



# SUSTAINABILITY REPORT

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# SUSTAINABILITY

## Report

### ABOUT THIS SUSTAINABILITY REPORT

Unisem (M) Berhad (“Unisem” or the “Company”) presents this Sustainability Report (this “Report”) for the financial year ended 31 December 2025 (“FY2025”) to present the sustainability commitments, practices, progress and performance of Unisem and its subsidiaries (“Unisem Group” or the “Group”).

This Report is one of the three fundamental components of Unisem’s FY2025 Integrated Annual Report (“IAR25”).

### SCOPE AND BASIS OF SCOPE

This Report for FY2025 mainly covers the key operating sites of the Group, namely the following:

NAME OF ENTITY	LOCATION OF OPERATIONS
Unisem (M) Berhad	Simpang Pulai, Perak, Malaysia Gopeng, Perak, Malaysia
Unisem Advanced Technologies Sdn Bhd (“UAT”)	Simpang Pulai, Perak, Malaysia
Unisem Chengdu Co., Ltd. (“Unisem Chengdu”)	Chengdu, Sichuan, People’s Republic of China (“PRC” or “China”)

*Note: Unisem (M) Berhad and UAT are collectively referred to as “Unisem Malaysia”*

These key operating sites at Unisem Malaysia and Unisem Chengdu represent the Group’s core revenue-generating operations and employ the Group’s entire workforce. This year, the Group has included the recently completed Gopeng Plant in its sustainability reporting scope following the commencement of operations of the Gopeng Plant. There were no significant changes to the Group’s operations and supply chain during the financial year.

Unless expressly mentioned in this Report, the scope referred to above is relevant to all sustainability subjects covered in this Report.

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### Reporting scope for energy and greenhouse gas (“GHG”) emissions

In addition to the above, the Group also reports its energy consumption and GHG emission for all entities, as applicable, included in Unisem’s consolidated accounting group. In addition to Unisem Malaysia and Unisem Chengdu, this year we also included Unisem Singapore, represented by the office operations of Unisem (S) Pte. Ltd.. The Group does not have investees which are not included in the consolidate accounting group.

### REPORTING FRAMEWORK AND STANDARDS

This Report has been prepared:

- in accordance with sustainability disclosure requirements of the MMLR;
- with reference to the IFRS S2 reporting requirements in relation to climate-related financial disclosures;
- in accordance with the GRI Standards;
- in alignment with the Semiconductors Sustainability Account Standard of the SASB Standards;
- incorporating elements of the RBA and its Code of Conduct; and
- taking into consideration the ESG assessment criteria relevant to the FTSE4Good Bursa Malaysia Index.

The Group is reporting under the IFRS Sustainability Disclosure Standards for the first time and it has applied the transition reliefs of the IFRS Sustainability Disclosures Standards as well as the transition reliefs of Bursa Malaysia.

### Assurance

Unisem has sought assurance for the data reported in this Report, comprising of :

- an internal review by the Group’s internal auditors; and
- an independent limited assurance in accordance with recognised assurance standards for selected indicators.

#### INDEPENDENT ASSURANCE BY BEYONDGOOD CONSULTANCY

<b>Type of Assurance</b>	Independent Limited Assurance	
<b>Scope</b>	Operation assessed: <ul style="list-style-type: none"> <li>• Unisem Malaysia</li> <li>• Unisem Chengdu</li> <li>• Unisem Singapore</li> </ul>	
<b>Assurance Report</b>	Please refer to page 180 for the Independent Limited Assurance Statement provided	
<b>Subject Matters covered</b>	Climate Change & Air Emissions	Scope 1 emission in metric tonnes of CO <sub>2e</sub>
		Scope 2 emission in metric tonnes of CO <sub>2e</sub>
		Scope 3 emission in metric tonnes of CO <sub>2e</sub>
	Energy Management	Total energy consumption in joules or multiples
		Type of energy consumption in joules or multiples

Independent limited assurance was sought on the Group’s reported GHG emissions. The comprehensive review of GHG data by the sought expertise did not uncover any assumptions or calculation errors at the GHG data level, signifying that the corporate carbon footprint has not been materially misstated. The thorough analysis adheres to the principles of good scientific practice.

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### INTERNAL REVIEW BY THE INTERNAL AUDITOR

<b>Type of Assurance</b>	Internal Review	
<b>Scope</b>	Operation assessed: Unisem Malaysia and Unisem Chengdu	
<b>Assurance Report</b>	Please refer to page 180 for the Internal Audit Review Limited Assurance Statement provided	
<b>Subject Matters covered</b>	Occupational Health and Safety	Number of employees trained on health and safety standards
		Number of major and minor work-related accidents
		Injury frequency rate for industrial accidents
		Fatality rate
		Loss time incident/severity rate
	Customer Satisfaction	Satisfaction of key customers
	Growing the Business	Economic value table
		Proportion of local hires amongst employees
	Supply Chain Management	Audit of key direct material suppliers and key service agents
		Status of implementation of corrective action
		Summary of key material supplier's RBA audit
		Proportion of direct material spending on local suppliers
	Technology and Innovation	Research & Development ("R&D") Expenditure
	Effluents and Waste Management	Percentage of e-waste recovered
		Recycling rate of hazardous waste generated
		Total waste generated, diverted from disposal and directed to disposal
	Customer Privacy and Data Protection	Number of substantiated complaints concerning breaches in customers' privacy or data loss
	Anti-Corruption	Number and percentage of anti-corruption training
		Corruption risk assessment
		Number of confirmed corruption incidents
		Summary of incidents and cases report
	Employee Development and Diversity	Number of permanent and fixed-term contract by employee gender
		Percentage of permanent and fixed-term contract by employee
		Number of employees by gender, age range and employee category
		Ratio of basic by gender
		Number of training hours by employee category
		Percentage of employees achieving minimum 6 training hours
Proportion of employees within minimum 6 hours of training each year		
Average training hours per employee		
Average training cost per employee		
Average training hour per employee-by-employee category and gender		
Employee climate satisfaction		
Total number of employees turnover by category		
New hire and turnover headcount and percentage by age		

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### INTERNAL REVIEW BY THE INTERNAL AUDITOR

Subject Matters covered	Human and Labour Rights	Total hours and percentage of employees trained on labour standards and human rights issues
		Number of substantiated complaints concerning human rights violations
	Water Consumption	Total water withdrawal, water discharge and water consumption
		Proportion of water recycled over water withdrawn
		Water consumption intensity
		Compliance with air effluents and wastewater discharge regulations
		Summary of resource conservation outcomes
	Local Communities	Total amount contributed where the target beneficiaries are external to Unisem
		Total number of beneficiaries of the investment in communities
	Noise Monitoring	Boundary Noise Level

In addition to reviews by the internal auditor and independent limited assurance providers, the Group's sustainability and reporting procedures include validations, assessments, and third-party audits conducted by customers, with no material findings reported from these reviews and assessments.

### Contact

Further information regarding Unisem's policies and management processes is available on Unisem's corporate website at [www.unisemgroup.com](http://www.unisemgroup.com) and queries regarding this Report can be directed to our Senior Manager of Group Affairs and Finance or the Senior Independent Director at the following address:

### Unisem (M) Berhad

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 No. 10, Jalan P. Ramlee  
 50250 Kuala Lumpur, Wilayah Persekutuan  
 Malaysia

Tel : +603 2072 3760  
 Fax : +603 2072 4018  
 Email : [investor@unisemgroup.com](mailto:investor@unisemgroup.com)

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### SUMMARY OF KEY PERFORMANCE AND IMPACTS

#### Sustainability Performance Highlights

The Board of Unisem leads the Group's management of sustainability matters and has identified the following 7 key performance indicators to measure the sustainability performance of the Group. These Sustainability Key Performance Indicators are reported to the Board on an annual basis.

Our key sustainability performance for FY2025 is summarised as follows:

UNISEM'S SUSTAINABILITY KEY PERFORMANCE INDICATORS		KPI	FY2025 TARGETS	FY2025 PERFORMANCE	
Strategic market presence, products, and customer relationship	Customer relationship	Satisfied key customers' rate	90%	95%	✓
	Growing of business	Revenue growth	To achieve revenue growth	18.4% Y-o-Y	✓
Technology and Innovation		Technology growth and development as per Technology Road Map	To achieve target project completion dates	All target dates achieved	✓
Business Ethics	Anti-Corruption	Zero confirmed incidents of corruption	Zero	Zero	✓
Employee Development		Percentage of employees achieving minimum 6 training hours	>75%	90.4%	✓
Energy		Percentage reduction in energy intensity compared to the base year 2020	10% reduction	2.8% increase	X
GHG Emission		Percentage reduction in GHG emission intensity compared to the base year 2020	15% reduction	3.0% reduction	X
People Management		To achieve employee satisfaction score of >3.80 out of 5.0	> 3.80	3.76	X
Safety and Health		Injury frequency rate for industrial accidents	<1.50	0.68	✓

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UNISEM'S SUSTAINABILITY KEY PERFORMANCE INDICATORS	KPI	FY2025 TARGETS	FY2025 PERFORMANCE	
Cybersecurity and Information Security	Zero complaints received concerning breaches, leaks, thefts or losses of customer privacy and data	Zero	Zero	✓
Waste and Pollution Management	Compliance with regulatory standards	Compliance	Complied	✓
	Total scheduled (hazardous) waste recycling rate	55%	65%	✓
Supply Chain Management	Supplier audit for key direct material suppliers and labour and services agent	14	20	✓
Climate Resilience	Zero days production is halted at Unisem-owned facilities due to climate-related events	Zero days	Zero	✓
Product Stewardship and Safety	Compliance with European Union's Restriction of Hazardous Substance ("RoHS") directive/related international standard	Compliance	Complied	✓
Labour Practices and Human Rights	Zero confirmed incidents of discrimination/human rights issue	Zero	Zero	✓
Diversity, Equity, and Equality	Percentage of women in management positions	20%	24%	✓
Water Management	Percentage reduction in water consumption intensity compared to the base year 2020	>80% reduction	82%	✓
Contribution to Society and Communities	Continue contribution and to deliver corporate social responsibility ("CSR") support	12 CSR events	17	✓

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### Unisem's contribution to the SDGs

Unisem actively endorses the United Nations General Assembly's Sustainable Development Goals (SDGs) in pursuit of the worldwide 2030 Agenda for Sustainable Development. Our commitment to the SDGs is reflected in our business principles, strategies, and sustainability management practices.

#### SDGs

#### UNISEM'S ACTIVITIES/INITIATIVES



3 GOOD HEALTH AND WELL-BEING

#### Safeguarding safe and healthy working environment

One of Unisem's focuses is to create a safe and healthy working environment for the employees. This includes integrating health and safety practices throughout the manufacturing process, ensuring a comprehensive approach to employee and community well-being. Our commitment extends beyond physical health to encompass human rights, labour standards, occupational safety and environmental stewardship.



5 GENDER EQUALITY

#### Achieve gender equality

Unisem is actively contributing to the achievement of "Gender Equality" by promoting women's participation across all level of the Group. This includes a specific target of achieving above 20% women in management positions this year, as part of our broader commitment to increasing representation at the Board and senior leadership levels. We actively embrace diversity and uphold the principle of no-discrimination throughout our employment practices.

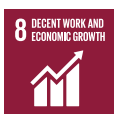


6 CLEAN WATER AND SANITATION

#### Enhanced water treatment and reducing water consumption

Unisem treats its wastewater beyond compliance standards before effluent is discharged. It also reuses/recycles water in its system to reduce water withdrawal. The Group also has targets to further reduce its water consumption intensity as part of its pursuit of operational efficiency.

In FY2025, we achieved a **82%** reduction in water consumption intensity against the base year of 2020.



8 DECENT WORK AND ECONOMIC GROWTH

#### Supporting vulnerable communities

One of Unisem's key focuses in its corporate social responsibility activities is on supporting vulnerable communities. We continue to support communities including the elderly, orphans, people with disabilities, as well as those in poverty. We extend our gratitude through both in-kind and cash donations and have also set up a "Charity corner" for all levels of employees to participate in volunteerism.

#### Good employment practices

Unisem adopts good employment practices that are in line with the RBA Code of Conduct, respecting the dignity and human rights of our employees, in addition to fair employment practices without discrimination.

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### SDGs

### UNISEM'S ACTIVITIES/INITIATIVES



9 INDUSTRY INNOVATION AND INFRASTRUCTURE

#### Driving innovation and technology in the OSAT industry

Unisem collaborates with customers including global leaders to innovate solutions and spearhead development in the semiconductor and electronics industry, including driving Industry 4.0. Continuous innovation and striving to stay at the forefront of the industry continue to be key focuses in Unisem's long-term strategy.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

#### Driving responsible consumption across supply chain

Through adherence to the RBA Code of Conduct and regular audits on key suppliers, Unisem ensures the Group operates in an environmentally and socially sustainable way and also supports sustainable business practices in its supply chain.

We have audited **25** key direct material suppliers for their environmental and social compliance, at least once in the past two years.



13 CLIMATE ACTION

#### Climate Change Commitment Statement

Unisem recognises the critical importance of addressing climate change. As a leading and responsible entity in the semiconductor industry, we acknowledge our role in mitigating the impacts of climate change and in contributing to a sustainable future.

The Group has set a target to achieve Net Zero by 2050 and is carrying out ongoing efforts to meet this target.



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

#### Driving Responsible in the Anti-Corruption Activities

Unisem is committed to fostering a culture of transparency, accountability and ethical conduct within the Group. We have implemented a robust Code of Ethics ("COE"), defining acceptable and unacceptable behaviours. In addition, the Group-wide Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") and Whistleblowing, Ethics & Compliance Policy ("WBEC Policy") is communicated to employees ensuring that they are aware of the consequences of corruption, promoting ethical business practices and a shared commitment to integrity.

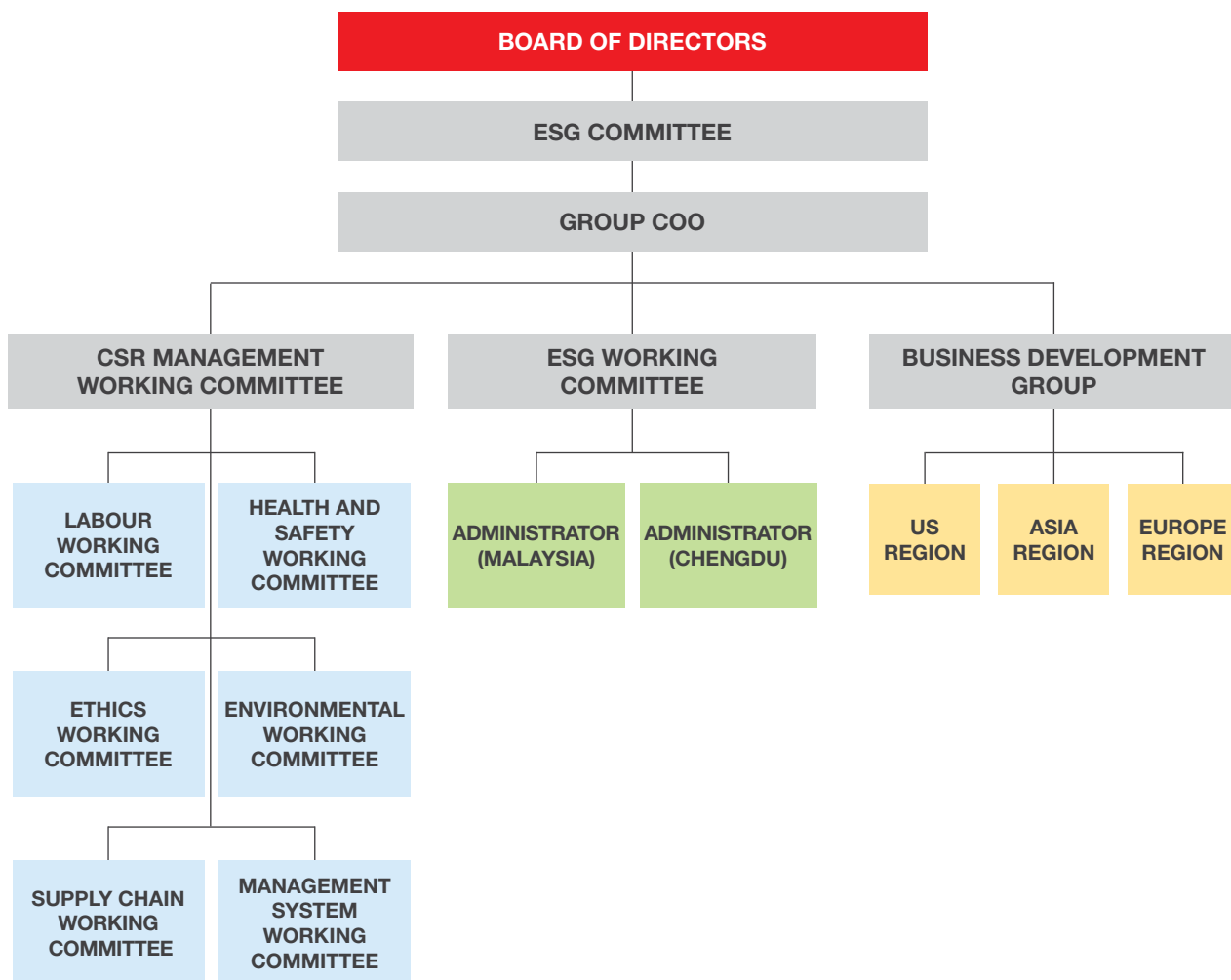
# SUSTAINABILITY Report

## SUSTAINABILITY GOVERNANCE

Unisem’s Board of Directors (the “Board”) is responsible for ensuring the sustainability of the organisation. The Board ensures the strategic plan of the company supports long-term value creation, incorporating considerations supporting long-term business sustainability as well as environmental and social impacts of the business. The Board also ensures there is a robust governance framework to align accountability, implementation, and performance in relation to business sustainability.

The following section illustrates Unisem’s governance structure in the context of sustainability management. For a thorough understanding of the Group’s comprehensive corporate governance structure, please refer to the Corporate Governance Report and Corporate Governance Overview Statement.

### UNISEM SUSTAINABILITY GOVERNANCE STRUCTURE



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The Board receives support from the ESG Committee (“ESGC”) which is currently chaired by Unisem’s Senior Independent Director.

The ESGC is a Board-level committee, and it assists the Board in appraising the strategies, initiatives, and assessments proposed by the Senior Management, including the materiality assessment outcome, associated sustainability risk, policies and strategies to address the sustainability matters ranging from economic, environmental, social, and climate-related matters.

The Senior Management is also responsible for executing the strategies and initiatives approved by the Board, while the progress and performance are periodically reported to the ESGC which subsequently presents to the Board. The sustainability key performance indicators (“KPIs”) disclosed in the Sustainability Performance Highlights section are reported to the Board for its assessment of the Group’s overall sustainability performance. The Board and the ESGC review the Group’s management of sustainability matters, including climate-related matters, at least twice a year.

Through the ESGC, the Board is also appraised on the integrity of the Group’s management of sustainability matters through any significant findings from the internal auditor’s review, the outcome of independent limited assurance, and other audits.

On top of sustainability strategies and initiatives, the Senior Management also ensures sustainability considerations are integrated into the Group’s risk management process and that the Group’s stakeholder engagement processes effectively and adequately communicate sustainability strategies, priorities, targets and performance, as relevant, to internal and external stakeholders. The summary and key findings from these efforts is then escalated to the Board.

### **Management-level Leadership and Accountability**

For Unisem Malaysia and Unisem Chengdu facilities, dedicated ESG Working Committees (“ESGWC”) are in place to oversee and monitor the implementation of sustainability strategies, management performance, and the attainment of sustainability objectives at these operational sites. The ESGWC is further responsible for conducting annual reviews of stakeholder management and materiality assessments specific to each operating site.

In the context of the Group’s management of Environmental, Social, and Governance (“ESG”) matters, the Group Chief Operating Officer (“GCOO”) serves as a crucial link between the Group’s Management and the ESGWC. The GCOO takes on a leadership role in guiding the ESGWCs, which are specifically tasked with overseeing the management of ESG matters at the various sites within the organisation. This includes the handling of sustainability issues, engagement with stakeholders, and the pursuit of objectives, targets, and KPI.

In enabling dedicated focus on managing and reviewing specific topics aligned with the RBA Code of Conduct, we have a CSR Management Working Committees (“CSRMC”) including the Labour Working Committee, Ethics Working Committee, Health and Safety Working Committee, Environmental Working Committee, Supply Chain Management Committee, and the Management System Working Committee. These committees, in conjunction with relevant managerial positions throughout the chain of command, assume the responsibility of disseminating sustainability strategies, priorities, and objectives to employees to ensure comprehensive understanding and consistent implementation across the organisation.

Through the GCOO, the Board maintains oversight over the CSRMC and their performance concerning sustainability matters at the operational sites. Furthermore, sustainability performance is a key factor taken into consideration in the evaluation and assessment of Directors and Senior Management, including those who serve as members of the CSRMC.

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WORKING COMMITTEE/GROUP	RESPONSIBILITIES
<b>Labour Working Committee</b>	Monitoring and ensuring the following aspects of labour rights are upheld: <ul style="list-style-type: none"> <li>• Freely chosen employment</li> <li>• Child labour avoidance</li> <li>• Working hours</li> <li>• Wages and benefits</li> <li>• Humane treatment</li> <li>• Non-discrimination and non-harassment</li> <li>• Freedom of association</li> </ul>
<b>Ethics Working Committee</b>	Overseeing the systems and tools in place to ensure: <ul style="list-style-type: none"> <li>• Privacy is upheld</li> <li>• Protection of identity and non-retaliation</li> <li>• Business integrity/appropriate disclosure of information is in place</li> <li>• Fair business conduct, including in advertising and competition</li> <li>• Intellectual property is protected and respected</li> </ul>
<b>Health and Safety Working Committee</b>	Overseeing the health and safety of the working environment: <ul style="list-style-type: none"> <li>• Chemical/Protective Personal Equipment (“PPE”) management</li> <li>• Hazard Identification, Risk Assessment and Risk Control</li> <li>• Emergency response testing</li> <li>• Permit/test report</li> <li>• Accident complaint investigation</li> <li>• Workplace inspection/audit</li> <li>• Machinery/work instruction</li> <li>• Exposure to radiation/X-ray monitoring</li> <li>• Health and Safety Management in accordance with ISO45001:2018 standard</li> </ul>
<b>Environmental Working Committee</b>	Monitoring and ensuring the following aspects of environmental management are upheld: <ul style="list-style-type: none"> <li>• Management of chemical substances and chemical control</li> <li>• Waste management</li> <li>• Emergency response drills and procedures</li> <li>• Legal requirements, measurement, and monitoring of waste and chemical substances</li> <li>• Environmental Management System, to ensure it is in accordance with ISO14001:2015 standard</li> </ul>
<b>Supply Chain Management Working Committee</b>	Monitoring and ensuring the following aspects of supply chain management are managed: <ul style="list-style-type: none"> <li>• Company CSR commitment</li> <li>• Material restrictions</li> <li>• Responsible sourcing of minerals</li> <li>• Supplier responsibility</li> </ul>

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WORKING COMMITTEE/GROUP	RESPONSIBILITIES
<p><b>Management System Working Committee</b></p>	<p>Overseeing the systems and controls in place that support the tasks of the other committees:</p> <ul style="list-style-type: none"> <li>• Monitor updates in applicable laws, regulations and customer requirements, including requirements of the RBA Code of Conduct</li> <li>• Establish and periodically assess objectives, targets and improvement programs for social and environmental performance</li> <li>• Communicate policies and practices at Unisem</li> </ul> <p>Conduct self-assessments, including internal audits - Unisem’s CSR internal auditors (“Unisem’s CSR auditors”) conduct cross audits on the 6 working committees to ensure full compliance to the latest RBA version. These CSR internal auditors are selected from the respective 6 working committees.</p>
<p><b>Business Development Group</b></p>	<p>Implements the Group’s and site’s business strategy by:</p> <ul style="list-style-type: none"> <li>• Attracting new customers</li> <li>• Expanding business with existing customers</li> <li>• Achieving annual revenues and business growth plans and objectives.</li> <li>• Managing Regional Sales, Marketing, Technical Program Management (“TPM”) as well as Customer Service organisations</li> <li>• R&amp;D programs</li> </ul>

### Internal Audit

The Group’s management of its sustainability-related matters and issues are integrated into its risk management and internal controls system. The independent audit function conducts audits including sustainability-related aspects such as compliance practices, anti-bribery and corruption, whistleblowing and complaints, occupational health and safety, human rights, environmental compliances, and others.

Additional details regarding the internal audit function can be found in our Audit and Risk Management Committee Report and the Statement on Risk Management and Internal Control.

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### OUR APPROACH TOWARDS SUSTAINABILITY

Unisem views sustainability in the context of business sustainability, taking into consideration the long-term value creation for stakeholders. This allows the Group to identify matters that are crucial to business sustainability, i.e. which are also key to our Strategic Priorities and business strategies, as well as identifying areas where we shall be mindful of our corporate responsibility and minimise the impact on the environment and society.

This year, we updated how we perform materiality assessment to better align with the materiality definition adopted by IFRS S1 as well as our sustainability reporting needs. We adopted a double materiality approach which allows us to consider **financial materiality** and **impact materiality** to align with the various reporting frameworks adopted, including IFRS S1 and S2, GRI Standards, Integrated <IR> Framework, and others.

#### Materiality Assessment and Materiality Matrix

The Group's double materiality approach considers two perspectives of value creation:

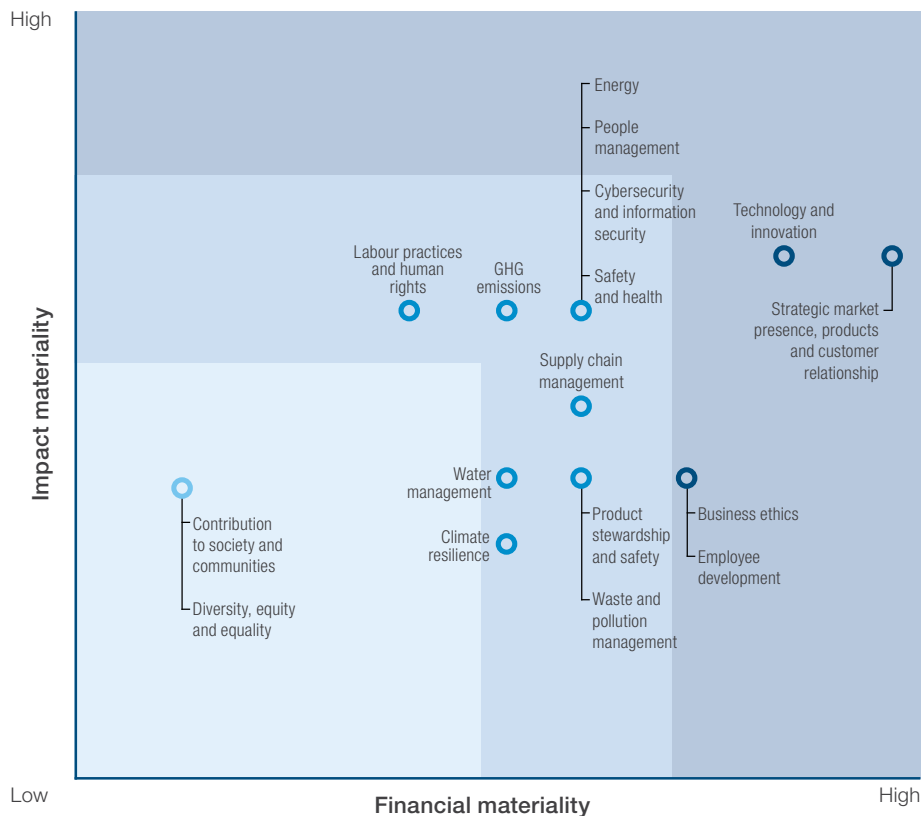
- **financial materiality** - considering matters materiality to the financial value of the business; and
- **impact materiality** - considering matters in relation to the business' impact to the environment and society.

Double materiality assessment is conducted in the context of the Group's business model and value creation model across the short-, medium-, and long-term time horizons. The ESGWC conducted the double materiality assessment which has also incorporated assessments of the likelihood and magnitude of the impact of the matters considered. The outcome - presented in a materiality matrix was further validated against the views and feedback of internal and external stakeholders, obtained via dedicated stakeholder survey engagements. Such stakeholder survey engagements are intended to be carried out once in every two years, alongside the Group's biennial comprehensive materiality assessment.

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The ESGC subsequently reviewed Unisem Group’s FY2025 Materiality Matrix for the Board’s subsequent endorsement. Unisem’s FY2025 Materiality Matrix is as follows:



Unisem Group’s Materiality Matrix (FY2025)

High materiality	Medium materiality	Low materiality
<ul style="list-style-type: none"> <li><b>M1</b> Strategic market presence, products, and customer relationship</li> <li><b>M2</b> Technology and innovation</li> <li><b>M3</b> Business ethics</li> <li><b>M4</b> Employee development</li> </ul>	<ul style="list-style-type: none"> <li><b>M5</b> Energy</li> <li><b>M6</b> People management</li> <li><b>M7</b> Cybersecurity and information security</li> <li><b>M8</b> Safety and health</li> <li><b>M9</b> Supply chain management</li> <li><b>M10</b> GHG Emissions</li> <li><b>M11</b> Product stewardship and safety</li> <li><b>M12</b> Waste and pollution management</li> <li><b>M13</b> Labour practices and human rights</li> <li><b>M14</b> Water Management</li> <li><b>M15</b> Climate resilience</li> </ul>	<ul style="list-style-type: none"> <li><b>M16</b> Diversity, equity, and equality</li> <li><b>M17</b> Contribution to society and communities</li> </ul>

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### STAKEHOLDERS

Unisem has a broad range of stakeholder groups that influence, or are affected by, the Group and our activities. Our key stakeholder groups include shareholders, financiers and investors, government agencies and regulators, customers, employees, community and non-governmental organisations (“NGO”), suppliers and contractors as well as the media. They were identified based on their different levels of influence over and dependence on our business.

As a Group, we aim to maintain constructive channels of communication with our key stakeholder groups. Various “engagement channels of different natures are established to cater for different purposes, such as communication, discussions, reviews or assessments, making reports, etc. Different formats may also be used to optimise the effectiveness and adequacy of engagements.

Continual interaction with stakeholders holds significance as it allows us to gain a deeper understanding of their perspectives. Beyond fostering strong relationships, this ongoing engagement enables us to grasp stakeholders’ views and concerns regarding issues that could influence their decisions and evaluations.

The key stakeholder’s engagement group, engagement approach, areas of focus on stakeholders and our responses are disclosed in the **Creating Value For Stakeholders** in Unisem’s Integrated Annual Report FY2025.

*Click [here](#) or go to page 57 for Creating Value For Stakeholders*

### SUSTAINABILITY RISKS AND OPPORTUNITIES

Sustainability matters are considered with respect to their impact, risks, and opportunities. Such considerations are incorporated in the Group’s business decisions, strategies, operations, and risk management processes, as appropriate. We also ensure significant sustainability-related risks, such as those which may affect the Group or function’s objectives from the perspectives of strategy, operations, culture, technology, reputation, and others, are managed and monitored via the Group’s Enterprise Risk Management (“ERM”) processes.

For a detailed understanding of the Group’s ERM Framework and pertinent corporate governance practices, please refer to our Statement of Risk Management and Internal Control, as well as the Corporate Governance Overview Statement.

*Click [here](#) or go to page 46 for Statement on Risk Management and Internal Control  
Click [here](#) or go to page 26 for Corporate Governance Overview Statement*

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The table below provides a summary of Unisem’s sustainability concerns and their connections to the Strategic Priorities and associated risks.

Sustainability Matters	Key Capitals	Linkage to Unisem’s Strategic Priorities	Description	Associated risks	Addressed in reporting section
<b>M1</b> Strategic market presence, products, and customer relationship	FC SRC	Strategic Priority A Strategic Priority B Strategic Priority C Strategic Priority D	<p>The Group continue to aim for growth, looking out for opportunities to expand into new markets, increase sales, expanding or diversifying products and services, and onboarding new customers.</p> <p>Amongst others, this includes ensuring quality customer service and enhancing customer experience. Customer satisfaction levels provide a good indicator for the Group’s market relevant and positioning.</p>	<ul style="list-style-type: none"> <li>• Competition risk</li> <li>• Unable to expand market presence</li> <li>• Adverse economic conditions</li> <li>• Inadequate or ineffective engagement with customers</li> <li>• Unable to deliver or keep up with customers’ demands or requirements</li> <li>• Lack of trust in relationship with customers</li> </ul>	Managing Our Business, SR25 Our Focus on Customers, SR25 Our People, SR25
<b>M2</b> Technology and innovation	MC IC	Strategic Priority A Strategic Priority B Strategic Priority C	<p>Technology and innovation are crucial for us to keep up with the fast-paced development in the semiconductor industry.</p> <p>Technology and innovation also drive improvements in efficiency and productivity.</p> <p>By introducing new technologies, automation, and streamlined processes, we can optimise operations, reduce costs, and increase output.</p>	<ul style="list-style-type: none"> <li>• Product and technology unable to keep up with industry trends</li> <li>• Unable to deliver or keep up with customers’ demands or requirements</li> <li>• Inadequate investment in capability and R&amp;D</li> <li>• Loss of key skills, experience, or knowledge</li> </ul>	Managing Our Business, SR25 Our People, SR25
<b>M3</b> Business ethics	SRC	Strategic Priority B Strategic Priority D	<p>Ethical business is fundamental to fostering trustworthy and respectful relationships with our business partners, employees, and stakeholders.</p> <p>This includes safeguarding a healthy business environment, promoting ethical business and transparency, and avoiding all forms of corruption such as bribery and abuse of power.</p>	<ul style="list-style-type: none"> <li>• Non-compliance</li> <li>• Anti-corruption culture and policies not communicated effectively to employees and business associates</li> <li>• Corporate liability risk</li> </ul>	How We Do Business, SR25

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## Report

Sustainability Matters	Key Capitals	Linkage to Unisem's Strategic Priorities	Description	Associated risks	Addressed in reporting section
<b>M4</b> Employee development	HC IC	Strategic Priority B Strategic Priority C	<p>Skills, talents, and experience are crucial for driving the Group's strategies and achievement of objectives.</p> <p>The Group places emphasis on recruiting and retaining talents and skills, in addition to enhancing the overall workforce productivity.</p>	<ul style="list-style-type: none"> <li>Lack of professional and personal development for employees</li> <li>Loss of key skills, experience, or knowledge</li> </ul>	Our People, SR25
<b>M5</b> Energy	NC FC	Strategic Priority A Strategic Priority D	<p>Effective energy management and planning help to ensure operational continuity and optimise operational efficiency, supporting healthy profit margin for the business.</p> <p>In addition, energy management includes the incorporation of renewable energy sources to reduce environmental impact, as well as mitigating risks associated with fossil-based energy sources as local energy policies potentially shift to disincentivise the use of non-renewable energy sources.</p>	<ul style="list-style-type: none"> <li>Power failure and disruption to operations</li> <li>Higher energy costs compress profit margins</li> </ul>	The Environment, SR25
<b>M6</b> People management	FC SRC	Strategic Priority A Strategic Priority D	<p>Effective human capital management includes efficient workforce allocation and ensuring workforce availability to optimise operational efficiency and profit margin.</p>	<ul style="list-style-type: none"> <li>Inadequate manpower</li> <li>Higher labour cost compress profit margin</li> </ul>	Our People, SR25
<b>M7</b> Cybersecurity and information security	SRC	Strategic Priority B Strategic Priority D	<p>Safeguarding the company information and intellectual property from cyber threats including protecting customers' sensitive information and preventing data breaches.</p>	<ul style="list-style-type: none"> <li>Non-compliance</li> <li>Data breaches</li> <li>Unauthorised access and use of information</li> <li>Key information not up to date</li> <li>Cyber security threats</li> </ul>	Our Focus on Customers, SR25
<b>M8</b> Safety and health	HC	Strategic Priority A Strategic Priority B Strategic Priority D	<p>Creating a healthy, safe and conducive working environment for employees and people who visit our sites, particularly by minimising any health and safety-related risks that could arise.</p> <p>A safe working environment is also important for achieving operational efficiency and operational continuity.</p>	<ul style="list-style-type: none"> <li>Non-compliance</li> <li>Employee safety and health risk</li> </ul>	How We Do Business, SR25 Our People, SR25

# SUSTAINABILITY

## Report

Sustainability Matters	Key Capitals	Linkage to Unisem's Strategic Priorities	Description	Associated risks	Addressed in reporting section
<b>M9</b> Supply chain management	FC SRC	Strategic Priority A Strategic Priority B Strategic Priority D	<p>Ensuring supply chain supports operations from sourcing to delivery in a timely manner.</p> <p>Promoting responsible and sustainable procurement practices including assessing suppliers and their environmental and social impacts in accordance with the established criteria.</p>	<ul style="list-style-type: none"> <li>Non-compliance by supply chain partners</li> <li>Subpar suppliers or supplies</li> <li>Unable to deliver to customers on time</li> <li>Disruptions in the supply chain for direct materials</li> <li>Impact on profit margin</li> </ul>	How We Do Business, SR25
<b>M10</b> GHG Emissions	FC NC	Strategic Priority A Strategic Priority D	<p>GHG emissions management is amongst the Group's efforts to optimise operational efficiency, longer-term financial management, and support for global efforts combating climate change.</p> <p>GHG emissions management is also crucial for the Group's Net Zero by 2050 target.</p>	<ul style="list-style-type: none"> <li>Impact on profit margin arising from potential introduction of carbon pricing-related schemes</li> <li>May failing short Net Zero 2050 Goal</li> </ul>	The Environment, SR25
<b>M11</b> Product stewardship and safety	SRC	Strategic Priority A	<p>Minimising the health, safety, environmental, and social impacts of a product and its packaging throughout all lifecycle stages, while also maximising economic benefits</p>	<ul style="list-style-type: none"> <li>Non-compliance</li> <li>Impact on profit margin</li> <li>Legal liabilities</li> <li>Reputation impact</li> </ul>	How We Do Business, SR25
<b>M12</b> Waste and pollution management	NC	Strategic Priority A Strategic Priority D	<p>Efforts to reduce, reuse, recycle and responsibly disposal of waste, in addition to responsibly and efficiently recover materials which, otherwise, may incur high environmental or social costs to extract and produce. This includes noise pollution.</p>	<ul style="list-style-type: none"> <li>Non-compliance</li> <li>Environmental disaster and pollution</li> <li>Noise affecting the local community (Unisem Malaysia)</li> </ul>	The Environment, SR25
<b>M13</b> Labour practices and human rights	HC	Strategic Priority A Strategic Priority B Strategic Priority D	<p>Ensuring the protection of human and labour rights across our value chain.</p>	<ul style="list-style-type: none"> <li>Non-compliance</li> <li>Labour disputes</li> </ul>	How We Do Business, SR25  Our People, SR25
<b>M14</b> Water Management	NC	Strategic Priority A Strategic Priority D	<p>Efficient use of water and conservation of water resources. Ensuring water availability to support operations in the long-term.</p>	<ul style="list-style-type: none"> <li>Water shortage</li> <li>Contamination of water used in production</li> </ul>	The Environment, SR25

# SUSTAINABILITY

## Report

Sustainability Matters	Key Capitals	Linkage to Unisem's Strategic Priorities	Description	Associated risks	Addressed in reporting section
<b>M15</b> Climate resilience	FC	Strategic Priority A	Ensuring the Group's business remain viable in context of possible climate scenarios in the short, medium, and long term.	<ul style="list-style-type: none"> <li>Disruption from extreme weather</li> <li>Supply chain instability</li> </ul>	The Environment, SR25
<b>M16</b> Diversity, equity, and equality	HC	Strategic Priority B Strategic Priority D	Ensuring fair treatment to all employees with dignity and without any form of discrimination based on gender, race, religion, age, nationality, disability, etc.	<ul style="list-style-type: none"> <li>Discrimination lawsuits</li> <li>Inability to attract talents</li> </ul>	Our People, SR25
<b>M17</b> Contribution to society and communities	SRC	Strategic Priority D	Supporting communities that are economically disadvantaged through engagement programmes that create a positive social impact.	<ul style="list-style-type: none"> <li>Reputational affected and erosion of trust from stakeholders</li> <li>Ineffectiveness</li> </ul>	Our People, SR25

In the following sections of this report, material sustainability matters will be addressed across various themes, as outlined below:

- How We Do Business;
- Managing Our Business;
- Our Focus on Customers;
- Our People; and
- The Environment.

### UNISEM'S CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY

At Unisem, business and operations are conducted and guided by the Group's CSR Policy that outlines our commitment to values of a good corporate citizen, addressing environmental and social aspects of our business and business relationships, as well as commitment to the stipulations set forth in the RBA Code of Conduct.

The CSR Policy represents the Unisem's tone from the top and is further supplemented by various other governance policies addressing the Group's environmental, ethical, climate, and social responsibilities, amongst others.

Highlights of the CSR Policy are as follows:

- Uphold the human rights of workers, treat them with dignity and respect as understood by the international community.
- Minimise adverse effects on the community, environment, and natural resources.
- Uphold high standards of business ethics and integrity.
- Safeguard the health and safety of the public in our manufacturing operations.
- Ensure employees are provided with a safe and healthy working environment.
- Ensure our systems comply with applicable laws, regulations, and customer requirements.
- Support charity and community initiatives relevant to our stakeholders.
- Engage with suppliers whose policies are in line with Unisem's CSR Policy.

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility/) to view the CSR Policy or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility/>*

# SUSTAINABILITY Report

## HOW WE DO BUSINESS

Doing business responsibly and ethically is fundamental to our business. We expect responsible and ethical business culture to be demonstrated along the Group’s value chain, including in our products, services, and supply chain.



### Relevant Sustainability Matters

**M3**  
Business ethics

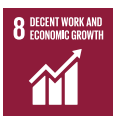
**M8**  
Safety and health

**M9**  
Supply chain management

**M11**  
Product stewardship and safety

**M13**  
Labour practices and human rights

### Relevant SDGs:



### Sustainability Performance Highlights

- All Board of Directors and the entire employee workforce received anti-corruption training and communications
- No fines, penalties, or settlements relating to corruption
- Target to audit 14 suppliers achieved - FY2025: 20 suppliers audited
- No significant environmental or social impacts identified in association with key direct material suppliers

### UPHOLDING BUSINESS ETHICS

#### Code of Ethics

Unisem’s Code of Ethics (“COE”) operates as a pivotal communication tool, effectively conveying the principles that govern the company’s business practices to directors, employees, and affiliates. Beyond its communicative role, the COE holds a critical position as it is intricately aligned with the RBA Code of Conduct. This alignment signifies more than mere coherence; it underscores Unisem’s commitment to ethical business standards that transcend internal boundaries. By ensuring that the COE is in harmony with the RBA Code of Conduct, Unisem not only communicates its ethical framework but also actively participates in a broader commitment to responsible and sustainable business practices, reinforcing the Company’s dedication to ethical conduct throughout its operations and stakeholder interactions.

All directors and employees are required to formally acknowledge the COE prior to commencement. This commitment is reinforced for employees through mandatory annual recertification, and all third-party partners are contractually bound to adhere to the Code’s principles when working for the Group.

Key topics addressed by the COE:

- Prohibition of child labour and forced labour;
- Maintaining a workplace free of harassment and discrimination;
- Supporting the rights to freedom of association and collective bargaining;
- Elimination of excessive working hours;
- Supporting the rights to minimum wage;
- Supporting equal pay for equal work and qualification;
- Providing a safe and hygienic workplace;
- Compliance with environmental laws and regulations;
- Proper handling and disposal of waste, including hazardous waste; and
- Business integrity including zero tolerance towards bribery, corruption, fraud, extortion, or embezzlement.

The COE is subject to annual review.

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility/) to view the COE or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility/>*

### Anti-Corruption and Bribery

Unisem has established a comprehensive Group-wide Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”), reflecting the Group’s unwavering commitment to a zero-tolerance approach towards bribery and corruption. The Policy is established by the Board’s approval, underscoring the policy’s significance, with overall compliance falling under the purview of site Chief Operating Officer (“COO”) and General Managers. The ABAC Policy applies to directors, employees, and affiliates, encompassing agents, suppliers, contractors, and business partners. The ABAC Policy is reviewed annually.

We adopt a risk-based approach towards managing corruption and bribery risks, ensuring resources are allocated and utilised efficiently. The process is supported by a corruption risk assessment conducted by the Ethics Working Committees at both Unisem Malaysia and Unisem Chengdu sites, and the assessments are further integrated into the Group’s risk management processes to manage, monitor, and report the performance of corruption risk management. The corruption risk assessment aims to identify areas with exposure to corruption and bribery risks considering the industry environment, functions, personnel and their positions, and type of transactions. The outcome of the risk assessment guides our corruption-related internal controls, particularly areas with higher risk exposures. Stringent processes guide our operations, spanning procurement, manufacturing, sales, marketing, and finance, incorporating measures to uphold business ethics and prevent corruption.

Both our operations in Malaysia and Chengdu have gone through corruption risk assessments.

	As at 31 December 2023	As at 31 December 2024	As at 31 December 2025
Percentage of operations covered by corruption risk assessment	100%	100%	100%

### Internal and external stakeholders

We ensure employees are aware of the Group’s anti-corruption policies and processes through periodic communication. Our communication channels, including emails, meetings, and our corporate website, are available in multiple languages - primarily English, Bahasa Malaysia, and Chinese - depending on the audience. In addition, annual refresher training on anti-corruption is provided to all directors and employees.

All Directors and employees of Unisem Group have been communicated on anti-corruption. The employees are trained through our eLMS (E-learning program) in FY2025.

# SUSTAINABILITY

## Report

### HOW WE DO BUSINESS

Directors and employees communicated and trained on the Group's anti-corruption	Unisem Malaysia		Unisem Chengdu	
	Number	Percentage	Number	Percentage
<b>As at 31 December 2025</b>				
Board of Directors	11	100%	N/A	N/A
Senior Management and Management Executive, Non-Executives, and Operators	87	100%	63	100%
	3,278	100%	3,731	100%
<b>Total</b>	<b>3,376</b>	<b>100%</b>	<b>3,794</b>	<b>100%</b>
<b>As at 31 December 2024</b>				
Board of Directors	11	100%	N/A	N/A
Senior Management and Management Executive, Non-Executives, and Operators	84	100%	57	100%
	3,124	100%	3,173	100%
<b>Total</b>	<b>3,219</b>	<b>100%</b>	<b>3,230</b>	<b>100%</b>
<b>As at 31 December 2023</b>				
Board of Directors	11	100%	N/A	N/A
Senior Management and Management Executive, Non-Executives, and Operators	87	100%	52	100%
	3,067	100%	2,572	100%
<b>Total</b>	<b>3,165</b>	<b>100%</b>	<b>2,624</b>	<b>100%</b>

In addition, we assess our business associates for bribery and corruption risks including through a due diligence process for new suppliers and periodic assessments. We also periodically communicate with stakeholders regarding the Group's anti-corruption stance and expectations, especially for business associates categorised as high-risk or involved in high-risk sectors.

The Group refrains from making charitable donations or contributions to political parties, and it does not reimburse employees for political contributions made in their personal capacity. No political contributions were made in FY2025.

There were no reported incidents of corruption, cases of non-compliance with the Group's anti-corruption policies, or instances of related fines or penalties in FY2025.

Number of confirmed corruption incidents	FY2023	FY2024	FY2025
Unisem Malaysia	0	0	0
Unisem Chengdu	0	0	0

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility) to view the ABAC Policy or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility>*

### Conflict of Interest

Conflict of interest situations may arise when Directors or employees hold conflicting interests within the Group, have close personal relationships with suppliers or customers, or other circumstances that may jeopardise their position to act in the interest of the Group. Our COE deals with conflicts of interest situations by establishing principles for managing conflict of interest situations in Unisem Group.

Upon commencing employment, all Unisem Directors and employees must declare any conflict of interest for the Group's assessment and further mitigation, if required. In addition, managers and above and personnel in identified functions are required to submit annual declarations for annual reassessment of conflict of interest, if any, to safeguard the Group's interest and integrity. The Human Resources Department oversees this process and reports to the site COO.

A Conflict of Interest Policy for Directors and Senior Management is also established to ensure they carry out their duties and make decisions in the best interest of the Group's business stipulates the responsibilities of the Board, the ARMC, Directors, and Senior Management in relation to identifying and assessing conflict of interest situations, as well as the responsibilities of the Directors and Senior Management to periodically declare any actual, apparent, and potential conflict of interest situations.

### Unisem's Whistle Blowing Channel

In addition to the grievance channels managed by the Human Resources Department to facilitate the resolution of workplace disputes or disagreements, Unisem has instituted a whistleblowing mechanism through its Whistleblowing, Ethics & Compliance Policy ("WBEC Policy"). This mechanism enables internal and external stakeholders to confidentially report instances of serious unethical or unlawful behaviours. Examples of issues that can be reported include significant violations of the COE, labour standards, human rights, safety and health, non-discrimination and equal opportunity, environmental management, business ethics, anti-corruption, and others.

The WBEC Policy offers guidance on how to make a report, outlines the handling and resolution process, and ensures protection for the whistleblower against retaliation.

The WBEC Policy is developed based on the following key principles:

- Confidentiality - confidentiality of the reported matter and the person making the report will be protected;
- Anonymous reporting - anonymous reporting is not prohibited; and
- Non-retaliation - no retaliation or unfair treatment will be tolerated against whistleblowing reports made in good faith.

Types of cases	No. of cases		
	FY2023	FY2024	FY2025
Workplace grievances from employees	0	1	3
Whistleblowing from employees	1	0	0
Whistleblowing from external parties	0	0	0

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility) to view WBEC Policy or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility>*

The grievances all involved workplace harmony, triggered by communication problems. Each case was resolved through investigation followed by targeted counselling focused on improving communication skills between the involved parties. The outcomes were positive, reinforcing our commitment to a respectful and collaborative work environment.

All the above cases had been fully resolved.

### OUR RBA OBLIGATIONS

The RBA is the world's largest industry coalition dedicated to corporate social responsibility across global supply chains. The standards and practices of the RBA are adopted and practised by leading brands in the electronic, retail, and automotive sectors.

RBA members and their supply chain partners are required to adhere to the RBA Code of Conduct, which is grounded in international norms and standards, including the Universal Declaration of Human Rights, the International Labour Organisation (“ILO”) International Labor Standards, the Organisation for Economic Co-operation and Development (“OECD”) Guidelines for Multinational Enterprises, as well as standards from the International Organisation for Standardisation (“ISO”) and Social Accountability International (“SAI”).

The RBA Code of Conduct are organised into five pillars: Labour, Safety and Health, Environment, Ethics, and Management Systems. The RBA Code of Conduct serves as a pivotal guiding document for Unisem’s policies and practices and it is also fundamental for the establishment of our CSR Management Working Committees (“CSRMWC”) which are responsible for overseeing the management of the topics of labour, health and safety, environment, ethics, management systems, and supply chain, including monitoring and reviewing the respective initiatives and key performance indicators. Unisem’s policies and business practices are closely aligned with the RBA Code of Conduct. Adherence to the RBA Code of Conduct is a crucial prerequisite for establishing a business relationship with our customers.

### RBA Performance

Unisem’s alignment with the RBA Code of Conduct is assessed through two types of assessments. The Self-Assessment Questionnaire (“SAQ”) serves as an RBA self-assessment tool, enabling us to conduct an annual self-assessment and communicate the results to our customers. Meanwhile, the biennial Validated Assessment Program (“VAP”) constitutes an RBA third-party auditing process. The audit findings and results of the VAP are available for viewing by key customers and potential customers.

Our SAQ and VAP results for the last 3 years are as follows:

	Year	SAQ	SAQ Score*	SAQ Risk Rating**	VAP	VAP Score***
Unisem Malaysia	FY2023	Completed in January 2023	93.5	Low		
	FY2024	Completed in March 2024	80.1	Medium	Completed in November 2024	147.5
	FY2025	Completed in May 2025	78.7	Medium	Completed in May 2025 (Closure Audit)	184.4 (Silver Status)
Unisem Chengdu	FY2023	Completed in January 2023	94.8	Low	Completed in November 2023	134.8
	FY2024	Completed in April 2024	76.4	Medium	Completed in July 2024 (Closure Audit)	181.5 (Silver Status)
	FY2025	Completed in April 2025	77.9	Medium	Completed in November 2025	169.2 (Silver Status)

Note:

\* The SAQ assessment method has been updated in 2024 and the outcome of SAQ assessment will be indicated by the SAQ Risk Rating from FY2024 onwards

\*\* The new revised SAQ Risk Rating published in RBA-online was introduced in FY2024 based on risk level by operation and country specific.

\*\*\* No VAPs were conducted for Unisem Malaysia in FY2023. VAP is only required once every 2 years. Full score of VAP is 200.

## SUPPLY CHAIN MANAGEMENT

### Responsible Supply Chain Management

Effective and responsible management of the supply chain is crucial for our business. Having a reliable supply chain supports us in ensuring timely delivery, meeting shipment commitments, safeguard our reputation, integrity, and customer relationships.

In addition, we also aim to build a supply chain that is reliable, trustworthy, and shares the same ethical beliefs with respect to environmental management and social values. In this regard, we make efforts to align our supply chain with the Group's corporate responsibility values, as appropriate. Our commitment to responsible supply chain management is outline in the CSR Policy and COE, both of which are available in multiple languages and accessible to the employees and suppliers, as well as the public, on Unisem's corporate website.

The Group disseminates a Business Ethics Letter to key direct material suppliers and service provides to communicate the Group's business ethics expectations on an annual basis, in addition to active engagements with key direct material suppliers on their acknowledgement and endorsement of Unisem's Supplier Code of Conduct. Key direct material suppliers and service providers are required to affirm their commitment to the RBA Code of Conduct through a Letter of Conformance.

### Conflict-free Minerals

We adhere to a Conflict Minerals Policy, prohibiting the procurement and utilisation of conflict minerals such as tantalum, tin, tungsten, and gold within its supply chain. On top of that, Unisem is committed to the voluntary program for the ethical and responsible sourcing of cobalt and mica. The direction is aligned with global initiatives to mitigate armed conflicts associated with resource extraction from Conflict-Affected and High-Risk Areas or an equivalent and recognised due diligence framework. The Conflict Minerals Policy is communicated to all pertinent suppliers and is accessible on our corporate website.

The Group has due diligence procedures to offer reasonable assurance regarding the responsible sourcing of tantalum, tin, tungsten and gold, including cobalt and mica used in our products in alignment with the Organisation for Economic Co-operations and Development ("OECD") Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We have also adopted the Responsible Minerals Initiative ("RMI") Conflict Mineral Reporting Template ("CMRT") as a data tool for reporting and assessing the smelters within the Group's supply chain. Suppliers are required to complete the RMI CMRT with written confirmation.

### Fair Procurement Practices

Unisem has a Group Procurement Policy governing its procurement and tendering procedures, ensuring fair and equitable supply chain management in accordance with the Group's responsible supply chain policies. Suppliers are evaluated based on objective criteria, considering alignment with the Group's interests and values, in addition to evaluation of pricing delivery timeliness, and the quality of products or services procured. We also assess suppliers for potential conflicts of interest and implement measures to protect our procurement process from collusion and price fixing.

### Building a Responsible Supply Chain via Engagement

We aim to acquire a comprehensive understanding of suppliers including identifying instances of non-compliance in the areas of environmental, social, and ethics, such as:

- human rights and labour standards, including safety and health standards, working hours, and freedom of association;

- environmental management issues, including climate change and emissions, energy use, water use, biodiversity impacts, pollution management, waste management and reduction, resource use and integrated supply chain management; and
- business ethics challenges or violations, such as anti-corruption.

We engage with supply chain business partners including communicating pertinent policies and RBA-related standards, carrying out evaluations or audits of key direct material suppliers, and conducting sessions and discussions with suppliers to address gaps in meeting regulations or requirements, including newly introduced ones which will come into effect.

We conduct various engagements with supply chain business partners to build a responsible supply chain, including communicating pertinent policies and RBA standards, evaluations or audits of key direct material suppliers, and having sessions and discussions with suppliers to address gaps in meeting regulations and requirements including those which will come into effect.

All new suppliers are screened via Unisem’s due diligence process which considers environmental, social, and ethical aspects, from corruption and bribery to labour practices.

### Environmental and Social Assessment in Supply Chain

All key direct material suppliers and service providers undergo holistic sustainability assessment via the RBA SAQ and VAP Operations manual for suppliers’ audit. SAQ and Suppliers Audit represent different forms of assessment, as follows:

SAQ	Suppliers Audit
<ul style="list-style-type: none"> <li>• Self-assessment</li> <li>• Part of Unisem’s due diligence process and required to be conducted by all key direct material suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• The conduct of physical or virtual audits by Unisem based on the RBA VAP Operations Manual for key direct material suppliers and services provider</li> </ul>
<ul style="list-style-type: none"> <li>• Aims to identify high-risk areas and potential gaps against the RBA Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Audit focus and frequency depend on conformance level in past audits and overall performance against RBA standards and Unisem policies and standards</li> </ul>

We conduct these assessments collaboratively, in coordination with our suppliers’ assessments and audits through our ISO14001-certified Environmental Management System. Suppliers are required to address audit findings and submit corrective action plans using the Corrective Action and Preventive (“CAPA”) template. Unisem’s audit team subsequently follows up to verify the implementation of the action plans before considering the audit findings resolved.

### Suppliers Audit

We have a network of 25 shared key direct material suppliers, with whom our direct material spending comprises 85% of the Group’s total direct material procurement.

As part of our supplier audit strategy, we target to cover 80% of the 25 key direct material suppliers once in every two years. In addition, we also target to audit our key service agents.

In FY2025, we continued to meet our supplier audit target with 10 key direct material suppliers and 4 key service agents audited. As at December 2025, 80% of the 25 key material suppliers were audited at least once in two years.

# SUSTAINABILITY

## Report

### HOW WE DO BUSINESS

The following table summarises the target and number of key direct material suppliers and key service agents audited in the past 3 years. We target to audit 10 key direct material suppliers and 4 key service agents in FY2026.

Year	Target number of audits to be conduct		Number of audits completed	
	Key Direct Material Suppliers	Key Service Agents	Key Direct Material Suppliers	Key Service Agents
FY2023	10	4	9	5
FY2024	11	4	11	7
FY2025	10	4	10	10
FY2026	10	4		

The highlights of the key corrective actions arising from the key direct material supplier audits conducted in FY2025 are as follows:

RBA Category	Summary of key corrective actions
Labour	<ul style="list-style-type: none"> <li>To update employee's employment contract on the termination notice period whereby all workers shall be free to terminate their employment without penalty if reasonable notice is given.</li> <li>To update the employee's employment contract on the termination notice period whereby it shall not exceed 1 month notice period.</li> <li>To update the employee's employment contract whereby if an employee resigns without reasonable notice period, the penalty shall not exceed 60% of 1-month gross base wage.</li> <li>To translate the worker's employment contract into their native language and conduct a pre-departure briefing to all workers to ensure workers understand the terms stated in the employment contract.</li> </ul>
Occupational Safety and Health	<ul style="list-style-type: none"> <li>To update internal procedures/employee handbook to ensure all workers are aware that they can remove themselves from imminent harm in their workplace and return once the situation is mitigated without fear of retaliation.</li> <li>To standardise the safety inspection for industrial powered vehicles to be conducted daily.</li> <li>To establish and implement a detailed procedure for managing expectant and nursing mothers including notification, risk assessment and work arrangement steps and conduct specific risk assessment for any identified expectant and nursing mothers.</li> <li>To attach inspection tags and inspect all fire extinguishers and fire hoses across the site on monthly basis.</li> </ul>
Supply Chain Management	<ul style="list-style-type: none"> <li>To establish audit checklist and conduct audits on service providers to ensure the major next tier suppliers implement the RBA Code requirements.</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>To update the list of Hazardous Substance into the Hazardous Material Identification System and Globally Harmonized System Labels procedure to ensure workers understand what are the hazardous substance that they are working with.</li> <li>To conduct periodic stormwater monitoring to ensure water channels are protected from contamination.</li> </ul>

# SUSTAINABILITY

## Report

### HOW WE DO BUSINESS

We follow up and monitor the implementation of corrective action plans and the status of implementation of the corrective actions as on 31 December 2025 is summarised as follows:

Status of Implementation of Corrective Action as of 31 December 2025	Audit Findings from FY2023 Supplier Audits	Audits Findings from FY2024 Supplier Audits	Audits Findings from FY2025 Supplier Audits
Implemented by the key direct material suppliers/ key service agents and verified by Unisem	95%	98%	96%

#### Self-Assessment Questionnaire (“SAQ”)

All 25 key direct material suppliers are expected to undergo self-assessment via the RBA SAQ process. A summary of the outcome as of 31 December 2025 is as follows:

	FY2023	FY2024	FY2025
<b>Total number of shared key material suppliers</b>	25	25	25
<b>Environmental Impact</b>			
Number of suppliers assessed for environmental impacts*	25	25	25
Note: *assessed at least once in the past 3 years			
Number of suppliers identified as having significant actual and potential negative environmental impacts	0	0	0
Description of the significant and actual environmental impact identified	Not applicable	Not applicable	Not applicable
Percentage of suppliers identified as having significant actual and potential negative environmental impact with which improvements were agreed upon as a result of assessment*	0% (0 / 25)	0% (0 / 25)	0% (0 / 25)
Note: *does not include closed cases where agreed-upon improvements have been implemented and verified by Unisem’s audit team			
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	0%	0%	0%

# SUSTAINABILITY

## Report

### HOW WE DO BUSINESS

Social Impact	FY2023	FY2024	FY2025
Number of suppliers assessed for social impacts	25	25	25
Number of suppliers identified as having significant actual and potential negative social impacts	0	0	0
Description of the significant and actual environmental impact identified	Not applicable	Not applicable	Not applicable
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment*	0% (0 / 25)	0% (0 / 25)	0% (0 / 25)
Note: *does not consider closed cases where agreed-upon improvements have been implemented and verified by Unisem's audit team			
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	0%	0%	0%

#### Our contribution to the local economy and society

Through our business activities and procurement of goods and services, the Group contributes to the local economy by creating local employment opportunities and economic value. Where feasible and economically viable, the Group procures local, which also helps to support local businesses and minimise emissions associated with transportation. We also make corporate social responsibility contributions to the community.

	The proportion of direct material spending on local suppliers (%)		
	FY2023	FY2024	FY2025
Unisem Malaysia	23.5%	21.3%	25.7%
Unisem Chengdu	37.9%	27.7%	25.1%
<b>Unisem Group</b>	<b>33.9%</b>	<b>25.8%</b>	<b>25.2%</b>

Note: In relation to direct material spending, "local" is defined as the country in which the respective site is located.

### Product Stewardship

In addition to controlling strictly to avoid the use of conflict minerals in our products, we also exercise diligence and ensure we comply with international regulations and customer requirements on the use of safe materials. This reinforces our acknowledgement of our responsibility in products that extend beyond our facilities, considering product life cycles and their impact on people and the environment.

By adopting specific manufacturing and processing methods, we can minimise the use and content of toxic materials, consequently reducing risks to consumers and environmental harm. Moreover, the materials utilised in the services we offer are contingent on the specifications provided by our customers.

We have comprehensive compliance procedures to ensure adherence to all relevant environmental laws, regulations, and standards related to hazardous substances in our manufacturing processes. Assessments are carried out to identify significant environmental and social risks associated with the materials we procure, and we take into account safety and ethical considerations in our evaluation of supply chain partnerships. These procedures form part of our management systems that is aligned with international standards in addressing environmental and social impacts.

Our compliance procedures and measures also support our compliance with the European Union’s Restriction of Hazardous Substance (“RoHS”) Directive, which our production process and suppliers are obligated to comply with.

In addition to collaborations on other sustainability-related matters, we also have collaborations with our business partners in the area of product stewardship, especially on the use of materials. With customers, we collaborate to meet their standards for product stewardship and safety; with suppliers, we collaborate to facilitate their compliance with requirements such as the RoHS Directive and review the ongoing compliance of the supplies received.

Regulations and customer requirements & descriptions	Measures taken by Unisem
<p><b>RoHS Directive</b> - Restriction on the use of ten substances including lead</p>	<ul style="list-style-type: none"> <li>• We ensure compliance through annually conducted review and analysis, supported by documentation such as declaration letters, Certification of Compliance and Safety Data Sheets.</li> <li>• We engage with suppliers to facilitate their compliance. Once every two years, suppliers are required to perform a self-assessment and submit the relevant compliance documentation.</li> <li>• Each batch of supplies received is accompanied by the relevant test reports and certificates.</li> </ul>
<p><b>Business partner certification schemes</b> - Restriction on the use of hazardous substances including lead and lead compound</p>	<ul style="list-style-type: none"> <li>• Each Unisem site has obtained third-party certification on the Sony Green Partner certification schemes.</li> </ul>

# SUSTAINABILITY Report

## MANAGING OUR BUSINESS

In striving towards generating long-term values for stakeholders, our focuses include maintaining competitiveness, strengthening our market positions, looking out for growth opportunities, and enhancing our capabilities, capacity, products, and solutions.



### Relevant Sustainability Matters

**M1**  
Strategic market presence, products, and customer relationship

**M2**  
Technology and innovation

**M7**  
Cybersecurity and information security

### Relevant SDGs:



### Sustainability Performance Highlights

- Achieved strong revenue growth of 18.4% Y-o-Y during the period
- Distributed economic value of RM483.9m in wages and salaries; RM10.1m in corporate tax paid; and RM129.0m in dividends
- Achieved FY2025 target for Technology Road Map
- Completed all 2 R&D projects in Technology Road Map

### BUSINESS PERFORMANCE

The following section summarises the Group's overall revenue growth for FY2025:

KPI	To achieve revenue growth		
	On-going growth of annual revenue		
Target			
Performance	FY2023 -19.2%	FY2024 9.8%	FY2025 <b>18.4%</b>

The 18.4% year-over-year revenue growth in FY2025 provides a solid foundation for continued expansion. To continue this momentum, we will actively pursue new market opportunities, strengthen our customer relationships, and invest in the innovation of our core products and services. Details of the Group's financial performance and strategies on business growth are discussed in the Chairman's Letter to Stakeholders, Management Discussion & Analysis, and the Audited Financial Statements of Unisem's Integrated Annual Report FY2025.

### Economic Value Generated and Distributed

Economic value generated and distributed can be used to illustrate the generation of economic value arising from the Group's business and operations and their distribution to the various stakeholder groups. The economic value generated and distributed by Unisem for the financial year is as follows:

Economic value generated and distributed	FY2023 RM'000	FY2024 RM'000	FY2025 RM'000
Revenue	1,439,686	1,580,873	<b>1,872,065</b>
Local Procurement (Local: i.e., Malaysia for Unisem Malaysia and China for Unisem Chengdu)	207,009	151,908	<b>175,229</b>
Wages and salaries	379,986	416,691	<b>483,931</b>
Corporate tax paid	20,727	18,650	<b>10,050</b>
Community Investments, Donations, and Non-Commercial Sponsorships	80	1,106	<b>51</b>
Dividends	129,046	129,046	<b>129,046</b>
Research and Development	8,074	8,029	<b>9,590</b>
Retained Earnings	1,070,225	991,112	<b>934,278</b>

### Local Employment

Our operations also contribute to the local economy through the creation of employment opportunities. In Perak, Malaysia, Unisem stands as one of the largest private sector employers.

Proportion (%) of local hires amongst employees (FY2025)		
	Senior Management	Non-Senior Management
Unisem Malaysia	94.1%	74.6%
Unisem Chengdu	70.0%	100.0%

Note : In relation to local employment, "local" means Malaysian for Unisem Malaysia and PRC citizens for Unisem Chengdu.

### **QUALITY AND LEAN OPERATIONS**

One of our Strategic Priorities - Pursuit of Operational Excellence and Quality of Products and Services - hinges on our ability to enhance and maintain operational quality and efficiency. Ongoing investments are allocated and made in efforts to heighten productivity and consistently optimum operational efficiency and quality.

Our operations and processes are aligned with International Quality Management Systems standards, including ISO 9001:2015, IATF 16949:2016, and ISO 26262. Furthermore, we have now achieved certification to IECQ QC 080000:2017 - HSPM (Hazardous Substance Process Management) as of FY2025 for our Gopeng Plant. These certifications ensure standardised and consistent procedures across our operations, supported by robust standard operating procedures, error detection mechanisms, and a commitment to continuous improvement. Regular reviews and audits, including internal reviews and independent audits, are conducted periodically to ensure alignment with these standards.

Beyond compliance, we also undergo processes to identify potential areas for improvement to continuously refine our processes to gain greater competitiveness among our peers.

### People Development and Innovation

The Group provides comprehensive training for employees, encouraging innovation as well as equipping employees with the skills necessary to run operations efficiently. We conduct regular engagement sessions with employees for development, including enhancing their problem-solving capabilities, fostering operational continuous improvement through techniques like Plan-Do-Check-Act (“PDCA”), Design of Experiment, Technical Excellence, Poka Yoke, and Root Cause Analysis (“RCA”). The participation of employees in these engagements enables the Group to understand operational challenges from the working level and facilitates more holistic improvements that are practical and viable for the employees. In addition, our shopfloor employees also undergo rigorous training and certification in accordance with ISO and automotive standard requirements.

Embracing the Kaizen concept and initiatives since 2004, Unisem actively promotes continuous improvement. Employees are incentivised to participate in Kaizen, Technical Excellence projects, and Lean Big Win Initiatives, fostering strong engagement. These initiatives provide a platform for employees to cultivate and showcase their innovative skills, contributing to an integrated work culture where ideas are shared, and development is collective. Furthermore, they offer an opportunity to identify talents and skills, supporting the sustainability of our human and intellectual capital.

### PUSHING OUR TECHNOLOGICAL BOUNDARIES

The Group’s research and development focuses are strategically planned and outlined in our Technology Road Map, which supports us in developing technical capabilities to keep up with the market and our customers’ need, as well as to optimise our operational efficiency and enhance competitiveness. In addition, our technological development focuses also include initiatives to address environmental and social risks such as developing safer working environments and more environmentally friendly processes or products.

The Group’s Technology Road Map is also aligned with our Strategic Priorities to further sharpen our edges, and it is currently focused on capturing in-trend products as those related to AI, cloud-computing, and EVs amongst others. The Technology Road Map is reviewed regularly and takes into consideration market and industry trends and the future plans and innovation requirements of customers.

We have completed all 2 projects targeted for completion in FY2025.

<b>KPI</b>	Progress of projects scheduled in Unisem Group’s Technology Road Map
<b>Target</b>	Meeting the project completion timeline as scheduled
<b>Performance</b>	<b>Completed all 2 projects targeted for completion in FY2025</b>

Projects	Descriptions	Challenges	Target for Production Readiness	Progress as at 31 Dec 2025
<b>Completed Projects</b>				
<b>Power Stacked Module Packages</b>	A breakthrough power module package enables the use of thicker inductors for high-power devices by overcoming the traditional design constraint of mold thickness.  This innovation resolves a key limitation in achieving higher power density and performance.	<ul style="list-style-type: none"> <li>A limited pool of qualified suppliers.</li> <li>Market adoption of a new package format.</li> <li>New equipment and specialised tooling required.</li> </ul>	Quarter 4 of 2025	<ul style="list-style-type: none"> <li>Qualified the product and validated the proof of concept.</li> <li>Launched the new solution for customer availability.</li> </ul>

# SUSTAINABILITY

## Report

### MANAGING OUR BUSINESS

Projects	Descriptions	Challenges	Target for Production Readiness	Progress as at 31 Dec 2025
<b>Completed Projects</b>				
<b>New Concept MEMS Microphone</b>	A new concept was developed in collaboration with IDM customers to achieve enhanced SNR performance.	<ul style="list-style-type: none"> <li>Requires investment in new equipment.</li> </ul>	Quarter 2 of 2025	<ul style="list-style-type: none"> <li>Successfully completed product qualification</li> <li>Full-scale production has officially commenced.</li> </ul>
<b>Existing Projects</b>				
<b>Flip Chip SLP Exposed die back</b>	Top-side die exposure maximises thermal dissipation by exposing the silicon die's inactive side directly to the environment, a crucial technique for high-power GaN components.	<ul style="list-style-type: none"> <li>Additional process and equipment required for die back exposure.</li> </ul>	Quarter 4 of 2026	Completed prototype sample for customer electrical characterisation and reliability testing.
<b>MEMS Silicon Microphone</b>	Qualify Gopeng Plant as an alternate source to Unisem Chengdu, mitigating political and geographic risk.	<ul style="list-style-type: none"> <li>Requires investment in new equipment.</li> </ul>	Quarter 3 of 2026	The new production floor is operational, and we have begun moving equipment in.
<b>TPMS MEMS Package and Full Turnkey Solution</b>	Qualifying Gopeng Plant as an alternate source to Unisem Chengdu will mitigate supply chain risk, with final testing completing the full turnkey solution.	<ul style="list-style-type: none"> <li>Additional processes and equipment are required for the MEMS die.</li> </ul>	Quarter 2 of 2026	<ul style="list-style-type: none"> <li>Completed the qualification lot</li> <li>Awaiting customer reliability test results.</li> </ul>
<b>TSSOP High Density</b>	A new high-density TSSOP package is now available, providing an alternative sourcing option.	<ul style="list-style-type: none"> <li>Additional equipment is required.</li> </ul>	Quarter 2 of 2026	In the internal qualification phase.
<b>New Projects</b>				
<b>Compression Mold</b>	Evaluating compression molding for advanced packaging (BAW filter SiP, large FC dies, wafer-level molding).	<ul style="list-style-type: none"> <li>Major capital investment required for additional essential equipment.</li> </ul>	Quarter 3 of 2026	Undergoing the internal buy-off justification process.
<b>3D Package Power Package</b>	A new 3D package is under development to meet the demanding power management requirements of next-generation, high-end GPU applications.	<ul style="list-style-type: none"> <li>Additional equipment is required.</li> <li>Market adoption is a key factor for success.</li> </ul>	Quarter 2 of 2026	Engaged the customer in concept-phase planning.

The highlights of Unisem’s key projects and R&D technological achievements during the year are summarised below:

1. Power Stacked Module Packages - The upgraded design supports thicker components, enabling higher power output. It is already qualified and ready for customers in late 2025. Challenges include finding suppliers and new equipment.
2. New Concept MEMS Microphone - Co-developed with a customer for better sound quality. It is already qualified and in production as of mid-2025. A key challenge was the need for new manufacturing tools.
3. A total of 9 new processes and materials were qualified in FY2025 to meet customer needs. Unisem has secured 31 patents to date.

### R&D Expenditure

Unisem Group invested about RM9.6 million in R&D programs, representing close to 1% of the Group’s revenue in FY2025.

Unisem Group	FY2023	FY2024	FY2025
R&D expenditure (RM'000)	8,074	8,029	9,590
R&D expenditure as a percentage of Unisem Group revenue (%)	1%	1%	1%

### SAFEGUARDING OUR IT SYSTEMS

Unisem Group’s business environment is highly digitised, processing confidential data including intellectual property, personal information, and customer data. We are responsible for keeping this information of the business and its stakeholders safe, to safeguard stakeholders and ensuring business continuity.

Our IT Support function is tasked to oversee the processes and controls safeguarding Unisem’s IT systems and infrastructure. Policies, procedures, and tools (such as anti-virus software, firewall, email filtering, etc.) are deployed, evaluated, and reviewed from time to time to ensure they are functioning effectively. Cybersecurity management is also integrated into Unisem’s risk management process which enables it to be systematically assessed, managed, monitored, and enhanced.

This year, we continued to engage external, professional consultants to support our review and monitoring of IT systems, including assessing the level of security and identifying weaknesses, ongoing monitoring of performance, and enhancement of IT controls. All gaps and weaknesses in IT security will continue to be addressed and improved on an ongoing basis.

# SUSTAINABILITY

## Report

### OUR FOCUS ON CUSTOMERS

Unisem embraces a customer-centric approach in delivering our products and services. What distinguishes us is our core differentiation strategy centred around customer intimacy. We strive to grow alongside our customers and keep up with the market and industry through ongoing development and evolution. This symbiotic relationship is grounded in trust and a dedicated commitment to safeguarding customer interests, including data privacy and confidentiality.



#### Relevant Sustainability Matters



Strategic market presence, products, and customer relationship



Cybersecurity and information security

#### Relevant SDGs:



#### Sustainability Performance Highlights

- Achieved 95% score for customer satisfaction target
- No fines or complaints received from outside parties or regulatory bodies

#### Serving Our Customers

##### Customer Relationship Management

Unisem prides itself as a customer-centric organisation, building customer satisfaction and loyalty by offering extraordinary services and quality products. Long-term partnerships with customers are key to business sustainability and continuity.

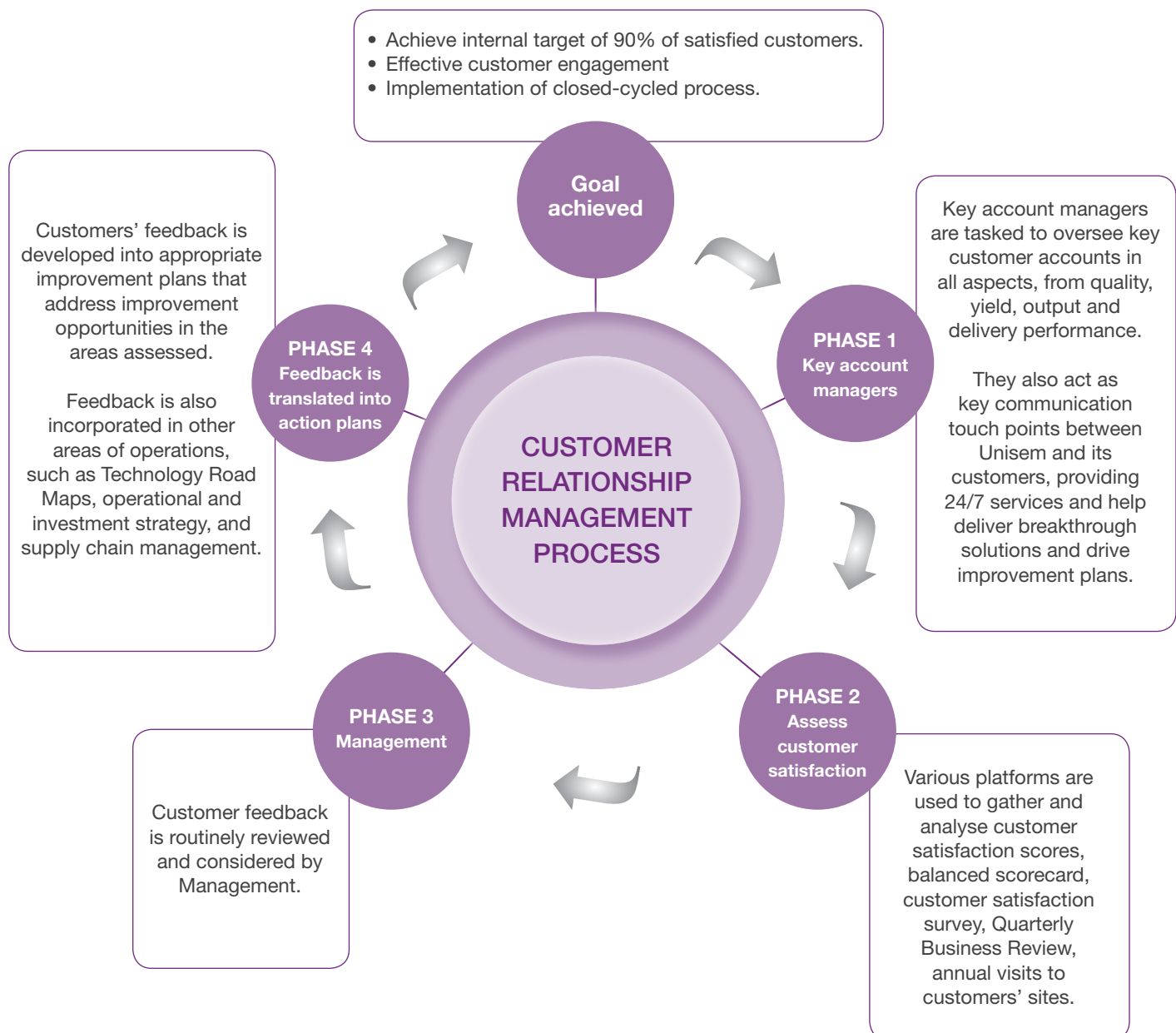
The Group's customer relationship management anchors on our dedicated customer account managers and teams who deliver focused and attentive support to key accounts. They play a strategic role to bridge alignment and capabilities between Unisem and its customers, as well as business associates within the supply chain. Operating globally, our customer management teams provide comprehensive support 24/7. Our teams also undergo regular professional and technical training, reinforcing our commitment to being a one-stop solution provider.

In addition, our recently established regional office in Singapore serves as a regional hub and marketing arm, and it also allows us to manage our businesses and customers from different regions or countries in a centralised location in Singapore.

### Customer relationship management process

Our Customer Relationship Management practices are guided by a structured process to engage, serve, and manage customers including assessing their satisfaction and improving our services. The process enables us to gain insights into customers' needs, including specified yield and performance levels, enabling us to provide tailored advice and breakthrough solutions. During development and production, regular meetings are held with customers to keep them informed of the progress. In addition, we seek customer feedback through periodic customer feedback, discussions, and other engagement methods. These customer engagements are crucial and integral to our continuous improvement to keep up with our clients and markets.

### CUSTOMER RELATIONSHIP MANAGEMENT PROCESS



## Engagement and Collaboration with Customers

Unisem’s significant customer engagement activities are highlighted as follows:

Customer Engagement Platforms	Frequency	Details
Balanced scorecard	Quarterly	Around 80% of key customers evaluate Unisem’s performance via their own balanced scorecard. Evaluation results are usually shared with Unisem to identify areas where we can further improve or grow together.  Unisem does not set a general performance target for the purpose of this Report due to the different assessment criteria used by each key customer.
Customer satisfaction survey	Yearly	Unisem uses an internally developed survey form to assess the satisfaction of the other 20% of its key customers who do not use a balanced scorecard approach.  Unisem targets to achieve a Customer Satisfaction score of 80% for 90% of key customers.
Quarterly Business Review (“QBR”)	Quarterly	QBR is conducted by key customers to convey their report card on their suppliers’ performance, business opportunities, and roadmaps.
Meeting with customers	Annually	Top management and the technology and marketing teams meet with key customers located in the United States of America, Europe, and Asia to strengthen customer relationships and align with our Technology Road Map.

Customer satisfaction levels are evaluated using formal balanced scorecards and internally developed customer satisfaction surveys, benchmarked against our baseline Key Performance Indicators (“KPIs”).

During the financial year under review, Unisem Group achieved a score of 95%, surpassing our 90% target. This result is attributable to our strong focus on fulfilling customer expectations in terms of quality and on-time delivery.

KPI Target	Satisfaction of key customers		
	90% of key customers with customer satisfaction score of 80%		
Performance	FY2023 81%	FY2024 90%	FY2025 95%

We appreciate the recognition by our customers, demonstrated through the following outstanding awards and best supplier appreciations:

- UMS 20 years Value Partnership FY2025 Best Suppliers for Unisem Malaysia;
- PI Best Support during Critical Ramp for Unisem Malaysia;
- RENESAS Excellent Quality Award FY2024 for Unisem Chengdu;
- SSSL Best Supplier Award FY2024 for Unisem Chengdu;
- NVT FY2025 Most Supportive Team Collaboration Award for Unisem Chengdu;
- SEW Best Supplier Award FY2025 for Unisem Chengdu;
- ECW Best Services Support Award FY2025 for Unisem Chengdu; and
- LEN Best Technology Partnership Award FY2025 for Unisem Chengdu.

#### PROTECTING OUR CUSTOMERS' PRIVACY AND DATA

Unisem is committed to safeguarding both the business and personal data of the Group and our customers, including customers' proprietary information, intellectual assets, and business-related data. Amongst others, we ensure systems and controls are in place to manage the ongoing threats to cybersecurity, protecting customers' sensitive information, and preventing leaks, threats or loss of customer information.

Unisem's cybersecurity is supported by controls and systems safeguarding the Group's IT systems and infrastructure.

Further details of the Group's IT-related controls are available in the "**Safeguarding our IT Systems**" section.

Unisem has a dedicated "IT Acceptable Use Policy" to regulate the responsible use of data, covering aspects such as data access, transfer, and management. We also provide regular reminders to employees emphasising the importance of responsibly handling and protecting customers' data and informing them of the consequences of breaches or violations.

The key internal controls implemented by Unisem to govern customer privacy and data protection are summarised as follows:

#### Key internal controls implemented by Unisem to protect customer privacy and data

To protect the confidentiality of proprietary information, all employees are required to comply with the Unisem COE and sign a Non-Disclosure Agreement.

Adhering to strict protocols in ensuring all proprietary information in e-waste is scrapped prior to disposal. Ensuring the secured scrap disposal process for the disposal of defective products and e-waste complies with the Group's internal scrap procedures.

Securing all computers, laptops, and workstations are equipped with password-protected screensaver, anti-virus software, Security Endpoint Protection Software, and firewall.

Protecting the confidentiality of information of all parties through the signing of Non-Disclosure Agreements between Unisem and its contractors, suppliers, and service providers.

Provision of training to employees to enhance skillsets on data protection and security.

There were no fines or complaints received from external parties or regulatory bodies in FY2025. Additionally, there were no reported incidents of leaks, theft, or loss of customer data that came to our attention.

Number of substantiated complaints concerning breaches in customers' privacy or data loss	FY2023	FY2024	FY2025
Unisem Malaysia	0	0	0
Unisem Chengdu	0	0	0

# SUSTAINABILITY

## Report

### OUR PEOPLE

“We Care, We Can” is our tagline and our principle in Unisem’s relationship with its employees.

We are committed to ensuring the safety of our people, including employees and visitors, to shield them from any harm or injury arising from our business operations.

The Group’s human capital management is pivotal for nurturing talents and skills to support Unisem’s growth, and we are proud that our efforts to cultivate and nurture in-house talents have proven successful, thanks to our strategic geographic location.

We strictly comply with applicable labour laws, regulations, and international labour standards. At the same time, we hold our key material suppliers to similar, high standards.

With respect to contributions to the community, we strive to maximise our positive impact and actively engage with the local community where feasible.

#### Relevant Sustainability Matters

-  **M4**  
Employee development
-  **M6**  
People management
-  **M8**  
Safety and health
-  **M13**  
Labour practices and human rights
-  **M16**  
Diversity, equity, and equality
-  **M17**  
Contribution to society and communities

#### Relevant SDGs:



#### Sustainability Performance Highlights

- All employees trained on labour standards and human rights issues
- 3.76 employee satisfaction score in FY2025 against a target of 3.80
- No incidents of significant human rights or labour standards violations
- 90.4% employees having minimum 6 hours training against a target of 75%
- Kept injury frequency rate in target range at below 1.50 - FY2025: 0.68
- 24.0% of women in management positions against a target of 20.0%
- 16.6% and 47.8.% annual turnover rate for Unisem Malaysia and Unisem Chengdu in FY2025 against targets of 25.0% and 45.0%, respectively
- 853 employees received long service awards in FY2025

### UPHOLDING HUMAN RIGHTS AND LABOUR STANDARDS

Unisem is committed to protecting and respecting human rights across its business operations, and we believe that fair and ethical treatment promotes a healthy work culture as well as contributing positively to productivity.

Our commitment is explicitly outline in our CSR Policy and Code of Ethics (“COE”) which are aligned with the RBA Code of Conduct and is seamlessly integrated into our human capital management principles encapsulated in “We Care, We Can”.



In both our operations and supply chain, we proactively address human rights risks through comprehensive processes of risk identification, assessment, and management. Risk assessments and reviews covering labour and human rights practices are conducted at least annually; and the relevant internal controls and processes are integrated into the Group’s business operations, particularly within Unisem’s employment practices and processes, and those of key suppliers. For instance, employees’ working hours are tracked and monitored in our system and employees’ overtime need to be requested and approved via the system, which does not allow overtime request for employees exceeding the maximum working hours (including overtime) permissible by law. This serves as an active control to prevent excessive working hours in our operations.

The Labour Working Committees of the respective sites are responsible for supervising the overall labour practices and human rights practices across our operating site, supply chain, and (if any) significant investment agreements and contracts (such as crucial arrangements for the sourcing of key materials or manpower).

Personnel responsible for managing manpower is periodically updated and trained on acceptable human rights and labour standards, ensuring these standards are upheld within our operations. We also conduct annual Humane Treatment briefing, through which we inform and raise awareness among employees their rights at work and how to escalate or make reports in the event of a violation of labour practices or human rights at work. Any instances of human rights violations or labour-related issues can also be reported in accordance with the guidance in the WBEC Policy.

The Group also carried out various briefing or training addressing topics covering labour practices and human rights such as those addressing harassment and bullying (including sexual harassment), equal opportunities, and labour laws and regulations.

	FY2023	FY2024	FY2025
<b>Total hours trained on labour standards and human rights issues</b>	2,855	3,060	<b>3,485</b>
<b>Percentage of employees trained on labour standards and human rights issues</b>	100%	100%	<b>100%</b>

Independent internal audits overseen by the CSR Management Working Committee are also carried out from time to time to identify any gaps and improvement areas in relation to human rights and labour practices.

Following our third-party assessments and audits in FY2025, we noted no concerning risks relating to human rights violations within our operations. There were no incidents of human rights violations or significant breaches of labour practices reported.

<b>Number of substantiated complaints concerning human rights violations</b>	FY2023	FY2024	FY2025
<b>Unisem Malaysia</b>	0	0	<b>0</b>
<b>Unisem Chengdu</b>	0	0	<b>0</b>

In relation to our supply chain, we screen new and existing suppliers through due diligence and regular reviews to obtain a sufficient understanding of our supply chain and prevent adverse human rights impacts in the value chain. In addition, human rights and labour practices form part of the criteria of SAQ and VAP assessments. The Supply Chain Management Working Committee oversees the social performance and risk management of the supply chain.

Further details of the Group’s management of human rights and labour standards in its supply chain management are available in the “**Supply Chain Management**” section.

### EMPLOYEE DIVERSITY

#### Equal Treatment and Opportunities

Unisem’s principles of equality and no discrimination are incorporated in the COE and aligned with the RBA Code of Conduct. These values are fundamental to creating shared value for our employees and society.

Unisem upholds equal employment opportunities and non-discrimination in its business and operations, especially in our hiring and employment practices such as recruitment, promotion, disciplinary actions, etc. Upholding non-discrimination means that no individual shall be treated unfairly based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information, or marital status.

		Male		Female	
		Permanent	Fixed-term Contract	Permanent	Fixed-term Contract
<b>Unisem Malaysia</b>	<b>2025</b>	<b>1,276</b>	<b>11</b>	<b>1,247</b>	<b>831</b>
	2024	1,173	9	1,096	930
	2023	1,152	17	1,170	815
<b>Unisem Chengdu</b>	<b>2025</b>	<b>511</b>	<b>1,473</b>	<b>621</b>	<b>1,189</b>
	2024	469	1,313	570	878
	2023	402	964	520	738

In Unisem Group, we emphasise the realisation of employees' abilities through appropriate job and position allocation. In this regard, we believe that disabilities in any person shall not prohibit the demonstration and enhancement of their abilities and their contribution to the Group. We also strive to incorporate inclusivity in our business and operation, as well as enhancing accessibility at our offices and sites. As at 31 December 2025, the Group has 16 employees with disabilities.

In Unisem Malaysia, contract-based employees makes up approximately 25% of our workforce and a majority of them are foreign nationals. We provide additional focus on this employee category, ensuring human rights and labour standards assessments and reviews are conducted to prevent discrimination and guarantee the same basic human rights as for all other employees. As we provide accommodation to foreign workers, we ensure the accommodations provided comply with the applicable laws and regulations, such as in the aspect of their living conditions and amenities.

All non-Executives and Operators at Unisem Malaysia are represented by an in-house union irrespective of their nationality, and they are covered under collective bargaining agreements reviewed by the union every three years. Professional expatriates at Unisem Chengdu are primarily employed on a contract basis.

We do not have part-time employees in both Unisem Malaysia and Unisem Chengdu.

Percentage of permanent and contract-based employees		FY2023	FY2024	FY2025
<b>Unisem Group</b>	<b>Full-time permanent employees</b>	56%	51%	51%
	<b>Full-time contract-based employees</b>	44%	49%	49%

# SUSTAINABILITY

## Report

### OUR PEOPLE

Number (Percentage)*	< 30 years old		30 - 50 years old		> 50 years old		Total	
	M	F	M	F	M	F	M	F
<b>Board members</b>	0	0	2	2	5	2	7 (64%)	4 (36%)
	0 (0%)		4 (36%)		7 (64%)		11	
<b>Senior Management</b>	0	0	15	1	33	5	48	6
	0 (0%)		16 (30%)		38 (70%)		54	
<b>Management</b>	0	0	43	22	23	8	66	30
	0 (0%)		65 (68%)		31 (32%)		96	
<b>Executives</b>	134	61	417	270	64	15	615	346
	195 (20%)		687 (72%)		79 (8%)		961	
<b>Non-Executives</b>	837	112	855	363	56	18	1,748	493
	949 (42%)		1,218 (55%)		74 (3%)		2,241	
<b>Operators</b>	497	1,659	286	1,269	11	85	794	3,013
	2,156 (57%)		1,555 (41%)		96 (2%)		3,807	
<b>Total**</b>	<b>3,300 (46%)</b>		<b>3,541 (50%)</b>		<b>318 (4%)</b>		<b>7,159</b>	

Note:

\* The percentage of employees in certain age group/ gender in relation to the total number of employees in the employee category

\*\* Excluding figures in "Board members" category

For historical data of employees in percentage by age group/gender in relation to employee's category, refer to the "Other Sustainability Data and References".

### Diversity & Inclusion Performance

We are committed to fostering an inclusive workplace that values diverse perspectives. In FY2025, we formalised this commitment by introducing our first specific target for gender diversity in leadership, aiming to achieve above 20% women participation in management-level positions.

KPI	Diversity, equity and equality		
	20% of women in management positions		
Target			
Performance	FY2023	FY2024	FY2025
	16.5%	17.7%	24.0%

This fiscal year marked a significant step with the introduction of our inaugural target for women in management, set at 20%.

We are proud to report that we not only met but significantly exceeded this goal, achieving 24.0%. This represents a strong leap forward from 17.7% in FY2024 and 16.5% in FY2023, demonstrating decisive and accelerated progress in our efforts to cultivate a more diverse and inclusive leadership team.

This positive trajectory highlights our focused initiatives on creating equitable opportunities for advancement and our commitment to building a robust pipeline of talented female leaders across the organisation.

As at 31 December 2025, the Group's total employees increased by about 11% to 7,159 mainly in Operators and Non-Executives to support the increased revenue growth this year.

Generally, the proportion of female employees is higher in the Operators category while the proportion of male employees is higher in the category of non-Executives and above. This is attributed to the job nature of the semiconductor manufacturing environment where female production operators are more suited to the dexterity requirement. For non-Executives and above, the diversity spread leans towards more male employees mainly due to limited proportion of women engineers in the field, especially mechanical, electronic and electrical, and computer engineering.

Nevertheless, we guarantee equitable remuneration for all employees, providing compensations and benefits that align with their competency, capabilities, roles and responsibilities, free from discrimination or gender bias. A significant driver of the overall gender disparity is the concentration of male employees in senior roles, resulting in a wider representation gap at the management level and above.

Ratio of Basic Salary	Female			Male		
	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025
<b>Unisem Malaysia</b>						
Senior Management and Management	0.60	0.47	<b>0.43</b>	1.00	1.00	<b>1.00</b>
Executives and Non-Executives	1.00	0.99	<b>0.96</b>	1.00	1.00	<b>1.00</b>
Operators	1.05	0.98	<b>1.39</b>	1.00	1.00	<b>1.00</b>
<b>Unisem Chengdu</b>						
Senior Management and Management	0.63	0.62	<b>0.69</b>	1.00	1.00	<b>1.00</b>
Executives and Non-Executives	1.02	1.13	<b>1.00</b>	1.00	1.00	<b>1.00</b>
Operators	1.03	1.10	<b>1.69</b>	1.00	1.00	<b>1.00</b>

### OCCUPATIONAL HEALTH AND SAFETY

The Group's workplace safety and health policy and priority are governed by the CSR Policy and Safety and Health Policy which are fundamental to our operations.

Unisem Group operates health and safety management systems that are aligned with international standards, which includes processes to enable a risk-based approach incorporating risk identification and assessment, control monitoring and review, and continuous improvement. All our facilities are certified with ISO 45001:2018 Occupational Health and Safety Management System.

Our safety and health practices are governed by formalised policies and procedures which are expected to be complied with by all employees. Any serious violations or breaches of the Group's safety and health policies and procedures can be reported via our reporting mechanisms outlined in the WBEC Policy.

Employees are also encouraged to escalate any safety and health concerns as part of our continuous improvement efforts, as well as early detection of hazards to mitigate risks.

#### Our Occupational Safety and Health Management System

The Health and Safety Working Committee of each operating site is led by the senior management from the respective Facility Departments and comprises members including other Management personnel and representatives of workers involved in day-to-day operations. The participation of worker-level representatives allows us to more effectively pinpoint risk areas and challenges in control implementation.

The Health and Safety Working Committees carry out their responsibilities guided by the Safety and Health Policy, overseeing and monitoring health and safety management, carrying out relevant risk assessments, ensuring the implementation of health and safety action plans, compliance, audits and investigations, and managing complaints and grievances.

The risk assessment follows a Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) approach, where hazards and risk areas are identified considering the nature of tasks, past incidents, competency of personnel in operational activities and monitoring, and existing controls. The process also drives process improvement and initiatives, such as automation initiatives to reduce human contact. HIRARC is conducted annually or as required.

Meetings are generally held monthly. The Health and Safety Working Committee works together with the respective site COOs to provide updates on the committee’s activities and outcomes, such as HIRARC review outcomes, progress of action plans, and management performance of risk indicators. Overall safety performance is also reported to the ESGWC annually.

### **Incident Response**

Policies and procedures are in place to guide employees the appropriate response and actions in the event of incidents. In the event of incidents or accidents, employees shall prioritise their own safety, promptly removing themselves and others from potentially hazardous situations that could lead to injury or illness. Subsequently, they must report immediately to the designated safety officer or individuals in charge of the initiation of emergency responses.

All incidents will be accurately reported, documented, and thoroughly investigated. Corrective actions will be developed, implemented and followed-up until they are satisfactorily resolved. The Health and Safety Committee and the site COO shall be responsible for overseeing and monitoring the resolution.

The Group assures employees that there will be no retaliation for genuine responses and incident reporting carried out in accordance with established policies and procedures. This commitment, including the protection of employees who remove themselves from their work positions to ensure their safety and health, is explicitly outlined in our COE and WBEC Policy.

Incident Response and Reporting of Unsafe or Unhealthy Work Conditions:



### **Employee Safety and Health Monitoring and Support**

We provide healthcare benefits to employees including health screenings, health and safety talks, and access to medical treatment via panel clinics.

In Unisem Chengdu medical facilities are conveniently situated close to industrial parks where our facilities are located. In Unisem Malaysia, we maintain an in-house 24-hour clinic staffed with experienced industrial nurses and visiting doctors for medical consultation and treatment. When needed, Unisem seeks advice from these healthcare professionals to identify and manage occupational safety and health risks arising from our operations.

### **Safety and Health Training**

We actively promote awareness regarding both occupational and non-occupational health and safety for employees, with additional emphasis to ensure that employees exposed to higher safety and health risks, receive comprehensive training to effectively prevent, manage, and navigate workplace hazards.

Our health and safety training programs can generally be categorised into the following:

- awareness training to ensure employees are familiar with the Group’s safety and health management systems and processes;
- customised training for distinct employee groups, targeting specific work activities and the associated health and safety risks.
- general safety and health training, fostering awareness and providing education to employees on both occupational and non-occupational health and safety matters.

Annual safety and health training programs are developed by the Facility Departments taking into consideration HIRARC assessment, incident reports, developments or changes in the operating environment, regulatory environment, and the industry, as well as the overall health and safety performance of the Group.

The topics covered by our safety and health training in FY2025 are summarised as follows:

- Radiation safety and protection
- Machine testing
- Chemical and electrical safety precautions
- Ergonomic and material handling
- Fire and gas Emergency Response Program (“ERP”) procedures
- Hazardous Substance Process Management (“HSPM”)
- Occupational health awareness
- Enterprise safety production management
- Electrostatic protection system
- Safety and fire protection
- Work injury promotion and training
- X-R safety precaution for X-R Handler, X-R Operator and X-R ERT
- Chemical Spillage, Handling & Storage
- Fire Prevention
- ISO Requirement for hazard identification risk assessment risk control
- Safety Culture
- Hazard Identification, Risk Assessment and Risk Control (“HIRARC”)
- Understanding & Awareness on QC080000 Requirements & HSPM
- Safe Work Practices with Hazardous Energy

Number of employees trained on health and safety standards	FY2023	FY2024	FY2025
<b>Unisem Group</b>	6,625	5,896	<b>7,187</b>

### Workplace Safety Performance

In FY2025, the Group recorded 4 major and 7 minor occupational accidents and no fatalities arising from occupational health and safety incidents.

The majority of these incidents were primarily attributed to falls, machine-related injuries, and chemical handling.

	FY2023	FY2024	FY2025
Fatality Rate	0	0	0
Loss Time Incident/Severity Rate ("LTIR")*	6	5	16
Major Occupational Accidents**	4	3	4
Minor Occupational Accidents***	9	9	7
<b>Total Recordable Work-Related Injuries</b>	<b>13</b>	<b>12</b>	<b>11</b>

Note:

\* *Lost Time Incident/Severity Rate is calculated as [(total no. of lost workdays/total no. of man-hours worked) x 1,000,000]*

\*\* *Major Occupational accidents - accidents causing employees to be on medical leave for more than four days*

\*\*\* *Minor Occupational accidents - accidents causing employees to be on medical leave for at least one day to up to four days*

Processes are in place to investigate accidents, and all recordable accidents during the year were investigated to identify their root causes. Where required, action plans were developed and implemented to improve safety controls, such as enhancement to procedures, facility maintenance or upgrades, and further training.

We carry out initiatives for the ongoing enhancement of our safety environment, including on-site management and storage of chemicals, personal protective equipment, rigorous workplace inspections, stringent radiation and monitoring protocols, and comprehensive assessment of machinery and work procedures.

We are pleased to report no recorded cases with high consequence work-related injury\* during the reporting period.

This year, there were 8 cases of temporary hearing impairment, down from 14 last year. In response, we reinforced the correct use of hearing PPE and implemented regular hearing tests for relevant staff.

Note: \* *High consequence work-related injury is an injury that results in a fatality or an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months. (GRI 403 - Occupational Health and Safety 2018)*

### Injury Frequency Rate

We target to maintain our injury frequency rate below 1.50 accidents per million hours worked.

We are pleased to report a significant achievement in our unwavering commitment to workplace safety. In FY2025, our recordable injury frequency rate reached a new low of 0.68. This excellent result was accomplished alongside an increase in our total manpower, demonstrating that our safety culture and systems remain strong and effective even as we grow.

KPI	Injury frequency rate for industrial accidents			
	Target	Injury frequency rate for industrial accidents below 1.50 accidents per million hours worked*		
Performance		FY2023	FY2024	FY2025
		0.93	0.80	0.68

Note: \* Injury frequency rate is calculated as [(total no. of work-related accidents/total no. of man-hours worked) x 1,000,000], as in line with definition by the Malaysian Department of Occupational Safety and Health (“DOSH”)

### COMMUNICATIONS AND ENGAGEMENTS WITH EMPLOYEES

Unisem’s employees are an integral part of our human capital and a crucial stakeholder group with shared interests and dependencies. Guided by our core belief and mindset encapsulated in “We Care, We Can”, we are committed to fostering a mutually beneficial relationship with our employees. In this partnership, we strive to align our interests as closely as possible and maintain transparent communication regarding our objectives and strategies.

Unisem maintains a spectrum of engagement channels, each tailored to specific objectives. These platforms not only serve to motivate employees to actively contribute to our strategic pursuit of operational excellence and continuous improvement but also function as vital feedback conduits. They enable us to gain deeper insights into our employees’ experiences and the challenges they may encounter at work. Moreover, these channels play a pivotal role in nurturing team coordination and fostering a strong team spirit, ultimately facilitating enhanced integration among various functions within the Group.

We view the outcome of the employee engagements as valuable insights which we take into consideration in decision-making. For instance, our materiality assessment and human capital strategies incorporate insights obtained from our employee engagement for better alignment.

In addition, prior to implementing substantial operational changes that could impact employees significantly, we ensure timely and transparent communication. Where deemed necessary and appropriate, we engage in consultation with employees for significant decisions.

Our commitment extends beyond safeguarding the fundamental rights of our employees in areas such as human rights, labour standards, and occupational safety and health. We are equally dedicated to supporting our employees by offering initiatives that improve their livelihoods and foster personal and professional development.

A summary of Unisem’s key employee engagement activities is as follows:



### Grievance Mechanisms

The Human Resources Department oversees an internal grievance reporting mechanism through which employees can voice their concerns or seek clarification on the Management’s decisions and workplace dynamics. This mechanism is designed to facilitate open communication, enabling employees to address workplace disputes and disagreements, with the objective of fostering mutual understanding, aligning interests as much as possible, and developing resolutions to maintain a healthy working relationship among employees, the Management, and the Group.

In addition to addressing day-to-day concerns, our grievance mechanism is committed to handling more severe issues, including serious misconduct and breaches of laws and regulations. Instances such as misappropriation of funds or data, bribery, or kickback arrangements fall under the purview of our whistleblowing mechanism. This ensures that employees have a secure and confidential means to report significant violations, contributing to the maintenance of a transparent and accountable organisational culture.

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility) to view the WBEC Policy or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility>*

### EMPLOYEE WELFARE

Our talent attraction and retention strategies are underpinned by a commitment to employee well-being. We offer competitive compensation and benefit packages that are benchmarked against industry standards and evolving market conditions. In addition to statutory benefits such as medical insurance, social security coverage, we provide additional insurance coverage and welfare programs designed to support the holistic livelihood of our employees.

These key compensation and benefits are summarised as follows:

COMPENSATION AND BENEFITS			
Benefits Required by Law		Insurance / Medical Coverage	
Unisem Chengdu	Unisem Malaysia	Unisem Chengdu	Unisem Malaysia
<ul style="list-style-type: none"> <li>• social insurance</li> <li>• housing funds</li> <li>• annual, sick, marriage, funeral, maternity and paternity leave</li> <li>• contractual bonus in line with local regulations</li> </ul>	<ul style="list-style-type: none"> <li>• minimum wages order</li> <li>• contribution to the employees’ provident fund, in line with local regulations</li> <li>• contribution to employees’ social security</li> <li>• provision of annual leave and other leaves</li> </ul>	<ul style="list-style-type: none"> <li>• social insurance</li> <li>• commercial insurance</li> </ul>	<ul style="list-style-type: none"> <li>• personal accident insurance coverage</li> <li>• child delivery subsidies</li> <li>• medical benefits for outpatient, specialist and hospitalisation</li> </ul>

These employee welfare and benefits further support our objective to cultivate a supportive work environment, through offering career satisfaction, fair remuneration, work-life balance, and ongoing personal and professional development.

At our operating sites, we have services, facilities, and amenities including universally accessible car parks for individuals with disabilities, dedicated mother’s rooms, recreation and sport facilities, and ample resting areas including dedicated spaces for female employees. The operating sites also hold sport and recreation programs from time to time to ensure employees engage in active lifestyles and work-life balance. The recently completed Gopeng Plant is also equipped with bicycle lanes and walkways to provide a “walkable” and low-carbon factory compound.

Employee welfare and benefits related topics also form part of the Group’s employee engagement topics to gain insight into employees’ needs and how the Group is able to support them.

#### FACILITIES AND PRIVILEGES

##### Unisem Malaysia

- |                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• surau</li> <li>• 24-hour canteen</li> <li>• mini mart operated by Koperasi Pekerja-Pekerja Unisem (M) Berhad</li> <li>• gated parking space</li> <li>• library</li> <li>• in-house clinic with full-time industrial nurses</li> <li>• dedicated lactation room for breastfeeding mothers</li> </ul> | <ul style="list-style-type: none"> <li>• hostel for operators who do not have homes in Ipoh</li> <li>• dedicated parking spaces for our special needs employees (those with disabilities) and pregnant women</li> <li>• dedicated rest area for female workers</li> <li>• employees are entitled to a salary advance of up to 35% of their monthly salary during festive periods. Flexible working hours are also made available to support a healthy work-life balance</li> </ul> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

##### Unisem Chengdu

- |                                                                                                                                                                                                        |                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• gated parking space</li> <li>• dedicated lactation room for breastfeeding mothers</li> <li>• hostel for operators who do not have homes in Chengdu</li> </ul> | <ul style="list-style-type: none"> <li>• dedicated parking spaces for our special needs employees (those with disabilities) and pregnant women</li> <li>• dedicated rest area for female workers</li> </ul> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### SPORTS & RECREATION List of Activities / Event Organised

##### Unisem Malaysia

- Chinese New Year celebration - Lion Dance
- Perak Association For Intellectually Disabled (“PAFID”) Food Fair and Charity Run
- Inter-department activities - Bowling Competition, Archery Competition, contest on Ketupat Braiding
- Hari Raya Celebration - Let’s Eat Lemang
- Deepavali Celebration
- Christmas Celebration

##### Unisem Chengdu

- Inter-department activities - Flower Arrangement, Work Safety Month Campaign, and Mosaic Candle Holder Making Workshop
- Sports Day
- Quality Month Campaign Annually Appreciation Dinner
- Technical Improvement Commendation Conference Smart Manufacturing Contest
- Joyful Wellness Running Activity

#### EMPLOYEE DEVELOPMENT

The development of talents, skills, and experience is significant to the success of the Group’s strategic priorities and long-term objectives. Amongst the key qualities include the abilities and skillsets to optimise operational efficiency, manage relationships with business partners, innovate and keep up with the industry and the market. Comprehensive and ongoing employee development and training programs continued to be one of Unisem’s key focuses in human capital management.

In addition to key skills and ability training, we also provide training for employees to equip them with the requisite skills and knowledge to effectively fulfil their roles and responsibilities. Management and supervisory level personnel are also provided with training that aims to enhance their capabilities in managing people and teams, addressing complex workplace issues, and their leadership skills.

Our employee training strategy also includes nurturing new talents to support the business’ longer-term talent and skill requirements, as well as supporting the career and professional development of our employees. We are supportive of each employee’s holistic personal and professional development.

At Unisem, our training programs encompass both technical and non-technical aspects, including training that focuses on functional competencies, professional needs, operational job requirements, industry demands, and the development of essential interpersonal, team, and leadership skills, amongst others.

In line with the Group's CSR Policy and alignment with the values of the RBA Code of Conduct, our training program also incorporates environmental and social topics such as carbon emissions, human rights, ethics, and labour practices. Awareness of these topics are increasingly important as these considerations are integrated into business operations and the supply chain, particularly in the semiconductor industry. We also aim to develop an ethical, environmentally, and socially conscious workforce, beyond technical proficiency.

#### Training Assessment Needs

The Group's employee training program is developed to address training needs which are identified through collaborative efforts between the Training Department and the heads of relevant departments. The training needs assessment takes into consideration the Group's overall strategic priorities, business and operation needs, industry trends, the performance of the Group, functions, and individuals, and the individual's career aspirations.

We derive these considerations from our various employee engagement activities such as annual performance appraisals for all employees and informal discussions with employees as well as business performance reviews and Management meetings to ensure our training program facilitates a holistic development of our workforce. Training schedules are developed and reviewed annually and monitored for implementation.

The Group's employee training hours by employee category are summarised as follows:

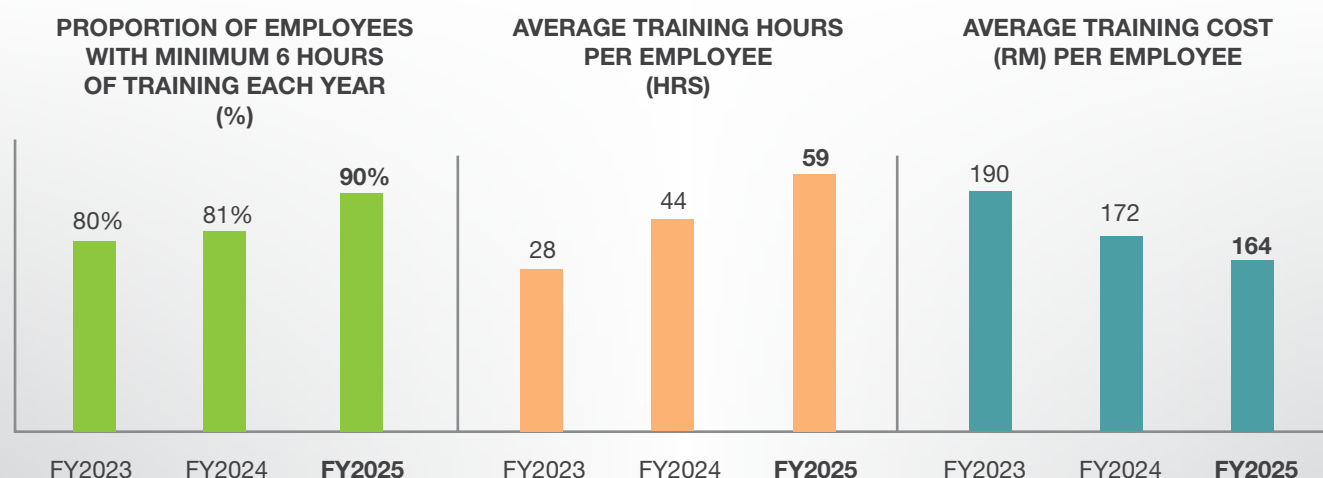
Total number of training hours – by employee category	FY2023	FY2024	FY2025
<b>Senior Management and Management</b>	4,071	4,008	<b>3,814</b>
<b>Executives</b>	30,050	33,945	<b>43,683</b>
<b>Non-Executives</b>	44,181	73,275	<b>109,129</b>
<b>Operators</b>	83,214*	169,593	<b>263,284</b>

Note: \* Reduction in total training hours was due to low intake during the year

We have set a target to provide at least 6 hours of training to at least 75% of our employees in the positions of Non-Executives and above. We are pleased to report a three-year record high in our employee engagement, which reached 90.4%. This result reflects a strong, committed, and aligned workforce. This investment in skills is designed to enhance individual capability and strengthen our overall organisational performance.

	FY2023	FY2024	FY2025
<b>Percentage of employees achieving minimum 6 training hours</b>	79.5%	81.2%	<b>90.4%</b>

Note : Operators are not included in the target for training hours because operators are employed on a short-term basis (contract duration of 2 years on average)



Overall, we recorded a total of 419,910 training hours in FY2025 breakdown as follows:

Average training hour per employee - by employee category	FY2023	FY2024	FY2025
Senior Management	3.31	17.41	15.27
Management	45.30	35.26	31.14
Executives	35.27	37.72	45.46
Non-Executives	22.74	35.61	48.70
Operators	23.39	50.79	69.16

Average training hour per employee - by gender	FY2023	FY2024	FY2025
Male	38.32	46.60	67.63
Female	22.36	41.08	51.10
<b>Total training hours</b>	<b>161,516</b>	<b>280,821</b>	<b>419,910</b>
<b>Total man-hours worked</b>	<b>13,975,392</b>	<b>15,025,614</b>	<b>16,281,855</b>

#### Training programs and topics

The following table summarises the types of training programs we provided to employees in FY2025:

Types of Training Programmes	Description of Training
<b>New Employee Program</b>	To familiarise new employees with all aspects of the business, including operations, strategies and expectations. This programme also includes quality, environmental, health and safety awareness as well as our expectations for ethical conduct.
<b>Quality Courses</b>	Focusing on the need to build quality and reliable products and subsequently on-time delivery to customers.
<b>Technical Courses</b>	Keeping abreast with the latest, state-of-the-art equipment and methodologies.
<b>Employee Rights and Remuneration Strategies</b>	Ensuring relevant personnel are well-informed on the amendments to the Employment Act 1955 and the associated rights of employees, and talent retention strategies through remuneration packages.
<b>Safety and Health</b>	Complying with legal and occupational regulations and workplace safety and health
<b>Environmental and Climate Change</b>	Heightening awareness and caring for the environment to make our surroundings a better place to live-in. Includes understanding science-based target approach to manage climate change risks and carbon reporting.
<b>Ethics, Anti-Corruption &amp; Disciplinary</b>	Educating employees on our COE, anti-corruption and disciplinary measures.
<b>Soft Skills - Motivational/ Leadership/Supervisory</b>	Development of leadership skills and personal effectiveness of our staff to better manage the complex and diverse people management challenges.
<b>Statistical - Design of Experiment, Statistical Process Control, Statistical Method etc</b>	Performing statistical techniques and analysis to promote engineering excellence in process and product development for engineering staff.
<b>IT Courses - Network Security, Programming</b>	Continuous enhancement of IT security platforms and systems.
<b>Specific Requirements (e.g. RBA/TS16949/ ISO14001/ISO45001/SST/ X-Ray/HC080000 etc.)</b>	Catering to the needs of customers, regulatory agency/government and international standards. Includes updates pertaining to the RBA Code of Conduct and updated requirements.

#### MEASURING EMPLOYEES' SATISFACTION

##### Employee Climate Survey ("Survey")

One of the Group's key employee engagement objective is to understand employees and seek their feedback on whether their expectations with regard to our working environment and relationships are met. Both formal and informal channels are established for this purpose. We also actively encourage employees to provide constructive feedback and suggestions to enhance the Group's working environment, operations, and relationship with employees.

The Group's Employee Climate Survey is conducted in both Unisem Malaysia and Unisem Chengdu, respectively, as a platform for employees to assess the Group and to express their views, including in the aspects of Management's leadership, job satisfaction, career development, employee welfare and benefits, and communication effectiveness. The Employee Climate Survey is carried out annually.

Based on the outcome of the survey, we analyse and determine areas where we have performed well, as well as areas requiring improvement, which are accompanied by enhancement plans and implemented and monitored by the respective personnel-in-charge. The survey outcomes are also shared with the site COO and the relevant Management personnel such as heads of functions and departments will be informed.

Last year, a series of targeted improvements were rolled out to boost employee morale, focusing on areas such as canteen offerings and reward systems. These efforts have brought our FY2025 employee satisfaction score to 3.76, placing us within close reach of our 3.80 target (out of 5.0). We are committed to building on this progress and will take further action to meet the target.

KPI	Employee Climate Survey		
	To achieve employee satisfaction score of >3.80 out of 5.0		
	FY2023	FY2024	FY2025
Target			
Performance	3.75	3.65	<b>3.76</b>

##### New Hire and Retention

Availability and stability of workforce continues to be an ongoing challenge to the industry, as well as the business. In alignment with our strategic priorities, the Gopeng Plant is designed to operate with greater efficiency, reducing reliance on manpower and associated costs. The Group also continued to review its production processes, streamline workforce allocation, and invest in automation technologies. Nonetheless, ongoing efforts continued to be placed in manpower management.

In addition to action plans to improve employee satisfaction, we continued to carry out active hiring and strengthen employee retention efforts.

The table below summarises the Group's total number of employees' turnover by category:

Employee Category	FY2023	FY2024	FY2025
Senior Management and Management	18	9	19
Executives	83	67	81
Non-Executives	303	248	254
Operators	908	1,116	1,181
<b>Total</b>	<b>1,312</b>	<b>1,440</b>	<b>1,535</b>

The new hire rates and turnover rates of Unisem Malaysia and Unisem Chengdu by age group and gender, respectively, are as follows:

FY2025	< 30 years old	30 - 50 years old	> 50 years old	Male	Female	Total
<b>New Hire Headcount (New Hire Rate)*</b>						
<b>Unisem Malaysia</b>	599 (84.0%)	104 (14.6%)	10 (1.4%)	283 (39.7%)	430 (60.3%)	713 (21.2%)
<b>Unisem Chengdu</b>	1,871 (78.2%)	518 (21.6%)	4 (0.2%)	1,172 (49.0%)	1,221 (51.0%)	2,393 (63.1%)
<b>Turnover Headcount (Turnover Rate)*</b>						
<b>Unisem Malaysia</b>	393 (70.3%)	129 (23.1%)	37 (6.6%)	184 (32.9%)	375 (67.1%)	559 (16.6%)
<b>Unisem Chengdu</b>	1,395 (77.0%)	407 (22.5%)	10 (0.5%)	958 (52.9%)	854 (47.1%)	1,812 (47.8%)

Note: \* New Hire Rate and Turnover Rate are calculated using the total number of employees, with respect to the corresponding category (i.e. age or gender), at the respective sites at the end of the financial year as denominators

For historical data of new hire headcount (new hire rate), refer to the “**Other Sustainability Data and References**” section.

KPI		Annual Turnover Rates		
Target*	<b>Unisem Malaysia</b>	Annual turnover rate below 25%		
	<b>Unisem Chengdu</b>	Annual turnover rate below 45%		
Performance		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
	<b>Unisem Malaysia</b>	14.0%	14.5%	<b>16.6%</b>
	<b>Unisem Chengdu</b>	33.2%	30.2%	<b>47.8%</b>

Note : \* Annual turnover rate targets are different for Unisem Malaysia and Unisem Chengdu due to cultural and country differences.

The company recorded an increase in its overall staff turnover rate for FY2025, reflecting dynamic labour market conditions and the competitive nature of talent retention across our industry and operating regions. This outcome was driven by a rise in the turnover rate at Unisem Chengdu to 47.8%, which exceeded its target of below 45%, offsetting the achievement of our target to keep turnover below 25% in Unisem Malaysia.

We are proactively addressing this trend through a renewed focus on our core human capital strategies. This includes reviewing our compensation frameworks, enhancing career progression pathways, and optimising workplace policies to ensure we remain an employer of choice.

In FY2025, 853 employees received Unisem’s long service awards which are awarded to employees upon their milestone anniversaries - the 5th, 10th, 15th, 20th, 25th, and 30th years of service.

We continue to with our employees to create a supportive and fulfilling working environment, as well as carrying out our duties as a responsible employer. We are also proud to highlight that, since inception, we have not had a single retrenchment exercise.

#### LOCAL COMMUNITIES

Both Unisem Malaysia and Unisem Chengdu operate within local industrial parks, with Unisem Malaysia having residential developments in proximity to the industrial park and our facilities. In defining our “local community” we extend our consideration beyond immediate surroundings to encompass the broader local economy and communities at the state and national levels.

We believe that it is important to maintain a positive relationship with the surrounding communities, and thus we adopt a local community engagement approach and framework that are guided by the following objectives:

1. **Responsible Corporate Citizenship:** We aspire to be recognised as a responsible corporate citizen who actively reinvests in the societies and communities where we operate.
2. **Promoting Awareness of the Less Fortunate:** We aim to promote recognition and awareness of the less fortunate within the community, fostering a sense of social responsibility.
3. **Wellbeing Support:** We are committed to supporting programs that enhance the overall wellbeing of the community, with a specific focus on the wellbeing of our employees residing in the community.

We have designated personnel serving as contact points and established grievance channels that are easily accessible to the local community as a platform to raise concerns and feedback.

These channels and initiatives underscores our commitment to maintaining open lines of communication with our local community. They are important communication tool for addressing arising issues and the development of positive and mutually beneficial relationship with the local community.

#### Youth Development

Our trainee programs have become increasingly relevant to the Group’s business strategy, which aims to focus on developing talents and skills, for the industry as well as our business.

We collaborate with local universities and polytechnic institutions for our trainee programs. In addition to providing opportunities to young talents to gain experience and cultivate interest in our industry, we also take the opportunity to identify the talents and skills with the potential to support and contribute to the business in the longer term.

Our trainee programs span about 3 to 6 months long, providing experience across various functions including Assembly, Final Test, Quality Assurance, Engineering, Maintenance, Finance, Management Information Systems, and Human Resources. These initiatives provide trainees with invaluable real-life, hands-on experiences, enriching their understanding of our industry and enhancing their career prospects.

In addition, we also carry out the Graduate Engineer Program which was first introduced in 2023 to recruit fresh graduates from local universities and putting them through a series of functional and process rotation from operators to engineering and cross functional roles. The program allows our new recruits to gain holistic understanding of operations and the relevant challenges, while enabling a more comprehensive career development. All graduate engineers are assigned experienced and competent mentors to guide them throughout the program.

In FY2025, 133 trainees participated in Unisem Group’s internship program, where 27 individuals were offered full-time employment subsequent to the completion of their program. In addition, we recruited 14 graduate engineers through the Graduate Engineer Program during the year.

### Contribution to Society

We acknowledge our corporate responsibility to support and uplift the local communities, especially those vulnerable and in need. We place priority in the promotion of education, safety and health, civic activities, sports and recreation, and this focus is subject to annual review considering alignment with the evolving community needs and considering the engagement outcomes of the Group’s initiatives. The Group’s motto - **“WE CARE, WE CAN”** further extends to our corporate responsibility beliefs and is incorporated in the Group’s overall community contribution directions.

The Group’s community contribution initiatives are carried out in various forms including monetary contribution, donation of goods, and employee volunteerism. We encourage diverse modes of contribution, including employee volunteerism, as we believe in the promotion of togetherness in society and the development of empathy and mutual support.

A CSR Event Calendar is developed to plan our annual CSR events in accordance with the community investment strategy. These include our month CSR activities, ESG sharing or briefing sessions including topics on ethics, compliance, and safety, health talks, and Earth Day participation, amongst others.

In Malaysia, we have a “Charity Corner” initiatives that continued to be carried out to encourage employees’ contribution of items, where the daily necessity required by the local community is listed on a dedicated corner and employees will volunteer to purchase any of the listed items.

Held on 15 December 2025 with the Perak Traffic Police (“PDRM”), our Road Safety & Awareness Program was a resounding success. From engaging talks by PDRM and Social Security Organisation (“SOCSO”) to the crowd-favourite Motorcycle Gimmick Show, it was a day of impactful learning. We were honoured to have the Chief Police Officer of Perak grace the event alongside our leadership. Together, we’re building a safer community.

Some of the community events carried out during FY2025 include donations and goods to support vulnerable communities including orphanages, homes for people and children with disabilities, homes for the elderly, schools, and sports events.

This year, we deepened our commitment to social responsibility through a major outreach initiative supporting 17 charitable organisations across Ipoh. This achievement marks a significant increase from our initial target of 12 events. With a combined contribution of RM76,000 from the company and our employees, we provided essential aid and hands-on support to hundreds of beneficiaries, including children, the elderly, and individuals with special needs. Our team volunteered their time for activities, workshops, and facility improvements at various homes and care centres, strengthening our bonds with the local community and making a tangible, positive impact in Perak. In FY2025, we contributed approximately RM76,000 in various forms of contribution for 516 beneficiaries. In addition, our employee contributed about 2,902 hours in participants’ volunteering hours in our community support activities.

KPI Target	Contribution to Society and Communities		
	To continue our contribution and deliver CSR support, targeting a minimum of 12 events		
	FY2023	FY2024	FY2025
Performance	12	12	17

	FY2023	FY2024	FY2025
Total amount invested where the target beneficiaries are external to Unisem (MYR’000)	80	1,118	76
Total number of beneficiaries of the investment in communities	26*	666*	516

Note: \* Effective data collection began in FY2024, as beneficiary information was only gathered starting at the end of FY2023

# SUSTAINABILITY

## Report

### THE ENVIRONMENT

We adopt a precautionary approach to address any potential adverse environmental effects resulting from our operations, recognising the challenging nature of reversing environmental impacts. Our goal is to minimise our environmental footprint, a commitment explicitly outlined in Unisem’s CSR Policy, guiding our business decisions and processes.



#### Relevant Sustainability Matters

**M5**  
Energy

**M10**  
GHG  
Emissions

**M12**  
Waste and  
pollution  
management

**M14**  
Water  
Management

**M15**  
Climate  
resilience

#### Relevant SDGs:



#### Sustainability Performance Highlights

- Missed our target of 15% reduction in GHG emission intensity - FY2025: 3.0% reduction
- Missed our target of 10% reduction in energy intensity - FY2025: 2.8% increased
- Exceeded our target of 80% reduction in water consumption intensity by 82% reduction
- Recycled 65% of hazardous waste compared to a target of 55%
- Compliant with air emissions laws and regulations
- Compliant with effluents and wastewater discharge regulations

#### OUR ENVIRONMENTAL MANAGEMENT APPROACH

The Group’s environmental management practices are guided by an Environmental Policy outlining our commitment to the conservation of natural resources, energy efficiency, environmental pollution reduction, proper handling of hazardous substances, and initiatives for recycling and reuse. It serves as a principal guidance for the environmental management and operations of all sites, in alignment with the RBA Code of Conduct. All the Group’s production sites are certified with ISO14001:2015 Environmental Management System and are subject to regular independent audits, including SAQ, VAP, customer audits, and internal audits.

We are committed to complying with the environmental standards and maintaining and pursuing improvements in our environmental management efforts. Unisem fully acknowledges its responsibility to properly manage waste to minimise the negative impacts to the environment and the detrimental effects on air, water, and soil quality as well as risks of hazardous material exposure to employees and the surrounding communities.

The site’s environmental management and performance are overseen by the respective Environmental Working Committee, including compliance with environmental laws, regulations, codes, standards, and overall alignment with Unisem’s commitments. Environmental performance is assessed by the Site Working Committees (“SWCs”) and reported annually to the Board through the ESG Committee.

*See how we are assessed for environmental impacts. [Click here](#) or go to page 114 for Our RBA Obligations.*

Like social matters, key supply chain partners are required to adhere to the RBA Code of Conduct as well as to comply with applicable environmental laws and regulations in relation to environmental matters. The Supply Chain Management Working Committees of the respective sites are responsible for overseeing periodic supplier audits and the overall environmental performance of the supply chain.

*See how we manage our supply chain. Click [here](#) or go to page 116 for Supply Chain Management.*

#### Addressing Climate Change

The Group acknowledges that, in relation to climate change, businesses need to safeguard and develop the resilience of their business to become sustainable; on the other hand, businesses also have the responsibility to work towards combating climate change.

This year, Unisem continued to enhance its assessment of climate-related financial impact to analyse the Group’s business resilience in the context of different possible climate scenarios in the future. These efforts also form part of the Group’s alignment with the IFRS S2 climate-related disclosures required by the MMLR.

*See our climate-related financial disclosures. Refer to page 76 for Climate-related Financial Disclosures.*

Unisem is supportive of the Paris Agreement’s objective to limit well below 2°C above pre-industrial levels and to limit the temperature increase to 1.5°C above pre-industrial levels, as well as the commitment of Malaysia to achieve net zero by 2050. In alignment with these aspirations, the Group formalised its Net Zero by 2050 through the establishment of the Group’s Climate Change Commitment Statement. The Net Zero target applies to absolute, net Scope 1 and Scope 2 emissions of the Group, including all subsidiaries, and covers all 7 GHGs referred to in the GHG protocol, i.e. CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>. The Group aims to reduce direct and indirect emissions intensity in the medium term and aims to reduce absolute emissions in the long term. We may also consider using carbon credits to offset residual emissions to achieve the Net Zero target.

Unisem Group has established a Climate Change Commitment Statement to outline our commitment to achieving Net Zero by 2050, actively working to reduce our direct and indirect emission intensity in the medium term, with the ambition of reducing absolute emissions in the long term.

The Group’s approaches to managing its climate goals are multi-faceted and are summarised as follows:

Key Aspect	Description
<b>Environmental Stewardship</b>	Unisem’s commitment to responsible resource utilisation, energy efficiency, pollution mitigation, and hazardous substance management. Full certification of operational sites with ISO14001:2015 and alignment with RBA Code of Conduct.
<b>Climate Change Commitment</b>	Acknowledgment of the importance of addressing climate change. A commitment to achieving carbon neutrality by 2050, with active plans to reduce direct and indirect emission intensity.
<b>Renewable Energy Integration</b>	Exploration of avenues for transitioning to a low-carbon energy supply, including on-site renewable energy and collaboration with ecosystem partners.
<b>Energy Efficiency and Conservation</b>	Implementation of energy-efficient technologies across operations, including efficient cooling, lighting, solar power, ventilation systems, and continuous improvement in energy intensity metrics.

Key Aspect	Description
<b>Sustainable Supply Chain Management</b>	Collaboration with suppliers to encourage sustainable practices, prioritising those with strong environmental commitments. Efforts to minimise the environmental impact of collective operations.
<b>Water Stewardship</b>	Continuous exploration of innovative technologies to reduce emissions and enhance energy efficiency. Partnerships with service providers and organisations for the deployment of climate-friendly technologies.
<b>Employee Engagement and Education</b>	Employee education and training on climate change, sustainability, and their role in achieving climate goals. Opportunities for employees to contribute ideas and expertise to sustainability initiatives.
<b>Transparency and Reporting</b>	Commitment to transparent reporting of progress towards climate goals, including relevant indicators for stakeholders and adherence to evolving regulatory recommendations.

*Click [here](https://www.unisemgroup.com/company-info/corporate-social-responsibility) to view our Climate Change Commitment Statement or visit our website at <https://www.unisemgroup.com/company-info/corporate-social-responsibility>*

Any violations or breaches can be reported via the WBEC Policy. We are pleased to report that there were no significant cases of non-compliance with environmental laws or regulations or fines in FY2025.

### Unisem Group's Environmental Roadmap

We chart the Group's environmental targets initiatives using a 5-year Environmental Roadmap that highlights our priorities in various environmental topics including climate change, water, waste, compliance, knowledge, and certification. The priorities are established by considering global trends, available technologies, stakeholder input from customers and regulators, and advice from environmental experts.

The Environmental Roadmap focuses on the following objectives:

1. Enhancement of awareness and education of stakeholders on environmental compliance;
2. Identification of continuous improvement projects in the reduction of industrial waste and water management;
3. Climate change - achieving Net Zero by 2050; and
4. Compliance with environmental regulatory and international standards.

Initiatives	Programs	Unisem Environmental Roadmap (5-year Plan)				
		FY2023	FY2024	FY2025	FY2026	FY2027
Climate Change	Energy Saving Program (Scope 2 emission)	Assessment for Green Building Certification in Malaysia – Simpang Pulai Plant	Obtain Green Building Certification in Malaysia - Gopeng Plant	Obtain Green Building Certification in Malaysia - Simpang Pulai Plant	N/A	N/A
		Reduction in energy intensity by 5% against 2020 baseline	Reduction in energy intensity by 10% against 2020 baseline	Reduction in energy intensity by 10% against 2020 baseline	Reduction in energy intensity by 15% against 2020 baseline	Reduction in energy intensity by 15% against 2020 baseline
		Reduction in GHG intensity by 5% against 2020 baseline	Reduction in GHG intensity by 10% against 2020 baseline	Reduction in GHG intensity by 15% against 2020 baseline	Reduction in GHG intensity by 15% against 2020 baseline	Reduction in GHG intensity by 15% against 2020 baseline
		Replacement of old chilled water management system to energy saving system in Simpang Pulai Plant, Malaysia. (Improve HVAC)	Replacement of old chilled water management system to energy saving system in Simpang Pulai Plant, Malaysia. (Improve HVAC)	N/A	N/A	N/A
		Improve HVAC chilled water system COP (Coefficient of performance) by retrofitting old chiller set up c/w incorporating control algorithm to ensure chillers operates at optimum efficiency in Chengdu Plant, China.	Improve HVAC chilled water system COP (Coefficient of performance) by retrofitting old chiller set up c/w incorporating control algorithm to ensure chillers operates at optimum efficiency in Chengdu Plant, China.	NA	N/A	N/A

		Unisem Environmental Roadmap (5-year Plan)				
Initiatives	Programs	FY2023	FY2024	FY2025	FY2026	FY2027
Climate Change	Energy Saving Program (Scope 2 emission)	NA	Reduction on energy usage by recycling sawing water for cooling tower usage - Chengdu Plant Phase 1	Reduction on energy usage by recycling sawing water for cooling tower usage - Chengdu Plant Phase 2	Reduction on energy usage by recycling sawing water for cooling tower usage - Chengdu Plant Phase 3	N/A
		NA	Upgrade and retrofit compressed air network pipeline at Chengdu Plant Phase 1 to improve the system efficiency and eliminate distribution pressure losses.	Upgrade and retrofit compressed air network pipeline at Chengdu Plant Phase 2 to improve the system efficiency and eliminate distribution pressure losses.	Upgrade and retrofit compressed air network pipeline at Chengdu Plant Phase 3 to improve the system efficiency and eliminate distribution pressure losses.	N/A
		Installation of solar streetlight at employees' car park - Simpang Pulai plant, Malaysia	Installation of solar energy harvesting system for main guard house in Simpang Pulai plant, Malaysia.	Installation of solar streetlight at perimeter road - Simpang Pulai plant, Malaysia.	NA	N/A
		N/A	Installation of solar energy harvesting system in Malaysia - Gopeng Plant Phase 1	NA	NA	N/A
		Air Emission	Compliance with Air Emission Standard	Compliance with Air Emission Standard	Compliance with Air Emission Standard	Compliance with Air Emission Standard

# SUSTAINABILITY

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### THE ENVIRONMENT

Unisem Environmental Roadmap (5-year Plan)						
Initiatives	Programs	FY2023	FY2024	FY2025	FY2026	FY2027
Water Management	3R Programs - Reuse, Reduce & Recycle	N/A	Implement Reverse Osmosis System for De-ionized and chilled water – Simpang Pulai Plant Phase 1, Malaysia	Implement Reverse Osmosis System for Delonized and chilled water – Simpang Pulai Plant Phase 2, Malaysia	Upgrade compressed air network pipeline at Simpang Pulai Plant Phase 3, Malaysia to improve the system efficiency and eliminate distribution pressure losses.	N/A
		Reduction in Water Consumption Intensity by 5% against 2020 baseline	Reduction in Water Consumption Intensity by 10% against 2020 baseline	Reduction in Water Consumption Intensity by 80% against 2020 baseline	Reduction in Water Consumption Intensity by 80% against 2020 baseline	Reduction in Water Consumption Intensity by 80% against 2020 baseline
		N/A	To recycle sawing water for cooling tower usage - Chengdu Plant Phase 1, China	To recycle sawing water for cooling tower usage - Chengdu Plant Phase 2, China	To recycle sawing water for cooling tower usage - Chengdu Plant Phase 3, China	N/A
		N/A	Rainwater harvesting system for process cooling tower in - Gopeng Plant Phase 1, Malaysia.	Rainwater harvesting system for process cooling tower - Simpang Pulai Plant Phase 1, Malaysia.	Rainwater harvesting system for process cooling tower - Simpang Pulai Plant Phase 2, Malaysia	Rainwater harvesting system for process cooling tower - Simpang Pulai Plant Phase 3, Malaysia.
Industrial Waste Reduction	3R Programs - Reuse, Reduce & Recycle	Hazardous Waste recycling 52%	Hazardous Waste recycling 52%	Hazardous Waste recycling 55%	Hazardous Waste recycling 60%	Hazardous Waste recycling 60%
		Non-Hazardous Waste recycling 60%	Non-Hazardous Waste recycling 60%	Non-Hazardous Waste recycling 60%	Non-Hazardous Waste recycling 65%	Non-Hazardous Waste recycling 70%
	Effluent Waste Management	Compliance with Industrial Effluent Standard				

Initiatives	Programs	Unisem Environmental Roadmap (5-year Plan)				
		FY2023	FY2024	FY2025	FY2026	FY2027
	Certification in environmental-related competencies	Full compliance with competent personnel requirement - Scrubber, Wastewater Schedule Waste, Dust Collector, Sewage Treatment Plant				
		ISO14001, ISO45001 & QC080000 awareness and legal compliance register				
<b>Education / Development Awareness / Certification</b>	Heighten Awareness of employees & stakeholders on Environmental Matters & Management	N/A	Training for Internal Auditors on Environmental Matters & Management Compliance	N/A	Training for Internal Auditors on Environmental Matters & Management Compliance	N/A
		Training on environmental-related subjects for Board, employees and related stakeholders				
<b>Compliance with Standards/Product Stewardship</b>	Compliance and Declaration on Green requirements (e.g.: RoHS, REACH and other customer requirements) and continuous improvement in order to promote environmentally friendly products	ISO14001, ISO45001, QC080000 & ISO 14064 Certification Sony Green Partner RBA Compliance Customer Compliance QBR				

### ENERGY MANAGEMENT, CLIMATE CHANGE, AND AIR EMISSIONS

The reduction of energy intensity and emissions intensity represent the Group's key focus areas in addressing climate change. The management of the Group's energy intensity and emissions intensity directly impacts the Group's cost-competitiveness, and it also prepares the Group for a gradual but expected transition to a lower carbon economy, in line with current overall government policies.

In terms of energy, electricity is our primary source of energy and is also a significant contributor to the Group's Scope 2 Emissions. Electricity cost also has a notable significance to our profit margins.

Overall, the Group focuses on pursuing energy efficiency through ongoing assessment, maintenance, and upgrades of our equipment and lighting systems. We also have invested in heat recovery systems and control systems to optimise our energy use.

During FY2025, we carried out an assessment to analyse the energy efficiency of our equipment in the Simpang Pulai Plant and, based on the outcome. We initiated a series of action plans to replace older equipment as well as redesigning the layout of certain processes as part of our strategic plan to develop the Simpang Pulai site to become a Centre of Excellence.

The Group has planned investments into initiatives intended to elevate the Simpang Pulai site's energy efficiency through the streamlining of functions and retrofitting of equipment. Concurrently, efforts are focused on boosting production activities at the Gopeng Plant, a facility designed for efficient operation.

At Unisem Chengdu, we also continued to retrofit older, less efficient equipment such as air cabinet, cooling tower, and compressors and dryers.

Unisem Malaysia, Gopeng Plant has been awarded the Green Building Certificate with Silver Status, issued by GreenRE. Our production operations incorporate the use of renewable energy in different ways. In Unisem Chengdu, we have chosen to purchase electricity derived from a higher percentage of renewable sources, which essentially contributes to a lower market-based Scope 2 emissions compared to other power providers. In Unisem Malaysia, our Gopeng Plant is designed with extensive PV power generation system which is expected to reduce our reliance on non-renewable energy.

### Energy Consumption and Energy Intensity

In Unisem Group, energy consumption primarily involves:

- **Diesel and Petrol** - mainly used in company vehicles and fleet (e.g. forklifts and company cars);
- **Natural Gas** - used in boilers and generator sets;
- **Liquified Petroleum Gas** - used in the kitchen for meal preparation;
- **Purchased Electricity** - constituting more than 95% of the Group's energy consumption and GHG emissions. Electricity for Unisem Chengdu is supplied under a renewable energy contract with an electricity company in China, where approximately 40% of electricity purchased is derived from renewable energy.

The Group does not engage in the sale of electricity, heating, cooling, or steam. The Group's energy consumption is summarised as follows:

Annual energy consumption	FY2023 (GJ)	FY2024 (GJ)	FY2025 (GJ)
<b>Energy source</b>			
Liquid Petroleum Gas ("LPG")	942	1,140	1,425
Diesel	347	446	448
Petrol	2,775	1,966	2,628
Natural Gas	24,198	20,861	40,718
Purchased Electricity	746,038	783,217	925,125
<b>Total Energy Consumed</b>	<b>774,301</b>	<b>807,630</b>	<b>970,344</b>
<b>Breakdown by operating site:</b>			
Unisem Malaysia	427,158	414,895	496,531
Unisem Singapore	N/A	N/A	14
Unisem Chengdu	347,143	392,735	473,799

Annual energy consumption	FY2023 (GJ)		FY2024 (GJ)		FY2025 (GJ)	
<b>Breakdown by type of energy:</b>						
Renewable Energy	189,884	25%	196,858	24%	184,250	19%
Non-Renewable Energy	584,417	75%	610,772	76%	786,094	81%

Note: Energy consumption is calculated according to 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Energy efficiency is measured via energy consumption intensity, i.e. energy consumption (in GJ) for every USD'000 in sales.

	FY2020	FY2023	FY2024	FY2025
<b>FY2025 Target</b>				<b>10% reduction in energy consumption intensity</b>
Energy Consumption Intensity* (GJ/USD'000 Sales)	2.15	2.45	2.32	<b>2.21</b>
Reduction against FY2020**	baseline	13.7% increase	7.9% increase	<b>2.8% increase</b>

Note:

\* Energy consumption intensity for the Unisem Group, including all subsidiaries

\*\* FY2020 is selected as a base year, in alignment with the base year for the 5-year Environmental Roadmap for FY2023-FY2027.

During the reporting period, we significantly expanded our production capacity to meet growing demand through the commissioning of a new plant and the extension of our primary production floor. While this expansion drove a 20.1% increase in total energy consumption, a result of higher overall output and the inherent energy demands of older facility equipment, we achieved a notable improvement in our energy consumption intensity. As we integrate new operations, enhancing energy efficiency across both our modern and legacy assets remains a central focus of our operational strategy. The Group is in the process of developing a performance measurement approach, including a review of base years, that better reflects the Group's operation particularly the addition of the Gopeng Plant.

### GHG Emissions and GHG Emission Intensity

In line with our climate change commitments, Unisem continues to strengthen the quality and transparency of its GHG emissions reporting. Beyond demonstrating our contribution to global climate action, robust emission disclosure has increasingly become a compliance expectation and a key indication of long-term business resilience and sustainability.

This year, we expanded our reporting scope to include Category 2: Capital Goods, in our emissions reporting. Unisem Group's FY2025 GHG emissions reporting covers the following:

- Scope 1 (Direct), including direct fugitive emission; direct emission from mobile and stationery combustion;
- Scope 2 (Indirect), including purchased electricity indirect emission by location-based and market-based;
- Scope 3 (Other Indirect) Category 1 - Purchase of Goods and Services (focusing on direct materials only);
- Scope 3 (Other Indirect) Category 2 - Capital Goods;
- Scope 3 (Other Indirect) Category 4 - Upstream Transportation and Distribution;
- Scope 3 (Other Indirect) Category 6 - Business Travel; and
- Scope 3 (Other Indirect) Category 7 - Employee Commuting (focusing on employees travelling to work in transportation arranged by the company).

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### THE ENVIRONMENT

The Group is also including the emissions from the office operations of Unisem Singapore this year. Due to the much smaller scale of operation of Unisem Singapore, it contributed only 1.64 tonnes CO<sub>2</sub>e to the Group in the form Scope 2 emissions via purchased electricity.

Emissions reported are mainly arising from the consumption of energy and electricity and include CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O. Our measurement approach aligns with the GHG Protocol, incorporating relevant tools and Global Warming Potential (“GWP”) values from the 2014 IPCC Fifth Assessment Report.

('000 tCO <sub>2e</sub> )	FY2023	FY2024	FY2025
<b>Direct (Scope 1) GHG emissions</b>			
Unisem Malaysia	0.5	2.6	1.7
Unisem Singapore	N/A	N/A	0.0
Unisem Chengdu	1.9	2.1	3.3
<b>Total Direct (Scope 1) GHG emissions</b>	<b>2.4</b>	<b>4.7</b>	<b>5.0</b>
<b>Indirect (Scope 2) GHG emissions (Market Based)</b>			
Unisem Malaysia	67.4	65.4	103.6
Unisem Singapore	N/A	N/A	0.0
Unisem Chengdu	49.2	56.9	64.7
<b>Total Indirect (Scope 2) GHG emissions (Market Based)</b>	<b>116.6</b>	<b>122.3</b>	<b>168.3</b>
<b>Indirect (Scope 2) GHG emissions (Location Based)</b>			
Unisem Malaysia	92.9	88.5	80.8
Unisem Singapore	N/A	N/A	0.0
Unisem Chengdu	47.0	55.7	70.4
<b>Total Indirect (Scope 2) GHG emissions (Location Based)</b>	<b>139.9</b>	<b>144.2</b>	<b>151.2</b>
<b>Direct and Indirect (Scope 1 and Scope 2) GHG emissions</b>			
Unisem Malaysia	67.9	68.0	105.3
Unisem Singapore	N/A	N/A	0.0
Unisem Chengdu	51.1	59.0	68.0
<b>Total Direct and Indirect (Scope 1 and Scope 2) GHG emissions</b>	<b>119.0</b>	<b>127.0</b>	<b>173.3</b>

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## THE ENVIRONMENT

('000 tCO <sub>2e</sub> )	FY2023	FY2024	FY2025
<b>Total Indirect GHG emissions (Scope 3)</b>			
Unisem Malaysia - Category 1 - Purchase of Goods and Services	N/A	13.2	15.4
Unisem Malaysia - Category 2 - Capital Goods	N/A	N/A	7.7
Unisem Malaysia - Category 4 - Upstream Transportation and Distribution	0.1	0.3	0.4
Unisem Malaysia - Category 6 - Business Travel	N/A	0.1	0.1
Unisem Malaysia - Category 7 - Employee Commuting	0.2	0.1	0.1
Unisem Chengdu - Category 1 - Purchase of Goods and Services	N/A	19.5	28.1
Unisem Chengdu - Category 2 - Capital Goods	N/A	N/A	13.1
Unisem Chengdu - Category 4 - Upstream Transportation and Distribution	N/A	0.5	0.8
Unisem Chengdu - Category 6 - Business Travel	N/A	N/A	N/A
Unisem Chengdu - Category 7 - Employee Commuting	N/A	N/A	N/A
<b>Total Indirect GHG emissions (Scope 3)</b>	<b>0.3</b>	<b>33.7</b>	<b>65.7</b>
<b>Total GHG emissions (Scope 1, 2 &amp; 3)</b>			
Unisem Malaysia	68.2	81.7	128.9
Unisem Singapore	N/A	N/A	0.0
Unisem Chengdu	51.1	79.0	110.1
<b>Total GHG emissions (Scope 1, 2 &amp; 3)</b>	<b>119.3</b>	<b>160.7</b>	<b>239.0</b>

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We measure GHG emissions intensity, measured as the GHG emissions (tCO<sub>2e</sub>) for every USD'000 in sales.

	FY2020	FY2023	FY2024	FY2025
<b>FY2025 Target</b>				<b>15% reduction on GHG Emission Intensity</b>
GHG Emissions Intensity*/** (tCO <sub>2e</sub> /USD'000 Sales)	0.407	0.376	0.365	<b>0.395</b>
Reduction against FY2020***	baseline	8% reduction	10% reduction	<b>3% reduction</b>

Note:

\* GHG emission intensity for the Unisem Group, including all subsidiaries

\*\* The calculation of GHG emissions intensity has been revised in FY2023. Prior to that, "number of units produced" was used as the denominator.

\*\*\* FY2020 is selected as a base year, in alignment with the base year for the 5-year Environmental Roadmap for FY2023-FY2027.

We fell short of our 15% reduction target for Scope 1 & 2 emissions intensity due to two key factors in FY2025. The operational startup of our new plant increased our direct emissions, while a decrease in our procurement of hydro-sourced renewable energy raised the GHG emission intensity of our purchased electricity.

### Other Air Emissions

Relevant laws, regulations, and the RBA Code of Conduct also govern various other air emissions including volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals, and combustion by-products generated from operations. Unisem has systems and processes to monitor and manage these emissions.

We have facilities such as scrubber and carbon absorption treatment systems to treat the emissions and ensure emissions released to the atmosphere are within regulated limits. Regular maintenance and checks are conducted, and it is a standard practice to perform daily air quality monitoring. Any non-compliance will be highlighted immediately and addressed. In addition, annual independent reviews and verification are conducted on air quality performance by third-party contractors.

KPI & Target	FY2023	FY2024	FY2025
<b>Compliance with Air Emission Laws and Regulations</b>			
<b>Unisem Malaysia</b>	Compliant	Compliant	<b>Compliant</b>
<b>Unisem Chengdu</b>	Compliant	Compliant	<b>Compliant</b>

The air quality of both of our operating sites, based on data required by applicable local environmental regulations and measured at the points of discharge, is presented in the following table:

Types of air pollutant	Unit	Local Regulations and/or Standards	FY2023	FY2024	FY2025
<b>Unisem Malaysia (based on Malaysian Laws, Regulations and Guidelines)</b>					
Nitric acid	mg/Nm <sup>3</sup>	30	0	0	<b>0</b>
Sulphuric acid	mg/m <sup>3</sup>	5	0.1	0.02	<b>0.01</b>
Hydrochloric acid	mg/Nm <sup>3</sup>	5	0	0	<b>0.6</b>
Hydrogen sulfide	mg/Nm <sup>3</sup>	5	0	3.8	<b>0.2</b>
Oxides of nitrogen	mg/Nm <sup>3</sup>	0.6	0.3	0	<b>0</b>
Sulphur dioxide	mg/Nm <sup>3</sup>	30	1.7	0	<b>0</b>
Solid particles	mg/Nm <sup>3</sup>	5	0	0	<b>0</b>
Particulate concentration	mg/m <sup>3</sup>	80.0	5.3	1.61	<b>18.8</b>

Types of air pollutant	Unit	Local Regulations and/or Standards	FY2023	FY2024	FY2025
<b>Unisem Chengdu (based on Chinese Laws, Regulations and Guidelines)</b>					
Volatile organic compounds (VOCs)	mg/m <sup>3</sup>	60.0	1.6	1.4	<b>1.7</b>
Sulphur oxides (SO <sub>x</sub> )	mg/m <sup>3</sup>	45.0	2.0	3.0	<b>2.4</b>
Sulphur dioxide (SO <sub>2</sub> )	mg/m <sup>3</sup>	50.0	7.2	2.5	<b>2.1</b>
Nitrous oxides (Nox)	mg/m <sup>3</sup>	150.0	25.6	16.8	<b>15.6</b>
Hydrogen fluoride (HF)	mg/m <sup>3</sup>	9.0	0	0	<b>0</b>

Note: Unisem Malaysia does not emit Nox or Volatile Organic Compounds in its operations while Unisem Chengdu does not emit particulate matters

### MANAGING WASTE AND EFFLUENTS

We are committed to properly manage waste and minimise the negative impacts to the environment and ensure workplace safety and health.

We focus our efforts on optimising material use, minimising waste generation, and reducing landfill disposal, in alignment with our strategic priority to achieve operational excellence through building comprehensive and responsible materials management and handling.

The types of waste generated in our operations include the following:

<p><b>Hazardous waste</b></p>	<p>Unisem generates hazardous waste from its operations, which includes electrical and electronic waste (E-waste), spent solvents, spent cleaning solutions, sludges from wastewater treatment plants, and spent cyanide solutions.</p> <p>A notable portion of the hazardous waste is E-waste, specifically categorised as waste electrical and electronic equipment (“WEEE”). E-waste, being one of the fastest-growing waste streams in modern society, includes defective wafers, ICs, frames, and waste gold wires within the Group’s operations. Managing these hazardous materials responsibly is a key focus to ensure compliance with environmental regulations and contribute to sustainable waste management practices.</p>
<p><b>Non-hazardous waste</b></p>	<p>Non-hazardous waste generated from our operations includes domestic trash, such as paper, plastic, cardboard boxes, etc. Some of these wastes are recoverable or recyclable.</p>

We ensure proper and effective waste management systems are in place, including the safe handling, segregation, storage, and management of waste. Standardised waste management monitoring and data collection processes are implemented at Unisem Malaysia and Unisem Chengdu. The Facility Department at each operating site plays a pivotal role in overseeing daily waste management activities and ensuring compliance with laws, regulations, and relevant policies. This department maintains comprehensive records detailing how waste is managed, including recycling, reuse, or disposal amounts.

The Group’s selection of waste contractors incorporates consideration of their capability to achieve high recovery or recycling rates. To further ensure compliance, waste contractors are subject to assessments, including Supplier Assessment Questionnaires (“SAQ”) and Validated Audit Process (“VAP”).

Our operations are also subject to internal audits, assessing the adequacy and effectiveness of Unisem’s environmental management systems, with findings reported to the Board.

### Hazardous Waste and Recycling

Unisem has established policies and procedures to ensure the safe handling and disposal of hazardous waste, aligning with applicable laws, regulations, and industry codes and standards. Amongst others, the controls in place include regular training for relevant employees, the use of personal protective equipment (PPE), and dedicated waste storage areas before disposal. Licensed waste contractors are engaged for the disposal of hazardous waste, and their performance is regularly assessed and reviewed.

E-waste constitutes a significant portion of hazardous waste but has good recovery value for materials such as aluminium, gold, silver, and copper. We work with licensed contractors who recover e-waste offsite and provide detailed reports on the actual recovery rates for each batch of e-waste collected. These processes and reports enables us to understand the Group's e-waste management practices along our value chain, while supporting the value chain sustainability.

In FY2025, e-waste accounted for about 29% and 12% of Unisem Malaysia and Unisem Chengdu hazardous waste, respectively, measured by weight. Our average e-waste recovery rates for both Unisem Malaysia and Unisem Chengdu are 100% during the year.

	Percentage of e-waste recovered		
	FY2023	FY2024	FY2025
Unisem Malaysia	100.0	100.0	100.0
Unisem Chengdu	100.0	100.0	100.0

In addition, Unisem Chengdu has also engaged a vendor who can process sludge to recover materials such as solvent and metals. We will continue to explore opportunities with vendors to recover or recycle our hazardous waste.

KPI	Recycling Rate of Hazardous Waste Generated*		
	To achieve 55% recycling rate of total hazardous waste generated		
Target			
Performance	FY2023 49%	FY2024 58%	FY2025 65%

Note: \* For the purpose of this KPI, waste reused is also considered as recycled.

### Non-Hazardous Waste and Recovery

For non-hazardous waste management, we also place emphasis in recycling and reusing materials. Our operational non-hazardous waste primarily consists of paper, cardboard, and plastics. We practise active waste sorting and separation, and the recyclable or recoverable waste is entrusted to waste contractors for offsite recovery, with detailed reports on the actual recovery rate provided for each batch of waste handled and processed.

Our vendors also play important roles in our waste management efforts. Instead of paper reels, we use reusable plastic reels which are returned to vendors for their reuse.

Apart from our operations, we also promote a responsible waste management mindset among employees by providing recycling bins for general paper, recyclable plastics, and tin cans on our premises.

In FY2025, 64% of non-hazardous waste generated was successfully recovered through reuse or recycling.

### Summary of how waste is handled

The following table summarises how we handled our waste, whether they are subsequently recovered or disposed of.

	FY2023			FY2024			FY2025		
	Waste Generated (MT*)	Waste Diverted from Disposal (MT*)	Waste Directed to Disposal (MT*)	Waste Generated (MT*)	Waste Diverted from Disposal (MT*)	Waste Directed to Disposal (MT*)	Waste Generated (MT*)	Waste Diverted from Disposal (MT*)	Waste Directed to Disposal (MT*)
<b>Unisem Malaysia</b>									
<b>Hazardous waste</b>									
E-waste	105	105	0	99	99	0	95	95	0
Other hazardous waste	290	121	169	211	113	98	231	132	99
<b>Total hazardous waste</b>	<b>395</b>	<b>226</b>	<b>169</b>	<b>310</b>	<b>212</b>	<b>98</b>	<b>326</b>	<b>227</b>	<b>99</b>
<b>Non-hazardous waste</b>									
Total non-hazardous waste	508	259	249	479	214	265	552	197	355
<b>Total waste generated</b>	<b>903</b>	<b>485</b>	<b>418</b>	<b>789</b>	<b>426</b>	<b>363</b>	<b>878</b>	<b>424</b>	<b>454</b>
<b>Unisem Chengdu</b>									
<b>Hazardous waste</b>									
E-waste	48	48	0	23	23	0	31	31	0
Other hazardous waste	175	30	145	183	63	120	230	122	108
<b>Total hazardous waste</b>	<b>223</b>	<b>78</b>	<b>145</b>	<b>206</b>	<b>86</b>	<b>120</b>	<b>261</b>	<b>153</b>	<b>108</b>
<b>Non-hazardous waste</b>									
Total non-hazardous waste	348	169	179	824	642	182	1,077	846	231
<b>Total waste generated</b>	<b>571</b>	<b>247</b>	<b>324</b>	<b>1,030</b>	<b>728</b>	<b>302</b>	<b>1,338</b>	<b>999</b>	<b>339</b>
<b>Unisem Malaysia &amp; Unisem Chengdu</b>									
Total hazardous waste	618	304	314	516	298	218	587	380	207
Total non-hazardous waste	856	428	428	1,303	856	447	1,629	1,043	586
<b>Total waste generated</b>	<b>1,474</b>	<b>732</b>	<b>742</b>	<b>1,819</b>	<b>1,154</b>	<b>665</b>	<b>2,216</b>	<b>1,423</b>	<b>793</b>

Note: \* 1 MT = 1,000 kg

FY2025					
Unisem Malaysia and Unisem Chengdu		Diverted from Disposal* (MT)^		Directed to Disposal** (MT)^	
Hazardous waste	Preparation for reuse	20	Incineration	119	
	Recycling	360	Landfilling	87	
	Other recovery options	0	Other disposal operations (chemical treatment)	1	
	<b>Total</b>	<b>380</b>	<b>Total</b>	<b>207</b>	
Non-hazardous waste	Preparation for reuse	0	Incineration	0	
	Recycling	1,043	Landfilling	586	
	Other recovery options	0	Other disposal operations	0	
	<b>Total</b>	<b>1,043</b>	<b>Total</b>	<b>586</b>	
<b>Total</b>	<b>1,423</b>		<b>793</b>		

Note:

\* All waste diverted from disposal is handled and managed by vendors offsite

\*\* All waste is disposed by licensed vendors offsite

^ 1 MT = 1,000 kg

For historical data of total waste generated and disposal method, refer to the “Other Sustainability Data and References” section.

### WATER USE AND EFFLUENT

Our operations are water intensive and are heavily reliant on a consistent water supply for various processes in our operations, such as Process Chilled Water (“PCW”) for cooling, Ultra-Pure Water (“UPW”) for cleaning in wet-processing processes, and Deionised Water (“DI”) for cleaning and rinsing semiconductor products and components. Water is also used in offices and for general maintenance activities such as cleaning and domestic consumption.

Unisem Malaysia and Unisem Chengdu are not located in water-stressed areas. Our primary water source is municipal water and water withdrawal is not known to have any strain on municipal water supply. We maintain active engagement with the relevant municipal government agencies to stay within permissible water withdrawal limits and to stay informed about any concerns relating to water-related impacts. We are committed to responsible water management, and we strive to maintain ongoing engagement with local authorities to address any potential environmental impacts.

The Group's water withdrawal, water discharge, and water consumption for the financial year under review are summarised as follows:

		FY2023	FY2024	FY2025
<b>Unisem Malaysia</b>	<b>Water Withdrawal by source (thousand m<sup>3</sup>)</b>			
	*^Third-party water: Municipal water	1,860	1,945	<b>2,199</b>
	<b>Water Discharge by destination (thousand m<sup>3</sup>)</b>			
	^Third-party water: Municipal drainage	1,744	1,763	<b>1,973</b>
	<b>Water Consumption (thousand m<sup>3</sup>)</b>	116	182	<b>226</b>
<b>Unisem Chengdu</b>	<b>Water Withdrawal by source (thousand m<sup>3</sup>)</b>			
	^^Third-party water: Municipal Water	1,496	1,866	<b>2,152</b>
	<b>Water Discharge by destination (thousand m<sup>3</sup>)</b>			
	^^Third-party water: Municipal Water	1,344	1,793	<b>1,986</b>
	<b>Water Consumption (thousand m<sup>3</sup>)</b>	152	73	<b>166</b>
<b>Unisem Malaysia and Unisem Chengdu</b>	<b>Water Withdrawal by source (thousand m<sup>3</sup>)</b>			
	Third-party	3,356	3,811	<b>4,351</b>
	<b>Water Discharge by destination (thousand m<sup>3</sup>)</b>			
	Third-party	3,088	3,556	<b>3,959</b>
	<b>Water Consumption (thousand m<sup>3</sup>)</b>	268	255	<b>392</b>

Note:

\* Classification based on GRI 303: Water and Effluents 2018

^ Freshwater (<1,000 mg/L Total Dissolved Solids) classified based on GRI 303: Water and Effluents 2018

^^ Other water (>1,000 mg/L Total Dissolved Solids) classified based on GRI 303: Water and Effluents 2018

### Water Reuse and Recycling Initiatives

The Group has efficient water management systems to support its operations at all operating sites, from water production to water treatment, incorporating designs enabling efficient use of water, recycling, and reusing water. The water management systems include sophisticated rinse water collection systems and dedicated drainage which enables the reuse of lightly UPW for industrial purposes and irrigation. This water does not contain hazardous substances and is entirely safe.

At Unisem Chengdu, the production facility is equipped with a reverse osmosis system to process water for reuse in production.

In FY2025, we recycled and reused approximately 16% of the withdrawn water in Unisem Malaysia and 24% in Unisem Chengdu. Overall, this amounted to about 689 mega-litres of water.

	The proportion of water recycled over water withdrawn (%)		
	FY2023	FY2024	FY2025
<b>Unisem Malaysia</b>	16%	14%	<b>16%</b>
<b>Unisem Chengdu</b>	9%	22%	<b>24%</b>

#### Water consumption intensity

Supported by enhanced water recycling processes as well as strong revenue, the Group achieved efficient levels of water consumption which surpassed the targets set. This year, we revised the water consumption intensity target significantly, aiming for 80% reduction against the base year, pushing ourselves further to maintain an efficient level of water consumption.

In FY2025, we continued to maintain efficient water consumption levels at 4.86 m<sup>3</sup>/USD'000 sales, signifying a reduction of 82% against the base year.

	FY2020	FY2023	FY2024	FY2025
<b>FY2025 Target</b>				<b>80% reduction in water consumption intensity</b>
<b>Water Consumption Intensity (m<sup>3</sup>/USD'000 Sales)</b>	4.86	0.85	0.73	<b>0.89</b>
<b>Reduction against FY2020*</b>	Baseline	83% reduction	85% reduction	<b>82% reduction</b>

Note:

\* FY2020 is selected as a base year, in alignment with the base year for the 5-year Environmental Roadmap for FY2023-FY2027.

#### Effluent Quality

##### Wastewater

Water plays a crucial role in various processes at Unisem, such as cleaning and cooling during activities like cutting, sawing, and plating. Consequently, wastewater is generated as a byproduct of these processes. It's important to note that Unisem only discharges treated effluent, ensuring compliance with rigorous standards. This commitment to treating wastewater before discharge aligns with Unisem's dedication to environmental responsibility and regulatory compliance in managing water resources.

Unisem's wastewater is characterised by the presence of chemicals, metals, and various organic and inorganic compounds. This includes potentially harmful elements such as heavy metals (e.g., lead and copper), hydrogen peroxide, hydrofluoric acid, ammonia concentrations, and other pollutants. If discharged untreated, these substances can pose environmental risks and disrupt the ecosystems of water bodies into which they are released.

To ensure responsible wastewater management, both Unisem operating sites adhere to local environmental laws and regulations. In Malaysia, this includes compliance with Standard B under the Environmental Quality Act (Industrial Effluents) Regulations 2009, and in China, adherence to the Integrated Wastewater Discharge Standard (GB8978-1996).

The Facility Department at each operating site plays a crucial role in overseeing effluent management, conducting daily monitoring to verify compliance with relevant laws and regulations. Qualified and certified employees, trained by local authorities, manage and maintain on-site wastewater treatment facilities. These facilities undergo regular maintenance and checks by professional service providers.

Unisem monitors over 20 indicators to assess effluent quality, including acidity level, biological oxygen demand ("BOD"), chemical oxygen demand ("COD"), total suspended solids, copper (Cu) concentration, nickel (Ni) concentration, and ammonia concentration. Periodic independent checks on effluent quality are conducted by externally accredited laboratories or government-appointed third parties, reinforcing Unisem's commitment to rigorous environmental standards and the protection of water resources.

KPI & Target	Compliance with effluents and wastewater discharge regulations:		
	<ul style="list-style-type: none"> <li>Standard B under EQA (Industrial Effluents) Regulation 2009</li> <li>Integrated Wastewater Discharge Standard (GB8978-1996)</li> </ul>		
Performance	FY2023	FY2024	FY2025
Unisem Malaysia	Compliant	Compliant	<b>Compliant</b>
Unisem Chengdu	Compliant	Compliant	<b>Compliant</b>

### Resource Conservation Outcomes

Guided by our Environmental Roadmap, we attained various achievements in FY2025 including the savings or avoidance of resources highlighted in the following table:

Initiatives	Description	2025 Target	Progress as of 31 December 2025	Reduction Achieved in FY2025
<b>Solar Power</b>	Solar photovoltaic: 20 years Power Purchase Agreement with PLUS-XNERGY ASSETS Sdn Bhd.	Unisem Malaysia - Gopeng Plant	100% completed	Electricity: 7,685,160 kWh GHG Emission: 5,037 tCO <sub>2</sub>
<b>Consolidation of Offices and scale down supply</b>	Consolidation of office in Unisem Malaysia - Simpang Pulai and shutdown non-active production floors	Unisem Malaysia - Simpang Pulai	100% completed	Electricity: 6,470,310 kWh GHG Emission: 4,240 tCO <sub>2</sub>
<b>High Power Water Pumps</b>	Application of variable frequency drives (VFDs) for high power consumed water pumps	Unisem Malaysia - Simpang Pulai Phase 1 and Phase 2 to be completed in Q2 2026	5% Completion	Electricity: 208,889 kWh GHG Emission: 137 tCO <sub>2</sub>
<b>Compressed air optimisation and losses reduction</b>	Compressing air network efficiency involves minimising pipeline pressure drops and implementing capacity sharing to optimise airflow distribution and reduce energy consumption	Unisem Malaysia - Simpang Pulai to be completed in Q1 2026	5% Completion	Electricity: 13,909 kWh GHG Emission: 89 tCO <sub>2</sub>
<b>Electrical Control Unit (ECU) fan retrofit for P1-AHU air cabinet</b>	Replacement of AHU and MAU snailed fans with EC fan module	Unisem Chengdu - Completed 2 sets in Sept 2024 and May 2025  To complete 49 sets in Dec 2026	6% Completion	Electricity: 124,000 kWh GHG Emission: 68 tCO <sub>2</sub>
<b>Conversion of P1 compressors 1&amp;2 and dryers to high efficiency systems</b>	Conversion of Air compressors to centrifuges and dryers to zero air consumption dryers	Unisem Chengdu - Phase 1 and Phase 2 Completion	100% completed	Electricity: 244,599 kWh GHG Emission: 129 tCO <sub>2</sub>
<b>Total</b>				<b>Electricity: 14,746,867 kWh</b> <b>GHG Emission: 9,700 tCO<sub>2</sub></b>

#### NOISE MONITORING

Unisem recognises that the boundary noise levels of its operating facilities in Unisem Malaysia and Unisem Chengdu are subject to local laws and regulations. Given the establishment of residential areas near Unisem Malaysia, the noise generated by plant operations may impact the local community, necessitating effective management and control within permissible limits.

It's worth noting that, according to the Guidelines for Siting and Zoning of Industry and Residential Areas (2012) issued by the Department of Environment, semiconductor industries are permitted to operate within specified buffer zones. In the case of Unisem Malaysia, the existing buffer zones deviate from the standard guidelines due to the development of residential areas approximately 17 years after the commencement of business activities in 1992.

Unisem is committed to addressing noise concerns in compliance with regulations and ensuring responsible operational practices to minimise any adverse impacts on the local community. This includes implementing measures to manage and control noise levels within acceptable limits as defined by local laws and regulations.

We monitor and mitigate boundary noise to ensure we keep noise impact within the regulated levels. Our performance against the regulated limits is as follows:

	Day			Night				
	Regulated limit	FY2023 Average	FY2024 Average	FY2025 Average	Regulated limit	FY2023 Average	FY2024 Average	FY2025 Average
Unisem Malaysia	65	66	64	59	60	66	62	59
Unisem Chengdu	65	54	55	55	55	47	46	46

# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP

Unisem (M) Berhad  
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy Consumption	Liquid Petroleum Gas (LPG)	GJ	1425	NA	External (Limited)	LPG is used in kitchen for meal preparation
Energy Consumption	Diesel	GJ	448	NA	External (Limited)	Mainly used in company vehicles and fleet.
Energy Consumption	Petrol	GJ	2628	NA	External (Limited)	Mainly used in company vehicles and fleet.
Energy Consumption	Natural Gas	GJ	40718	NA	External (Limited)	Used in boilers and generator sets.
Energy Consumption	Purchased Electricity	GJ	925125	NA	External (Limited)	Constituting more than 95% of the Group's energy consumption and GHG emissions.
Energy Consumption	Total Energy Consumed	GJ	970344	NA	External (Limited)	With the expansion of our production capacity, this drove a 201% increase in total energy consumption.
Energy Consumption	Renewable Energy	GJ	184250 (19%)	NA	External (Limited)	Electricity for Unisem Chengdu is supplied under a renewable energy contract with an electricity company in China, where approximately 40% of electricity purchased is derived from renewable energy.
Energy Efficiency	Energy Consumption Intensity	%	2.8% increase against 2020 baseline	10% reduction in energy consumption intensity against 2020 baseline	Internal	Due to expansion of our production capacity, it drove a 2.8% increase in energy consumption intensity against base year 2020.
GHG Emissions	Scope 1	tCO <sub>2</sub> e	5000	15% reduction in GHG emission intensity (Scope 1 & 2) against 2020 baseline.	External (Limited)	The operational startup of our Gopeng Plant increased our direct emissions.

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

Unisem (M) Berhad  
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG Emissions	Scope 2 (Market Based)	tCO2e	168300	15% reduction in GHG emission intensity (Scope 1 & 2) against 2020 baseline.	External (Limited)	Decreased in our procurement of hydro-sourced renewable energy raised the GHG emissions intensity of our purchased electricity.
GHG Emissions	Scope 2 (Location Based)	tCO2e	151200	15% reduction in GHG emission intensity (Scope 1 & 2) against 2020 baseline.	External (Limited)	Decreased in our procurement of hydro-sourced renewable energy raised the GHG emissions intensity of our purchased electricity.
GHG Emissions	GHG Emission Intensity	%	3% reduction against 2020 baseline	15% reduction in GHG emission intensity (Scope 1 & 2) against 2020 baseline.	Internal	Missed our target of 15% reduction in GHG emission intensity due to the operational start-up of Gopeng plant and decreased in the procurement of hydro-sourced renewable energy.
GHG Emissions	Scope 3 - Category 1 - Purchased of Goods and Services	tCO2e	43500	NA	External (Limited)	NA
GHG Emissions	Scope 3 - Category 2 - Capital Goods	tCO2e	20800	NA	External (Limited)	NA
GHG Emissions	Scope 3 - Category 4 - Upstream Transportation and Distribution	tCO2e	1200	NA	External (Limited)	NA
GHG Emissions	Scope 3 - Category 6 - Business Travel	tCO2e	100	NA	External (Limited)	NA
GHG Emissions	Scope 3 - Category 7 - Employee Commuting	tCO2e	100	NA	External (Limited)	NA

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## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Other Air Emissions	Air Emissions Laws and Regulations	mg/m3	Compliance	Compliance with Air Emissions Laws and Regulations	Internal	Unisem Malaysia does not emit NOx or Volatile Organic Compounds in its operations while Unisem Chengdu does not emit particulate matters.
Managing Waste	Recycling Rate of Hazardous Waste Generated	%	65	To achieve 55% recycling rate of total hazardous waste generated	Internal	NA
Water Management	Water Consumption	m3	392000	NA	Internal	NA
Water Management	Water Consumption Intensity	%	82% reduction against 2020 baseline	80% reduction in water consumption intensity against 2020 baseline.	Internal	NA
Water Management	Effluent Quality	NA	Compliant	Compliance with effluents and wastewater discharge regulations	Internal	Unisem monitors over 20 indicators to assess effluent quality. Periodic independent checks on effluent quality are conducted by externally accredited laboratories.
Anti-Corruption	Percentage of employee who have received training on anti-corruption	%	100	100	Internal	All employees of Unisem Group have been trained on anti-corruption through eLMS (e-Learning Program) in FY2025.
Anti-Corruption	Percentage of directors who have been communicated on anti-corruption policy	%	100	100	Internal	All Directors have been communicated on anti-corruption policy.
Anti-Corruption	Percentage of operations assessed for corruption-related risks	%	100	100	Internal	NA

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

Unisem (M) Berhad  
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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	Confirmed incidents of corruption and action plan.	Number	0	0	Internal	There were no reported incidents of corruption, cases of non-compliance with the Group's anti-corruption policies or instances of related fines or penalties in FY2025.
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer.	MYR	76000	NA	Internal	With a combined contribution of RM76,000 from the company and our employees, we provided essential and hands-on support to hundreds of beneficiaries, including children, the elderly and individuals with special needs.
Community/Society	Total number of beneficiaries of the investment in communities	Number	516	NA	Internal	In FY2025, we made about RM76,000 in various forms of contribution for 516 beneficiaries.
Diversity	Percentage of Senior Management - Male	%	89	NA	Internal	NA
Diversity	Percentage of Senior Management - Female	%	11	NA	Internal	NA
Diversity	Percentage of Management - Male	%	69	NA	Internal	NA
Diversity	Percentage of Management - Female	%	31	NA	Internal	NA
Diversity	Percentage of Executive - Male	%	64	NA	Internal	NA
Diversity	Percentage of Executive - Female	%	36	NA	Internal	NA
Diversity	Percentage of Non-Executive - Male	%	78	NA	Internal	NA

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of Non-Executive - Female	%	22	NA	Internal	NA
Diversity	Percentage of Operators - Male	%	21	NA	Internal	NA
Diversity	Percentage of Operators - Female	%	79	NA	Internal	NA
Diversity	Percentage of Female in Management positions	%	24	20	Internal	Achieved 24% of women in Senior Management + Management level positions
Diversity	Percentage of Senior Management Under 30	%	0	NA	Internal	NA
Diversity	Percentage of Senior Management Between 30 - 50	%	30	NA	Internal	NA
Diversity	Percentage of Senior Management Above 50	%	70	NA	Internal	NA
Diversity	Percentage of Management Under 30	%	0	NA	Internal	NA
Diversity	Percentage of Management Between 30 - 50	%	68	NA	Internal	NA
Diversity	Percentage of Management Above 50	%	32	NA	Internal	NA
Diversity	Percentage of Executives Under 30	%	20	NA	Internal	NA
Diversity	Percentage of Executive Between 30 - 50	%	72	NA	Internal	NA
Diversity	Percentage of Executive Above 50	%	8	NA	Internal	NA

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

Unisem (M) Berhad  
IFRS S2

Date & Time: 2026-03-09\_10:21:15

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	Percentage of Non-Executive Under 30	%	42	NA	Internal	NA
Diversity	Percentage of Non-Executive Between 30 - 50	%	55	NA	Internal	NA
Diversity	Percentage of Non-Executive Above 50	%	3	NA	Internal	NA
Diversity	Percentage of Operators Under 30	%	57	NA	Internal	NA
Diversity	Percentage of Operators Between 30 - 50	%	41	NA	Internal	NA
Diversity	Percentage of Operators Above 50	%	2	NA	Internal	NA
Diversity	Percentage of Directors - Male	%	64	NA	Internal	NA
Diversity	Percentage of Directors - Female	%	36	NA	Internal	Gender diversity is a notable achievement for the Board, with 4 female Directors out of total of 11 board members, translating to a commendable 36% female representation on the Board.
Diversity	Percentage of Directors Under 30	%	0	NA	Internal	NA
Diversity	Percentage of Directors Between 30 - 50	%	36	NA	Internal	NA
Diversity	Percentage of Directors Above 50	%	64	NA	Internal	NA

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-09\_10:21:15

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

Unisem (M) Berhad  
IFRS S2

Date & Time: 2026-03-09\_10:21:15

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Health & Safety	Number of Work-Related Fatalities	Number	0	0	Internal	No recorded cases with high consequence work-related injury during the reporting period.
Health & Safety	Lost Time Incident Rate	Rate	16	NA	Internal	Lost Time Incident / Severity Rate is calculated as [(total no. of lost workdays/total no. of man-hours worked) x 1,000,000]
Health & Safety	Injury Frequency Rate	Rate	0.68	< 1.50	Internal	Injury Frequency Rate is calculated as [(total no. of work-related accidents/total no. of man-hours worked) x 1,000,000]
Health & Safety	Number of employees trained on health & safety standards	Number	7187	NA	Internal	Annual health & safety training programs are developed taking into consideration HIRARC assessment, incident reports, developments or changes in the operating environment, regulatory environment and the industry, as well as the overall health & safety performance of the Group.
Labour Practices and Standards	Percentage of employees achieving minimum 6 training hours.	%	90.4	75	Internal	The results reflects a strong, committed and aligned workforce.
Labour Practices and Standards	Percentage of full-time permanent employees	%	51	NA	Internal	NA
Labour Practices and Standards	Percentage of full-time contract-based employees	%	49	NA	Internal	No part-time employees in both Unisem Malaysia and Unisem Chengdu.

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-09\_10:21:15

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# SUSTAINABILITY Report

## PERFORMANCE DATA TABLE FOR THE GROUP (CONT'D)

Unisem (M) Berhad  
IFRS S2

Date & Time: 2026-03-09\_10:21:15

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour Practices and Standards	Annual Turnover Rate - Unisem Malaysia	%	16.6	< 25	Internal	Annual turnover rate targets are different for Unisem Malaysia and Unisem Chengdu due to cultural and country differences.
Labour Practices and Standards	Annual Turnover Rate - Unisem Chengdu	%	478	< 45	Internal	Annual turnover rate targets are different for Unisem Malaysia and Unisem Chengdu due to cultural and country differences.
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	Internal	There were no incidents of human rights violations or significant breaches of labour practices reported.
Supply Chain Management	Number of suppliers assessed for environmental impact	Number	25	25	Internal	No significant environmental impact identified.
Supply Chain Management	Number of suppliers assessed for social impact	Number	25	25	Internal	No significant social impact identified.
Supply Chain Management	Supplier Audits for Key Direct Material Suppliers	Number	10	10	Internal	NA
Supply Chain Management	Supplier Audits for Key Service Agents	Number	10	4	Internal	NA
Supply Chain Management	Proportion of spending of local suppliers	%	25.2	NA	Internal	NA
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	Internal	There were no fines or complaints from external parties or regulatory bodies in FY2025.

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-09\_10:21:15

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# SUSTAINABILITY

## Report

### OTHER SUSTAINABILITY DATA AND REFERENCES

#### 3-year Employee Parental Leave

Parental Leave	FY2023	FY2024	FY2025
<b>Unisem - Malaysia and Chengdu</b>			
<b>Total number of employees that were entitled to parental leave – by gender</b>			
Male	2,123	2,952	3,254
Female	1,975	3,451	3,880
<b>Total number of employees that took parental leave – by gender</b>			
Male	140	165	78
Female	134	168	98
<b>Total number of employees that returned to work in the reporting period after parental leave ended – by gender</b>			
Male	140	156	74
Female	133	166	71
<b>Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work – by gender</b>			
Male	94	134	75
Female	59	100	70
<b>Return to work rates of employees that took parental leave – by gender</b>			
Male	100%	95%	95%
Female	99%	99%	72%
<b>Retention rates of employees that took parental leave and were still employed 12 months after their return to work – by gender</b>			
Male	98%	96%	48%
Female	87%	75%	42%

# SUSTAINABILITY Report

## ASSURANCE AND INTERNAL AUDIT REVIEW STATEMENTS

**Letter of Independence Limited Assurance Statement**

**Introduction and Objectives of Work**

BeyondGood Consultancy has been engaged by Unisem (M) Berhad (Unisem) to provide limited assurance of its selected Greenhouse Gas (GHG) data. This limited assurance statement applies to the related information in the scope of work described below (Subject Matter).

**Scope of Work**

This GHG information in Unisem's 2025 Sustainability Report ("the Report") is the sole responsibility of the management of Unisem. BeyondGood Consultancy was not involved in the drafting of the Report.

Our sole responsibility was to provide independent limited assurance of the accuracy of the Subject Matter in reference to the most common GHG accounting and reporting standards which are the GHG Protocol, ISO 14064-1 and the GHG 2005 Emissions 2019 Standard. It is also a standard that requires companies to report direct emissions (Scope 1), energy indirect emissions (Scope 2), other indirect (Scope 3) greenhouse gas (GHG) emissions.

**Organisational and Operational Boundaries**

Unisem consolidates its facility-level GHG emissions and removals by the organisation accounts for all GHG emissions from facilities over which it has financial or operational control, where it aids transparency or comparability over time and provides a breakdown of the GHG emissions by:

- Business unit or facility: Unisem Ipoh, UAT, Gongeng, KL ("Unisem Malaysia"); Singapore Office & Unisem Chengdu
- Country: Malaysia, Singapore and China
- Type of source: fuel, activities, and purchased electricity
- Type of activities: fleet fuel (e.g., diesel and petrol used in company vehicles) and natural gas used in boilers and generator sets; operations energy consumption; indirect GHG emissions from products & services, capital goods, employee commuting, business travel, and upstream freight transportation & distribution.
- Greenhouse Gas Emissions (Scope 1, Scope 2 location-based and market-based, and Scope 3).

BeyondGood Consultancy reviewed Unisem's company carbon footprint data related to the manufacturing operations by its fiscal year 2025. Our limited assurance on Unisem's carbon footprint - Scope 1, 2 & 3 related Carbon Footprint for Fiscal Year 2025 does not extend to any other information included in the Report.

**Summary**

This review checks the transparency of data and calculations, appropriateness of supporting GHG-related data and assumptions, and overall plausibility of the calculated corporate annual carbon footprint comprised of emissions derived from Unisem's operations in fiscal year 2025. This review and verification focuses on Scope 1, Scope 2, and Scope 3 emissions. This review and verification furthermore in accordance with ISO 14064-2: Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.

The review of the corporate annual carbon footprint has considered the following criteria:

- The system, boundaries, and functional units are clearly defined
- Assumptions and estimations made are appropriate
- Selection of data is appropriate and methodologies used are adequately disclosed

Unisem includes greenhouse gas emissions for manufacturing operations resulting from the following:

- Direct GHG emissions (Scope 1) from industrial gases, direct fugitive emissions from refrigerants, air conditioning, and fire suppression systems, mobile and stationary combustion.

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**Indirect GHG emissions from purchased electricity (Scope 2) including the renewable energy and non-renewable electricity purchases, by location and market-based calculations.**

**Indirect GHG emissions from products & services, capital goods, employee commuting, business travel, and upstream freight transportation & distribution (Scope 3).**

Based on the process and procedures conducted, there is no evidence that the Greenhouse Gas (GHG) assertion with regard to corporate carbon footprint is not materially correct and is not a fair representation of GHG data and information, and has not been prepared in accordance with the related International Standard on GHG quantification, monitoring, and reporting.

Data reported by Unisem is as follows:

Location	Activity	CO <sub>2</sub> e	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs	PFCs	Perfluorocarbons
Malaysia	Total Direct Emissions	Not available	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Fuel Combustion	154.63	Not available	Not available	Not available	Not available	Not available	1.39
	Direct Emissions - Mobile Combustion	71,827	71,791	0.003	0.001	Not available	Not available	Not available
	Direct Emissions - Stationary Combustion	65.05	64,725	0.004	0.001	Not available	Not available	Not available
	Purchased electricity (Location-based)	24,825.76	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Market-based)	1,025.18	Not available	Not available	Not available	Not available	Not available	Not available
	Company 1 - Purchased Goods and Services	1,641.23	Not available	Not available	Not available	Not available	Not available	Not available
	Company 2 - Capital Goods	773.47	Not available	Not available	Not available	Not available	Not available	Not available
	Company 3 - Indirect GHG emissions from upstream freight transportation	366.51	Not available	Not available	Not available	Not available	Not available	Not available
	Company 4 - Business Travel	51.72	51.26	0.21	1.64	Not available	Not available	Not available
Singapore	Total Direct Emissions	Not available	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Fuel Combustion	1.64	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Mobile Combustion	1,063.86	0.02	Not available	Not available	1.21	Not available	Not available
	Direct Emissions - Stationary Combustion	30.11	49,319	0.002	0.005	Not available	Not available	Not available
	Direct Emissions - Mobile Combustion	234.42	233,38,041	0.0000013	0.0000001	Not available	Not available	Not available
	Purchased electricity (Location-based)	7076.44	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Market-based)	6471.04	Not available	Not available	Not available	Not available	Not available	Not available
	Company 1 - Purchased Goods and Services	3660.72	Not available	Not available	Not available	Not available	Not available	Not available
	Company 2 - Capital Goods	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 3 - Indirect GHG emissions from upstream freight transportation	42.42	Not available	Not available	Not available	Not available	Not available	Not available
China	Total Direct Emissions	Not available	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Fuel Combustion	507.48	246,455	0.01	0.06	2.37	Not available	Not available
	Direct Emissions - Mobile Combustion	10,517.22	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Stationary Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Mobile Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Location-based)	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Market-based)	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 1 - Purchased Goods and Services	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 2 - Capital Goods	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 3 - Indirect GHG emissions from upstream freight transportation	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
Dubai	Total Direct Emissions	Not available	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Fuel Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Mobile Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Stationary Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Direct Emissions - Mobile Combustion	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Location-based)	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Purchased electricity (Market-based)	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 1 - Purchased Goods and Services	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 2 - Capital Goods	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available
	Company 3 - Indirect GHG emissions from upstream freight transportation	1,824.17	Not available	Not available	Not available	Not available	Not available	Not available

**Reviewed Data and Plausibility Check**

A verification and sampling plan as required by ISO 14046-3 has been established in the course of this review and verification, defining the level of assurance, objectives, criteria, scope, and materiality of the verification.

As part of this review and verification, Unisem disclosed the following data to BeyondGood Consultancy:

- Energy sources data for FY2025, including LFO, diesel, petrol, and natural gas purchased records by month for business units and facilities for Unisem Malaysia and Unisem Chengdu, China.

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**Purchased electricity records for FY2025 by month for business units, office and facilities for Unisem Malaysia; Singapore's office and Unisem Chengdu, China.**

**Purchased electricity contract agreement for Unisem Chengdu, China; Unisem Gopeng on the renewable and non-renewable energy supply.**

**Purchased Good and Services record for FY2025 based on Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6 - US EPA for Unisem Malaysia and China.**

**Capital goods record for FY2025 based on Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6 - US EPA for Unisem Malaysia and China.**

**Upstream freight transportation GHG emissions records for FY2025 based on weight over distance method Well-to-Wheel (WTW) emission intensity for Unisem Malaysia and China.**

**Employee commuting to work with company bus record for FY2025 by suppliers based on Passenger Over Distance method, emission intensity of bus source is EPA Emission Factors for Greenhouse Gas Inventories for Unisem Malaysia.**

**Business Travel according to passenger-distance method in reference to US EPA Emission Factors for Unisem Malaysia.**

**Calculation methodology and emissions factors for the company's carbon footprint and methodological changes implemented in 2025.**

**The total company carbon footprint for the fiscal year 2025.**

Detailed analysis of the Carbon Footprint including:

- The breakdown of the metric ton CO<sub>2</sub> equivalent, metric ton CO<sub>2</sub>, metric ton CH<sub>4</sub>, metric ton N<sub>2</sub>O and metric ton refrigerants if applicable.

The data undergoes rigorous verification through expert manual review and is based on emissions factors and methods that are scientifically validated with oversight from a panel of respected environmental scientists.

This review was done remotely.

**Findings**

The methodological changes implemented with the 2025 data are confirmed to lead to an improvement in terms of accuracy and real-use patterns representation of the results.

All questions raised in the course of the review were answered by Unisem and related evidence was provided where needed.

Further improvements of applied data models have been discussed with Unisem and are under consideration for future methodological revisions.

**Conclusions**

We observe from year to year an improvement of the assessment approach in terms of the granularity of the used calculation data. This year several additional components are modelled with more accurate data from Unisem's suppliers and with updated calculation models.

The review has not found assumptions or calculation errors on the GHG data level that indicate the corporate carbon footprint has been materially misstated. The excellent analysis meets the principles of good scientific practice.

**Attestation:**

*C. P. P. P.*  
Chin-Ling, Loh  
Technical Reviewer  
BeyondGood Consultancy 20180235059 (002853449-X)  
Malaysia, Jan 25, 2026

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**bakertilly**

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10 February 2026

**Unisem (M) Berhad**  
1, Persiaran Puteri Jaya 9,  
Bandar Puteri Jaya,  
31300 Ipoh, Perak.

**STRICTLY CONFIDENTIAL**

Dear Sir/Mam,

**UNISEM (M) BERHAD**  
**INTERNAL AUDIT REVIEW OF THE SUSTAINABILITY REPORTING PROCESS**

Baker Tilly Monteiro Heng Governance Sdn Bhd ("Baker Tilly" or "we") has been engaged to perform an outsourced function to provide internal audit services for the review of Unisem (M) Berhad ("Unisem" or "the Group")'s Sustainability Reporting Process for the audit period from 1 January 2025 to 31 December 2025 for reporting to the Audit Committee ("AC").

**Scope**

The key operating sites at Unisem Ipoh and Unisem Chengdu Co., Ltd ("Unisem Chengdu") represent the Group's core revenue generating operations and employ the Group's entire workforce. The boundary of the internal audit review includes Unisem's operation in Unisem Ipoh and Unisem Chengdu.

**Subject Matter**

The subject matters covered by the internal audit review are listed in the table below, as presented in the Sustainability Report Financial Year 2025.

Sustainability Matters	Subject Matter
Occupational Health and Safety	Number of employees trained on health and safety standards Number of major and minor work-related accidents Injury frequency rate for industrial accidents Fatality rate

**bakertilly**

Sustainability Matters	Subject Matters
Customer Satisfaction	Loss time incident/ severity rate Satisfaction of key customers
Growing the Business	Economic value table Proportion of local hires amongst employees
Supply Chain Management	Audit of key direct material suppliers and key service agents Status of implementation of corrective action Summary of key material supplier's RBA audit Proportion of direct material spending on local suppliers
Technology and Innovation	Research and Development Expenditure
Effluents and Waste Management	Percentage of e-waste recovered Recycling rate of hazardous waste generated Total waste generated, diverted from disposal and directed to disposal
Customer Privacy and Data Protection	Number of substantiated complaints concerning breaches in customer privacy or data loss Number and percentage of anti-corruption training
Anti-Corruption	Corruption risk assessment Number of confirmed corruption incidents Summary of incidents and cases report
Employee Development and Diversity	Number of permanent and fixed-term contract by employee gender Percentage of permanent and fixed-term contract by employee Number of employees by gender, age range and employee category Ratio of basic by gender Number of training hours by employee category Percentage of employees achieving minimum 6 training hours Proportion of employees within minimum 6 hours of training each year Average training hours per employee Average training cost per employee Average training hour per employee-by-employee category and gender Employee climate satisfaction Total number of employees turnover by category
Human and Labour Rights	New hire and turnover headcount and percentage by age Total hours and percentage of employees trained on labour standards and human rights issues
Water Consumption	Number of substantiated complaints concerning human rights violations
Local communities	Total water withdrawal, water discharge and water consumption Proportion of water recycled over water withdrawn Water consumption intensity Compliance with air effluents and wastewater discharge regulations Summary of resource conservation outcomes
Noise Monitoring	Total amount contributed where the target beneficiaries are external to Unisem Total number of beneficiaries of the investment in communities Boundary Noise Level (dBA)

**bakertilly**

**Limitation of Use of this Letter**

This letter is prepared solely for the Audit Committee of the Group in accordance with the terms outlined in our engagement letter with the Group. To the fullest extent permitted by law, we hereby declare that we do not accept nor assume responsibility and disclaim any liability to any party for the content of this letter. Any reliance placed on this report by any third party shall be done at their own risk.

*BakerTilly*

Baker Tilly Monteiro Heng Governance Sdn Bhd (Company No. 351771-X)  
Kuala Lumpur  
Date: 10 February 2026

# SUSTAINABILITY

## Report

### GRI CONTENT INDEX

<b>Statement of use</b>	Unisem (M) Berhad has reported in accordance with the GRI Standards for the period from 1 January 2025 to 31 December 2025.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	INFORMATION/ LOCATION	PAGE NUMBER	
<b>General Disclosures</b>				
<b>GRI 2: General Disclosures 2021</b>	<b>The organisation and its reporting practices</b>			
	2-1 Organisational details	Legal name: Unisem (M) Berhad		
		SR25: About this Sustainability Report		92
		Nature of ownership: Public Limited Liability Company		-
		Location of its headquarters: Malaysia		-
		Countries of operation: Malaysia and China		
		SR25: Scope and Basis of Scope		92
		SR25: Scope and Basis of Scope		92
	2-2 Entitles included in the organisation's sustainability reporting	SR25: Scope and Basis of Scope		92
	2-3 Reporting period, frequency and contact point	Reporting period: 1 January 2025 to 31 December 2025		
		SR25: About this Sustainability Report		92
		Frequency: annually		-
		Publication date: 27 March 2026		-
		Contact Point: SR25: Contact		95
2-4 Restatements of information	There is no reinstatement of significant sustainability-related information in this Report.		-	
2-5 External assurance	SR25: Assurance		93-95	
<b>Activities and workers</b>				
2-6 Activities, value chain and other business relationships	IAR25: About Unisem		8-13	
2-7 Employees	SR25: Employee Diversity		133-136	
2-8 Workers who are not employees	SR25: Employee Diversity		133-136	
<b>Governance</b>				
2-9 Governance structure and composition	IAR25: Corporate Governance Overview Statement		26-40	
2-10 Nomination and selection of the highest governance body	IAR25: Corporate Governance Overview Statement		26-40	

# SUSTAINABILITY

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### GRI CONTENT INDEX (CONT'D)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	INFORMATION/ LOCATION	PAGE NUMBER	
<b>General Disclosures</b>				
<b>GRI 2: General Disclosures 2021</b>	<b>Governance</b>			
	2-11 Chair of the highest governance body	IAR25: Corporate Governance Overview Statement	26-40	
	2-12 Role of the highest governance body in overseeing the management of impacts	IAR25: Corporate Governance Overview Statement	26-40	
	2-13 Delegation of responsibility for managing impacts	IAR25: Corporate Governance Overview Statement SR25: Sustainability Governance	26-40 100-103	
	2-14 Role of the highest governance body in sustainability reporting	IAR25: Corporate Governance Overview Statement SR25: Sustainability Governance	26-40 100-103	
	2-15 Conflicts of interest	IAR25: Audit and Risk Management Committee Report SR25: Upholding Business Ethics: Conflicts of Interest	41-45 113-114	
	2-16 Communication of critical concerns	IAR25: Corporate Governance Overview Statement IAR25: Creating Value for Stakeholders	26-40 57-61	
	2-17 Collective knowledge of the highest governance body	IAR25: Corporate Governance Overview Statement	26-40	
	2-18 Evaluation of the performance of the highest governance body	IAR25: Corporate Governance Overview Statement	26-40	
	2-19 Remuneration policies	IAR25: Corporate Governance Overview Statement	26-40	
	2-20 Process to determine remuneration	IAR25: Corporate Governance Overview Statement	26-40	
	2-21 Annual total compensation ratio	Not provided due to confidentiality constraints <sup>1</sup>	-	
	<b>Strategy, policies and practices</b>			
	2-22 Statement on sustainable development strategy	IAR25: Our Value Creation IAR25: Strategy Review and Performance	52-54 63-90	
	2-23 Policy commitments	SR25: Upholding Business Ethics SR25: Our RBA Obligations SR25: Supply Chain Management	111-114 114-115 116-120	
	2-24 Embedding policy commitments	SR25: Upholding Business Ethics SR25: Our RBA Obligations SR25: Supply Chain Management	111-114 114-115 116-120	

<sup>1</sup> Disclosure for GRI 2-21-a, b & c on Annual total compensation ratio – Disclosure omitted as salary and compensation of employees are confidential information for UNISEM.

# SUSTAINABILITY

## Report

### GRI CONTENT INDEX (CONT'D)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	INFORMATION/ LOCATION	PAGE NUMBER
<b>General Disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>	<b>Strategy, policies and practices</b>		
	2-25 Processes to remediate negative impacts	SR25: Materiality Assessment and Materiality Matrix SR25: Occupational Health and Safety SR25: Communications and Engagements with Employees SR25: Noise Monitoring IAR25: Creating Value for Stakeholders	104-105 136-140 140-141 170 57-61
	2-26 Mechanisms for seeking advice and raising concerns	SR25: Upholding Business Ethics: Unisem's Whistle-Blowing Channel	114
	2-27 Compliance with laws and regulations	SR25: Upholding Business Ethics SR25: Upholding Human Rights and Labour Standards SR25: The Environment: Our Environmental Management Approach	111-114 132-133 150-156
	2-28 Membership associations	IAR25: Where We Operate	9-11
	<b>Stakeholder engagement</b>		
	2-29 Approach to stakeholder engagement	IAR25: Creating Value for Stakeholders	57-61
	2-30 Collective bargaining agreements	SR25: Employee Diversity	133-136
<b>Material Topics</b>			
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	SR25: Materiality Assessment and Materiality Matrix	104-105
	3-2 List of material topics	SR25: Materiality Assessment and Materiality Matrix	104-105
<b>Strategic market presence, products, and customer relationship</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Managing Our Business	122-126
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	SR25: Business Performance	122-123
	201-4 Financial assistance received from government	IAR25: Financial Statements : Notes to Financial Statements	219-220
<b>Strategic market presence, products, and customer relationship</b>			
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	SR25: Supply Chain Management	116-120
<b>Technology and Innovation</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Quality and Lean Operations SR25: Pushing Our Technological Boundaries	123-124 124-126

# SUSTAINABILITY

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### GRI CONTENT INDEX (CONT'D)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	INFORMATION/ LOCATION	PAGE NUMBER
<b>Business Ethics</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Upholding Business Ethics: Anti-Corruption and Bribery	111-113
<b>GRI 205: Anti-Corruption 2016</b>	205-1 Operations assessed for risks related to corruption	SR25: Upholding Business Ethics: Anti-Corruption and Bribery	111-113
	205-2 Communication and training about anti-corruption policies and procedures	SR25: Upholding Business Ethics: Anti-Corruption and Bribery	111-113
	205-3 Confirmed incidents of corruption and actions taken	SR25: Upholding Business Ethics: Anti-Corruption and Bribery	111-113
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	SR25: Upholding Business Ethics: Anti-Corruption and Bribery	111-113
<b>Employee Development</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Employee Development	142-145
<b>Energy</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Energy Management, Climate Change, and Air Emissions: Energy Consumption and Energy Intensity	156-158
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organisation	SR25: Energy Management, Climate Change, and Air Emissions: Energy Consumption and Energy Intensity	156-158
	302-3 Energy intensity	SR25: Energy Management, Climate Change, and Air Emissions: Energy Consumption and Energy Intensity	156-158
	302-4 Reduction of energy consumption	SR25: Energy Management, Climate Change, and Air Emissions: Energy Consumption and Energy Intensity	156-158
<b>Supply Chain Management</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Supply Chain Management	116-120
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	SR25: Supply Chain Management	116-120
	308-2 Negative environmental impacts in the supply chain and actions taken	SR25: Supply Chain Management	116-120

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<b>Supply Chain Management</b>			
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	SR25: Supply Chain Management	116-120
	414-2 Negative social impacts in the supply chain and actions taken	SR25: Supply Chain Management	116-120
<b>Cybersecurity and Information Security</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Protecting Customers' Privacy and Data	130
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<b>Safety and health</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Occupational Health and Safety	136-140
	<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	SR25: Occupational Health and Safety
403-2 Hazard identification, risk assessment, and incident investigation		SR25: Occupational Health and Safety	136-140
403-3 Occupational health services		SR25: Occupational Health and Safety	136-140
403-4 Worker participation, consultation, and communication on occupational health and safety		SR25: Occupational Health and Safety	136-140
403-5 Worker training on occupational health and safety		SR25: Occupational Health and Safety	136-140
403-6 Promotion of worker health		SR25: Occupational Health and Safety	136-140

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<b>GRI 403: Occupational Health and Safety 2018</b>	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR25: Occupational Health and Safety	136-140
	403-8 Workers covered by an occupational health and safety management system	SR25: Occupational Health and Safety	136-140
	403-9 Work-related injuries	SR25: Occupational Health and Safety	136-140
	403-10 Work-related ill health	SR25: Occupational Health and Safety	136-140
<b>Emissions</b>			
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	SR25: Energy Management, Climate Change, and Air Emissions: GHG Emissions and GHG Emission Intensity	156-162
	305-2 Energy indirect (Scope 2) GHG emissions	SR25: Energy Management, Climate Change, and Air Emissions: GHG Emissions and GHG Emission Intensity	156-162
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	305-4 GHG emissions intensity	SR25: Energy Management, Climate Change, and Air Emissions: GHG Emissions and GHG Emission Intensity	156-162
	305-5 Reduction of GHG emissions	SR25: Energy Management, Climate Change, and Air Emissions: GHG Emissions and GHG Emission Intensity	156-162
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	SR25: Energy Management, Climate Change, and Air Emissions: GHG Emissions and GHG Emission Intensity	156-162
	<b>Product stewardship and safety</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Product Stewardship	121
<b>Waste and pollution management</b>			
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	SR25: Managing Waste and Effluents	162-166
	306-2 Management of significant waste-related impacts	SR25: Managing Waste and Effluents	162-166

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<b>GRI 306: Waste 2020</b>	306-3 Waste generated	SR25: Managing Waste and Effluents	162-166
	306-4 Waste diverted from disposal	SR25: Managing Waste and Effluents	162-166
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<b>Labour practices and human rights</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Upholding Human Rights and Labour Standards	132-133
<b>GRI 406: Non-Discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	SR25: Upholding Business Ethics: Unisem's Whistle-Blowing Channel SR25: Upholding Human Rights and Labour Standards	114 132-133
	<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SR25: Supply Chain Management SR25: Upholding Human Rights and Labour Standards
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labour	SR25: Supply Chain Management SR25: Upholding Human Rights and Labour Standards	116-120 132-133
	<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	SR25: Supply Chain Management SR25: Upholding Human Rights and Labour Standards
<b>GRI 412: Human Rights Assessment 2016</b>	412-1 Operations that have been subject to human rights reviews or impact assessments	SR25: Supply Chain Management SR25: Upholding Human Rights and Labour Standards	116-120 132-133
	412-2 Employee training on human rights policies or procedures	SR25: Upholding Human Rights and Labour Standards	132-133
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	SR25: Supply Chain Management SR25: Upholding Human Rights and Labour Standards	116-120 132-133
<b>Water Consumption</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Water Use and Effluent	166-169

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<b>Water Consumption</b>			
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	SR25: Water Use and Effluent	166-169
	303-2 Management of water discharge-related impacts	SR25: Water Use and Effluent	166-169
	303-3 Water withdrawal	SR25: Water Use and Effluent	166-169
	303-4 Water discharge	SR25: Water Use and Effluent	166-169
	303-5 Water consumption	SR25: Water Use and Effluent	166-169
<b>Diversity, equity, and equality</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Employee Diversity	133-136
	<b>GRI 201: Economic Performance 2016</b>	201-3 Defined benefit plan obligations and other retirement plans	IAR25: Financial Statements 226
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	SR25: Employee Diversity: Equal Treatment and Opportunities	133-135
<b>GRI 401: Employment 2016</b>	401-2 Benefits provided to full- time employees that are not provided to temporary or part-time employees	SR25: Employee Diversity Note: Unisem Group does not have part-time employees	133-135
	401-3 Parental leave	SR 25: Other Sustainability Data and References: Parental Leave	177
<b>Contribution to society and communities</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	SR25: Local Communities	148-149
	<b>GRI 202: Market Presence 2016</b>	202-2 Proportion of senior management hired from the local community	SR25: Business Performance: Local Employment 123
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-2 Significant indirect economic impacts	SR25: Business Performance: Economic Value Generated and Distributed	123
<b>GRI 413: Local Communities 2016</b>	413-2 Operations with significant actual and potential negative impacts on local communities	SR25: Noise Monitoring	170

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### SASB ALIGNMENT INDEX

General	Accounting Metric	SASB Code	Content Reference
Activity metric	Total production	TC-SC-000.A	Total number of units produced in FY2025 is 8,584,146 thousand number of units
Activity metric	Percentage of production from owned facilities	TC-SC-000.B	100% of the units produced are from facilities owned by Unisem Group.

Topic	Accounting Metric	SASB Code	Summary
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions and	TC-SC-110a.1	(1) Gross global Scope 1 (Direct) emissions amounted to 5.0 thousand tonnes of CO <sub>2</sub> equivalent.
	(2) amount of total emissions from perfluorinated compound		(2) Not applicable. We do not use a significant amount of perfluorinated compounds.
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TC-SC-110a.2	<p>Unisem Group's Scope 1 emissions are relatively low amongst its total Scope 1 and 2 emissions, i.e. less than 3%, and majority of emissions are derived from energy use, particularly purchased electricity.</p> <p>The Group aims to reduce overall Scope 1 and 2 emissions by targeting to reduce emissions intensity via reduction in energy intensity.</p> <p>We have targets to reduce energy intensity and emissions intensity by 15% against the 2020 baseline.</p> <p>The Group is also exploring alternative sources of energy including renewable sources to potentially reduce emissions arising from fossil-based energy.</p>
Energy Management in Manufacturing	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	TC-SC-130a.1	<p>(1) Total energy consumption by the Group is 970,344 GJ</p> <p>(2) Total grid electricity purchased amounted to 925,125 GJ, i.e. 95% of total energy consumption.</p> <p>(3) Total renewable energy consumption is 184,250 GJ, i.e. 19% of total energy consumption.</p>

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### SASB ALIGNMENT INDEX (CONT'D)

Topic	Accounting Metric	SASB Code	Summary
Water Management	(1) Total water withdrawn	TC-SC-140a.1	(1) Total water withdrawn by the Group is 4.35 million m <sup>3</sup>
	(2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress		(2) Total water consumed by the Group is 0.39 million m <sup>3</sup>  Unisem Group has facilities located in: <ul style="list-style-type: none"> <li>• Simpang Pulai, Perak, Malaysia;</li> <li>• Gopeng, Perak, Malaysia; and</li> <li>• Chengdu, Sichuan, PRC.</li> </ul> <p>All locations are not High or Extremely High Baseline Water Stress regions.</p>
Waste Management	(1) Amount of hazardous waste from manufacturing	TC-SC-150a.1	The Group generated 586 MT of hazardous waste from its production activities. 65% of this hazardous waste from manufacturing was recycled.
	(2) percentage recycled		Approximately 33% of this recycled hazardous waste was e-waste, which was handled by third party contractors compliant with applicable laws and regulations.
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	TC-SC-320a.1	Unisem Group assesses, monitors, and reduces exposure of employees to human health hazards via its occupational safety and health management system, which includes: <ul style="list-style-type: none"> <li>(a) Governance structure - Health and Safety Working Committee to oversee safety and health identification, assessment, management, and reporting processes</li> <li>(b) Risk-based approach - HIRARC reviews to identify hazards and risks</li> <li>(c) SOPs incorporating health and safety internal controls</li> <li>(d) Incident response and risk management procedures</li> <li>(e) Training and awareness</li> </ul>
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	There were no legal proceedings associated with employee health and safety violations reported during FY2025, i.e. there were no associated monetary losses.

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### SASB ALIGNMENT INDEX (CONT'D)

Topic	Accounting Metric	SASB Code	Summary
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that require a work visa	TC-SC-330a.1	<p>(1) Unisem Group discloses the following data by location, i.e. Unisem Malaysia and Unisem Chengdu. 25.2% of Unisem Malaysia's employees are foreign nationals and 0.2% of Unisem Chengdu's employees are foreign nationals.</p> <p>In Unisem Malaysia, ongoing efforts are undertaken to attract local employees to reduce reliance on foreign workers and to develop local talent pool.</p> <p>(2) 47% and 53% of the Group's employees are employed in Malaysia and China, respectively.</p>
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	Unisem Group complies with RoHS Directive on restriction on the use of ten substances including lead.
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	Unisem Group does not produce end products or consumer products and hence this metric is not applicable.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	<p>Unisem Group has a Group Policy on Conflict Minerals which prohibit the use of conflict minerals including tantalum, tin, tungsten, and gold from conflict areas.</p> <p>Due diligence processes are in place to facilitate the responsible sourcing of conflict free minerals in the Group's production and supply chain. Further, the Group adheres to the RBA Code of Conduct and it requires suppliers to adhere to the same.</p>
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	TC-SC-520a.1	There were no legal proceedings associated with anti-competitive behaviour regulations reported during FY2025, i.e. there were no associated monetary losses.