2025-2026

INTEGRATED REPORT

SMTC
MANUFACTURING INNOVATORS

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OVERVIEW



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1.1CEO Statement

GRI 2-22

At SMTC our purpose is to enhance people's lives and the world every day. Sustainability is an important part of how we operate, make decisions, and create long-term value for our customers, employees, business partners, and communities. As a global electronics manufacturing services company, we recognize our responsibility to conduct business ethically, protect the environment, support our people, and maintain strong governance practices across our organization.

Our ESG commitments are grounded in continuous improvement and responsible business practices. We remain focused on reducing our environmental impact through the efficient use of energy and natural resources, responsible waste management, and the ongoing evaluation of opportunities to strengthen the sustainability of our operations and supply chain.

Our people are foundational to our success. We are committed to providing safe, respectful, and inclusive workplaces where employees can develop, contribute, and succeed. We also continue to promote responsible labor practices, respect for human rights, employee well-being, and meaningful engagement with the communities in which we operate.

Strong governance provides the foundation for these efforts. We are committed to conducting business with integrity, transparency, and accountability, while reinforcing ethical standards, regulatory compliance, responsible sourcing, and effective risk management throughout our operations.

We understand that sustainability is an ongoing journey and that meaningful progress requires collaboration, measurable actions, and continuous evaluation. As SMTC continues to evolve, we will work to further strengthen our ESG practices and reporting, better understand our impact, and respond to the expectations of our stakeholders.

I am deeply appreciative of the dedication of our employees and the continued trust of our customers and business partners. Together, we will continue building a more responsible, resilient, and sustainable future for SMTC and the communities we serve.

Sincerely,

Mike Buseman

President & Chief Executive Officer



1.2 Who We Are

GRI 2-6

SMTC is a mid-size provider of end-to-end electronics manufacturing services (EMS) including PCBA production, systems integration and comprehensive testing services, enclosure fabrication, as well as product design, sustaining engineering and supply chain management services. SMTC facilities span a broad footprint in the United States, Canada, Mexico, and China. SMTC services extend over the entire electronic product life cycle from the development and introduction of new products through to the growth, maturity and end-of-life phases.

MISSION

We collaborate with our partners to develop high quality innovative solutions that create value and make our communities a better place.

VISION

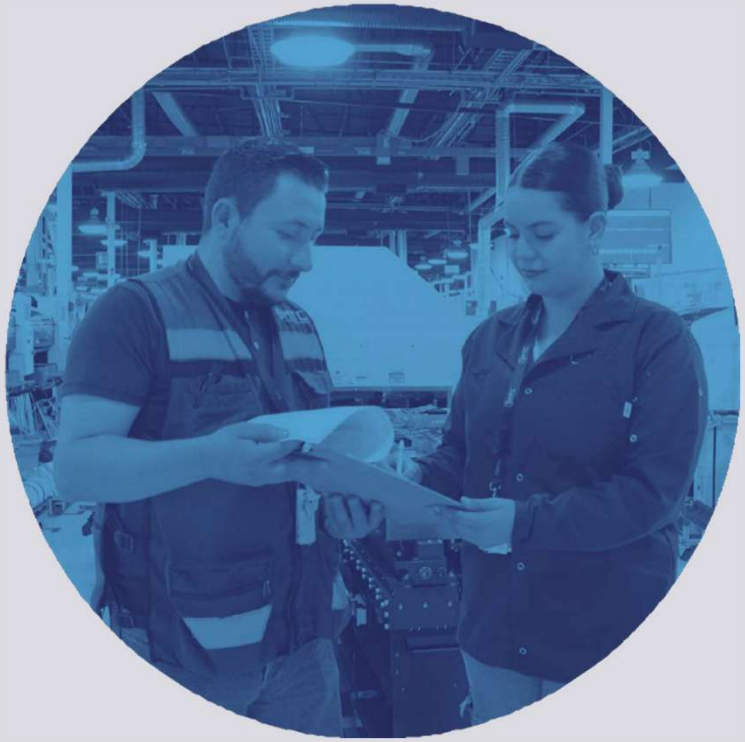
Inspiring our employees to be trusted and admired by our customers, creating the highest industry returns as the best-in-class EMS provider.

PURPOSE

We believe we enhance people's lives and our world every day.

VALUES

- Customer Focus
- Collective Success
- Continuous Improvement
- Innovation
- Flexibility
- Integrity



1.3 SMTC Sites

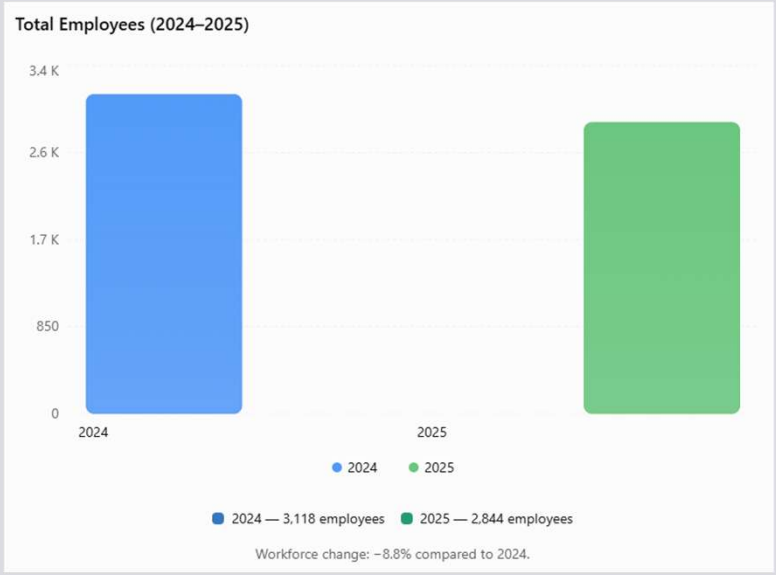
GRI 2-6

SMTC's facilities and offices span the United States, Mexico, Canada and Asia. Our global presence helps us collaborate with customers, deliver specialized manufacturing capabilities and contribute to the communities where we operate.



1.4 SMTC Employees Across the Years: Our People, Our Strength

GRI 2-6



At SMTC, our people are at the heart of everything we do. We recognize that our employees are essential to our success, driving innovation, operational excellence, and continuous improvement. We are committed to fostering a safe, inclusive, and respectful workplace where everyone has the opportunity to grow, contribute, and thrive. In 2025, our global workforce consisted of 2,844 employees, reflecting our continued commitment to valuing our people, supporting their well-being, and building a strong organizational culture based on collaboration, integrity, and shared success.





1.5 SMTC Employees by Country and Gender

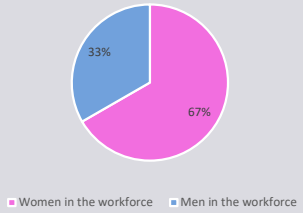
GRI 2-6

At SMTC, we recognize the essential role women play in driving our success, innovation, and operational excellence. Their talent, dedication, and diverse perspectives strengthen our organization and contribute to a more inclusive and collaborative workplace. We are committed to promoting gender equality, providing equal opportunities for professional growth, and fostering a respectful and supportive environment where women feel valued, empowered, and encouraged to reach their full potential. By supporting women's participation and development across all areas of our business, we continue building a stronger, more diverse, and sustainable organization.

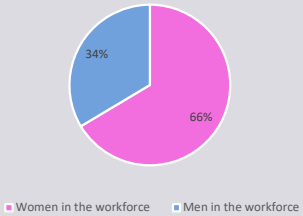


MÉXICO

2024

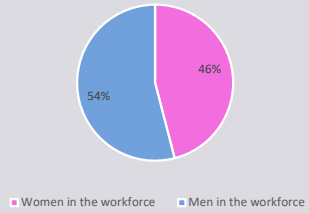


2025



US

2025



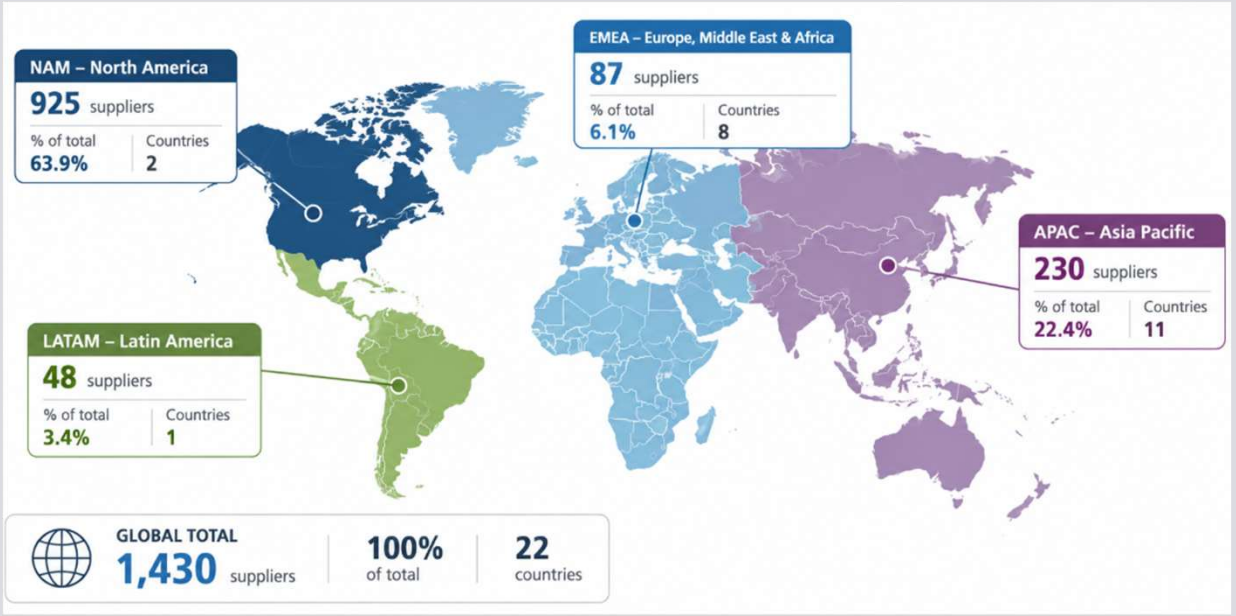
1.6 Our Suppliers: Building a Responsible Supply Chain

GRI 2-6

At SMTC, our suppliers are essential partners in delivering quality, innovation, and operational excellence. Our global supplier network plays a key role in ensuring business continuity, meeting customer expectations, and supporting sustainable growth.

We recognize the importance of building strong, transparent, and responsible relationships with our suppliers, promoting ethical business practices, environmental responsibility, and respect for human rights throughout our supply chain.

Understanding the geographic distribution of our suppliers helps us strengthen supply chain visibility, identify opportunities for improvement, and support our commitment to responsible sourcing and long-term sustainability.



2

GOVERNANCE & ETHICS



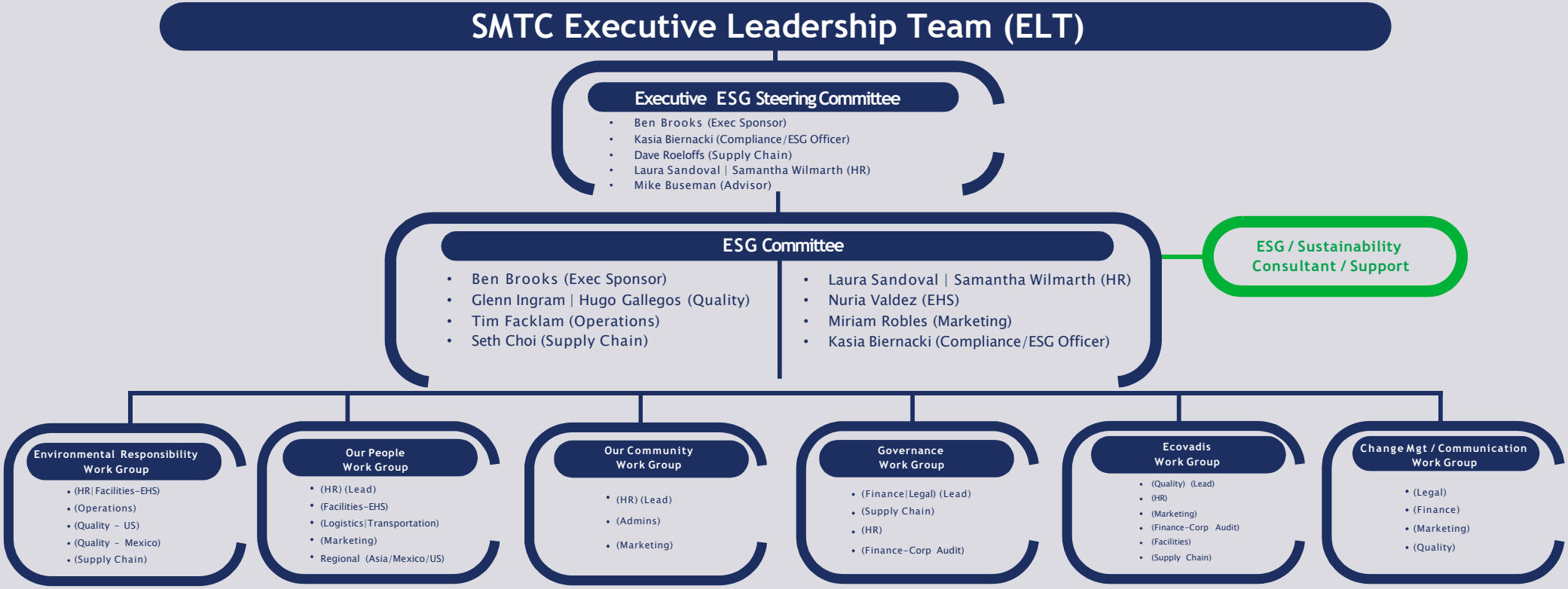


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2.6. Our Sustainable Business Strategy and Commitments
2.7. Materiality Assessment
2.8 Code of Ethics and Conduct

2.1 Our Experienced Executive Leadership Team

Dedicated to driving operational excellence and advancing our sustainability goals, our experienced executive leadership team, with its deep industry experience, is a vital element of our long-term success.



2.2 Corporate Transparency and Open Communication



Actions:

- **Annual Report:** Our dedication to these principles is reflected in our Annual Report, SMTC website, Executive Leadership Team Meeting, and ESG Management Review.
- **Communication:** Implement internal and external communication channels that promote transparency and corporate responsibility.
- **Integrity:** Our commitment to integrity is the bedrock of our ethical framework. We maintain the highest standards of honesty and ethical conduct in all business operations, ensuring our actions consistently align with our values.

2.3 Compliance with Regulations and International Standards

Our commitment to ethical conduct is supported by a robust compliance framework. We ensure adherence to all applicable regulations and international standards through a variety of proactive measures.



Actions:

- **Training:** We provide continuous training to key employees on relevant regulations and legal requirements.
- **Internal Audits:** We conduct regular internal audits to maintain ongoing compliance and identify areas for improvement.
- **Third-Party Audits:** To ensure impartiality and rigor, we engage a third party to perform an ESG audit annually or every two years.

2.4 Protection of Personal and Business Data

We are committed to protecting the privacy and security of both personal and business data. Our approach is built on a strong framework of policies, training, and continuous improvement.



Actions:

- We have implemented comprehensive information security management systems that adhere to leading industry standards to safeguard our data.
- We provide mandatory annual cybersecurity and data protection training for 100% of our employees to ensure everyone understands their role in protecting sensitive information.
- We maintain and regularly update our Cyber Security policies and programs to proactively address emerging threats and uphold the highest level of security.

2.5 Stakeholder Engagement in ESG Topics

We believe that open dialogue with our stakeholders is essential for effective ESG management. Our strategy focuses on active engagement to understand and incorporate their perspectives.



Actions:

- **Workshops:** We regularly hold workshops with our stakeholders to listen to their concerns and gather valuable feedback on ESG matters. We commit to conducting at least two workshops a year.
- **Policy Integration:** We actively integrate stakeholder feedback into our ESG policy development, ensuring our strategies are aligned with their perspectives and priorities.

2.6 Our Sustainable Business Strategy and Commitments

We've aligned our sustainability goals with the United Nations' Sustainable Development Goals (SDGs), a framework for tackling global challenges like climate change, poverty, and inequality. We identified five SDGs that match our 2030 targets.



Alignment with SDGs

PRIORITY SDGs



2.7 Materiality Matrix

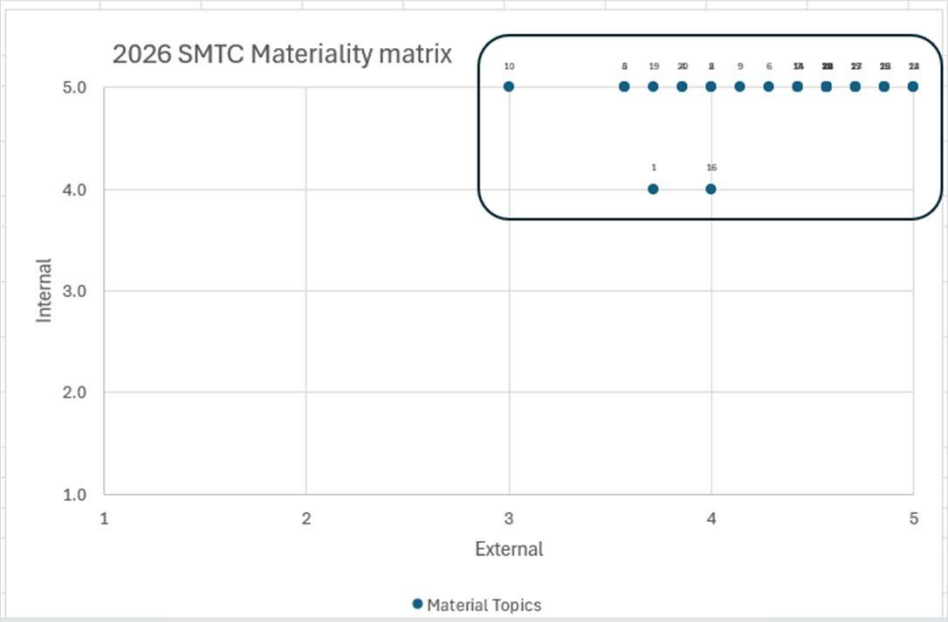
Materiality helps us focus on the sustainability issues that matter most to our business and stakeholders.

This section presents the topics identified through our assessment and explains how they inform our priorities and reporting.

The results of SMTC's 2026 Materiality Assessment highlight the importance stakeholders place on occupational health and safety, legal compliance, human and labor rights, business ethics, and equal opportunities.

Environmental priorities include responsible waste management, recycling, circular economy practices, and efficient resource use.

These findings provide a foundation for strengthening SMTC's sustainability strategy, aligning its initiatives with the United Nations Sustainable Development Goals (SDGs), particularly SDGs 3, 8, 12, 13, and 16, and supporting continuous improvement in Environmental, Social, and Governance (ESG) performance.



12	Workplace Accident Prevention
24	Legal and Regulatory Compliance
18	Human and Labor Rights
23	Business Ethics
26	Code of Ethics and Conduct
17	Equal Opportunity and Fair Treatment
25	Anti-Corruption and Anti-Bribery Practices
27	Data Privacy and Cybersecurity
11	Occupational Health and Safety
13	Employee Physical and Mental Well-being
21	Responsible Supply Chain Management
22	Prevention of Child Labor and Forced Labor
28	Transparency and Disclosure of Information
29	ESG Risk Management
30	Board Oversight and Leadership Accountability
7	Recycling and Circular Economy Practices
14	Training and Professional Development
15	Talent Attraction and Retention
6	Responsible Waste Management

2.8 Code of Conduct

To avoid any conflict between personal interests and the company's objectives, our Code of Ethics and Conduct establishes guidelines that all employees, including the Executive Leadership Team and Board Members, must comply with. Employees must disclose any actual or potential conflict of interest to their manager, Legal or Compliance. Directors and Officers must also disclose conflicts to the Chairman or the Secretary of the Board of Directors and refrain from any deliberation and resolution.

Another key element of our Compliance Program is SMTC's Ethics Line. Employees, Suppliers and other stakeholders can report a violation of the Code of Conduct, the RBA Code, or any situation considered a risk to their life or work integrity, through the corporate hotline.

MEXICO 800 681 9361

US 1 844 713 1180

CHINA 400 6000 663

CANADA 905 479 1810

For suppliers, clients, or contractors, you can access the following link:
https://www.smtc.ethicspoint.com



Ethics Lines

0 Cases received in 2024

1 Case received in 2025*

*4 phone calls on the same issue.

0 Cases related to corruption

3

SOCIAL



We invest in our most valuable asset:

our people





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3.7 Social Responsibility Committee

3.1 Fair and Safe Working Conditions for Employees

Our commitment to a safe and healthy workplace is a top priority. We strive to provide fair and safe working conditions for all employees by implementing a robust framework of training, audits, and open communication.



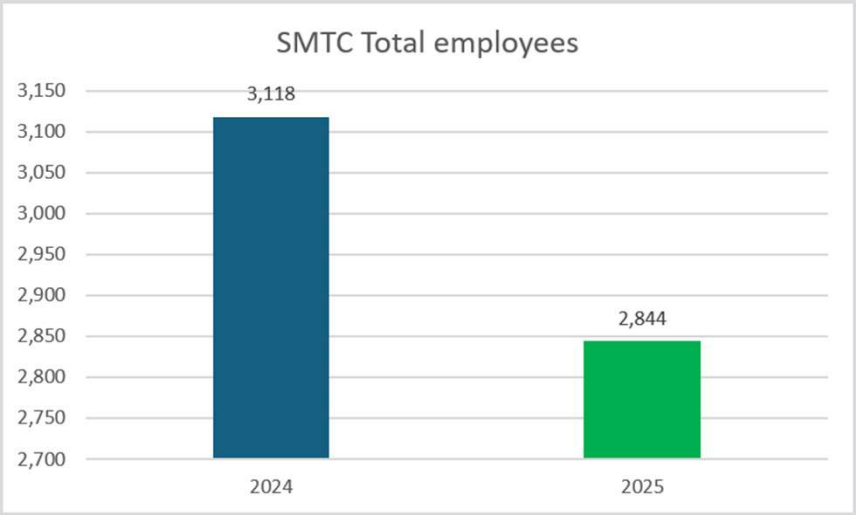
Actions:

- **Training and Development:** Our goal is to provide 100% of our employees with EHS training through professional development programs focused on safety.
- **Workplace Audits**: We conduct regular workplace safety audits across all our sites. We aim to achieve 100% EHS audits in all areas of SMTC sites to ensure ongoing compliance and identify potential risks.
- **Open Communication:** We have created a direct communication channel for employees to report any concerns related to working conditions, fostering a culture of transparency and accountability.
- **Regulatory Compliance:** We ensure full health and safety compliance with all local requirements at each of our SMTC sites.

3.2 Our People, the Most Valuable Resource

GRI 401





Our people are at the heart of everything we do.

We recognize that the dedication, talent, and expertise of our employees are essential to our success, driving innovation, operational excellence, and long-term business sustainability.

We are committed to fostering a safe, respectful, inclusive, and supportive work environment where every individual is valued and has the opportunity to grow and contribute. Our approach emphasizes employee well-being, occupational health and safety, equal opportunities, diversity, professional development, and respect for human rights.

3.2 Our People, the Most Valuable Resource (cont.)

GRI 401

We believe that investing in our people strengthens our organizational culture, enhances collaboration, and supports continuous improvement across our operations. By encouraging employee engagement, promoting responsible labor practices, and supporting professional growth, we aim to build a workplace where individuals feel respected, empowered, and motivated to achieve their full potential.

Our workforce represents one of our greatest strengths. Through our commitment to responsible employment practices and a people-centered culture, SMTC seeks to create lasting value for our employees, customers, stakeholders, and the communities in which we operate.

		SMTC CUU		SMTC US	
GRI 401 – Employment	Unit	2024	2025	2024	2025
Total employees	#	1,987	2,014	1,131	830
New hires	#	749	936	139	144
Hiring rate	%	31.9	46.5		
Voluntary separations	#	561	479	128	109
Involuntary separations	#	821	399	159	43
Total employee turnover rate	%	23.9	23.5	4.13%	2.01%
Permanent employees	%	93	87.1	74.00%	83.60%
Temporary employees	%	7	12.9	25.60%	15.80%
Full-time employees	%	100	100	73.50%	82.90%
Part-time employees	%	0	0	1.00%	0.01%
Employees with health insurance	%	100	100	76.00%	51.00%
Employees with retirement benefits	%	0	0		

3.3 Collective Bargaining Agreements

GRI 2-30

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GRI 2-30 – Collective Bargaining Agreements	Unit	2024	2025
Employees covered by collective bargaining agreements	%	53.1	54.4
Union-represented employees	%	53.1	54.4

Note: Collective bargaining agreement coverage reported in this section applies exclusively to SMTC's operations in Mexico

At SMTC, we respect employees' rights to freedom of association and collective bargaining in accordance with applicable labor laws and regulations.

In Mexico, collective bargaining agreements support fair working conditions, employee representation, and constructive dialogue between employees, labor unions, and management.

Through these practices, SMTC seeks to promote respectful labor relations, protect workers' rights, and foster a positive and collaborative workplace.

Our commitment to responsible labor practices reflects our dedication to employee well-being, mutual respect, and long-term organizational sustainability.

3.4 Health and Safety

GRI 403-8 and 403-9





GRI 403 – Occupational Health and Safety	Unit	2024	2025
Recordable work-related injuries	#	7	9
Lost-time injuries	#	6	7
Work-related fatalities	#	0	0
Lost workdays	#	135	409
Work-related ill health cases	#	0	0
Safety audits conducted	#	35	49
Safety inspections	#	1	1

At SMTC, the health, safety, and well-being of our employees are fundamental priorities. We are committed to providing a safe and healthy workplace through proactive risk prevention, hazard identification, employee training, and continuous improvement of our occupational health and safety practices.

Our approach focuses on preventing work-related injuries and illnesses, promoting a strong safety culture, and encouraging employee participation in maintaining safe working conditions. Through ongoing monitoring, compliance with applicable regulations, and preventive initiatives, we strive to protect our people and foster a workplace where everyone can perform their activities safely and confidently.

3.4 Health and Safety (cont.)

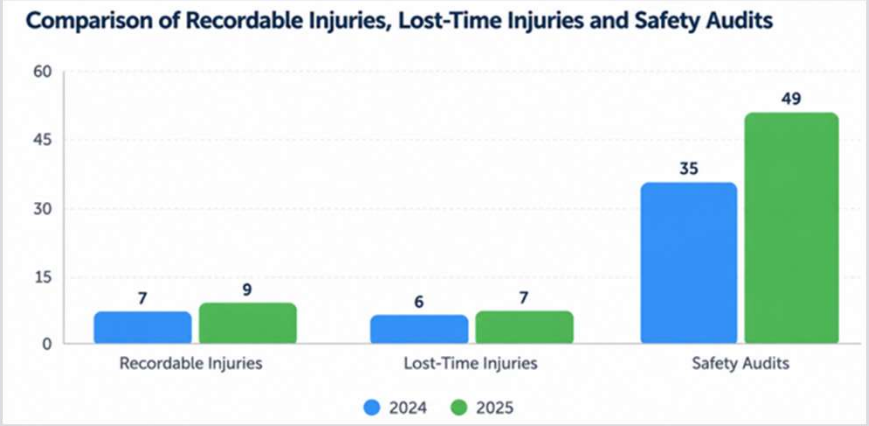
GRI 403-8 and 403-9

Occupational Health and Safety Performance

In 2025, SMTC strengthened its occupational health and safety efforts, increasing safety audits by 40% compared to 2024. The company maintained zero work-related fatalities and reported no cases of occupational ill health during both years.

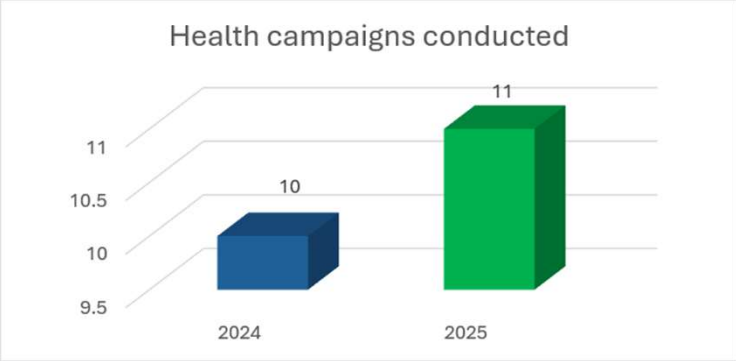
However, recordable injuries increased from 7 to 9, while lost workdays rose from 135 to 409, highlighting opportunities to strengthen injury prevention and risk mitigation strategies.
These results reinforce SMTC's commitment to continuous improvement, proactive risk management, and fostering a safer and healthier workplace for all employees.

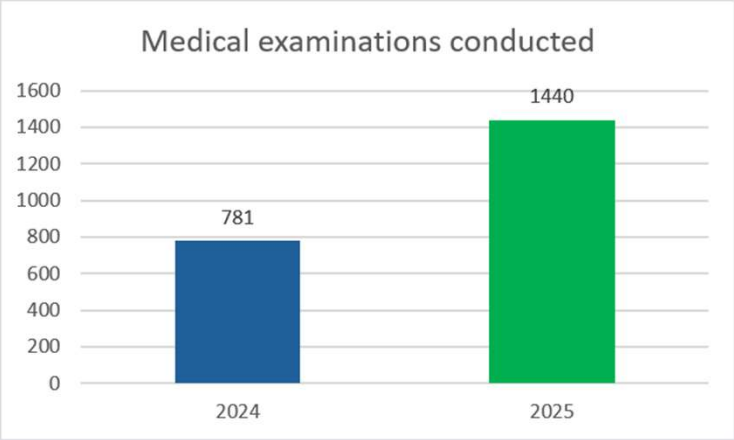
SMTC maintained **100% employee coverage under its Occupational Health and Safety (OH&S) Management System** in both 2024 and 2025, demonstrating its continued commitment to providing a safe and healthy work environment. This coverage reflects the company's efforts to promote workplace safety, prevent occupational injuries and illnesses, and support employee well-being across its operation.



3.4 Health and Safety (cont.)

GRI 403-8 and 403-9





At SMTC, we recognize that promoting employee health and well-being is essential to maintaining a safe, healthy, and productive workplace. Through preventive health initiatives, medical examinations, and awareness campaigns, we seek to encourage healthier lifestyles, early identification of potential health risks, and a culture of prevention across our organization.

In 2025, SMTC conducted 11 health campaigns, compared to 10 in 2024, representing a **10% increase**. Additionally, the number of medical examinations increased from 781 in 2024 to 1,440 in 2025, reflecting an **84% increase** in preventive healthcare activities.

These initiatives demonstrate our continued focus on strengthening employee health programs and supporting the well-being of our workforce.

3.5 Employee Training & Development

GRI 404



GRI 404 – Training and Education	Unit	2024	2025
Total training hours	hours	29,261	33,024
Average training hours per employee	hours/employee	66	60
Employees trained	%	70	87
Employees receiving performance reviews	%	89.03	94.75
Leadership program participants	#	42	34
Training coverage	%	70	87

At SMTC, we believe that investing in our employees' knowledge, skills, and professional development is essential to building a strong, capable, and engaged workforce. Through continuous training, leadership development, and performance evaluations, we seek to strengthen individual competencies and support long-term organizational success.

In 2025, SMTC delivered 33,024 training hours, representing a 12.9% increase compared to 2024.

Employee training coverage increased from 70% to 87%, while the percentage of employees receiving performance reviews improved from 89.03% to 94.75%. These results reflect our continued commitment to fostering a culture of learning, professional growth, and continuous improvement, empowering our people to contribute to SMTC's operational excellence and sustainable development.

3.6 Respect for Human Rights in the Supply Chain

We are committed to upholding human rights throughout our supply chain. Our approach is to ensure our partners share our values and adhere to ethical standards.

Actions:

- **Supplier Codes of Conduct:** We have developed and implemented a comprehensive supplier code of conduct that includes strict human rights criteria. All Suppliers are required to comply with it.

- **Audits and Risk Assessments:** We conduct ESG assessments of our onsite service providers, communicate our ESG expectations to our wider supplier network, and may assess or audit other suppliers based on risk.



3.7 Social Responsibility Committee

The Social Responsibility Committee represents SMTC's commitment to sustainable development, operating ethically and contributing to the well-being of society and the environment.

Our work is founded on the conviction that a company's success is measured not only by its financial results, but also by the positive impact it generates in its environment.

Action Pillars:

- Education and Community Development.
- Inclusion and Diversity.
- Sustainability and Environment.
- Support for Social Causes.
- Health and Well-being.



3.7 Social Responsibility Committee (cont.)

2025 Activities:



Annual golf tournament in support of a children's home



Donation of personal hygiene items for a teenagers shelter



Donation of school supplies for vulnerable children



Reforestation of Fantasy Park



Donation of pet food for an animal shelter



Christmas party at a shelter home for teenagers

3.7 Social Responsibility Committee (cont.)

2026 Activities:



Blood Drive - Safety, Wellness and Community



Buddy Walk - New Hampshire Down Syndrome Association



American Cancer Society Breast Cancer Awareness

4

BUSINESS





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4.1. Responsible Supply Chain Management

4.2 Supplier ESG Engagement

4.1 Responsible Supply Chain Management

We are dedicated to fostering a responsible supply chain aligned with our ESG values, collaborating with partners to ensure they meet our high standards for labor, ethics, and environmental impact.

Actions:

- **Clear Commitments:** We require our suppliers to sign Acknowledgements & Commitments for Labor, Ethics, and Carbon Emissions, ensuring a shared understanding and commitment to key ESG principles.
- **Supplier Engagement Program:** We have established an ESG Program and Journey for our top 25 SMTC-controlled suppliers to help them meet our criteria.
- **Quantitative Goals:** Our objective is to have 80% of our SMTC-controlled suppliers meet our established ESG criteria by a target year of 2030, from a baseline of 38%.



4.2 Supplier ESG Engagement

GRI 2-6

On-site supplier ESG assessments	Supplier Code of Conduct acknowledgment
100%	100%
2025 · Program launched	2025 · Reported coverage

Key Indicator	2024	2025
On-site service providers assessed on ESG criteria	Not implemented	**100%**
Suppliers acknowledging the Code of Conduct	To be confirmed	**100%**
ESG commitments communicated to broader supplier network	Not reported	**Implemented**



Supplier ESG assessments are conducted for on-site service providers, while ESG commitments and expectations are communicated to the broader supplier network. The 100% assessment coverage refers exclusively to on-site service providers included in the program.

5

ENVIRONMENTAL



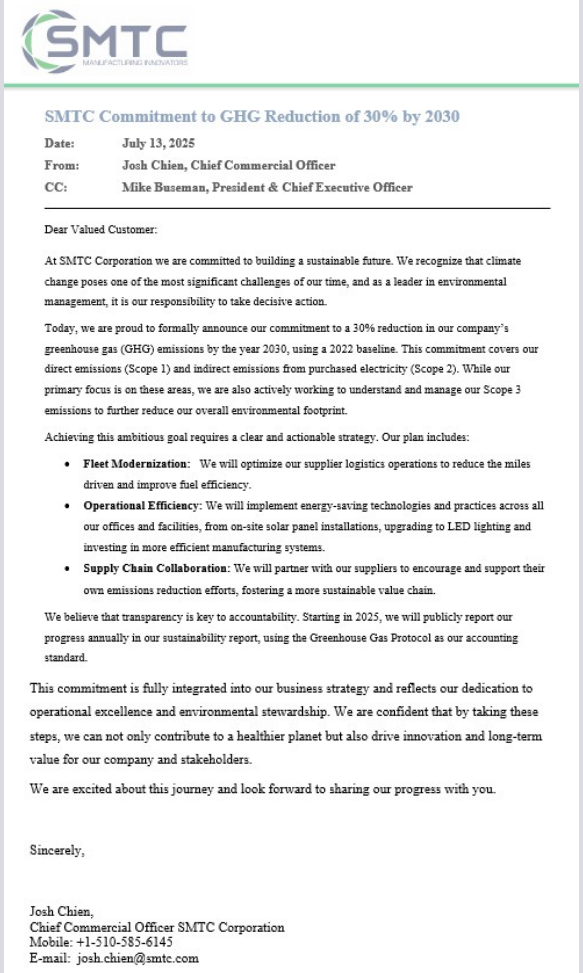
At SMTC, we are committed to environmental sustainability at all stages of our operations.



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5.1 SMTC Commitment to GHG Reduction of 30% by 2030



SMTC Commitment to GHG Reduction of 30% by 2030

Date: July 13, 2025
From: Josh Chien, Chief Commercial Officer
CC: Mike Buseman, President & Chief Executive Officer

Dear Valued Customer:

At SMTC Corporation we are committed to building a sustainable future. We recognize that climate change poses one of the most significant challenges of our time, and as a leader in environmental management, it is our responsibility to take decisive action.

Today, we are proud to formally announce our commitment to a 30% reduction in our company's greenhouse gas (GHG) emissions by the year 2030, using a 2022 baseline. This commitment covers our direct emissions (Scope 1) and indirect emissions from purchased electricity (Scope 2). While our primary focus is on these areas, we are also actively working to understand and manage our Scope 3 emissions to further reduce our overall environmental footprint.

Achieving this ambitious goal requires a clear and actionable strategy. Our plan includes:

- **Fleet Modernization:** We will optimize our supplier logistics operations to reduce the miles driven and improve fuel efficiency.
- **Operational Efficiency:** We will implement energy-saving technologies and practices across all our offices and facilities, from on-site solar panel installations, upgrading to LED lighting and investing in more efficient manufacturing systems.
- **Supply Chain Collaboration:** We will partner with our suppliers to encourage and support their own emissions reduction efforts, fostering a more sustainable value chain.

We believe that transparency is key to accountability. Starting in 2025, we will publicly report our progress annually in our sustainability report, using the Greenhouse Gas Protocol as our accounting standard.

This commitment is fully integrated into our business strategy and reflects our dedication to operational excellence and environmental stewardship. We are confident that by taking these steps, we can not only contribute to a healthier planet but also drive innovation and long-term value for our company and stakeholders.

We are excited about this journey and look forward to sharing our progress with you.

Sincerely,

Josh Chien,
Chief Commercial Officer SMTC Corporation
Mobile: +1-510-585-6145
E-mail: josh.chien@smtc.com

This letter serves to formally announce SMTC Corporation's commitment to achieving a significant environmental objective: a **30% reduction in company-wide greenhouse gas (GHG) emissions** by the year **2030**, using a **2022 baseline**.

5.2 Environmental Management Approach

GRI 3-3





At SMTC, environmental responsibility is an essential part of our commitment to sustainable manufacturing and long-term business success.

We recognize the importance of minimizing the environmental impacts associated with our operations while promoting the efficient use of natural resources, pollution prevention, and continuous improvement across our facilities.

Our environmental management approach focuses on responsible energy and water consumption, greenhouse gas emissions, waste management, and compliance with applicable environmental regulations.

Through ongoing monitoring and performance evaluation, we seek to identify opportunities to improve operational efficiency, reduce our environmental footprint, and strengthen sustainable practices throughout our organization.

Environmental performance indicators play an important role in supporting informed decision-making, measuring progress, and identifying areas for improvement. By integrating environmental considerations into our operational activities and business practices, SMTC aims to contribute to a more sustainable future while creating long-term value for our employees, customers, stakeholders, and the communities where we operate.

5.3 Energy Intensity and Emissions

GRI 302-3

Energy intensity shows the energy required relative to a selected measure of business activity. Comparing this indicator over time helps us assess efficiency while considering changes in production and operations.

GRI 302-3: Energy Intensity	Unit	2024	2025
Energy consumption per unit produced	GJ/unit	0.05	0.05
Energy consumption per USD million in revenue	GJ/MUSD	0.00	0.00
Energy consumption per employee	GJ/employee	61.32	58.18
Energy consumption per m^2 of occupied area	GJ/m^2	2.27	2.22

Emissions

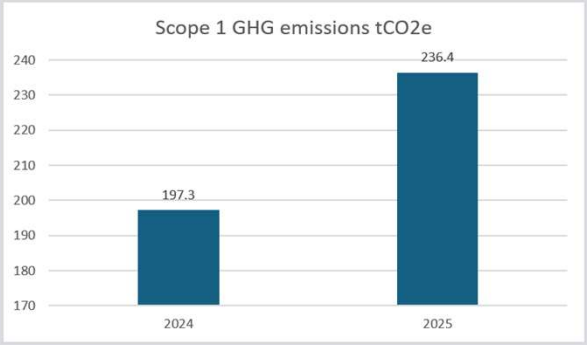
GRI 305

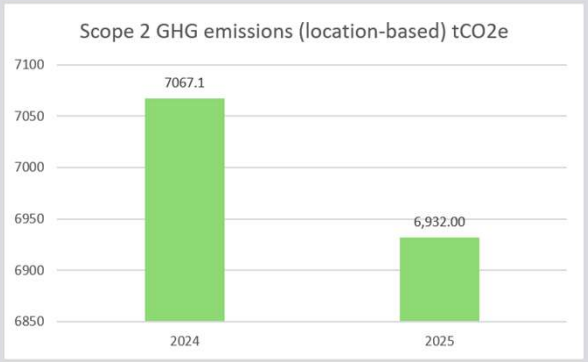
GRI 305 - Emissions	Unit	2024	2025
Scope 1 GHG emissions	tCO2e	197.3	236.4
Scope 2 GHG emissions (location-based)	tCO2e	7067.1	6,932.00
GHG emissions intensity	O2e/unidad produc	0.01	0.0007

Understanding where emissions originate helps us prioritize action. This section presents direct emissions (Scope 1), emissions from purchased energy (Scope 2), and relevant value-chain emissions (Scope 3), to the extent measured and reported.

5.4 GHG By Scope

GRI 305







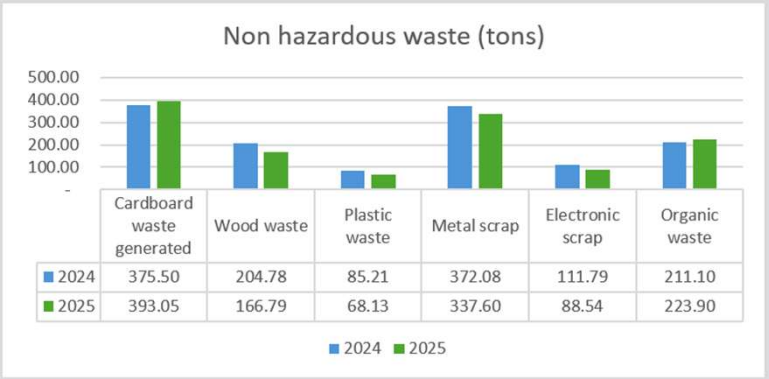
5.5 Waste Management

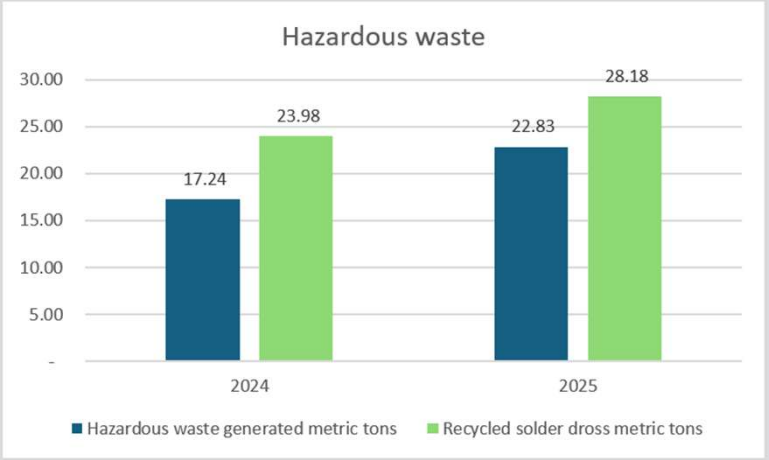
GRI 306-4 and 306-5

Managing waste responsibly is important in electronics manufacturing.

This section summarizes how our waste is handled, including recycling, recovery, treatment and disposal, and highlights opportunities to reduce waste sent for final disposal.







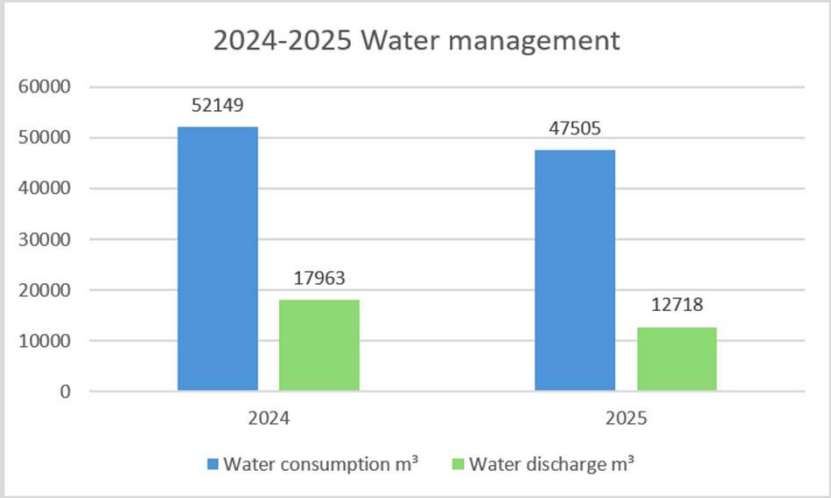
5.6 Water Management Approach

GRI 303

At SMTC, we recognize water as an essential natural resource and understand the importance of its responsible management in supporting environmental sustainability and operational efficiency. We are committed to promoting efficient water use, preventing water pollution, and minimizing the environmental impacts associated with our operations.

Our water management approach focuses on monitoring water consumption, identifying opportunities for conservation, and supporting responsible wastewater management in accordance with applicable environmental regulations. Through continuous improvement initiatives and operational awareness, we seek to encourage responsible water practices across our facilities.

By evaluating water-related performance indicators, SMTC aims to strengthen resource efficiency, identify potential environmental risks, and support informed decision-making. We recognize that responsible water stewardship contributes not only to environmental protection but also to the well-being of local communities and the long-term sustainability of our business.
Through these efforts, SMTC seeks to reinforce its commitment to sustainable manufacturing, environmental responsibility, and the preservation of natural resources for future generations.



GRI 303 - Water and Effluents	Unit	2024	2025
Water consumption	m^3	52149	47505
Water discharge	m^3	17963	12718
Water consumption intensity per unit produced	m^3/unit produced	0	0
Water consumption intensity per employee	m^3/employee	13	12

5.7 Social Responsibility to Our Partners

SMTC is committed to conducting business in an ethical, socially responsible, and environmentally sustainable manner. We expect all supply chain partners to adhere to the principles of the RBA Code of Conduct, which includes the following key areas.

Labor

- Prohibit child labor, forced labor, and human trafficking.
- Ensure freely chosen employment, fair wages, and non-discriminatory practices.
- Respect employees' rights to freedom of association and collective bargaining.

Health and Safety

- Provide a safe and healthy work environment.
- Comply with applicable laws and regulations on workplace safety and hygiene.
- Mitigate workplace hazards and provide appropriate training.

Environmental Responsibility

- Minimize environmental impact through sustainable practices.
- Adhere to applicable environmental laws and regulations.
- Promote energy efficiency, waste reduction, and responsible sourcing.

Ethics

- Uphold the highest standards of integrity and transparency.
- Prohibit corruption, extortion, and bribery.
- Protect intellectual property and confidential information.

Supplier Expectations

All suppliers are required to:

- Adhere to SMTC's Supplier Code of Conduct, which aligns with the RBA Code of Conduct.
- Participate in assessments and audits to verify compliance.
- Address and remediate any non-compliance issues identified during audits or assessments.
- Report any concerns or violations through SMTC's confidential reporting channels.

5.8 Responsible Use of Energy

We are committed to the responsible use of energy to reduce our environmental impact. Our strategy focuses on improving energy efficiency and transitioning to cleaner energy sources.



Actions and Goals:

- **Energy-Efficient Technologies:** We are implementing energy-efficient technologies in our processes to minimize consumption. We are targeting a 20% reduction in total energy consumption (all sources) by 2030, against a 2022 baseline.

- **Renewable Energy & GHG Reduction:** We have set clear energy reduction targets and are committed to using renewable energy sources where possible. Our long-term goal is to reduce GHG emissions by 30% by 2030 from a 2022 baseline.

5.9 Our Commitment

SMTC considers the appropriate use and acquisition of resources and raw materials a critical objective. Therefore, we have developed a series of material restriction requirements and procedures. SMTC is committed to responsible sourcing, avoiding mining activities that contribute to conflict-affected and high-risk areas, and implementing a solid policy through the use of CMRT and EMRT reports in collaboration with our entire supply chain and our customers.

SMTC efforts related to conflict-minerals are aligned to the work of the Responsible Business Alliance- RBA formerly the Electronic Industry Citizenship Coalition (EICC®). We also guide our organization on a proactive due diligence activity - implementing our OECD due diligence guidance, in support of measures that outline responsible business.



Fig. 1 Our way in terms of responsible sourcing.

5.10 Material Restrictions at First Glance

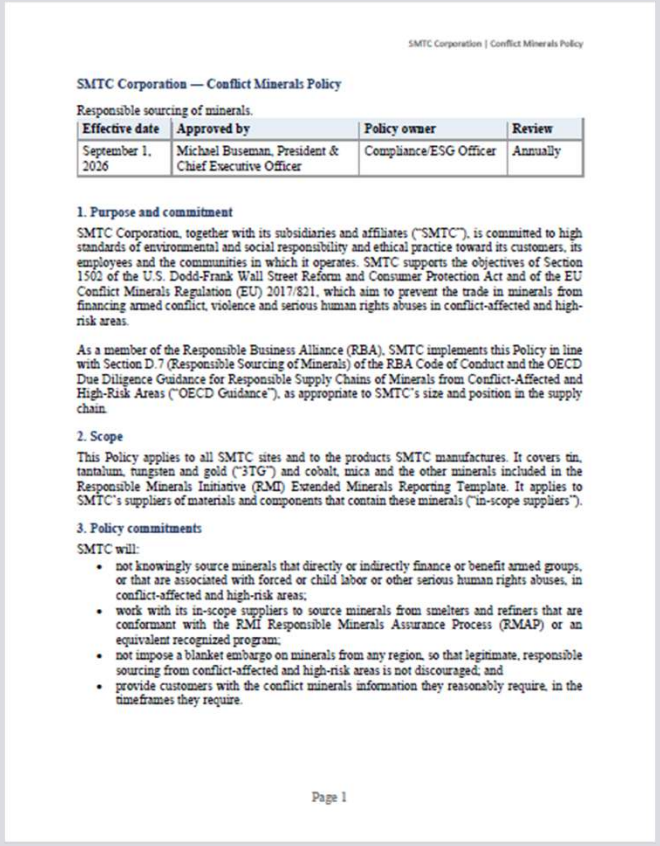
SMTC also propels the efforts towards a product compliance guideline including RoHS, REACH, Prop 65, PoPs, PFAS & TSCA regulations as active measures, adhering to applicable laws, regulations and customer requirements with respect to restriction and/or prohibition on specific chemicals or substances within the end products produced by SMTC.

The indicated product compliance declarations issued by SMTC only apply to chemicals sourced by SMTC for use in its manufacturing processes. As part of these efforts, our Environmental Operations Procedure encloses our Environmental Compliance, by gathering annually, specifications, declarations and/or certificates of compliance from the suppliers, in support of the declarations issued to our customers.

By emphasizing our bundle of services, SMTC provides a more in-depth analysis upon request. We verify complete assemblies with regard to these environmental regulations, their level of compliance, and complementary supplier declarations, as well as BOM Health with regard to material availability and component lifecycle status.

5.11 SMTC Commitment to Responsible Sourcing

This policy outlines **SMTC Corporation's** commitment to responsible sourcing in line with the Responsible Minerals (RMI), the RBA Code of Conduct and the OECD Due Diligence Guidance. We collect CMRT and EMRT reports from in-scope suppliers annually. We collaborate with our suppliers to prevent the use of materials sourced from conflict-affected regions, thereby ensuring our operations align with our social and environmental responsibilities.



SMTC Corporation | Conflict Minerals Policy

SMTC Corporation — Conflict Minerals Policy

Responsible sourcing of minerals.

Effective date	Approved by	Policy owner	Review
September 1, 2026	Michael Buseman, President & Chief Executive Officer	Compliance/ESG Officer	Annually

1. Purpose and commitment

SMTC Corporation, together with its subsidiaries and affiliates ("SMTC"), is committed to high standards of environmental and social responsibility and ethical practice toward its customers, its employees and the communities in which it operates. SMTC supports the objectives of Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and of the EU Conflict Minerals Regulation (EU) 2017/821, which aim to prevent the trade in minerals from financing armed conflict, violence and serious human rights abuses in conflict-affected and high-risk areas.

As a member of the Responsible Business Alliance (RBA), SMTC implements this Policy in line with Section D.7 (Responsible Sourcing of Minerals) of the RBA Code of Conduct and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ("OECD Guidance"), as appropriate to SMTC's size and position in the supply chain.

2. Scope

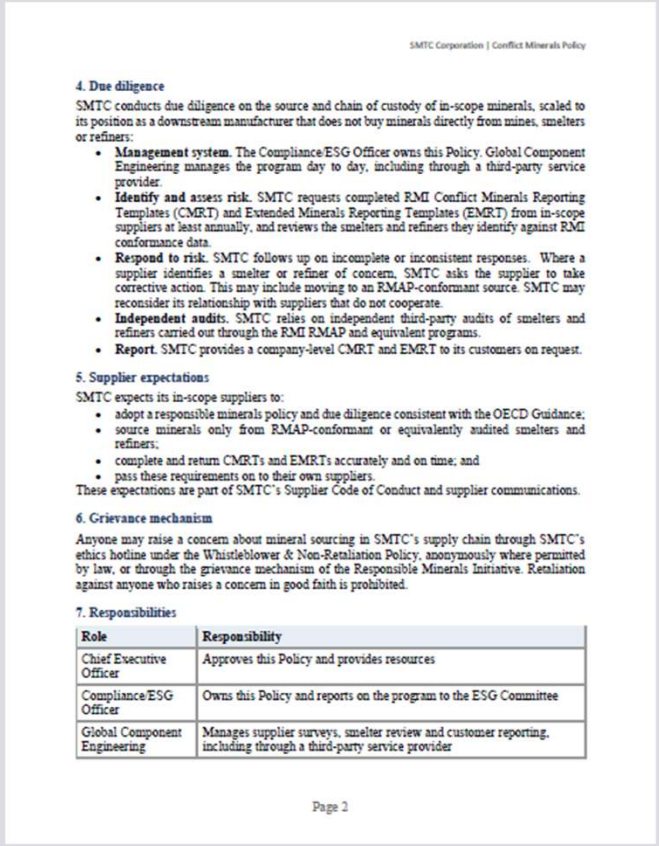
This Policy applies to all SMTC sites and to the products SMTC manufactures. It covers tin, tantalum, tungsten and gold ("3TG") and cobalt, mica and the other minerals included in the Responsible Minerals Initiative (RMI) Extended Minerals Reporting Template. It applies to SMTC's suppliers of materials and components that contain these minerals ("in-scope suppliers").

3. Policy commitments

SMTC will:

- not knowingly source minerals that directly or indirectly finance or benefit armed groups, or that are associated with forced or child labor or other serious human rights abuses, in conflict-affected and high-risk areas;
- work with its in-scope suppliers to source minerals from smelters and refiners that are conformant with the RMI Responsible Minerals Assurance Process (RMAP) or an equivalent recognized program;
- not impose a blanket embargo on minerals from any region, so that legitimate, responsible sourcing from conflict-affected and high-risk areas is not discouraged; and
- provide customers with the conflict minerals information they reasonably require, in the timeframes they require.

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SMTC Corporation | Conflict Minerals Policy

4. Due diligence

SMTC conducts due diligence on the source and chain of custody of in-scope minerals, scaled to its position as a downstream manufacturer that does not buy minerals directly from mines, smelters or refiners:

- **Management system.** The Compliance/ESG Officer owns this Policy. Global Component Engineering manages the program day to day, including through a third-party service provider.
- **Identify and assess risk.** SMTC requests completed RMI Conflict Minerals Reporting Templates (CMRT) and Extended Minerals Reporting Templates (EMRT) from in-scope suppliers at least annually, and reviews the smelters and refiners they identify against RMI conformance data.
- **Respond to risk.** SMTC follows up on incomplete or inconsistent responses. Where a supplier identifies a smelter or refiner of concern, SMTC asks the supplier to take corrective action. This may include moving to an RMAP-conformant source. SMTC may reconsider its relationship with suppliers that do not cooperate.
- **Independent audits.** SMTC relies on independent third-party audits of smelters and refiners carried out through the RMI RMAP and equivalent programs.
- **Report.** SMTC provides a company-level CMRT and EMRT to its customers on request.

5. Supplier expectations

SMTC expects its in-scope suppliers to:

- adopt a responsible minerals policy and due diligence consistent with the OECD Guidance;
- source minerals only from RMAP-conformant or equivalently audited smelters and refiners;
- complete and return CMRTs and EMRTs accurately and on time; and
- pass these requirements on to their own suppliers.

These expectations are part of SMTC's Supplier Code of Conduct and supplier communications.

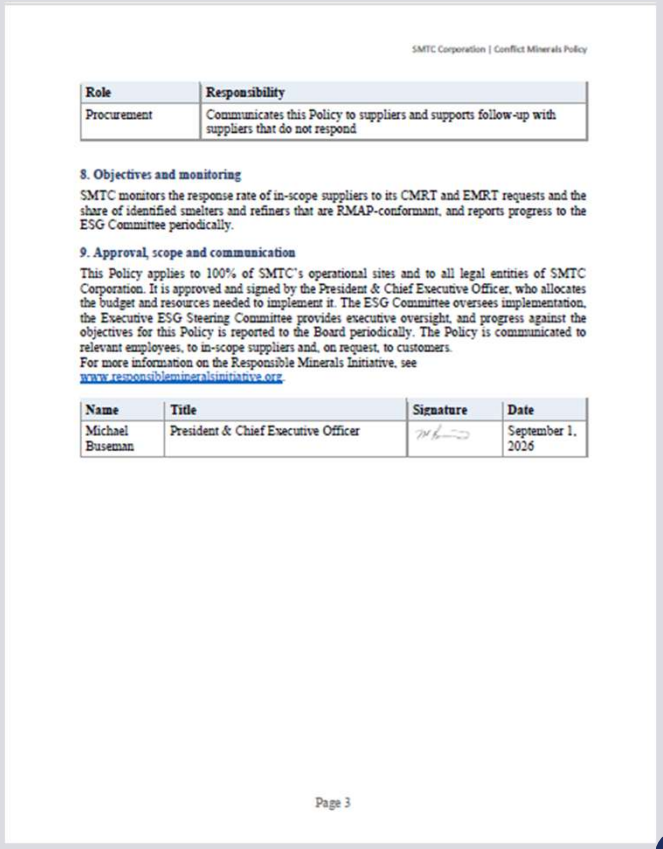
6. Grievance mechanism

Anyone may raise a concern about mineral sourcing in SMTC's supply chain through SMTC's ethics hotline under the Whistleblower & Non-Retaliation Policy, anonymously where permitted by law, or through the grievance mechanism of the Responsible Minerals Initiative. Retaliation against anyone who raises a concern in good faith is prohibited.

7. Responsibilities

Role	Responsibility
Chief Executive Officer	Approves this Policy and provides resources
Compliance/ESG Officer	Owns this Policy and reports on the program to the ESG Committee
Global Component Engineering	Manages supplier surveys, smelter review and customer reporting, including through a third-party service provider

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SMTC Corporation | Conflict Minerals Policy

Role	Responsibility
Procurement	Communicates this Policy to suppliers and supports follow-up with suppliers that do not respond

8. Objectives and monitoring

SMTC monitors the response rate of in-scope suppliers to its CMRT and EMRT requests and the share of identified smelters and refiners that are RMAP-conformant, and reports progress to the ESG Committee periodically.

9. Approval, scope and communication

This Policy applies to 100% of SMTC's operational sites and to all legal entities of SMTC Corporation. It is approved and signed by the President & Chief Executive Officer, who allocates the budget and resources needed to implement it. The ESG Committee oversees implementation, the Executive ESG Steering Committee provides executive oversight, and progress against the objectives for this Policy is reported to the Board periodically. The Policy is communicated to relevant employees, to in-scope suppliers and, on request, to customers.
For more information on the Responsible Minerals Initiative, see www.responsiblemineralsinitiative.org.

Name	Title	Signature	Date
Michael Buseman	President & Chief Executive Officer		September 1, 2026

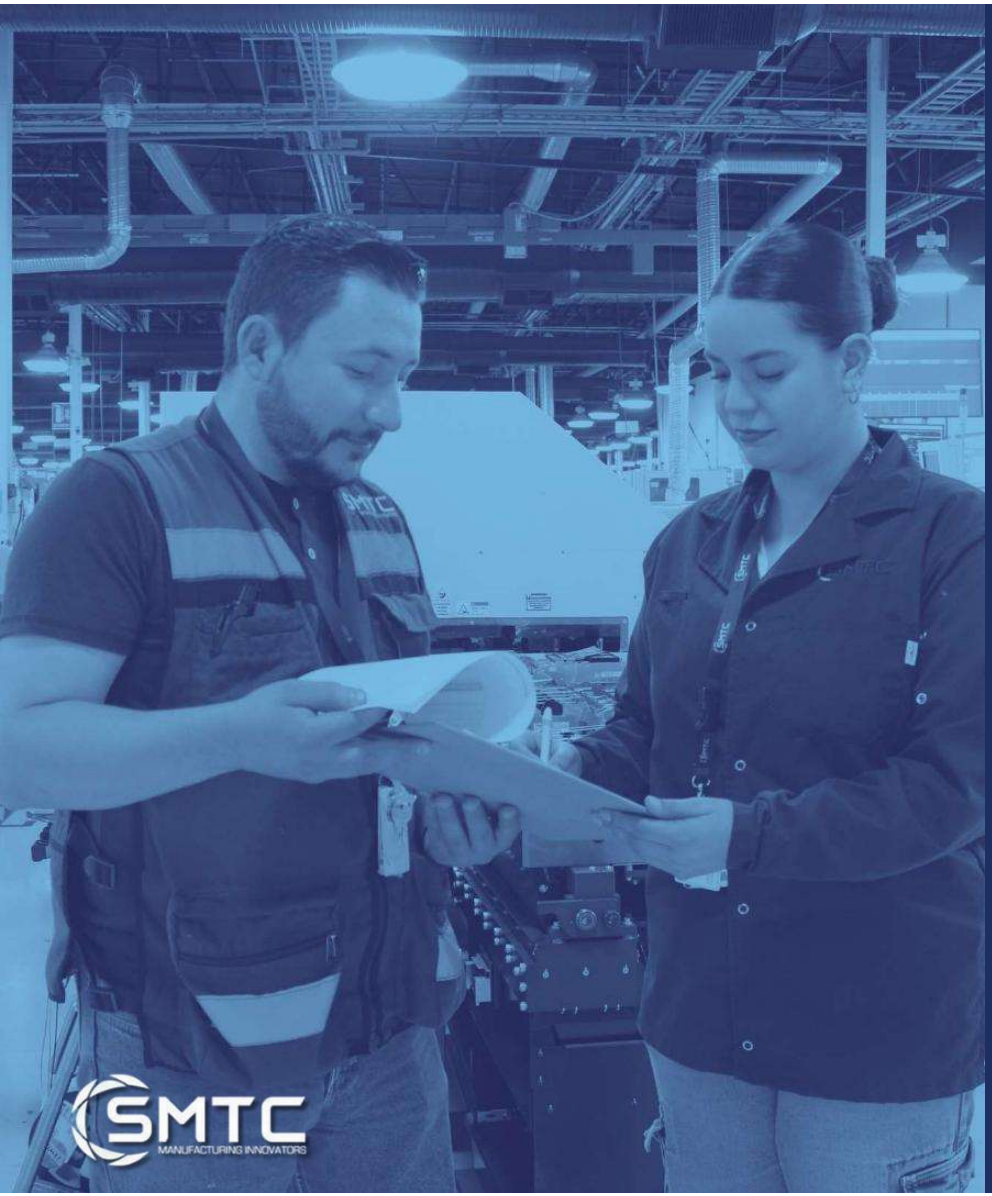
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5.12 Environmental Practices

- Wastewater system to remove hazardous contaminants.
- Upgraded to LED lighting, installed 72 panel solar system.
- On-site generation of DI and RO water.
- Purchase or generation of renewable energy, such as solar energy, and on-site nitrogen generation.
- Improvement of energy efficiency through technology or equipment upgrades, such as LED lighting.
- Recycling on hazardous waste, cardboard, plastics, and wood.
- Our electronic waste is disposed of under the WEEE Directive.



By recycling cardboard and wood, SMTC supports a social foundation dedicated to promoting social and ecological initiatives for the benefit of its employees and the community.



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SMTC
MANUFACTURING INNOVATORS