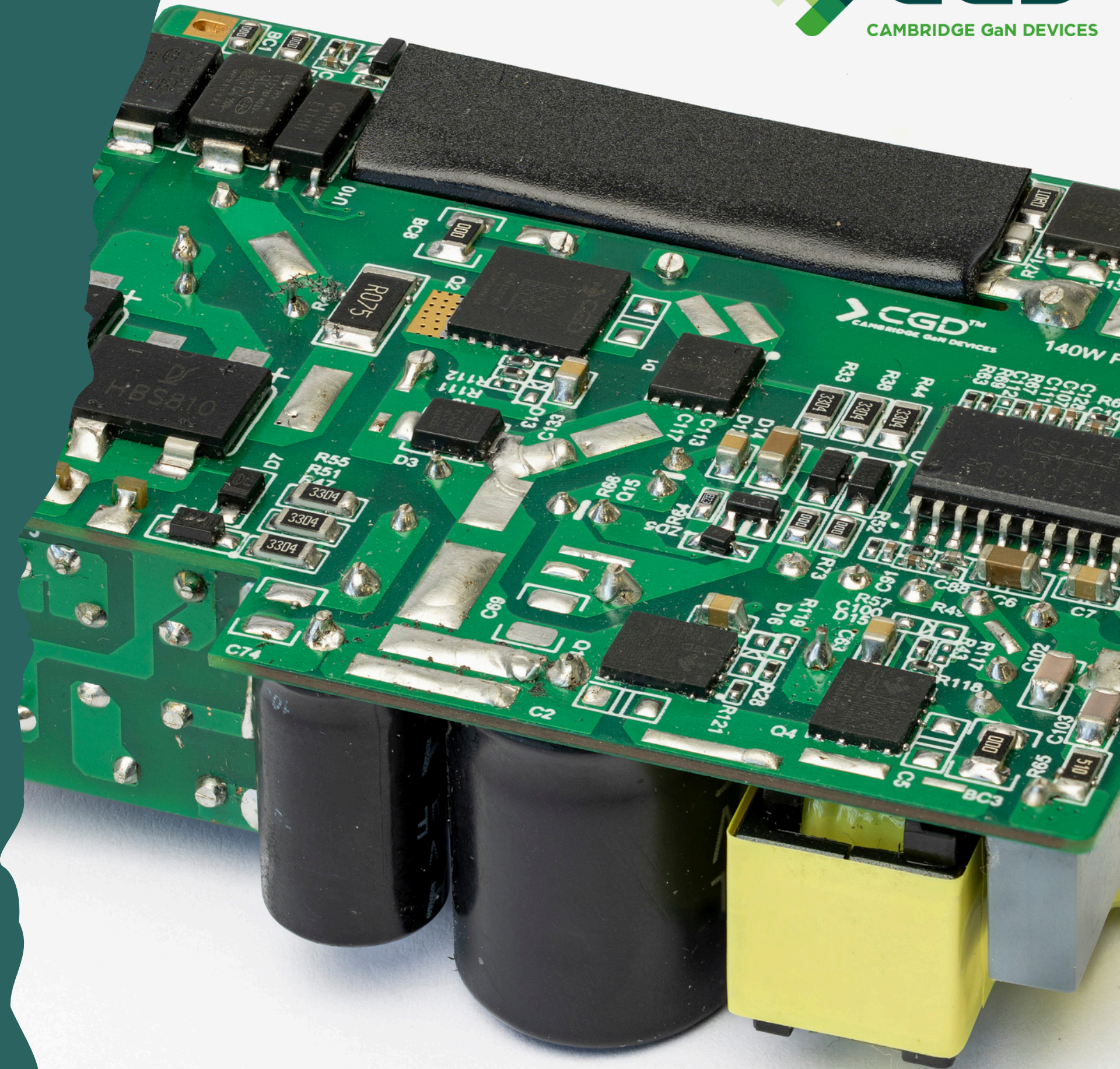


Cambridge GaN Devices Ltd

Sustainability Report 2023



Mission

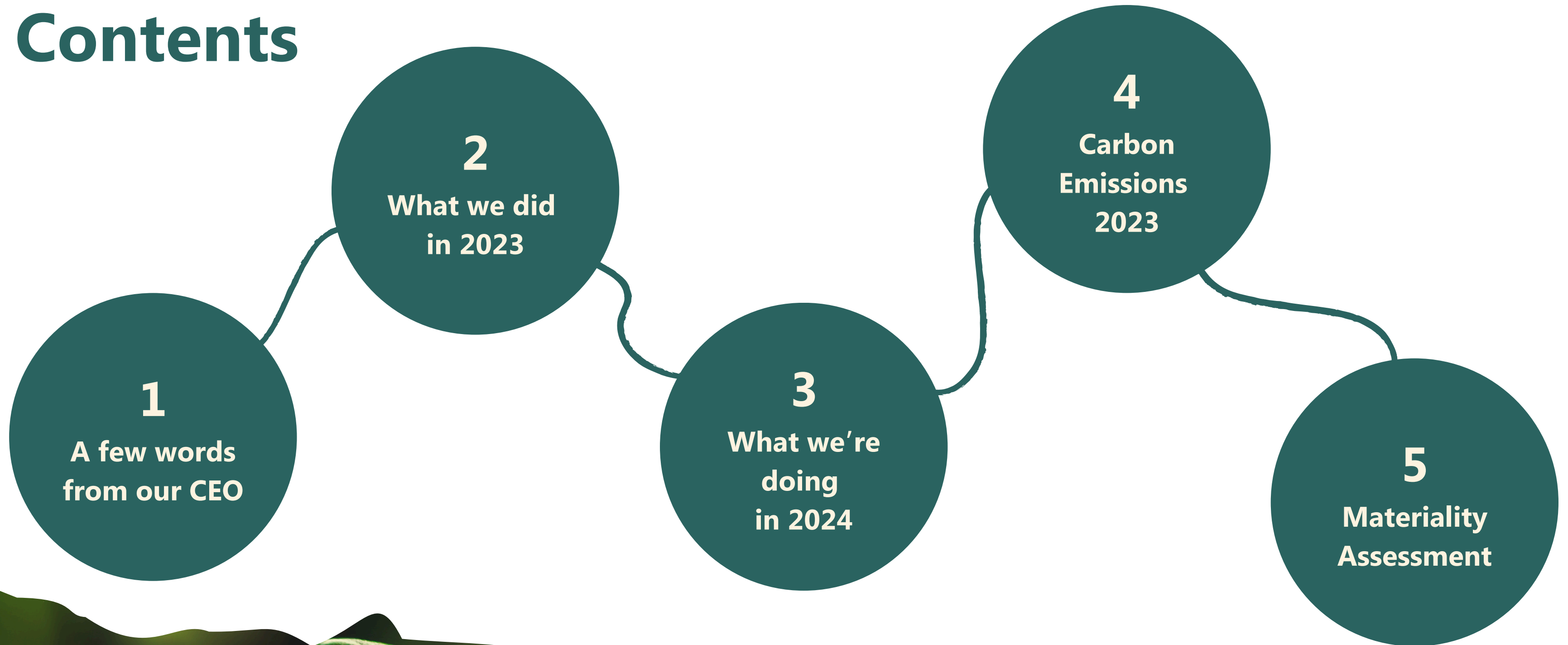
We Commit to a Greener World and a Sustainable Future with Efficient Power Electronics

Power semiconductors have become a fundamental element in the advancement of modern technology. Integrating them with energy-saving approaches is essential, considering their significant influence on our everyday lives.

In the future, sustainable and efficient power devices will be an imperative driving force for businesses in the electronics industry.

At CGD, we are acting today to put electronics on the green agenda and provide customers and end-consumers with advanced power solutions for a greener world and a more sustainable future.

Contents



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A Few Words from our CEO

"Sustainability is our most visible core pillar: it runs through the entire company culture. It is a true commitment shared by every employee at CGD. In various ways, they all say, 'I want to make a positive impact on the environment and change things for the better.' My job as a leader is to build the team based on commitment and trust, and a willingness to be part of this journey. We really believe that we can make a change not only by delivering chips with the very high-efficiency levels that GaN delivers."



Dr Giorgia Longobardi
Founder and CEO



2

What we did in 2023

In 2023, we continued our commitment to sustainability by participating in, and developing initiatives aimed at reducing environmental impact and promoting diversity, equality, and inclusion:

- Achieved ISO14001
- Developed our first full Scope 1-3 GHG Calculation
- Partnered with Alectro as our Virtual Sustainability Officer
- Made the SME Climate Hub Pledge
- Established our ESG Committee
- Established our internship programme
- Invested in DHLs GoGreen programme
- Introduced a Cycle-to-Work scheme
- Introduced Mental Health First Aiders
- Set up a social and cultural events committee
- Started internal gender pay gap reporting
- Made sustainable choices for office consumables
- Continued our support of Cambridge Interlocked



3

What we're doing in 2024

In 2024, we will be continuing to focus on creating a positive impact on society and the environment. Through collaborative efforts, innovation, and a strong ethical framework, the work done this year can set a new standard for environmental engagement.

- Complete our offset for 2023 emissions
- Conduct a core company policy review
- Release our higher power product portfolio providing energy efficient solutions to a broader range of applications
- Define our Net Zero plan
- Introduced a Women's Health and Wellbeing Committee
- Launch a volunteer day policy
- Quantify the benefits of GaN manufacturing over other semiconductor compounds
- Launch a health and wellbeing programme
- Focus sales, marketing and business development on customer applications that will have the biggest impact on reducing GHG



4

Carbon Emissions

We are dedicated to reducing our greenhouse gas (GHG) emissions, energy consumption, and overall carbon footprint in alignment with our SME Climate Hub Pledge. Scope 1 emissions are direct emissions from company-owned and controlled resources. As we are a fabless company these are zero for CGD in 2023. Scope 2 emissions are indirect emissions resulting from the generation of purchased energy. CGD purchases its energy from a certified renewable energy company, and as such these emissions are also zero for 2023.

With this in mind, we embarked on a process to better understand our Scope 3 emissions. These are indirect emissions that occur in the value chain of the company, including both upstream and downstream emissions. In 2022 we tracked our Scope 3 emissions in relation to our business travel. This year we extended our Scope 3 baseline with the particular focus on ensuring we covered our purchased and produced goods. Scope 3 emissions are likely to be the biggest source of our total GHG footprint and it is only through calculating and tracking these that we will be able to identify the key areas that we should target in order to reduce them. We are in the process of setting our Scope 3 targets and will disclose our proposed plans for Scope 3 emissions reduction as we conclude this process.

4

Carbon Emissions

The adoption of an improved calculation methodology for emissions reporting in 2023, marks a significant advancement in our environmental transparency. This change, particularly in the reporting of Scope 3 emissions, reflects a broader trend towards more accurate and comprehensive accounting of indirect emissions. It's a step forward in aligning with best practices and frameworks that support the global commitment to climate action.

For 2023, we included our Cambridge facility in our calculation. This provided a focused starting point for CGD's emissions accounting. As we grow our global footprint, we plan to expand the calculation to include worldwide emissions. As a growing company, our footprint will change over time - by updating our calculation and scope we will ensure we continue to do this in as sustainable a manner as possible.

Scope	Name
1	Stationary Combustion Emissions
1	Fugitive Emissions
2	Purchased Electricity
3	Purchased Good and Services
3	Fuel and Energy Related Activities not Included in scope 1 or 2
3	Waste Generated in Operations
3	Business Travel
3	Employee Commuting
3	Downstream Transportation and Distribution

Table 1: what was included in our 2023 emissions calculation

4 Carbon Emissions

In 2023 we increased the scope of our calculation to include processing of sold goods to broaden our understanding of our footprint. This results in a year on year increase in our carbon emissions driven primarily by this scope change.

89% of our calculated GHG footprint came from Produced Goods (Scope 3) and Business Travel (Scope 3), and so these are two areas of focus for 2024. We are in the process of setting targets for our Scope 3 emissions and will provide updates as we go through this process.

2022	tCO2e	Emissions per Employee
Scope 1	0	0
Scope 2	4.34	0.13
Scope 3	70.84	2.14

Table 2: 2022 scope 3 calculation does not include manufacturing emissions

2023	tCO2e	Emissions per Employee
Scope 1	0	0
Scope 2	0	0
Scope 3	396.4	8.4

Table 3: 2023 scope 3 calculation includes manufacturing emissions



5

Materiality Assessment

At the end of last year, we conducted a materiality assessment to further develop our sustainability strategy. Conducting a materiality assessment has allowed us to pinpoint and understand the key concerns of our major stakeholder groups. This process has helped us to evaluate which issues will exert the most considerable influence on our business, has allowed us to gauge our business's potential impact, and has identified emerging focal points.

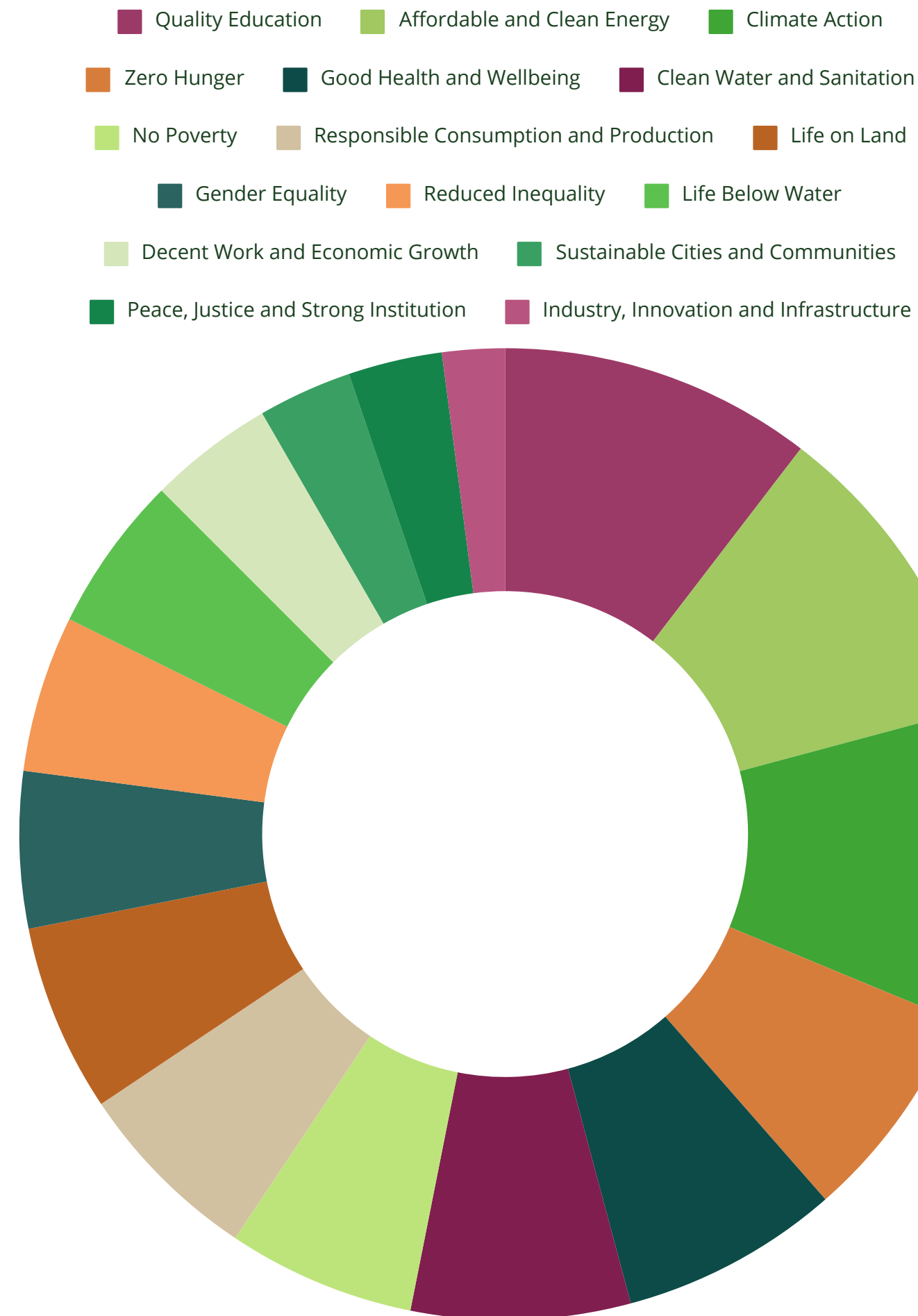
We focus on reducing our emissions as much as possible before relying on carbon offsets. However, whilst we mature and develop our GHG emission reduction plan we will look to offset our emissions using gold standard-certified removals and offsets. For 2023 we have used our materiality assessment to guide our offset plans.



5 Materiality Assessment

The insights derived from our materiality assessment are actively shaping our strategy, ensuring that our ESG planning is directed towards the most crucial issues for our stakeholders, and areas pivotal to our business's growth. Our commitment extends to regularly reviewing and adjusting our strategy to ensure ongoing alignment with the expectations of our stakeholders.

We have used this assessment to drive our offset support for 2023 - a safe water project in Rwanda.



Contact us

To find out more about the important work CGD does, please contact us using the below details

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