



Environmental, Social and Governance Report 2023

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About the Report

Scope of the Report

Entities covered: The Report covers Beijing Huafeng Test & Control Technology Co., Ltd. and its subsidiaries (collectively referred to as "Accotest", "the company" or "we"), and is intended to present the ESG and sustainability performance during the reporting period.

Reporting period: The report covers the period from 1 January 2023 to 31 December 2023. To enhance the integrity of this report, certain parts may relates to past years.

Release cycle: The Report is our first annual ESG report.

Reference and Principles

The report is based on the Sustainable Development Reporting Standards (GRI Standards) released by the Global Reporting Initiative and the ISO 26000 Guidelines for Social Responsibility (2010) issued by the International Organization for Standardization. It also meets the requirements of the China Securities Regulatory Commission's Guidelines for Corporate Governance of Listed Companies (2018), the Shanghai Stock Exchange's Guidelines for the Application of Self regulatory Rules for Listed Companies on the Science and Technology Innovation Board No. 2- Voluntary Information Disclosure (2022), and the Shanghai Stock Exchange's Guidelines for the Disclosure of Voluntary Information.

Explanation of the Data in the 2022 Report on the Application Guidelines for Self regulatory Rules of Municipal Companies No. 1- Standardized Operation.

Data Explanation

Unless otherwise specified, the information and data presented in the Report are derived from the official documents, statistical reports, financial reports or public documents of the company.

The financial data in the Report are cited from the audited Annual Report 2023 of Accotest. Please be informed that the Annual Report shall prevail for any discrepancy. Unless otherwise specified, all amounts presented in the Report are in RMB, and certain amounts and percentage figures herein have been rounded.

Data Assurance

We undertake that there is no false record, misleading statement or material omission in the Report, and the Board of Directors is liable for the authenticity, accuracy and completeness of the content herein. Disclaimer: The Report contains some forward-looking statements, including plans and objectives regarding the future development. Such information reflects management's expectations in the current stage, which may be subject to uncertainty and cause significant differences from actual outcomes. Our company does not assume any obligation to update any forward-looking statements in this report.

Release

This report is available in both print and electronic format. The electronic version can be accessed on the company's website at www.hftc.com.cn or on the website of Shanghai Stock Exchange (SSE) at www.sse.com.cn.

The Report is prepared in simplified Chinese and English. For any differences between the two versions, the simplified Chinese version shall prevail.

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Chairman's Statement

Dear Accotest colleagues and stakeholders,

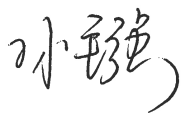
2023 marked the 30th anniversary of Accotest, an important milestone on our development path. 30 years ago, a group of young ambitious people with passion and vitality founded Accotest in a small bungalow in Beijing. After 30 years of devotion and perseverance, Accotest has grown into a national high-tech enterprise that provides thousands of high-end equipment domestically and internationally every year.

The company's focus on pragmatism has made the Accotest people unalterable with enduring temptation and loneliness for decades. Accotest believes that only with years of accumulation and accumulation of basic technology can it achieve "overtaking on curves", and is committed to becoming a leading domestic enterprise in the field of integrated circuit automation testing through long-term and arduous efforts and hard work.

The innovative thinking of Accotest enabled our people to independently develop and master a number of core technologies in IC testing, and own a number of technological achievements with international and domestic leading level. Accotest products have also become one of the most important global platforms in the field of IC testing.

ESG's the concept of sustainability and green production have always been closely aligned Accotest's core values of "pursuit of excellence, creation of value". As a domestic leading supplier of automatic test equipment (ATE) for IC test, Accotest upholds the pursuing excellence and striving to develop into China's best and the world's first-class brand of testers. We seize the historical opportunity of China's industrial upgrading and domestic substitution, and specialize in automatic IC test, in an effort to become a prominent enterprise in this sector. At the same time, the company always cares for and concerns about every employee, steps up efforts to promote low-carbon and green operation, and works hand in hand with all stakeholder to create greater value for our customers, employees, shareholders and society.

December 2023



Chairman



About Accotest

Company profile: "Craftsmanship in Pursuit of Excellence"

Founded in 1993 in Beijing, Accotest (also known as Beijing Huafeng Test & Control Technology Co., Ltd.) is a domestic leading supplier that specialises in independent R&D, production, and sales of semiconductor automatic test equipment (ATE). Accotest (stock code: 688200) was successfully listed on SSE STAR Market in February 2020, and is now headquartered in Zhongguancun IC Design Industrial Park, Haidian District, Beijing. Over the past 30 years, Accotest has been dedicated to independent R&D and continuous innovation in pursuit of excellence, to increase the application of our products in IC design companies, IDM/wafer manufacturers and packaging and testing companies globally. The company has achieved large installed scale in countries and regions with an advanced semiconductor industry, such as the United States, Europe, Southeast Asia, Taiwan, Japan, and South Korea.

Company history





2023 Top 100 Beijing Manufacturing Enterprises
— Beijing Enterprise Federation and Beijing Entrepreneurs Association



2023 Top 100 Beijing Enterprises with the Features of Specialisation, Refinement, Uniqueness and Innovation
— Beijing Enterprise Federation and Beijing Entrepreneurs Association



National high Technology Enterprise



2021 The 16th "China Chip" Excellent Supporting Service Enterprises
— China Centre for Information Industry Development



2023 Top 100 Beijing Advanced Technology Enterprises
— Beijing Enterprise Federation and Beijing Entrepreneurs Association



2023 Annual Best Delivery Suppliers
— Jiangsu Changjiang Electronics Technology Co., Ltd.



2020 The 3rd "IC Innovation Award" Achievement Industrialisation Award
— China Integrated Circuit Innovation Alliance



2020 Science and Innovation Golden Horse Award - R&D Investment Leadership
— Securities Daily



2022 Top 100 Beijing Manufacturing Enterprises
— Beijing Enterprise Federation and Beijing Entrepreneurs Association



2022 Top 500 New Economy Enterprises in China
— China Enterprise Evaluation Association



2017-2018 China Semiconductor Market - Annual Best Performance Award
— CCID Consulting Company Limited



2019 IC Packaging and Testing Industry Chain Technology Innovation Award
— IC Packaging and Testing Industry Chain Technology Innovation Strategic Alliance



2022 The 16th China Listed Company Value Evaluation - Top 30 Listed Companies by Value on the SSE STAR Market
— Beijing Enterprise Federation and Beijing Entrepreneurs Association



2021 The 15th China Listed Company Value Evaluation - Top 10 Listed Companies by value on the SSE STAR Market
— China Enterprise Evaluation Association



2011 Outstanding Achievement Award
— Implementation Management Office of National Major Science and Technology Projects for Large-scale Integrated Circuit Manufacturing Equipment and Complete Process



2017-2018 China Semiconductor Equipment Market - Companies with the Greatest Potential
— CCID Consulting Company Limited



2021 Top 500 New Economy Enterprises in China
— China Enterprise Evaluation Association



2021 Top 50 Listed Companies by market cap on the SSE STAR Market
— China Media Group Shanghai Central Bureau



2009 Most Attractive Local Semiconductor Equipment and Materials Company Award
— Semiconductor Equipment and Materials International (SEMI)



2010 The 5th China Semiconductor Innovative Products and Technology Award
— China Semiconductor Industry Association (CSIA), China Electronic Materials Industry Association (CEMIA), China Electronic Production Equipment Industry Association (CEPEA) and China Electronics News

Stakeholders

Over the past 30 years, Accotest has thrived despite many challenges with the support of communities. We are deeply aware that our sustained growth cannot be achieved without contributions and trust from all stakeholders. Highly valuing expectations and feedback of stakeholders, Accotest identified stakeholders as below based on the industry landscape, business scope and operation characteristics. Timely and effective communication mechanism and diversified two-way communication channels are in place for all stakeholders including suppliers, customers, employees, shareholders and investors, regulators, media, and industry association.

Stakeholders	Issues	Communication channels
Customers		Customer training
	Product responsibility	Customer visits
	Customer services	Customer satisfaction
	EHS management requirements	Conference
	Employee rights and benefits	Industry exhibitions
	Supplier management	Offline exchange meetings
	Sustainability strategy	Social media
	Business ethics and compliance management	Online meetings
Suppliers		Online surveys
	Employee rights and benefits	
	Customer services	
	Business ethics and compliance management	Supplier visits
	Product responsibility	Online surveys
	EHS management requirements	
	Sustainability strategy	
	Supplier management	
Employees	Employee rights and benefits	Training
	Product innovation, research and development	Employee satisfaction surveys
	Product responsibility	Whistleblowing e-mail
	EHS management requirements	
	Customer services	Online surveys
	Business ethics and compliance management	

Stakeholders	Issues	Communication channels
Shareholders and investors	Business ethics and compliance management	Shareholders' meeting
	Employee rights and benefits	Annual report and announcement
	EHS management requirements	Investor relations section on official website
	Product responsibility	
	Customer services	Online surveys
Government and Regulatory Bodies	Carbon emission management	
	Energy consumption management	
	Product innovation, research and development	
	Pollutant and waste management	
	Biodiversity protection	Regulatory assessment
	Employee rights and benefits	Policy consultation
	EHS management requirements	Meetings
	Product responsibility	Online surveys
	Customer services	
	Supplier management	
	Sustainability strategy	
Media	Business ethics and compliance management	
	Carbon emission management	
	Energy consumption management	
	Product innovation, research and development	
	Pollutant and waste management	
	Biodiversity protection	Press release/announcement
	EHS management requirements	Online surveys
	Product responsibility	
	Customer services	
	Business ethics and compliance management	
Industry association	Employee rights and benefits	
	Product responsibility	Activities and events
	Customer services	
	Business ethics and compliance management	

Materiality assessment

The voice of stakeholders matters to Accotest. To fully understand stakeholders' views and expectations on our ESG management and address their concerns, we identified, evaluated, and ranked ESG issues through the following four steps.

1. Background analysis

We analysed the internal and external conditions that affect our sustainability journey, based on our current operation and future development orientation as well as industry landscape.

2. Identification of material issues

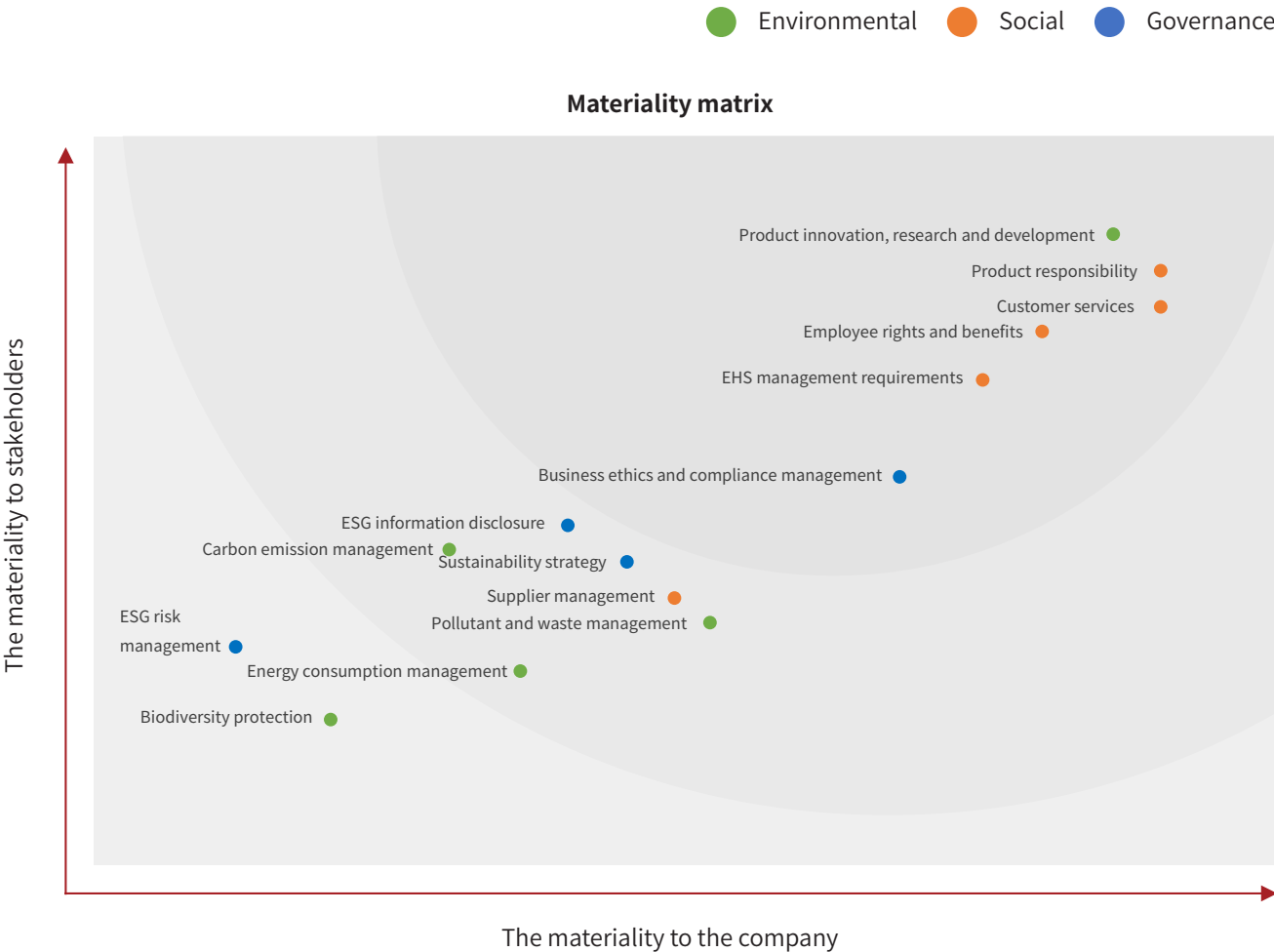
A total of 14 material ESG issues were identified based on the background analysis, including 5 environmental issues, 5 social issues and 4 governance issues.

3. Materiality analysis

Accotest analysed material issues through surveys and interviews, and presented survey results in the form of materiality matrix by ranking ESG issues by "materiality to stakeholders" and "materiality to Accotest" .

4. Review and approval

The Board of Directors and the management team reviewed and approved the materiality assessment results.





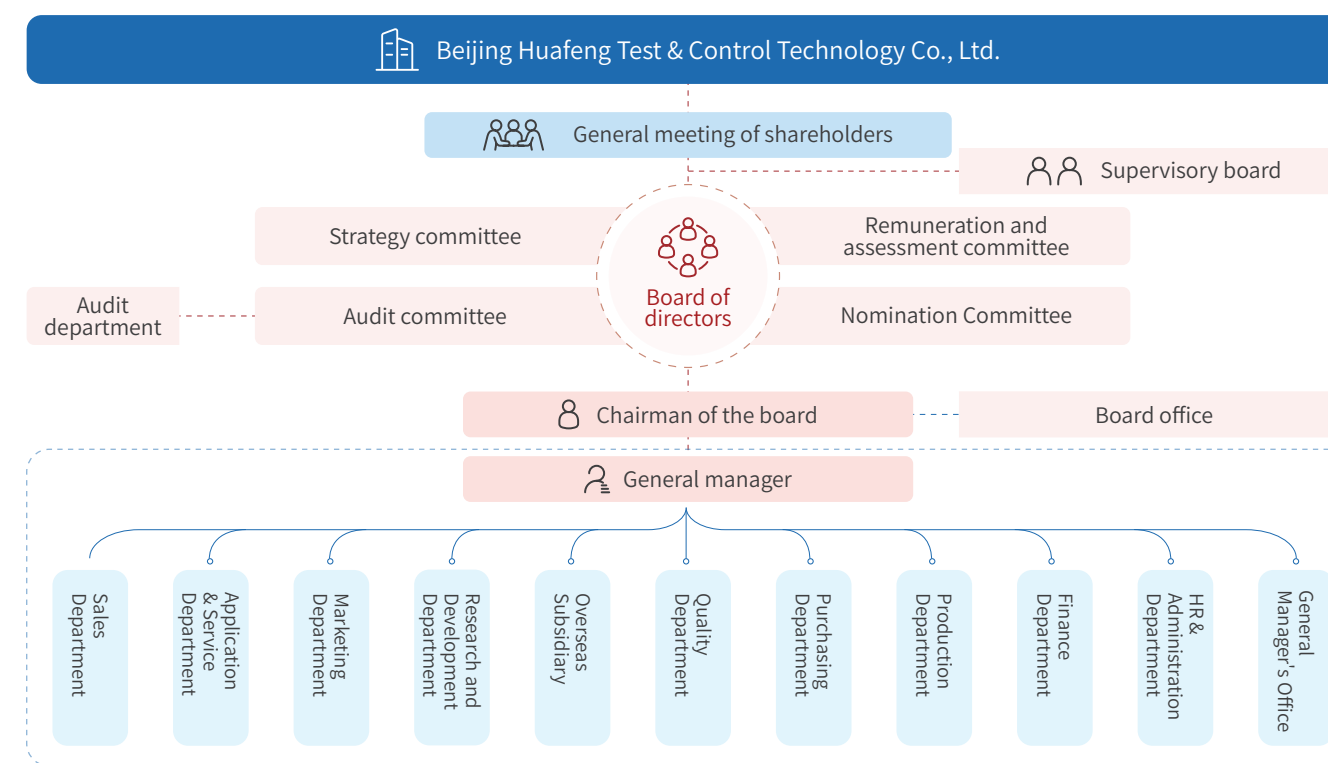
Corporate Governance



Corporate Governance

In strict compliance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange and relevant laws and regulations, rules and normative documents, Accotest pursues high-quality and sustainable development by deepening and optimising corporate governance, as well as establishing and improving the internal management system.

Organisational structure



ESG management level

The management handles the overall ESG management, controls the Company's ESG framework and system planning, coordinates ESG Cross-functional Team, and reviews ESG reports.

ESG executive level

Each department assigns dedicated personnel to form the ESG Cross-functional Team to carry out ESG-related tasks, and deploys resources to assist with ESG daily management and ESG disclosure and ensuring that the objectives of the ESG work are effectively achieved.

Shareholders' Meeting

The power organ of the company to exercise the supreme decision-making power for the internal affairs according to law, and make decisions on major internal and external matters through the shareholders' meeting, such as the decisions on the company's operation strategy and investment plans, the election or replacement of directors and supervisors and modifications to the articles of association.

Board of Directors

The body of authority to convene the shareholders' meeting, decide on the structure of internal governance framework, lead the core development strategy, develop plans for important economic activities, and make decisions on major matters based on the authority given by the shareholders' meeting. The board office is established under the Board of Directors to handle the daily affairs of the board.

Board of Supervisors

The standing internal supervisory body to supervise and inspect conducts of directors, General Manager, other senior executives and finance staff, and safeguard the legitimate rights and interests of the company and shareholders. It shall be responsible to and report to the shareholders' meeting, and discharge its duties according to law.



Investor relation management

As a listed company on the Shanghai Stock Exchange, Accotest attaches great importance to the transparency of communication with investors and information disclosure. Pursuant to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines on Investor Relations Management of Listed Companies, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange and relevant laws and regulations, normative documents and the company's Articles of Association, the company has developed the fact-based Investor Relation Management Policy. In addition, we provide multiple communication channels and timely and transparent information disclosure to meet investors' communication needs. These channels include statutory information disclosure platform as well as shareholders' meeting, performance presentations, analyst meetings, columns on the official website, media platforms and investor education bases. In doing so, we keep in close contact with investors, listen to their opinions and suggestions and respond to their requests in a timely manner. Regarding how information is disclosed, we have prepared the Administrative Measures for Information Disclosure, which serves as a clear and detailed management guide.

During the Reporting Period, Accotest issued 132 corporate announcements on designated websites, and responded to 18 questions from investors online. We also held 2 roadshows, 2 exchanges with institutions and 3 performance briefings, with 561 participants, and released our 2022 annual performance report in WeChat official account.



Ethics and Business Conduct



Sound internal control and compliance

It is important to Accotest that we protect the legitimate rights and interests of the company and shareholders. Observing the laws and regulations while pursuing entrepreneurship and the culture of internal control, we make constant efforts to enhance the prevention and control systems against compliance risks, improve the management of internal control and compliance, and specify the control procedures at all levels to ensure that instructions from the Board of Directors and senior executives are strictly implemented and internal risks are minimised. Following the principle of fairness, impartiality and openness, we maintain effective communication with leaders and employees at all levels regarding daily internal control management, and turn our values into action in every detail of compliance management.



Anti-corruption

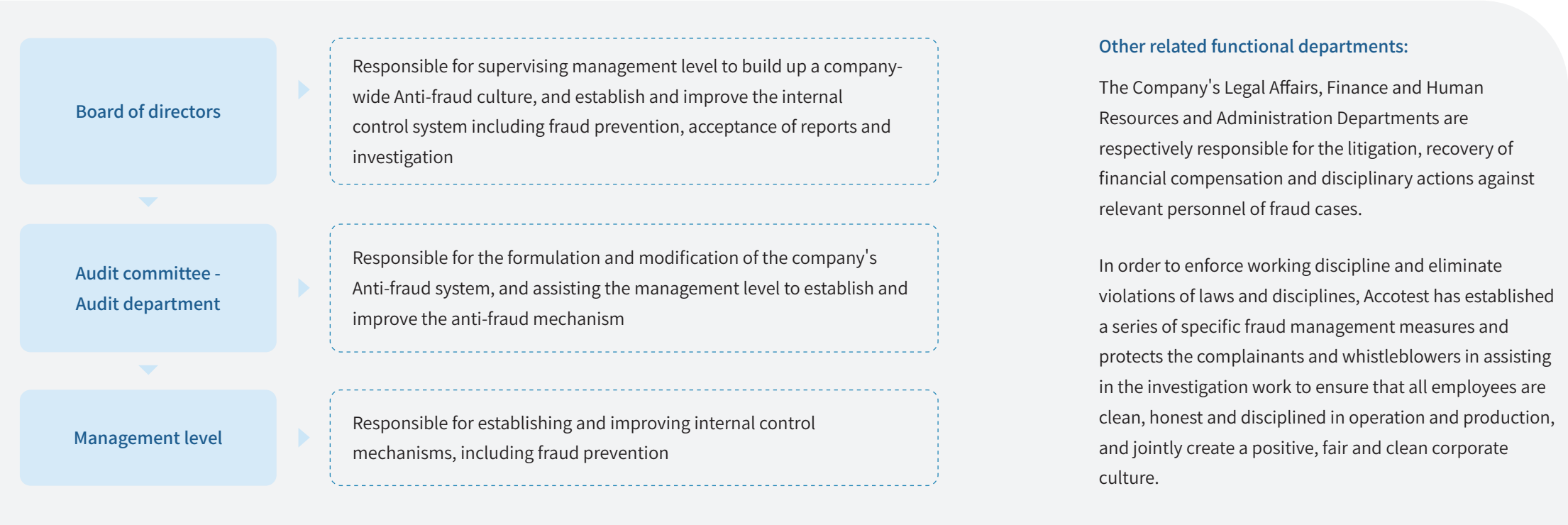
Accotest puts great emphasis on Anti-fraud and Anti-corruption, and adheres to honesty, transparency and integrity in practice. To improve internal control, reduce operating risks, achieve business targets and sustainable growth, we have developed and implemented the fact-based Anti-fraud and Policy internally based on the Securities Law of the People's Republic of China, the Basic Standard for Enterprise Internal Control, the Company Law of the People's Republic of China, the Audit Law of the People's Republic of China and other laws and regulations. Every employee is required to comply with our internal control policy and report any sign of fraud in time.

The Anti-fraud and Policy aims to regulate employees' conducts. We require all employees to stringently observe relevant laws and regulations, internal rules and policies and professional ethics, in a bid to build a positive atmosphere featuring honesty, diligence and dedication, and create a more equitable, healthy and transparent working environment.





Division of Anti-fraud responsibilities:



Fraud firmly prohibited:

- Steal, attempt to steal secrets, or knowingly disclose business information
- Use official duties to falsify and seek personal gains
- Accept bribes and other benefits such as loans and stocks
- Sign false contracts or unfair contracts in exchange for counterparty rebates

Risk Management

Accotest attaches great importance to risk management. In the long-term risk management work,we constantly consolidate every risk exposure, monitor risk elements at all levels, and set clear requirements in the Accotest Internal Control System Compilation V2.0. Our management takes the initiative to improve standardised management in daily work, with particular attention paid to the prediction, identification and control of potential risks. Please refer to the annual report of Accotest for each type of risks and corresponding measures. At the same time, the company makes use of internal reports to accurately identifies and systematically analyses internal and external risks in the production and operation activities, and determines risk response strategies through risk assessment to achieve effective risk control.

Risk assessment



In daily risk management, Accotest collects relevant information according to its control objectives, and carries out risk assessment considering the current situation. Our established procedures require that the Audit Committee shall regularly submit major risk assessment reports to the Board of Directors for approval. The risk assessment is done to precisely identify and systematically analyse risks in business activities, formulate applicable risk response strategies, and control risks within the tolerance through reasonable and effective measures based on the assessment results.



Examples of core risk management initiatives:

- | | | |
|--------------------------------------|--------------------------------|---|
| Manual control and automatic control | Preventive + detective control | Segregation of incompatible dutycontrol |
| Authorisation and approval control | Accounting system control | Property protection control |
| Budget control | Operational analysis control | Performance evaluation control |
| Major risk warning system | Emergency response | |

EHS risk management



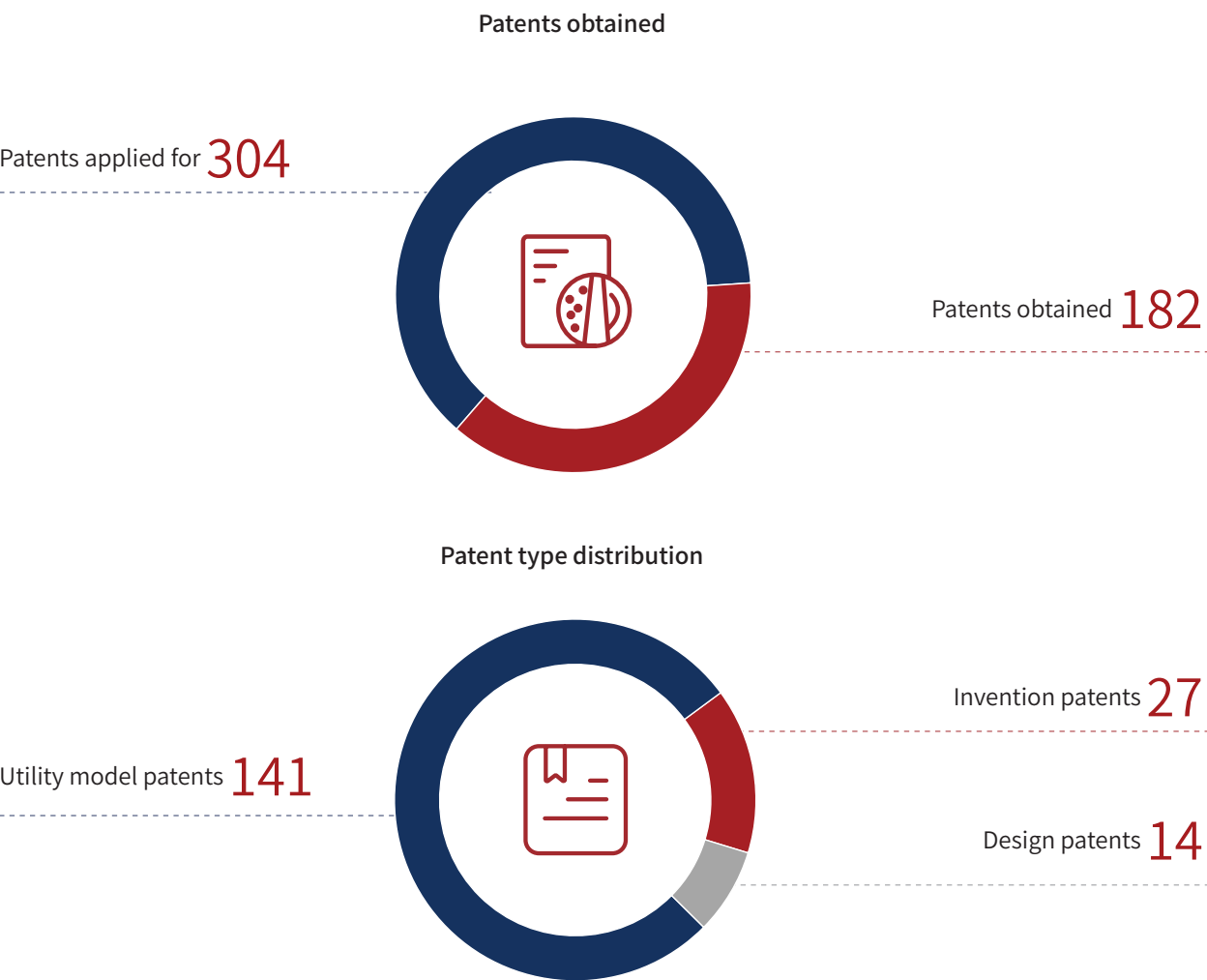
To better address environmental risks and ensure safe and healthy production, Accotest has formulated and issued the Environmental Protection Management Policy to preliminarily build an environmental protection policy system. The General Manager of the company is primarily responsible for the environmental protection practice, supported by designated personnel for environmental protection management. In our environmental protection work, we adhere to the principles of putting prevention first, combining prevention and control, and delivering comprehensive management. We insist on implementing clean production, carrying out pollution control, control of pollutant discharge up to the standard, and total pollutant amount control throughout the whole production process. We include environmental protection performance as a key KPI in internal selection of outstanding employees, which alone can deprive the candidate of the eligibility in case of poor performance.

On this basis, the company carries out environmental monitoring according to the Environmental Monitoring Plan. For any violation of emission limits noted, the relevant departments must be notified in time according to the established procedures, and any tricks like reducing the monitoring frequency or stopping monitoring are prohibited. The domestic sewage discharge must comply with the related property management and other agreements and regulations. An Environmental Maintenance Report will be issued every year according to the Environmental Monitoring Plan.

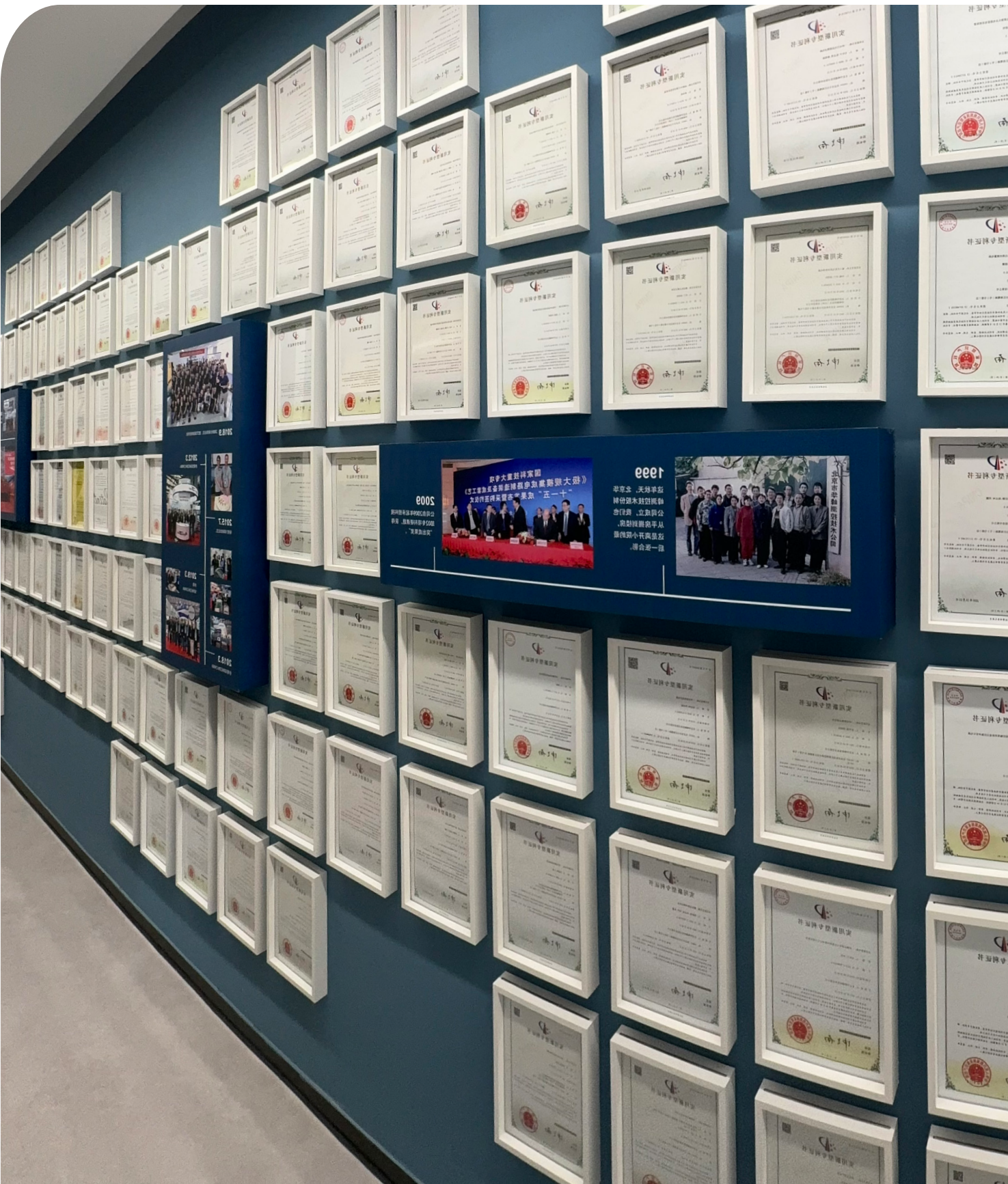
Meanwhile, to enhance hazardous waste management and protect public safety and health, we have formulated and strictly implemented the Hazardous Waste Special Regulations considering the actual situation of the company, according to laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes. In this way, we manage to strictly control the possible safety and health-related risks through intensified management of environmental pollution risks.

Intellectual Property (IP) Management

Patents obtained



Accotest is committed to creating a development environment that values innovation, and adheres to independent R&D, continuous innovation and IP protection. Since its establishment, the company has been focusing on the R&D, production and sales of automatic test systems for semiconductor with all its core technologies coming from independent R&D. At present, the company has made many technological breakthroughs in the field of testing of ICs such as analog and digital-analog ICs as well as discrete devices and power modules. The company has patents in various core technology fields, and has effectively protected the relevant achievements in IP rights and patents by adopting a systematic approach. This approach is based on measures such as IP and patent systems construction, patent creativity incentive mechanism, patent navigation reports, professional search Database, internal meeting for patent review, patent insurance, patent pre-review filing and patent training.



IP systems

Accotest has established a comprehensive IP rights management system and procedures, including the Patent Management Measures, Accotest Internal Process and Precautions of Patent Application and Review, Enterprise Intangible Assets Management System, Measures for Copyright Protection and Precautions, and integrated IP rights management into the R&D process, continuously promoting innovations in R&D.



IP structure

The company has established a cross-departmental IP Rights Team comprising technical experts and patent engineers, headed by a chief technical expert. The IP Rights Team reviews the internal proposals of the company, conducts comprehensive evaluation from the technical and patent perspectives, and scores the patent application proposals in multiple dimensions such as technology, economy, and legal compliance, thereby promoting the exploration and expansion of patent selection and patent rating, and improving the quality of in-house patent proposals. Meanwhile, the Company has also set up an internal pool to protect internal patents in the form of trade secrets, which can be used for future patent application.

IP Team



Patent Review
Review, evaluation, scoring



Quality Control
Topic exploring and applying for invention patents and overseas patents



Internal Protection
"Archive" management of internal patents

Patent protection system

The company has established a large-scale patent protection system, incorporating various key work such as patent protection, international patent application and serial patent application, to protect the independent R&D achievements for effective benefits, enhancing the competitiveness of our products and the company. The company continuously strengthens patent application in the field of ATE systems for semiconductor based on the products' lifecycle through a comprehensive IP protection strategy, forming a network of IP protection. In addition to domestic patent applications, the company has also applied for international patents under PCT, and obtained patent approval from the US, Japan and Europe.

Patent incentive mechanism

Accotest has set up corresponding incentive mechanisms for various types of patents to encourage patent innovation and enhance R&D vitality. Accotest has extended the application of this mechanism to all its employees, in an effort to create an atmosphere of innovation for all.

Patent Incentive Mechanism

	Invention patent RMB 3,000	Utility model patent RMB 2,000	Design patent RMB 1,000
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Accotest continuously optimizes and improves efficiency in IP rights management, and has made a number of effective improvements in various aspects such as patent exploration, application, retrieval, and protection.

Cases

 | Protection

- Patent insurance:** After expert review, 16 out of 20 patents submitted by the company have passed the review, including 14 invention patents and 2 utility models; the insurance period is: 15 September 2022 – 14 September 2025. Any infringement of the 16 patents during the insurance period may be reported to 95518 for claim and apply for the relevant compensation.
- Patent pre-review filing:** Accotest has filed at Beijing and Tianjin Intellectual Property Protection Centre, and patents requiring earlier examination can be facilitated through pre-review by the Protection Centre.

 | Information management

- Patent navigation report:** Accotest is working with universities and colleges to obtain patent retrieval reports on 5 major topics;
- Facilitating management with PatSnap search database:** Accotest has purchased a PatSnap business account to facilitate intelligence searches by R&D and patent engineers;
- Raising staff awareness through thematic training:** Accotest has conducted many internal and external training sessions on patent search, application and exploring.

IP achievements

Accotest maintains a high-level IP awareness. With persistent efforts, Accotest has now formed a well-developed patent mining, search and transformation mode. The relevant patent-granted inventions and designs lead the field of semiconductor ATE systems in China and gradually beyond, covering Japan, Europe and the United States. promoting a wider application of Accotest's R&D innovations in the global market of semiconductor ATE systems.

As a leading high-end equipment manufacturer in China, Accotest boasts a sound IP system, which is essential to the continuous innovation-oriented development of our product lines and fundamental to our progressive growth. Since its inception, Accotest has been committed to the construction of IP system and its management process. Now we have a well-established system to manage our IPs and patents, including but not limited to patent review process, protection measures and incentive mechanism.

Cybersecurity



Information security system

Accotest attaches great importance to its information and data security. Since its establishment, Accotest has not reported any significant information security incidents. For cybersecurity management, the company has taken various measures to secure its network and information, including, establishing an information security system, improving the information security technology, and carrying out security training to reinforce the staff's information security awareness.



Organisational structure

The General Manager's Office is the top decision-making body for information systems management, responsible for the implementation of policies and regulations, deployment of high-level tasks and final decisions on implementation plans.

As the centralised information management department, the Human Resources and Administration Department is responsible for tracking the development trend, preparing and implementing information plans, mapping out project plans and budgets, and managing the process approval, supervision and technical operation & maintenance of the company's information projects.



Management systems

To constantly improve enterprise information security management, Accotest has developed and implemented such internal policies as Information Security Management System, Redundant Backup Specification, SVN Data Backup Specification, and Document Classification Management System. In the day-to-day work, the company's information security is managed in strict accordance with the criteria of relevant systems.



Business security risk management

Accotest places emphasis on the management of business information security risks. The company has not only established a solid internal monitoring and access control system, but also strengthened the information security management from the source with a multi-level management system to prevent information leakage or modification by unauthorised users during the information transmission, and to ensure that the data can be accessed by authorised users in a timely and reliable manner. Each link works closely to secure information and ensure its confidentiality, integrity and availability.

1. Document classification management

Document classification is the foundation of Accotest's information security management and an important part of the information security system. For document classification management, Accotest lays equal stress on security and efficiency. The company classifies internal documents and controls access permission on a daily basis. Moreover, the company follows the principle of minimum authorisation and controlled approval for access to information assets, and gives priority to preventing unauthorised access to its documents, thus reducing the information security risk and protecting its interests.

To regulate document classification management, the company has formulated such system documents as Document Classification Table, Standard List of R&D Project Output Documents, Core Technical Documentation Definition, Common Document Templates, and Document Delivery and Approval Process, which serve as the basis for document encryption identification and dissemination process, and a supporting framework for secure and efficient document management. Finally, a virtuous cycle is created along with business upgrading and optimisation. The trial operation of document classification management has been completed in the first phase, and now it's in the second phase. Implementing supervision and inspection in the management process helps to develop the staff's awareness of document classification management and related working habits.

2. R&D computer terminal management

As a technology-intensive company, Accotest has a vital security control area, namely its network environment where R&D is conducted. In terms of network access, Accotest isolates the internal R&D network from the office network, and sets up an external network whitelist; in terms of terminal management, the company prohibits unauthorised file copying and terminal access through real-time monitoring, anti-virus measures and software encryption. Under the safeguard of restrictive controls, the information security risk and software infringement risk are progressively reduced. Currently, the terminal management solution has been implemented throughout the R&D department.

3. Backup management

Accotest has to handle a large amount of data during operation and maintenance, so the backup management of important files and data is indispensable. In this regard, Accotest has formulated the Data Backup Specification, which highlights the importance of information and data backup, and requires rigorous implementation in daily IT operation and maintenance. The specification is also subject to optimisation in line with the business upgrade. This year, the company completed the setup of backup servers at the Beijing headquarters. Relevant backup specifications have been applied to the network, system configuration and data of the Beijing headquarters and the SAP workshop management data of Tianjin factory. In particular, the offline "weekly backup" has been updated to a more frequent "daily backup" for core R&D data.

Drill and training

In May and August 2023, we conducted two sessions of document classification management training for all employees in the form of online video conference + offline on-site drill, covering rules and specifications for document identification, encryption and delivery management, as well as external case studies and internal rules for preventing unauthorized access to documents, with the in-depth participation of a total of 137 Accotestl employees. Upon training completion, we began to officially implement the document classification management and achieved good results. This training has been included as one of the mandatory orientation training courses for new employees.



Future planning

Information security is an invisible protective shield on Accotest's business. Therefore, it is crucial to strengthen the security management as the company grows stronger. For the future planning, we are considering defining the existing data encryption, i.e., adding encryption slots for R&D data protection, and further strengthening network application controls based on the R&D network isolation management.





Social

Accotest has been striving to achieve mutual benefit and win-win progress with our employees, customers and suppliers. The company has made constant efforts to optimise the management systems regarding employment, talent development and occupational health and safety, so as to protect the rights and interests of employees. We have also established a robust customer service system for more transparent customer communication and feedback and timely handling of customer issues and needs, winning their trust and recognition. In 2023, the company upgraded the existing supplier lean management system by strengthening strategic classification for more scientific and elaborate supplier management. In the future, we will continue to uphold the business philosophy of "Excellence, Openness and Sharing" and pursue innovation and development to create more value for employees, customers and suppliers.

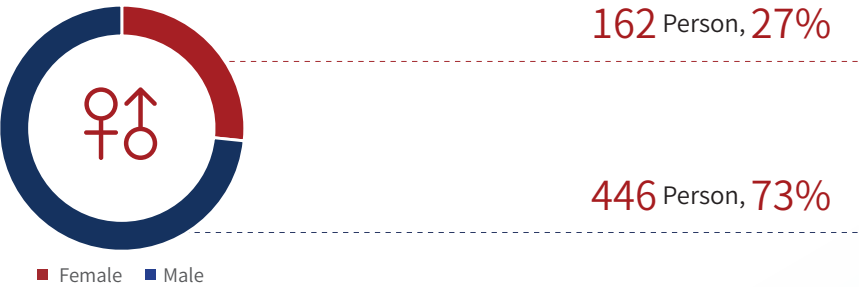


Employment

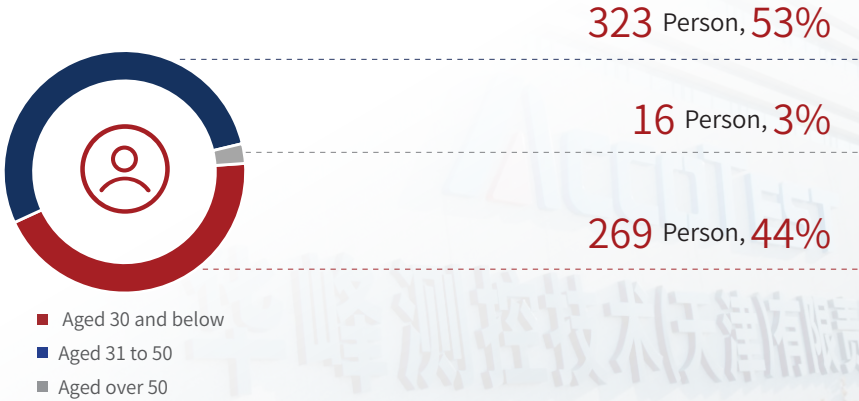
Accotest is committed to establishing an equal, inclusive and harmonious employment relationship. We strictly abide by the requirements of the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Provisions on Prohibition of Child Labour as well as other relevant laws and regulations of the place where we operate. With reference to the Forced Labour Convention and other conventions of the International Labour Organisation, and based on the management policy of care for people, strictness and effectiveness, the company has formulated the Basic Personnel Policy, the Employee Salary and Performance Management Policy and other internal management documents to protect employees' legitimate rights and interests.

Employee distribution

Number of employees by gender



Number of employees by age



Employment

The company adheres to the concept of ensuring transparency in recruitment, selecting people according to post requirements, employing people based on merits, making the best use of talents and providing talents with appropriate development space. A comprehensive evaluation of their professional skills, working experience, teamwork capability and communication skills will be conducted during the recruitment process, to ensure that each candidate is placed in the most suitable position and development path.

Accotest Graduate Talents Incubation Plan - Recruitment of talents from universities and colleges

As a campus recruitment plan, the Accotest Graduate Talents Incubation Plan, including job rotation, executive coaching, project practice, thematic training, and other customised training approaches, is designed to enable these workplace newbies to grow rapidly, improve business and leadership skills, and become leaders or business experts in a particular field or business sector of the company. As part of the plan, Accotest has opened 12 positions covering technology, information, functional business, equipment and electrical instruments, and has drawn up specific recruitment goals.

The precise selection of talents has breathed new life into the company, facilitating talent management and effectively reducing staff turnover. The company will contact employees within three to six months after their dimission, and offer them the opportunity to come-back, help them re-integrate into the company and make use of their strength.

In 2023, the turnover rate of
Accotest was only **10%**

Employee communication channel

Accotest has opened transparent, multi-scenario communication channels for all employees to ensure their voices are heard and to create an inclusive and open working atmosphere.

Monthly training and communication

The Chairman and General Manager personally give lessons to new hires at the enterprise training conference to guide them to take the first step in their careers. They are also proactive in understanding employees' performance and answering their questions at the monthly face-to-face meeting.

Direct dialogue with senior management

For better communication with employees, the executive office adopts an open design that is accessible to any employee in need, and helps them solve problems in time.

Employee survey

Accotest pays attention to the real needs of each employee. At the end of each year, the Human Resources Department will collect and summarise opinions and suggestions of all staff. The most concerned issues will be discussed in top meetings to identify optimisation measures, and the implementation will be followed up to ensure that employees' needs are responded to in a timely and effective manner.

Employee care and benefits

Employee activities

Birthday parties and off-line sports are organised every month for employees to encourage them to join in healthy and entertaining activities after work. In 2023, the company arranged a number of activities, such as table tennis matches, the year-end party, and team tours. In this way, the employees' spare time life was enriched and the cohesion of the team was enhanced.

The company provides billiards, table tennis, treadmills, spinning bikes and other sports facilities in offices and factories. The Tianjin Office also provides employees with badminton and basketball courts in the office area.



Sports activities of Accotest in 2023



Badminton games in Beijing, totalling 35,055 hours, with 246 participants

Women's badminton singles in Tianjin, totalling 80 hours, with 24 participants

Men's badminton doubles in Tianjin, totalling 80 hours, with 16 participants

Men's badminton singles in Tianjin, totalling 216 hours, with 24 participants

Mixed badminton doubles in Tianjin, totalling 80 hours, with 16 participants



Funny table tennis games (140 matches) in Beijing, totalling 1,320 hours, with 44 participants

Professional table tennis games (224 matches) in Beijing, totalling 285 hours, with 15 participants

Table tennis doubles in Tianjin, totalling 132 hours, with 12 participants

Professional table tennis doubles games (170 matches) in Beijing, totalling 252 hours, with 18 participants

Table tennis singles in Tianjin, totalling 96 hours, with 10 participants

Funny table tennis games, totalling 96 hours, with 24 participants.



Basketball games in Beijing, totalling 1,104 hours, with 69 participants



Football match held by AccoTEST in 2023



Badminton competition held by AccoTEST in 2023

Activity of "Exercise for Fun" on the way

At present, a company-wide "Exercise for Fun" activity is on the way. According to the plan, employees participating in this online exercise check-in activity will have their daily exercise records including walking, running, climbing, cycling, swimming be uniformly converted into running kilometres. The mileage of all participants will be counted and ranked at the end of the month to encourage those who have not yet completed their exercise challenge to do so next month, constantly motivating employees' exercising enthusiasm. We believe that employees' participation in the company-wide open exercise check-in activity is conducive to developing healthy living habits and working conditions.

Internal relief fund

Over the past 30 years, Accotest has always been there for our employees. While employees contribute to our development, we have also set up an internal relief fund (Dongguang Fund) to provide solid and reliable support for employees.

Employee rights and interests and diversity

Following the principles of gender equality, appropriate personnel for appropriate positions and equal pay for equal work, Accotest aims to create an equal, diverse and inclusive workplace, and to protect the legitimate rights and interests of all employees.

Equal employment



The proportion of female employees in Accotest is about **27%**



The proportion of women in senior management is about **33%**

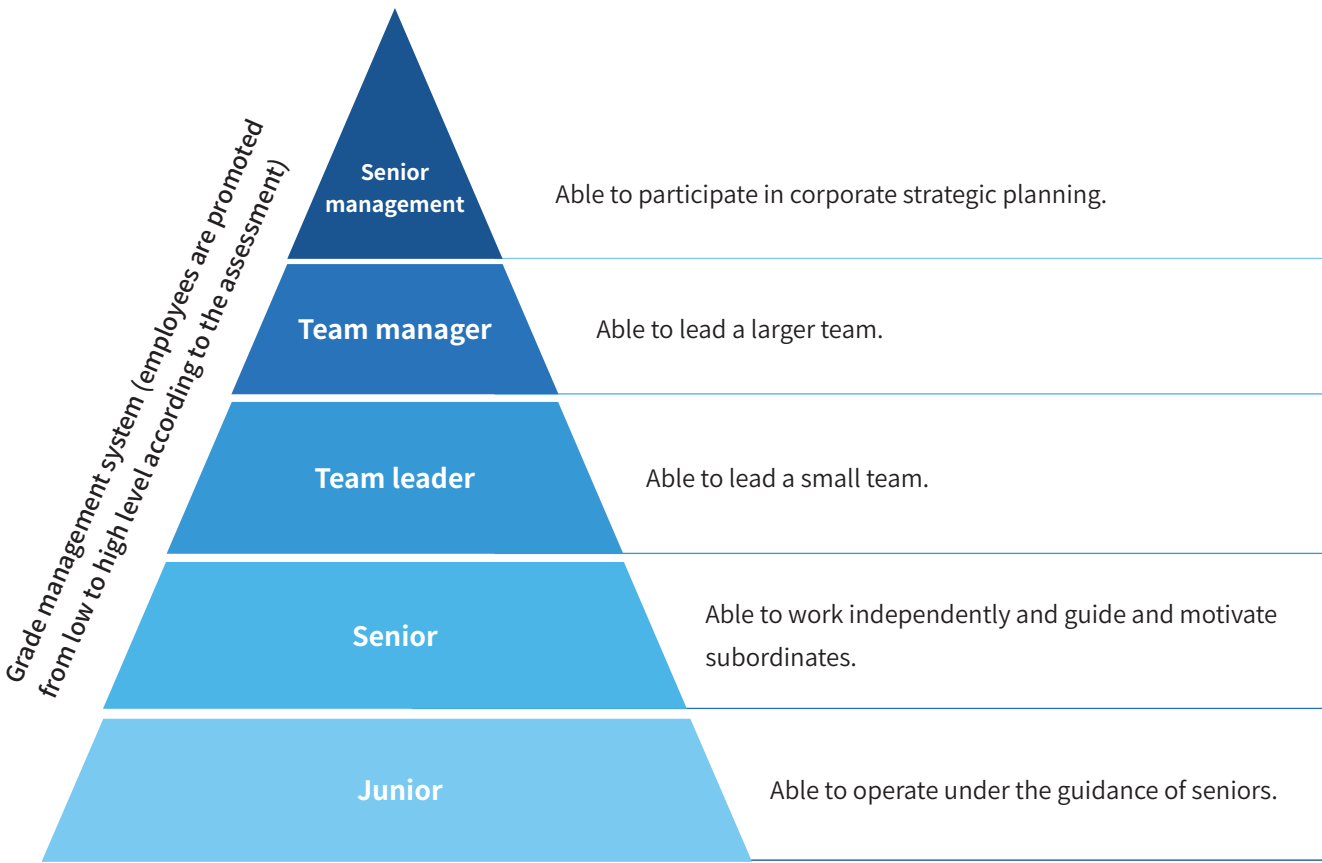
To create an equal and safe working environment:

- The principle of open recruitment and equal competition is observed in recruitment and employment, and discrimination or disparate treatment against employees due to gender, age or physical characteristics is prohibited.
- Parental leave, maternity leave and lactation leave are offered to lactating female employees to safeguard their rights and interests.
- Sexual harassment in the workplace is firmly opposed. Our offices adopt an open layout to ensure an open and transparent workplace environment.
- Accotest Tianjin Office takes active measures to meet employees' demands. It has set up gender-specific yoga classes in its fitness centre, which provide personalised courses to target groups with specific needs, demonstrating care for our employees in every detail.

Talent Development

Career development

The company is dedicated to cultivating employees with innovation, loyalty and a positive attitude. In order to lead the development of talents capabilities and effectively attract and retain talents, Accotest has formulated the Measures for Accotest Professional Qualification Evaluation and Application Management (hereinafter referred to as the "Measures"), established a standardised and normalised career development mechanism, and stipulated that the company shall assess employees' core skills and patent research when assessing the grade of the employee.



Training

Due to the characteristics of our industry and the specificity of equipment products, most of our positions do not have such majors in universities, and most of the socially recruited employees are involved in a different discipline. In this regard, Accotest prepares systematic and comprehensive training courses to help employees quickly grow into multi-faceted talents that are able to work independently.



On-boarding training for new hires

For the training of new employees, Accotest implements a "mentorship" buddy model, where each newcomer is assigned an experienced senior for one-on-one mentoring to help them quickly learn the business and integrate into the company. The company also provides three types of training courses to help new employees obtain a comprehensive understanding of the industry, the company, technologies and their positions.

 | Induction training conference

In the first month of new employee induction, training is provided on industry information, corporate culture, company regulatory framework, safety management and other courses. During this period, the General Manager and Chairman will personally give instructions, and the direct engagement of senior management is conducive to enhancing our bond with employees.

 | R&D technology training

For new employees in the R&D Department, specific courses on R&D are provided, including theoretical content and practical operation, to help new employees familiarise themselves with the work flow.

 | Training for specific position

All departments are required to provide new employees with on-the-job training that reflects the actual job duties according to the department conditions and special post requirements, to help them gain a deeper insight into the work contents and self-image.

On-line knowledge and skills sharing

Considering the technical confidentiality and the need for immediate sharing of R&D work, the R&D Department has built a Knowledge Management Platform for internal on-line training, which is available for the sharing of patent management information, development guidelines and specifications, competitive products and related technical research reports. The software version of the platform also provides release function and can be used for releasing working records and meeting minutes, and employees can share the R&D knowledge collected from the work on the platform, realising efficient sharing, collaboration and communication.

Technical sharing/training sessions for R&D teams on the platform

At the beginning of the year, each R&D project and resource group will formulate internal and external R&D training schedules according to the needs. Each group will output training plans according to the group's CBB technology and experience and put forward external training needs according to the team's cultivation needs. Through internal training and exchange meetings, we promote knowledge sharing and exchange among team members to avoid the emergence of knowledge islands. We promote the concept of learning organization, encourage and help team members to continuously learn and improve their skills.

Diversified training courses

Annual training

To improve employees' business practices and catch up with industry developments, the company has set up an annual training for all employees to achieve full participation and improvement.

i3 learning and exchange meeting

To facilitate experience sharing and the acquisition of cutting-edge knowledge by employees, the company holds i3 exchange meetings and various open classes from time to time for in-depth discussions on product development, team collaboration, technological innovation and other topics to help employees continuously strengthen their integrative competence.

Internal on-line sharing

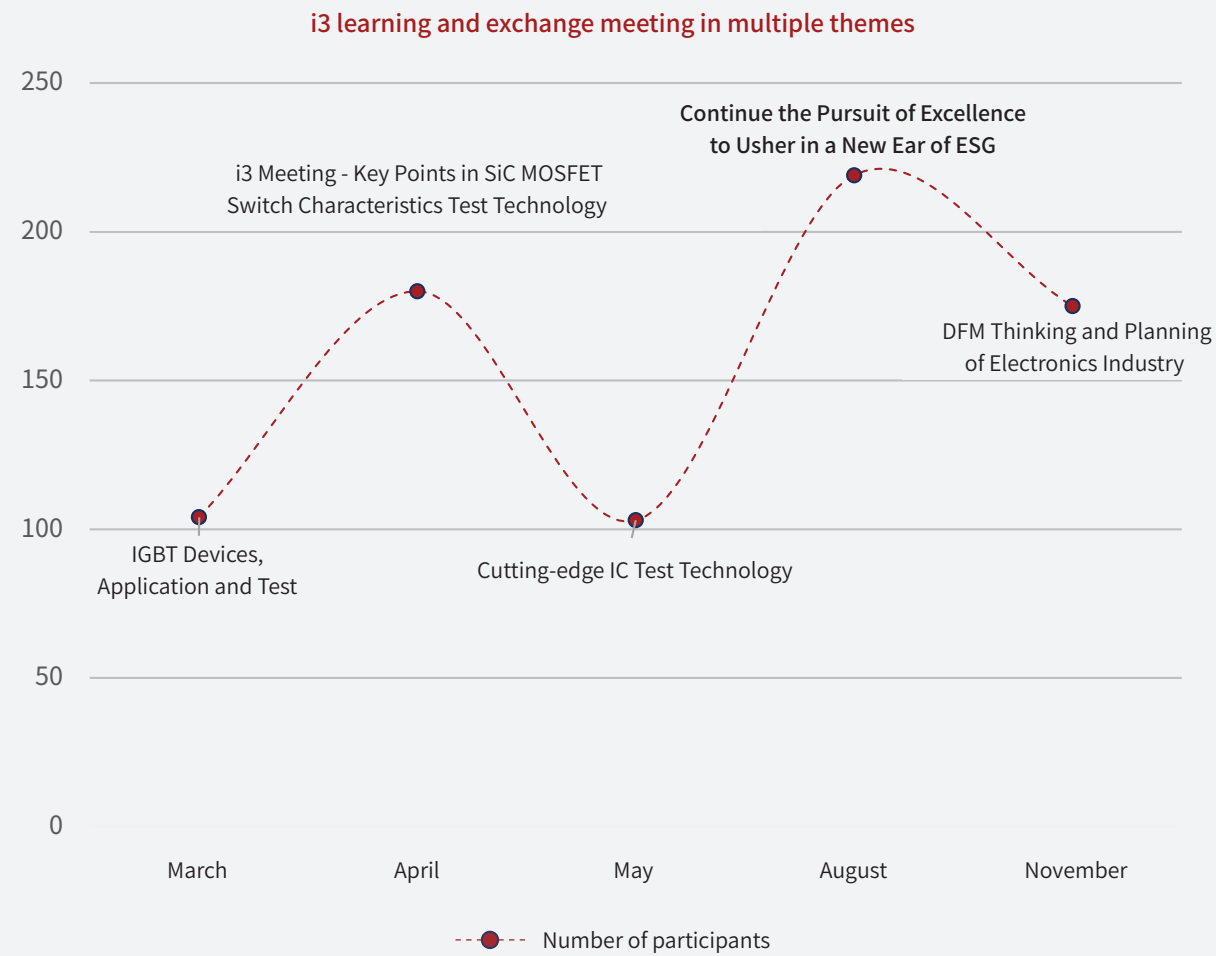
To optimise the convenience and practicability of staff training, the company makes screen recordings of “key steps” and uploads them to the internal server for staff to learn and quickly master practical skills.

* In order to continuously improve the staff training management system, the company is promoting the hierarchical management of training. The prototype of the relevant framework has been established, and once completed, is planned to be used throughout the company.

i3 learning and exchange meeting in multiple themes

i3 Learning Exchange meeting is an exchange meeting for all employees set up by Accotest from three aspects: Idea, Innovation and Invention.

During the Reporting Period, Accotest hosted a total of 5 i3 learning and exchange meetings in themes covering test technology, business knowledge, industrial thinking and planning. In terms of ESG publicity, in August, with the assistance of third-party consulting agencies, we arranged ESG training for all employees on ESG-related knowledge and major industrial issues, which effectively deepened our perception and understanding of ESG, and enhanced our awareness of sustainable development.



Talent incentives

Believing that talent is a key pillar supporting the long-term sustainable and high-quality development of the company, Accotest continuously explores various ways to motivate and reward the whole workforce, with a focus on the fairness and effectiveness of these incentives.

Equity incentives

Implementing equity incentive schemes is one of the effective measures to guarantee the loyalty and motivation of employees. The Accotest Equity Incentive Scheme was launched after the listing in 2020. As at the end of the Reporting Period, Phase I of the Scheme had been completed, while another phase was still in the vesting period. The fulfilment of certain performance commitments is one of the necessary conditions for the exercise of options over equity incentives. At present, equity incentives are open to all key employees and business leaders. The company has set clear standards for the issuance and management of equity incentives. Every year, the board of directors of the company will decide how much equity to give to key employees as incentives based on the financial performance of the company and the personal performance assessment of the employees concerned.

Award incentives

To foster continuous innovation among employees, the company has also set up various technical awards in internal appraisals, such as the Innovation Award, the Technology Excellence Award, among others, aiming to encourage employees to explore and make breakthroughs in the field of technology. These awards also form a platform for employees to demonstrate their technical and innovative capabilities, helping build up enthusiasm and creativity among employees.



University Cooperation

As a leading company in the field of semiconductor testing in China, Accotest actively cooperates with universities in research on cutting-edge technologies in the industry, and makes all efforts to promote the employment of graduates, playing an exemplary role in social responsibility with practical actions. In 2023, the company established a joint laboratory in cooperation with universities, which offered students opportunities to study and research cutting-edge topics in the industry. Besides, the company provided internship/training bases for undergraduates and postgraduates.

Occupational Health and Safety

Being committed to providing a healthy and safe working environment for employees, Accotest continuously improves the occupational health and safety (OHS) management and takes all necessary measures to prevent mechanical injury, personal injury, and safety liability accidents. As part of the OHS management, Accotest continuously enhances security management and raises the safety awareness of employees to ensure the safe operation of the company. During the Reporting Period, Accotest had no major casualties or safety liability incidents.

OHS management

To effectively guarantee OHS among employees, Accotest has established related policies like the Employee Safety Manual, which clarifies all risk points and assigns corresponding responsible person for safety with a clear segregation of duties for supervision and warning on equipment safety management. With unremitting efforts in safety management, Beijing office and Tianjin factory of Accotest have obtained ISO45001 certification for its Occupational Health and Safety system in June 2020.

Trainings and drills

Accotest attaches great importance to the occupational health of employees. To ensure safety at work, employees are trained on specific work processes and standards before they get onboard, and provided with necessary protective equipment. For risk points that may cause injury/death or harm, contingency plans are developed, and environmental safety fire drills and safety training on first-aid knowledge and other themes are conducted with the performance followed up properly by stages. In 2023, the total hours of training on environmental safety at Accotest reached 709.

In 2023, the total hours of training on environmental safety at Accotest reached

709

The company conducted a fire drill in Beijing, Tianjin, Suzhou Industrial Park and many other offices

Through the drill, Accotest staff learned the correct use of dry powder and foam fire extinguishers and fire hydrants under the direction of firefighters, and gained a basic understanding of fire escapes. The purpose of the drill is to enable the staff to understand the basic knowledge of fire fighting, enhance their awareness of safety and risk prevention, build up their capabilities of self-protection, and ensure they have the skills to respond to and escape from a sudden fire, so as to protect their life and property safety. The drill was a great success with all employees actively participating.



Before

Noise source control: Upgrade related components with outcomes from corporate-university cooperation, and replace outdated power supply modules, so as to reduce fan noise level while improving efficiency;

In progress

Personal protection: Provide employees with noise-cancelling headphones and earplugs to reduce the acoustic stimulation to them;

After

Medical examination: Schedule annual medical examinations for employees, and closely track the hearing health of employees working in noisy environment.

Under strict noise reduction management, the noise around the plant has been effectively controlled. Accotest noise detection examples:

2023 second quarter test data

Test points		Test date	Test period	Result dB(A)	Main sound source
1 metre at the factory boundary	1#	2023.05.05	15:22-15:23	55	Industry
1 metre at the factory boundary	2#	2023.05.05	15:28-15:29	54	Industry
1 metre at the factory boundary	3#	2023.05.05	15:34-15:35	56	Industry
1 metre at the factory boundary	4#	2023.05.05	15:40-15:41	57	Industry

2023 third quarter test data

Test points		Test date	Test period	Result dB(A)	Main sound source
1 metre at the factory boundary	1#	2023.08.09	14:27-14:28	58	Industry
1 metre at the factory boundary	2#	2023.08.09	14:32-14:33	59	Industry
1 metre at the factory boundary	3#	2023.08.09	14:38-14:39	57	Industry
1 metre at the factory boundary	4#	2023.08.09	14:45-14:46	56	Industry

2023 fourth quarter test dat

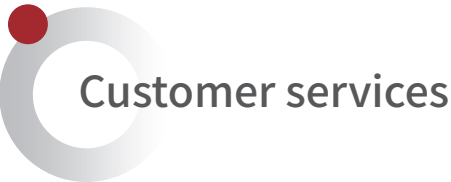
Test points		Test date	Test period	Result dB(A)	Main sound source
1 metre at the factory boundary	1#	2023.11.20	11:23-11:24	58	Industry
1 metre at the factory boundary	2#	2023.11.20	11:26-11:27	58	Industry
1 metre at the factory boundary	3#	2023.11.20	11:30-11:31	57	Industry
1 metre at the factory boundary	4#	2023.11.20	11:33-11:34	59	Industry

Noise control at workshops

Taking production safety seriously, Accotest regularly inspects and optimises the production environment. According to the fifth article of the national Noise Health Standards for Industrial Enterprises, the working noise of enterprises should not exceed 85 dB. The company's production workshop uses fans to dissipate heat during the production process, and the fans can produce noise approaching 70 decibels under extreme working conditions. To safeguard the occupational health of employees, the company has taken measures to control the noise level at workshops before, during and after production. Besides, a third-party testing company has been engaged to inspect the working environment, including measuring the environmental noise.



Customer services



The company is mainly engaged in the R&D, production and sales of semiconductor ATE systems. The products are mainly used in the testing of integrated circuits (ICs) such as analogue ICs, mixed signal ICs, discrete devices and power modules, and sold to countries with an advanced semiconductor industry, such as China (including Taiwan), United States, Europe, Japan, South Korea and Southeast Asia.

The company has long been devoted in the field of semiconductor ATE systems since inception, and has realised the replacement of imported models with self-developed products in ATE systems for analogue and mixed signal ICs. Meanwhile, the company has been continuously expanding the coverage of semiconductor testing in fields like gallium nitride (GaN), silicon carbide (SiC), IGBT and other discrete devices and power modules.

Now, the company has grown into a leading domestic supplier of semiconductor ATE systems. We are also one of the few Chinese companies that supply semiconductor ATE to renowned domestic and international chip design companies, wafer manufacturers, IDM and seal testers.

Distribution of customer service teams

Accotest provides customer services by regions. The service resources are centrally allocated by the headquarters based on the categories of customer needs. The Service Department assigns staff to address the customer's concerns based on the product type and customer needs, and carries out comprehensive analysis of customer needs to support service improvement upon communication with the R&D and production departments. Currently, the domestic customer service teams of Accotest are widely deployed in 9 cities: Beijing, Tianjin, Shanghai, Hangzhou, Wuxi, Suzhou, Xi'an, Chengdu and Shenzhen, which are expected to address the needs from all over the country, while our wholly-owned subsidiaries in the United States and Malaysia will provide services to customers based in the United States and Southeast Asia. We also have overseas customer service teams in Japan, South Korea, France, Italy and Morocco, which serve the local customers on an agency basis.

Employees and agents are distributed globally:

Mainland China, Taiwan, Korea, Japan, USA, Italy and Southeast Asia

Global distribution of customers or installed base:

Mainland China, Taiwan, Korea, Japan, USA, Europe, South East Asia, South Africa & North Africa



Domestic Employee Distribution:

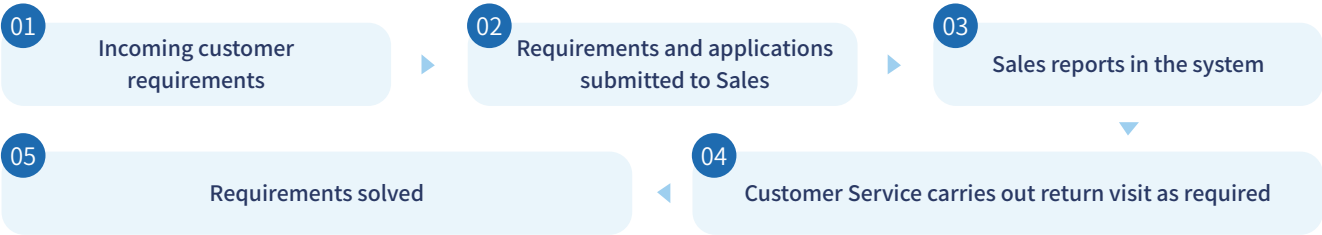
Beijing, Tianjin, Shanghai, Shenzhen, Hangzhou, Suzhou, Xi'an, Chengdu, Wuxi

Accotest continues to optimise the overall layout and sustainability of its offices in China, and actively responds to the ESG call and development policies of the regions in which it operates.



Fast response to customer requests within 24 hours

As the scope of services continues to expand, Accotest has established increasingly high requirements for our own products and services. To promptly and efficiently receive customer needs, Accotest provides a QR code on each device that the customer can scan to inform us about their concerns and needs. In addition, the company clearly requires that the service staff should respond to customer requests within 24 hours.



After-sales services

The company mainly provides four types of after-sales services: equipment installation, programme development, client exception handling, and repair. Standardised service processes are established for these services to ensure that customers can receive timely and professional support from Accotest after-sales teams during the use of the products.

Procedures for the four types of after-sales services

1. Request receiving

2. Assessment and response

3. Processing and delivery

4. Feedback and tracking: After the problem is solved, the results are communicated to the customer and the issues that need further follow-up are tracked on an ongoing basis.

- Equipment installation: The Service Department contacts the customer and assigns installation personnel.
- Programme development: The Service Department evaluates the customer request, the sales staff creates the project, and the project manager assigns tasks.
- Client exception handling: Response is required within 24 hours after receiving the customer request.
- Repair: After receiving the defective part for repair from the customer, the assistant at the Service Department issues a Return/Exchange Form and a Maintenance Contract.

- Equipment installation: Installation staff complete the installation on site, including the test and calibration. Then they hand over the equipment and parts to the customer and sign the installation report.
- Programme development: Relevant staff study the product materials and formulate a schedule, and then carry out the design, commissioning, optimisation and delivery.
- Client exception handling: Offer advice on troubleshooting, help solve the problem remotely, or arrange for dedicated personnel to support on-site if necessary, and provide feedback to the customer after the problem is solved.
- Repair: The customer sends the defective part to the Quality Department for repair, and then the department returns the repaired part to the customer.

During the Reporting Period

Accotest provided board maintenance services for

5749 times

Achieved a completion ratio of

73.6%

in the development of applications

Customer satisfaction

The company has established internal evaluation standards for customer satisfaction survey based on the characteristics of our businesses and industry benchmarks. Customers' comments on related areas including product testing, software, pre-sales and after-sales services are analysed to support the development of targeted improvement measures. Then, the evaluation and feedback procedures are followed to complete the special tracking, list management and end-to-end closed loop management.

Meanwhile, Accotest will carry out an internal satisfaction conference at the end of each year and release a satisfaction report. At the conference, managers analyzed the results of field visits and questionnaires to discuss the direction of quality and product optimization, in order to enhance the market competitiveness of products and customer satisfaction.

Customer satisfaction survey

Customers participating in satisfaction surveys

126 clients

Customers who returned satisfaction surveys

108 clients

Customer satisfaction

90.7%

Through our relentless pursuit of customer service, we ended up with a total of 210 valid questionnaires in the FY2023 Customer Satisfaction Survey, with a customer satisfaction rate of 90.7% for the year.

Customer training

Accotest pays close attention to the performance of products in use. Therefore, we have provided a variety of training for customers regarding the equipment sold and relevant technologies. The company determines the type of training platform and designs the course schedule taking into account the training time, location, content and the number of participants. The annual public training plan will be released on the WeChat official account in January every year, with the detailed schedule and sign-up link provided 2 to 3 weeks in advance. After the training is completed, the company will share the video materials of the training to customers upon request.

Training category

Accotest provides various types of training for customers, including training on equipment operation and market/industry knowledge. To meet the diverse needs, the company currently provides four types of training for different scenarios.

 | Product training

Accotest determines the content and frequency of the training and invites customers to participate either online or on site. The training focuses on product operation and related industry knowledge. Such training is designed to help customers carry out tests with the equipment efficiently and improve customer satisfaction. During the Reporting Period, product training was carried out 22 times, involving 792 participants with a total duration of 1020 hours.

 | Customised training for customer

Accotest designs the courses upon customer request based on their needs and requirements, and delivers the training at the customer's premises to address customers' concerns in a targeted manner and thus guarantee that the customer can use the equipment more efficiently and reliably. During the Reporting Period, we provided 72 sessions of customised training, involving 478 participants, with a total duration of 1390 hours.

 | On-site training regarding newly sold equipment

Accotest provides basic operator training to customers when the newly sold equipment arrives at the customer's premises to help them understand the operation methods in a direct and efficient manner. During the Reporting Period, we provided on-site training regarding newly sold equipment for 18 times, involving 47 participants, totalling 104 hours.

 | Online public training

Accotest publishes online public training content via WeChat official account, which targets at all customer groups. During the Reporting Period, the training content that Accotest published got 8910 views.

Accotest training was recognised by national and international customers

In March 2023, at an invitation of a customer, we sent our engineers to the customer's facility for a five-day advanced training session for test engineers. During the training, the customer praised the performance of the test machine's hardware and software, and actively participated in the hands-on practice. After the training, the customer expressed high recognition and appreciation for the training via email.

In April 2023, a Korean agent invited 5 important overseas customers to Beijing for a two-week platform application training and a tour visit to our Beijing headquarters and Tianjin production base. At the Beijing headquarters, customers learned about our development history, patent portfolio planning and technological innovations. At the Tianjin production base, customers observed our robust production management system, covering quality inspection, assembly and commissioning processes. After the training, the customer gave us high praise: "Accotest is technology driven company and has fully capable company", and later sent more engineers to the Shanghai Branch for training.

Number of thank-you letters received
8

Customer privacy protection

Accotest attaches importance to customers' privacy. Non-disclosure agreements (NDAs) and mutual non-disclosure agreements are signed at the time of contracting with a partner customer and in accordance with the customer's needs and our internal processes. At the same time, we also conduct internal customer privacy training.

Accotest commitment

Accotest has been working towards the aim of providing customers with high-quality and reliable testing equipment since inception. Keeping in mind of "providing customers with first-class testing equipment", we have been making vigorous efforts over these years in R&D, implementing lean management, and improving employees' sense of belonging and satisfaction with Accotest. In the future, Accotest will work hand in hand with all employees to continue to provide quality services to the global customers, with the view to developing into a global leading supplier of testing equipment and creating more value!

Supplier Management

Supplier profile

As one of the leading enterprises in China's semiconductor testing equipment industry, Accotest is committed to maintaining long-term and stable cooperation with suppliers for mutual benefits and win-win results. By the end of the Reporting Period, there were a total of 304 suppliers cooperating with the company.

	Domestic manufacturers	Domestic agencies and distributors
	151 clients	49 clients
	Foreign manufacturers	Foreign agencies and distributors
	11 clients	93 clients

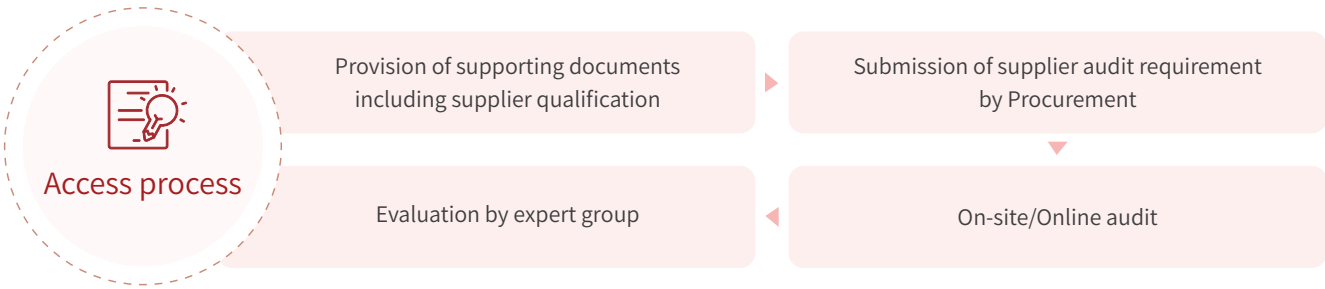


Supplier management system

Accotest is committed to building a solid and efficient supply chain. To this end, the company has developed a rigorous supplier management system that is continuously optimised to standardise the supply chain management. In cooperation with suppliers, the company will provide targeted training to improve the quality of their products and services. Suppliers that do not meet the requirements will be decisively eliminated.

Supplier access

Accotest is committed to building a sustainable supply chain system. Based on our product characteristics and actual procurement needs, we have formulated management measures including the Qualified Supplier Selection and Evaluation Guidelines, and the Procurement Department Workflow, which clarify the procurement process and set out the requirements for supplier evaluation in terms of business legitimacy, quality certification, customer satisfaction, ability to provide products and their service models.



The supplier access process starts with procurement requirements. After evaluation by the expert group, the supplier is required to conduct a self-inspection. Eligible suppliers are then added to the Qualified Supplier List and submitted to the General Manager for approval. To ensure product quality, Accotest requires all selected suppliers to sign a Quality Assurance Agreement and a PCN agreement, under which, suppliers shall provide chemical composition analysis reports and safe use instructions for materials that may have an adverse environmental impact.

Supplier classification

To refine the selection and evaluation of various component suppliers, Accotest classifies suppliers by component category to facilitate more targeted management and effective risk avoidance.

Supplier classification management table

Structural components	Printed circuit boards (PCB)	Connectors
26 clients	5 clients	40 clients
Electronic devices	Components	Others
30 clients	106 clients	97 clients

*Other Categories: Including PCBA, fans, cables, test pins, software, magnetic materials, labels and signs, production accessories, office labour supplies, etc., patents, packaging supplies, and more.

Meanwhile, with the continuous optimisation and iteration of the company's product portfolio, Accotest will update the supplier category breakdown every year based on the business needs and changes in cooperation, in order to ensure the data validity and business adaptability of category management.

Supplier assessment and audit

Accotest has set up a cross-functional team to assess and audit key suppliers according to quality standards and conduct regular on-site inspections. Suppliers that fail the assessment will be suspended from working with the company and asked to make rectifications. If they still fail to meet the standards by a certain deadline, the company may consider extending the rectification period or replacing them with other suppliers.

In the audits for key factories in each category, Accotest focuses on their quality standards, lead times, technical support, affordability compliance, logistics, and possession of certificates in terms of quality, occupational safety, and environmental safety systems. This assessment enables us to have a comprehensive view of the factory's operations and ensures compliance with ESG-related environmental and social responsibility requirements.

Accotest supplier assessment results in 2023

Coverage of supplier assessment	Pass rate of supplier assessment	Number of suppliers assessed
6%	100%	17 clients
0 suppliers have significant actual and potential negative impact on the environment		5% suppliers covered in environmental assessment

Suppliers with an unqualified assessment result will be given the opportunity to improve and participate in training under the company's supervision during the improvement period. If the product remains unqualified after improvement, the company will revoke the supplier's qualification.

Supplier training

Based on the concept of mutual benefit and progress, Accotest actively organises training and exchange activities for suppliers every year. During the reporting period, the Quality Department took the lead in organising 34 offline communication and quality exchange meetings for 7 cooperative suppliers. The training sessions included in-depth analysis and communication with the suppliers on the details of on-site management, IT management and quality management, etc. At the same time, the quality of suppliers' products was sampled and analysed, and clear improvement targets and ways of improvement were put forward. The activity disseminated industry experience and knowledge, and played a practical and effective role in monitoring suppliers' quality management.

Supplier Strategic Tiered Management

Adhering to the concept of win-win cooperation, AccoTEST continuously strengthens the cooperation with suppliers. In 2023, based on the existing supplier category management, the company added a new supplier strategic classification management plan, which is based on the correct assessment of suppliers' resources and capabilities, and divides cooperative suppliers into five strategic levels. This year, as the first year of implementation of the plan, a total of 245 suppliers participated in the classification assessment, covering 80% of the total number of cooperating suppliers.

Until now, Accotest has successfully completed strategic supplier classification through professional and systematic internal assessment.

	Total number of preferred suppliers	Total number of optional suppliers
	52 clients	109 clients
	Total number of limited suppliers	Total number of optimizable supplier
	64 clients	20 clients

In addition, the company is formulating graded management process documentation for the purpose of providing a clear management standard and operation guideline for suppliers at all grades. This effort may help suppliers be better prepared for the change in market and product requirements so as to improve the overall management of the supply chain.





Innovate

Innovation and Quality

Since inception in 1993, Accotest has been exploring technical innovation and green and low-carbon development, and delved into the R&D, innovation and reliability improvement of semiconductor ATE. In the face of unstoppable innovation of new technologies in the semiconductor industry and increasing requirements of customers for product quality, Accotest closely follows market requirements while continuing to upgrade products, in an effort to provide customers with high-quality and high-performance low-carbon products. Up to now, the installed base of the company's ATE systems has already exceeded 6,000 sets globally. Accotest focuses on R&D and quality. By advancing R&D, we keep accumulating experiences, improving innovation capability and optimising product quality management. These efforts aim at contributing to the industrial development while providing customers with high-quality products.



Continuous Innovation in Pursuit of Excellence



Product stories

Over three decades, Accotest has made in-depth efforts in the field of semiconductor, with a concentration on the R&D, production and sales of semiconductor ATE. With constant development and iteration, the company has grown into a leading domestic supplier of semiconductor ATE systems and established presence in the international market.

1993
-
2004

Technology start-up stage

Accotest developed the first-generation product STS2000. The product series mainly features single-site testing capability, realising software functions of Chinese interface and graphic programming interface.

2005
-
2010

Technology Accumulation Stage

Accotest developed the test system for analog ICs and power management ICs, making 4-site parallel testing feasible, and the grounded-source testing system for key models. As a breakthrough to the full-floating technology, Accotest launched a 32-site full-floating ATE for metal-oxide-semiconductor field-effect transistors (MOSFETs), which was recognised by the first users in domestic and foreign markets for leading technologies and stable product quality, and thus started extensive application.

2011
-
2017

Rapid breakthrough stage

Accotest launched STS8200, a tester powered by floating V/I source and having been put into mass production. Floating V/I source has the advantage of suppressing the disturbance of ground wire over grounded V/I source, thus achieving more flexible testing and small-signal voltage test at high level.

2018
to date

Steady development stage

Accotest launched "All in ONE" STS8300 platform that is capable of parallel testing with more than 64 sites. With the capability of testing power management ICs and mixed-signal ICs with more pins and more sites, the platform will be the company's focus in future development.

History of product innovation and development



Current core products of Accotest

Product series	Picture	Applications
STS8200		For the testing of various analog, hybrid and power ICs, such as power management, signal chain, intelligent power modules, and GaN (third-generation semiconductor material).
STS8300		For the testing of power management ICs and mixed-signal ICs with more pins and sites and better performance.
Power Module Test Product		For the provision of PIM test solutions based on STS8200 to customers, and the testing of high-power modules IGBT/ SiC and KGD.

Road to innovation

Since the development of the first-generation ATE system, Accotest has been sticking to independent R&D while closely following the development trends of the industry. We always remain open and inclusive, regarding technological innovation as the drive and focusing on the needs of the market and customers. In addition to excellent services for existing customers, Accotest acts actively to empower customers through technical trainings and elaborated proposals. To enhance our market competence and lay a solid foundation for sustainable development, Accotest also actively participates in industry exhibitions and forums and conducts in-depth market research to understand the needs of customers and latest trends of the industry.

Accotest always regards innovation as the core driving force of enterprise development, and steadily invests in R & D innovation to maintain technological leadership.

During the reporting period

 R&D investment as a percentage of revenue **19.10%**

Active participation in industry exhibitions

To further advance along the road to international technological innovation of high quality, high standards and broad influence, Accotest closely observes global developments to support innovation. As early as 2021, Accotest established subsidiaries in Malaysia. Now, Malaysia takes up 13% of the global market of packaging and testing. According to various semiconductor conferences and exhibitions in 2023, Malaysia was expected to undertake the "CHINA+" strategy and drive the innovative development of the semiconductor industry, with international semiconductor companies surging into the country. With acute insights into the industry and an edge of technological innovation built up over the years, Accotest has set an excellent example of global expansion for China's semiconductor industry with rising position in the industry and expanding influence around the world.

May 2023 - Accotest attended "SEMICON Southeast Asia 2023" in Penang, Malaysia.

This is the first time for AccoTEST's Malaysian subsidiary to participate in the exhibition, displaying key products such as STS8200 CROSS and STS8300. Accotest paid full attention to the current development of ATE systems and latest needs of customers during exchanges at the exhibition and learnt about the opinions of supply-chain partners to explore new approaches for product promotion and innovation from multiple dimensions.



June 2023 - Accotest attended SEMICON China 2023 in Shanghai, China.

During the exhibition, Accotest exhibited three major products: STS8200 PIM, STS8300 and STS8600. The new product STS8300 gained exposure for the outstanding features. Accotest received visitors from a total of 12 countries, which further improved the international reputation of Accotest.



December 2023 - Accotest attended "Semicon Japan 2023"

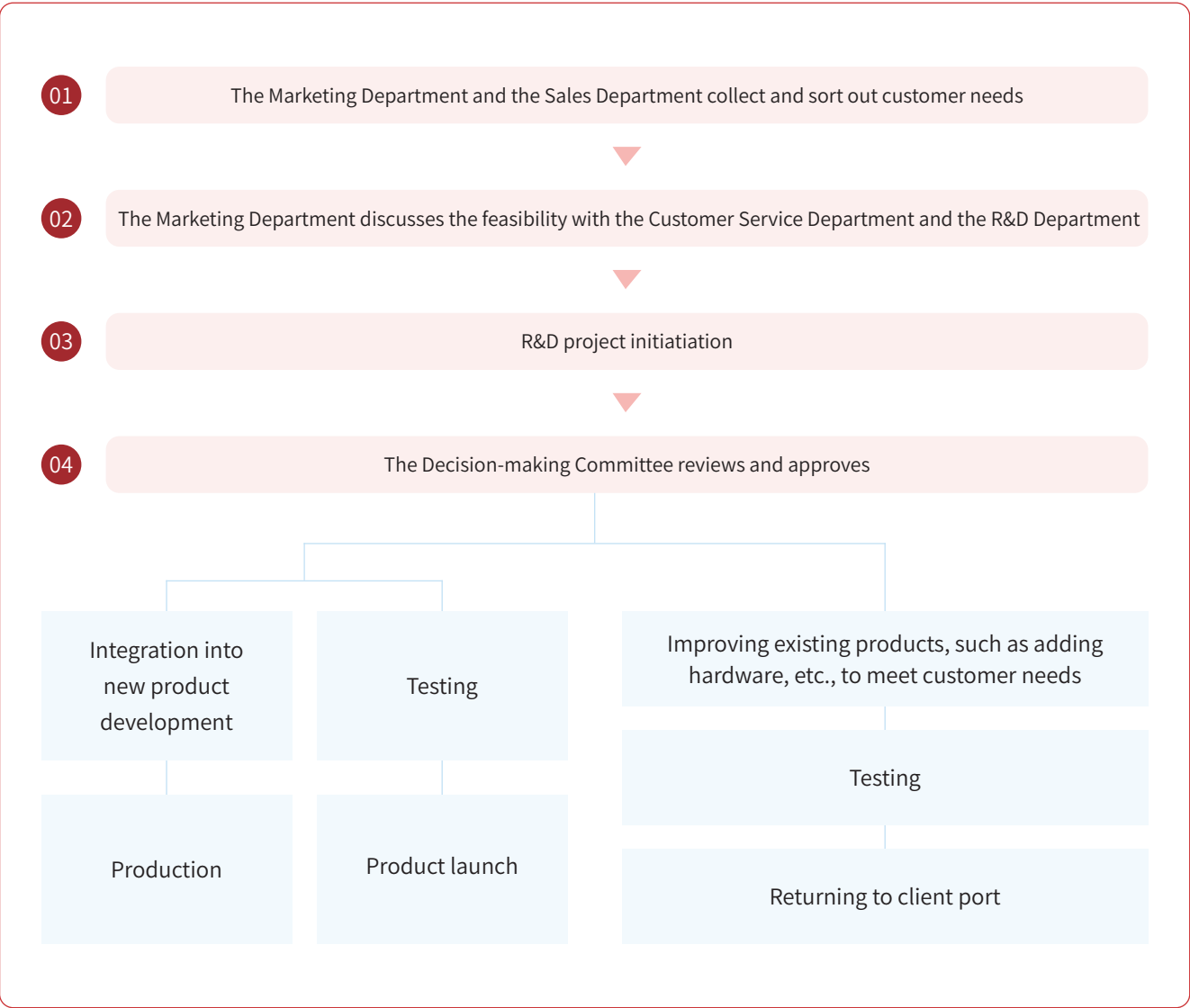
During the exhibition, Accotest increased the understanding of Japanese equipment in the field of packaging and testing, and promoted the company's STS8200 CROSS, STS8300 and other products, which not only further expanded Accotest's international presence, but also enriched Accotest's experience in overseas expansion.



Road to innovation:

Based on insights into the development trends of and cutting-edge technologies in the semiconductor industry, Accotest collects customer needs through discussion with customers and visits to new and existing customers. After analysing customer feedbacks on aspects such as product features and processes that are collected through e-mails and online meetings, Accotest deeply digs into customer demands and forms a summary of common problems, which supports the building of technological innovation capability and enables us to better meet customer needs.

Schematic diagram of the R&D and innovation process based on customer feedback



IT construction

In recent years, Accotest has been focusing on facilitating efficient production and high-quality R&D through fostering IT construction and continuously improving management system for product R&D and production to promote an efficient sustainable development of product R&D and production.

R&D management construction

To improve the management processes for new product R&D, the R&D Department breaks down the objectives of product R&D and ensures the R&D progress can be tracked in the system in real time. Departmental meetings are organised on a regularly basis to address barriers in joint efforts and ensure the steady advancement of new product R&D. In addition, IT-enabled management has been implemented for all R&D projects as well as the documentation and tracking of task data. All R&D-related work can be accurately tracked with the R&D management system that is open, synchronised and transparent.

The system allows R&D Project Manager to access the work progress at any time to ensure correct implementation and enables employees to check others' work progress and enhance cooperation, which effectively contributes to integrated innovation for product R&D.

Construction of R&D management system

To solve problems in new product R&D like the long development cycle, data scattered, difficulty in progress control and inflexibility in project-specific working hours allocation, Accotest initiated the construction of R&D management system in 2023 to enhance IT-enabled project management. During the reporting period, through the efforts of a work team dedicated to the IT construction over the R&D management system, the system had been created with all function modules, and had been fully adopted by the R&D Department.

Project management

For project management, project leaders use the R&D management system to set task objectives, break down tasks and implement plans on a quarterly basis. Breaking down tasks enables project members to track the project status, task assignments and progress, and engineers to focus on short-term objectives and tasks, thereby realising the more accurate monitoring of the new product R&D progress and improving the work efficiency.

Meeting management

For meeting management, the R&D Department organises a project reporting meeting every two weeks to discuss project problems and risks, making sure that risks are identified and responses are provided in a timely manner. Those invited include the general manager and persons involved from the Marketing Department, the Application Department, the Quality Department and other departments, ensuring that project objectives meet the expectation of all stakeholders. Weekly reporting meeting on technical management is organised by the resource management team to ensure well-advanced project progress and support long-term technology accumulation.

Innovation achievements

Exploring new fields and applications such as AC sources of low distortion and high efficiency and energy storage units

The company has established a Joint Laboratory of Integrated Circuit Equipment to facilitate AC source projects through corporate-university cooperation. The project will improve the energy efficiency of ATE (Automatic Test Equipment) from the current 53% to nearly 85%, which will effectively reduce downstream factories' electricity expenses in the mass production of ICs, contributing to the low-carbon objective. With a total of over RMB 2 million invested by Accotest so far, the innovative achievement is expected to be applied in products by 2025.

Using deionised water as heat dissipation medium to reduce environmental and safety risks

Accotest responded positively to EU RoHS (Directive 2011/65/EU¹ on the restriction of the use of certain hazardous substances in electrical and electronic equipment) and proactively incorporated the mercury relays into the product improvement project. Traditional liquid cooling technology of the mercury relays involves the use of fluorine-containing chemicals, which may bring several environmental and safety risks due to leakage during filling, cooling medium supplementation and normal use. By the end of the Reporting Period, product modification had been completed. Traditional cooling liquid are replaced with environmentally friendly deionised water as a heat exchange medium in the next-generation tester. Adopting deionised water is a challenging design choice but it will not cause pollution to environment when volatilising. Accotest has successfully completed the design for the new environmentally friendly cooling system, which will be used in future products on a mass scale.

With a dedication to the test equipment industry for more than 30 years, Accotest has laid a solid foundation through research and innovation. Accotest constantly explores new technologies, actively addresses customer needs, and endlessly iterates products. As a result, Accotest has become a reliable testing equipment supplier on a global scale.

¹ RoHS is a compulsory standard enacted by the European Union, which stands for Restriction of Hazardous Substances. Coming into effect on 1 July 2006, RoHS primarily regulates the use of substances in electronic and electrical products and sets standards for their processes. Its main objective is to promote the production of electronic equipment that is safer and more environmentally friendly.

Reliable Quality to Deliver Unrivalled Performance

Accotest has established a quality management system covering the entire process from R&D to mass production by paying great attention to and continuously investing in quality management. Accotest has successfully obtained a number of international certifications including ISO 9001 quality management system certification, EU CE "Conformity" safety certification and SEMI certification from the International Semiconductor Equipment and Materials Industry Association. These certifications serve as compelling evidence of Accotest's dedication to a scientific and stable quality management system and affirm the excellent quality of equipment.



STS8300 SEMIS2S8 Certification

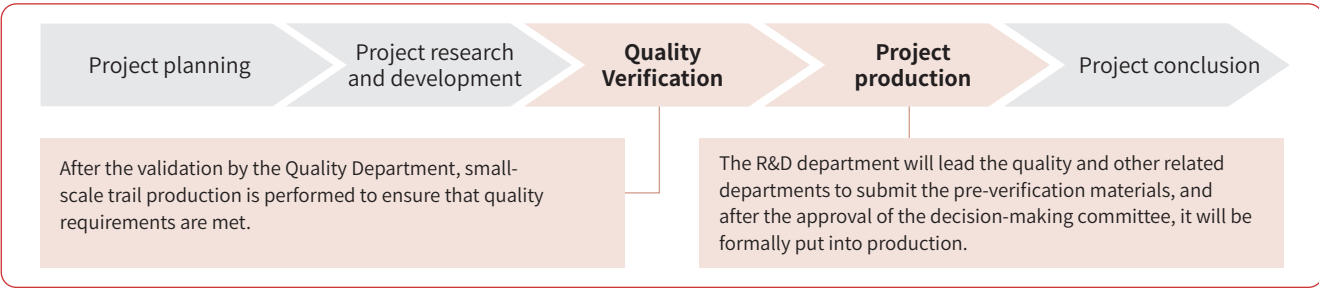
Accotest Beijing ISO 9001 Certification

Accotest Tianjin ISO 9001 Certification

Quality management

Accotest implements comprehensive quality management for the five stages of project development. Quality standards are set at the project planning stage, and multi-stage quality audits are carried out upon entry into the R&D stage to ensure that the project process meets the set standards. In the quality verification phase, the company conducts comprehensive performance tests and risk assessments to ensure that the product meets quality requirements, and in the production transfer phase, quality risks are strictly controlled through detailed production process planning and quality monitoring. Finally, at the project completion stage, the results of the preliminary work and the process is reviewed to improve the quality of future projects.

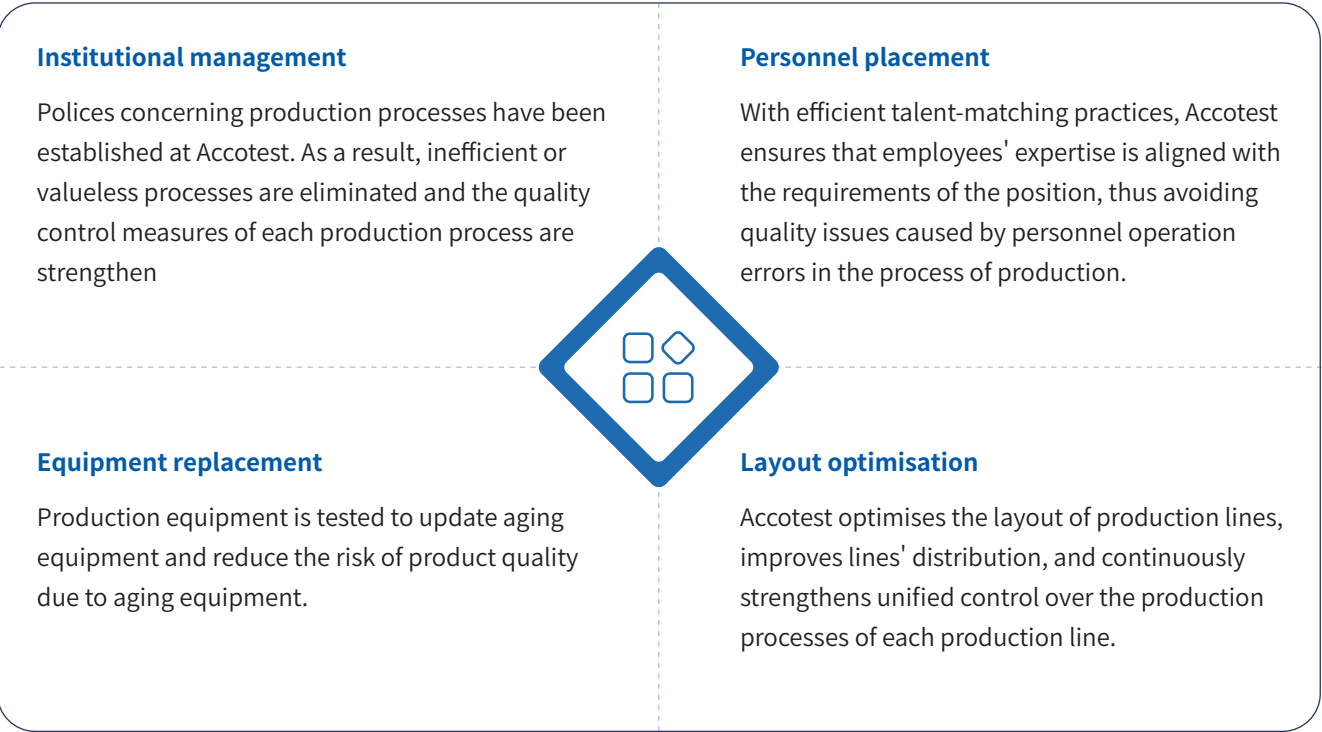
Management process:



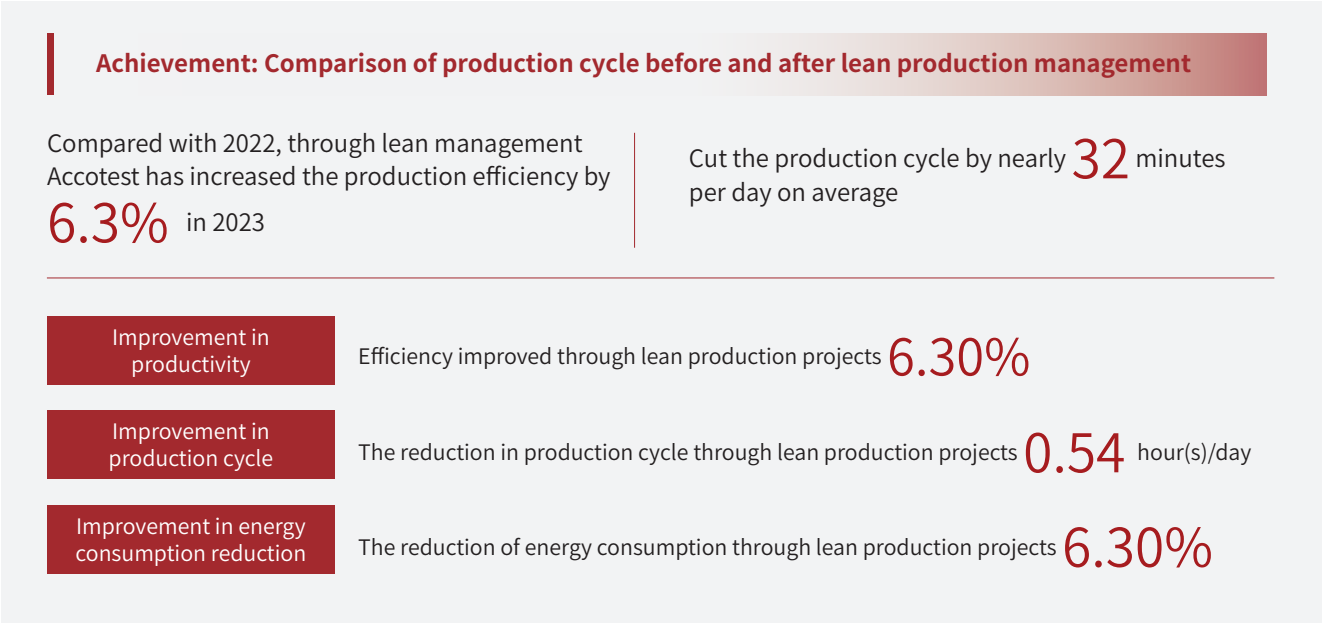
Lean management

Focusing on improving the capability of production quality management, Accotest implements comprehensive lean management throughout the production lines. Lean management aims to continuously improve the detailed management of production lines through institutional management, personnel placement, equipment replacement and layout optimisation. This approach not only enhances the quality of test equipment products, but also supports the improvement of quality management capabilities.

Lean Management of Accotest



Through lean management, AccoTEST has been able to effectively reduce the production cycle of its products, based on an overall improvement in product quality.



Quality assurance measures

Product quality is the foundation of an enterprise's survival and development. Accotest leverages improved quality management capabilities to drive product updates and iterations. By adopting advanced quality management methods, Accotest identifies the key areas for improvement and carries out a series of actions aiming at optimising product quality. Consequently, the scientific management practices have been continually improved.

Unannounced inspection and regular check

The Company's Quality Department conducts no less than two flight inspections and periodic verifications of suppliers per quarter, through which potential problems can be identified in time. If any issues are found, Accotest will take corrective actions quickly to ensure that products and services consistently meet the highest quality standards.

Two-way quality problem list

In order to ensure the quality of products, Accotest implements two-way quality problem list during the production. The settlement rate has reached 80% and 81% so far.

Zero-defect production initiative

In order to ensure high first-pass yield in production, Accotest carries out zero-defect production initiatives, and sets phased goals to achieve zero defects. By the end of 2023, the annual pass rate was 95.8%.

Commitment to quality

Quality is Accotest's top priority. As a domestic leading and internationally renowned test equipment manufacturer, Accotest has always adhered to the pursuit of excellence in quality and constant improvement of quality management system. Accotest has been improving quality management capabilities in the whole process of production, and has used IT applications to manage the mass production of products. By adopting the lean management mode, Accotest is able to closely monitor each stage of production processes, thus promoting the improvement in both product quality and management ability.

In the future, Accotest will adhere to the sustainable development. Accotest will remain customer-driven and constantly innovate and improve the existing products and services to meet the growing needs of customers. We promise that we will continue to improve product quality, constantly explore new technologies and business models. We will provide customers with the best test equipment systems and solutions, and do our best for the prosperous development of the industry.



Environment

Green Operation and Environmental Inclusion

By integrating green development into the growth strategy, Accotest is committed to building an responsible operation system. Accotest has also been focusing on key environmental issues such as waste management, energy consumption and water management with a view of minimising the impact of the production on the environment. Through unremitting pursuit of green operation, one subsidiary of Accotest who based in Tianjin successfully established in the Sino-Singapore Tianjin Eco-city. In the future, Accotest will continue to improve our environmental protection capabilities, and strives to be a green pioneer by innovating green operation and management measures, thus doing our bit to environmental protection.



Climate Change

Accotest actively responds to the national dual-carbon strategy. Company pays great attention to its own energy use while ensuring quality and promoting product innovation, comprehensively improves carbon management capabilities, focuses on strengthening energy management, and expects to contribute to global climate change actions by practicing sustainable development.

In 2023, for the first time, Accotest conducted a comprehensive inventory of the emissions of its own operations, and calculated the emissions of Scope 1 and Scope 2 with reference to the "Guidelines for Corporate Greenhouse Gas Emissions Accounting and Reporting". Through this carbon accounting, Accotest has a deeper understanding of its own carbon emissions, and has also laid the foundation for further developing scientific and reasonable emission reduction strategies in the future. In the future daily operations and production, the company will continue to monitor its own carbon emissions, and actively take effective measures to promote carbon emission reduction based on the importance and urgency of carbon management.

Emission data (Scope1, Scope2)

 1240.32 t CO2e

In the future, Accotest will also adhere to the concept of sustainable development, actively participate in international cooperation, work with all parties to address the challenge of climate change, and make positive contributions to global sustainable development.



Environmental Management System

Accotest fully fulfils the main responsibility of environmental protection, and has established an internal environmental management system. In this system, the general manager is designated as the main responsible person. The environmental management personnel are appointed to be in charge of environmental protection in production and operations. Additionally, safety officers oversee the prevention and control of environmental pollution of hazardous wastes. Presently, the Beijing headquarters and Tianjin factory of Accotest have been certified to ISO14001 - Environmental Management System.

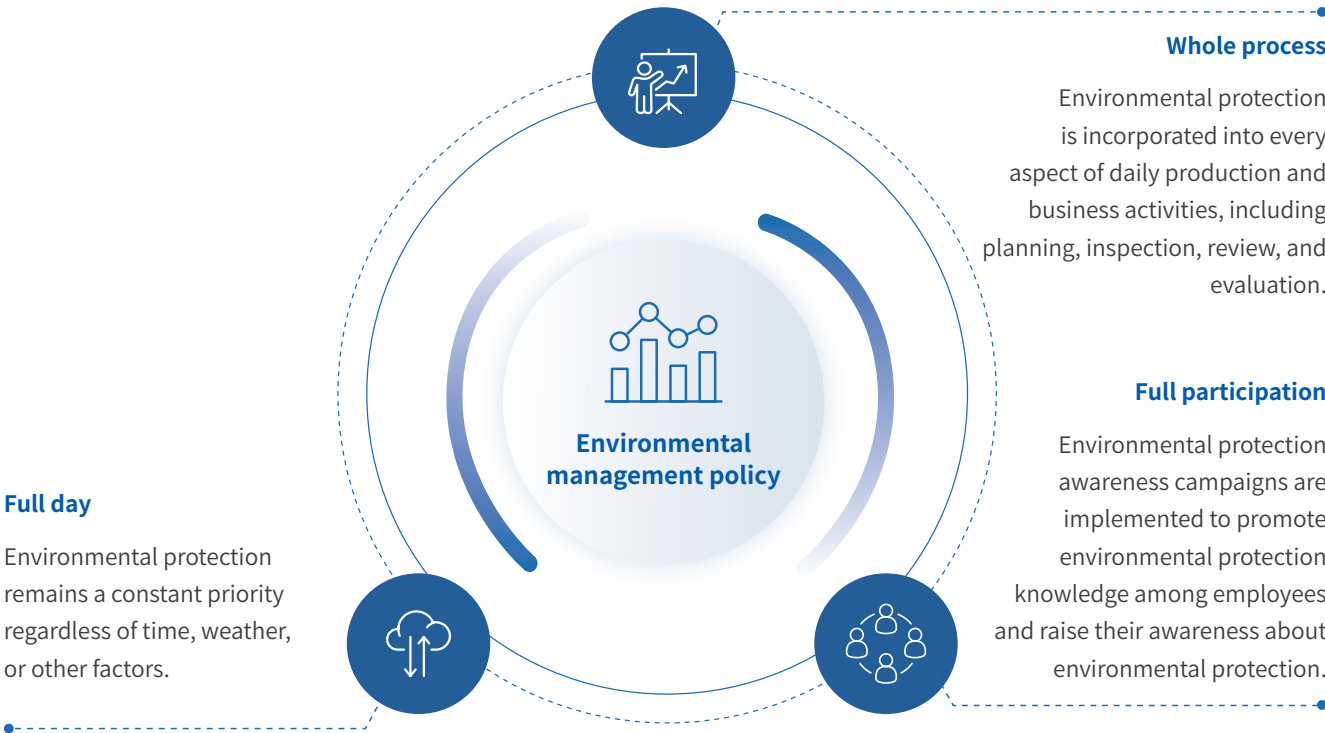
Additionally, to strengthen environmental risk management and continuously optimise environmental monitoring methods, Accotest has formulated an Environmental Monitoring Plan. Under this plan, environmental monitoring activities are carried out, covering monitoring of air quality, wastewater, noise and solid waste, as well as risk assessment. Furthermore, an annual environmental maintenance report is issued to achieve closed-loop management of monitoring activities.



Accotest Beijing ISO 14001 Certification



Accotest Tianjin ISO 14001 Certification



Water resource management

Accotest considers improving water resource management as pivotal element in achieving green operations. The company monitors water usage in real time to prevent water resource loss due to leaking pipes. Additionally, the company actively promotes the reuse of water and advances the recycling of water resources. To ensure compliance with wastewater disposal regulations, the company strictly supervises wastewater disposal at all office locations. By adopting more efficient wastewater treatment methods, the company strives to reduce water pollution and promote green operations and sustainable development.

Waste management

To promote green, low-carbon and circular development and facilitate the utilisation of waste resources, Accotest has established a comprehensive waste management process, which encourages the classification, collection, and storage of solid waste. Furthermore, a waste recycling centre has been set up to enhance the recycling rate.

Waste Management Process of Accotest



Hazardous waste management

Accotest follows the principle of "unified collection, classified disposal, and elimination of hidden dangers" for hazardous waste management. Besides the company sets "reduction, recycling, and harmless disposal" as goals for hazardous waste management. In compliance with the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other relevant laws and regulations, the company has formulated the Environmental Protection Management Policy to prevent ecological environmental pollution from hazardous waste, effectively protecting public health and safety.

Goals of hazardous waste disposal

- **Reduction:** Reducing the amount of waste produced to lower environmental impact.
- **Recycling :** Transforming waste into useful resources for recycling.
- **Harmless disposal:** Adopting safe, environmentally friendly treatment methods to reduce the harm of waste to the environment and human health.

Annual Waste Data



Total hazardous waste produced

0.52 Ton

Total recycled waste

1.77 Ton

Total non-hazardous waste produced

21.25 Ton

Recycling rate for waste

8%

Green Production

Green production lines

Accotest adopts green and advanced production technologies. Supported by meticulous management, the company has achieved efficient and low-load mass production. The company has also created green production lines focused on raw material assembly and debugging technologies, thus minimizing the environmental impact of equipment production. Accotest is well aware of that carbon reduction is a long-term and ongoing commitment. Accotest continuously monitors its own carbon emissions in daily operations and production, and actively takes effective measures to reduce carbon emission intensity and promote carbon emission reduction work to continuously achieve new results.

Energy conservation and consumption reduction

By continuously strengthening lean management and optimising production processes, Accotest has effectively shortened the production cycle and successfully reduced energy consumption by approximately 7.4% during production. Additionally, the component damage rate only stands at 0.024%. In the future, we remain committed to improving lean production to achieve more significant energy-saving effects.

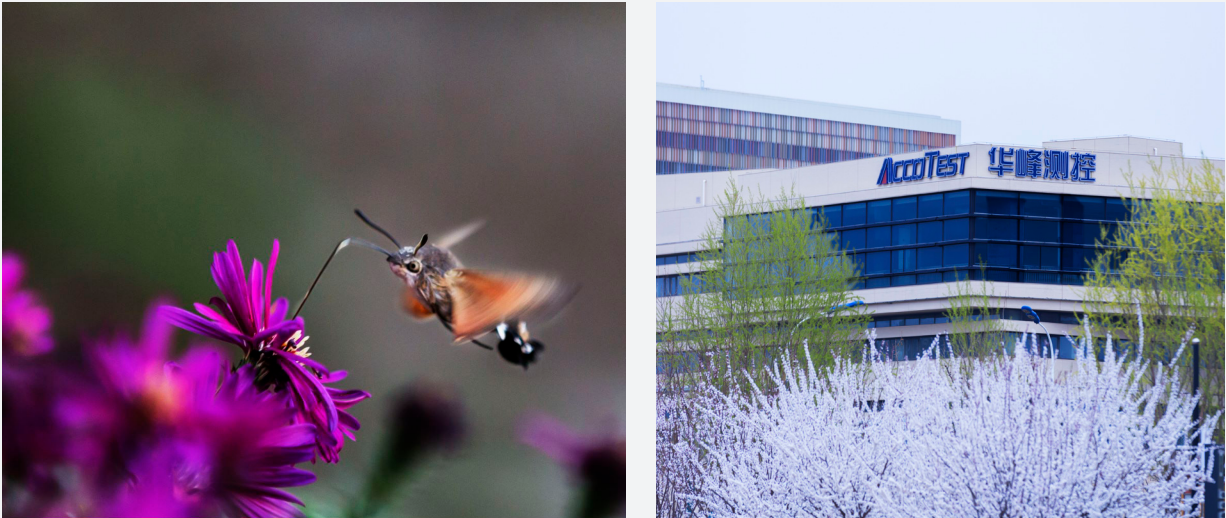


Energy Consumption Data

	Total petrol consumption of private car in official use	Total power consumption
	14206.57 Litre	2110.12 MWh

Green operations at Tianjin Factory

As a benchmark for green production in the semiconductor industry, Accotest continuously implements initiatives that promote ecological sustainability. In 2017, we established a wholly-owned subsidiary, Huafeng Test & Control Technology (Tianjin) Co., Ltd., serving as the company's global manufacturing base for the development and green production of integrated circuit testing equipment. This company is the only semiconductor equipment manufacturer in the Sino-Singapore Tianjin Eco-City. Currently, Accotest operates three green production lines at Tianjin factory: the STS8200 line, the STS8300 line, and a comprehensive line.



The Sino-Singapore Tianjin Eco-city prioritises urban greening, vegetation protection, ecological restoration, and sustainable development, rejecting businesses with "high energy consumption, high emissions, and heavy pollution". It imposes strict environmental standards on settled enterprises, with specific requirements for the distribution of greenery and the selection of plant species in factory areas. There are 333 ornamental trees and more than 10,000 bushes and ground covers, involving more than 50 species. Tianjin factory is actively working towards building a "green, ecological" factory by incorporating sustainable concepts into the design phase from the outset. Durable and antibacterial ecological paint is used on external walls to reduce air pollution. High-transmittance glass is selected for windows to increase indoor natural lighting, thereby minimising energy consumption due to artificial lighting.

Appendix



Statement: Accotest has reported information referenced in this GRI content index for the period from 1 January 2023 to 31 December 2023 (some data exceeds this range due to initial disclosure) in accordance with GRI standards.

GRI Standards	Disclosure Items
GRI 2 General Disclosures (2021)	
The organisation and its reporting practices	
2-1 Organisational details	About Accotest
2-3 Reporting Period, frequency and contact point	About the Report
Activities and Workers	
2-7 Employees	Employment/Talent Development/Occupational health and safety
2-8 Workers who are not employees	Consumer and customer/Supplier management
Governance	
2-9 Governance structure and composition	Organisational Structure
2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance
2-14 Role of the highest governance body in sustainability reporting	Corporate Governance/Business Ethics/Risk Management
Strategies, Policies and Practices	
2-22 Statement on sustainable development strategy	About the Report
2-27 Compliance with laws and regulations	Corporate Governance
2-29 Approach to stakeholder engagement	About the Report
GRI 3 Material Topics (2021)	
3-1 Process to determine material topics	Stakeholders
3-2 List of material topics	Stakeholders
3-3 Management of material topics	Stakeholders

GRI Standards	Disclosure Items
GRI 201 - 418 Topic disclosures	
Governance	
205 Anti-corruption	
205-2 Communication and training about anti-corruption policies and procedures	Anti-fraud
205-3 Confirmed incidents of corruption and actions taken	0 case during the Reporting Period
206 Anti-competitive behaviour	
206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	0 case during the Reporting Period
302 Energy	
302-1 Energy consumption within the organisation	Appendix
302-2 Energy consumption outside of the organisation	
302-3 Energy intensity	Appendix
302-4 Reduction of energy consumption	
302-5 Reductions in energy requirements of products and services	Energy conservation and consumption reduction
303 Water and Effluents	
303-1 Interactions with water as a shared resource	Water resource management
303-2 Management of water discharge-related impacts	Water resource management
303-3 Water withdrawal	Water resource management
303-4 Water discharge	Water resource management
303-5 Water consumption	Water resource management
305 Emissions	
305-1 Direct (Scope 1) GHG emissions	Appendix
305-2 Energy indirect (Scope 2) GHG emissions	Appendix
305-4 GHG emissions intensity	Appendix
305-5 Reduction of GHG emissions	Appendix
306 Waste	
306-1 Waste generation and significant waste-related impacts	Environmental management system
306-2 Management of significant waste-related impacts	Environmental management system
306-3 Waste generated	Environmental management system
306-4 Waste diverted from disposal	Environmental management system
306-5 Waste directed to disposal	Environmental management system

GRI Standards	Disclosure Items
Social	
401 Employment	
401-1 New employee hires and employee turnover	Employment
401-2 Benefits provided to full-time employees	Employment
401-3 Parental leave	Employment
403 Occupational Health and Safety	
403-1 Occupational health and safety management system	Occupational health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Risk management
403-5 Worker training on occupational health and safety	Occupational health and safety
403-6 Promotion of worker health	Occupational health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety
403-8 Workers covered by an occupational health and safety management system	Occupational health and safety
403-9 Work-related injuries	0 case during the Reporting Period
403-10 Work-related ill health	0 case during the Reporting Period
404 Training and Education	
404-1 Average hours of training per year per employee	Talent development
404-2 Programs for upgrading employee skills and transition assistance programs	Talent development
405 Diversity and Equal Opportunity	
405-1 Diversity of governance bodies and employees	Employment
405-2 Ratio of basic salary and remuneration of women to men	Employment
406 Non-discrimination	
406-1 Incidents of discrimination and corrective actions taken	0 case during the Reporting Period
414 Supplier Social Assessment	
414-1 New suppliers that were screened using social criteria	Supplier management system
416 Customer Health and Safety	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	0 case during the Reporting Period
417 Marketing and Labelling	
417-2 Incidents of non-compliance concerning product and service information and labelling	0 case during the Reporting Period
417-3 Incidents of non-compliance concerning marketing communications	0 case during the Reporting Period
418 Customer Privacy	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	0 case during the Reporting Period

ESG Indicator Table

Governance		
Corporate Governance	Unit	2023
Confirmed negative events		
Substantiated cyber security accident	Case	0
Substantiated data leakage accident	Case	0
Unfair competition	Case	0
Substantiated corruption	Case	0
Intellectual Property		
	Unit	2023
Patents		
Granted patents	Case	182
Patents under examination	Case	98
Social		
Employee	Unit	2023
Workforce		
Total	Person	608
Number and proportion of employees by gender		
Male	Person	446
Female	Person	162
Male	%	73%
Female	%	27%
The proportion of women in senior management	Person	33%
Number and proportion of employees by age group		
Aged below 30	Person	269
Aged 30 to 50	Person	323
Aged above 50	Person	16
Aged below 30	%	44%

Social		
"Employee (covering formal employees and informally hired staff)	Unit	2023
Number and proportion of employees by age group		
Aged 30 to 50	%	53%
Aged above 50	%	3%
Number of employees by education		
Below a bachelor's degree	Person	98
With a bachelor's degree	Person	371
With a master's degree	Person	138
With a doctoral degree	Person	1
Number of employees by type of employment		
Senior management (B8-B9)	Person	7
Middle management (B7)	Person	20
Junior management (B6)	Person	45
Staff	Person	536
Employee diversity		
Employees of the minority nationality	Person	23
Foreign employee	Person	22
R&D professionals Total		
R&D Professionals	Person	271
With a master's degree	Person	110
With a doctoral degree	Person	1
R&D female professionals	Person	52
Employees in basic laboratory	Person	62
Number and proportion of the turnover		
Total turnover	Person	63
Turnover rate	%	10%
Turnover of R&D	Person	32
Turnover rate of R&D	%	12%

Employee Training	Unit	2023
Total hours		
Total training hours	Hour	6279.12
Total training hours for male employees	Hour	5011.68
Total training hours for female employees	Hour	1267.44
Total training hours for employees of middle and senior management	Hour	196.40
Total training hours for employees below middle and senior management	Hour	6082.72
Total training hours for staff of R&D technology department	Hour	4938.78
Average hours per capita		
Average training hours per capita	Hour	10.33
Average training hours per male employee	Hour	11.24
Average training hours per female employee	Hour	7.82
Average training hours per employee of middle and senior management	Hour	7.27
Average training hours perx employee below middle and senior management	Hour	10.47
Average training hours per R&D professional	Hour	18.22
Orientation training		
Participants	Person	140
Total number of participants who passed the exam	Person	140
Pass rate	%	100%

Occupational Health and Safety of Employees	Unit	2023
Occupational health and safety training		
Training hours on environmental safety (fire drill)	Hour	644
Training hours on personal safety (first aid)	Hour	65
Investment in occupational health and safety training		
Investment in environmental safety (fire drill) training	RMB	1,500
Substantiated occupational safety incident		
Substantiated incidents of discrimination	Case	0
Substantiated forced labour	Case	0
Substantiated child labour	Case	0
Number of work-related injuries (including overseas agents)	Person	0

Customer Service	Unit	2023
Product training		
Product training sessions	Time	22
Participants	Person	792
Customised training sessions	Time	72
Participants	Person	478
On-site training of new equipment	Time	18
Environment		
Data	Unit	2023
GHG emissions		
Scope I& Scope II	Carbon dioxide equivalent	1240.32
Source consumption		
Total power consumption	MWh	2,110.12 (Excluding USA)
Total water consumption	Ton	13,027.28 (Excluding USA)
Total petrol consumption of private cars in official use	Litre (L)	14,206.57 (Excluding Malaysia and USA)
Waste management		
Total hazardous waste produced	Ton	0.52
Total non-hazardous waste produced	Ton	21.25
Total recycled waste	Ton	1.77
Recycling rate for waste	%	8%

SDGs Mapping Table

Image	SDGs	SDGs Content	Mapping	Chapter
	SDG3 Good health and well-being	Ensure healthy lifestyles and promote well-being for people at all ages	(1) Accotest actively organizes activities for employees, and encourages them to exercise for health and fun;	Social Employee Care and benefits OHS management
			(2) Accotest is committed to safeguarding occupational health of employees by providing holistic pre-employment training, contingency plans and physical examinations;	
			(3) The factory at the Sino-Singapore Tianjin Eco-city is equipped with gyms providing yoga classes and personal training. Moreover, accommodations provided for employees meet the standard of a four-star hotel.	
	SDG 4 Quality education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	(1) Accotest provides a fair, open mechanism for promotion, systematic empowerment training and diversified incentives for learning and innovation;	Social Career development Training Talent incentives Corporate-university cooperation
			(2) Accotest is highly engaged in corporate-university cooperation, providing opportunities for frontier research and educational practices for college students.	
	SDG 5 Gender equality	Achieve gender equality and empower women and girls	(1) Accotest resolutely safeguards gender equality and women rights. It is firmly against sexual harassment, and provides parental leave, maternal leave and lactation leave for female employees; (2) Accotest allows no forced labour and child labour. No such incident has happened since the founding of the company;	Social Employees rights and interests and diversity

Image	SDGs	SDGs Content	Mapping	Chapter
	SDG 6 Clean water and sanitation	Ensure availability and sustainable management of water and sanitation for all	(1) Accotest provides free water for employees; (2) Accotest emphasises and promotes the recycling of water resources.	Environment Water resource management
	SDG 7 Affordable and clean energy	Ensure access to affordable, reliable, sustainable and modern energy for all	(1) Solar panels are installed on the roof of the Accotest's Eco-plant, thus providing green electricity to reduce reliance on traditional energy; (2) The exterior wall applies durable anti-bacterial eco-painting to reduce air pollution.	Environment Green production lines - Case: Green operations at Tianjin Factory
	SDG 8 Decent work and economic growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	(1) Accotest focuses on employees ethnics, and attaches great importance to anti-fraud and anti-corruption. Adopting transparency, honesty and integrity as principles of management, the company ensures decent job and sustainable wage growth of employees.	Governance Business Ethics Sound internal control and compliance Anti-fraud
	SDG 9 Industry, innovation and infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	(1) By conducting innovative research and development, Accotest has eliminated the environmentally risky mercury relays from the cooling process. By the end of the Reporting Period, the company had successfully upgraded the cooling system to an environmental-friendly one.	Products Road to innovation: achievements

Image	SDGs	SDGs Content	Mapping	Chapter
	SDG 11 Sustainable cities and communities	Make cities and human settlements inclusive, safe, resilient and sustainable	(1) To maintain environmental sustainability, Accotest implements environment protection measures and integrates environment protection into daily operation and production, as outlined in the environmental monitoring plan; (2) Tianjin Factory has met the strict admission standards, with zero emissions achieved throughout the entire production line. Huafeng apartment in the Sino-Singapore Tianjin Eco-City is designed in line with the four-star hotel standard, with forest coverage rate of 20%.	Environment Green production lines - Case: Green operations at Tianjin Factory
	SDG 12 Responsible consumption and production	Ensure sustainable consumption and production patterns	(1) Accotest sticks to the whole-process management of the supply chain. Through strategic categorization of suppliers, Accotest strengthens the sustainable cooperation with suppliers; (2) Accotest streamlines the management of production. The company efficiently shrinks the time of production cycle and increases sustainability while ensuring quality.	Social Supplier strategy products Lean management
	SDG 15 Life on land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	(1) To maintain the sustainability and diversity of the terrestrial vegetation, Tianjin Factory put forward a sustainable plantation plan;	Environment Green production lines - Case: Green operations at Tianjin Factory
	SDG 16 Peace, justice and strong institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	(1) A management framework that clarifies power and responsibility has been established. Therefore, a peaceful and inclusive business atmosphere is fostered; (2) A solid mechanism for whistle-blower protection and major risk warning has been set up to underpin legal rights and maintain peace and justice.	Governance Organisational structure Anti-fraud Risk management

