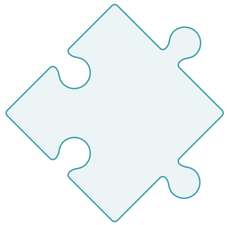
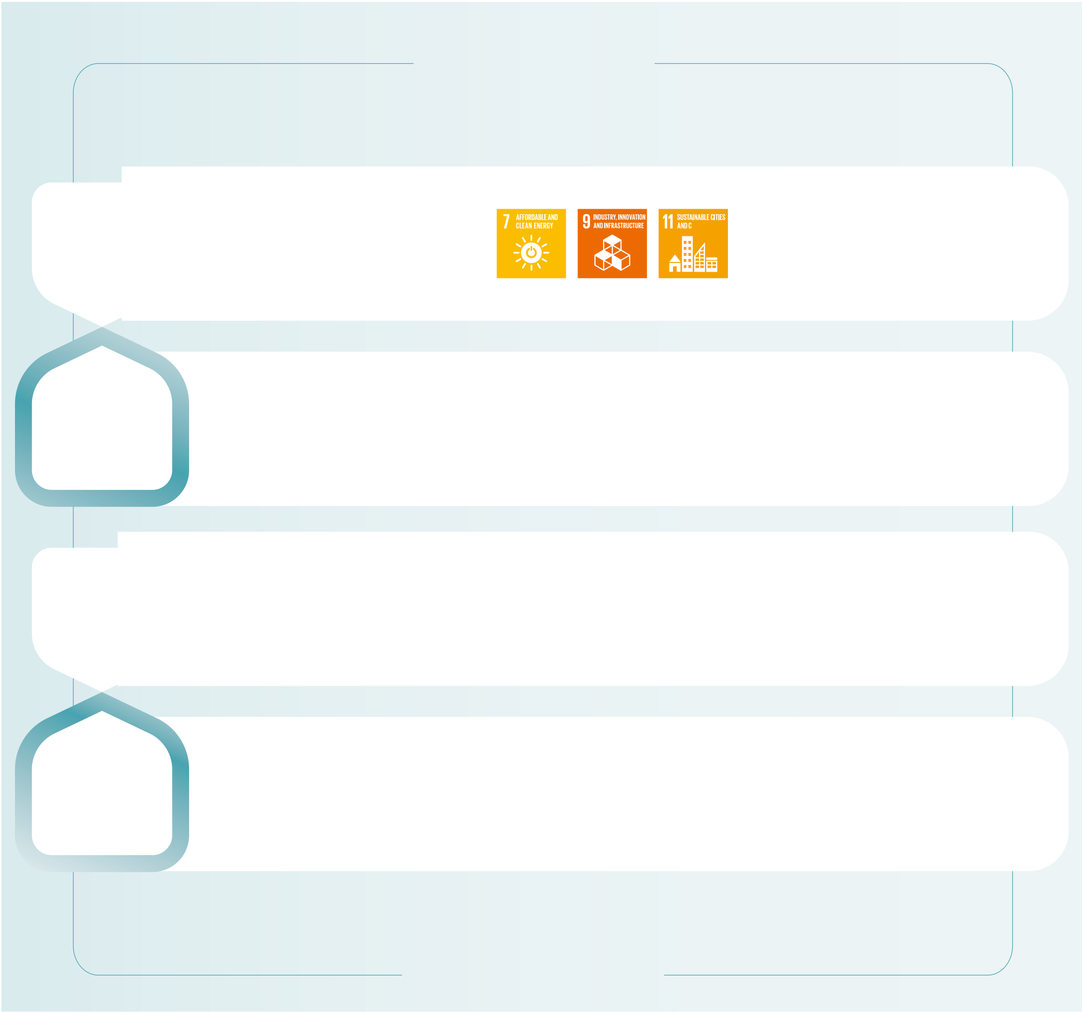
System integrator relationship



Sustainable Strategy and Framework

USI Sustainability Committee is the highest organizational unit to manage USI's sustainable development. To e ectively implement our Sustainability Policy, we set our Sustainability Strategy that includes four dimensions, Low Carbon, Circular, Collaborative, and Inclusive. In response to the United Nations SDGs, USI prioritizes the ones based on our core values and carries out comprehensive actions through the Committee Taskforces to pursue corporate sustainability.



Sustainable Promotion Issues and Targets

Taskforce	Key Issue	KPI	2026 Target
Corporate Governance	Corporate Governance	▶ Included in SSE Corporate Governance Index	▶ Continue to be included in SSE Corporate Governance Index
	Business Continuity	▶ Obtain ISO 22301 certi cation	▶ Implement BCMS to major facilities
	Cybersecurity Management	▶ USI Cybersecurity training completion rate	▶ 100% completion rate of USI Cybersecurity training
	Business Ethics	▶ USI Employee Code of Conduct training completion rate	▶ 100% completion rate of USI Employee Code of Conduct training

Taskforce	Key Issue	KPI	2026 Target
Green Products & Innovation	Patents and Research	▶ Apply for green product and design patents	▶ Continue the incentive system for green product design, targeting a cumulative number of patents to 1,611
	Continuous Improvement	▶ Continuously introduce proposals for improvement	▶ Continuously introduce proposals for improvement in each facility
	Green Design/ Green Product	▶ International energy conservation certi cation	▶ The AC-DC internal power supply conversion e ciency complies with 80 Plus Titanium certi cation
		▶ Miniaturized design	▶ Shrink antenna size by 25% to reduce its energy consumption and carbon footprint
Environmental Protection & Occupational Safety	Climate Change	▶ Obtain ISO 14064-1:2018 certi cation	▶ Obtain/ maintain ISO 14064-1:2018 certi cation in all major facilities
	Energy Management	▶ Electricity intensity	▶ Electricity intensity decreases by 11% from baseline year 2015
	Water Resource Management	▶ Water intensity	▶ Water use intensity decreases by 11% from baseline year 2015
	Waste and Recycling	▶ Hazardous waste generation intensity	▶ Hazardous waste generation intensity decreases by 11% from baseline year 2015
		▶ Non-hazardous waste recovery rate	▶ Non-hazardous waste recovery rate recycling rate reaches 90%
	Occupational Health & Safety	▶ Major occupational disease incidences ▶	

Taskforce	Key Issue	KPI	2026 Target
Value Chain Management	Customer Relationship Management	▶ Major customer satisfaction	▶ Major customer satisfaction rate reaches 84%
	Sustainable Supply Chain	▶ Local procurement rate	▶ Local procurement rate maintain at least 35%
		▶ Percentage of target suppliers completing the con ict-free minerals	▶ 100% Target suppliers use con ict-free minerals
		▶ Percentage of suppliers completing the Supplier Sustainability Assessment Questionnaire (SSAQ)	▶ SSAQ completion rate reaches 76%
Employee Care & Social Involvement	Talent Attraction and Retention	▶ Employee engagement	▶ Employee engagement rate is more than 85% ▶ Data coverage rate is more than 85%
		▶ Turnover rate	▶ DL turnover rate is less than 50% ▶ IDL turnover rate is less than 10%
		▶ Key talent retention rate	▶ Over 95% key talent retention rate
	Human Capital Development	▶ Employee career plan	▶ Subsidize more than 80 employees to obtain degrees
		▶ Internal instructor training	▶ Have over 1,000 internal instructors
	Human Rights	▶ Human rights risk assessment	▶ Implement human rights risk identi cation and mitigation procedure in all facilities
		▶ Equal employment opportunities	▶ Employ more than 120 disabled employees
	Investing in Education	▶ Rural area reading activities ▶ Number of industrial-academic partnerships ▶ Number of interns ▶ Number of USIU classes shared	▶ Hold 6 reading activities in rural areas ▶ Conduct 2 research industrial-academic partnerships ▶ Admit 150 interns ▶ Share 40 USIU classes
	Contributing to Society	▶ Number of people bene ting from rural revitalization programs ▶ Number of volunteers	▶ Support 1,200 rural students ▶ Reach 2,000 volunteers
	Promoting Arts & Culture	▶ Number of art groups supported	▶ Support 3 art groups
	Conserving the Environment	▶ Number of trees planted ▶ Amount of coastal trash picked ▶ Number of environmental seminars held	▶ Plant 8,250 trees in employee forest ▶ Pick 1,000 kg of trash ▶ Hold 5 environmental seminars

ESG Key Performance Summary

	Key Performance		Unit	2018	2019	2020	2021
Governance	Financial Performance	Operating revenue	K CNY	33,550,275.0	37,204,188.4	47,696,228.2	55,299,654.8
		Total pro t	K CNY	1,393,319.9	1,432,763.0	1,973,563.1	2,138,858.9
		Earnings per share	CNY	0.54	0.58	0.80	0.85
		Taxes	K CNY	398,032.3	352,271.7	397,576.8	618,989.5
	Research and Patents	Amount invested in R&D	M CNY	1,312	1,373	1,576	1,641
		Number of patents accumulated	-	589	628	660	696
	Continuous Improvement	Number of improvement proposals	-	356	275	319	304
		Cost saved	K CNY	83,576	92,628	76,951	78,756
	Customer Service and Satisfaction	Customer satisfaction	%	82	83	84	84
		On-time delivery	%	98.5	99.0	99.0	99.5
Environmental	Renewable Energy Use Percentage[1]	USI Group	%	87.2	82.7	79.6	80.3
	Greenhouse Gas Emissions[2]	Category 1	metric tonnes CO_2e	7,024.93	8,438.84	6,802.39	4,592.71
		Category 2-Location Based	metric tonnes CO_2e	148,201.93	168,730.49	184,225.84	201,538.85
		Category 2-Market Based	metric tonnes CO_2e	12,879.25	22,165.63	26,056.90	26,617.41
		Category 3~6	metric tonnes CO_2e	115.48	22,623.67	16,722,053.37	12,980,878.70
	Energy Consumption	Direct energy consumption-Diesel	GJ	639.08	1,065.38	1,393.59	1,335.80
		Direct energy consumption-Gasoline	GJ	4,011.47	3,572.89	2,523.89	2,575.20
		Direct energy consumption-Natural Gas	GJ	76,708.71	103,881.07	74,103.64	34,238.98
		Indirect energy consumption-Electricity	GJ	657,531.10	769,756.87	870,905.19	948,483.21
		Total energy consumption	GJ	738,890.36	878,276.21	948,926.31	986,633.19
	Water Resource Management	Water withdrawal	ML	581.537	681.848	803.690	861.887
		Recycled water	ML	142.813	155.058	179.145	236.972
		Recovery rate	%	24.6	22.7	22.3	27.5
	Waste Management	Hazardous waste generated	metric tonnes	537.915	696.641	783.065	967.233
		Recycling / Reuse	metric tonnes	210.95	255.13	247.23	202.79
		Non-hazardous waste generated	metric tonnes	7,239.187	7,813.671	7,805.962	8,766.093
		Recycling / Reuse	metric tonnes	6,729.85	7,072.29	7,079.35	8,115.46
	Materials Recycled and Reused	Total nancial bene ts	K CNY	3,755,216	3,452,049	3,050,159	2,387,932
	Air Pollution Control	Volatile Organic Compounds (VOCs)	metric tonnes	23.295	44.640	47.056	55.238
	Environmental Expenditures	Total	CNY	20,729,687	23,179,611	28,131,112	25,989,443

USI Contributions to the SDGs

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Sustainable Impact Assessment

USI implemented TIMM (Total Impact Measurement and Management) to inventory the impacts and contributions to stakeholders from company's operations in Economic, Social, Environmental and Taxes in hopes to help company to improve operation performances through key management indexes correction. Through TIMM assessment, USI generated CNY 25,786 million worth of sustainability value for stakeholders in 2021 that created positive and outstanding contributions.

Economic and Tax dimensions: USI has been an industry leading position and continuously improving core competitiveness through steady operation strategies. In 2021, USI achieved new high business profit bringing excellent benefits to shareholders, suppliers,

reen Products and Innovation

esponse to the latest changes in international environmental regulations, we have integrate
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R&D employees can design products ecologically to ensure that the green products manufa
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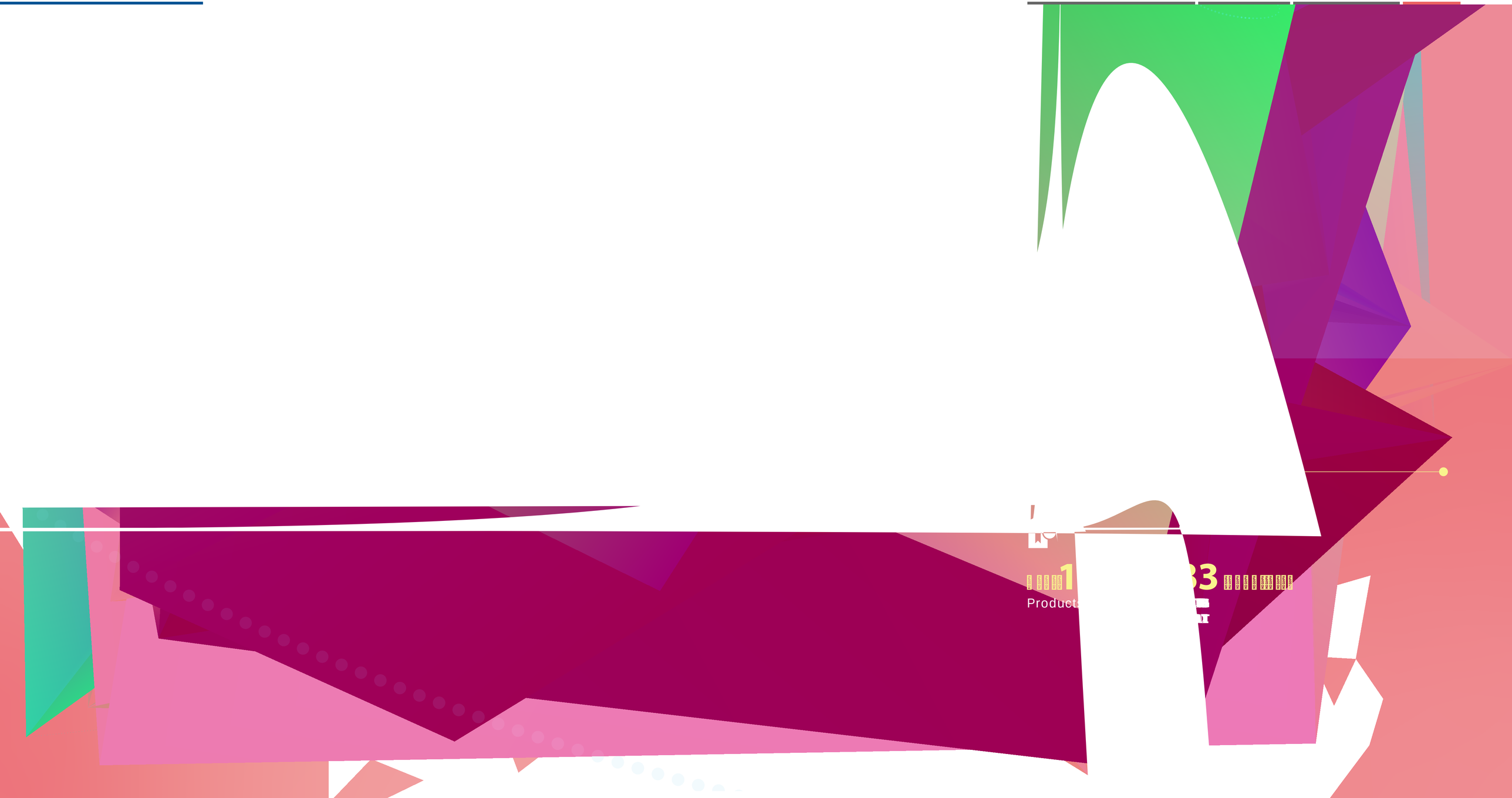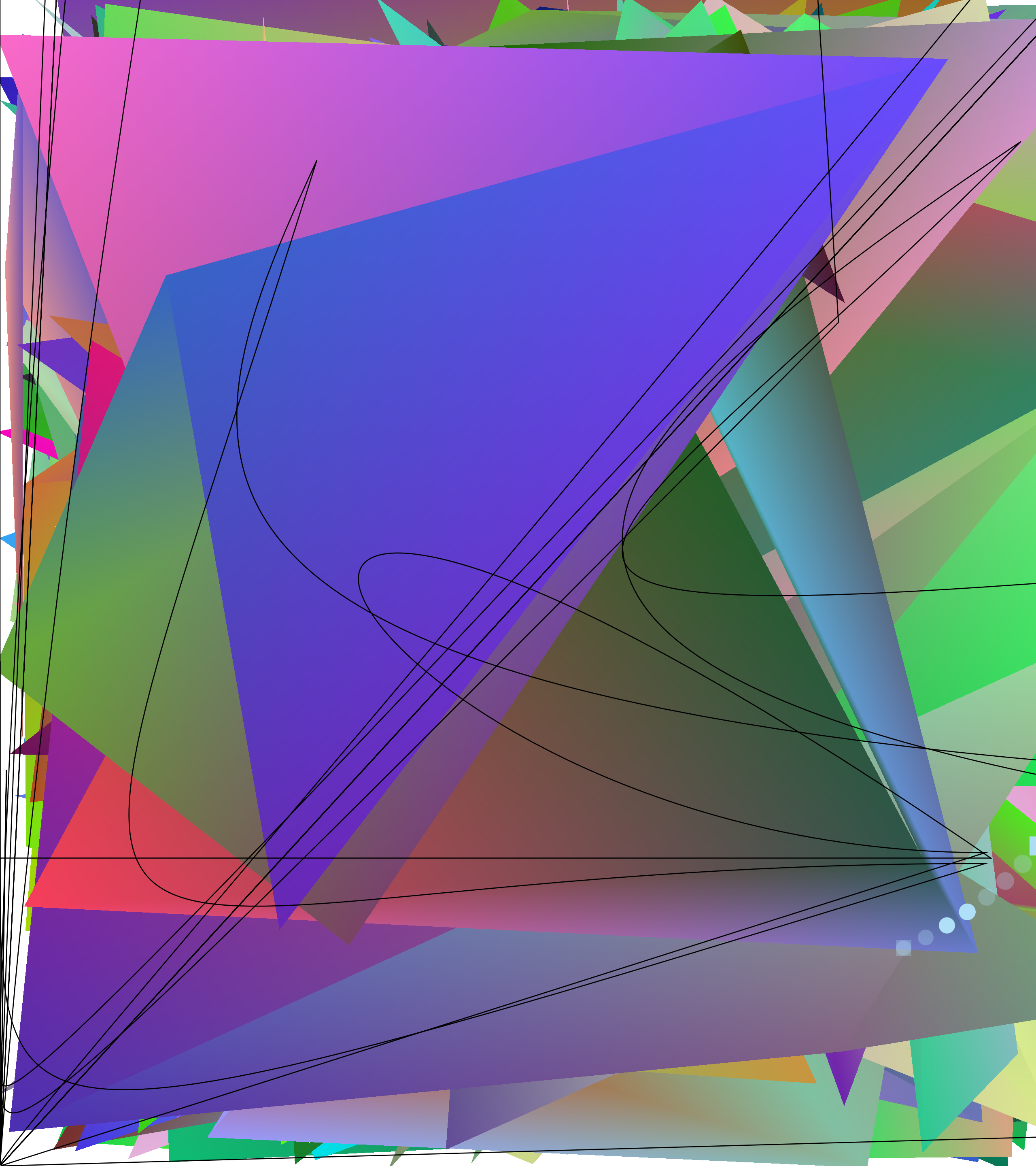
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