

Corporate Sustainability: An Overview

Introduction

We seek to become a responsible company in the businesses and regions where we operate.

- Commitment: disclose and improve our ESG efforts since formally starting in 2017.
- Increasing Scope: raising coverage within limited timeframe despite our M&A activity.

Sustainability efforts have become more centralized and focused over the past few years.

- Sustainability Task Force: the IR/PR team was previously in-charge of disclosing our ESG efforts.
- Global Sustainability Center: corporate function to disclose and improve our ESG efforts from 2020.

Our [SDR Reports](#) (2017-2023) are compiled in accordance with the Core Options of the latest GRI Standards and are AA1000AS (version 3) assured.

Core Values

- Sustainability
- Customer Orientation
- Teamwork
- Integrity
- Innovation

Key Results

- AsiaMoney's Asia's Most Outstanding Companies has recognized us in the Taiwan Auto and Components sector for the past 5 years (2019-2023) for our efforts, including in CSR initiatives and IR activities.
- Newsweek has recognized us for the past 5 years (2020-2024) in their annual America's Most Responsible Companies ranking for continually improving the support of the communities in which we belong.

Environmental: Creating a Better World for Future Generations

Commitment

We are committed to making all possible contributions for a sustainable environment, and to thoughtful use of our resources.

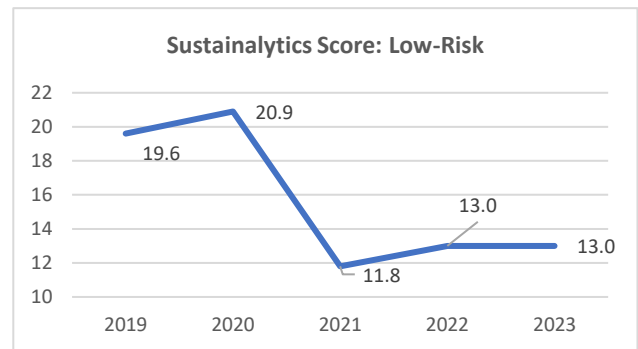
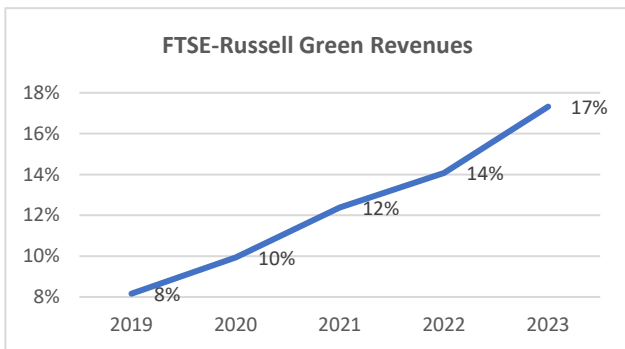
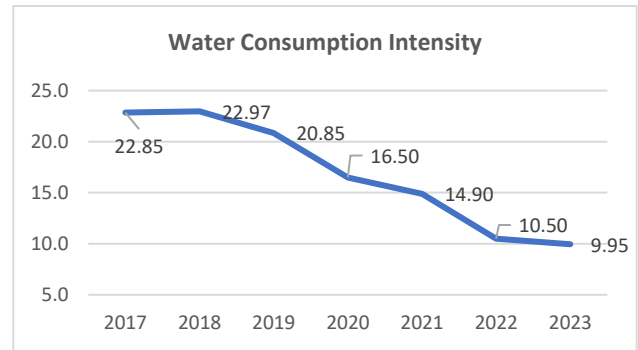
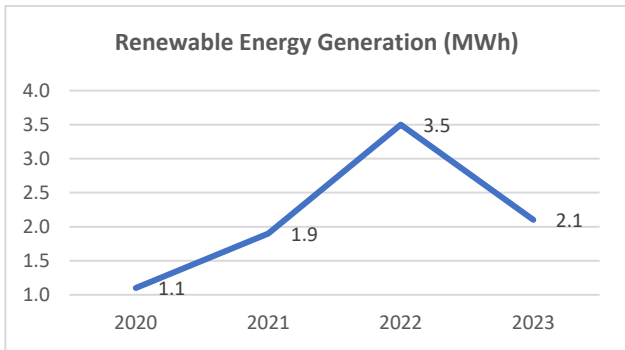
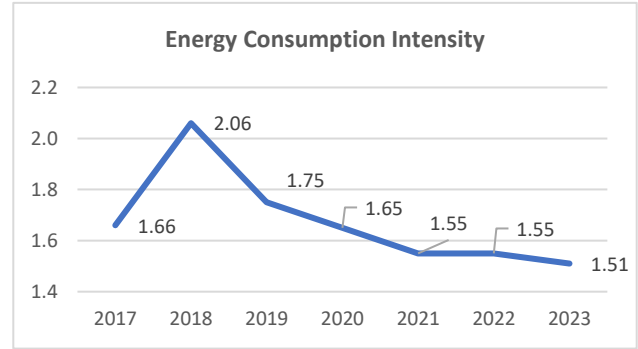
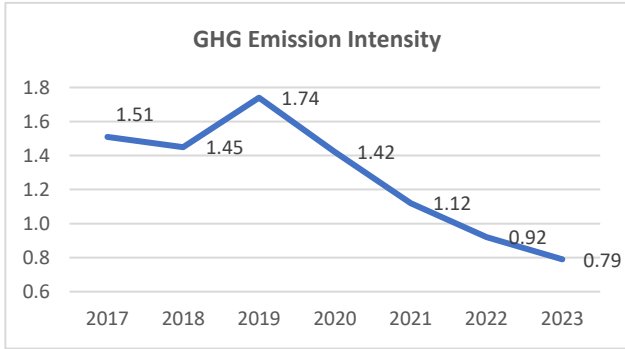
Overview

Our production lines are mainly based on dry assembly processes and are of low energy consumption with low risk for high exhaust emissions, high energy use, high use of water resources, high waste disposal, and other environmental related impacts during production. GHG emissions are mainly generated from electricity in Scope 2 emissions, usually making up ~95% of total, and so saving electricity is key to reducing GHG emissions.

Goals

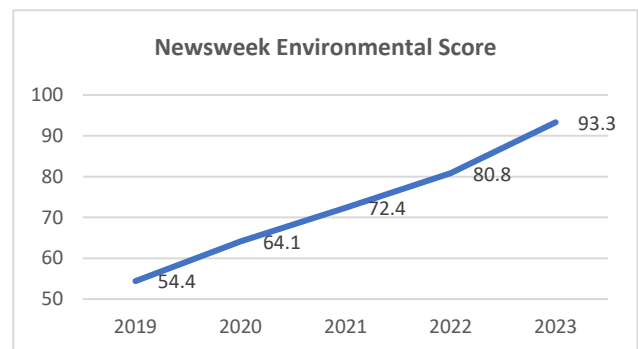
- **Lower our Environmental Footprint:** reduce GHG emission intensity, and energy and water consumption intensity. We aim to lower our carbon intensity by -50% by 2030 from 2022 with short- and mid-term milestones to achieve while on our way to achieving this long-term goal. We committed in developing our SBTi target in Feb 2023 and we became part of UN Global Compact in Dec 2023. We target to be Net-Zero emissions by 2050.
- We aim to raise the amount of renewable energy usage, which was 18% of total in 2023, to complement our energy needs as well as increase the sales of products that are deemed to be "green" by FTSE-Russell.

Key Results



Carbon Disclosure Project grades: 2018-2023

Climate Change	Water Security	Supplier Engagement
• 2018: D	• 2018: C	• 2018: C
• 2019: C	• 2019: C	• 2019: B-
• 2020: D	• 2020: C	• 2020: C
• 2021: C	• 2021: B-	• 2021: D
• 2022: B-	• 2022: C	• 2022: D
• 2023: C	• 2023: C	• 2023: C-



Social: Giving Back to Society and Nurturing Similar Behavior

Commitment

We are committed to our social responsibility in those communities in which we operate.

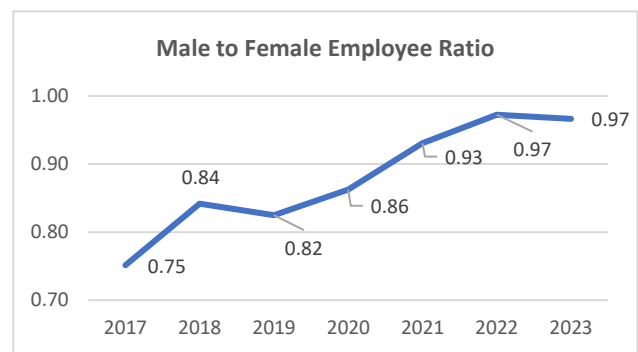
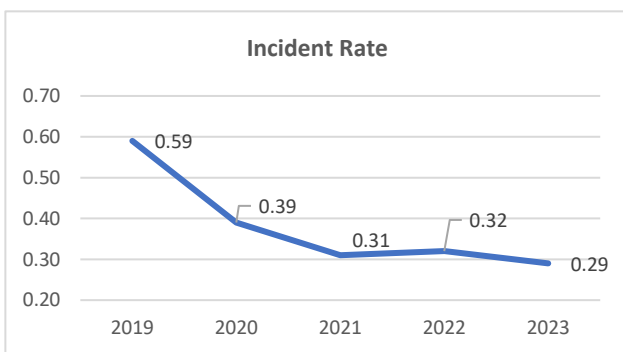
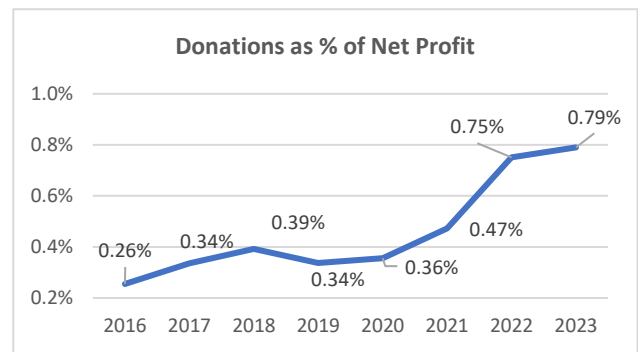
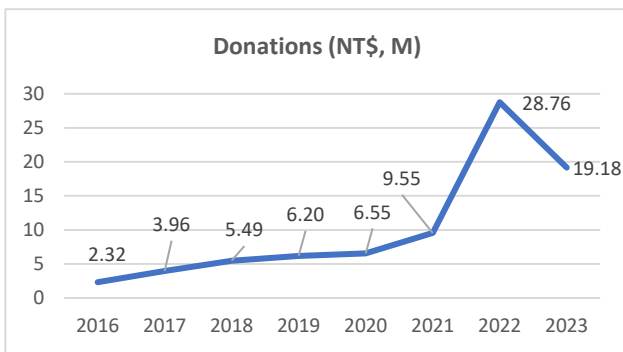
Overview

We have raised efforts to give back to society in areas that support our Core Values, and to closely interact with those that we donate to. We have supported a number of global non-profits for many years, while in Taiwan, besides our support for the Advanced Rocket Research Center program to develop R&D rocket talent and for fostering arts and culture via sponsoring the Contemporary Legend Theater, we also care for elementary school children in remote areas that are often overlooked through Cloud of Gate Dance Theater’s efforts.

Goals

- **Zero Accidents Policy:** strive for zero incidents to provide an optimal, balanced working environment for all BizLinkers that is safe and healthy, and conducive to everyone giving their best efforts.
- **Meaningful Donations:** give back to the societies we are in and to the efforts we believe in with monetary donations as well as through volunteer hours (682 hours in 2022 and 1,160 hours in 2023), including beach cleaning and hiking trail cleaning activities.
- **BizLinker Engagement:** we send out monthly staff e-newsletters with words from front-line employees as well as from senior/top management. BizLinkers meet once a month to announce and discuss important matters as well as resolve any on-site problems. Top management provides virtual business updates to personnel and answers their questions each quarter. Finally, we regularly hold sporting, volunteer, and social activities to promote physical and mental health.

Key Results



Governance: Upholding High Management Standards Worldwide

Commitment

We are committed to ethical and globally compliant business practices and work standards.

Overview

Board of Directors:

- Consists of 7 members: Chairman, 3 general directors (one female), 3 independent directors.
- Wide range of backgrounds: three co-founders, accounting & financial analysis, legal expertise, strategic and operational experience, industry knowledge, crisis control ability, and an international perspective.
- Fulfilment of responsibilities: create good BoD governance system; appointing, supervising, guiding, and strengthening of our management.
- Passed CG6013 (2021): appointed the Taiwan Corporate Governance Association to evaluate our BoD performance in late 2022, and we passed their Corporate Governance System Evaluation, which is valid until the end of year 2024.
- Policies and Principles: various regulations are in place to protect our resources, ensure their proper use, and to optimize our processes to lead to operational integrity.

Goals

- **Top-5% in Corporate Governance:** consistently achieve a Top-5% ranking in TWSE's annual evaluation, where close to one thousand publicly listed companies are rated accordingly, as one of the few small market capitalization companies despite rising competition and increasingly tougher grading criteria.
- **BizLinker Integrity:** develop a culture of high ethical standards regardless of culture, background, and race. We just released the 2nd revision of our "Code of Conduct", which follows the latest revised Responsible Business Alliance (RBA) code of conduct version 8.0.
- **BizLinker Education:** we offer e-Learning opportunities to our various employees, including topics on anti-trust, insider trading, foreign corrupt practices act, export compliance, promoting diversity and avoiding discrimination, data protection and device security, anti-bribery, integrity, and avoiding harassment.

Key Results

- TWSE's Corporate Governance evaluation: initiated in 2014.
- Top 6-20%: 2015-2018, 2020, and 2023.
- Top-5%: 2019 and 2021-2022.
- Number of companies ranked in Top-5% and in Top 6-20% rose from total of 166 in 2015 to 190 in 2023.
- TWSE's Corporate Governance Index: constituent stock during 2016-2024, which shows the consistency and recognition of our sustainability efforts.