market fluctuations and ensure the efficient and stable operation of the supply chain.

To safeguard business continuity and enhance supply chain resilience, the company has developed and regularly updates its Supply Chain Contingency Plan, establishing rapid response mechanisms for potential disruptions in critical resources. By expanding its supplier base and developing a diversified supplier network, Awinic has strategically engaged both domestic and international suppliers, progressively increasing the localization ratio of its supply chain. The company also strengthens compliance management within its overseas supply chain to mitigate disruption risks and ensure the stable supply of key components.

Supplier Management

Awinic places great emphasis on supplier management and has established policies such as the "Production Supplier Management Procedure", which defines management standards across all stages. The company has developed a comprehensive supplier management framework covering selection, evaluation, auditing, onboarding, and performance assessment, ensuring supply chain stability, efficiency, and sustainable growth while maintaining high collaboration quality across the value chain.



Awinic 2024 Annual Partners Conference

Supplier Admission Mechanism: All suppliers are required to complete the "Supplier Questionnaire" and undergo a rigorous multi-dimensional qualification assessment. Key suppliers involved in wafer fabrication, packaging, and testing must obtain ISO 14001 Environmental Management System Certification and relevant product environmental certifications while signing an integrity and compliance agreement.

Supplier Assessment and Evaluation: Awinic has established a robust assessment framework that evaluates suppliers based on multiple dimensions, including quality and cost. The company implements incentive programs and corrective measures based on evaluation outcomes.

Supplier Classification Management: Suppliers are categorized into three levels—strategic, preferred, and general suppliers—based on their strategic importance to the supply chain, with differentiated management approaches applied accordingly.

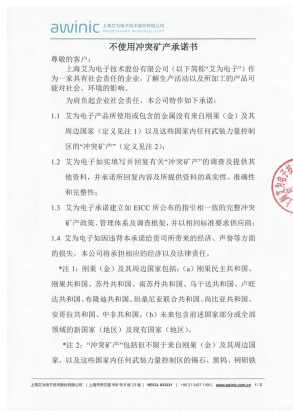
Proportion of wafer and packaging key suppliers that have passed ISO14001 system certification and product environmental certification **100%**

Proportion of suppliers signing integrity clauses **100%**

Conflict Minerals Management

Awinic has formulated a conflict minerals policy, management framework, and due diligence process in alignment with internationally recognized guidelines to ensure that neither the company nor its supply chain is associated with conflict minerals.

- ▶ Awinic publicly commits to ensuring that its products are free from conflict minerals.
- ▶ Awinic requires suppliers to fully and accurately complete the "Commitment to Non-Use of Conflict Minerals" declaration.
- ▶ Suppliers must establish comprehensive policies, management frameworks, and due diligence mechanisms for conflict minerals.
- ▶ Awinic conducts regular audits to evaluate the effectiveness of suppliers' conflict minerals management systems.



Green Procurement

Supplier Hazardous Substance Management

The company upholds green and environmentally friendly principles in supplier selection:

- ▶ Key wafer, packaging, and testing suppliers must obtain ISO 14001 Environmental Management System Certification and sign the "Commitment to Non-Use of Hazardous Substances", "VOC Compliance Statement", and "REACH Environmental Compliance Statement".
- ▶ Suppliers are required to provide third-party hazardous substance testing reports (such as RoHS) on a regular basis and ensure their validity.

Proportion of suppliers signing the "Commitment Not to Use Hazardous Substances" **100%**

Proportion of suppliers that have passed third-party RoHS testing reports on hazardous substances **100%**

Green Raw Materials Procurement

The company actively integrates environmental protection principles into its supply chain, fully implementing an environment-first strategy to achieve green procurement goals through a series of initiatives.

In packaging material selection, the company strictly follows standardized procedures to enforce green packaging practices. All product packaging is made from recyclable cartons and biodegradable materials and complies with the RoHS hazardous substance restriction standard. The company ensures that all packaging materials undergo hazardous substance testing and certification, effectively controlling environmental impact at the source.

Additionally, the company has implemented a closed-loop recycling system for CP wafer boxes and cartons. These materials are cleaned and refurbished for reuse in the production process. This system has delivered significant results, with the unit cost of reused materials being only 16% of the original procurement cost. This approach not only reduces resource consumption and minimizes packaging waste but also fosters both circular resource utilization and environmental sustainability.

PRODUCT QUALITY MANAGEMENT

During the reporting period, the company strictly complied with the "Product Quality Law of the People's Republic of China" and relevant regulations and standards. Internally, it formulated the "Quality Target Control Procedure" and other management policies, and established a comprehensive quality assurance system aligned with industry best practices. The company is committed to ensuring that every customer experiences the outstanding performance and long-term reliability of Awinic's products.

Product Quality Management Objectives

Awinic Product Quality Management System	
ISO 9001	ANSI/ESD S20.20
GB/T 29490	ISO/IEC 17025
IATF 16949	CMMI (Level 3)
ISO26262(Road Vehicle Functional Safety)	ISO56005 Innovation and Intellectual Property Management Capability certification (Level 3)



Quality Management System Certification

Product Quality Management Process

Awinic adheres to the quality management philosophy that "Quality originates from design and extends throughout the entire product lifecycle". The company has established a comprehensive quality management process, implementing defect management, risk management, change management, quality review, FANOUT analysis, and knowledge repository management at key stages to ensure quality control at every critical juncture.

Product Quality Management Results

Highlight 1: Awinic Experiment Center



Highlight 2: Enhanced Testing Efficiency & Domestic Substitution

Currently, the domestic test equipment market is characterized by a high proportion of analog test machines, while digital modules remain relatively underdeveloped. In response to this industry landscape, Awinic independently designed a dedicated digital test module in 2024, actively advancing the domestic substitution process. By seamlessly integrating its self-developed test machines with the digital test module, the company can comprehensively meet diverse testing requirements while significantly enhancing testing efficiency and accuracy.

- The localization rate of mass-produced test equipment exceeds **95%**, with continuous expansion of domestic substitution solutions.
- Independently developed over **5** categories of test modules, achieving high-precision signal measurement and improving testing efficiency by more than **25%**.
- Standardized test solutions and modularized mass-production test hardware enable shared test hardware and solutions for products within same series, increasing development efficiency by over **35%**.



Automotive Grade Test Equipments

CUSTOMER RIGHTS PROTECTION

Awinic recognizes that effective and reliable protection of customer rights is a critical measure of a company’s core competitiveness. Centered on agile responsiveness and precise service, the company has established a multi-tiered customer support system. By implementing a dual-track approach of "full-cycle service integration + information security strategy," Awinic enhances customer service standards and strengthens information security protection, thereby comprehensively safeguarding customer rights and interests.

SUPERIOR QUALITY SERVICE AND CUSTOMER SATISFACTION TRACKING

Guided by the principle that "customer needs are the sole reason for Awinic's existence," the company places customer requirements at the heart of its operations. Through comprehensive, full-cycle high-quality services, Awinic builds strong and enduring partnerships with its customers, driving sustainable development and progress within the industry. During the reporting period, the company ensured the timely delivery of high-quality services and improved customer satisfaction.



Customer Satisfaction and Feedback

- ▶ **Regular Satisfaction Surveys**
Awinic conducts an annual customer satisfaction survey in November, consolidates the results by year-end, and issues a report to analyze the results.
- ▶ **"Customer Frontline Feedback" Review Meetings**
Since 2024, the company has been organizing monthly cross-departmental "Customer Voice" review meetings with participation from marketing, application engineering, quality and other relevant departments. These meetings focus on two key objectives: resolving existing product issues, and enhancing team expertise and service standards to continuously improve customer experience.

Customer Service

Pre-Sales Support	The company strengthens customer collaboration through technical exchange sessions and industry seminars. Sales and FAE teams jointly conduct product demonstrations and technical training to help customers fully understand product advantages. Meanwhile, the company utilizes seminar opportunities to showcase innovation achievements, distribute new product samples, continuously enhance customer relationships, and drive business development.
After-Sales Support	Awinic strives to fully address customer needs and expectations. For key customers and critical sectors, the company conducts face-to-face promotional exchanges. Additionally, it leverages a distributor network for indirect promotion and technical support, complemented by AI-powered customer service for online assistance.
Customer Complaint Handling	The company records all complaints and assigns them to the responsible department for resolution. After determining the validity of the complaint, a handling plan is formulated and submitted to the management representative for approval. Once approved, the responsible department implements the plan under the supervision of the management representative. The marketing department communicates the resolution to the customer and collects feedback. Finally, the management representative evaluates the complaint handling process, extracts valuable insights, and applies these lessons to drive continuous improvement.
Supporting Customer Needs	The company's official website hosts the AAA™ Technology Forum, where engineers share expertise, address design challenges, and facilitate technical exchanges while gathering customer feedback. Additionally, the company provides 24/7 management tools to enable rapid response to customer needs, precise product solution recommendations, and efficient issue resolution.
Personalized/ Value-Added Services	The company provides tailored services by categorizing customers and their issues. The customer service team is divided into a dedicated key account team and a general support team. Customer issues are classified and tracked in the system based on severity, ensuring timely and effective resolution.

INFORAMTION SECURITY AND PRIVACY PROTECTION

Awinic places information security and privacy protection at the forefront of its strategic priorities. Through robust management systems and advanced technological measures, the company ensures comprehensive protection of its information assets. Awinic complies with national information security laws and formulates internal policies and systems such as the "Information Security Compliance Management Regulation" to ensure information security.

SECURITY MANAGEMENT GOALS

Training and Education: Annual training coverage: 100%; Annual test pass rate: 95%; Training frequency: no less than twice per year. No major information security incidents throughout the year.

EMERGENY RESPONSE

Management Tools

External Tools: Antivirus software, EDR (Endpoint Detection and Response), and situational awareness systems.
Internal Security Platforms: Tianwen: Responsible for digital security; Diting: Responsible for network security.

Daily Management

The company has implemented a multi-layered protection strategy encompassing data control, device management, and system security. Measures such as early warning systems, boundary controls, device management, and micro-segmentation are employed to mitigate information security risks comprehensively.

To prevent data breaches, Awinic enforces strict internet behavior management and desktop management controls for employee mobile devices and desktop systems. These measures are integrated with the Tianwen system to enable real-time alerts and centralized management, ensuring robust information security. Additionally, the company employs micro-segmentation to isolate servers by business function, enhancing its ability to respond to security incidents and maintaining the stability of its information systems.

Emergency Response

Awinic has established a rigorous emergency response framework for managing security incidents. In the event of a high-severity or wide-impact incident, the company follows a structured process: Reporting the IT incident and initiating emergency notifications; Escalating the issue to the emergency leadership team; Activating and executing the emergency response plan.

INFORMATION SECURITY TRAINING



CUSTOMER PRIVACY PROTECTION

In terms of customer privacy protection, Awinic has implemented the following measures to protect customer privacy:

- ▶ Accounts with permissions to access or download sensitive company information (e.g., employee phone numbers, partner pricing data) are restricted to company terminals, ensuring all operations are conducted within the corporate environment.
- ▶ The company's client relationship management system is cloud-based. To ensure data security, Awinic partners with cloud service providers that have undergone rigorous SOC (Service Organization Control) report audits, guaranteeing secure data storage and providing a reliable foundation for system security.
- ▶ Internal permission isolation and data control mechanisms are in place to prevent unauthorized data forwarding. Any implementation of fallback strategies requires whitelist approval, ensuring comprehensive protection of customer privacy.



PEOPLE-ORIENTED

Awinic recognizes the critical importance of talent development. Guided by the corporate value that "a high-caliber team is Awinic's greatest asset," the company actively recruits top talent, expands its talent pool, and establishes a multi-dimensional talent development system to provide employees with diverse career growth opportunities. Awinic is committed to a people-first approach, prioritizing employee rights, well-being, and health, and strives to foster an inclusive, equitable, and secure workplace environment.

DIVERSITY AND INCLUSION

RECRUITMENT DIVERSITY

Awinic is committed to fostering a diverse and inclusive workplace by embedding fairness into its recruitment processes, ensuring equal treatment for all employees, and prioritizing the protection of female employees' rights.

In its diversity and inclusion efforts, Awinic guarantees fair treatment for all candidates, adhering to anti-discrimination principles and the concept of mutual selection. We strictly avoid any form of discrimination based on non-work-related factors such as race, gender, or age. By implementing transparent and equitable recruitment practices, Awinic ensures that every candidate has an equal opportunity to succeed.

Furthermore, Awinic places a strong emphasis on the well-being of its female employees. Beyond offering Women's Day holidays, we organize regular activities to enhance employees' sense of belonging and job satisfaction, fostering a more inclusive and supportive work environment.



Case: Every festival is celebrated

At Awinic, every festival is celebrated with enthusiasm! The company regularly holds traditional festival activities such as Lantern Festival, Dragon Boat Festival, Mid-Autumn Festival, Thanksgiving, etc. to enhance employees' understanding of regional and generational cultural differences, thereby promoting team diversity and allowing employees from different backgrounds to feel the inclusive corporate atmosphere.

DIVERSITY IN BOARD

Awinic has also made significant progress in gender diversity within its Board of Directors. Currently, female directors account for 60% of the board, which is a leading figure within the industry, reflecting the company's commitment to gender balance and social responsibility. The board also shows significant diversity in terms of age, educational background, and professional expertise, ensuring comprehensive and broad decision-making while promoting innovation.

Female 60%	Male 40%	41-50 years old 40%	>50 years old 60%
Major in finance & management 40%	Industrial background 40%	Industrial background 20%	Dr. 1 person
			80% with a master's degree or below

EMPLOYEE COMPENSATION AND INCENTIVES

Compensation and incentives serve as key drivers for attracting top talent and retaining core teams. The company adopts a competitive and equitable compensation system, a diversified incentive mechanism, and a robust performance management framework to foster employee motivation and creativity, ensuring the effective implementation of organizational strategy.

COMPETITIVE & FAIR COMPENSATION SYSTEM

The company has established a comprehensive compensation system encompassing fixed salaries, allowances, variable pay, and holistic benefits, ensuring transparency, fairness, and strong competitiveness within the industry.

DIVERSIFIED INCENTIVE MECHANISM

To fully enhance employee motivation and support long-term growth, the company has developed a multi-tiered, differentiated incentive program:

- ▶ **Equity Incentive Program:** Launched in three phases, including restricted stock incentive plans in 2021 and 2022 and the employee stock ownership plan released in 2024. In 2021, 4.4 million restricted stocks were initially granted under the Restricted Stock Incentive Plan. In 2022, 4.78 million restricted stocks were initially granted under the Restricted Stock Incentive Plan. In 2024, an Employee Stock Ownership Plan was implemented, involving 977,637 shares.
- ▶ **Tiered Incentives:** Tailored multi-tiered incentive packages based on employee levels and job characteristics to ensure reasonable incentives for each tier.
- ▶ **Special Incentives:** Establish a special reward mechanism for key projects such as patent innovation and technological breakthroughs.

Performance Management System

Through a structured performance management mechanism, the company decomposes annual strategic objectives both horizontally and vertically, ensuring alignment at all levels. Utilizing the PBC (Personal Business Commitment) model, the company ensures that individual employee goals are closely aligned with overall corporate strategy. Regular performance reviews and adjustments are conducted to drive continuous performance enhancement, with an annual assessment cycle in place.



EMPLOYEE RIGHTS AND SERVICES

Awinic remains committed to its "people-oriented" philosophy, placing great emphasis on employee rights and well-being. The company strives to provide comprehensive support and care, fostering a positive, inclusive, and collaborative work environment.

CARING FOR EMPLOYEES

Employee Benefits

- Fundamental Benefits: Social insurance and provident fund, health and accident coverage, annual leave, etc.
- Specialized Employee Care: Support for female employees, staff apartments, parent-child-friendly office spaces, etc.

Case | "Awinic Home" Staff Apartment

The "Awinic Home" talent apartment provides new employees with a welcoming living space that fosters integration into the corporate culture, embodying the concept of "Work, Life, and Happiness at Aiwei." Equipped with a shared kitchen, KTV, basketball court, and various leisure facilities, the apartment meets employees' needs for exercise, entertainment, and personal development, enriching their off-duty life and enhancing their overall well-being and quality of life.

Beyond addressing accommodation needs, the staff apartment underscores Awinic's commitment to employees' holistic well-being and professional growth, strengthening their sense of belonging and loyalty, and laying a solid talent foundation for the company's sustainable development.



Team-building activities

Case | Sports Meeting

On June 22, 2024, Awinic celebrated its 16th anniversary with a fun sports festival. Employees gathered at Shanghai Minhang Stadium, while colleagues from Shenzhen, Beijing, Xi'an, and other locations joined remotely through activities like hiking and cycling. The event featured a diverse range of activities, including a torch relay, Awinic formation showcase, and Ba Duan Jin, fostering team cohesion and a strong sense of unity.



EMPLOYEE ENGAGEMENT AND COMMUNICATION

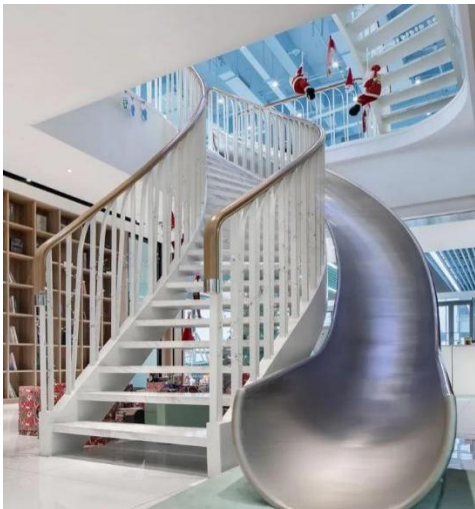
Awinic prioritizes open and transparent communication, establishing a structured feedback mechanism to foster meaningful dialogue among employees. The company regularly organizes interactive sessions, including "Executive Face-to-Face Meetings" and "Tea Talks," covering both the Shanghai headquarters and regional branches.

These discussions span a wide array of topics, including industry trends, product development roadmaps, regional business strategies, incentive programs, and personalized feedback. They serve as a platform for knowledge-sharing, ensuring that employees are well-informed and engaged.

Employee response rate	Received and addressed over
100 %	100 employee suggestions and concerns
Successfully held a thematic exchange meeting over	Employees participating
10 Session	60 %

Case | Staff Office Environment

In the design of the company building, the company deeply understands the real needs of the employees through questionnaires and wish labels, and actively adopts and implements the innovative ideas proposed by the employees. For example, in the office design stage, the idea of “slide” proposed by the staff was adopted, which fully reflects the company's respect and support for the creativity of the staff, and creates a more interesting and staff-friendly office environment.



EMPLOYEE TRAINING AND DEVELOPMENT

- ▶ Awinic has always been adhering to the “people-oriented” concept, attaches great importance to the rights and interests of employees and services, and is committed to providing employees with a full range of support and care, to create a positive, harmonious and cordial working atmosphere.
- ▶ Awinic remains committed to employee development by establishing a comprehensive talent cultivation system, leveraging diverse training methodologies, and implementing a well-structured promotion mechanism. These initiatives provide employees with broad career development opportunities while driving technological innovation and corporate sustainability.

Talent Acquisition

The company actively attracts top-tier industry talent through multiple channels, including campus recruitment, social recruitment, and targeted talent acquisition, to meet evolving workforce demands at different development stages and build a robust talent pipeline. For non-R&D positions, the recruitment process emphasizes candidates' industry experience and alignment with corporate culture and values. Simultaneously, the company prioritizes the development of an expert system, leveraging industry leaders to enhance organizational capabilities and optimize the hierarchical structure of technical resources.

EMPLOYEE PROMOTION

The company has established multi-dimensional career development paths for employees, encouraging them to strive for excellence in various fields. It has set up flexible cross-functional career development channels, breaking down the barriers between technical and management positions and supporting employees' cross-field development and cross-departmental communication.

Cadre Development & Succession Planning

To ensure a structured and fair leadership selection and development process, the company has established the “*Leadership Management Framework*”. Leadership candidates are evaluated based on four key criteria: performance, integrity, competence, and experience. The company adheres to a strategy of prioritizing internal promotions while supplementing leadership needs with external hires, ensuring that selected leaders possess both exceptional managerial skills and technical expertise.

To support new leaders in transitioning smoothly into their roles, the company implements a structured on boarding program. Additionally, a long-term leadership development framework has been designed to identify and nurture high-potential employees. Tailored development programs, including rotational assignments, hands-on project experiences, and leadership training, foster a dynamic talent pipeline aligned with the company’s strategic growth.

In 2024, the company engaged external experts to conduct the Leadership Empowerment training series, offering more than 40 hours of specialized courses covering team development, effective communication, and leadership strategies.

EMPLOYEE TRAINING

Diversified Training Programs

To facilitate career development, Awinic has established a structured training framework encompassing new employee onboarding, leadership training, and professional skill enhancement:

New Employee Training

It consists of general basic training, professional training for positions, and mentor_x0002_led teaching, helping new employees to become familiar with and adapt to the culture, system, behavioral norms, and position requirements as quickly as possible.

Leadership Training

Awinic has designed a program with various management capability enhancement courses for managers at all levels, aiming to improve their organizational development and team management skills.

Professional Development Training

Specialized training programs covering job-related knowledge, technical skills, and professional ethics. Different departments also conduct domain-specific training in areas such as quality management and intellectual property protection lessons to strengthen industry expertise.

Awinic during the reporting period:

Total investment in employee training

RMB 2.4 million

Training coverage

100%

Total employee training

20,832 hours

Among them, Management channel

18,012 hours

Professional channel

2,820 hours

Online Learning Platform

New Employee Orientation Courses

Integrated Product Development (IPD)

Cadre Empowerment

General Abilities

Compulsory Courses

Systematic Training Courses

Occupational Health & Safety

Targeted at R&D teams, featuring courses such as Fundamentals of Awinic Product Development and serial of A Comprehensive Guide to Awinic's Product Development Lifecycle in 60 Minutes.

Business data analytics, leadership development, and general management.

Ba Duan Jin training.

05

People-Oriented

During the reporting period, the online training platform:

14,582.40 hours

EMPLOYEE OCCUPATIONAL HEALTH AND SAFETY

Awinic is committed to establishing a comprehensive and systematic occupational health and safety (EHS) management system to ensure that all employees work in a safe and well-controlled environment while continuously assessing and mitigating potential risks.

ROBUST EHS MANAGEMENT SYSTEM

The company has formulated the “EHS Risk Assessment Procedure” to systematically identify risks, conduct quantitative assessments, and manage potential hazards, thereby ensuring a safe working environment for employees. A dedicated risk assessment team, composed of EHS personnel and department heads, regularly inspects physical, chemical, biological, and behavioral hazards to ensure that all potential risks remain within a manageable range.

EMERGENCY RESPONSE AND ON-SITE SAFETY MANAGEMENT

To address emergencies, the company has established a comprehensive and effective emergency response system. In the event of an incident, the incident commander and the emergency response team will swiftly activate contingency plans to ensure timely and effective handling. For high-risk areas (e.g., laboratories and production facilities), the company has developed a series of standardized safety operation guidance documents to ensure the safety of all laboratory operations. Additionally, the company enforces strict management of personal protective equipment (PPE) to safeguard employees and maintain operational safety and compliance.



Awinic during the reporting period:

Employee Physical Examination Coverage 100%	Occupational accident insurance input coverage 100%
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▶ Under the guarantee of strict safety management system and system, no production safety related accidents occurred in the Company during the year.

PHILANTHROPY AND RURAL REVITALIZATION

Awinic fosters active participation in social initiatives across all levels, from management to employees. Looking ahead, the company will remain committed to its philosophy of “caring for society and promoting public welfare,” spreading warmth and positive impact while contributing to the advancement of the national integrated circuit industry..

PHILANTHROPY AND SOCIAL CARE

Awinic supports socially vulnerable groups through diverse public welfare activities and remains committed to expanding initiatives related to ecological conservation. Since 2019, the company has organized the “Red Nose” public welfare series annually, covering themes such as charitable fundraising and environmental protection. Additionally, as a recognized Youth Research and Practice Education Base in Minhang District, Awinic actively promotes STEM education by organizing semiconductor knowledge-sharing programs to nurture future talents and drive technological innovation.

In 2024, Awinic launched “Love Charity Sale” and “Old Clothes with Love” charity initiatives to support elderly and widowed individuals, earning widespread public recognition.

Case 1: "Red Nose" series of public welfare activities

- "Loveheart Charity Sale"

Awinic organized a charity sale of cultural and creative products, allowing employees to actively contribute to philanthropic efforts. This initiative not only reflects the company’s collective compassion and social engagement but also amplifies the impact of public welfare.
- "Old Clothes with Love"

In collaboration with the Minhang District Mental Health Center, this initiative raises awareness and encourages societal support for mental health patients and the elderly. By promoting community engagement and volunteerism, the project fosters a culture of social responsibility and inclusivity, inspiring broader participation in public welfare initiatives.

Past charity activities from 2019 to 2023: "Keep the smile of the Yangtze River - protect the Yangtze River dolphins", "Alashan's 'One Hundred Million Haloxylon Ammodendron'", "Protect the Ocean, You and I Walk Together", etc.

The company attaches great importance to the communication and interaction between employees, establishes a regular mechanism for collecting opinions, and regularly organizes various kinds of exchange meetings such as “face-to-face meeting with experts” and “tea party”, which cover the headquarters in Shanghai and branches all over the world. The activities cover a wide range of topics, including industry trend sharing, product line development planning, local business development strategies, incentive mechanism analysis, personalized problem feedback, etc., providing a communication platform for employees and promoting information sharing.

Case 2: "Minhang District Youth Research and Practice Education Base"

Since earning the title of "Minhang District Youth Research and Practice Education Base" in 2020, Awinic has actively promoted youth STEM education. Through science lectures, semiconductor demonstrations, and DIY chip-making workshops, the company fosters awareness and enthusiasm for chip technology among young learners.

On December 1, 2024, Awinic hosted a delegation of over ten teachers from Minhang Wenlai Middle School to explore integrating semiconductor knowledge into the curriculum and developing innovative STEM education models.



The on - site communication between the school and the enterprise

Case 3: President supports education



The chairman supports education and donates RMB 500,000 to Shanghai Wenlai Junior High School Education Development Foundation



Donation Certificate

RURAL REVITALIZATION AND EDUCATIONAL SUPPORT

Rural revitalization is a key national strategy. Awinic actively supports the government’s initiatives to boost rural consumption and aligns with policies promoting the adoption of new energy vehicles and green smart home appliances in rural areas. Leveraging its R&D expertise, the company contributes to rural revitalization through the application of AIoT, smart gas meters, water and electricity meters, and new energy vehicles. Looking ahead, Awinic plans to expand its public welfare and philanthropic efforts to further enhance rural living standards and foster the sustainable development of rural science and technology.

Case 1: "BDO Warmth · Rural Computer Classroom" charity event

Awinic actively participated in the BDO Shanghai Charity Foundation’s initiative by donating computer equipment and customized chip-embedded notebooks. This effort helped improve educational conditions in remote areas and promoted the digitalization of rural education. In recognition of its outstanding contributions to the "BDO Warmth·Rural Computer Classroom" initiative, Awinic, along with its four subsidiaries, received a donation certificate, underscoring the company’s strong commitment to social responsibility.



Donation certificate for the public welfare activity of "BDO Warmth·Rural Computer Classroom"

Case 2: Chairman’s Philanthropic Contribution to Enhance Healthcare in Remote Areas

In 2024, Chairman Sun Hongjun donated RMB 200,000 to the Red Cross Society of Daguan County, designating the funds for the procurement of medical equipment at Daguan County People's Hospital in Zhaotong City. The donation specifically supported the acquisition of critical medical devices, including a high-frequency electrosurgical unit for endoscopic procedures. This initiative significantly improved the quality and efficiency of local healthcare services, delivering tangible benefits to patients in the region.

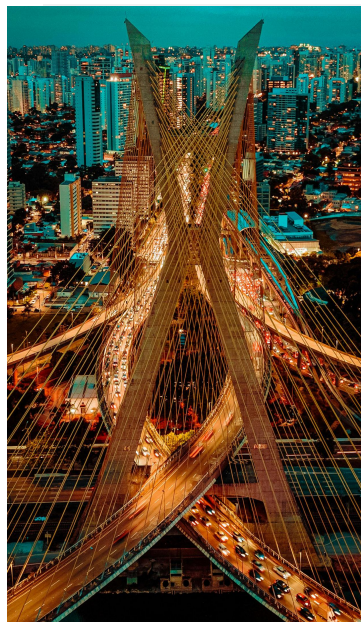


GREEN OPERATIONS

To strengthen the company's climate resilience, align with national carbon reduction goals, and mitigate environmental impact, Awinic proactively implements green operations, enhances the environmental sustainability of its R&D and production processes, and advances the sustainable development of the chip industry.

CLIMATE CHANGE MITIGATION

Climate change is a global trend that cannot be ignored. In order to enhance the company's climate resilience and adaptability and reduce carbon emissions across the entire value chain, Awinic has demonstrated its commitment and responsibility in addressing climate change through emission reductions in logistics and transportation, as well as the application of its products in the new energy vehicle sector.



Optimization in transportation and logistics, reducing carbon emissions

In the transportation and logistics processes, Awinic has reduced carbon emissions by optimizing routes and minimizing transportation frequency, thereby mitigating potential risks associated with climate change.

- ▶ **Coordinating with suppliers and adjusting the delivery frequency:** not only improves transportation efficiency but also reduces greenhouse gas emissions in the transportation process.
- ▶ **Logistics providers use GPS to optimize logistics route:** further improving transportation efficiency, reducing fuel consumption and carbon emissions, and reducing impact on the environment.
- ▶ **Gradually adopting new energy electric trucks:** actively promote green transportation methods, reduce carbon emissions from the source, further promote the use of renewable energy, reduce the overall carbon footprint, and promote global climate change response.

Awinic incorporates green principles into product design and applies them to the new energy vehicle market. While improving the overall energy efficiency of vehicles, it promotes low-carbon transformation in the transportation sector:

For example, the use of low quiescent current LDO can reduce the energy consumption of the vehicle's power system and extend the service life of core components; tactile feedback and dynamic light control technology are integrated into the vehicle system to reduce the use of traditional mechanical components and lighting energy consumption.



Application of LDO in new energy vehicles

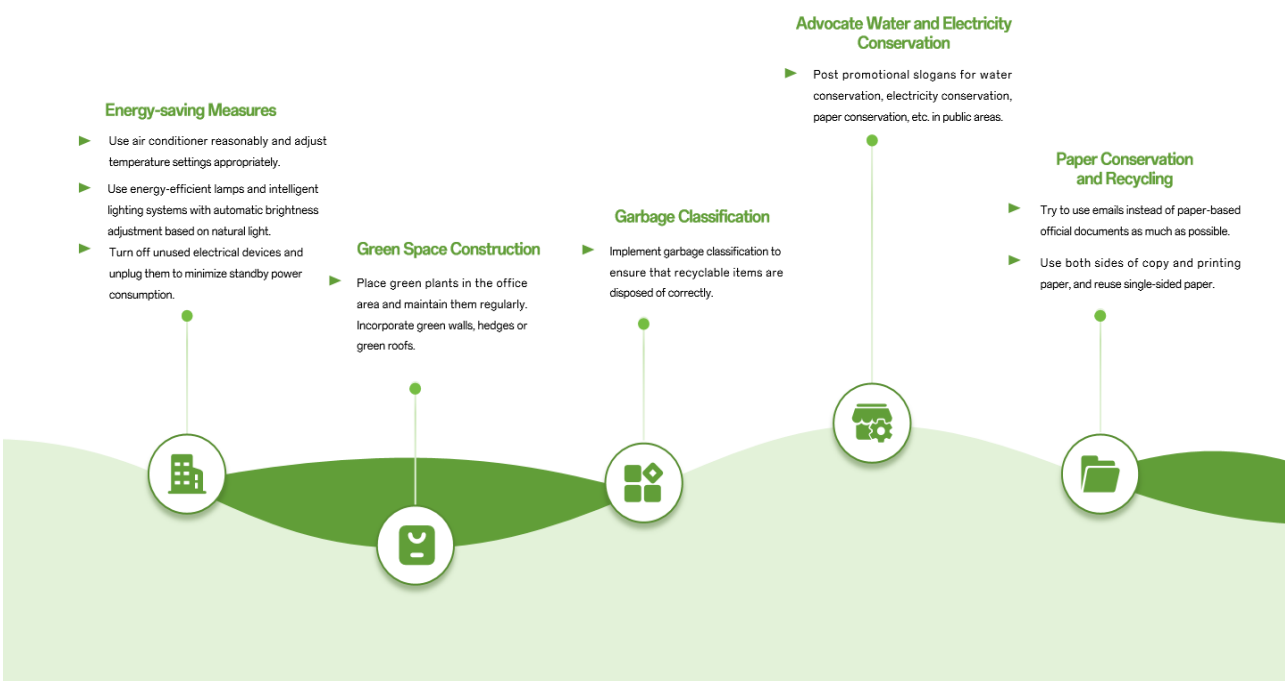
Awinic developed its own low static power consumption product LDO

The product has a stable output voltage and a certain noise resistance. It has been widely used in vehicle-mounted MCUs of many brands of vehicles, providing high-quality power supply, effectively filtering high-frequency noise and ripple from switching power supply, extending the service life of the vehicle-mounted MCU, and improving driving safety.

GREEN OPERATIONS

- ▶ Awinic actively promotes green office practices, which not only help reduce corporate operating costs and enhance resource utilization efficiency but also minimize environmental impact and strengthen corporate reputation.
- ▶ The company has implemented a comprehensive range of energy-saving and eco-friendly initiatives, including energy efficiency measures, green space development, waste classification, advocacy for water and electricity conservation, as well as paper-saving and recycling programs. These efforts effectively instill environmental awareness among employees in daily operations, enhance the sustainability of the office environment, and drive long-term sustainable development.

Office area reminder slogans



ENERGY CONSERVATION & CLEAN TECHNOLOGY OPPORTUNITIES

Awinic continues to advance green design and develop innovative technologies in alignment with its commitment to sustainable development and climate change mitigation. Currently, the company has taken the lead in installing photovoltaic panels at its Integrated Circuit Technology Laboratory Center, while the Automotive-Grade Test Center under construction is also dedicated to driving the green transition in energy utilization.

Case | Energy-saving Design of Test Center



As a key initiative in Awinic's future development strategy, the Automotive-Grade Test Center, scheduled for official operation in 2026, will further enhance the company's energy efficiency performance. The center will integrate a large number of industrial robots and adopt a "dark factory" model, significantly reducing artificial lighting needs and overall energy consumption. The building will be designed with an ultra-low energy consumption structure, utilizing environmentally friendly materials to minimize environmental impact, while the installation of photovoltaic panels will drive the transition toward clean energy utilization. This project will establish a strong foundation for improving production efficiency, reducing the company's carbon footprint, and advancing green manufacturing, marking another milestone in Awinic's journey toward sustainable development.

In 2024,
The current photovoltaic panel power generation capacity of the experimental center has reached **46,377** kW/h
Saving electricity about **16,400** yuan

WASTE AND HAZARDOUS SUBSTANCE MANAGEMENT

Awinic has demonstrated a high level of compliance and management expertise in waste and hazardous materials management.

HAZARDOUS WASTE MANAGEMENT

Principle

Awinic has formulated the "Awinic Hazardous Waste List" based on the National Hazardous Waste List, alongside a detailed Hazardous Waste Management Procedure, which clearly defines waste categories and corresponding disposal methods.

Audits

The Internal Audit Department periodically conducts specialized audits on hazardous waste management process to assess compliance with hazardous chemical regulations and continuously enhance its effectiveness.

Traking

The Quality Department has established a hazardous materials management ledger in order to systematically track and manage relevant data, ensuring full-process control over hazardous waste from procurement and usage to disposal and scrapping.

Random inspection

The company conducts annual random inspections of suppliers listed in its internal qualified vendor database, comparing them against the compliant supplier list published officially by the Environmental Protection Bureau. And as of the reporting period, no non-compliant suppliers have been identified.

Case | Compliant Waste Treatment Suppliers

The company selects compliant waste treatment suppliers from the "List of Hazardous Waste Business Licenses" and the "List of Qualified Enterprises for the Treatment of Waste Electrical and Electronic Products", which are published annually by the Ecological Environment Bureau.

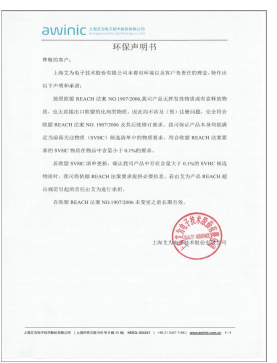
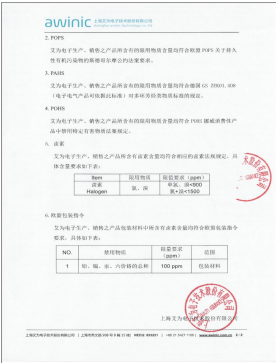
Case | Hazardous waste storage labeling



HAZARDOUS SUBSTANCES MANAGEMENT

- ▶ Awinic adheres to international regulations such as RoHS and REACH, ensuring full-process management that encompasses the supply chain, product design, and production stages.
- ▶ The company conducts annual training sessions for employees and suppliers to enhance awareness and execution capabilities in hazardous substances management.

Case | Environmental Declaration



Case | Regular "Three Wastes" Testing

During the reporting period, the company engaged a professional testing agency to conduct environmental monitoring of wastewater, industrial waste gas, and factory boundary noise near the experimental center. All test results met regulatory standards.

During the reporting period, Awinic Testing Center did not receive any environmental complaints from customers or regulatory authorities, demonstrating its strong environmental management capabilities.



► APPENDIX I. KEY PERFORMANCE

Topics	Indicator	Unit	2024
Economics	Annual Operating Revenue	Million RMB	2932.93
	Net Profit Attributable to Shareholders	Million RMB	254.88
	Dividends Paid to Shareholders (Including Tax)	Million RMB	11.58
	Basic Earnings Per Share (EPS)	Yuan per Share	1.10
	Cumulative Number of Product Models	Units	1400+
	Cumulative Shipment Volume	Pieces	6 billion+
Governance	Number of Board Members	Person	5
	Number of Male Directors	Person	2
	Number of Female Directors	Person	3
	Number of Board Meetings Convened	Times	8
	Number of supervisory board meetings	Times	7
	Number of General Meetings of Shareholders	Times	4
	Proportion of Employees Signing the Integrity and Professional Conduct Commitment	%	100
	Proportion of Suppliers Signing the Integrity Agreement	%	100
	Coverage Rate of Employees Receiving Professional Ethics and Anti-Corruption Training	%	100
	Coverage Rate of Suppliers and Contractors Receiving Communication of Professional Ethics and Anti-Corruption Policies	%	100
	Evaluation Results of Information Disclosure Work by Shanghai Stock Exchange	Level	A
	Number of Disclosure Announcements	Pieces	136
	Number of Reports Disclosed by the Company During the Reporting Period	Pieces	4
	Number of Earnings Briefings Held for Small and Medium Investors	Events	4
	Number of Investors/Companies Participating in Investor Exchange Meetings	Person/ Institutions	110+
	Number of Investor Relations Activity Records Published	Pieces	19

Topics	Indicator	Unit	2024
Social	Total Number of Employees	Person	869
	Contract Signing Rate	%	100
	Overall Male-to-Female Ratio	\	2.1: 1
	Number of Employees with Disabilities	Person	8
	Proportion of R&D Personnel	%	64
	R&D Investment	Million RMB	509
	Average Training Hours per Employee	Hours	24
	Training Coverage Rate	%	100
	Social Insurance Coverage Rate	%	100
	Employee Health Check-up Coverage Rate	%	100
	Investment in Occupational Accident Insurance	Thousand RMB	14
	Coverage Rate of Occupational Accident Insurance	%	100
Environmental	Cumulative Number of Patents	Pieces	649
	Number of New Patents Granted in the Year	Pieces	117
	Total Energy Consumption	Kilowatt-hours (kWh)	9,540,000
	Total Energy Savings (Cumulative Electricity Savings)	Kilowatt-hours (kWh)	46,377
		Tons of Coal Equivalent (TCE)	5.70
	Energy Cost Savings (Cumulative Electricity Bill Savings)	Thousand RMB	16.4
	Total Water Consumption	Tons (t)	33,362
	Office Operations Water Consumption	Tons (t)	17,000
	Testing Center Water Consumption	Tons (t)	16,362
	Electronic Waste Scrap Weight	Tons (t)	1.954
	Chemical Waste Scrap Weight	Tons (t)	0.99
	Total Patents Related to Clean Technology	Pieces	39
	Patents for Reducing Energy Consumption (Related to Renewable Energy and Energy Efficiency)	Pieces	34
	Effective Patents for Extending Product Lifespan	Pieces	5

► APPENDIX II. GRI CONTENT INDEX

GRI Standard	Disclosure Issues		Index
GRI2: General Disclosures	2-1	Organizational details	About Awinic
	2-2	Entities included in the organization's sustainability reporting	About Awinic
	2-3	Reporting period, frequency and contact point	About Awinic
	2-6	Activities, value chain and other business relationships	Quality as the Foundation, Fully Safeguarding Customer Interests
	2-7	Employees	People-Oriented: Enhancing Humanistic Care and Protection
	2-9	Governance structure and composition	Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance
	2-14	Role of the highest governance body in sustainability reporting	ESG Management
	2-15	Conflicts of interest	ESG Management
	2-19	Remuneration policies	Employee Compensation and Incentives
	2-20	Process to determine remuneration	Employee Compensation and Incentives
	2-22	Statement on sustainable development strategy	ESG Management
	2-25	Processes to remediate negative impacts	Risk Management
	2-26	Mechanisms for seeking advice and raising concerns	Employee Rights and Services
	2-29	Approach to stakeholder engagement	ESG Management

GRI Standard	Disclosure Issues		Index
GRI3: Material Topics	3-1	Process to determine material topics	ESG Management
	3-2	List of material topics	ESG Management
	3-3	Management of material topics	ESG Management
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Key Performance
	201-2	Financial implications and other risks and opportunities due to climate change	About Awinic
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Philanthropy and Rural Revitalization
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Business Ethics and Anti-Corruption
GRI 207: Tax	207-2	Tax governance, control, and risk management	Risk Management
GRI 301: Materials	301-1	Materials used by weight or volume	Key Performance
	301-2	Recycled input materials used	Green Procurement
	301-3	Reclaimed products and their packaging materials	Green Procurement

Note: This table reports the information cited in this GRI content index by Awinic from January 1, 2024 to December 31, 2024 with reference to GRI standards.
Using GRI 1: Basic 2021

► APPENDIX II. GRI CONTENT INDEX

GRI Standard	Disclosure Issues	Index
GRI 302: Energy	302-3 Energy intensity	Key Performance
	302-4 Reduction of energy consumption	Energy Conservation, Environmental Protection, and Clean Technology Opportunities
GRI 303: Water and Effluents	303-2 Management of water discharge-related impacts	Waste and Hazardous Substance Management
	303-5 Water consumption	Key Performance
GRI 306: Waste	306-2 Management of significant waste-related impacts	Waste and Hazardous Substance Management
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Comprehensive Product Quality Management/Sustainable Supply Chain
GRI 401: Employment	401-1 New employee hires and employee turnover	Employee Compensation and Incentives
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights and Services
	401-3 Parental leave	Employee Rights and Services
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
	403-3 Occupational health services	Occupational Health and Safety

GRI Standard	Disclosure Issues	Index
GRI 403: Occupational Health and Safety	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Employee Training and Development
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Development
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Diversity and Inclusion
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Comprehensive Product Quality Management/Sustainable Supply Chain
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	Intellectual Property Protection

► APPENDIX III. STANDARDS GLOSSARY INDEX

Abbreviation	Definition
Awinic, the Company, We	Awinic Technology Co., Ltd.
IC	Integrated Circuit
AIoT	Artificial Intelligence of Things
AF	Auto Focus
OIS	Optical Image Stabilization
SAR	Specific Absorption Rate
COSO	Committee of Sponsoring Organizations of the Treadway Commission
ATC	Automatic Temperature Control
IEEE	Institute of Electrical and Electronics Engineers
Demo	Demonstration
ERP	Enterprise Resource Planning
SOP	Standard Operating Procedure
VOC	Volatile Organic Compounds
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals,
RoHS	Restriction of Hazardous Substances
CP	Chip Probing

Abbreviation	Definition
ISO 9001	Quality management systems
ANSI/ESD 20.20	Protection of Electrical and Electronic Parts
GBIT 29490	Enterprise intellectual property compliance management system
ISO/IEC 17025	International standard for testing and calibration laboratories
IATF 16949	International Automotive Task Force 16949
CMMI	Capability Maturity Model Integration
ISO 26262	Functional Safety
ASIL	Automotive Safety Integration Level
ISO 56005	Innovation and Intellectual Property Management
IPD	Integrated Product Development
FANOUT	Fan-Out Wafer-Level Package
EDR	Endpoint Detection and Response
SOC report	System and Organization Controls Report
PBC	Personal Business Commitment
EHS	Environment, Health & Safety
PPE	Personal Protective Equipment

▶ APPENDIX IV. REPORT FEEDBACK

Dear Readers,

Thank you for taking the valuable time to read the Sustainability Report of Awinic. In our continuous effort to enhance the quality and transparency of our reports, we sincerely invite you to complete the following questionnaire. Your feedback will assist us in better addressing the concerns of our stakeholders and advancing our sustainable development practices. We sincerely appreciate your participation!

1. What is your overall assessment of this report?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
2. How well do you think this report reflects the significant environmental, social, and governance impacts?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
3. How effectively do you think this report addresses and discloses the issues of concern to stakeholders?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
4. How do you think the information, indicators, and data disclosed in this report performs in terms of authenticity, accuracy, and integrity?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
5. How do you think of the readability of this report, including its overall structure, content design, and formatting?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
6. Which part of the report are you most concerned about?

7. Do you have any comments or suggestions for our Sustainability Reports in future?

