



 PCIe 5.0 Retimer



2023

Environmental, Social and Governance (ESG) Report

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About This Report



Reporting Period

This Report covers the period from January 1 to December 31, 2023. To enhance the comparability of this Report, part of the content is extended beyond the above time frame appropriately.



Organizational Scope

This Report mainly covers Montage Technology Co., Ltd. (hereinafter referred to as "Montage Technology", "Company", "Our Company", "We"). Unless otherwise specified, the scope of this Report is consistent with that of the Company's annual report.



Release

This is the second Environmental, Social and Governance (ESG) report issued by Montage Technology.



Basis of Preparation

This Report is prepared mainly according to the *Shanghai Stock Exchange STAR Market Listing Rules, Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies on the STAR Market – Standardized Operation*, CASS-ESG 5.0 of the Research Center for Corporate Social Responsibility, Chinese Academy of Social Sciences, GRI Standard 2021 of the Global Reporting Initiative, United Nations Sustainable Development Goals (SDGs) and other guidelines or rules.



Confirmation and Approval

This Report has been confirmed by the management and approved by the Board of Directors on April 8, 2024.



Release of This Report

This Report is released in electronic form, and accessible on Shanghai Stock Exchange's website: <http://www.sse.com.cn>.



Source of Information

The qualitative and quantitative information used in this Report comes from Montage Technology's public information, internal documents and relevant statistical data.

Letter from Our Chairman



Dr. Howard Yang

Chairman of the Board/CEO,
Chief Scientist of Montage Technology

As time flies, Montage Technology celebrates its 20th anniversary in 2024. Since its inception, Montage Technology has had an "engineer culture" etched into its genes and a "craftsman spirit" running through its veins. The philosophy of "accelerating with focus and innovation" has continually inspired us to forge ahead with innovation in the field of integrated circuit design.

Over the past two decades, we have witnessed together many important milestones for Montage Technology: from successfully mass producing our first chip, obtaining our first granted invention patent, to passing customer certification for our memory interface chips and achieving steady market share growth; from being a follower in the industry, to becoming a leading developer of relevant international standards and a global leader; from being a champion in a niche field, to continuously innovating and keeping up with the times by launching innovative products such as PCIe Retimer chips, CXL Memory eXpansion Controller (MXC) chips, and more. It's the unremitting pursuit of technological innovation that has driven Montage Technology to gradually become a world-leading data-processing and interconnect IC design company.

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Seizing the opportunities in the AI era, and pursuing innovation and high-quality development

Innovation is the first driving force for the development of science and technology enterprises. Montage Technology strives for "valuable innovations". We believe that in the field of applied technology, true innovation should be dedicated to effectively solving practical problems in real-world applications. Through a continuous process of innovation, qualitative leaps can be achieved, enabling "acceleration" through "innovation." Based on the focus and innovation in the field of memory interface chips, Montage Technology continues to lead the world in the DDR5 generation. We continue to explore effective solutions to new problems in the field of applied technology. Through continuous accumulation and innovation, we naturally achieve an "acceleration" in related technology fields: In the PCIe technology field, Montage Technology's self-developed PCIe SerDes IP has been successfully integrated into PCIe 5.0/CXL 2.0 Retimer chips and achieved mass production, with relevant technical parameters leading the world; and in the CXL technology field, Montage Technology has released the world's first CXL MXC chip, which will be applied to future memory expansion and memory pooling.

The growth of enterprises is often closely linked to seizing historical opportunities. Looking back, we accurately grasped the opportunity of the rise of cloud computing and data centers, established a global leading position in the memory interface chip industry. Looking ahead, we are standing at a new historical starting point, witnessing the world's transformation from computing to intelligent computing. Artificial intelligence will reshape the technology industry and profoundly affect people's lives. Strong AI infrastructure is the cornerstone of the development of the AI industry, covering the three key elements of computing, memory/storage and data-moving. With the advancement of AI application, the demand for computing and memory/storage is growing rapidly, and there are higher requirements for data-moving.

We recognize the huge market potential for high-performance data-moving solutions in the AI era. It is exactly the technology field where Montage Technology has focused its innovation efforts for many years. We have accumulated rich technical expertise in the high-speed interconnect chip field for data-moving and continuously achieved breakthroughs in core technologies. Montage Technology has deployed a series of high-performance data-moving solutions, including PCIe Retimer, MRCD/MDB, CKD, and MXC chips. These chips effectively enhance the entire system data-moving and will play a crucial role in the AI era. In the future, we will seize the historical opportunity brought by the intelligent computing of the AI era, continue to team structure establishing upholding the "engineer culture" and "the spirit of craftsmanship" of Montage Technology, devote ourselves to research and development, and continue to make innovations, so as to build a "technical moat" of the Company.

Focusing on team training and talent echelon construction, and cultivating excellent talents to promote the development of Montage Technology

As a "high technology" enterprise dedicated to research and development, Montage Technology recruits outstanding research, technical and managerial talents worldwide to build a team with an international vision. This is the core of our ability to maintain technological leadership and global competitiveness. We know that talents are the most valuable asset of a company. Whether considering past achievements or future development planning, talents are always our unwavering focus. We continuously enhance our talent management system to align with Montage Technology's unique characteristics, and provide our research and development team with challenging and world-leading technology projects, aiming to build a stage where employees can fully showcase their talents. We not only focus on technological innovation, but also

strive to create a positive and inclusive work environment. We encourage employees to think innovatively, uphold the spirit of craftsmanship, and emphasize equality and respect among team members to promote mutual growth for both employees and the Company. To attract and retain talents, we offer competitive compensation and benefits, and implement the all-employee stock ownership program to deepen the alignment of interests between shareholders, the Company and employees.

As our workforce grows and business expands, Montage Technology will continue to regard employees as strategic resources, continuously strengthen team building and enhance management efficiency. We will persist in advancing the talent incentive program, tap into and stimulate the potential of employees, enhance team vitality, and closely align the interests of employees, the Company and shareholders, so as to strengthen employees' sense of responsibility and mission for the Company's sustainable development, and lay a solid foundation for the Company's long-term, continuous, and healthy growth.

Facilitating the Company to achieve steady and sustained development with the concept of sustainable development

Adhering to the core philosophy of long-term and sustainable development, Montage Technology continues to focus on environmental, social and corporate governance (ESG). We are committed to improving the compliance and efficiency of corporate governance to promote the high-quality development of the Company; we actively undertake corporate social responsibility, respect and protect the rights and interests of shareholders, employees, customers, suppliers and other stakeholders; based on the characteristics of the integrated circuit industry, we strive to reduce the energy consumption through research, development and innovation, thus contributing to the realization of "carbon peaking and carbon neutrality" goals.

During the reporting period, we disclosed carbon emissions data systematically for the first time and obtained certification for the Information Security Management System ISO 27001, further enhanced our ESG management system, identified areas for improvement in ESG and implemented targeted optimization measures in supplier management, institutional development and other aspects. At the same time, we actively engaged in public welfare activities. The "Montage Comprehensive Building" donated by the Montage Cultural and Educational Special Fund, was officially put into use at Fengshan Primary School. We mobilized employees to donate books and supplies to support the development of rural education. Montage Technology's ESG performance has been recognized by international authoritative rating agencies. Our MSCI ESG rating has been upgraded from CCC to BB, and we have won the titles such as "Top 100 ESG Listed Companies". We will continue to learn from advanced experience of international peers, refine and improve ESG systems and processes, further integrate sustainable development-related risks and opportunities into our strategic planning and development goals, gradually carry out research on carbon emission policies, continuously enhance ESG management, and strive to promote the harmonious coexistence and sustainable development of the Company with society and the environment.

Looking ahead, as the AI wave sweeps across the globe, Montage Technology, an IC design company providing hardware support for the AI era, will continue to focus on high-performance data-moving and computing solutions, striving to provide users with chip products that feature high performance, high security and high reliability. We firmly believe that with the joint efforts of all employees at Montage Technology, we will open a new chapter of Montage Technology in the AI era and create a brighter future!

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Company Profile

Founded in 2004, Montage Technology is a leading data-processing and interconnect IC design company dedicated to providing high-performance and low-power IC solutions for cloud computing and artificial intelligence markets, and has two primary product lines—interconnect chips and Jintide® server platform.

In the AI era, there is a rapid increase in demand for both computing and memory/storage and systems have higher requirements for data-moving. As a company that provides high-performance data-moving for computing and intelligent computing, Montage Technology produces a variety of high-speed interconnect chip products that can effectively improve the data-moving of systems, which will play an important role in the future AI era.

The Company was listed in July 2019 among the first batch of companies on SSE STAR Market (Stock code: 688008.SH). Headquartered in Shanghai, the Company has branches in Kunshan, Beijing, Xi'an, Macao, the US and South Korea.



Headquarters Shanghai

Branches Kunshan Beijing Xi'an Macao the US South Korea



Industry Status

The Company's memory interface chips, serving as the "expressway" connecting the CPU and memory, are an essential component of server memory modules. They have successfully entered the international mainstream memory, server, and cloud computing markets, with product performance and quality highly recognized by the market and industry, and occupying significant market shares worldwide.

The Company is a member of the Board of Directors of Joint Electron Device Engineering Council (JEDEC), a global organization developing open standards for the microelectronics industry. The Company actively participates in the formulation of industry standards and is a leading contributor to the international standards for DDR5 memory interface chips (RCD, MDB).

In recent years, Montage Technology has launched several globally pioneering or leading products, including the CXL Memory eXpander Controller (MXC) chips, PCIe 4.0/5.0 Retimer chips, and Clock Driver (CKD) chips. These products, built upon the Company's extensive expertise in high-speed interconnect chips, represent new directions for the future development of servers and data centers. Montage Technology will continue to uphold its corporate culture of accelerating with focus and innovation, and keep stimulating the vitality of innovation to drive extraordinary growth.

**Global Leading Memory
Interface Chip Vendor**

**Member of JEDEC
Board of Directors**

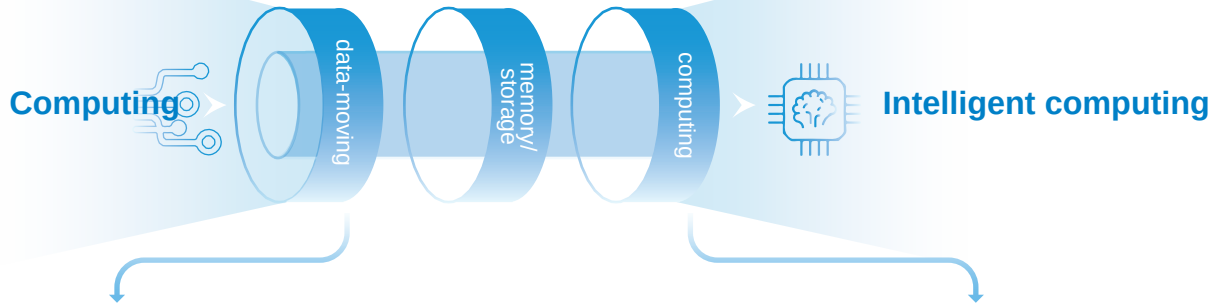
**JEDEC SPEC owner
of DDR5 RCD and MDB**

**Leading the Industry in the
Trial Production of
Clock Driver Chips (CKD)**

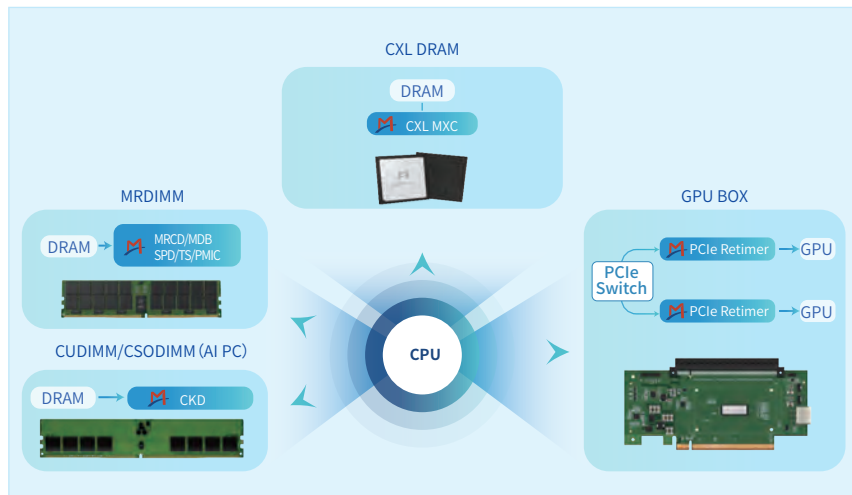
**Delivered the World's First
CXL Memory Expansion
Controller Chip (MXC)**

**Global Leading
PCIe 5.0 /CXL 2.0
Retimer Chip Vendor**

Major Products



Montage Technology's high-performance data-moving solutions



Montage Technology's computing solutions

Jintide® CPU

Montage Technology's Jintide® CPU is an x86 processor family with Pre-check (PrC) or Dynamic Security Check (DSC) functions for use on Jintide® or other general server platforms.

In 2023, the Company launched a new 4th Gen Jintide® CPU and a new 5th Jintide® CPU, aiming to address the challenges of demanding workloads of AI, HPC, data services, networking/5G and storage through the performance optimization in multiple aspects.



AI Chips

Now the Company is developing a new generation of AI chips, aiming to provide stable, user-friendly and high-performance AI computing solutions for both training and inference applications.



Montage Technology's high-performance data-moving solutions

Memory Interface Chips

As the core logic devices of server memory modules, memory interface chips are mainly used to increase the speed and stability of memory data access, and meet the ever-growing demand of server CPUs for high-performance and high-capacity memory modules.

The Company has successfully launched DDR2-DDR5 memory interface chips. The Company has successfully mass-produced its Gen1 and Gen2 DDR5 memory interface chips and started producing Gen3 DDR5 RCDs in the reporting period.



Memory Module Supporting Chips

The DDR5 memory module requires three supporting chips, namely Serial Presence Detect (SPD) EEPROM with Hub, Temperature Sensor (TS) and Power Management IC (PMIC).

The Company has successfully developed the DDR5 memory module supporting chips, working with partners and achieved the mass production and shipment.



MRCD/MDB Chips

The new high-bandwidth memory module for servers, MRDIMM, will use an architecture of "1 MRCD chip and 10 MDB chips".

The Gen1 DDR5 MRCD/MDB chips developed by the Company support data rates of up to 8800MT/s. It is anticipated that there will be great demand for these chips in applications such as high-performance computing and AI that are sensitive to memory bandwidth.



MXC

MXC chips are CXL memory expansion controller chips that provide high-bandwidth, low-latency, high-speed interconnect solutions for CPUs and CXL protocol-based devices. This enables memory sharing between the CPU and various CXL devices, significantly enhancing system performance while reducing the complexity of the software stack and the total cost of ownership of data centers. In the AI era, there is an urgent need for memory platforms that support rapid interfaces and scalability, and new CXL-based memory modules will be one of the most promising memory solutions.

The world's first CXL Memory expander Controller (MXC) chips launched by the Company enable significant expansion of memory capacity and bandwidth to meet growing demand for high-performance computing, artificial intelligence and other data-intensive applications.



PCIe Retimer

As an ultra-speed Retimer chip meeting the PCIe high-speed data transmission protocol, the PCIe Retimer has become one of the essential components for high-speed circuits and mainly solves the problems such as misaligned timing, severe loss and poor integrity when data is transmitted at high speed or over long distances in a data center. It can be used in typical application scenarios such as AI servers, NVMe SSDs, and Riser cards. With the continuous growth in demand for AI servers, PCIe Retimer chips are becoming increasingly important.

The Company has successfully mass produced PCIe 5.0/CXL 2.0 Retimer, providing scalable high-performance PCIe interconnect solutions for applications such as servers, storage devices, and hardware accelerators.



CKD

CKD chips are used in PC memory modules such as UDIMMs for desktops and SODIMMs for laptops. When DDR5 data rates reach 6,400MT/s and above, a dedicated clock driver chip (CKD) is required to buffer and re-drive the clock signals on the memory module, so as to ensure the integrity and reliability of high-speed clock signals. AI PCs require higher bandwidth memory to improve overall computing performance. CKD chips will play a more important role in AI PCs.

The industry's first engineering sample of Gen1 DDR5 CKD, launched by the Company, supports data rates up to 6,400MT/s and low-power management modes. The Company continues to focus on research, development and innovation in memory interface products in order to provide memory vendors with comprehensive and superior memory interface solutions.



Corporate Philosophy



Corporate Vision

To become an innovative international IC design company focusing on data-processing and interconnect chips



Corporate Mission

To make data transfer more efficient and data computing more secure



Corporate Culture

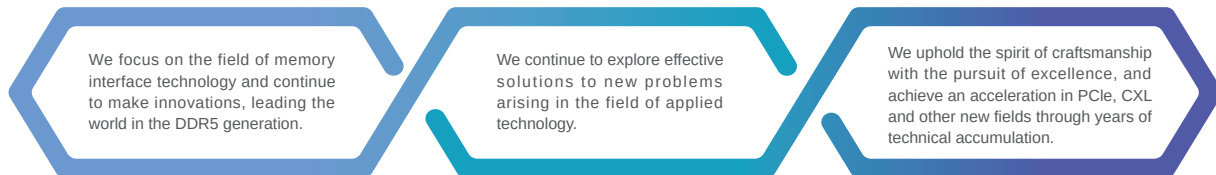
Accelerating with focus and innovation, adhering to the spirit of craftsmanship, driving extraordinary growth with constant innovation

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accelerating with focus & innovation

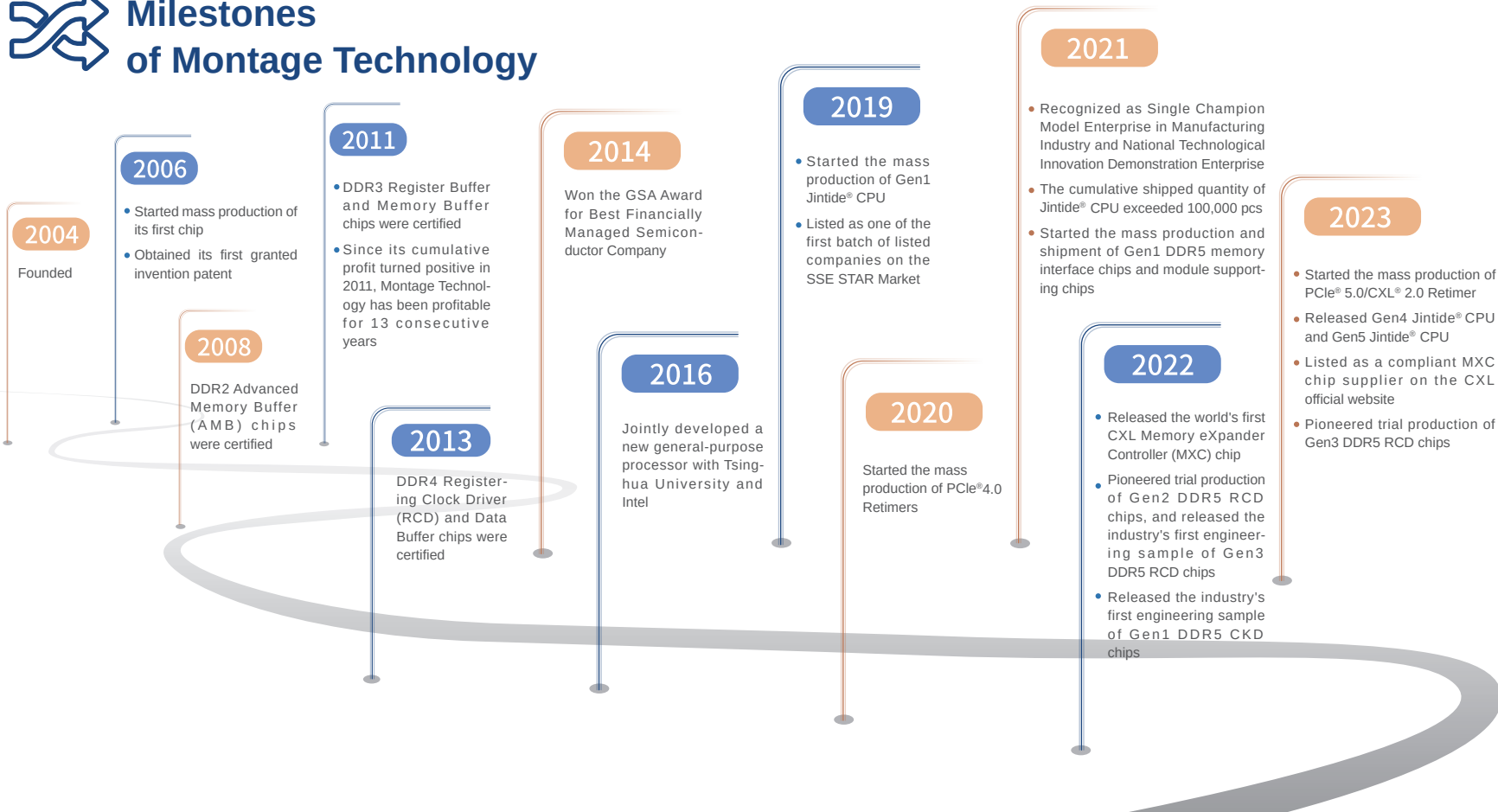


From computing to intelligent computing, Montage Technology's "acceleration" with "focus" and "innovation"





Milestones of Montage Technology





Honors in 2023



SK hynix
"Best Supplier Award"



Micron Technology
"Outstanding Supplier
Performance Award"



PCIe 5.0/ CXL 2.0 Retimer
The 2023 China Chip Award of Annual
Significant Innovation and Breakthrough Product



National Intellectual Property
Advantage Enterprise



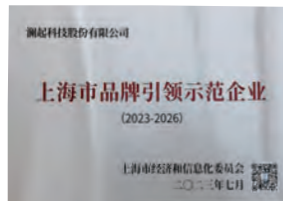
Forbes
"2023 China Top 50 Innovative Companies List"



EY Entrepreneur of the Year 2023
Chairman Howard Yang
(3rd from the right)
won the award



2023 Shanghai Magnolia Silver Award
President Stephen Tai won the award



Shanghai Brand Leading
Demonstration Enterprise



The 14th "Tianma Award for Investor Relations"
and "Outstanding Secretary of the Board
for Investor Relations"

沪市上市公司信息披露工作评价结果（2022-2023）			
序号	证券代码	证券简称	评价结果
2027	603196	迈瑞医疗	A
2028	603196	迈瑞医疗	A
2029	603196	迈瑞医疗	A
2030	603196	迈瑞医疗	A
2031	603196	迈瑞医疗	A
316	688005	澜起科技	A
2032	603196	迈瑞医疗	A
2033	603196	迈瑞医疗	A
2034	603196	迈瑞医疗	A
2035	603196	迈瑞医疗	A

Rated Level A (excellent) in the
information disclosure
assessment of listed companies in
Shanghai Stock Exchange from 2022 to 2023

ESG for Chips

- Four pillars of ESG management
- 2023 ESG performance
- SDGs fulfillment and response
- Stakeholder communication
- Identification of material issues

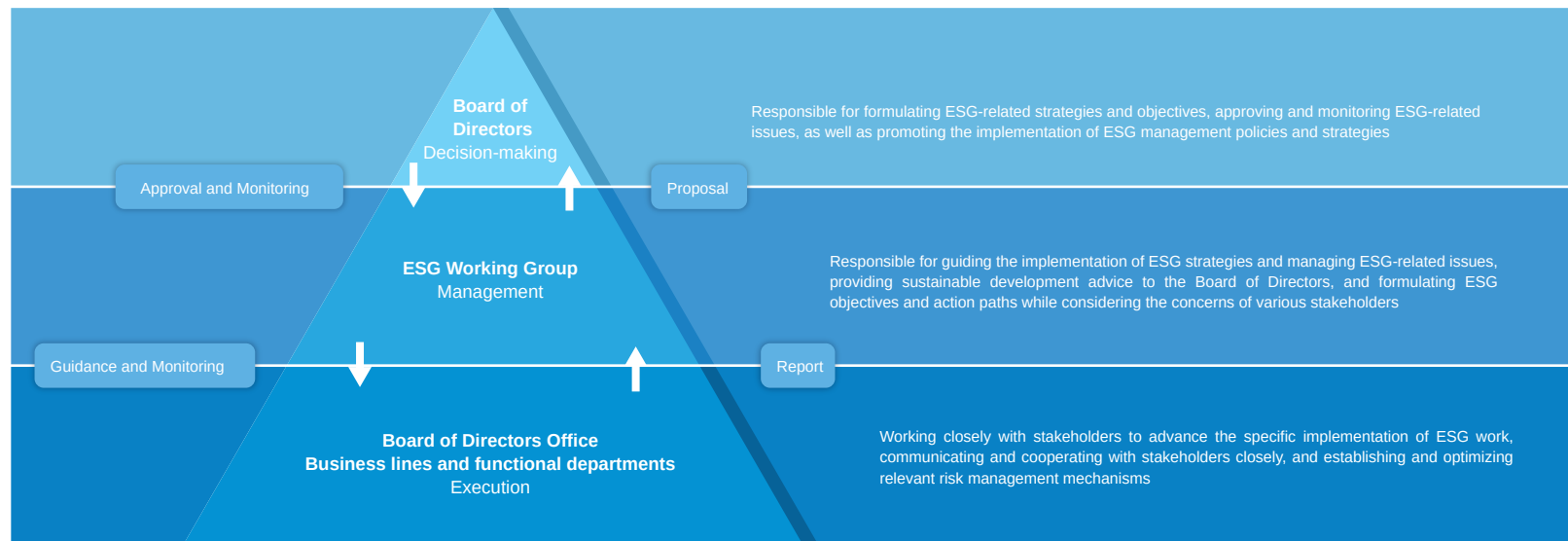
Montage Technology adheres to the concept of sustainable development, continuously strengthens its sense of responsibility, continues to implement its ESG management and integrates the ESG management principles into its development strategy, business process, and daily operation.

Four Pillars of ESG Management

Governance

Montage Technology attaches great importance to the implementation of ESG management, clarifies that the Board of Directors serves as the highest decision-making organization and further refines the responsibilities at each tier based on a three-tier ESG governance structure comprising "Board of Directors - ESG Working Group - Board of Directors Office".

ESG governance structure of Montage Technology



Strategy

Montage Technology firmly seizes opportunities for industrial development, takes high-quality innovation as a strategic focus, and implements sustainable development strategies, trying to build a sustainable advanced chip industry according to global environmental protection requirements.



Innovation-driven development

Montage Technology conducts product research and development in global frontier technology areas. In view of the rapid iteration of relevant technologies, and the coexistence of opportunities and risks, enterprises need to constantly make innovations to cope with the changing market.

Montage Technology has its own integrated circuit design platform, covering digital signal processing technology, memory management and data buffering technology, analog circuit design technology, high-speed logic and interface circuit design technology, and low-power design technology. With high integration, the solution can effectively enhance system efficiency and product performance.

Montage Technology actively develops related technologies for high-performance interconnect chips and participates in the formulation of related chip standards. Now the Company has accumulated rich technologies in the fields of memory interface chips, memory module supporting chips, PCIe Retimer chips, MXC chips, etc., building a world's leading "technical moat".



Talent Development and Team Building

Montage Technology values talent training and team building, and considers talents as a core element of corporate innovation.

In order to attract and retain excellent talents, Montage Technology creates a good working environment and atmosphere for its employees, and provides them with a good career development platform, competitive salaries and benefits and a variety of incentives.

Montage Technology has established a three-dimensional training system for the management and employees at all levels to comprehensively improve their professional skills and personal comprehensive abilities. The Company has also established a systematic rank system and promotion standards, and improved its human resource management process from multiple dimensions, to ensure its efficient operation in personnel management, team cooperation, performance evaluation and organizational development, thus to support the talent echelon construction in each business department and the steady development of its business.



Compliance operations and sustainable development

Montage Technology adheres to its responsibility for stakeholders and regards abiding by business ethics, laws and regulations as a basic principle of business operation. The Company is committed to providing customers with high-performance, low-power chip solutions to promote its growth; and meanwhile, the Company continues to strengthen its business risk management to facilitate a healthy and long-term business development.



Social responsibility

Montage Technology pays attention to social responsibility, adheres to the original aspiration of giving back to society, organizes and participates in various voluntary activities, sets up a charity foundation, and actively engages in public welfare undertakings. At the same time, in order to contribute to the realization of "carbon peaking and carbon neutrality" goals, as a fabless IC design company, the Company focuses on controlling carbon emissions in the process of office operation to reduce the impact on the environment.

Impact, risk and opportunity management

Item	Product R&D	Outflow of talents	Technology leakage	Supplier	Product quality	Geopolitical risk	Intellectual property	AI
Category	Risk/Opportunity	Risk	Risk	Risk	Risk/Opportunity	Risk	Risk	Opportunity
Impact intensity	Large	Large	Medium	Medium	Large	Small	Small	Large
Description of risks and opportunities	(1) The Company's new product development is characterized by a long cycle and large capital investment. During the product planning, there is a risk of market demand misjudgment, which may lead to product positioning mistakes. (2) Due to the highly technical content of the product, there is a risk that the Company makes wrong judgments on its own technical development capabilities, resulting in the failure to realize the research and development project or a prolonged project cycle. Due to the importance of being first to market in occupying market share for the Company's products, if competitors steal a march on the Company in the design and production of a next generation products during product iterations, the Company may lose its market share, thereby affecting its subsequent development.	Competitors may attract technical talents of the Company with more attractive incentives or the Company is faced with a loss of technical talents because of other factors. This may have an adverse impact on the Company's research and development of new products as well as its reserve of technical capabilities.	There is a risk of leakage of the Company's core technology due to the outflow of key technical personnel, technical leakage, or inadequate patent protection measures.	(1) There is a potential risk of insufficient supply or supply delay due to the outsourcing factory's busy production schedule or the outsourcing factory's production processes failing to meet the Company's requirements. (2) Given the high concentration of suppliers of the Company, in case of emergencies or tight production capacity due to strong market demand, their capacity for foundry services and package test may not meet the Company's requirements, which will have a certain adverse impact on the Company's operating performance.	The product quality of the Company depends both on the Company's R&D capabilities and on the production management of the outsourcing factories. Any defects in the Company's product design or product quality incidents caused by insufficient production management of the outsourcing factories will result in economic losses of the Company.	In recent years, geopolitical risks and uncertainties have increased. Although they have not had a significant adverse impact on the Company's operation so far, in view of the fact that the integrated circuit industry is a typical example of global division of labor and cooperation, further escalation of geopolitical risks may lead to increasing transaction costs of the upstream and downstream industrial chain, restricted demand, and disrupted upstream supply, thereby adversely affecting the Company's operation.	Competitors or the third parties may attempt to hinder the Company's market expansion through malicious litigation or illegally profit by stealing the Company's intellectual property.	In the AI era, the rapid development of AI-related applications will drive a rapid growth in demand for computing and memory/storage. Systems require higher and stronger computing, as well as higher bandwidth and larger memory capacity. Alongside the growth in computing and memory/storage, there is also an increased demand for data-moving. Systems require greater transport capacity, higher bandwidth, and faster transmission.
Countermeasures	(1) Montage Technology continues to dynamically track new technologies and new demands in the industry and strengthen its study and analysis of market needs. (2) Montage Technology has joined various industry standardization organizations, and actively participated in and even led the development of relevant new product standards, maintaining its research and development leadership, and consequently reducing the risks of product research and development.	(1) Montage Technology provides its employees with rich career development opportunities: (i) A good career development platform; (ii) Competitive compensation and benefits; and (iii) A good working environment and atmosphere. (2) Montage Technology implements a variety of incentives, including patent awards and equity incentives, to attract and retain talents.	Montage Technology attaches great importance to the confidentiality of core technologies, applies for patents on research and development results in time, and establishes a strict and perfect internal control system to ensure the confidentiality of core technologies.	(1) Since its establishment, Montage Technology has established a stable and sound cooperative relationship with outsourcing manufacturers who complete part of the work in strict accordance with the Company's design drawings and specific requirements. (2) Relying on the global strategic layout, Montage Technology can meet the diversified needs of domestic and foreign customers for supply chains.	Montage Technology has formulated quality management documents such as Quality Manual and New Product Development Process, established product quality assurance measures in the whole life cycle of chips, including project initiation, design, production, verification and delivery, and implemented the whole-process quality control.	Montage Technology has always attached importance to global layout and compliance operation. The Company will continue to focus on the update of relevant rules and actively take countermeasures.	Montage Technology has always adhered to the research and development strategy of independent innovation, done a good job in the application and protection of its own intellectual property rights, and purchased necessary third-party intellectual property rights when needed to avoid infringing upon others' intellectual property rights. Additionally, under the JEDEC framework, some of the Company's current intellectual properties can be shared with JEDEC's patents. Since its listing, the Company has never been involved in any litigation or disputes related to intellectual property.	In recent years, Montage Technology has been deeply engaged in high-speed interconnect technologies, including high-bandwidth memory interconnect, PCIe interconnect and CXL interconnect technologies, and has developed world-leading high-performance data-moving solutions, including MRCD/MDR, CKD, PCIe Retimer, and MXC chips. These chips will play an important role in the future era of artificial intelligence.

Sustainable development goals and progress During the reporting period

Upholding the concept of sustainable development, the Company insists on integrating the ESG concept into its development strategy and business management, aiming for a sustainable and high-quality development.

Indicator	Our goals	Term	Progress in the reporting period
Governance	Improve the ESG governance framework, and establish identification mechanisms, governance processes and control measures for sustainable development risks and opportunities.	Medium and long term	The Company established the ESG governance structure, identified sustainable development risks and opportunities, and initially worked out countermeasures
	Independent directors account for 1/3 of the Board of Directors. They actively play their role in decision-making, supervision, check and balance, and professional consultation.		The Company formulated the Code of Business Conduct to clearly stipulate the rules and regulations that employees should abide by in terms of anti-unfair competition and anti-monopoly
	Promote diverse governance, inspire "she" power, and shape female leadership.		There are 4 independent directors, accounting for 44%. They fully assumed the responsibilities of independent directors to promote the standardized operation of the Company
	Constantly enhance the quality of information disclosure, improve the transparency of information disclosure, so that investors fully and accurately understand the value of the Company.		Female directors, supervisors and senior executives account for 43%, up 7 percentage points from 2022
	Attach importance to the protection of investors' interests, strengthen communication with investors, and provide them with stable and reasonable investment returns.		The Company was rated Level A (excellent) in the information disclosure assessment of listed companies in Shanghai Stock Exchange from 2022 to 2023
Green development	Take "low energy consumption" as a goal of the Company's product development, assist end-users in reducing energy consumption, and promote energy-saving and carbon reduction throughout the industrial chain	Medium and long term	The estimated cash dividend and share repurchase amount for the year 2023 reached about 639 million yuan, representing 142% of the net profits for 2023
	Reasonably control per capita greenhouse gas emissions, and gradually carry out the carbon footprint verification of products		The Company received 103 investors, answered 102 questions on the SSE E-Interaction platform, held 3 results briefings, and disclosed 24 investor activity record forms
	Continue to improve energy efficiency and energy management, and keep per capita energy consumption under reasonable control		At the same rate, the power consumption of Gen3 DDR5 products decreased by 15-20% compared to the Gen1 products
R&D	Continue to expand the size of the R&D team, enhance the strength of the R&D team, and reduce the turnover rate of key talents	Medium and long term	Greenhouse gas emission intensity: 3.09 tons carbon dioxide equivalent per person, 0.51% lower than 2022
	Pay attention to R&D investment, and constantly enhance the core competitiveness		Comprehensive energy consumption intensity: 5.54 MWh per person, 0.54% lower than 2022
	Promote product update and iteration to maintain a leading position		There are 587 R&D technicians, an increase of 119 over the previous year, accounting for 77% of the total number of employees
Quality assurance	Focus on improving customer satisfaction and set annual customer satisfaction targets (≥90)	Medium and long term	The staff turnover was below the industry average
	Set quality and reliability management goals, and require product DPPM not to exceed 100		The R&D investment reached 682 million yuan, an increase of 21% over 2022, with a compound growth rate of 31% for the past three years
	Implement responsible sourcing, and ensure that the Company and its supply chains will not use any minerals from conflict areas		The Company achieved the mass production of PCIe 5.0/CXL 2.0 Retimer and pioneered trial production of Gen3 DDR5 RCD chips
	Ensure there are no major product quality incidents		The customer satisfaction exceeded 90%. The indicator has remained above 90% for consecutive years
Employees	Ensure customer information security, and complete the information security management system ISO27001 certification	Short term	With the DPPM of no more than 100, the Company realized the set goals with high quality
	Develop the annual training plan for employees, and ensure the annual training coverage exceeds 90%		The review of supplier responsible mineral sourcing was 100%. No suppliers were found getting involved in conflict minerals during the reporting period
	Continue to provide its employees with rich and effective incentives to encourage innovation and creativity		There were no major product quality incidents. There was no product recall due to quality defects in mass-produced products
	Provide employees with basic support in accordance with laws and regulations, and provide a variety of other benefits to reflect the Company's care for employees		The Company passed the information security management system ISO27001 certification
			The Company achieved the annual training coverage of 100%
		Medium and long term	The Company held 86 training sessions for employees, with 3,476 persons receiving various training, totaling 16,459 hours, 23.38 hours per person averagely
		Medium and long term	The Company adopted a new equity incentive plan, implemented the first phase of the employee stock ownership plan, and completed the vesting for the incentive recipients for six times. The comprehensive coverage of equity incentives was more than 95%. 71 employees received patent awards and 12 employees obtained outstanding employee awards
		Medium and long term	The labor contract signing rate and the coverage of the social insurance and the housing provident fund were both 100%. The coverage rate of supplementary commercial insurance paid by the Company for its employees and their children was 100%.

2023 ESG Performance

Governance

- **43 %**
Proportion of female directors, supervisors and senior executives
- **44 %**
Proportion of independent directors
- **639** million yuan
Amount of cash dividend and share repurchase to be issued in 2023
- **Level A (Excellent)**
Information disclosure assessment of listed companies in Shanghai Stock Exchange from 2022 to 2023

Green development

- **3.09** tons carbon dioxide equivalent per person
Down by **0.51 %**
Greenhouse gas emission intensity
- **5.54** MWh per person
Down by **0.54 %**
Comprehensive energy consumption intensity
- Down by **15-20 %**
Comparison of power consumption between Gen3 DDR5 products and Gen1 products at the same rate

R&D

- **682** million yuan
R&D input
- **587**
R&D technicians
- **Four** high-performance data-moving solutions enabling AI infrastructure construction
- Achieved **ISO27001** certification for security management system

Quality assurance

- **≤100**
DPPM
- **>90 %**
Customer satisfaction
- **100 %**
Products met the requirements of ROHS, REACH and TSCA standards
- **None**
Sourcing of conflict minerals
- **100 %**
Coverage of the review of supplier responsible mineral sourcing

Employees

- **>95 %**
Comprehensive coverage of equity incentives
- **100 %**
Coverage of employee training
- **100 %**
Labor contract signing rate and coverage of commercial insurance
- **23.38** hours
Average training hours per person

Giving back to society

- **304** hours
Total time spent on voluntary activities
- "Montage Multipurpose Building" donated to Fengshan Primary School was put into use
- **1.14** million yuan
Cash donation

Third-party recognition we received for our ESG efforts in 2023

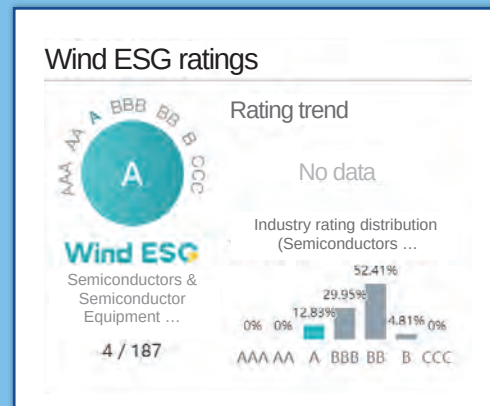
MSCI ESG ratings: BB
Two levels up from 2022
Ranked among the top semiconductor companies in domestic ratings



Ranked among the list of "2023 Top 100 ESG Listed Companies in China" and officially included as a constituent stock in the "Securities Times ESG Top 100 Index"



Wind-ESG ratings: A
Ranked 4th in the "Semiconductors & Semiconductor Equipment" category by Wind



SDGs Fulfillment and Response

The United Nations Sustainable Development Goals emphasize economic, ecological and social sustainability. Starting from the requirements of SDGs, Montage Technology actively copes with challenges and opportunities to promote sustainable development in an orderly manner.



Governance responsibility · Practitioner of sustainable management

- Optimize the governance mechanism
- Promote a diversified governance structure
- Improve internal control and risk management, and eliminate commercial bribery
- Conduct business with integrity
- Strengthen investor relations



Product responsibility · Pioneer of exploration and innovation

- Uphold the concept of green design, pay attention to the energy consumption of product development, design and launch new technologies to meet the market demand
- New products, focus on quality control
- Take a positive attitude of responsible marketing



Partner responsibility · Practitioner of common growth with the industry

- Implement the classified supplier management to promote suppliers to continuously improve their performance
- Focus on suppliers' ESG-related performance
- Never use conflict minerals
- Use its own advantages to lead partners to jointly promote industrial development and advance technological innovation in the semiconductor field



Environment responsibility · Advocate of green operation

- Practice green and low-carbon office, reduce office energy consumption and electricity expenses
- Comply with the current national green building standards
- Focus on the impact of climate change on the Company's operation and carry out the strategy of greenhouse gas emission reduction
- Pay attention to the impact of environmental education on the management and employees, and organize special environmental training sessions
- Focus on the protection of biodiversity combined with the key links of its own business development



Employee responsibility · People-oriented employer

- Pay attention to the occupational health and safety of employees, regular safety education and fire drills, to create a good work environment for employees
- Establish smooth promotion channels and a two-way communication mechanism
- Establish and improve the vocational training system and compensation incentive mechanism
- Organize various training courses and free-time activities and create a harmonious and positive working atmosphere



Community responsibility · Creator of social value

- Fund the construction of schools, and actively promote the popularization and development of education
- Promote the cooperation between schools and enterprises to facilitate scientific research development

Stakeholder Communication

The Company attaches great importance to communications with stakeholders, and has established efficient and smooth communication channels with stakeholders to understand reasonable demands of stakeholders and respond to their concerns in time, so as to constantly improve its influence and market image.



	Shareholders/Investors	Government/Regulators	Customers	Employees	Partners/Suppliers	Community/Public
Expectations and demands	- Product quality - Innovation, R&D - Business ethics - Business performance	- Business performance - Product quality - Innovation management - Business ethics	- Win-win cooperation - Product quality - Green products - Business ethics - Information security	- Human capital - Employee rights and benefits - Occupational health - Business ethics	- Customer service - Business ethics - Innovation management - Supply chain management	- Community engagement - Environmental protection - Win-win cooperation
Response	- Ensure product quality and stability - Pay attention to technological development - Improve profitability - Optimize internal control and risk management - Strengthen corporate governance - Improve the quality of information disclosure	- Pay taxes in full and on time - Conduct anti-corruption management - Actively implement relevant policies - Actively assume social responsibility - Contribute to technological development - Fulfill the responsibility of pollution prevention and control	- Carry out industry cooperation - Ensure product quality and stability - Improve the information security system - Improve product design - Carry out whole life cycle management	- Sound career promotion mechanism - Competitive compensation and benefits - Equal communication and complaint mechanism	- Promote daily communication - Carry out project cooperation - Eliminate supply chain corruption - Practice the contract according to the law - Conduct the supplier evaluation - Focus on technological development	- Engage in charity work - Adhere to green operation - Promote social progress - Share development results
Communication channels	- Shareholders meeting - Results release - Information disclosure - Roadshow and investor meeting	- Information disclosure - Reception research - Document exchange - Policy implementation - Daily communication - Subject to supervision	- Customer visit - Customer service feedback - Online communication - Special session - Technical discussion	- Career planning - Compensation and benefits - Staff activity - Training & education - Complaints scheme	- Industry seminars - Suppliers' conferences - Supplier training - Supplier evaluation - Complaints channel	- Community activities - Public welfare undertakings - Educational support

Identification of Material Issues

In order to gain deeper and more accurate insights into the expectations and demands of stakeholders, and to enhance the professionalism, relevance and substance of the report, the Company invited various stakeholders, including employees, customers, investors, and partners, to score the importance of material environmental, social and governance issues relevant to the Company through a questionnaire survey. As of the disclosure date of the report, we collected dozens of valid questionnaires, and identified a total of 29 relevant issues, including 10 issues of high materiality, 13 issues of moderate materiality and 6 issues of low materiality.

29

relevant issues

10

issues of high materiality

13

issues of moderate materiality

6

issues of low materiality

Process of materiality identification

Identification of issues and establishment of issue repository

With reference to capital market ESG ratings such as MSCI, S&P DJSI, CDP, Morningstar, Wind, Sino-Securities Index and other relevant assessment factors, and in combination with international standards and goals in sustainable development management such as GRI standards, UN SDGs, SASB, etc., as well as material issues identified by peer companies, we identified key material issues concerning sustainable development in the industry, and establish a repository of issues.

Stakeholder communication and survey

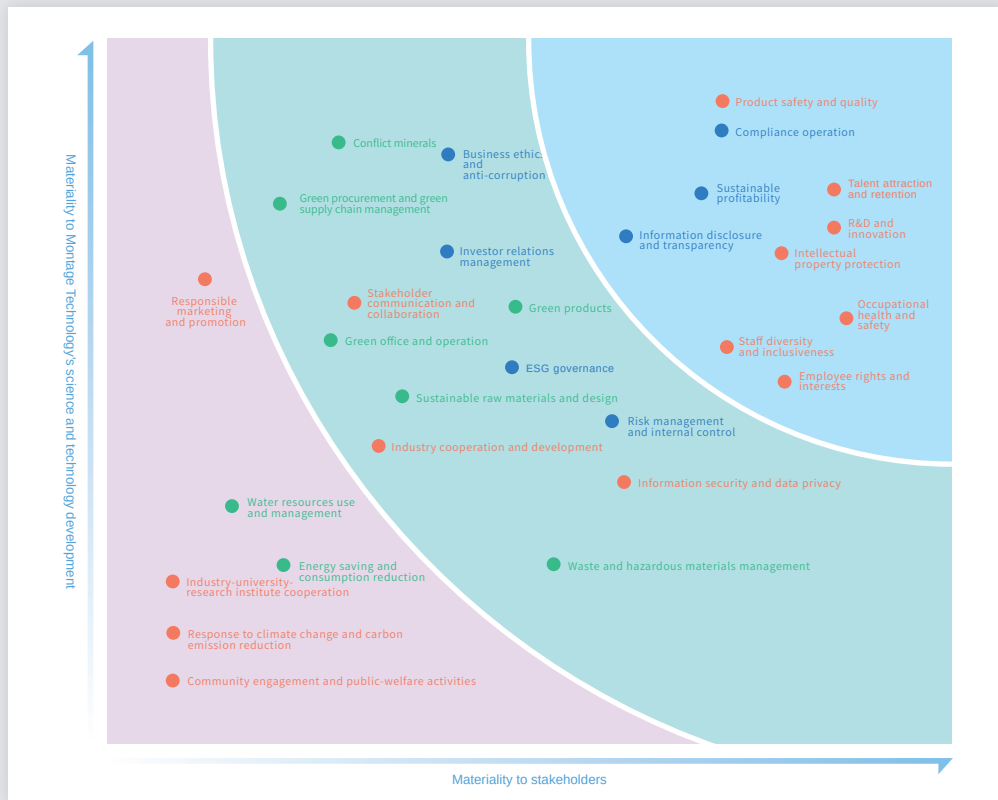
We conducted multiple interviews to gather feedback and suggestions from various stakeholders on our sustainability practices, as well as their opinions on the strategies of future sustainable development.

We formulated online survey questionnaires for materiality assessment of ESG issues from the environmental, social, and governance dimensions, and invited various stakeholders to rate the materiality of corresponding ESG issues.

Materiality assessment

We made statistics based on the questionnaire results, sorted the materiality of issues in accordance with the opinions of internal management and external experts from two dimensions: "materiality to Montage Technology's science and technology development" and "materiality to stakeholders", and formed a materiality matrix.

Material Issue Matrix of Montage Technology



Materiality Matrix

Issues of high materiality

Talent attraction and retention	R&D and innovation
Product safety and quality	Intellectual property protection
Compliance operation	Sustainable profitability
Information disclosure and transparency	Employee rights and interests
Occupational health and safety	Staff diversity and inclusiveness

Issues of moderate materiality

Business ethics and anti-corruption	Investor relations management
Green products	ESG governance
Information security and data privacy	Risk management and internal control
Sustainable raw materials and design	Waste and hazardous materials management
Green office and operation	Stakeholder communication and collaboration
Green procurement and green supply chain management	Conflict minerals
Industry cooperation and development	

Issues of low materiality

Water resources use and management	Energy saving and consumption reduction
Responsible marketing and promotion	Industry-university-research institute cooperation
Response to climate change and carbon emission reduction	Community engagement and public-welfare activities

Note ● Environmental ● Social ● Governance

01 Governance Responsibility

Practitioner of Sustainable Management

- Standardized operation of the Shareholders' Meeting, Board of Directors and Board of Supervisors
- Legal compliance disclosure
- Investor-centric
- Comprehensive risk control

Montage Technology runs business with integrity in accordance with the laws and regulations, continuously improves its corporate governance structure, optimizes its internal management, improves its risk control mechanism, maximizes shareholders' benefits and corporate value, and creates good economic and social benefits.



Focus	Results in the reporting period	
 Sound corporate governance	Shareholders' Meeting	Three shareholders' meetings with 100% attendance by directors and supervisors.
	Board of Directors and Special Committees	11 meetings of the Board of Directors and 9 meetings of the Special Committees, with 100% attendance by directors
	Board of Supervisors	11 meetings of the Board of Supervisors, with 100% attendance by supervisors
 Diversified governance	- The Company maintained a diversified governance structure and continued to improve it - Among directors, supervisors and senior executives, 43% held a PhD degree, up 7 percentage points from 2022; and 43% are women, up 7 percentage points from 2022	
 Shareholder returns	- According to the 2023 annual profit distribution plan, the proposed cash dividend of 339 million yuan was distributed; the share repurchase plan was implemented in 2023, and the amount reached about 300 million yuan - The amount of the above mentioned cash dividend and share repurchase reached about 639 million yuan, accounting for 142% of the net profit in 2023	
 Smooth investor communication	- The Company was honored with the 14th "Tianma Award for Investor Relations" and "Outstanding Secretary of the Board for Investor Relations", and was rated Level 4A in the performance assessment of the Secretary of Board of Directors by the China Association for Public Companies - The Company held 103 investor receptions, including 53 receptions for foreign investors, answered 102 inquiries on the SSE E-Interaction platform, held 3 results briefings, and disclosed 24 investor activity record forms	
 High-quality information disclosure	The Company was rated Level A (excellent) in the information disclosure assessment of listed companies in Shanghai Stock Exchange for the years 2022 to 2023	
 Effective risk control	- The correction rate for internal control-related problems reached 100% - The Company formulated the Code of Business Conduct to clearly define the regulations that employees should abide by in terms of anti-unfair competition and anti-monopoly - The whistle blower protection mechanism was defined	

100%

Attendance at the shareholders' meeting, and meetings of the Board of Directors and Board of Supervisors

44%

Proportion of independent directors

43%

Proportion of directors, supervisors and senior executives with a PhD degree

43%

Proportion of female directors, supervisors and senior executives

142%

Proportion of proposed cash dividend and share repurchase amount to the net profit of 2023

103

investor receptions

Level A (Excellent)

Information disclosure assessment

Standardized the Operations of the Shareholders' Meeting, Board of Directors and Board of Supervisors

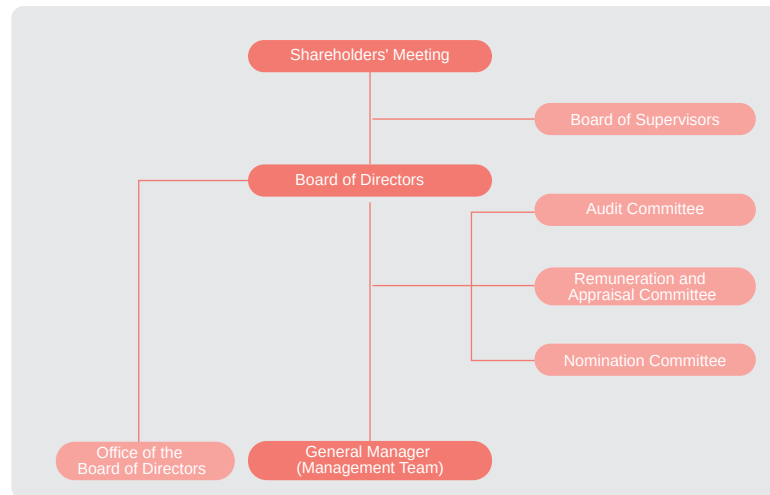
In accordance with the requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies and other relevant laws, regulations and normative documents, Montage Technology has established a corporate governance structure consisting of the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors. The Board of Directors has three committees, including the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee. The Company has established a relatively sound corporate governance system.

The Shareholders' Meeting, the Board of Directors, and the Board of Supervisors are respectively the highest authority, executive body and supervisory body of the Company. Together with the senior management, they have established an operating mechanism with a clear division of labor, mutual cooperation and checks and balances.

Position	Name	Gender	Special Committees		
			Audit Committee	Remuneration and Appraisal Committee	Nomination Committee
Chairman	Howard Yang	Male			✓
Employee Directors	Stephen Tai	Male			
	Yi Shi	Female			
Non-employee Directors	Wang Rui	Female			
	Rongxin Li	Male			
Independent Directors	Zhiyao Yin	Male			✓
	Changjiang Lv	Male	✓	✓	
	Jingdong Liu	Male	✓	✓	✓
	Bo Yu	Male	✓	✓	

Revision of systems

According to the latest laws and regulations, and based on the Company's actual situation, we revised the Articles of Association, Rules of Procedure for the Shareholders' Meeting, Rules of Procedure for the Board of Directors, Rules of Procedure for the Board of Supervisors, Related Transaction System, External Guarantee System and other systems.



Shareholders' Meeting

The Shareholders' Meeting is the highest authority of the Company. The Articles of Association of Montage Technology provides clear rules of procedure for the organization, proposals and notices, holding, voting, and resolutions of the shareholders' meeting.

During the reporting period, Montage Technology held 3 shareholders' meetings, including 1 annual general meeting and 2 extraordinary general meetings, all convened by the Board of Directors. The three general meetings were all held both online and offline, and a total of 18 proposals were deliberated.

3 shareholders' meetings

1

annual general meeting

2

extraordinary general meetings



Totally 18 proposals were deliberated

Board of Directors

The second session of the Board of Directors of Montage Technology consists of 9 directors, including 4 independent directors, accounting for more than 44%, to effectively protect the overall interests of the Company and play an active role in protecting small and medium investors.

The Board of Directors has three special committees, including the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. The members are all directors and most of them are independent directors. Each committee, in accordance with the articles of association and regulations, gives full play to their professional advantages based on their duties and authority, and makes professional opinions and recommendations in financial accounting, business operation and risk management, so as to provide strong support for the scientific decision-making of the Board of Directors.

During the reporting period, the Board of Directors held 11 meetings and deliberated 48 proposals; the Audit Committee held 6 meetings and deliberated 13 proposals; the Remuneration and Appraisal Committee held 2 meetings and deliberated 7 proposals; and the Nomination Committee held 1 meeting and deliberated 1 proposal. All the meetings were attended by directors with a 100% attendance rate.

11

meetings by the Board of Directors

6

meetings by the Audit Committee

2

meetings by the Remuneration and Appraisal Committee

1

meeting by the Nomination Committee

100% Attendance of directors

Board of Supervisors

Montage Technology has established the Board of Supervisors strictly according to the Company Law of the People's Republic of China, Articles of Association and other laws and regulations, to independently exercise the power of supervision in accordance with the laws, supervise the daily operation activities and protect the rights and interests of shareholders and the Company. During the reporting period, the second session of the Board of Supervisors was composed of three supervisors, including one employee representative supervisor.

During the reporting period, the Board of Supervisors held 11 meetings and deliberated 29 proposals.

11

meetings by the Board of Supervisors

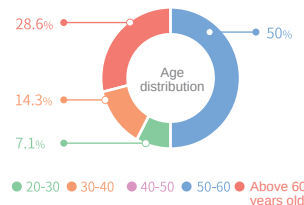
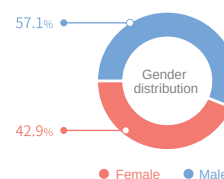
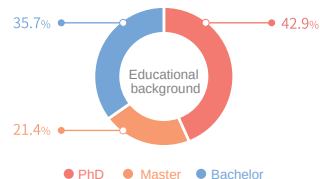
100%

Attendance of supervisors

Diversification

Montage Technology established a diversified governance structure, to effectively mobilize resources from various channels to promote synergies and continuously improve corporate governance.

directors, supervisors and senior executives





Legal Compliance Disclosure

Strictly according to the *Company Law*, *Securities Law*, *Administrative Measures for the Disclosure of Information of Listed Companies*, *Shanghai Stock Exchange STAR Market Listing Rules*, *Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies on the STAR Market – Standardized Operation*, *Articles of Association of Montage Technology* and other regulations, Montage Technology has formulated and improved institutional documents such as the *Information Disclosure System*, *Information Disclosure Suspension and Business Exemption Management System*, and *Insider Information Registration Management System*, clarifying the procedure of information disclosure and standardizing and refining the requirements related to information disclosure.

Adhering to the principle that the information disclosed is "true, accurate, complete, timely, fair, concise, clear and easy to understand", the Company discloses information through designated media to ensure that all stakeholders of the Company have fair access to company information.

2023

Information disclosure rating

Level A

In October 2023, the Shanghai Stock Exchange announced the assessment results of information disclosure for listed companies in Shanghai for the years 2022 to 2023. It's the first time the Shanghai Stock Exchange conducted information disclosure ratings for companies listed on the STAR Market. Montage Technology obtained **the highest rating of Level A** in the assessment.

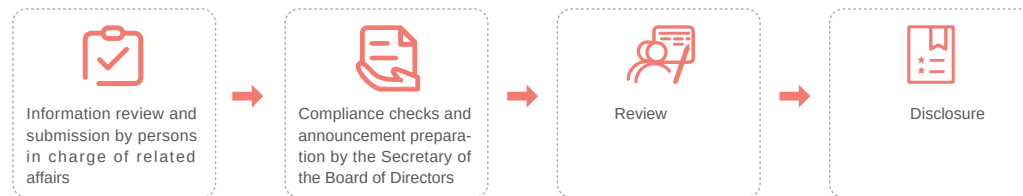
Penalties for information disclosure violations: None

94
disclosure reports

4
regular reports

90
interim reports

Montage Technology's information disclosure procedure



Investor-centric

Montage Technology attaches great importance to the protection of the interests of investors. In order to strengthen the communication with investors, effectively safeguard the legitimate rights and interests of investors, and promote the establishment of a long-term, stable and benign relationship between the Company and investors, Montage Technology has formulated the Investor Relations Management System, clarifying the content, methods, organization and implementation of investor relations management and other management standards, so as to build harmonious investor relations based on mutual trust.

During the reporting period, the Company was honored with the 14th "Tianma Award for Investor Relations" and "Outstanding Secretary of the Board for Investor Relations".

Tianma Award for Investor Relations

Outstanding Secretary of the Board for Investor Relations



Diversified and smooth communication channels

In order to allow investors to better understand the Company's operational status, we address investors' concerns through various channels, including holding investor receptions, answering investor hotlines, replying to inquiries via the IR email and questions on the SSE E-Interaction platform, and organizing results briefings. Additionally, the Company regularly published the Investor Relations Activity Record Form on public platforms, summarizing the interactions between investors and the Company across different channels. The Company not only ensures equal access of all shareholders to company information, but also emphasizes investors' understanding and acceptance of announcements. For highly professional announcements related to research and development, the Company uses plain and simple terms as much as possible to make it easier for investors to understand.

103

investor receptions

53

receptions for foreign investors

102

replies to inquiries on the SSE E-Interaction platform

3

results briefings

272

answering investor hotlines

24

investor activity record forms

Sound and reasonable return on investment

The Company has implemented dividend distributions for four consecutive years since its listing. According to the Company's 2023 annual profit distribution plan, a cash dividend of 3 yuan (tax included) was distributed to all shareholders for every 10 shares, and the proposed cash dividend was about 339 million yuan.

339 million yuan

Estimated annual cash dividends to be distributed

Since its listing, the Company has launched three share repurchase programs. During the reporting period, 5,735,800 shares were repurchased, with a repurchase amount of about 300 million yuan.

300 million yuan

Cumulative amount of share repurchases in 2023

The amount of the above mentioned cash dividend and share repurchase reached about 639 million yuan, accounting for 142% of the net profit in 2023.

639 million yuan

Estimated amount of cash dividends to be distributed and share repurchases

142 %

Proportion to the net profit of 2023

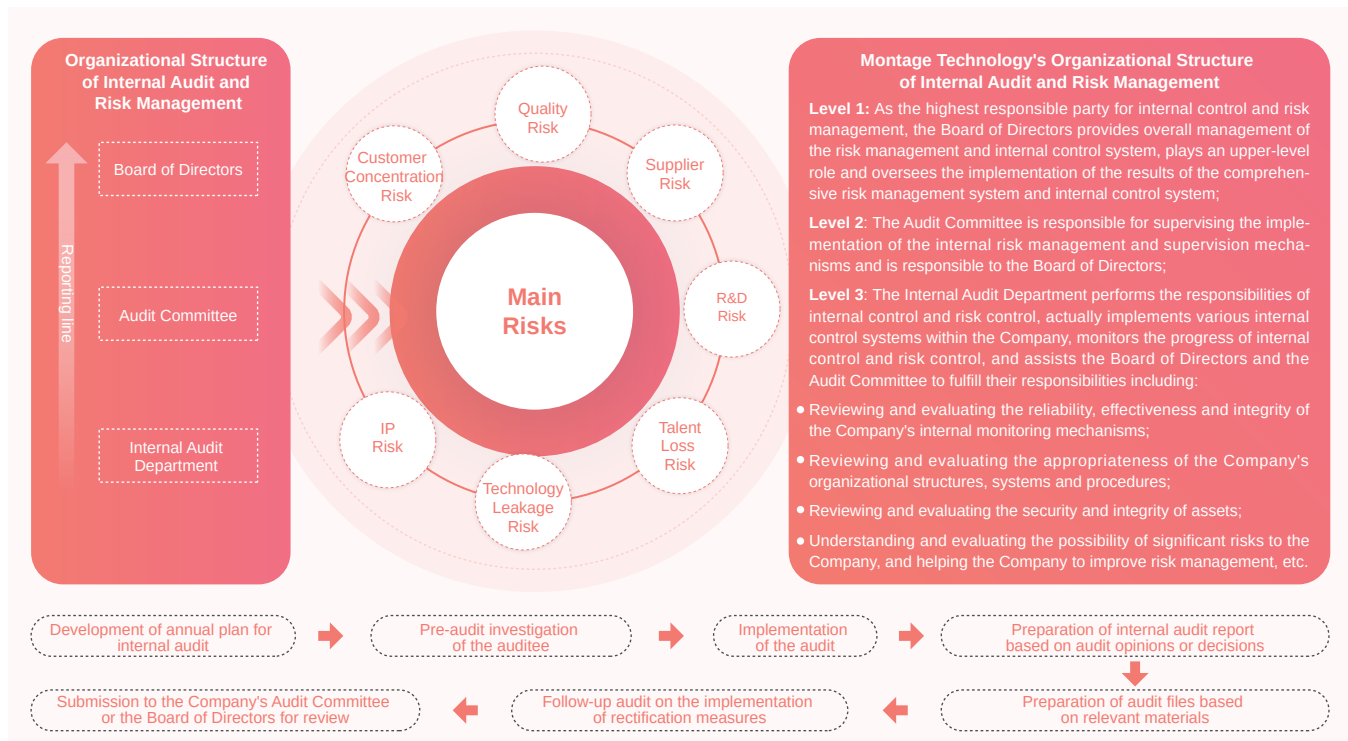
Comprehensive Risk Control

Improve internal control

Montage Technology attaches great importance to the construction of the internal control system, and continues to improve the Internal Control Management Manual and other relevant systems. In terms of risk prevention and control system construction, the Company established a three-level risk management structure composed of the Board of Directors, the Audit Committee and the Internal Audit Department.

During the reporting period, Montage Technology conducted **one** internal control self-assessment and **four** special audits. After the internal control self-assessment and inspection and supervision, there were no major internal control deficiencies within the Company. For the general internal control defects found, the Company adopts a "to discover and rectify immediately" strategy and instructs relevant departments to formulate rectification plans to rectify the issues in a timely manner. As by the end of the reporting period, all identified issues have been corrected, with a completion rate of **100%**.

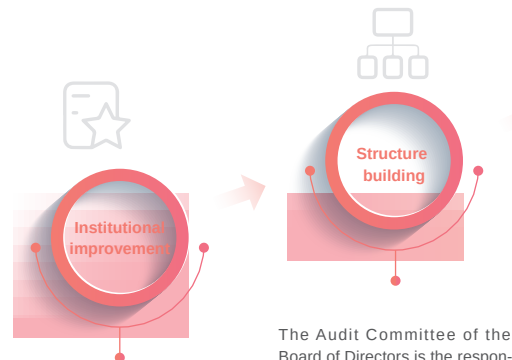
The Board of Directors issued the 2023 Internal Control Assessment Report, and Ernst & Young Hua Ming (Special General Partnership) issued the Internal Control Audit Report for the Company.



Upholding business ethics

Montage Technology attaches great importance to business ethics management, adheres to the business principle of integrity and legal compliance, strictly abides by the Law Against Unfair Competition of the People's Republic of China, the Interim Provisions on Prohibition of Commercial Bribery and other relevant provisions, and always takes anti-corruption and anti-commercial bribery as the focus of internal risk management and control.

No fraud was reported during the reporting period



The Company has established and improved the Anti-fraud Management System and other procedures related to business ethics. The Code of Business Conduct was developed during the reporting period.

The Audit Committee of the Board of Directors is the responsible body, and the General Manager's Office is the executive body in charge of the establishment and improvement of internal anti-fraud mechanism, identification of sensitive positions, handling of reports and other related matters.

Montage Technology's code of business conduct

In 2023, Montage Technology developed the Code of Business Conduct, providing strong support for ethical and responsible business conduct. The Code of Business Conduct explicitly requires employees, managers, and directors to abide by laws and regulations. It provides clear provisions on anti-unfair competition, anti-monopoly, anti-bribery and fraud, anti-money laundering, prohibits the use of inside information for trading, and clearly defines the regulations concerning business ethics.



The Company actively carries out anti-corruption training and education in various forms. During the reporting period, it held the anti-corruption training covering all employees to further strengthen employees' awareness of integrity, and enhance their sensitivity to fraud problems.



Montage Technology requires employees with high potential fraud risks to sign an Anti-fraud Pledge and an Anti-Bribery Statement. It strictly investigates internal corruption, bribery, fraud, money laundering, improper trading and other business ethics incidents.

In addition to supplier background investigations, the Company also incorporates anti-bribery clauses such as the Anti-Bribery Statement into standard contract templates and requires anti-bribery clauses to be signed in relevant business cooperation.

Whistle blower protection mechanism

The Code of Business Conduct explicitly defines a whistle blower protection mechanism. Any manager or employee who reports suspected violations or other issues would be subject to disciplinary actions and even be fired.



Employees at all levels of the Company or external parties could report business ethic issues to the General Manager's Office in real name or anonymously through reporting hotlines, emails, letters, and other means.

The reported information would be reported to the General Manager within 10 working days, and the investigation results or handling results would be notified to the reporter within three months.

Fostering a compliance culture

During the reporting period, in order to continuously build a compliance culture, we organized a total of 5 training sessions on compliance topics such as corporate legal system and corporate contract management throughout the year. In addition, in order to reduce operational risks and ensure healthy and sustainable development of the Company, the Company actively participated in trainings related to export control and sanctions compliance management. For example, the Company participated in the special training session of "Semiconductor Industry Export Control Compliance and Risk Response" held by Shanghai Integrated Circuit Association, and actively responded to the changing international trade policy environment.

No violations occurred during the reporting period

02 Product Responsibility

Pioneer of Exploration and Innovation

- R&D and innovation
- Leading innovation results
- Clean technology opportunities
- Proprietary intellectual property rights
- Product quality first
- Strict adherence to information security

Science and technology innovation is the key force that leads enterprises to move forward and build core competitiveness. Montage Technology fully implements its innovation-driven development strategy, aiming for high-quality development through innovation. It continues to explore opportunities in clean technology, adjusts and optimizes its product R&D system, strengthens intellectual property protection, rigorously controls product quality, and accelerates the cultivation of new quality productive forces, to stimulate new drivers for high-quality development.



Focus	Results in the reporting period	
 R&D inputs supporting technological innovation	- R&D expenses were 682 million yuan, an increase of 21% over 2022, with a compound growth rate of 31% in the past three years - There were 587 R&D technicians, an increase of 119 over the previous year, accounting for 77% of the total number of employees. Among the R&D technicians, 67% had a master's degree or above	
 Innovative products empowering the construction of AI infrastructure	The Company successfully mass-produced PCIe 5.0/CXL 2.0 Retimer chips, and completed the research and development of the mass-produced version of MRCD/MDB chips, MXC chips and CKD chips. The above four types of high-performance data-moving solutions empowered the construction of AI infrastructure	
 Clean technology opportunities and green product design	- At the same rate, the power consumption of the Gen3 DDR5 products decreased by 15-20% compared to the Gen1 products - CXL high-speed interconnect technology can reduce the energy consumption of data migration. Montage Technology released the world's first CXL MXC chip and continued to invest in CXL technology research	
 Protection of R&D innovation results	- The Company was granted 20 invention patents, with 164 invention patents granted in total - The Company was included in the Forbes "2023 China Top 50 Innovative Companies List", and its PCIe 5.0/CXL 2.0 Retimer chip won the 2023 China Chip Award of Annual Significant Innovation and Breakthrough Product	
 Strict control of product quality	- There was no major quality accident - There was no product recall due to quality defects in mass-produced products - With the DPPM of less than 100, the Company realized the set goals with high quality - The Company obtained the SK hynix "Best Supplier Award" and Micron Technology "Outstanding Supplier Performance Award"	
 Prompt response to customer feedback	The customer complaint handling rate was 100%, and the customer satisfaction rate was greater than 90%	
 Strict adherence to information security	The Company obtained the information security management system ISO27001 certification	

682million yuan
R&D expenses

587
R&D technicians

20
Newly granted invention patents

164
Accumulated number of invention patents

Down by **15%-20%**
Power consumption comparison between the Gen3 DDR5 products and the Gen1 ones at the same rate

DPPM≤100
Products launched

100%
Customer complaint handling rate

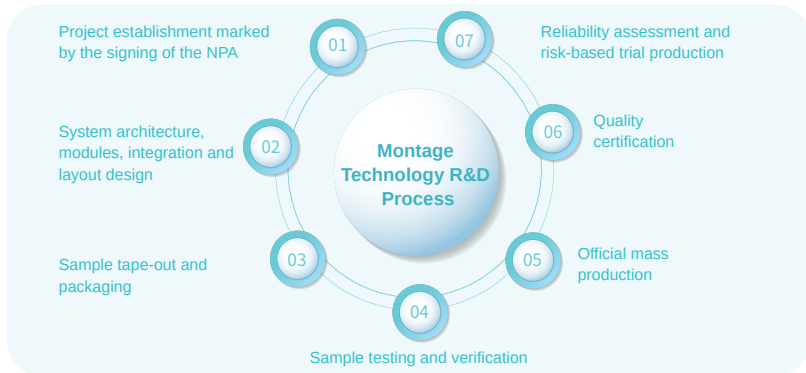
>90%
Customer satisfaction

ISO27001 certification

R&D and Innovation

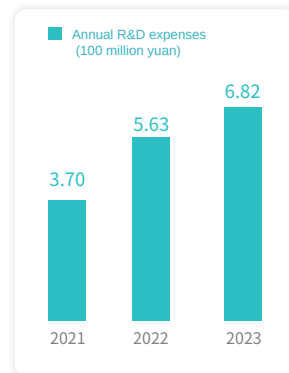
Improving the R&D system

The Company has established a product innovation system of "Technological Reserves - R&D - Mass Production".



Continuing to increase R&D investment

During the reporting period, we maintained a high level of R&D investment, promoted the research and development of new products and continued to advance the iterative upgrades of existing products.



682 million yuan
R&D expenses

30%
Proportion to the operating revenue

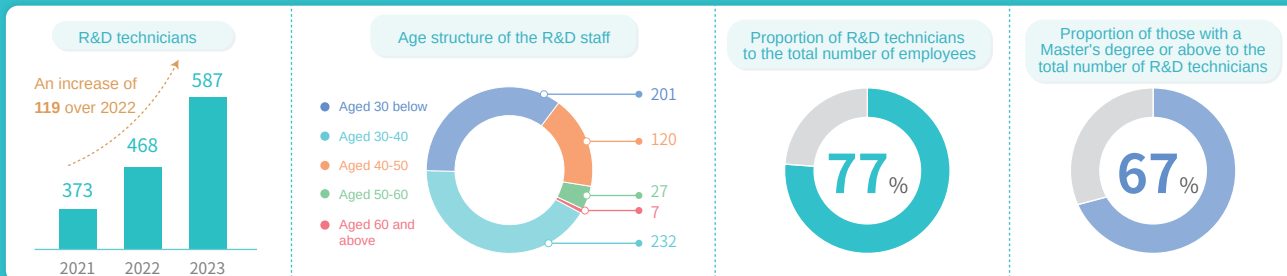
21%
Year-on-year increase in R&D expenses



31%
Compound growth rate of R&D expenses in the past three years

Building the R&D team

We recruit outstanding R&D technical talents, continuously expands the scale of R&D team, and provides competitive compensation and benefits to further stimulate the enthusiasm and creativity of R&D personnel. As an IC design company "focusing on R&D, talents and technology", we strive to foster a R&D team with great scientific research strength and creativity and build a "moat" for the Company with talents.



Lead on Innovation Results



Incubating innovative products

Empowering the construction of AI infrastructure with new products of high-performance data-moving solutions



PCIe Retimer chips

Application

A stable and reliable high-bandwidth and low-latency interconnect solution for typical application scenarios such as AI servers

Market potential

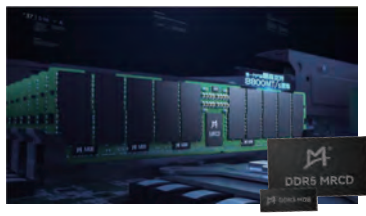
An AI server equipped with eight GPUs requires eight or sixteen PCIe 5.0 Retimer chips

Advantages of Montage Technology

Montage Technology has developed Serdes IP independently, with competitive advantages in should be "transmission latency" and channel adaptability

Progress in the reporting period

Montage Technology achieved the mass production of PCIe 5.0/CXL 2.0 Retimer chips



MRCD/MDB chips

Application

Used for high-bandwidth memory module MRDIMM of servers

Market potential

It is expected that there will be greater demand in applications that are sensitive to memory bandwidth such as high-performance computing and AI

Advantages of Montage Technology

The Company leads the development of international standards for MDB chips, and has maintained leadership in the industry in terms of related technologies

Progress in the reporting period

Montage Technology completed the research and development of the mass-produced version of first-generation DDR5 MRCD/MDB chips



MXC chips

Application

Used for memory expansion and memory pooling

Market potential

The new CXL-based DRAM module will be one of the most promising memory solutions in the future AI era

Advantages of Montage Technology

The Company has launched the world's first MXC chip, and become the first MXC chip manufacturer on the CXL compliant supplier list

Progress in the reporting period

The Company completed the research and development of the mass-produced version of first-generation MXC chips



CKD chips

Application

Used for PC memory modules (CUDIMM/CSODIMM/CAMM)

Market potential

Since AI PCs require memories with higher bandwidth to improve the overall computing performance, the application of CKD chips will be accelerated

Advantages of Montage Technology

The Company has launched the industry's first CKD chip engineering sample, with the research and development leading the industry

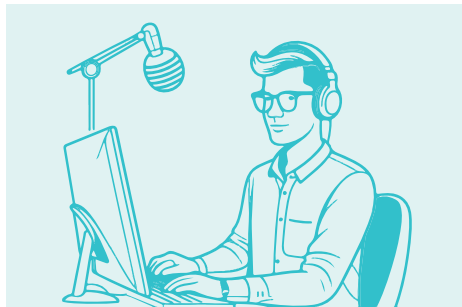
Progress in the reporting period

The Company completed the research and development of the mass-produced version of first-generation DDR5 CKD chips

Clean Technology Opportunities

With the performance improvement and expansion of computers and servers, high power consumption of related products has gradually become a prominent issue. In light of this, Montage Technology takes clean technology opportunities as one of the important issues for the Company's sustainable development, and integrates the concept of "low energy consumption" into its overall development strategy.

Montage Technology values the product energy efficiency performance in all stages of product development. At the product definition stage, the Company focuses on the balance between performance and power consumption and defines low power consumption products; at the product design stage, it chooses advanced circuit technology to improve the energy efficiency of products by optimizing the design; at the product use stage, it indirectly reduces customers' requirements for heat dissipation and power supply capacity, effectively reduces product power consumption, helps end users reduce energy consumption, and contributes to the energy saving and carbon reduction of the entire industrial chain.



Case 1

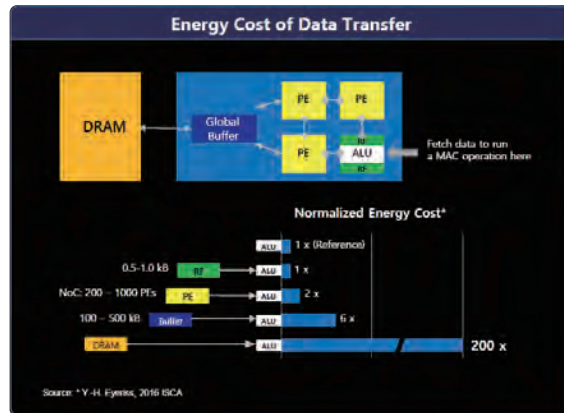
According to relevant studies, every 1W reduction in the power consumption of semiconductor devices will result in a 2-3W reduction in the overall power consumption of the data center.

In October 2023, the Company took the lead in the industry in the trial production of the Gen3 DDR5 RCD chips, supporting the data transmission rate of 6,400MT/S. At the same rate, the power consumption of the Gen3 DDR5 products decreased by about 15-20% compared to the first-generation ones.

In 2023, the DDR5 penetration rate further rose, and the shipments of Montage Technology's DDR5 memory interface chips continued to increase.

Case 2

In the existing computing architecture, data migration for a simple computing consumes a lot of energy. CXL high-speed interconnect technology can reduce the energy consumption of data migration by cache coherence and data sharing.



Source: Chip Hot 2023

According to related industry analysis, ChatGPT may consume more than 500,000 kW/h of electricity per day to respond to about 200 million requests from customers, while a household uses about 29 kW/h of electricity per day on average, so ChatGPT's daily electricity consumption is more than 17,000 times that of a household.

CXL high-speed interconnect technology will improve the overall computing efficiency of the whole system, thereby reducing energy consumption.

In 2022, Montage Technology released the world's first CXL MXC chip. The MXC chip is primarily used in the fields of memory expansion and memory pooling, which can significantly expand memory capacity and bandwidth, and meet the growing demands of high-performance computing, AI, and other data-intensive applications.

The Company has actively cooperated with CPU manufacturers, memory manufacturers, cloud service manufacturers and server OEMs, tried to stay at the forefront of technological development, constantly promoted product update and iteration, and committed itself to contributing to the realization of a mature and perfect CXL ecosystem and the wide application of CXL technology.

Proprietary Intellectual Property Rights

With an emphasis on owning proprietary intellectual property rights as the core, Montage Technology focuses on intellectual property protection and the commercialization of intellectual property achievements. It has gradually developed a planned and strategic patent portfolio layout, driving the realization of the Company's intellectual property strategy goals.

Protection of intellectual property rights

Montage Technology attaches great importance to intellectual property protection. It has established a comprehensive intellectual property management system, including the Patent Management Measures, Technical Secret Management Measures, Integrated Circuit Layout Design Management Measures, Trademark Management Measures, Technology Contract Management Measures, and Patent Application Process. This provides clear guidelines to achieve full-cycle management of intellectual property.

During the reporting period, there were no violations or litigation cases related to intellectual property.

Setup of management organizations

Setting up an intellectual property committee composed of heads of the R&D departments and a dedicated intellectual property management department.

Intellectual property rights application

Carrying out work related to patent application and maintenance, registration of integrated circuit layout designs and software copyrights, trademark registration and maintenance, and protection of trade and technical secrets.

Information management tool

Purchasing professional intellectual property rights management software and patent search platform services, subscribing to professional journals and purchasing related membership services for R&D personnel.

Signing of confidentiality agreements

Signing agreements with employees on confidentiality, non-competition and ownership of invention rights to avoid intellectual property disputes.

Capacity and awareness training

Formulating the Intellectual Property Training Measures, holding intellectual property related training sessions (employee orientation training and special intellectual property training), and organizing intellectual property tests and assessments.

Intellectual property achievements

In order to promote the transformation of intellectual property innovation results, Montage Technology formulated the Measures for Formulating and Assessing the Annual Patent Application Plan. The Company makes patent application plans for relevant departments annually, sets assessment and evaluation indicators and conducts assessment every half year.

In order to encourage its employees to innovate independently and create a positive atmosphere for invention and creation, Montage Technology formulated the Incentive Measures on Intellectual Properties, clarifying that inventors and creators of inventions, as well as whistle blowers who report a third-party infringement of the Company's intellectual property rights should be rewarded. For patents which are not suitable for patent application for the time being but need to be protected in the form of proprietary technology as an innovative solution of the Company, a one-off reward should also be granted.



National Intellectual Property Advantage Enterprise

	New patents in the year		Cumulative	
	Patent application	Authorized patents	Patent application	Authorized patents
Invention patent	39	20	134	164
Utility model patent	0	0	0	2
Design patent	0	0	0	0
Software copyright	3	3	12	12
Layout design	10	10	74	74
Total	52	33	220	252

Note 1: For details of intellectual property rights, please see the 2023 Annual Report of Montage Technology.

Note 2: Invention patent applications include 3 Patent Cooperation Treaty applications, and cumulative invention patent applications include 5 Patent Cooperation Treaty applications.

Note 3: The above table shows the data of the Company's exclusive intellectual property rights. In addition, the Company has also applied for 10 Chinese patents (under substantial examination, not yet granted) together with its partners.

Product Quality First

Quality management system

Montage Technology established a sound and standardized quality management system, formulated a series of quality management documents such as the Quality Manual and New Product Development Process, strengthened the quality control of integrated circuit design, development, outsourcing, manufacturing and sales and other links, and constantly made improvements and updates according to the actual implementation, ensuring the quality of the whole process at the institutional level.



As its product quality was highly recognized by customers, the Company obtained the SK Hynix "Best Supplier Award" and was once again honored with the Micron Technology "Outstanding Supplier Performance Award".

ISO 9001 quality system certification

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Major quality accidents

Montage Technology had a complete quality management system, and received the ISO quality system certification. No major quality accidents occurred during the reporting period.

Process quality control

Using a fabless operating model, Montage Technology focused on chip design and research, while the manufacturing, packaging, and testing of chips were outsourced. Montage Technology established perfect product quality assurance measures in the whole life cycle of the chip, including project initiation, design, production, verification and delivery, implemented the whole-process quality control, and analyzed potential quality risks, to improve the quality management.

DPPM refers to the number of defects per million inspections. It is a direct reflection of chip quality reliability and stability. In 2023, Montage Technology set a quality and reliability management goal of DPPM≤100, and achieved it with high quality.

The Company developed the Reliability Qualification Requirement, defining the quality assessment process and standards for the production process/product packaging during the product certification stage, such as reliability assessment based on the Solid State Technology Association (JEDEC) standards. During the product testing and mass production, the Company kept improving the product quality by regular collection of critical process capability indices, establishment of product testing process, failure analysis and other measures.

R&D stage: First, the design code was validated. After the generation of samples, they were tested in the laboratory environment first, then in the actual application environment, followed by reliability and life cycle experiments, and conformity and process deviation assessment. Only after the samples passed the assessment, could the mass production start.

Outsourced production and sales stage: The Company implemented the supplier management strictly, defined the responsibility assignment and performance mechanism for product quality, established quality requirements and certification systems for wafer and packaging suppliers, and strengthened the standardized management of supplier product quality; before the products left the factory, they had to be fully tested and then sampled for testing. No products could be delivered until the test results were qualified.



The Company completed the annual internal audit of GB/T 19001-2016/ISO 9001:2015 quality system, and corrected the risk problems and improved the risk management found in the internal audit.

Montage Technology's quality management system

"Quality Manual"

"Wafer Subcontractor Quality Requirements"

"Assembly Subcontractor Quality Requirement"

"Electrical Test Subcontractor Quality Requirement"

"Subcontractor Selection Management"

"Reliability Qualification Requirement"

"Plastic Package Qualification Procedure"

Quality cultural construction

While strengthening the quality management of the whole life cycle, Montage Technology vigorously promotes the construction of quality culture, and helps its employees foster the concept of quality management and learn professional knowledge and skills. Montage Technology regularly carries out trainings on quality management system, quality management responsibility, quality acceptance process and other related content. During the reporting period, Montage Technology implemented the training policy of senior employees guiding newcomers, and conducted ISO 9000 and ISO 27000 system education and training for new employees.

Improving service quality

Improving customer service



Product tracing and recall

Montage Technology attaches great importance to product traceability management, establishes the product tracing and recall system, clarifies the handling process and important nodes of product recall, develops the disposal plan of recalled products, carries out the whole-process management of product tracing and recall, including the demand identification, risk assessment, impact judgment, recall implementation, cause analysis and improvement, ensures the effectiveness and feasibility of product recall procedures, and fully protects the rights and interests of customers. Currently, the Company's product recalls are mainly attributed to product update and iteration, and a small number of overstocked products from the inventory of customers as a result of market downturn.

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Product recall due to quality defects of mass-produced products

Practicing responsible marketing

Montage Technology always abides by the relevant laws and regulations of responsible marketing, establishes the corresponding responsible marketing mechanism and codes of conduct, and carries out marketing promotion activities in a rigorous and objective manner.

In terms of the awareness of responsible marketing, the Company carries out trainings on responsible marketing to ensure that the marketing work complies with laws and regulations; in terms of brand management, in order to ensure accurate and clear transmission of relevant information under various corporate brand portfolios, the Company follows the Visual Identity (VI) media publicity system manual and designs various corporate brand portfolios; and in terms of trademark management, the Company requires customers to sign the Commitment on the Use of Company Logo to strengthen the legal and compliant use of relevant trademark information in product promotion activities.

Focusing on customer satisfaction

Montage Technology focuses on the demand of customers, attaches importance to customers' opinions and suggestions, carries out customer satisfaction surveys every six months, comprehensively assesses products from five dimensions of delivery, technology, quality, service and price, and tracks customers whose annual sales amount exceeds 90%. At the same time, the Company takes the feedback results as the starting point to actively explore solutions to customer demands. For some price-sensitive customers, the Company will consider more cost factors while iterating product technology in the future, and seek innovation while taking into account cost reduction, to provide customers with more satisfactory and competitive products.

2023

<14^{days}

Average length of time to resolve customer complaints

100%

Customer complaint handling rate

>90%

Average customer satisfaction rate

Strict adherence to Information Security

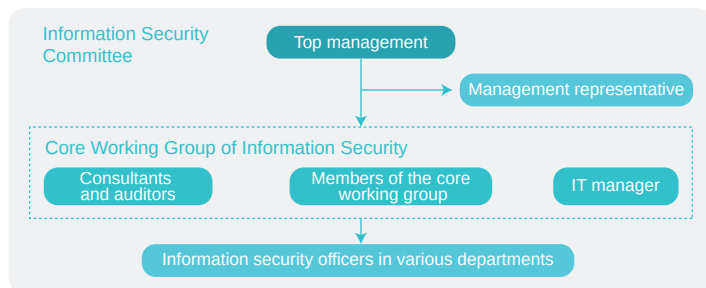
Information security is one of Montage Technology's key focus areas. The Company understands the importance of protecting the confidentiality, integrity and availability of customer and corporate data in the current digital age.

Management strategy

The Company strictly follows the Cybersecurity Law of the People's Republic of China and other relevant laws and regulations, and has established complete and strict data access control management systems such as Network Partition Management, Terminal Equipment Network Access Control, High Security Level Data Access Strategy, Document Access Control Strategy, and Power Outage and Fire Emergency Plan for Various Computer Rooms. The Company's IT department is fully responsible for its information security management. During the reporting period, the Company started the construction of ISO27001 information security management system and successfully received the certification.

Organizational structure

In order to standardize the emergency handling procedure in case of system failure and ensure timely response and correct disposal, the Company has formulated the Business Continuity Management Plan and established an information security organizational structure composed of the Information Security Committee and the Core Working Group of Information Security.



Emergency response

In terms of emergency response, the Company has established a sound emergency response mechanism for information security incidents, regularly performed emergency drills, and actively carried out information security emergency drills and network security publicity and training activities.



- Data Backup System
- Emergency Plan for Network Interruption
- Emergency Plan for the IT Server Room
- Emergency Plan for the Computer Room Power Supply



- Back up data regularly to prevent data loss.
- Organize 6 information security emergency drills.
- Clarify emergency response process, quickly resume system operation to avoid data leakage and loss.
- Establish an IT system operation status monitoring system, so that the system will send an early warning through email and screen prompts when related equipment fails.

Montage Technology's information security emergency drills in 2023

The Company carried out emergency drills for internal and external network firewall, telecommunication broadband, ERP system, core switch, main domain control server and other systems or functions by practical operation or deduction. The drill was successfully completed and the expected goals were achieved.

Management measures

In order to protect IT assets from unauthorized access or attack, and to maximize the precaution against various information risk factors, the Company has taken a series of measures to ensure that the resources, technology, management and other factors related to information security are under control.

Core data security protection mechanism

As for core data departments such as R&D department, the Company continues to improve the strategies and mechanisms related to core data protection:

- Sensitive data can only be accessed indirectly through secure access terminals and virtual terminals.
- Set more stringent access permissions for special documents that require enhanced confidentiality protection.
- Further strengthen the confidentiality control of the document transmission process.

During the reporting period

2

External audits of information security

100%

Coverage of information security training

1164 hours

Training length of information security

Provide system support from multiple levels

- Enable the dual-line telecommunication service to increase availability and stability of the corporate network.
- Use NetAPP and Synology NAS system for centralized data storage and backup.
- Use CVS, SVN, Alfresco, GitLab to share internal enterprise data and enforce strict permission control.



Measures to improve data backup

Strengthen the daily review of information security protection

- Carry out internal audit of the information system (account permissions, computer room access logs, system operation logs, firewall logs, etc.) every month, find problems and make corrections immediately, and record test conclusions in time.
- Regularly conduct external audits and cooperate with third-party audits.



Regular internal and external audits

Measures to strengthen information isolation

Strengthen the permission management

- Clarify the permission application process, follow the "minimum permission" principle, and strictly limit the permission grant.

Carry out internal network isolation

- Design and plan data access rules and VLAN network segments with different security levels according to the definition of security levels of information system assets. By default, different network segments are prohibited from accessing each other.
- Use firewalls to restrict users from accessing network resources with high security levels.
- Systems storing sensitive information can only be accessed through certain terminals, and content transfers are strictly restricted.

Upgrade network security devices

- Use a large number of redundant devices in IT architecture to ensure safe and reliable data transmission and storage.
- Deploy a variety of network security devices to prevent critical design data leakage and network intrusion.
- Adopt a heterogeneous firewall architecture and minimize external ports. For the protocols that really need to be developed, encryption, firewall authentication, two-factor VPN authentication and other ways are used to restrict unauthorized access.
- Set the software to automatically update the server and periodically install security patches on the server.



Measures to prevent information leakage

Strengthen the information security publicity and implementation

- Promote network security awareness for all employees.
- Regularly send email cases and phishing emails to employees to remind them to pay attention to email security.
- Hold training sessions regularly on different topics, including but not limited to precautions for office network use, security management of passwords and important data files, virus prevention, and other security and confidentiality measures and awareness.



Construction of an information security culture



03 Partner Responsibility

Practitioner of Common Growth with the Industry

○ Responsible sourcing

○ Working with industry partners

Adhering to the principle of win-win cooperation, Montage Technology actively seeks to establish long-term cooperative relations of mutual trust and mutual benefit with relevant parties in the industrial chain, and share the results of sustainable development with domestic and foreign partners.



Focus	Results in the reporting period	
 Supplier quality control	- The Company carried out performance evaluation of main suppliers, and the coverage rate was 100% - The coverage of core suppliers with quality management systems (such as ISO9001, etc.) was 100%	100% Performance evaluation coverage of main suppliers 100% Coverage of core suppliers with quality management systems 100% Realization rate of the goal of avoiding sourcing of controversial raw materials 100% Products met ROHS, REACH and TSCA standards
 Supply chain stability	The Company adopted the "leading supplier + double/triple backup mechanism" to ensure supply chain stability and reduce related risks	
 Responsible mineral management	The Company 100% achieved its set goal of avoiding sourcing of controversial raw materials	
 Supplier ESG assessment	- The Company paid attention to the risks associated with supply chain sustainability by incorporating ESG related content in the annual review of suppliers - The products produced by the suppliers met the requirements of ROHS, REACH and TSCA standards	
 Contribution to the formation of synergistic advantages in the industry	- The Company continued to be committed to the construction of the Jintide® ecosystem - As a contributor to hardware compatibility and adaptability, Montage Technology received the Outstanding Contribution Enterprise certificate from the OpenCloud community	
 Contribution to high-quality development of digital economy	- Samsung Group worked with Montage Technology to release a white paper on high-performance signal integrity solutions based on Samsung' s PCIe Gen5 NVMe SSD (PM1743) and Montage Technology' s PCIe 5.0/CXL 2.0 Retimer (M88RT51632) - Jintide®CPU was adapted to a number of H3C server products in terms of performance and security, and the application and solutions based on the Jintide® series products were promoted in many industries such as finance, transportation, and government affairs	

Responsible Sourcing

Having a sustainable supply chain is a core competence of Montage Technology. In close cooperation with supply chain partners, the Company has established standardized processes concerning supplier introduction, evaluation, etc. and implemented classified management to promote suppliers to improve their performance continuously. In addition, the Company has adhered to the concept of sustainable development, incorporated ESG related factors such as product quality management, environmental protection and social responsibility management into the evaluation of suppliers, and insisted on not using conflict minerals to promote the sustainable development of the supply chain throughout the industry.

Whole-process dynamic management

The Company continues to optimize the *Supplier Management System* and other internal policies, improves the supplier management system and management process, maintains stringent control over the entire supplier life cycle from admission to elimination/exit, and regularly carries out supplier audits to promote the establishment of a supply chain environment characterized by fair competition, integrity, transparency, and robust traceability.



When selecting suppliers, the Company adheres to the philosophy of "responsible sourcing". Suppliers need to be subject to the quality system survey and on-site audit, sign the *Quality Agreement* and other documents, and pass the final supplier audit and review, before completing the admission procedure.

Coverage of core suppliers with quality management systems (e.g. ISO9001)

100%



Supplier management process

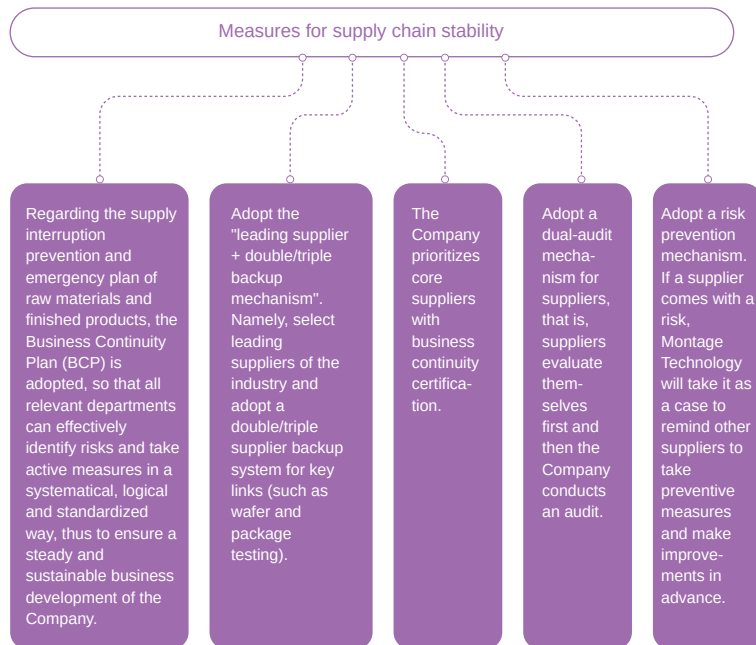
Also, the Company develops and continuously improves the supplier audit and evaluation system, evaluates the quality, technology, delivery and service of qualified suppliers on a quarterly basis, introduces the original production data of suppliers in time, monitors and analyzes the performance of suppliers in real time, and adjusts the mode and intensity of cooperation with suppliers according to the performance evaluation results.

During the reporting period, the Company carried out the performance evaluation of main suppliers, and the coverage rate reached **100%**.

Performance evaluation results	Cooperation strategies
Excellent	Implement incentive measures such as strengthening cooperation with them
Not good	Require suppliers to shore up their weakness and provide relevant guidance
Bad	Reduce or even cancel cooperation

Joint promotion of supply chain stability

Montage Technology and its suppliers set up a variety of communication channels, including email, telephone communication, teleconference, interview, quarterly supplier conference, etc., to jointly create a responsible supply chain with a high level of information sharing. We update the material purchase plan according to the actual use needs, coordinate with suppliers on material return and exchange or delayed arrival promptly, meet with suppliers who are in shortage of goods in time and explore solutions, so as to ensure the optimal reserve and stable supply of materials.



Supplier ESG assessment

- While ensuring the compliance of the supply chain, Montage Technology actively pays attention to the performance of suppliers in the three aspects of economy, environment and social responsibility, as well as the acquisition of relevant management certifications. Besides, it also incorporates ESG related content (reducing energy consumption and carbon emissions, etc.) in the annual evaluation of suppliers and pays attention to sustainability risks of the supply chain.
- Montage Technology strictly complies with international regulations such as the European Union's *Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment* (ROHS) and the *Registration, Evaluation, Authorization and Restriction of Chemicals* (REACH). The Company explicitly requires suppliers to comply with relevant environmental protection indicators in terms of raw materials, production, packaging, transportation, loading and unloading of products.
- Through strict self-regulation, the Company ensures that its products meet the requirements of ROHS, REACH and TSCA standards, providing global customers with green, toxin-free, safe and reliable products.



Never use conflict minerals

Montage Technology promises not to support or source any metals from minerals mined in armed conflict, illegally or from inferior working environments, that is, "conflict minerals", and explicitly prohibits the sourcing of raw materials from regions that do not respect human rights, trade illegally and finance violence. The Company has established a risk-based responsible mineral management system and a well-structured governance mechanism that align with the *Due Diligence Guidance for Responsible Supply Chains of Minerals* issued by the Organization for Economic Cooperation and Development (OECD). Our departments such as Quality Control Department are entrusted with the tasks of gathering, organizing, and evaluating conflict minerals standards and developing the *Conflict Minerals Management Policy*. This policy details explicit requirements for the identification and management of conflict minerals. Furthermore, we provide our *Statement on the Prohibition of Conflict Minerals* for our clients, pledging to collaborate with our supply chain to foster a responsible mineral sourcing environment.

New supplier introduction management

Suppliers involved in manufacturing are mandated to strictly follow our *Conflict Minerals Management Policy*. The Company performs reasonable due diligence in our supply chain to ensure that sourced minerals are from smelters that comply with the Responsible Minerals Assurance Program (RMAP) certification.

Daily management

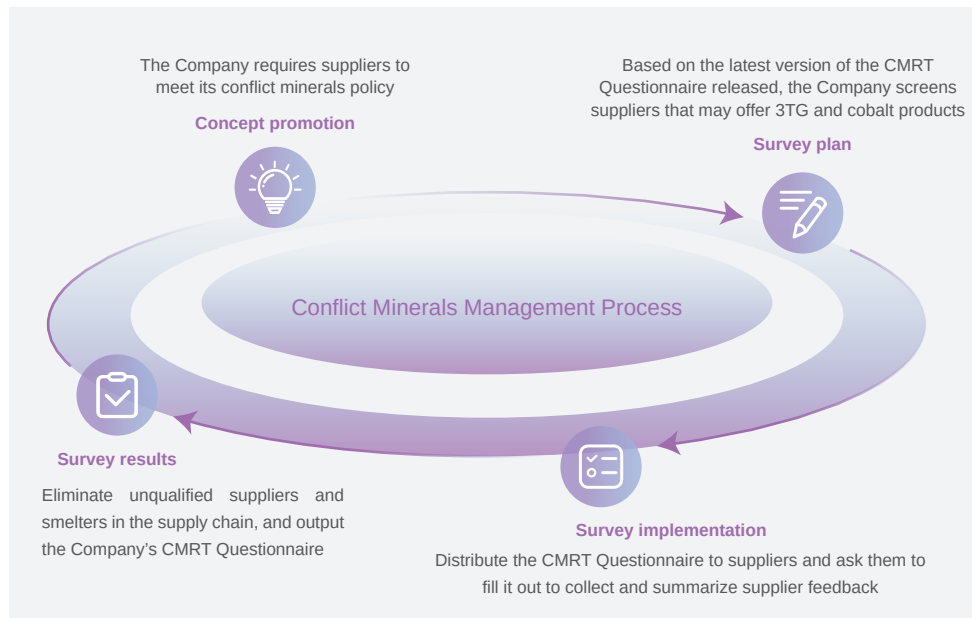
The Company annually identifies and reviews suppliers of conflict minerals, specifically tin, tantalum, tungsten, gold (3TG), and cobalt by using the Conflict Minerals Reporting Template (CMRT) Questionnaire.

The Company requires its suppliers to conduct mineral traceability investigations at each level to identify the source smelters. These smelters are prohibited from using minerals from Conflict-Affected and High-Risk Areas (CAHRA).

During the reporting period, the Company **100%** achieved its set goal of avoiding sourcing of controversial raw materials.

The Company 100% completed the conflict minerals investigation of suppliers in all production processes. Suppliers all obtained minerals from audited Responsible Minerals Initiative (RMI) smelters. All sourced minerals were from smelters with the Responsible Minerals Assurance Program (RMAP) certification. No supplier was found to be involved in conflict minerals.

As a fabless company that formal does not directly source minerals, we try our best to ensure that our suppliers adhere to conflict-free minerals sourcing, as part of our commitment to responsible sourcing. In the new supplier introduction and daily management, we use the Conflict Minerals Reporting Template (CMRT) issued by the RMI to conduct the supply chain due diligence for 3TG and identify the source information of minerals and smelters in the supply chain.



Working with Industry Partners

Montage Technology actively develops its advantages in semiconductor chip design and other industrial fields. It is committed to building advantages of industrial synergy, leading partners to promote the industrial development jointly, and driving technological innovation in the semiconductor field by participating in industrial ecological construction and attending industry summits.



Industrial ecological construction

Leveraging cutting-edge technology, Montage Technology collaborates with various parties to develop solutions for intelligent upgrading of the industry. At the same time, we share innovative ideas with our partners through active participation in exchange seminars, joint innovation and other ways, thereby driving industrial development, technological innovation, promotion and application.

In 2023, the Company actively participated in the software developer community activity with Jintide® CPU products, and obtained the hardware and operating system mutual compatibility certification. At the same time, as a hardware compatibility and adaptability contributor, Montage Technology was awarded the Outstanding Contribution Enterprise Certificate by the OpenCloud community.

Industry Association Participation

JEDEC Solid State Technology Association Board Member

PCI-SIG Alliance Member

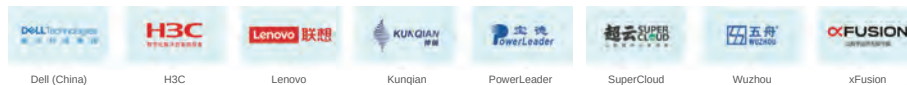
CXL Alliance Member

Shanghai Integrated Circuit Association Vice President Unit

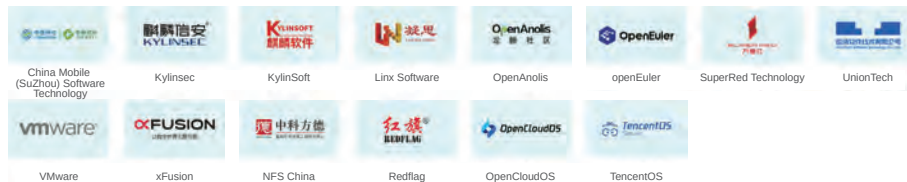
China Integrated Circuit Design Innovation Alliance Council Member

Jintide® platform ecosystems

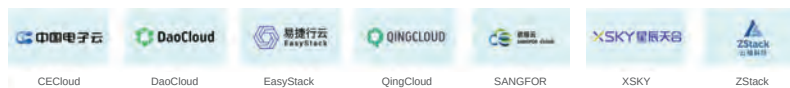
Servers



Operating systems



Cloud service



Databases, storage systems, other software



Components and peripherals



Development of industry standards

The Company has led the development of international standards for DDR5 RCD chips and MDB chips

The Company has actively participated in the development of international standards for DDR5 CKD chips and DDR5 memory module supporting chips

The "1+9" distributed buffer memory subsystem architecture invented by the Company has been adopted by the JEDEC international standard, and evolved into a "1+10" architecture in the DDR5 generation, which continues to serve as an international standard for LRDIMM, and further brings about an international standard for MRDIMM as an infrastructure

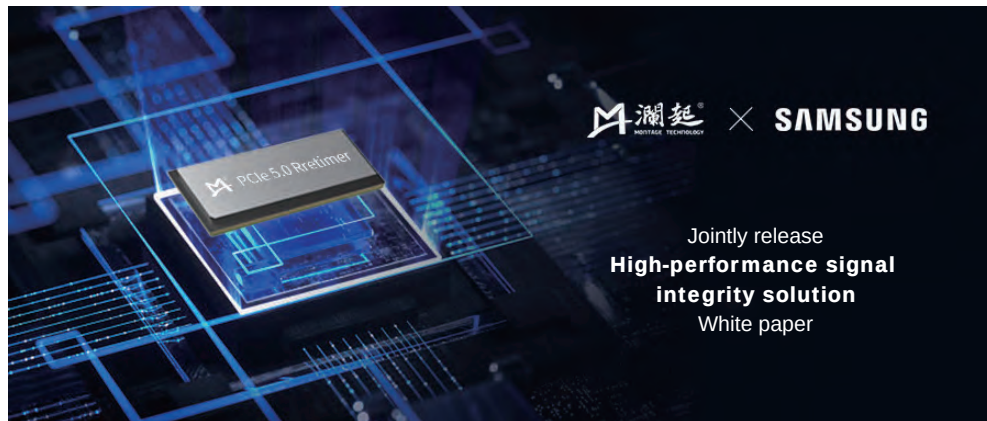


Working with customers for innovation

With the growth of big data, cloud computing, 5G and other technologies, the demand for data computing and efficient storage is growing exponentially, and more terminal devices require high-bandwidth, strong and stable data transmission, thus PCIe has become the mainstream solution for server buses with its high transmission speed. Currently, the transmission rate of the PCIe bus has increased from 2.5GT/s in the first generation to 32GT/s in the fifth generation and PCIe Gen5-enabled devices can be more in line with the current needs of data centers and enterprise-level applications. At the same time, PCIe Gen5-related products have been launched gradually in various fields. Montage Technology started mass production of PCIe5.0/CXL2.0 Retimer in January 2023. PCIe Gen5 enterprise-level servers from different vendors have been released one after another. It is foreseeable that PCIe Gen5 will dominate the global market in the next few years, and the era of PCIe Gen5 will soon arrive in full swing.

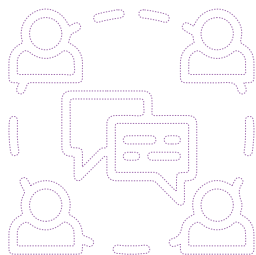
In November 2023, Samsung and Montage Technology jointly released a white paper on high-performance signal integrity solution based on Samsung's PCIe Gen5 NVMe SSD (PM 1743) and Montage Technology's PCIe 5.0/CXL 2.0 Retimer (M88RT51632). This white paper introduces the main hardware devices of the solution, and verifies the link stability and read/write performance regarding the solution according to its test configuration and test results in the PCIe Gen5 server platform.

The results show that this solution can satisfy the current requirements of high bandwidth and low delay, fully guarantee the link stability and signal integrity, enhance the data transmission quality during the reading and writing process of NVMe SSD, and increase the effective transmission distance of high-speed signals.



Deepening industry exchanges

Montage Technology actively participates in various industry conferences to broaden the industry information exchange channels. In June 2023, Tsinghua Unigroup and H3C hosted the Navigate Summit 2023 with the theme of "Dedication for a Smarter Future". As an important strategic partner of H3C, Montage Technology was invited to attend the summit and show the achievements of cooperation and innovation between H3C and it over the years and its latest products and technologies.



High-performance server CPU – Jintide®

H3C values Jintide® CPU' s advantages in performance and security. Since the launch of Jintide® CPU, H3C has maintained close cooperation with Montage Technology. A number of server products, including H3C UniServer R4900, have been adapted to it, and the application and implementation of Jintide®-based products have been promoted in finance, transportation, government service and other industries.

Cooperation areas

Interconnect chips

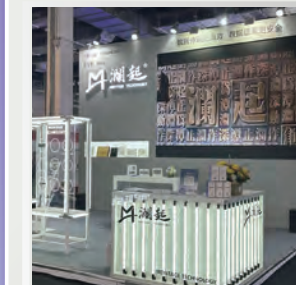
Relying on its own technical advantages, ecological accumulation and leading position in memory interface chips, Montage Technology has gradually extended to other cutting-edge technology areas of interconnect chips, successfully mass-produced PCIe 4.0/5.0 Retimer series chips, and launched the world's first CXL memory expansion controller chip. With the increasingly rich product layout, the Company is working with H3C to start a new round of strategic cooperation in emerging technologies.



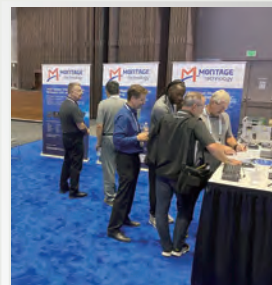
In the future, Montage Technology will work with H3C to give full play to their respective advantages in technology, products and solutions, continue to expand cooperation areas and increase cooperation efforts to provide high-performance, high-security hardware infrastructure for the digital and intelligent transformation of various industries in China, and contribute to the high-quality development of China' s digital economy.



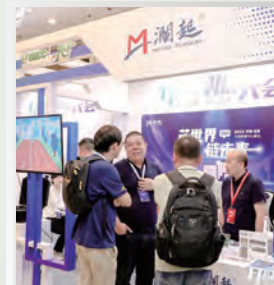
In order to deepen upstream and downstream partners' understanding of the Company and its products, Montage Technology actively participated in the 2023 China (Shanghai) Commercial Cryptography Exhibition and Summit Forum, Flash Memory Summit, and Open Data Center Summit, jointly organized about 20 market activities together with its partners, and received positive market responses.



2023 China (Shanghai) Commercial Cryptography Exhibition and Summit Forum



Flash Memory Summit



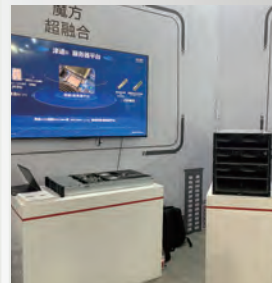
Open Data Center Summit



NAVIGATE



Partner Exchange Conference



Partner Exchange Conference



Partner Exchange Conference

04 Environment Responsibility

Advocate of Green Operation

○ Comprehensive environmental governance

○ Green operation environment

○ Response to climate change

○ Focus on biodiversity

In view of the increasingly severe problem of climate change, Montage Technology actively responds to environmental challenges, attaches great importance to its environmental performance, seeks progress in stability, continuously improves its environmental protection management system, and works with all sectors of society to promote green development. In 2023, we gradually realized our goal of green and energy-saving operation by means of implementing energy-saving projects, promoting green office and so on, aiming to build a green and low-carbon enterprise.



Focus	Results in the reporting period	
 Improve energy management	- Direct energy consumption: 18.65 MWH, 27% lower than 2022 - Comprehensive energy consumption intensity: 5.54 MWH/person, 0.54% lower than 2022 - We regularly conducted statistical analysis of the energy consumption - We used printing and copying equipment with sleep mode to save electricity; replaced old equipment with efficient and energy-saving equipment in time	Direct energy consumption 18.65 MWH Down by 27 % Comprehensive energy consumption intensity 5.54 MWH/person Down by 0.54 %
 Save water resources	- Water consumption intensity: 9.30 tons per person - We checked and maintained water equipment regularly and reported water leakage in time	9.30 tons per person Water consumption intensity
 Use recycled materials	We used reusable materials for exhibition equipment, with a utilization rate of 100%, the overall recycling rate of the exhibition booth was 80% to 90%	100 % Exhibition equipment made of reusable materials
 Reduce GHG emissions	- GHG emission intensity: 3.09 tons of carbon dioxide equivalent per person, 0.51% lower than 2022 - The Company actively promoted renewable energy (such as the use of solar energy) for the Montage Circle Project in Lingang, Shanghai - For Scope 3, the Company strengthened energy management, improved intelligent operations, and achieved efficient transportation and distribution, thereby reducing GHG emissions	3.09 tons of carbon dioxide equivalent per person GHG emission intensity Down by 0.51 %
 Cultivate the environmental awareness of all employees	- Per capita consumption of office paper decreased by 3% - We upheld paperless, information-based, intelligent office, conducted waste sorting, and recycled used batteries - We made energy saving and environmental protection videos which were played on a loop in the office area	Down by 3 % Per capita consumption of office paper

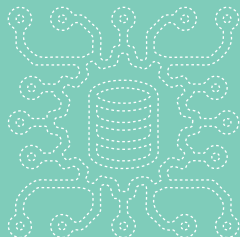
Scientific management system

Montage Technology attaches great importance to its corporate responsibility for environmental protection, and strictly implements laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution*.

During the reporting period, there were neither pollution accidents or ecological environment damage incidents, nor penalties from the environmental authorities.

0 Pollution accidents or ecological environment damage incidents

0 Penalties from the environmental authorities



Comprehensive Environmental Governance

Energy consumption tracking analysis

Montage Technology strictly abides by the Energy Conservation Law of the People's Republic of China and other laws and regulations, clearly clarifies the responsibilities of relevant departments of energy management, attaches importance to energy management during the operation, and continuously improves the existing energy management system.

The Company's total energy consumption was **3,901.78** MWH in 2023, an increase of 650.40 MWH from 2022, mainly due to the increase in the number of employees and the expansion of office space; the comprehensive energy consumption intensity in 2023 was **5.54** MWH per person, a decrease of **0.54%** from 2022.

In 2023, the Company achieved significant results in gas saving. The gas consumption decreased by **27%** compared to 2022.

Montage Technology's key performance of energy consumption in 2023

Energy use	2023	Unit
Gas consumption	2,104	Liter
Use of purchased electricity	3,883.13	MWH
Comprehensive energy consumption	3,901.78	MWH
Direct energy consumption	18.65	MWH
Indirect energy consumption	3,883.13	MWH
Comprehensive energy consumption intensity	5.54	MWH per person

Down by **27%**
Direct energy consumption
in 2023



Down by **0.54%**
Comprehensive energy
consumption intensity in 2023

During the reporting period

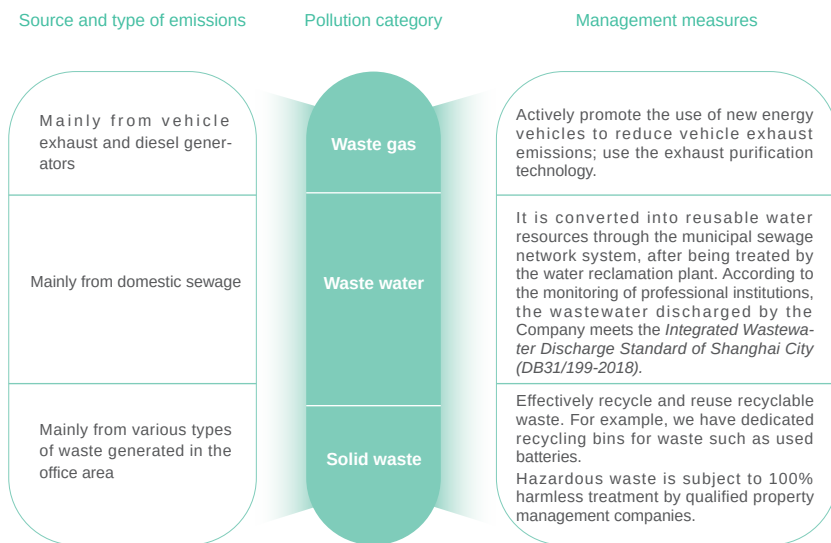
6548.57 tons
Total water consumption

9.30 tons per person
Water consumption intensity

Note: The Company's per capita water consumption intensity increased by 9% in 2023 compared to 2022, mainly due to the expansion of office space in 2023 and the implementation of the work from home policy in 2022 which led to lower water consumption in the office area. If the data is back tested based on the unified on-the-spot office hours, the per capita water consumption intensity in 2023 decreased by about 14% compared to 2022.

Overall planning of the treatment of three wastes

Montage Technology continues to optimize and strengthen the management of emissions. The three types of wastes mainly come from the Company's daily office operations. We establish relevant systems according to the requirements of international environmental standards, and clarify the responsibilities and functions of various departments; establish a series of control procedures concerning wastes, environmental health and safety monitoring and measurement, and formulate corresponding management documents and process specifications based on the actual needs of external stakeholders (customers, suppliers, etc.).

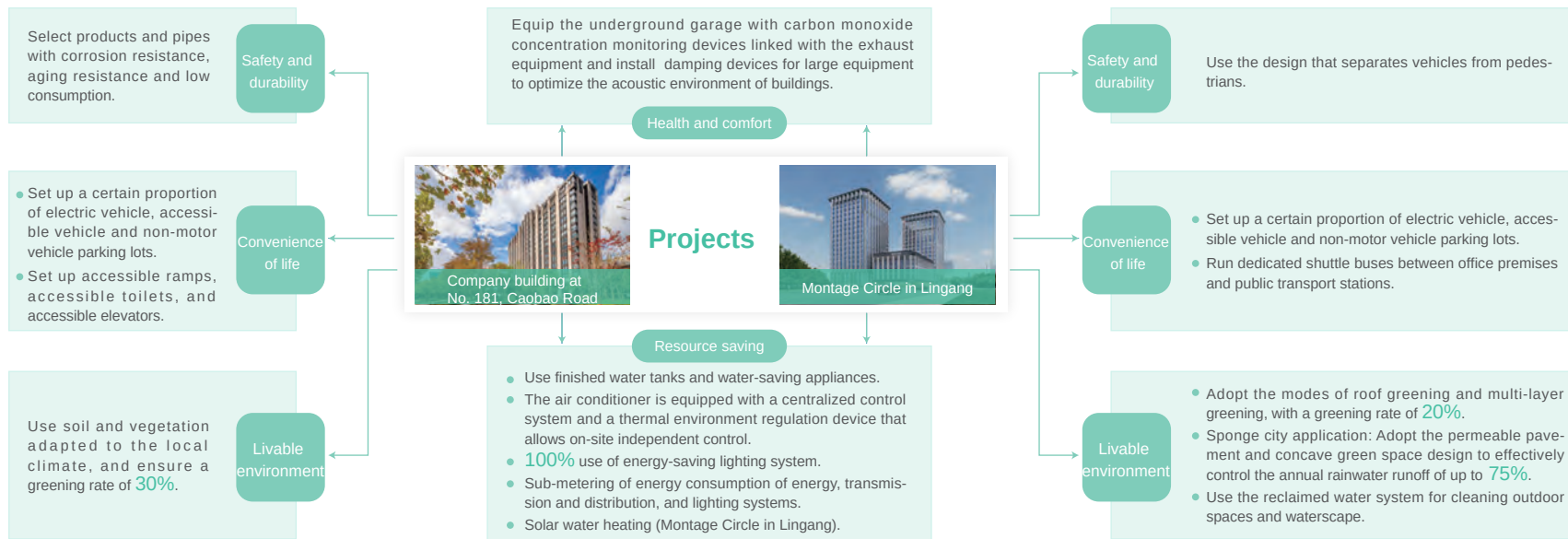


Green Operation Environment

Green building

Montage Technology follows the current national green building standards, and focuses on the five aspects of safety and durability, health and comfort, convenience of life, resource saving and livable environment, aiming to provide its employees with healthy, usable and efficient space during the whole life cycle of the building.

Green building management measures



Green office

Montage Technology has always adhered to the concept of "green office and low-carbon life", advocated paperless, information-based, intelligent office, and actively integrated the spirit of environmental protection into its daily business and corporate cultural construction. The Company encourages its employees to actively participate in the green office action, and save water and energy to contribute to sustainable development.

Green office measures

Institutional guarantee

Formulate the Office Supplies System, post slogans on energy saving and carbon reduction, and establish the concept of water saving, electricity saving and material saving.

Paperless office

Actively promote paperless office and used paper reprinting, and encourage the use of OA system.

During the reporting period, 409,800 sheets of paper were used in the Company, and the paper consumption per capita was 580 sheets, **down 3%** from 2022.

Green travel

The new base provides shuttle buses to bus stations and is equipped with charging facilities for new energy vehicles.

Waste sorting

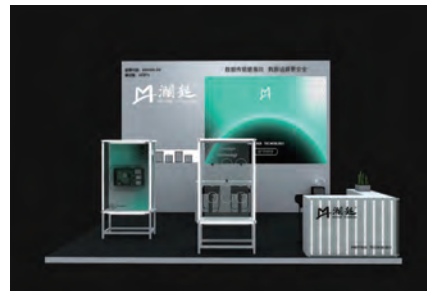
The tea room of the office building is equipped with dry and wet waste bins and recycling bins for waste batteries and paper supplies to ensure effective sorting and recycling of waste.

Green communication

Guided by the *Guidelines for Green Exhibition Operation (GB/T 42496-2023)*, we actively participate in the Better Stands Program, advocate the concept of "green exhibition", and promote the recycling of materials to realize green and low-carbon exhibition.

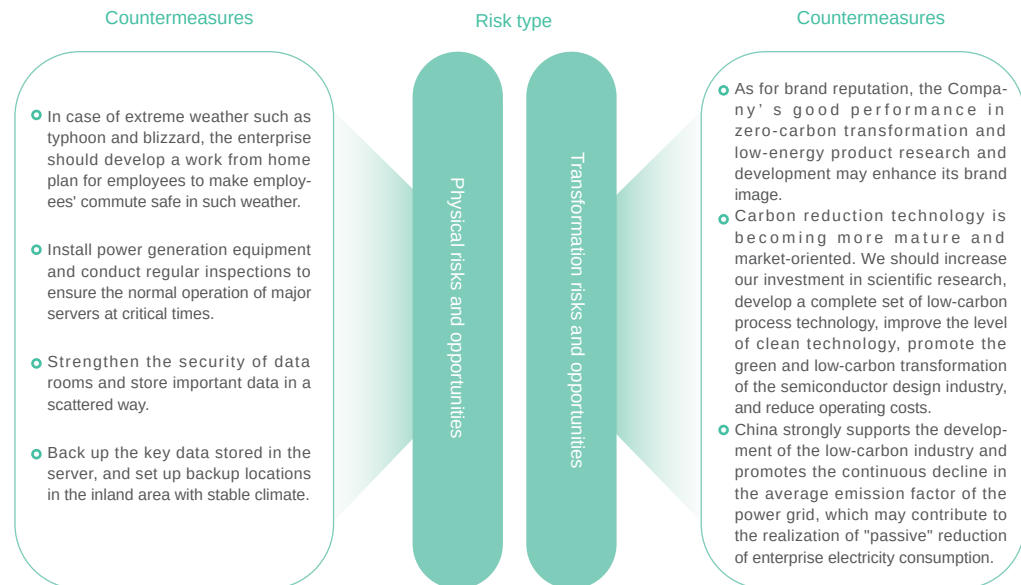
Case: Montage Technology's green recyclable booth

In 2023, the tools and materials used by Montage Technology at exhibitions were all recyclable, such as booth back wall, LED screen, booth lamps and so on. The overall recycling rate of our booth was as high as 80% to 90%. While we presented our products, we also spread our philosophy of environmental protection.



Response to Climate Change

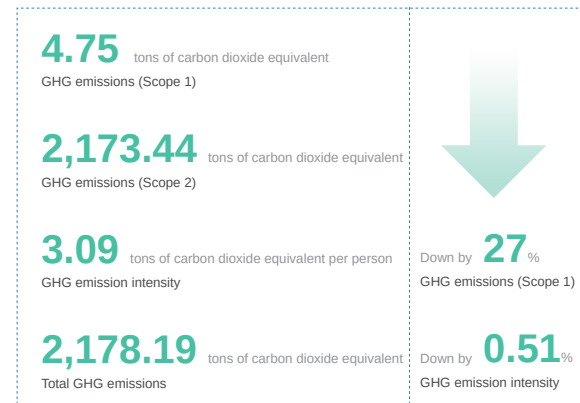
In order to address the challenges brought by global climate change to the development of enterprises, and actively respond to the major strategic decision and deployment of the country on carbon peaking and carbon neutrality, the Company took actions to mitigate and adapt to climate change and continuously reduced carbon dioxide emissions from the source during the reporting period, to promote its comprehensive green transformation.



Indicators

The Company's GHGs mainly come from energy consumption during office operations. The GHG emissions during the reporting period are as follows:

2023



Note: GHG emissions of various Montage Technology operating locations are calculated in accordance with the rules applicable to the specific country where the office operates. For example, the office of Montage Technology (China) calculated GHG emissions according to the *Guidelines for Greenhouse Gas Emissions Accounting Methods and Reporting for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of China, the *Research on Carbon Dioxide Emission Factors of China's Regional Power Grids (2023)* issued by the Ministry of Ecology and Environment of China, and the *Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises* issued by the Ministry of Ecology and Environment of China; and the office of Montage Technology (the US) calculated GHG emissions according to the *Emission Factors for Greenhouse Gas Inventories* issued by the US Environmental Protection Agency.

Key measures

Actively promote renewable energies (such as the use of solar energy resources) in the Montage Circle Project in Lingang, Shanghai to reduce the consumption of fossil energy.

Promote energy saving and consumption reduction at the product side, encourage low-carbon travel, achieve efficient transportation and distribution, and reduce GHG emissions in Scope 3.

A number of optimization measures have been taken for high energy-consumption equipment such as air conditioning and lighting in office areas to reduce indirect energy consumption and electricity costs.

Strengthen environmental protection publicity, improve staff awareness of environmental protection through trainings, and create an atmosphere of energy saving and carbon reduction.

Case 1

We use an intelligent air conditioning system in the office for cloud control and air conditioning use planning, to reduce resource waste and achieve energy saving and environmental protection.



Case 2

By using used paper, we can reduce the demand for natural resources, lower energy and water consumption, and reduce air pollution and GHG emissions.



GHG
emission
reduction

Energy saving and
carbon reduction
monitoring and
statistics

Key measures

Improve the institutional system

Establish and improve the institutional system of energy monitoring and measurement, clarify the responsibilities and tasks of various departments and regions, and ensure the legality and standardization of monitoring and measurement.

Improve the monitoring and measurement levels

Establish and improve the energy consumption monitoring system, monitor all kinds of energy consumption equipment of the Company in real time, and optimize and upgrade old equipment in time.

Establish and improve the data management system

Strengthen the collection, collation and analysis of environmental and energy-related data, establish a sound data management system, and ensure the authenticity, integrity and timeliness of data.

Discover the potential of energy saving and carbon reduction

Regularly carry out statistical analysis of the Company's energy consumption, identify the areas of weaknesses in energy consumption, and provide improvement directions for guiding all departments to consciously carry out energy-saving transformation, and energy-saving and carbon reduction.

Montage Technology is committed to reducing the environmental impact of its operations and attaches great importance to energy saving and carbon reduction. To this end, the Company actively promotes the implementation of energy saving and carbon reduction monitoring, measurement, statistics and other related work, trying to build an environmentally friendly company.

Focusing on Biodiversity

On May 22, 2023 marks the 23rd International Day for Biological Diversity. In order to improve the level of biodiversity governance, accelerate the modernization of harmonious coexistence between man and nature, and further promote the implementation of the *Convention on Biological Diversity (CBD)*, the Company gradually fosters the concept of biodiversity protection and focuses on work in the area of biodiversity protection.

In order to promote the biodiversity protection in the areas where the Company operates, the Company will assess the impact on biodiversity when planning and siting new projects to minimize the possible anthropogenic impact on and destruction of biological habitats. Our staff also actively participate in a series of activities organized by relevant departments, such as "the 9th Shanghai International Nature Conservation Festival", "World Wildlife Day" and "International Day for Biological Diversity", to improve their awareness and ability to protect wildlife.

05 Employee Responsibility

People-oriented Employer

○ Employee attraction and incentives

○ Employee retention and development

○ Employee care and protection

Montage Technology knows that employees are the inexhaustible driving force to promote the sustainable development of enterprises, and talent growth is the driving force for business development. The Company adheres to the "people-oriented" management philosophy and attaches great importance to the protection of employees' rights and benefits; meanwhile, the Company actively sets a clear and flexible growth path, establishes an organizational system to promote talent growth, helps employees maximize their personal value, and is committed to achieving common growth of the Company and its employees.



Focus	Results in the reporting period		
 Adhere to lawful employment and protect the legitimate rights and interests of employees	- The labor contract signing rate and payment rate of the social insurance and the housing provident fund were both 100% - The coverage rate of supplementary commercial insurance paid by the Company for its employees and their children was 100%		
 Motivate employees	71 employees received patent awards - The Company adopted a new equity incentive plan, implemented an employee stock ownership plan, and completed the vesting for the incentive recipients six times. The comprehensive coverage of equity incentives was more than 95% - All employees received performance evaluation and career development assessment - A total of 55 employees obtained the 5th, 10th, 15th and 20th anniversary employee recognition awards 12 employees obtained outstanding staff awards		
 Improve the vocational training of employees	The Company held 86 training sessions for employees, with 3,476 persons receiving various training, totaling 16,459 hours, 23.38 hours per person averagely. The training coverage rate was 100%		
 Focus on occupational health and safety	In the Montage Circle Project in Lingang, Shanghai, we provided more than 24,000 hours of safety production training for project construction personnel, and more than 800 people received the training, with a coverage rate of 100%; we also conducted potential safety risks identification and rectification twice a week		

100%

Labor contract signing rate and the coverage of the social insurance and the housing provident fund

71employees

Patent awards

>95%

Comprehensive coverage of equity incentives

100%

Coverage of performance evaluation and career development assessment

55employees

Employee recognition awards

12employees

Outstanding staff awards

100%

Employee training coverage rate

16459hours

Training hours

>800employees

Safety production training

100%

Coverage

Employee Attraction and Incentive

767

Total number of employees

Montage Technology insists on building a high-level, high-potential and energetic staff team to continuously improve its core competitiveness. In terms of talent introduction, the Company evaluates candidates comprehensively from the aspects of character, ability, experience and job qualification requirements, so as to select high-quality talents and promote the Company's steady development; In terms of compensation and benefits, the Company provides higher returns for those who work hard or make great contributions to the Company through compensation, benefits and incentive mechanisms.

Diversity and equal opportunities

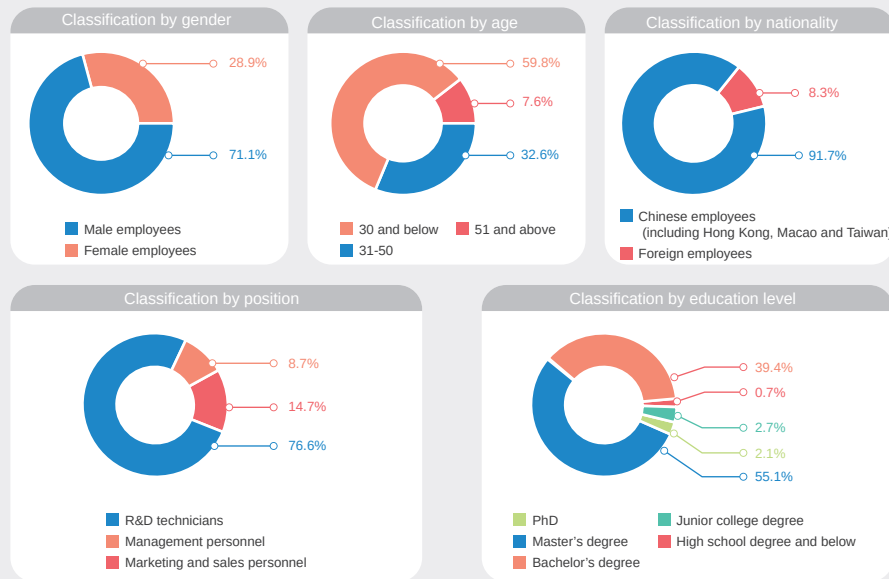
Montage Technology strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations, as well as the policies and regulations of the place where the Company operates, and formulates and continuously improves the human resource management rules and regulations such as the *Employee Manual and Recruitment System*.

We adhere to the principles of openness, equality, competition and choosing the best. According to job requirements, we attract and cultivate outstanding talents from all over the world through multiple channels such as social recruitment (overseas recruitment channels linkedin, Zoho Recruit and employee recommendation, etc.), campus recruitment, university-enterprise joint training, etc. At the same time, we strictly prohibit any employment and use of child labor and forced labor. All employees sign labor contracts with the Company on a voluntary basis. Employees are treated equally in the recruitment, training, promotion and salary systems, regardless of their country, nationality, age, gender and religious belief.

During the reporting period, there were no human rights violations such as child labor, discrimination, harassment or forced labor.

As of the end of the reporting period, the Company had a total of 767 employees.

The statistics of employees according to gender, age, nationality, position and education level are as follows:



Compensation and benefits system

Compensation system

Montage Technology has established an operating mechanism integrating duties, rights, responsibilities and benefits and a salary system that is "fair internally and competitive externally". The Company implements a compensation system where wages are set based on positions and levels. Namely, the Company determines the basic annual wage of employees according to their positions, abilities, performance and other factors. Employees are paid no less than the minimum wage standard set by the local government.

In addition, in order to stimulate the enthusiasm of employees, the Company has established and improved a compensation plan that combines basic compensation and variable compensation, and adjusted the variable compensation of employees according to their performance evaluation results and work results, together with their actual work performance.

Benefits system

In order to convey its corporate culture and values, and reflect its humanistic care for employees, Montage Technology provides employees with legal benefits in accordance with local laws and regulations. Besides, it also provides employees with diversified benefits such as health security benefits, life support benefits, incentive benefits, holiday benefits and cultural construction benefits.



System of flexible working hours

The Company implements two systems of working hours for employees based on its business needs and the nature of jobs: system of standard working hours and system of flexible working hours. The labor contract signed between the Company and employees or the employee handbook specifies the specific system of working hours suitable for the employee's position.



Holiday benefits

In addition to statutory holidays, paid annual leave, personal leave, paid sick leave, marriage leave, maternity leave, paternity leave, breastfeeding leave, funeral leave, etc., the Company also provides employees with additional paid leaves as a supplement, aiming to provide effective support for employees to strike a balance between work and life.



Supplementary commercial insurance

In addition to social insurance and housing provident fund, the Company also pays supplementary commercial insurance for its employees and their children, including critical illness insurance, accident insurance and medical insurance, etc., to comprehensively protect the well-being of employees' families and solve their worries.



Festival benefits

The Company holds celebrations on major holidays and festivals and provides holiday allowances and benefits to employees.



Special care

Female employees: The Company has set up a nursing room, established a corresponding maternity leave system, and flexibly adjust the length of breastfeeding leave according to individual employees' actual needs.

Foreign employees: The Company takes into account the various difficulties of foreign employees in language, work and life, and has taken a series of actions to care for them, including but not limited to providing more suitable commercial insurance for foreign employees to meet their language needs; providing them with convenient and comfortable short-term apartments; preparing the Guidebook for Legal Seal Application Process to help foreign employees improve the process efficiency.

Reward mechanism

Montage Technology has set up a variety of incentive mechanisms on the basis of the basic salary and performance bonus to promote the common growth and development of the Company and employees.

Intellectual property incentives



Recognizing employees' innovative contributions, Montage Technology directly links innovation to income, enabling employees involved in innovation to share the benefits of technological advancements fairly and reasonably.

71 employees

Received patent awards

Equity incentive and stock ownership plan



The Company promotes the corporate culture of full-employee stock ownership, in order to further improve its long-term incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm of its employees, and effectively combine the interests of shareholders, the Company and employees.

The Company newly implemented an equity incentive plan, and **187** employees received the incentives; the Company newly launched an employee stock ownership plan, and **45** employees participated in it; stock options were exercised six times under the incentive plan, and a total of **558** employees were involved.

>95%
Comprehensive coverage of equity incentives

The 5th, 10th, 15th and 20th anniversary employee recognition awards



The Company recognizes the loyalty and long-term contribution of employees according to their length of service to enhance their recognition of the company and sense of honor.

55 employees

obtained the 5th, 10th, 15th and 20th anniversary employee recognition awards

Outstanding staff awards



The Company commends the grass-roots employees who have made outstanding contributions to the Company in the year.

12 employees

obtained outstanding staff awards



Employee Retention and Development

Montage Technology deeply understands the importance of talents for its sustainable development, always adheres to the strategy of developing the enterprise with talents, strives to create an environment where talents are respected and their development is benefited, to provide employees with diversified development platforms. Meanwhile, the Company attaches great importance to the study and growth of employees, continues to improve the construction of staff training system, and supports its employees to strengthen their reserve of professional knowledge, so as to enhance their professional competence and promote their career growth.

Opening up the growth channel

The Company has set comprehensive promotion and assessment factors, established an employee promotion mechanism with fair competition, and provided a long-term career development path for its employees, to give better play to their potential. During the reporting period, based on job requirements and the actual situation of employees, the Company optimized the multi-matrix promotion channel in real time, improved the promotion path and process, strengthened the management of employee promotion and internal transfer, and provided employees with sufficient growth space and development opportunities.

Focusing on talent training

Centering on our strategic development goals and business needs, we continue to improve the vocational training mechanism for employees, and actively and efficiently carry out various talent training programs. We also create personalized training programs according to employees' career stages and abilities and quality required for different job. During the reporting period, the Company held 86 face-to-face training sessions, with 3,476 persons receiving various training, totaling 16,459 hours. The training coverage was 100%.

86

Face-to-face training sessions

3476

Various training trainees

16459

Training hours

100%

Staff training coverage

Type of training		Objects of training	Main content	Results
Systematic training for all staff	General skills training	All employees	Problem analysis and solution Efficient communication	6 general skills training sessions, with 218 participants in total
	Montage Youth Program (Internal routine training)		<i>Clock Domain Crossing, Basic Setting and Application Sharing of Oscilloscope, Patent Mining and Technical Disclosure, Information Security Officer Training, Administrative and Fire Safety Training</i>	557 participants in total
Occupational basic training	Montage Freshmen Program	New employees	Face-to-face learning: product knowledge and categories Online learning: Online courses related to administration, finance, etc.	5 sessions, 91 participants in total
	Montage Star Program	2023 fresh graduates	One-week intensive training: project goal setting, skills and general competency training, book club and regular communication coaching	6 months, 51 participants in total
	Montage Chip Program	Middle management	Help define the responsibilities of managers and leaders, improve the effectiveness of management, enhance leadership, clarify management methods and key points of communication with subordinates	A training on <i>Administrative Role Cognition</i> , attended by a total of 30 heads of departments
Professional skills training	Sales skills training	Sales personnel	Discuss topics centering on actual sales scenarios, analyze the actual problems, and provide solutions	4 actual work cases, a training on <i>Professional Sales Skills Review and Case Study</i>

Employee Care and Protection

Montage Technology has established a sound employee care system. It encourages its employees to develop interests and strengthen their physical fitness, actively organizes various staff activities, and responds to employees' needs in time to improve their sense of belonging and identity to the Company with practical actions.

Employee activities

The Company is committed to creating a positive, harmonious and warm working environment, providing employees with a rich variety of cultural experience and recreational activities.

Montage Annual Conference



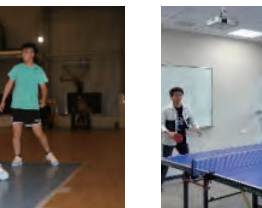
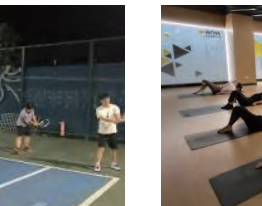
Spring Outing & Team Building



Birthday Party



Family Day



Club Activity



Occupational health

Montage Technology attaches great importance to the occupational health and safety of its employees, strictly abides by the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, the *Guidelines for Occupational Health and Safety Management System* and other relevant laws and regulations, and establishes an occupational health and safety management system to ensure the health and safety of its employees. The Company pays attention to its employees' safety awareness and conducts safety education and fire drills on a regular basis.

Safety culture

- All new employees are required to complete occupational health and safety training. Those who have not finished the training are not allowed to start work.
- The Company regularly carries out occupational health and safety training for key safety factors, including fire knowledge and skills training, to strengthen the safety awareness of employees.
- The Company regularly organizes fire drills to improve employees' ability to respond to emergencies.

Daily supervision

- The Company provides physical check-ups to all employees every year.
- The Company has a first aid kit which contains commonly used drugs.
- The Company improves the health care of employees and purchases additional commercial insurance for employees.



2023 Lingang R&D Center Project

Work-related accidents: 0

Number of deaths caused by work-related accidents: 0

Working hours lost due to work-related accidents: 0

Inputs: The costs of safe and civilized construction measures are about 6 million yuan.

Training: The company has conducted more than 24,000 hours of safety training, with more than 800 trainees, and a coverage rate of 100%.

Investigation: The Company conducts safety hazard investigation and rectification twice a week.

0

Number of work-related accidents

0

Working hours lost due to work-related accidents

6

About 6 million yuan

Inputs in the costs of safe and civilized construction measures

> 24000

Hours of safety training

Number of trainees

> 800

Coverage 100%

Case 1: Fire safety training

In September 2023, the Company invited professional firefighters from Hongmei Fire Station to conduct fire safety training for 44 department representatives and demonstrate how to use fire extinguishers.



Case 2: Evacuation drill

In November 2023, the Company organized all employees to participate in the office building safety evacuation drill. All personnel in the building were evacuated to the designated area according to the instructions of the building broadcast. The participation rate reached 100%.



Democratic management

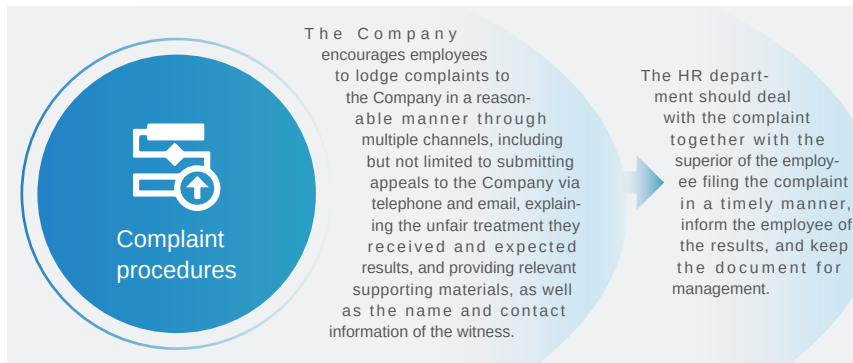
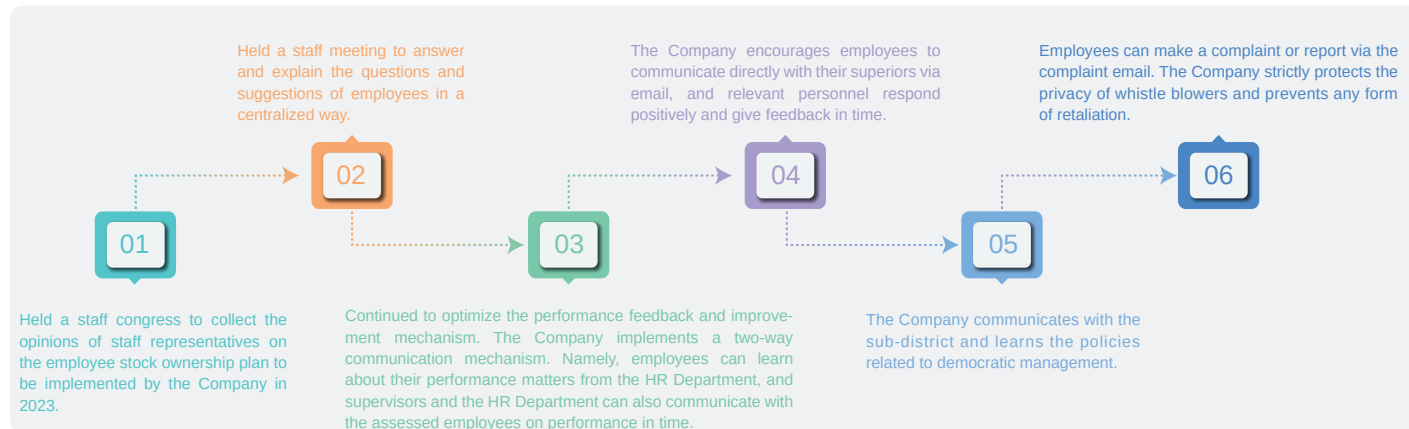
Montage Technology pays great attention to employees' opinions and suggestions on corporate development, attaches great importance to employee satisfaction survey, and promotes the improvement of internal management. The communication and investigation results show that employees' working environment, sense of accomplishment, corporate culture and so on have been significantly improved.

Focusing on employee satisfaction

The Company regularly (twice a year) collects opinions from all employees, always pays attention to employees' suggestions and demands for the development of the enterprise and their own; At the same time, it also conducts probation interviews with new employees to discuss and record the challenges they face at work, the support they need and their suggestions, so as to further improve employee satisfaction.

By holding staff congresses regularly, we conduct two-way communications with the majority of employees, encourage employees to put forward reasonable suggestions for the development of the Company, and protect employees' right to know, participate, vote and supervise. Also, the Company has established a variety of reporting and complaint channels to protect the legitimate rights and interests of employees. The Company clearly takes a zero-tolerance attitude towards any form of discrimination and harassment.

Democratic management measures



Reporting hotline
021-54679037

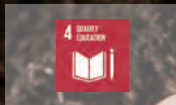


Reporting email
antifraud@montage-tech.com

06 Community Responsibility Creator of Social Value

- Participation in social welfare activities
- Deepening university-enterprise cooperation

Montage Technology continues to pay attention to social welfare, actively fulfills its own social responsibilities, and gives back to society based on its development achievements.



Focus	Results in the reporting period	
 Organize and carry out voluntary public welfare activities	• The total time spent on voluntary activities reached 304 hours • 106 employees participated in voluntary activities • The cash donation amounted to 1.14 million yuan	304 hours Total time spent on voluntary activities
 Support the development of education	• The "Montage Comprehensive Building" donated by the Company in Fengshan Primary School, Baoxiu Town, Shiping County, Yunnan Province was put into use • The Company organized employees to actively donate more than 700 books and 60 kilograms of clothing to Fengshan Primary School • The Company conducted science popularization about chips to the students of Fengshan Primary School	1.14 million yuan Amount of cash donation
 Care for the elderly and the disabled	• The Company donated umbrellas, masks and other supplies to Hongmei Sub-district, Xuhui, Shanghai to support the elderly and the disabled	106 Number of employees participating in voluntary activities
 Carry out industry-university-research institute cooperation	• The Company and Shanghai Jiao Tong University established the "Joint Laboratory for Frontier Technology of IC Design", co-published 6 papers, and jointly trained 3 doctors and 6 masters	More than 700 books Donated to Fengshan Primary School
		3 doctors 6 masters University-enterprise joint training



Participation in Social Welfare Activities

Montage Technology has long been and will always be committed to public welfare support. Montage Technology takes the initiative to fulfill its corporate social responsibility, actively participates in public welfare undertakings, and transmits positive social energy. We continue to invest in the health care and education development of young people to give back to the community with concrete actions; at the same time, we advocate employees to participate in public welfare activities, and vigorously develop diversified public welfare and charity activities to pass on love and kindness:



Voluntary blood donation



During the reporting period, Montage Technology (Kunshan) organized a voluntary blood donation activity. This activity received a positive response from employees, and lots of employees took the initiative to participate in the blood donation activity.

4

Voluntary activities

106

Number of employees participating in voluntary activities

304 hours

Total time spent on voluntary activities

1.14 million

Amount of cash donation

Montage Comprehensive Building, Fengshan Primary School was put into use



润起员工为凤山小学捐书



In 2022, the Company inaugurated the "Montage Cultural and Educational Special Fund" under the auspices of the Shanghai Charity Foundation. This fund is exclusively earmarked for the construction of the comprehensive building at Fengshan Elementary School, located in Baoxiu Town, Shiping County in the Honghe Prefecture of Yunnan Province. In January 2023, the construction of the comprehensive building started, covering a construction area of 567.5 square meters. The comprehensive building includes Heguang Classroom and Zhou Ronghua Library, which were officially put into use in September. The company also organized employees to actively donate books to the primary school.

Deepening University-Enterprise Cooperation

Joint contribution and shared benefits of the Joint Laboratory for Frontier Technology of IC Design

Led by scientific and technological innovation, we constantly strengthen systematic thinking, actively promote top-level design, and consolidate the innovation in university-enterprise cooperation. Since 2021, the "Joint Laboratory for Frontier Technology of IC Design" established by the Company and Shanghai Jiao Tong University has served as an important platform for cooperation between the two sides, and promoted the comprehensive development of IC and AI fields, driven by the demand, and starting from the source of scientific research and talent training.

In 2023, the Company continued to provide financial support for the project, advanced the university-enterprise cooperation in joint talent training and scientific research, implemented the "Pilot Reform in Nurturing Masters and Doctors of Engineering" jointly, co-published 6 papers, and jointly trained 3 doctors and 6 masters.



3

Doctors

6

Masters



6

Co-published papers

Appendix 1: Key Performance Indicators (compared with 2022)

2023 Environmental Key Performance Indicators

Key Performance Indicators	2022	2023	Unit
Energy Use ¹			
Gasoline consumption	2,888	2,104	Liter
Purchased electricity usage	3,225.78	3883.13	MWh
Comprehensive energy consumption ²	3,251.38	3,901.78	MWh
Direct energy consumption	25.60	18.65	MWh
Indirect energy consumption	3,225.78	3883.13	MWh
Comprehensive energy consumption intensity	5.57	5.54	MWh/Person
GHG Emissions ³			
Total GHG emissions	1,815.18	2,178.19	Tons of CO ₂ e
Scope 1	6.52	4.75	Tons of CO ₂ e
Scope 2	1,808.66	2,173.44	Tons of CO ₂ e
GHG emissions intensity	3.11	3.09	Tons of CO ₂ e/Person
Water Resources			
Total water consumption	4,973.41	6,548.57	Tons
Water consumption intensity	8.52	9.30	Tons/Person
Waste			
General solid waste generation	25.71	28.86	Tons
Office paper consumption	35.07	40.98	Ten thousand sheets

Note:

1: The main direct energy source involved in the Company is gasoline, and the main indirect energy source is purchased electricity.

2: Comprehensive energy consumption is calculated according to the conversion factor in the national standard General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589-2020).

3: GHG emissions of various Montage Technology operating locations are calculated in accordance with the rules applicable to the specific country where the office operates. For example, the office of Montage Technology (China) calculated GHG emissions according to the *Guidelines for Greenhouse Gas Emissions Accounting Methods and Reporting for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of China, and the *Research on Carbon Dioxide Emission Factors of China's Regional Power Grids (2023)* issued by the Ministry of Ecology and Environment of China; and the office of Montage Technology (the US) calculated GHG emissions according to the *Emission Factors for Greenhouse Gas Inventories* issued by the US Environmental Protection Agency.

2023 Social Key Performance Indicators

Indicators	2022	2023	Unit
Employment			
Signing rate of labor contracts	100	100	%
Commercial insurance coverage	100	100	%
Total number of employees	641	767	Person
Full-time and Part-time Employees			
Full-time employees	641	767	Person
Part-time employees	0	0	Person
Employee Ratio			
By Gender			
Male	70.83	71.06	%
Female	29.17	28.94	%
By Age			
30 years old and below	29.64	32.59	%
31 to 50 years old	41.12	59.84	%
51 years old and above	6.24	7.57	%
By Function			
R&D	73	77	%
Marketing	10	9	%
Management	17	14	%
By Education Level			
PhD	2	2	%
Master's degree	51	55	%

Indicators	2022	2023	Unit
Bachelor's degree	43	39	%
Junior college degree	3	3	%
High school degree and below	1	1	%
Health and Safety			
Number of work-related incidents	0	0	Case
Number of deaths caused by work-related accidents	0	0	Person
Working hours lost due to work-related accidents	0	0	Hour
Absence rate	0	0	%
Employee Training			
Proportion of trained employees	100	100	%
Average training hours	22.75	23.38	Hour
Average training hours for male employees	24.96	23.09	Hour
Average training hours for female employees	10.45	24.09	Hour
Compensation Incentives			
Patent awards	117	71	Person
Comprehensive coverage of equity incentives	94	95	%
Performance Evaluation and Career Development Assessment			
Percentage of employees receiving regular performance and career development assessment	100	100	%
Suppliers			
Supplier responsible mineral sourcing survey coverage	100	100	%

Appendix 2: Index

GRI Standard	Disclosure	Chapter Index
GRI2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	About Montage Technology – Company Profile
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	Including information re-statement
Activities and workers		
2-6	Activities, value chain and other business relationships	About Montage Technology – Major products
2-7	Employees	Employee responsibility · People-oriented employer — Employee attraction and incentives Appendix 1: Key Performance Indicators
Governance		
2-9	Governance structure and composition	ESG for Chips — Four pillars of ESG management
2-10	Nomination and selection of the highest governance body	ESG for Chips — Four pillars of ESG management
2-11	Chair of the highest governance body	ESG for Chips — Four pillars of ESG management
2-12	Role of the highest governance body in overseeing the management of impacts	ESG for Chips — Four pillars of ESG management
2-13	Delegation of responsibility for managing impacts	ESG for Chips — Four pillars of ESG management
2-14	Role of the highest governance body in sustainability reporting	ESG for Chips — Four pillars of ESG management
2-16	Communication of critical concerns	ESG for Chips – Stakeholder communication Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
2-19	Remuneration policies	Employee responsibility · People-oriented employer — Employee attraction and incentives
2-20	Process to determine remuneration	Employee responsibility · People-oriented employer — Employee attraction and incentives
Strategy, policies and practices		

2-22	Statement on sustainable development strategy	ESG for Chips — Four pillars of ESG management
2-23	Policy commitments	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
		Partner responsibility · Practitioner of common growth with the industry — Responsible sourcing
		Employee responsibility · People-oriented employer — Employee attraction and incentives
		Product responsibility · Pioneer of exploration and innovation — Product quality first
2-24	Embedding policy commitments	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
		Partner responsibility · Practitioner of common growth with the industry — Responsible sourcing
		Employee responsibility · People-oriented employer — Employee attraction and incentives
		Product responsibility · Pioneer of exploration and innovation — Product quality first
2-25	Processes to remediate negative impacts	Product responsibility · Pioneer of exploration and innovation — Product quality first
2-26	Mechanisms for seeking advice and raising concerns	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
2-27	Compliance with laws and regulations	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
2-28	Membership associations	Partner responsibility · Practitioner of common growth with the industry — Working with industry partners
Stakeholder engagement		
2-29	Approach to stakeholder engagement	ESG for Chips - Four pillars of ESG management
2-30	Collective bargaining agreements	Employee responsibility · People-oriented employer — Employee attraction and incentives
GRI3: Material Topics 2021		
3-1	Process to determine material topics	ESG for Chips — Identification of material issues
3-2	List of material topics	ESG for Chips — Identification of material issues
3-3	Management of material topics	ESG for Chips — Identification of material issues
		ESG for Chips — Four pillars of ESG management
		ESG for Chips — Stakeholder communication

3-3	Management of material topics	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
		Employee responsibility · People-oriented employer — Employee retention and development
		Employee responsibility · People-oriented employer — Employee care and protection
		Community responsibility · Creator of social value
		Partner responsibility · Practitioner of common growth with the industry — Responsible sourcing
		Partner responsibility · Practitioner of common growth with the industry — Working with industry partners
		Environment responsibility · Advocate of green operation — Comprehensive environmental governance
		Environment responsibility · Advocate of green operation — Focusing on biodiversity
		Environment responsibility · Advocate of green operation — Green operation environment
		Environment responsibility · Advocate of green operation — Response to climate change
		Product responsibility · Pioneer of exploration and innovation — Product quality first
		Product responsibility · Pioneer of exploration and innovation — R&D and innovation
		Product responsibility · Pioneer of exploration and innovation — Strict adherence to information security
		Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
Governance responsibility · Practitioner of sustainable management — Investors first		
Governance responsibility · Practitioner of sustainable management — Legal compliance disclosure		
Economic		
GRI201 Economic Performance 2016		
201-1	Direct economic value generated and distributed	Employee responsibility · People-oriented employer — Employee attraction and incentives
201-2	Financial implications and other risks and opportunities due to climate change	Environment responsibility · Advocate of green operation — Response to climate change
201-3	Defined benefit plan obligations and other retirement plans	Employee responsibility · People-oriented employer — Employee attraction and incentives
GRI203: Indirect Economic Impacts 2016		
203-2	Significant indirect economic impacts	Community responsibility · Creator of social value

GRI205: Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
205-3	Confirmed incidents of corruption and actions taken	Governance responsibility · Practitioner of sustainable management — Comprehensive risk control
Environmental		
GRI301: Materials 2016		
301-2	Recyclable materials used	Environment responsibility · Advocate of green operation — Green operation environment
GRI302: Energy 2016		
302-1	Energy consumption within the organization	Environment responsibility · Advocate of green operation — Comprehensive environmental governance Appendix 1: Key Performance Indicators
302-3	Energy intensity	Appendix 1: Key Performance Indicators
GRI303: Water Resources and Effluents 2018		
303-2	Management of water discharge-related impacts	Environment responsibility · Advocate of green operation — Comprehensive environmental governance
303-5	Water consumption	Environment responsibility · Advocate of green operation — Comprehensive environmental governance Appendix 1: Key Performance Indicators
GRI304: Biodiversity 2016		
304-2	Significant impacts of activities, products, and services on biodiversity	Environment responsibility · Advocate of green operation — Focusing on biodiversity
GRI305: Emissions 2016		
305-2	Energy indirect (Scope 2) GHG emissions	Environment responsibility · Advocate of green operation — Response to climate change Appendix 1: Key Performance Indicators Appendix 1: Key Performance Indicators Environment responsibility · Advocate of green operation — Response to climate change
305-4	GHG emissions intensity	Appendix 1: Key Performance Indicators
305-5	Reduction of GHG emissions	Environment responsibility · Advocate of green operation — Response to climate change

GRI306: Waste 2020		
306-2	Management of significant waste related impacts	Environment responsibility · Advocate of green operation — Comprehensive environmental governance
306-3	Waste generated	Environment responsibility · Advocate of green operation — Comprehensive environmental governance
		Appendix 1: Key Performance Indicators
GRI308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Partner responsibility · Practitioner of common growth with the industry — Responsible sourcing
Social		
GRI401: Employment 2016		
401-1	New employee hiring rate and employee turnover rate	Appendix 1: Key Performance Indicators
		Environment responsibility · Advocate of green operation — Comprehensive environmental governance
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Environment responsibility · Advocate of green operation — Comprehensive environmental governance
GRI403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Employee responsibility · People-oriented employer — Employee care and protection
403-2	Hazard identification, risk assessment, and incident investigation	Employee responsibility · People-oriented employer — Employee care and protection
403-3	Occupational health services	Employee responsibility · People-oriented employer — Employee care and protection
403-5	Employee training on occupational health and safety	Employee responsibility · People-oriented employer — Employee care and protection
403-6	Promotion of occupational health	Employee responsibility · People-oriented employer — Employee care and protection
403-7	Prevention and mitigation of impacts on occupational health and safety directly linked by business relationships	Employee responsibility · People-oriented employer — Employee care and protection
403-9	Work-related injuries	Employee responsibility · People-oriented employer — Employee care and protection
403-10	Work-related ill health	Employee responsibility · People-oriented employer — Employee care and protection
GRI404: Training and Education 2016		

404-1	Average hours of training per year per employee	Employee responsibility · People-oriented employer — Employee retention and development Appendix 1: Key Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Employee responsibility · People-oriented employer — Employee retention and development
404-3	Percentage of employees receiving regular performance and career development assessment	Appendix 1: Key Performance Indicators
GRI405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Employee responsibility · People-oriented employer — Employee attraction and incentives
405-2	Ratio of basic salary and remuneration of women to men	Employee responsibility · People-oriented employer — Employee attraction and incentives
GRI406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Employee responsibility · People-oriented employer — Employee care and protection
GRI408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Employee responsibility · People-oriented employer — Employee attraction and incentives
GRI409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee responsibility · People-oriented employer — Employee attraction and incentives
GRI413: Local Communities 2016		
413-2	Operations with significant actual and potential negative impacts on local communities	Community responsibility · Creator of social value
GRI414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Partner responsibility · Practitioner of common growth with the industry — Responsible sourcing
GRI416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Product responsibility · Pioneer of exploration and innovation — Product quality first
GRI417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Product responsibility · Pioneer of exploration and innovation — Product quality first

Feedback and Suggestions

Dear Reader,

Thank you for reading the 2023 Environmental, Social and Governance (ESG) Report of Montage Technology. In order to provide you and other stakeholders with more professional and valuable information regarding our ESG management, and to constantly improve the quality of the report and promote the Company's management and practice capabilities in ESG, we sincerely invite your feedback on your true feelings and your enthusiastic suggestions. Please do not hesitate to give us your comments!

You can email or mail us your feedback. Our contact information is as follows:

Address: 16/F, 181 Caobao Road, Montage Circle, Xuhui District, Shanghai, China

Postal Code: 200233

Email: ir@montage-tech.com

For Montage Technology, which of the following stakeholder types applies to you?

- ☐ Shareholder & Investor
- ☐ Customer
- ☐ Partner & Supplier
- ☐ Government & Regulator
- ☐ Employee
- ☐ Community/Public

Please rate the following on a scale of 1 to 5

(1 being the lowest and 5 being the highest score)

- | | |
|---|-----------|
| 1. Please give your overall evaluation of this report. | ☆ ☆ ☆ ☆ ☆ |
| 2. Please rate Montage Technology's performance on ESG responsibilities | ☆ ☆ ☆ ☆ ☆ |
| 3. Do you think this report can reflect the environmental significance of Montage Technology? | ☆ ☆ ☆ ☆ ☆ |
| 4. Do you think this report can reflect the social significance of Montage Technology? | ☆ ☆ ☆ ☆ ☆ |
| 5. Do you think this report can reflect the corporate governance of Montage Technology? | ☆ ☆ ☆ ☆ ☆ |
| 6. Please rate the degree of information disclosure in this report. | ☆ ☆ ☆ ☆ ☆ |
| 7. Please rate the design style of this report. | ☆ ☆ ☆ ☆ ☆ |

Please provide your comments and suggestions for us to further improve our ESG disclosure and ESG management.