

The background of the cover is a scenic photograph of a calm lake reflecting a snow-capped mountain and a dense forest of evergreen trees. A thick, wavy blue line is superimposed over the middle of the image, creating a sense of movement and design. The text is overlaid on the left side of the image.

2025

ENVIRONMENTAL, SOCIAL, AND
GOVERNANCE (ESG)

REPORT



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Introduction

A Message from Our Leadership

The semiconductor industry continues to evolve rapidly, driven by artificial intelligence, advanced packaging, and increasingly sophisticated manufacturing technologies. As these trends reshape the industry, they also reinforce the importance of innovation, operational excellence, and responsible business practices. We remain committed to delivering differentiated semiconductor equipment and process solutions while integrating sustainability into the way we govern our business, develop technologies, support our people, and create long-term value for our stakeholders.

Strong governance provides the foundation for sustainable growth.

Throughout 2025, we continued to strengthen Board oversight, enterprise risk management, ethical business practices, and transparent decision-making across our global operations. At the same time, we advanced our ESG governance framework to further integrate sustainability considerations into strategic planning and business execution. We believe that accountability, integrity, and effective governance are essential to maintaining the confidence of our customers, employees, shareholders, and business partners.

Innovation remains the driving force behind our long-term competitiveness.

Through continuous investment in research and development (R&D), we expanded our portfolio of differentiated semiconductor equipment and process technologies designed to improve manufacturing performance while enabling more efficient use of energy, water, and process chemicals. By embedding sustainability into

product innovation, we help customers to address increasingly complex semiconductor manufacturing challenges while supporting more resource-efficient semiconductor production.

Our people are central to everything we achieve. We are committed to fostering an inclusive, safe, and engaging workplace where employees are empowered to grow, collaborate, and innovate. At the same time, we continue to enhance the environmental performance of our operations through climate governance, responsible resource management, and measurable sustainability objectives. We recognize that investing in our people and strengthening environmental resilience are both essential to building a stronger and more sustainable business.

Looking ahead, we will continue to strengthen our governance, advance technological innovation, invest in our people, and enhance the resilience of our operations. Sustainability is not a separate initiative—

it is an integral part of how we create long-term value and support the continued advancement of the semiconductor industry. Together with our employees, customers, suppliers, shareholders, and other stakeholders, we remain committed to building a more innovative, resilient, and sustainable semiconductor industry.

David H. Wang

Chairman of the Board,
Chief Executive Officer and President

About ACM Research

Advanced Solutions for Semiconductor Manufacturing

ACM Research supplies advanced, innovative capital equipment developed for the global semiconductor industry.

Our products are designed to address yield-critical and performance-sensitive process steps that become increasingly difficult as semiconductor devices scale to smaller geometries and more complex structures. We focus on developing differentiated process solutions that enable effective particle removal, uniform material deposition, and reliable process control, while helping customers manage cost of ownership, throughput, and environmental considerations. We believe this approach has supported broader adoption of our tools across multiple technology nodes and device types.

Fabricators of advanced integrated circuits, or chips, can use our wet-cleaning, plating, furnace, PECVD, track, and other front-end processing equipment in numerous steps to improve product yield, even at increasingly advanced process nodes. We have designed these products for use in fabricating foundry, logic and memory chips, including dynamic random-access memory, or DRAM, and 3D NAND-flash memory chips. We also develop, manufacture and sell a range of advanced packaging equipment to wafer assembly and packaging customers.

Company Overview

Founded in California in 1998 and incorporated in Delaware, ACM Research is an American publicly traded company that has over 500+ internationally granted patents for its differentiated technology that improves customer production processes with better yields (fewer defects) leading to reduced chemical consumption per usable chip in the semiconductor process. The manufacturing aspect of the semiconductor industry is an extremely complex and intricate process with over 500 steps that require sophisticated world class tools to support this process. The company's multi-product portfolio of tools supports Silicon Integrated Circuit (IC) wafer fabrication, compound semiconductors, wafer-level packaging, panel-level packaging, and wafer manufacturing applications. This wide range of advanced product offerings cover the majority of the semiconductor process, supporting multiple semiconductor steps including cleaning, electroplating, stress-free polishing, vertical furnace processes, and more.

We are headquartered in Fremont, California, and have additional operations in Hillsboro, Oregon. Since 2005, ACM Research has conducted its business operations principally through its subsidiary ACM Research (Shanghai), Inc. We conduct a substantial majority of our product development, manufacturing, support and services in mainland China through ACM Shanghai. We perform, through a subsidiary of ACM Shanghai, additional product development and subsystem production in Korea, and we conduct, through ACM Research, sales and marketing activities focused on sales of products in North America, Europe, and Asia.

ACM Research Overview

		
Stock exchange	Listing date	Ticker symbol
Nasdaq Global Market	November 3, 2017	ACMR



Product Categories

We provide advanced semiconductor process equipment solutions supporting wafer fabrication and advanced packaging applications. Our product portfolio consists of three major categories:



Wet Cleaning Equipment for Front End Production Processes

We provide a comprehensive portfolio of wet cleaning equipment designed for front-end semiconductor manufacturing processes. Our cleaning systems are developed to address critical cleaning requirements throughout wafer fabrication, including the removal of particles, organic contaminants, metallic contaminants, and other residues that may affect device performance and yield. Our proprietary cleaning technologies, including SAPS, TEBO, and Tahoe, enhance cleaning effectiveness while supporting advanced semiconductor manufacturing processes.



ECP, Furnace, PECVD, and Track Platforms

We have developed a diversified portfolio of wafer fabrication equipment platforms, including Electro Chemical Plating ("ECP"), furnace systems, plasma-enhanced chemical vapor deposition ("PECVD") equipment, and track systems. Our ECP equipment utilizes multi-anode technology to support advanced wafer-level metallization processes, while our furnace systems, PECVD equipment, and track platforms enable various process steps required in semiconductor manufacturing. These systems support customers in improving process performance, production efficiency, and manufacturing flexibility.



Advanced Packaging and Other Back-End Processing Tools

We provide advanced packaging and other back-end processing equipment to support the evolving semiconductor industry, including wafer-level packaging applications and silicon substrate manufacturing processes. Our advanced packaging systems are designed to address increasing demand for high-performance semiconductor devices, while our back-end processing tools support the development of next-generation packaging technologies and manufacturing capabilities.

Corporate Culture



Corporate vision

- To become a key supplier of capital equipment to major global semiconductor manufacturers
- To provide customers with world-class semiconductor equipment and processes based on our own intellectual property



Corporate values

- Innovate with courage
- Pursue excellence
- Honor commitments
- Win together



Development strategies

- Technology differentiation
- Product platformization
- Global customer expansion

Our 2025 Highlights

Awards and Honors

ACM Research's proprietary Horizontal Panel-Level Plating Equipment won the U.S. 3D InCites Association "Technology Enablement Award".

Single-wafer medium-/high-temperature sulfuric peroxide mixture (SPM) equipment successfully passed a logic chip manufacturer's high-volume manufacturing validation.

World's First Ultra C vac-p Flux Cleaning System Won Global Technology Award presented annually by Global SMT & Packaging magazine.



ESG Rating Performance

Key ESG Ratings	2024	2025
CDP Climate Change	B-	B
MSCI ESG	B	B

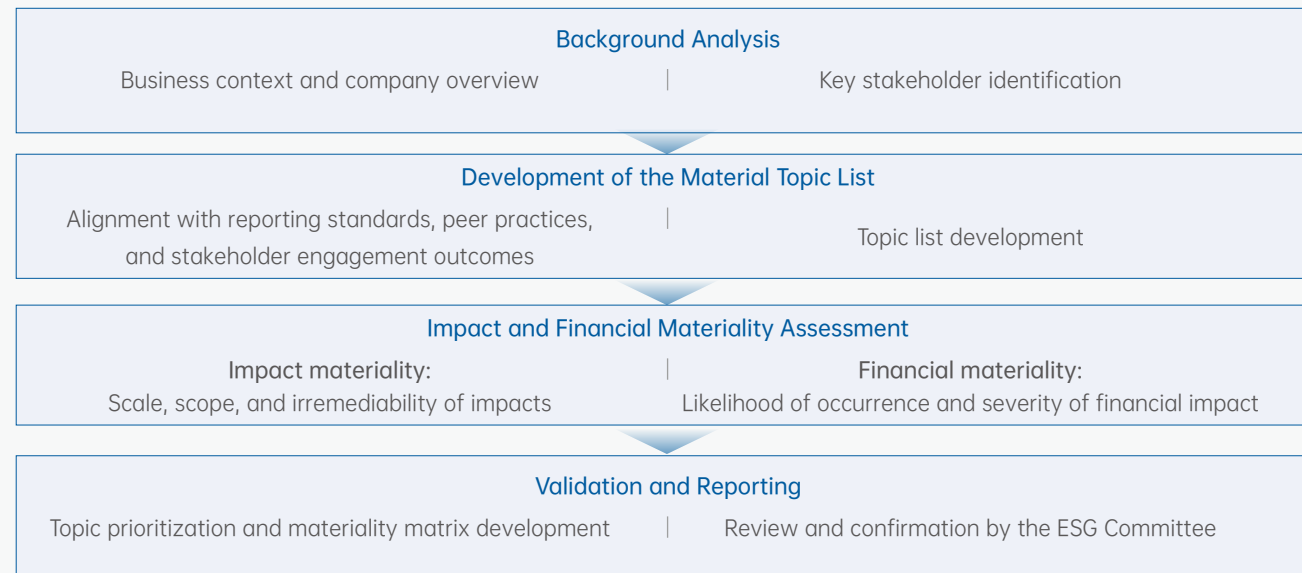


Reporting Approach

Following the GRI Standards and IFRS S1, we conducted a comprehensive double materiality assessment. The double material assessment considers factors that i) may have a significant impact on the environment and society, and ii) may impact the Company's financial performance and long-term value creation.

We further evaluated the relevance and potential impacts of these material topics on our operations and stakeholders, leveraging ESG rating methodologies from ISS ESG and MSCI ESG as references.

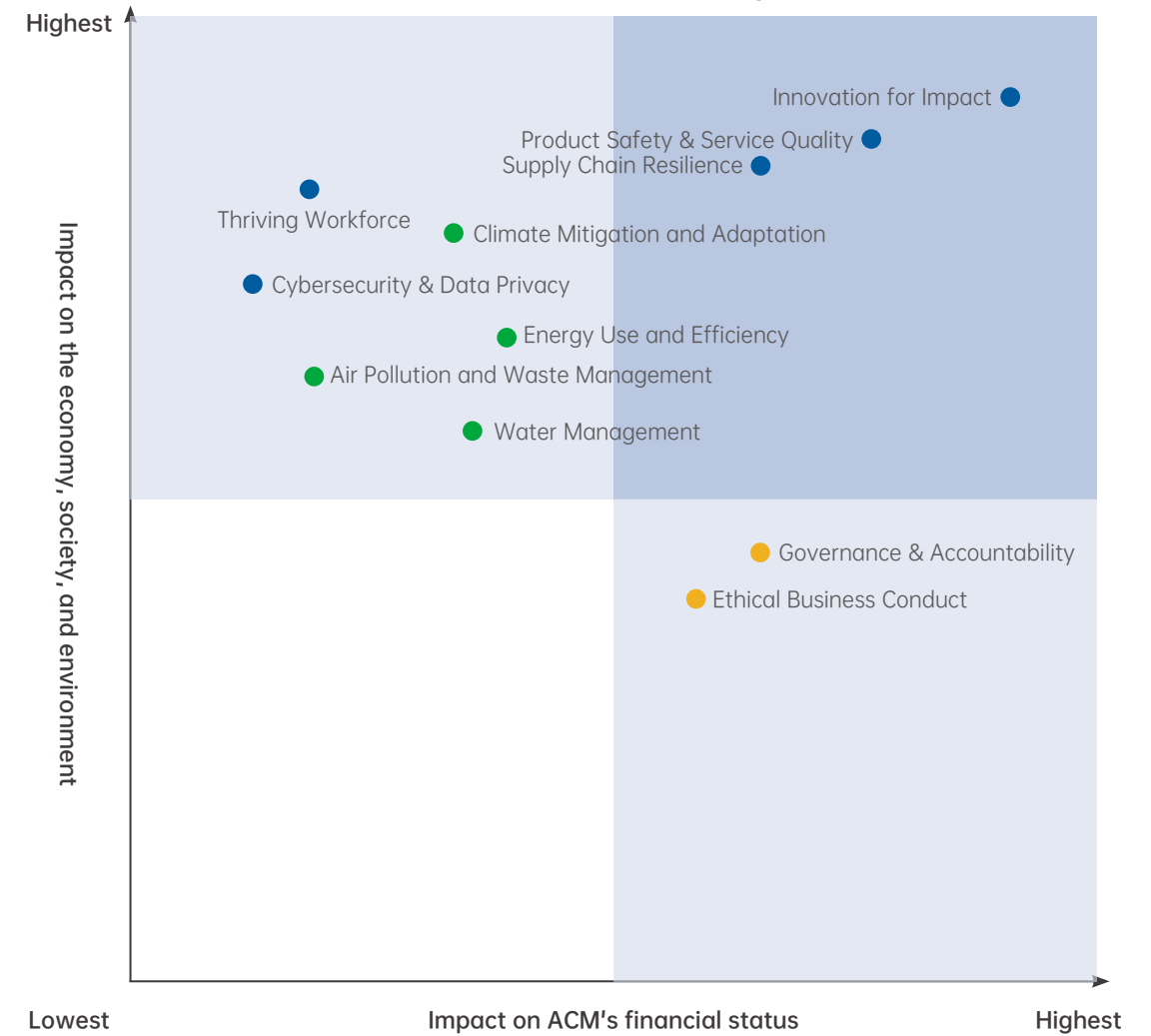
Materiality Assessment Procedures



We have identified our key stakeholders as customers, employees, shareholders, partners, suppliers, regulatory authorities, communities, and the general public.

To support effective stakeholder engagement, we have established regular communication channels and frequencies with each stakeholder group, carrying out due diligence through interviews, surveys, and other methods.

ACM 2025 ESG Materiality Matrix



- Indicates environmental topics of materiality;
- Indicates social topics of materiality;
- Indicates governance topics of materiality.

Corporate Governance

-  Governance and Accountability
-  Ethical Business Conduct

SDGs Responded:



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS

Targets and Status

Area	Target	Status	Measurement
Governance and accountability	Maintain at least one female director on the Board.		Annual
Business ethics	Maintain 100% employee coverage for business ethics training by 2030.		Annual
	Achieve 100% anti-corruption audit coverage every three years.		Three-year cycle

Governance and Accountability⁽¹⁾

Strong corporate governance provides the foundation for effective oversight and responsible decision-making. We have established a governance framework led by our Board of Directors ("Board") and supported by the Audit Committee, Compensation Committee, Nominating and Governance Committee, and ESG Committee⁽¹⁾. Through governance-related policies, including the [Stakeholder Communications Policy](#), [Standards for Director Independence](#), [Governance Guidelines](#), and other charters, policies, and guidelines, we have been reinforcing board effectiveness, transparency, and accountability across the Company. During the past two years, no material regulatory investigations, enforcement actions, penalties, sanctions, or legal proceedings have occurred.



(1) In 2026, we established the ESG committee which approved the ESG Charter and several ESG-related Policies. These policies, together with additional governance-related documents, can be found at <https://ir.acmr.com/corporate-governance/highlights>.

2025 GOVERNANCE HIGHLIGHTS



4

Board Meetings



7

Committee Meetings



1

ESG-related Proposals Reviewed



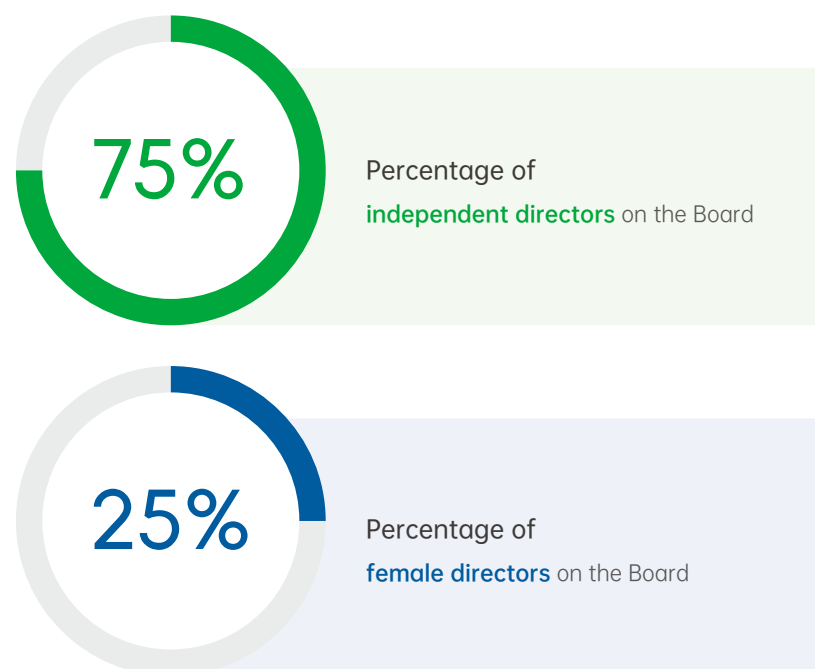
Independent Directors Attended Every Board Meeting

- * The Board oversees the Company's enterprise risk management framework.
- * The Audit Committee assists the Board by overseeing key risks related to financial reporting, internal controls, compliance, and enterprise risk management.
- * Management regularly reports on significant operational, regulatory and emerging risks.

Board Independence and Diversity

We maintain the Board structure designed to promote objective oversight and independent judgment. Director independence is assessed in accordance with the [Standards for Director Independence](#), with independent directors representing the majority of the Board.

While certain independent directors have served for extended periods, the Board annually reviews their independence and concludes that their tenure does not impair their ability to exercise objective judgment. The Board also values diversity of professional experience, industry expertise, and perspectives to support informed decision-making and effective governance.



Compensation and Performance

The Compensation Committee oversees the executive compensation program and is responsible for reviewing and approving the compensation of the Company's named executive officers. In determining executive compensation, the Compensation Committee considers multiple factors, including individual performance, company performance, market competitiveness, and long-term shareholder interests, with the objective of aligning executive incentives with the long-term strategy. For more information on the roles and responsibilities of the Compensation Committee, please refer to the Company's [Compensation Committee Charter](#).

We reinforce executive compensation governance through shareholder engagement and established governance mechanisms. In accordance with the Company's governance practices, shareholders are provided with an advisory vote on executive compensation every three years. The most recent advisory vote received strong shareholder support, reflecting shareholder confidence in the Company's executive compensation program.

To strengthen executive accountability and sound compensation practices, we have established supporting governance mechanisms. We maintain our [Director Stock Ownership Guidelines](#) to encourage long-term alignment between directors and shareholders, and have adopted a [Compensation Clawback Policy](#), providing for the recovery of certain incentive-based compensation from current or former executive officers under specified circumstances.

ESG Management

In 2026, we established an ESG Committee⁽¹⁾ to assist the Board in overseeing the Company's ESG strategy and performance. The Committee supports effective ESG governance by reviewing key sustainability matters and providing recommendations to the Board to promote long-term sustainable development.

The ESG Committee is responsible for:

- Providing strategic oversight of the Company's ESG strategy, priorities, and overall performance;
- Assessing material ESG risks and opportunities and advising the Board on appropriate management responses;
- Monitoring the quality and effectiveness of ESG disclosures and stakeholder engagement practices;
- Recommending, where appropriate, the incorporation of ESG-related performance metrics into executive incentive programs for consideration by the Compensation Committee. Potential metrics may include diversity hiring, workplace safety, regulatory compliance, and completion of business ethics training; and
- Evaluating performance against approved ESG-related metrics to support accountability and continuous improvement.

We recognize that effective ESG management supports responsible operations and long-term value creation. We will continue to strengthen our ESG strategy, identify and manage material environmental and social risks and opportunities, monitor progress against relevant objectives, and enhance the quality and transparency of ESG reporting and stakeholder communication.

Ethical Business Conduct

ACM Research maintains a zero-tolerance stance toward all forms of corruption, bribery, and other misconduct, and takes all necessary measures to prevent and combat such practices. We believe that corruption and other illegal or unethical conduct in business activities undermine fair market competition and firmly hold that the long-term development of the Company depends on employees' integrity and adherence to high ethical standards.

We have established a top-down business ethics governance system, with the Board and Senior Management bearing ultimate oversight responsibility, covering key areas such as corruption, fraud, money laundering, conflicts of interest, infringement of trade secrets, and information security.

We have established the *Code of Business Conduct and Business Ethics Policy* and the *Travel & Entertainment Policy*, and we periodically review and update these policies to ensure alignment with applicable laws and regulations. These policies provide guidance for employees in conducting business with integrity and in accordance with our ethical standards.

Business Ethics and Compliance

Integrity and ethical conduct are fundamental to our business operations. We maintain a business ethics system supported by policies, internal controls, compliance procedures, and employee awareness initiatives to promote responsible business practices and manage compliance risks.

Business Ethics Principles



Audit and risk control

- The *Code of Business Conduct and Business Ethics Policy*, the Employee Integrity and Self-Discipline Policy, etc., are established to regulate employee behavior and strengthen risk control.
- We commit to conducting anti-corruption audits of our business ethics policies, procedures, and implementation effectiveness across all global operations at least once every three years.
- For any weaknesses identified in audits, we develop corrective measures and ensure follow-up actions to drive the continuous improvement and effective operation of the system.



Anti-bribery and anti-corruption

- All employees are required not to offer or provide bribes, kickbacks, fraud, money laundering, or any form of improper benefit to public officials or business partners to obtain commercial opportunities, nor to solicit, accept, or misappropriate company assets by abusing their position or authority.
- Business partners (including but not limited to customers, suppliers, distributors, service providers, intermediaries, and other commercial counterparts) are likewise prohibited from offering or providing bribes or improper benefits to our employees.



Anti-competitive

- We are committed to fair competition and prohibit any form of unfair competition or anti-competitive conduct.
- We establish competition compliance management procedures, conduct regular assessments, and provide ongoing competition compliance training to employees, particularly those in high-risk roles, to promote awareness and responsible business practices.



Conflict of interest

- We have established the *Conflict of Interest Policy* that defines conflicts of interest and related-party transactions, covering situations such as financial interests, gifts and hospitality, and the employment of relatives.
- The policy sets out procedures for disclosure, review, and approval. All actual or potential conflicts of interest must be disclosed to the Chief Executive Officer or Chief Financial Officer, who will evaluate and decide on the matter based on fairness, reasonableness, and the impact on our interests. (For details, please refer to the *Conflict of Interest Policy*.)



To reinforce our business ethics principles, we implement a range of measures to strengthen compliance awareness, promote ethical behavior, and enhance integrity management across our operations and supply chain. Through employee training, supplier engagement, and compliance oversight, we seek to foster a culture of integrity, mitigate business conduct risks, and support responsible business practices.

Compliance
awareness
promotion

- Provided business ethics training to all employees, including full-time employees, contractors, and part-time employees;
- Conducted regular briefings on the *Code of Business Conduct and Business Ethics Policy*, to strengthen employees' understanding of ethical requirements; and
- Delivered periodic training on business ethics, compliance awareness, and risk prevention to reinforce integrity and help employees identify and prevent misconduct.

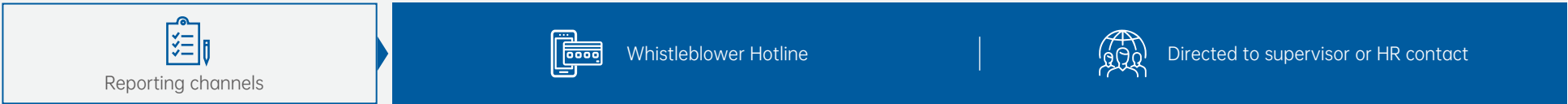
Supply chain
integrity
management

- Required majority of suppliers to sign the *Integrity Agreement and Supplier Compliance Commitment Letter* as a condition of cooperation;
- Conducted annual integrity briefings for suppliers and provided multiple complaint and reporting channels; and
- Enforced disciplinary measures for supplier misconduct, including the return of improper benefits, contractual penalties, compensation for losses, supplier disqualification, blacklisting, and immediate termination of cooperation in cases involving corruption, bribery, or unfair competition.

Business Ethics Measures in 2025

Whistleblowing and Grievance Mechanism

We have a [Whistleblower Policy](#) and established a transparent whistleblowing and grievance mechanism to enable employees and stakeholders to report suspected misconduct, violations of applicable laws, internal policies, or business ethics standards. Reports or grievances may be submitted anonymously or with identification through multiple channels.



Reported matters are reviewed and investigated through established procedures, and individuals may raise concerns regarding the handling of investigations to ensure a fair and impartial resolution.

We are committed to protecting whistleblowers and grievance submitters by maintaining the confidentiality of reported information and taking appropriate measures to safeguard their identities. We strictly prohibit retaliation, discrimination, or any adverse actions against individuals who report concerns in good faith or participate in investigations. Any confirmed violations of the non-retaliation policy will be addressed in accordance with applicable internal policies and disciplinary procedures.

Products and Services

- 🔗 Innovation for Impact
- 🔗 Product Safety and Service Quality
- 🔗 Supply Chain Resilience
- 🔗 Cybersecurity and Data Privacy

SDGs Responded:





Targets and Status

Area	Target	Status	Measurement
Sustainable Procurement	Achieve 50% of suppliers screening coverage against environmental and social criteria by 2030.		Cumulative

Innovation for Impact

Semiconductor manufacturing is becoming increasingly complex, driven by device scaling, advanced packaging, and rising performance and efficiency requirements. These trends are driving increasing demand for differentiated process solutions that can meet tighter process requirements, emerging materials, and evolving manufacturing needs.

Innovation is at the core of our efforts to drive the continued advancement of the semiconductor industry. By developing customized, high-performance, and resource-efficient process solutions, we help semiconductor manufacturers improve production efficiency, enhance product yield, and optimize manufacturing performance across critical process steps.

Through sustained investment in research and development and the advancement of proprietary technologies, we continue to strengthen technology capabilities and create long-term value for customers and the semiconductor ecosystem.

Managing Risks and Opportunities in R&D Process

We have a large portfolio of semiconductor process equipment solutions spanning across front-end wafer fabrication and advanced packaging. Built upon proprietary process technologies and system architectures, our solutions are designed to address increasingly complex semiconductor manufacturing challenges.

Through continued innovation across wet cleaning, plating, furnace, PECVD, and track platforms, we aim to support customers in enhancing manufacturing efficiency, improving product value, and creating long-term growth opportunities.

We have integrated the identification and management of innovation-related risks and opportunities throughout our independent R&D process. Our closed-loop management framework encompasses project initiation, planning, execution and monitoring, and completion, helping ensure that our technological innovations align with global semiconductor industry trends and customer needs while supporting a clear path to commercialization and long-term strategic resilience.

Semiconductor Process Technology Portfolio

Single-Wafer Cleaning, Tahoe and Semi-Critical

Flagship (SAPS, TEBO, Tahoe, Bevel Etch, SPM)

Semi-critical



ECP, Furnace & Other Technologies

Ultra ECP ap

Ultra ECP map

Ultra ECP ap-p

Ultra Fn Furnace



Track and PECVD Platforms

Track

PECVD



Advanced Packaging & Other

Scrubbers, coaters, developer tools, plating tools, tape frame cleaning, wet stripping, wet etching, panel level flux clean, stress-free polishing systems, and other parts and services





Sustainable Technology Development

As global efforts to advance carbon neutrality continue to accelerate, we integrate green principles into the core of product innovation, continuously iterate advanced green technologies such as SAPS, TEBO, and Tahoe, and are committed to developing key semiconductor equipment for cleaning, electroplating, and other processes featuring lower chemical consumption, lower energy consumption, and higher resource utilization efficiency.

We have established an end-to-end management process, covering the major steps of "definition–realization–validation–iteration", to ensure that product environmental objectives are quantifiable, actionable, and verifiable. This has also formed four core features— "parametric definition, end-to-end process control, cross-departmental collaboration, and scalable response" —thereby providing assurance for the implementation of ACM Research's green product strategy.

Sustainable Technology Targets



- Review the green product portfolio, accelerate the transition of green technologies from research and development outcomes to large scale applications.



- Promote the optimization and upgrading of the business structure toward greater sustainability.



- Improve management and disclosure mechanisms that demonstrate environmental benefits alongside commercial value.

Four Core Features of Green Products



Parametric definition

- At the product concept stage, we convert green attributes into specific, measurable technical parameters and design criteria. For example, in the product specification of Tahoe, we explicitly define the chemical mixing ratio and flow rate, and the control range for process temperature, and embed concrete targets such as a 75% reduction in sulfuric acid consumption.
- We incorporate environmental performance-coupled metrics, such as particle removal efficiency and limits on metal contamination, into the core acceptance criteria.



Cross-departmental collaboration

- The *Product Specification* clearly defines the boundaries of responsibilities for the Process Product Department (defining the green baseline), the Engineering and Production Department (implementing water-saving and chemical-saving designs), and the Field Service and Process Team (verifying green performance through Inductively Coupled Plasma Mass Spectrometry (ICP-MS) testing, uniformity testing, etc.), thereby forming a closed loop.
- Leveraging tools such as the *Product Specification* and the *Product Configuration Baseline Form*, *Equipment-Specific Configuration Form*, and *Key Parameters and Acceptance Criteria Control Form*, the Company ensures that green objectives are not distorted due to gaps in inter-departmental handoffs.



End-to-end process control

- Green requirements run throughout every stage of product development: from the design of bench + single-wafer hybrid architecture and the selection of the fan filter unit (FFU) cleanroom system, to the diversion of acid/alkali waste gas and the parameter settings for CH EXH airflow, all of which are codified in specification sheets as engineering inputs.
- Our in-house R&D pilot line for in-house chip fabrication standards provides a real-world validation platform for green performance, ensuring that technical solutions meet expectations in terms of energy consumption, chemical use, and emissions control.



Scalable response

- Technical upgrade interfaces are reserved in the equipment specifications, enabling the device's environmental performance to remain compliant as processes evolve and environmental regulations are updated.
- A dual-track model of "Standard Configuration and Optional Modules" is adopted, where standardized designs (e.g., optimization of medium-to-low temperature sulfuric acid nozzles) are used to build an efficient base platform, while enabling rapid response to customers' customized needs in water saving, acid saving, and nitrogen saving, thereby efficiently translating external environmental requirements into differentiated product advantages.

Through technology collaboration and process optimization, we develop sustainable solutions that help customers reduce environmental impacts while improving manufacturing performance.





Case SAPS Megasonic Single-Wafer Cleaning System (Functional Water Cleaning System)

This system uses ultra-low-concentration ammonia solution (20 ppm) and SAPS megasonic cleaning technology to replace the traditional SC1 cleaning solution (ammonia solution and hydrogen peroxide). In high-volume manufacturing, assuming a daily output of 3,000 wafers, the process delivers daily savings of approximately 101 liters of ammonia solution and 203 liters of hydrogen peroxide, corresponding to a reduction of nearly 99.9% in ammonia consumption, with hydrogen peroxide usage eliminated entirely. This technology also improves the particle removal rate by approximately 15%, and each unit can help customers reduce carbon emissions by approximately 50 tons per year.



reduction of nearly in ammonia consumption

99.9%



improved particle removal rate by approximately

15%



Product Image



Case Collaborative Equipment Customization with Customers

In one project associated with a client, we addressed the pain point of excessive consumption of high-value chemicals by implementing a customized retrofit of the acid supply system for our backside cleaning tools, with a focus on optimizing the Chemical Delivery System (CDS) spent-acid recovery mechanism. After the retrofit, the acid replacement cycle was significantly extended from the original 300 wafers to 1,100 wafers. Under the customer's operating conditions of a daily output of 6,000 wafers, the daily frequency of acid tank replacement was reduced by 14 times (50 liters each time), saving 700 liters of 49% concentration hydrofluoric acid per day. This not only substantially reduces chemical procurement and waste liquid treatment costs, but also effectively alleviates the customer's chemical management burden, fully demonstrating the deep integration of green technologies with industrial needs.

Sustainable Materials Management

We embed sustainability principles into material stewardship by optimizing resource use, expanding the adoption of recovered and environmentally preferable inputs, fostering responsible sourcing, and enabling a more circular approach across the value chain.

We comprehensively facilitate the recycling and reuse of relevant resources, striving to minimize resource waste and environmental pollution to the greatest extent while reducing operating costs and enhancing economic benefits.



Product Safety and Service Quality

Our main products include front-end process equipment such as cleaning systems, semiconductor electroplating systems, vertical furnace systems, coater/developer track systems, PECVD equipment, and stress-free polishing systems.

Our manufacturing operations are currently concentrated in Asia. We regard product quality and safety as fundamental to our long-term success and have established a dedicated Product Safety Department with clearly defined responsibilities for risk identification, standards development, accident prevention, and emergency response.

Meanwhile, we follow the semiconductor equipment standards developed by Semiconductor Equipment and Materials International (SEMI), continuously improving our internal quality management system. We revised our internal *MFG Manufacturing Quality Reward and Penalty Regulations* in 2025, and formulated our internal *Design Quality Reward and Penalty Regulations*, providing a solid safeguard for the efficient and stable operation of customers' production lines.

In 2025, adhering to the quality policy of "putting customer first, strictly observing the 'Three Nos' principle⁽²⁾, focusing on closed-loop control, and ensuring 'zero-defect' delivery", we fully launched the construction of a "Comprehensive Quality" system, aiming to enhance product quality, safety, and delivery reliability through a systematic, cross-departmental collaboration approach.

In customer relationship management, we consider "full life-cycle service ecosystem, global service deployment, and collaborative closed loop" as key drivers to systematically advance the development of the after-sales service system, and proactively respond to medium and long-term, high-impact after-sales risks arising from product quality.

(2) "Three Nos" principle refers to accepting no defects, producing no defects, and passing on no defects.

Production Management

Our quality management runs throughout the full product life cycle and follows a three-pronged approach of front-end prevention, process control, and final-stage checks. We continuously implement product and service quality management measures across our suppliers, manufacturing operations, and customer-facing activities to help ensure product safety, reliability, and compliance throughout the product life cycle. No product recalls occurred in 2025.

Product Safety and Service Quality Measures in 2025

Supply side	- Initiated a feasibility study on identification traceability matching for key critical component products, completed supplier-side pilots and system validation in a test environment, and further enhanced supply chain transparency and traceability; - Completed the technical feasibility review process for core component product design, and conducted early review discussions on parts manufacturability and measurability during supplier sourcing and development to effectively prevent potential design defects; and - Improved the supply chain and spare parts assurance system to ensure that global customers could quickly obtain support for critical components and parts.
Manufacturing	- For nonconforming products identified during Incoming Quality Control (IQC), formulated a temporary deviation release risk assessment process and continuously optimized the operational execution process through offline practice and verification, planning advance the system development plan to improve process efficiency and accuracy; and - Integrated the existing <i>Shipment Notice Process</i> business into the <i>Process from Equipment Production to Inspection</i>, significantly improving business efficiency.

Quality training	- Developed an annual quality training plan covering topics such as quality awareness, quality leadership, and the application of quality tools, adopted a blended teaching model that combines internal staff and external instructors, as well as online and offline training, covering middle and senior management, design engineers, manufacturing department engineers, and on-site management personnel, totaling over 2,300 person-times of participation; and - Organized training and learning sessions for designers on typical design cases, and prepared special training on key processing techniques for core teams.
Client management	- Advanced the implementation of the systematic client management plan by launching and applying the Customer Relationship Management system; - In conjunction with the customer inquiry management process, optimized the customer complaint grading and escalation mechanism and the major issue tracking mechanism to ensure that customer feedback can be responded to in a timely manner and resolved effectively; - Strengthened quality management and dispute prevention and control to reduce after-sales risks at the source, and continuously enhanced the service team's technical capabilities and customer communication skills through specialized training and guidance; - Implemented a tiered customer service strategy by formulating differentiated service plans for different customer groups, thereby improving the efficiency of resource allocation and customer satisfaction; and - Continuously enhanced the product recall process and emergency response procedures to facilitate the timely recall of products delivered to customers in the event of actual or potential quality issues.

Chemical management

Our products involve limited amounts of chemicals. Hazardous chemicals are primarily used as process chemicals and auxiliary materials during manufacturing, with limited quantities also utilized in product research, development, and testing activities.

Target of Harmful Chemical Reduction



In product-use phase, explicitly define the chemical mixing ratio and flow rate, and the control range for process temperature, and embed concrete targets such as a 75% reduction in sulfuric acid consumption.



In manufacturing process, continuously strengthen the management of harmful chemicals used in manufacturing processes, optimize chemical usage practices, reduce unnecessary use of harmful chemicals, and explore safer and more environmentally friendly alternatives to minimize environmental impacts from operations.

We have established a comprehensive chemical safety management system to strictly control the procurement, storage, use, and disposal of hazardous chemicals in compliance with relevant regulations and safety standards. We conduct assessments to identify and manage risks associated with the use and inclusion of hazardous chemicals in our products and processes and implement appropriate control measures to reduce potential impacts on human health and the environment.

We emphasize R&D and application of environmentally friendly cleaning technologies, promoting low-toxicity and low-consumption alternatives such as diluted hydrofluoric acid, RCA SC-1 solution, and ozonated deionized water, while developing innovative technologies that significantly reduce the use of traditional sulfuric acid and hydrogen peroxide. In 2025, no chemical spill incident occurred.



Supply Chain Resilience

As the global semiconductor supply chain undergoes profound changes, we regard supply chain security and resilience as a cornerstone of our operational resilience. Our supplier base primarily consists of component suppliers and subassembly suppliers.

We have established a comprehensive supplier management framework covering supplier qualification, evaluation, engagement, and exit. This framework is guided by our *Sustainable Procurement Policy*⁽³⁾. In parallel, we use the *Supplier Questionnaire* to conduct systematic due diligence on potential suppliers, controlling risks at the source.

In addition, we have established the *Sustainable Procurement Policy*, aligned with the ILO *Declaration on Fundamental Principles and Rights at Work*, under which suppliers are identified, assessed, and managed from environmental and social perspectives. Through these efforts, we continue to strengthen our sustainable procurement practices and enhance the resilience of our supply chain.

We adhere to the principles of fairness and impartiality in supplier selection and do not apply discriminatory or unreasonable differential treatment in supplier qualification, development, bidding, or other procurement processes based on factors such as ownership type or company size. In 2025, no significant negative environmental or social impacts were identified within ACM Research’s supply chain.

(3) ACM Research’s *Sustainable Procurement Policy* sets out the Company’s principles and requirements for responsible sourcing and supplier management, covering key environmental, social, governance, and compliance considerations across the supply chain.

Risks and Opportunities

We identify key risks and opportunities that may influence supply chain resilience across different value chain stages and time horizons. The results support our ongoing efforts to enhance supply chain resilience and business continuity.

Risks and Opportunities in Supply Chain Resilience

Type	Descriptions	Value Chain Stages	Time Spans
Supply disruption risks	Multiple factors may cause disruptions to the supply of critical components, leading to delivery delays and adversely impacting revenue.	• Upstream • Self-owned operations • Downstream	• Short-term • Medium-term
Supply stability enhancement opportunities	Securing and qualifying alternative supply sources and maintaining sufficient buffer stock can improve the supply stability of key components, support order delivery and revenue recognition, and reduce additional costs arising from supply disruptions.	• Upstream • Self-owned operations • Downstream	• Medium-term • Long-term



Sustainable Procurement Requirements

We have established a *Sustainable Procurement Policy*. Amongst other things, this comprises supplier assessment and qualification mechanisms to evaluate suppliers' production capabilities, quality management systems, environmental and labor management practices. Suppliers are required to provide valid supporting documentation and complete relevant compliance documents to demonstrate alignment with our requirements regarding environmental protection, employment practices, and occupational health and safety.

For suppliers, we require the provision of relevant supply chain information, including lists of applicable sub-tier suppliers, to support the identification of mineral sources and mitigate risks associated with the procurement or use of conflict minerals. Prior to establishing business relationships, suppliers are required to complete documents such as the *Integrity Agreement* and *Declaration of No Affiliation or Conflict of Interest*. We also incorporate anti-bribery provisions into supplier contracts and promote ethical business practices throughout supplier engagement, negotiation, contract execution, and performance processes.

Suppliers Requirements in Environmental Protection



Environmental permits

- Comply with applicable environmental laws and regulations in the jurisdictions where they operate, obtain and maintain all required environmental permits, approvals, and filings, and ensure timely renewal or update where applicable.



GHG emissions

- Strengthen GHG emissions management by conducting GHG inventories and emissions accounting with reference to internationally recognized standards, such as ISO 14064 and the *Greenhouse Gas Protocol*; and
- Monitor GHG emissions, implement effective reduction measures, and continuously improve their emissions performance.



Energy

- Improve energy efficiency and reduce energy consumption; and
- Identify major energy-consuming activities and implement appropriate measures, such as adopting energy-efficient equipment and optimizing the energy sources, to continuously improve energy performance.



Water

- Improve water-use efficiency and strengthen water management;
- Shall identify major water-use activities and implement appropriate conservation measures, including water recycling and reclamation, to continuously improve water management performance.



Pollutants and waste

- Ensure that noise, wastewater, and air emissions generated from production and operations meet applicable regulatory requirements and implement appropriate pollution prevention and control measures, including cleaner production processes and necessary treatment facilities, to reduce environmental impacts; and
- Establish effective waste management practices covering waste identification, segregation, collection, storage, transportation, and disposal, and promote source reduction, reuse, recycling, and other measures to improve resource efficiency and minimize waste generation.



Restricted substances

- The use of restricted substances in all products supplied to ACM Research shall comply with applicable laws and regulations and ACM Research's specific requirements.

Suppliers Requirements in Labor and Human Rights

Child labor
and forced
labor

- Prohibit the use of child labor;
- Provide appropriate protection in accordance with applicable laws and regulations where young workers are lawfully employed; and
- Ensure that all employment is voluntary and shall prohibit all forms of forced labor, including but not limited to slavery, human trafficking, the concealment or confiscation of identity documents, unreasonable restrictions on workers' freedom of movement, and any other form of involuntary labor.



Anti-
discrimination
and anti-
harassment

- Prohibit all forms of discrimination, harassment, and abuse in the workplace;
- Not discriminate against or engage in unfair treatment based on age, gender, ethnicity, marital status, nationality, race, religion, sexual orientation, disability status, or other legally protected characteristics; and
- Not threaten workers or subject them to any form of inhumane treatment, including but not limited to verbal abuse, harassment, corporal punishment, mental coercion, or sexual harassment.

Freedom of
association
and collective
bargaining

- Respect workers' rights to freely join trade unions and engage in collective bargaining in accordance with applicable laws and regulations; and
- Establish effective mechanisms between workers and management, enabling workers to freely express their views and raise grievances without fear of discrimination, retaliation, threats, or harassment.

Working
conditions

- Comply with applicable laws and regulations regarding working hours, rest periods, overtime, wages, and benefits;
- Ensure that workers receive wages no less than the applicable statutory minimum wage, legally required benefits, and overtime compensation where applicable; and
- Communicate employment terms clearly, pay wages and benefits accurately and on time, and not use wage deductions as a disciplinary or punitive measure.

Health and
safety

- Safeguard workers' occupational health and safety; and
- Comply with applicable occupational health and safety requirements, establish effective safety management systems, provide necessary safety facilities and personal protective equipment, and implement appropriate measures to prevent workplace risks and protect workers' health and safety.

Suppliers Requirements in Business Ethics



Anti-Bribery and anti-corruption

- Uphold high standards of business ethics;
- Prohibit offering, promising, providing, soliciting, or accepting bribes, gifts, kickbacks, or other improper benefits to obtain or retain business or gain an unfair advantage; and
- Encourage reporting of any improper requests or suspected bribery incidents involving employees through designated reporting channels.



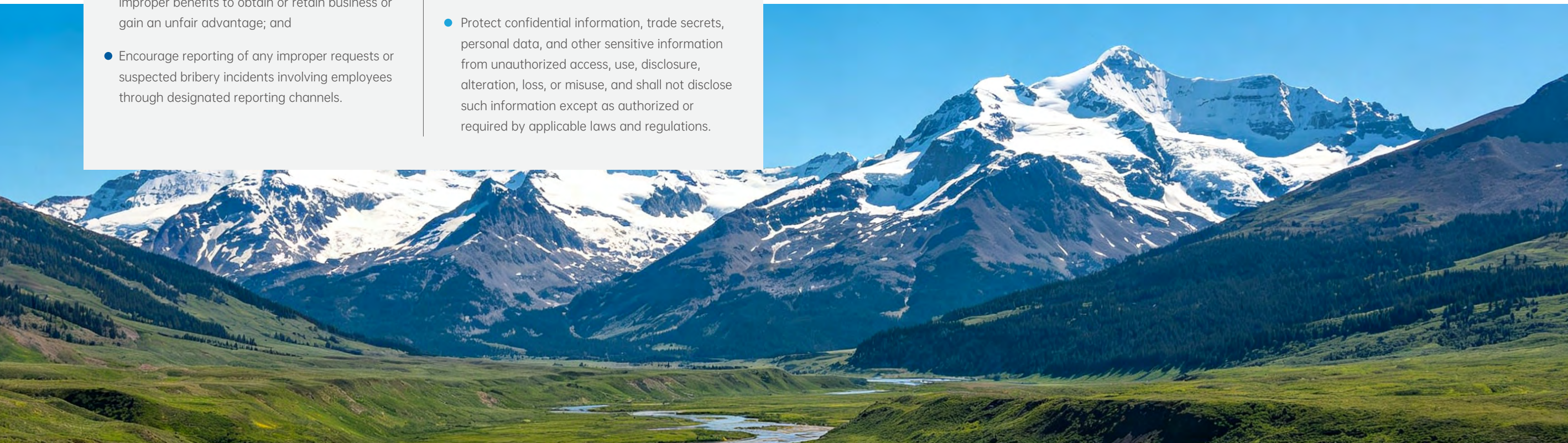
Information security

- Establish effective information security management systems and implement appropriate measures to identify, assess, and manage information security risks; and
- Protect confidential information, trade secrets, personal data, and other sensitive information from unauthorized access, use, disclosure, alteration, loss, or misuse, and shall not disclose such information except as authorized or required by applicable laws and regulations.

Suppliers Requirements in Conflict Minerals

Specific Requirements

- Avoid sourcing conflict minerals and establish due diligence procedures for mineral supply chains with reference to the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* or other internationally recognized frameworks; and
- Identify, assess, and manage the risk that minerals contained in raw materials or components originate from conflict-affected and high-risk areas and implement appropriate measures to prevent and mitigate such risks.



Cybersecurity and Data Privacy

We continue to develop and enhance our cybersecurity management system and have established a cybersecurity governance framework under the oversight of the Audit Committee. The Audit Committee is responsible for overseeing risks arising from cybersecurity threats and receives regular reports on cybersecurity incidents, emerging risks, and related developments. The Audit Committee also provides the Board with annual updates on our overall cybersecurity governance and risk management practices. Our cybersecurity governance is supported by cross-functional collaboration among the Information Security, Product Security, Compliance, and Legal teams, which work together to oversee cybersecurity risk management and strategy.

Guided by the requirements of the Service Organization Control 2 (SOC 2) framework, we have established internal management policies, including a comprehensive Information Security Management System to integrate cybersecurity and data privacy requirements into our daily operations. These efforts help strengthen our cybersecurity and data privacy management capabilities while supporting the secure and responsible handling of information assets. During the past three years, we experienced no material information security breaches or cybersecurity incidents.

In addition, we have obtained ISO/IEC 27001:2022 certification for our information security management system, and plan to consider expanding the scope of certification.

Risk Management

We recognize the importance of identifying, assessing, and managing material risks associated with cybersecurity threats and integrate cybersecurity risk management into our overall enterprise risk management framework.

We identify and address cybersecurity risks through a comprehensive approach, including cybersecurity risk assessments, internal IT audits, IT security management, and governance, risk, and compliance reviews. These processes help strengthen our ability to proactively manage cybersecurity risks and enhance our overall cybersecurity resilience.



Risks in Cybersecurity and Data Privacy

Type	Descriptions	Value Chain Stages	Time Spans
Data leakage risks	If cybersecurity systems are breached or contain vulnerabilities, core technologies may be exposed, which could weaken technological leadership and lead to margin pressure.	- Self-owned operations - Downstream	- Short-term - Medium-term
Digital trust and business resilience opportunities	Strengthening cybersecurity governance, data protection capabilities, and system resilience helps safeguard core technologies and intellectual property, enhance customer trust, support business continuity, and reinforce long-term competitiveness.	- Self-owned operations - Downstream	- Medium-term - Long-term

Cybersecurity and Data Privacy Management

We continue to strengthen our information security capabilities through comprehensive management and proactive risk mitigation measures to enhance operational resilience.



Cybersecurity and Data Privacy Measures in 2025



Governance and security controls

- Conducted proactive privacy and cybersecurity reviews of systems and applications;
- Audited applicable data policies;
- Performed penetration testing using external third-party tools and techniques to test security controls;
- Maintained current cyber liability insurance; and
- Implemented controls around Generative AI



Vulnerability management and incident response

- Conducted application security assessments, vulnerability management, penetration testing, security audits, and ongoing risk assessments; and
- Maintained a variety of incident response plans.



Third-party assurance

- Engaged major advisory firm for SOC 2 Type II certification pursuant to AICPA Trust Services Criteria (Security and Confidentiality) ; and
- Our main operating site underwent regular external audits.



Employee awareness

- Undertook data protection and cybersecurity training and compliance programs for all corporate employees.

Thriving Workforce

- 
[Advancing Fair Labor Practices](#)
- 
[Investing in Employee Well-Being](#)
- 
[Cultivating Talent for Long-Term Growth](#)

SDGs Responeded:



Targets and Status

Area	Target	Status	Measurement
Development and engagement	Achieve 100% coverage of eligible employees under performance-based variable compensation programs from the 2025 baseline by 2030.		Annual
	Maintain an annual employee training coverage rate of at least 90% from the 2025 baseline by 2030.		Cumulative from-baseline
Social dialogue	Ensure that 100% of employees have access to channels for providing feedback, raising concerns, and participating in workplace-related discussions from the 2025 baseline by 2030.		Annual
Diversity	Increase the percentage of female employees to 16% from the 2025 baseline by 2030.		Cumulative from-baseline
	Increase the percentage of newly hired female employees to 16% from the 2025 baseline by 2030.		Cumulative from-baseline
Occupational health and safety	Reduce the number of minor occupational injuries to fewer than 5 cases annually from the 2025 baseline by 2030.		Annual



Advancing Fair Labor Practices

ACM Research has established the *Labor and Human Rights Policy*⁽⁴⁾ that prohibits child labor, forced labor, human trafficking, and any other unlawful employment practices across our operations and supply chain. Our Board, including 3 independent directors, oversees the development and implementation of this policy.

We have established a human rights due diligence mechanism focused on the risks of human rights, such as child labor, forced labor, and human trafficking. Through regular identification and assessment of human rights risk areas, we take appropriate measures to prevent and mitigate non-compliant employment practices.

We are committed to fostering a workplace that respects every employee. We prohibit all forms of discrimination and harassment based on race, color, place of origin, ethnicity, sex, sexual orientation, gender identity, pregnancy, nationality, age, disability, military or veteran status, or any other characteristic protected under applicable law.



Case Anti-sexual harassment training

We conduct annual anti-sexual harassment training to deepen employees' understanding of the relevant policy requirements and reinforce awareness of their responsibilities under these requirements.

We provide separate channels for employees and external stakeholders to raise concerns. We encourage our employees to express concerns about work-related issues, including workplace communication, interpersonal conflict, etc. We also encourage external stakeholders to report any suspected violations of applicable laws and regulations, including human rights-related concerns. Any reports are handled with appropriate confidentiality, and retaliation against individuals who raise concerns or participate in related reviews in good faith is prohibited.

For further details of our internal grievance and whistleblowing mechanism, including confidentiality safeguards and protection against retaliation, please refer to our internal *Employee Handbook* and the [Whistleblower Policy](#).

(4) Our Labor and Human Rights Policy was officially adopted in 2026, and can be found at <https://ir.acmr.com/corporate-governance/highlights>.

Investing in Employee Well-Being

ACM Research operates in the highly competitive semiconductor equipment industry. We recognize that our employees are critical to maintaining our competitiveness in the industry, and that our ability to recruit and retain talent depends on a range of factors, including corporate culture and work environment, approaches to talent development and career opportunities, and compensation and benefits, etc. We have established a market-competitive compensation and benefits system to attract, motivate, and retain talent.

Employee compensation consists of base salary, performance-based compensation, overtime pay, where applicable, and annual bonuses. Variable performance-based compensation is determined based on a combination of individual performance, job responsibilities, and the Company's business performance, with the aim of encouraging employees to continuously improve their performance and supporting the Company's long-term development. Moreover, we periodically review our compensation practices to ensure that employee wages remain aligned with market conditions and applicable living wage standards.

In terms of benefits, we provide a range of employee benefits to eligible employees in accordance with applicable laws, regulations, and company policies. These benefits include health insurance and health insurance continuation, retirement plan, as well as paid holidays, etc.

To support employees in balancing work and family responsibilities, we also provide various types of family-related leave for all employees, such as maternity leave, paternity leave, and parental leave.

MATERNITY LEAVE

1,835 days

12 employees covered



PATERNITY LEAVE

735 days

68 employees covered



PARENTAL LEAVE

743 days

162 employees covered





Cultivating Talent for Long-Term Growth

To continuously enhance employees' professional skills and career development capabilities, we provide a range of training programs and establish clear career development pathways. These initiatives are designed to strengthen employees' professional capabilities while providing development and advancement opportunities aligned with their individual abilities.

We have established a structured employee development framework encompassing new-hire onboarding, internal and external training, and training effectiveness evaluation.

Employee Training System



New employee training

- Department supervisors provide onboarding training to new employees; and
- Employees in specialized roles receive on-site or practical training based on job requirements.



Internal and external training

- Internal Training is conducted in accordance with the *Annual Training Plan*; and
- External Training engages external professional providers to deliver role-specific and legally required programs, such as technical skills training.



Effectiveness assessment

- **Assessment scope:** Key training programs directly related to product quality; and
- **Assessment methods:** The Human Resources Department, together with instructors and the managers of participating departments, evaluated training effectiveness through written tests, practical assessments, oral examinations, and other methods.

When developing training plans, we consider all employee development needs, departmental business priorities, and the Company's overall strategic direction to improve the relevance and effectiveness of training resource allocation. In 2025, we implemented a range of employee development measures, focusing on capability building and career development.

Key Employee Development Programs in 2025



Interns and recent graduates

We recruit interns and recent graduates to strengthen our talent pipeline and support our long-term development.



Leadership training

Coverage: All employees

Training content: The training systematically explained the core principle that "quality is fundamental to a company's survival." It emphasized that managers at all levels are primarily accountable for quality and should promote employee-wide participation, end-to-end quality control, and continuous improvement from the top down, thereby deepening employees' understanding of quality culture.



Professional skills training

Coverage: Manufacturing Department, Quality Control Department, and Procurement Department

Training content: The training provided employees with a systematic overview of the core lean management methods adopted by leading companies, with the aim of shortening production cycles, improving production efficiency, reducing inventory costs, and increasing on-time delivery rates.



External training collaboration

We engaged an external professional organization to deliver MTP management development training for middle managers.

Coverage: Management

Training content: The training focused on "role clarity, goal alignment, effective communication, and evidence-based decision-making." Through theoretical instruction and practical guidance, it helped managers clarify responsibilities, strengthen goal orientation, unlock team potential, and improve collaboration efficiency.



Professional certification support

We encourage all employees to obtain professional qualifications relevant to their positions and provide reimbursement support.

Coverage: All employees

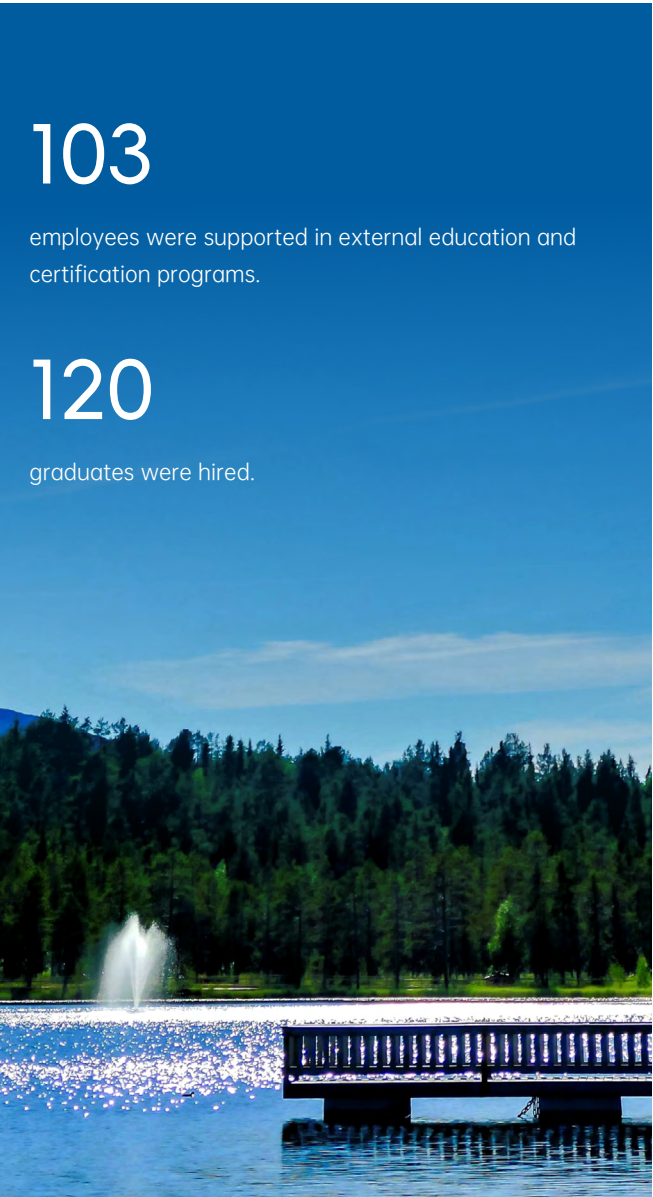
Qualified certificates: Continuing education for accounting professionals and certifications for special operations, including forklift operation, electrical work, and working at heights, etc.

103

employees were supported in external education and certification programs.

120

graduates were hired.



We have established a performance management framework centered on two-way communication, integrating ongoing monitoring, periodic reviews, annual performance evaluations covering all employees, application of results, and continuous feedback and improvement.

Performance Evaluation and Communication Mechanisms



Ongoing performance management

Managers monitor employees' daily performance and maintain regular communication.

Timely feedback helps employees understand expectations and identify areas for improvement.



Annual performance evaluation

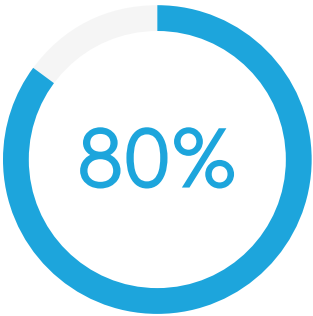
Annual evaluations cover all employees and incorporate quarterly review results.

The evaluation also considers the Company's operational and business performance.

In addition, we have established an employee stock ownership plan, with eligible participants including full-time employees, members of the Board, and advisors and consultants engaged by the Company.



We conduct an employee satisfaction survey each year to better understand employees' views and needs regarding the work environment, career development, and other areas. In 2025, the survey results showed that approximately 80% of employees were satisfied with dimensions such as job responsibilities, workplace environment, and training and development. We analyzed the survey results in depth and developed and implemented targeted improvement plans to further enhance employee satisfaction.



of operating sites were ISO 45001:2018 certified across all our global operations as of June 30, 2026, covering more than 95% of our total workforce.

Climate and Environment

- ↗ Climate Change Mitigation and Adaptation
- ↗ Energy Use and Efficiency
- ↗ Water Management
- ↗ Air Pollution and Waste Management

SDGs Responded:





Targets and Status

Area	Target	Status	Measurement
GHG	Reduce scope 1 and scope 2 GHG emissions intensity by 5% from the 2025 baseline by 2030.		Cumulative from-baseline
Energy	Reduce comprehensive energy consumption intensity by 10% from the 2025 baseline by 2030.		Cumulative from-baseline
	Increase the percentage of green electricity consumption in total electricity consumption to 10% from the 2025 baseline by 2030.		Cumulative from-baseline
Water	Reduce water consumption intensity by 10% from the 2025 baseline by 2030.		Cumulative from-baseline
Waste	Reduce hazardous waste generation intensity by 10% from the 2025 baseline by 2030.		Cumulative from-baseline
	Reduce non-hazardous waste generation intensity by 10% from the 2025 baseline by 2030.		Cumulative from-baseline

Climate Change Mitigation and Adaptation

Greenhouse gas emissions from ACM Research's operations primarily arise from office activities, manufacturing, and R&D. Direct emissions result from fuel combustion and manufacturing processes, while indirect emissions are primarily associated with purchased electricity.

Climate Governance

We fully recognize our responsibility to address climate change and contribute to mitigation efforts. By establishing a systematic climate governance framework and implementing proactive low-carbon practices, we seek to advance the low-carbon transition across the value chain.

We have established a climate change governance structure, defined the responsibilities of each governance level, and implemented relevant management mechanisms to advance climate change mitigation and adaptation efforts. The Board reviews our climate strategy and risk management approach, oversees climate-related risks and opportunities, and monitors progress in reducing greenhouse gas emissions and managing energy consumption. The Board also reviews our annual sustainability-related disclosures to support their accuracy and transparency. Under the Board's oversight, Senior Management regularly identifies, assesses, and addresses climate-related risks and opportunities and integrates relevant considerations into business planning, risk management processes, and operational decision-making to strengthen our climate resilience.

We have established the *Environmental Policy* and related environmental procedures to guide our actions on climate change, energy, water resources, pollutants, and waste management, while advancing our climate change response through a range of initiatives.

Climate Strategy

To proactively identify and assess the potential impacts of climate change on our production and operations, we apply climate scenario analysis to examine potential climate pathways under different future scenarios. This enables us to systematically identify and assess the climate-related risks and opportunities we face and provides a basis for developing our climate strategy.

Considering our business footprint, value chain characteristics, and other relevant factors, we reference climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency ("IEA") to assess physical and transition risks, respectively. The physical risk analysis considers the SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios, while the transition risk analysis considers the IEA Net Zero Emissions by 2050 Scenario (NZE) and Announced Pledges Scenario (APS).

Building on this analysis, we further assess climate-related risks and opportunities across three dimensions: time horizon, magnitude of impact, and likelihood of occurrence. Through this systematic assessment, we evaluate the potential impacts of climate change on our business operations and value chain.





Climate-related Risk and Opportunity Assessment Dimensions



Time horizon

Considering our business planning and strategic planning cycles, we classify the time horizons of climate-related risks and opportunities as short-, medium-, and long-term:

■ Short term: 0-2years

Aligned with our annual business planning and budgeting cycle. Related impacts may emerge in the near term and may be addressed by adjusting operational management measures and resource allocation.

■ Medium term: 3-5years

Aligned with our medium-term strategic planning cycle. Related impacts may affect business footprint, technology pathways, capital investment, and value chain management, requiring targeted management plans and forward-looking actions.

■ Long term: 6-10 years

The potential impacts of climate-related risks and opportunities on long-term development are continuously monitored. Forward-looking analysis and ongoing assessments are conducted in response to changes in regulatory policies, industry trends, and other external factors, and response strategies are adjusted as appropriate to strengthen climate resilience.



Magnitude of impact

The magnitude of each climate-related risk or opportunity is assessed by considering factors such as the type and duration of its potential financial impacts, together with qualitative judgment and available quantitative data.



Likelihood of occurrence

The likelihood that a climate-related risk or opportunity will occur within the relevant scenario and time horizon is assessed by considering historical trends, scientific projections, policy and market developments, and the geographic locations of our operations.



Risks and Opportunities in Climate Change Mitigation and Adaptation

Type	Descriptions	Value Chain Stages	Time Spans
Physical risks	As heavy precipitation and flooding become more frequent and severe, some of our production sites located near rivers or in low-lying areas, may be exposed to torrential rainfall, flooding, and urban waterlogging, potentially damaging production equipment and infrastructure. Damage to suppliers' or customers' operating facilities could also disrupt the production, transportation, and distribution of raw materials and products, which may in turn affect our production schedules, order fulfillment, and business continuity.	• Upstream • Self-owned operations • Downstream	• Short-term • Medium-term • Long-term
Reputation risks	As a global supplier of semiconductor manufacturing equipment, we face growing scrutiny from customers, investors, regulators, and other stakeholders regarding our climate response. Its reputation increasingly depends on transparent disclosure, credible emissions reduction efforts, and continued innovation in energy- and chemical-efficient equipment. Failure to set clear targets, demonstrate progress, or meet customers' low-carbon expectations could weaken stakeholder confidence, affect business relationships, and limit access to capital.	• Self-owned operations	• Medium-term • Long-term
Products and services opportunities	We continue to advance green technology R&D and enhance our advanced green technologies, including SAPS, TEBO, and Tahoe. We also collaborate with customers on innovation and customized equipment modifications tailored to their low-carbon manufacturing needs, helping strengthen product differentiation and market competitiveness.	• Self-owned operations • Downstream	• Medium-term • Long-term
Resource efficiency opportunities	We continue to integrate circular economy principles into our operations. We work with qualified third parties to promote the recovery and reuse of recyclable materials, including wood, cardboard boxes, and plastics. We have also set a water recycling rate target at our major operations to improve water-use efficiency and reduce water resource consumption.	• Self-owned operations	• Short-term • Medium-term • Long-term





Risks and Opportunities

We have established a systematic process for managing climate-related risks and opportunities, covering identification, assessment, prioritization, and monitoring. After identifying climate-related risks and opportunities, we assess their potential impacts and, based on the assessment results, integrate them into our enterprise risk management framework, daily operations, and strategic planning processes. We continuously monitor changes in these risks and opportunities, develop and implement appropriate measures to strengthen our ability to respond to the impacts of climate change and enhance our long-term climate resilience.

Climate-related Impact, Risks, and Opportunities Management Process

Identification

- **Context analysis:** We continuously monitor external policies and regulations, industry trends, and other relevant information. We also engage with relevant departments through discussions and interviews to obtain a comprehensive understanding of the internal and external climate-related factors affecting the Company.
- **Risk and opportunity identification:** Based on the information collected, we identify climate-related risks and opportunities that may affect our operations, financial performance, and strategic development and compile a climate-related risk and opportunity register.

Assessment

- **Impact assessment:** Based on the climate-related risk and opportunity register, we comprehensively assess the identified risks and opportunities across dimensions including time horizon, magnitude of impact, and likelihood of occurrence.

Prioritization

- **Prioritization approach:** Based on the assessment results, we prioritize climate-related risks and opportunities.
- **Application of results:** We incorporate the assessment and prioritization results into daily operations, strategic planning, and resource allocation and develop appropriate management measures for priority risks and opportunities.

Monitoring

- We have established mechanisms for continuously tracking and periodically reviewing climate-related risks and opportunities. We assess changes in these risks and opportunities and the effectiveness of related management measures and continuously refine our management strategies in response to changes in the internal and external environment.

To more effectively manage climate-related risks and capture potential opportunities, we are developing a climate transition plan to further strengthen our climate strategy, support climate change mitigation, and enhance climate resilience.

We continue to implement measures related to emergency preparedness, green operations, and low-carbon product development to strengthen our ability to respond to climate change.



Climate Change Mitigation and Adaptation Measures in 2025

Emergency response mechanisms

- Closely monitored weather forecasts and early-warning information for each operating location and continuously tracked developments in natural hazards;
- Regularly inspected production facilities and maintained necessary reserves of raw materials and emergency supplies to strengthen business continuity; and
- Promptly activated emergency response plans, reported to the relevant local authorities as required, and initiated emergency response measures, in the event of a natural disaster.

Green operations

- Conducted annual greenhouse gas emissions inventories and continuously tracked progress toward emissions-reduction targets;
- Conducted communications and training on resource conservation and energy management to strengthen employees' environmental and energy-saving awareness;
- Integrated environmental considerations into the design of new construction projects to reduce resource and energy consumption during construction and operation;
- Implemented lights-out operations in automated robotic work areas to reduce energy consumption from unnecessary lightning; and
- Developed a long-term energy strategy, plan for green electricity procurement, and progressively optimize the energy mix.

Low-carbon products and technologies

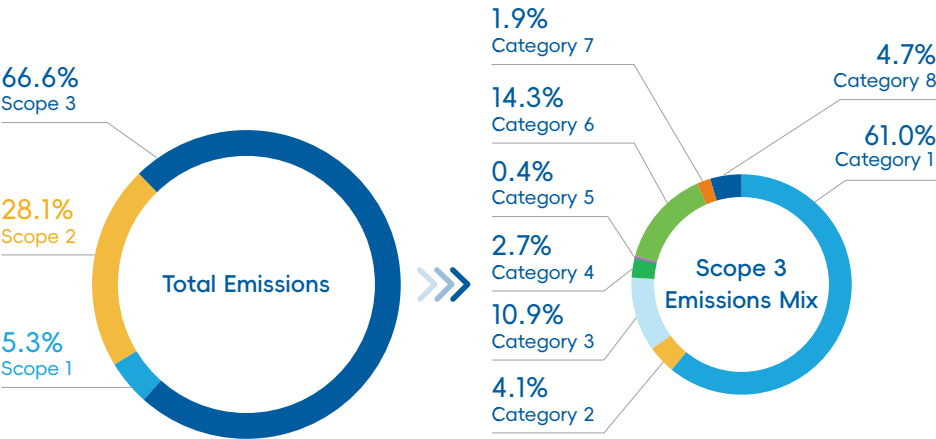
- **Market research:** Assessed market demand and strengthened the development and application of innovative and sustainable products;
- **Feasibility analysis:** Evaluated the feasibility of low-carbon technologies and explored energy-efficiency solutions for production and operational processes;
- **Environmentally preferable material selection:** Prioritized suppliers capable of providing environmentally preferable raw materials and supported the development of a green supply chain; and
- **Environmentally preferable product launches:** Introduced environmentally preferable products when appropriate, such as the SAPS Megasonic Single-Wafer Cleaning System.



Metrics and Targets

We have established climate-related targets and regularly conduct greenhouse gas emissions inventories to continuously monitor progress, supporting the effective implementation of our climate strategy and related actions.

GHG Emissions for 2025



Total Emissions

- Scope 1: Direct emissions from natural gas and gasoline consumed
- Scope 2: Indirect emissions from purchased electricity
- Scope 3: Other indirect value chain emissions

Scope 3 Emissions Mix

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel- and energy-related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel
- Category 7: Employee commuting
- Category 8: Upstream leased assets

Energy Use and Efficiency

The types of energy used in ACM Research's daily manufacturing and operations include electricity, natural gas, and gasoline.

We developed the *Resource and Energy Management Procedure*, which defines the energy management responsibilities of relevant departments and standardizes our energy conservation procedures.

Energy Management Measures in 2025

Equipment energy conservation

- Followed green and energy-saving principles and purchased energy-efficient equipment, such as LED lighting; and
- Assigned designated personnel to regularly maintain electrical equipment. Through inspections, commissioning, and repairs, we avoided unnecessary energy losses.

Electricity conservation in operating areas

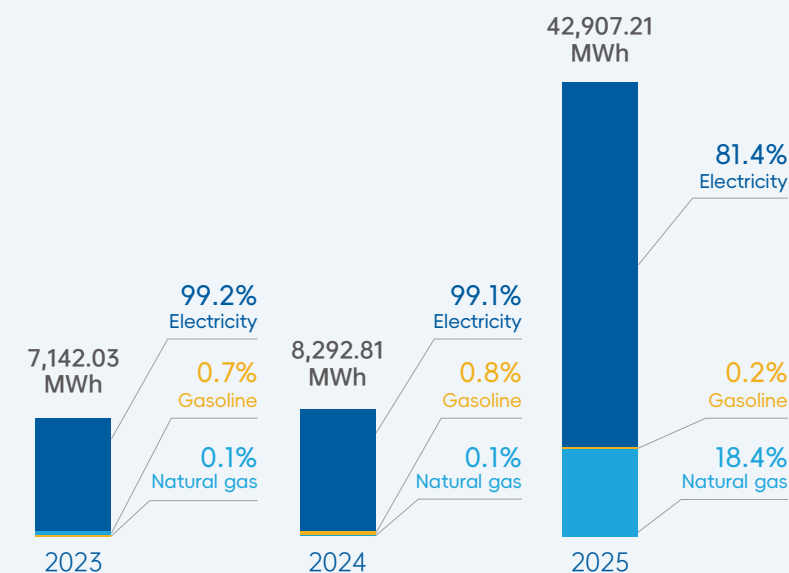
- Precisely controlled air-conditioning temperatures in office areas, keeping them no lower than 26° C in summer and no higher than 20° C in winter; and
- Upgraded parking lot lighting and implemented real-time zoning controls for lighting switches, resulting in annual electricity savings of approximately 381.55 MWh and cost savings close to USD 5,000.

Awareness enhancement

- Posted electricity-saving signage near switches to raise employees' awareness of energy conservation.

In addition, we plan to develop a hot water reuse system to recover and reuse suitable hot water and capture residual heat, thereby reducing the energy consumed through repeated heating.

Energy Consumption for 2025⁽⁵⁾



(5) The significant increase of energy use in 2025 was due to the addition of our ACM Lingang Production Center to the measurement in 2025.

Water Management

Advancing Water Stewardship

ACM Research is committed to responsible use and protection of water resources. We have implemented the *Resource and Energy Management Procedure* to define the responsibilities of relevant departments for water use, data tracking, and the implementation of water conservation measures.

To better understand the regional water stress faced by our major operating sites, we conducted a preliminary screening of baseline water stress based on each site's geographic location, using the World Resources Institute's (WRI) Aqueduct Water Risk Atlas. The results show that our major operating locations are primarily situated in areas with high water stress. These results will help us identify sites requiring closer attention and inform the continued improvement of our water management measures. To address water stress at our operating sites, we implement measures across multiple areas to improve water-use efficiency.



Water Management Measures in 2025

Avoid wasting water

- Installed water-efficient faucets; and
- Regularly inspected and maintained water-using equipment.

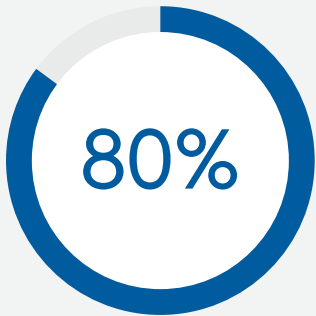
Water reuse

- Used purified water systems to collect, treat, and reuse wastewater.

Awareness enhancement

- Displayed water conservation signage in water-use areas to encourage employees to adopt water-saving practices.

ACM Lingang



Purification rate of the pure water system



Water resource for production recycling rate

Wastewater Discharge

We conduct annual monitoring of pollutants in discharged wastewater and quarterly monitoring of designated parameters for specific pollutants to verify that all water pollutant discharges meet applicable national or local discharge standards. In addition, we inspect the wastewater discharge outlet at each wastewater treatment facility every month to ensure that the discharge pipelines remain unobstructed.

Wastewater Treatment/Control Measures in 2025

Category	Sources	Treatment/Control Measures
Wastewater	- Wastewater generated from R&D activities, manufacturing processes, purified water production, air emissions treatment, and other operations - Domestic wastewater	- Configured appropriate wastewater treatment systems based on wastewater sources and pollutant characteristics, and segregated, collected, and treated different categories of wastewater accordingly; and - Prohibited the discharge of oil-containing substances, acidic or alkaline chemicals, and waste into stormwater drains.





Air Pollution and Waste Management

Environmental Management System

ACM Research strictly complies with applicable environmental laws and regulations in jurisdictions where it operates. We have established a clear environmental management structure to guide consistent practices across our operations.

We have obtained ISO 14001:2015 environmental management system certification covering our major production facilities and plan to consider expanding the scope of certification.



of operating sites were ISO 14001:2015 certified across all our global operations as of June 30, 2026.

In line with applicable local regulations and operational conditions, our major operating sites have established supporting procedures, including the *Solid Waste Management Procedure*, *Wastewater Management Procedure*, *Air Emissions Management Procedure*, and *Noise Management Procedure*, etc., to guide pollution control, waste segregation, and waste disposal. In 2025, we had no significant spills or leakage incidents involving pollutants and waste.

Air Pollution

We seek to minimize the impacts of air emissions and noise generated by our operations through pollution control systems, routine inspections, and periodic monitoring. Annual testing and quarterly targeted assessments are conducted to verify that treated emissions comply with applicable regulatory standards.

Target of Pollutants

All pollutants are discharged in compliance with applicable standards.

Air Pollutant Treatment/Control Measures in 2025

Category	Major Sources	Treatment/Control Measures
Air emissions	• R&D activities • Manufacturing processes • Wastewater treatment • Hazardous waste storage • Cafeteria operations	• Installed treatment systems for organic, acidic, alkaline, and other air emissions; • Installed necessary ventilation facilities; and • Stored chemicals in sealed containers or enclosed storage areas.
	• Purified water system equipment • Air compressors • Air emissions treatment equipment • Air-conditioning systems • Packaging equipment	• Prioritized the procurement of equipment that complies with applicable noise limits; and • Implemented vibration isolation, vibration reduction, sound insulation, and noise attenuation measures as appropriate, and reasonably controlled equipment operating hours.

Responsible Waste Management and Recovery

We comply with international guidelines and applicable management requirements for disposal of electronic waste, including the European Union's *Waste Electrical and Electronic Equipment Directive*, as well as relevant requirements and guidance issued by the state-level Department of Environmental Quality (DEQ) in the jurisdictions where we operate and the U.S. Environmental Protection Agency (EPA), to promote the proper recycling and environmentally sound disposal of electronic waste.

With respect to waste management, our major operating sites segregate and manage hazardous waste, general industrial solid waste, and municipal solid waste by category.



Target of Wastes

All generated hazardous waste has been properly disposed of in accordance with relevant laws and regulations.



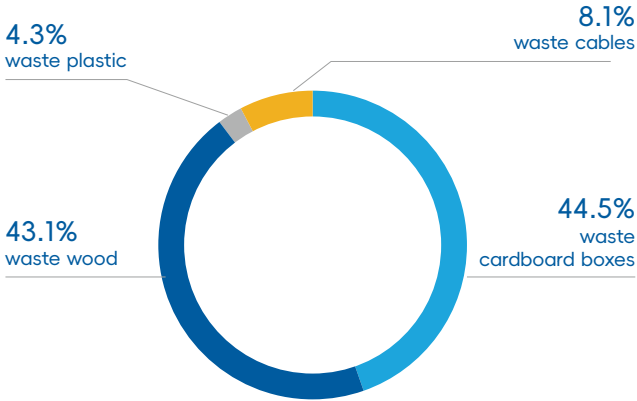
Waste Storage, Handling and Disposal Methods

Category	Storage and Handling	Disposal
Hazardous waste	Stored by type in designated storage areas that meet applicable requirements, with management records established and maintained.	Regularly transferred to qualified third-party service providers.
General industrial solid waste	Temporarily stored by category.	Handled by appropriate service providers.
Municipal solid waste	Collected by local sanitation authorities.	

In addition, we collaborate with specialized third-party service providers to promote the recycling and reuse of materials such as wood, cardboard boxes, plastics, and waste cables. We also recover and reuse eligible product packaging boxes, thereby delivering both environmental and economic benefits.

In 2025, we made significant progress in resource recycling at our major production sites, recycling and reusing a total of 278.70 tons of non-hazardous waste.

Waste Recycling and Recovery for 2025



recycling and reusing a total of

278.7 tons

of non-hazardous waste, accounting for 35.3% of total non-hazardous waste.

We plan to develop a phased implementation timeline to support our 2030 waste reduction target, including measures related to waste classification, source reduction, process optimization, and recycling and reuse. We will regularly monitor waste generation intensity and adjust our actions as needed.

ESG Data Tables and Notes

Governance

Unless otherwise stated, governance data covers all our global operations, with each reporting year running from January 1 to December 31.

Board and Committees

Metric	2025
Percentage of female directors on the Company's Board	25%
Percentage of the Company's Committee chairs occupied by females	25%
CEO Pay Ratio ¹	21x

¹ CEO Pay Ratio = CEO's total compensation / median total compensation of full-time equivalent (FTE) employees.

Ethical Business Conduct

Metric	2025
Number of inquiries, complaints, or issues received by the legal or compliance office via internal reporting systems	0
Number of confirmed corruption incidents	0
Percentage of employees trained on business ethics	100%

Metric	2025
Percentage of operational sites assessed or audited internally on a specific business ethics issue ¹	100%

¹ We conduct business ethics audits on a regular basis to monitor the implementation and effectiveness of business ethics policies across our operating sites, including requirements related to anti-commercial bribery, anti-corruption, and anti-unfair competition. We have conducted business ethics audits across all our global operations.

Social

Unless otherwise stated, social data covers all our global operations, with each reporting year running from January 1 to December 31.

Supply Chain Management

Metric	2025
Number of suppliers	1,782
Number of new suppliers	543
Number of buyers within the Company ¹	3
Percentage of suppliers screened against ¹	Environmental criteria3.7% Social criteria23.4%
Percentage of suppliers signing the <i>Supplier Compliance Commitment Letter</i> ²	90%

¹ The reporting scope of this metric is limited to our U.S. operations.

² The *Supplier Compliance Commitment Letter* is a code of conduct commitment that ACM Research requires all suppliers to sign. It covers, but is not limited to, environmental protection, intellectual property, import and export control, business ethics, product safety, and other compliance-related requirements. Please note that the 2025 figure is based on a conservative estimate and may not represent the final confirmed value.

Global Workforce Composition

Metric			2025
Total workforce ¹			2,513
By gender	Male		85.1%
	Female		14.9%
By age	≤30		55.9%
	30-50		41.9%
	≥50		2.2%
By job level	Entry- and mid-level	Male	85.1%
		Female	14.9%
	Senior- and executive-level	Male	86.7%
		Female	13.3%
Percentage of newly hired female employees			14.8%
Number of contractors ¹			1

¹ Our total employee headcount comprises full-time employees only and excludes rehired retirees and contractors.

Employee Turnover

Metric			2025
Employee turnover rate			10.1%
By gender	Male		10.3%
	Female		8.8%

Employee Training and Development

Metric			2025
Percentage of employees receiving training			94.6%
By gender	Male		94.0%
	Female		98.1%
Average hours of training per employee ¹			1.9hrs
By gender	Male		1.9hrs
	Female		2.0hrs
Percentage of employees who received skills-related training ²			100%
Percentage of employees who received regular performance and career development reviews			100%

¹ Average training hours per employee and by employee category are calculated based on total training hours at ACM Shanghai, our main operations representing over 95% of our total workforce. Our U.S. operations are currently excluded as a systematic training-hours tracking mechanism has not yet been established. We will continue to enhance our data collection mechanisms and expand the reporting scope in future reporting periods.

² We provide employees with diverse training programs to enhance their professional skills, competencies, and job readiness, ensuring access to appropriate training and development opportunities.

Human Rights

Metric			2025
Percentage of employees trained on discrimination and harassment			100%
Percentage of operational sites assessed for human rights impact or risks ¹			100%
Number of identified discrimination or harassment incidents or corrective actions			0

¹ We regularly conduct assessments of human rights-related risks and potential impacts to identify and manage human rights risks that may arise in our operations. We have conducted human rights risk and impact assessments across all our global operations.

Occupational Health and Safety

Metric	2025
Percentage of operational sites for which an employee health and safety risk assessment has been conducted ¹	100%
Number of work-related accidents	15
Number of days lost to work-related injuries, fatalities, and ill health	206.5
Occupational health and safety fatality	0

¹ We have established a systematic occupational health and safety risk management process to continuously identify, assess, monitor, and manage relevant risks. We have conducted occupational health and safety risk assessments across all our global operations.

Environmental

Unless otherwise stated, environmental data covers all our global operations, with each reporting year running from January 1 to December 31.

Greenhouse Gas Emissions

Metric	Unit	2023	2024	2025 ⁴
Scope 1 GHG emissions ¹	tCO ₂ e	28.3	35.6	3,674.2
Scope 2 GHG emissions ²	tCO ₂ e	2,975.8	4,738.4	19,668.3
Scope 3 GHG emissions ³	tCO ₂ e	21,528.3	52,145.3	46,550.4
Total GHG emissions (Scope 1 and Scope 2)	tCO₂e	3,004.0	4,774.0	23,342.6

Metric	Unit	2023	2024	2025 ⁴
GHG emissions intensity (Scope 1 and Scope 2)	tCO₂e/USD 1,000	0.01	0.01	0.03

¹ Scope 1 GHG emissions were calculated with reference to the *Shanghai Guidelines for Greenhouse Gas Emissions Accounting and Reporting (Trial)*, the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*, and the *IPCC Sixth Assessment Report*, among other sources.

² Scope 2 GHG emissions were calculated with reference to the *Announcement on the 2023 Electricity CO₂ Emission Factors*, life cycle inventory (LCI) data for the Korean power grid, and the U.S. EPA's *Emissions & Generation Resource Integrated Database (eGRID)*, among other sources.

³ Scope 3 GHG emissions, including purchased goods and services, capital goods, fuel-and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and upstream leased assets, were calculated in accordance with *Greenhouse Gas Accounting System Corporate Value Chain (Scope3) Accounting and Reporting Standards*.

⁴ The significant increase of GHG emissions in 2025 was due to the addition of our ACM Lingang Production Center to the measurement in 2025.

Energy Consumption

Metric	Unit	2023	2024	2025 ²
Aggregated energy consumption¹	MWh	7,142.0	8,292.8	42,907.2
Direct energy consumption	MWh	53.2	68.1	7,967.3
By type	Natural gas	m ³	27.5	118.7
	Gasoline	L	5,974.0	7,564.0
Indirect energy consumption	MWh	7,088.9	8,224.7	34,939.9
By source	Renewable	MWh	0	0
	Non-renewable	MWh	7,088.9	8,224.7
Energy consumption intensity	MWh/USD 1,000	0.01	0.01	0.05

Metric		Unit	2023	2024	2025 ²
Renewable sources	Consumption	MWh	0	0	0
	Percentage	%	0	0	0
Non-renewable sources	Consumption	MWh	7,142.0	8,292.8	42,907.2
	Percentage	%	100	100	100
Direct energy consumption intensity		MWh/USD 1,000	0.0001	0.0001	0.0088

¹Our energy consumption primarily comprises gasoline, natural gas, and electricity purchased from the grid. No renewable energy was consumed during the reporting period.

² The significant increase of energy use in 2025 was due to the addition of our ACM Lingang Production Center to the measurement in 2025.

Water Resources

Metric		Unit	2023	2024	2025 ¹
Total water withdrawal		m ³	105,487.0	114,819.0	363,820.3
Total water consumption		m ³	10,815.2	11,482.0	67,270.7
Total wastewater discharge		m ³	94,671.8	103,337.0	296,547.0
Water consumption intensity		m ³ /USD 1,000	0.02	0.01	0.07
Water consumption from areas with high water stress		m ³	10,815.2	11,482.0	66,404.0

¹ The significant increase of water consumption in 2025 was due to the addition of our ACM Lingang Production Center to the measurement in 2025.

Air Pollution and Waste

Metric	Unit	2023	2024	2025 ³
Percentage of employees trained on specific environmental issues ¹	%	—	—	100
Percentage of operational sites assessed on specific environmental risks ²	%	—	—	100
Non-methane hydrocarbons (NMHC) emissions	kg	101.7	40.3	196.0
Total waste	t	443.4	450.1	1,317.9
Total hazardous waste	t	234.3	280.1	527.3
Total non-hazardous waste	t	209.1	170.0	790.6
Percentage of waste recycled and reused	%	—	1.5	21.2
Hazardous waste generation intensity	t/USD 1,000	0.0004	0.0004	0.0006
Non-hazardous waste generation intensity	t/USD 1,000	0.0004	0.0002	0.0009
Total packaging and packaging materials	t	500.0	941.4	856.4

¹ We enhance employees' environmental awareness through training on topics such as energy and water conservation. All our employees have received environmental training.

² We regularly conduct environmental risk assessments to identify and manage potential risks arising from our operations. We have conducted environmental risk assessments across all our global operations.

³ The significant increase of air pollution and waste in 2025 was due to the addition of our ACM Lingang Production Center to the measurement in 2025.

Appendix 1 - About the Report

This is the inaugural Environmental, Social, and Governance (“ESG”) Report (the “Report”) publicly issued by ACM Research, Inc. The Report covers ACM Research, Inc. and its subsidiaries (collectively, “ACM Research”, “the Company”, or “we”). Unless otherwise stated, the scope of the Report is consistent with that of the Annual Report of the Company for the same period. A significant portion of the data and information presented in this Report is drawn from ACM Shanghai’s 2025 ESG Report.

The Report covers the period from January 1, 2025 to December 31, 2025. All financial information is presented in USD. In the event of any inconsistency between the data disclosed in the Report and the Company’s Annual Report, the Annual Report shall prevail.

The Report is published in electronic format and is available on the Company’s official website.

The Report has been prepared with reference to:

- the Nasdaq ESG Reporting Guide 2.0 (2019)
- the International Financial Reporting Standards Sustainability Disclosure Standard No. 1 – General Requirements for Disclosure of Sustainability-Related Financial Information (“IFRS S1”)
- the International Financial Reporting Standards Sustainability Disclosure Standard No. 2 – Climate-related Disclosures (“IFRS S2”)
- the Sustainability Accounting Standards Board (“SASB”) Standard for the Technology and Communications Sector: Semiconductor Industry.
- the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards (2021 Edition) (“GRI Standards”)

Contact Us

If you have any comments or suggestions regarding the Report, please contact us through the following channels:

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Reporting Principles

The Company reports on ESG topics that are important to stakeholders and relevant to its business and industry. It strives to provide accurate, balanced, and clear information by explaining data scopes, calculation methods, key assumptions, and any significant changes or restatements. The Report presents both positive and negative aspects of performance in English, supported by tables, charts, a table of contents, and ESG indexes. Consistent reporting methods are used across periods to enable meaningful comparison and trend analysis.

Appendix 2 - Glossary of Key Terms

(For more product details, please visit our website: <https://www.acmr.com/tools-and-processes>.)

Key Term	Definitions
Inductively Coupled Plasma Mass Spectrometry (ICP-MS)	A highly sensitive elemental analysis technique that combines an inductively coupled plasma (ICP) ion source with mass spectrometry (MS) for the qualitative and quantitative determination of trace and ultra-trace elements.
Chemical Delivery System (CDS)	An integrated system designed to safely, accurately and automatically transport high-purity and/or hazardous chemicals from storage units to points of use, ensuring operational safety, process stability and contamination control.
Incoming Quality Control (IQC)	A quality assurance process for inspecting and verifying raw materials, components, or parts supplied by vendors, to ensure conformity with defined technical and quality specifications prior to acceptance into production.
Service Organization Control 2 (SOC 2)	An AICPA (American Institute of Certified Public Accountants) reporting framework for evaluating controls related to security, availability, processing integrity, confidentiality, and privacy.
Net Zero Emissions by 2050 Scenario (NZE)	A normative scenario that outlines a pathway for the global energy sector to achieve net zero CO ₂ emissions by 2050.
Announced Pledges Scenario (APS)	A scenario that assumes all announced climate and energy commitments by governments are achieved in full and on time.

Key Term	Definitions
Space Alternated Phase Shift (SAPS™)	ACM Research's patented SAPS™ technology employs alternating phases of megasonic waves in the gap between a megasonic transducer and the wafer. On a microscopic level, this megasonic energy is able to reach every point on the wafer surface, to remove random defects much more effectively and completely than conventional megasonic or jet spray processes. Radicals for removing the random defects are generated in dilute chemical solution by the megasonic energy. The mechanical force of cavitations generated by megasonic energy enhances the mass transfer rate of dislodged random defects and improves particle removal efficiency. SAPS can accomplish all of this in less time than conventional megasonic cleaning products, without loss of material and without roughing wafer surfaces.
Timely Energized Bubble Oscillation (TEBO™)	ACM Research's TEBO™ wafer cleaning series provides the industry's most advanced solution for front-end IC manufacturing. The proprietary TEBO technology—part of Smart Megasonix™—uses an innovative megasonic cleaning technique. Combined with a special chamber/platform design, TEBO enables an unprecedented level of damage-free wafer cleaning for current and future generations of advanced chips, including 3D patterned wafers and extremely small, high-aspect-ratio devices.
Ultra C Tahoe	ACM Research's Ultra C Tahoe advanced cleaning tool meets the demanding technical requirements of advanced nodes for foundry, logic and memory applications. The tool delivers the performance of standalone single-wafer cleaning tools on low-to-medium temperature sulfuric peroxide mix (SPM) processes. Tahoe's patented hybrid architecture is among the first in the industry to combine batch wafer processing and single wafer cleaning chambers into the same SPM tool. The hybrid architecture delivers enhanced cleaning performance, high throughput, and process flexibility, with up to 75% reduction in chemical consumption.

Appendix 3 - Indexes

Nasdaq ESG Reporting Guide 2.0 Index Table

Dimension	No.	Metric	Report Sections
Environmental	E1	GHG Emissions	ESG Data Tables and Notes
	E2	Emissions Intensity	ESG Data Tables and Notes
	E3	Energy Usage	ESG Data Tables and Notes
	E4	Energy Intensity	ESG Data Tables and Notes
	E5	Energy Mix	ESG Data Tables and Notes
	E6	Water Usage	ESG Data Tables and Notes Water Management
	E7	Environmental Operations	Climate Change Mitigation and Adaptation Energy Use and Efficiency Water Management Air Pollution and Waste Management
	E8	Climate Oversight / Board	Climate Change Mitigation and Adaptation
	E9	Climate Oversight / Management	Climate Change Mitigation and Adaptation
	E10	Climate Risk Mitigation	Climate Change Mitigation and Adaptation
Society	S1	CEO Pay Ratio	ESG Data Tables and Notes
	S2	Gender Pay Ratio	The Company does not currently disclose a gender pay ratio due to differences in roles, levels, and locations, which may limit comparability.

Dimension	No.	Metric	Report Sections
Society	S3	Employee Turnover	ESG Data Tables and Notes
	S4	Gender Diversity	ESG Data Tables and Notes
	S5	Temporary Worker Ratio	ESG Data Tables and Notes
	S6	Non-Discrimination	Advancing Fair Labor Practices
	S7	Injury Rate	ESG Data Tables and Notes
	S8	Global Health & Safety	Thriving Workforce
	S9	Child & Forced Labor	Advancing Fair Labor Practices
	S10	Human Rights	Advancing Fair Labor Practices Supply Chain Resilience
Governance	G1	Board Diversity	ESG Data Tables and Notes
	G2	Board Independence	Governance and Accountability
	G3	Incentivized Pay	Governance and Accountability
	G4	Collective Bargaining	ESG Data Tables and Notes
	G5	Supplier Code of Conduct	Supply Chain Resilience ESG Data Tables and Notes
	G6	Ethics & Anti-Corruption	Ethical Business Conduct ESG Data Tables and Notes
	G7	Data Privacy	Cybersecurity and Data Privacy
	G8	ESG Reporting	Governance and Accountability
	G9	Disclosure Practices	About the Report
	G10	External Assurance	During the reporting period, this Report was not subject to external assurance or verification.

GRI Content Index

Statement of use	ACM Research has reported the information cited in this GRI content index for the period between January 1, 2025 and December 31, 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location & Descriptions
GRI 2: General Disclosures 2021	2-1	Organizational details About ACM Research
	2-2	Entities included in the organization's sustainability reporting Appendix 1 - About the Report
	2-3	Reporting period, frequency and contact point Appendix 1 - About the Report
	2-5	External assurance During the reporting period, this Report was not subject to external assurance or verification.
	2-6	Activities, value chain and other business relationships About ACM Research
	2-7	Employees Thriving Workforce ESG Data Tables and Notes
	2-8	Workers who are not employees Supply Chain Resilience ESG Data Tables and Notes
	2-9	Governance structure and composition Governance and Accountability
	2-10	Nomination and selection of the highest governance body 2026 Proxy Statement
	2-11	Chair of the highest governance body Governance and Accountability
	2-12	Role of the highest governance body in overseeing the management of impacts Governance and Accountability

GRI Standard	Disclosure	Location & Descriptions
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts Governance and Accountability
	2-14	Role of the highest governance body in sustainability reporting Governance and Accountability
	2-15	Conflicts of interest 2026 Proxy Statement
	2-16	Communication of critical concerns Governance and Accountability
	2-17	Collective knowledge of the highest governance body 2026 Proxy Statement
	2-18	Evaluation of the performance of the highest governance body Governance and Accountability
	2-19	Remuneration policies Governance and Accountability
	2-20	Process to determine remuneration Governance and Accountability
	2-21	Annual total compensation ratio ESG Data Tables and Notes
	2-22	Statement on sustainable development strategy A Message from Our Leadership
	2-23	Policy commitments Ethical Business Conduct Advancing Fair Labor Practices
	2-24	Embedding policy commitments Ethical Business Conduct
	2-25	Processes to remediate negative impacts Ethical Business Conduct Advancing Fair Labor Practices
	2-26	Mechanisms for seeking advice and raising concerns Ethical Business Conduct
	2-27	Compliance with laws and regulations Corporate Governance Product and Services Thriving Workforce Climate and Environment
	2-29	Approach to stakeholder engagement Reporting Approach
	2-30	Collective bargaining agreements Advancing Fair Labor Practices

GRI Standard	Disclosure	Location & Descriptions
GRI 3: Material Topics 2021	3-1	Process to determine material topics
	3-2	List of material topics
	3-3	Management of material topics
GRI 101: Biodiversity 2024	101-1	Policies to halt and reverse biodiversity loss
	101-2	Management of biodiversity impacts
	101-3	Access and benefit-sharing
	101-4	Identification of biodiversity impacts
	101-5	Locations with biodiversity impacts
	101-6	Direct drivers of biodiversity loss
	101-7	Changes to the state of biodiversity
	101-8	Ecosystem services
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed
	201-2	Financial implications and other risks and opportunities due to climate change
	201-3	Defined benefit plan obligations and other retirement plans
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption
	205-2	Communication and training about anti-corruption policies and procedures
	205-3	Confirmed incidents of corruption and actions taken
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

GRI Standard	Disclosure	Location & Descriptions
GRI 207: Tax 2019	207-1	Approach to tax
	207-2	Tax governance, control, and risk management
	207-3	Stakeholder engagement and management of concerns related to tax
	207-4	Country-by-country reporting
GRI 301: Materials 2016	301-1	Materials used by weight or volume
	301-2	Recycled input materials used
	301-3	Reclaimed products and their packaging materials
GRI 302: Energy 2016	302-1	Energy consumption within the organization
	302-3	Energy intensity
	302-4	Reduction of energy consumption
GRI 303: Water and Effluents 2018	302-5	Reductions in energy requirements of products and services
	303-1	Interactions with water as a shared resource
	303-2	Management of water discharge-related impacts
	303-3	Water withdrawal
	303-4	Water discharge
	303-5	Water consumption

GRI Standard	Disclosure		Location & Descriptions
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Climate Change Mitigation and Adaptation ESG Data Tables and Notes
	305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Mitigation and Adaptation ESG Data Tables and Notes
	305-3	Other indirect (Scope 3) GHG emissions	Climate Change Mitigation and Adaptation ESG Data Tables and Notes
	305-4	GHG emissions intensity	ESG Data Tables and Notes
	305-5	Reduction of GHG emissions	Climate Change Mitigation and Adaptation
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Pollution and Waste Management ESG Data Tables and Notes
GRI 306: Effluents and Waste 2016	306-3	Significant spills	Air Pollution and Waste Management
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Air Pollution and Waste Management
	306-2	Management of significant waste-related impacts	Air Pollution and Waste Management
	306-3	Waste generated	Air Pollution and Waste Management ESG Data Tables and Notes
	306-4	Waste diverted from disposal	Air Pollution and Waste Management ESG Data Tables and Notes
	306-5	Waste directed to disposal	Air Pollution and Waste Management
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain Resilience ESG Data Tables and Notes
	308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Resilience

GRI Standard	Disclosure		Location & Descriptions
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	ESG Data Tables and Notes
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Investing in Employee Well-Being
	401-3	Parental leave	Investing in Employee Well-Being
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Thriving Workforce
	403-2	Hazard identification, risk assessment, and incident investigation	ESG Data Tables and Notes
	403-6	Promotion of worker health	Thriving Workforce
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Supply Chain Resilience
	403-8	Workers covered by an occupational health and safety management system	Thriving Workforce
	403-9	Work-related injuries	ESG Data Tables and Notes
	403-10	Work-related ill health	ESG Data Tables and Notes
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	ESG Data Tables and Notes
	404-2	Programs for upgrading employee skills and transition assistance programs	Cultivating Talent for Long-Term Growth ESG Data Tables and Notes
	404-3	Percentage of employees receiving regular performance and career development reviews	Cultivating Talent for Long-Term Growth ESG Data Tables and Notes

GRI Standard	Disclosure	Location & Descriptions
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Governance and Accountability Advancing Fair Labor Practices ESG Data Tables and Notes
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Advancing Fair Labor Practices ESG Data Tables and Notes
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply Chain Resilience
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Advancing Fair Labor Practices Supply Chain Resilience ESG Data Tables and Notes
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Advancing Fair Labor Practices Supply Chain Resilience ESG Data Tables and Notes
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Resilience ESG Data Tables and Notes
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Resilience
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Safety and Service Quality
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity and Data Privacy

SASB Index Table (Semiconductors Industry)

Topic	Accounting Metrics	Code	Category	Location & Descriptions
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions	TC-SC-110a.1	Quantitative	ESG Data Tables and Notes
	(2) Amount of total emissions from perfluorinated compounds			Due to confidentiality requirements, we do not disclose the amount of total emissions from perfluorinated compounds publicly.
Greenhouse Gas Emissions	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TC-SC-110a.2	Discussion and Analysis	ESG Data Tables and Notes Climate Change Mitigation and Adaptation
Energy Management in Manufacturing	(1) Total energy consumed	TC-SC-130a.1	Quantitative	ESG Data Tables and Notes
	(2) Percentage grid electricity			Renewable energy is not currently used in ACM Research's production and operations. We have set a target for renewable electricity to account for 10% of total electricity consumption by 2030 and plan to procure renewable electricity to support achievement of this target.
	(3) Percentage renewable			

Topic	Accounting Metrics	Code	Category	Location & Descriptions
Water Management	(1) Total water withdrawn	TC-SC-140a.1	Quantitative	ESG Data Tables and Notes
	(2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress			
Waste Management	(1) Amount of hazardous waste from manufacturing (2) Percentage recycled	TC-SC-150a.1	Quantitative	ESG Data Tables and Notes
Workforce Health & Safety	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	TC-SC-320a.1	Discussion and Analysis	Thriving Workforce
Workforce Health & Safety	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	Quantitative	\$0
Recruiting & Managing a Global & Skilled Workforce	Percentage of employees that require a work visa	TC-SC-330a.1	Quantitative	ACM Research does not currently track the percentage of employees requiring work visas. Based on business and staffing needs, we support eligible employees in obtaining the required work visas in accordance with applicable laws, facilitating their employment and cross-border workforce deployment.

Topic	Accounting Metrics	Code	Category	Location & Descriptions
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	Quantitative	Due to confidentiality requirements, we do not disclose this information publicly.
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	TC-SC-410a.2	Quantitative	ACM Research is a semiconductor equipment manufacturer and does not manufacture servers, desktop computers, or laptops.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	Discussion and Analysis	Supply Chain Resilience
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SC-520a.1	Quantitative	\$0

