

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 [CSR Reports](#) (2017-2022) are compiled in accordance with the Core Options of the latest GRI Standards.

- SGS Assurance: 2018-2019 based on AA1000AS 2008, 2020-2021 based on AA1000AS v3.
- TUV NORD Assurance: 2022 based on AA1000AS version 3.

Core Values

- Environmental Protection
- Integrity
- Customer Orientation
- Innovation
- Teamwork

Commitment

- We seek to actively manage related risk through our sustainable business practices.
- We seek to gradually lower our costs and gain additional business opportunities.
- We encourage our suppliers to do the same, but realize there is more work to be done.

Key Results

- AsiaMoney's Asia's Most Outstanding Companies has recognized us in the Taiwan Auto and Components sector for the past 4 years (2018-2022) for our efforts, including in CSR initiatives and IR activities.
- Newsweek's America's Most Responsible Companies has recognized us for the past 4 years (2020-2023).

Environmental: Creating a Better World for Future Generations

Overview

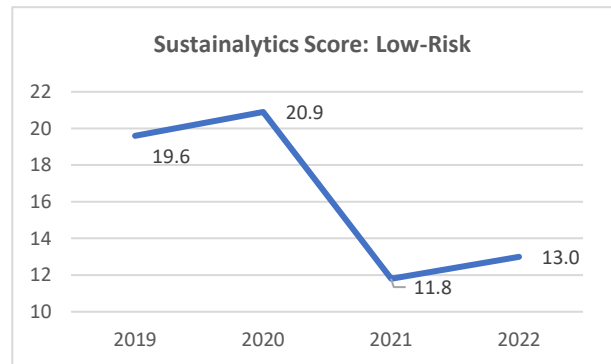
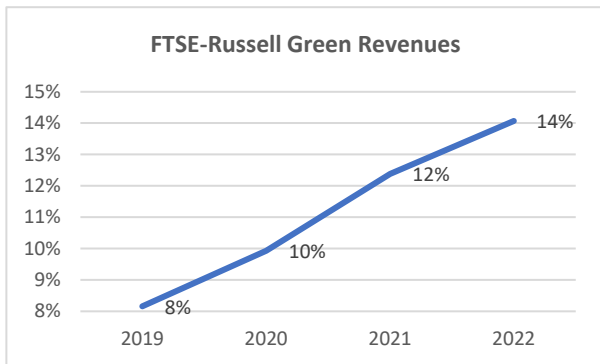
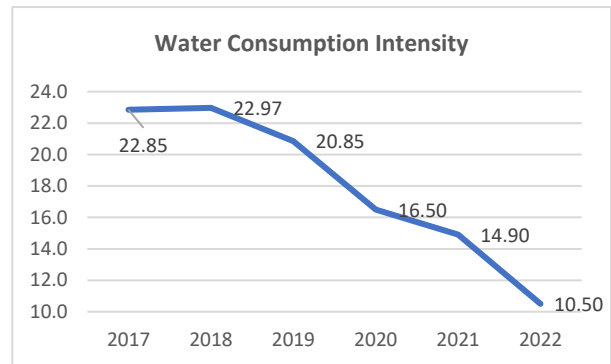
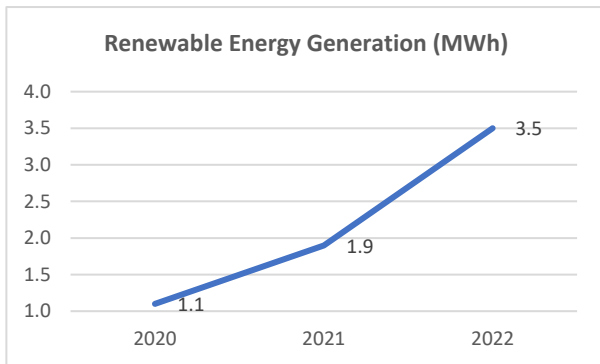
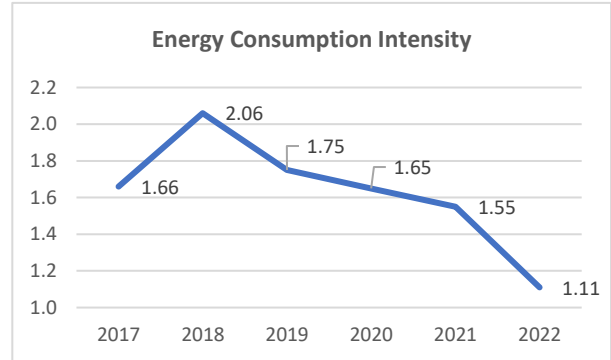
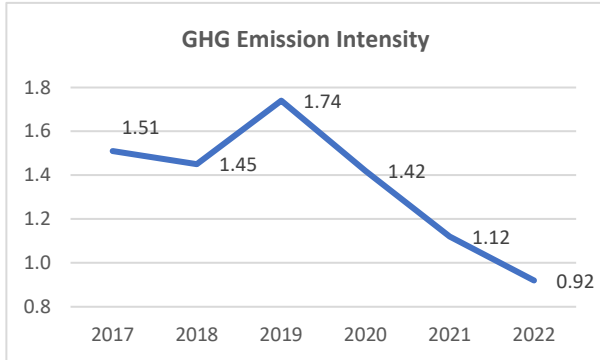
Our production lines are mainly based on dry assembly processes and are of low energy consumption. There is low risk for high exhaust emission, high energy use, high use of water resources, high waste disposal, and other environmental related impacts during production. GHG emissions are mainly generated 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 over time. We reached our 2020 carbon reduction target for a -42% drop in carbon intensity by 2030 in 2022, which fell from 1.74 in 2019 to 0.92 in 2022 (-47%). Our new target: lower -50% by 2030 from 2022. Achieve Net-Zero emissions by 2050, and have established this intent with SBTi in Feb 2023.

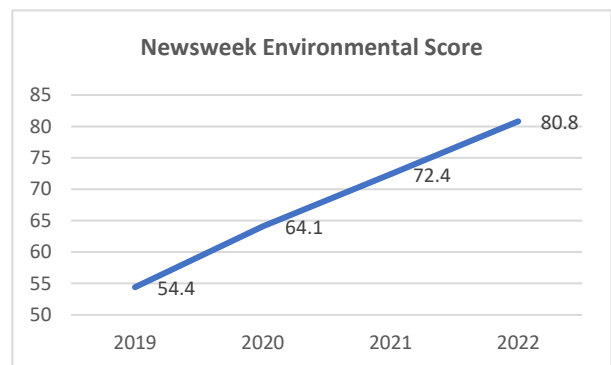
- Part of our journey involves increasing the amount of renewable generation to complement our energy needs as well as increase the sales of products that are deemed to be “green” by FTSE-Russell.

Key Results



Carbon Disclosure Project grades: 2018-2022

| 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 |



Social: Giving Back to Society and Nurturing Similar Behavior

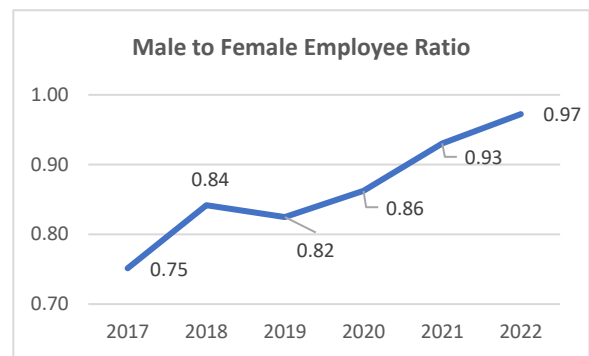
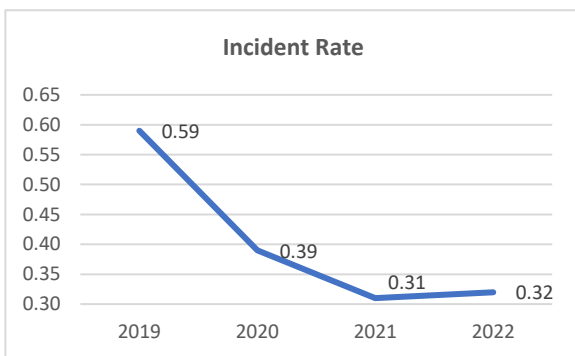
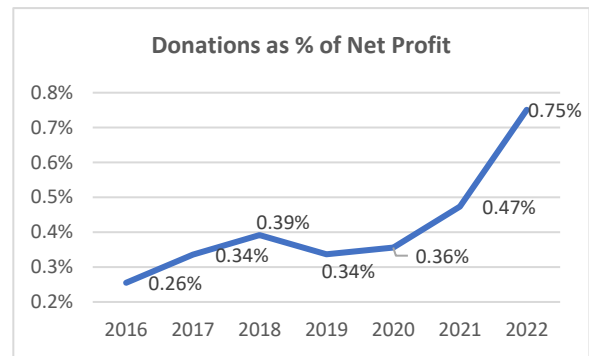
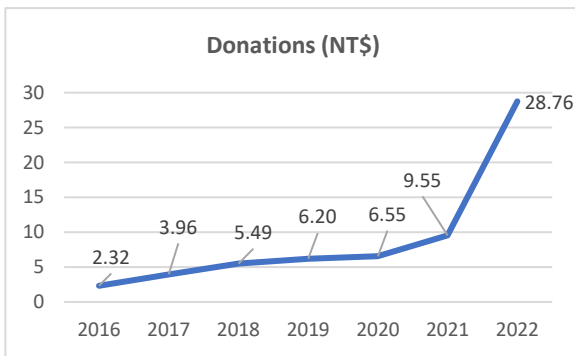
Overview

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 ARRC program to develop R&D rocket talent and for marine life preservation via the Kuroshio Ocean Education Foundation, we also care for school children in remote areas that are often missed.

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 (initiated in 2022, 682 hours by 213 BizLinkers).

Key Results



Governance: Upholding High Management Standards Worldwide

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.
- 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 as one of the few small market cap companies despite rising competition and tougher grading criteria.
- **BizLinker Integrity:** develop a culture of high ethical standards regardless of culture, background, and race.

Key Results

- TWSE's Corporate Governance evaluation: initiated in 2014.
- Top-20%: 2015-2018 and 2020.
- Top-5%: 2019 and 2021-2022.
- Total number of companies ranked in Top-5%/Top-20%: 166 in 2015 to 186 in 2022.
- 2022 Top-5% Ranking: we were 1 of 10 small market cap companies and the only interconnect company.
- TWSE's Corporate Governance Index: 2016-2023, shows consistency of our sustainability efforts.