

The implementation status of promoting sustainable development

Item Promoted	Implementation situation (note 1)			Differences and reasons from the “Code of Practice for Sustainability of Listed Companies”
	Yes	No	Abstract Statement	
(I) Does the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	✓		<p>The Company has established the “Sustainable Development Promotion Committee”. The Board of Directors has also designated the Office of Chairman to be the dedicated (part-time) unit for the establishment and promotion of sustainable development. The unit is in charge of proposing and executing sustainability policies, systems, management guidelines, and specific action plans; and reports the same at the Board meetings on a regular basis.</p> <p>(1) Actively facilitate the implementation of each task by four working groups, namely, environmental sustainability, corporate governance, product service, and employee care/social participation; conduct regular performance inspection; and make timely adjustments to the relevant strategies as well as promotion targets through continuous communication with stakeholders to incorporate the philosophy of sustainability into the overall operational strategy of the business.</p> <p>(2) When necessary, convene a meeting at least once a year, to report on the implementation of sustainable development.</p> <p>(3) Take charge of the preparation and revision of sustainability reports.</p>	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II) Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company’s operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	✓		<p>1. The company has developed the Code of Conduct of Enterprise Social Responsibility and Enterprise Social Responsibility Policy based on the Code of Conduct of Social Responsibility of Listed and OTC Companies and Enterprise, which were approved by the board of directors in May 9, 2014 through discussion after submission. Moreover, the amendments of the Code of Conduct of Enterprise Social Responsibility and</p>	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

		<p>Enterprise Social Responsibility Policy was passed in the board meeting held on January 20, 2017. On February 22, 2023, the board of directors discussed and approved the amendment of the "Corporate Social Responsibility Practice Guidelines" to "Sustainable Development Practice Guidelines". The implementation results will be reported to the board of directors at least once a year, such as the presentation of the implementation results for 2023 to the board of directors on January 24, 2025.</p> <p>2. The company conducts operation-related risk assessment on environmental, social and corporate governance issues in accordance with the corporate social responsibilities materiality principle, and stipulate relevant risk management policies or strategies as follows:</p> <table border="1"><thead><tr><th>Major Issues</th><th>Risk Assessment Item</th><th>Risk Management Policies or Strategies</th></tr></thead><tbody><tr><td>Environmental</td><td>Environmental Protection</td><td><p>1. The company passed the ISO14001: 2015 version of the environmental management system. Its system calculates whether the internal and external issues and environmental risks of the company's environment are in compliance with China's regulations, international laws and ISO spirit.</p><p>2. The company's environmental security policy is as follows:</p><ul style="list-style-type: none">(1) It is necessary to provide a high-quality and maintain a healthy physical and mental working environment to achieve the goal of zero disasters and accidents.(2) To protect the environment, maintain natural ecology, save energy and reduce waste.(3) To comply with laws and regulations, implement risk management, prevent</td></tr></tbody></table>	Major Issues	Risk Assessment Item	Risk Management Policies or Strategies	Environmental	Environmental Protection	<p>1. The company passed the ISO14001: 2015 version of the environmental management system. Its system calculates whether the internal and external issues and environmental risks of the company's environment are in compliance with China's regulations, international laws and ISO spirit.</p> <p>2. The company's environmental security policy is as follows:</p> <ul style="list-style-type: none">(1) It is necessary to provide a high-quality and maintain a healthy physical and mental working environment to achieve the goal of zero disasters and accidents.(2) To protect the environment, maintain natural ecology, save energy and reduce waste.(3) To comply with laws and regulations, implement risk management, prevent	
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					<p>pollution, and implement 6S activities.</p> <p>(4) Environmental protection and safety are uninterrupted activities for all employees.</p> <p>3. Every year, environmental management goals and plans are set, and the progress of each goal is tracked and reviewed regularly to ensure that the goals are achieved.</p> <p>4 Energy-saving and carbon reduction measures:</p> <p>Energy-saving: From 2015 to 2024, the Company has achieved a 1.74% reduction in energy consumption, which is higher than the Energy Bureau's standard of 1% per year and has met the requirement of average annual energy-saving consumption for the years from 2015 to 2024.</p> <p>Carbon reduction: In 2024, the company reduced carbon emissions by 140,580 kg.</p>	
Social	Occupational Safety				<p>The company has obtained OHSAS18001: 2018 Occupational Health and Safety Management System Certification, and its system is designed to carry out various industrial safety inspections and nuclear inspections of the company, and at the same time use SGS third verifier to check and further implement the occupational safety and health management system; Fire drills and industrial safety education and training and various industrial safety measures are held regularly every year to cultivate employees' emergency response and self-safety and sanitation management capabilities and to improve good and healthy workplaces.</p>	

				Product Safety	1. The company upholds a professional and innovative attitude, improves product efficiency and an honest and honest attitude to serve customers, and expects to provide customers with satisfactory products and services. Therefore, the company formulates standard customer complaint procedures, properly judges the responsibility to resolve the problem, and sets preventive measures to prevent similar problems from occurring, and regularly investigates and	
					tracks customer satisfaction to understand customer needs and problems, and the results of the investigation will be used as research improvements Basis of strategy.	
					2. The company's products are mechanical components, and there are relevant international standards. The company follows the relevant laws and international standards and implements the process and raw material management.	
(III) Develop sustainable environment (I) Does the company establish applicable environmental management system based on		✓		(I)1. The Occupational Safety Department of the company shall take charge of environmental management, establishing	In compliance with the Sustainable Development	

its industrial characteristics?			<p>and controlling environmental management system, setting up safety and health committee and jointly dealing with environmental safety problems.</p> <p>2. Besides observing environmental laws earnestly, the Company passed ISO14001 environmental management system, OHSAS 18001 occupational safety and health management system and CNS15506 Taiwan occupational safety and health management system in September 2014.</p> <p>3. In August 2017, the Company passed ISO 9001:2015 version quality management system, ISO 14001:2015 version environmental management system, OHSAS 18001:2017 version occupational safety and health management system and version renewal certification of CNS15506 Taiwan occupational safety and health management system.</p> <p>4. In August 2020, the Company passed ISO 45001:2018 version occupational safety and health management system and version renewal of CSN 45001:2018 Taiwan occupational safety and health management system.</p>	Best Practice Principles for TWSE/TPEX Listed Companies
(II) Is the company dedicated to improving utilization efficiency of various resources and making use of renewable materials with low environmental impact?	✓	(II)	<p>The company is committed to improving the efficiency of the use of various resources, such as:</p> <ol style="list-style-type: none"> 1. Recycling pallets, wooden boxes, etc. are used for shipping packaging or inventory management. 2. Perform garbage resource classification and recycling, set up rainwater recycling system and on-site process water recycling, which can not only reduce costs but also reduce environmental impact and impact. 3. Improve the efficiency of resource use and e-standardize documents. 4. Fully turn off the lights during breaks to reduce power consumption. 5. The company will invest too much in the second phase of the plant in Shugu in 2022 Solar power generation system 999.81KWP, the investment amount is 48,590 thousand yuan, 	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

		<p>invest in solar power generation system, mainly to protect land Globalization, sustainable development, energy conservation and carbon reduction, and clean energy are the core values and vision.</p> <p>A new solar power system has been installed, with an estimated annual electricity generation of 1,379,437 kWh. This is expected to reduce carbon emissions by 764.209 metric tons, equivalent to planting approximately 50,947.24 trees, contributing to the well-being of our planet.</p>										
(III) Does the company assess the present and future risks and opportunities climate change poses on the company?	✓	<p>(III) With the increasingly severe environmental damage caused by global climate change, Taiwan has faced severe typhoons, flood threats and lack of water, energy and other resources in recent years. In order to effectively grasp the development trend of climate change issues, conduct climate change management and assessment, through climate risk issues, to mitigate the impact of climate change and reduce the harm to the environment.</p> <table border="1"> <thead> <tr> <th colspan="2">Climate Change Risk Interval</th> <th>Countermeasures and Results</th> </tr> <tr> <th>Category</th> <th>Item</th> <th></th> </tr> </thead> <tbody> <tr> <td>Codes and Regulations</td> <td> 1. Greenhouse gas inventory investigation and declaration 2. Total Emission Control </td> <td> 1. The Southern Science and Industry Park Administration of the Ministry of Science and Technology investigates companies' greenhouse gas emissions 2. In accordance with the implementation of Taiwan's "Energy Administration Act", carry out energy saving and carbon reduction measures and declaration 3. Obtain ISO 14064-1 greenhouse gas inventory certificate for future planning </td> </tr> </tbody> </table>	Climate Change Risk Interval		Countermeasures and Results	Category	Item		Codes and Regulations	1. Greenhouse gas inventory investigation and declaration 2. Total Emission Control	1. The Southern Science and Industry Park Administration of the Ministry of Science and Technology investigates companies' greenhouse gas emissions 2. In accordance with the implementation of Taiwan's "Energy Administration Act", carry out energy saving and carbon reduction measures and declaration 3. Obtain ISO 14064-1 greenhouse gas inventory certificate for future planning	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
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			<p>Energy/ Resources</p> <p>Extreme Climate</p> <p>Long- Term</p>	<p>Waste recycling</p> <p>Solar energy</p> <p>Extreme climate may cause heavy rainfall events, long periods of drought and rain, floods, and typhoons to directly affect operations.</p> <p>Sea level rise</p> <p>Impact on employee health</p>	<p>Recycling waste into plastics, iron and aluminum cans, paper, general waste, etc. can reduce waste incineration and reduce carbon emissions</p> <p>The Tree Valley Plant has set up solar energy equipment, which can be used for the basic use of electricity in the plant to achieve green energy supply.</p> <p>1. Respond and handle according to emergency preparedness and response management procedures 2. The pump at the discharge port increases the discharge pressure 3. Before and after floods and typhoons, carry out emergency response to reduce damage</p> <p>Reducing greenhouse gas emissions can reduce the melting of ice in the South Pole and the Arctic, and ease the rising trend of sea level</p> <p>Reduce greenhouse gas emissions, reduce the occurrence of extreme climates, and thereby reduce the impact of extreme climates (such as sandstorms...) on the human body, such as asthma, allergies, etc.</p>	
<p>(IV) Does the company count greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?</p>	<p>✓</p>			<p>(IV) In the design of the factory, the company is based on energy saving and carbon reduction, with high design, additional ventilation and heat dissipation external walls, and natural circulation of ventilation and heat dissipation to reduce the temperature in the factory, replace the air conditioning system, and save electricity.</p>	<p>In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</p>	

		<p>1. Energy saving target</p> <p>In accordance with ISO 50001 as the norm, and in accordance with the provisions of Articles 8, 9 and 12 of the Energy Administration Act, if the energy consumption reaches the specified amount, an energy verification system shall be established, and energy conservation goals and implementation plans shall be set to achieve the 2015-2024 annual power saving rate of more than 1%.</p> <p>2. Energy saving measures</p> <p>The energy saving measures for 2024 includes the replacement of dryer#2 and the renewal of high bay light in the factory of the Southern Taiwan Science Park, reducing 29,606 kWh of electricity consumption. The annual power-saving rate in 2024 was 0.35% and the carbon reduction volume was 14,625.36 kg.</p> <p>3. Carbon reduction targets</p> <p>According to data from the Energy Administration of the MOE, 0.494 kg of CO₂ is produced per kilowatt-hour of electricity. Given that the energy-saving consumption for 2024 was 29,606 kWh, the carbon reduction target for 2024 was 14,625.36 kg.</p> <p>4. Greenhouse gas emissions, water usage, or total waste:</p> <p>The indirect sources of greenhouse gas emissions of the Company are mainly from purchased electricity, which amounted to 8,705 thousand kWh, 9,537 thousand kWh, 10,547 thousand kWh, 8,924 thousand kWh, and 8,411 thousand kWh from 2020 to 2024 respectively. The total greenhouse gas emissions of the Company were 4,370.110 tons CO₂e/yr in 2020, 4,854.434 tons CO₂e/yr in 2021, 5,368.626 tons CO₂e/yr in 2022, 4,417.578 tons CO₂e/yr in 2023, and 4,155.231 tons CO₂e/yr in 2024.</p> <p>In response to the environmental impact caused by greenhouse gas</p>	
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<p>emissions, the Company will promote measures to reduce greenhouse gas emissions in the future, achieve sustainable energy development that balances cost and resource efficiency, energy conservation, and environmental protection.</p>					
Year	2020	2021	2022	2023	2024
Total Power Consumption (KWh)	8,705,400	9,537,200	10,547,400	8,924,400	8,411,400
CO2 Emissions (mt)	4,370.110	4,854.434	5,368.626	4,417.578	4,155.231
Data from the Bureau of Energy, Ministry of Economic Affairs	0.502 kilograms of CO ₂ is produced per kilowatt-hour of electricity	0.509 kilograms of CO ₂ is produced per kilowatt-hour of electricity	0.495 kilograms of CO ₂ is produced per kilowatt-hour of electricity	0.494 kilograms of CO ₂ is produced per kilowatt-hour of electricity	The Ministry of Economy Energy Bureau has not yet announced the result. It is firstly calculated for 2023 that 0.494 kilograms of CO ₂ are produced per kilowatt-hour of electricity

Improvement of energy utilization efficiency in 2024: Chieftek Precision Co., Ltd. has set up the renewable energy facility for the photovoltaic system in the Tree Valley Park's Phase I plant. The capacity of the said solar power facility is 268.46KW with an area of 1,403.52 square meters. 866 solar panels have been installed with 310W of electricity production per solar panel. In 2024, the electricity production by solar power was 341,244 kWh. Based on the electricity carbon emission factor of 0.494 kgCO2e for 2023, which was recently

announced by the Energy Administration, 168.574 metric tons of CO2 emissions can be reduced and 4.05% of renewable energy utilization can be increased.

Chieftek Precision Co., Ltd. has set up the facility for photovoltaic system in the Tree Valley Park's Phase II plant with a capacity of 999.81KW and an area of 4,942.26 square meters. 3,225 solar panels have been installed with 310W of electricity production per solar panel. In 2024, the electricity production by solar power was 1,338,016 kWh. Based on the electricity carbon emission factor of 0.494 kgCO2e for 2023, which was recently announced by the Energy Administration, 660.979 metric tons of CO2 emissions can be reduced and 15.9% of renewable energy utilization can be increased.

The major energy consumption of the Company (excl. its subsidiaries) is from purchased electricity. The major source of greenhouse gas emissions in the most recent 2 years is purchased electricity, accounting for more than 82% of the total emissions. The rest was the diesel fuel for emergency generators as well as the gasoline, refrigerant, and WD-40 for Company vehicles.

Year	GHG emissions (tonCO2e)
2020	5,354.76
2021	4,900.43
2022	5,331.52
2023	5,126.50
2024	5,097.60

The water consumption of the Company (excl. its subsidiaries) during 2020 and 2024 is as follows:

Year	Water consumption (m ³)	Number of employees (Average)	Average water consumption (m ³)
2020	37,306	409	91.21
2021	36,038	386	93.36
2022	35,054	442	79.31
2023	36,954	397	93.08
2024	25,058	333	75.24

The total weight of the Company's

wastes (excl. its subsidiaries) during 2020 and 2024 is as follows:

Year	Weight of Wastes (metric ton)	
	Hazardous wastes	Non-hazardous wastes
2020	0	321
2021	0	378
2022	0	334
2023	0	217
2024	0	146

The Company's (excl. its subsidiaries) water consumption and the total weight of wastes have been verified by ISO 14001 Environmental Management Systems, of which verification process was carried out in accordance with the water pollution prevention measures and waste management plan. The Environmental Management System of the Ministry of Environment was also used for data verification.

Water resources management or reduction targets:

1. Rainwater recycling: The rainwater collected in the rainwater recycling tanks are used for toilet flushing and cleaning and for spraying bottles of plants in order to reduce the tap water consumption.
2. Cutting fluid recycling from waste grit: In the manufacturing process, waste grit is produced after grinding, which contains an average of 37% cutting fluid. We use centrifugal dehydrator to filter out the cutting fluid and recycle it for machine use in order to reduce the adding of tap water. The recycled volume of cutting fluid in 2024 was 28.48 tons, reducing 28.48 tons of water consumption in 2024. Our objective is to reduce tap water consumption by 30 tons in 2026.

Waste management policy or reduction targets:

1. Manufacturers recycle wooden cases to minimize the wastes and reduce deforestation. In 2024, 2.28 tons of waste wood were reduced in

		<p>2024. Our target is to reduce 5 tons of waste wood in 2026.</p> <p>2. Pallets and wooden cases are recycled to be reused in shipping packaging or inventory management.</p> <p>3. The unusable pallets and wooden cases are declared for re-use in accordance with the Ministry of Environment. Qualified companies then recycle and process them into recycled pallets and cases and the rest into sawdust used as fuel for boiler factories.</p> <p>4. We recycle cutting fluid from waste grit in order to lighten the weight of waste grit removal.</p> <p>5. Garbage sorting and recycling are implemented.</p> <p>6. The lubricating oil produced by the machines within the factory is separated by the oil skimmer in the phase-II recycling factory and then poured into iron drums for static storage. When a certain amount is reached, it is declared in accordance with the Ministry of Environment. Then, qualified companies recycle and process it into recycled fuel oil for boiler factories in order to reduce the impact on the environment. 4.58 tons of waste lubricating oil was recycled in 2024. Our target is to reduce 5 tons of waste lubricating oil in 2026.</p>	
IV. Maintaining social welfare (I) Does the company make related management policy and procedure pursuant to relevant regulations and international covenants of human rights?	✓	<p>(I) The company complies with the “Labor Standards Law”, “International Human Rights Convention”, and the relevant laws and regulations issued by the government, formulating complete and compliant with labor laws and regulations related systems and management methods, which are carried out by dedicated personnel to protect employees’ legal labor rights and employment policies. Treatment and other management principles.</p> <p>1. All forms of forced labor are strictly prohibited.</p>	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

			<p>2. Apply for labor insurance, health insurance, and insure employer liability accident insurance for all employees.</p> <p>3. Implement employment policies in accordance with the Employment Service Law, including prohibiting child labor.</p> <p>4. Follow internationally recognized labor human rights and equality and prohibit any form of discrimination.</p> <p>5. Continue to promote gender equality.</p> <p>6. Based on the principle of “employee care” and “employee well-being”, withdraw pensions and set up employee welfare committees in accordance with the law. Under the principle of stable operation, provide various benefits and measures that are better than legal conditions as far as possible. In order to cooperate with the legal changes, announcements are made in the factory area.</p> <p>In accordance with the implementation policy, the company implements the human rights policy, which is applicable to all levels of the company, and continuously enhances and improves the management of human rights-related issues, reducing the risk of human rights incidents, and implementing the policy and the management plan for human rights-related issues.</p>	
(II) Does the company formulate and implement reasonable employee welfare measures (including compensation, vacations and other benefits), and appropriately reflect operating performance or results in employee compensation?	✓	(II)	<p>The relevant measures are as follows:</p> <ol style="list-style-type: none"> 1. The company's main remuneration principle is to link departmental responsibilities and performance results and hopes to recruit and retain excellent talents by setting reasonable remuneration policies. 2. The company explicitly defines the employee code of conduct standards, related disciplinary and incentive measures in the work rules and internal control system (previously the employee Handbook). 3. The company set up a “Pay and Remuneration Committee” composed of four independent directors. The four remuneration committees with different 	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

		<p>backgrounds not only have rich academic experience, but also fully grasp the pulse of domestic and foreign industries. A reasonable salary and compensation policy and performance appraisal system will gradually improve the integration of the above system and corporate social responsibility policies based on the pulsation of operations to continuously improve the quality and competitiveness of the company at each stage.</p> <p>4. Gender Equality and Diversity</p> <p>The company's professional management team upholds the spirit of integrity and integrity, and is committed to providing employees with a diverse, inclusive, friendly and safe workplace, and aims to create equal growth and development opportunities for each employee and a sense of belonging to the company.</p> <p>The Company currently has 10 disabled persons (7 of actual employment, based on the regulations stipulating that when employing a person with severe disabilities, the person shall be calculated as two). Apart from complying with the obligatory number stated in the "People with Disabilities Rights Protection Act", the Company has employed 6 people with disabilities.</p> <p>(1) Female's Diversity Indicators</p> <table border="1" data-bbox="817 1403 1286 1583"> <thead> <tr> <th>Indicators</th><th>%</th></tr> </thead> <tbody> <tr> <td>Female for the total workforce (%)</td><td>27.33%</td></tr> <tr> <td>Female for the all supervisors (%)</td><td>22.22%</td></tr> <tr> <td>Female for the grassroots supervisors (%)</td><td>10.00%</td></tr> <tr> <td>Female for the senior executives (%)</td><td>57.14%</td></tr> </tbody> </table> <p>(2) Other Diversification Indicators</p> <table border="1" data-bbox="817 1628 1286 1852"> <thead> <tr> <th>Item</th><th>All employees %</th></tr> </thead> <tbody> <tr> <td>Handicapped</td><td>2.08%</td></tr> <tr> <td>All employees</td><td>11.80%</td></tr> <tr> <td>age group: <30 years old</td><td>77.02%</td></tr> <tr> <td>age group: 30~50 years old</td><td>11.18%</td></tr> <tr> <td>total</td><td>100.00%</td></tr> </tbody> </table> <p>(3) Salary and Remuneration Equality</p> <p>The company has a "Salary Reporting Company"</p>	Indicators	%	Female for the total workforce (%)	27.33%	Female for the all supervisors (%)	22.22%	Female for the grassroots supervisors (%)	10.00%	Female for the senior executives (%)	57.14%	Item	All employees %	Handicapped	2.08%	All employees	11.80%	age group: <30 years old	77.02%	age group: 30~50 years old	11.18%	total	100.00%	
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			<p>Commissioner" to regularly review and ensure that the company's salary policy is competitive. Machinery manufacturing business operations through transparent and fair performance and technology scoring performance feedback to employees. The company also upholds fair and consistent salary standards when using talents. For the same job category, if it is an inexperienced person at the bottom, the salary of the user is the same, if it has work experience related to the job. The salary will be determined according to their education background, relevant professional knowledge and certificates. In addition, the company provides equal opportunities for training and promotion to all employees, regardless of other background, gender or academic experience.</p> <p>5. Employee health enhancement</p> <p>In order to enhance the health of employees, the Company provides monthly occupational physician assessment for employees with needs of health consultation or employees with chronic diseases such as obesity and the Three Highs (i.e., high blood sugar, high cholesterol, and high blood pressure). Additionally, we have designated occupational nursing to care for employees' physical and mental health and to control, promote, and assist with the physical and mental health improvement of employees. Also, we provide annual health checkups, so that employees can better understand their physical condition and take precautionary measures.</p>	
(III) Does the company create a safe and healthy working environment and implements safety and health education for employees regularly?	✓		(III) The company shall set up Labor Safety and Health Committee as per labor safety and health law, convene labor safety and health meeting regularly, persistently assist the factory in completing various tasks related to environmental safety and health to	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX

		<p>make sure the safety and health of working environment. Explanation of only relevant items is made below:</p> <table border="1"> <thead> <tr> <th>Items</th><th>Contents</th></tr> </thead> <tbody> <tr> <td>Entrance Guard</td><td> <ol style="list-style-type: none"> 1. Strict entrance guard monitoring system is set up in the daytime and nighttime. 2. Connect with police organs online to take precaution. </td></tr> <tr> <td>Maintenance and Inspection of Various Equipment</td><td> <ol style="list-style-type: none"> 1. In accordance with buildings public safety inspection and visa & declaration regulations, entrust specialized company to carry out public safety inspection every year or every four years. 2. According to fire protection law, conduct fire safety inspection by outsourcing every year. 3. Maintain and check such equipment as electrical equipment, lift, air conditioner, water dispenser, automobile, and fire apparatus in terms of Code of Conduct of Safety and Health in the company. </td></tr> <tr> <td>Contingency Measures for Disaster Prevention</td><td> <ol style="list-style-type: none"> 1. Develop emergency preparedness and response procedure, emergency response plan, Code of Conduct of Labor Safety and Health, accident investigation and management procedure together with other disaster prevention, rescue precautions and accident & disaster reporting procedure, well define responsibilities of personnel at all levels for such important incidents and accidents as acts of God and fire disaster and corresponding tasks and arrange safety protection drills as required. 2. Entrust fire competent authority to carry out fire control & disaster prevention training. </td></tr> <tr> <td>Physical Health</td><td> <ol style="list-style-type: none"> 1. Perform periodic health examination on a yearly basis in accordance with Occupational Safety and Health Law. 2. Health in working environment: Ban smoking entirely in working environment, hold health lecture, arrange CPR training and regularly conduct office environment cleaning and sterilization. </td></tr> <tr> <td>Mental Health</td><td> <ol style="list-style-type: none"> 1. Educational training: provide communication skill and emotion management courses as well as employee psychological adjustment and profession skill strengthening training. 2. Expression of opinion: set employee suggestion zone and provide various manuals, educational training </td></tr> </tbody> </table>	Items	Contents	Entrance Guard	<ol style="list-style-type: none"> 1. Strict entrance guard monitoring system is set up in the daytime and nighttime. 2. Connect with police organs online to take precaution. 	Maintenance and Inspection of Various Equipment	<ol style="list-style-type: none"> 1. In accordance with buildings public safety inspection and visa & declaration regulations, entrust specialized company to carry out public safety inspection every year or every four years. 2. According to fire protection law, conduct fire safety inspection by outsourcing every year. 3. Maintain and check such equipment as electrical equipment, lift, air conditioner, water dispenser, automobile, and fire apparatus in terms of Code of Conduct of Safety and Health in the company. 	Contingency Measures for Disaster Prevention	<ol style="list-style-type: none"> 1. Develop emergency preparedness and response procedure, emergency response plan, Code of Conduct of Labor Safety and Health, accident investigation and management procedure together with other disaster prevention, rescue precautions and accident & disaster reporting procedure, well define responsibilities of personnel at all levels for such important incidents and accidents as acts of God and fire disaster and corresponding tasks and arrange safety protection drills as required. 2. Entrust fire competent authority to carry out fire control & disaster prevention training. 	Physical Health	<ol style="list-style-type: none"> 1. Perform periodic health examination on a yearly basis in accordance with Occupational Safety and Health Law. 2. Health in working environment: Ban smoking entirely in working environment, hold health lecture, arrange CPR training and regularly conduct office environment cleaning and sterilization. 	Mental Health	<ol style="list-style-type: none"> 1. Educational training: provide communication skill and emotion management courses as well as employee psychological adjustment and profession skill strengthening training. 2. Expression of opinion: set employee suggestion zone and provide various manuals, educational training 	Listed Companies
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Entrance Guard	<ol style="list-style-type: none"> 1. Strict entrance guard monitoring system is set up in the daytime and nighttime. 2. Connect with police organs online to take precaution. 														
Maintenance and Inspection of Various Equipment	<ol style="list-style-type: none"> 1. In accordance with buildings public safety inspection and visa & declaration regulations, entrust specialized company to carry out public safety inspection every year or every four years. 2. According to fire protection law, conduct fire safety inspection by outsourcing every year. 3. Maintain and check such equipment as electrical equipment, lift, air conditioner, water dispenser, automobile, and fire apparatus in terms of Code of Conduct of Safety and Health in the company. 														
Contingency Measures for Disaster Prevention	<ol style="list-style-type: none"> 1. Develop emergency preparedness and response procedure, emergency response plan, Code of Conduct of Labor Safety and Health, accident investigation and management procedure together with other disaster prevention, rescue precautions and accident & disaster reporting procedure, well define responsibilities of personnel at all levels for such important incidents and accidents as acts of God and fire disaster and corresponding tasks and arrange safety protection drills as required. 2. Entrust fire competent authority to carry out fire control & disaster prevention training. 														
Physical Health	<ol style="list-style-type: none"> 1. Perform periodic health examination on a yearly basis in accordance with Occupational Safety and Health Law. 2. Health in working environment: Ban smoking entirely in working environment, hold health lecture, arrange CPR training and regularly conduct office environment cleaning and sterilization. 														
Mental Health	<ol style="list-style-type: none"> 1. Educational training: provide communication skill and emotion management courses as well as employee psychological adjustment and profession skill strengthening training. 2. Expression of opinion: set employee suggestion zone and provide various manuals, educational training 														

			announcement and channels for employee's expression of opinion and interactive learning. 3. Sexual harassment prevention: set forth complaint and punishment terms.	
Insurance and Medical Condolence			1. Buy labor insurance (including occupational hazard insurance) and health insurance by law. 2. Buy officers liability insurance. 3. Buy group insurance.	
Contractor Management			1. Inform contractors of hazard factors during working and hold meetings for contractor agreement in accordance with Occupational Safety and Health Law. 2. Set contractor management procedure and provide related forms for contractor applying and filling out.	
Educationa l Training			Implement pertinent safety and health educational trainings, such as general safety and health educational trainings, manufacture, disposal, and usage of hazardous chemical educational trainings, and additional 3h of safety and health trainings prior to operation of manufacturing machine/equipment, aerial working vehicle, winch trucks, assignment in oxygen deficient environment, and electric welding, in accordance with Occupational Safety and Health Law.	
<p>Healthy and safe working environment</p> <p>The company shall provide employees with safe and sound working environment, earnestly observe fire regulations and take the following measures to protect personal safety and health in the working environment:</p> <ol style="list-style-type: none"> 1. ISO 14001/ISO 45001/CNS 45001 environmental safety and health management system: set up a management system to evaluate performance and efficiency of environmental and occupational safety & health and enhance environmental safety & health, thus guaranteeing personal safety of employees. 2. Identify environmental considerations and various hazards in all activities, products and services of the Company, evaluate the risks of major environmental considerations and its hazards, judge the priority action level and control unacceptable environmental safety and health risks that may facilitate the 				

		<p>planning, management and implementation of environmental and occupational safety and health.</p> <p>3. Establish unified regulations for hazardous labeling of chemicals in compliance with regulations and requirements; be able to take emergency measures immediately upon occurrence of hazard and leakage during working through effective reminders to prevent from occurrence of hazards and extension of accidents.</p> <p>4. For industrial wastes produced, establish resources recovery and related management mechanism to realize waste recycling, stabilization, hazard-free treatment, economization and satisfy the requirements of decree by improving environmental sanitation.</p> <p>5. Raise contingency ability of employees under emergency circumstances and define correct handling procedure to make sure personal safety and normal operation of the company in the hope of minimizing loss in case of accident.</p> <p>6. Check the fire apparatuses on a regular basis to reduce the losses after accident occurrence and guarantee personal safety of employees.</p> <p>7. Lay down <i>Code of Conduct of Safety and Health</i> to avoid occupational accident, maintain the safety and health of employees and ensure the normal operation of working place, further reaching the target of sustainable business operation.</p> <p>8. Appoint <i>Safety and health Personnel</i> to take charge of planning and advancing environmental safety and health policies and management system of the company and checking their performance. Train occupational safety personnel for occupational safety, including A Grade occupational safety and health manager, B Grade occupational safety and health specialist, A Grade occupational safety and health executive, first-aid personnel and fire controller, to strengthen environmental safety and health management in workplace and maintain a safe and healthy workplace.</p>	
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(IV) Does the company develop an efficient career capability development training plan?	✓	(II) The company has been committed to creating a learning environment providing endless talent force and increasing remarkable competitive power, set Educational Training Management and Operational Procedure	In compliance with the Sustainable Development Best Practice Principles for

			and cultivated right talents by virtue of internal and external training resources. Currently, the company has provided a series of educational trainings for common knowledge, professional skill and management to stimulate employee's potential and occupational development ability, realize close coordination between enterprise development and talent development plan of colleagues and heighten awareness of production efficiency and enterprise social responsibility. Training plan mainly implemented is composed of general training, educational training for labor safety, operation & management and traditional culture, professional training, training for employees dispatched to foreign subsidiaries, and internship training for international exchange. The company shall train head of all units and senior colleagues as internal lecturer to inherit company culture and skills.	TWSE/TPEX Listed Companies
(III) With regard to customer health and safety, customer privacy, marketing and labeling of products and services, has the company complied with relevant regulations and international standards, and formulated relevant policies and appeal procedures for consumer protection?	✓	(I)	The company upholds a professional and innovative attitude, improves product efficiency and an honest and honest attitude to serve customers, and expects to provide customers with satisfactory products and services. Therefore, the company formulates standard customer complaint procedures, properly judges the responsibility to resolve the problem, sets preventive measures to prevent similar problems, and regularly investigates and tracks customer satisfaction to understand customer needs and problems. The results will serve as the basis for the development of improvement strategies. The company's products are mechanical components, and there are relevant international standards. The company follows relevant laws and international standards and implements them on the process and raw material management.	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(VI) Does the company formulate supplier management policies that require suppliers to follow relevant regulations on	✓	(VI)	1. The company possesses tight and complete supply chain system and can assist suppliers in improving product quality by	In compliance with the Sustainable Development

environmental protection, occupational safety and health or labor human rights, and their implementation?		<p>integration. Suppliers contracting constructions are assessed according to 2-IS-2-K-001 contractor management procedure. In addition to the implementation of safety and health self-management, education and training, organization agreement, notification of hazards in the factory, and other safety management, we also require on-site environmental management. In addition, according to the 1-AD-2-B-001 supplier management program, the environmental management assessment and social responsibility assessment and evaluation of suppliers and new outsourcing processing plants include whether the manufacturer is ISO14001 environmental management system or SA8000 corporate social responsibility certification.</p> <p>2. The company conducts “Factory Environmental Management Assessment Form” and “Social Responsibility Assessment Form” assessments of suppliers and new outsourced processing plants according to supplier management procedures, including contracts with major suppliers requiring suppliers and contractors to comply with Labor Standards Act and related human rights regulations, including prohibition of child labor, forced labor, health and safety, freedom of association and collective bargaining rights, discrimination, etc., involve violations of corporate social responsibility policies and have a significant impact on the environment and society, the terms of the contract may be terminated or cancelled at any time.</p> <p>3. There was no arrangement of on-site environmental safety and health inspections at or suppliers in 2024.</p>	Best Practice Principles for TWSE/TPEX Listed Companies
V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓	The Company is in the process of preparing a sustainability report.	In compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed

				Companies																									
6. If the company has its own sustainable development code in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, please describe its operation and the differences from the sustainability code:																													
<p>The Company has complied with the “Regulations Governing Establishment of Internal Control Systems by Public Companies” and the “Evaluation Items for Assessing the Effectiveness of Internal Control Systems of Public Companies” revised by the Financial Supervisory Commission on April 22, 2024 by incorporating the management of sustainability information into the Company’s internal control systems and including it as an audit item in the Company’s annual audit plans. On November 6, 2024, the Board of Directors approved the establishment of the “Procedures for the Preparation and Assurance of Sustainability Reports” and the “Management of Sustainability Information”, which have been functioning and adhered to.</p>																													
7. Other important information conducive to understanding the operation of sustainable development:																													
<p>(I) The Company has acquired various certifications.</p> <table border="1"> <tr> <td>Certificate Type</td><td>ISO 14001:2015</td><td>ISO 9001:2015</td><td>ISO 45001:2018</td><td>CNS 45001:2018</td></tr> <tr> <td>Approver</td><td>SGS</td><td>SGS</td><td>SGS</td><td>SGS</td></tr> <tr> <td>Valid Period</td><td>2023/09/08~ 2026/09/08</td><td>2023/08/29~ 2026/08/29</td><td>2023/08/29~ 2026/08/29</td><td>2023/08/29~ 2026/08/29</td></tr> <tr> <td>Date of Approval</td><td>2023/07/18~08/11</td><td>2023/07/18~08/11</td><td>2023/07/18~08/11</td><td>2023/07/18~08/11</td></tr> <tr> <td>Certificate Number</td><td>TW14/10645</td><td>TW17/00972</td><td>TW16/01194</td><td>CB05-109012-02</td></tr> </table> <p>(II) In terms of participation in social activities and social contribution, the company actively cooperates with various universities and colleges in Tainan (such as Southern Taiwan University of Technology (STUST), Kunshan University, and Far East University) to provide opportunity of observation learning and internship and enhance industry-university collaboration, with the aim to accelerate the regional prosperity and bring more employment opportunities. In addition, the Company also cooperates with communities to establish prize for moral excellence and provide financial aid for students in community colleges.</p> <p>(III) In response to the resource recycling policy of the government, carefully sort the garbage and recycle.</p> <p>(IV) Digitize document forms and reduce the amount of paper used.</p> <p>(V) Give emergency allowances for employees and help employees overcome the difficulties.</p> <p>(VI) It is prohibited to employ child workers as labor.</p> <p>(VII) The company actively sponsored the festival and cultural events held by the local government</p> <p>(VIII) Assisted Prof. Wu Chung-Hsin of National Chiao Tung University with the DD Motors and Drivers for his ARRC rocket research project, using the small DD motor and driver of cpc to build an advanced rocket propulsion system to improve the control stability of the entire launch trajectory. We believe that the current success will take us to future challenges and mutual endeavors. We never stop!</p> <p>(IX) We made donations to the Temple of Heaven, the Temple of Ultimate Bliss, the 2024 performance of Tainan Philharmonic Orchestra (Tainan 400. Generations of Legacy), Tainan Traditional Chinese Cultural College Foundation, Taiwan Industrial Technology Association, and dedicated account of Tainan City Earthquake Assistance Fund, etc.</p>					Certificate Type	ISO 14001:2015	ISO 9001:2015	ISO 45001:2018	CNS 45001:2018	Approver	SGS	SGS	SGS	SGS	Valid Period	2023/09/08~ 2026/09/08	2023/08/29~ 2026/08/29	2023/08/29~ 2026/08/29	2023/08/29~ 2026/08/29	Date of Approval	2023/07/18~08/11	2023/07/18~08/11	2023/07/18~08/11	2023/07/18~08/11	Certificate Number	TW14/10645	TW17/00972	TW16/01194	CB05-109012-02
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