



宏微科技

MACMIC

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2025 MacMic Science & Technology Co., Ltd. Environmental, Social, and Governance (ESG) Report

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Foreword

About the Report

The report is the 2025 Environmental, Social, and Governance (ESG) report (hereinafter referred to as the "ESG Report") released by MacMic Science & Technology Co., Ltd. Based on the principles of objectivity, standardization, transparency, and comprehensiveness, this report provides a detailed disclosure of the practical measures and achievements taken by MACMIC and its subsidiaries and branches in the areas of environmental, social, and governance in 2025.

Reporting Scope

Reporting Period: This report covers the period from January 1, 2025 to December 31, 2025 (hereinafter referred to as the "Reporting Period"). To improve the comparability and completeness of this report, some statements and data pertain to previous or future years where applicable.

Scope of Organization: This report primarily focuses on MacMic Science & Technology Co., Ltd., including its subsidiaries and branches. Unless otherwise specified, the scope of the report is consistent with that of the Company's annual report.

Release Cycle

The ESG Report is released on an annual basis.

Preparation Basis

- *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies-Sustainability Report (Trial)*
- *Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operation*
- *China Enterprise Reform and Development Society Guide to Corporate Sustainability Reporting in China(-CASS-ESG 6.0)*
- *Task Force on Climate-related Financial Disclosures (TCFD) Recommendations*
- *Sustainability Accounting Standards Board (SASB) Standards*
- *Sustainable Development Goals (SDGs) of the United Nations*
- *Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards)*

Data Sources

The data in this report are sourced from the Company's official documents, audited financial statements, and other materials have been reviewed by responsible departments. Financial data are derived from the Company's annual report 2025. Unless otherwise specified, all monetary amounts mentioned in this report are denominated in RMB.

Definition of Terms

For clarity and consistency, the terms used in this report are defined as follows:

Terms	Full Name of the Company
MACMIC, the Company or we	MacMic Science & Technology Co., Ltd.
Core Energy	Changzhou Core Energy Semiconductor Co., Ltd.
MacMic Ai-SEMI	Shanghai MacMic Ai Semiconductor Co., Ltd.

Report Access and Feedback

The Company warrants that this report contains no false records, misleading statements or material omissions, and shall be responsible for the truthfulness, accuracy and completeness of its content. This report is published in both Simplified Chinese and English. The Simplified Chinese version shall prevail in the event of any discrepancies between the two versions.

The report can be viewed and downloaded on the official website of the Shanghai Stock Exchange (www.sse.com.cn) and the Company's official website (www.macmicst.com).

Message from the Chairman



In 2025, the power semiconductor industry saw a steady recovery in business sentiment. Global investment in intelligent computing ramped up, and the new energy sector continued to upgrade. Seizing these market opportunities, MACMIC stayed true to its original mission: "Empowering industrial revolutions with green technologies and leading future development through low-carbon innovation." The Company achieved mutual empowerment and coordinated progress between its business operations and ESG initiatives.

Uphold integrity and act steadfastly to consolidate the governance foundation.

The Company has improved its ESG governance system and refined the *ESG Management System*. It has strengthened the full-process mechanism featuring strategic decision-making by the board of directors, research and guidance by special committees, overall coordination by the leading group, and implementation by the executive team, so as to promote standardized and regular ESG practices. Adhering to the bottom line of compliant operations, strict business ethics and transparent information disclosure, the Company effectively protects the legitimate rights and interests of investors, and underpins the high-quality development of the enterprise with sound governance.

Practice low-carbon development to draw an ecological blueprint.

The Company integrates low-carbon concepts throughout its entire production and operation process to support the achievement of "Carbon Peaking and Carbon Neutrality" goals. We promote green product design, leveraging the wide bandgap, low loss, high frequency and high efficiency characteristics of SiC materials to improve energy conversion efficiency in end systems, reduce power consumption, and help downstream sectors save energy and reduce carbon emissions. Meanwhile, the Company optimizes its energy mix by building photovoltaic power stations and purchasing green certificates to expand the use of clean energy and lower its own carbon emissions.

Empower through technology to co-create industrial value.

The Company has long been engaged in the power semiconductor sector, focusing on the design and development of IGBT, FRD, SiC and GaN chips and modules. It continues to increase R&D investment to improve product efficiency and reliability, providing stable and high-quality product support to upstream and downstream enterprises in the industrial chain. Meanwhile, the Company improves supply chain management, encourages suppliers to adopt sustainable development principles, and builds a green, stable and coordinated industrial chain ecosystem, achieving win-win value creation with industrial partners.

Unite in pursuit of dreams to give back to society with care.

The Company adheres to a talent-oriented philosophy. It improves employee rights protection, ensures equal pay for equal work, and optimizes compensation and benefits. A variety of cultural and sports activities are also organized, helping to continuously enhance employees' sense of belonging and happiness. The Company has established a sound talent development system, providing growth pathways for talents at different positions and stages. The goal is to build a high-quality, professional workforce, so that the Company and its employees can move forward together. At the same time, the Company actively fulfills its corporate social responsibilities and is passionate about public welfare. It participates in charitable activities such as the "A Carton of Milk Walking Challenge", spreading the Company's warmth to the community.

Looking ahead, the Company will continue to uphold the philosophy of "Customer-Centric, Innovation-Driven, Talent-Oriented". With firmer steps, it will join hands with every fellow traveler to embark on a new journey of sustainable development.

Chairman of MACMIC
Zhao Shanqi

About MACMIC

Company Profile

Founded in 2006 and headquartered in Changzhou, Jiangsu Province, MacMic Science & Technology Co., Ltd. (hereinafter referred to as: MACMIC) was successfully listed on the Science and Technology Innovation Board (STAR Market) of the Shanghai Stock Exchange (Stock Code: 688711.SH) in 2021, and is one of the leading companies in the domestic power semiconductor device industry. With deep roots in the power semiconductor device sector, MACMIC always adheres to its core philosophy of "Customer-Centric, Innovation-Driven, Talent-Oriented". Committed to independent innovation and R&D, the Company focuses on the design, R&D, and production of FRD, MOSFET, IGBT, SiC discrete devices and modules. It strives to build a nationally renowned power semiconductor brand with technological leadership and international influence, injecting core momentum into the development of the industry.



National Green Factory



National High-Tech Industrialization
Demonstration Base



Engineering Technology Research
Center for New High-Frequency Power
Semiconductor Devices of Jiangsu
Province



Provincial Enterprise Technology Center



National Postdoctoral Research Station



Leading Unit for National IGBT &
FRD Standard Formulation



National Key High-tech Enterprise
Certification



National Intellectual Property
Advantageous Enterprise



National "Little Giant" Enterprise
(Specialized, Refined, Distinctive,
Innovative)



National Green Supply Chain Enterprise



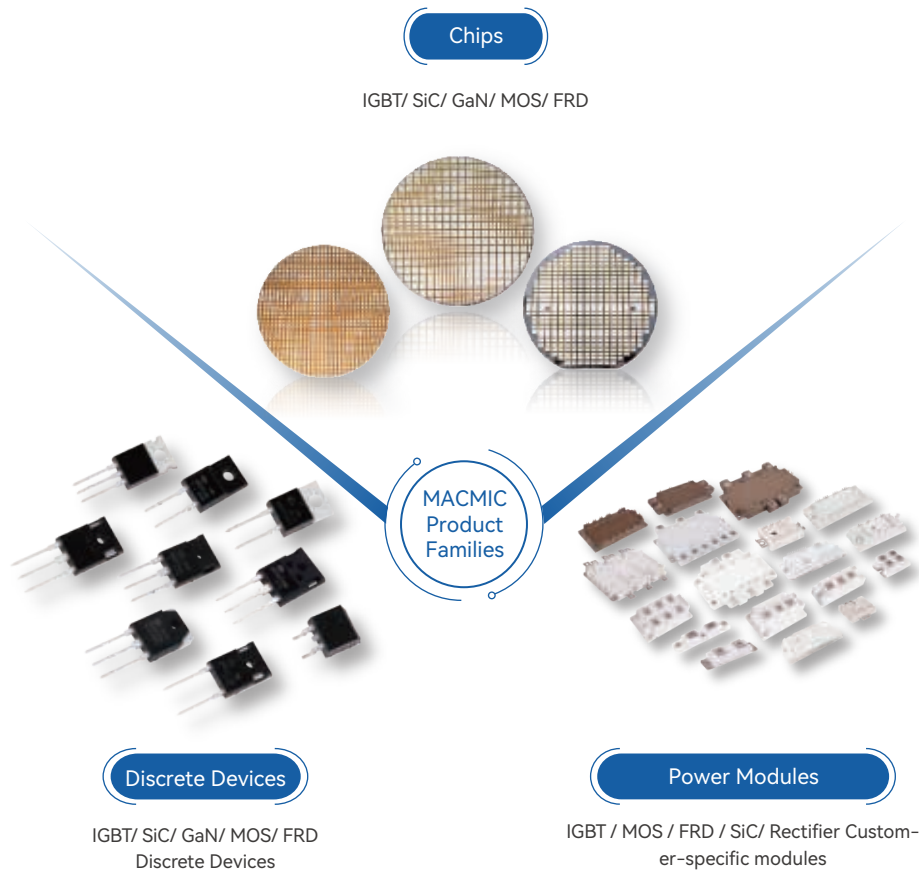
CNAS Laboratory Accreditation



Jiangsu New Power Semiconductor
Device Engineering Research Center
Certification

Business Layout

The Company's main business covers the design, R&D, production, and sales of power semiconductor chips, discrete devices, and modules. Its primary products include IGBT, FRD, SiC, GaN chips, discrete devices, modules, and other power semiconductor devices. The Company's self-developed IGBT, FRD, and SiC chip technologies have reached internationally advanced and domestically leading levels, breaking foreign monopolies and filling many domestic technological gaps. In its main business, all discrete devices use self-developed chips. Modules are mainly based on self-developed chips, supplemented by outsourced chips. The Company's products are applied in a wide range of fields, including industrial control (such as frequency converters, servo motors, UPS, and various switching power supplies, etc.), renewable energy generation (photovoltaic inverters, wind power converters, and power quality management, etc.), electric vehicles (electronic control systems, charging piles, OBC, and DC power supplies, etc.), as well as household appliances. The performance and process technology of the Company's products are at an advanced level in the industry.



Applications

Industrial Control

Targeting diverse industries such as frequency converters, welding machines, and UPS, MACMIC offers power device solutions across multiple series, including IGBT, FRD, and MOSFET.



Electric Vehicles

The Company provides highly efficient and reliable automotive-grade power modules, enabling new energy vehicles to achieve higher energy utilization and longer driving range.



New Energy Power Generation

Leveraging its advanced power semiconductor devices, the Company helps new energy power generation systems improve energy conversion efficiency and achieve sustainable utilization of clean energy.

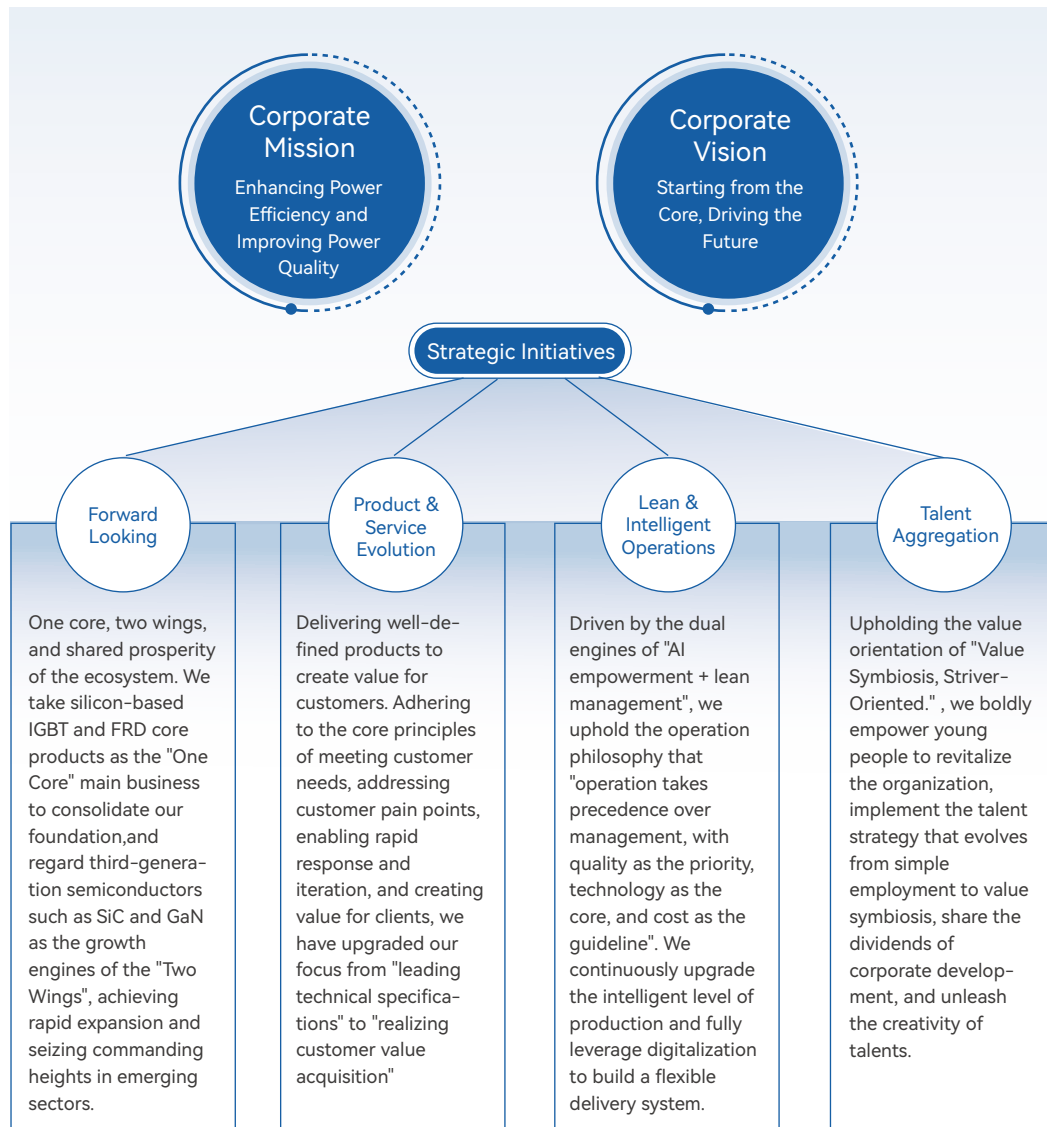


Household Appliances

The Company's power semiconductor products deliver more stable and efficient power transmission and control for household appliances, enhancing user experience and energy efficiency.



Development Strategy



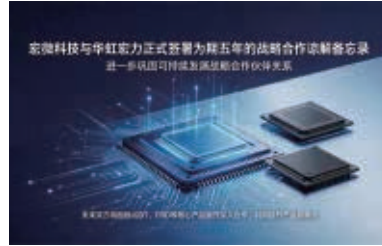
Corporate Culture



Milestones in 2025

January

MACMIC and Hua Hong Grace have officially signed a five-year *Strategic Cooperation Memorandum of Understanding* to further strengthen their strategic partnership for sustainable development. Going forward, the two parties will engage in in-depth cooperation around core products such as IGBT and FRD to enhance product competitiveness.



August

MACMIC and HHMAX-ENERGY (Chengdu) Technology Co., Ltd. officially signed a strategic cooperation agreement in Chengdu, Sichuan Province. The two parties will jointly promote in-depth cooperation on power semiconductor devices used in several key power supply systems, including the background magnetic field power supply system, the forming zone pulse power supply system, the acceleration zone pulse power supply system, the colliding compression zone pulse power supply system (including main capacitor charging and energy recovery circuit), the neutral beam injection power supply system, the auxiliary heating power supply system, and the power transmission, transformation and grid connection system.



June

MACMIC and the Energy Institute of Hefei Comprehensive National Science Center held a signing and unveiling ceremony for the "Joint Laboratory for Power Device Reliability Evaluation Methods and Lifetime Prediction" at the Smart Power Center. This collaboration will further deepen industry-university-research collaborative innovation, driving technological innovation and industrial upgrading.



July

MACMIC and Huairou Laboratory officially signed the *Silicon Carbide Technology and Results Transfer Cooperation Agreement* at the 2025 Yanqi Energy Forum. The two parties will focus on the application of SiC chips, devices, and modules in the national energy sector. Together, they are committed to driving China's wide-bandgap power semiconductor devices toward high-level self-reliance and self-improvement.



December

Cui Song, CTO of MACMIC and General Manager of MacMic Ai-SEMI, delivered a themed report entitled *GaN Devices Empowering the Development of Humanoid Robot Joint Motors* at the 2025 Hi-Tech Talk Third-Generation Semiconductor Annual Conference - SiC & GaN Industry Summit Forum. He elaborated on the key role of GaN devices in improving the response speed, energy efficiency and power density of robot joint motors.



Honors



MACMIC Won the 2024 Outstanding Contribution Award Shanghai Hua Hong Grace Semiconductor Manufacturing Co., Ltd.



MACMIC Won the 2025 National Green Factory Ministry of Industry and Information Technology of the People's Republic of China



MACMIC Honored as The 7th "Hidden Champions of Made in China" Award Chinese Management Journal



MACMIC Won the Automotive-Grade Excellence Award in the Domestic Power Device Industry 21Dianyuan



MacMic Ai-SEMI Won the 2025 Excellent Product Award – 650V Enhancement-Mode GaN HEMT Hi-Tech Talk Third Generation Semiconductors

Performance in 2025



Economic Performance

Operating Revenue

RMB **1,347.71** millionNet Profit Attributable to Shareholders of
the Listed CompanyRMB **17.11** million

Total Assets

RMB **2,666.09** million

Total Taxes Paid

RMB **7.83** million

Governance Performance

Number of Shareholders' Meetings Held

2

Number of Board of Directors Meetings Held

12

E-Interactive Inquiry Response Rate

100%

Employee Integrity Agreement Signing Rate

100%

Environmental Performance

Environmental Investment

RMB **1.08** million

Pollutant Monitoring Compliance Rate

100%

Photovoltaic Power Generation

2,266,737 kWhPercentage of Renewable Energy in Total
Energy Consumption**7.55%**

Total GHG Emissions (Scopes 1 and 2)

15,677.76 tCO₂e

Total Water Consumption

215,682 tons

Total Water Recycled and Reused

28.38%

Social Performance

Total Number of Employees

1,175 people

Total Training Hours

37,281.70 hours

Employee Satisfaction

95.95%

Labor Contract Signing Rate

100%

Investment in R&D

RMB **115.36** million

Number of R&D Personnel

220 people

Total Number of Authorized Patents

148 items

Total Investment in Work Safety

RMB **5.68** million





Total Hours of Safety Training

10,804.50 hours

Sustainable Development Governance

Goals and Vision

MACMIC upholds the ESG vision of "Connecting the World with Chips, Shaping a Green Future", and fully fulfills its mission of sustainable development. It has built a clear sustainable development goal system across the three dimensions of environmental, social, and governance. At the same time, the Company actively aligns with the United Nations 2030 Sustainable Development Goals (SDGs). It translates these goals into actionable practices and drives deep integration of SDGs requirements into its production and operations.

Focus Area	Corresponding Section	2025 Initiatives of MACMIC	SDGs Responded
Corporate Governance	Practicing Sound Governance, Building a New Governance Structure	The Company continuously optimizes its governance system and strictly adheres to the red line of information disclosure. It keeps communication channels open for investors and improves the long-term shareholder return mechanism. This effectively protects the legitimate rights and interests of all shareholders. At the same time, the Company strengthens risk and internal control management, and deepens the culture of integrity. With high-standard governance practices, it safeguards the Company's high-quality and sustainable development.	
Environmental Protection	Pursuing Low-Carbon Practices to Safeguard Our Green Home	The Company proactively addresses the challenges of climate change. It carries out energy-saving and carbon-reduction projects such as photovoltaic construction and green electricity procurement. The Company continues to increase the share of clean energy in its energy mix and promotes carbon reduction across the entire product lifecycle. It improves its environmental management system to ensure compliance with pollutant discharge standards, carries out refined management of energy and water resources, establishes recycling mechanisms for raw materials and packaging materials, and continuously enhances resource utilization efficiency. It also upholds its responsibility for ecological protection, minimizing the impact of its production and operations on the surrounding ecological environment.	
Social Responsibility	Empowering Innovation, Co-Building a New Industrial Ecosystem	The Company focuses deeply on its core business of power semiconductors. It drives continuous R&D and innovation to tackle core technologies and empower industrial upgrading. Through high-resilience supply chain management, it promotes sustainable development across the industry chain. A full-process product quality management system strengthens the Company's core competitiveness. End-to-end service guarantees the legitimate rights and interests of customers. Systematic information security and privacy protection measures strictly safeguard key data. Together with upstream and downstream partners, the Company strives for collaborative win-win outcomes and high-quality development.	
	Standing United, Fulfilling the New Era Mission	The Company strengthens its management of occupational health and workplace safety, improves its remuneration, welfare and democratic management mechanisms, and establishes a comprehensive training and development system for employees at all levels. It opens up clear career promotion paths, safeguards employees' legitimate rights and interests, and supports the mutual growth of employees and the enterprise. Meanwhile, the Company actively fulfills its social responsibilities, steadily advances rural revitalization initiatives, carries out public welfare and charitable activities on a regular basis, and takes an active part in the Belt and Road Initiative, continuously enhancing its social value.	

Sustainable Development Management

Governance Structure

The Company deeply embeds the concept of sustainable development into its overall governance structure. It has formulated an *ESG Management System* and established a four-level governance framework: Board of Directors – Strategy Committee–ESG Leading Group–ESG Working Group. These bodies are responsible for leadership and decision-making, research and guidance, assurance and support, and operational implementation respectively. The Company fully considers ESG-related factors in its major decision-making processes, consolidating the governance foundation for sustainable development.

Leadership and Decision-Making

Board of Directors

- Review and approve the ESG development strategy and goals, material topics, management structure, management systems, etc.;
- Approve the ESG report of the Company;
- Approve other important ESG-related matters.



Research and Guidance

Strategy Committee

- Conduct research on the Company's ESG objectives, strategic planning, governance structure, management system and other matters, and propose recommendations to the Board of Directors on related work;
- Identify ESG-related risks and opportunities that significantly impact the Company's business, and guide the management in taking appropriate measures to respond to ESG risks and opportunities;
- Drive and monitor progress towards ESG objectives and advise on actions needed to improve performance;
- Review the Company's ESG-related disclosure documents, including but not limited to the Annual ESG Report;
- Handle other matters authorized by the Board of Directors.



Assurance and Professional Support

ESG Leading Group (With the General Manager as the Group Leader and the Deputy General Manager as the Deputy Group Leader)

- Implement the Company's ESG development strategy and goals, organize and arrange for each executing unit to implement ESG efforts;
- Responsible for drafting ESG system documents, related topics, phase work plans, and implementation schemes, etc.;
- Responsible for collecting and compiling the Company's ESG information, preparing ESG reports and related documents;
- Organize ESG related training, and track the requirements and trends of the ESG policy;
- Summarize issues and achievements in ESG efforts, report them to the Strategy Committee, and propose reasonable suggestions.



Execution

ESG Working Group (With the Board Secretary as the Group Leader, and the Company's departments and subsidiaries as the executing units of ESG efforts)

- Perform the daily management of ESG efforts in accordance with the Company's ESG development strategy and goals, report implementation progress on a regular basis, and submit ESG information timely.



ESG Risk Management

MACMIC integrates the management of ESG risks and opportunities into its internal governance and oversight system, and it has formulated the *ESG Risk Management System* and established standardized procedures for risk and opportunity management. The Company clarifies responsibilities at all levels, with the Board of Directors as the supreme decision-making body, which bears ultimate responsibility for the effectiveness of ESG risk and opportunity management.

The Company refers to the ISSB IFRS S1 and S2 standards as well as domestic regulatory guidelines. Taking into account its own operations and industry characteristics, it regularly identifies and assesses risks such as climate change, product quality, and supply chain disruptions. For each identified risk, the Company develops specific mitigation measures and contingency plans, and conducts dynamic monitoring. At the same time, the Company incorporates ESG risk management into its regular reporting system. This ensures that the Board of Directors and senior management are kept informed in a timely manner.

ESG Due Diligence

MACMIC places great emphasis on ESG risk management. In areas such as investment cooperation, supply chain management, and major business decisions, it actively conducts ESG due diligence. This involves a comprehensive assessment of potential risks related to environmental compliance, labor rights, occupational health and safety, and anti-corruption. By standardizing due diligence procedures and strengthening risk screening as well as follow-up corrective actions, the Company continuously enhances its ESG risk management capabilities across the entire value chain. It also encourages stakeholders to jointly practice sustainable development, ensuring that its operations remain stable and compliant, and supporting the Company's long-term high-quality development.

ESG Assessment Mechanism

MACMIC has established an ESG assessment mechanism. The Company incorporates multi-dimensional ESG key performance indicators—such as energy conservation, emission reduction, and compliance operations—into the performance assessment system for both senior management and employees. These indicators are linked to compensation to strengthen management and execution motivation. In addition, the Company dynamically optimizes the assessment criteria based on its business development. This ensures that ESG principles are embedded throughout the entire business management process, and promotes the implementation of sustainable development goals.

ESG Capacity Building

MACMIC strengthens its ESG capacity building. The Company regularly provides ESG training for its directors, senior executives, and all employees. In 2025, the Company invited external experts to systematically explain core ESG knowledge and the latest policy updates. The experts also reviewed existing ESG efforts and identified directions for future improvement. This effectively enhanced the professional competence of all staff and provided support for the subsequent implementation of ESG initiatives. During the Reporting Period, the Company conducted a total of 3 ESG training sessions.



Stakeholder Engagement

MACMIC has established a *Stakeholder Communication System* and built diverse communication channels. The Company promptly responds to the reasonable demands of stakeholders and shares its development updates. This promotes collaborative progress and value co-creation between the Company and all parties.

Stakeholder	Communication Channel	Expectation and Demand		Our Response		
Employees	<ul style="list-style-type: none"> Employees' Congress Trade Union Face-to-Face Communication 	<ul style="list-style-type: none"> Occupational Health and Safety Protecting Employees' Legitimate Rights and Interests Employee Training and Development 	<ul style="list-style-type: none"> Ensuring Safe Production Improving the Compensation and Benefits System Establishing Democratic Communication Mechanisms 	<ul style="list-style-type: none"> Employee Care Activities Providing Diversified Training Programs Ensuring Smooth Career Advancement Channels 		
Customers	<ul style="list-style-type: none"> Customer Service Hotline Customer Satisfaction Survey 	<ul style="list-style-type: none"> Protection of Customer Rights and Interests Product Safety and Quality Information Security and Privacy Protection 	<ul style="list-style-type: none"> Improving the Customer Service System Strengthening Quality Management Hazardous Substances Control 	<ul style="list-style-type: none"> Information Security Management Establishing a Business Continuity Management System 		
Shareholders	<ul style="list-style-type: none"> Shareholders' Meeting e-Interaction Report Disclosure Investor Hotline 	<ul style="list-style-type: none"> Roadshows and Counter Roadshows Media Coverage Performance Briefing 	<ul style="list-style-type: none"> Sustained and Stable Operation Corporate Governance Protection of Shareholders' Rights and Interests 	<ul style="list-style-type: none"> Information Transparency Risk Management Sustainable Development Governance Mechanism 	<ul style="list-style-type: none"> Compliant Operation Stable Cash Dividends Investor Relations Management 	<ul style="list-style-type: none"> Transparent Information Disclosure Continuously Optimizing the Sustainable Development Governance System
Suppliers	<ul style="list-style-type: none"> Supplier Training Business Visits 	<ul style="list-style-type: none"> Phone Calls and Emails 	<ul style="list-style-type: none"> Supply Chain Security and Sustainability Supply Chain Management Integrity-Based Cooperation 	<ul style="list-style-type: none"> Promoting Transparent Procurement Supplier Communication 	<ul style="list-style-type: none"> Holding Annual Supplier Conference 	
Industry Associations / Research Institutions	<ul style="list-style-type: none"> Industry Conferences Exhibitions 		<ul style="list-style-type: none"> Research & Innovation Industry Responsibility 	<ul style="list-style-type: none"> Clean Technology Opportunities 	<ul style="list-style-type: none"> Actively Participating in Industry Exchange Activities Participating in Industry Standard Setting 	<ul style="list-style-type: none"> Industry-University-Research Collaboration
Charitable/ Community Organizations	<ul style="list-style-type: none"> Charitable Donations Exchanges and Mutual Visits Media Interviews 	<ul style="list-style-type: none"> Joint Events 	<ul style="list-style-type: none"> Social Contribution Environmental Compliance Management Addressing Climate Change 	<ul style="list-style-type: none"> Pollutant Emissions Waste Management 	<ul style="list-style-type: none"> Carrying out Public Welfare Activities Energy Saving and Consumption Reduction Initiatives Pollution Control 	
Media	<ul style="list-style-type: none"> Media Interviews Questionnaires 		<ul style="list-style-type: none"> Corporate Governance Anti-Bribery and Anti-Corruption Anti-Unfair Competition 	<ul style="list-style-type: none"> Performance and Economic Results Fulfillment of Social Responsibility 	<ul style="list-style-type: none"> Promoting Compliance Management Timely Disclosure of Performance Information and Sustainable Development Practices 	
Government/ Supervisory Authorities	<ul style="list-style-type: none"> Information Disclosure Regulatory Assessment 	<ul style="list-style-type: none"> Phone Calls and Emails 	<ul style="list-style-type: none"> Environmental Protection Anti-Bribery and Anti-Corruption 	<ul style="list-style-type: none"> Anti-Unfair Competition Tax Compliance 	<ul style="list-style-type: none"> Adhering to Green Operations Practicing Business Ethics 	<ul style="list-style-type: none"> Accepting Supervision Paying Taxes on Time and in Full

Materiality Topic Management

The Company fully references the *Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 14 - Sustainability Report (Trial)* (hereinafter referred to as the *Guidelines*), while closely considering the characteristics of the industry in which it operates and the actual situation of the Company's operations. It comprehensively assesses the Company's performance on various relevant topics, determining whether they have a significant impact on the economy, society, and the environment (i.e., impact materiality), while also considering whether each topic significantly affects the Company's business model, business operations, development strategy, financial condition, cash flow, financing methods and costs, and value chain (i.e., financial materiality). By considering this dual materiality, and also referring to relevant requirements of international mainstream sustainability reporting standards, a materiality analysis is conducted on the topics within the Company's topic database. The specific implementation steps are as follows:

Step 1: Understand the Company Context

Analyze the macro environment based on global megatrends and China's industrial development trends, the industry, and the Company's business model to identify the Company's stakeholders and the impacts, risks, and opportunities it faces.

Step 2: Conduct Initial Topic Screening

Taking the 21 topics set forth in the *Guidelines* as the basis for the topic list, and referring to relevant requirements of international mainstream sustainability reporting standards, as well as topics covered by peers in the industry, and benchmarking against the UN Sustainable Development Goals (SDGs), the Company established its 2025 ESG topic database, comprising a total of 29 topics.

Step 3: Carry out Materiality Assessment

Impact Materiality Assessment

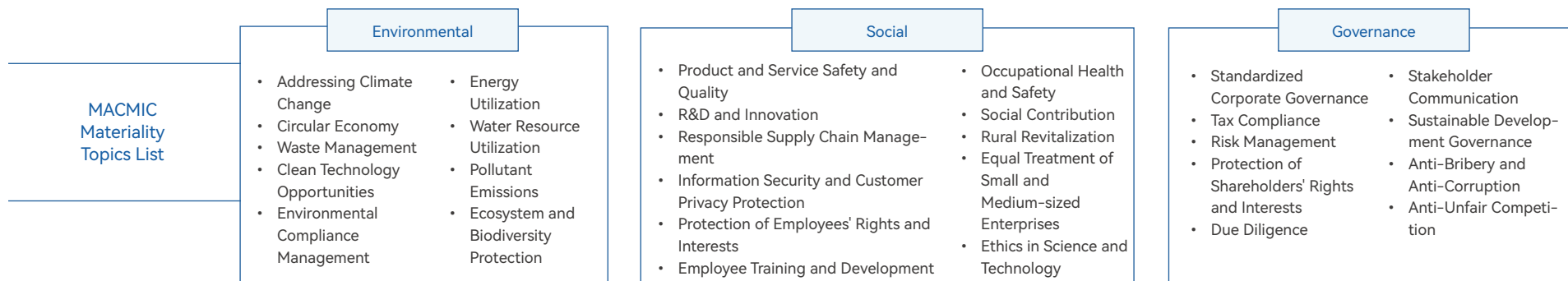
We identified the potential or actual positive and negative impacts of each topic on the external environment, society, and the economy. Through questionnaire-based surveys on stakeholders, combined with expert judgment, we identified topics with impact materiality.

Financial Materiality Assessment

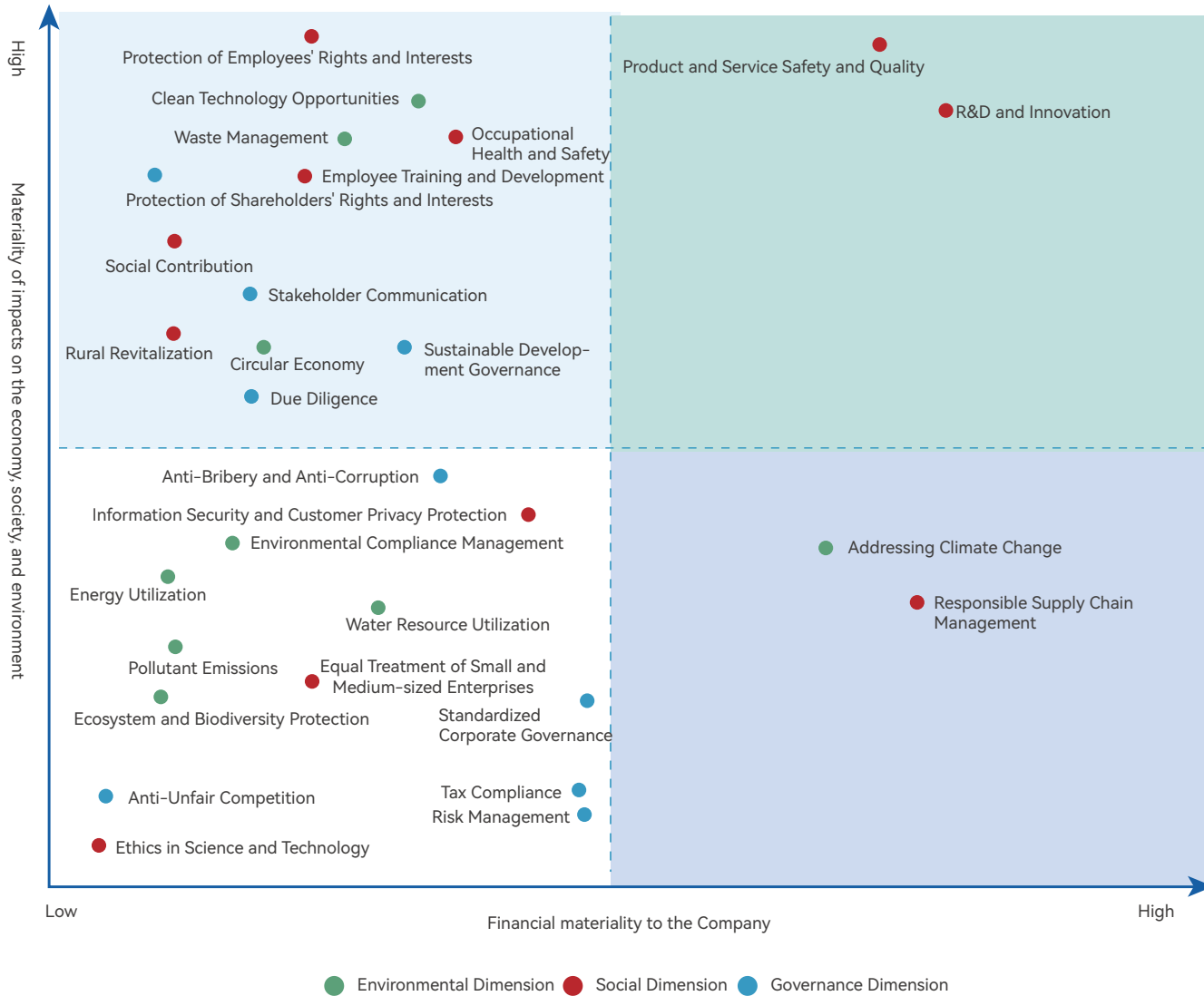
Recognize and assess risks and opportunities under each relevant topic, and identify topics with financial materiality, through the analysis of impacts, dependencies, and other factors, in combination with expert judgment and risk identification and evaluation lists from departments.

Step 4: Finalize and approve key topics

Create a list of topics with impact materiality and financial materiality, and ensure that the relevant topics are disclosed transparently, balanced, and comprehensively in the report.



MACMIC Materiality Matrix



To ensure the efficient advancement of ESG work, the Company further improved its ESG topic identification and assessment process in 2025. This was done in response to changes in regulatory requirements and business development needs. The Company also refined the wording of the topics, updated the topic list and matrix accordingly, and continuously enhanced the effectiveness of ESG topic management. Based on the assessment results, the Company adjusted the number of dual-materiality topics to two: R&D and Innovation, and Product and Service Safety and Quality. The latter is a combination of the 2024 topics of Product Quality and Safety and Customer Rights and Interests Protection. Topics such as Sustainable Development Governance and Protection of Shareholders' Rights and Interests were found not to have a significant impact on the economy, society, or the environment. Therefore, they are no longer included in the list of dual-materiality topics. For topics with financial materiality, the Company strictly follows the requirements of the *Guidelines*. These topics are disclosed below using the four-pillar framework: Governance-Strategy-Impact, Risk and Opportunity Management-Metrics and Targets.



Table of Risks and Opportunities for Financially Material Topics

Topics	Description of Risk/Opportunity	Impact Duration	Impact on the Value Chain	Expected Financial Impact
Addressing Climate Change	<ul style="list-style-type: none"> • Risk: Extreme weather events may lead to supply chain and production disruptions, reducing operational efficiency. In addition, regulatory requirements for climate-related disclosure, low-carbon market demands, and stakeholder expectations could affect production and compliance costs. • Opportunity: Enterprises can achieve cost reduction, efficiency improvement, and sustainable growth by optimizing production processes, using low-carbon energy sources, and designing green products. 	<ul style="list-style-type: none"> • Short term • Medium term • Long term 	<ul style="list-style-type: none"> • Upstream • Operations • Downstream 	<ul style="list-style-type: none"> • Negative impacts: Decrease in operating revenue, increase in operating costs, increase in non-operating expenses. • Positive impacts: Decrease in operating costs, increase in operating revenue.
R&D and Innovation	<ul style="list-style-type: none"> • Risk: Enterprises may face technical risks such as delays in product R&D and delivery, difficulties in production processes, and low product yield. • Opportunity: The rapid development of downstream emerging sectors, along with breakthroughs in new materials and process technologies, can also lead to improved product performance and cost control. 	<ul style="list-style-type: none"> • Short term • Medium term • Long term 	<ul style="list-style-type: none"> • Upstream • Operations • Downstream 	<ul style="list-style-type: none"> • Negative impacts: Decrease in operating revenue, increase in operating costs, increase in non-operating expenses. • Positive impacts: Decrease in operating costs, increase in operating revenue.
Responsible Supply Chain Management	<ul style="list-style-type: none"> • Risk: Natural disasters, geopolitical conflicts, and capacity constraints may lead to supply chain disruptions. • Opportunity: Implementing green procurement can help respond to downstream low-carbon demands and build a green brand image. 	<ul style="list-style-type: none"> • Short term • Medium term • Long term 	<ul style="list-style-type: none"> • Upstream • Operations • Downstream 	<ul style="list-style-type: none"> • Negative impact: Increase in operating costs. • Positive impact: Increase in operating revenue.
Product and Service Safety and Quality	<ul style="list-style-type: none"> • Risk: Lack of professional competence among inspection personnel or non-standard inspection procedures may affect product yield compliance. • Opportunity: Demand for power semiconductors in downstream sectors such as new energy vehicles and photovoltaics is rising, along with stricter customer quality certification requirements. Compliant, high-quality products are more likely to win orders. 	<ul style="list-style-type: none"> • Short term • Medium term • Long term 	<ul style="list-style-type: none"> • Operations • Downstream 	<ul style="list-style-type: none"> • Negative impact: Increase in operating costs. • Positive impact: Increase in operating revenue.

01

Practicing Sound Governance, Building a New Governance Structure

MACMIC regards corporate governance as the solid cornerstone of its steady development, ensuring the Company's stable and long-term growth through standardized operations. We continuously improve our corporate governance structure, strengthen risk and internal control compliance management, enhance the transparency and quality of information disclosure, and effectively protect the legitimate rights and interests of shareholders and stakeholders. Through efficient, transparent, and responsible governance practices, we lay a solid foundation for the Company's sustainable development.

SDGs Responded



Improving the Governance System

Organizational Structure

MACMIC strictly complies with the *Company Law of the People's Republic of China* (hereinafter referred to as the *Company Law*), the *Securities Law of the People's Republic of China* (hereinafter referred to as the *Securities Law*), the *Corporate Governance Guidelines for Listed Companies*, and relevant rules of the Science and Technology Innovation Board of the Shanghai Stock Exchange. The Company has formulated the *Articles of Association of MacMic Science & Technology Co., Ltd.* (hereinafter referred to as the *Articles of Association*) and established a corporate governance structure with the Shareholders' Meeting as the authority, the Board of Directors as the decision-making organ, and the management as the executive organ. The Company continuously improves its governance structure, strengthens its internal control system, enhances standardized operations, and ensures the effective operation of the governance system.

Operational Mechanisms

Shareholders' Meeting

In strict accordance with the *Company Law*, the *Rules for General Meetings of Shareholders of Listed Companies*, other laws and regulations, and the *Articles of Association*, the Company has formulated the *Rules of Procedure for Shareholders' Meetings* to standardize the procedures for convening, holding, proposing, notifying, voting, and resolving the General Meeting of Shareholders. Shareholders' Meetings combine on-site and online voting to facilitate investor participation, and separate vote counting is conducted for major matters affecting the interests of small and medium-sized investors, thereby protecting their rights to participate and vote. Meanwhile, the Company engages lawyers to participate in Shareholders' Meetings to ensure legal compliance of processes and decisions, and the lawyers issue legal opinions on the legality of the meetings.



Key Performance During the Reporting Period

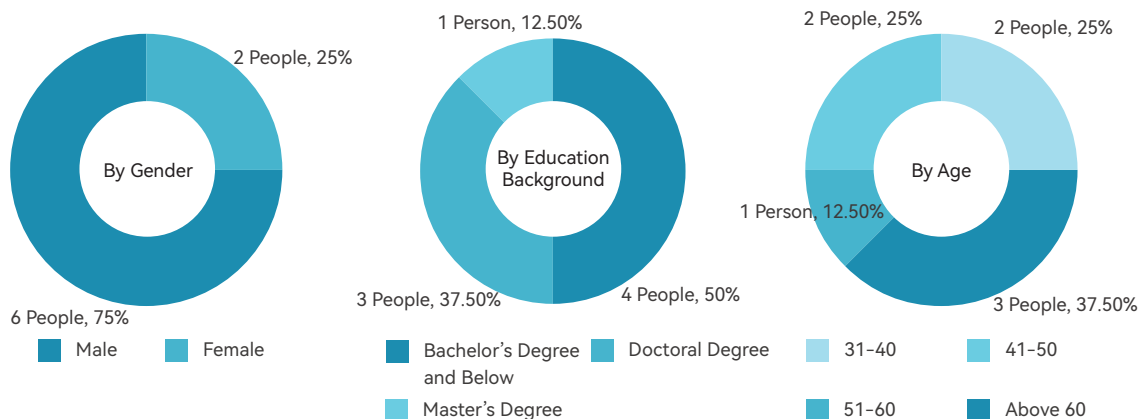
The Company held **2** General Meetings of Shareholders, at which **19** proposals were reviewed and approved.

Board of Directors

The Board of Directors is the Company's decision-making and business leadership organ, responsible to the Shareholders' Meeting and executing its resolutions. The Company in strict accordance with relevant laws, regulations, normative documents, and the *Articles of Association*, has formulated the *Rules of Procedure for the Board of Directors* to regulate the conduct of the Board of Directors and its members. The meetings of the Board of Directors are held strictly as required to make scientific decisions on major corporate matters. During the Reporting Period, the directors performed their duties diligently, attended the meetings of the Board of Directors on time, and safeguarded the legitimate rights and interests of the Company and all shareholders.

Diversity

The Company places great emphasis on the diverse composition of its Board members. The director selection process strictly follows the *Articles of Association*, the *Rules of Procedure for the Board of Directors*, and the *Implementing Rules of the Nomination Committee*. In the selection process, the Company comprehensively considers candidates' professional competencies, industry experience, gender, age, educational background, and other factors to build a diverse Board structure. As of the end of the Reporting Period, the Board of Directors consisted of 8 directors, including one newly added employee representative director. Board members possess diverse knowledge and experience backgrounds in finance, corporate management, semiconductor industry and other professional fields, supporting the Board of Directors in making scientific and efficient decisions.



Key Performance During the Reporting Period

The Company convened **12** meetings of the Board of Directors, at which **51** proposals were reviewed and approved.

● Independence

In accordance with the *Administrative Measures for Independent Directors of Listed Companies* and the *Articles of Association*, the Company has formulated the *Detailed Rules for the Work of Independent Directors* and the *Working System for Special Meetings of Independent Directors*. Independent directors actively participate in the Company's daily operations and major decisions, playing roles in decision-making participation, oversight and balance, and professional consultation within the Board of Directors, safeguarding the overall interests of the Company and protecting the legitimate rights and interests of small and medium-sized shareholders. As of the end of the Reporting Period, the Board of Directors had 8 members, including 3 independent directors, accounting for 37.5% of the total directors.

● Specialized Committees under the Board of Directors

The Board of Directors consists of four specialized committees: the Strategy Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. Each committee performs its functions and powers in accordance with the *Articles of Association* and implementation rules, providing professional support for the scientific decision-making of the Board of Directors. Among them, the Audit Committee assumes the functions of the Supervisory Committee as stipulated in the *Company Law*.

Name of the Committee	Composition
Strategy Committee	Comprising 3 directors, with independent directors accounting for 2/3.
Audit Committee	Comprising 4 directors, with independent directors accounting for 3/4 and an accounting professional serving as the convener.
Remuneration and Appraisal Committee	Comprising 3 directors, with independent directors accounting for 2/3 and serving as the convener.
Nomination Committee	Comprising 3 directors, with independent directors accounting for 2/3 and serving as the convener.



Key Performance During the Reporting Period

The Strategy Committee held **2** meetings, at which **3** proposals were reviewed; the Audit Committee held **8** meetings, at which **18** proposals were reviewed; the Nomination Committee held **2** meetings, at which **2** proposals were reviewed; the Remuneration and Appraisal Committee held **3** meetings, at which **9** proposals were reviewed.

● Effectiveness Evaluation

The Board of Directors regularly summarizes its work for the entire year and discloses it in the annual report. Independent directors conduct an annual self-assessment of their independence and submit the self-assessment report to the Board of Directors. The Board of Directors annually evaluates the independence of incumbent Independent Directors and issues a special opinion, disclosed simultaneously with the annual report, effectively ensuring the effectiveness of Board governance.

Remuneration Management

The remuneration management of the Company's directors and senior executives strictly follows relevant systems such as the *Articles of Association* and the *Implementing Rules of the Remuneration and Appraisal Committee*. The Remuneration and Appraisal Committee is responsible for formulating assessment standards, researching, developing, and reviewing remuneration policies and plans. The remuneration plan is closely linked to the Company's operating performance, individual job responsibilities, and performance appraisal results, considering industry remuneration trends and regional levels, balancing short-term incentives and long-term development, to motivate directors and senior executives to perform diligently and promote the Company's sustainable development. In addition, the Company has established a clawback policy for executive compensation. If compensation is inappropriately paid due to financial reporting errors, performance fraud, or other misconduct, the Company has the right to recover such compensation. The Company's remuneration decision-making process is standardized and transparent. Director remuneration plans must be reviewed by the Board of Directors and submitted to the Shareholders' Meeting for approval, while senior executive remuneration plans must be approved by the Board of Directors.



Key Performance During the Reporting Period

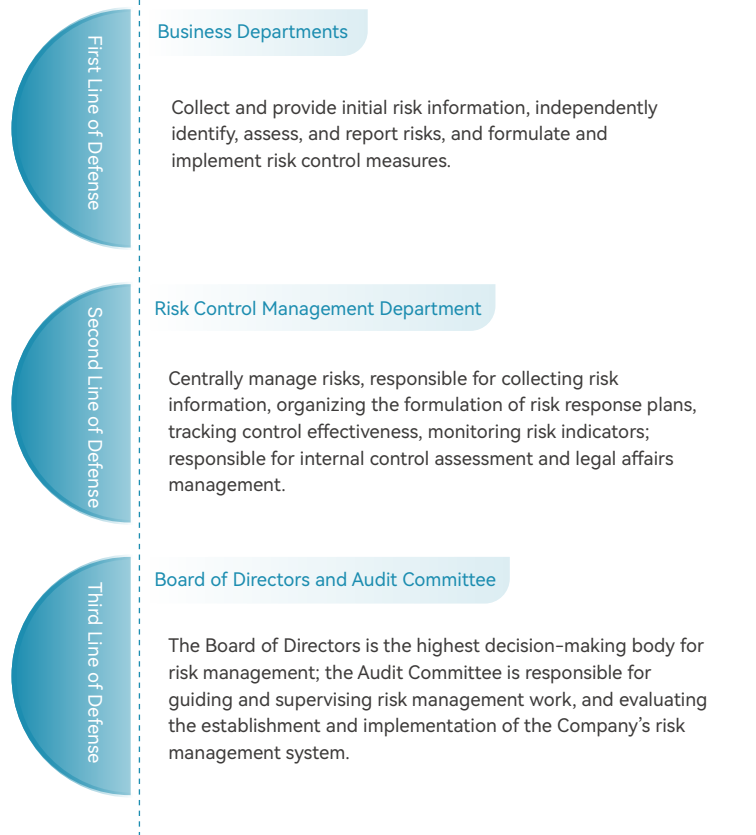
The total actual compensation received by all directors and senior executives was RMB **6.70** million.

Adhering to Compliance Operation

Risk Management

To prevent, control, defuse and handle existing or potential risks and ensure the sustainable, stable and healthy development of the Company, the Company has formulated the *Risk Control Management System* in accordance with the *Enterprise Risk Management Integrated Framework*, the *Basic Standards for Enterprise Internal Control* and other national laws and regulations. The Company's risk management mainly covers four aspects: risk control, internal control, legal affairs, and internal audit.

Three Lines of Defense in Risk Management



Business Departments

Collect and provide initial risk information, independently identify, assess, and report risks, and formulate and implement risk control measures.

Risk Control Management Department

Centrally manage risks, responsible for collecting risk information, organizing the formulation of risk response plans, tracking control effectiveness, monitoring risk indicators; responsible for internal control assessment and legal affairs management.

Board of Directors and Audit Committee

The Board of Directors is the highest decision-making body for risk management; the Audit Committee is responsible for guiding and supervising risk management work, and evaluating the establishment and implementation of the Company's risk management system.

Risk control is the primary step in risk management, playing a key role in early warning and control of risks. The Company's risk control process includes collecting initial risk information, risk assessment, risk control, and risk monitoring. The Company identifies risks through various methods such as data comparative analysis, case analysis, and business interviews, analyzes risk causes, impacts, and levels, and develops a *Risk Database* and *Risk Map*. For identified risks, responsible departments must formulate risk control plans including control objectives, specific measures, responsible persons, and schedules. The Risk Control Management Department continuously monitors key risk indicators and provides timely warnings when trigger values are reached. The Company regularly prepares the *Risk Assessment Report* and the *Annual Risk Management Report* to report risk status and management effectiveness to management.

The Company maintains a high level of risk prevention awareness and regularly holds internal risk training for employees, aiming to enhance employees' risk prevention awareness and reduce the occurrence of potential risks.

Case

Practical Training on Enterprise Full-Process Legal Risk Prevention and Control

In 2025, the Company organized practical training on enterprise full-process legal risk prevention and control for business departments, aiming to enhance business personnel's ability to identify and respond to legal risks in daily operations and special transactions. The training covered full-process risk prevention and control for sales and procurement contracts, basic risks of target companies that listed companies need to focus on during investment and mergers and acquisitions, etc. It emphasized the responsibility of business departments as the first line of defense for risk prevention and control, as well as the key role of cross-departmental collaboration in contract review, performance monitoring, investment, mergers and acquisitions, and payment collection.



Practical Training on Enterprise Full-Process Legal Risk Prevention and Control



Key Performance During the Reporting Period

The Company conducted **6** internal risk training sessions with **111** participants and a total training duration of **112** hours.

Internal Control

In accordance with the *Basic Standards for Enterprise Internal Control* and its supporting guidelines, the Company has established a sound internal control system and formulated the *Internal Control System* to ensure the completeness, rationality, and effectiveness of the internal control system, thereby improving the Company's operational efficiency. The Board of Directors is the highest management body for the Company's internal control work and is responsible for the establishment, improvement, effective implementation, and inspection and supervision of the Company's internal control system. The Company has established an Audit Committee responsible for supervising and evaluating internal and external audit work and internal control. Meanwhile, the Company has established the independent Risk Control Management Department, staffed with full-time auditors, responsible for the daily inspection and supervision of internal control, reporting to the Audit Committee. The Company regularly conducts self-evaluation on the effectiveness of internal control, prepares the annual *Internal Control Evaluation Report* and discloses it after deliberation by the Board of Directors. In addition, the Company engages an accounting firm annually to audit the effectiveness of the Company's internal control and issue the *Internal Control Audit Report*. During the Reporting Period, there were no material deficiencies in the Company's internal control, and effective internal control was maintained in all aspects.

The Company has formulated the *Internal Audit System* to standardize internal audit work, clarify the responsibilities of internal audit institutions and personnel, and leverage the role of internal audit in strengthening internal control, improving operational management, and enhancing economic efficiency. The Company implements internal economic supervision in strict accordance with relevant system requirements, legally inspects accounting books and the operating status of related assets, and supervises the authenticity, legality, and effectiveness of financial revenues and expenditures. During the Reporting Period, the Company conducted 17 audit projects and 5 corrective actions, with a 100% handling rate for audit issues.

Tax Management

The Company strictly abides by the *Tax Collection and Administration Law of the People's Republic of China*, the *Provisional Regulations of the People's Republic of China on Value-Added Tax*, and the *Enterprise Income Tax Law of the People's Republic of China* and other relevant national laws, regulations and policies, and fulfills its tax obligations in accordance with the law. To standardize tax management and control tax risks, the Company has established and improved its tax management system, optimized management processes, and ensured the compliance and accuracy of tax treatment for all business activities. The Company closely monitors policy developments, maintains good communication with tax authorities, and regularly conducts risk assessments and self-inspections and corrections, effectively preventing tax risks and ensuring the Company's stable development.



Key Performance During the Reporting Period

The Company's total tax payment amounted to
RMB **7.83** million.

Protection of Investors' Rights and Interests

Information Disclosure

In strict compliance with the *Measures for the Administration of Information Disclosure by Listed Companies*, and relevant rules of the *Science and Technology Innovation Board of the Shanghai Stock Exchange*, the Company has formulated the *Information Disclosure Affairs Management System*, the *Information Disclosure Suspension and Exemption System* and the *Voluntary Information Disclosure Management System*. The Company specifies the content, standards, procedures, and confidentiality requirements for information disclosure and regulates disclosure practices. The chairman of the Company assumes the primary responsibility for information disclosure affairs, the secretary of the Board of Directors is the direct responsible person, and the Board Office is the specific execution department. During the Reporting Period, the Company fulfilled its information disclosure obligations in accordance with laws and regulations and did not incur any penalties from securities regulatory authorities for information disclosure violations. The announcements published by the Company are truthful, accurate, and complete, free from false records, misleading statements, or material omissions.



Key Performance During the Reporting Period

The Company disclosed **83** interim announcements and **4** periodic reports.



Investor Relations Management

The Company places great emphasis on investor relations management and has formulated the *Investor Relations Management System*, stipulating that the Board Secretary is the business supervisor for investor relations management affairs, and the Board Office is the functional department responsible for daily operations, including information collection and disclosure, communication channel maintenance, and activity organization.

The Company has established diversified investor communication channels, including but not limited to Shareholders' Meetings, investor service hotlines, the SSE e-Interaction Platform, and on-site research activities. The Company continuously standardizes interactive communication with investors, strengthens information exchange and complaint handling, enhances investors' understanding and recognition of the Company, and promotes the establishment of a long-term stable, mutual trust and mutually beneficial cooperative relationship with investors.



Hua'an Securities Electric New Energy Research Activity



Listed Company Tour Research Visits



CITIC Securities Research Activity



Key Performance in 2025

The Company held **4** Performance Briefing Sessions, hosted **13** on-site research sessions for investors with **109** participants, conducted **30** interactions with investors on the SSE e-Interaction Platform, and achieved a **100%** response rate to questions.

Adherence to Business Ethics

Anti-Bribery and Anti-Corruption

Integrity Management System

MACMIC always adheres to compliance operation and abides by business ethics, strictly abides by relevant laws and regulations, and has formulated the *Code of Business Conduct* and the *Anti-Corruption and Anti-Bribery Management System*, applicable to all employees of the Company and stakeholders such as customers and suppliers. Meanwhile, the Company implements a "Sunshine Policy" to fully standardize the integrity practice of employees, and advocates stakeholders such as customers and suppliers to jointly practice honest and integrity business principles.

The Risk Control Management Department serves as the executing department responsible for the specific implementation and daily operation of integrity and supervision management, ensuring the enforcement of systems and the implementation of risk prevention and control.

Corruption Risk Prevention and Control

MACMIC has established and continuously strengthened internal and external integrity restraint mechanisms. The Company requires all employees to sign the *Integrity and Self-Discipline Commitment Letter*, aiming to enhance employees' awareness of the rule of law and moral self-discipline, so as to abide by laws and regulations and maintain self-respect and vigilance. Meanwhile, the Company incorporates the fulfillment of commitments into the assessment, evaluation, and appointment of key personnel. Before conducting procurement and other economic activities with suppliers and other partners, the Company requires them to sign the *Integrity and Anti-Bribery Commitment Letter*, specifying clean cooperation requirements. If a partner violates the commitment, the Company has the right to immediately terminate or rescind the relevant contract/agreement and demand that it bear liquidated damages and corresponding civil or even legal liability. During the Reporting Period, there were no significant corruption incidents in the Company, and the employee integrity agreement signing rate was 100%.

In addition, the Company has established a sound internal control system to prevent and detect fraudulent activities, including but not limited to financial fraud, abuse of power, conflicts of interest, and performance fabrication. For discovered fraudulent activities, the Company will take serious disciplinary actions, including but not limited to terminating labor contracts, pursuing legal liability, etc., and promptly take measures to correct and remedy losses.

Integrity Culture Building

MACMIC actively cultivates and disseminates a culture of integrity. Through training, publicity, education and other methods, the Company enhances employees' moral quality and integrity awareness, deepening their understanding of laws, regulations, and the Company's code of business conduct. The Company is committed to internalizing the concept of integrity management and externalizing it through action, guiding all employees to establish correct values and professional ethics, and creating an organizational atmosphere of clean and honest conduct.



Key Performance in 2025

The Company provided a total of **57** hours training on anti-bribery and anti-corruption, with **38** participants, including **12** directors and senior executives.



Anti-Corruption and Anti-Bribery Training

Reporting Mechanism

The Company encourages internal employees and external partners to report various violations, either nominally or anonymously. The Company has established reporting emails and hotline, and has communicated to all employees, suppliers and partners, making it clear that reports must be based on facts, objective and fair, and false accusations are strictly prohibited. The Company places great importance on whistleblower protection, taking strict confidentiality measures for report information and whistleblower identities, and resolutely opposes any form of retaliation. For employees whose labor rights and interests are impaired due to reporting acts, the Company shall provide necessary legal remedy and assistance in accordance with the law. For verified reports, the Company shall grant corresponding rewards to whistleblowers as appropriate.

In terms of reporting processing procedures, the Risk Control Management Department is responsible for unified registration and preliminary verification, and timely reports the reporting information to the General Manager. The Risk Control Department shall initiate a formal investigation in accordance with the Company's decisions, gather evidence in a comprehensive manner, hear statements and representations from the reported party, and submit the investigation results to the management for review.



Reporting Channels:

Email:

yjx@macmicst.com

hxu@macmicst.com

Hotline:

0519-85166088-8306

Anti-Monopoly and Fair Competition

MACMIC adheres to the principles of fairness, justice, honesty, and good faith, and does not engage in any acts of unfair competition. In daily operations, the Company strictly complies with relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China*, as well as the *Company's Code of Business Conduct*, and guides employees to cultivate good business practices through anti-monopoly and fair competition training. Meanwhile, the Company attaches importance to anti-monopoly and fair competition risk control, strengthens the control of relevant risks in daily work, and actively creates a market environment of ethical operation and fair competition. During the Reporting Period, the Company had no lawsuits or administrative penalties due to violations of the Anti-Monopoly Law and Anti-Unfair Competition Law.

The Company continuously improves its responsible marketing and sales management system. In all sales and marketing activities, it strictly complies with national laws and regulations, industry standards at its operating locations, and resolutely avoids any exaggerated, deceptive, or false promotional content. It clearly requires that all external publicity and marketing materials be internally reviewed and approved to ensure the delivery of truthful, accurate, and compliant information to customers. In addition, the Company has formulated the *Product Price Management Measures* to standardize product pricing management, maintaining customer relationships and market order through fair and ethical pricing strategies.



Key Performance During the Reporting Period

The Company conducted **1** anti-monopoly and fair competition training, with **45** participants and a total training duration of **45** hours.



02

Pursuing Low-Carbon Practices to Safeguard Our Green Home

MACMIC regards environmental protection as the fundamental guiding principle for its sustainable development. With a strong sense of responsibility, the Company actively implements green and low-carbon development requirements, continuously promotes carbon reduction, pollution control, and efficient resource utilization, thereby achieving harmonious coexistence between industrial development and the ecological environment.

SDGs Responed



Addressing Climate Change

Governance

MACMIC has integrated the philosophy of sustainable development into the governance structure, revised and continuously improved the *Climate Change Response System*. The Board of Directors, as the highest governance body for sustainable development and climate risk management, has set up the Strategy Committee that is responsible for formulating and improving strategies and management measures against climate change and regularly reporting related climate matters to the Board of Directors. The Company has also established an ESG Leading Group responsible for implementing climate change-related goals and actions, ensuring that measures are effectively promoted.

Management Structure for Addressing Climate Change		
Level	Body	Responsibilities
Decision-Making Level	Board of Directors	Review and approve climate-related policies, strategies, and goals, incorporate climate-related risks and opportunities into consideration, and oversee the disclosure
	Strategy Committee	Formulate and review climate-related strategies and management methods, discuss climate-related goals and key initiatives; regularly report the latest climate-related matters affecting the Company to the Board of Directors.
Management Level	ESG Leading Group	Implement the climate-related goals and key initiatives, organize and arrange the ESG Working Group to carry out climate-related tasks; track the requirements and trends of climate-related policies, develop management methods for climate change risks and opportunities, and provide guidance and training for the ESG Working Group; assess the effectiveness and appropriateness of climate change risk and opportunity management.
Execution Level	ESG Working Group	Execute climate-related tasks assigned by the ESG Leading Group; identify and assess climate-related risks and opportunities, and develop corresponding response measures; formulate a climate change work plan and take corresponding actions to achieve climate-related goals; implement climate change risk management measures in business activities and execute energy-saving and emission-reduction work plans.

Strategy

MACMIC identifies and analyzes the impacts of climate change on the Company in accordance with national climate change strategies, policies and regulations, as well as internationally recognized frameworks such as TCFD, and in line with its own development strategy.

Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence ¹	Impact Duration ²	Impact on the Value Chain	Financial Impact	Countermeasure
Physical Risks	Acute Risks	Rainstorms and floods may lead to power outages, warehouse water ingress and leaks, thereby damaging stored raw materials and finished products.	Medium	• Short term	• Operations • Downstream	Reduction in operating revenue	• Closely monitor weather changes, carry out related emergency response work, organize drills for environmental emergency plans, and ensure adequate reserves of emergency supplies.
	Chronic Risks	Continuously rising global temperatures may lead to increased cooling demand and higher power consumption for the Company, exerting a sustained impact on its production and operations.	Medium	• Long term	• Operations	Increase in operating costs	• Improve energy use efficiency, and formulate heatstroke prevention and cooling measures.
Transition Risks	Policy and Legal Risks	Regulators and rating agencies at home and abroad have put forward clear requirements for corporate climate-related information disclosure.	Medium	• Long term	• Operations	Increase in non-operating expenses	• Enhance the awareness of climate and environmental information disclosure and improve management's understanding; • Improve employees' comprehension and practical skills regarding climate and environmental information disclosure through internal training, external seminars and other means.
	Market Risks	Increasing demand from customers and consumers for low-carbon and sustainable products, as well as stricter requirements on suppliers' ESG performance may affect the demand for the Company's products and business.	Medium	• Medium term • Long term	• Upstream • Operations • Downstream	Reduction in operating revenue	• Maintain close communication with international and domestic clients to stay updated on their new requirements and expectations regarding sustainability.
	Reputation Risks	Stakeholders have increasingly high expectations for the Company's environmental responsibilities, or are dissatisfied with the progress and implementation effectiveness of related sustainable development topics.	Low	• Short term	• Operations	Increase in non-operating expenses	• Continuously disclose the Company's ESG performance in its annual report and ESG report to enhance the confidence of the public and investors in our sustainability efforts; • Promote the Company's proactive measures in addressing climate change to improve brand image.
Opportunities	Resource Efficiency	Adopt high-efficiency production equipment and industrial processes, and establish smart production workshops to enhance production capacity and efficiency.	High	• Short term • Medium term • Long term	• Operations	Reduction in operating costs	• Introduce the concept of lean management and continuously improve production processes to achieve optimal resource allocation; • Promote the development of intelligent production lines to consistently enhance production efficiency.
	Energy Supply	Adopt low-emission energy solutions helps reduce energy costs, mitigate the impact of carbon emission cost fluctuations, and enhance the Company's sustainable development level.	High	• Short term • Long term	• Operations	Reduction in operating costs	• Construct rooftop distributed photovoltaic power generation systems and procure green power; • The Company has gradually introduced energy-efficient lighting products, achieving a significant reduction in lighting energy consumption across its plant workshops.
	Products and Services	In response to market demand, the development of new products or services through R&D and innovation helps to enhance core competitiveness and cultivate new growth drivers.	High	• Medium term • Long term	• Operations • Downstream	Increase in operating revenue	• Expand the application scope of products and reduce their energy consumption, while actively introducing high-efficiency products into downstream industries such as new energy vehicles and new energy power generation to meet market demand for green products.

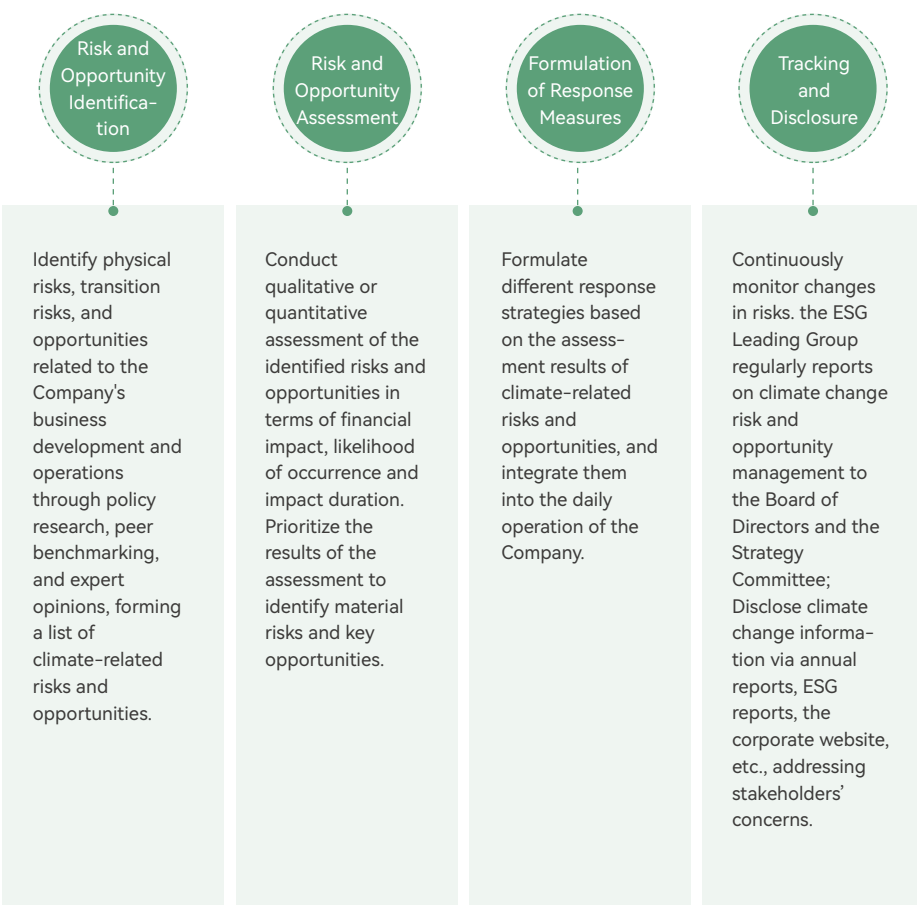
¹ Likelihood of occurrence refers to the frequency or probability of a risk/opportunity occurring, primarily based on historical occurrence probability, external scenarios, progress in policy implementation, and expert predictions. The likelihood of occurrence ranges from "low" to "high"

² The Impact Duration refers to the different periods when different climate-related risks and opportunities will affect the Company. The Company categorizes the impact duration into short-term (0-1 year), medium-term (1-5 years), and long-term (over 5 years).

Impact, Risk, and Opportunity Management

MACMIC has formulated the *Climate-Related Risks and Opportunities Management System*, established and improved the climate change risk and opportunity management process to effectively respond to risks brought by climate change, proactively grasp related opportunities, ensure the Company's sustainable development, and enhance long-term competitiveness and operational resilience.

Climate Change Risk and Opportunity Management Process



Metrics and Targets

MACMIC actively responds to the national strategic deployment of the "Carbon Peaking and Carbon Neutrality" goals, and has set a long-term development goal of "achieving carbon peak in own operations by 2030 and carbon neutrality by 2060". Simultaneously, the Company has implemented quantitative control targets for greenhouse gas emission intensity, and continuously monitors the performance of indicators to ensure the Company's emission reduction efforts proceed in an orderly manner.



Key Performance in 2025

Scope 1 and 2 GHG emissions decreased by **3.55%** compared with 2024.



In Progress

Taking 2024 as the base year, the Scope 1 and Scope 2 carbon emissions/intensity will decrease by 10% by 2030.

Greenhouse Gas Emission Management

Greenhouse Gas Management

MACMIC continuously promotes carbon inventory, carbon verification and carbon footprint tracking management, and continuously improves the quality of carbon emission data and carbon management level. The Company strictly follows the ISO 14064 standard to carry out annual greenhouse gas inventory. Greenhouse gas emissions from operations mainly come from purchased electricity, gasoline and diesel, with carbon dioxide as the main greenhouse gas. The calculation of Scope 1 and Scope 2 greenhouse gas emissions is in accordance with ISO 14064-1:2018 Greenhouse gases-Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals and GB/T 32150-2015 General rules for the accounting and reporting of greenhouse gas emissions by industrial enterprises. The Company has obtained the ISO 14064 carbon emission management system certification for 2025. As of the end of the Reporting Period, 5 products of the Company have obtained the ISO 14067 product carbon footprint certification.



ISO 14067 Product Carbon Footprint Certificate



ISO 14064 Carbon Emission Management System Certificate

Indicator	Unit	2025
Direct GHG Emissions (Scope 1)	tCO ₂ e	22.70
Direct GHG Emissions (Scope 1) per Million Yuan of Revenue	tCO ₂ e	0.02
Indirect GHG Emissions (Scope 2)	tCO ₂ e	15,655.07
Indirect GHG Emissions (Scope 2) per Million Yuan of Revenue	tCO ₂ e	11.62
Total GHG Emissions (Scopes 1 and 2)	tCO ₂ e	15,677.76
Total GHG Emissions per Million Yuan of Revenue (Scopes 1 and 2)	tCO ₂ e	11.63

Use of Clean Energy

The Company actively uses clean energy, continuously increases the proportion of renewable energy usage and reduces reliance on fossil fuels by constructing photovoltaic power stations and purchasing green certificates.



Green Electricity Certificate
Transaction Vouchers



Key Performance During the Reporting Period

The proportion of clean energy used by the Company increased from 4.57% to **7.55%**.
Meanwhile, the Company participated in green electricity certificate transactions amounting to **26,016** MWh.



Photovoltaic Power Station

MACMIC has constructed photovoltaic power generation projects with an installed capacity of 1.58 MW on the rooftop of the Xinzhu Plant and 0.57 MW on the rooftop of the Huashan Plant. The photovoltaic power generated is used preferentially, with the surplus electricity connected to the grid. During the Reporting Period, a total of 2,266,737 kWh of electricity was generated, equivalent to reducing carbon dioxide emissions by 1,191.62 tCO₂e.



Distributed PV project in
Xinzhu Plant



Distributed PV project
in Huashan Plant



Case

Containerized Energy Storage Power Station

The factory adopted a contracted energy management mode and two 1 MWh containerized energy storage systems have been constructed at the southwest corner of the Xinzhu Plant. The project covered the pouring of the foundation, and the installation of energy storage tanks and grid-connected cabinets. The two storage tanks converged via a grid-connected cabinet and were connected to the low-voltage busbar of the plant's distribution room for the power interaction with the plant's distribution system. The energy storage system features functions such as smooth transition, peak shaving, frequency and voltage regulation, etc. The stored power can be used as an emergency power source, and can also store energy during low grid demand periods and discharge during peak periods, effectively reducing grid fluctuations.



Containerized Energy
Storage Power Station



Product Full-Lifecycle Management for Carbon Reduction

MACMIC integrates low-carbon development into product full-lifecycle management, builds a full-chain management system covering the supply chain, production, operation, use, and recycling. Through source control and process optimization, the Company effectively reduces carbon emissions at each stage, develops green products, and promotes green upgrading of the industry.

The Company deeply implements the concept of sustainable development. Taking traditional silicon-based IGBT products as its foundation, the Company actively deploys third-generation semiconductor SiC and GaN chips and power modules, achieving upgrades and replacements for traditional silicon-based IGBTs through technological iteration. Leveraging the core characteristics of SiC materials—wide bandgap, low loss, high frequency, and high efficiency—in key areas such as new energy vehicles, photovoltaics, energy storage, and industrial control, it significantly enhances the energy conversion efficiency of end systems, reduces power loss, and helps downstream industries achieve energy-saving and carbon reduction goals. This is not only the key direction for the Company's green, energy-saving, and high-end upgrades, but also the core practice for fulfilling its "Carbon Peaking and Carbon Neutrality" commitment and empowering the green ecosystem.

The green value of the Company's core products has achieved remarkable results. Products such as IGBT and SiC are widely used in photovoltaics, wind power, electric vehicles, and charging infrastructure, effectively transforming green product design into tangible sustainable development value. Meanwhile, guided by green product upgrades, the Company synchronously optimizes green management in production processes, reduces energy consumption per unit output through digital transformation, promotes resource recycling, and combines national green factory construction standards to achieve green control across the product full-lifecycle, demonstrating the responsibility and commitment of power semiconductor enterprises in energy conservation and carbon reduction.

Green Design

- Conduct green product design, identify optimization directions and formulate improvement plans based on lifecycle assessment.

Green Technology

- With a new epitaxial design & doping distribution and electronic lifetime control technology, the FRD product features ultra-fast reverse recovery and soft recovery characteristics, and reduces device losses;
- The optimized design of the IGBT lateral and vertical structure achieves the best coordination of saturation voltage drop and short-circuit capability;
- The in-depth research on the backside laser annealing process has improved the uniformity of electrical parameters both within and between chips, achieving a product yield rate of over 90%;
- The increased research on the design and process of the field barrier layer structure helps realize lower static and dynamic losses.

Green Procurement

- Priority is given to materials that meet environmental and energy-saving requirements, with low energy consumption, low pollution, non-toxicity, high resource utilization, and recyclability;
- The Company refrains from procuring high-energy-consuming, high-pollution products and equipment.

Green Production

- Give priority to the use of clean energy and employ the intelligent system to precisely control energy consumption , effectively promoting green production;
- Achieve energy conservation and emission reduction by improving process methods, technological innovation, equipment upgrades, and substituting and reducing the use of hazardous substances.

Green Packaging

- In order to reduce environmental pollution caused by packaging materials, packaging materials such as chip packaging boxes, inner rings, copper plates、 plastic turnover boxes and pallets are recycled to suppliers for reuse;
- During the Reporting Period, a total of 130,000 plastic turnover boxes were used, with a recycling rate of 100%; 1,500 plastic pallets were used, with a recycling rate of 80%; 110,000 chip packaging iron rings were used, with a recycling rate of 72.20%; 110,000 other packaging of chips (plastic boxes and trays) were used, with a recycling rate of 39%.

Green Recycling

- Implement scrapping for defective products that cannot be reworked;
- Parts from defective products are processed separately. Among them, plastic parts are entrusted to professional solid waste companies for standardized treatment; silicone gel is safely disposed of according to hazardous waste standards; and metal materials such as copper plates are recycled and reused to achieve recycling of resources.

Environmental Management

Environmental Compliance Management

Environmental Management System

MACMIC adheres to the environmental policy of “Comprehensive planning, reasonable layout, integrated utilization, beneficial transformation, employee engagement, full participation, environment protection, and social benefits”. It strictly complies with national laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and requirements in its operational locations, and actively promotes the construction of the environmental management system. The Company has formulated the *Environmental, Occupational Health and Safety Management Manual*, established and continuously improved its environmental management system, clarified the Board of Directors as the highest leadership body, with the Management Committee under it to promote the scientific and sustainable development of the environmental management system. In 2025, the Company's total investment in environmental protection³ was RMB 1.08 million.

During the Reporting Period, the Company and its subsidiary Core Energy have obtained ISO 14001 environmental management system certification. No major environmental protection accidents or violations of laws and regulations occurred.

³ The significant difference between 2024 and 2025 environmental protection investment data is mainly because the total environmental protection investment in 2024 included expenditures related to the warehouse renovation project of the Xinzhu Plant.

At the beginning of each year, the General Manager is responsible for organizing the formulation of the current year's objectives and assessment methods based on the objectives achievement status of the previous year. The Company continuously tracks the progress of target achievement and strives to achieve year-on-year improvement in environmental performance and a continuous decline in failure and accident rates.

Target	Achievement in 2025
Pollutant Discharge Compliance Rate: 100%	✔ Achieved
Hazardous Waste Disposal Rate: 100%	✔ Achieved



MACMIC ISO 14001 Environmental Management System Certificate



Core Energy ISO 14001 Environmental Management System Certificate



Management of Environmental Risks

● Identification and Assessment of Environmental Factors

The Company has formulated the *Environmental Factor Identification and Evaluation Procedure*, conducted a comprehensive investigation and summary of the Company's environmental factors to form a unified *Environmental Factor Identification and Evaluation Form*. The ESG Management Department leads a dedicated team to conduct significance evaluation of the Company's environmental factors based on the Company's *Criteria for Evaluation of Significant Environmental Factors*, and implements special improvements and daily control for identified significant environmental factors. In 2025, the Company organized specialized training focusing on environmental factor identification, evaluation methods, and control requirements, further enhancing relevant personnel's awareness and implementation capabilities in environmental management.

● Hidden Danger Inspection

The Company has established a hidden danger inspection mechanism, carried out regular inspections for potential environmental dangers and proactively identified potential environmental risks. Identified dangers are managed by classification and grading, and a rectification tracking list is established to ensure the entire storage and disposal process of pollutants and waste is compliant and controlled.



Key Performance in 2025

The Company conducted over **100** environmental protection hidden danger inspections, with a **100%** rectification rate.

● Emergency Management and Emergency Drills

The Company has formulated and implemented the *Emergency Response Plan for Environmental Incidents*, analyzed the potential hazards and consequences of environmental incidents, clarified the importance of emergency management, strengthened control over emergency incidents, and minimized incident losses. Meanwhile, the Company conducts emergency drills to test the feasibility and effectiveness of emergency plans, and continuously optimizes emergency mechanisms based on drill results, effectively enhancing overall emergency response and risk control capabilities.



Key Performance in 2025

The Company organized **7** environmental emergency drills.



Case

Hazardous Waste Leak Emergency Plan Drill

In October 2025, the Company conducted a hazardous waste leak emergency plan drill. The drill focused on the emergency command and rescue process. It systematically tested and improved the full process operations of leak disposal through on-site training and practical simulation. This activity effectively strengthened employees' understanding of hazardous waste leak emergency knowledge, enhanced team coordination and practical disposal skills, and achieved the emergency response goal of being "scientific, safe, orderly and rapid".



Drill Site for Hazardous Waste Leak Emergency Response Plan

Environmental Protection Training

The Company attaches great importance to improving employees' environmental awareness and capabilities, actively carries out environmental protection training to integrate sustainable concepts into daily operations, providing a solid guarantee for achieving sustainable development goals. During the Reporting Period, the Company conducted training on hazardous waste management knowledge and held exams on relevant knowledge, effectively improving employees' hazardous waste disposal capabilities and ensuring the stable operation of the Company's environmental management system.



Key Performance in 2025

The Company organized a total of **6** environmental protection training sessions, with **1,448** person-times participating and a total training duration of **2,405** hours.

Pollutant Emissions

MACMIC strictly implements relevant laws and regulations such as the *Environmental Impact Assessment Law of the People's Republic of China* and the "Three Simultaneities" management requirements for project construction, formulating the *Waste Gas, Wastewater, Noise Management Procedure*. The ESG Management Department is responsible for the management of waste gas, wastewater, sewage, and noise, and conduct daily supervision, inspection, monitoring, and implementation of prevention and improvement measures. Furthermore, the Company implements pollution source monitoring in accordance with standards such as the *Self-Monitoring Technology Guidelines for Pollution Sources*, with wastewater and waste gas monitored annually and noise monitored quarterly. During the Reporting Period, all monitoring indicators were within the standard limits, and with no adverse impact on employees or surrounding residents.

Indicator	Unit	2025
Pollutant Monitoring Compliance Rate	%	100
Synchronized Operation Rate of Environmental Facilities	%	100
Compliance Rate of Environmental Impact Assessment (EIA) and "Three Simultaneities" Systems	%	100

Waste Gas Management

The Company has established a waste gas management system covering living and production activities. For canteen fumes, the Company has installed purification devices and implements high-altitude discharge; for waste gases from production process of soldering and cleaning, and vehicle exhaust generated, corresponding exhaust ventilation, dust removal, or clean energy transformation measures are in place.

In daily operations, the Company requires employees in relevant positions to properly use the waste gas treatment facilities and take adequate personal protection measures. Meanwhile, it continuously reduces waste gas emissions through technical and management measures. The Company regularly monitors and inspects waste gas discharge points to ensure compliance with national standards, and timely analyzes and improves abnormal situations to achieve full-process control.

Category	Monitoring Indicators	Maximum Allowable Emission Concentration (mg/m ³)	Achievement in 2025	Implementation Standard
Organized Emission	Total Non-Methane Hydrocarbons	50	Achieved	<i>Emission Standard of Pollutants for the Semiconductor Industry (DB32/3747-2020)</i> <i>Integrated Emission Standard of Air Pollutants (DB32/4041-2021)</i>
	Fluoride	1.5	Achieved	
	Nitrogen Oxide	50	Achieved	
	Tin and Its Compounds	1	Achieved	
	Particulate Matter	20	Achieved	
	Isopropanol	40	Achieved	
	Nickel and Its Compounds	1	Achieved	
Unorganized Emission	Odor Concentration	20 (Dimensionless)	Achieved	
	Ammonia	1.5	Achieved	
	Hydrogen Sulfide	0.06	Achieved	
	Tin and Its Compounds	0.06	Achieved	
	Particulate Matter	0.5	Achieved	
	Nickel and Its Compounds	0.02	Achieved	
	Nitrogen Oxide	0.12	Achieved	
	Fluoride	0.02	Achieved	
	Total Non-Methane Hydrocarbons	0.12	Achieved	

Types of Waste Gases	Preventive Measures	Remarks
Waste Gas from Etching Process	Secondary Alkali Spray Device	Discharged through a 15m-high Exhaust Funnel.
Waste Gas from Welding and Cleaning Processes	Activated Carbon Adsorption/Desorption + Catalytic Combustion	
Waste Gas from Evaporation Process	Activated Carbon Adsorption Device	
Waste Gas from Hazardous Waste Warehouse		

Types of Wastewater	Preventive Measures	Remarks
Nitrogen-Free Production Wastewater	Sewage Pre-Treatment Facility 1# (Pre-Sedimentation + Coagulating Sedimentation)	Directed to Changzhou Jiangbian Wastewater Treatment Plant for treatment.
Nitrogen-Containing Production Wastewater	Sewage Pre-Treatment Facility 2# (Sedimentation + Nitrification, Denitrification + Secondary Sedimentation + Coagulating Sedimentation)	
Concentrated Wastewater for Production of Pure Water	Concentrated Water Reuse Facility + Wastewater Pre-Treatment Facility 3# (Bag Filtration + Fine Filtration)	Reused for toilet water, floor cleaning water, alkaline spray water, and replenishment to the original water tank; concentrate water from pure water preparation is connected to the municipal sewage network and sent to Changzhou Jiangbian Wastewater Treatment Plant for centralized treatment.

Wastewater Management

The Company regularly inspects and unblocks sewage pipes in office buildings, ensuring domestic sewage is properly discharged into the municipal sewage pipe network after purification in septic tanks; production wastewater is collected, treated at the wastewater treatment station, and discharged up to standard into the municipal sewage pipe network; it is strictly prohibited to directly discharge untreated wastewater or sewage into rivers. The Company strictly implements separate collection and management of production wastewater and domestic sewage, and the ESG Management Department conducts testing at least once a year to ensure discharge meets standards.

Monitoring Indicators	Maximum Allowable Emission Concentration (mg/L)	Achievement in 2025	Implementation Standard
pH	6.0-9.0	Achieved	<i>Emission Standard of Pollutants for Semiconductor Industry (DB32/3747-2020)</i> <i>Discharge Standard of Pollutants for Municipal Wastewater Treatment Plants (DB32/4440-2022)</i> <i>Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T 31962-2015)</i>
COD	300	Achieved	
SS	250	Achieved	
TN	35	Achieved	
NH ₃ -N	20	Achieved	
TP	3	Achieved	
Fluoride	15	Achieved	
Animal and Vegetable Oils	100	Achieved	
Total Dissolved Solids	2,000	Achieved	

Noise Management

The noise of the Company mainly comes from equipment such as dicing saws, cleaning machines, and dryers. To reduce noise emissions, the Company requires equipment operators to conduct regular equipment maintenance, inspection and upkeep to ensure operational efficiency. For noise sources in production areas, the company adopts engineering isolation measures to reduce impact and conducts annual noise emission monitoring. The monitoring results all comply with the *Emission Standard for Industrial Enterprise Noise at Boundary (GB 12348-20080)*, with no exceeding of standards. Under special circumstances such as the use of power generation equipment, the Company strictly implements isolation operation and enclosed operation requirements to ensure noise is effectively controlled.



Waste Management

MACMIC strictly abides by relevant laws, regulations and standard documents such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, formulates the *Hazardous Waste Management System* to standardize the generation, collection, storage, transfer and other activities of hazardous waste. Meanwhile, we actively promote cleaner production, strive to avoid or reduce the generation of hazardous waste, and encourage the rational utilization and harmless treatment of hazardous waste.



Key Performance in 2025

The Company generated **158.56** tons of hazardous waste and disposed of **158.56** tons; it generated **346.46** tons of non-hazardous waste and disposed of **346.46** tons⁴, representing a **100%** waste disposal rate.

Waste Management Measures

- | | |
|--|--|
| Non-Hazardous Waste | <ul style="list-style-type: none"> Domestic waste is entrusted to the municipal sanitation department for unified collection and treatment; Recyclable industrial waste is sold for comprehensive utilization. |
| <hr style="border-top: 1px dashed #ccc;"/> | |
| Hazardous Waste | <ul style="list-style-type: none"> The collection, storage, and transfer activities of hazardous waste comply with relevant national and local regulations; The transfer of hazardous waste is strictly supervised, and the "Hazardous Waste Transfer Manifest" is retained; 100% of hazardous waste is entrusted to qualified professional hazardous waste treatment units for disposal. |

⁴ The significant increase in the generation and disposal of non-hazardous waste in 2025 compared with 2024 is mainly due to the improvement of statistical caliber, expansion of statistical scope, and refinement of ledger management this year, enhancing data comparability, not a substantial increase in actual waste generation.

Resource Management

Energy Utilization

Energy Management System

MACMIC strictly adheres to national laws and regulations, such as the *Energy Conservation Law of the People's Republic of China*, and has established internal management systems including the *Energy Work Management System* and the *Regulations on Energy Consumption Quota Management*. The Company has established a three-level energy management system for the Company, workshops and teams, set up an energy management leading group headed by the General Manager and management teams at various levels, formed an energy management network throughout the entire company. Meanwhile, the Company has formulated the *Energy Conservation Reward and Punishment System*, which rewards those who make outstanding contributions to energy conservation and penalizes those who waste energy. During the Reporting Period, the Company has obtained the ISO 50001 Energy Management System certification.

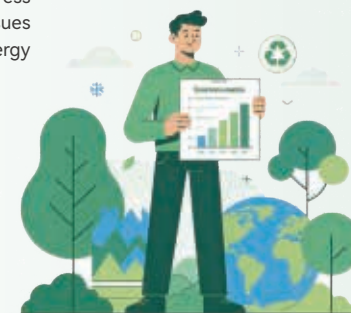


ISO 50001 Energy Management System Certificate

The Company has set clear energy management targets and carries out the management and assessment of energy consumption quotas. Through regular monitoring of energy consumption data and analysis of progress toward the targets, the Company promptly identifies issues and adjusts energy-saving strategies to ensure the energy conservation targets are fully achieved.

In Progress

Taking 2024 as the base year, the energy consumption intensity will decrease by 8% by 2030.



Energy Management Measures

MACMIC actively implements energy conservation and emission reduction measures, optimizes its energy mix, and steps up the application of renewable energy; strengthens power supply reliability, upgrades energy-saving equipment, promotes energy-saving technological retrofits, and leverages digital tools to enable dynamic monitoring and control of energy consumption. Meanwhile, the Company regularly organizes energy-saving publicity and training activities to foster a workplace culture that supports energy conservation and emission reduction.

Energy Conservation Measures

Power Consumption Management

- Initiate power system retrofits to enhance energy reliability and equipment stability under emergency conditions;
- Deploy DVR (Dynamic Voltage Restorer) systems in phases to effectively address voltage sags, voltage fluctuations, and power quality anomalies.

Equipment Management

- Adopt frequency converters in all compressors, water pumps, air conditioning units, exhaust fans, etc.;
- Use high-efficiency energy-saving equipment, ensuring that chillers meet Level 1 energy efficiency requirements and other equipment such as transformers and oil-free variable frequency centrifugal air compressors meet Level 2 energy efficiency requirements;
- Indoor and outdoor lighting use high-efficiency/high-power-factor LED fixtures; outdoor streetlights and courtyard lights are powered by photovoltaic energy.

Energy-Saving Technology Retrofit

- Adopt new energy-saving technologies and processes, and prepare an energy-saving feasibility analysis report before project initiation;
- During the Reporting Period, the Company added fresh air inlets to the laboratory's air conditioning units, installed secondary return air inlets to the R&D workshop and warehouse, and added cooling water pipes to the second plant's vacuum pumps, these measures have effectively reduced energy waste and saved over RMB 100,000 in electricity costs annually.

Digitalized Management

- Establish an energy consumption monitoring system that uses intelligent electrical data acquisition to monitor energy consumption data and key parameters in real time, and uploads the data to an integrated energy consumption management system;
- Build an intelligent and efficient central air conditioning system to ensure safe, stable, and energy-saving operation of the workshop production environment.

Case

Intelligent and Efficient Central Air Conditioning System

The Company has equipped a 600RT multi-head magnetic levitation centrifugal chiller unit, a 600RT variable frequency water-cooled centrifugal chiller unit, a 800RT multi-head magnetic levitation centrifugal chiller unit, a 800RT variable frequency water-cooled centrifugal chiller unit, six 65kW cooling capacity four-pipe air-cooled module chilled/hot water units, and six 130kW cooling capacity air-cooled module chilled/hot water units, ensuring 24/7 uninterrupted cooling and heating supply throughout the year. The intelligent and efficient central air conditioning system adopts technologies such as variable flow operation of chilled water and cooling water, cooling tower near-wet-bulb temperature control, and chiller operation in the high-efficiency zone, enabling one-button start/stop and safe and efficient operation. The system provides over 10 million kWh of cooling and heating energy annually, with total power consumption of less than 2 million kWh, achieving a chiller plant room energy efficiency ratio of 5.0, which is more than 40% energy savings compared to traditional cooling and heating systems.



The main types of energy consumed by the Company include gasoline, diesel, and electricity, with no consumption of natural gas, steam, coal, or liquefied petroleum gas.

Indicator	Unit	2025
Gasoline	Ton	8.01
Diesel	Ton	2.03
Purchased Grid Electricity	kWh	29,912,765
Photovoltaic Power Generation	kWh	2,266,737
Renewable Energy Consumption	tce	278.58
Percentage of Renewable Energy Consumption in Total Energy Consumption	%	7.55
Total Energy Consumption	tce	3,691.02
Total Energy Consumption per Million Revenue	tce	2.74
Total Energy Consumption per Unit Output	tce/10,000 Units	4.31

Water Resource Utilization

Management System

MACMIC strictly adheres to national and local laws and regulations such as the *Water Law of the People's Republic of China*. The Company has established the *Water Resource Management System* and the *Water Conservation Management System*, and continuously improves and establishes the responsibility system for water conservation work. The Company has established a leading group headed by the General Manager, which is responsible for strategic decision-making and major investment approval regarding water resources management. The Manufacturing Center serves as the designated department for water resources management, responsible for policy implementation, supervision, data analysis, and continuous improvement. The production workshops, facility management section, laboratories, warehouses, and other functional departments are water-using units, responsible for the daily management of water-using equipment and the implementation of water conservation measures in their respective departments.

To strengthen water resources management, the Company has set water conservation targets based on its actual production conditions, regularly monitors progress toward these targets, and dynamically optimizes water-saving measures based on water consumption data, ensuring that the conservation goals are steadily met.

Target	Achievement
Average Water Recycling Rate of the Concentrated Reuse System in 2025: 45%	✓ Achieved
Fresh Water Saved in 2025: 30,000m ³	✓ Achieved

Water Conservation Measures

The Company's water supply is all from municipal water sources. The Company has implemented a series of water conservation measures, leveraging technology, precise monitoring, and daily management to effectively promote water conservation and recycling, achieving sustainable development.

Water Conservation Measures

Facilities Management

- Ensure the integrity of the water supply pipeline network and conduct regular inspections to prevent leakage and dripping;
- Prioritize the selection of water-efficient equipment, and implement focused monitoring and optimization of high water-consumption equipment.

Water-Saving Technology Application

- Promote water-saving processes such as countercurrent rinsing and spray rinsing; optimize cleaning tank design to reduce overflow;
- Formulate the *Reclaimed Water Reuse Management System*, construct a reclaimed water reuse system, and strengthen cascade utilization and recycling of water resources; adopt high-efficiency EDI and ultrafiltration technologies, and optimize reverse osmosis (RO) recycling rate;
- Construct a cooling water system and increase the concentration ratio of circulating cooling water.

Data Monitoring

- Establish an intelligent integrated management system for water, electricity and gas to collect and analyze water consumption, reuse, and discharge data across the plant and individual units.

Water Conservation Publicity and Training

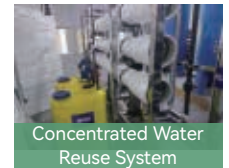
- Regularly conduct water conservation publicity via internal websites, bulletin boards, meetings, and other channels;
- Provide specialized training on water-saving technologies for operators, engineers, and management personnel;
- Encourage employees to submit reasonable suggestions for water conservation.

Case

Water-Saving Project on Concentrated Water Reuse

MACMIC's Xinzhu Plant has installed an RO concentrate reuse system. Primary concentrate generated from the pure water system is treated in this RO system. Upon meeting water quality standards, the treated water is recycled back to the production pure water system, while the secondary concentrate produced during treatment is diverted to the reclaimed water system.

The reclaimed water is colorless, odorless and highly transparent, and is applied to toilet flushing and landscape irrigation. During the reporting period, the average reuse rate of the concentrate treatment system reached 49%, delivering an annual fresh water saving of 40,146 m³.



Concentrated Water Reuse System

Indicator	Unit	2025
Total Water Consumption	Ton	215,682
Total Water Consumption per Million Revenue	Ton	160.04
Fresh Water Consumption	Ton	154,482
Total Water Recycled and Reused	Ton	61,200
Water Recycling and Reuse Rate	%	28.38

Circular Economy

MACMIC deeply integrates the circular economy concept into its full life-cycle material management, establishing a standardized control system covering raw materials and packaging materials. The Company has formulated internal management systems such as the *Management Method for Module Raw Material Warehouse* and the *Management Method for Module Finished Product Warehouse*, building a sustainable and efficient material management model across the entire chain of procurement, storage, and circulation.

MACMIC primarily uses cardboard boxes and plastic boxes as packaging materials in its production processes. The Company has formulated the *Warehouse Packaging Work Instruction* and the *Packaging Design Specification*, which sets out clear quality requirements of material, RoHS&REACH, ESD and other characteristics. It has also established packaging standards for different products, reasonably selecting cushioning materials and optimizing packing density to reduce packaging material redundancy. For second-hand plastic packaging boxes, the Company has established the Management Measures for Outsourced Recycled Packaging Boxes, established a mechanism for packaging material recycling and sorting, and standardized cleaning process to ensure safe and compliant use. Meanwhile, the Company promotes the recycling and reuse of intermediate materials such as double-layer plastic frame trolleys and anti-static trays, effectively reducing packaging waste and building a sustainable packaging ecosystem.

Indicator	Unit	2025
Blister Packs	Ton	161.30
Cardboard Boxes	Ton	83.80
EPP	Ton	39.10
Total Consumption of Main Packaging Materials	Ton	284.20
Use Intensity of Main Packaging Materials	Ton/RMB 10,000 Revenue	0.0021



Packaging Management

Green Workplace

MACMIC adheres to the concept of green workplace by optimizing energy management, reasonably adjusting air conditioning temperatures, and promptly turning off idle equipment to reduce electricity consumption. The Company posts environmental protection slogans in workplaces and sets up a water conservation culture wall, encouraging employees to develop good habits such as turning off lights when leaving and conserving water and electricity. It also promotes paperless office practices to reduce paper use and unnecessary waste. Furthermore, the Company has fully promoted new energy vehicles, replacing conventional fuel-powered models with new energy forklifts, trucks, and cars, and a total of 37 charging piles have been built within the park to facilitate green commuting. In addition, the Company continuously strengthens employees' environmental awareness through various activities such as World Earth Day campaigns, to foster a low-carbon and energy-saving atmosphere.



Sign for Turning off the Lights When Leaving



Sign for Saving Paper



Campus Charging Stations and New Energy Vehicles



Water Conservation Culture Wall



Arbor Day Poster

Protection of Ecosystem and Biodiversity

MACMIC strictly adheres to relevant international conventions and standards such as the *Environmental Protection Law of the People's Republic of China*, the *Wildlife Protection Law of the People's Republic of China*, the *China National Biodiversity Conservation Strategy and Action Plan*, and the *Convention on Biological Diversity*. The Company places a strong emphasis on ecological protection in its business activities, which do not directly impact ecosystems or biological genetic resources.

MACMIC has formulated the *Biodiversity Protection Management Policy*, and implements ecological protection concepts throughout the entire life cycle of project construction and operation. Prior to the siting of new projects or major expansions, the Company requires a biodiversity baseline survey to be conducted in and around the project area to identify key species, rare and endangered species, important ecosystems, and ecologically sensitive areas, striving to minimize the impact of its production and operations on ecosystems and biodiversity.



03

Empowering Innovation, Co-Building a New Industrial Ecosystem

MACMIC focuses on enhancing industrial value and deepens its presence in the power semiconductor industry. The Company consolidates core competitiveness of products through continuous technological innovation, ensures their safety and reliability through full-process quality control, strengthens customer relationships through efficient customer service and a closed-loop satisfaction optimization mechanism, and secures a robust supply chain through standardized supply chain management. At the same time, the Company strictly upholds information security and data protection, leveraging multiple dimensions to enable high-quality industrial development.

SDGs Responded

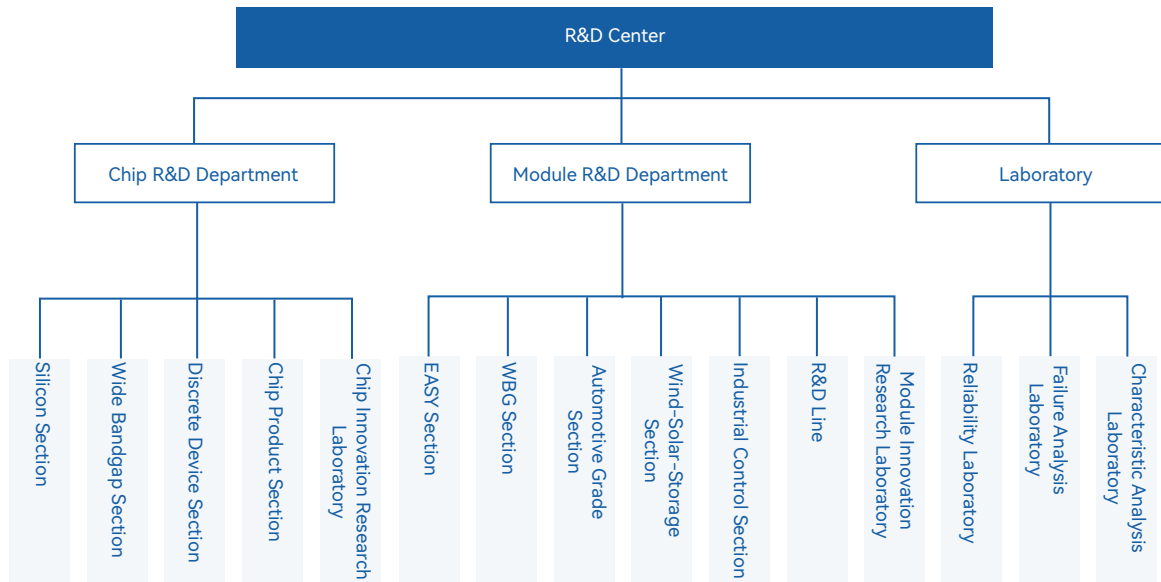


Innovation-Driven Development

Innovative Management System

Governance

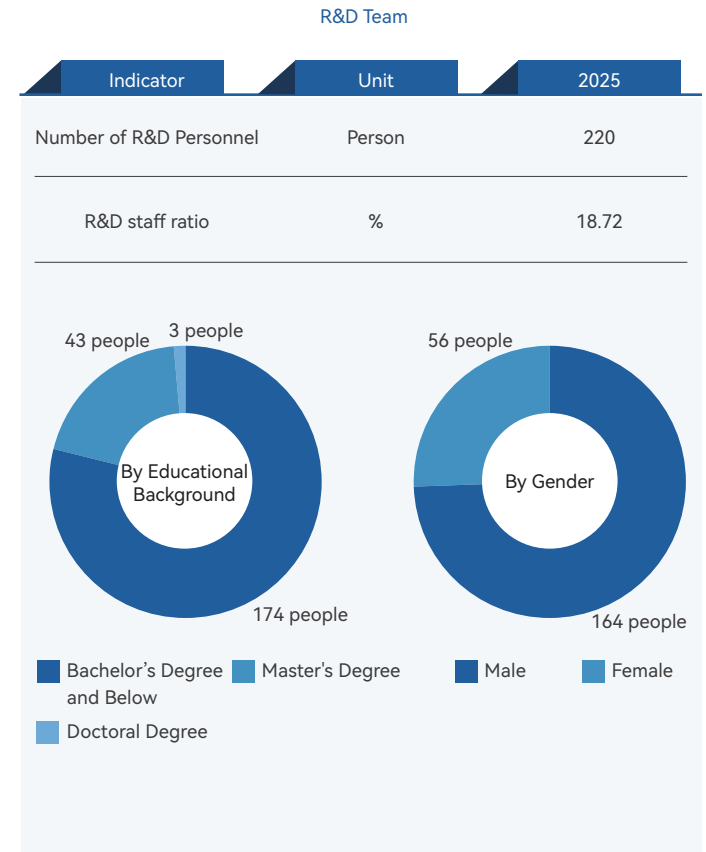
Adhering to the R&D philosophy of “Focus on Needs, Deliver Value, Build the Brand”, MACMIC has formulated systems such as the *R&D Project Management Method*, the *R&D Project Change Management Procedure*, and the *Advanced Product Quality Planning Control Procedure*, forming a clear innovation R&D governance system. The Company has set up the R&D Center as the core hub for technological innovation, which consists of the Module R&D Department, the Chip R&D Department, and the Laboratory. The Module R&D Department focuses on new product and new process development for power modules, the Chip R&D Department is responsible for the structure and process design of discrete devices, and the Laboratory provides testing and analysis support during the R&D process. The General Manager is responsible for the appointment of project managers, project resource allocation, and approval of key milestone in R&D project management, as well as management support for the projects.



Organizational Chart of R&D Center

R&D Team

MACMIC places great emphasis on R&D team development, and has built a core R&D team with a sound professional structure, outstanding innovation capabilities, and well-established succession tiers. Through regular training and hands-on project experience, the Company continuously strengthens the team’s technical expertise and enhances its ability to tackle innovation challenges. A high-caliber R&D talent pipeline serves as a solid foundation for the Company’s technological innovation and product upgrades.



● Certification

○ R&D and Innovation Certification ○



○ R&D and Innovation Organization ○



Strategy

Based on industry trends and its own development status, the Company systematically identifies potential risks and opportunities in its operations. During the Reporting Period, the R&D Center conducted the risk and opportunity assessment for the design and development process and prepared the *Risk and Opportunity Assessment Form*.

Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Impact on the Value Chain	Financial Impact	Countermeasure
Risk	Technological Risks	<ul style="list-style-type: none"> The product design and development cycle exceeds customer expectations, posing a risk of delivery delay; Manufacturing processes are difficult to realize, resulting in low product yield. 	Low	<ul style="list-style-type: none"> Short term Medium term 	<ul style="list-style-type: none"> Operations 	Increase in operating cost and decrease in operating revenue	<ul style="list-style-type: none"> Develop a detailed project plan during the project initiation phase, defining timelines for each product development milestone, and regularly track and confirm project progress to ensure the delivery cycle remains under control; Allocate process engineers at the R&D stage in advance, fully consider production conditions and realization requirements in the early phase of design, thereby improving process feasibility and product yield.
Opportunities	Industry Opportunities	<ul style="list-style-type: none"> Rapid growth in downstream sectors such as new energy, industrial control, and other emerging technology fields continues to drive strong demand for high-performance, high-reliability power semiconductor products, effectively promoting product iteration and market expansion; Breakthroughs in new materials and process technologies within the industry can be applied to optimize the performance of existing products and control costs. 	Medium	<ul style="list-style-type: none"> Medium term Long term 	<ul style="list-style-type: none"> Upstream Operations Downstream 	Increase in operating revenue	<ul style="list-style-type: none"> Actively participate in industry technology innovation organizations and alliances, strengthen technical exchanges and cooperation with peer companies, and promote the sharing of technical resources and collaborative innovation.

Impact, Risk, and Opportunity Management

Taking into account the characteristics of power semiconductor R&D operations, industry policy and regulatory requirements, and upstream and downstream value chain influences, the Company has established a risk and opportunity management mechanism covering the entire innovation R&D process, forming a standardized management pathway.

Risk Identification

The Company regularly collects internal and external information related to innovation and R&D. Internally, it focuses on dimensions such as R&D project progress, technical difficulties and talent reserves; externally, it monitors industry technology trends, policy support directions, market demand changes, and the intellectual property environment to form a risk and opportunity identification list to ensure no key elements are missed.

Risk Monitoring

The Company establishes a regular monitoring mechanism. By leveraging the R&D project management system, the company tracks dynamic changes in high-priority risks and opportunities in real time.

Risk Assessment

Based on the two-dimensional assessment model of "Likelihood of Occurrence-Impact Level", it conducts quantitative analysis of identified risks and opportunities. Considering inherent risks and existing control measures, it determines and ranks residual risk levels, and identifies high-priority items requiring focused attention.

Risk Management

For significant risks identified through assessment, the R&D Center refers to the R&D Project Change Management Procedure and risk response plans to develop targeted measures. It regularly evaluate the effectiveness of management and dynamically optimize to ensure risks remain under control.

Metrics and Targets

R&D Innovation Targets and Plans

Target in 2025	Achievement in 2025
Self-Developed EDT3 Chips and Customized Automotive-Grade Modules to be Shortlisted by Mainstream Tier 1 Suppliers and Achieve Mass Delivery	✓ Achieved
The GWB Module Integrating 1200V 300A M7i High-Current Chip to Pass Customer Validation for Electrification of Construction Machinery	✓ Achieved
The NCB SiC Module to Pass System-Level Certification from a Leading Overseas AI Server Manufacturer and to Start Small-Batch Mass Production	✓ Achieved

Investment in R&D

Indicator	Unit	2023	2024	2025
Investment in R&D	RMB 1 million	108.10	109.76	115.36
Proportion of Total R&D Investment to Operating Revenue	%	7.18	8.24	8.56



Measures and Achievements of R&D Innovation

Support for R&D Innovation

To continuously stimulate the innovation vitality of all employees and strengthen core technology breakthroughs and result commercialization, the Company has established a regular R&D innovation incentive mechanism, set up annual project-specific incentives, and adopted innovation achievements and work performance as key criteria for awards and recognition. In addition, the Company has created a special award named "Technology Innovation Pacemaker" to grant project-specific rewards to employees who have made outstanding contributions in areas such as technological innovation, key breakthroughs, and result implementation.

During the Reporting Period, the Company held the Engineer Conference to publicly commend and reward outstanding employees with remarkable innovation capabilities and significant breakthrough achievements, which has fully mobilized the innovation enthusiasm of technical personnel and effectively improving overall R&D innovation efficiency.



Industry Standard Participation

MACMIC actively participates in the development of industrial technical standards. Leveraging its core innovation strength, the Company empowers the standardized development of the industry, builds consensus on industrial innovation through standardization, and leads the direction of technological progress. By the end of the Reporting Period, MACMIC has led or participated in the development of a total of 9 national standards, 11 industrial standards, and 26 group standards. During the Reporting Period alone, the Company led or participated in the issuance of 10 technical standards, further solidifying its leading technological position in the industry.

R&D Achievements

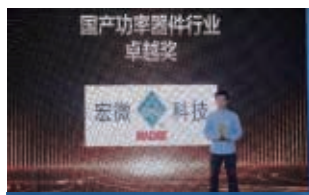
During the Reporting Period, the Company continued to deepen its industry-university-research collaborative innovation model, actively partnering with leading industry peers to establish joint R&D project teams. By integrating multiple technical resources and R&D strengths, the Company carried out collaborative efforts in core technology breakthroughs and product innovation. With its strong technological innovation capabilities and product performance, the Company successfully won the "Automotive Grade Excellence Award". Meanwhile, innovative products from its subsidiaries also received relevant honors due to their outstanding technological breakthroughs and excellent performances.



Case

MACMIC Won the "Automotive Grade Excellence Award"

In December 2025, MACMIC successfully won the "Automotive Grade Excellence Award" in the domestic power device industry. Relying on years of R&D experience in power semiconductors, the Company has continuously broken through technical barriers. Its automotive-grade products excel in key indicators such as temperature resistance, voltage resistance, and heat dissipation, and have gained recognition from multiple mainstream automotive manufacturers. This award further solidifies MACMIC's market position in the new energy vehicle power semiconductor sector.



Scene of the Award Ceremony



Case

MacMic Ai-SEMI GaN Product Won "Annual Excellent Product"

In December 2025, MacMic Ai-SEMI, a subsidiary of MACMIC, won the "Annual Excellent Product" award for its 650V enhancement-mode GaN HEMT product. Targeting the high-efficiency power demands of data centers, this product is compatible with CRPS power supplies. With performance advantages such as low power consumption and high power response speed, it provides a high-quality solution for the green and high-density transformation of data centers, demonstrating the Company's technical R&D strength in the third-generation semiconductor field.



"2025 Annual Excellent Product Award" Certificate

Indicator	Unit	2023	2024	2025
Total Number of Authorized Patents	Item	132	133	148
Number of Patent Applications	Item	187	199	235
Number of Valid Patents per Million Yuan of Operating Revenue	Item	0.09	0.10	0.11
By Patent Type				
Total Number of Authorized Invention Patents	Item	41	43	52
Total Number of Authorized Utility Model Patents	Item	85	83	84
Total Number of Authorized Design Patents	Item	6	7	12
Other IPRs				
Total Number of Software Copyrights	Item	3	3	3
Number of Software Copyrights per Million Yuan of Operating Revenue	Item	0.0020	0.0023	0.0022
Total Number of Trademarks	Item	9	9	11

R&D Platform Construction

The Company has been continuously building multi-level, high-caliber R&D platforms. It has established a number of national-level and provincial-level innovation hubs, including the Jiangsu Engineering Research Center for New Type of Power Semiconductor Devices, the Provincial Enterprise Technology Center, the Jiangsu New Power Semiconductor Device Engineering Research Center, and the National Postdoctoral Research Station. These platforms support technological breakthroughs, achievement transformation and talent cultivation.

Protection of Intellectual Property Rights

Management System

Adhering to the intellectual property policy of “Promoting Corporate Upgrading and Development through Technological Innovation, and Safeguarding Industry-Leading Advantages through Intellectual Property Rights (IPR) Protection”, MACMIC has established and continuously improves its intellectual property rights management system. The Company has formulated a series of management systems including the *Intellectual Property Rights Management Measures* and the *Intellectual Property Rights Manual*, and strictly implements them. The Intellectual Property Rights Leading Group has been set up as the governing body for intellectual property rights, composed of the Company’s General Manager, Deputy General Manager, and heads of key departments. The General Manager serves as the head of the Leading Group, responsible for macro-level IPR management. The General Manager’s Office is responsible for day-to-day IPR management, with relevant departments such as the Quality Center and R&D Center providing coordinated support.

Protection Measures

IPR Acquisition and Maintenance

Standardize the application processes for patents, trademarks, and copyrights; establish a categorized management ledger; regularly evaluate the value of IPR; handle ownership changes, renewals, or abandonment procedures.

Dispute Resolution Mechanism

Establish an IPR dispute monitoring and emergency response plan. Upon detection of infringement or being infringed, collect evidence, send warning letters, and resolve disputes through negotiation, arbitration, litigation, or other means.

Information and Confidentiality Management

Define confidential areas and personnel; regulate the use and storage of confidential documents and equipment; require employees to sign confidentiality agreements upon hiring and complete IPR handover upon departure; strictly prevent the leakage of trade secrets.

Legal Compliance Assurance

Track updates to IPR-related laws and regulations and promptly communicate them to all departments; ensure management activities comply with requirements such as GB/T 29490-2013 *Enterprise Intellectual Property Management Specification*.

Internal Audit and Improvement

Conduct internal audit and management review of the IPR management system at least once a year; identify issues and formulate corrective actions; continuously optimize the effectiveness of the management system.



Science and Technology Ethics

MACMIC focuses on the design, R&D, production, and sales of power semiconductor devices, and is not involved in technologies or application scenarios that may raise ethical controversies. The Company does not have any science and technology ethics issues to disclose. We consistently adheres to laws, regulations, and industry standards, and upholds the principle of integrity in its product R&D and business activities.

Supply Chain Security

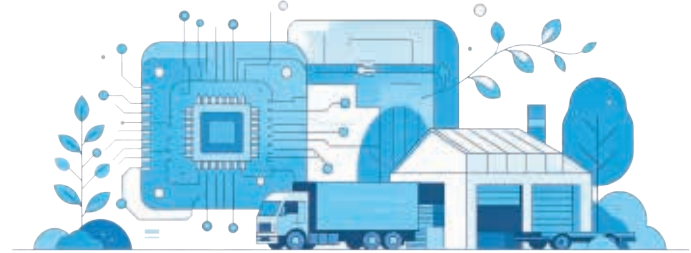
Supply Chain Management

Governance

The Company has established a systematic supplier management system covering key aspects including access, evaluation, performance and risk control, ensuring that supply chain activities are standardized, transparent and risks are effectively mitigated. The Company has formulated the *Classified Management of Suppliers*, the *Supplier Selection, Qualification and Evaluation Management Procedure* and the *Supplier Performance Management Measures*, which specify full lifecycle management requirements for direct material suppliers and integrate ESG performances such as environmental protection, hazardous substance control and conflict minerals management into access thresholds. Regular assessment and classification are carried out based on quality, delivery, price and service responsiveness, linked results to procurement quota and sample manufacturing qualification, forming a closed-loop management system that balances incentives with accountability.

The Supply Chain Management Center is managed by the Deputy General Manager, forming a supplier management system led by the Purchasing Department with multiple departments collaboration. The Purchasing Department oversees supplier development, on-site audit, performance evaluation and secondary supplier management. The Quality Management Department is responsible for on-site audit and re-audit, quality verification and incoming material exception handling. R&D, Finance, Risk Control and other departments participate in technical evaluation, financial audit and credit investigation respectively. Meanwhile, the Company has set up an ESG Management Department responsible for policy and business empowerment and supplier ESG risk rating. Through collaborative mechanisms such as review panels and annual audit plans, all departments form a full-process, cross-functional management network covering supplier introduction, cooperation, supervision and exit.

During the Reporting Period, the Purchasing Department organized multiple professional training sessions focusing on procurement and supplier management, covering risk control, performance management, cost control and other key areas, aiming to enhance the professional competence and business response capability of the procurement team.



Key Performance in 2025

MACMIC cooperated with a total of **71** suppliers. Among them, **40** suppliers are located in Jiangsu Province, accounting for **56.34%** of all its suppliers and local purchasing contributing to **57.39%** of the total.



Strategy

Combined with its position in the industrial chain and high dependence of its main business on supply chain stability, the Company systematically identifies relevant risks throughout the process from raw material procurement to product delivery, so as to address industry challenges and seize opportunities in green transformation.

Type of Risk/Opportunity	Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Impact on the Value Chain	Financial Impact	Countermeasures
Risk Supply Chain Disruption Risk	Suppliers of key raw materials and core components may delay production, reduce output or suspend supply due to natural disasters, geopolitical conflicts, limited production capacity and other reasons, resulting in failure to implement production plans normally.	Medium	<ul style="list-style-type: none"> Short term Medium term 	<ul style="list-style-type: none"> Upstream Operations Downstream 	Increase in operating costs	<ul style="list-style-type: none"> Conduct annual capacity surveys and daily tracking for key suppliers (Class I and II materials), evaluate their delivery stability in accordance with the <i>Supplier Performance Management Measures</i>, and promote a supplier diversification strategy to diversify risks.
Opportunities Product and Service Opportunity	By implementing sustainable procurement and giving priority to raw materials and suppliers with environmental compliance and high energy efficiency, the Company can respond to downstream customers' demand for low-carbon products, build a green brand image, thereby gaining market share premium and attracting ESG-oriented investors.	Medium	<ul style="list-style-type: none"> Medium term Long term 	<ul style="list-style-type: none"> Upstream Operations Downstream 	Increase in operating revenue	<ul style="list-style-type: none"> Take environmental qualifications and sustainability performance as important evaluation dimensions in supplier access and performance assessment to guide the supply chain toward green transformation.

Impact, Risk, and Opportunity Management

To build a robust and responsible supply chain, MACMIC has established a systematic and process-oriented supply chain risk and opportunity management system, which ensures the resilience and sustainable development of the supply chain through institutionalized and regular management measures.

Risk Identification

The Company systematically identifies operational, compliance and disruption risks through supplier access surveys, on-site audits, daily performance data and market public opinion monitoring.

Risk Monitoring

The Company conducts quarterly performance tracking for qualified suppliers, implements annual on-site audits for key suppliers, and regularly updates supplier qualifications and compliance documents to realize dynamic monitoring.

Risk Assessment

The Company classifies suppliers into grades A-D based on quarterly performance scores and comprehensively determines risk priorities combined with material criticality.

Risk Management

The Company adopts tiered measures for different risk levels: supplier interview for improvement, activation of the *Secondary Supplier Development Management Measures*, adjustment of procurement share, and executing contingency plans for raw material supply disruptions to ensure business continuity.

Metrics and Targets

Metrics

Indicator	Unit	2025
Number of Suppliers Certified with ISO 9001	Entity	71
Number of Suppliers Certified with ISO 14001	Entity	50
Number of Suppliers Certified with ISO 45001	Entity	30
Number of Suppliers Suspended due to Non-Compliance	Entity	0
Number of Prospective Suppliers Rejected due to Non-Compliance	Entity	0

Targets

Target	Achievement in 2025
100% Integrity Agreements Signing Rate	✓ Achieved
100% Supplier Commitment Letters on Non-Use of Conflict Minerals Signing Rate	✓ Achieved
Quantity of Conflict Minerals Purchased: 0 Revenue from Products Using Conflict Minerals: 0	✓ Achieved

Supplier ESG Management

MACMIC attaches great importance to the sustainable development and responsible management of the supply chain, and fully integrates ESG requirements into the supplier management system. The Company has formulated the *Supplier ESG Risk and Due Diligence Management System* and established a systematic ESG evaluation, access, dynamic assessment and exit mechanism to continuously improve the compliance and resilience of the supply chain.

Supplier ESG Evaluation, Access and Due Diligence

The Company has established a strict screening mechanism for supplier access, clearly requiring suppliers to operate continuously for no less than 3 years, have a tax payment credit rating of Grade B or above, and set up an independent quality department. When introducing new suppliers, the Purchasing Department issues the *Supplier ESG Risk Due Diligence Questionnaire* to conduct document review and on-site investigation, covering human rights protection, environmental protection, occupational health and safety, and requiring suppliers to obtain relevant system certifications. With reference to international standards, the Company has set ESG red-line issues and a dynamic supervision mechanism, strictly prohibiting child labor, forced labor, payment below minimum wage standards and major environmental violations. In addition, the Company explicitly prohibits the use of prisons as suppliers or subcontractors, and requires suppliers to sign the *Letter of Commitment on Non-Use of Conflict Minerals*, the *Social Responsibility Policy Commitment* and the *Integrity and Anti-Corruption Commitment* to systematically prevent ESG risks and ensure the supply chain complies with sustainable development principles.

Supplier ESG Dynamic Assessment and Exit Mechanism

The Company implements a tiered and classified supplier audit system to ensure that suppliers continuously meet ESG requirements throughout the cooperation. New suppliers must pass on-site audits, and key suppliers shall be audited once a year in principle, covering quality, environment, safety management and social responsibility performance. The Company conducts quarterly performance assessments for qualified suppliers, including quality, delivery, cooperation and ESG requirements such as timely submission of third-party RoHS reports. Meanwhile, the Company clearly defines suppliers' compliance obligations in environmental protection, labor and human rights in the *Annual Procurement Agreement* to realize contractual control of ESG requirements.

The Company has established a systematic and responsible supplier exit mechanism. The exit process will be initiated if a supplier consistently fails to meet performance standards (graded D with ineffective rectification), incurs major quality or delivery accidents, violates environmental and social responsibility commitments, or requires business adjustment. The supplier exit process includes cross-departmental review, formal notification, transition arrangement, system disablement and alternative resource connection to ensure orderly exit and prevent supply chain disruption risks.

Supplier Communication and Training

To continuously enhance supply chain ESG awareness and management capacity, MACMIC actively carries out supplier communication and training, and joins hands with suppliers to build a responsible and sustainable supply chain ecosystem. In 2025, the Company held the supplier conference themed "Collaboration · Excellence · Win-Win", interpreting the power semiconductor market trend and power device technology development, and providing special training and communication for suppliers on quality control, integrity and compliance. Focusing on product life-cycle reliability, the Company jointly built high-quality supply chain competitiveness with suppliers, embedded compliance requirements into procurement rules and full-life-cycle supplier management, strengthened bottom-line constraints and shared responsibility, and promoted sustainable and compliant collaborative development of the supply chain.



MACMIC 2025 Supplier Conference



Key Performance in 2025

MACMIC conducted **1** supplier ESG training session, with **39** supplier participants and a total training duration of **78** hours. The ESG training coverage rate for key suppliers was **100**%.

Responsible Procurement

MACMIC is committed to establishing transparent, compliant, fair, trustworthy, and sustainable cooperative relationships with business partners, and it has formulated policies such as the *Supplier Code of Conduct* and the *Business Code of Conduct*, which define the behavioral norms and ethical standards for suppliers to ensure the transparency and fairness of procurement activities, and jointly safeguard sound business order and market environment. In terms of sustainable procurement, the Company clearly requires all suppliers to abide by relevant national and international environmental laws and regulations and actively fulfill environmental responsibilities through the *Annual Procurement Agreement*. The Company strictly implements hazardous substance control requirements such as RoHS, urges suppliers to carry out hazardous substance surveys, submit compliance commitments and third-party test reports, and clearly mark environmental compliance on product packaging, so as to ensure the environmental friendliness and safety of products from the source. Meanwhile, the Company is committed to improving the efficiency and transparency of supply chain management through smart procurement, encouraging suppliers to continuously innovate in process improvement, quality enhancement and cost optimization, and jointly achieving cost reduction and efficiency improvement.

Conflict Minerals

The Company has established the *Conflict Minerals Commitment and Policy*, which requires the suppliers of MACMIC to sign the *Declaration on Non-Use of Conflict Minerals*. The Company has incorporated whether suppliers are involved in the mining, production and procurement of minerals from conflict areas into its supplier assessment system, and required the tracing of information on the sources of tantalum, tin, tungsten, gold and other minerals contained in products, by conducting supply chain risk identification and analysis, and formulating work processes and relevant measures for conflict minerals management to ensure that the sources of the company's raw materials do not involve minerals produced in conflict-affected areas.

Equal Treatment of Small and Medium-Sized Enterprises

Adhering to the cooperative principles of fairness, openness and transparency, MACMIC treats small and medium-sized enterprises (SMEs) equally in procurement and cooperation, and actively provides equal business participation and development opportunities for high-quality SMEs. During the Reporting Period, the Company had no overdue payment to SMEs.

Safety and Quality of Products and Services

Quality Assurance System

Governance

Upholding the quality policy of “Adhere to Independent Innovation, Scientific Management and Continuous Improvement, Provide Better Products and Services, Meet and Exceed Customers’ Requirements and Expectations”, MACMIC has established a quality management system covering the full product life cycle and formulated a number of management policies including the *Quality Manual*. As senior management, the General Manager is responsible for appointing the management representative for quality, defining the quality responsibilities and authorities of the Company’s leadership, and fully overseeing the establishment and control of the quality management system. The Company has set up a Quality Center as the centralized department for quality management, clarified the quality responsibilities of departments such as the R&D Center, Manufacturing Center, Supply Chain Management Center, Marketing Center and other departments, and assigned full-time quality management personnel to each link, forming a quality management structure with clear division of employees and defined powers and responsibilities. During the Reporting Period, the Company and its subsidiary Core Energy have both obtained ISO 9001:2015 and IATF 16949 certifications. MACMIC also obtained ANSI/ESD S20.20-2021 ESD Protection Management System Certification, and its products passed UL certification. Meanwhile, the Company won the title of the 7th Hidden Champion of Made in China and ranked first in China in terms of market share of industrial IGBT modules.



MACMIC ISO 9001 Quality Management System Certificate



MACMIC IATF 16949 Management System Certificate



Core Energy ISO 9001 Quality Management System Certificate



Core Energy IATF 16949 Management System Certificate



ANSI/ESD S20.20-2021 ESD Protection Management System Certificate


Strategy

During the Reporting Period, the Module Production Department and Quality Management Department of the Company conducted risk and opportunity assessments for product manufacturing and product monitoring and measurement respectively, and formulated the *Risk and Opportunity Assessment Form*.


Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Impact on the Value Chain	Financial Impact	Countermeasure
Risk	Product Monitoring Risk	Some inspectors lack professional competence, fail to master inspection standards and judgment points, and use non-standard on-site measurement methods, resulting in distorted test results, missed or misjudged defects, and further affecting product yield target.	Medium	• Short term	• Operations	Increase in operating cost	<ul style="list-style-type: none"> • Provide operation requirement training and capability assessment for all personnel engaged in monitoring and measurement; only those who pass the assessment can take up posts; • Conduct assessment for all personnel; only those who pass can perform operations.
Opportunities	Market Opportunity	Demand for high-reliability power semiconductors has surges in downstream fields such as new energy vehicles and photovoltaics, and customers raise requirements for product quality certification, thereby compliant and high-quality products are more likely to win orders.	High	• Medium term • Long term	• Downstream	Increase in operating revenue	<ul style="list-style-type: none"> • Maintain the validity of quality system certification and strengthen quality control of automotive-grade products; • Optimize the reliability test process of module products according to downstream demand.

Impact, Risk, and Opportunity Management


The Company attaches importance to risk and opportunity management of product and service safety and quality. Relying on systems such as the *Risk and Opportunity Control Procedure*, it ensures stable product quality and customer demand satisfaction through full-process risk identification, hierarchical assessment, dynamic monitoring and targeted control.




Led by the Quality Management Department, the Company regularly collects internal quality risk information (such as production process deviation, testing equipment abnormality) and external quality risk information (such as upstream raw material quality fluctuation, downstream customer quality complaints), carries out special identification combined with the characteristics of module production, product testing and other links, and forms a risk list.



A regular risk monitoring mechanism is established. All departments conduct regular review of risks and opportunities as required, at least once a year; the review frequency will be increased in case of changes in laws and regulations, major organizational adjustments, major quality accidents and other situations. Risk management is included in internal audit and management review; the effectiveness of risk control measures is verified through regular self-inspection and internal audit to timely capture dynamic changes of risks.



The Company adopts an assessment model of “Risk Coefficient= Risk Severity × Risk Occurrence Frequency”, divides risk severity and occurrence frequency into 5 levels each, and classifies risks into high, medium and low levels accordingly. It conducts quantitative analysis on identified quality risks, defines judgment criteria and acceptable levels for different risk levels, providing a basis for formulating subsequent control measures.



Differentiated control is implemented for different risk levels: immediate avoidance or mitigation measures for high risks, control plans formulated as needed for general risks, and acceptance of low risks under reasonable cost. Specific measures include improving production operation specifications, carrying out personnel skill training, optimizing product identification and traceability processes, and strengthening assessment of testing personnel to reduce operational quality risks.

Metrics and Targets

Metrics

Indicator	Unit	2025
Product Yield Rate	%	97.10
Annual Internal Quality Audit	Time	2
Third-Party Random Inspection	Time	6

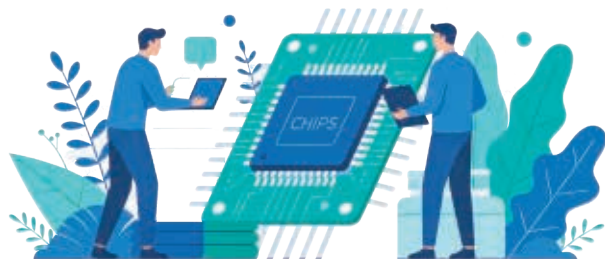
Targets

Target in 2025	Achievement in 2025
Product Yield Rate>97%	✓ Achieved
No Major Customer-Side Quality Incidents	✓ Achieved

Product Quality Management Measures

Lifecycle Management

MACMIC has built a quality control system covering the full product lifecycle. From design and R&D development, supply chain management, production and manufacturing, post-delivery service to after-sales service, it realizes pre-control, strict process control and continuous optimization of quality risks through standardized processes, special systems and cross-departmental collaboration, ensuring full-process compliance of products.



Lifecycle Stage	Control Measures
Design and R&D	In accordance with the <i>Advanced Product Quality Planning Control Procedure</i> , a cross-functional team is formed to carry out preliminary planning, define special product characteristics, analyze design and manufacturing process risks, implement design review, verification and validation, output technical documents such as control plans and work instructions, ensure design output compliance through production part approval process, standardize design change procedures and verify change impacts.
Supply Chain Management	In accordance with the <i>Supplier Management Control Procedure</i> and the <i>Procurement Control Procedure</i> , suppliers are screened and evaluated, required to establish a standard-compliant quality management system, incoming inspection is conducted for purchased raw materials, special product characteristics and legal requirements are transmitted to suppliers, and supply chain quality is stabilized through second-party audits and supplier development.
Production and Manufacturing	Implement the <i>Production Control Procedure</i> , carry out job preparation verification, first and last piece confirmation and post-shutdown verification, promote total productive maintenance and 5S management, conduct process monitoring and measurement in accordance with control plans, control process fluctuations with statistical tools, implement product identification and traceability management, adopt error-proofing measures to reduce human errors, strictly control nonconforming products, and re-inspect reworked/ repaired products to ensure production process and product compliance.
Delivery and Post-Delivery	Anti-rust treatment is carried out before finished products are put into storage; warehouse temperature and humidity are precisely controlled, and finished products stored for more than 3 months are re-inspected. Packaging strength is strictly checked before delivery, transportation status is tracked in real time, and customer signature confirmation is required upon arrival.
After-Sales Service and Improvement	Warehouse personnel shall ensure product protection and inventory control per the <i>Warehouse Management Control Procedure</i> . The Quality Management Department shall implement product release according to control plans, and perform full-size inspection and functional tests. In addition, the Company collects and processes customer feedback via the <i>Customer Feedback and Complaint Control Procedure</i> , analyzes field failure conditions, provides after-sales technical support, and synchronizes service information to relevant departments, thereby driving continuous improvement of products and processes.

Management of Core R&D and Production Processes

While building a quality management system covering the full product life cycle, the Company implements refined control around six core processes of R&D and production (computer simulation design, chip foundry, module manufacturing, testing, reliability test and application test). Through full-process quality planning, process control, full-dimensional test verification and continuous optimization based on customer feedback, the Company comprehensively ensures high performance and high reliability of products.

R&D and Production Stage

Control Measures

Computer Simulation Design	Optimize design schemes through physical field simulation, predict product failure risks and determine the optimal design path.
Chip Foundry	Cooperate with leading domestic and foreign enterprises to strictly control process windows and raw material quality.
Module Manufacturing	Adopt fully automatic production equipment and apply SPC statistical process control for key parameters to reduce production process fluctuations.
Testing	Conduct comprehensive static testing, dynamic testing and automotive-grade reliability certification testing.
Reliability Test	Verify through multi-dimensional tests including environmental stress, electrical stress, mechanical stress, life span, functional performance and automotive-grade certification.
Application Test	Build a test platform combined with customers' actual application scenarios, optimize electrical performance indicators, and enhance product characteristics and scenario adaptability.

To support the implementation of full-process quality control, the Company has built a professional hardware laboratory covering three core functional areas: reliability testing, characteristic analysis and failure analysis, equipped with 130 hardware devices, which can meet the full-chain technical needs from material performance testing to product failure mechanism analysis, providing solid hardware support for the Company's scientific research innovation and production operation.

Testing and Analysis Center



Semiconductor Power Analyzer



Double-Pulse Test Bench



IGBT Short Circuit Test Bench



UIS Tester



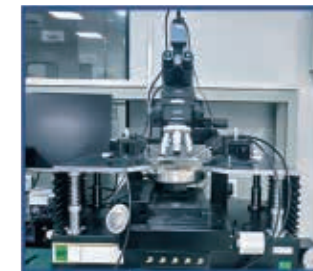
Thermal Resistance Test Bench



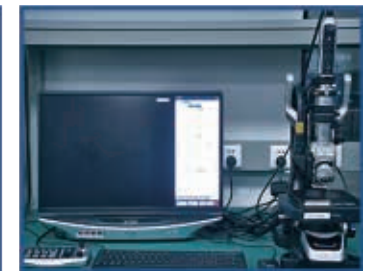
Surge Current Test Bench



ESD Test Bench



LCD Analyzer



Digital Microscope

Reliability Laboratory



High-Temperature Gate Bias (HTGB) Test Bench



High Temperature Reverse Bias (HTRB) Test Bench



High Temperature and High Humidity (TH) Test Chamber



High Temperature High Humidity Reverse Bias (H²TRB) Test Bench



Power Cycling (PC) Test Bench



Temperature Cycling (TC) Test Chamber



Temperature Shock Tester (TST)



Intermittent Operational Life (IOL) Test Bench



Vibration Variable Frequency (VVF) Test System

Application Testing Platform



Photovoltaic Testing Platform



Electric Vehicle Testing Platform



Inverter Testing Platform



Switching Power Supply Testing Platform

Monitoring of Hazardous Substances

MACMIC always takes product safety and environmental responsibility as the core, strictly controls the use of hazardous substances, and provides customers with high-quality and sustainable products. The Company has formulated special systems such as the *Hazardous Substance Management Measures*, built a full-process control system covering product design, procurement, production to full material declaration, and accurately prevents and controls risks through a hierarchical management mechanism to continuously optimize control processes. On the supply chain side, the Company requires suppliers to sign *Letter of Commitment on Non-Use of Hazardous Substances*, mandating that all products and parts strictly comply with international environmental standards such as RoHS 2.0, REACH and ELV, so as to build a solid safety line from the source. Meanwhile, the Company regularly updates the list of hazardous substances controlled in raw materials and MSDS (Material Safety Data Sheet), and strictly tests materials and finished products through a combination of internal XRF testing and third-party ICP verification to ensure that delivered products fully meet safety and environmental requirements.

Training on Product Quality

Focusing on the building core product quality capabilities, MACMIC systematically carries out quality tools and methods training for personnel in R&D, production, quality and other positions, and improves employees' quality analysis and control skills through internal training, external training, online learning and other methods.

Training Course	Training Target	Core Objective
8D Analysis Method and Practical Drilling	Personnel from Chip R&D, Operation Support, Testing Technology and Other Departments	Enhance the ability to analyze and solve problems, master 8D report writing methods.
DOE Experimental Design	Chip R&D Engineers, CQE/DQE Engineers	Improve DOE design level and be able to submit DOE reports.
Minitab	Quality Management Personnel, Engineering and Technical Personnel	Master software operation and statistical analysis, and apply quality tools.
MSA (Five Characteristics of Testing Equipment)	Instrument Calibration and Measuring Equipment Management Personnel	Complete MSA theoretical and practical assessment, improve measuring equipment management level.
FMEA/QC Seven Basic Quality Tools/ IATF 16949 Five Core Tools	Process Engineers, Quality Management Personnel	Familiarize with quality tool methodology and realize practical application.
VDA6.3	Process Engineers	Familiarize with customer audit focus and be able to apply in practice.

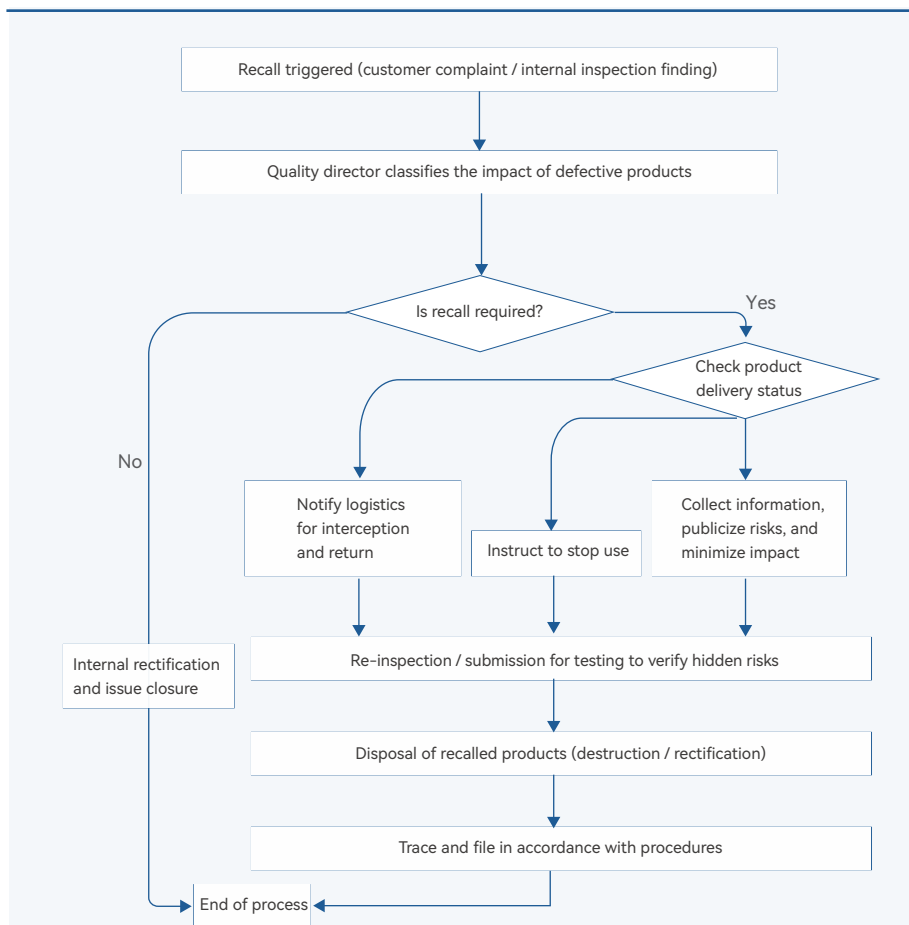
Indicator	Unit	2025
Training Sessions on Quality	Time	60
Quality Training Attendance	Person-time	2,169
Total Hours of Quality Training	Hour	3,944



Product Recall

MACMIC has formulated the *Nonconformity Control Procedure*, which requires the Quality Control Department and other related departments to strictly identify, mark, segregate, evaluate, track and record nonconforming or suspicious products, aiming to ensure that the non-conforming products do not flow into the next process or out of the factory. For non-conforming finished products delivered to customers that may result in serious consequences, the Company recalls them to eliminate safety hazards.

Product Recall Procedure



Indicator	Unit	2025
Number of Product Recalls	Piece	0
Product Recall Ratio	%	0

Customer Service Management

Customer Service Management System

The Company has established systems such as the *Key Account Management Measures (Interim)* and the *Customer Feedback and Complaint Control Procedure*, to ensure the timely handling of customer issues and improve customer satisfaction. For customer feedback, the Company has specified requirements for handling time: Customer Quality Engineer (CQE) is required to confirm the abnormality within 4 hours (e.g., shipment batch, defects, application conditions, etc.) after receiving the complaint; and if the feedback is received by a Sales or Failure Analysis Engineer (FAE), the relevant personnel is required to confirm promptly and forward to CQE. For complaints requiring on-site verification, the FAE in China must arrive at the customer's site within 24 hours, for overseas customers, the timing shall be subject to prior communication.

Customer Service Management Practices

Customer Service Training

The Marketing Center establishes an annual training plan and organizes sales personnel to focus on product quality, market changes, sales skills, customer follow-up, and other courses every six months, which strengthens service awareness, enhances professional competence and improves customer satisfaction. During the Reporting Period, the Company organized the *Key Account Sales Strategy Training*, inviting external lecturers to provide 12.5-hour training for 57 employees, covering key account sales philosophy, process, customer analysis, value models, decision maps and risk control to enhance key account management capacity.



Site of "Key Account Sales Strategy Training"

Customer Satisfaction Survey

In accordance with the *Customer Satisfaction Control Procedure*, MACMIC conducted 2025 customer satisfaction survey using customized questionnaires and scientific measurement methods. The survey aims to measure the Company's comprehensive level in business philosophy, management, technology and service through customer satisfaction survey, identify areas for improvement, and then take effective measures to continuously enhance the company's competitiveness.



Key Performance During the Reporting Period

The Company surveyed a total of **42** customers, of which **33** responded. The response rate of satisfaction questionnaires for automotive-grade customers was **80%**, and that for non-automotive-grade customers was **78.38%**, both meeting statistical standards.

In 2025, the customer satisfaction target for non-automotive product was ≥ 85 , with an average score of **87.81**, achieving the target⁵.

The satisfaction target for automotive customers was ≥ 90 , with an average score of **90.93**, achieving the target.

⁵ The target dimensions of the 2025 customer satisfaction survey are different from those in 2024, mainly attributable to the upgrade and optimization of the questionnaire, which features more detailed and comprehensive survey dimensions and questions.

Data Security and Privacy Protection

Information Security Management System

The Company strictly abides by laws and regulations such as the *Network Security Law of the People's Republic of China* (hereinafter referred to as the *Network Security Law*), the *Data Security Law of the People's Republic of China* (hereinafter referred to as the *Data Security Law*) and the *Personal Information Protection Law of the People's Republic of China* (hereinafter referred to as the *Personal Information Protection Law*), and has formulated systems including *Computer and Network Maintenance Management Measures* and *Confidentiality Code*. The Company has set up a Leading Group for Confidentiality Work, with the General Manager as the group leader and department heads as the first person responsible for confidentiality work in their respective departments, ensuring that confidentiality responsibilities are clearly assigned to posts and implemented to individuals. The Company strictly follows the principle of "Minimum Necessary Access", tightly controls the scope of information access and reduces leakage risks. During the Reporting Period, the Company had no incidents of data security breaches or customer information leakage.

In addition, to enhance all employees' information security awareness and protection capabilities, the Company carried out training on the *Data Information Security Training and Conference Room Use*, continuously strengthening the professional literacy of relevant post personnel to further safeguard the Company's information security.



Key Performance in 2025

MACMIC conducted **3** data security training sessions, with **945** participants, and the total training hours amounted to **945** hours.



Regularized Security Governance Measures

The Company has established and improved the information security control system, making detailed and clear provisions from daily maintenance of computer equipment, network usage specifications to specific requirements for data confidentiality. Meanwhile, it responds quickly to potential security threats through backup mechanism and early warning mechanism to comprehensively protect the Company's data security.

Information Security and Data Privacy Protection Measures

Backup Mechanism

Important information systems shall establish backup systems, regularly back up data completely and store them centrally and offsite to ensure emergency recovery after data damage. Check backup data monthly; re-back up timely if damage is found.

Early Warning Mechanism

In the event of unauthorized intrusion into the network or servers, the administrator shall verify and report to the leadership, shut down the server, modify firewall rules, block or delete attacked accounts, and cut off access for suspicious users.

Hierarchical Mechanism

The Company adopts a file encryption system and an internal cloud document system. All outgoing documents require review and decryption, and hierarchical control and management are implemented for personnel and operation permissions.

Internal Audit

The Company regularly conducts internal audits on IT system security management, including ledger management, network security, network permissions, server management and other links.

During the Reporting Period, the Company continuously optimized the information security system, renovated and replaced the external firewall, and added server EDR protection to ensure the sustainable and effective operation of the Company's information security system.



Server EDR Protection

Emergency Incident Management

To effectively prevent and respond to information security emergencies, the Company has established a systematic emergency incident management mechanism and continuously verified and improved emergency response capabilities through regular drills. In 2025, the Company carried out multi-scenario and multi-dimensional emergency drills on a quarterly basis, covering network infrastructure, core business platforms, computer room power and environment systems and other levels. All drills showed that relevant systems and processes can be effectively implemented under preset fault scenarios, and business continuity is guaranteed, reflecting the Company's capability in prevention, detection and recovery of emergencies at the infrastructure and data service levels, providing reliable technical and operational support for data security and privacy protection.

In February 2026, the Company has passed ISO 22301 Business Continuity Management System Certification.



ISO 22301 Business
Continuity Management
System Certificate

2025 Information Security Emergency Drill

First Quarter

A power, circuit, and IRF redundancy fault drill was conducted for the firewalls and internal interconnection equipment in the dual-factory campus;

Second Quarter

Power failure, line fault, and configuration recovery tests were conducted on the access switches;

Third Quarter

A server outage on the hyper-converged platform was simulated to verify the capability of automatic virtual machine migration and continuous business operation;

Fourth Quarter

A comprehensive drill was conducted on the computer room environmental monitoring system, covering UPS power failure and temperature and humidity anomalies.

04

Standing United, Fulfilling the New Era Mission

MACMIC always adheres to the people-oriented principle, standardizes employment management, improves talent development and incentive systems, and builds platforms for technical empowerment and career growth. It provides competitive compensation and benefits, protects employee rights, and inspires organizational vitality to achieve shared growth between employees and the Company. At the same time, the Company actively fulfills its social responsibilities by supporting rural revitalization and engaging in public welfare initiatives. In this way, MACMIC gives back to society, shoulders the mission of the times, and promotes harmonious coexistence and sustainable development between enterprise and society.

SDGs Responded

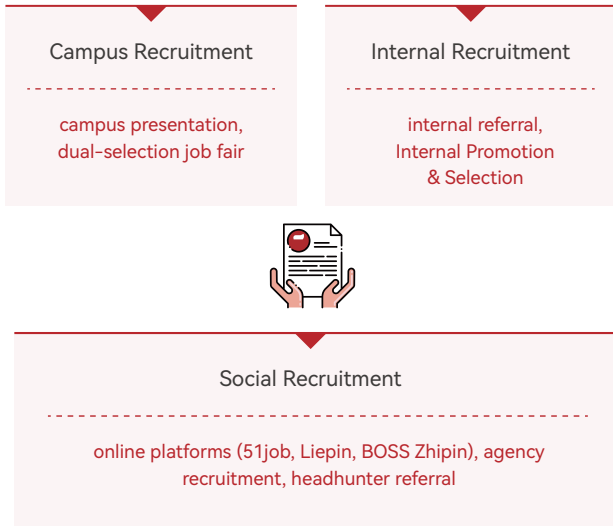


Protection of Employees' Rights and Interests

Compliant Employment

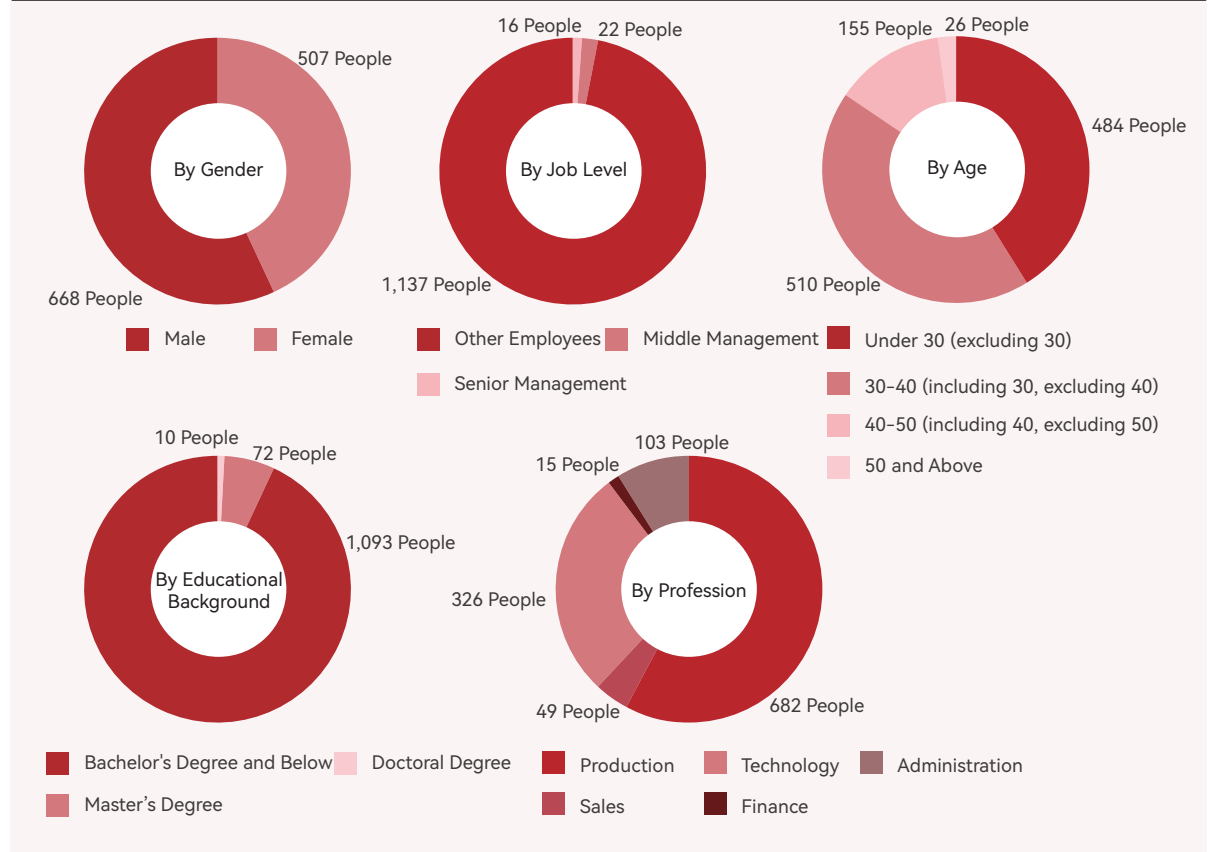
Employee Recruitment

The Company has established the *Employee Recruitment Management Measures* and the *Recruitment Process*, and built and continuously been improving a fair and transparent recruitment mechanism. Adhering to the talent selection philosophy of "selecting the competent and capable on a fair and competitive basis", the Company relies on diverse recruitment channels such as online recruitment, internal referrals, headhunting, campus recruitment, and school-enterprise cooperation to quickly attract and secure outstanding talent, providing sufficient and qualified human resources for the Company's operations. In addition, the Company actively respond to national policies and shoulder social responsibilities by providing equal employment opportunities to special groups such as people with disabilities and veterans.



Employee Composition

Indicator	Unit	2025
Total Number of Employees	Person	1,175
Number of Employees from Ethnic Minorities	Person	46
Number of Veteran Employees	Person	5
Employee Turnover Rate ⁶	%	21.22



⁶The employee turnover rate is calculated based on regular employees who have passed the probation period and completed regularization procedures. It does not include employees who resigned during probation, interns and dispatched workers.

Human Rights Protection

The Company adheres to the principles of inclusion, diversity, and equality. We strictly comply with laws and regulations such as the *International Labor Organization Conventions*, the *Labor Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, and the *Law of the People's Republic of China on the Protection of Minors*. We have also established and implemented a series of human rights protection policies, including the *Anti-Discrimination Management Control Procedure*, the *Prevention of Harassment and Abuse Control Procedure*, the *Child Labor Rescue Control Procedure*, the *Protection of Young Workers Control Procedure*, the *Prohibition of Forced Labor Control Procedure*, and the *Freedom of Association and Collective Bargaining Control Procedure*. By strictly implementing these measures, we respect and protect the legitimate rights and interests of our employees.

The Company firmly opposes any form of discrimination or unequal treatment. In recruitment, compensation, training, promotion and other processes, the Company shall not discriminate against or unfairly treat employees on the basis of ethnicity, race, gender, age, religion, belief, disability or other grounds. It strictly implements equal pay for equal work and provides equal promotion opportunities. The Company resolutely prohibits child labor. During recruitment, it rigorously verifies applicants' ages to ensure lawful, compliant, fair and equitable hiring practices. The Company forbids forced or compulsory labor, ensuring that employees engage in work on a voluntary basis and safeguarding their personal freedom. During the Reporting Period, no illegal or non-compliant incidents such as employment discrimination, child labor, or forced labor occurred in the Company, and the labor contract signing rate reached 100%.

Case

Human Rights Protection Measures

The Company provides accessible restrooms to offer convenience and humane care for people with disabilities, and is committed to creating a fair, impartial, and mutually respectful working environment, helping talents fully unleash their potential.



Accessible Restroom

Remuneration and Benefits Management

Employee Compensation and Benefits

The Company follows the principle of allocating compensation based on job responsibilities. In line with policies such as the *Salary Management Policy*, it has built a market-competitive compensation and benefits system. This system closely aligns employee interests with the Company's development. Employee compensation includes monthly salary, subsidies, bonuses, and benefits. The monthly salary consists of base pay, seniority pay, confidentiality pay, position allowances, performance pay, and various types of subsidies.

The Company places great emphasis on employee well-being. In addition to offering competitive compensation, it has established a comprehensive employee benefits system that clearly defines various benefit mechanisms, including health checkups, paid annual leave, and skills training.



Key Performance in 2025

During the Reporting Period, the social insurance coverage rate for employees reached **100%**⁷.



Working Hours Benefits

Including overtime pay, night shift allowance, attendance bonus, etc.



Statutory Benefits

Fully contribute to the "Five Social Insurance Schemes and One Housing Fund" in accordance with national policies.



Employee Incentives

Monthly/quarterly star employee awards, year-end bonus, improvement award, innovation award, annual excellence award, project award, etc.



Health Care Benefits

Annual health checkup, free gym, exercise room, etc.



Leave Benefits

Subsidies for relevant public holidays; full salary payment during annual leave.



Free Clubs

Organize employee clubs; lease venues for football, basketball, badminton, etc.; provide necessary equipment; regularly organize internal matches and participate in external competitions.



Training Benefits

Provide skills training, team building, and other career development programs; offer subsidies to employees pursuing further education or professional certifications.



Free Meals, Accommodation & Transportation

Provide free working meals, shuttle buses, and dormitories for employees in need.



Other Benefits

Including lunch subsidies, transportation allowances, phone allowances, wedding gifts, condolence payment for bereavement leaves, monthly birthday celebrations and gifts, sick leave care, start-of-work bonuses, high-temperature allowances, special position allowances, travel allowances, etc.

⁷Among all employees, six rehired retirees were not required to be covered by social insurance in accordance with relevant regulations; for the remaining employees, the social insurance coverage rate was 100%.

Performance Appraisal Management

The Company has established the Performance Appraisal Management Plan. Based on different roles and levels, we adopt appraisal methods such as KPI and OKR, set corresponding appraisal content and frequency, effectively motivate employees, improve work efficiency, and promote the common development of the Company and its employees. At the same time, to ensure the fairness and transparency in employee performance reviews, the Company has set up an appraisal appeal mechanism. If an appraisee disagrees with the appraisal result, he or she may raise the issue during the appraisal interview or file an appeal with the Human Resources Department within three days after the result is released. HR will collect performance data within five working days and communicate with both parties to coordinate. If no agreement is reached, the matter will be submitted to the Performance Appraisal Panel for review and reconsideration, and its approval decision shall be the final appraisal result.



Key Performance During the Reporting Period

The percentage of employees regularly receiving performance and career development reviews was

100%.

Equity Incentive

In April 2025, the Company launched the *2025 Restricted Stock Incentive Plan (Draft)*. It set June 13, 2025 as the initial grant date, and granted 2.3286 million second-class restricted shares to 116 eligible grantees. This represented 1.09% of the Company's total share capital as of the announcement date of the draft incentive plan.

The Company launched the *2022 Restricted Stock Incentive Plan (Draft)* in June 2022. In August 2025, we completed the second vesting of the restricted shares initially granted under that plan, processing the vesting for 59 eligible grantees. The number of restricted shares vested in this batch was 197,456 shares.

Democratic Management and Communication

Democratic Management Mechanism

The Company actively promotes the development of democratic management. It has established a Trade Union and an Employee Representatives Congress, and formulated the *Employee Representatives Congress System* and the *Freedom of Association and Collective Bargaining Control Procedure*. These measures ensure that relevant work follows clear rules and standardized procedures, effectively safeguarding employees' rights to information, participation, expression, and oversight. The Company holds an annual Employee Representatives Congress and Trade Union meetings to discuss major matters affecting employee rights and interests, and to protect those rights and interests in accordance with the law. The Trade Union serves as a bridge and bond, actively coordinating labor relations and organizing various cultural and sports activities, thereby fostering a harmonious, united, and progressive working atmosphere.

Employee Communication Channels

The Company attaches great importance to communication and interaction with employees. It timely conveys information, and widely collects employee demands through channels such as workshop interviews, Employees' Representatives Congress, new employee welcome parties, suggestion boxes, and the General Manager Mailbox. The Company has also established an anonymous complaint channel according to the internal *Employee Grievance Management Control Procedure* to ensure strict confidentiality of the grievants' information. During the grievance handling process, if there is any retaliation against the grievant, the Company will handle the matter severely in strict accordance with laws, regulations and the Company's rules and systems.

Employee Satisfaction Survey

The Company values employee experience and internal service quality, and regularly conducts multi-dimensional satisfaction surveys among all employees by distributing questionnaires. In addition to an annual comprehensive employee satisfaction survey, the Company also conducts quarterly satisfaction surveys on administrative work, as well as semi-annual satisfaction surveys on services provided by the Finance Department, General Office, Purchasing Department, Human Resources Department, Laboratory, and other departments. By collecting employee feedback, the Company can identify and address potential issues in a targeted manner, further improving its management practices and working environment.



Key Performance During the Reporting Period

the Employees Representatives

Congress reviewed and approved **4** proposals, and the Trade Union reviewed

and approved **7** proposals. Trade

Union members accounted for **52%** of all active employees.



Suggestion Box of Huashan Plant



Suggestion Box of Xinzhuzhu Plant



Key Performance During the Reporting Period

The Company conducted **6** employee satisfaction surveys⁸. The overall employee satisfaction rate for the year was

95.95%.

⁸In 2025, MACMIC conducted 4 employee satisfaction surveys, and Core Energy conducted 2 employee satisfaction surveys.

Care for Employees

Employee Activities

The Company values employees' cultural needs and humanistic care. We actively organize a variety of cultural and sports activities, such as Family Open Day, birthday parties, team-building events, festival celebrations, and basketball games. These activities fully motivate employees, promote mutual communication, and enhance team cohesion. In addition, the Company cares about employees' mental health. We have launched a series of courses titled *Workplace Mental Health and a Positive Mindset* to help employees cultivate an optimistic attitude, thereby fostering a healthy work environment.



Spring Festival Celebration



Family Open Day



Basketball Game



Birthday Party

Support for Employees in Need

The Company cares for employees in need and provides timely financial assistance through measures such as hardship allowances and charitable fundraising. This helps employees relieve stress, overcome difficulties, and enhance their sense of belonging and well-being.



Key Performance During the Reporting Period

The Company offered condolences and support to **6** employees suffering from illness, with a total amount of RMB **3,704.10**.

Protection of Women's Rights and Interests

The Company attaches great importance to protection of women's rights and interests and the equal development of women. We strictly comply with relevant laws and regulations, such as the *Law of the People's Republic of China on the Protection of Women's Rights and Interests* and the *Provisions on the Labor Protection of Female Employees*. We have also formulated the *Management Procedure for the Labor Protection of Female Employees* to protect the labor rights and interests of all female employees and support their personal value realization and career development in the workplace. The Company strengthens the protection of female employees during menstruation, pregnancy, childbirth, and lactation. We shall not assign female employees during menstruation to work at heights, in low-temperature or cold water environments, or to perform labor of Grade III physical intensity as stipulated by national regulations. We have also set up a nursing room to provide a safe, convenient, and comfortable space for female employees during lactation. The Company strictly implements statutory leave policies such as marriage leave and maternity leave to effectively protect the leave rights and interests of female employees. In addition, a series of activities such as "Goddess Festival" on International Women's Day are held to foster a caring and supportive atmosphere, further strengthening the sense of belonging and identity of female employees.



Key Performance During the Reporting Period

13 employees took maternity leave, with a **100%** return-to-work rate following the completion of such leave. The proportion of women in management positions was **18%**.

Employee Training and Development

Talent Development Philosophy

Adhering to the talent philosophy of "Maximizing Individual Potential, Prioritizing Integrity, and Fostering Self-Fulfillment", the Company places great importance on talent cultivation and has established a comprehensive, multi-level talent training system, underpinned by policies including the *Training Management Measures* and the *Promotion Management Measures*. It provides differentiated promotion paths based on key business needs, position value contributions, and the professional requirements of different job families. This helps to create clear talent development pathways and facilitate cross-departmental coordination and knowledge sharing among professional teams.

Career Progression Path

The Company values employee career development. It has established and continuously improve the *Promotion Management Measures*, establishing three career development tracks: management, technical/professional, and operational. Each track features distinct levels and promotion criteria, providing employees with a clear career growth path and fully unlocking talent potential and development capabilities. In 2025, a total of 320 employees with outstanding performance were promoted.

Job Grade	Management Track	Technical/ Professional Track		Operational Track		Tenure in Role Prior to Promotion	
22	General Manager	Chief Scientist		—		3 years	
21	Senior Deputy General Manager						
20	Deputy General Manager						
19	Senior Director	Senior Expert				2 years	
18	Director	—	Expert			2 years	
17	Senior Manager	Principal Senior Engineer		—			
16	Manager		Senior Engineer Senior Specialist		—	Chief Technician	1.5 years
15	Deputy Manager	—					
14	Supervisor	—					
13		Engineer Specialist		Section Leader		1.5 years	
12				Team Leader			Senior Technician
11							Technician
10		Assistant Engineer Clerk / Assistant		Team Leader		1 year	
9							
8		—		—		1 year	
7							
6							
5							
4							
3		—		—		1 year	
2							
1							

Employee Career Development Path

Employee Training Measures

The Company has developed the *Training Management Measures* based on the actual needs of training management, outlining the implementation process and assessment mechanisms. The Human Resources Department serves as centralized management and coordinating body for employee training, overseeing and coordinating all training programs. Other functional departments and internal instructors support or assist HR in carrying out relevant training programs. The Company has established a dedicated training incentive mechanism, including tuition reimbursement and learning reward schemes, to fully motivate employees' enthusiasm for learning.

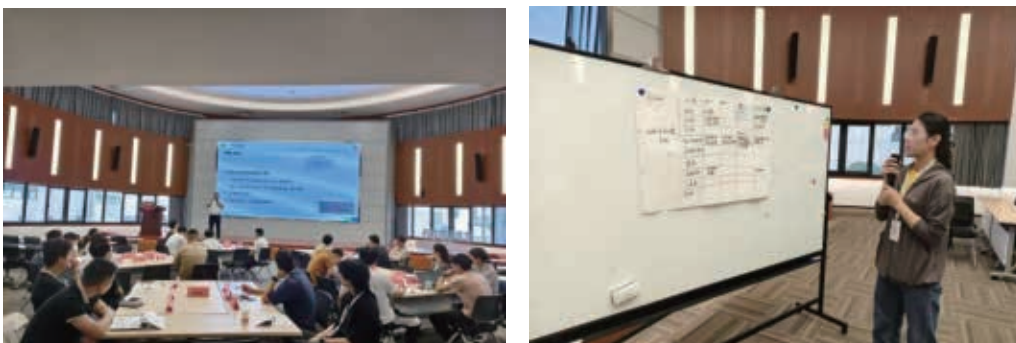
Training Platform

To improve the overall quality of the workforce and deep integration of personal career planning with the Company's development strategy, the Company introduced the "Beisen Training Platform" and adopted a model combining online learning with offline services. Through this approach, it provides employees with comprehensive training throughout the entire process from onboarding to skill upgrading. The platform offers a rich array of course resources. Currently, 2,617 selected courses are available to employees, covering professional knowledge and practical skills across diverse fields and levels, supporting comprehensive and rapid growth of employees.

Diverse Training Programs

The Company developed a training plan for 2025. It launched programs such as new employee orientation, professional skills training, and management capability training. These programs support employees' growth needs at different career stages. At the same time, the Company encourages employees to pursue self-directed learning in their spare time. It supports them in pursuing job-related higher education degrees while in employment. The Company also supports employees in voluntarily obtaining professional certifications and participating in external vocational skills training. This enables them to continuously enhance their professional competence and overall competitiveness.

In terms of professional capability building, the Company organized professional knowledge training in finance, procurement, warehousing, quality, sales, and laboratory operations. It also invited external institutions to provide IATF 16949 qualification certification training to enhance employees' technical competence and practical skills. In terms of leadership development, it conducted a special training course titled *Classic Techniques of Interpersonal Communication* to effectively improve the team management capabilities of production management staff. The Company also carried out new employee orientation training, covering public courses such as corporate culture, semiconductor fundamentals, and workplace safety, as well as position-specific courses. This helps new employees quickly integrate into the Company's culture and familiarize themselves with job responsibilities.



Employee Training

Internal Instructor Team Building

The Company has established an internal instructor team to fully leverage and utilize internal resources, promoting the sharing and transfer of knowledge, experience, and skills across various fields. Internal instructors are selected by the Human Resources Department. After a trial lecture and evaluation by the panel, those who pass the assessment are awarded appointment letters and are qualified to conduct training. During the Reporting Period, the Company had a total of 49 internal instructors.

Indicator	Unit	2025
Total Training Investment	RMB 10,000	56.41
Number of Training Sessions	Session	932
Total Number of Training Participants	Person-time	26,271
Employee Training Coverage Rate	%	99.32
Total Training Hours	Hour	37,281.70
Average Training Hours Per Employee	Hours/Person	31.73

Occupational Health and Safety

Occupational Health and Safety Management System

The Company adheres to the occupational health and safety policy of "Prevention First, Integration of Prevention and Control, and Comprehensive Governance", as well as the work safety policy of "People-Oriented, Safe Development, Safety First, Prevention First, Comprehensive Governance and Continuous Improvement". We have established policy documents such as the *Occupational Health Management System*, the *Environmental, Occupational Health and Safety Manual*, the *Safety Work Objectives Management System*, and the *Fire Safety Management System*. We continuously improve the occupational health and work safety management system, implement a work safety responsibility system, and strengthen safety promotion and education to protect the safety and health of all employees. During the Reporting Period, the Company experienced no major work safety accidents.

To comprehensively strengthen safety management, the Company has established the Safety, Environment and Health Committee (hereinafter referred to as the "HSE Committee"). The General Manager of the Company serves as the first person responsible for safety, holding overall leadership responsibility for the Company's safety work. The Deputy General Manager, as the principal person responsible for safety, also serves as the head of the HSE Committee, leading and coordinating safety work directly. In addition, we have created safety officer positions to carry out specific safety supervision and implementation tasks. During the Reporting Period, both MACMIC and Core Energy have obtained ISO 45001 Occupational Health and Safety Management System Certification.



MACMIC ISO 45001 Occupational Health and Safety Management System Certificate



Core Energy ISO 45001 Occupational Health and Safety Management System Certificate

Safety Responsibility System

The Company strictly implements the *Work Safety Responsibility System*. Following the principle that "Whoever is in Charge of the Industry must also be in Charge of Safety, Whoever is in Charge of Operations must also be in Charge of Safety, and Whoever is in Charge of Production must also be in Charge of Safety", we assign safety management responsibilities and sign *Work Safety Responsibility Letters* at all levels and conduct strict assessment and evaluation in accordance with relevant regulations.

Safety Work Objectives

The Company formulated its 2025 safety work objectives, decomposed quantified safety indicators to all functional departments, workshops, and basic-level teams, and regularly monitored implementation to press forward safety accountability at all levels.

Target	Achievement in 2025
Work-Related Fatalities: 0	✔ Achieved
Serious Injuries: 0	✔ Achieved
Major Fires: 0	✔ Achieved
Occupational Disease Incidence : 0	✔ Achieved
Incident Rate / Employee within the Factory Area: Less than 0.3%	✔ Achieved
Rectification Rate for Major Potential Safety Hazards: 100%	✔ Achieved
Rate of Special Operation Personnel Working with Valid Certificates: 100%	✔ Achieved
Pass Rate of Safety Training Assessments: 100%	✔ Achieved



Upholding the Safety Defense Line

Safety Risk Management

Safety Risk Identification

The Company identifies and evaluates hazards in production, operations, products, and other areas using scientific and reasonable methods, in accordance with the *Hazard Identification and Risk Assessment Management System* and the *Major Hazard Source Management System*, and develops optimal control measures to prevent various types of accidents.

Safety Hazard Inspection

The Company has established the *Work Safety Inspection System* and the *System for Identifying and Managing Work Safety Accident Hazards*, creating a robust mechanism for routine safety hazard inspections, and regularly organizes professional personnel to carry out comprehensive safety monitoring. If any safety hazard is identified during the inspection process, the Company clearly requires the responsible parties to complete corrective actions within a specified time limit, ensuring that all issues are resolved promptly and effectively.

The Company rewards personnel from functional units who promptly identify and properly address potential safety hazards. It also comprehensively evaluates the quality and quantity of hazards identified by supervisory unit personnel during the inspection process, and uses their performance as a reference factor for employee incentives. By establishing and improving these incentive and evaluation mechanisms, the Company enhances employees' initiative and proactiveness in hazard identification and risk prevention, reducing risks at the source and effectively ensuring safe operations.



Key Performance During the Reporting Period

The Company identified **116** potential safety hazards, with a hazard rectification rate of **100%**.

Safety Emergency Management

The Company attaches great importance on safety emergency and actively conducts various types of emergency drills to enhance employees' safety awareness and self-rescue and mutual-rescue skills, as well as the command, response and handling capabilities of all departments in the face of emergencies. During the Reporting Period, the Company organized a total of 67 emergency drills, mainly simulating scenarios such as mechanical injuries, falls from heights, hazardous waste leakage, pressure vessel explosions, and confined space operations.

Case

Mechanical Injury On-Site Disposal Plan Drill

On October 12, 2025, the Company organized employees from the workshop of Xinzhu Plant to conduct a mechanical injury on-site disposal plan drill. The drill simulated an accidental mechanical injury scenario. It effectively tested the practicality and operability of the plan, reinforced employees' emergency response methods for mechanical injury accidents, and improved the ability of all departments to command and handle emergencies.



Mechanical Injury On-Site Disposal Plan Drill

Case

Special Emergency Drill for Pressure Vessel Explosion Accident

On October 13, 2025, the Company organized facility management personnel at Xinzhu Plant to conduct a special emergency drill for a pressure vessel explosion accident. The drill simulated a pressure vessel explosion scenario and covered on-site rescue, emergency response, evacuation and cordoning, and other procedures. It effectively tested the capability of each emergency response team to handle emergencies.



Special Emergency Drill for Pressure Vessel Explosion Accident

Safety Promotion and Training

The Company has established the *Safety Education and Training Management System* and actively conducts various types of safety training, covering topics such as laws and regulations, hazard investigation and safety risk identification, fire safety, employee safety behavior and emergency response, and occupational health. These efforts effectively enhance the safety competence of all employees and provide a solid foundation for the Company's workplace safety.



Indicator	Unit	2025
Number of Safety Training Sessions	Session	89
Number of Participants in Safety Training Sessions	Person-time	6,050
Total Hours of Safety Training	Hour	10,804.50
Average Safety Training Hours per Person	Hours/Person	9.20
Coverage Rate of Safety Training	%	100

Safety Management Measures

To ensure a safe working environment for employees, the Company has implemented a series of comprehensive and detailed safety management measures, and is committed to creating a safe working environment with zero accidents and zero injuries.

Safety Management Measures

Fire Safety Management

- The alarm valve assembly controls the flow of water, supplying water promptly in the event of a fire and shutting off the water supply at normal times. It quickly senses changes in water flow, activates the alarm device and issues an alert immediately, gaining valuable rescue time, reducing fire losses, and safeguarding personnel and property safety.

Warehouse Safety Management

- The Company implements strict safety prevention management for flammable and explosive materials in the Class A warehouse. This effectively prevents accidents such as fires and explosions, avoids chemical leaks, reduces threats to the environment and personnel, and maintains regional safety and stability.

Safety Sign Installation

- It clearly and intuitively conveys safety information to personnel, enabling them to quickly identify potential hazards in production and daily operations, regulate their conduct, enhance safety awareness, and foster a safe and orderly work environment.

Occupational Health Protection

The Company diligently implements the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and has established policy documents such as the *Personal Protective Equipment Management System* and the *Management System for Employee Work-Related Injury Insurance*. It strengthens the prevention and control of occupational diseases and the protection of labor, safeguarding the health of all employees.

Prevention of Occupational Diseases

Occupational Disease Hazard Factor Detection

- The Company conducted occupational disease hazard factor testing in production areas and auxiliary areas. The compliance rate of the testing was 100%.

Occupational Disease Hazard Notification and Warning

- The Company provides occupational disease hazard notifications to new hires and employees newly assigned to positions, and places warning signs and symbols in the workplace.

Occupational Health Protective Equipment

- The Company provides employees with labor protection appliances, strengthens the management of these appliances, and guides and urges employees to wear and use them as required.

Occupational Health Checkups

- The Company establishes health surveillance records for employees and regularly organizes occupational health examinations. General health check-ups are conducted once a year. For positions with higher risks, additional X-ray examinations are organized every two years. During the Reporting Period, the coverage rate of occupational health examinations was 100%, and no occupational disease cases occurred.

Indicator	Unit	2025
Total Investment in Work Safety	RMB 10,000	568.23
Number of Work Safety Accidents	Case	0
Number of Work-Related Fatalities	Person	0
Number of On-Site Work-Related Injuries	Person	2
Workdays Lost from On-Site Work-Related Injuries	Day	24
New Occupational Disease Cases	Case	0
Work-Related Injury Insurance Coverage Rate	%	100
Rate of Special Operation Personnel Working with Valid Certificates	%	100



Rural Revitalization and Social Contribution

Rural Revitalization

The Company actively participates in rural revitalization efforts. By leveraging its industrial and resource advantages and focusing on the development needs of rural areas. Through industrial assistance, infrastructure improvement, and various other forms of support, it helps boost thriving rural industries, eco-friendly living environments, and prosperous livelihoods.

The Company contributes to the realization of the vision of a strong agricultural sector, a beautiful countryside, and prosperous farmers with its corporate strength.

The Belt and Road Initiative (BRI) Development

The Company actively participates in the development of the Belt and Road Initiative. Leveraging independently developed power devices such as FRD, the Company has joined hands with partners such as Infineon, EAST and ENC. Its products have been exported to countries along the Belt and Road, including Türkiye, Bangladesh and Russia, and are widely used in new energy charging piles, intelligent traffic signal systems, industrial variable-frequency equipment and other fields. These efforts have helped countries along the route improve green charging networks, enhance urban traffic efficiency and promote industrial energy-saving upgrading. With independent core devices as a link, the Company has facilitated regional infrastructure connectivity and sustainable development.

Social Contribution

MACMIC always bears social responsibility in mind. It has established the *Management Measures for Public Welfare Activities* to regulate the Company's conduct in community engagement and charitable funding. The Company actively creates greater value for society by organizing a series of public welfare activities, such as the "Milk for Love: A Charity Hike" and charity sales. Through these actions, we convey love and warmth, demonstrating the Company's sense of responsibility.



Case

Hiking for Milk: Bringing Hope to Children in Needs

To carry forward the sense of responsibility of MACMIC employees and actively fulfill MACMIC's commitment to giving back to society, the Company organized the MACMIC Public Welfare Hiking Team under the theme of "Chip to Heart, Walk for Love". The team supported the 2025 Changzhou "Milk for Love: A Charity Hike" large-scale charity event. Through practical actions, participants raised funds and practiced public welfare.

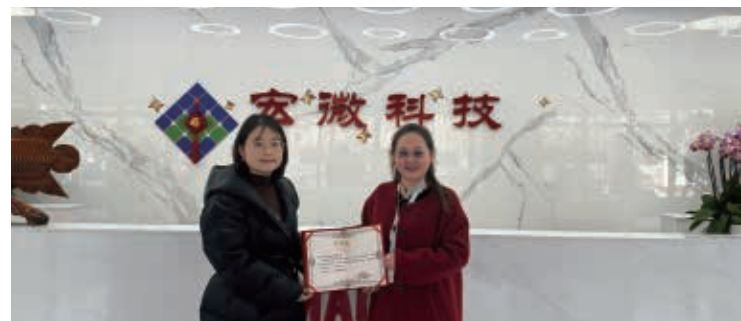


Event Site of "Milk for Love: A Charity Hike"

Case

Charity Sale Public Welfare Activity

The Company actively participates in the development of aging-related causes and charity culture. Together with the Jiangsu Aging Development Foundation, we organized a charity sale day under the theme "Hand in Hand, Three Generations in Joy". The funds raised through the charity sale will be used in accordance with the principle of maximizing public benefit. In collaboration with other caring enterprises, the funds will be precisely directed to offline activities that bring joy to the elderly. On January 20, 2026, the Company donated a total of RMB 4,234 raised from the charity sale to the Jiangsu Aging Development Foundation.



Charity Sale to Support Nursing Home

Appendix

Key Performance Form

Economic Performance			
Topic	Indicator	Unit	2025
Economic Performance	Operating Revenue	RMB 1 million	1,347.71
	Net Profit Attributable to Shareholders of the Listed Company	RMB 1 million	17.11
	Total Assets	RMB 1 million	2,666.09
Tax Compliance	Total Taxes Paid	RMB 1 million	7.83
Environmental Performance			
Topic	Indicator	Unit	2025
Addressing Climate Change	Direct GHG Emissions (Scope 1)	tCO ₂ e	22.70
	Direct GHG Emissions (Scope 1) per Million Yuan of Revenue	tCO ₂ e	0.02
	Indirect GHG Emissions (Scope 2)	tCO ₂ e	15,655.07
	Indirect GHG Emissions (Scope 2) per Million Yuan of Revenue	tCO ₂ e	11.62
	Total GHG Emissions (Scopes 1 and 2)	tCO ₂ e	15,677.76
	Total GHG Emissions per Million Yuan of Revenue (Scopes 1 and 2)	tCO ₂ e	11.63
	Number of Products with Carbon Footprint Certification	Unit	5
	Green Electricity Certificate Transactions	MWh	26,016

Environmental Performance

Topic	Indicator	Unit	2025
Environmental Management	Total Investment in Environmental Protection	RMB 1 million	1.08
	Number of Environmental Protection Hidden Danger Inspections	Time	100+
	Hidden Danger Rectification Rate	%	100
	Number of Environmental Emergency Drills	Time	7
	Number of Environmental Protection Training Sessions	Time	6
	Number of Participants in Environmental Protection Training	Person-time	1,448
	Total Hours of Environmental Protection Training	Hour	2,405
Pollutant Emissions	Pollutant Monitoring Compliance Rate	%	100
	Synchronized Operation Rate of Environmental Facilities	%	100
	Compliance Rate of Environmental Impact Assessment (EIA) and "Three Simultaneities" Systems	%	100
	Pollutant Emission Compliance Rate	%	100
Energy Utilization	Gasoline	Ton	8.01
	Diesel	Ton	2.03
	Purchased Grid Electricity	kWh	29,912,765
	Photovoltaic Power Generation	kWh	2,266,737

Environmental Performance			
Topic	Indicator	Unit	2025
Energy Utilization	Renewable Energy Consumption	tce	278.58
	Percentage of Renewable Energy Consumption in Total Energy Consumption	%	7.55
	Total Energy Consumption	tce	3,691.02
	Total Energy Consumption per Million Revenue	tce	2.74
	Total Energy Consumption per Unit Output	tce/10,000 Units	4.31
Water Resource Utilization	Total Water Consumption	Ton	215,682
	Total Water Consumption per Million Revenue	Ton	160.04
	Fresh Water Consumption	Ton	154,482
	Total Water Recycled and Reused	Ton	61,200
	Water Recycling and Reuse Rate	%	28.38
Packaging Material Utilization	Number of Plastic Turnover Boxes Used	Piece	130,000
	Plastic Turnover Box Recycling Rate	%	100
	Number of Plastic Pallets Used	Piece	1,500
	Plastic Pallet Recycling Rate	%	80
	Number of Chip Packaging Iron Rings Used	Piece	110,000

Environmental Performance

Topic	Indicator	Unit	2025
Packaging Material Utilization	Chip Packaging Iron Ring Recycling Rate	%	72.20
	Number of Other Chip Packaging (Plastic Boxes and Trays) Used	Piece	110,000
	Other Chip Packaging (Plastic Boxes and Trays) Recycling Rate	%	39
	Blister Packs	Ton	161.30
	Cardboard Boxes	Ton	83.80
	EPP	Ton	39.10
	Total Consumption of Main Packaging Materials	Ton	284.20
	Use Intensity of Main Packaging Materials	Ton/RMB 10,000 Revenue	0.0021

Social Performance

Topic	Indicator	Unit	2025
Innovation-Driven Development	Number of R&D Personnel	Person	220
	R&D staff ratio	%	18.72
	Investment in R&D	RMB 1 million	115.36
	Proportion of Total R&D Investment to Operating Revenue	%	8.56
	Total Number of Authorized Patents	Item	148
	Number of Patent Applications	Item	235

Social Performance			
Topic	Indicator	Unit	2025
Innovation-Driven Development	Number of Valid Patents per Million Yuan of Operating Revenue	Item	0.11
	Total Number of Authorized Invention Patents	Item	52
	Total Number of Authorized Utility Model Patents	Item	84
	Total Number of Authorized Design Patents	Item	12
	Total Number of Software Copyrights	Item	3
	Number of Software Copyrights per Million Yuan of Operating Revenue	Item	0.0022
	Total Number of Trademarks	Item	11
Responsible Supply Chain Management	Cooperating Suppliers	Entity	71
	Jiangsu-Based Suppliers	Entity	40
	Localization Rate of Suppliers	%	56.34
	Local Procurement Proportion	%	57.39
	Number of Suppliers Certified with ISO 9001	Entity	71
	Number of Suppliers Certified with ISO 14001	Entity	50
	Number of Suppliers Certified with ISO 45001	Entity	30
	Number of Suppliers Suspended due to Non-Compliance	Entity	0
	Number of Prospective Suppliers Rejected due to Non-Compliance	Entity	0

Social Performance			
Topic	Indicator	Unit	2025
Responsible Supply Chain Management	Integrity Agreements Signing Rate	%	100
	Supplier Commitment Letters on Non-Use of Conflict Minerals Signing Rate	%	100
	Quantity of Conflict Minerals Purchased	Unit	0
	Revenue from Products Using Conflict Minerals	RMB	0
	Number of ESG Training Sessions for Suppliers	Time	1
	Number of Suppliers Participating in ESG Training	Person	39
	Total Hours of ESG Themed Training	Hour	78
	Coverage Rate of Key Suppliers in ESG Training	%	100
Safety and Quality of Products and Services	Product Yield Rate	%	97.10
	Annual Internal Quality Audit	Time	2
	Third-Party Random Inspection	Time	6
	Quality Training Attendance	Person-time	2,169
	Total Hours of Quality Training	Hour	3,944
	Training Sessions on Quality	Time	60
	Number of Product Recalls	Piece	0
	Product Recall Ratio	%	0

Social Performance			
Topic	Indicator	Unit	2025
Information Security and Customer Privacy Protection	Data Security Training Sessions	Session	3
	Number of Participants in Data Security Training	Person	945
	Total Hours of Data Security Training	Hour	945
Protection of Employees' Legal Rights and Interests	Total Number of Employees	Person	1,175
	Number of Employees from Ethnic Minorities	Person	46
	Number of Veteran Employees	Person	5
	Employee Turnover Rate	%	21.22
	Labor Contract Signing Rate	%	100
	Coverage Rate of Social Insurance	%	100
	Proportion of Employees Receiving Regular Performance and Career Development Reviews	%	100
	Number of Proposals Reviewed and Approved by the Employee Congress	Item	4
	Number of Proposals Reviewed and Approved by the Trade Union	Item	7
	Proportion of Trade Union Members Among All Active Employees	%	52
	Employee Satisfaction	%	95.95
Number of Employees on Maternity Leave	Person	13	

Social Performance			
Topic	Indicator	Unit	2025
Protection of Employees' Legal Rights and Interests	Return Rate of Employees from Maternity Leave	%	100
	Proportion of Women in Management Positions	%	18
Employee Training and Development	Employee Training Investment	RMB 10,000	56.41
	Number of Employee Training Sessions	Session	932
	Total Number of Employee Training Participants	Person-time	26,271
	Employee Training Coverage Rate	%	99.32
	Total Training Hours	Hour	37,281.70
	Average Training Hours Per Employee	Hour/Person	31.73
Occupational Health and Safety	Number of Safety Training Sessions	Session	89
	Number of Participants in Safety Training	Person-time	6,050
	Total Hours of Safety Training	Hour	10,804.50
	Average Safety Training Hours per Person	Hour/Person	9.20
	Coverage Rate of Safety Training	%	100
	Total Investment in Work Safety	RMB 10,000	568.23
	Number of Work Safety Accidents	Case	0
Number of Work-Related Fatalities	Person	0	

Social Performance

Topic	Indicator	Unit	2025
Occupational Health and Safety	Number of On-Site Work-Related Injuries	Person	2
	Lost Workdays Due to On-Site Work-Related Injuries	Day	24
	New Occupational Disease Cases	Case	0
	Work-Related Injury Insurance Coverage Rate	%	100
	Rate of Special Operation Personnel Working with Valid Certificates	%	100

Governance Performance

Topic	Indicator	Unit	2025
Sustainable Development Governance	Number of ESG Training Sessions	Time	3
Standardization of Corporate Governance	Number of Shareholders' Meetings Held	Time	2
	Number of Proposals Reviewed at Shareholders' Meetings	Item	19
	Number of Board of Directors Meetings Held	Time	12
	Number of Proposals Reviewed by the Board of Directors	Item	51
	Number of Board Members	Person	8
	Number of Meetings Convened by the Strategy Committee	Time	2
	Number of Proposals Reviewed by the Strategy Committee	Item	3

Governance Performance			
Topic	Indicator	Unit	2025
Standardization of Corporate Governance	Number of Meetings Convened by the Audit Committee	Time	8
	Number of Proposals Reviewed by the Audit Committee	Item	18
	Number of Meetings Convened by the Nomination Committee	Time	2
	Number of Proposals Reviewed by the Nomination Committee	Item	2
	Number of Meetings Convened by the Remuneration and Appraisal Committee	Time	3
	Number of Proposals Reviewed by the Remuneration and Appraisal Committee	Item	9
	Actual Compensation Received by All Directors and Senior Executives	RMB 1 million	6.70
Risk Management	Number of Internal Risk Training Sessions	Time	6
	Number of Participants in Internal Risk Training	Person	111
	Total Hours of Internal Risk Training	Hour	112
Protection of Shareholders' Rights and Interests	Periodic Reports	Copy	4
	Interim Announcements	Copy	83
	Number of Performance Briefings Sessions	Time	4
	Number of On-Site Investor Research Sessions Hosted	Time	13
	Number of Participants in On-Site Investor Research	Person-time	109
	Number of Interactions with Investors via SSE e-Interactive Platform	Time	30
	E-Interactive Inquiry Response Rate	%	100

Governance Performance

Topic	Indicator	Unit	2025
Anti-Bribery and Anti-Corruption	Employee Integrity Agreement Signing Rate	%	100
	Total Hours of Anti-Bribery and Anti-Corruption Training	Hour	57
	Number of Participants in Anti-Bribery and Anti-Corruption Training	Person	38
	Number of Directors and Senior Executives Participating in Anti-Bribery and Anti-Corruption Training	Person	12
Anti-Monopoly and Fair Competition	Number of Anti-Monopoly and Fair Competition Training	Time	1
	Number of Participants in Anti-Monopoly and Fair Competition Training	Person	45
	Total Hours of Anti-Monopoly and Fair Competition Training	Hour	45

Indexes

Chapters and Sections		GRI Standards	CASS-ESG 6.0	Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
About This Report		2-2/2-3	P1.1/P1.2	Article 4/Article 6
Message from the Chairman		/	P2.1	/
About MACMIC	Company Profile	2-1	P3.1/P3.2/P3.3	/
	Performance in 2025	201-1	A2	/
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	Sustainable Development Management	2-12/2-14/2-17/2-18	G1.1.1/G1.1.2/G1.1.3/G1.1.5/G1.1.8/G1.2 .3/G1.2.4	Article 12/Article 18
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Pursuing Low-Carbon Practices to Safeguard Our Green Home	Addressing Climate Change	201-2/301-1/301-3/302-5/305-1/305- 2/305-4/305-5	E1.1.1/E1.1.2/E1.1.3/E1.1.4/E1.1.5/E1.1. 6/E1.1.7/E1.1.8/E1.1.12/E1.1.16/E1.1.19 /E3.1.4/E3.3.2/E3.3.4	Article 11/Article 21/Article 22/Article 23/Article 24/Article 25/Article 27/Article 28/Article 35

Chapters and Sections		GRI Standards	CASS-ESG 6.0	Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
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	Resource Management	301-1/302-1/302-3/302-4/303-5	E3.1.1/E3.1.2/E3.1.3/E3.1.4/E3.1.5/E3.2.1/E3.2.2/E3.2.3/E3.2.4/E3.3.1/E3.3.2/E3.3.4/E3.3.6	Article 34/Article 35/Article 36/Article 37
	Protection of Ecosystem and Biodiversity	101-2	E2.3.3	Article 32
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	Safety and Quality of Products and Services	416-1/416-2	S3.3.1/S3.3.2/S3.3.3/S3.3.4/S3.3.5/S3.3.9	Article 11/Article 47
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	Rural Revitalization and Social Contribution	203-1/203-2	S1.1.2/S1.2.1/S1.2.2	Article 38/Article 39/Article 40
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Feedback Form

Dear readers:

Thank you for reading this report. We highly value and look forward to hearing your feedback on this report. Your opinions and suggestions are crucial for us to continuously improve our ESG information disclosure, management and practices. We welcome and sincerely appreciate your valuable comments!

1. Your overall assessment of our performance in ESG:

Very Good Good Average Below Average Poor

2. Your overall assessment of the report:

Very Good Good Average Below Average Poor

3. How do you think we have communicated with stakeholders?

Very Good Good Average Below Average Poor

4. How do you think we have fulfilled our product responsibilities?

Very Good Good Average Below Average Poor

5. How do you think we have performed in terms of environmental, safety, and occupational health?

Very Good Good Average Below Average Poor

6. How do you think we have fulfilled our employee responsibilities?

Very Good Good Average Below Average Poor

7. How do you think we have performed in terms of ESG?

Very Good Good Average Below Average Poor

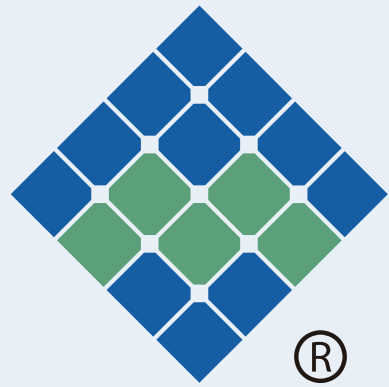
8. Any comments or suggestions on our ESG performance and this report?

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