



*AmTRAN*

# 2023 ESG Report

Seeing Better World



*AmTRAN*

The image features the word "AmTRAN" in a blue, handwritten-style font, centered within a blue-outlined hexagonal frame. The frame is slightly irregular. Surrounding the frame are several colored squares: two teal squares are positioned on the left and right sides of the frame, while four light green squares are scattered around the perimeter. The entire composition is set against a white background with two thin, blue, curved lines that sweep across the top and bottom of the image.





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## About This Report

This Report is AmTRAN Technology Co., Ltd's ( hereinafter referred to as "AmTRAN" or "We" ) 2023 Corporate Sustainability Report ( this "Report" ). Since 2016, AmTRAN has published an annual corporate sustainability report. This Report compiles the governance structure, green products, green operations, employee relations, and social participation of AmTRAN for the year 2023, covering activities and performance in the three major areas of governance, environment, and society. The reporting period, scope, contact information, and other related information are as follows:

## Contact Information

If you have any valuable suggestions regarding this Report or AmTRAN's corporate sustainability development planning, we sincerely welcome you to contact us, and we will respond to you as soon as possible.

Contact information is as follows:

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## Publication Information

This Report was published in July 2024 and is the 8th corporate sustainability report of AmTRAN, disclosing the implementation status of corporate sustainability development-related matters for the year 2023. It is published and disclosed annually as required. However, some information is integrated and not limited to that year. The previous corporate sustainability report was issued in July 2023.

## Preparation Principles

The information in this Report follows the Global Reporting Initiative ( GRI ) Standards ( 2021 edition ), the "Sustainability Accounting Standards - Hardware" published by the Sustainability Accounting Standards Board ( SASB ), the Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures issued by the Financial Stability Board ( FSB ), and is prepared in accordance with the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" and guidelines or regulations from competent authorities and related organizations.

The ESG Reports are published in both Chinese and English. You are welcome to download the reports on our website.



## Scope of the Report

The scope of this Report covers all sustainability-related data of AmTRAN Technology Co., Ltd., RAKEN Technology Co. LTD., and AmTRAN Vietnam Technology Company Ltd. from January 1, 2023, to December 31, 2023. Additionally, "Chapter 5: Social Participation" includes activities of the Raising Children Medical Foundation sponsored by AmTRAN.

## External Assurance

To ensure the transparency and accuracy of the information disclosed by AmTRAN, selected information in the sustainability report was independently assured with limited assurance by Crowe ( TW ) CPAs according to the Assurance Standard 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" of the Republic of China.







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## Message from the Chairman

In 2023, as the world entered the post-pandemic era, the apparent prosperity masked a series of new challenges. Extreme weather continues to ravage the globe, the U.S.-China trade confrontation intensifies, global inflation effects are fermenting, yet China's economy is slowing down. Added to this are geopolitical risks such as the Russia-Ukraine war and the Israel-Palestine conflict. Amid these unpredictable international circumstances, we observe changes in global supply chain models, gradually shifting towards shorter and more localized chains. Corporate strategies must become more flexible. Hence, we have expanded the third phase of construction and investment in our Vietnam plant, timely adjusted our operational model, and strengthened our risk control mechanisms to ensure the resilience and sustainability of our business operations.

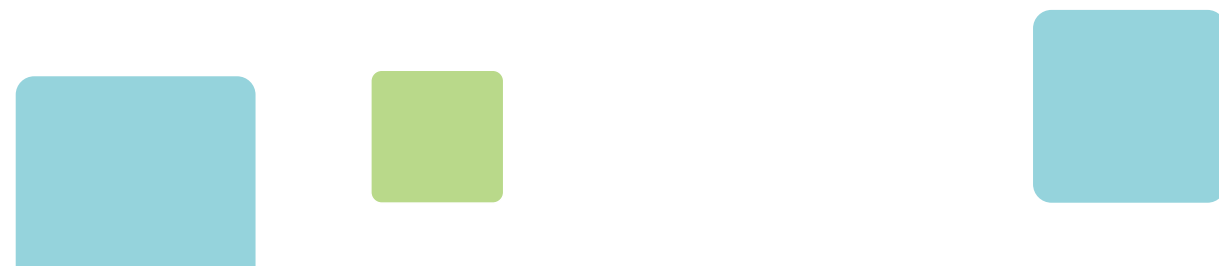
AmTRAN started with television products and has recently expanded to include high-end gaming monitors, mice, AI intelligent companion robots, and video conferencing systems. Our clients are spread across the United States, Europe, China, Taiwan, Japan, and South Korea. Under the global sustainability wave and the drive towards a low-carbon value chain, AmTRAN has correspondingly adjusted its operational strategy. We have established a sustainability strategy based on "five dimensions" and "five principles," outlining AmTRAN's blueprint for sustainable development. The five dimensions focus on operational goals such as "innovative craftsmanship," "smart manufacturing," "green thinking," "aesthetic design," and "people-oriented" development, aligning with the United Nations Sustainable Development Goals (SDGs). The five principles insist that product development adhere to "energy-saving, resource

reduction, low energy consumption, easy recycling, and low hazard" principles. These principles leverage AmTRAN's technical advantages in product design and manufacturing while continuing to interact and communicate with stakeholders to understand mutual needs, enhance operational resilience, and achieve substantial transformation and evolution, thereby empowering new visions and chapters for audio-visual products.

In 2023, AmTRAN's efforts in sustainable development received corresponding recognition. We were selected as one of the top 100 companies in carbon competitiveness by Business Weekly for two consecutive years and awarded the 1.5°C Temperature Control label by Commonwealth Magazine's Corporate Carbon Reduction Thermometer. Our corporate sustainability report received the Bronze Award in the electronic information manufacturing category from the TCSA Sustainability Reporting Awards. This demonstrates AmTRAN's comprehensive performance in carbon emission management and energy-saving measures, including the use of renewable energy and the optimization of process energy efficiency. AmTRAN aims to maintain profitability while aligning with the ambition of the Paris Agreement to limit global warming to no more than 1.5° C.

Looking forward, AmTRAN will continue to implement its sustainability blueprint, planning short-, medium-, and long-term goals and action plans. We will proactively respond to international trends and stakeholder requirements by integrating sustainability, carbon governance, and business operations into our internal control mechanisms and extending them to the supply chain. Beyond ensuring compliance, we will also enhance corporate risk and cost management, demonstrating AmTRAN's competitiveness and sustainability.

Chairman







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# Message from the General Manager

The international market has undergone rapid changes and new challenges due to the expansion of 5G technology applications and the development of AI artificial intelligence. AmTRAN, while achieving steady growth in corporate performance, places even greater emphasis on comprehensive sustainable development. Sustainable business management is not only a responsibility but also the cornerstone of our long-term development. Through our organization's sustainable actions, we elevate this to a corporate management culture level, and through a culture of organizational integration, we further drive management dividends, forming a sustainable cycle in business operations.

Over the past year, we have set "five principles" for our sustainable strategies : "energy saving, resource reduction, low energy consumption, easy recycling, and low hazard." We use these standards to guide product technology innovation and development.

- In terms of energy-saving and carbon reduction, our Suzhou plant's greenhouse gas emissions in 2023 were reduced by more than 8% compared to 2022. Our self-operated solar power generation system produced a total of 2,338,337.2 kWh, accounting for nearly 15% of the Suzhou plant's total electricity consumption.
- In smart manufacturing, we have increased the ratio of automated assembly and production to nearly 60%.

- In green design, every display product produced by AmTRAN is 100% certified for energy efficiency in each sales region. Starting in 2023, 85% of the plastics used in the production of computer peripherals and video conferencing products are recycled and certified by a third party. The cardboard boxes for our television products are made from 100% recycled paper.

Moreover, we value the growth and welfare of our employees. The company continuously improves the employee training mechanism, provides diverse career development paths, and creates a safe, healthy, and vibrant work environment. We recognize that employees are the company's most valuable asset; their achievements are the company's achievements.

- In addition to maternity bonuses and well-equipped nursing rooms, we are industry leaders in offering paid parental leave, allowing employees to balance work and family responsibilities better and build closer bonds with their children.
- We regularly provide all employees with free health checks and host several health talks annually to raise overall health awareness.
- In terms of gender equality, the proportion of female employees at the AmTRAN Vietnam plant increased to nearly 53% in 2023, which is higher than the average in the optoelectronics industry.

We will continue to uphold an open, transparent, and responsible attitude, collaborating with all parties. Beyond driving more innovations to generate economic benefits, we aim to enhance environmental benefits through design and give back to society through care and inclusion. Sustainability principles will be integrated into every company decision and action, creating a better life for future generations.



General Manager

*Wu Hsu Hsuan*





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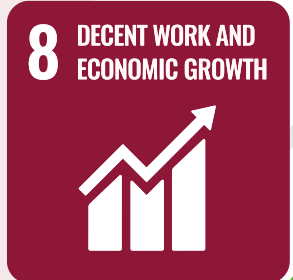
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## Sustainability Actions and SDGs




**3** GOOD HEALTH AND WELL-BEING

- Long-term donations to Raising Children Medical Foundation to help children obtain high-quality basic medical care services. ( Social Participation )
- Organizing charity runs where all proceeds are fully used to subsidize medical expenses for critically ill hospitalized children under the age of 18, ensuring they receive adequate medical services. ( Social Participation )




**8** DECENT WORK AND ECONOMIC GROWTH

- The Suzhou and Vietnam plants have obtained ISO 45001:2018 Occupational Health and Safety Management System certification. ( Employee Relations )
- Suppliers are required to sign the "Supplier Code of Conduct," "Subcontractor Supplier Social Responsibility Commitment," and "Supplier RBA Standard Requirements Agreement" to confirm their understanding of AmTRAN's requirements for responsible supply chain management in terms of human rights, occupational safety and health, and environmental protection, and to ensure compliance. ( Corporate Governance )
- Through comprehensive participation in safety education and training, the establishment of safety inspection measures, and the promotion of a safety and health culture, we aim to create an accident-free working environment. ( Employee Relations )




**10** REDUCED INEQUALITIES

- AmTRAN Technology hires employees based on actual business needs through open recruitment, considering work experience, potential, and achievements, without discrimination based on race, gender, age, religion, nationality, or political affiliation. ( Employee Relations )
- AmTRAN Technology respects the dignity of every company employee and has established management ethics policies that outline basic principles, such as the absolute prohibition of child labor and the elimination of any form of coercion, imprisonment, surveillance, and debt bondage enslavement of employees. ( Employee Relations )




**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

- European standard products comply with the EU Waste Electrical and Electronic Equipment Directive ( WEEE ). The Vietnam plant recycles materials like scrap and defective products through a pelletizing machine, significantly reducing waste through prevention, reduction, recycling, and reuse, moving towards a more sustainable consumption and production model. ( Sustainable Products )
- Products have obtained environmental labels or certifications from multiple countries including China, the United States, Canada, Australia, and South Korea, ensuring that the products practice sustainable management and efficient use of natural resources, fulfilling producer responsibilities. ( Sustainable Products )
- AmTRAN is committed to extending product life through repairs and implementing a waste machine recycling program. ( Sustainable Products )
- Preference is given to recyclable packaging materials, and efforts are made to reduce the use of packaging, lowering greenhouse gas emissions during product transportation. ( Sustainable Products )
- Product repair services are provided to extend product life and reduce the environmental footprint of consumption. ( Sustainable Products )
- Green design is incorporated into products with a focus on reducing raw material usage, energy saving, and recycling, improving the efficiency of resource use during production and usage. ( Sustainable Products )
- The Vietnam plant optimizes the reuse of water from air conditioners, water dispensers, and glass washing machines, along with rainwater, for cooling the plant roof. ( Green Operations )



**13** CLIMATE ACTION

- The solar power generation system at the Suzhou plant has been completed, allowing for self-generated and self-consumed electricity, reducing dependence on non-renewable energy sources, and lowering carbon emissions to mitigate environmental impact. ( Green Operations )
- Completed quantitative analysis and risk management for TCFD climate-related financial disclosures. ( Green Operations )
- Completed greenhouse gas inventory for the Suzhou and Vietnam plants. ( Green Operations )



**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

- All new employees must sign the "Employee Code of Ethics" and other behavioral guidelines, and integrity management training is conducted for directors and employees to establish adherence to the code of ethics. ( Corporate Governance )
- All suppliers are required to sign the "Integrity Commitment" and "Anti-Corruption Business Agreement" to prevent corruption incidents. ( Corporate Governance )

Note : Sections in parentheses are the corresponding sections.





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## Corporate Governance Aspect

**↑ 25%**

In 2023, the proportion of female directors increased to 25%.

**100%**

In 2023, 100% of directors and new employees completed integrity management training.

**No Violations**

In 2023, AmTRAN had no violations of economic, environmental, or social regulations.

## Environmental Aspect

**8.29 %**

In 2023, the Suzhou plant's greenhouse gas emissions decreased by 8.29% compared to 2022.

**17.01%**

In 2023, the Suzhou plant's water withdrawal decreased by 17.01% compared to 2022.

**One-third**

In 2023, the number of independent directors exceeded one-third, surpassing the legal requirements.

**No Corruption Incidents**

In 2023, there were no corruption incidents, and no employees were dismissed or disciplined for corruption.

**↑ 24%**

In 2023, nearly NT\$3.72 million was invested in cybersecurity-related projects, an increase of approximately 24% compared to 2022.

**14.88%**

In 2023, the Suzhou plant's solar power generation produced a total of 2,338,337.2 kWh, accounting for approximately 14.88% of the plant's total electricity consumption.

**7.8%**

In 2023, AmTRAN used a total of 3,515 tons of materials, with approximately 275.9 tons being recycled materials, accounting for 7.8% of the total material usage for the year.



In 2023, the Suzhou plant's recycling generated revenue of approximately NTD 4,930,155, while the Vietnam plant generated approximately NTD 9,551,425.

## Product Aspect

**12.61%**

In 2023, AmTRAN invested approximately NTD 514 million in innovative research and development, an increase of 12.61% compared to 2022; awarded bonuses amounted to NTD 660,000.

**100%**

In 2023, AmTRAN's TV product cartons were made of 100% recycled paper.

**85%**

In 2023, all of AmTRAN's mouse and video conferencing products were produced using 85% recycled plastic and passed third-party verification.

**15.2%**

In 2023, collaborative development with major customers led to a 15.2% performance improvement in TV products.

**39.7%**

In 2023, AmTRAN achieved 39.7% automation in assembly and production.

**100%**

In 2023, 100% of AmTRAN's products received energy-saving certification labels from China, the United States, Canada, Australia, and South Korea.

# ESG Highlighted Performance

## Social Aspect

**0.35%**

In 2023, the proportion of female employees at the Vietnam plant increased by 0.35% compared to the previous year.

**50%**

In 2023, the gender ratio of non-management employees at the Vietnam plant was nearly 1:1, and the proportion of female managers remained close to 50%.

**No Incidents**

In 2023, AmTRAN had no incidents of discrimination, child labor, or forced labor.

**ISO 45001:2018**

Both the Suzhou and Vietnam plants have obtained ISO 45001:2018 Occupational Health and Safety Management System certification.

**0**

In 2023, the head office and the Vietnam plant had a zero rate of fatalities, severe occupational injuries, and recordable occupational injuries (disabling injury frequency rate, FR).

**14,406 participants**

In 2023, the entire AmTRAN group conducted occupational safety training for new employees, EHS specialists, and contractors, totaling 14,406 participants.

**↓ 33%**

In 2023, the rate of safety incidents at the Suzhou plant decreased by 33% compared to the previous year.





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## AmTRAN's Honors and Recognition

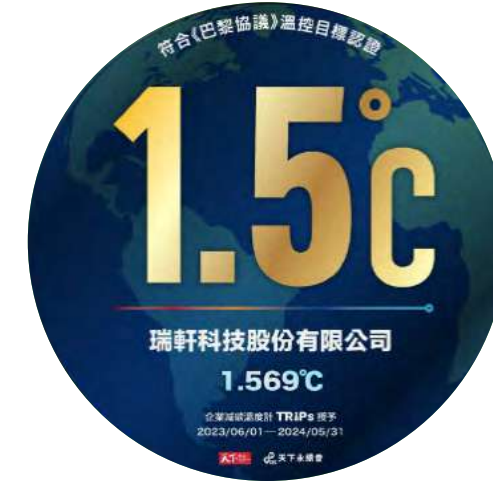
### 2023 Business Weekly Carbon Competitiveness Top 100 (for two consecutive years)

AmTRAN has been selected for two consecutive years in Business Weekly's Carbon Competitiveness Top 100. The evaluation criteria for this award mainly consider the efficiency of a company's carbon footprint reduction and carbon emission management strategies. Receiving this honor for two consecutive years highlights AmTRAN's ongoing efforts and innovation in implementing energy-saving and carbon reduction measures, including but not limited to investing in renewable energy and optimizing process energy efficiency.



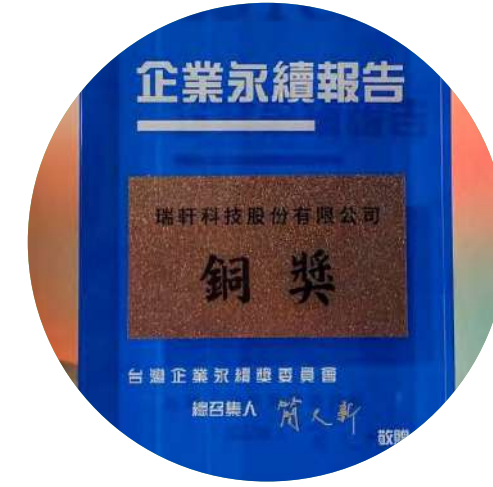
### 2023 CommonWealth Magazine Corporate Carbon Reduction Thermometer 1.5° C Label

AmTRAN was awarded the "Corporate Carbon Reduction Thermometer 1.5 ° C Label" by CommonWealth Magazine. This label indicates that AmTRAN's carbon reduction goals and paths have been recognized by the Corporate Carbon Reduction Thermometer (TRIPs) and align with the Paris Agreement's ambition to limit global temperature rise to no more than 1.5° C by the end of the century.



### 2023 TCSA Sustainability Report Award – Bronze Award in Electronic Information Manufacturing

AmTRAN's sustainability report was recognized for its transparency, completeness, and credibility, earning the Bronze Award in the Electronic Information Manufacturing category by TCSA. This award reflects AmTRAN's past efforts in promoting sustainability and its emphasis on communicating sustainability information to external stakeholders.

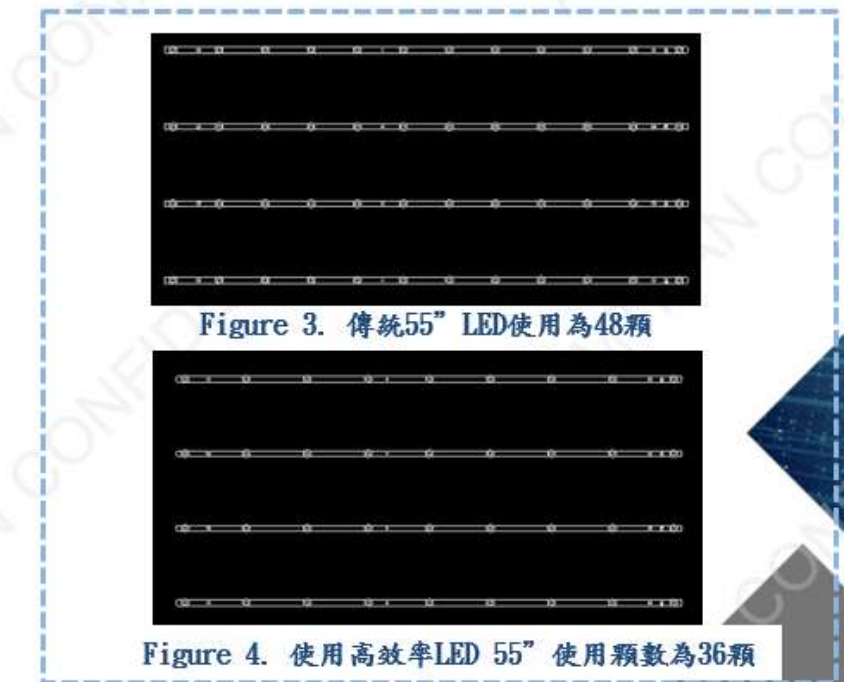
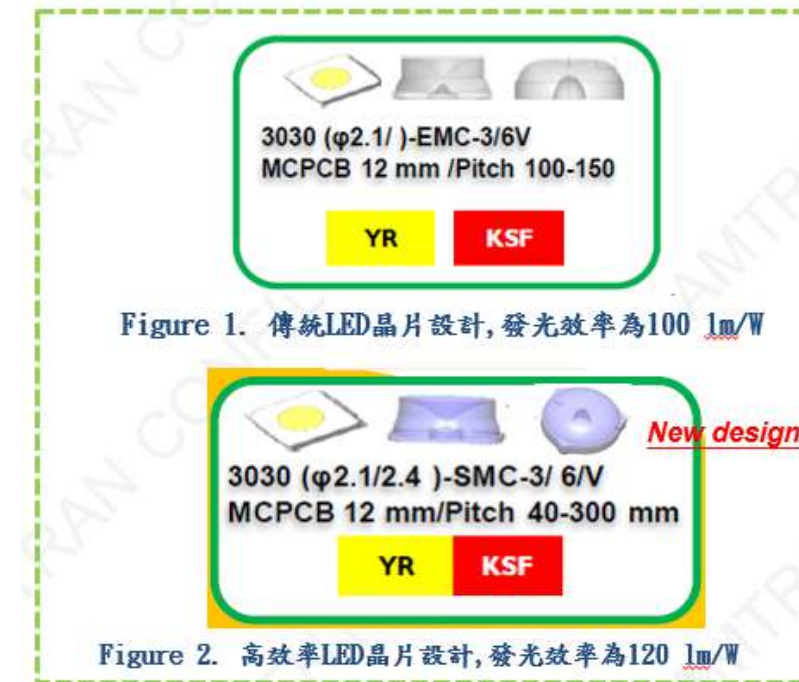


## Low-Carbon Energy-Saving Product Development

In 2023, AmTRAN redesigned and improved three products, enhancing their performance while reducing energy consumption and carbon emissions. By developing innovative low-carbon energy-saving products, AmTRAN aims to balance technology and sustainability.

### 2023: Development of 6 New Energy-Saving Monitors Reducing Energy Consumption by 15.2% Compared to Old Models

AmTRAN introduced high-efficiency LED technology to reduce the power consumption of monitor backlights. This new type of LED not only improves luminous efficiency by 20% compared to traditional products but also reduces LED usage in the manufacturing process by 25%. This new technology effectively reduces energy consumption while maintaining display quality.

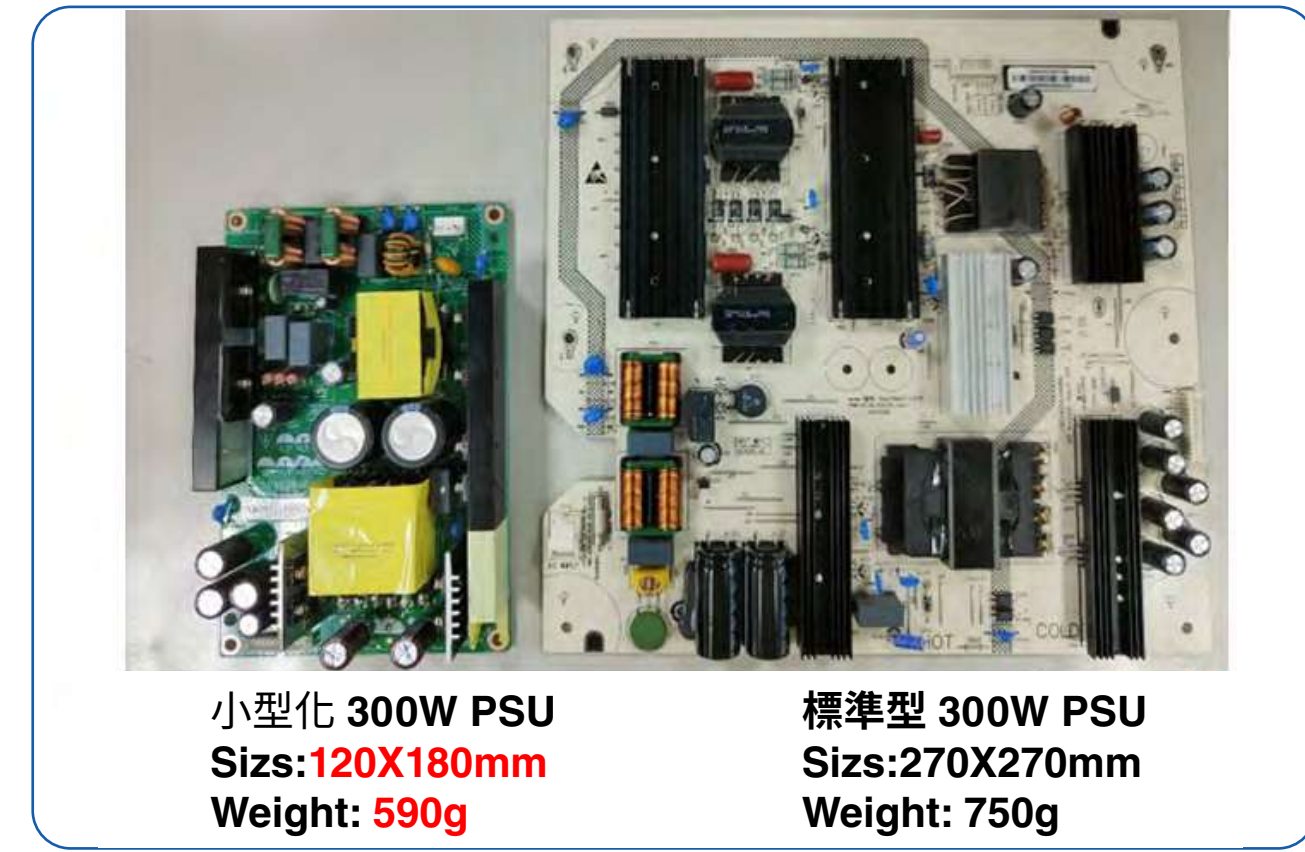
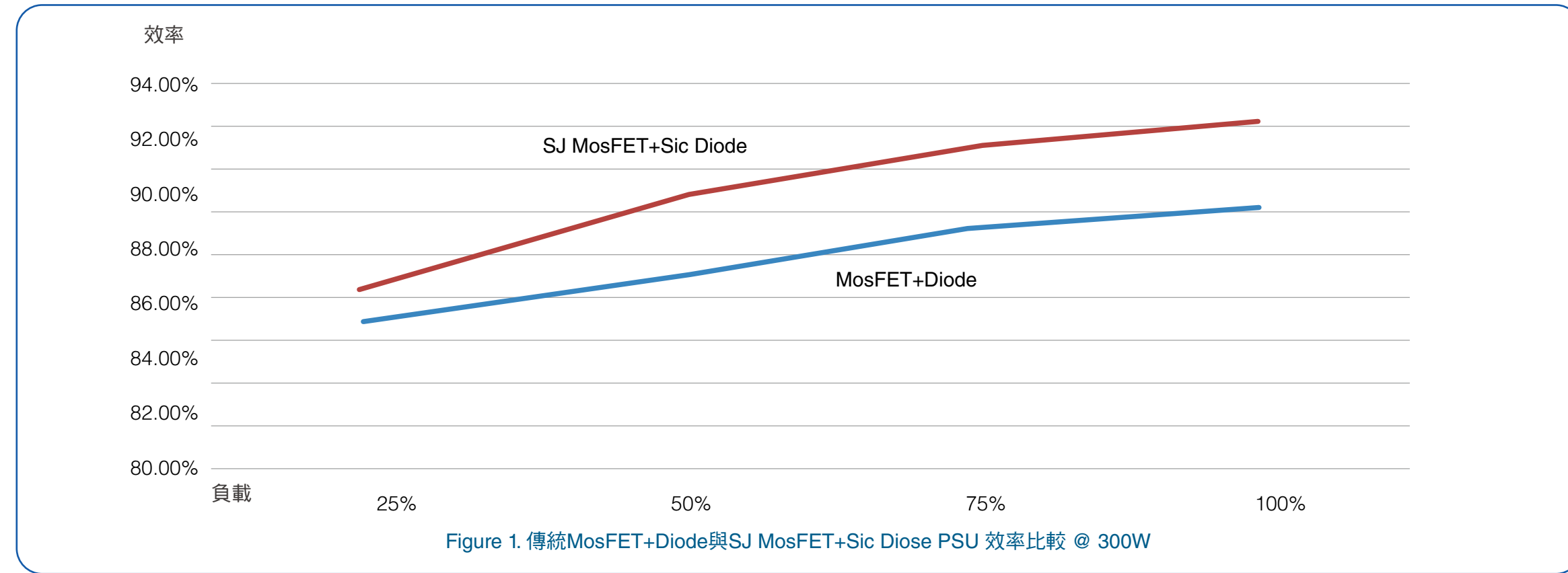


These accolades not only demonstrate AmTRAN's commitment and efforts in the field of sustainable development but also show the company's dedication to environmental protection and social responsibility. We aim to make even greater contributions to the planet and society in the future.



## 2023: Power Board Efficiency Increased from 87% to 92.5%, Reducing PCB Area by 70% and Weight by 20%

In developing a new power board, AmTRAN utilized third-generation semiconductor technology ( GaN FET, SiC Diode, and Super Junction MOSFET ) to increase the efficiency of the power board from 87% to 92.5%. More importantly, this new power board design significantly reduces the PCB area by 70%. When adopted by downstream manufacturers, this product can reduce the casing size, decreasing plastic usage and the carbon footprint throughout the product lifecycle.



## 2023: Optimized Packaging Design, Improving Cargo Efficiency by 9.9%

To reduce carbon emissions during transportation and improve cargo efficiency, AmTRAN completely optimized product packaging design. This included redesigning packaging materials and adjusting container loading capacity to effectively reduce the required carton volume, increasing the number of cartons loaded per container, reducing transportation frequency, and lowering carbon emissions. This packaging design improved cargo efficiency by 9.9%.

### Packaging Before Optimization

The yellow area indicates the usage area of the original honeycomb board. The old packaging had a container loading quantity of 586 units.



### Packaging After Optimization

Ensuring transportation safety, the honeycomb board area was redesigned and reduced, as shown below. The container loading quantity increased to 644 units, improving loading efficiency by 9.9% compared to the old packaging.







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## Realizing a Friendly Workplace

Talent is AmTRAN's most valuable asset; they are not only the cornerstone of innovative development but also the key to guiding the company toward success. AmTRAN respects the feelings of every employee and has therefore formulated various labor and human rights programs. Through the establishment of short-, medium-, and long-term goals, we aim to collectively review the completion and lagging status of AmTRAN's policies, demonstrating our determination to create an inclusive and happy workplace where employees can develop individual value and create collective benefits.

### Responding to Human Rights Policies

To implement a happy workplace, the Group has included labor and human rights policies in the employee handbook, providing employees with an understanding of various labor regulations and rights to prevent their interests from being compromised. Labor-related information is also made available on the company's intranet to actively promote maintaining a good working environment among all employees. In the first quarter of 2024, new email and announcement channels will be added to communicate the implementation of human rights policies to all employees more broadly and effectively. Additionally, the Suzhou and Vietnam plants conduct internal training twice a year, and labor policies and regulations are included in the orientation training for new employees to achieve a 100% onboarding training target. This initiative will also be added to the group's annual training plan in the future to ensure everyone contributes to a friendly workplace.



AmTRAN provides breastfeeding rooms and mother-baby rooms to meet the childcare needs of female employees.

## Human Rights, Equality, and Women's Empowerment in the Workplace

To ensure compliance with labor and human rights, the Vietnam plant conducted its annual RBA labor and human rights audit in June 2023 and regularly holds labor-management meetings with employees. Starting in the first quarter of 2024, the plant plans to hold biannual collective labor-management meetings to facilitate equal communication opportunities, understanding each other's needs, and creating a better workplace environment. AmTRAN also upholds a respectful and inclusive attitude, valuing the diverse employment of individuals with disabilities, different genders, and vulnerable and minority groups. In 2023, the proportion of female employees at the Vietnam plant increased by 0.35% compared to the same period last year, rising from 52.51% to 52.86%. In the optoelectronics industry, AmTRAN's proportion of female employees is relatively high, reflecting AmTRAN's efforts in diversity, equality, and inclusion, thereby creating a diverse and equal workplace environment.

### Implementing Employee Care

AmTRAN complies with local regulations to provide employees with care leave and subsidies. Employees of all genders are entitled to parental leave by law, and female employees are entitled to prenatal check-up leave, maternity leave, and breastfeeding leave. At the Vietnam plant, female employees engaged in heavy labor can be transferred to lighter duties or have their working hours reduced by one hour per day starting from the seventh month of pregnancy. Additionally, female employees with infants under 12 months old are entitled to a 60-minute break during working hours each day. These provisions are all fully paid according to the labor contract. The Suzhou plant also pays for employee maternity insurance in accordance with regulations, which includes maternity medical expenses, maternity allowances, and a one-time nutritional subsidy, providing comprehensive support to employees during the maternity period.

#### \* Parental Leave:

With Taiwan's birth rate continuously declining and the issue of low birth rates becoming more severe, AmTRAN fully supports parents in taking care of their children with peace of mind. Starting January 2024, regardless of whether it is for vaccination or accompanying children to medical appointments, employees can apply for parental leave. Employees with one child under the age of six can apply for seven days of parental leave per year. If there are two or more children under the age of six, employees can apply for ten days of parental leave per year. Through this policy, the company aims to support employees' child-rearing plans and fulfill its corporate social responsibility. In 2023, new regulations on parental leave were introduced in Jiangsu Province, China, allowing Suzhou plant employees to extend the national statutory maternity leave by 60 days to a total of 158 days for women, and providing 15 days of paternity leave for men. Additionally, female employees during the breastfeeding period are entitled to a one-hour breastfeeding break during each workday. For women giving birth to multiple children, an additional one-hour breastfeeding break per day is granted for each additional child, fostering a supportive environment for child-rearing in the workplace.







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## Employee Future Development

Cultivating employees' professional skills and comprehensive abilities has always been a key focus for AmTRAN. In addition to basic education and training courses, the Vietnam plant provides training in foreign languages and cross-cultural management to enhance communication skills between employees and supervisors and to increase supervisors' understanding of workplace cultural differences. Employee development planning not only improves employees' abilities and productivity, reduces company costs, but also fosters employees' identification with the corporate culture, thereby increasing employee cohesion.

2023 AmTRAN Taiwan Headquarters and Plant Employee and Supervisor Development Plans:

| Position Level  | Taiwan Headquarters  | Suzhou Plant   | Vietnam Plant  |
|---|--|--|--|
| <br><b>Supervisors</b> | Accountability and Execution<br>Roles and Responsibilities of Supervisors<br>High-Performance Situational Leadership<br>Problem Solving and Innovation Courses<br>Project Management | Accountability and Execution<br>Roles and Responsibilities of Supervisors<br>High-Performance Situational Leadership<br>Project Management | Basic Vietnamese Speaking Class<br>Advanced Vietnamese Listening, Speaking, Reading, and Writing Class<br>Training on Vietnamese Workplace Culture for New Supervisors |
| <br><b>Employees</b> | Accountability and Execution<br>Communication Skills<br>Time Management<br>Problem Analysis and Resolution<br>Project Management   | Accountability and Execution<br>Communication Skills<br>Time Management<br>Problem Analysis and Resolution                                 | Basic Chinese Speaking Class<br>Advanced Chinese Listening, Speaking, Reading, and Writing Class   |

Note: Supervisors refer to positions at the management level and above.







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## Fulfilling Corporate Social Responsibility

AmTRAN adheres to the spirit of taking from society and giving back to society. From the core perspective of giving back and contributing, AmTRAN has long cared for the communities surrounding its headquarters and plants. By combining numerous voluntary activities and assistance from employees, AmTRAN works to improve the surrounding living standards and fulfill the company's social responsibility.

### Community Care

The Suzhou plant plans to establish a community day care center in the second quarter of 2024, providing free services (such as haircuts) for elderly individuals and distributing warm gifts (such as thermal clothing and cotton shoes) during specific seasons to offer heartfelt greetings and care to the elderly. The Vietnam plant also plans to encourage employees to participate in community service in nearby villages at least once per quarter during the same period. They will distribute essential items such as food, cooking utensils, and daily necessities to impoverished residents or employees to meet their daily needs. In addition to caring for the community, the surrounding environment is also a priority. Both the Suzhou and Vietnam plants plan to join forces with employees in the third quarter of 2024 to protect nearby areas by picking up litter in open scenic spots, parks, and coastal areas, returning a clean and tidy appearance to nature.

### Charity Activities

The Suzhou plant plans to organize employees for donations and charity sales in the third quarter of 2024 to help children in remote mountainous areas avoid hunger and cold.

#### ★ Old Shoes Save Lives Project

In Taiwan, a group of passionate young people saw the hardships in Africa and chose to set foot on that land to experience and respond to the local needs, thus launching the Old Shoes Aid Project, which brought opportunities for change to remote areas of East Africa. AmTRAN is joining the Old Shoes Save Lives Project and plans to create related posters from April to May 2024 to collect unwanted old shoes from all employees. These shoes will be donated to the association to help improve the basic living conditions of the local residents.







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# Sustainability Blueprint

## Sustainability Vision

# AmTRAN Technology, building images for you!

Opening a window for you to view the world!







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## Sustainability Pillars

### Innovative Craftsmanship

To provide consumers with a better user experience and more convenient life, we continuously develop innovative solutions for product technology. By applying integrative thinking, we consider all relevant factors in the introduction of human interfaces, new materials, and new technologies. We also focus on integrated design for upstream components while taking into account the actual needs of the production and manufacturing sides.

### People-Oriented

Talent is the cornerstone of the company's sustainable operations, making talent retention and development critical issues for the company. We build a solid foundation with basic "Occupational Safety and Health" and "Labor Rights," while competitive "Compensation and Benefits" and "Career Development," which foster mutual growth with employees, are key factors.

### Aesthetic Design

AmTRAN's products emphasize functional aesthetics. With our in-house design team, we provide aesthetic design for a series of products for high-end TV brands of various sizes in the market, striving for thinner and lighter products that combine beauty and performance in high-quality displays. Each product is developed through strategic processes, earning numerous design honors such as the iF, Red Dot, and Good Design awards.

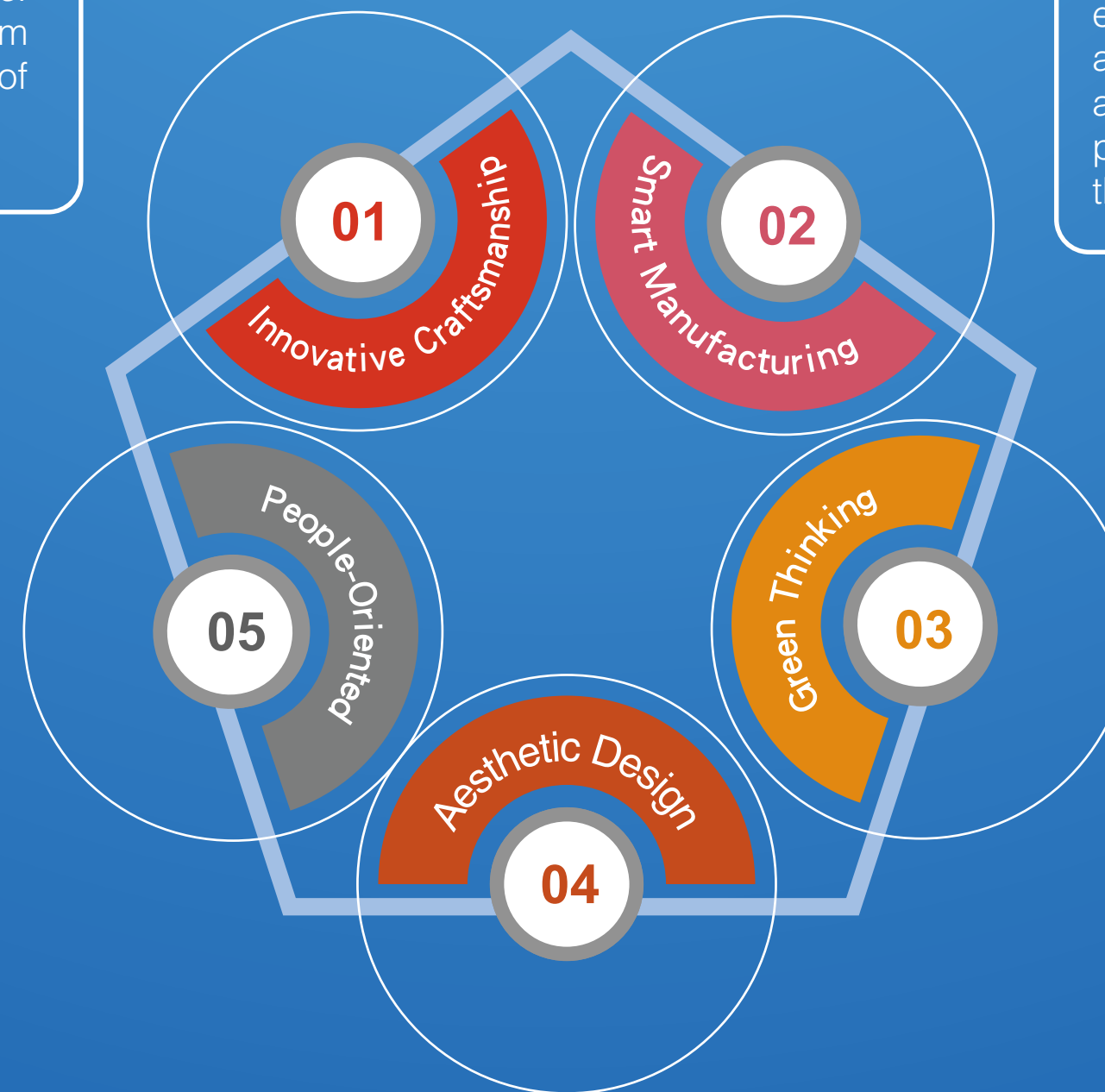
### Smart Manufacturing

With the advent of the Industry 4.0 era, integrating automated manufacturing and smart technologies (such as the Internet of Things (IoT), cloud platforms, big data analytics), as well as AI and machine learning into production facilities and overall operations, has become a development trend in the manufacturing industry. AmTRAN has aligned its software, electrical, mechanical, and optical designs with the factory to achieve production automation and the integration of design and manufacturing. This allows existing production line personnel to engage in higher value-added work, enhancing the value of their work.

### Green Thinking

To avoid leaving environmental pollution for the next generation, developing environmentally friendly products has become a trend. This includes reducing carbon emissions during product manufacturing, ensuring products are free of toxic and harmful substances, and designing products for easy disassembly and recycling, in line with circular economy principles.

Additionally, to implement responsible production, we continuously work on reducing greenhouse gas emissions and controlling pollution at our plants (including air pollution prevention, water pollution prevention, waste management, and chemical management), aiming to minimize the environmental impact caused by our production sites.







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## Innovative Craftsmanship

Sustainable Products / Hazardous Substances Management / Circular Economy

- Incorporate green design into products by focusing on reducing raw materials, saving energy, and recycling, to enhance resource use efficiency during production and use.
- Prioritize the use of recyclable packaging materials and reduce packaging usage to lower greenhouse gas emissions during product transportation.
- Extend product life through repair services to reduce the environmental footprint of consumption.
- Ensure that TV products use packaging cartons made from recycled paper pulp and meet the energy consumption reduction standards of the United States (CEC/DoE) and Canada (NRCam).
- Achieve an 85% rate of using 100% recycled paper for TV product cartons.
- Obtain 100% energy-saving certification for display products from the United States (CEC), European Union (ERP), Australia (GEMS), China (CEL), and South Korea (e-standby).
- Ensure products comply with the EU RoHS Directive, REACH Article 7 (2) chemical management standards, and specific customer requirements for halogen-free models.
- Implement the ezGPM green supply chain management system to consolidate and manage regulations and upstream raw material chemical information, thereby achieving chemical management throughout the value chain.
- Prioritize the use of non-toxic raw materials in production.
- Ensure that 100% of product parts and materials are tested by third-party inspection agencies.
- Recycle packaging materials for TVs and mice, and continuously expand the range and proportion of recyclable packaging to effectively reduce waste generation and promote resource reuse, thereby reducing the demand on natural resources and alleviating environmental pressure.
- Prioritize using packaging cartons recycled from component unpacking for shipping. By reusing packaging cartons, extend their lifespan to achieve the goals of a circular economy.

## Smart Manufacturing

Innovative Research and Development

- Initiate industry-academia collaboration programs.
- Prioritize the use of recyclable and non-composite materials for packaging.
- Achieve the goals of waste reduction (Reduce), reuse (Reuse), and recycling (Recycle).
- Improve product energy efficiency (reduce the number of LED lights in products to lower energy consumption).
- Use product packaging cartons made of 100% recycled paper pulp and extend the usability of packaging cartons.
- Increase the number of products developed jointly with other enterprises.
- Develop new technologies and materials to enhance product efficiency.
- Conduct regular technical exchange courses with suppliers on carbon reduction, recycling design, and materials.
- Increase the number of patent applications and research and development funding.

## Green Thinking

Energy Management / Greenhouse Gas Emissions / Water Resource Management / Waste Management

- Implement ISO 14064-1 greenhouse gas inventory management system and ISO 50001 energy management system in the plant.
- Establish and operate solar power generation systems in the plant.
- Recycle water from air conditioners, water dispensers, and glass washing machines, as well as rainwater, to optimize and modify the cooling of the plant roof at the Vietnam plant.
- Promote energy-saving activities in the plant and advocate for green commuting.
- Inspect water valves and other fittings daily to promptly address any leaks.
- Implement various water-saving measures, including actively promoting water conservation awareness among employees, fostering the habit of "turning on only when needed and turning off immediately after use," to prevent water wastage.
- Optimize equipment, including improving the cooling water circulation system, installing time controllers to regulate the operating time of various equipment, and adding timed switches for lighting control.
- Replace and retrofit air compression system dryers with zero-gas-consumption blower heat regenerative adsorption dryers to meet energy-saving requirements by reducing gas consumption.

## Action Plan

## Aesthetic Design

Product Aesthetics

- AmTRAN continuously improves industrial design and pursues the goal of thinner and lighter products, creating high-quality displays that combine aesthetics and performance.

## People-Oriented

Integrity Management / Labor Rights / Occupational Safety and Health

- Formulate and implement labor and human rights policies.
- Provide competitive compensation.
- Offer comprehensive employee benefits.
- Continuously conduct employee education and training, including occupational safety and health, integrity management, legal compliance, and information security.
- Establish open communication channels for employees.
- Conduct workplace environment inspections, hygiene management, and self-checks.
- Organize training sessions on the Responsible Business Alliance Code of Conduct (RBA Code).
- Ensure operational sites undergo regular annual RBA audits and continuous improvement.
- Require employees and suppliers to sign integrity commitments.
- Conduct ESG audits and management for new and existing suppliers.
- Ensure suppliers sign the Supplier Code of Conduct.
- Continuously monitor domestic and international policies and regulations related to the company's ESG initiatives.



## Indicators and Goals



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| Integrity Management               | Short-term Goals  |  |  | Mid- to Long-term Goals  |  |  |  |  |   |   |   |  |  |   |
|                                    | <p><b>no major violations</b></p> <p>Continuously implement anti-corruption laws and regulations, ensure no major violations, and regularly announce the implementation status.</p> | <p><b>100%</b></p> <p>Continuously require employees to 100% complete the signing of the "Employee Code of Ethics," "Intellectual Property Clearance Statement," "Intellectual Property Rights and Trade Secrets Ownership and Confidentiality Agreement," and "AmTRAN Information Security Compliance Statement" upon onboarding.</p> | <p><b>100%</b></p> <p>Continuously require suppliers to 100% complete the labor and ethics risk assessment form or commitment and statement signing.</p> | <p><b>Continuously improve</b></p> <p>Continuously improve the operation of the Board of Directors through director and supervisor training courses, and ensure suppliers cooperate with the company's implementation of the "Code of Integrity Management" and "Code of Ethical Conduct" by formulating and announcing supplier integrity commitment clauses.</p> |  |  |  |  |   |   |   |  |  |   |
| Data Security and Customer Privacy | Short-term Goals  |  |  | Mid- to Long-term Goals  |  |  |  |  |   |   |   |  |  |   |
|                                    | <p><b>least two emails per month</b></p> <p>The entire group will regularly issue information security awareness emails, with at least two emails per month.</p>                    | <p><b>90%</b></p> <p>Annual information security awareness training, with a completion rate of over 90%.</p>   | <p><b>80%</b></p> <p>Endpoint Detection and Response ( EDR ) deployment coverage for critical servers reaching over 80%.</p>                             | <p><b>least 4 emails per month</b></p> <p>The entire group will regularly issue information security awareness emails, with at least 4 emails per month.</p>   | <p><b>95%</b></p> <p>Annual information security awareness training, with a completion rate of over 95%.</p> | <p><b>100%</b></p> <p>Endpoint Detection and Response ( EDR ) deployment coverage for critical servers reaching over 100%.</p> | <p><b>80%</b></p> <p>System vulnerability patching rate reaching over 80%.</p>   | <p><b>99%</b></p> <p>Availability of critical application systems reaching over 99%.</p> | <p><b>90%</b></p> <p>System vulnerability patching rate reaching over 90%.</p>  | <p><b>99.9%</b></p> <p>Availability of critical application systems reaching over 99.9%.</p>      |   |  |  |   |
| Sustainable Products               | Short-term Goals  |  | Mid- to Long-term Goals  |  |  |  |  |  |   |   |   |  |  |   |
|                                    | <p><b>2</b></p> <p>In 2024, introduce 2 new low-carbon products.</p>  | <p><b>5%</b></p> <p>In 2024, reduce the power consumption of existing products by 5%.</p>  | <p><b>5</b></p> <p>In 2026, introduce 5 new low-carbon products.</p>   | <p><b>8</b></p> <p>In 2030, introduce 8 new low-carbon products.</p>   | <p><b>10%</b></p> <p>By 2026, reduce product power consumption by 10% compared to 2022.</p>                  | <p><b>20%</b></p> <p>By 2030, reduce product power consumption by 20% compared to 2022.</p>                                    | <p><b>10%</b></p> <p>In 2026, conduct product carbon footprint analysis, reducing product carbon footprint emissions by 10%.</p> | <p><b>30%</b></p> <p>By 2030, reduce product carbon footprint emissions by 30%.</p>      | <p><b>Establish</b></p> <p>In 2024, establish a list of recycled materials.</p> | <p><b>8%</b></p> <p>In 2024, achieve an 8% proportion of recycled materials used in products.</p> | <p><b>40%</b></p> <p>By 2026, increase the in-house material production ratio to 40%.</p> | <p><b>10%</b></p> <p>By 2026, achieve a 10% proportion of recycled materials used in products.</p> | <p><b>20%</b></p> <p>By 2030, achieve a 20% proportion of recycled materials used in products.</p> | <p><b>20%</b></p> <p>By 2026, reduce product packaging usage by 20% compared to 2022.</p> |





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| <b>Hazardous Substances Management</b>     | <p><b>Short-term Goals</b></p> <p><b>100%</b><br/>Ensure 100% of product parts are tested by third-party inspection agencies.</p>  | <p><b>100%</b><br/>Ensure 100% of products comply with various chemical management regulations.</p>  | ▶  | <p><b>Mid- to Long-term Goals</b></p> <p><b>100%</b><br/>Ensure 100% of product parts are tested by third-party inspection agencies.</p>        | <p><b>100%</b><br/>Ensure 100% of products comply with various chemical management regulations.</p>  |  |  |  |
| <b>Circular Economy</b>                    | <p><b>Short-term Goals</b></p> <p><b>5%</b><br/>By 2025, increase the use of recycled and reused materials by 5% compared to 2021.</p>   | <p><b>100%</b><br/>Ensure 100% of product parts are tested by third-party inspection agencies.</p>   | ▶  | <p><b>Mid- to Long-term Goals</b></p> <p><b>10%</b><br/>By 2030, increase the use of recycled and reused materials by 10% compared to 2021.</p> | <p><b>18%</b><br/>By 2050, increase the use of recycled and reused materials by 18% compared to 2021.</p>  |  |  |  |
| <b>Innovative Research and Development</b> | <p><b>Short-term Goals</b></p> <p><b>conduct technical exchange courses</b><br/>In 2024, conduct technical exchange courses with suppliers on carbon reduction, recycling design, and materials.</p> <p><b>↑ 10%</b><br/>In 2024, increase the number of patents obtained by 10% compared to 2022.</p> | <p><b>2</b><br/>In 2024, cooperate with enterprises to jointly develop 2 new products.</p> <p><b>↑ 10%</b><br/>In 2024, increase R&amp;D investment by 10% compared to 2022.</p> | <p><b>2</b><br/>In 2024, introduce 2 new technologies or materials to enhance performance.</p> | ▶   | <p><b>Mid- to Long-term Goals</b></p> <p><b>20%</b><br/>By 2026, increase R&amp;D investment by 20% compared to 2022.</p> <p><b>5</b><br/>By 2026, introduce 5 new technologies or materials to enhance performance.</p> | <p><b>40%</b><br/>By 2030, increase R&amp;D investment by 40% compared to 2022.</p> <p><b>10</b><br/>By 2030, introduce 10 new technologies or materials to enhance performance.</p> | <p><b>5</b><br/>By 2026, cooperate with enterprises to jointly develop 5 new products.</p> <p><b>the usability</b><br/>By 2026, assess the usability of packaging cartons.</p> | <p><b>10</b><br/>By 2030, cooperate with enterprises to jointly develop 10 new products.</p> <p><b>20%</b><br/>By 2030, ensure that products with reusable packaging cartons account for 20% of revenue.</p> |
| <b>Greenhouse Gas Emissions</b>            | <p><b>Short-term Goals</b></p> <p><b>15%</b><br/>By 2025, the greenhouse gas emissions from the Suzhou and Vietnam plants were reduced by 15% compared to 2020.</p>  |  |  | ▶   | <p><b>Mid- to Long-term Goals</b></p> <p><b>20%</b><br/>By 2030, reduce greenhouse gas emissions at the Suzhou and Vietnam plants by 30% compared to 2020.</p>   | <p><b>30%</b><br/>By 2050, reduce greenhouse gas emissions at the Suzhou and Vietnam plants by 50% compared to 2020.</p>   |  |  |
| <b>Energy Management</b>                   | <p><b>Short-term Goals</b></p> <p><b>10%</b><br/>By 2025, reduce electricity usage at the Suzhou and Vietnam plants by 10% compared to 2020.</p>   |  |  | ▶   | <p><b>Mid- to Long-term Goals</b></p> <p><b>20%</b><br/>By 2030, reduce electricity usage at the Suzhou and Vietnam plants by 20% compared to 2020.</p>  | <p><b>30%</b><br/>By 2050, reduce electricity usage at the Suzhou and Vietnam plants by 30% compared to 2020.</p>  |  |  |





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| <p><b>Water Resource Management</b></p>      | <p><b>Short-term Goals</b></p> <p><b>3%</b></p> <p>By 2025, reduce water usage at the Suzhou and Vietnam plants by 3% compared to 2020.</p>   | <p><b>Mid- to Long-term Goals</b></p> <p><b>5%</b></p> <p>By 2030, reduce water usage at the Suzhou and Vietnam plants by 5% compared to 2020.</p> <p><b>10%</b></p> <p>By 2050, reduce water usage at the Suzhou plant by 10% compared to 2020.</p> <p><b>8%</b></p> <p>By 2050, reduce water usage at the Vietnam plant by 8% compared to 2020.</p> |   |   |  |
| <p><b>Waste Management</b></p>               | <p><b>Short-term Goals</b></p> <p><b>3%</b></p> <p>By 2025, increase the waste recycling rate at the Suzhou plant by 3% compared to 2021.</p>   | <p><b>2%</b></p> <p>By 2025, increase the waste recycling rate at the Vietnam plant by 2% compared to 2021.</p>   | <p><b>Mid- to Long-term Goals</b></p> <p><b>5%</b></p> <p>By 2030, increase the waste recycling rate at the Suzhou plant by 5% compared to 2021.</p> <p><b>10%</b></p> <p>By 2050, increase the waste recycling rate at the Suzhou plant by 10% compared to 2021.</p> <p><b>4%</b></p> <p>By 2030, increase the waste recycling rate at the Vietnam plant by 4% compared to 2021.</p> <p><b>8%</b></p> <p>By 2050, increase the waste recycling rate at the Vietnam plant by 8% compared to 2021.</p> |   |  |
| <p><b>Occupational Safety and Health</b></p> | <p><b>Short-term Goals</b></p> <p><b>200 hours</b></p> <p>Limit work hours lost due to workplace injuries at the Suzhou plant to no more than 200 hours.</p>  | <p><b>100%</b></p> <p>Ensure 100% of employees at the Suzhou plant complete safety education upon onboarding.</p>   | <p><b>95%</b></p> <p>Achieve a 95% rate of rectifying potential hazards at the Suzhou plant.</p>  | <p><b>100%</b></p> <p>Ensure 100% of contractors undergo a safety briefing before entering the Vietnam plant.</p>   | <p><b>Mid- to Long-term Goals</b></p> <p><b>100%</b></p> <p>Ensure 100% compliance with EHS (Environment, Health, Safety) regulations across the entire group.</p> <p><b>100 hours</b></p> <p>Limit the number of employee injury incidents to no more than 3 per year, with no more than 100 hours of lost work time.</p> |
| <p><b>Labor Rights</b></p>                   | <p><b>Short-term Goals</b></p> <p><b>Human Rights</b></p> <p>Conduct annual labor and human rights audits at the Vietnam plant in accordance with the Responsible Business Alliance (RBA) standards to ensure compliance.</p> <p><b>Continuously Increase</b></p> <p>Continuously increase the proportion of female employees at the Vietnam plant.</p> | <p><b>100%</b></p> <p>Conduct RBA training twice a year at the Vietnam plant, with 100% of all employees completing the training each time.</p> <p><b>Human Rights Policies</b></p> <p>Communicate labor and human rights policies to all employees via email and announcements.</p>  | <p><b>2</b></p> <p>Conduct two collective labor-management communication meetings per year with the employee union at the Vietnam plant.</p> <p><b>100%</b></p> <p>Conduct two internal training sessions per year at the Suzhou plant, and include labor and human rights policies and regulations in the orientation training for new employees, achieving a 100% training target.</p>  | <p><b>Mid- to Long-term Goals</b></p> <p><b>Human Rights Policies</b></p> <p>The Suzhou plant will implement the practice of communicating labor and human rights policies to all employees through 2 emails per year and occasional announcements.</p> <p><b>55%</b></p> <p>Increase the proportion of female employees at the Vietnam plant to 55%.</p> |  |





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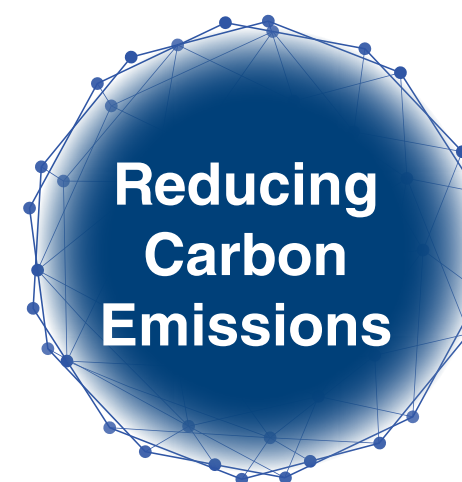
## Group Overview

### Company Profile

AmTRAN was established in Taiwan in 1994, with factories located in Suzhou, China, and Haiphong, Vietnam. Additionally, the company has offices in the United States, South Korea, and Japan, employing over 4,000 people globally. As a publicly listed company, AmTRAN aims to enhance consumer convenience and product cost-performance ratio, with a product line that spans from low-end to high-end products. The company is dedicated to developing and enhancing key technologies and integration capabilities, achieving significant breakthroughs in mechanical structure, backlighting, power supply, hardware, and software design, leading the market substantially. AmTRAN's product line continues to expand and innovate, with over 1,200 patents granted. Whether in terms of functionality, design, or technology, AmTRAN consistently introduces new innovations. In recent years, AmTRAN's LED LCD TVs, smart TVs, and 3D TVs have received numerous international awards, including the CES Consumer Electronics Show, iF Design Award, and Red Dot Design Award. In the TFT-LCD field, Taiwan, alongside Japan and South Korea, ranks among the top three global exporters, with AmTRAN leading in the LCD manufacturing sector.

AmTRAN prides itself on superior quality and confidence in its products while fully supporting its partners. With advanced R&D capabilities and integrated supply chain management, AmTRAN ensures product quality while reducing costs, becoming a key promoter and partner behind leading audio-visual technology brands worldwide. In recent years, AmTRAN has actively responded to changes in the global political and economic landscape, expanding its presence in Vietnam to diversify risks. The Vietnam plant is now in mass production, while the Suzhou plant primarily serves the Chinese market and high-end multifunctional display products, complementing the Vietnam plant. AmTRAN's main products include TVs and monitors, mice, webcams, and other diversified products, with a total shipment of 3.81 million units of TVs and monitors in 2023, showcasing the company's strength and market influence in this field.

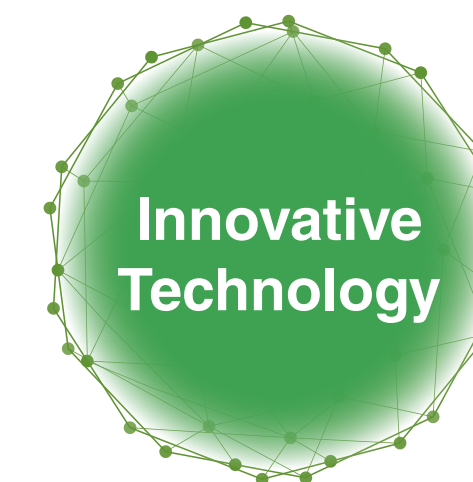
With a spirit of "taking from society, giving back to society," AmTRAN is dedicated to sustainable development. Our mid- to long-term vision and strategies are as follows:



Actively taking measures to reduce the company's carbon emissions, including improving production processes, using more environmentally friendly materials, and promoting energy-saving awareness and actions among employees.



Fulfilling corporate social responsibility by focusing on employee welfare and safety, promoting career development and quality of life for employees, and actively participating in public welfare activities to contribute to society and build a better future together.



Continuously promoting technological innovation, committed to developing and promoting more energy-saving and environmentally friendly green products and solutions to meet the growing environmental and sustainability demands of customers and promoting sustainable development across the industry value chain.



Maintaining close communication and collaboration with suppliers, partners, and stakeholders to jointly promote sustainability goals and practices, establishing long-term stable cooperative relationships to achieve common sustainable development visions.

Through the implementation of the above strategies and visions, AmTRAN will continuously strive to make positive contributions to the sustainable development of the environment, society, and economy, becoming an industry leader and a trusted partner.

Basic Information of AmTRAN ( As of December 31, 2023 )

|                                |   |
|--------------------------------|---|
| Headquarters Address           | 17F, No. 268, Liancheng Road, Zhonghe District, New Taipei City 235 |
| Capital ( NT\$ thousand )      | \$7,401,000   |
| Total Assets ( NT\$ thousand ) | \$20,353,133  |
| Number of Employees            | 424   |
| Industry                       | Publicly listed optoelectronics industry                            |
| Stock Code                     | 2489  |





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## Products and Services

### Main Products

AmTRAN's primary customers are well-known foreign companies, with products mainly exported to the Americas and Asia. The main products are TVs ( home audio-visual equipment ) and monitors ( personal computers and multimedia, general office work, computer typesetting, CAD/CAM drawing systems, home audio-visual equipment, and machine/instrument display screens ), with flat-panel TVs being the highest market share product.

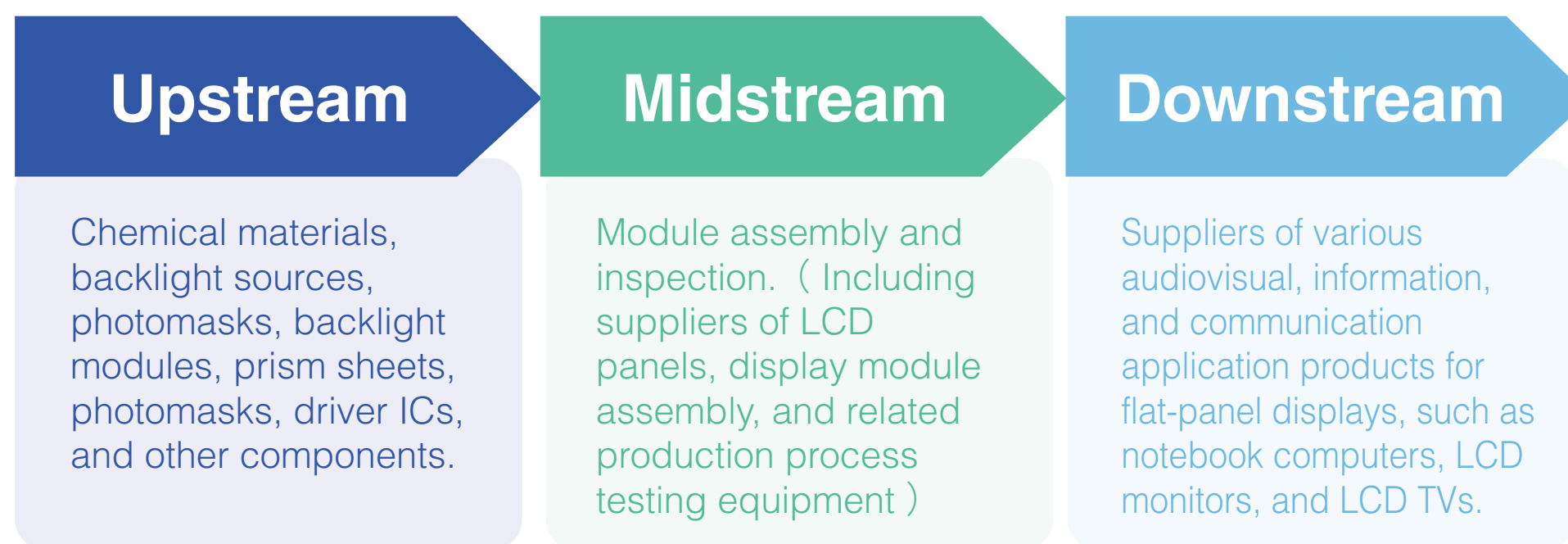
The company is committed to expanding its product variety to meet the needs of three different usage scenarios. For home use, AmTRAN provides audio-visual equipment and smart robots for a relaxed and intelligent living environment for families. For office use, AmTRAN produces various types of monitors, mice, and conferencing equipment to improve work efficiency and communication effectiveness. For gaming use, AmTRAN collaborates with Taiwan's top three gaming brands to launch gaming monitors and actively expands partnerships with international gaming leaders to meet the needs of global gaming enthusiasts. As panel technology advances, AmTRAN collaborates with major brands to develop higher-end, more advanced gaming monitors to meet market demands. The company also cooperates with chip manufacturers, jointly developing innovative technologies from the upstream stage to explore future business opportunities, ensuring a leading position in the competitive market.

| Development Project                            | Objective   |
|--|---|
| OLED 4K UHD Display                            | Introducing OLED panels with 4K UHD resolution in gaming monitors, offering a smooth gaming experience and stunning color performance, while focusing on slimmer and narrower bezel designs.  |
| Three-in-One Display                           | Integrating video, touch, and display into one monitor product, reducing peripheral accessory procurement for customers and streamlining desktop space.   |
| Optical Film Composite Integration Design      | Adopting an integrated design to significantly reduce assembly complexity and error rates, increasing raw material stress and reducing product deformation and warping risks.   |
| 360-Degree Panoramic Video Conferencing System | Using three lenses to stitch and software calculations to connect images into a 360-degree panoramic effect, eliminating the need for everyone to crowd within the camera's range during meetings. The system includes voice tracking features, automatically recognizing the speaker's location and switching the screen in real-time. |
| New Chip Development                           | Collaborating with renowned companies to develop a 7nm video conferencing system chip, effectively improving chip power efficiency by 40%.  |



## Value Chain

The flat-panel display industry structure is as follows, with AmTRAN being a downstream industry company in the flat-panel display sector:



Currently, the primary display technology development in Taiwan's flat-panel display industry is Thin Film Transistor Liquid Crystal Display ( TFT-LCD ). TFT-LCD is one type of LCD that surpasses traditional Cathode Ray Tube ( CRT ) displays in terms of brightness, contrast, lifespan, and power consumption. TFT-LCD is mainly used in televisions, flat-panel displays, and projectors.

In the upstream sector, although Taiwan has significant influence in the international supply chain, many upstream materials such as glass substrates, ITO targets, and PVA films for polarizers still rely on Japanese suppliers. Midstream manufacturers produce ideal electrode substrates and various display panels through three major processes: front-end Array, mid-stage Cell, and back-end Module Assembly. To meet the product demands of downstream manufacturers, midstream manufacturers must continually develop new technologies and

expand production lines to enhance their market competitiveness.

The downstream sector is divided into large-sized and small-to-medium-sized panel markets. The former includes products such as notebook computers, LCD monitors, and LCD TVs ( e.g., Sharp's recent promotion of 8K TVs and Taiwan's active development of Micro LED technology ), while the latter includes products such as tablets, smartphones, and in-car applications.

In the downstream sector, AmTRAN performs well. As the global TV market approaches saturation and cannot grow significantly, AmTRAN actively positions itself in the ultra-large TV market. As prices for large-sized TVs become more affordable, coupled with the promotion of high-end applications like 8K, QLED, and OLED, the TV market's future growth is promising.

## External Cooperation

In addition to active business activities, AmTRAN is also engaged in related external cooperation. Currently, it is a member of the Taiwan Electrical and Electronic Manufacturers' Association and the Taipei Independent Directors Association. Overseas, it is a member of the Suzhou Taiwan Businessmen Investment Enterprises Association in Suzhou, China, the Suzhou High-Tech Zone Harmonious Labor Relations Enterprises Association in China, and the Haiphong Taiwan Chamber of Commerce in Vietnam. To encourage youth entrepreneurship, Chairman Chun-Fa Wu, along with many alumni of National Taiwan University, founded the NTU Innovators Club as honorary founding members, establishing a platform for industry-academia exchange and regularly inviting venture capital companies and students for discussions. If student teams have good ideas, they have the opportunity to invite major entrepreneurs as mentors.





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# Sustainable Management

Sustainability Committee  
Identification of Material Topics  
Stakeholder Communication



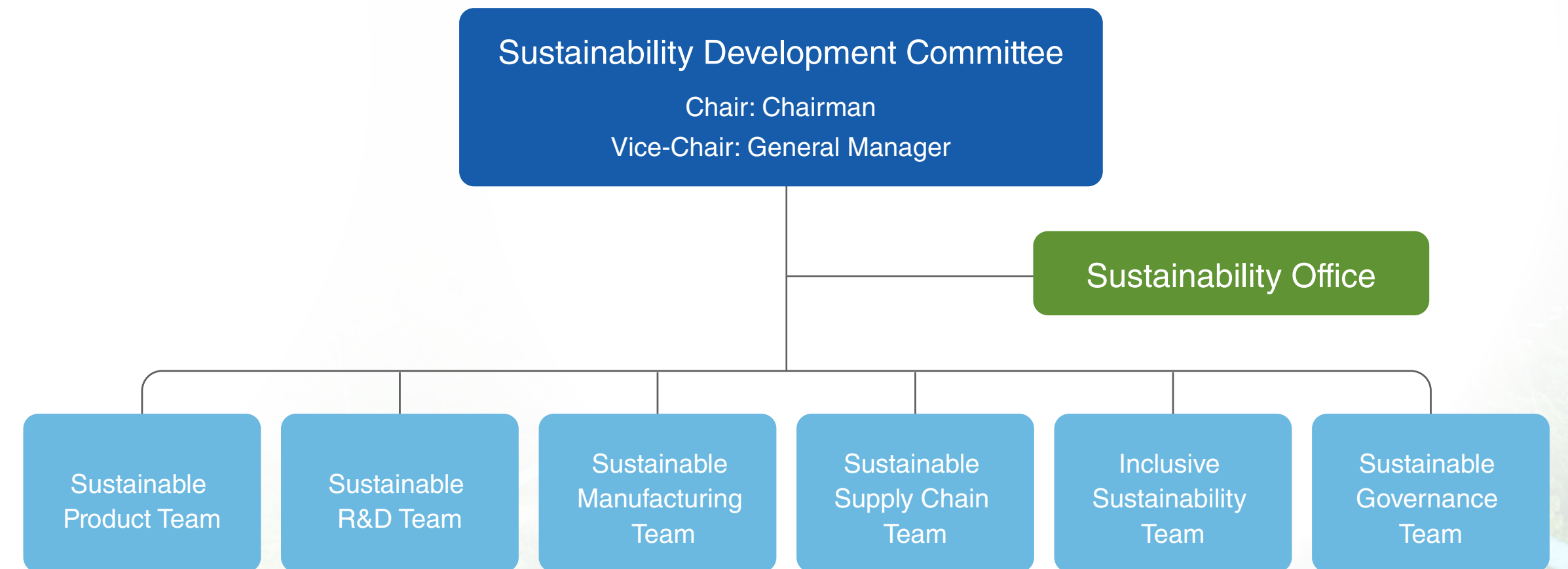
# Sustainability Committee

In promoting ESG strategies, AmTRAN's Board of Directors acts as the highest supervisory and guiding body, ensuring that ESG governance and policies are implemented from the top down. Given the increasing emphasis on sustainable governance issues in Taiwan, AmTRAN established the "Sustainability Committee" under the Board of Directors in 2023, with the committee members appointed by the Board. The Chairman was elected by the committee members as the convener, and the committee includes independent directors and the Chief Legal Officer, serving as the decision-making and supervisory unit for the company's sustainable development-related work. The "Sustainability Development Committee" was established in 2022, with the Chairman serving as the committee chair and the General Manager as the vice-chair, functioning as the executive unit for the company's sustainable development operations.

## Responsibilities of the Sustainability Committee

1. Formulating the company's sustainable development policies
2. Developing the company's sustainable development, risk identification/management, sustainable governance, integrity management, environmental and social goals, strategies, and implementation plans
3. Reviewing, tracking, and revising the company's sustainable development implementation and effectiveness, and regularly reporting to the Board of Directors
4. Addressing issues of concern to stakeholders and supervising communication plans

The Sustainability Development Committee includes the Sustainability Office, responsible for revising the group's sustainable development-related systems and regulations, integrating company-wide sustainable development policies and plans, regularly tracking development, execution progress and effectiveness, identifying significant issues, publishing sustainability reports, etc. Additionally, the Sustainability Development Committee has established six execution teams based on sustainability themes: Sustainable Product Team, Sustainable R&D Team, Sustainable Manufacturing Team, Sustainable Supply Chain Team, Inclusive Sustainability Team, and Sustainable Governance Team, covering all business units within the company. Each team is led by a vice president-level supervisor from the business units, responsible for executing sustainability issues related to products, R&D, manufacturing, supply chain, social inclusion, and corporate governance. The Sustainability Office and each execution team regularly report work progress to the Sustainability Development Committee and quarterly report to the Sustainability Committee, which then submits resolutions to the Board of Directors and reports the execution results of sustainability plans, including quarterly greenhouse gas inventory and verification progress. In 2023, the Sustainability Office reported to the Sustainability Development Committee twice, and the Sustainability Committee held three meetings, discussing committee member appointments and greenhouse gas inventory and verification progress.





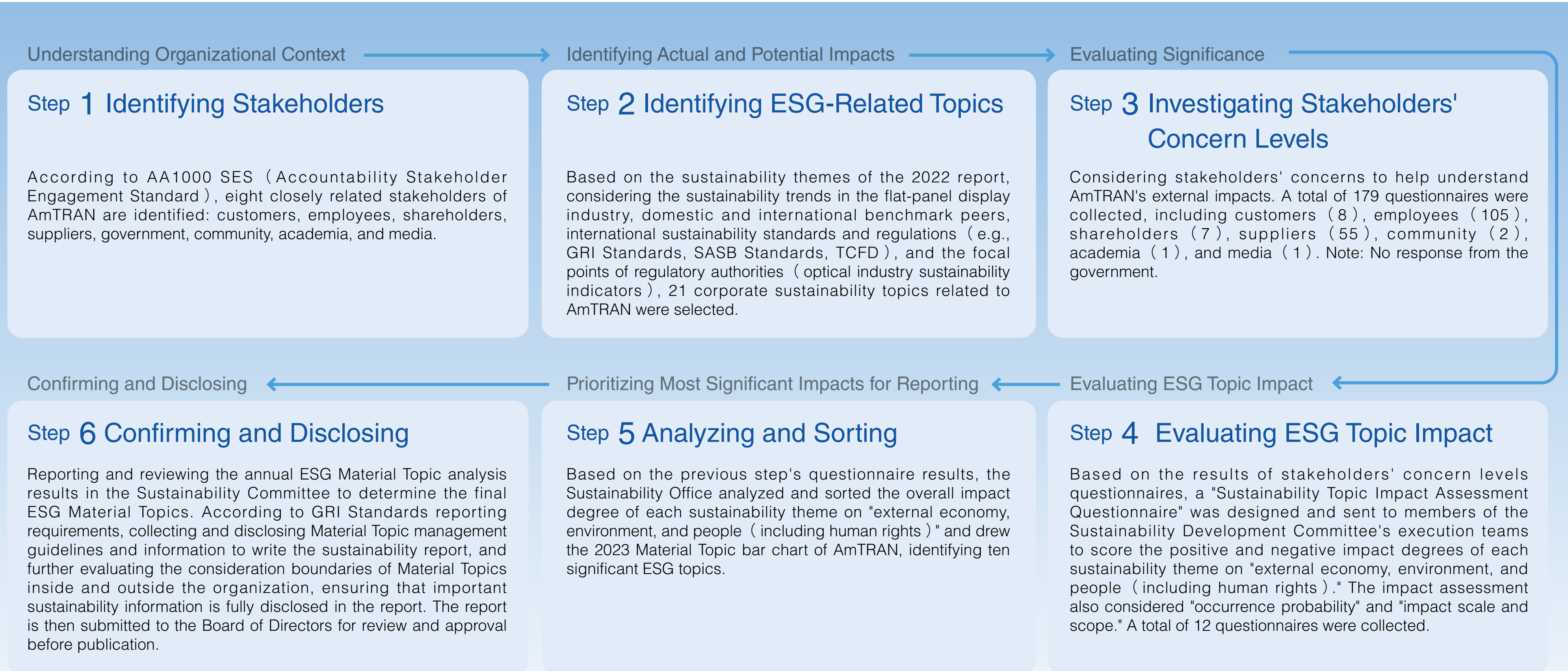


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# Identification of Material Topics

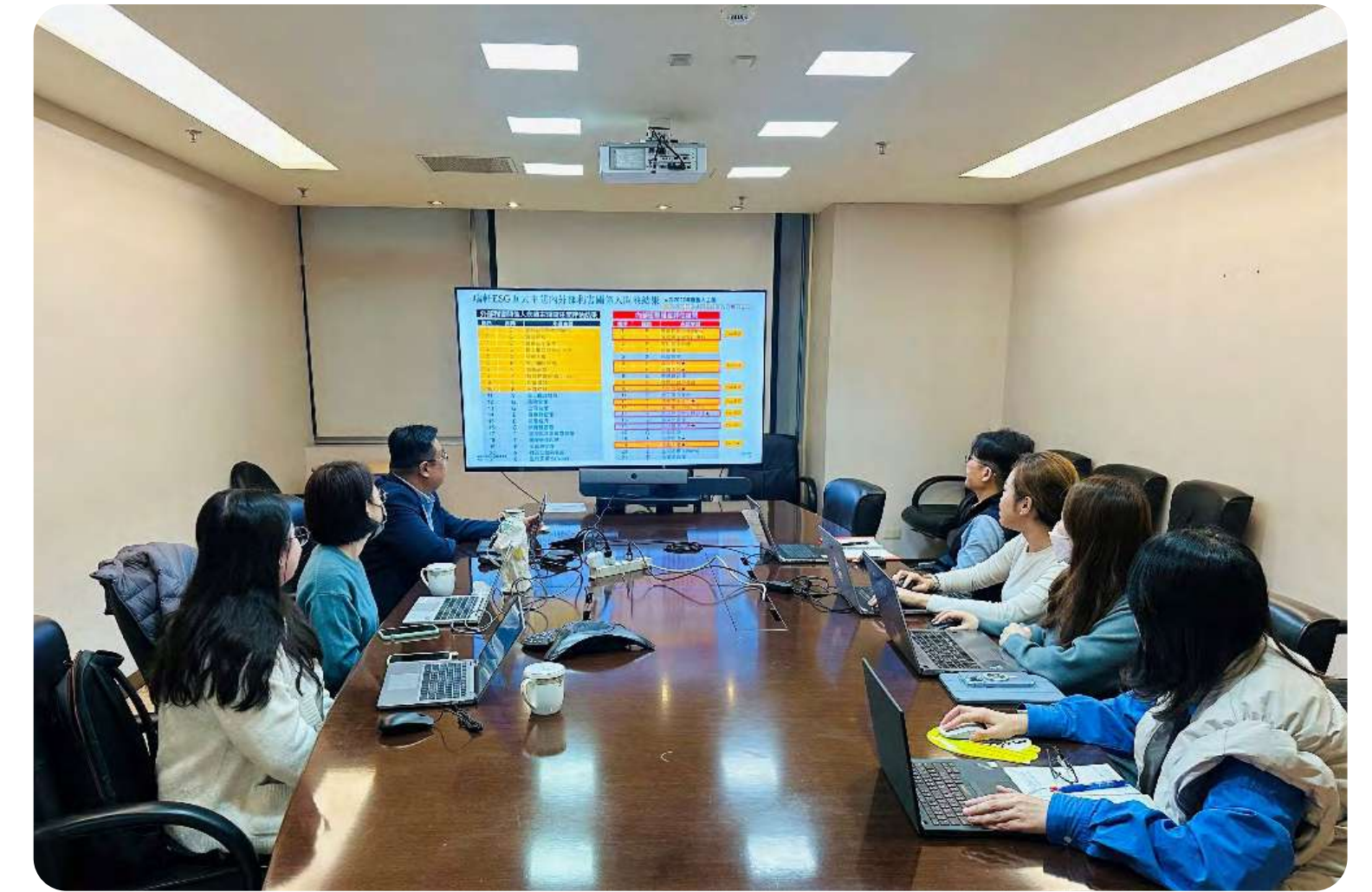
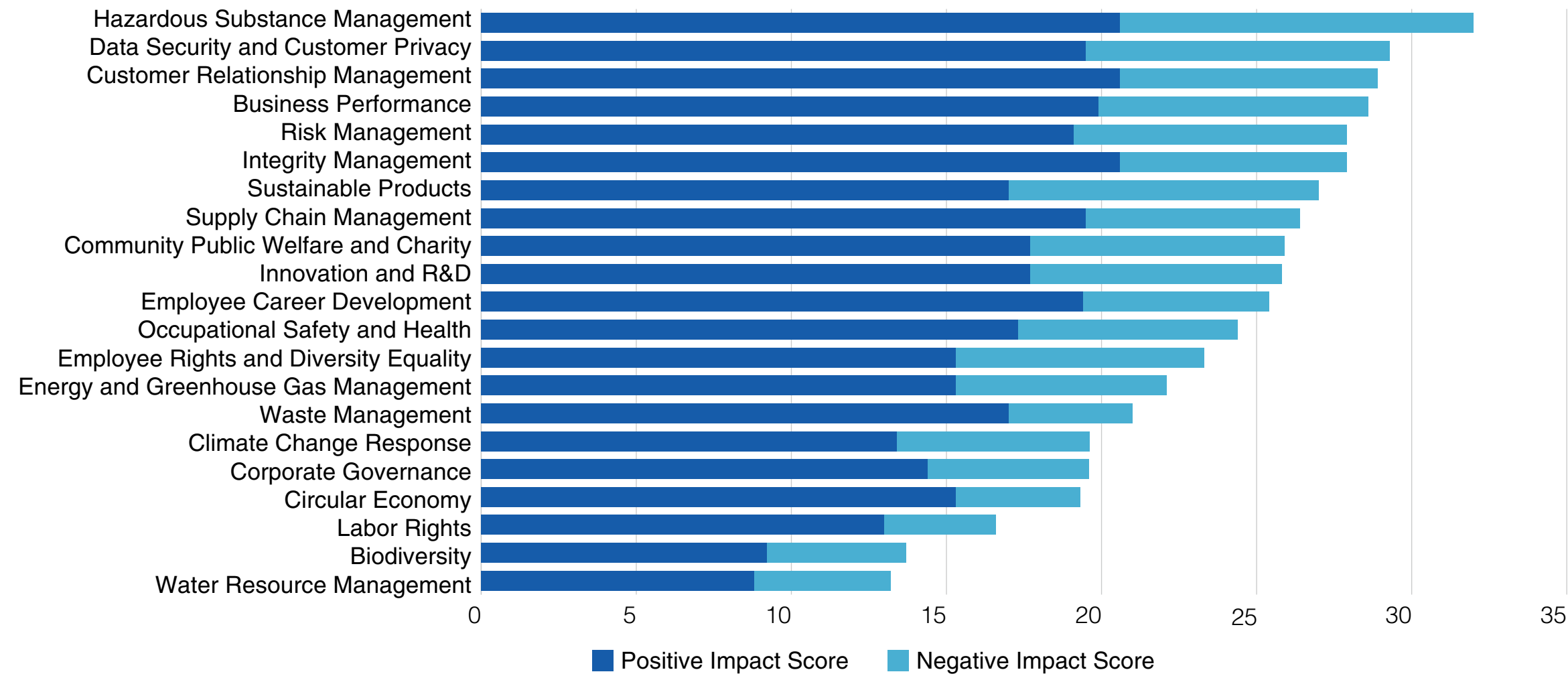
## Material Topic Evaluation Process

To identify and manage sustainability risks, AmTRAN follows the four-phase process of the GRI Universal Standards 2021 Edition for Material Topic identification. This involves analyzing global trends and collecting sustainability issues of concern to stakeholders. Through internal impact analysis, the significant extent of economic, environmental, and human rights impacts of sustainability issues is evaluated to preliminarily select Material Topics. Based on the results of this analysis, the Sustainability Office reports to the Sustainability Committee, identifying sustainability issues in the four aspects of governance, environment, products, and society. Finally, ten Material Topics are identified as the primary disclosure management guidelines and related performance themes for the year. We will review Material Topics annually, regularly evaluating the impact of issues as the basis for sustainable development strategy planning, and transparently disclosing positive and negative impacts of sustainability issues to help stakeholders understand the sustainability issues of concern.





## Positive and Negative Impact Assessment Results



## Description of Material Topics

| Aspect           | Sustainability Topic               | Positive and Negative Impact Description  | Corresponding GRI Standards | Corresponding Chapter                                 |
|------------------|------------------------------------|---|-----------------------------|---|
| Governance ( G ) | Integrity Management               | Ensuring that the behavior of the board of directors, senior management, and all company employees complies with business ethics and moral standards by implementing company-wide integrity and ethics training and signing integrity pledges. Improper management of integrity codes and ethics standards may lead to corruption incidents, severely impacting the company's reputation and investor decisions.  | 205-2~205-3                 | Chapter 1: Corporate Governance                       |
|                  | Data Security and Customer Privacy | Enhancing information security protection to reduce cybersecurity risks and prevent customer privacy or information leakage. If customer information is stolen, it may pose risks and losses to the company and customers in handling information leakage incidents.  | 418-1                       | Chapter 1: Corporate Governance                       |
| Product ( P )    | Sustainable Products               | Sustainable products encompass aspects such as environmental friendliness and energy efficiency. The company's environmentally friendly product development includes high-efficiency, low-energy, and low-carbon products, as well as ensuring that products and their production processes do not use conflict minerals, reducing negative impacts on the natural environment and human rights while meeting customer needs. Failure to meet high-performance standards, resulting in failure to pass relevant energy efficiency certifications, may affect the company's long-term development. | 302-5<br>416-1~416-2        | Chapter 2: Green Low-Carbon Energy-Efficient Products |
|                  | Innovation and R&D                 | Establishing product development and innovation advantages, maintaining market competitiveness, enhancing the acquisition and number of the company's intellectual property patents, and developing innovative products. Failure to invest in R&D and innovation resources may limit the number of the company's patents and R&D capabilities, affecting its competitive edge.  | NA                          | Chapter 2: Green Low-Carbon Energy-Efficient Products |





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| Aspect            | Sustainability Topic                 | Positive and Negative Impact Description  | Corresponding GRI Standards      | Corresponding Chapter                                 |
|-------------------|--------------------------------------|---|----------------------------------|---|
| Product ( P )     | Hazardous Substance Management       | Reducing the content of hazardous substances in products by selecting raw materials with fewer or no harmful components, ensuring that products do not pose health or environmental risks during use and disposal, and enhancing product quality and consumer trust. Excessive hazardous substances in products may lead to health issues for consumers, environmental pollution, and potential concerns from the public and regulatory authorities, impacting the company's financial status and market position.                          | 416-1~416-2                      | Chapter 2: Green Low-Carbon Energy-Efficient Products |
|                   | Energy and Greenhouse Gas Management | Improving energy structure through energy-saving actions and the use of renewable energy, increasing energy efficiency, and reducing greenhouse gas emissions through carbon reduction actions, lowering carbon costs at operating sites, and mitigating the rate of global warming and ozone layer damage. Failure to implement energy-saving measures may increase electricity costs and negatively impact the environment. Unmanaged carbon emissions from operating sites may also raise carbon costs and contribute to global warming. | 302-1/302-3/302-4<br>305-1~305-7 | Chapter 3: Green Operations and Climate Change        |
| Environment ( E ) | Circular Economy                     | Increasing the feasibility of reuse/recycling of products and packaging materials at the end of their lifecycle through product design and end-of-life treatment, enhancing resource sustainability. Failure to recycle and reuse waste/sub-products and packaging materials will reduce the efficiency of using recyclable resources, burdening the environment.   | 301-1~301-3                      | Chapter 2: Green Low-Carbon Energy-Efficient Products |
|                   | Climate Change Response              | Incorporating the impacts of climate change on the company's operations into overall risk management, such as carbon fees or carbon trading at local operating sites, and planning responses to physical risks like heavy rainfall, typhoons, floods, and droughts to ensure operational sustainability. Failure to mitigate climate change risks may lead to operational disruptions and increased financial impact costs due to climate change.   | 302-1/302-3/302-4<br>305-1~305-7 | Chapter 3: Green Operations and Climate Change        |
| Social ( S )      | Occupational Safety and Health       | Providing a healthy and safe working environment for employees, ensuring their health and safety rights at work. Failure to reduce occupational safety and health risks may result in occupational injuries, occupational diseases, and workplace accidents.  | 403-1~403-10                     | Chapter 4: Employee Relations                         |
|                   | Labor Rights                         | Respecting human rights, prohibiting child labor and forced labor, ensuring employees' rights to assembly and freedom of speech. Incidents of forced labor, child labor, or forced labor resulting in legal violations will negatively impact the company's reputation.   | 401-1~401-3                      | Chapter 4: Employee Relations                         |

In 2023, the Material Topics identification added "Data Security and Customer Privacy" and "Hazardous Substance Management." The 2022 Material Topic "Product Quality" was considered a basic aspect of product management and was therefore removed from the list since the "Sustainable Products" topic already exists. The overall number of Material Topics was adjusted from 9 in 2022 to 10 in 2023. Additionally, "Sustainable Products" was renamed from last year's "Environmentally Friendly Products and Lifecycle Management."





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## Value Chain Boundaries of Material Topics

The following table shows AmTRAN's 2023 Material Topics and their impact boundaries:

| Material Topic                       | Reporting Boundary |                     |              |           |           |           |
|--------------------------------------|--------------------|---------------------|--------------|-----------|-----------|-----------|
|                                      | Internal           | External            |              |           |           |           |
|                                      |                    | Government Agencies | Shareholders | Suppliers | Customers | Community |
| Integrity Management                 | ●                  | ●                   | ●            | ●         | ●         |           |
| Data Security and Customer Privacy   | ●                  | ●                   |              |           | ●         |           |
| Sustainable Products                 | ●                  | ●                   |              | ●         | ●         |           |
| Innovation and R&D                   | ●                  |                     | ●            | ●         | ●         | ●         |
| Hazardous Substance Management       | ●                  | ●                   |              | ●         | ●         |           |
| Energy and Greenhouse Gas Management | ●                  | ●                   | ●            | ●         | ●         |           |
| Circular Economy                     | ●                  | ●                   | ●            | ●         | ●         |           |
| Climate Change Response              | ●                  | ●                   | ●            | ●         | ●         |           |
| Occupational Safety and Health       | ●                  | ●                   |              | ●         | ●         | ●         |
| Labor Rights                         | ●                  | ●                   |              | ●         | ●         |           |





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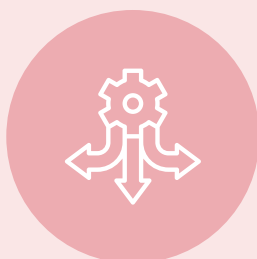
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## Stakeholder Communication

AmTRAN values the expectations of all stakeholders and incorporates feedback from internal and external stakeholders into the formulation of sustainable development strategies. To this end, we have established stakeholder communication channels (Email: [esg@amtran.com.tw](mailto:esg@amtran.com.tw); Phone: 02-82280505). Additionally, AmTRAN has established transparent and effective multi-channel communication and response mechanisms with eight closely related stakeholders: customers, employees, shareholders, suppliers, government, community, academia, and media, ensuring real-time and effective communication with stakeholders.

| Stakeholder  | Importance to AmTRAN  | Material Topics   | AmTRAN's Actions and Plans   | Communication Channels and Frequency   |
|--|---|---|--|--|
| <br><b>Customers</b>      | Customers are concerned about AmTRAN's technology development plans, production planning, and technological advancements.   | <ul style="list-style-type: none"> <li>Customer Relationship Management</li> <li>Innovation and R&amp;D</li> <li>Data Security and Customer Privacy</li> <li>Risk Management</li> <li>Integrity Management</li> <li>Hazardous Substance Management</li> </ul> | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance and Chapter 2: Green Low-Carbon Energy-Efficient Products.</li> </ul>                                 | <ul style="list-style-type: none"> <li>Email discussions (irregular)</li> <li>Phone discussions (irregular)</li> <li>Participation in customer supplier conferences (irregular)</li> <li>Customer satisfaction surveys (irregular)</li> <li>Customer meetings and evaluations (quarterly/annually)</li> </ul>  |
| <br><b>Employees</b>     | Employees are important partners in AmTRAN's sustainable development. We protect employees' work rights, provide competitive salaries and benefits, respect employees, and care for them, hoping to attract more talented individuals to join us and create greater operational performance together. | <ul style="list-style-type: none"> <li>Data Security and Customer Privacy</li> <li>Occupational Safety and Health</li> <li>Integrity Management</li> <li>Employee Rights and Diversity Equality</li> <li>Labor Rights</li> </ul>                              | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance and Chapter 4: Employee Relations.</li> </ul>   | <ul style="list-style-type: none"> <li>Labor-management meetings (quarterly)</li> <li>Employee forums (semi-annually)</li> <li>General Manager's mailbox (anytime) Training/lectures (irregular)</li> <li>Employee suggestion boxes (irregular)</li> <li>Internal website announcements (irregular)</li> <li>Welfare committee meetings (irregular)</li> </ul> |
| <br><b>Shareholders</b> | Shareholders are the company's largest investors and should fairly obtain publicly disclosed information to reflect the company's true market value sustainably.  | <ul style="list-style-type: none"> <li>Employee Rights and Diversity Equality</li> <li>Labor Rights</li> <li>Employee Career Development</li> </ul>   | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance and Chapter 4: Employee Relations.</li> </ul>   | <ul style="list-style-type: none"> <li>Investor conferences (irregular)</li> <li>Shareholders' meetings (annually)</li> <li>Public Information Observatory (irregular)</li> </ul>  |
| <br><b>Suppliers</b>    | Supplier selection criteria focus on quality assurance to ensure stable delivery and jointly maintain environmental protection and compliance with relevant regulations, establishing a sustainable development cooperation supply chain.   | <ul style="list-style-type: none"> <li>Integrity Management</li> <li>Customer Relationship Management</li> <li>Business Performance</li> <li>Occupational Safety and Health</li> <li>Risk Management, Data Security and Customer Privacy</li> </ul>           | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance, Chapter 2: Green Low-Carbon Energy-Efficient Products, and Chapter 4: Employee Relations.</li> </ul> | <ul style="list-style-type: none"> <li>Email discussions (irregular)</li> <li>Phone discussions (irregular)</li> </ul>   |





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| Stakeholder   | Importance to AmTRAN   | Material Topics   | AmTRAN's Actions and Plans  | Communication Channels and Frequency  |
|---|--|---|---|---|
| <br><b>Government Agencies</b> | Complying with government regulations is a basic requirement for business operations. We ensure compliance through audits.   | <ul style="list-style-type: none"> <li>Climate Change Response</li> <li>Energy and Greenhouse Gas Management</li> </ul>   | <ul style="list-style-type: none"> <li>See Chapter 3: Green Operations and Climate Change.</li> </ul>   | <ul style="list-style-type: none"> <li>Participation in government projects (irregular)</li> <li>Official documents (irregular)</li> <li>Attendance at regulatory briefings and seminars (irregular)</li> <li>Proactive visits (irregular)</li> </ul> |
| <br><b>Community</b>           | We combine the company's core business and employee compassion to voluntarily participate in various local care activities, fulfilling corporate social responsibility.  | <ul style="list-style-type: none"> <li>Climate Change Response</li> <li>Waste Management</li> <li>Water Resource Management</li> <li>Energy and Greenhouse Gas Management</li> <li>Circular Economy</li> <li>Occupational Safety and Health</li> <li>Labor Rights</li> <li>Community Public Welfare and Charity</li> <li>Corporate Governance, Risk Management</li> <li>Business Performance</li> <li>Integrity Management</li> <li>Data Security and Customer Privacy</li> <li>Customer Relationship Management</li> </ul> | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance, Chapter 2: Green Low-Carbon Energy-Efficient Products, Chapter 3: Green Operations and Climate Change, Chapter 4: Employee Relations, and Chapter 6: Social Participation.</li> </ul> | <ul style="list-style-type: none"> <li>Participation in community activities (irregular)</li> </ul>   |
| <br><b>Academia</b>          | Keeping up with the latest information and technical talent.   | <ul style="list-style-type: none"> <li>Circular Economy</li> <li>Occupational Safety and Health</li> <li>Employee Rights and Diversity Equality</li> <li>Employee Career Development</li> <li>Risk Management</li> <li>Business Performance</li> <li>Integrity Management</li> <li>Data Security and Customer Privacy</li> <li>Sustainable Products</li> <li>Hazardous Substance Management</li> </ul>  | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance, Chapter 2: Green Low-Carbon Energy-Efficient Products, and Chapter 4: Employee Relations.</li> </ul>  | <ul style="list-style-type: none"> <li>Participation or sponsorship of academic activities and seminars (irregular)</li> <li>Sustainability Committee invites external experts to meetings (quarterly)</li> </ul>                                     |
| <br><b>Media</b>             | Serving as a bridge between stakeholders and the company, the media promptly obtains the company's released information, helping stakeholders acquire the information the company wants to convey openly and accurately. | <ul style="list-style-type: none"> <li>Business Performance</li> <li>Customer Relationship Management</li> <li>Innovation and R&amp;D</li> <li>Sustainable Products</li> </ul>  | <ul style="list-style-type: none"> <li>See Chapter 1: Corporate Governance and Chapter 2: Green Low-Carbon Energy-Efficient Products.</li> </ul>  | <ul style="list-style-type: none"> <li>Press releases(irregular)</li> <li>Press conferences (irregular)</li> </ul>  |





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## Corporate Governance

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## Management Policy

### Material Topics

Integrity Management

### GRI Index

GRI 3-3 \ GRI 205-2 \ GRI 205-3

### Explanation of Positive and Negative Impacts

#### Explanation of Positive Impacts :

Demonstrating responsible business practices based on integrity, maintaining the trust of stakeholders.

#### Explanation of Negative Impacts :

Violations of integrity and ethics can damage the company's reputation and harm the interests of shareholders, employees, and partners.

### Policy

To enhance the behavior and ethics of all AmTRAN employees, AmTRAN has established the "Code of Integrity Management" and "Code of Ethical Conduct." The "Code of Integrity Management" aims to prevent any dishonest behavior in the company's operational processes and sets up mechanisms for disciplinary action and grievances. This ensures that from the Board of Directors and management to all employees, everyone adheres to the principles of integrity and actively implements the integrity management policy.

### Targets

#### Short-term Targets (2024) :

1. Continuously implement anti-corruption laws and regulations, ensure no major violations, and regularly announce the implementation status.
2. Continuously require employees to complete the signing of the "Employee Code of Ethics," "Intellectual Property Clearance Statement," "Intellectual Property Rights and Trade Secrets Ownership and Confidentiality Agreement," and "AmTRAN Information Security Compliance Statement" upon onboarding, with a 100% completion rate.
3. Continuously require suppliers to complete the labor and ethics risk assessment form or commitment and statement signing, with a 100% completion rate.
4. Annually summarize key points of integrity management-related regulations that must be followed, integrate them, and send the "Summary of Corporate Governance Related Procedures" presentation to directors.

#### Mid- and Long-term Targets (2026) :

Continuously improve the operation of the Board of Directors through director and supervisor training courses, and ensure suppliers cooperate with the company's implementation of the "Code of Integrity Management" and "Code of Ethical Conduct" by formulating and announcing supplier integrity commitment clauses.

### Action Plan

#### Negative Impact Actions

1. Announce integrity requirements and require suppliers to sign in agreement.
2. Require all employees to sign an integrity commitment and regularly remind employees of integrity regulations.
3. Require suppliers to sign and return the "Anti-Bribery, Corruption, and Fraud Declaration," "Conflict Minerals Declaration," and "Social Responsibility and Ethics Commitment," and include these declarations as attachments to procurement contracts. New suppliers must commit to these declarations when signing procurement contracts.
4. Announce the internal whistleblowing procedure.
5. Continuously improve related rules and systems.

#### Positive Impact Actions

1. Regularly conduct integrity management training for directors and employees.
2. Integrate the integrity management policy with employee performance evaluations, human resource policies, and the reward and punishment system.
3. Publicly declare and communicate AmTRAN's integrity management policies.

#### Targets Achieved in 2023 :

1. Achieved 100% signing rate of the Code of Ethical Conduct, Confidentiality Agreement, and Safety Education Record Card for new employees; regularly provided RBA anti-corruption and ethics training at each plant.
2. No incidents of violations of integrity management or corruption-related regulations that resulted in penalties by regulatory authorities; no anti-competitive behavior or antitrust and monopoly-related lawsuits or concluded legal actions.
3. Updated commitment documents for new employees to ensure that everyone from directors to staff understands and complies with integrity management regulations.
4. Adjusted the "Insider Trading Prevention Management Procedures" to explicitly prohibit related securities transactions during the blackout period and announced this on the company's internal website.
5. Regularly promoted relevant procedures to company directors and employees, and reminded them of the blackout period regulations with each quarterly meeting notice.

### Effectiveness Evaluation

### Grievance Mechanism

AmTRAN has established an audit whistleblowing email (audit@amtran.com.tw) and a whistleblowing hotline (02-82280505 Audit #1350 \ Legal #1316 \ HR#1603). Internal employees, suppliers, and customers can report directly through these channels to prevent any violations of government regulations, professional ethics, or fraudulent activities within the company.





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## Material Topics

Data Security and Customer Privacy

## GRI Index

GRI 3-3 \ GRI 418-1

## Explanation of Positive and Negative Impacts

### Explanation of Positive Impacts :

In mid-2023, a dedicated information security organization was established to continuously improve various information security regulations and procedures, conduct internal self-assessments, regularly promote information security awareness, and provide training. These efforts aim to enhance employees' awareness of customer privacy protection and information security.

### Explanation of Negative Impacts :

Leakage of customer data can harm customer interests and undermine customer trust.

## Policy

In 2020, AmTRAN established the "Information Security Policy," which clearly defines the information security governance structure, strategies, and management mechanisms. By implementing information security strategies and internal controls, AmTRAN continuously improves information security management and enhances protective capabilities to safeguard the company's R&D results, strategies, contract documents, intellectual property, information systems, customer data, and other important intangible assets.

## Targets

### Short-term Targets (2024) :

1. The entire group will regularly issue information security awareness emails, with at least 2 emails per month.
2. Annual information security awareness training, with a completion rate of over 90%.
3. Endpoint Detection and Response (EDR) deployment coverage for critical servers reaching over 80%.
4. System vulnerability patching rate reaching over 80%.
5. Availability of critical application systems reaching over 99%.

### Mid- and Long-term Targets (2026) :

1. The entire group will regularly issue information security awareness emails, with at least 4 emails per month.
2. Annual information security awareness training, with a completion rate of over 95%.
3. Endpoint Detection and Response (EDR) deployment coverage for critical servers reaching over 100%.
4. System vulnerability patching rate reaching over 90%.
5. Availability of critical application systems reaching over 99.9%.

## Action Plan

### Negative Impact Actions

1. Adopt M365 hybrid cloud services with Defender for Enterprise to reduce the risk of external phishing and account theft.
2. Conduct irregular internal network vulnerability scans.
3. Plan internal network risk analysis and audit services: prevent APT malware, monitor C&C connection behavior, detect attack activities and characteristic judgments, analyze transmitted files, identify malicious network behavior and abnormal network connections, and comprehensively present attack processes and the extent of impact.
4. Review the security vulnerabilities of the group's network architecture, based on network architecture security design, backup mechanism design, network access control, network equipment management, and host equipment configuration.
5. Purchase security modules for firewalls to enhance blocking mechanisms.
6. Optimize backup architecture to isolate against ransomware attacks.
7. Use the world's leading MDR endpoint protection to strengthen cybersecurity defenses for the headquarters and overseas plant server groups.

### Positive Impact Actions

1. Engage external cybersecurity teams to scan and analyze the company's internal and external network equipment and security environments, produce cybersecurity improvement reports, and comprehensively promote information security improvement plans.
2. Plan secure remote service mechanisms for vendors and implement log record analysis of each vendor's services.
3. Regularly conduct educational training and cybersecurity awareness campaigns to enhance employees' information security awareness.
4. Regularly collect and share cybersecurity intelligence. Automate monitoring of various threats to increase real-time cybersecurity response speed.

## Effectiveness Evaluation

In 2023, there were no negative impacts on the company or customers due to information security issues, and no information security incidents occurred.

## Grievance Mechanism

AmTRAN has established an audit whistleblowing email (audit@amtran.com.tw) and a whistleblowing hotline (02-82280505 Audit #1350 \ Legal #1316 \ HR#1603). Internal employees, suppliers, and customers can report directly through these channels to regulate the information security behavior of the company's personnel.



# 1.1 Corporate Governance

## 1.1.1 Organizational Structure

A sound governance structure is the cornerstone of stable corporate development. AmTRAN values transparency, diversity, and professionalism. In accordance with the Company Act, Securities and Exchange Act, and other relevant laws and regulations, AmTRAN has established an effective corporate governance structure to strengthen the functions of the Board of Directors, protect shareholders' rights, safeguard stakeholders' interests, enhance information transparency, and adhere to the principles of integrity and anti-corruption. Various systems and measures have been formulated, such as the "Corporate Governance Practice Principles," "Code of Integrity Management," and "Code of Ethical Conduct," to implement the spirit of corporate governance. Important internal regulations set by AmTRAN can be found on the [AmTRAN official website](#). Additionally, to enhance corporate governance, AmTRAN appointed a Chief Governance Officer in 2020.



## 1.1.2 Board Composition and Operation

### Board Composition

AmTRAN has established a comprehensive board member selection system, ensuring that the selection process is fair, open, and impartial. We select board members in accordance with the "[AmTRAN Technology Co., Ltd. Director Election Rules](#)" and follow the principles set out in the "[Corporate Governance Practice Principles](#)" to ensure that the selection and composition of members primarily consider their professional knowledge and diversity, without restrictions on specific gender, nationality, age, or race. On July 29, 2021, AmTRAN re-elected its board of directors. Currently, the board consists of 12 directors, including 5 independent directors and 2 female directors, with independent directors accounting for more than one-third of the board, which exceeds legal requirements. The board's term is three years, and all members are professionals with outstanding and extensive experience in various fields such as industry, commerce, and management. They regularly exercise their powers in accordance with relevant laws, the company's articles of association, and shareholders' resolutions, formulating the company's operational guidelines and supervising the execution effectiveness of the management team to ensure the rights and interests of the company's stakeholders and to maximize shareholder benefits. In 2023, AmTRAN's board of directors held six meetings <sup>(Note)</sup>, with an average attendance rate of 97%.

### Board Member Resumes

| Title    | Name       | Major Education and Experience   |
|----------|------------|--|
| Chairman | Alpha Wu   | Education: Department of Electrical Engineering, National Taiwan University<br>Experience: General Manager, Mei Ke Technology Co., Ltd |
| Director | Tina Wu    | Education: Tamkang University<br>Experience: HR Manager, Mei Ke Technology Co., Ltd  |
| Director | Sam Wu     | Education: Master's in Chemical Engineering, National Taiwan University<br>Experience: General Manager, AmTRAN Technology Co., Ltd.    |
| Director | Rick Wu    | Education: EMBA in Business Administration, National Taiwan University<br>EMBA in Advanced Management, Fudan University                |
| Director | David Chou | Education: Master's in Management, National Taiwan University of Science and Technology  |



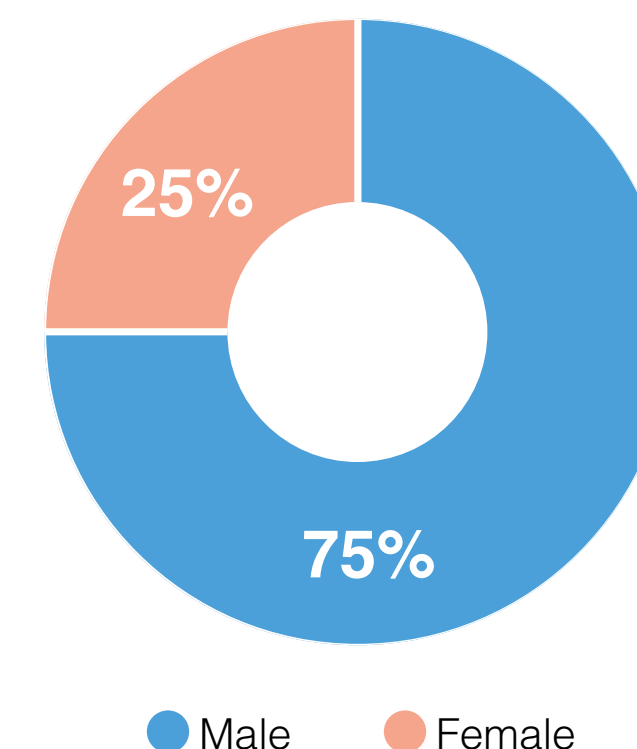


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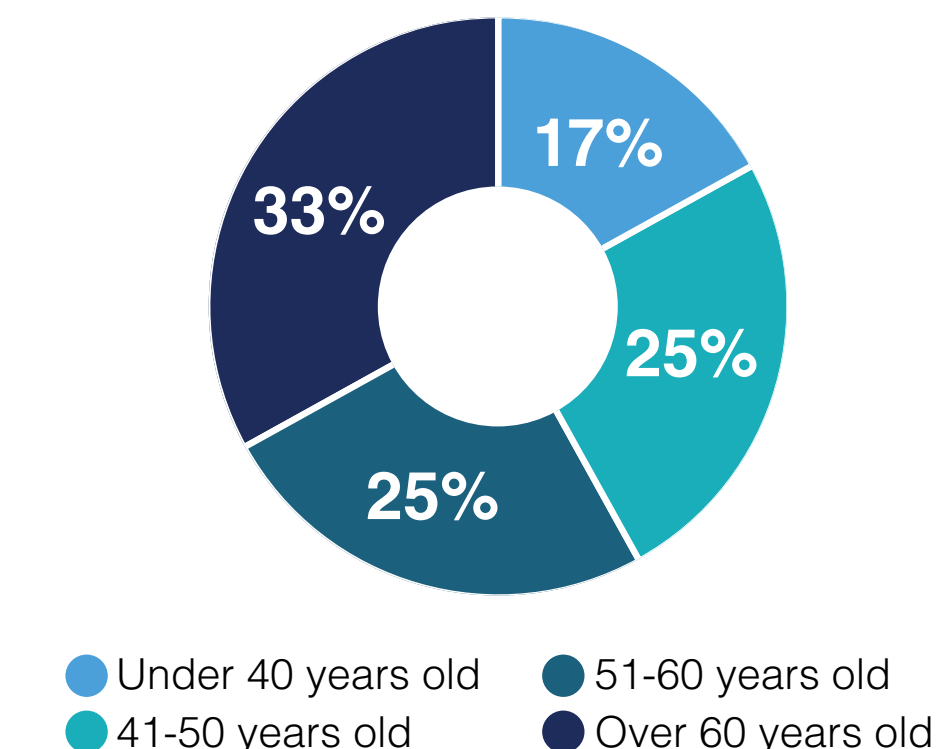
| Title                | Name            | Major Education and Experience   |
|----------------------|-----------------|--|
| Director             | Maggy Wu        | Education: Department of Information Management, Fu Jen Catholic University<br>Experience: Assistant Vice President, Corporate Services Department, HP Taiwan Information Technology Ltd   |
| Director             | Hsu, Jhih-Chang | Education: Ph.D. in Engineering, University of Tokyo, Japan<br>Experience: Vice President, Japan Branch, MStar Semiconductor Inc.  |
| Independent Director | Chou, Dah-Jen   | Education: Ph.D. in Engineering, University of Tokyo, Japan<br>Experience: Vice President, Japan Branch, MStar Semiconductor Inc. Supervisor, L&K ENGINEERING CO., LTD   |
| Independent Director | Chow, Cheng-Hu  | Education: Ph.D. in Public Administration, University of La Verne, USA<br>Experience: Associate Dean, College of Lifelong Learning, Shih Hsin University Independent Director, Federal Corporation   |
| Independent Director | Liao, Wan-Jiun  | Education: Ph.D. in Electrical Engineering, University of Southern California, USA<br>Experience: Chair, Department of Electrical Engineering, EECS College, National Taiwan University<br>Director, Internet of Things Research Center, National Taiwan University<br>Dean of Academic Affairs, National Taiwan University<br>Director General, Department of Engineering and Technologies, Ministry of Science and Technology<br>Director of the Board, Institute for Information Industry, Taiwan |
| Independent Director | Wei, Hong-Jheng | Education: Master degree in strategic management and business policy, National Chiao Tung University<br>Corporate Director Representative, Sino-American Silicon Products Inc.<br>Corporate Director Representative, Sunrise Photonics Corporation<br>Independent Director, Superior Plating Technology CO., LTD   |
| Independent Director | Chang-Ying Hsu  | Education: Master's in Cultural and Creative Industries Management, National Taipei University of Education<br>Experience: Secretary General, South Urological Research and Education Foundation   |

## Board Diversity

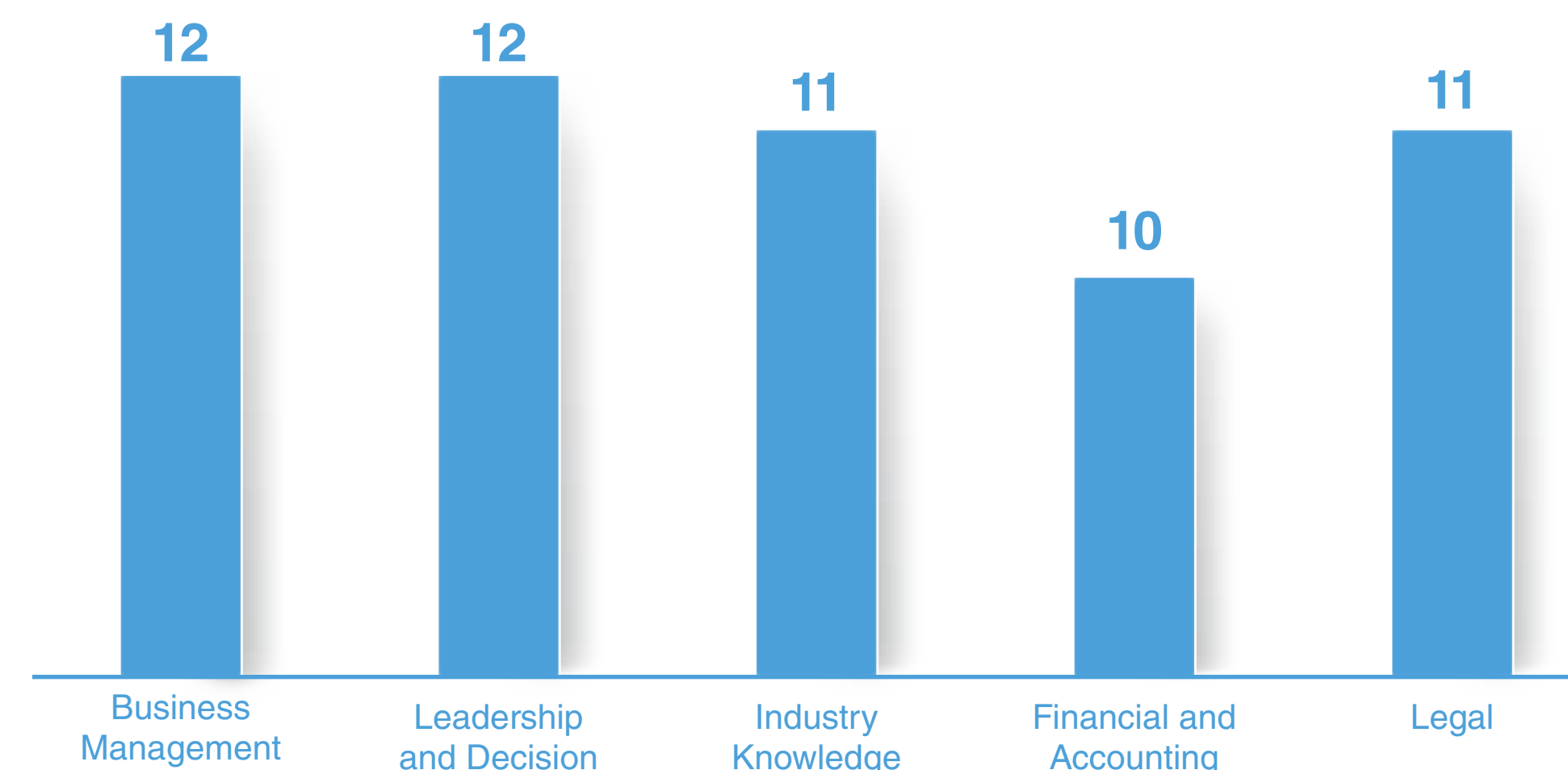
### Board Gender



### Board Age



### Number of Directors by Professional Background



Note 1: For details on the directors' terms, other important positions held, and proposal contents, please refer to the annual report <https://www.amtran.com.tw/file.php?id=4>

Note 2: For details on the directors' nomination and selection process, please refer to Articles 20-21 of the Corporate Governance Practice Principles and the AmTRAN Technology Co., Ltd. Director Election Rules <https://www.amtran.com.tw/file.php?id=6>





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## Conflict of Interest Principle

AmTRAN's directors uphold a high level of self-discipline. For any board proposal in which they have a conflict of interest that could potentially harm the company's interests, they voluntarily recuse themselves from discussion and voting, and do not engage in inappropriate mutual support. If any conflict of interest occurs, company employees can report directly to their immediate supervisor or the Chief of the Chairman's Office. Additionally, the Chairman also serves as the CEO (Chief Executive Officer) due to the streamlined organizational structure of the company. The Chairman is highly familiar with the company's industry, and in pursuit of the goal of maximizing corporate value and returning it to shareholders, strictly adheres to the principle of conflict of interest avoidance.

## Director Continuing Education

AmTRAN encourages directors to continue their education. In 2023, the average continuing education hours for directors were 7.3 hours. Directors were also arranged to attend ESG-related courses such as "Seminar on Talent Development and Corporate Sustainability," "Seminar on Challenges and Opportunities in the Path to Sustainable Development and Introduction to Greenhouse Gas Inventory," and "Empowering the Board to Become a Key Force in Leading Sustainable Governance (Part One)."

## Board Performance Evaluation

According to the "Board Performance Evaluation Measures," AmTRAN must conduct at least one internal board performance evaluation annually, to be executed at the end of the year and completed by the end of the first quarter of the following year. In 2023, the average score for the board performance evaluation was 4.88 out of 5. The average scores for the Audit Committee and the Compensation and Remuneration Committee performance evaluations were both 5 out of 5. The average score for the Sustainability Committee performance evaluation was 2.23. The overall evaluation results were rated as excellent.<sup>Note</sup>

Note: The performance evaluation of the Sustainability Committee is divided into three levels: Needs Improvement (1 point), Average (2 points), and Excellent (above 2 points). Other evaluation results are divided into five levels: Excellent (4-5 points), Good (3-4 points), Average (2-3 points), Needs Improvement (1-2 points), and Poor (1 point).

### 6 Major Evaluation Items for Board Member (Self or Peer) Performance Evaluation

1. Understanding of Company Targets and Missions
2. Awareness of Director Responsibilities
3. Level of Participation in Company Operations
4. Management and Communication of Internal Relations
5. Professionalism and Continuing Education of Directors
6. Internal Control

### 5 Major Evaluation Items for Overall Board Evaluation

1. Level of Participation in Company Operations
2. Improving the Quality of Board Decisions
3. Composition and Structure of the Board
4. Selection and Continuing Education of Directors
5. Internal Control

### 5 Major Evaluation Items for Overall Functional Committee Evaluation

1. Level of Participation in Company Operations
2. Awareness of Functional Committee Responsibilities
3. Improving the Quality of Functional Committee Decisions
4. Composition and Member Selection of Functional Committees
5. Internal Control

To enhance the effectiveness of board operations, according to the "Board Performance Evaluation Measures," an external professional independent organization or external expert scholars must conduct a performance evaluation at least once every three years. In November 2022, AmTRAN commissioned the "Taiwan Investor Relations Institute" to conduct a board performance evaluation for the period from November 1, 2021, to October 31, 2022. This organization referred to Article 37 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Article 3 of the "Board Performance Evaluation Measures" sample, and incorporated the "Corporate Governance 3.0 - Sustainable Development Roadmap" guidelines to design an evaluation questionnaire focused on the overall board operation. The questionnaire covered five major aspects: board composition, quality of board decisions, board operation effectiveness, internal control and risk management, and board participation in corporate social responsibility. Three experts were assigned to assess the board's effectiveness through questionnaires and on-site interviews. This organization and the executing experts have no business dealings with AmTRAN, ensuring their independence. The evaluation results were reported to the board on March 13, 2023, so no external professional independent organization or external expert scholars were commissioned for an evaluation in 2023.

In the evaluation report provided by the organization, the recommendations related to corporate sustainable development included: establishing a "Sustainability Development Committee" as a functional committee, obtaining third-party verification for the sustainability report, and publishing the sustainability report in English. In response to these recommendations, AmTRAN's board of directors resolved on March 13, 2023, to establish a "Corporate Sustainability Committee." The company will gradually implement the introduction of external consultants for necessary audits and consultations, as well as obtain third-party verification for the sustainability report and publish the sustainability report in English.



## Remuneration System for Directors and Senior Management

According to Article 18 of AmTRAN's Articles of Association, if the company has profits in a given year, the board of directors may allocate up to 3% of the profits as directors' remuneration. The distribution plan for directors' remuneration must be reported to the shareholders' meeting. However, if the company has accumulated losses, the amount must be reserved to cover the losses before allocating directors' remuneration according to the aforementioned proportion. The determination of the remuneration amount is based on the results of the board performance evaluation. In addition to considering the company's operational performance and future industry development factors, the individual directors' performance evaluation results and their contribution to the company's performance are also taken into account to provide reasonable compensation. The related performance evaluation and remuneration rationality are reviewed by the Compensation and Remuneration Committee and the board of directors.

The compensation for the General Manager and Deputy General Manager is provided according to AmTRAN's relevant remuneration regulations. The principles for setting the remuneration system primarily involve sharing the company's operational results based on the performance and contribution of each unit. Industry standards are also considered to ensure that the remuneration policies are competitive, incentivizing, and reasonable, aligning the company's overall annual salary levels with industry averages. Management compensation mainly consists of salaries, bonuses, and employee compensation. Salaries and bonuses are reviewed by the Compensation and Remuneration Committee and decided by the Board of Directors. Employee compensation is allocated based on the company's operational status and the proportion specified in the company's Articles of Association, decided by the Board of Directors and reported to the shareholders' meeting.

## 1.1.3 Composition and Operation of Functional Committees

The Board of Directors, as the highest guiding body of the company, has established the Audit Committee, the Compensation Committee, and the Sustainability Committee under its supervision to strengthen the disclosure of financial information, the performance and stability of management, and to ensure the company's healthy operation through top-down management and supervision.

|                         | Audit Committee  | Compensation Committee   | Sustainability Committee  |
|-------------------------|--|--|---|
| <b>Responsibilities</b> | <ul style="list-style-type: none"> <li>Ensure the effective implementation of the company's internal controls.</li> <li>Review the fair presentation of the company's financial statements.</li> <li>Oversee the quality of the company's financial controls.</li> </ul> | <ul style="list-style-type: none"> <li>Establish performance evaluation and compensation policies for directors and managers.</li> <li>Regularly evaluate the compensation of directors and managers to ensure the reasonableness of remuneration and attract talented individuals.</li> </ul> | <ul style="list-style-type: none"> <li>Formulate the company's sustainable development policies.</li> <li>Address issues of concern to various stakeholders and maintain good communication.</li> </ul>   |
| <b>Members</b>          | <ul style="list-style-type: none"> <li>Composed of all independent directors.</li> <li>The members in 2023 are Wei, Hong-JZheng, Chou, Dah-Jen, Chow, Cheng-Huand Chang-Ying Hsu (All are independent directors)</li> </ul>  | <ul style="list-style-type: none"> <li>Composed of independent directors.</li> <li>The members in 2023 are Wei, Hong-JZheng, Chou, Dah-Jen, and Chow, Cheng-Hu. (All are independent directors)</li> </ul>   | <ul style="list-style-type: none"> <li>Composed of the Chairman, independent directors, and the Chief Legal Officer.</li> <li>The members in 2023 are Alpha Wu, Wei, Hong-ZJheng, Chou, Dah-Jen, Chow, Cheng-Hu, Chang-Ying Hsu, and Shih Chih-Hung.</li> </ul> |
| <b>Operations</b>       | <ul style="list-style-type: none"> <li>Regular meetings are held at least once per quarter.</li> <li>In 2023, a total of 6 meetings were held, with an average attendance rate of 95%.</li> </ul>  | <ul style="list-style-type: none"> <li>Meetings are held at least twice a year and can be convened as needed.</li> <li>In 2023, a total of 2 meetings were held, with an average attendance rate of 100%.</li> </ul>   | <ul style="list-style-type: none"> <li>Meetings are held at least once per quarter.</li> <li>In 2023, a total of 3 meetings were held, with an average attendance rate of 93%.</li> </ul>   |

## 1.1.4 Chief Governance Officer

To enhance corporate governance, AmTRAN established the position of Chief Governance Officer in 2020. This position, held by Senior Vice President of the General Management Center, Scottie ChiuChiu Yu-Ping, is responsible for overseeing corporate governance-related affairs. The main responsibilities are outlined in the table below. To continuously improve the functions of the Chief Governance Officer, a total of 14 hours of relevant external practical training were attended in 2023.

### Responsibilities of the Chief Governance Officer

|   |  |
|---|--|
| Legally conduct Board of Directors and Shareholders' meetings             | Provide directors and supervisors with necessary information for performing their duties |
| Prepare minutes of Board of Directors and Shareholders' meetings          | Assist directors and supervisors in complying with laws and regulations                  |
| Assist directors and supervisors with onboarding and continuing education | Other duties: Holding investor conferences and similar activities as needed              |



# 1.2 Risk Management

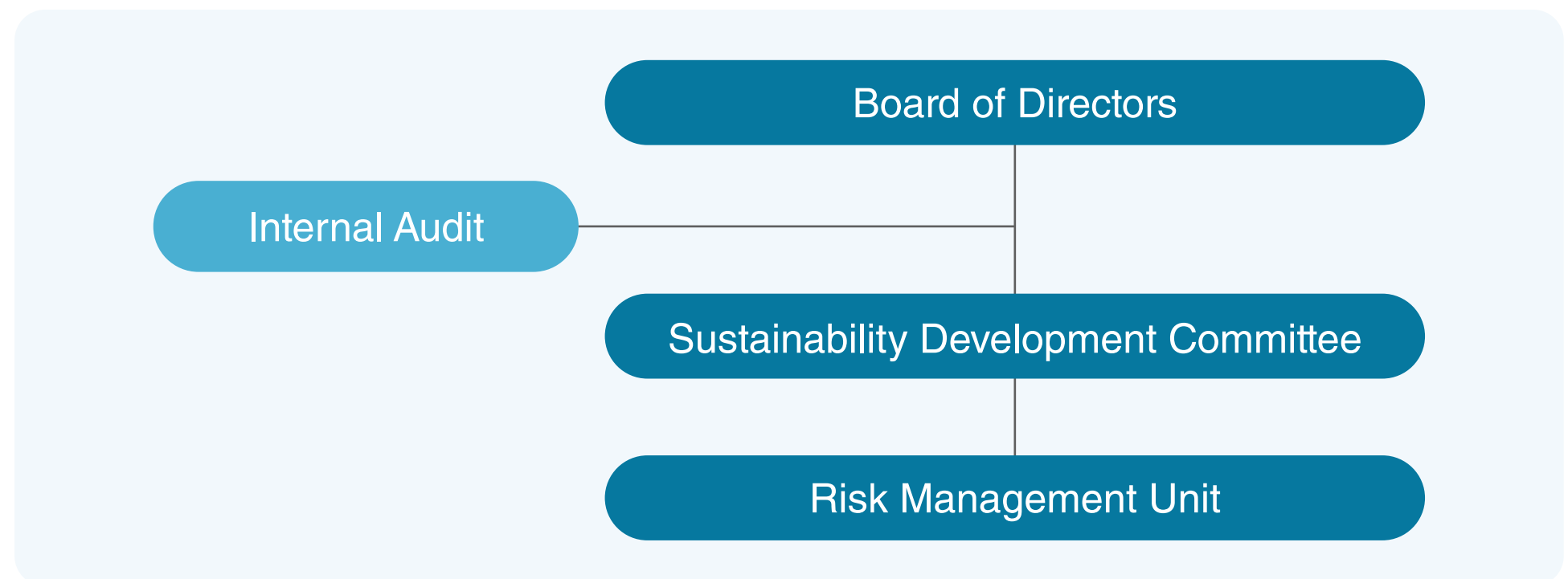
## 1.2.1 Regulations and Policies

To ensure the company's stable and sustainable operations and to strengthen risk management processes, AmTRAN manages risks that may pose uncertainties to its business operations. Following the Financial Supervisory Commission's "Guidelines for Establishing Internal Control Systems by Public Companies" and the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" jointly formulated by the Taiwan Stock Exchange and the Taipei Exchange, AmTRAN's board of directors approved the "Risk Management Policies and Procedures" in 2020.

The risk management policies of AmTRAN and its subsidiaries define various risks according to the company's overall operational guidelines. The policies establish mechanisms for the early identification, analysis, measurement, monitoring, response, reporting, and improvement of risk management measures. They are continuously adjusted and improved in response to changes in internal and external environments to prevent potential losses within acceptable risk levels, thus protecting the interests of stakeholders, including employees, shareholders, partners, and customers.

To strengthen risk management operations, the above-mentioned risk management policies and procedures were revised in May 2023. The revisions included the addition of management objectives and principles and the amendment of management organization responsibilities. The Sustainability Development Committee is responsible for overseeing risk management-related work, and the revisions were approved by the board of directors.

## 1.2.2 Management Organization and Responsibilities



|  |  |
|--|--|
| <p><b>Board of Directors</b></p>                   | <p>The highest risk management unit, with the goal of complying with regulations, promoting, and implementing overall risk management for the company. It clearly understands the risks faced by operations, ensures the effective implementation of internal controls, supervises the control of actual or potential risks, and approves overall risk management policies and major decisions.</p>  |
| <p><b>Sustainability Development Committee</b></p> | <ol style="list-style-type: none"> <li>1. Formulate risk management policies, procedures, and framework.</li> <li>2. Establish risk appetite (risk tolerance) and develop qualitative and quantitative measurement standards.</li> <li>3. Analyze and identify the sources and types of company risks and regularly review their applicability.</li> <li>4. Regularly (at least once a year) compile and report on the company's risk management implementation status.</li> <li>5. Assist and supervise the execution of risk management activities in various departments.</li> <li>6. Coordinate cross-departmental interaction and communication in risk management operations.</li> <li>7. Implement risk management decisions.</li> <li>8. Plan risk management-related training to enhance overall risk awareness and culture.</li> </ol>   |
| <p><b>Risk Management Unit</b></p>                 | <p>The Sustainability Development Committee is divided into the Sustainability R&amp;D Group, Sustainability Product Group, Sustainability Manufacturing Group, Sustainability Supply Chain Group, Sustainability Inclusion Group, and Sustainability Governance Group (collectively referred to as the "Risk Management Unit"). Each group's convener is responsible for risk management :</p> <ol style="list-style-type: none"> <li>1. Responsible for the identification, analysis, assessment, and response of risks within their respective group, and establish relevant crisis management mechanisms when necessary.</li> <li>2. Regularly report risk management information to the Sustainability Development Committee for discussion.</li> <li>3. Ensure the effective implementation of risk management and related control procedures within their group to comply with risk management policies.</li> </ol> |
| <p><b>Internal Audit</b></p>                       | <p>Internal Audit directly reports to the Board of Directors, responsible for internal control and internal audit. It timely provides management with existing or potential risk issues related to internal control, ensuring compliance with established regulations and control procedures.</p>  |





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### 1.2.3 Scope of Management

The scope of the company's risk management includes, but is not limited to, market risk, strategic and operational risk, financial risk, climate change and environmental risk, occupational safety risk, information security risk, legal compliance risk, and other risks that may cause significant losses to the company. The details are as follows :

| Aspect               | Risk Type                      | Risk Description   | Risk Management Description   |
|----------------------|--------------------------------|--|---|
| Economic             | Market Risk                    | Risks that domestic and international political situations, economic and regulatory requirements, or changes in domestic and international technology and industry may have on the company's financial or business performance.  | AmTRAN continuously monitors issues such as cross-strait geopolitical tensions, the US-China trade and technology wars, and the slowdown in China's economic growth. The company conducts analysis and assessment to develop production transfer plans and financial contingency plans for the group to mitigate potential operational risks.   |
|                      | Financial Risk                 | Risks related to the evaluation of corporate assets, credit and solvency, liquidity risk, and accounting policies that impact the company. Financial risks that arise from changes in the value of financial assets or liabilities due to market risk factors such as interest rates, exchange rates, stock prices, commodity prices, or the operational status of long-term investments, which can affect the company.  | The finance unit closely monitors various risks that may affect the company's cash flow. After analysis, it formulates corresponding strategies, procedures, and indicators, and takes appropriate measures to mitigate the company's overall potential financial risks.  |
|                      | Strategic and Operational Risk | Operational risks that affect the company due to changes in business models, organizational restructuring, sales/purchase concentration, product obsolescence, design and quality management of products and services, significant risk management of business contracts, internal control system management, application and maintenance of patents and intellectual property, supplier quality, pricing, delivery times, and corporate social responsibility issues. | The company continues to adjust and optimize production and procurement schedules to avoid the risk of high inventory due to the global economic downturn following the pandemic. In response to the decline in TV production gross margins, the company's operational strategy also includes adjusting the product mix, introducing new product lines, and continuously expanding new customers to ensure that the overall product structure is more stable and competitive.   |
| Corporate Governance | Information Security Risk      | Information security risks faced by the company, including the protection and security of corporate information systems, leakage of user data, and confidential information being compromised by hacker attacks.   | The group has implemented the ISO 27001 Information Security Management System to ensure the timeliness and effectiveness of various tools and technologies used to effectively control the company's information security risks. The Vietnam plant obtained ISO 27001 information security certification in 2023. By strengthening employee information security education and training, increasing the coverage of WAF (Web Application Firewall) and MDR (Managed Detection and Response) servers, raising employees' information security awareness, and conducting internal and external audits, the company aims to enhance its information security posture.   |
|                      | Legal Compliance Risk          | Risks arising from the company's failure to comply with regulations, including but not limited to labor laws, corporate laws and securities trading regulations, import and export regulations, industry conduct standards, and other legal risks that may potentially infringe on the company's rights.   | To ensure that the company complies with Taiwanese and international laws, relevant policies and procedures have been established, control systems have been set up, and audit measures are implemented to ensure business operations meet the relevant requirements. Additionally, the "Risk Management Policies and Procedures" and the "Insider Trading Prevention Management Procedures" have been revised, and integrity management education and promotion have been conducted for the board of directors and internal employees to ensure compliance in company operations. In 2023, AmTRAN handled the reporting of major information as required and did not receive any penalties for non-compliance. |





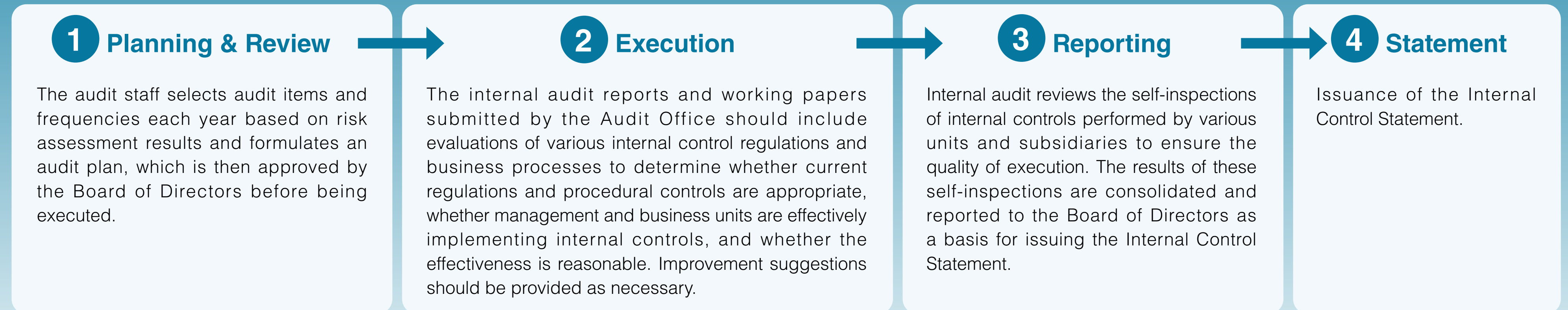
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| Aspect        | Risk Type                             | Risk Description  | Risk Management Description  |
|---------------|---------------------------------------|---|--|
| Environmental | Climate Change and Environmental Risk | Climate risks that may impact the company due to issues related to climate change and natural disasters, including greenhouse gas and carbon emissions management, energy use, and compliance with international regulations and local government laws. These laws may include air, water, waste, toxic substances, and noise emission management or environmental assessment requirements.   | Implement TCFD (Task Force on Climate-related Financial Disclosures) to identify climate risks and opportunities and develop corresponding countermeasures to reduce the company's climate risks and create opportunities for low-carbon energy-saving products. In terms of indicators and targets, the group has also established short-, medium-, and long-term energy-saving and carbon-reduction goals. In 2023, both the Suzhou and Vietnam plants completed greenhouse gas inventories and obtained external ISO 14064-1 certification.   |
| Social        | Occupational Safety Risk              | Risks related to human rights issues of employees or suppliers, including but not limited to labor relations, child labor, and forced labor; and labor human rights risks arising from talent development management issues such as recruitment and retention of talent and talent development mechanisms. Work environment issues include risks associated with the safety of the company's employees or suppliers, occupational safety and health, chemical management, safety protection and emergency response, as well as risks caused by improper or erroneous human management and operations. | The group's Suzhou and Vietnam plants have both obtained ISO 45001:2018 Occupational Health and Safety Management System certification. They continuously implement and enhance occupational health and safety education and training to strengthen employees' awareness of occupational health and safety. The company also provides occupational and non-occupational health services to reduce and prevent occupational injuries. Additionally, the Vietnam plant has obtained Responsible Business Alliance (RBA) certification to ensure that employees have a safe and healthy work environment free from abuse or discrimination. |

## 1.2.4 Internal Audit Mechanism

The Audit Office of AmTRAN reports directly to the Board of Directors (please refer to "Corporate Governance - Organizational Structure"). It has one Chief Audit Officer who oversees the company's internal audit activities and supervises the internal audit work of the Audit Office. The appointment and removal of the Chief Audit Officer must be approved by the Board of Directors. Additionally, there is one audit staff member responsible for routine audits and special project audits.

### Internal Audit Process





# 1.3 Economic Performance

## 1.3.1 Operational Performance

Although the Consumer Price Index (CPI) in Europe and the United States significantly cooled in 2023, the high-interest rate environment suppressed overall corporate and consumer spending. Additionally, the housing market bubble in China dampened consumer demand for televisions. Coupled with a sharp increase in panel prices in 2023, brands reduced the scale of large promotional activities. The shipment volume of televisions and monitors was 3.81 million units, while the shipment volume of mice and webcams was 21 million units. The group's production facilities at the Suzhou and Vietnam plants have areas of 88,928.37 square meters and 75,498 square meters, respectively, with 100% in-house production. In 2023, AmTRAN's consolidated operating revenue was NTD 16.58 billion, with a gross profit margin of approximately 9.59%. The pre-tax net profit was NTD 569 million, and the post-tax net profit was NTD 457 million, with earnings per share of NTD 0.58. The operating results of AmTRAN over the past three years are shown in the table below, as disclosed in the financial overview section of the company's annual report.

Looking ahead to 2024, global sales of electronic products are expected to rebound from their low point, leading to a more optimistic outlook among brand manufacturers for components such as panels. Additionally, Chinese panel suppliers are likely to continue managing supply with a proactive approach. This could lead to a sustained increase in overall panel prices, thereby adding value to the company and further enhancing economic benefits. As a result, operations are expected to continue growing positively.

### AmTRAN Taiwan Parent Company Operating Results for the Past Three Years

( Unit : NTD Thousands )

|                                  | 2021         | 2022          | 2023       |
|----------------------------------|--------------|---------------|------------|
| Operating Revenue                | \$15,579,167 | 11,682,495    | 12,994,525 |
| Gross Profit                     | 840,784      | 945,525       | 895,406    |
| Operating Profit / Loss          | ( 378,534 )  | 40,461        | ( 39,277 ) |
| Net Profit / Loss for the Period | 5,016,637    | ( 2,753,662 ) | 446,155    |

Note : The data is sourced from the individual financial statements signed by the auditors.

### 2023 Economic Value Distribution Table for AmTRAN

( Unit : NTD Thousands )

| Item  | Amount        |
|---|---------------|
| Operating Revenue   | \$ 16,583,775 |
| Operating Costs<br>Costs Arising from Operating Activities  | 14,993,300    |
| Employee Salaries and Benefits<br>Salaries, Labor and Health Insurance, Pensions, Director Compensation, and Other Employment Costs | 1,637,780     |
| Payments to Investors<br>Interest Expenses, Dividend Payments   | 13,152        |
| Payments to Government<br>Primarily Taxes Paid  | 173,848       |
| Community Investment<br>Primarily Academic Funding  | -             |
| Retained Economic Value   | -234,305      |

Note : The sources of revenue and operating costs are based on the audited consolidated financial statements by the accountant.







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# 1.4 Integrity in Operations and Regulatory Compliance

## 1.4.1 Rules and Policies

AmTRAN has established the "Code of Business Integrity" and "Code of Ethics," where the former outlines measures to prevent any dishonest behaviors in the company's operational processes, with provisions for disciplinary actions and a complaint mechanism for violations, aiming to uphold integrity principles among the board of directors and management. The latter ensures that employees understand and uphold integrity principles in their business operations. Additionally, in 2021, in response to the enactment of Vietnam's Personal Data Protection Law, the Vietnam factory conducted an inventory of personal data and formulated internal protection policies, including the "Personal Data Protection Guidelines," to ensure compliance with company regulations.

## 1.4.2 Accountable Units

In 2022, a Sustainability Development Committee was established to oversee matters of integrity in operations and regulatory compliance. The Sustainability Governance Unit, under this committee, is responsible for these tasks. It is chaired by a senior vice president from the General Management Center, who coordinates the implementation of initiatives closely with senior executives vertically and collaborates horizontally with the sustainable supply chain. The unit represents the company's positions and policies externally, while internally fostering collaboration across multiple units, integrating resources, and reporting quarterly execution outcomes to the Sustainability Development Committee.

## 1.4.3 Education and Training with Compliance Signing

AmTRAN employees are required to sign several documents upon joining, including the "Employee Code of Ethics," "Intellectual Property Clarification Statement," "Intellectual Property Rights Business Secret Ownership and Confidentiality Agreement," and "AmTRAN Information Security Regulations Declaration." By signing these, they commit to adhering to company regulations and promise to maintain confidentiality regarding company operations. The company strictly prohibits illegal political contributions, improper charitable donations or sponsorships, unreasonable gifts, hospitality, or other undue advantages.

In 2023, AmTRAN did not experience any confirmed cases of corruption. There were no incidents where employees were dismissed or disciplined due to corruption-related issues.

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AmTRAN conducts due diligence on prospective business partners before engaging in commercial transactions, ensuring they have no records of dishonest behavior. Business contracts explicitly include clauses on ethical conduct. During business interactions, AmTRAN communicates its integrity policies and regulations to partners, explicitly refusing any form of improper benefits, whether direct or indirect. If any dishonest behavior is detected, transactions are immediately halted, and the party is blacklisted. Annually, at the Outstanding Supplier Conference, AmTRAN reinforces these standards with suppliers, promoting clean and ethical business practices together. Since 2022, existing suppliers are required to sign declarations on "Anti-Bribery, Corruption, and Fraud," "Conflict-Free Minerals," and "Social Responsibility and Ethical Commitment," which are now attachments to procurement contracts. New suppliers must commit to these declarations upon signing procurement contracts. In 2023, there were no instances of contract termination or non-renewal due to corrupt practices or violations within the company.

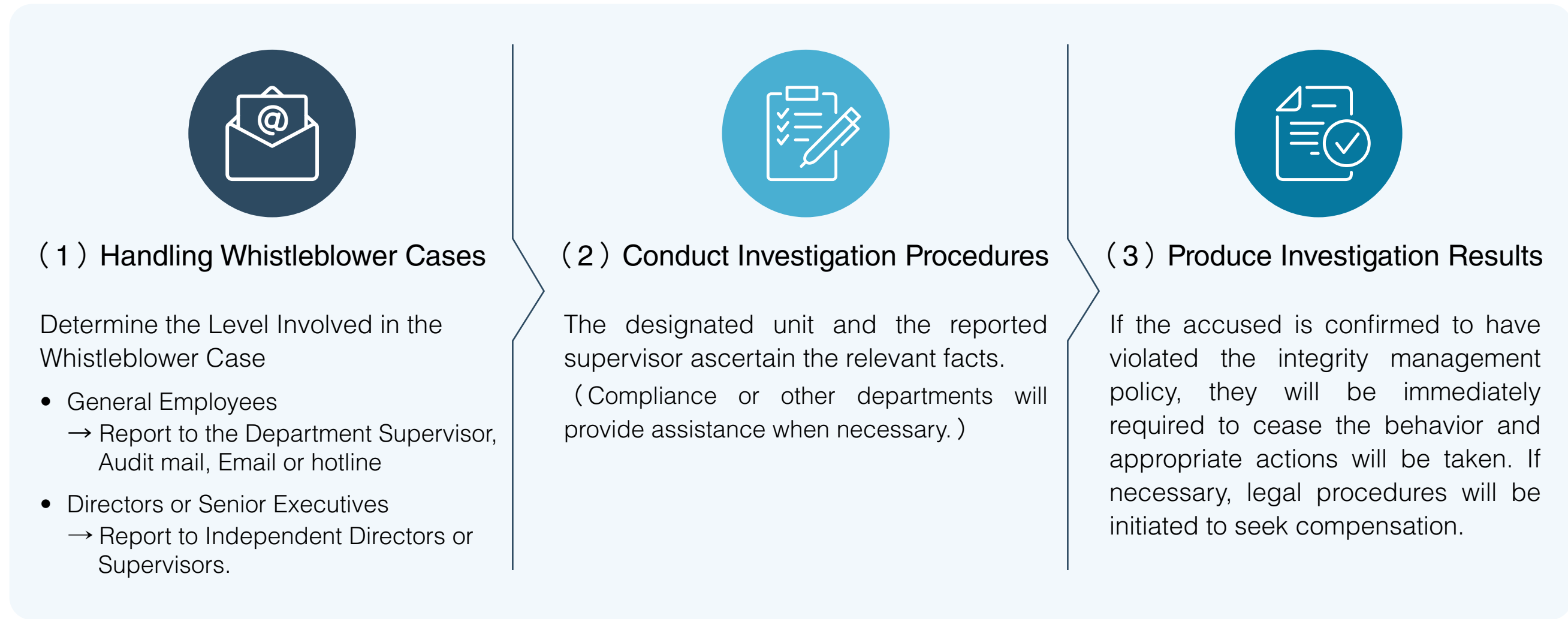
Since 2022, AmTRAN has implemented a system application form for suspending transactions with suppliers involved in corruption or dishonest behavior. Upon submission and approval of the report, the system notifies the finance and accounting department to cease cooperation and payments to identified high-risk suppliers. Additionally, when attempting to establish supplier relationships with related companies of these high-risk suppliers in the future, the system automatically displays a warning to alert the applicant of their status as high-risk suppliers. This helps prevent transactions with high-risk suppliers through related entities. In 2023, there were no instances of transactions being suspended with suppliers due to corruption or dishonest behavior.



### 1.4.4 Complaint Mechanism

AmTRAN has established an audit complaint mechanism through electronic reporting emails, complaint hotlines, and complaint mailboxes. Internal employees, external vendors, and customers can all directly report through these channels to prevent violations of government regulations, professional ethical standards, or fraudulent activities within the company. To encourage reporting, the "Employee Code of Ethics" includes incentive measures. Upon verification of the complaint, the whistleblower may receive 10% of the total amount of improper gains. The company ensures confidentiality of the whistleblower's identity and the content of the report through written statements by relevant personnel handling the complaint. It also promises to protect the whistleblower from any improper treatment due to the reporting.

Upon discovery of a reported incident, the following process will be followed :



The above procedures will involve keeping written records and maintaining them for 5 years. Upon verifying a reported incident, relevant units at AmTRAN will review internal control systems and operational procedures, proposing improvements to prevent recurrence of similar behaviors. Furthermore, the dedicated unit will report the reported incident, handling procedures, and subsequent review improvement measures to the Board of Directors.

Audit Electronic Reporting Mailbox : [audit@amtran.com.tw](mailto:audit@amtran.com.tw)  
 Whistleblower Hotline : 02-82280505 Audit #1350 、 Legal #1316 、 HR#1603  
 Whistleblower Mailing Address : 17F, No. 268, Liancheng Road, Zhonghe District, New Taipei City

### 1.4.5 Compliance with Regulations

In 2023, AmTRAN did not incur any penalties from regulatory authorities for violating integrity in operations or corruption-related laws. There were no lawsuits related to anti-competitive behavior, antitrust laws, or any concluded legal actions. Across its operational sites, AmTRAN also did not violate local regulatory requirements concerning economic, environmental, and social aspects, including no significant incidents resulting in fines of NT\$100,000 or more <sup>Note</sup>.

Note : Significant violations refer to cases where the imposed fine amounts to NT\$100,000 or more.



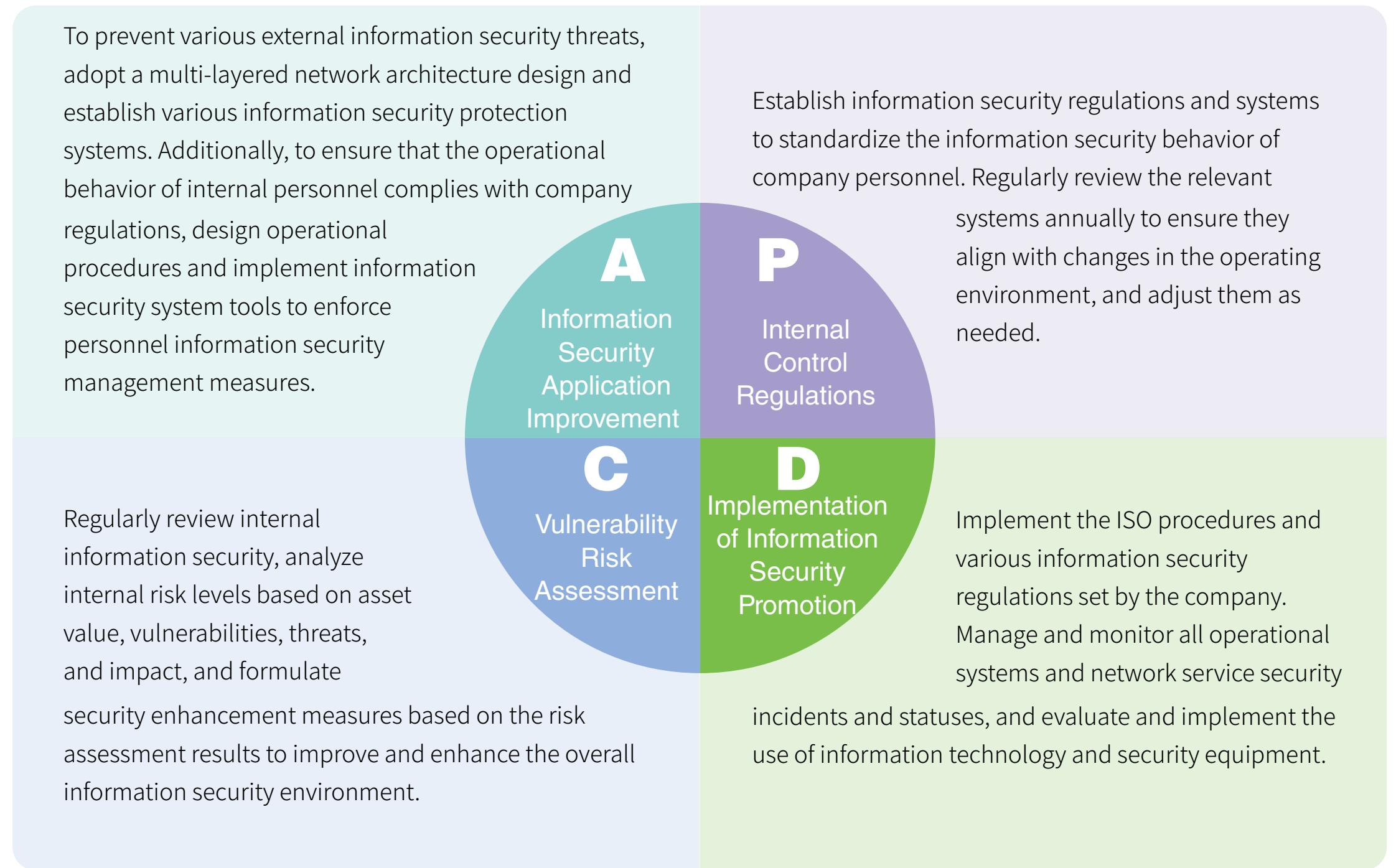


# 1.5 Information Security

## 1.5.1 Rules and Policies

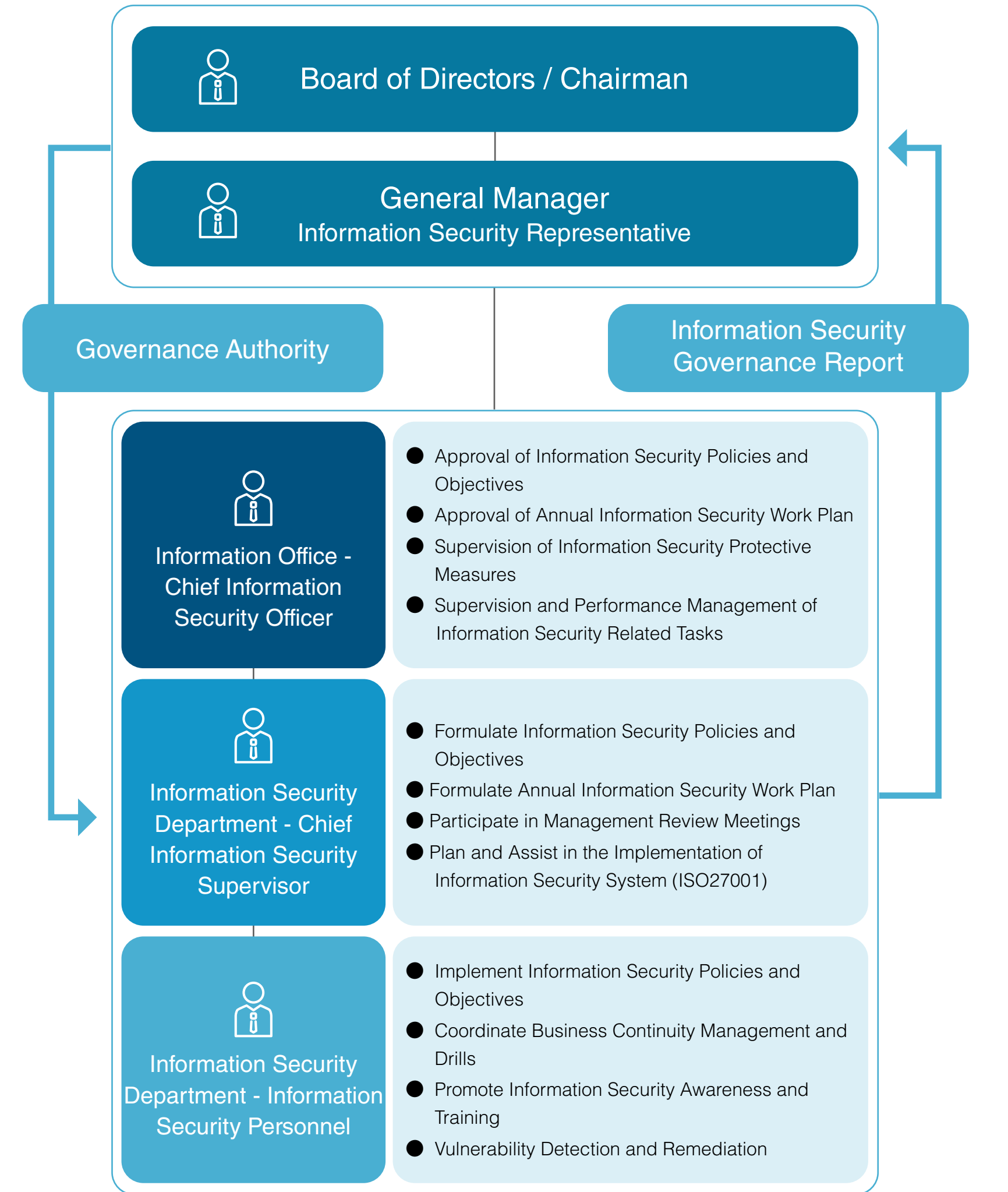
To manage information security and mitigate information security risks, AmTRAN established the "[Information Security Policy](#)" in 2020. This policy outlines the information security governance framework, security strategies, and management mechanisms. By implementing these strategies and internal controls, AmTRAN continuously enhances information security management and strengthens protective capabilities to safeguard critical corporate assets such as research and development outcomes, strategies, contract documents, intellectual property, information systems, and customer data. Additionally, the Vietnam factory has its own "Personal Data Protection Guidelines" aimed at ensuring employees understand and comply with newly enacted government regulations. This includes developing related processes for employees to follow.

AmTRAN's information security management mechanism utilizes the PDCA (Plan-Do-Check-Act) cycle, focusing on the following four aspects :



## 1.5.2 Management Structure

AmTRAN uses an information security governance framework to guide and control the organization's overall information security activities, ensuring that information security objectives are aligned with the organization's operational goals and strategic direction.

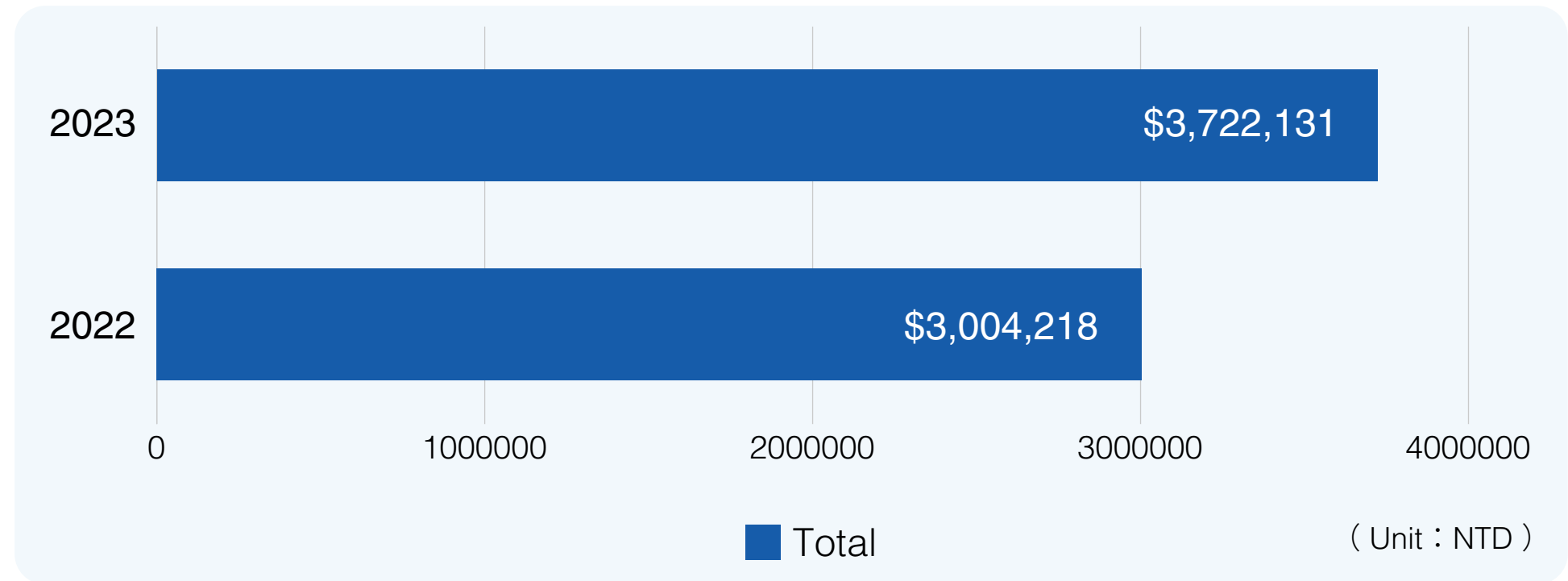




### 1.5.3 Information Security Resources Investment

In 2023, nearly NTD 3.72 million was invested in information security-related projects, an increase of approximately 24% compared to 2022 (this only includes information security-related projects, excluding other software, hardware, and infrastructure projects).

#### Information Security Investment Amount in the Last Two Years



The information security protection measures implemented in 2023 are shown in the table below.

- 1 Adopt M365 hybrid cloud services with Defender for Enterprise to monitor and reduce the probability of external phishing and account theft.
- 2 Conduct irregular internal network vulnerability scans.
- 3 Plan internal network risk analysis audit services: prevent APT malware, monitor C&C connection behavior, detect attack activities and characteristics, analyze file transmissions, identify malicious network behavior and abnormal network connections, and present the attack process and extent of impact comprehensively.
- 4 Review security vulnerabilities in the group's network architecture, following network architecture security design, backup mechanism design, network access control, network equipment management, and host equipment configuration.
- 5 Review security vulnerabilities in the group's network architecture, following network architecture security design, backup mechanism design, network access control, network equipment management, and host equipment configuration.

- 6 Engage external cybersecurity teams to scan and analyze the company's internal and external network equipment and security environment, produce cybersecurity improvement reports, and comprehensively promote information security improvement plans.
- 7 Purchase security modules for firewalls to enhance blocking mechanisms.
- 8 Optimize backup architecture to isolate against ransomware attacks.
- 9 Collect cybersecurity intelligence to timely patch security vulnerabilities.
- 10 Implement CrowdStrike MDR endpoint protection to strengthen cybersecurity defenses for headquarters and overseas plant servers, enabling precise and swift disruption of hidden malware and hacker attacks within the internal network.
- 11 Regularly conduct educational training and cybersecurity awareness campaigns to enhance employees' information security awareness.

The identification of information system vulnerabilities is primarily conducted through regular security reviews and vulnerability scans. AmTRAN adopts internationally certified security tools and services and has established a centralized vulnerability reporting system. For identified product security vulnerabilities, AmTRAN promptly assesses the severity and authenticity of these vulnerabilities and prioritizes them based on severity. For high-risk vulnerabilities, AmTRAN has a dedicated team for immediate response, ensuring that these vulnerabilities are patched as quickly as possible to prevent product security issues or customer data breaches. Additionally, the Information Security Department regularly conducts employee information security education and training to enhance their ability to identify and address security issues.

AmTRAN places great importance on supply chain information security and regularly engages in information security exchanges with suppliers. This helps to improve the information security management organization and systems within the value chain, aligning with the policy direction of government authorities that require enterprises to establish dedicated information security units.

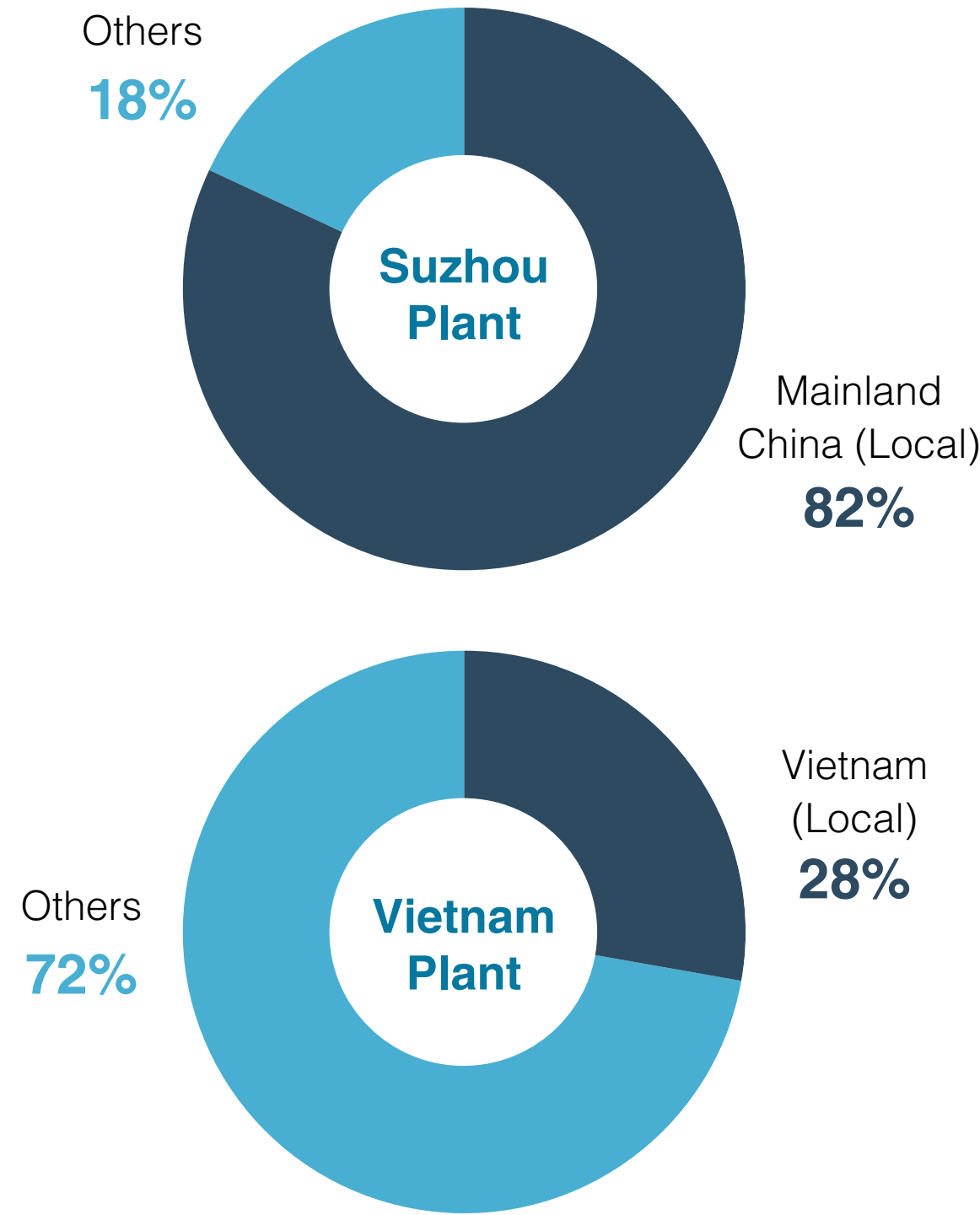
With effective prevention of various external attacks through multiple layers of information security technology protection, AmTRAN did not experience any information security incidents in 2023, nor did it receive any complaints from regulatory authorities or external parties regarding customer privacy breaches.



# 1.6 Supply Chain Management

## 1.6.1 Local Procurement

AmTRAN's supply chain is primarily located in Taiwan, mainland China, and Vietnam. The upstream supply chain consists of raw material or component suppliers, while the downstream comprises brand customers. In 2023, the local procurement amounts were 82% in mainland China and 28% in Vietnam, with the overall group local procurement ratio totaling 62% <sup>(Note)</sup>.



Note: AmTRAN's Taipei headquarters only handles procurement business processes and does not directly purchase raw materials. Therefore, the local procurement ratio for the headquarters is not separately calculated.

## 1.6.2 Key Material Risk Management

To avoid the impact of raw material fluctuations, shortages, significant price volatility, and susceptibility to production capacity on product delivery schedules, AmTRAN lists potentially affected raw materials and conducts risk identification and analysis. The company formulates improvement measures for corresponding risks to ensure the stability of raw material supply, reduce the risk of product delivery delays, and maintain stable business operations.

| Key Raw Materials   | Risk Identification   | Corresponding Measures  |
|---|---|---|
| <ul style="list-style-type: none"> <li>Mechanical Plastic Parts</li> <li>Light Guide Plates, Light Strips, Diffuser Plates</li> <li>Semiconductor Components</li> <li>Panels</li> </ul> | <ul style="list-style-type: none"> <li>Physical limitations on availability and supply channels</li> <li>Price fluctuation risk</li> <li>Force majeure factors affecting material supply</li> <li>Strategic cooperation with suppliers to stabilize market prices</li> <li>Impact of demand volume on allocation</li> <li>Regulatory risk</li> <li>Mold capacity risk</li> <li>Raw material fluctuation risk</li> </ul> | <ul style="list-style-type: none"> <li>Review capacity to determine if duplicate molds are needed</li> <li>Analyze international prices and product market fluctuations to assess and control costs</li> <li>Diversify suppliers</li> <li>Incorporate alternative raw materials whenever possible</li> <li>Source panel materials from at least two suppliers and diversify shipping locations</li> <li>Ensure that other materials from suppliers also have at least two sources to avoid shortages</li> <li>Maintain buffer stock</li> <li>Maintain long-term, good relationships with suppliers</li> </ul> |

### Conflict Minerals

Additionally, regarding the management of conflict metals, suppliers are required to sign a "Conflict-Free Minerals Declaration." Suppliers must complete the Responsible Minerals Initiative (RMI) Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT). Suppliers must use smelters that comply with the Responsible Minerals Assurance Process (RMAP) standards within the RMI. The company is committed to thoroughly investigating its supply chain. In 2023, the supplier coverage rate for signing the "Conflict-Free Minerals Declaration" was 100%, ensuring that metals such as gold (Au), tantalum (Ta), tungsten (W), and tin (Sn) are not sourced from mines controlled by militia groups, illegal organizations, or from conflict zones in the Democratic Republic of Congo (including countries identified by the United Nations Security Council outside the Democratic Republic of Congo) or obtained through illegal smuggling routes.





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### 1.6.3 Supplier Evaluation

To fulfill its responsibility for supply chain management, AmTRAN implements sustainable supply chain management through mechanisms such as new supplier selection, supplier management and quality improvement, signing the Supplier Code of Conduct, and supplier audits. For the ESG risk assessment of new suppliers, one of AmTRAN's new supplier audit items references the latest version of the Responsible Business Alliance (RBA) Code of Conduct, covering issues such as labor and human rights, environment, occupational health and safety, and management systems.

In 2023, the total number of new suppliers using environmental/social standards for screening was 39 for the headquarters, 9 for the Suzhou plant, and 30 for the Vietnam plant, with the percentage of new suppliers using this standard being 100% across the entire group. Both the headquarters and the Vietnam plant had one new supplier that did not pass the screening. Improvement suggestions or actions such as suspension or termination of transactions will be provided for those suppliers who do not pass the screening.

AmTRAN also conducts social responsibility and environmental/health and safety assessments of existing suppliers, based on the RBA. The assessment items include four aspects: occupational health and safety, human rights, environment, and ethical behavior. Suppliers with fewer than 18 non-compliant items are considered qualified and can continue to collaborate; those with up to 25 non-compliant items need improvement but can continue to collaborate; those with more than 25 non-compliant items are disqualified and cannot continue to collaborate.

In 2023, no suppliers were identified as having significant actual negative impacts on the environment and society after evaluation. In addition to managing suppliers through questionnaires and evaluations, AmTRAN improves supplier quality control through supplier quality management and improvement, as well as supplier support and quality enhancement. The supplier management and quality improvement mechanisms and processes are as follows :

|   |  |  |  |
|---|--|--|--|
|   |  |  |  |
| Hold regular quality meetings with suppliers to conduct risk assessments, problem analysis, and improvements. | Conduct annual supplier audits and / or supplier self-assessments. | If suppliers do not make improvements or if the quality defect rate continues to exceed standards, impose quality penalties according to contract terms. | Replace suppliers if they encounter major quality issues or if quality problems are not addressed within three months. |

Suppliers are required to sign the "Supplier Code of Conduct," "Subcontractor Supplier Social Responsibility Commitment," "Supplier RBA Standard Requirement Agreement," and "Social Responsibility and Business Ethics Statement" to confirm their understanding of AmTRAN's requirements for a responsible supply chain regarding human rights, occupational health and safety, environment, and management systems, and to ensure compliance. Additionally, all suppliers must sign the "Integrity Commitment" and the "Anti-Corruption Business Agreement," committing not to provide personal benefits to any AmTRAN employees and their relatives, and to faithfully execute all buying and selling and transaction activities, thereby avoiding corruption incidents.

In the future, AmTRAN will continue to monitor risks generated by suppliers and plans to introduce RBA audits (Validated Audit Process, VAP) or equivalent standard audits to identify high-risk and non-compliant suppliers. The company will assist these suppliers in improving deficiencies to ensure the quality of suppliers.

## 1.7 Investor Communication

AmTRAN places a strong emphasis on stakeholder rights while pursuing profitability, integrating ESG responsibilities into its operations. Regarding shareholder rights, the company spokesperson conducts stakeholder dialogues, accepting suggestions, inquiries, and resolving disputes from stakeholders. Depending on the nature of the issues, relevant departments handle suggestions and dispute resolutions accordingly.

To create maximum benefits for stakeholders is a unified goal that AmTRAN and all employees strive for together. In order to maintain good communication channels with key stakeholders, information is disclosed openly to them. Apart from regular annual and semi-annual shareholder meetings, corporate briefings, and occasional institutional investor conferences where operational and financial updates are provided to investors, the company also publishes relevant information on its official website. This includes financial statements, conference presentations and materials, corporate regulations, governance practices, ESG aspects covering environmental, social, and governance issues, as well as significant information disclosures. This transparency aims to provide important stakeholders with the information they need for reference and understanding.







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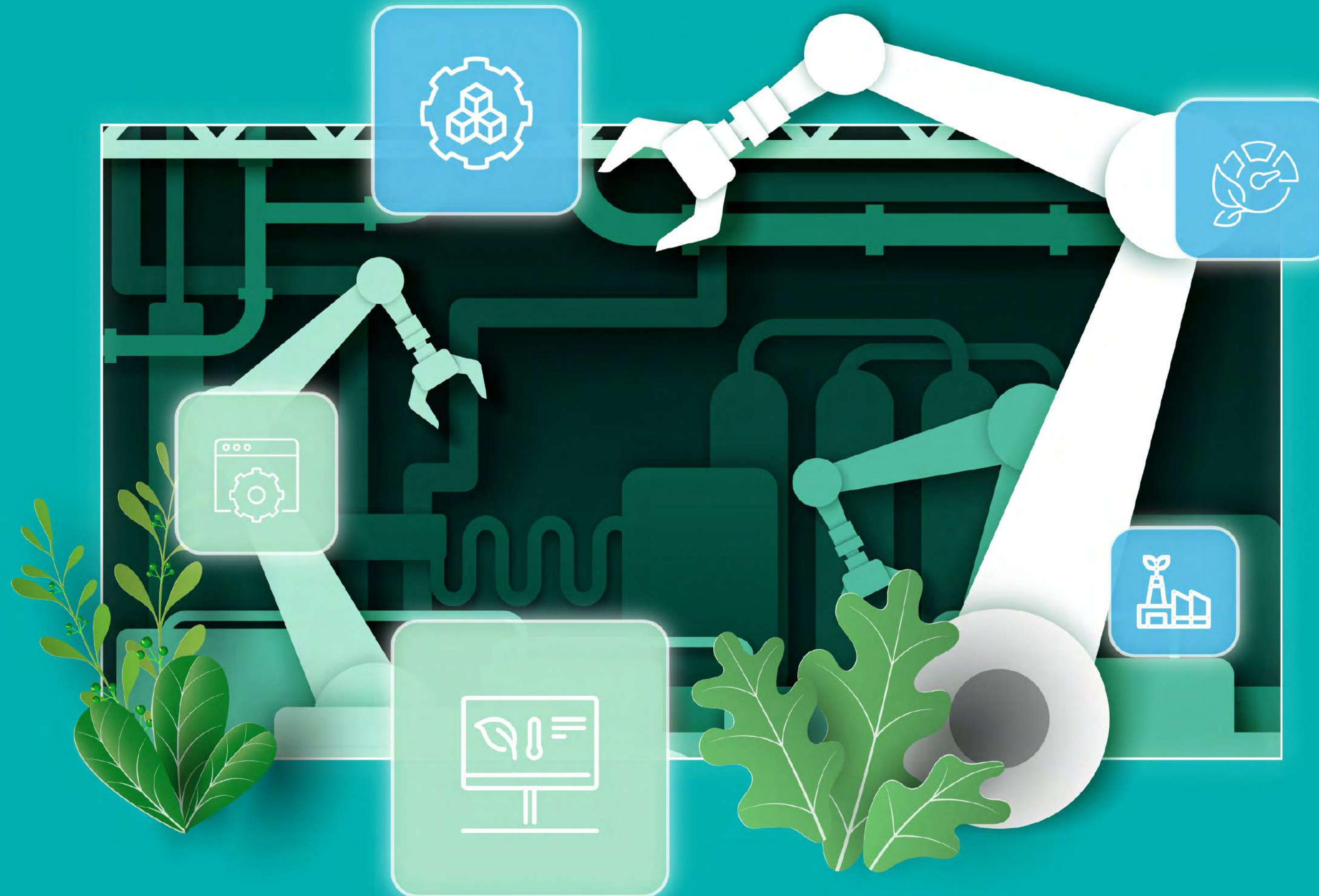
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# 02

## Green and low-carbon energy-efficient Products

Management Policy

2.1 Sustainable Products

2.2 Hazardous Substance Management

2.3 Innovation and R&D

2.4 Customer Relationship Management





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## Management Policies

### Material Topics

Sustainable Products

### GRI Index

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### Explanation of Positive and Negative Impacts

#### Explanation of Positive Impacts :

Providing environmentally friendly products such as low-carbon energy-saving products and eco-friendly packaging materials aligns with trends in environmental protection and energy saving, meets customer needs, and reduces environmental impact.

#### Explanation of Negative Impacts :

Failure to meet requirements for environmental protection, energy saving, and conflict minerals management can affect customer orders and damage the company's image.

### Policy

1. Consider the environmental impact factors of the product life cycle, including production, transportation, use, and recycling, during the product design stage.
2. Ensure that products on the market are energy-saving, resource-efficient, easy to recycle, and low-hazard.

### Targets

#### Short-term Targets (2024) :

1. Introduce 2 new low-carbon products
2. Reduce the power consumption of existing products by 5%
3. Establish a list of recycled materials
4. Ensure that 8% of products use recycled materials

#### Mid- and Long-term Targets (2026) :

1. Introduce 5 new low-carbon products
2. Conduct product carbon footprint analysis and reduce product carbon emissions by 10%
3. Reduce the power consumption of products by 10%
4. Reduce product packaging usage by 20%
5. Ensure that 10% of products use recycled materials
6. Modify packaging stacking methods to increase shipping quantity by 10%
7. Increase the proportion of self-manufactured materials in the plant to 40%

#### Long-term Targets (2030) :

1. Introduce 8 new low-carbon products and reduce product carbon emissions by 30%
2. Reduce the power consumption of products by 20%
3. Reduce product packaging usage by 30%
4. Ensure that 20% of products use recycled materials

### Action Plan

#### Negative Impact Actions

Incorporate green design into three aspects: reduction of raw materials, energy-saving, and recycling, to improve the efficiency of energy and resource use in the production and use process of products.

#### Positive Impact Actions

Prioritize the use of recyclable packaging materials and minimize packaging usage to reduce greenhouse gas emissions during product transportation. Extend product lifespan through repair services to reduce the environmental footprint during the consumption process.

Ensure that TV products meet the standards for using recycled pulp packaging boxes set by brand customers and achieve the energy consumption reduction standards of the US (CEC/DoE) and Canada (NRCam).

Ensure that 85% of TV product packaging boxes are made from 100% recycled paper.

- Ensure that monitor products obtain 100% energy-saving certification from the US (CEC), EU (ERP), Australia (GEMS), China (CEL), and South Korea (e-standby).

### Effectiveness Evaluation

1. Use XRF instruments to inspect production line materials and employ sampling methods to prevent non-compliant materials from entering, ensuring that green components are used and products comply with various chemical substance management regulations.
2. Obtain RoHS reports.
3. Implement ezGPM green supply chain management system to ensure that the products produced comply with regulations.

### Grievance Mechanism

Phone : 02-82280505 #1833  
Email : penny.wang@amtran.com.tw





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Hazardous Substance Management

## GRI Index

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## Explanation of Positive and Negative Impacts

### Explanation of Positive Impacts :

Effective management of hazardous substances in products helps create safer and more environmentally friendly consumer products. This not only protects consumers, the environment, and surrounding communities from the harmful effects of hazardous substances, but also improves product quality, enhances consumer trust, and fosters brand loyalty.

### Explanation of Negative Impacts :

If products contain excessive hazardous substances, it may lead to consumer health issues and environmental pollution, especially during product disposal and recycling. This can result in decreased consumer trust in the brand and attract attention from the public and regulatory agencies. Additionally, the company may face product recalls, legal actions, and hefty fines, severely impacting its financial condition and market position.

## Policy

Ensure that products comply with the EU RoHS Directive, the EU REACH Directive Article 7(2) chemical substance management regulations, and the non-halogenated requirements of specific customers.

## Targets

### Short-term Targets (2024) :

1. Ensure 100% of product components are tested by third-party inspection agencies.
2. Ensure 100% of products comply with all chemical substance management regulations.

### Mid- and Long-term Targets (2026) :

1. Ensure 100% of product components are tested by third-party inspection agencies.
2. Ensure 100% of products comply with all chemical substance management regulations.

### Long-term Targets (2030) :

1. Ensure 100% of product components are tested by third-party inspection agencies.
2. Ensure 100% of products comply with all chemical substance management regulations.

## Action Plan

### Negative Impact Actions

- Implement the ezGPM green supply chain management system to consolidate and manage regulatory and upstream raw material chemical substance usage information, ensuring chemical substance management throughout the value chain to guarantee that products are free of toxic and harmful chemicals.

### Positive Impact Actions

1. Prioritize the use of non-toxic raw materials in production.
2. Ensure that 100% of product components and materials are tested by third-party inspection agencies.

## Effectiveness Evaluation

- Use XRF instruments to inspect production line materials and employ sampling methods to prevent non-compliant materials from entering, ensuring that green components are used and products comply with various chemical substance management regulations.
- Obtain RoHS reports.
- Implement ezGPM green supply chain management system to ensure that the products produced comply with regulations.

## Grievance Mechanism

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## Material Topics

Innovation and Research

## GRI Index

GRI 3-3

## Explanation of Positive and Negative Impacts

Explanation of Positive Impacts :  
Establish product development and innovation advantages to maintain market competitiveness, increase the acquisition and quantity of company intellectual property patents, and develop innovative products.

Explanation of Negative Impacts :  
Failure to meet environmental protection, energy-saving, and conflict minerals management requirements can affect customer orders and damage the company's image.

## Policy

Ensure new business growth engines through innovation and the development of advanced core technologies, thereby enhancing AmTRAN's competitiveness in the industry.

## Targets

- Short-term Targets (2024) :
1. Increase the number of patents obtained by 10% compared to the previous year
  2. Increase research and development expenditure by 10% compared to the previous year
  3. Conduct technical exchange courses with suppliers on carbon reduction, recycling design, and materials
  4. Collaborate with enterprises to develop 2 new products
  5. Introduce 2 new technologies or materials that enhance performance

- Mid- and Long-term Targets (2026) :
1. Increase research and development expenditure by 20% compared to 2022
  2. Collaborate with enterprises to develop 5 new products
  3. Evaluate the usability of packaging boxes
  4. Introduce 5 new technologies or materials that enhance performance

- Long-term Targets (2030) :
1. Increase research and development expenditure by 40% compared to 2022
  2. Collaborate with enterprises to develop 10 new products
  3. Ensure that products with reusable packaging boxes account for 20% of revenue
  4. Introduce 10 new technologies or materials that enhance performance.

## Action Plan

- Positive Impact Actions
1. Initiate industry-academia collaboration programs
  2. Prioritize recyclable, non-composite materials for packaging
  3. Achieve waste reduction (Reduce), reuse (Reuse), and recycling (Recycle) goals
  4. Improve product energy efficiency (reduce the number of LED lights to lower energy consumption)
  5. Use 100% recycled pulp for product packaging boxes and extend the usability of packaging boxes
  6. Increase the number of products developed in collaboration with enterprises
  7. Develop new technologies and materials to enhance product efficiency
  8. Regularly conduct technical exchange courses with suppliers on carbon reduction, recycling design, and materials
  9. Increase the number of patent applications and research and development expenditure

## Effectiveness Evaluation

Annually review targets such as the number of patents obtained through regular meetings and dynamically adjust relevant countermeasures to ensure the gradual implementation of short, medium, and long-term goals.

## Grievance Mechanism

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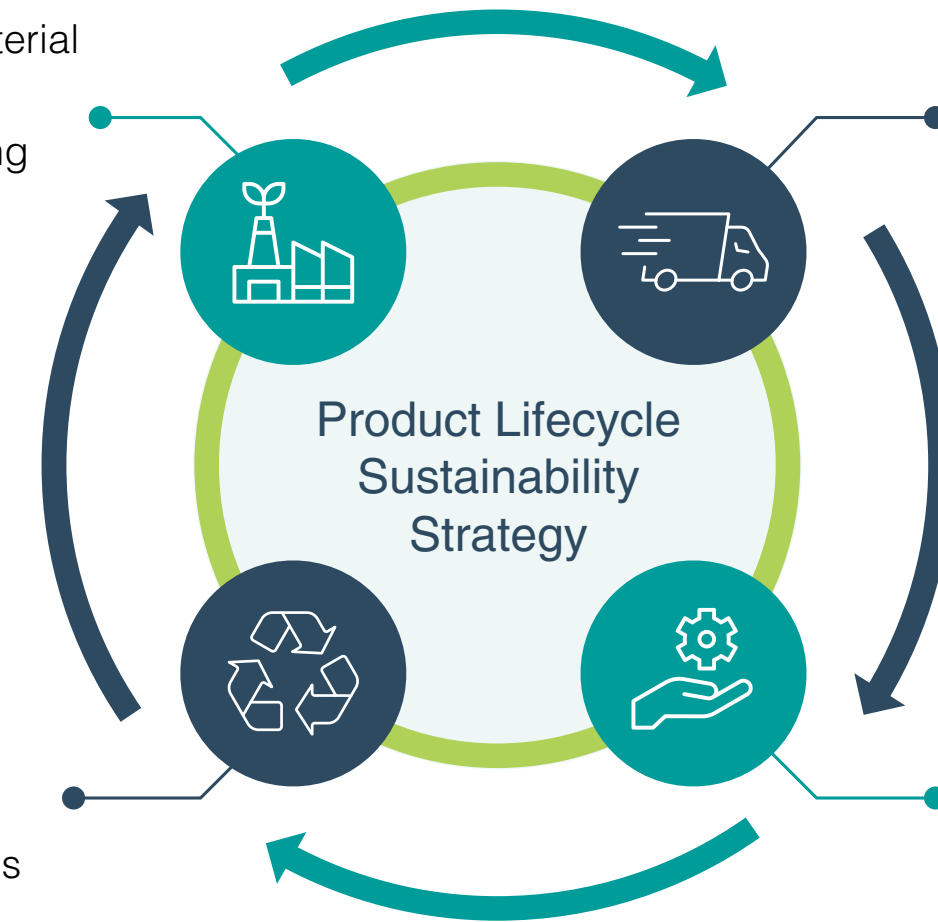
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## 2.1 Sustainable Products

With the gradual depletion of natural resources and the increasing awareness of environmental sustainability among consumers, AmTRAN regards sustainable products as an important development goal to alleviate the burden on the earth and ensure the provision of harmless and safe products to consumers. Therefore, we are committed to developing and promoting products that meet international environmental standards and safety regulations, including energy saving, reduced resource consumption, recyclability, and low hazard, aiming to make a positive contribution to the environment and society. During the product design phase, AmTRAN considers the potential environmental impacts throughout the product lifecycle, including production, transportation, usage, and recycling stages. Specific green design principles are formulated for the product lifecycle. Through continuous technological innovation and strategic adjustments, we aim to achieve environmentally friendly goals for the product lifecycle and provide consumers with more sustainable and healthy products.

### Production Phase

- Consider product material selection, structural design, and packaging design
- Introduce fully automated testing and calibration in the assembly production to improve quality, capacity, and reduce production costs



### Transportation Phase

- Consider product transportation loading efficiency

### Usage Phase

- Consider the product's energy efficiency
- Improve product quality and durability

### Recycling Phase

- Consider the product's recycling, reuse, and regeneration rate

## Sustainable Product Strategies –Production Phase

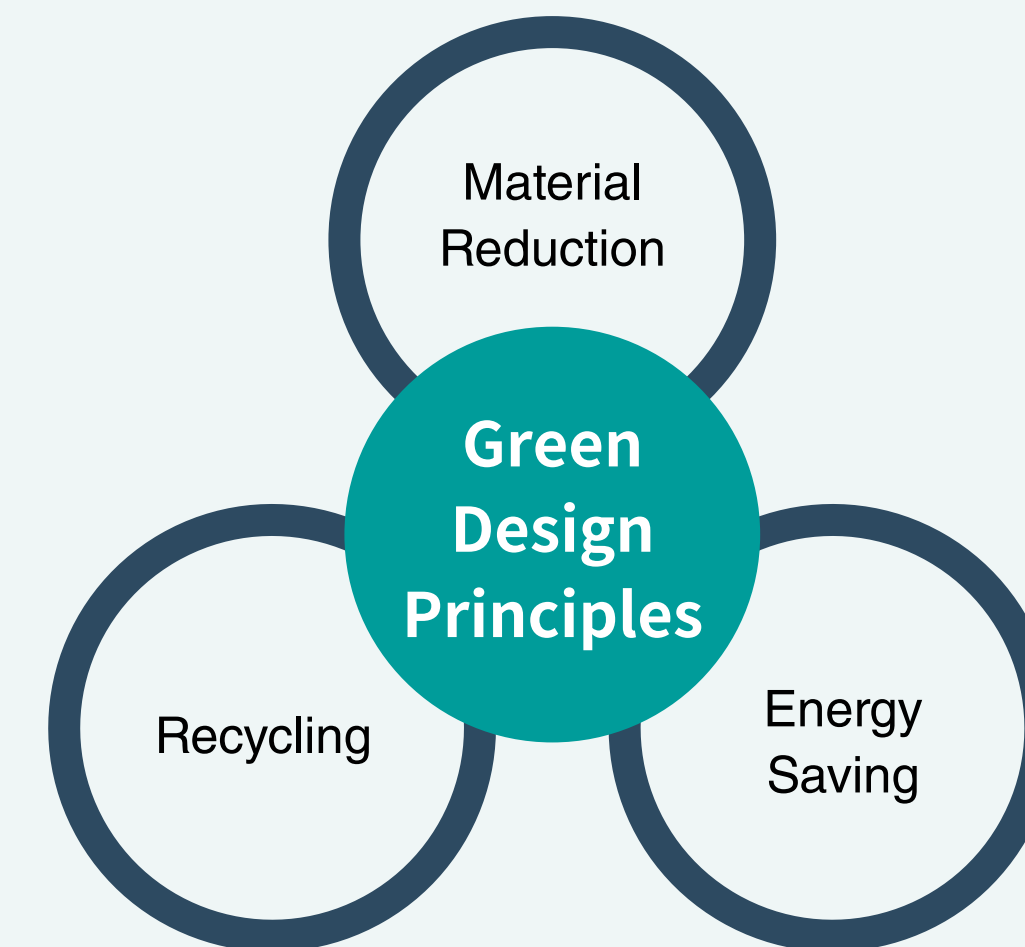
AmTRAN's green design thinking in the production phase includes reducing upstream raw materials, enhancing energy efficiency, and promoting recycling. We prioritize selecting suppliers of raw materials that meet environmental and low-carbon sustainability standards and focus on improving resource efficiency in production. In the manufacturing process, we strive to reduce resource consumption, maximize energy-saving performance during product use, and ensure consumer health and safety through the use of non-toxic and hazardous-free materials.

**Follow principles of using non-toxic materials and easy disassembly design for long-term non-toxicity and recycling convenience, reducing environmental impact at the product end-of-life stage.**

- Ensure European-regulated products comply with EU WEEE Directive, achieving an 80% recovery rate and a 70% reuse and recycling rate.
- Use single-material plastics for structural components and label recycling marks and material content for plastics over 25g, assisting in product disassembly reports for easier recycling.
- Utilize snap-fit design to reduce the number of screws, enhancing disassembly convenience and reducing raw material usage.
- Use post-consumer recycled plastics (PCR) in product production, certified by third parties.

**Reduce material usage in the production process to maximize resource efficiency.**

- Modularize components, use standard parts, and increase commonality.
- Make panels thinner and lighter to reduce product volume and weight.
- Enhance the exterior painting process to increase the recycling rate of powder coatings.



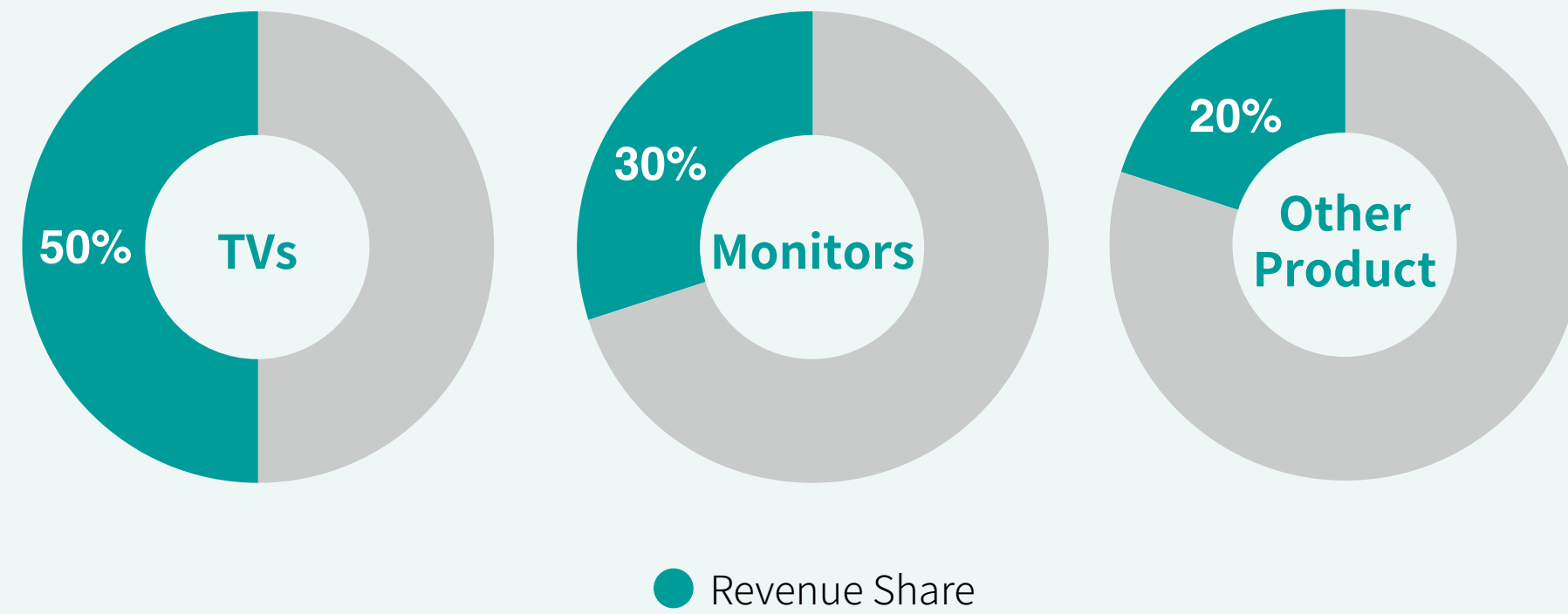
**Develop high-efficiency, energy-saving products.**

- Use LED backlight technology in TVs and monitors for energy-saving, mercury-free, and slim design advantages.
- Adopt high-efficiency power design in compliance with national energy regulations and consider heat dissipation to achieve high-spec energy-saving product design.



AmTRAN generates 78% of its revenue from display and TV products. To implement green design concepts in products, we invest in low-energy research and development for key products, reducing environmental impact and bringing energy-saving benefits to customers. All AmTRAN-produced screens and TV products achieved 100% energy efficiency certification in 2023. Despite generating only 19% of revenue from mice and conference video products, AmTRAN has used 85% recycled plastics in these products since 2023, verified by third parties, demonstrating our commitment to green design across all product categories regardless of revenue.

### Green Design Product Categories



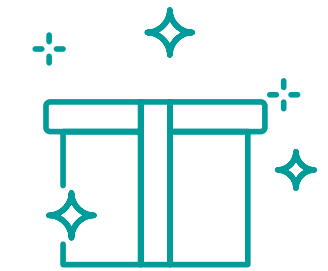
Third-Party Certification -Mouses and conference video products use 100% post-consumer recycled plastics in 2023.



## Sustainable Product Strategies –Transportation Phase

To reduce carbon emissions and enhance shipping efficiency during the logistics process, AmTRAN has optimized product packaging comprehensively. Through redesigning packaging and adjusting loading methods, we effectively reduced carton usage volume while ensuring product safety during transportation. These measures increased AmTRAN's shipping efficiency by 9.9% in 2023, reducing the number of shipments.

Due to the numerous components involved in TV and monitor production, traditionally sourced globally, causing significant transportation carbon footprints, AmTRAN integrates in-house production of some components and locally procures packaging materials. In 2023, AmTRAN successfully produced 3 monitor circuit boards and 22 models of iron and plastic parts in-house and locally procured packaging materials for 20 mouse and video products, significantly reducing carbon emissions during transportation. We aim to further increase in-house vertical production and local procurement ratios.



### Before Transformation



Yellow areas indicate the original honeycomb board usage area, with a loading quantity of 586 units.

### After Transformation



Redesigned to ensure transport safety while reducing honeycomb board area, increasing loading quantity to 644 units, enhancing loading efficiency by 9.9%.

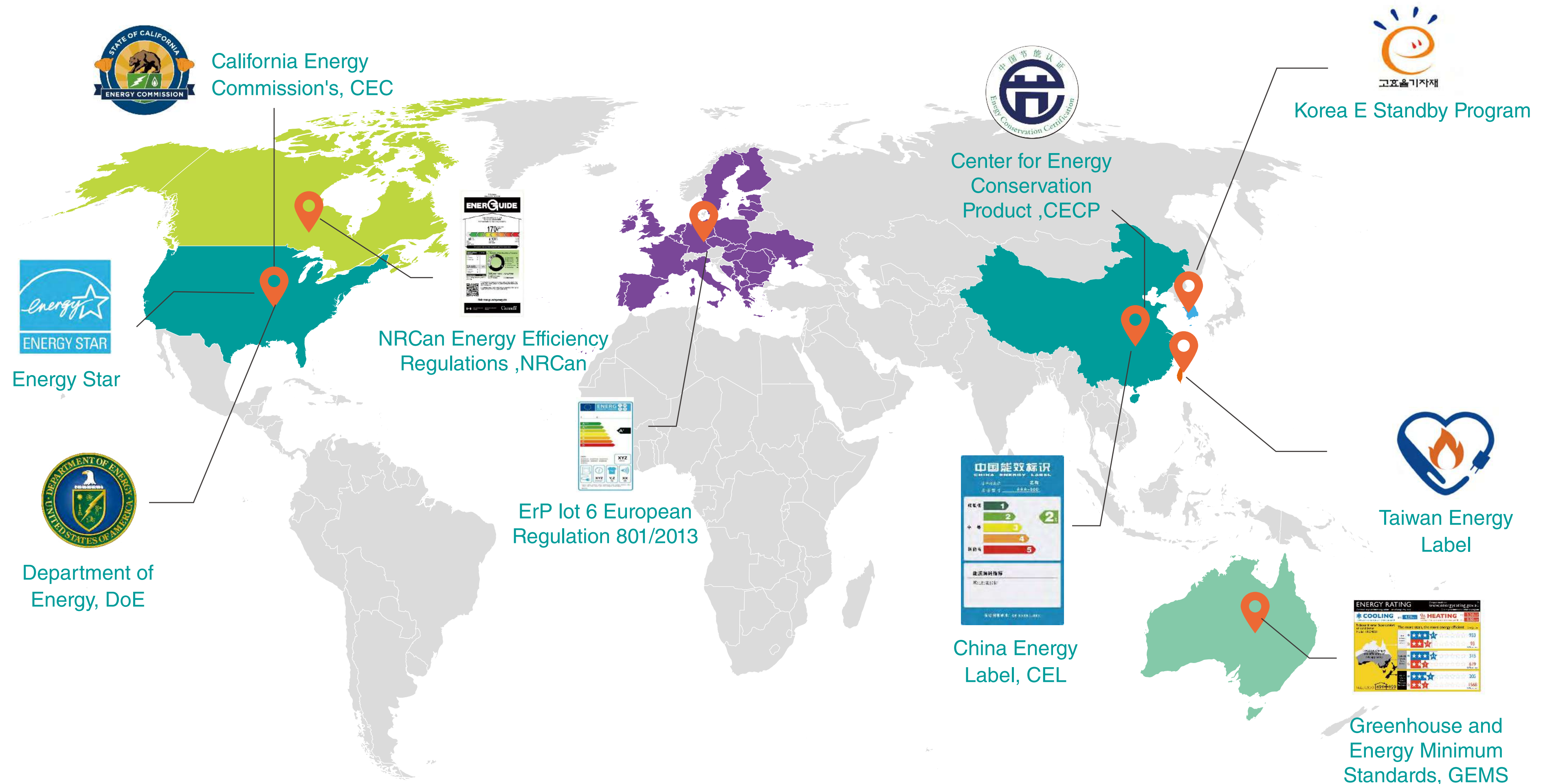




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## Sustainable Product Strategies –Usage Phase

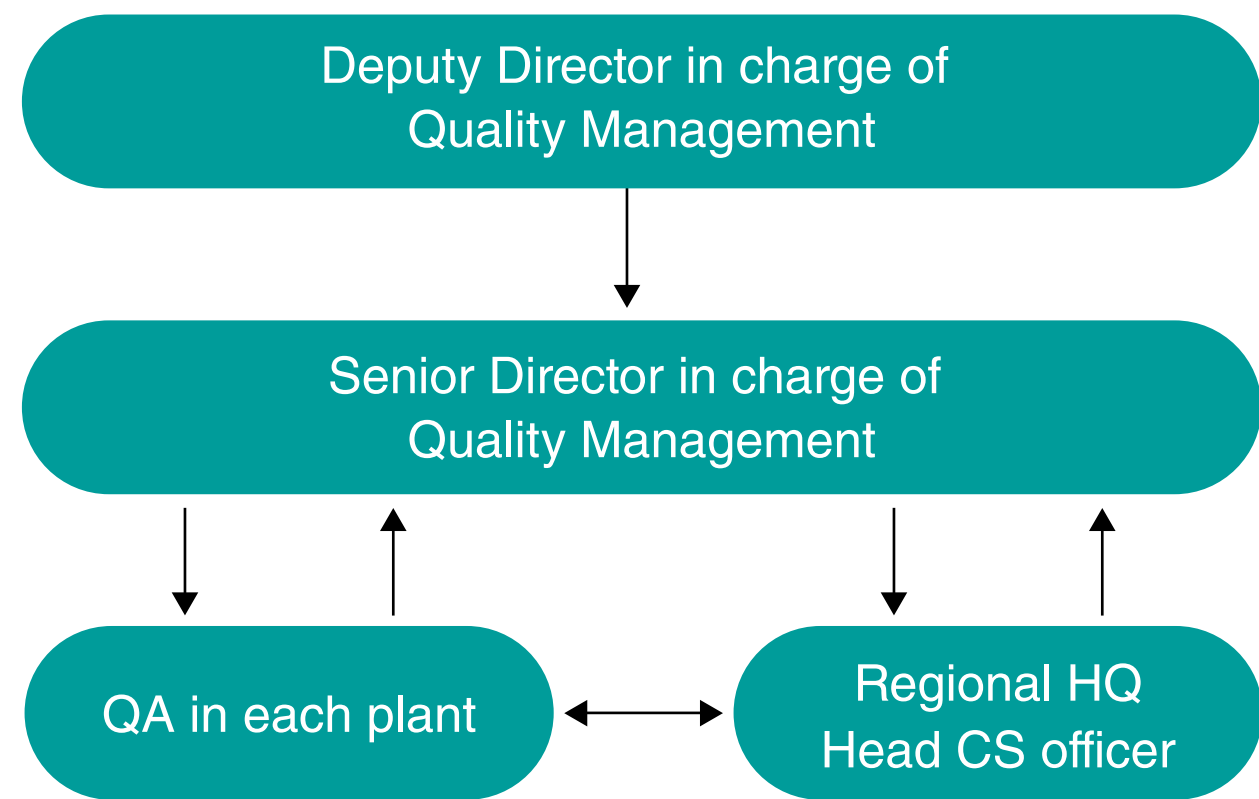
Compliance with regional and international green environmental regulations has become crucial for corporate exports in the global market. AmTRAN has obtained energy-saving certifications for products in multiple countries, including China, the U.S., Canada, Australia, and South Korea. In 2023, all TV and monitor products achieved energy certification, and AmTRAN will continue to promote the development of energy-saving, low-consumption, and carbon footprint reduction products, working with partners to promote sustainable development globally.



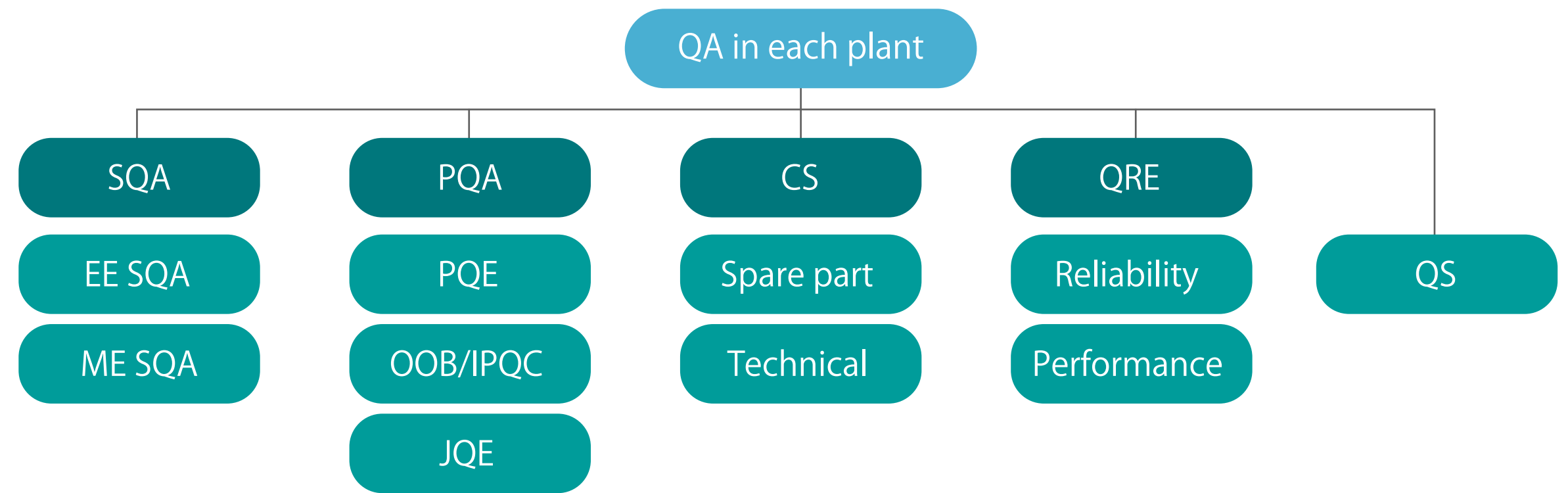


Product quality is the core of AmTRAN's competitiveness and the key to building brand reputation and customer trust. A strict quality management system effectively reduces the environmental and social impacts of products throughout their lifecycle, demonstrating the company's commitment to continuous improvement and responsibility. AmTRAN has established a cross-departmental product quality management framework, involving management at all levels and frontline employees in quality monitoring, ensuring high standards at every stage from product design, production, to sales. AmTRAN's product quality management process is based on the internationally certified ISO 9001 quality management system, with clear standards and guidelines from product design, raw material procurement, production, to final product testing and acceptance, ensuring product quality. For panel-related products supplied to automotive manufacturers, AmTRAN uses the IATF 16949 system for process management, recognized by major international car manufacturers, ensuring passenger safety. AmTRAN regularly invites ISO-certified third-party organizations for external audits to ensure the product quality management system meets ISO 9001 requirements and continuously improves. These external audits not only provide an effective means to maintain product quality but also transparently and openly demonstrate AmTRAN's commitment to quality.

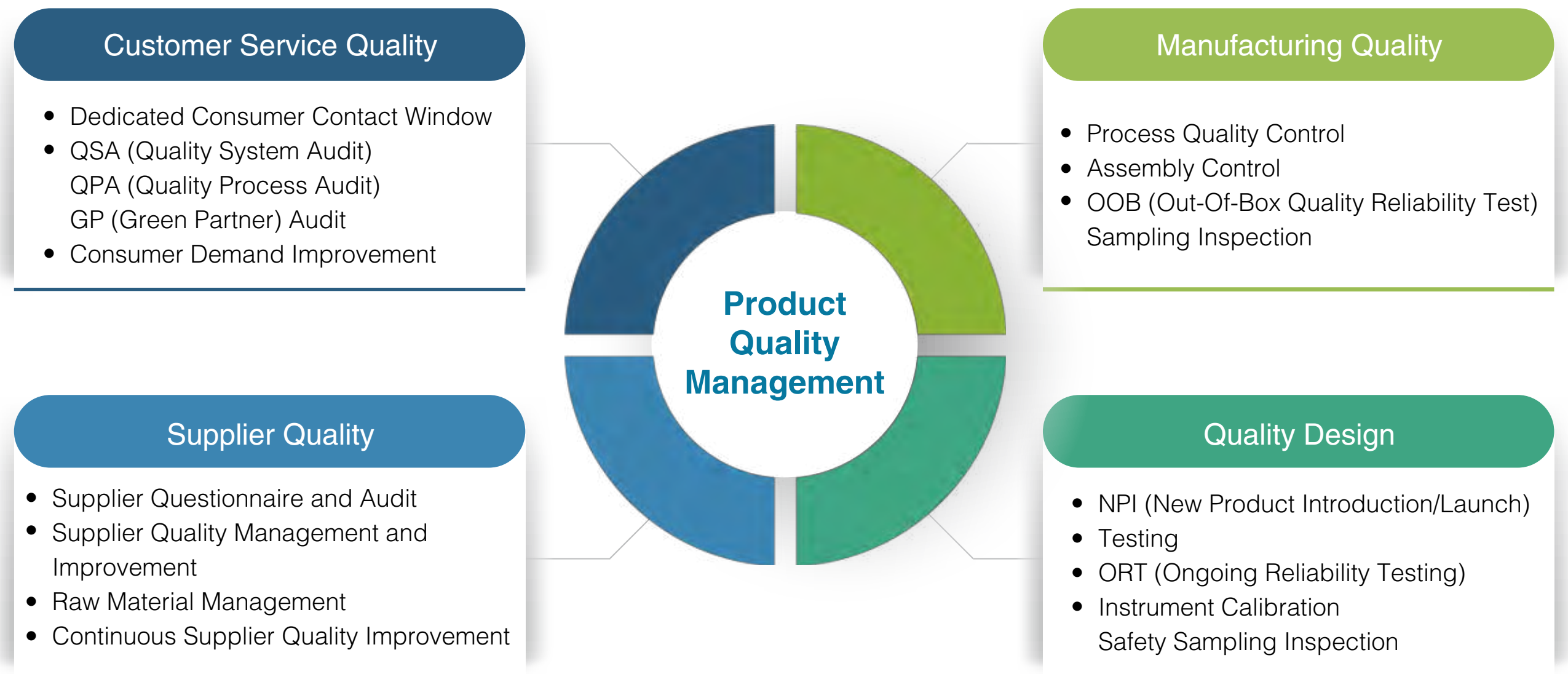
### AmTRAN Product Quality Management Framework



### Detailed Division of Product Quality Management in AmTRAN Manufacturing Sites



AmTRAN's product quality management covers four major aspects: "process quality", "design quality", "supplier quality", and "consumer service quality". For each aspect, AmTRAN formulates relevant operating procedures and execution points to ensure that the management process in planning (Plan), execution (Do), checking (Check), and action (Act) is fully implemented and enforced. The following is AmTRAN's product quality management process: 1. Increase resource investment in the product development and design stages to improve the initial quality of products; 2. Strengthen supply chain management to ensure all raw materials meet quality requirements; 3. Optimize production processes to reduce product defects; 4. Expand the scope of product testing and acceptance to ensure that each product shipped meets the highest quality standards.





| Product Quality Improvement Plan                                    | Description   |
|---|---|
| Improve Raw Material Quality and Yield                              | Increase the sampling ratio of key materials  |
| Reduce Process Defect Rate  | Add new testing procedures and assessments  |
| Reduce OC (LCD Panel) and COF (Chip-on-Film) Defects                | Modify COF (Chip-on-Film) clamp opening direction and save costs  |
| Reduce Production Line Foreign Matter                               | Add vacuum cleaners to BMS (Backlight Module Assembly Line) to reduce internal foreign matter in BMS                    |
| Introduce Big Data and AI Technology                                | Digitize and analyze quality management processes to detect potential quality issues early and take preventive measures |
| Avoid Batch Defects Caused by System Information Maintenance Errors | Automatically compare product information between factory MES and customer systems                                      |
| Change Flame Retardant Testing Methods and Procedures               | Conduct internal flame retardant tests on every batch of incoming materials in accordance with UL testing standards     |
| Increase Customer Verification Step for OOB Shipments               | Add system release action by QA after customer verification completion  |

## Sustainable Product Strategies –Recycling Phase

AmTRAN demonstrates its commitment to the circular economy through the recycling processing of TV and monitor products, significantly enhancing the recyclability of products at the end of their lifecycle through design and production strategy innovations. The company adheres to the principles of using non-toxic materials and implementing easy-to-disassemble designs, considering the environmental harmlessness of products after use and greatly facilitating the recycling process. These efforts ensure that AmTRAN's European standard products comply with the EU RoHS Directive and the Waste Electrical and Electronic Equipment Directive (WEEE), achieving an 80% recovery rate and a 70% reuse and recycling rate.

To further improve product recyclability, AmTRAN's R&D and production departments strive to use single-material plastics for structural plastic parts and mark the recycling logo and material content on plastics weighing more than 25g to assist in material identification during recycling. Some products use snap-fit designs to reduce the number of screws, reducing the demand for screw raw materials and greatly enhancing the ease of disassembly during recycling. Additionally, AmTRAN provides product disassembly reports to customers to optimize recycling work at the disposal stage, promoting product environmental friendliness and the practice of the circular economy. More content related to recycling and the circular economy can be found in section 3.3 Circular Economy.

## 2.2 Hazardous Substance Management

AmTRAN's products 100% comply with the EU RoHS Directive and the EU REACH Directive Article 7(2). For specific customers' requirements for halogen-free models, we comply by sourcing components that meet halogen-free specifications, such as using non-halogen flame retardants for plastic casings to avoid the release of toxic gases, producing mercury-free LED backlight modules, and not using PVC packaging materials that release dioxins when incompletely burned, thereby reducing the impact of products on human health and the environment throughout their lifecycle. In 2023, AmTRAN did not have any incidents of non-compliance with health and safety regulations related to products and services. In light of the Australian government's plan to ban foam packaging from July 2025, the R&D department has begun planning the use of alternative materials for product packaging. For Sweden's chemical tax regulations, products using more than 25g of plastic materials do not add halogen flame retardants to enjoy tax benefits. Some products in the European market have also begun using halogen-free PCB boards and external cables.

| Regulation Item                  | RoHS 2.0   | REACH   | Halogen-Free Specification   |
|----------------------------------|--|---|--|
| Regulation Content               | Lead (Pb), Mercury (Cd), Hexavalent Chromium (Cr6+), Polybrominated Biphenyls (PBBs), Polybrominated Diphenyl Ethers (PBDEs), Di(2-ethylhexyl) phthalate (DEHP), Benzyl butyl phthalate (BBP), Dibutyl phthalate (DBP), Diisobutyl phthalate (DIBP) < 1000 ppm | Article 7(2) guidelines: Products must not contain SVHC (Substances of Very High Concern) exceeding 0.1% weight ratio | Bromine (Br) and Chlorine (Cl) content in single-material components < 900 ppm |
|                                  | Cadmium (Cd) < 100ppm  |   | Bromine (Br) and Chlorine (Cl) total <1500ppm                                  |
| Percentage of Compliance in 2023 | 100%   | 100%  | 100%   |

note :  
 1.RoHS (Restriction of the use of certain Hazardous Substances in electrical and electronic equipment), is the European Union directive on the restriction of hazardous substances.  
 2.REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) is a regulation for the registration, evaluation, authorization, and restriction of chemicals. It is the European Union's directive for the control of chemical substances, aimed at environmental protection and safeguarding human health and safety.



Before introducing chemicals, AmTRAN evaluates the safety of chemicals through their Safety Data Sheets (SDS) to avoid using banned substances. Annually, we identify high-risk job positions through risk assessments and occupational hazard factor identification. For occupational hazard positions, we place risk notification cards on-site and require personnel to be equipped with personal protective equipment and undergo pre-job, on-job, and exit medical examinations to ensure employee health and safety in the work environment.

International hazardous substance regulations are continuously updated and expanded. Effective management of restricted substances to comply with international standards has become a crucial issue for enterprises. AmTRAN has implemented the ezGPM green supply chain management system to consolidate and manage regulations and upstream raw material chemical substance usage information. Through this information management system, AmTRAN can more efficiently check the environmental compliance of individual components, reduce data redundancy and processing time, minimize the risk of incomplete data due to manual data management, and lower interdepartmental information transmission costs. Additionally, replacing paper document exchanges with electronic procedures reduces paper usage and carbon emissions. All new and existing suppliers must upload component substance information, third-party inspection reports, and compliance statements for non-use of hazardous substances through AmTRAN's ezGPM green supply chain management platform. This platform enhances the convenience of querying component environmental data, preserves data integrity, and serves as a communication channel with suppliers by publishing the latest environmental regulations and supplier notices on the bulletin board.

To strengthen product chemical substance compliance, AmTRAN annually sends internal personnel for professional training on full material analysis of products. The full material analysis of products not only meets current regulatory requirements but also considers future potential new regulations to maintain product compliance and prevent any potential environmental risks. Through proactive hazardous substance management strategies, AmTRAN can identify and replace problematic substances in the early stages of product design, reducing the need for modifications after product launch.



## 2.3 Innovation and R&D

The company's continuous growth is driven by product innovation and R&D. To encourage the innovative spirit of the internal R&D team, AmTRAN has established the "Patent Invention Creativity Award" to reward outstanding R&D personnel and maintain the company's vitality. Externally, AmTRAN actively seeks collaboration opportunities; in 2023, joint R&D with major customers resulted in a 15.2% improvement in TV product performance, significantly reducing energy consumption and the indirect negative impact on the environment. Product performance, production processes, raw material usage, and end-of-life treatment have increasingly become important indicators for evaluating import and export products in various countries. High efficiency, low carbon emissions, and green design have become the focus of global technology giants in innovation and R&D. In response to this global trend, AmTRAN invested NTD 514 million in innovation and R&D in 2023, an increase of 12.61% from the previous year, primarily for improving product performance, reducing material usage, and optimizing manufacturing processes to find solutions to global warming.

### Total Patent Invention Creativity Bonuses and Number of Patents Obtained in the Last 3 Years

(Unit: NTD)

| Year                       | 2021    | 2022    | 2023    |
|----------------------------|---------|---------|---------|
| Issuing Bonuses Amount     | 610,000 | 850,000 | 660,000 |
| Number of Patents Obtained | 28      | 21      | 28      |

### Innovation and R&D Expenditure in the Last 3 Years

(Unit: NTD)

| Year                          | 2021    | 2022    | 2023    |
|-------------------------------|---------|---------|---------|
| Amount                        | 593,128 | 456,767 | 514,349 |
| Compared to the previous year | +29.49% | -22.99% | +12.61% |





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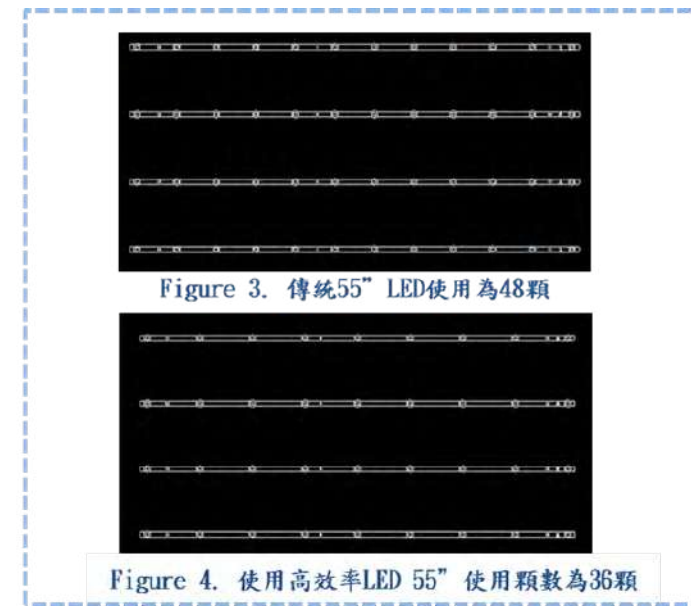
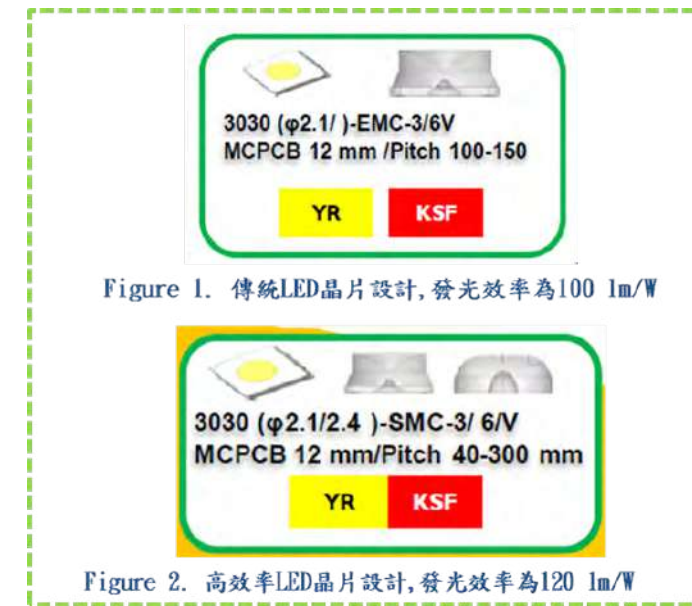
## 2023 Innovation and R&D Products and Solutions

| Innovation Product | Product Solutions |
|--------------------|-------------------|
|--------------------|-------------------|

Use high-efficiency LEDs to reduce display backlight power consumption, save electricity, and reduce LED usage to achieve carbon reduction and energy-saving goals.

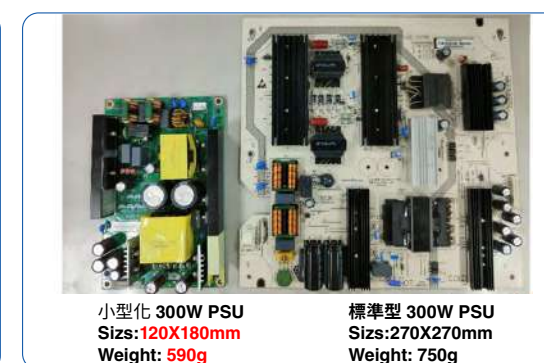
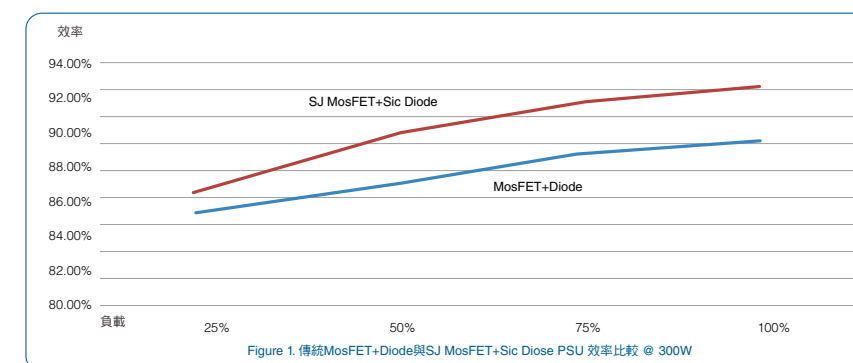
- A. Increase LED light efficiency by 20%, reducing backlight power consumption by 20%.
- B. Increase LED light efficiency, reducing LED usage. (For example, reduce LED usage by 25% for mainstream 55-inch TVs.)

### High-Efficiency LED Backlight Reduction and Energy Saving



Use third-generation semiconductor technology such as GaN FET & SiC Diode combined with Super Junction MOSFET to increase power board efficiency from 87% to 92.5%. A. Design miniaturized power boards, reducing PCB area by 70%, and reduce back cover area, lowering plastic usage. B. Design lightweight power boards, reducing weight by 20%, and lowering carbon emissions from transportation.

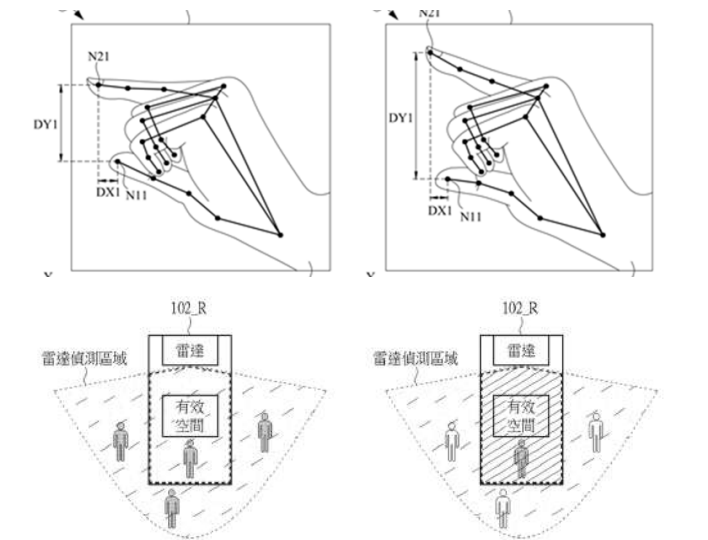
### Development of High Power Density Power Boards for High Efficiency, Miniaturization, and Lightweight Design



| Innovation Product | Product Solutions |
|--------------------|-------------------|
|--------------------|-------------------|

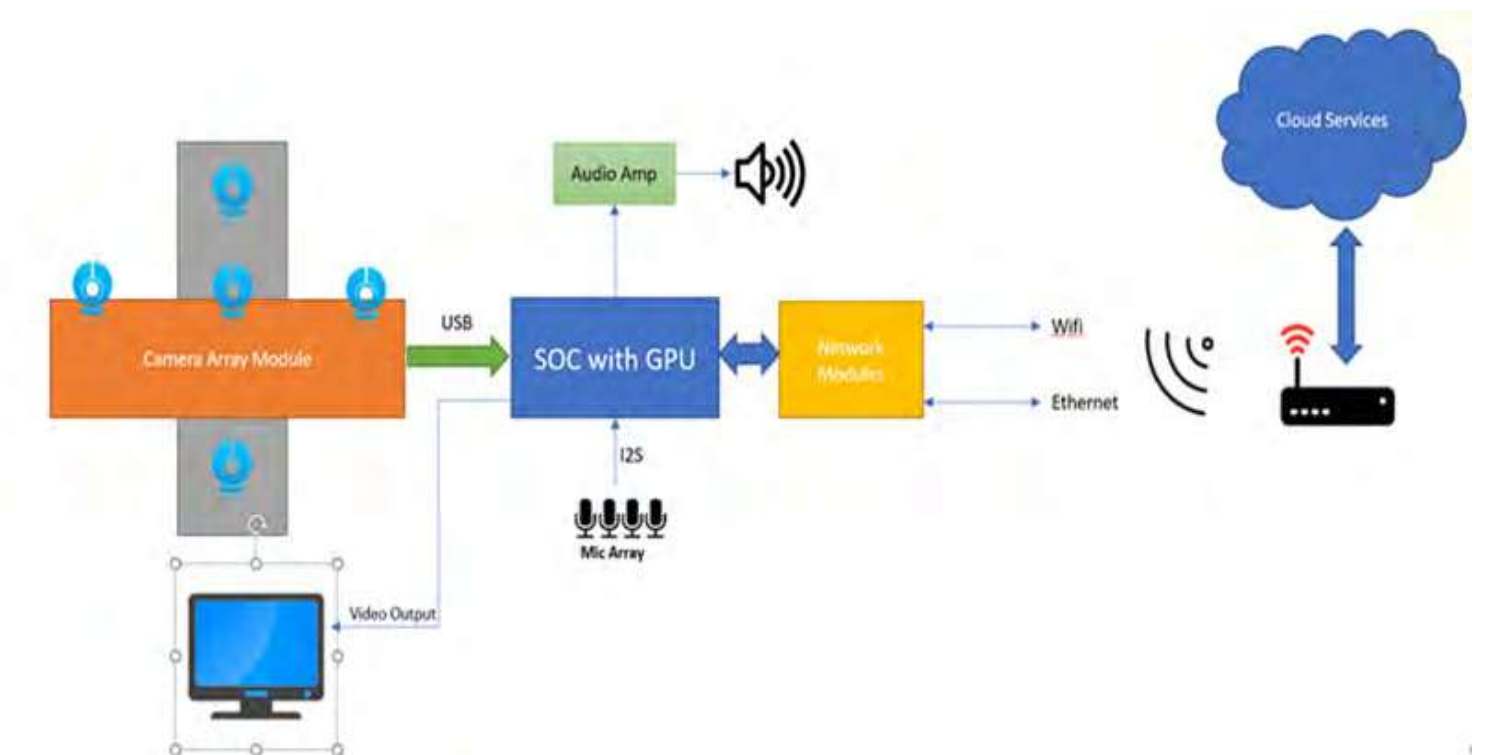
### Automated Assistance System for Initializing and Shutting Down Conference Video Systems

- A. Radar detection of personnel entering and leaving the conference surveillance space, activating or shutting down the video system:
  - (1) Set the surveillance range of the conference space and manage personnel entering and leaving.
  - (2) Monitor conference scenarios, switching system activation, sleep, and standby modes.
- B. Develop gesture control commands for large screen wall mounts, positioning the large screen at the optimal visual angle:
  - (1) Adjust the large screen to the best position
  - (2) Support structure for non-powered large screen wall mounts
  - (3) Electric handle and remote control.



- A. Visual detection and projection equipment to detect the visual angle of personnel on the near side and adjust the projection angle of remote objects accordingly.
- B. Visual detection system to recognize facial and eye focus movement, calculating the visual angle of objects.
- C. Capture the visual angle of objects using multiple cameras, obtaining images of objects based on the visual angle.

### Expansion of Augmented Reality Mode for Remote Video Conferencing Systems







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With the rapid development of emerging technologies, the digital revolution has become an important blueprint for shaping future technological development. Technologies such as 5G, IoT (Internet of Things), AI (Artificial Intelligence), and big data analysis not only make communication and operation more immediate but also make product sales and inventory evaluation more accurate, meeting customer needs more effectively. AmTRAN actively explores advanced technologies such as 5G, AIoT (AI and IoT combination), 3D vision technology, and intelligent robots, continuously advancing intelligent manufacturing innovation by integrating information data from the Taiwan headquarters, Suzhou factory, and Vietnam factory, enhancing the company's competitiveness, and creating greater value for customers. In 2023, AmTRAN achieved 39.7% automation in assembly and production, aiming for 100% in the future.

## Self-Innovation Automation Development :

1. Customer Specification Automatic Detection : AmTRAN insists on independently developing test programs, customizing and optimizing processes such as color accuracy/Gamma adjustment, Bluetooth WIFI multi-band testing, CCD (Charge-Coupled Device) screen inspection, and shipping system initialization according to different customer testing specifications, achieving automatic detection and error-proof functions, with overall testing efficiency 20% higher than industry competitors.



2. Automatic Patent Innovation R&D: Based on AmTRAN's deep R&D experience, the automation/R&D team continuously cooperates in innovation, exploring the perfect combination of R&D and factory automation. Industry-first automated processes such as automatic glue application, automatic support pin installation, automatic open cell pressing, and automatic bagging have been developed, actively applying for new utility patents.

3. 100% Autonomous Automation R&D Target: AmTRAN actively forms an automation development team, including processes such as automatic mouse assembly and automatic open cell edge sealing, further enhancing independent intellectual property rights and competitiveness.

## AmTRAN Automation Manufacturing Project :



Automatic Back Panel Input



Automatic Glue Application



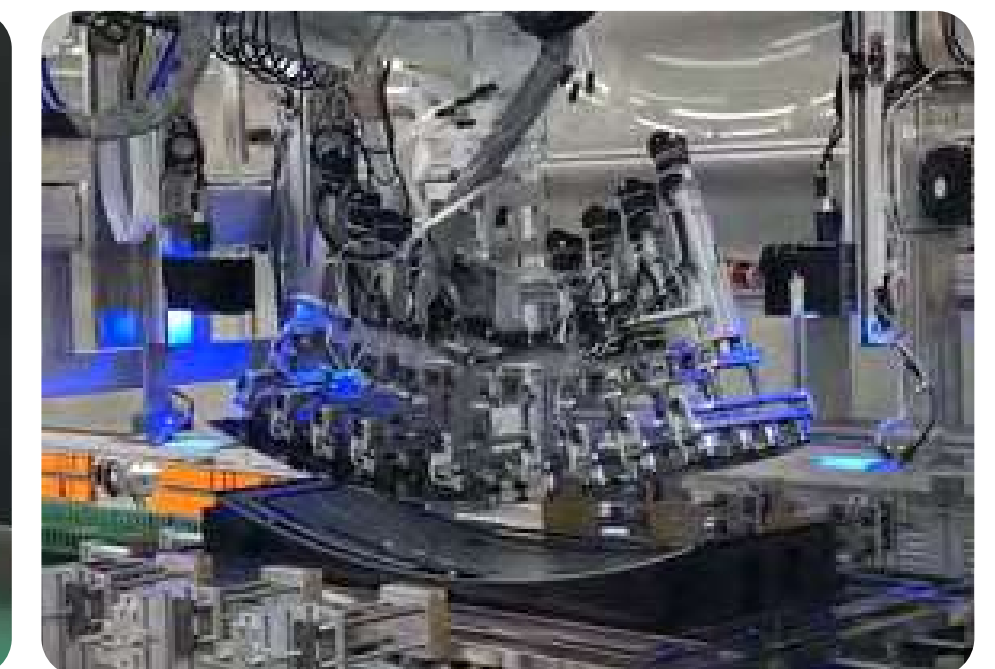
Automatic Screw Locking



Automatic Packaging Stacking



Automatic Testing



Automatic Peeling and Adhesion



## Promoting Intelligent Management :

1. Global Site Intelligent Management: With the expansion of the company's global layout, spanning three countries (Taiwan headquarters, Suzhou factory, and Vietnam factory), AmTRAN actively promotes ERP (Enterprise Resource Planning) systems, MES (Manufacturing Execution System) systems, and production line automation information integration to achieve visualized production efficiency and real-time management.

2. Workshop Management: Internally, the workshop actively introduces Warehouse Management System (WMS), cleanroom dust monitoring, new MES, Advanced Planning and Scheduling (APS) systems, and employee management systems. By introducing various digital management systems, we precisely control input and output, achieving internal digital transformation to improve resource utilization efficiency.

➤ 行動裝置安裝及登入APP · 可直接在行動裝置查詢所需報表



## MES Functional Diagram







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2.3 Innovation and R&D

2.4 Customer Relationship Management

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## 2.4 Customer Relationship Management

In the highly competitive consumer electronics industry, improving "customer relationship management" has become a core element in driving corporate success. AmTRAN builds competitive advantages and realizes long-term value through effective customer relationship strategies. By actively listening to customer feedback and focusing on solving various issues, we continually drive product innovation. We regularly discuss future market demands with customers to guide the design and innovation of new-generation products. Additionally, we conduct in-depth monthly analyses of product defect rates, collaborating with customers and internal teams to find solutions to improve product quality and customer satisfaction. AmTRAN implements five major customer relationship strategies, integrating customer relationship management into its strategic framework to achieve the goals of improving customer satisfaction, increasing customer loyalty, enhancing cross-selling and upselling opportunities, and improving overall business performance.

### AmTRAN Customer Relationship Strategy



By establishing clear customer service improvement processes, AmTRAN uses ten quantitative indicators to understand customer needs. If any indicator scores below 8 points, customer service notifies the responsible department, requesting reasons for the subpar performance and improvement measures. In production management, AmTRAN collaborates with customers to develop standard operating procedures and handling methods, maintaining smooth communication to meet any urgent supply demands. Additionally, to ensure customers can promptly purchase related consumables, AmTRAN actively strengthens after-sales spare parts management, reviewing material lists and inventory monthly to ensure adequate supply and shorten customer wait times.

### 2023 AmTRAN Product Customer Satisfaction

| Product Type          | Customer Satisfaction |
|-----------------------|-----------------------|
| LCD TV                | Satisfied (87/100)    |
| LCD Monitor           | Satisfied (81/100)    |
| Mouse                 | Satisfied (81/100)    |
| Conferencing Products | Satisfied (83/100)    |

### 2023 AmTRAN Sales Area Customer Satisfaction

| Sales Area    | Customer Satisfaction |
|---------------|-----------------------|
| China         | Satisfied (90/100)    |
| Europe        | Satisfied (86/100)    |
| USA           | Satisfied (81/100)    |
| UK            | Satisfied (91/100)    |
| South America | Satisfied (80/100)    |
| Canada        | Satisfied (85/100)    |
| Australia     | Satisfied (91/100)    |
| Japan         | Satisfied (85/100)    |
| South Korea   | Satisfied (86/100)    |
| Singapore     | Satisfied (89/100)    |





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# 03

## Green Operations and Climate Change

- Management Policy
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## Management Policy

### Material Topics

Climate Change Response

### GRI Index

3-3、302-1、302-3、302-4、303-1、303-2、303-3、303-4、303-5、305-1、305-2、305-4

### Explanation of Positive and Negative Impacts

#### Explanation of Positive Impacts :

Assessing climate change risks and opportunities impacts on company operations, such as compliance with local authorities' carbon fees or carbon trading costs (transition risks) and physical risks from heavy rains, typhoons, floods, and droughts, ensuring uninterrupted company operations.

#### Explanation of Negative Impacts :

Failure to reduce climate change risks may lead to operational disruptions, financial impacts, and production interruptions affecting shipments and orders.

### Policy

AmTRAN considers energy-saving and emission reduction indicators and water resource management as important environmental considerations, setting annual energy-saving, emission reduction, and water-saving targets, and reviewing them regularly.

### Targets

#### Short-term Targets (2024) :

| Target Period             | Energy Management - Suzhou and Vietnam Factories | Greenhouse Gas Management - Suzhou and Vietnam Factories |
|---------------------------|--|--|
| Short-term Targets (2025) | Reduce by 10%                                    | Reduce by 15%  |
| Mid-term Targets (2030)   | Reduce by 20%                                    | Reduce by 30%  |
| Long-term Targets (2050)  | Reduce by 30%                                    | Reduce by 50%  |

#### Mid- and Long-term Targets (2026) :

| Target Period             | Suzhou Factory | Vietnam Factory |
|---------------------------|----------------|-----------------|
| Short-term Targets (2025) | Save 3%        | Save 3%         |
| Mid-term Targets (2030)   | Save 5%        | Save 5%         |
| Long-term Targets (2050)  | Save 10%       | Save 8%         |

### Action Plan

#### Negative Impact Actions

- Promote energy-saving activities in the plant, advocate green commuting.
- Inspect water valves daily to handle leaks promptly.
- Implement various water-saving measures, including promoting water conservation awareness among colleagues to prevent water waste

#### Positive Impact Actions

- Implement ISO 14064-1 Greenhouse Gas Inventory Management System and ISO 50001 Energy Management System.
- Install and operate solar power systems in the plant.
- Optimize and renovate the plant's roof cooling using recycled water from air conditioning, drinking fountains, and glass washers.

### Effectiveness Evaluation

Report annual energy-saving, emission reduction, and water-saving goals and their achievement status to top management during the annual management review meeting. Conduct internal audits and external audits by third-party verification agencies for the ISO 14001 Environmental Management System annually.

### Grievance Mechanism

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**Material Topics**

Energy and Greenhouse Gas Management

**GRI Index**

3-3、GRI 302-1、302-3、302-4、305-1、305-2、305-3、305-4、305-5、305-6、305-7

**Explanation of Positive and Negative Impacts**

**Positive Impact Explanation:** Improve energy structure through energy-saving actions and the use of renewable energy, increasing energy use efficiency. Reduce greenhouse gas emissions through carbon reduction actions, lowering carbon fee costs at operational sites, mitigating the greenhouse effect, and ozone layer depletion rate.

**Negative Impact Explanation:** Failure to implement energy-saving plans leads to increased electricity usage and costs, negatively impacting the environment. Uncontrolled carbon emissions at operational sites increase carbon fee costs and contribute to the greenhouse effect.

**Policy**

AmTRAN considers energy consumption identification and the introduction of renewable energy as important environmental considerations, setting annual energy-saving, emission reduction, and renewable energy self-use targets, and reviewing them regularly.

**Targets**

Suzhou and Vietnam Factories - Baseline Year 2020 :

| Target Period             | Energy Management | Greenhouse Gas Management |
|---------------------------|-------------------|---------------------------|
| Short-term Targets (2025) | Reduce by 10%     | Reduce by 15%             |
| Mid-term Targets (2030)   | Reduce by 20%     | Reduce by 30%             |
| Long-term Targets (2050)  | Reduce by 30%     | Reduce by 50%             |

**Action Plan**

Negative Impact Actions

- Promote energy-saving activities in the plant, advocate green commuting.
- Optimize equipment, including improving cooling water circulation systems, installing time controllers to regulate equipment operating times, and installing timed switch controllers for lighting control.
- Replace traditional lamps with LED tubes, saving approximately 9,500 kWh of energy in Suzhou and Vietnam factories.
- Improve cooling water circulation systems, saving approximately 30,784 kWh of energy in the Suzhou and Vietnam factories.
- Replace and renovate the air compressor system with zero-air-consumption regenerative dryers.

Positive Impact Actions

- Both Suzhou and Vietnam factories have implemented the ISO 14064-1:2018 Greenhouse Gas Inventory Management System and ISO 50001:2018 Energy Management System, achieving third-party verification.
- Install a 45,000 square meter solar power system on the roof of the Suzhou factory, with an installed capacity of 2 megawatts, generating 2,338,337.2 kWh in 2023, accounting for 14.88% of the factory's total electricity consumption.

**Effectiveness Evaluation**

Review energy-saving and carbon reduction implementation every six months and examine goal achievement during the annual management review meeting.

**Grievance Mechanism**

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**Material Topics**

Circular Economy

**GRI Index**

3-3、301-1、301-2、301-3

**Explanation of Positive and Negative Impacts**

Positive Impact Explanation :  
Increase resource reuse through the feasibility of reusing/recycling products and packaging materials, creating a circular economy.

Negative Impact Explanation :  
Ineffective implementation of the circular economy leads to resource waste, increased production costs, and failure to meet customer and regulatory trends, losing orders and reputation.

**Policy**

- Use reusable, recyclable, and biodegradable materials.
- Improve waste management systems to ensure effective waste recycling and conversion into reusable resources.
- Reduce packaging material usage and increase packaging material recycling and reuse rates.

**Targets**

Suzhou and Vietnam Factories - Baseline Year 2020 :

| Target Period             | Target for Using Recycled Materials                                     |
|---------------------------|---|
| Short-term Targets (2025) | Increase usage of recycled and reused materials by 5% compared to 2022  |
| Mid-term Targets (2030)   | Increase usage of recycled and reused materials by 10% compared to 2022 |
| Long-term Targets (2050)  | Increase usage of recycled and reused materials by 18% compared to 2022 |

**Action Plan**

Positive Impact Actions

- Recycle packaging materials from TVs and mice, continuously expanding the types and proportions of recycled packaging materials, effectively reducing waste generation and promoting resource reuse, reducing demand for natural resources and easing environmental pressure.
- In packaging design and material selection, AmTRAN prioritizes reducing packaging usage, choosing recyclable materials, controlling harmful substance content, and operating according to EU packaging directives, ensuring all packaging materials are recyclable.
- Use recycled cartons for shipping packaging. Reusing packaging cartons achieves the circular economy's purpose by extending their lifespan.
- Using recycled and reused materials reduces the need for developing new resources, which not only lessens the negative impact on the environment but also helps to reduce waste generation. In 2023, AmTRAN used a total of 3,515 tons of materials; the usage of recycled materials was 275.9 tons, accounting for 7.8% of the total annual material usage.

**Effectiveness Evaluation**

Annually review each factory's packaging material recycling and reuse ratios and recycled material usage goals through meetings, dynamically adjusting related measures to ensure gradual achievement of short-, mid-, and long-term Targets.

**Grievance Mechanism**

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# 3.1 Climate Change Response and Greenhouse Gas Management

## 3.1.1 Climate Change Response

Climate change has become a global focal point, with its impact on nature and society deepening. From extreme weather to frequent natural disasters, these phenomena pose unprecedented challenges to daily life and development. According to the World Economic Forum's "Global Risks Report 2024," about 66% of respondents consider extreme weather a major risk in 2024, highlighting the importance of immediate corporate action against climate impact. AmTRAN has established and implemented a sustainable environmental management policy to reduce the negative environmental impact of operations and prepare for potential future climate change risks. The company aims to protect the environment and ensure sustainable corporate development in response to future climate change and environmental challenges.

Facing the growing climate crisis and stricter international environmental regulations, AmTRAN has taken proactive measures, especially in complying with the Task Force on Climate-related Financial Disclosures (TCFD) framework. In 2022, AmTRAN evaluated climate change risks and opportunities according to the TCFD framework, further deepening its understanding and application to prepare for the implementation of future international financial reporting standards IFRS S1 and S2. These new standards emphasize transparency in climate-related financial information, integrating TCFD's four core principles: governance, strategy, risk management, and metrics and targets. These principles ensure corporate integration of sustainability and climate considerations in high-level management, embedding related risks and opportunities into operational strategies, establishing effective risk management procedures, and monitoring relevant important metrics and targets.

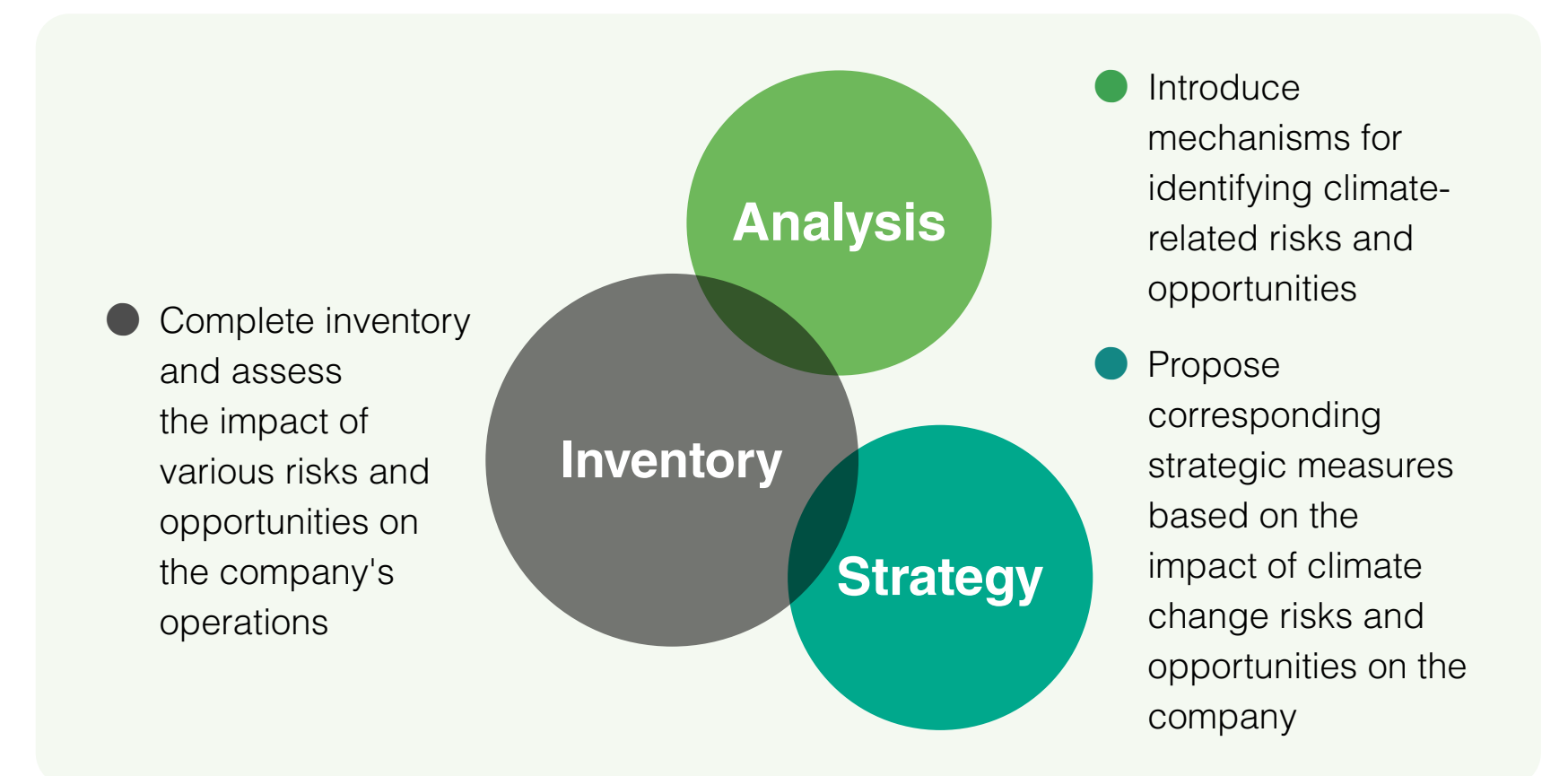
### Governance

To manage climate change risks and opportunities properly, AmTRAN has a Sustainability Development Committee chaired by the Chairman, under which the Sustainability Office operates. The Board of Directors plays the highest supervisory role in climate change governance, ensuring strict supervision and effective promotion of strategies and actions to address significant climate change challenges, aligning with the company's operational development strategy. The Sustainability Office identifies and manages climate-related risks and opportunities, reporting relevant findings and control measures to the Chairman and General Manager at annual Sustainability Development Committee meeting, enabling the Board to monitor climate risk issues comprehensively. Through rigorous organizational structure and processes, AmTRAN is committed to sustainable growth and social and environmental responsibility amid global climate change challenges.



### Strategy

AmTRAN comprehensively evaluates and defines the impact of various climate risks and opportunities on company operations through a climate change risk and opportunity matrix based on different time horizons, the likelihood of occurrence, and the degree of operational impact, setting future response strategies accordingly.







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## AmTRAN Key Climate Risk and Opportunity Management

| Risk/ Opportunity Type | Climate Risk and Opportunity                               | Potential Impact on AmTRAN  | Impact Period                     | Financial Impact   | Climate Adaptation Management Strategy  |
|------------------------|--|---|-----------------------------------|--|---|
| Transition Risk        | Increasing greenhouse gas emission prices                  | With the international net-zero trend, governments worldwide are introducing carbon fees and carbon trading costs. Taiwan's Climate Change Response Act plans to levy carbon fees on large electricity consumers starting in 2025, increasing AmTRAN's carbon fee expenditure | Short-term (less than 3 years)    | <ul style="list-style-type: none"> <li>Financial impact assessment based on future carbon fees and carbon trading costs in Taiwan, China, and Vietnam, simulating the financial impact of carbon fee and carbon trading cost expenditures under normal business development in 2025 in Taiwan and 2030 in China and Vietnam.</li> <li>In a BAU scenario, this risk accounts for 24.92% of AmTRAN's overall climate risk and opportunity financial impact.</li> <li>In a Net-Zero scenario, this risk accounts for 50.68%.</li> </ul> | <ul style="list-style-type: none"> <li>Implemented ISO 50001 Environmental Management System and carried out various energy-saving and carbon reduction projects, including replacing traditional lighting, improving the cooling water circulation system, and reusing air conditioning discharge water to reduce the temperature of air compressors.</li> <li>The Suzhou plant has installed a 45,000 square meter solar power system on the roof for self-generated electricity, aiming to reduce the cost and usage of externally purchased electricity. Additionally, the company is planning a strategy to continuously increase the use of green electricity.</li> </ul> |
| Physical Risk          | Increased frequency and severity of extreme weather events | Increased frequency of extreme rainfall and severity of high temperatures and droughts may lead to flooding in the plant during heavy rains or operational disruptions due to power outages caused by high temperatures, impacting revenue and causing property damage        | Short-term (less than 3 years)    | <ul style="list-style-type: none"> <li>The increasing frequency and severity of extreme weather events due to climate change have led to regional power shortages, maintenance of power systems by the government, and power outages caused by heavy rains, leading to plant shutdowns. This risk accounts for 49.32-75.08% of AmTRAN's overall climate risk and opportunity financial impact.</li> </ul>  | <ul style="list-style-type: none"> <li>Emergency response training is conducted every six months, including disaster knowledge dissemination and practical scenario exercises to enhance disaster response capabilities.</li> </ul>   |
| Opportunity            | Developing or expanding low-carbon products and services   | Products obtaining carbon footprint certification, low-carbon labels, or energy-saving labels can enhance product competitiveness, meet customer expectations, and respond to market demand, increasing revenue   | Mid- to long-term (3 to 10 years) | <ul style="list-style-type: none"> <li>Developing new energy-saving products and low-carbon product services will increase orders and revenue, strengthen climate adaptation capabilities, enhance company resilience, and increase brand value.</li> <li>Estimated business market opportunities created by developing or expanding low-carbon energy-saving products will generate nearly NT\$10 billion in 2025 and nearly NT\$20 billion in 2030.</li> </ul>   | <ul style="list-style-type: none"> <li>Implement green design concepts in products, enhancing resource use efficiency in production and usage stages through reduction, energy-saving, and recycling.</li> <li>TV and monitor products use LED backlight technology, featuring energy-saving, mercury-free, and thin design advantages.</li> <li>Assist customers in obtaining international environmental product labels and carbon footprint certifications, providing consumers with high-quality, low-energy green environmental products.</li> </ul>   |





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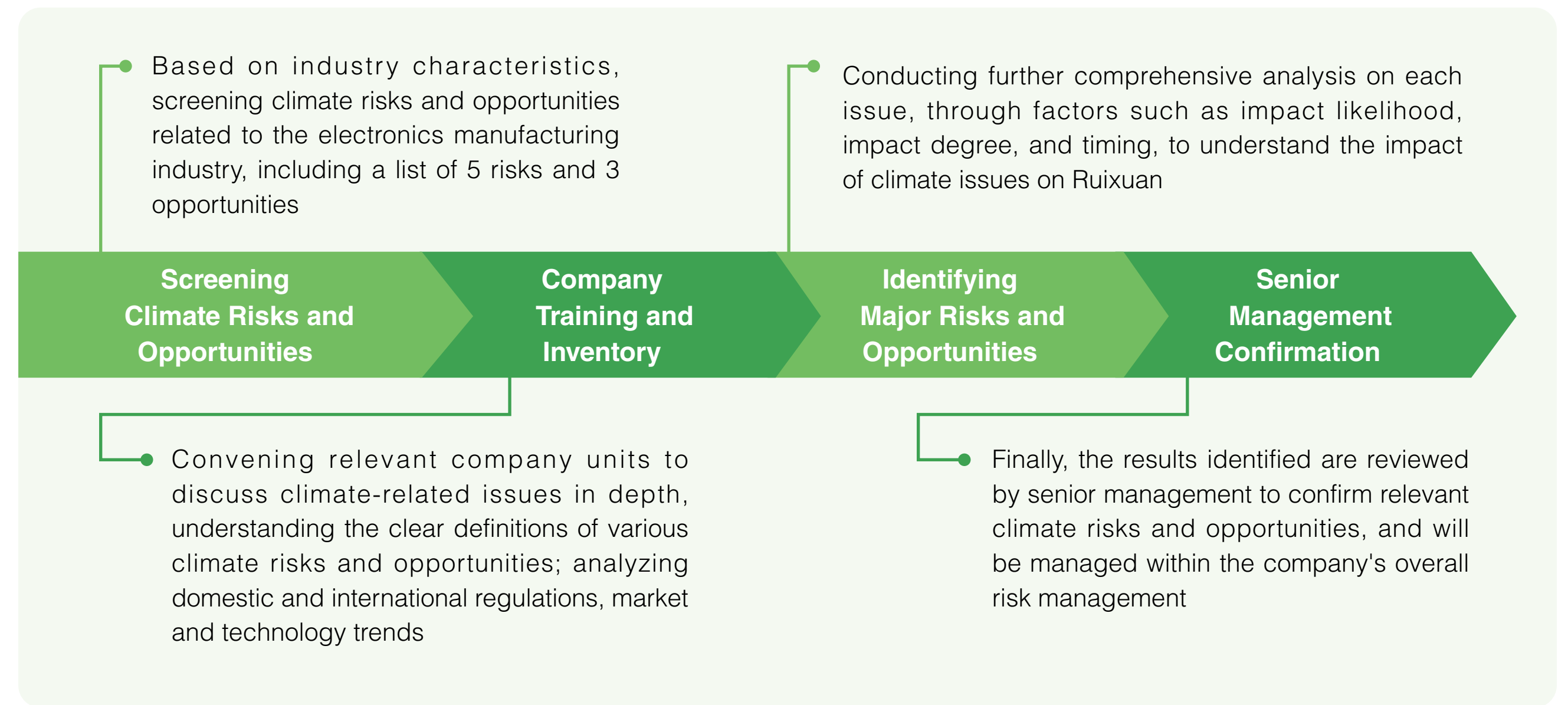
## Risk Management

The Sustainability Office identifies climate risks, managed by the Sustainability Development Committee, which identifies climate risks impacting corporate business, analyzes industry risks and opportunities, and distinguishes specific short-, mid-, and long-term potential impacts. Based on identification results, significant risk topics are compiled, and response strategies are formulated accordingly. Climate risk is one of the company's significant risks, reported to the Sustainability Development Committee and Board of Directors at least once a year, approved and executed response strategies to reduce significant climate risks. The climate change risk and opportunity identification process is as follows.

## Metrics and Targets

In response to the identification results of climate change-related risks and opportunities, AmTRAN implements ISO 14001 environmental management system and energy-saving projects. Each operational plant sets short-, mid-, and long-term Targets for greenhouse gas emission reduction, electricity usage reduction, and water resource management based on the 2020 baseline year, reviewing goal achievement annually to ensure the realization of climate change action targets and goals.

## Climate Change-Related Risk and Opportunity Identification Process



|                                      | Target Period             | Greenhouse Gas Emission Reduction | Electricity Usage Reduction | Water Resource Usage Reduction |
|--------------------------------------|---------------------------|-----------------------------------|-----------------------------|--------------------------------|
| Suzhou Factory<br>Baseline Year 2020 | Short-term Targets (2025) | 15%                               | 10%                         | 3%                             |
|                                      | Mid-term Targets (2030)   | 30%                               | 20%                         | 5%                             |
|                                      | Long-term Targets (2050)  | 50%                               | 30%                         | 10%                            |

|                                       | 目標期程                      | Greenhouse Gas Emission Reduction | Electricity Usage Reduction | Water Resource Usage Reduction |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------|--------------------------------|
| Vietnam Factory<br>Baseline Year 2020 | Short-term Targets (2025) | 15%                               | 10%                         | 3%                             |
|                                       | Mid-term Targets (2030)   | 30%                               | 20%                         | 5%                             |
|                                       | Long-term Targets (2050)  | 50%                               | 30%                         | 8%                             |



## 3.1.2 Energy Management

To implement energy-saving and carbon reduction, AmTRAN's Facility and Equipment Engineering Departments are responsible for energy and greenhouse gas management at each operational plant, setting annual energy-saving and emission reduction goals. Energy management-related goals and achievement status are reported to top management at the annual Sustainability Development Committee meeting. Each operational plant improves energy use efficiency through ISO 14001 environmental management system, ISO 50001 energy management system, and various energy-saving projects, optimizing manufacturing processes with high carbon emissions through product carbon footprint analysis to reduce energy usage. Additionally, AmTRAN continuously adjusts energy structure and installs renewable energy equipment, including a 45,000 square meter solar power system on the roof of the Suzhou factory, with an installed capacity of 2 megawatts. The solar power system generated 2,338,337.2 kWh in 2023, accounting for 14.88% of the factory's total electricity consumption. AmTRAN continues to study the solar power generation targets for short-, mid-, and long-term use in the plant, planning to continuously increase the company's green electricity use strategy.

### Energy Usage

AmTRAN regularly compiles the energy usage of the headquarters and each operational plant to revise energy policy direction. Currently, AmTRAN's main energy sources are electricity, gasoline, and diesel. In 2023, internal energy consumption was 123,408.32 GJ for non-renewable energy and 8,418.01 GJ for renewable energy, totaling 131,826.33 GJ, with renewable energy accounting for 6.39% of all energy usage. Energy usage in 2023 increased by 22.29% compared to 2022, primarily due to the increased production capacity at AmTRAN's Vietnam factory. Additionally, AmTRAN continues to adjust energy structure and install renewable energy equipment. The solar power system on the roof of the Suzhou factory has entered its second year, generating 2,338,337.2 kWh in 2023, accounting for 14.88% of the factory's total electricity consumption. AmTRAN will continue to strengthen energy management to achieve green operation goals.

### Energy Consumption at AmTRAN Operational Sites in the Last Three Years

| Energy Consumption            |                             | Taiwan Headquarters |           |           | Suzhou Factory |            |            | Vietnam Factory |            |            |
|-------------------------------|-----------------------------|---------------------|-----------|-----------|----------------|------------|------------|-----------------|------------|------------|
|                               |                             | 2021                | 2022      | 2023      | 2021           | 2022       | 2023       | 2021            | 2022       | 2023       |
| Non-renewable Energy          | Gasoline (Liters)           | 16,882              | 22,327    | 17,901    | 16,100         | 15,372     | 22,054     | -               | -          | 9,766.5    |
|                               | Diesel (Liters)             | 663                 | 1,416     | 1,171     | 400            | 297        | 780        | 708             | 1,639      | 10,104.5   |
|                               | Electricity (kWh)           | 1,054,183           | 1,053,371 | 1,133,512 | 19,823,895     | 14,470,457 | 13,352,770 | 12,214,551      | 11,712,621 | 18,282,767 |
|                               | Total Energy (GJ)           | 4,369.69            | 4,571.07  | 4,074.75  | 71,905.87      | 52,606.09  | 48,817.62  | 43,997.28       | 42,223.08  | 66,492.27  |
| Renewable Energy              | Self-used Solar (kWh)       | -                   | -         | -         | 2,362,941      | 2,332,809  | 2,338,337  | -               | -          | -          |
|                               | Self-used Total Energy (GJ) | -                   | -         | -         | 8,506.59       | 8398.11    | 8418.01    | -               | -          | -          |
|                               | Sold Solar (kWh)            | -                   | -         | -         | -              | -          | -          | -               | -          | -          |
|                               | Sold Total Energy (GJ)      | -                   | -         | -         | -              | -          | -          | -               | -          | -          |
| Total Energy Consumption (GJ) |                             | 4,369.69            | 4,571.07  | 4,074.75  | 80,412.46      | 61,004.21  | 61,259.31  | 43,997.28       | 42,223.08  | 66,492.27  |

Note : The conversion of calorific values is based on the values announced in the "2018 Energy Statistics Handbook: Energy Product Unit Calorific Values Table" by the Bureau of Energy.



AmTRAN Suzhou Factory ISO 50001 Energy Management System Certificate

AmTRAN Vietnam Factory ISO 50001 Energy Management System Certificate

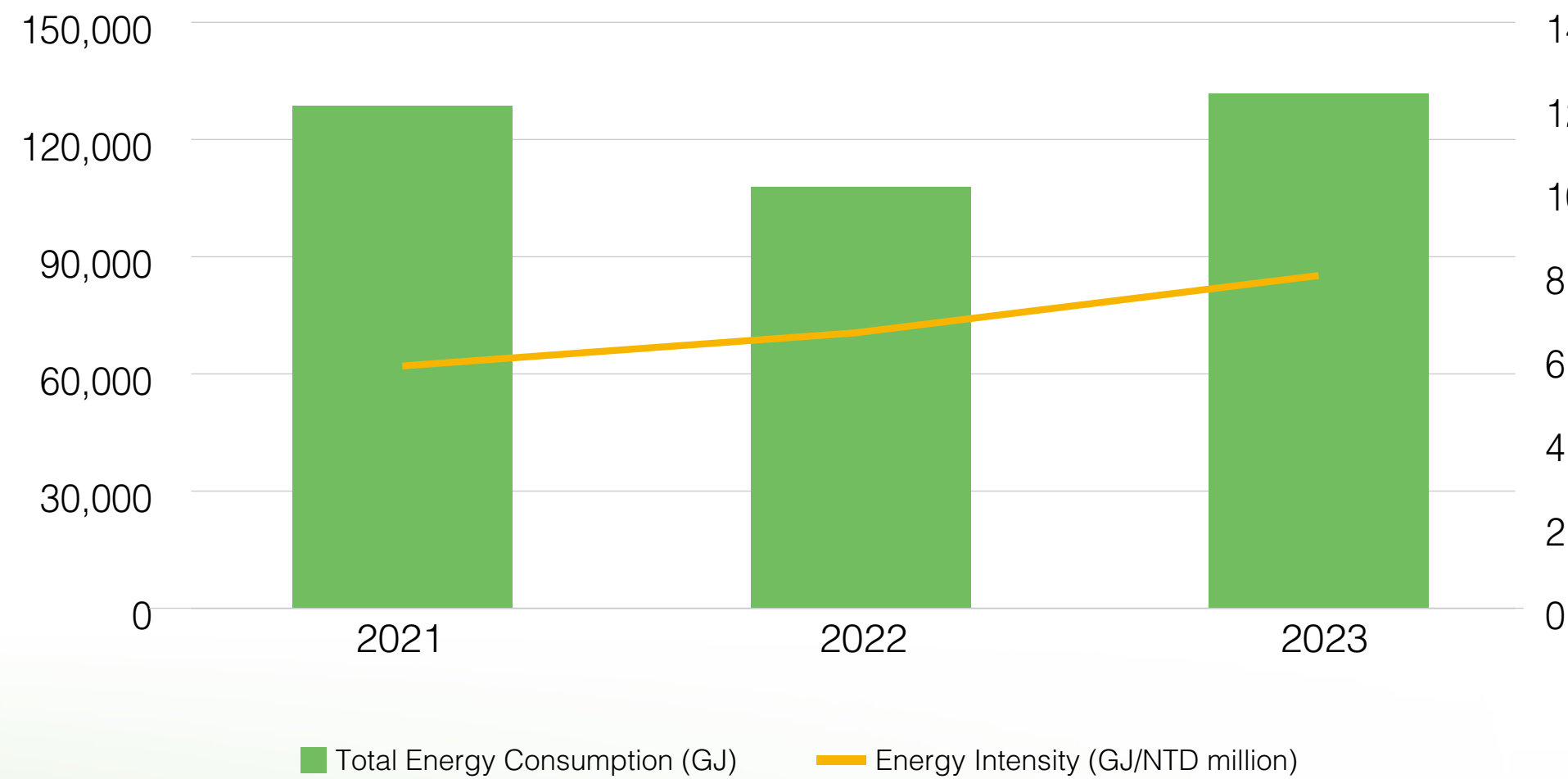


## Total Energy Consumption and Energy Intensity at AmTRAN in the Last Three Years

| Energy Consumption                | 瑞軒         |            |            |
|-----------------------------------|------------|------------|------------|
|                                   | 2021       | 2022       | 2023       |
| Total Energy Consumption (GJ)     | 128,759.43 | 107,798.36 | 131,826.33 |
| Energy Intensity (GJ/NTD million) | 5.79       | 6.59       | 7.95       |

Note : The conversion of calorific values is based on the values announced in the "2018 Energy Statistics Handbook: Energy Product Unit Calorific Values Table" by the Bureau of Energy.

## Total Energy Consumption and Energy Intensity at Amtran in the Last Three Years



## 3.1.3 Greenhouse Gas Management

With global warming intensifying, the frequency and severity of extreme climate disasters have increased. To mitigate the rise in average temperatures, the Paris Agreement aims to keep the global temperature increase below 2° C above pre-industrial levels and strive to limit it to 1.5 ° C. Under this goal, governments worldwide actively control greenhouse gas emissions. AmTRAN responds to external carbon emission requirements, continuously conducting carbon inventories and implementing various energy-saving and carbon reduction actions to achieve a vision of a low-carbon sustainable enterprise.

### Greenhouse Gas Inventory

AmTRAN's Suzhou and Vietnam factories have completed third-party greenhouse gas inventories. In 2023, AmTRAN's Scope 1 greenhouse gas emissions totaled 717.18 tons CO<sub>2</sub>e, and Scope 2 emissions totaled 21,386.09 tons CO<sub>2</sub>e, totaling 22,103.27 tons CO<sub>2</sub>e, with a total emission intensity of 1.33 tons CO<sub>2</sub>e/NT\$ million revenue. Suzhou factory's greenhouse gas emissions decreased by 8.29% compared to 2022, mainly due to the completion of the solar power system and effective energy-saving and carbon reduction measures. Vietnam factory's greenhouse gas emissions increased by 55.17% compared to 2022, mainly due to a significant increase in production capacity. Future plans include implementing energy-saving and carbon reduction measures in the Vietnam factory.



AmTRAN Suzhou Factory ISO 14064 Greenhouse Gas Emission Certification



## AmTRAN Greenhouse Gas Emissions Over the Past Three Years

| Greenhouse Gas Emissions                                    | Taiwan Headquarters |               |               | Suzhou Factory   |                 |                 | Vietnam Factory |                 |                  |
|---|---------------------|---------------|---------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|
|   | 2021                | 2022          | 2023          | 2021             | 2022            | 2023            | 2021            | 2022            | 2023             |
| Scope 1 (ton CO <sub>2</sub> e)                             | --                  | --            | --            | 225.02           | 183.61          | 151.92          | 205.40          | 482.04          | 565.26           |
| Scope 2 (ton CO <sub>2</sub> e)                             | 529.20              | 528.80        | 569.02        | 10,158.93        | 8,285.78        | 7,615.08        | 8,945.10        | 8,390.35        | 13,201.99        |
| <b>Total Greenhouse Gas Emissions (ton CO<sub>2</sub>e)</b> | <b>529.20</b>       | <b>528.80</b> | <b>569.02</b> | <b>10,383.95</b> | <b>8,469.39</b> | <b>7,767.00</b> | <b>9,150.50</b> | <b>8,872.39</b> | <b>13,767.25</b> |

Note :

1. Statistical Scope: A total of 2 production sites and the Taipei headquarters, covering 100% of the production sites included in this report.
2. The greenhouse gas inventory boundary is determined using the operational control approach.
3. Taiwan: The inventory follows the "Regulations for Greenhouse Gas Emissions Inventory and Registration Management". The calculation method is activity data × emission factor × GWP value (emission factors are referenced from the EPA's 2019 Greenhouse Gas Emission Factors Management Table Version 6.0.4, and GWP values are referenced from the IPCC Sixth Assessment Report (2023)). The greenhouse gases include carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons, totaling four types. Mainland China: Emissions are calculated using the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Electronics Manufacturing Enterprises (Trial)", applying the coefficient method. Vietnam: Emissions are calculated using local national standard coefficients, applying the coefficient method.
4. Taiwan: Emissions are calculated using the 2023 electricity emission factor of 0.494 kg CO<sub>2</sub>e/kWh announced by the Bureau of Energy. Mainland China's Suzhou Factory: Emissions are calculated using the 2023 electricity emission factor of 0.6101 kg CO<sub>2</sub>e/kWh. Vietnam Factory: Emissions are calculated using the 2022 electricity emission factor of 0.7221 kg CO<sub>2</sub>e/kWh.

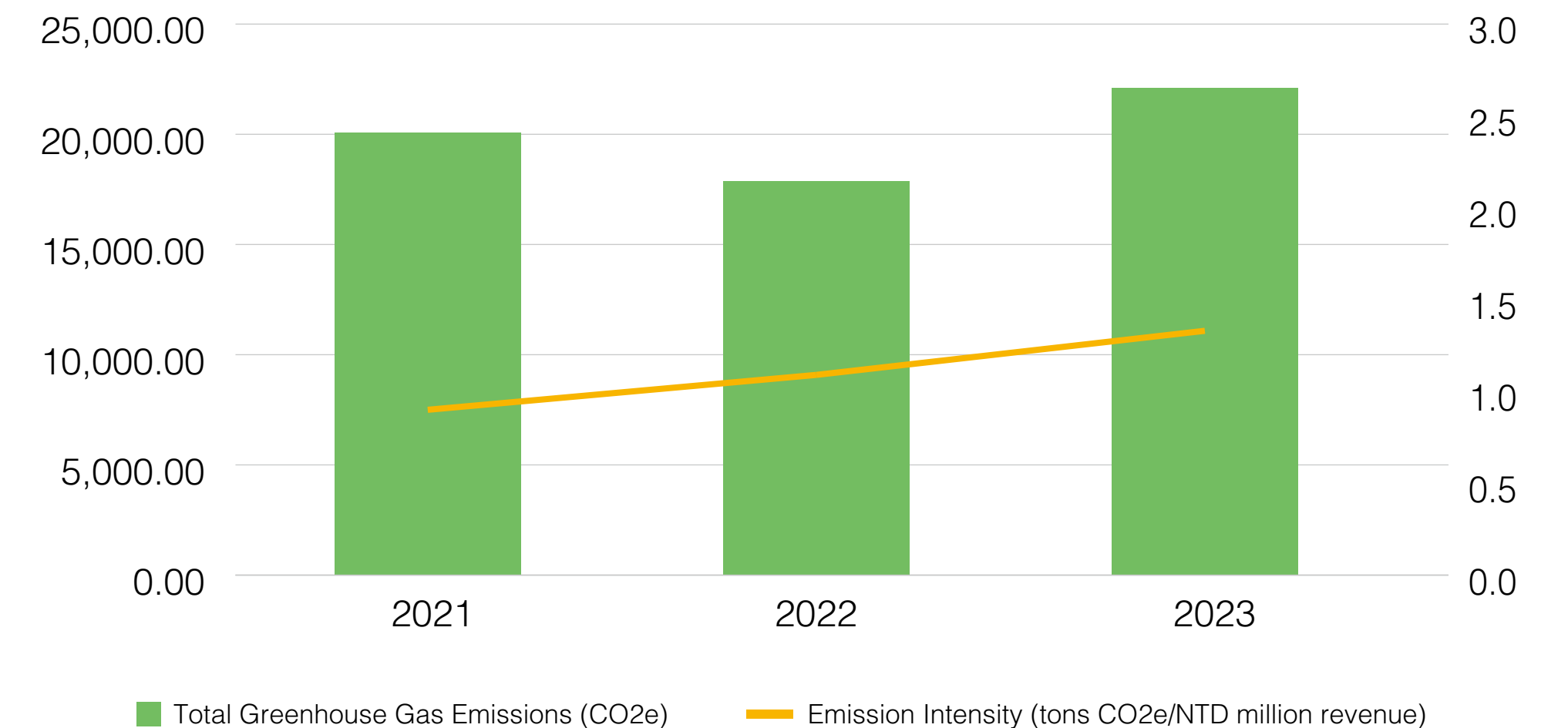
## Total Greenhouse Gas Emissions and Emission Intensity at AmTRAN in the Last Three Years

| Greenhouse Gas Emissions  | AmTRAN           |                  |                  |
|---|------------------|------------------|------------------|
|   | 2021             | 2022             | 2023             |
| <b>Total Greenhouse Gas Emissions (Scope 1 &amp; 2, tons CO<sub>2</sub>e)</b> | <b>20,063.65</b> | <b>17,870.58</b> | <b>22,103.27</b> |
| <b>Emission Intensity (tons CO<sub>2</sub>e/NTD million revenue)</b>          | <b>0.90</b>      | <b>1.09</b>      | <b>1.33</b>      |

Note :

1. The greenhouse gas inventory boundary is determined using the operational control approach.
2. Global Warming Potential (GWP) is referenced from the Intergovernmental Panel on Climate Change (IPCC) Assessment Report AR6.
3. The types of greenhouse gas emissions include carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons.

## Total Greenhouse Gas Emissions and Emission Intensity at Amtran in the Last Three Years







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Appendix

## 2023 AmTRAN Energy-Saving and Carbon Reduction Action Plans

| Energy-Saving and Carbon Reduction Plan | Description   |
|---|---|
| Greenhouse Gas Emission Management      | <ul style="list-style-type: none"> <li>Implement ISO 14064-1:2018 Greenhouse Gas Management System in Suzhou and Vietnam factories, achieving third-party verification</li> </ul>   |
| Energy Structure Management             | <ul style="list-style-type: none"> <li>Install a 45,000 square meter solar power system on the roof of the Suzhou factory, with an installed capacity of 2 megawatts, generating 2,338,337.2 kWh in 2023, accounting for 14.88% of the factory's total electricity consumption</li> </ul>   |
| Improve Energy Use Efficiency           | <b>Implement Energy Management System</b> <ul style="list-style-type: none"> <li>The Suzhou Factory and Vietnam Factory have implemented the ISO 50001:2018 Energy Management System and have completed third-party verification.</li> </ul>  |
|   | <b>Optimize Equipment</b> <ul style="list-style-type: none"> <li>Improve cooling water circulation systems</li> <li>Install time controllers to regulate equipment operating times</li> <li>Install timed switch controllers for lighting control</li> </ul>  |
|   | <b>Replace Lamps</b> <ul style="list-style-type: none"> <li>Replace traditional lamps with LED tubes, saving approximately 9,500 kWh of energy in Suzhou and Vietnam factories.</li> <li>Reduce street lighting wattage and the number of lamps installed.</li> <li>Use ceiling lights for MV production lines.</li> </ul>        |
|   | <b>Improve Cooling Water Circulation Systems</b> <ul style="list-style-type: none"> <li>Systems Recycle part of the air conditioning discharge water to reduce air compressor temperature in Suzhou factory.</li> <li>Modify air conditioning pipelines in Vietnam factory, saving approximately 30,784 kWh of energy.</li> </ul> |
|   | <b>Replace Air Compressor System Dryer</b> <ul style="list-style-type: none"> <li>Install two new zero-air-consumption regenerative dryers</li> </ul>   |
|   | <b>Production Line Management</b> <ul style="list-style-type: none"> <li>Optimize production scheduling for concentrated production</li> </ul>  |
|   | <b>Energy-Saving Promotion</b> <ul style="list-style-type: none"> <li>Continuously promote office energy-saving awareness to enhance environmental awareness among office personnel</li> </ul>  |

## 3.2 Water Resource and Waste Management

Economic growth and environmental protection are concerns for AmTRAN. The company comprehensively reviews its operational impact on the environment, covering the entire process from upstream supply chain to downstream, including parts manufacturing, product assembly, transportation, usage, and final disposal. AmTRAN strives to reduce negative environmental impacts at each stage. If water usage, wastewater discharge, and waste management during the manufacturing process are not well managed, they may harm the environment. AmTRAN has established and implemented a series of environmental safety policies and environmental management measures, including internal audits and third-party certifications of ISO 14001 environmental management system at Suzhou and Vietnam factories annually to reduce potential environmental impacts.

### AmTRAN Environmental Safety Policy

- Promote environmental and occupational safety and health management education and training activities to enhance employees' awareness and participation in environmental and occupational safety and health responsibilities.
- Continuously improve environmental and occupational safety and health performance through pollution prevention, accident prevention, resource conservation, and waste reduction initiatives.
- Focus on pollution source control, process waste reduction, and safety and health facility improvement to achieve pollution prevention and risk reduction.
- Establish good communication channels to convey environmental safety policy and related requirements to employees, suppliers, contractors, surrounding residents, and related organizations.

### AmTRAN Environmental Management Measures

- Focus on the environmental impact of production and business activities, ensure environmental investment, conduct regular environmental monitoring, and hold regular environmental training and activities to establish corporate environmental awareness.
- Implement ISO 14001 environmental management system, ensuring effective system operation and regulatory compliance through regular internal and external audits.
- Collect regulatory and customer environmental requirements and implement responsive measures.





AmTRAN Suzhou Factory ISO 14001 Environmental Management System Certificate



AmTRAN Suzhou Factory ISO 14001 Environmental Management System Certificate

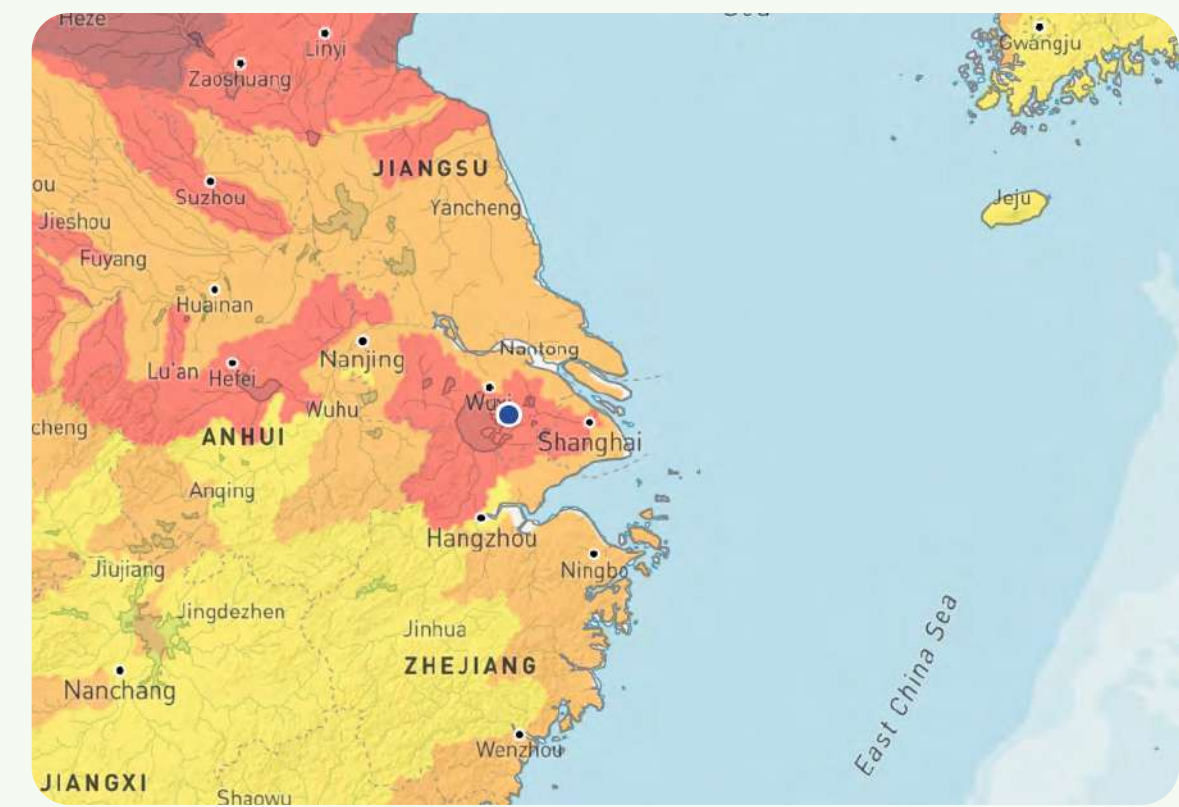
## 3.2.1 Water Resource Management

### Water Management

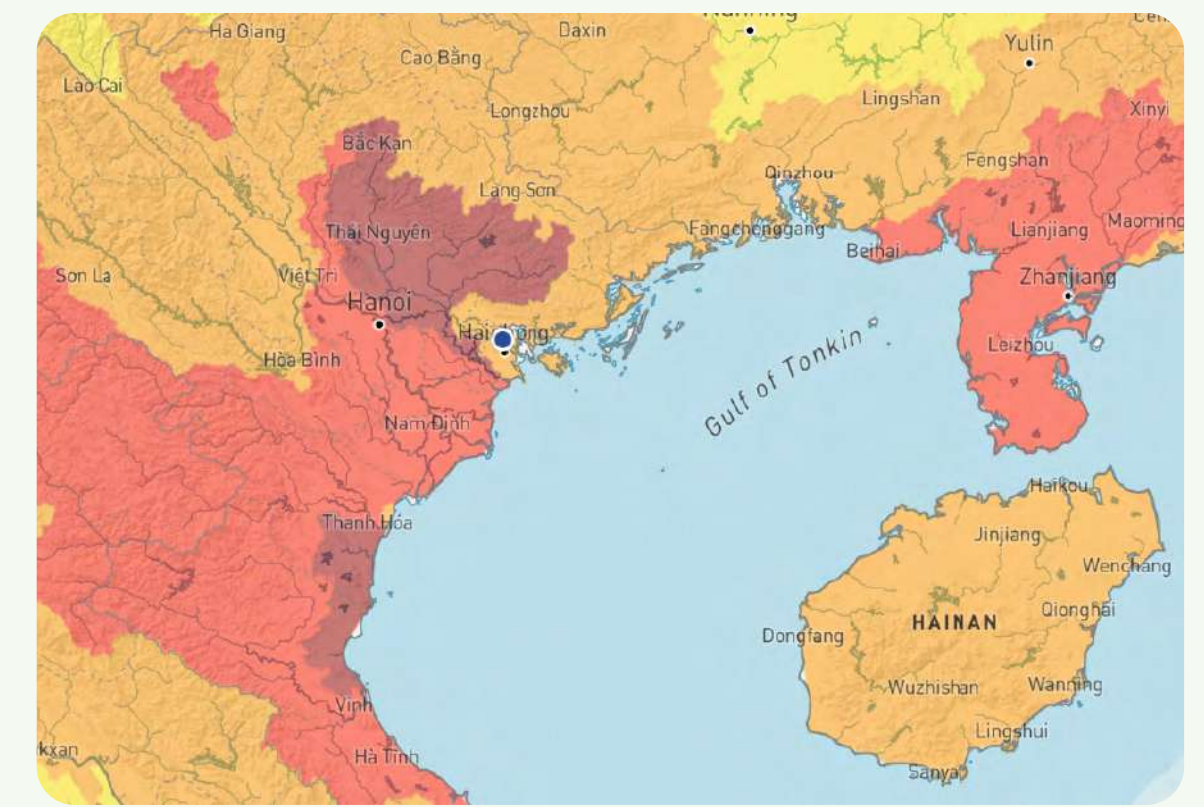
Water usage at AmTRAN's Taipei headquarters, Suzhou, and Vietnam factories is sourced from third-party local water supply plants. The Taipei headquarters is classified as low to moderate water risk according to the World Resources Institute (WRI) Aqueduct Water Risk Atlas, Suzhou factory is classified as high water risk, and Vietnam factory is classified as medium to high water risk. In 2023, Taiwan experienced water restrictions in the south, but the headquarters in New Taipei City was not affected. Although occasional floods occur in the Yangtze River Basin (Suzhou) and the Mekong River Basin (Vietnam), neither Suzhou nor Vietnam factories have faced water shortages or flooding, and production and operations have not been affected. No water is sourced from areas with water stress.



The headquarters' water risk classification is low to moderate risk.



The Suzhou Factory's water risk classification is high risk.



The Vietnam Factory's water risk classification is medium to high risk.



Note : This is the result of an overall water risk assessment for Lin Yuan Xian Jin using the Aqueduct Water Risk Atlas from the World Resources Institute (WRI).



## AmTRAN Water Resource Usage in the Last Two Years

| Disclosure Item  | Unit                                | Taiwan Headquarters |       | Suzhou Factory |        | Vietnam Factory |        |
|------------------|-------------------------------------|---------------------|-------|----------------|--------|-----------------|--------|
|                  |                                     | 2022                | 2023  | 2022           | 2023   | 2022            | 2023   |
| Water Withdrawal | Third-party Water (Municipal Water) | 8.1751              | 4.805 | 50.065         | 41.548 | 36.4149         | 57.827 |
|                  | Surface Water                       | 0                   | 0     | 0              | 0      | 0               | 0      |
|                  | Groundwater                         | 0                   | 0     | 0              | 0      | 0               | 0      |
|                  | Seawater                            | 0                   | 0     | 0              | 0      | 0               | 0      |
|                  | Total Water Withdrawal              | 8.1751              | 4.805 | 50.065         | 41.548 | 36.4149         | 57.827 |
|                  | Water Consumption                   | 0                   | 0     | 2.248          | 9.836  | 7.283           | 11.565 |
|                  | Water Recycled                      | 0                   | 0     | 0              | 0      | 2.365           | 2.295  |
|                  | Water Discharge                     | 8.1751              | 4.805 | 47.817         | 37.712 | 31.4969         | 46.262 |

Note :

1. The types of water withdrawal are all freshwater ( $\leq 1,000$  mg/L Total Dissolved Solids). The Taipei headquarters withdraws water from the Beishi River system, the Suzhou Factory from the Yangtze River basin, and the Vietnam Factory from the Mekong River basin. All tap water data is calculated based on the annual water bills.
2. Wastewater is discharged through the local sewage systems after being treated in the sewage treatment plants at each factory location.
3. The discharge volume at the Vietnam and Suzhou factories is measured using water meters, while the Taipei headquarters estimates the discharge volume based on the water withdrawal. The wastewater discharge categories at the Vietnam and Suzhou factories belong to other water ( $>1,000$  mg/L Total Dissolved Solids), and the wastewater is not used by other organizations.
4. Due to the significant increase in production capacity at the AmTRAN Vietnam Factory, both water withdrawal and discharge volumes have increased. Water-saving equipment and measures have been implemented to gradually reduce water resource usage.

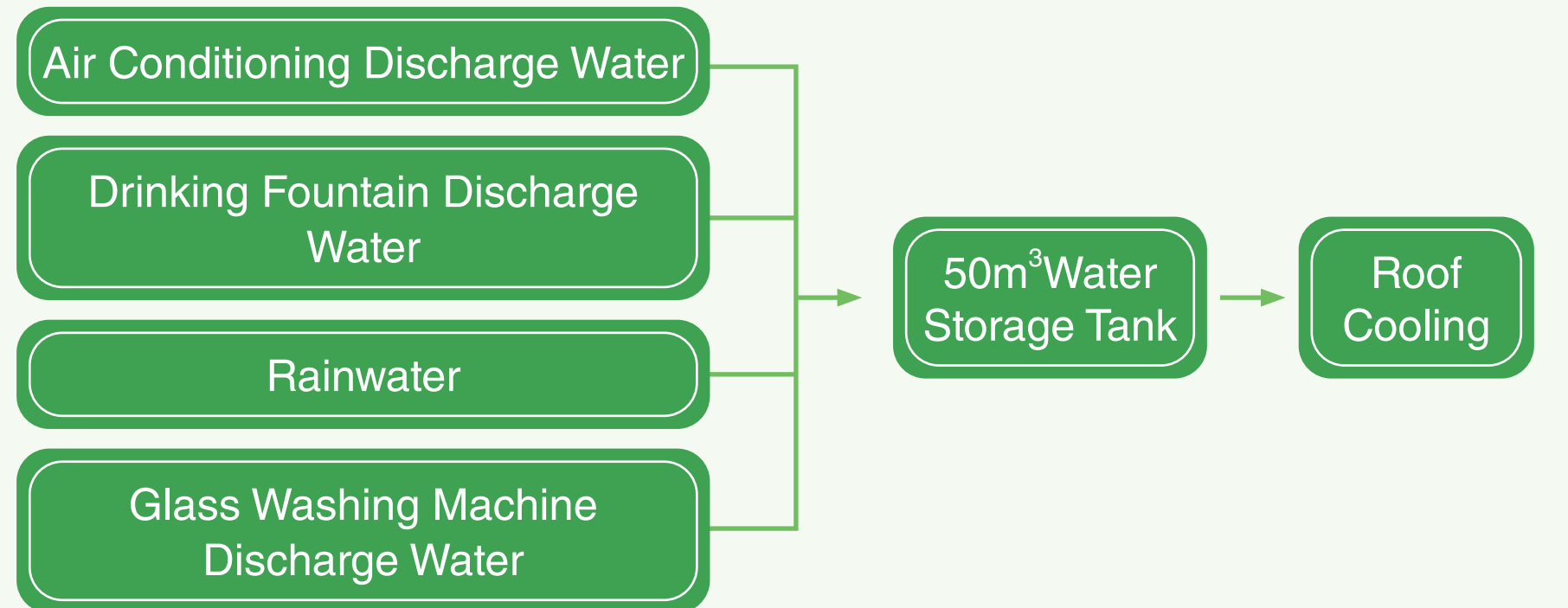
## Total Water Resource Usage, Discharge, and Intensity at AmTRAN in the Last Two Years

| Water Resource Usage  | AmTRAN |         |
|---|--------|---------|
|   | 2022   | 2023    |
| Total Water Withdrawal (Million Liters)                               | 94.655 | 104.180 |
| Total Water Withdrawal Intensity (Million Liters/NTD million revenue) | 0.0058 | 0.00628 |
| Total Water Discharge (Million Liters)                                | 85.123 | 94.398  |
| Total Water Discharge Intensity (Million Liters/NT\$ million revenue) | 0.0052 | 0.0057  |

In 2023, AmTRAN's total water withdrawal increased by 10.06% compared to the previous year, and the total wastewater discharge increased by 10.90%, mainly due to the increased production capacity of AmTRAN's Vietnam plant. However, when separately examining the Suzhou plant, the total water withdrawal in 2023 decreased by 17.01% compared to 2022. For the Vietnam plant, measures have already been implemented to recycle water discharged from air conditioning systems to cool the plant, achieving both water and electricity savings and demonstrating the circular economy benefits of water resources. In addition to investing in water facility improvements, AmTRAN also actively promotes water conservation awareness among employees, fostering a culture of "turning on when needed and turning off when finished" to prevent water wastage. Daily inspections of restroom tanks, water valves, and other plumbing are conducted, with immediate action taken to address any leaks.

### Water Resource Recycling and Reuse Process

The AmTRAN Vietnam Factory optimizes and renovates the cooling of the plant roof by recycling discharge water from air conditioning units, drinking fountains, glass washers, and rainwater.



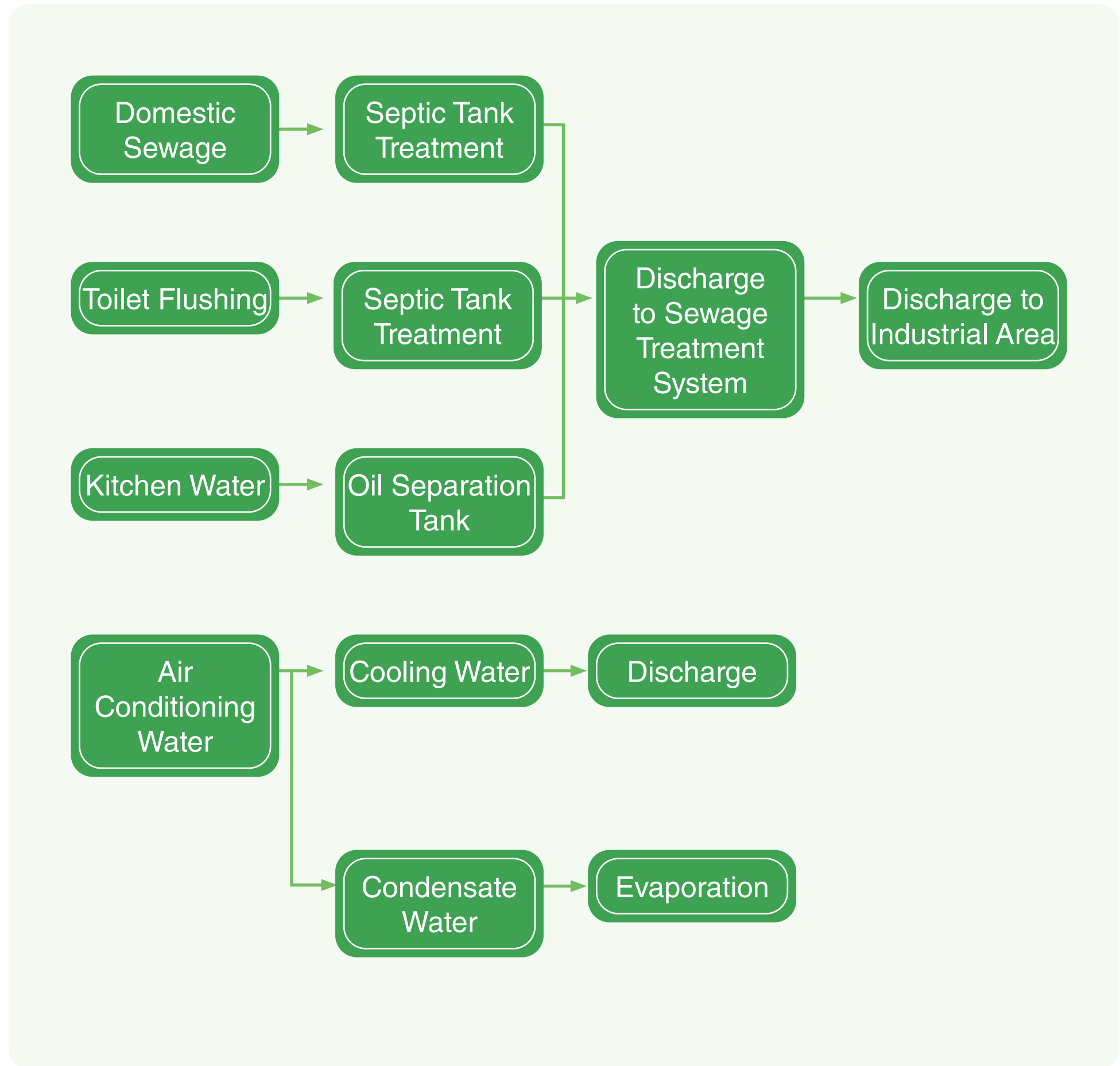
Left Image - Discharge water from drinking fountains, air compressors, rain, and glass washers converge into a 50-ton water tank / Center Image - Roof cooling in summer / Right Image - Air conditioning discharge water recycling device at the Vietnam Factory



## Wastewater Management

AmTRAN's Taiwan headquarters, Suzhou, and Vietnam factories do not discharge industrial wastewater. The processes mainly involve assembly and do not involve high-pollution manufacturing. Domestic wastewater generated at each operational site is discharged into local water treatment plants, fully complying with local discharge standards. Third-party inspection agencies conduct annual wastewater quality inspections in Suzhou and Vietnam factories, ensuring compliance with discharge standards.

### Wastewater Treatment Process at Suzhou and Vietnam Factories



## Wastewater Quality at Suzhou and Vietnam Factories in the Last Two Years

| Water Quality Parameter | Suzhou Factory |       |                          | Vietnam Factory |      |                          | Wastewater Discharge Standards       |
|-------------------------|----------------|-------|--------------------------|-----------------|------|--------------------------|--------------------------------------|
|                         | 2022           | 2023  | Local Discharge Standard | 2022            | 2023 | Local Discharge Standard |                                      |
| pH                      | 7.3            | 7.4   | About 7                  | 7.3             | 7.1  | 6~9                      | All meet local regulatory standards. |
| COD (mg/L)              | 12             | 28    | 500                      | 19              | 43   | 600                      |                                      |
| SS (mg/L)               | --             | --    | --                       | 26              | 25   | 400                      |                                      |
| Oil and Grease (mg/L)   | --             | --    | --                       | 1.8             | 1.8  | 5                        |                                      |
| Ammonia Nitrogen (mg/L) | 0.033          | 0.036 | 45                       | 3               | 4    | 8                        |                                      |
| Total Nitrogen          | 0.84           | 1.32  | 70                       | 10              | 10   | 20                       |                                      |
| Total Phosphorus        | 0.02           | 0.12  | 8                        | 1.03            | 1.58 | 5                        |                                      |

Note : Third-party agencies conduct annual wastewater quality inspections at Suzhou and Vietnam factories, with results meeting standards.

### 3.2.2 Waste Management

From product design and development stages, AmTRAN is committed to reducing the generation of end-of-life waste and mitigating the negative environmental impacts throughout the product lifecycle, including raw material acquisition, manufacturing, storage, transportation, use, and final disposal. The company manages various wastes according to the "Waste Management Procedures," aiming to prevent resource waste and environmental pollution through resource recycling and waste transportation mechanisms. AmTRAN's waste treatment complies with regulatory requirements, legally setting up non-hazardous waste storage areas and hazardous waste dedicated storage sites, applying for relevant discharge or treatment permits as required by law, and reporting honestly to the competent authorities.





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To ensure the effective operation of the waste management system, each factory has a dedicated department responsible for coordinating waste storage, reporting, cleaning, and auditing. The company hires qualified professional waste treatment companies to handle and dispose of waste legally, thoroughly reviewing their qualifications and conducting regular on-site inspections of their permits and facilities to ensure proper treatment processes. AmTRAN also conducts on-site inspections of waste transportation processes and randomly checks to ensure that all wastes are appropriately and legally disposed of. The company ensures all cleaning personnel receive appropriate occupational safety and health training before entering the plant to handle waste properly while ensuring the safety of non-employee workers. Additionally, AmTRAN has established internal and external waste inspection systems at each factory. During monthly safety production meetings, waste total amounts are reviewed, and issues are addressed with improvement plans, striving to reduce waste generation and environmental burden.

In 2023, AmTRAN's hazardous waste volume was 33.95 tons, non-hazardous waste was 5,471.98 tons, totaling 5,505.93 tons, a 49.44% increase compared to 2022, primarily due to increased production capacity at the Vietnam factory. Waste volume by treatment method is detailed below :

### Waste Statistics at AmTRAN in the Last Three Years

| Waste Type                 | 2021            | 2022            | 2023            |
|----------------------------|-----------------|-----------------|-----------------|
| Hazardous Waste (tons)     | 43.73           | 40.44           | 33.95           |
| Non-hazardous Waste (tons) | 4,137.6         | 3,643.90        | 5,471.98        |
| <b>Total Waste (tons)</b>  | <b>4,181.32</b> | <b>3,684.35</b> | <b>5,505.93</b> |

### 2023 Waste Weight Statistics by Treatment Method

| Waste Type          | Off-site Treatment |           |          |                    |                 |       | On-site Treatment  |
|---------------------|--------------------|-----------|----------|--------------------|-----------------|-------|--|
|                     | Incineration       | Recycling | Landfill | Physical Treatment | On-site Storage | Other | Incineration/Recycling/Landfill/Physical Treatment/On-site Storage/Other |
| Hazardous Waste     | 5.30               | 21.78     | 0.00     | 6.87               | 0.00            | 0.00  | 0.00   |
| Non-hazardous Waste | 550.00             | 4,613.38  | 308.60   | 0.00               | 0.00            | 0.00  | 0.00   |

## 3.3 Circular Economy

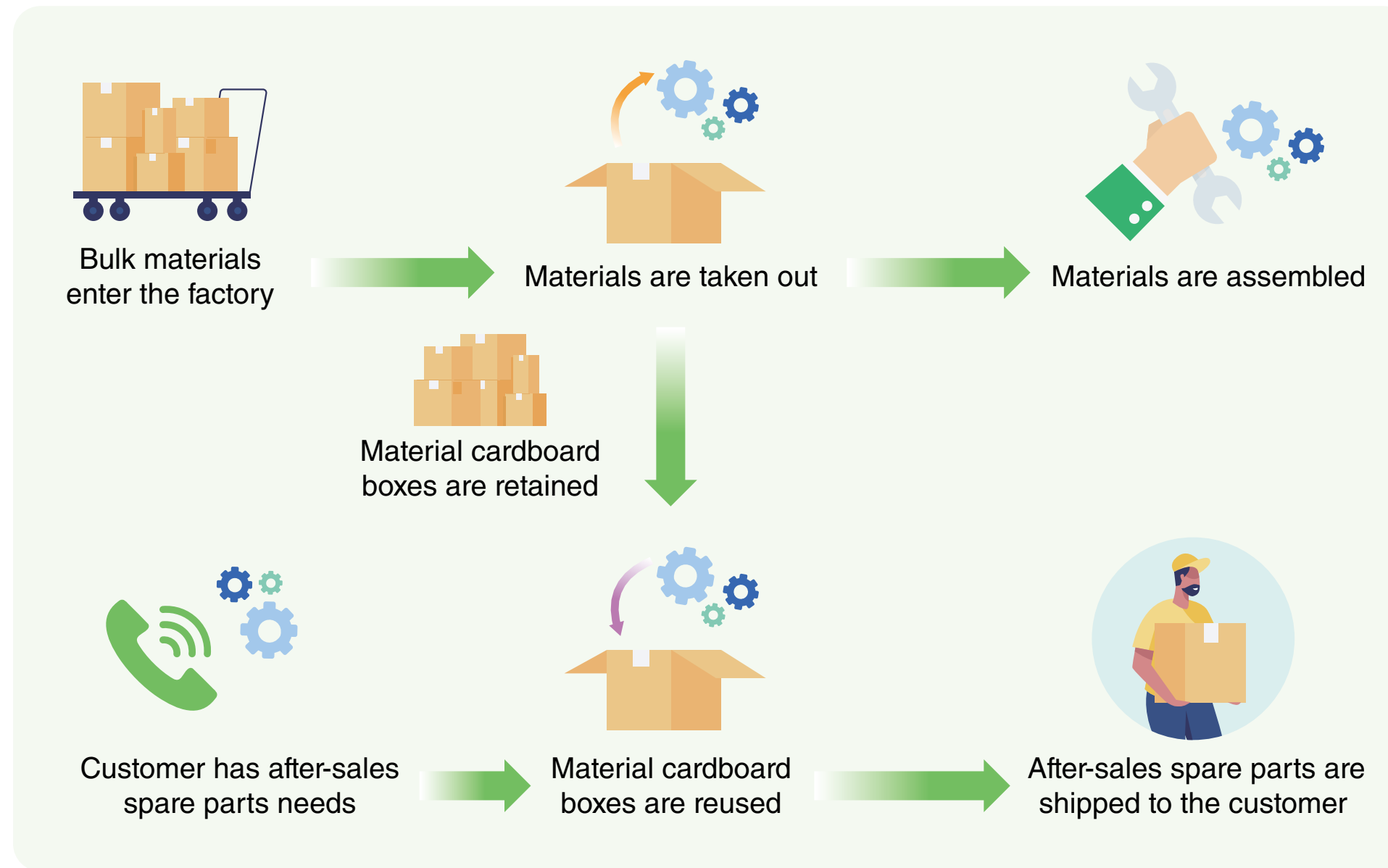
### Reduce and Recycle Product Packaging Materials

The reduction and recycling of packaging materials have become increasingly important in the context of environmental protection and sustainable development. As the concept of a circular economy gains more attention, AmTRAN is actively seeking ways to reduce waste generation and optimize resource use. The recycling and reuse of packaging materials are key methods to achieve these goals. AmTRAN has already started recycling packaging materials for televisions and mice and plans to expand the types and proportions of packaging materials recycled in the future. This initiative aims to effectively reduce waste and promote resource reuse, thereby decreasing the consumption of natural resources.

| Item       | Types of Recycled Packaging Materials | Recycled Quantity ( Tons ) | Recycling Rate in 2023 |
|------------|---------------------------------------|----------------------------|------------------------|
| 27-inch TV | Cardboard Packaging Materials         | 506                        | 100%                   |
| 32-inch TV |                                       | 213                        |                        |
| 48-inch TV |                                       | 787                        |                        |

In the design and selection of product packaging materials, AmTRAN is committed to reducing the amount of packaging used, prioritizing recyclable materials, and controlling the content of harmful substances to comply with the EU packaging directive ensuring all packaging materials are recyclable. AmTRAN's goal is to efficiently utilize resources and reduce waste generation. When procuring large quantities of parts and assembling complete products, AmTRAN retains the packaging boxes after unpacking. Unless customers have specific packaging requirements, the company prioritizes using recycled cardboard boxes for product shipments. This practice of reusing packaging boxes helps extend the lifespan of packaging materials and implements the concept of a circular economy.





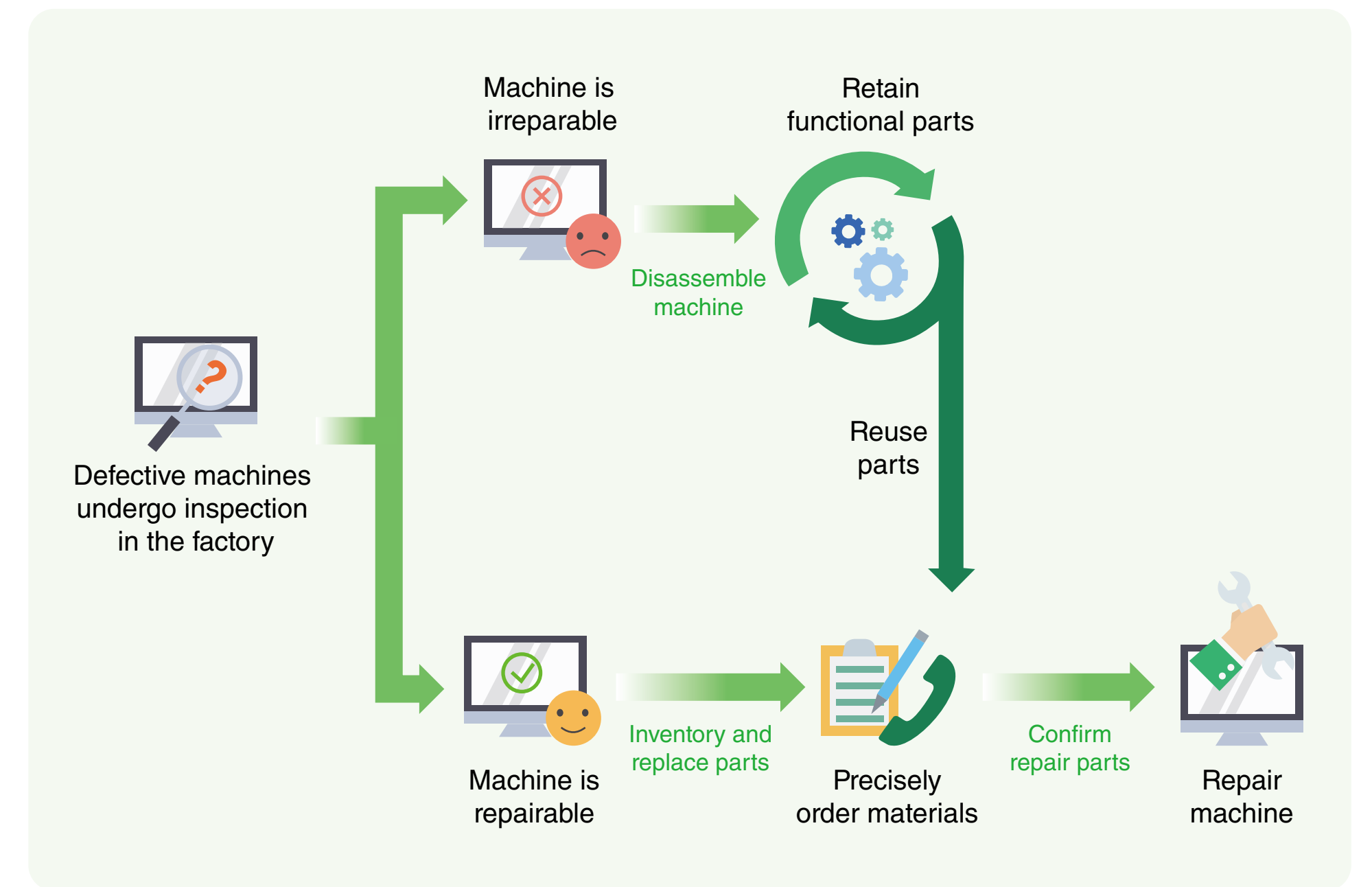
## Use of Recycled Materials

In the face of rapid global environmental deterioration, the importance of using recycled materials is increasingly evident. Utilizing recycled materials can reduce the demand for new resources, alleviate environmental pressure, and help decrease waste generation. Moreover, recycled materials contribute to creating a circular economy, as many recycled materials can serve as low-cost alternatives for manufacturing new products. In 2023, AmTRAN used a total of 3,515 tons of materials, with approximately 275.9 tons being recycled materials, accounting for 7.8% of the total annual material usage. AmTRAN will continue to increase the proportion of recycled materials used in the future, contributing to the protection of the global environment.

## Product Recycling and End-of-Life Equipment Recovery

To reduce the use of equipment components and reliance on raw materials, we value any reusable components. AmTRAN conducts inspections on returned defective machines from the market to identify the issues. After confirming the cause of the defect, we determine the necessary parts for repair and categorize the machines before repairing them. For irreparable machines, we retain functional parts during disassembly for use in future repairs of other machines, thereby extending the lifespan of components, maximizing material efficiency, reducing waste generation, and lessening dependence on raw materials, ultimately reducing the carbon footprint. In 2023, AmTRAN's Taiwan headquarters recycled 232 monitors and 108

televisions, and we will continue to expand the end-of-life equipment recovery program in the future. Additionally, for waste generated from manufacturing activities, AmTRAN commissions third-party agencies for recycling and processing. In 2023, the Suzhou plant generated approximately NTD 4,930,155 in revenue from recycling, while the Vietnam plant generated approximately NTD 9,551,425. The Vietnam factory produces iron and plastic components in-house, and the scrap materials and defective items from machine adjustments are recycled and reused through granulators, with the Vietnam plant recycling a total of 2,584 tons in 2023.



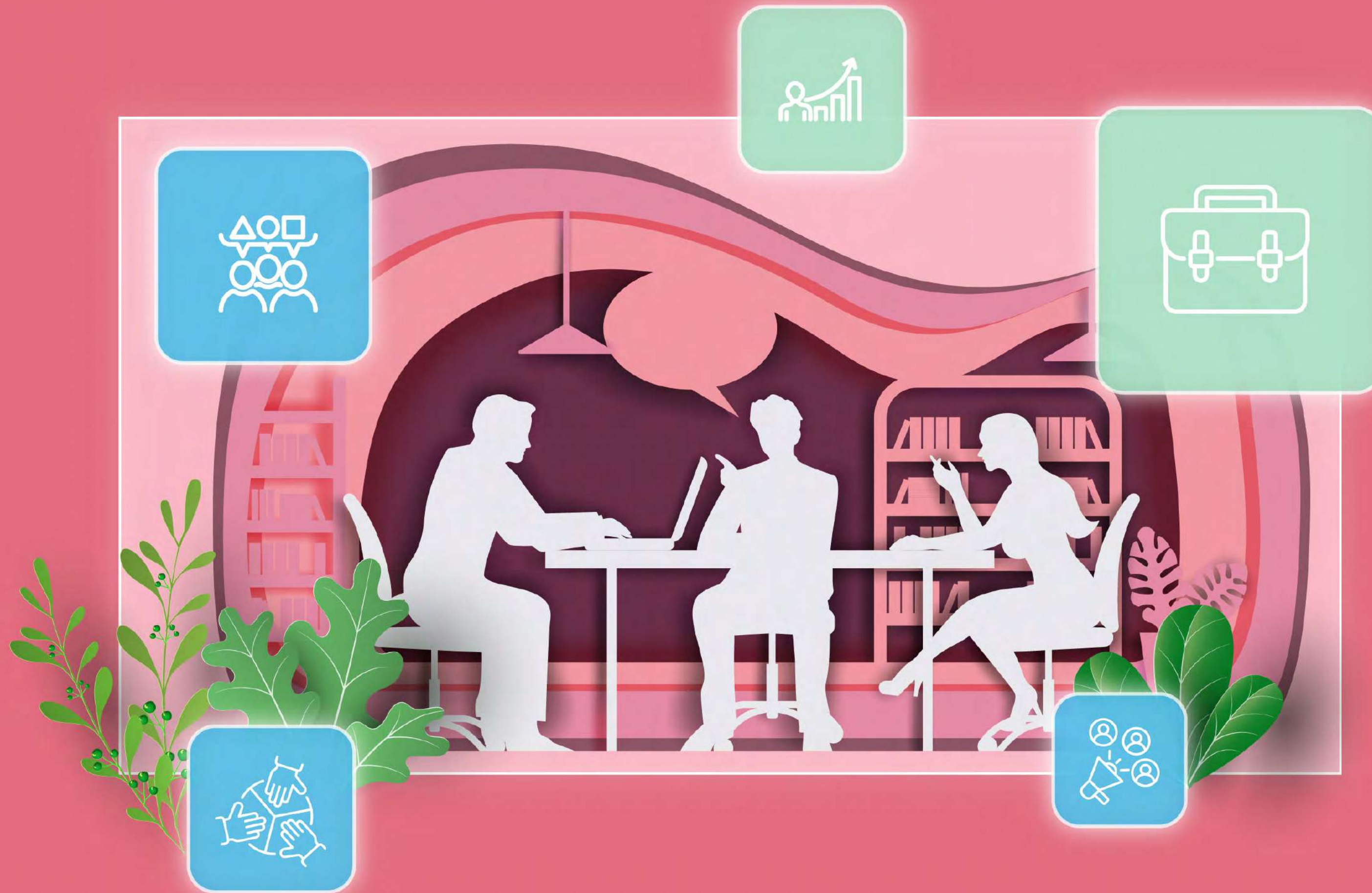
## Product Warranty Service

Extending the warranty period can encourage consumers to use the same product for a longer time, reducing the frequent replacement of electronic products, thereby decreasing waste generation and resource wastage. AmTRAN also enhances the durability and reparability of products, thereby reducing the overall environmental footprint of the products. To extend the product life cycle, AmTRAN offers a three to five-year warranty service for major products, helping consumers reduce the environmental footprint of their consumption process and mitigate the impact of products on the environment and society. At the same time, extending the warranty service not only enhances consumer trust and satisfaction with AmTRAN but also reflects AmTRAN's commitment to customer rights. °





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# 04

## Employee Relations

- Management Policy
- 4.1 Human Resource Management
- 4.2 Talent Retention
- 4.3 Workplace Health and Safety





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## Management Policies

### Material Topics

Occupational Health and Safety

### GRI Index

GRI 3-3 \ GRI 403-1 \ GRI 403-2 \ GRI 403-3 \ GRI 403-4 \ GRI 403-5 \ GRI 403-6 \ GRI 403-7 \ GRI 403-8 \ GRI 403-9 \ GRI 403-10

### Explanation of Positive and Negative Impacts

#### Explanation of Positive Impacts :

The company has established a safety and health management system, promotes workplace safety codes, and provides a healthy and safe working environment for employees. This reduces the injury rate and ensures that employees can work with peace of mind.

#### Explanation of Negative Impacts :

If the company fails to provide a healthy and safe workplace environment for employees, the likelihood of workplace accidents, absenteeism, and other incidents will increase, leading to potential reputational and litigation risks.

### Policy

AmTRAN provides a safe and healthy working environment for employees, ensuring that all employees are aware of and willing to participate in occupational safety and health. The company also continuously improves and enhances its occupational safety and health management measures.

### Targets

#### Short-term Targets (2024) :

Suzhou Plant:  
Work injury incident lost work hours not to exceed 200 hours; 100% of employees receive occupational safety and health training upon entry; 95% rectification rate for identified hazards.

Vietnam Plant:  
Contractor operation safety, 100% of contractors must attend an occupational safety briefing before entering the Vietnam plant.

#### Mid- and Long-term Targets (2026) :

Achieve 100% compliance with EHS (Environment, Health, Safety) behavior across the entire group; no more than 3 employee work injury incidents per year, with lost work hours not exceeding 100 hours.

### Action Plan

#### Negative Impact Actions

1. Establishment of an occupational incident investigation process.
2. Environmental operations monitoring, with regular testing of hazardous factors in the workplace.
3. Hygiene management, with regular cleaning and maintenance to provide a healthy work environment for employees.
4. Annual occupational hazard factor testing, conducted by third-party agencies to inspect various hazardous positions within the plant.

#### Positive Impact Actions

1. Monthly automated inspections, including equipment and motor vehicles.
2. Implementation of preventive measures in response to the COVID-19 pandemic.
3. Provision of occupational safety and health training.
4. Employee health check-ups, including general health examinations and occupational disease screenings.

### Effectiveness Evaluation

Reduction in Occupational Disease Cases and Major Occupational Accidents: In 2023, there were no cases of occupational diseases or major occupational accidents.

### Grievance Mechanism

Employee Suggestion Box, Labor-Management Meetings





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## Material Topics

Labor Rights

## GRI Index

GRI 3-3 \ GRI 401 \ GRI 402 \ GRI 403

## Explanation of Positive and Negative Impacts

Explanation of Positive Impacts :  
Complying with international human rights conventions such as the UN Global Compact, the Universal Declaration of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work, as well as labor-related regulations in all operational locations. Developing relevant policies and providing education and training on labor rights.

Explanation of Negative Impacts :  
Failing to develop policies and controls regarding basic human rights (such as prohibiting child labor, eliminating any forced, imprisoned, monitored labor, or enslaving employees by holding their debts) can lead to related violations.

## Policy

AmTRAN recruits openly based on actual business needs, without discrimination based on race, gender, age, religion, nationality, or political stance, and strictly prohibits the employment of child labor.

## Targets

Short-term Targets (2024) :  
Suzhou Plant:  
1. Include labor rights policies in the employee handbook and communicate them to all employees.  
2. Conduct internal training twice a year and incorporate labor rights policies and regulations into the onboarding training for new employees, achieving a 100% training target.  
Vietnam Plant:  
1. Conduct annual labor rights audits under the Responsible Business Alliance (RBA) to ensure compliance with labor rights.  
2. Conduct RBA training twice a year, ensuring 100% participation of all plant employees in each session.  
3. Hold regular meetings with employees for labor-management communication.  
4. Continuously increase the proportion of female employees.

Mid- and Long-term Targets (2026) :  
Suzhou Plant:  
1. Announce labor rights policies to all employees through two emails per year and occasional notices.  
Vietnam Plant:  
1. Increase the proportion of female employees to 55%.

## Action Plan

Negative Impact Actions  
1. Establish a human rights policy.  
2. Undergo RBA labor rights audits and continuously improve.  
3. In the event of human rights incidents, conduct case investigations and implement relevant corrective measures.

Positive Impact Actions  
1. Establish clear and effective channels for labor communication.  
2. Organize training sessions on the Responsible Business Alliance Code of Conduct (RBA Code).

## Effectiveness Evaluation

RBA Annual Audit Results: In 2023, the Vietnam plant's RBA audit results showed no priority non-conformance items; the Suzhou plant passed the external customer audit.

## Grievance Mechanism

Labor-Management Meetings, Seminars, Suggestion Boxes, Care Interviews, Meeting Discussions





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## 4.1 Human Resource Management

### 4.1.1 Workforce Structure

Talent is AmTRAN's most important asset and the cornerstone of the company's innovation. AmTRAN is committed to enhancing talent development and creating a happy workplace, striving to become the best employer brand in the industry. The company recruits openly based on actual business needs, considering work experience, potential, and achievements for employee hiring, without discrimination based on race, gender, age, religion, nationality, or political stance, and strictly prohibits the employment of child labor. AmTRAN focuses on developing diverse recruitment channels. In 2023, recruitment activities in Taiwan were conducted through platforms such as 104 Job Bank and employee referrals, adhering to the principles of "the right person for the right job" and "internal recruitment prioritized over external hiring."

As of December 31, 2023, AmTRAN had a total of 2,851 employees. At the Taiwan headquarters, the overall gender distribution was 73% male and 27% female. This disparity is due to the nature of the industry and types of work, not gender-based hiring discrimination. However, the proportion of non-management female employees at the Taiwan headquarters increased to approximately 38% in 2023. In the Vietnam plant, the gender ratio among non-management employees was nearly 1:1, and the proportion of female managers remained close to 50%. AmTRAN is dedicated to creating a gender-equal workplace environment and will continue to focus on workplace inclusion issues and respect for gender equality. To comply with government initiatives promoting the employment of individuals with disabilities, the Taiwan headquarters employed four persons with disabilities (two of whom were contract workers), meeting government regulatory requirements.

In addition to employees, AmTRAN also has non-employee workers. Due to the nature of the industry, common types of non-employee workers at AmTRAN are dispatched personnel, primarily working as operators on the production line. In 2023, the Suzhou plant had approximately 858 dispatched personnel (average number for 2023), and about 842 dispatched personnel.

AmTRAN follows the principle of "equal treatment," respecting personal data privacy, and does not collect statistical information on employees' race or group affiliation.

The detailed composition of employees at AmTRAN's Taiwan headquarters, Suzhou plant, and Vietnam plant as of December 31, 2023, is as follows:

#### Employee Distribution by Gender and Employment Contract

( Units\_People )

|           | Gender   | Taiwan Headquarters | Suzhou Plant | Vietnam Plant | Total |
|-----------|----------|---------------------|--------------|---------------|-------|
| Full-time | Male     | 308                 | 374          | 830           | 1,512 |
|           | Female   | 116                 | 286          | 937           | 1,339 |
|           | Subtotal | 424                 | 660          | 1,767         | 2,851 |
| Contract  | Male     | 0                   | 589          | 0             | 589   |
|           | Female   | 0                   | 269          | 0             | 269   |
|           | Subtotal | 0                   | 858          | 0             | 858   |

#### Employee Distribution by Gender and Employment Type

( Units\_People )

|           | Gender   | Taiwan Headquarters | Suzhou Plant | Vietnam Plant | Total |
|-----------|----------|---------------------|--------------|---------------|-------|
| Full-time | Male     | 308                 | 374          | 830           | 1,512 |
|           | Female   | 116                 | 286          | 937           | 1,339 |
|           | Subtotal | 424                 | 660          | 1,767         | 2,851 |

Note: There are no part-time or zero-hour contract employees at the Taiwan headquarters.





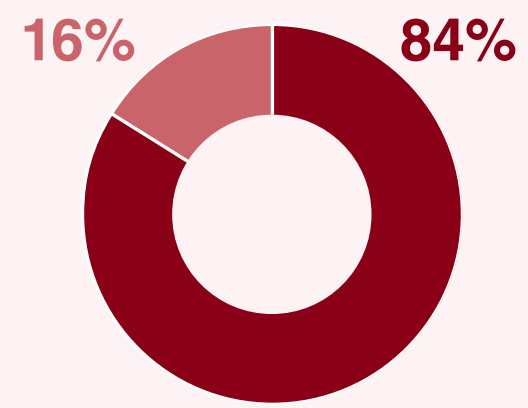
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## Employee Distribution by Gender and Job Level

### 1. Taiwan Headquarters

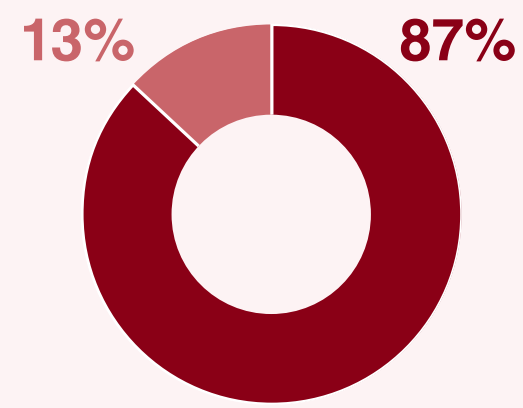
|                        | Male   | Female | Total |
|------------------------|--------|--------|-------|
| Management Personnel   | 127    | 25     | 152   |
| Technical Staff        | 147    | 21     | 168   |
| Other Employees        | 34     | 70     | 104   |
| Subtotal               | 308    | 116    | 424   |
| Percentage (by Gender) | 72.64% | 27.36% | 100%  |

Management Personnel



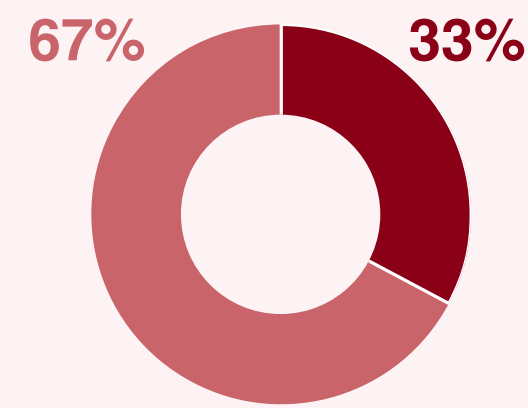
■ Male ■ Female

Technical Staff



■ Male ■ Female

Other Employees



■ Male ■ Female

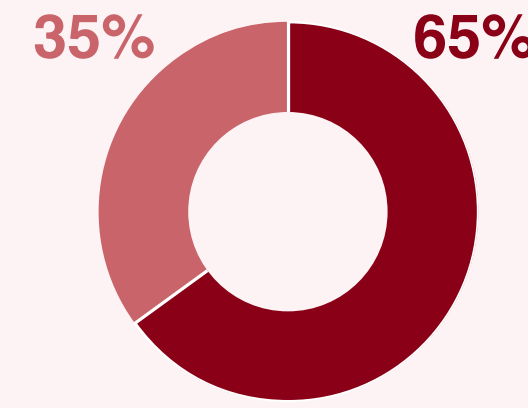
Note: Employee types are explained as follows:

| Employee Type        | Description  |
|----------------------|--|
| Management Personnel | Management Positions   |
| Technical Staff      | Non-Management RD Engineers (e.g., Hardware/Mechanical/Firmware/RF/Safety, etc.) |
| Other Employees      | Non-Management Staff   |

### 2. Suzhou Plant

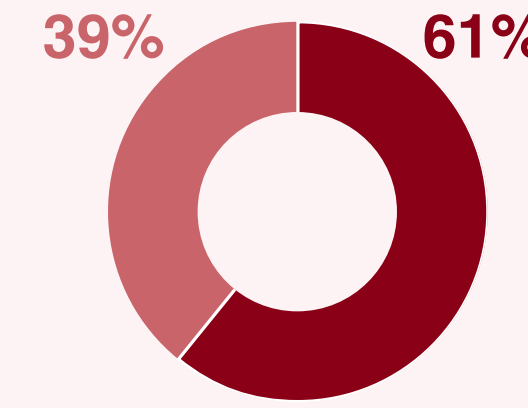
|                        | Male | Female | Total |
|------------------------|------|--------|-------|
| Management Personnel   | 62   | 34     | 96    |
| Technical Staff        | 17   | 11     | 28    |
| Other Employees        | 295  | 241    | 536   |
| Subtotal               | 374  | 286    | 660   |
| Percentage (by Gender) | 57%  | 43%    | 100%  |

Management Personnel



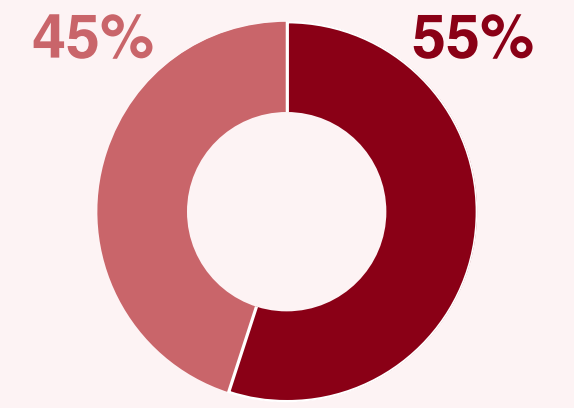
■ Male ■ Female

Technical Staff



■ Male ■ Female

Other Employees



■ Male ■ Female

Note: Employee types are explained as follows:

| Employee Type        | Description             |
|----------------------|-------------------------|
| Management Personnel | Management Positions    |
| Technical Staff      | Non-Management RD Staff |
| Other Employees      | Non-Management Staff    |





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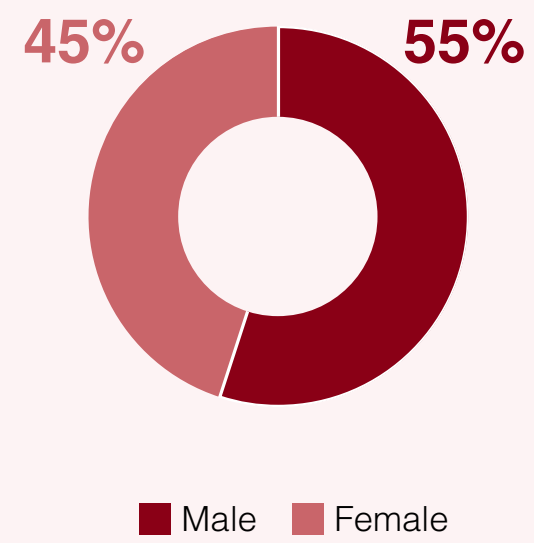
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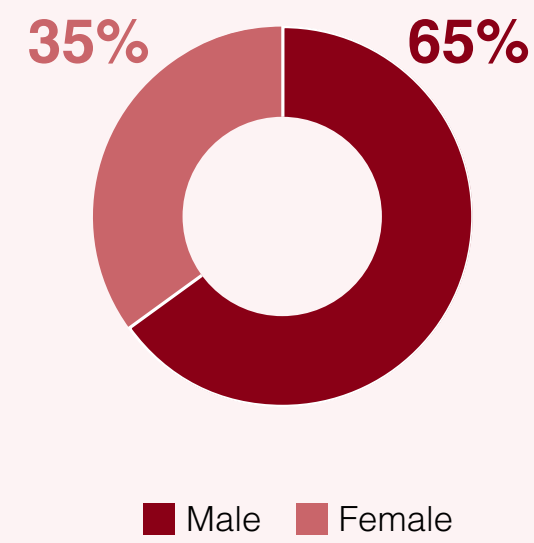
### 3. Vietnam Plant

|                        | Male | Female | Total |
|------------------------|------|--------|-------|
| Management Personnel   | 18   | 11     | 29    |
| Technical Staff        | 30   | 16     | 46    |
| Other Employees        | 782  | 910    | 1,692 |
| Subtotal               | 830  | 937    | 1,767 |
| Percentage (by Gender) | 47%  | 53%    | 100%  |

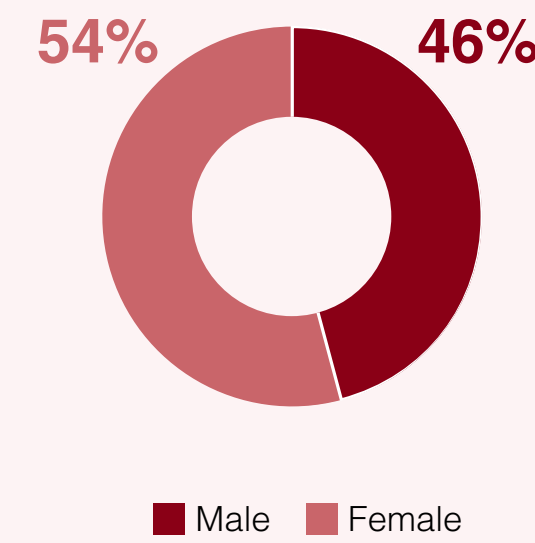
Management Personnel



Technical Staff



Other Employees

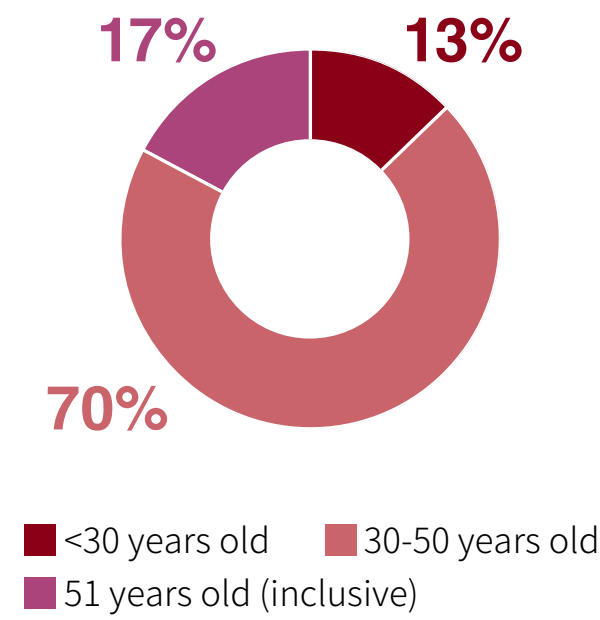


Note: The types of employees are described as follows:

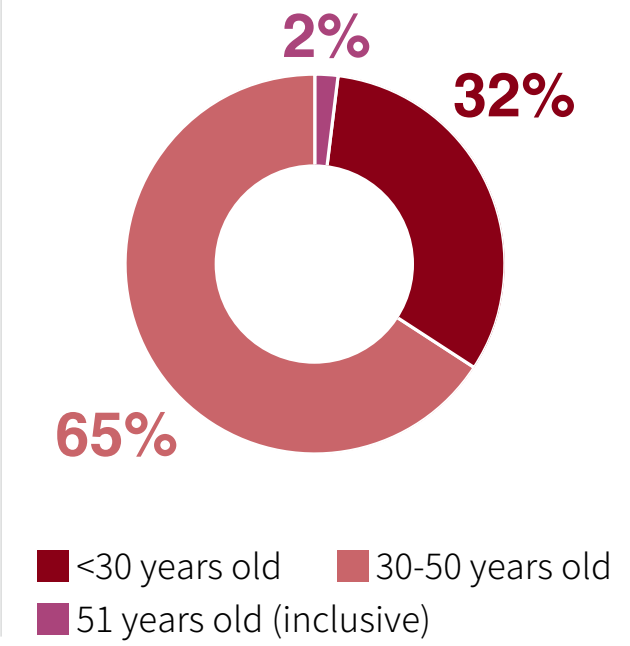
| Employee Type        | Description  |
|----------------------|--|
| Management Personnel | Deputy Section Chief and above L20 (inclusive)                         |
| Technical Staff      | Non-Management RD (e.g., Hardware/Mechanical/Firmware/RF/Safety, etc.) |
| Other Employees      | Other Staff  |

### Employee Age Distribution

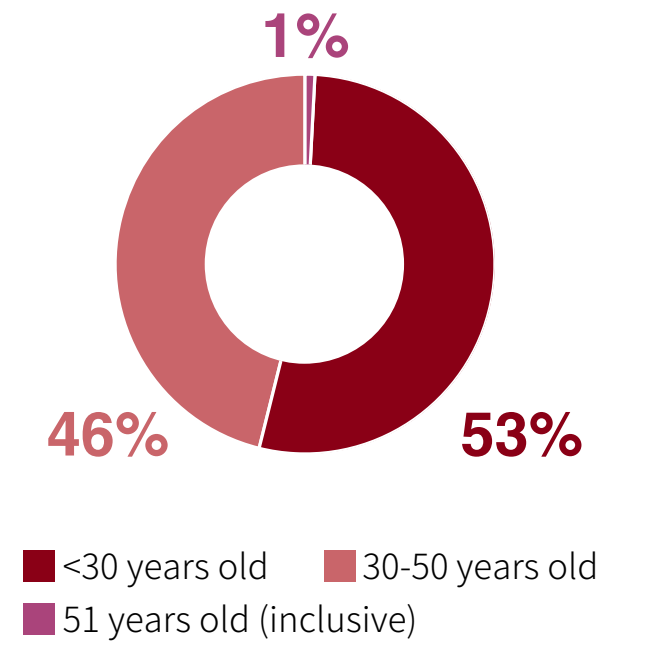
Taiwan Headquarters



Suzhou Plant

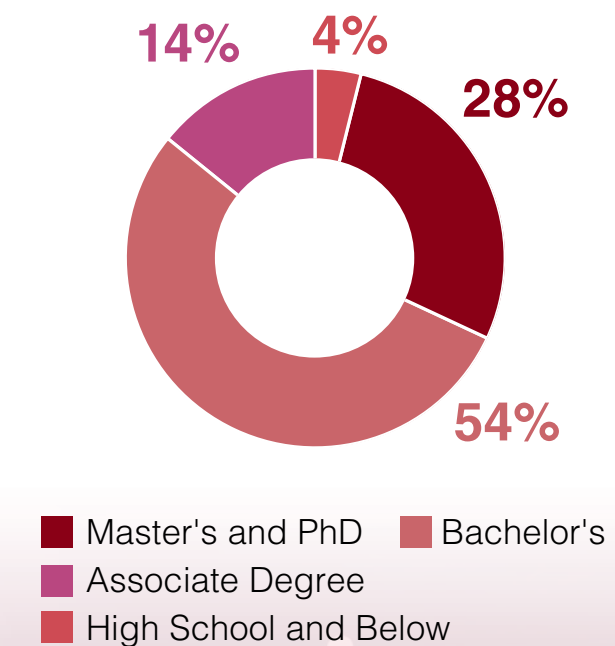


Vietnam Plant

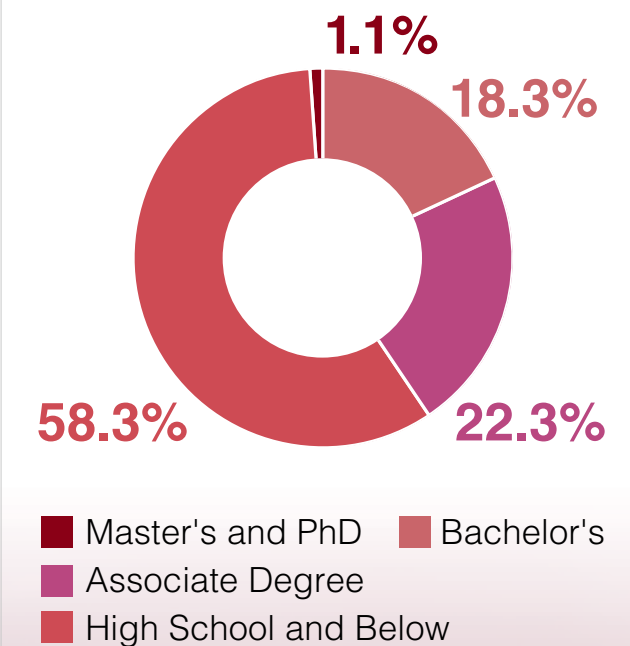


### Employee Education Distribution

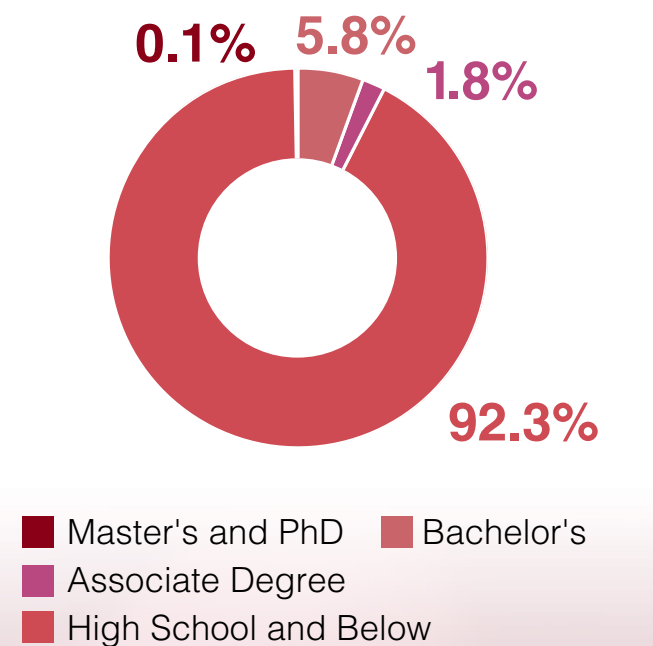
Taiwan Headquarters



Suzhou Plant



Vietnam Plant







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## Number and Percentage of New Employees in 2023 by Gender and Age Group

|                     | Gender | <30years old | 30 ~ 50years old | >50years old | Total | New Hire Rate |
|---------------------|--------|--------------|------------------|--------------|-------|---------------|
| Taiwan Headquarters | Male   | 31           | 69               | 8            | 108   | 35.06%        |
|                     | Female | 6            | 21               | 1            | 28    | 24.14%        |
|                     | Total  | 37           | 90               | 9            | 136   | 32.08%        |
| Suzhou Plant        | Male   | 1,737        | 577              | 3            | 2,317 | 8.10          |
|                     | Female | 637          | 253              | 0            | 890   | 3.11          |
|                     | Total  | 2,374        | 830              | 3            | 3,207 | 4.86          |
| Vietnam Plant       | Male   | 694          | 269              | 0            | 963   | 1.16          |
|                     | Female | 673          | 316              | 4            | 993   | 1.06          |
|                     | Total  | 1,367        | 585              | 4            | 1,956 | 1.11          |

Note 1: The new hire rate is calculated as "the total number of new hires in the category for the year" / "the total number of employees in the category as of December 31 of the year."

Note 2: Due to the nature of the work, the turnover rate is higher in the plant locations.

## Number and Percentage of Employees Who Left in 2023 by Gender and Age Group

|                     | Gender | <30years old | 30 ~ 50years old | >50years old | Total | New Hire Rate |
|---------------------|--------|--------------|------------------|--------------|-------|---------------|
| Taiwan Headquarters | Male   | 11           | 37               | 10           | 58    | 18.83%        |
|                     | Female | 9            | 19               | 2            | 30    | 25.86%        |
|                     | Total  | 20           | 56               | 12           | 88    | 20.75%        |
| Suzhou Plant        | Male   | 1,760        | 629              | 1            | 2,390 | 6.39          |
|                     | Female | 651          | 282              | 1            | 934   | 3.27          |
|                     | Total  | 2,411        | 911              | 2            | 3,324 | 5.04          |
| Vietnam Plant       | Male   | 406          | 183              | 0            | 589   | 70.96%        |
|                     | Female | 362          | 191              | 3            | 556   | 59.34%        |
|                     | Total  | 768          | 374              | 3            | 1,145 | 64.80%        |

Note 1: The turnover rate is calculated as "the total number of employees who left in the category for the year" / "the total number of employees in the category as of December 31 of the year."

Note 2: Due to the nature of the work, the turnover rate is higher in the plant locations.

## 4.1.2 Labor-Management Communication

To create a friendly workplace and focus on employees' physical and mental health, AmTRAN has established a "One-Stop Service Center" at the Suzhou plant. Employees facing any difficulties can seek help and resolve disputes through the service center. During the 2023 employee seminar, the Chairman, General Manager, and senior executives shared the company's performance for 2023 and the outlook for the future with the employees, aligning everyone towards the same goal. Department heads and relevant unit supervisors provided maximum assistance to colleagues. The annual salary adjustment plan was also communicated to encourage collective efforts and increase morale. Several health seminars were held to enhance self-care knowledge in the post-pandemic era. Additionally, a million-dollar design competition was organized to inspire research and development creativity and cross-departmental teamwork. The "Chairman's Day" allowed the Chairman to express concern for all employees' well-being. In 2023, the main topics discussed in the labor-management meetings at the headquarters included the review of the 2024 calendar and the planning of employee activities for the coming year. At the Vietnam plant, the main discussion points were the resumption of the annual year-end party in 2023 and the step-by-step implementation of salary adjustments, fulfilling government plans and commitments. To promote communication and coordination between labor and management, the Vietnam plant established the AmTRAN Vietnam Employee Union in August 2019. To protect the rights and cooperation of both parties, the Vietnam plant and union representatives signed a collective labor agreement in accordance with the Vietnamese Labor Law and Trade Union Law, ensuring all employees are covered by this agreement. Regular collective labor-management dialogues are held, discussing various employee-related issues with the participation of the union chairman, members, and relevant company management.

AmTRAN actively establishes communication bridges with employees, creating a positive work environment that allows the company to understand and appropriately address employees' thoughts and concerns. The main communication channels are as follows :

|   |   |
|---|---|
| <p><b>Seminars</b></p> <p>Chairman's Day ( annually ) 、 Employee Seminars ( every six months )</p>  | <p><b>E-mail 、 Mail Box</b></p> <p>Employee Suggestion Boxes ( anytime ) 、 Dedicated Feedback Email ( anytime )</p> |
| <p><b>Care Interviews</b></p> <p>Walk-around Management ( anytime ) 、 One-Stop Service ( anytime ) 、 Employee Service Hotline ( anytime )</p> | <p><b>Meeting Discussions</b></p> <p>Labor-Management Meetings ( quarterly )</p>                                    |





Additionally, in accordance with local laws at each operational site, we notify employees and their representatives in advance of significant operational changes that may seriously affect employee rights. The minimum notice periods are as follows :

| Taiwan   |         | China                   |         | Vietnam                                     |         |
|--|---------|-------------------------|---------|---|---------|
| Continued employment for more than three months but less than one year | 10days  | Within probation period | 3 days  | Fixed-term labor contract (1-3 years)       | 30 days |
| Continued employment for more than one year but less than three years  | 20 days | After probation period  | 30 days | Indefinite-term labor contract (open-ended) | 45 days |
| Continued employment for more than three years                         | 30 days |                         |         |   |         |

Note: Fixed-term contracts can be renewed up to 2 times. From the 3rd renewal onwards, the contract must be an open-ended (indefinite-term) contract.

### 4.1.3 Human Rights Protection

AmTRAN respects the dignity of every employee and has established management ethics policies that outline human rights principles. These include prohibiting child labor, eliminating any form of coercion, imprisonment, surveillance, and enslavement of employees by withholding debts, and respecting individual differences among employees. The recruitment of new employees is based on work experience, potential, and achievements, without discrimination based on race, gender, age, religion, nationality, or political stance. The company's remuneration policy does not vary based on gender, religion, race, nationality, or political affiliation. In 2021, AmTRAN established its labor rights policy based on the Responsible Business Alliance Code of Conduct (RBA Code) to protect labor rights. This policy includes prohibitions on any form of forced labor, slavery, and human trafficking; the prohibition of child labor in any manufacturing process; ensuring that working hours do not exceed the maximum limits set by local laws; paying wages that comply with all relevant compensation laws; avoiding harsh or inhumane treatment of employees; and establishing procedures and systems to prevent, manage, track, and report occupational injuries and diseases. Adhering to these human rights principles, AmTRAN's Taiwan headquarters and operational plants did not experience any incidents of discrimination, child labor, or forced labor in 2023.

Since labor rights and human rights issues in operational plants are a primary concern for customers, AmTRAN's Suzhou and Vietnam plants not only provide basic training on the latest version of the RBA Code of Conduct human rights education to new employees but also regularly conduct comprehensive RBA training sessions to enhance employee awareness. In 2023, a total of 17 training sessions were held, training 3,264 participants with a total of 24,508 training hours. AmTRAN will continue to provide relevant education and training for employees in the future. In 2023, the Vietnam plant underwent customer and third-party audits for RBA compliance as required by clients. The main audit items included labor conditions, health and safety, working environment, code of ethics, and management systems. The audit results showed no priority non-conformance items. The operational plants also implemented corrective measures for any non-conformities identified during the audits to ensure compliance with the RBA Code of Conduct.

In 2023, the main non-conformities related to labor rights identified during the RBA audit at the Vietnam plant were subsequently rectified within the required timeframe. The details of the corrective actions taken are as follows :

| Major Non-Conformities  | Corrective Actions   |
|---|--|
| Overtime hours not in compliance with regulations   | Continued control of overtime and consecutive work hours within the factory is necessary. A system has been implemented to notify supervisors in advance (already completed) to reduce working hours issues. |
| Issues with not properly wearing labor protection safety equipment on-site                                      | Awareness of the proper use of labor protection safety equipment was insufficient. The department has conducted related training for employees.  |
| Emergency escape routes blocked by fans on-site   | The issue of emergency escape routes being blocked by fans due to hot weather has been resolved. The area has been planned to keep escape routes clear.  |
| Insufficient first aid equipment in the domestic sewage treatment area, needing additional eye wash stations    | Additional eye wash stations have been installed in the domestic sewage treatment area.  |
| Two chemicals used in the factory did not have Material Safety Data Sheets (MSDS) available at the point of use | Each unit has re-verified MSDS and placed the relevant chemical MSDS next to the chemical storage cabinets.  |



Additionally, for specific human rights items, AmTRAN's Taiwan headquarters, Suzhou plant, and Vietnam plant have established additional control measures :

| Human Rights Issues | Risk Prevention Measures  |
|---------------------|---|
| Child Labor         | <ol style="list-style-type: none"> <li>Applicants are required to provide identification documents for thorough verification.</li> <li>Develop management procedures for underage workers.</li> <li>Require labor agencies to sign a declaration prohibiting the employment of child labor, underage workers, and engagement in illegal labor activities.</li> </ol>  |
| Forced Labor        | <ol style="list-style-type: none"> <li>Develop documents for procedures controlling the prevention of forced labor and ensuring freedom of employment choice.</li> <li>Conduct interviews to assess the candidates' willingness to work.</li> <li>Ensure there is no occurrence of forced labor through grievance channels, regular labor-management meetings, and management systems.</li> <li>Obtain employees' consent prior to overtime work.</li> <li>Ensure that labor contracts signed by employees comply with regulations.</li> <li>Allow employees to terminate their labor contracts at their own discretion.</li> </ol> |

## 4.2 Talent Retention

### 4.2.1 Compensation and Bonuses

AmTRAN provides a competitive compensation policy for its employees by conducting annual salary comparisons for similar positions in related industries. This policy is complemented by employee performance and career development considerations. The company sets a market-competitive salary system with a basic salary that is superior to local legal requirements, and employee compensation is determined based on principles of equality.

#### Annual Total Compensation Ratio

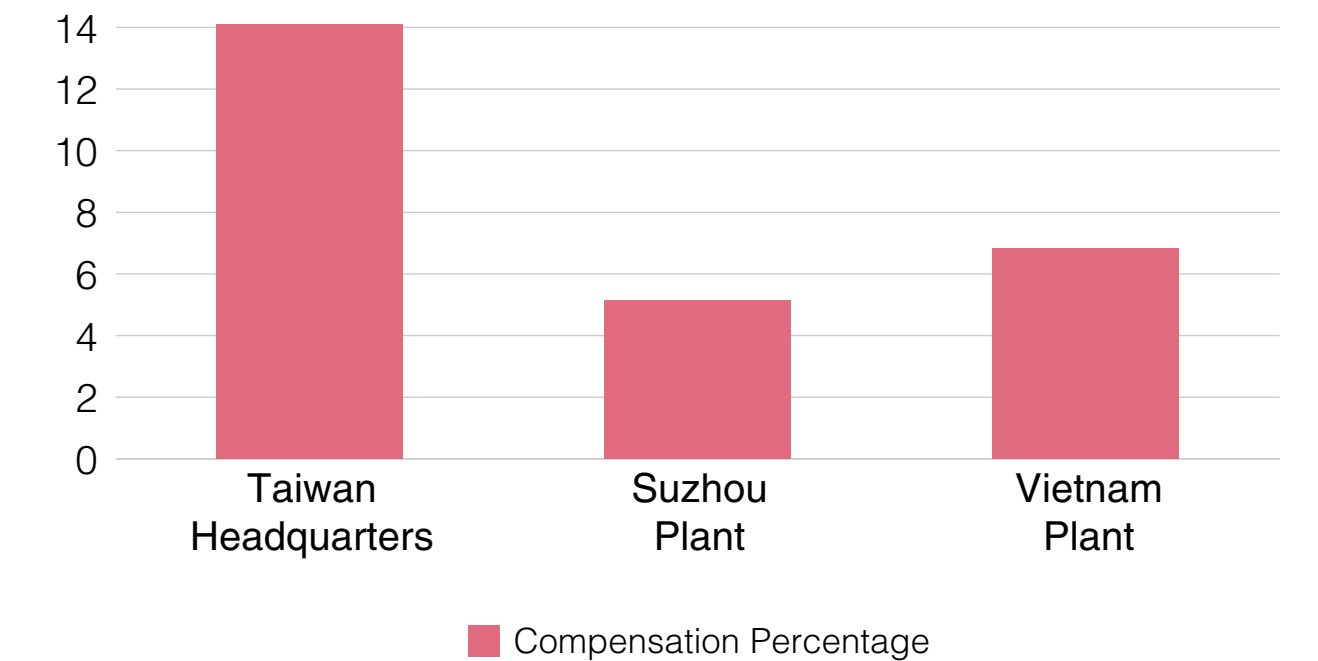
| Region              | Compensation Percentage |
|---------------------|-------------------------|
| Taiwan Headquarters | 14.11                   |
| Suzhou Plant        | 5.15                    |
| Vietnam Plant       | 6.84                    |

Note: The formula for the annual total compensation ratio is "Annual total compensation of the highest-paid individual in the organization ÷ Median annual total compensation of all employees (excluding the highest-paid individual)".

In addition to a fixed monthly salary, AmTRAN offers various bonuses, such as employee profit sharing, holiday bonuses, and patent invention creativity bonuses. With the mission to become a benchmark in the display manufacturing industry, the average salary of full-time non-management employees in 2023 was NT\$1,302,000, and the median salary was NT\$1,155,000. Additionally, from 2014 to 2019, AmTRAN was consecutively selected as a constituent of the "Taiwan High Compensation 100 Index".

| Region              | 2023 Ratio of Standard Entry-Level Salary to Local Minimum Wage |
|---------------------|---|
| Taiwan Headquarters | 1.25  |
| Suzhou Plant        | 1.04  |
| Vietnam Plant       | 1.41  |

#### 2023 Annual Total Compensation Ratio





## 4.2.2 Diversity and Equality

AmTRAN is committed to providing all employees with a friendly and inclusive working environment, ensuring that employment, compensation, and promotion opportunities are not affected by gender, language, race, religion, or other differences. The company also emphasizes the diverse employment of individuals with disabilities, women, disadvantaged groups, and minorities. AmTRAN strictly adheres to the requirements of the "Responsible Business Alliance (RBA) Code of Conduct" to implement gender equality in the workplace. In 2023, the proportion of female employees at the Vietnam plant increased by 0.35% compared to the same period last year, rising from 52.51% to 52.86%. In the optoelectronics industry, AmTRAN's proportion of female employees is relatively high, demonstrating the company's efforts in diversity and equality, and its dedication to creating an inclusive workplace environment.

### Employee Compensation Ratio of Women to Men by Region and Job Level

Taiwan Headquarters

|                      | Male | Female | Female-to-Male Compensation Percentage |
|----------------------|------|--------|--|
| Management Personnel | 1    | 0.75   | 0.75                                   |
| Technical Staff      | 1    | 0.86   | 0.86                                   |
| Other Employees      | 1    | 0.69   | 0.69                                   |

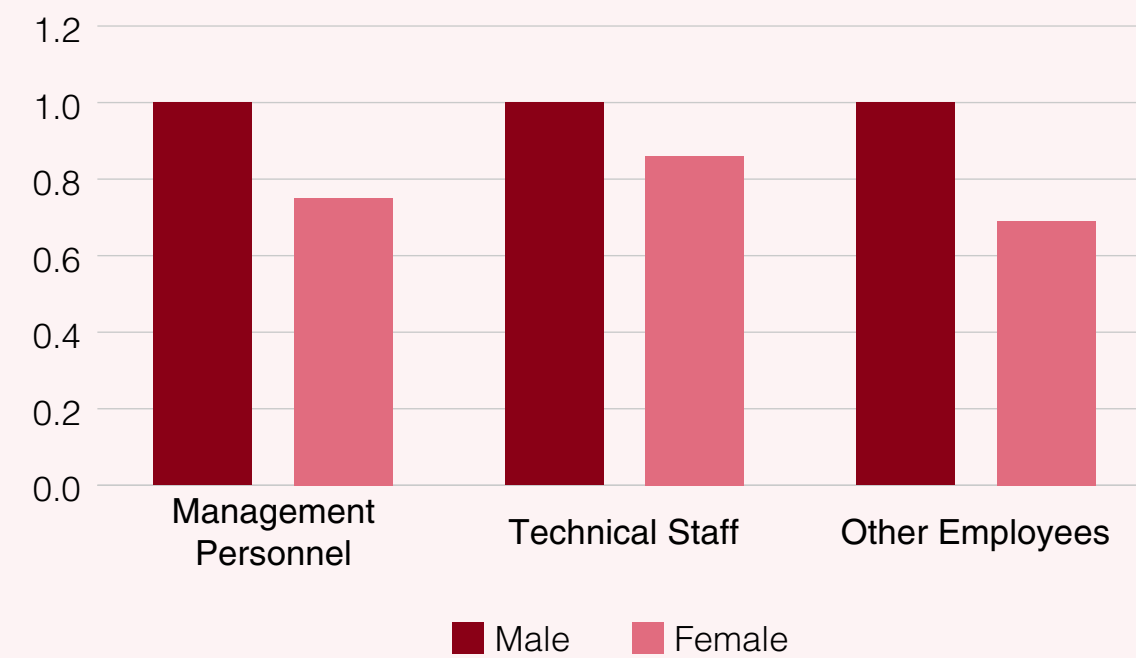
Suzhou Plant

|                      | Male | Female | Female-to-Male Compensation Percentage |
|----------------------|------|--------|--|
| Management Personnel | 1    | 0.91   | 0.91                                   |
| Technical Staff      | 1    | 0.59   | 0.59                                   |
| Other Employees      | 1    | 1.09   | 1.09                                   |

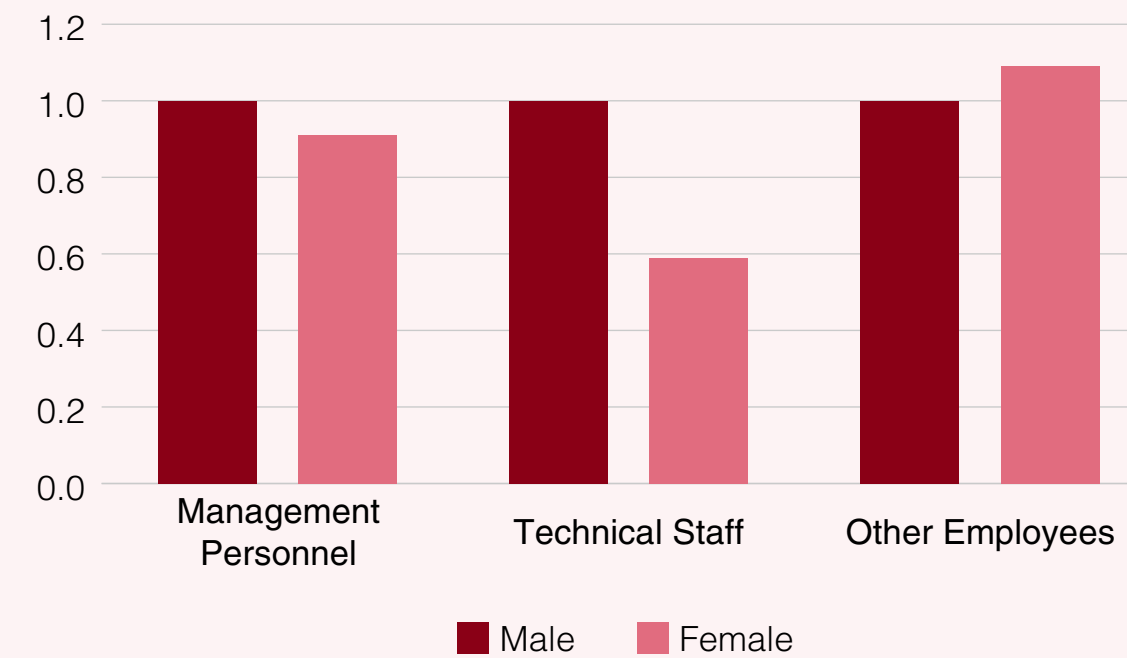
Vietnam Plant

|                      | Male | Female | Female-to-Male Compensation Percentage |
|----------------------|------|--------|--|
| Management Personnel | 1    | 0.62   | 0.62                                   |
| Technical Staff      | 1    | 0.44   | 0.44                                   |
| Other Employees      | 1    | 1.02   | 1.02                                   |

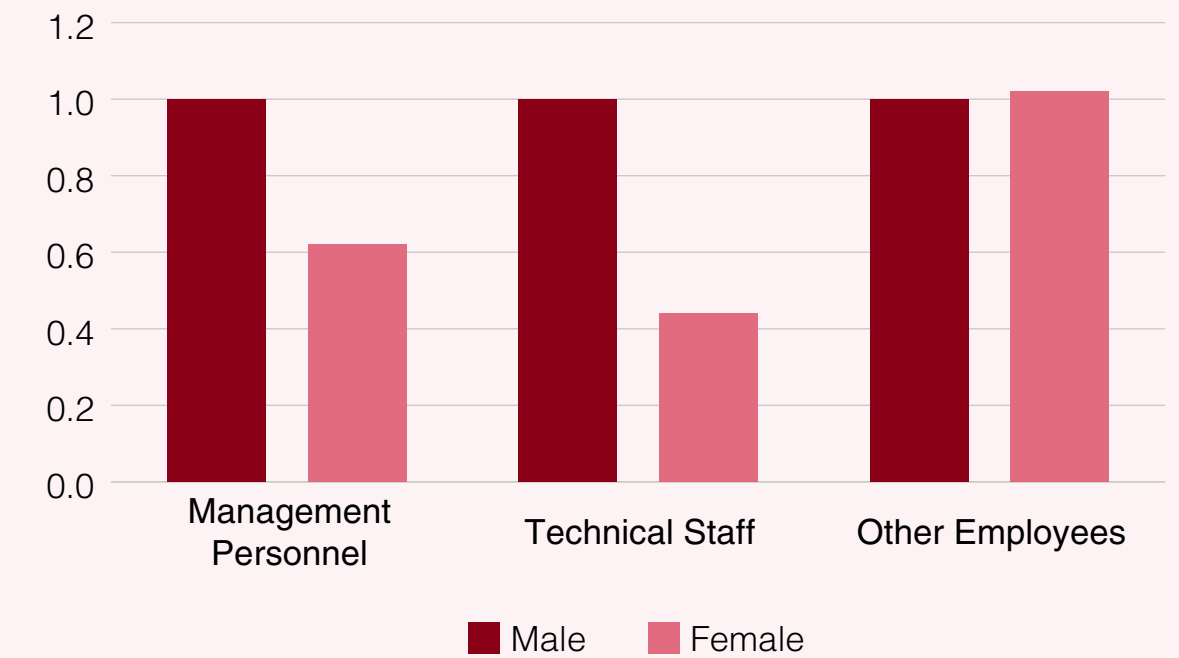
2023 Female-to-Male Compensation Ratio by Job Level



2023 Female-to-Male Compensation Ratio by Job Level



2023 Female-to-Male Compensation Ratio by Job Level



In 2023, the female-to-male compensation ratio showed significant differences at the technical staff level. Since AmTRAN operates in the optoelectronics industry, the majority of technical staff are male. In line with the principles of diversity and equality, AmTRAN is actively working towards increasing the salaries of female technical staff.





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## 4.2.3 Employee Benefits

AmTRAN offers a diverse range of employee benefits, providing conditions and plans that exceed the requirements of the Labor Standards Act. Additionally, the company has established an Employee Welfare Committee to ensure that both employees and their families receive proper care. AmTRAN's employee retirement system complies with relevant local laws and the company's retirement policies.

|   |   |
|---|---|
|  <p>Bonuses</p>                      | <ul style="list-style-type: none"> <li>• Profit sharing, mid-year Dragon Boat Festival bonuses, Mid-Autumn Festival bonuses, year-end bonuses</li> <li>• Birthday cash gifts and birthday gift vouchers</li> <li>• High-value prizes at the year-end party</li> <li>• Patent invention creativity incentive bonuses</li> </ul>  |
|  <p>Work / Life Balance Measures</p> | <ul style="list-style-type: none"> <li>• Flexible working hours</li> <li>• Movie outings</li> </ul>   |
|  <p>Subsidies</p>                   | <ul style="list-style-type: none"> <li>• Wedding and funeral subsidies</li> <li>• Snack and beverage subsidies</li> <li>• Childcare allowances</li> <li>• Subsidies for daycare or kindergarten expenses</li> <li>• Free meals for evening overtime</li> </ul>  |
|  <p>Physical and Mental Health</p> | <ul style="list-style-type: none"> <li>• Professional stress relief services for visually impaired employees</li> <li>• On-site physician consultations</li> <li>• Employee health check-ups</li> <li>• Health seminars</li> <li>• Birthday celebrations</li> <li>• Group insurance (life insurance/medical insurance/accident insurance)</li> <li>• Travel insurance for business trips or expatriate employees</li> <li>• Unemployment insurance</li> <li>• Emergency medical kits</li> </ul> |
|  <p>Facilities / Gifts</p>         | <ul style="list-style-type: none"> <li>• Fitness equipment</li> <li>• Holiday gifts</li> </ul>  |



AmTRAN's Suzhou plant also provides social insurance, housing provident funds, and employee management procedure systems to ensure comprehensive stability in employees' lives and fair employment treatment. These measures enhance quality of life, increase a sense of security, and improve job satisfaction, while also supporting the stable development of the company.





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## Childcare Benefits

To provide employees with a secure environment for raising the next generation, AmTRAN offers parental leave and has established breastfeeding rooms at the Taiwan headquarters and Vietnam plant for female employees who need to breastfeed. Additionally, childcare and kindergarten fees are subsidized, and childcare allowances are provided regardless of gender. The Vietnam plant offers flexible working hours, allowing new mothers with babies under 12 months old to leave work an hour early. There is also a designated parking area for pregnant women and new mothers in the employee parking lot, demonstrating the company's commitment to creating a gender-equal employment environment. In 2023, new childcare regulations in Jiangsu Province, China, allowed employees at the Suzhou plant to enjoy extended maternity leave—60 additional days, making it a total of 158 days for women, and 15 days of paternity leave for men. During the breastfeeding period, female employees are entitled to one hour of breastfeeding time each day, with an additional hour for each additional baby in the case of multiple births, creating a friendly workplace for childcare. The information on AmTRAN employees' return-to-work and retention rates after applying for parental leave in 2023 is as follows :

|  | Taiwan Headquarters |        | Suzhou Plant |        | Vietnam Plant |        |
|--|---------------------|--------|--------------|--------|---------------|--------|
|  | Male                | Female | Male         | Female | Male          | Female |
| Number of employees eligible for parental leave in 2023  | 15                  | 6      | 12           | 19     | 47            | 67     |
| Number of employees who actually applied for parental leave in 2023                              | 1                   | 2      | 12           | 19     | 47            | 67     |
| Parental leave application rate  | 7%                  | 33%    | 100%         | 100%   | 100%          | 100%   |
| Number of employees expected to return to work in 2023   | 1                   | 2      | 11           | 12     | 47            | 67     |
| Number of employees who actually returned to work in 2023  | 1                   | 1      | 11           | 12     | 47            | 51     |
| Return-to-work rate  | 100%                | 50%    | 100%         | 100%   | 100%          | 76%    |
| Number of employees who actually returned to work in 2022  | 0                   | 2      | 12           | 9      | 49            | 50     |
| Number of employees who returned to work in 2022 and remained employed 12 months after returning | 0                   | 1      | 8            | 7      | 26            | 39     |
| Retention rate   | -                   | 50%    | 67%          | 78%    | 53%           | 78%    |

## 4.2.4 Talent Development

Talent development is the main driver of organizational growth. Therefore, AmTRAN spares no effort in providing education and training for employees, ensuring no differences in training and development opportunities between men and women. The company fully supports employees in acquiring new knowledge and enhancing their skills. In 2023, the total average training hours for AmTRAN employees was 25,675 hours.

### Average Training Hours in 2023

| Job Level                | Gender | Taiwan Headquarters | Suzhou Plant | Vietnam Plant |
|--------------------------|--------|---------------------|--------------|---------------|
| Management Positions     | Male   | 2.93                | 8            | 8.0           |
|                          | Female | 2.84                | 8            | 8.0           |
| Non-Management Positions | Male   | 3.82                | 4            | 16.8          |
|                          | Female | 2.95                | 4            | 16.2          |
| Total                    |        | 3.33                | 4.10         | 16.4          |

In addition to fully developing employees' professional abilities, AmTRAN also enhances their managerial competencies through a core competency framework. Based on organizational characteristics and managerial vision, AmTRAN has identified eight core competencies: adaptability, continuous learning, proactive responsibility, continuous improvement, quality orientation, problem analysis, building trustful relationships, and promoting team success. These competencies are aligned with different key behaviors at various levels, defining the development focus for each level, and forming the basis for the annual training plan according to the company's operational strategies. AmTRAN continues to develop the decision-making abilities required for senior management, including leadership courses and ongoing professional development, to advance both leadership and professional skills while staying abreast of trends and technology. Managers are encouraged to enhance their abilities not only through training courses but also by participating in the formulation of company policies, driving key projects and tasks, and expanding their management scope through rotations across different professional fields, thereby improving their team leadership and strategic planning capabilities. For basic management personnel such as plant managers, AmTRAN provides foundational management knowledge training for various departments. Non-management staff in the plants receive ongoing training in occupational skills, including production knowledge, quality management, and operational techniques. The Suzhou plant has also initiated external training programs, actively cultivating internal seed instructors. In 2023, the Taiwan headquarters introduced thematic training, offering junior employees an introduction to project management processes, training R&D staff on advanced research techniques, providing regulatory overviews and case studies, and offering IATF16949 automotive regulations courses. These initiatives aim to enhance employees' regulatory knowledge and practical implementation skills, ensuring their professional standards meet the required levels.





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For all employees at the Taiwan headquarters and certain job levels at the plants <sup>(note)</sup>, we also conduct regular performance evaluations to help employees understand their job performance. In 2023, 100% of eligible employees at the Taiwan headquarters, Suzhou plant, and Vietnam plant underwent performance evaluations.

( Note ) For the Vietnam plant, this applies to all indirect labor (IDL) employees.







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## 4.3 Workplace Health and Safety

### 4.3.1 Occupational Safety and Health Responsibility Units and Management System

To ensure employees have a safe and healthy working environment, we have established dedicated occupational safety and health units at each operational site. At the Taiwan headquarters, the Environmental Safety Office under the Human Resources and Administration Department is responsible, comprising one occupational safety manager, one labor safety and health administrator, and one Category A occupational safety and health business supervisor. The Suzhou plant has a Safety Production Committee consisting of 19 members, including 17 employees and 2 employer representatives. The Vietnam plant has an EHS (Environment, Health, and Safety)



Team with 48 members, including 40 employee representatives and 8 employer representatives. Their main responsibilities include managing the working environment, preventing injuries and health-related negative impacts, continuously improving environmental safety and health management, and ensuring compliance with relevant regulations. In 2023, the Safety Production Committee at the Suzhou plant held discussions on various topics, including the review of the EHS dual system operation management status, major personnel injuries and fire incidents, analysis reports on the effectiveness of monthly emergency drills and training, monthly reports on occupational safety and health work expenditures, and reports on customer and external occupational safety and health audits. The committee maintained an average meeting frequency of once per month, holding a total of 12 meetings in 2023 to diligently manage occupational safety and health.

Both the Suzhou plant and the Vietnam plant have obtained ISO 45001:2018 Occupational Health and Safety Management System certification. The scope of this certification covers all employees and 55 non-employee workers at the Suzhou plant, and all employees and 53 non-employee workers (including security personnel, cafeteria staff, and recycling personnel) at the Vietnam plant. Additionally, in 2023, the Suzhou plant achieved the local Level 2 Safety Production Standardization rating. The headquarters in Taiwan adheres to the Occupational Safety and Health Act, the Labor Safety and Health Act, and the Labor Health Protection Regulations. It has established labor safety and health work guidelines and printed them into handbooks to ensure that workers understand the regulations they must follow. By implementing occupational safety and health management and complying with relevant legal requirements, AmTRAN ensures the health and safety of its employees.



AmTRAN Suzhou Plant ISO 45001 Certification

AmTRAN Vietnam Plant ISO 45001 Certification

### 4.3.2 Occupational Safety Risk Management

#### Risk Assessment

AmTRAN conducts a comprehensive risk assessment process to identify potential hazards and occupational safety and health risks within its operational plant environments. The process targets risk items for improvement and prevention and encompasses all personnel in the plants, including employees, contractors, and visiting customers. Additionally, a third-party agency is commissioned to conduct a thorough safety risk audit of the entire plant. The risks are classified and managed using the D=LEC method (note), categorizing them into major risks, significant risks, general risks, and low risks, with major and significant risks being deemed unacceptable.

Note: L (likelihood, the probability of an accident occurring), E (exposure, the frequency of personnel exposure to hazardous environments), and C (consequence, the potential outcomes of an accident if it occurs). The product of these three variables is D (danger, the level of risk).

In 2023, the risk assessment for the Suzhou plant, conducted by government-appointed experts, determined that there were no major risks. Within an environment free of major risks, the relatively higher-risk areas were identified as the 10KV high-voltage distribution room, the 35KV high-voltage distribution room, and the waste recycling area. Daily management of these areas includes measures such as compliance with regulations, company management documents, regular lightning protection inspections, fire safety patrols, standardized fire safety equipment placement, personnel safety training, and the distribution of personal protective equipment (PPE) to control risks. The Suzhou plant also created "Risk Color Maps" for each area, which are displayed on-site, and risk control notification cards for each position to ensure every employee is aware of the risks associated with their position and the corresponding protective measures. The plant routinely identifies and assesses occupational disease hazard factors. In accordance with legal requirements, a third party is invited annually to inspect, test, and evaluate the occupational disease hazard factors in the entire production process, with the findings reported to the regulatory authorities.

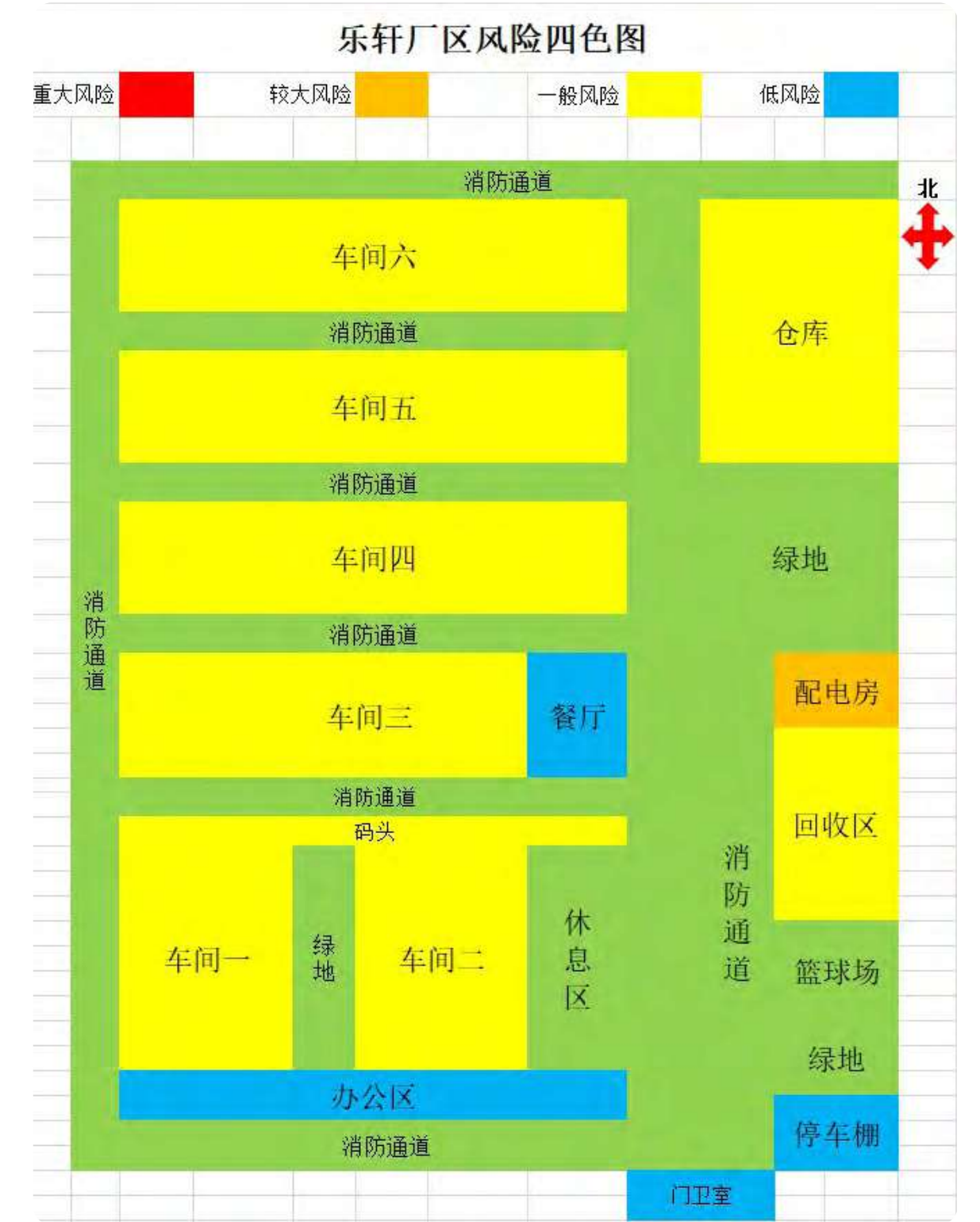




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## Suzhou Plant Significant Risk Items and Control Measures :

| Risk Item                 | Risk Description  | Control Measures  |
|---------------------------|---|---|
| <br><b>Fire</b>           | <ul style="list-style-type: none"> <li>• Fire in Distribution Rooms</li> <li>• Electric Shock to Personnel</li> </ul> | <ol style="list-style-type: none"> <li>1. Strictly adhere to the distribution room management system; on-duty personnel must hold a high-voltage electrician certificate.</li> <li>2. Conduct regular lightning protection and electrical equipment inspections in the distribution rooms.</li> <li>3. Prohibit the storage of chemicals and other flammable or explosive materials in the distribution rooms.</li> <li>4. Properly equip the distribution rooms with fire extinguishing devices and perform regular inspections.</li> <li>5. Prohibit anyone from bringing ignition sources into the distribution rooms.</li> <li>6. Prohibit unauthorized wiring and the use of high-power electrical equipment in the distribution rooms.</li> </ol> |
| <br><b>Electric Shock</b> | <ul style="list-style-type: none"> <li>• Sparks igniting flammable materials in the waste recycling area.</li> </ul>  | <ol style="list-style-type: none"> <li>1. Strictly adhere to the hot work permit system; obtain a hot work permit before starting any hot work.</li> <li>2. Hot work personnel must clear flammable materials from the surrounding area before commencing work.</li> <li>3. Equip the hot work site with fire extinguishing equipment.</li> <li>4. Assign a supervisor to be present at the hot work site.</li> </ol>   |



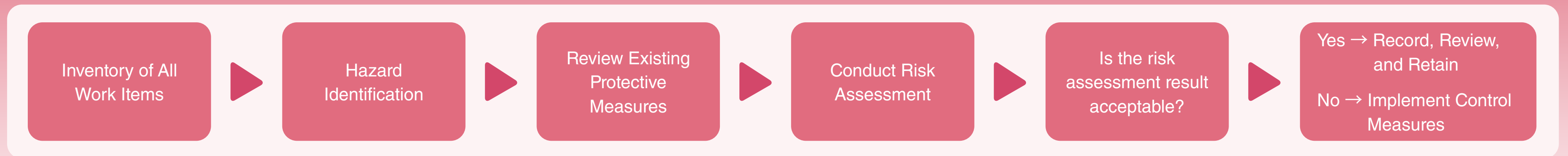
The Vietnam plant has established a "Hazard Identification and Risk Assessment Control Procedure." Through a government-approved work environment risk assessment agency, the plant conducts supervision and evaluation of the labor environment risks, while implementing improvements and preventive measures based on these assessments. At least one risk assessment is conducted annually, and improvements are made within the plant based on the assessment results. Each department conducts its own risk assessments, compiling lists of unacceptable risks and hazard identification and severity assessment forms according to the types and characteristics of the risks. Safety risk levels are categorized from high to low into major risks, significant risks, general risks, low risks, and minimal risks, marked respectively with the colors red, orange, yellow, light green, and dark green. A safety risk database is established based on the categories and levels of safety risks, and relevant management measures are formulated. Major risks are addressed by the company leadership, significant risks by the plant managers, and general risks by team leaders. All risk assessments follow the PDCA (Plan-Do-Check-Act) continuous cycle. The 2023 risk assessment at the Vietnam plant identified major risks as high-altitude work (over 2 meters) and high-voltage electrical operations. The risk descriptions and main control measures are detailed in the table below. Significant risks include the high noise levels during the operation of stamping machines, which could lead to occupational diseases. For this, occupational health checks are scheduled every six months, and noise-canceling earplugs are distributed and required on-site. Another significant risk is the dust exposure in the stamping and painting areas, which also poses an occupational disease risk. Regular health checks every six months are conducted, and gloves, masks, goggles, and noise-canceling earplugs are distributed and required for on-site work. Additionally, the EHS team conducts daily audits of the work environment, implementing protective measures and optimizations as needed and providing training to ensure a safe working environment within the plant.



### Material Risk Items and Control Measures at the Vietnam Plant

| Risk Item   | Risk Description                   | Control Measures  |
|---|------------------------------------|---|
| <ul style="list-style-type: none"> <li>Installation and Maintenance</li> <li>Equipment Maintenance</li> <li>Air Conditioning Maintenance</li> <li>Lamp Replacement</li> </ul> | High-Altitude Work (over 2 meters) | <ol style="list-style-type: none"> <li>Establish a hazardous work safety management procedure; all personnel must comply with this procedure before performing high-altitude work.</li> <li>Conduct retraining before high-altitude work; upon completion, issue a high-altitude work permit.</li> <li>During the actual execution of high-altitude work, plant facilities personnel and EHS staff will monitor the process.</li> </ol>   |
| <ul style="list-style-type: none"> <li>Installation and Maintenance</li> <li>Equipment Maintenance</li> <li>Air Conditioning Maintenance</li> <li>Lamp Replacement</li> </ul> | High-Voltage Electrical Operations | <ol style="list-style-type: none"> <li>Establish a hazardous work safety management procedure; all personnel must comply with this procedure before performing high-voltage electrical work.</li> <li>High-voltage electrical operators must possess an electrician license.</li> <li>Personnel involved in high-voltage electrical operations will undergo external training once a year, with certification provided upon completion.</li> <li>During the actual execution of high-voltage electrical work, plant facilities personnel and EHS staff will monitor the process.</li> </ol> |
| <ul style="list-style-type: none"> <li>Installation and Maintenance</li> <li>Equipment Maintenance</li> </ul>   | Fire                               | <ol style="list-style-type: none"> <li>Fire safety measures prohibit welding in areas with flammable materials, chemical areas, etc., and fire extinguishing equipment must be carried during work.</li> <li>When performing welding at heights, exposed materials and equipment must not be left within 10 centimeters below the work area.</li> <li>After completing welding work, workers must wait for at least 2 hours and confirm safety before leaving.</li> </ol>   |
| <ul style="list-style-type: none"> <li>Exposure to Harmful Factors (such as Noise, Radiation, Dust, Chemicals, etc.)</li> </ul>   | Disease                            | <ol style="list-style-type: none"> <li>The company organizes pre- and post-operation health checks for X-ray equipment operators and personnel in occupational disease hazard areas.</li> <li>X-ray equipment operators must hold a valid safety training certificate.</li> <li>X-ray equipment operators must wear personal radiation dosimeters, which will be regularly inspected by an external company to ensure readings are within the standard range.</li> <li>Minimize exposure time as much as possible.</li> </ol>   |
| <ul style="list-style-type: none"> <li>Traffic</li> </ul>   | Traffic Accidents                  | Implement safety campaigns to promote strict adherence to traffic rules among employees and raise awareness of traffic safety.  |






In 2023, AmTRAN Taiwan headquarters also conducted a non-routine occupational safety risk identification and assessment. The assessment process, risk items, and control measures are detailed in the table below.



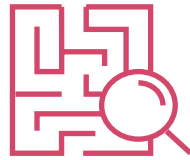


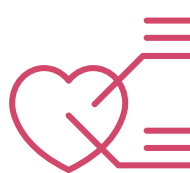

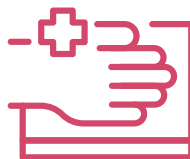





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| Risk Item  | Risk Description   | Control Measures                       |
|--|--|--|
|  <b>Water Tower Cleaning</b>                                | Working in confined spaces can lead to hazards such as oxygen deficiency or poisoning.   | Ventilation and Exhaust Equipment      |
|  <b>Environmental Disinfection</b>                          | Using or handling chemicals in poorly ventilated work areas can negatively impact health due to inhalation of chemical substances. | Ventilation and Exhaust Equipment      |
|  <b>Air Conditioning Maintenance/Light Tube Replacement</b> | Working at heights poses the risk of falls.  | Safe Access Equipment                  |
|  <b>Equipment Electricity</b>                              | Electrical equipment may cause electric shock hazards.   | Electric Shock Prevention Devices      |
|  <b>Heating Tools</b>                                     | Heating tools can cause burns and other injuries.  | Hand Protection: Fire-Resistant Gloves |

## Safety and Health Measure

|  |   |
|--|---|
|  <b>Environmental Operation Testing</b>               | To ensure employees can work with peace of mind, we regularly inspect and maintain safety measures for workplace hazards. This includes electrical safety measures, drinking water testing, emergency lighting testing, fire equipment inspections, and CO2 concentration testing. Additionally, the plant conducts wastewater, exhaust, and noise testing.   |
|  <b>Automated Inspections</b>                         | Conducted once a month, the inspections include checks on equipment, motor vehicles, and other items.   |
|  <b>Annual Testing of Occupational Hazard Factors</b> | A third-party agency is commissioned to test various hazardous positions within the plant for any excessive hazard factors. If any are found, corrective measures such as modifications, increased protective measures, or replacement of raw and auxiliary materials are taken.  |
|  <b>Occupational Health Check-ups</b>                | Based on the detected hazard factors, the plant arranges for employees to undergo corresponding occupational health check-ups (before joining, during employment, and before leaving). An occupational health monitoring file is established for each employee, and if occupational hazards are detected, the affected employee is promptly reassigned. The Suzhou plant has an agreement with the Suzhou Chemical Occupational Disease Prevention Hospital to ensure the accuracy and professionalism of the health check-up projects. |
|  <b>General Health Check-ups</b>                    | Free health check-ups are provided for employees. The results of these check-ups are only accessible to the employee and the company's EHS specialists/health management personnel, ensuring confidentiality and data security.   |
|  <b>Hygiene Management</b>                          | To provide a healthy and safe working environment for employees, the company regularly arranges for cleaning staff to maintain the cleanliness of the environment and implements measures for rodent and pest control.  |
|  <b>Protective Equipment</b>                        | Protective equipment (PPE) is distributed to all personnel in all positions to prevent direct harm.   |





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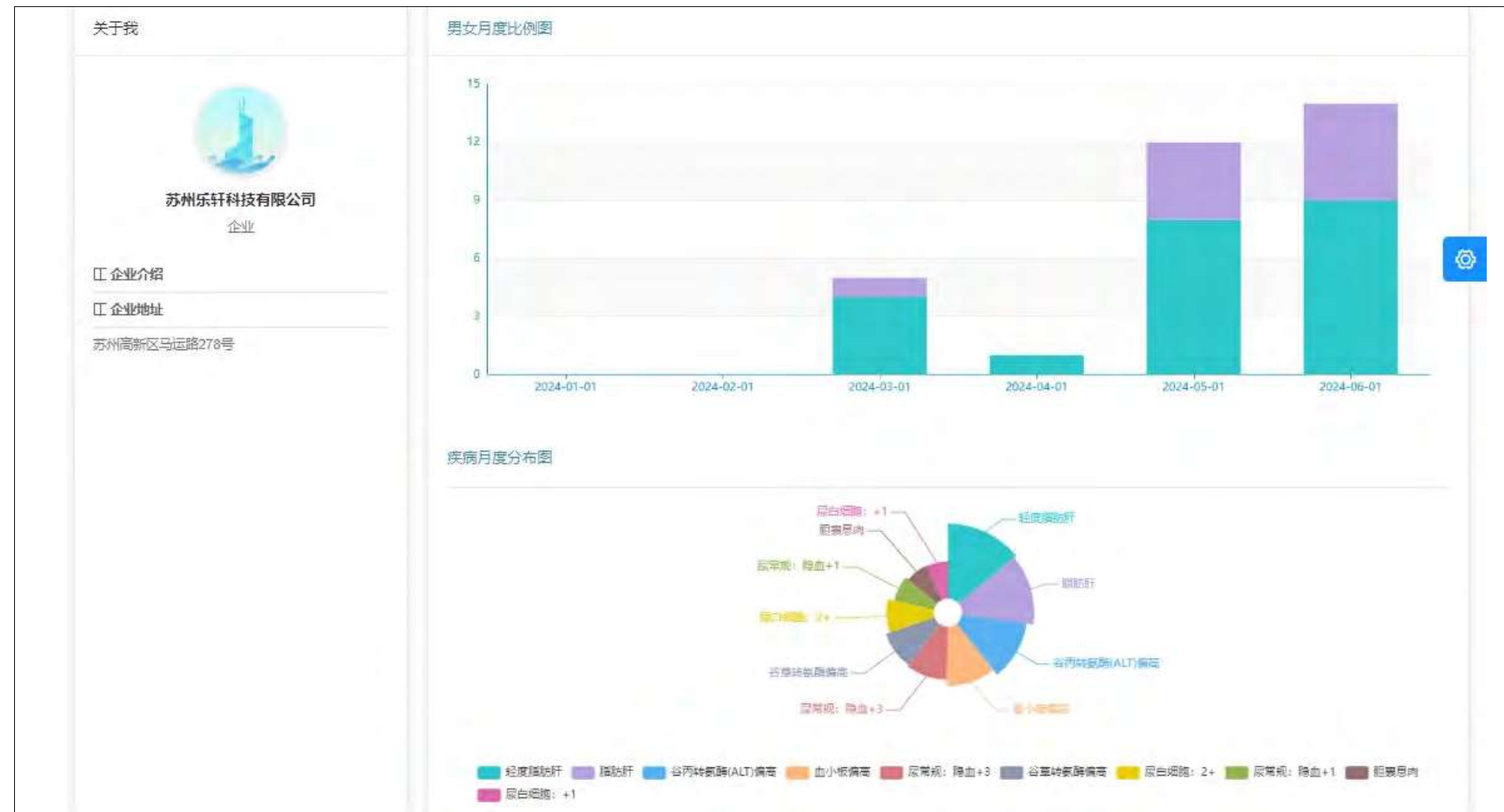
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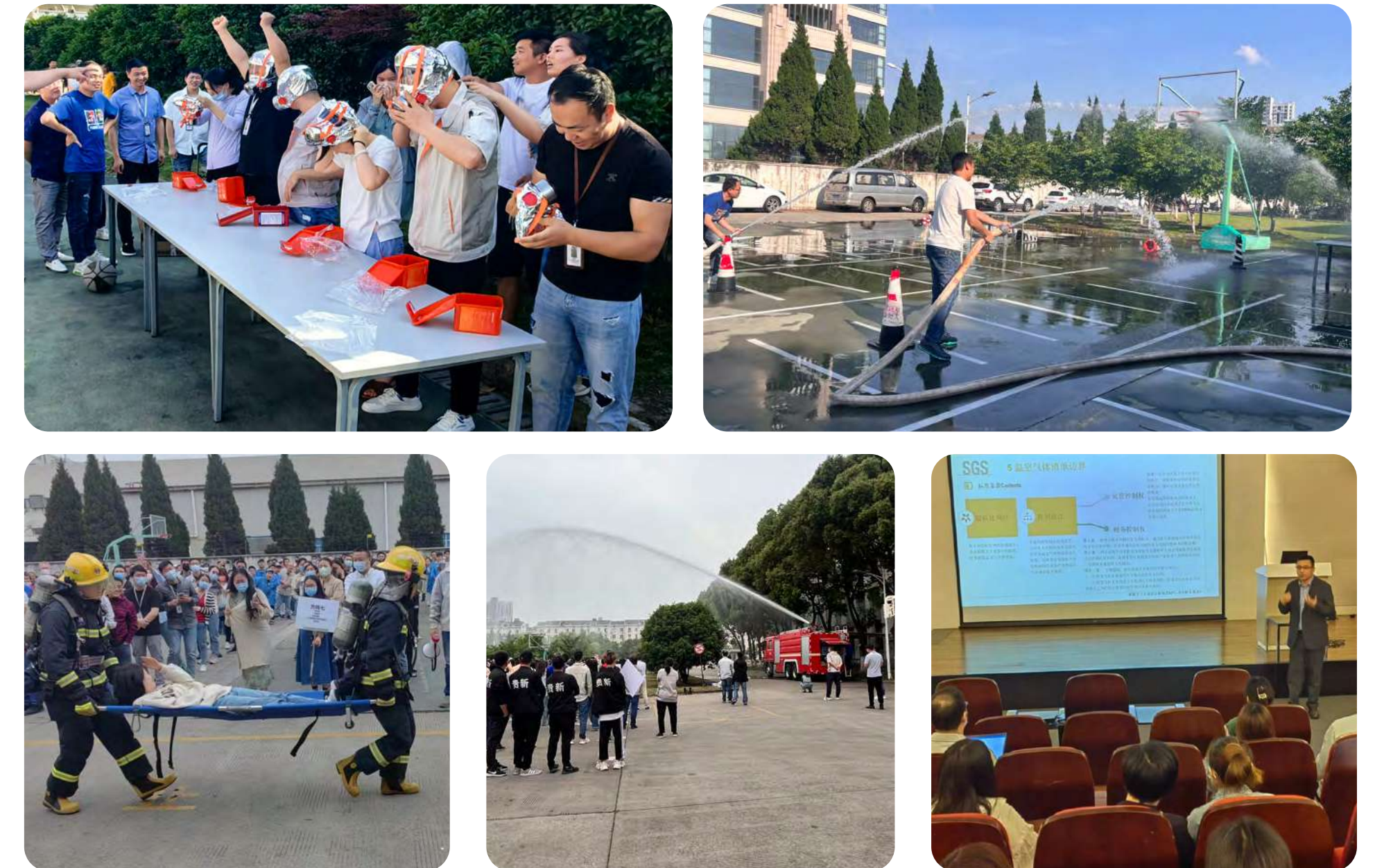


The Suzhou plant has established an internal employee occupational disease statistics system to analyze the risk of occupational disease injuries among all employees. This system is used to develop preventive and mitigation measures accordingly.



## 2023 Emergency Response Drills

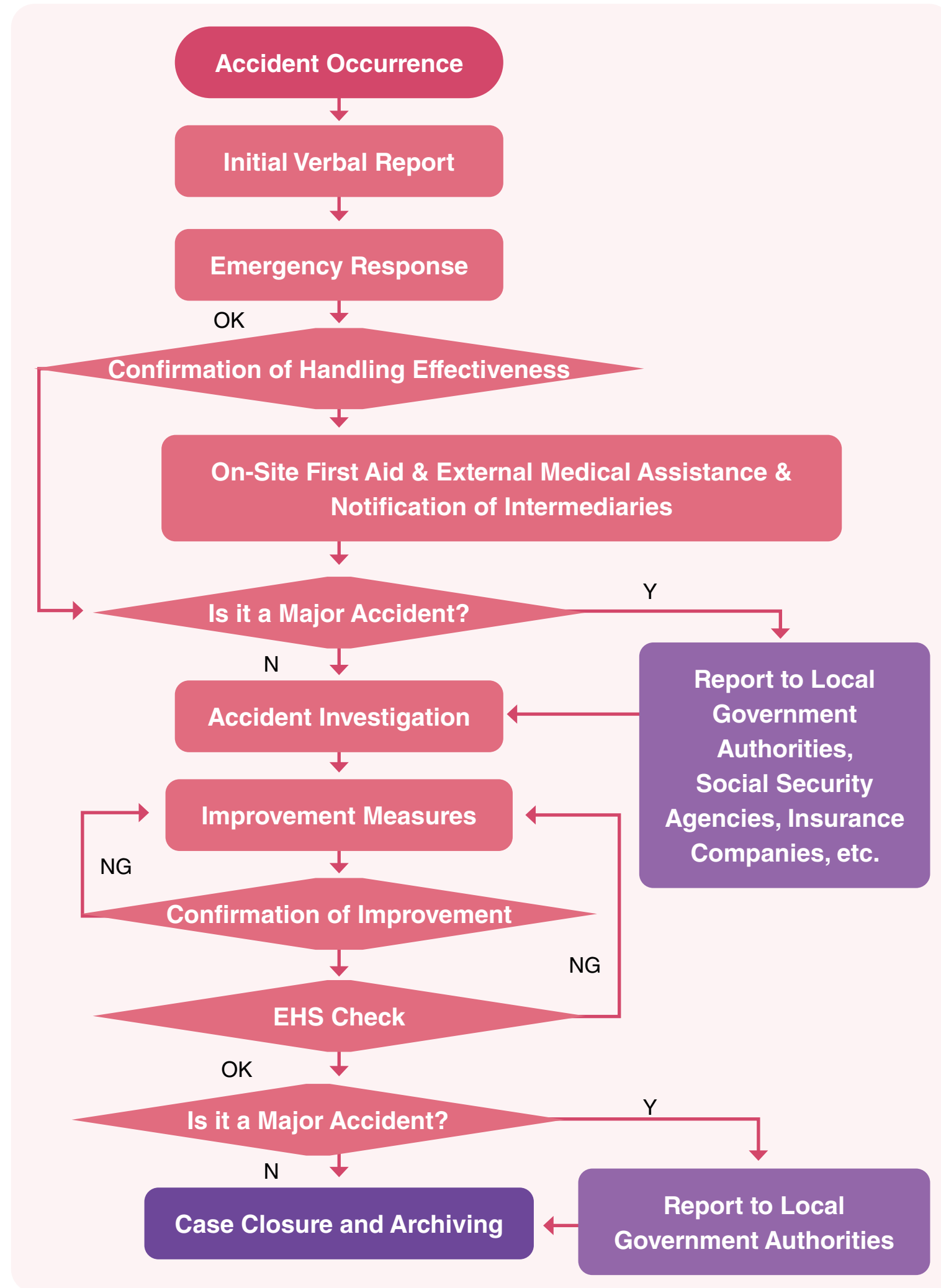
| Drill Items:        | Number of Participants in Drills (People) | Training Hours (Hours) |
|---------------------|---|------------------------|
| Fire Safety         | 5,424                                     | 19,665                 |
| Chemical Spill      | 222                                       | 444                    |
| Elevator Entrapment | 37  | 74                     |
| Mechanical Injury   | 153                                       | 459                    |
| Electric Shock      | 63  | 126                    |
| Food Poisoning      | 153                                       | 306                    |
| Radiation Safety    | 19  | 38                     |





## 4.3.3 Occupational Injury Management

AmTRAN ensures that all workplace injury incidents (such as general injuries, fatalities, or major accidents) are immediately reported and handled by designated personnel, in compliance with regulations. The accident reporting process for the group's plants is as follows



At the Taiwan headquarters and Suzhou plant, all employees have the right to refuse work that poses a danger without facing intimidation, threats, or disciplinary action. At the Vietnam plant, if employees find their assigned work area to be different from the one initially described and perceive it as risky, they can terminate their contract without facing any related penalties. If there are risk issues in the work area, employees have the right to refuse to work in that area until the relevant protective measures and environment have been improved. A whistleblower protection system is also in place to prevent employees from being threatened or intimidated. In case of emergencies (such as a significant fire risk or personal safety risk), employees and contractors have the right to immediately evacuate the site without being held responsible for any resulting company or personnel losses.

### AmTRAN Employee Occupational Injury Summary:

| Region        | Employee Type       | Fatal Accidents Caused by Occupational Injuries |                | Serious Occupational Injury Accidents |                | Recordable Occupational Injury Accidents |                | Lost Workday Rate (Note 4) | Total Hours Worked |
|---------------|---------------------|---|----------------|---------------------------------------|----------------|--|----------------|----------------------------|--------------------|
|               |                     | Quantity  | Ratio (Note 1) | Quantity                              | Ratio (Note 2) | Quantity                                 | Ratio (Note 3) |                            |                    |
| Suzhou Plant  | Full-time Employees | 0   | 0              | 0                                     | 0              | 3  | 2.76           | 36.8                       | 1,086,956          |
|               | Contract Employees  | 0   | 0              | 0                                     | 0              | 0  | 0              | 0                          | 0                  |
| Vietnam Plant | Full-time Employees | 0   | 0              | 0                                     | 0              | 0  | 0              | 0                          | 0                  |
|               | Contract Employees  | 0   | 0              | 0                                     | 0              | 0  | 0              | 0                          | 0                  |

### AmTRAN Non-employee Occupational Injury Summary:

| Region        | Non-Employee Type    | Fatal Accidents Caused by Occupational Injuries |                | Serious Occupational Injury Accidents |                | Recordable Occupational Injury Accidents |                | Lost Workday Rate (Note 4) | Total Hours Worked |
|---------------|----------------------|---|----------------|---------------------------------------|----------------|--|----------------|----------------------------|--------------------|
|               |                      | Quantity  | Ratio (Note 1) | Quantity                              | Ratio (Note 2) | Quantity                                 | Ratio (Note 3) |                            |                    |
| Suzhou Plant  | Dispatched Personnel | 0   | 0              | 0                                     | 0              | 1  | 0.23           | 0.23                       | 4,347,826          |
| Vietnam Plant | -                    | 0   | 0              | 0                                     | 0              | 0  | 0              | 0                          | 0                  |

Note 1: Occupational injury fatality rate = (Number of fatalities \* 106) / Total hours worked.

Note 2: Serious occupational injury rate = (Number of serious occupational injuries \* 106) / Total hours worked. Serious occupational injuries are those with more than 180 lost workdays, excluding fatalities.

Note 3: Recordable occupational injury rate = (Total number of recordable occupational injuries \* 106) / Total hours worked. Recordable occupational injuries include general occupational injuries (with 180 or fewer lost workdays), serious occupational injuries, and fatalities.

Note 4: Lost workday rate = (Total number of lost workdays \* 106) / Total hours worked.





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For details on the types of these four injuries and improvement actions, please refer to the table below.

| Employee Type        | Main Types of Occupational Injuries     | Improvement Actions  |
|----------------------|---|--|
| Full-time Employees  | Mechanical Injuries \ Traffic Accidents | 1. Conduct safety education for personnel.<br>2. Improve fail-safe facilities.   |
| Dispatched Personnel | Crushing Injuries                       | 3. Educate and promote the correct use of protective equipment.<br>4. Enhance personnel's awareness of safety practices. |

In 2023, there were no cases of occupational diseases among employees or non-employees at AmTRAN's Taiwan headquarters and Vietnam plant. The fatality rate, serious occupational injury rate, recordable occupational injury rate (disabling injury frequency rate, FR), and lost workday rate (disabling injury severity rate, SR) were all zero.

## Occupational Safety Education and Training

AmTRAN actively reduces the incidence of personnel accidents by implementing occupational safety and health education and training for internal staff and extending training to contractors. In 2023, the AmTRAN group conducted occupational safety training for new personnel, EHS specialists, and contractors, totaling 14,406 participants. Additionally, to ensure timely response during accidents, the Taiwan headquarters and plants conducted fire drills. The plants also performed emergency drills for scenarios such as chemical spills and electric shocks. After the training, tests are administered, and personnel who do not pass must undergo retraining. Emergency drills must be completed within a specified time to ensure the effectiveness of the training and drills. By involving all employees, AmTRAN aims to establish a safety and health culture, creating a safe, accident-free working environment. Furthermore, the Suzhou plant conducted joint drills with the fire rescue team, including specific exercises for elevator entrapment, mechanical injuries, and pressure vessel explosions, simulating how to protect oneself during hazards. In 2023, the Suzhou plant recorded four accidents, a 33% decrease from the six accidents the previous year, demonstrating the effectiveness of the education and training programs. Additionally, in 2023, the Suzhou plant successfully passed the "Level 2 Safety Standardization" certification.

## 2023 Occupational Safety and Health Training

| Training Items  | Number of Participants in Training (People) | Training Hours (Hours) |
|---|---|------------------------|
| Occupational Safety and Health Training for New Employees   | 2,092                                       | 4,320                  |
| Specialized Training for Personnel in Occupational Hazard Positions, Special Operations and Special Equipment Operation Training, Regulatory Training, Electrical Safety, Accident Case Analysis, Heatstroke Emergency Response | 8,832                                       | 16,239                 |
| Fire Equipment and Safety Training, Special Equipment and Commuting Traffic Safety Regulations  | 1,494                                       | 10,717                 |
| Self-Defense Firefighting Group Drills and Verification (including Firefighting Training, Reporting Training, Evacuation Guidance Training, and Comprehensive Drills)   | 211   | 844                    |
| Basic Knowledge of Wound First Aid and Practical First Aid Training   | 205   | 820                    |
| Chemical Hazard Prevention Measures, Safety Supervision, and Compliance with Relevant Regulations Training  | 140   | 1,120                  |
| Compliance with Occupational Safety and Health, Preventive Measures, Elimination and Control of Hazard Factors Training   | 1,432                                       | 11,456                 |







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## Social Participation

5.1 Community Care





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## 5.1 Community Care

AmTRAN fulfills its responsibilities as a corporate citizen by caring for and giving back to society. AmTRAN has long collaborated with the AmTRAN Children's Medical Foundation, dedicated to public welfare activities in children's medical care. Established in 2002, the Foundation focuses on comprehensive pediatric medical services, improving the soft and hard medical environments from the children's perspective, and continuously advocating for a child-friendly medical environment, aiming to make Taiwan an ideal place for children's health protection. Members of AmTRAN also participate in the Foundation's operations, with the company's chairman serving as one of the board members. 2023 marked the ninth year of AmTRAN's donations to the Foundation, contributing NT\$2 million that year. Besides financial support, AmTRAN has long been involved in various activities to care for sick children, such as providing medical subsidies for children, creating child-friendly medical spaces, offering child-friendly medical services, organizing pediatric medical lectures, awarding contributions to pediatric medicine, conducting Christmas care activities for sick children in rural hospitals, and other unspecified events. In addition to long-term care for children's medical needs, AmTRAN also pays close attention to current affairs. In 2023, a 6.2 magnitude earthquake struck Gansu Province in China, and AmTRAN Suzhou promptly responded with disaster relief donations to help alleviate the burden on disaster victims. The main community care achievements of the group in 2023 are as follows:

### Establishing Child-Friendly Medical Spaces

The AmTRAN Children's Medical Foundation is committed to creating child-friendly medical environments. "Child-friendly medical care" means caring for children's emotional well-being during medical treatment, alleviating their fear and anxiety about the hospital environment and medical procedures, helping to ensure smoother medical interventions and improving the quality and effectiveness of medical care. A key concept is "child-centered." Currently, the Foundation has cooperated with eleven hospitals in Taiwan to establish eighteen child-friendly medical spaces. These spaces are not just about cartoon decorations on walls but about creating hospital spaces that interact with children and their caregivers, helping to distract children from pain or fear of medical procedures. Elements must be placed at children's eye levels and within easy reach.

Child-friendly spaces are different from general children's play areas and must adopt universal design principles with a focus on inclusivity. They provide "barrier-free facilities" for children who may need IVs or use wheelchairs. Infection control is also a priority, requiring stricter material selection to avoid those that are difficult to clean and disinfect. Safety considerations, such as preventing children from climbing dangerous structures or getting stuck, are crucial. The Foundation aims to create familiar and comforting environments filled with explorative, discovery, learning, growth, and life elements. From the moment children enter the hospital, they should feel the positive energy, safety, and warmth, making even medical challenges a positive adventure with their parents. Such environments not only reduce children's focus on their pain but also alleviate discomfort and anxiety through play, building trust in medical staff, and aiding in medical procedures.

### Design Features of AmTRAN Children's Spaces:

1. Brand new hospital spaces created by doctors, nurses, and architects together.
2. Different medical experiences providing children with a sense of security, calm, and joy.
3. Diverse play spaces helping children naturally understand medical and life education.
4. Themed rest spaces focusing on the needs of hospitalized children.





## The 10th Taiwan Pediatric Medical Contribution Award

To encourage frontline medical staff who have long contributed to pediatric medicine, the AmTRAN Foundation established the "Taiwan Pediatric Medical Contribution Award" in 2005. The award ceremony, held biennially, honors medical personnel dedicated to pediatric care with high standards of recognition for their hard work. The Foundation hopes this recognition will inspire more medical staff to join the field of pediatric care, achieving a ripple effect.

From the first ceremony in 2005 to the 10th in 2023, the award has honored 58 outstanding individuals, including Lifetime Contribution Award, Pillar Award, Pediatric Rising Star Award, Pediatric Nursing Award, and Focus Contribution Award. Additionally, 8 excellent medical teams have been recognized. The Foundation will continue to hold the "Taiwan Pediatric Medical Contribution Award," striving to find more exemplary medical personnel in the pediatric field and gather more resources to invest in Taiwan's pediatric medical care.



The 10th Taiwan Pediatric Medical Contribution Award: 7 doctors and nurses and 1 medical team were honored, including Nurse Chun-Yin Liu (front row, second from left), Dr. Hui-Ling Chen (front row, third from left), Professor Ming-Liang Li (front row, fourth from left), Dr. Chang-Teng Wu (middle row, second from left), Dr. Kuo-Ming Chen (middle row, fourth from left), Dr. Yu-Cheng Tsai (back row, fourth from left), Nurse Hsin-Lan Chu (back row, second from right), and NTU Children's Hospital Critical Care Team.

## Parent-Child Public Welfare Activities

### The 6th Happy Run Parent-Child Charity Run

Amid the ongoing pandemic last year, the AmTRAN Foundation's 6th Happy Run Parent-Child Charity Run was postponed and rescheduled to May 14, 2023, at the Happiness Water Park in New Taipei City's Metropolitan Park. The event invited the public concerned with children's issues to participate, aiming to promote the concept and importance of child-friendly medical care, jointly creating a good medical environment. All income from the event was donated to subsidize medical expenses for critically ill hospitalized children under 18 and to promote child-friendly medical care.



Prematurely born Xiaomi has suffered from periventricular leukomalacia (PVL) since childhood, which later developed into cerebral palsy, preventing her from walking normally. With an optimistic and positive attitude, she successfully completed the race three years ago with her "Lamborghini." Xiaomi's presence demonstrates the most resilient vitality to the world and inspires children like her, "I can't walk, but I can Run, and run to the world!"



### Parent-Child Tour

On September 16, 2023, a "Taipei City Tour" event was held, inviting 15 case families from the AmTRAN Foundation for a city tour. The tour included visits to the Presidential Office, Chiang Kai-Shek Memorial Hall, Taipei 101, and other landmarks, providing a fulfilling and joyful time.

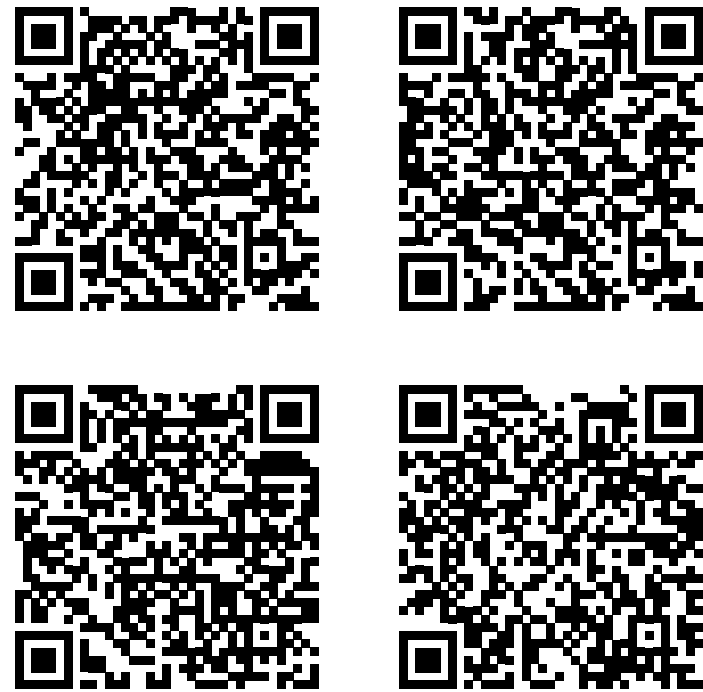




## "Breathe Sunshine, Eat Okra" Film Premiere

In 2022, the AmTRAN Foundation celebrated its 20th anniversary. Under the suggestion of director Lin Ching-I, the Foundation decided to film a documentary of child-friendly medical workers in cooperating hospitals. Working with pediatric medical counselors, art therapists, and music therapists, they supported sick children through art and medical companionship. The film premiere of "Breathe Sunshine, Eat Okra" was held in June 2023, aiming to document and promote the Foundation's efforts in child-friendly medical care and to encourage more people to join the cause.

► More Pictures

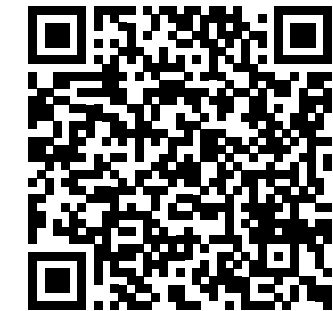


## Christmas Joy Train

The AmTRAN Foundation not only provides financial assistance to sick children and their families but also combines professional groups and volunteers to offer psychological support services. Since 2003, the "Christmas Joy Train" activity team, formed by the Foundation's ambassadors and volunteers, has visited hospitals across Taiwan during Christmas to bring gifts and care to sick children and their parents. The aim is to ensure that children suffering from illness feel loved and warmth from society and do not miss out on their childhood due to illness. The team brings activities such as holiday gifts, music, drama performances, games, and even companionship and counseling to hospitalized children and their caregivers, bringing smiles and joy to their lives. Before Christmas 2023, we collected 1,357 gifts from enterprises, groups, and kind-hearted individuals, which were distributed to nine children's hospitals in northern, central, southern, and eastern Taiwan. We visited Hsinchu Mackay Children's Hospital, China Medical University Children's Hospital, Pingtung Veterans General Hospital, and Taitung Christian Hospital, where Santa Claus personally delivered Christmas gifts to the children, hoping to bring them a joyful and surprising Christmas. Additionally, the Foundation regularly writes encouragement cards for sick children, and AmTRAN calls on employees to participate in this activity by collecting birthday cards from the Foundation and writing illustrated cards to cheer up the children.

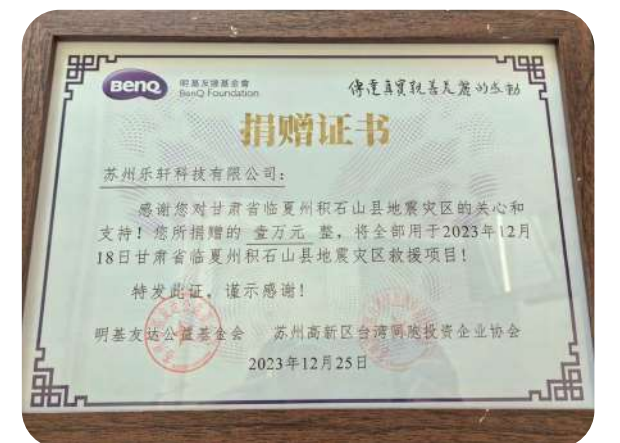


► More Pictures



## Earthquake Relief in Gansu Province, China

AmTRAN continues to commit to social care. On December 18, 2023, a 6.2 magnitude earthquake struck Jishishan County, Gansu Province, China, causing significant property damage and affecting people in neighboring counties. AmTRAN Suzhou promptly responded to the Suzhou Taiwan Compatriot Investment Enterprises Association's [Gansu Earthquake Relief] initiative by donating funds to aid the disaster relief efforts. This donation will be used by the Foundation to purchase relief supplies (e.g., warm clothing) to help the affected people through the harsh winter. AmTRAN Suzhou will continue to focus on the reconstruction work in the disaster areas and actively participate in related relief plans, fulfilling corporate social responsibility and contributing to creating a sustainable society.







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# 06

## SASB Sustainability Information Disclosure

- Hardware SASB Disclosure Items under Guidelines
- Product Information Security
- Employee Diversity and Inclusion
- Product Life Cycle
- Supply Chain Management
- Material Procurement
- Activity Indicators



## Hardware SASB Disclosure Items under Guidelines

| Items                            | Indicators   | Disclosure Content   |
|----------------------------------|--------------|--|
| Product Information Security     | TC-HW-230a.1 | Risk Identification and Management Methods for Product Information Security  |
| Employee Diversity and Inclusion | TC-HW-330a.1 | Percentage of (1) management, (2) technical staff, and (3) other employees by different gender and racial/ethnic groups  |
| Product Life Cycle               | TC-HW-410a.1 | Annual revenue percentage from products complying with IEC 62474 restricted substances reporting   |
|                                  | TC-HW-410a.2 | Annual revenue percentage from products complying with EPEAT or equivalent standards   |
|                                  | TC-HW-410a.3 | Annual revenue percentage from products complying with ENERGY STAR requirements  |
|                                  | TC-HW-410a.4 | Weight and recycling percentage of scrapped products and electronic waste  |
| Supply Chain Management          | TC-HW-430a.1 | Percentage of tier-1 suppliers that have undergone RBA (Validated Audit Process, VAP) or equivalent audits in the supplier categories of (a) all suppliers and (b) high-risk suppliers |
|                                  | TC-HW-430a.2 | Percentage of tier-1 suppliers that (1) failed to pass the RBA VAP or equivalent audits, and (2) improvement rates in audit findings for (a) major findings and (b) other findings     |
| Material Procurement             | TC-HW-440a.1 | Risk management of critical materials  |
| Activity Indicators              | TC-HW-000.A  | Units produced by product category   |
|                                  | TC-HW-000.B  | Production facility area   |
|                                  | TC-HW-000.C  | Percentage of production from owned facilities   |

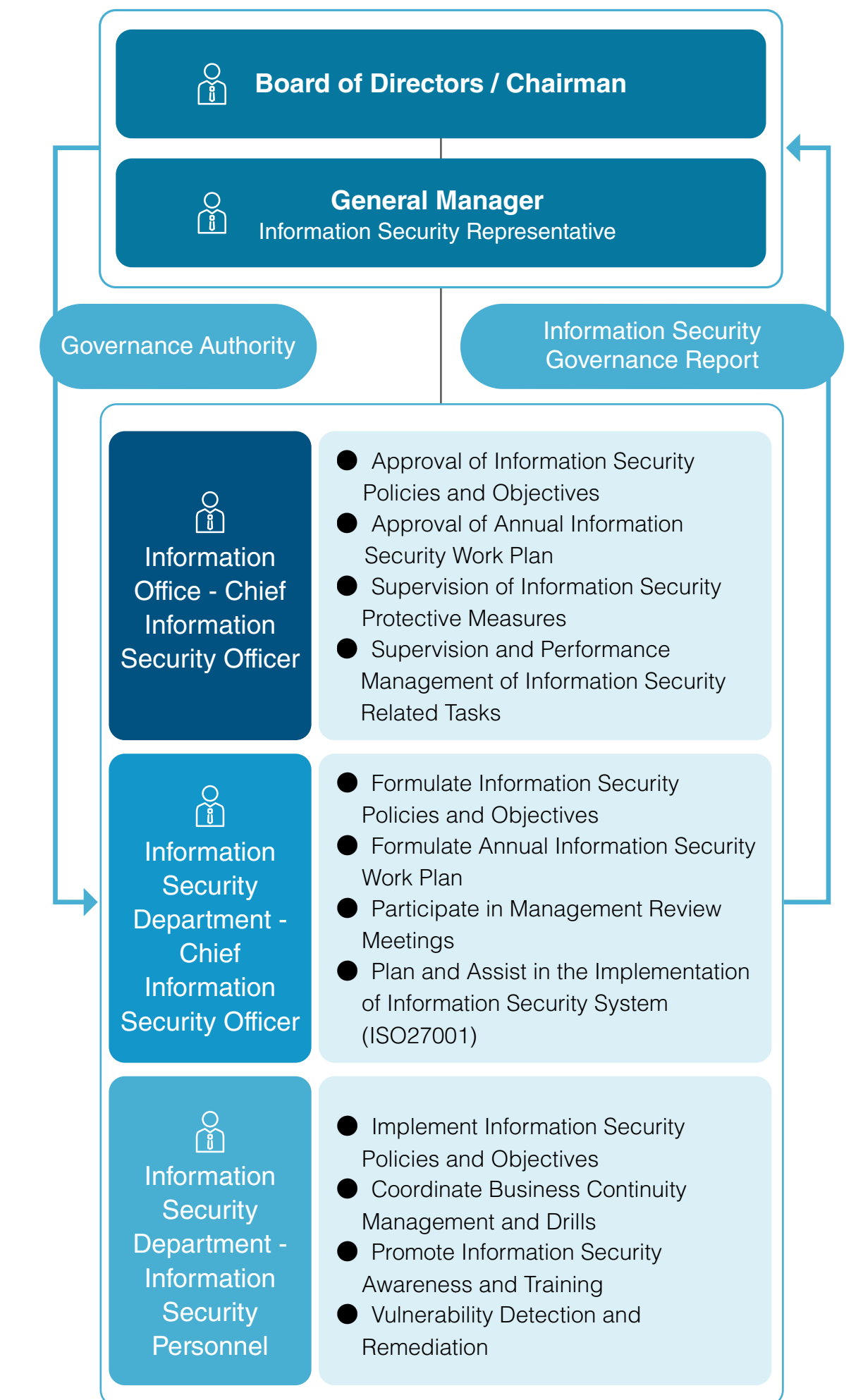
## Product Information Security

### TC-HW-230a.1 Risk Identification and Management Methods for Product Information Security

AmTRAN has established a comprehensive information security management framework. The senior management team is responsible for formulating the company's information security strategies and policies and supervising the efficiency of the Information Security Management Department's operations. The Information Department is responsible for consolidating internal and external information security management plans and governance reports. Within the Information Department, there is an Information Security Division primarily responsible for executing information security operations, risk management, incident reporting, and continuously updating according to the latest international standards. The Chief Information Security Officer (CISO) is responsible for approving and overseeing various information security measures within the company. Under the CISO, dedicated managers and personnel conduct security vulnerability scanning and remediation, develop and maintain information security protection tools, and research emerging information security threats. This framework ensures that AmTRAN effectively manages information security risks and collaborates effectively with suppliers and other business partners to jointly enhance overall information security levels.

Regarding product information security management, AmTRAN conducts vulnerability scans during the firmware development stage to detect any defects. Additionally, some customers commission third-party companies to assist with testing. After development is completed, AmTRAN not only checks if the ports are properly closed but also enhances protection effectiveness through regular updates of security patches. Furthermore, AmTRAN provides education and training for employees to ensure that developers have adequate awareness of data security risks and the ability to handle them.

### AmTRAN Information Security Governance Structure Diagram







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AmTRAN adopts the PDCA (Plan-Do-Check-Act) management model to strengthen its information security management mechanism, comprehensively enhancing security levels and adapting to the rapidly changing operational environment. This management framework encompasses four key stages: Plan, Do, Check, and Act, ensuring the effectiveness and continuous improvement of information security measures.

| AmTRAN Information Security Management Mechanism          |  |
|---|--|
| <b>Plan - Internal control system standards</b>           | AmTRAN has established multiple information security regulations and systems to standardize the information security behavior of company personnel. These regulations are reviewed annually to ensure they align with changes in the operational environment and are adjusted as needed.   |
| <b>Do - Information security implementation</b>           | AmTRAN implements ISO procedures and various information security regulations, managing and monitoring all operational systems and network service security incidents and statuses. The company also evaluates and adopts information technology and security equipment applications.  |
| <b>Check - Vulnerability risk assessment</b>              | AmTRAN regularly reviews internal information security, analyzing internal risk levels based on asset value, vulnerabilities, threats, and impacts. Based on the results of these risk assessments, the company formulates security enhancement measures to improve and elevate the overall information security environment. This includes evaluating the design, production, manufacturing processes, and usage stages of products to ensure that no related information security risks are generated.                 |
| <b>Act - Information security application improvement</b> | To prevent various external information security threats, including product security, AmTRAN adopts a multi-layered network architecture design and implements various security protection systems to enhance the overall security of the information environment. Additionally, to ensure that internal personnel operations comply with company policies and regulations, operational procedures are designed and security system tools are implemented to enforce personnel information security management measures. |

The identification of information system vulnerabilities is primarily conducted through regular security reviews and vulnerability scans. AmTRAN utilizes advanced security tools and services and has established a centralized vulnerability reporting system. For identified product security vulnerabilities, AmTRAN promptly evaluates their severity and authenticity, prioritizing them based on the severity. For high-risk vulnerabilities, AmTRAN has an immediate response team to ensure that they are patched as quickly as possible to prevent product security issues or customer data breaches. Additionally, the Information Security Department regularly conducts employee training sessions to enhance their ability to identify and handle security issues. The identification of information system vulnerabilities is primarily conducted through regular security reviews and vulnerability scans. AmTRAN utilizes advanced security tools and services and has established a centralized vulnerability reporting system. For identified product security vulnerabilities, AmTRAN promptly evaluates their severity and authenticity, prioritizing them based on the severity. For high-risk vulnerabilities, AmTRAN has an immediate response team to ensure that they are patched as quickly as possible to prevent product security issues or customer data breaches. Additionally, the Information Security Department regularly conducts employee training sessions to enhance their ability to identify and handle security issues. AmTRAN places a high emphasis on supply chain information security, engaging in continuous security exchanges with suppliers to help improve their security management organizations and systems. This approach aligns with the government's policy direction, which requires enterprises to establish dedicated information security units.

## Employee Diversity and Inclusion

### TC-HW-330a.1 Percentage of gender and racial or ethnic groups in (1) management, (2) technical staff, and (3) other employees

AmTRAN is people-oriented, committed to enhancing talent development while fostering respect, inclusion, and friendliness. The company focuses on employees' needs and values, promoting mutual respect and learning through continuous, diverse exchanges. Employment, compensation, and promotion opportunities are not influenced by race, gender, religion, nationality, or other such factors, creating a diverse and inclusive workplace. AmTRAN also addresses workplace inclusion issues, emphasizing the employment of individuals with disabilities, the underprivileged, and minority groups. The company continuously tracks employment status to ensure diversity at all levels of the organization.

### Employee Distribution by Gender and Job Level

| Employee Category    | Region              | Taiwan       | Suzhou | Vietnam | Total  |
|----------------------|---------------------|--------------|--------|---------|--------|
|                      |                     | Headquarters | Plant  | Plant   |        |
| Management Personnel | Male                | 127          | 62     | 18      | 207    |
|                      | Female              | 25           | 34     | 11      | 70     |
|                      | Number of Employees | 152          | 96     | 29      | 277    |
|                      | Percentage (%)      | 35.85%       | 14.55% | 1.64%   | 9.71%  |
| Technical Staff      | Male                | 147          | 17     | 30      | 194    |
|                      | Female              | 21           | 11     | 16      | 48     |
|                      | Number of Employees | 168          | 28     | 46      | 242    |
|                      | Percentage (%)      | 39.62%       | 4.24%  | 2.60%   | 8.49%  |
| Other Employees      | Male                | 34           | 295    | 782     | 1,111  |
|                      | Female              | 70           | 241    | 910     | 1,158  |
|                      | Number of Employees | 104          | 536    | 1,692   | 2,332  |
|                      | Percentage (%)      | 24.53%       | 81.21% | 95.76%  | 81.80% |
| Total                | Number of Employees | 424          | 660    | 1,767   | 2,851  |
|                      | Percentage (%)      | 14.87%       | 23.15% | 61.98%  | 100%   |

Note : Employee Category please refer to Page 81 and Page 82



# Product Life Cycle

## TC-HW-410a.1 Annual revenue percentage from products complying with IEC 62474 restricted substances reporting

AmTRAN regularly reviews and updates its hazardous substance management practices in response to domestic and international environmental and restricted substance regulations, ensuring the production of environmentally low-impact green products. The hazardous substances controlled by AmTRAN include EU RoHS 2.0, REACH SVHC, and halogen-free standards. All controlled hazardous substances are listed as declarable substances under IEC 62474 and also comply with key customer regulations. Although some materials cannot be replaced due to current industry technology limitations or may have trace residues in the products, the levels of IEC 62474 declarable substances in the products do not reach the declaration thresholds required by the directive.

## TC-HW-410a.2 Annual revenue percentage from products complying with EPEAT standards or equivalent requirements

AmTRAN and its related customers have not yet applied for EPEAT certification or related accreditations. The focus is primarily on sustainable product goals such as hazardous substance management, energy-efficient products, packaging reduction, and the use of recycled materials. Relevant data and details can be found in Chapter 2 of the report – Green and Low-Carbon Energy-Efficient Products.

## TC-HW-410a.3 Annual revenue percentage from products complying with ENERGY STAR requirements

The annual revenue percentage from AmTRAN's televisions and monitors that comply with ENERGY STAR or equivalent requirements is as follows:

| Country              | Energy Efficiency Certification | Product Category   | Percentage of Total Shipments (%) | Percentage of Annual Revenue(%) |
|----------------------|---------------------------------|--|-----------------------------------|---------------------------------|
| Canada               | NRCAN                           | All televisions shipped to Canada                          | 4%                                | 5%                              |
| European Union       | ErP                             | All televisions and monitors shipped to the European Union | 6%                                | 12%                             |
| United States        | CEC                             | All televisions and monitors shipped to the United States  | 38%                               | 44%                             |
|                      | DoE                             | All televisions shipped to the United States               | 49%                               | 63%                             |
| Australia            | GEMS                            | All monitors shipped to Australia                          | 8%                                | 5%                              |
| South Korea          | e-standby                       | All monitors shipped to South Korea                        | 3%                                | 2%                              |
| China                | CEL                             | All televisions and monitors shipped to China              | 34%                               | 24%                             |
| Taiwan               | BSMI                            | All televisions and monitors shipped to Taiwan             | 2%                                | 4%                              |
| Vietnam              | MEPS                            | All monitors shipped to Vietnam                            | 2%                                | 1%                              |
| United Arab Emirates | MEPS                            | All monitors shipped to the United Arab Emirates           | 1%                                | 1%                              |





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## TC-HW-410a.4 Weight and recycling percentage of scrapped products and electronic waste

AmTRAN's Taiwan headquarters recycled 232 monitors and 108 televisions in 2023, with a total weight of 2.218 metric tons. As AmTRAN is primarily an ODM manufacturer, recycling-related matters are mainly handled by customers, so there are no recycling percentage data for discarded monitors and televisions. For waste generated from factory manufacturing activities, AmTRAN commissioned third-party organizations for recycling and processing. In 2023, the total weight of scrapped products recycled by AmTRAN's Suzhou plant was 9.86 metric tons, and the total weight of scrapped products recycled by the Vietnam plant was 3,039.21 metric tons. The total weight of recycled products from factory manufacturing was 3,049.07 metric tons, achieving a recycling rate of 100%.

| Scrapped Product Items            | Weight of Scrapped Products (tons) | Number of Recycled Units | Recycled Weight (tons) | Recycling Percentage (%) |
|-----------------------------------|------------------------------------|--------------------------|------------------------|--------------------------|
| Taiwan Headquarters - Monitors    | -                                  | 232                      | 1.109                  | -                        |
| Taiwan Headquarters - Televisions | -                                  | 108                      | 1.109                  | -                        |
| Taiwan Headquarters Total         | -                                  | 340                      | 2.218                  | -                        |
| Suzhou Plant - Waste PCBA Boards  | 4.33                               | -                        | 4.33                   | 100 %                    |
| Suzhou Plant - Power Cables       | 0.39                               | 424                      | 0.39                   | 100 %                    |
| Suzhou Plant - OC                 | 2.82                               | 1,395                    | 1.82                   | 100 %                    |
| Suzhou Plant - Screws             | 0.03                               | 3,750                    | 0.025                  | 100 %                    |
| Suzhou Plant - Batteries          | 0.01                               | 140                      | 0.012                  | 100 %                    |
| Suzhou Plant - Bases              | 0.34                               | 2,000                    | 0.343                  | 100 %                    |
| Suzhou Plant - Back Panels        | 1.94                               | 1,185                    | 1.938                  | 100 %                    |
| Suzhou Plant Total                | 9.86                               | 8,894                    | 8.58                   | 100 %                    |
| Vietnam Plant - Paper             | 918.08                             | -                        | 918.08                 | 100 %                    |
| Vietnam Plant - Pallets           | 780.27                             | -                        | 780.27                 | 100 %                    |
| Vietnam Plant - Plastic           | 691.91                             | -                        | 691.91                 | 100 %                    |
| Vietnam Plant - Scrap Iron        | 648.90                             | -                        | 648.90                 | 100 %                    |
| Vietnam Plant - Aluminum          | 0.05                               | -                        | 0.05                   | 100 %                    |
| Vietnam Plant Total               | 3,039.21                           | -                        | 3,039.21               | 100 %                    |

## Supply Chain Management

### TC-HW-430a.1 Percentage of Tier-1 Suppliers Undergoing RBA Audits (Validated Audit Process, VAP) or Equivalent Audits in the Supplier Categories of (a) All Suppliers and (b) High-Risk Suppliers

AmTRAN conducts ESG evaluations for suppliers, including RBA labor rights, environment, occupational safety and health, and management systems (for detailed content, please refer to Chapter 1, Corporate Governance, Supply Chain Management section). However, currently, the company does not implement on-site RBA audits or equivalent audits for the supply chain. Future plans include introducing these audits to fully implement RBA management in the supply chain.

### TC-HW-430a.2 Percentage of Tier-1 Suppliers (1) that Failed RBA Verification Audits (VAP) or Equivalent Audits, and (2) Improvement Rates in Audit Findings for (a) Major Non-conformities and (b) Other Non-conformities

AmTRAN conducts ESG evaluations for suppliers, including RBA labor rights, environment, occupational safety and health, and management systems (for detailed content, please refer to Chapter 1, Corporate Governance, Supply Chain Management section). However, currently, the company does not implement on-site RBA audits or equivalent audits for the supply chain. Future plans include introducing these audits to fully implement RBA management in the supply chain.





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## Material Procurement

### TC-HW-440a.1 Risk Management of Critical Materials

AmTRAN has identified mechanical plastic parts, light guide plates/light strips/diffusion plates, semiconductor components, and panels as critical raw materials. To prevent issues such as supply fluctuations, shortages, large price swings, and supply instability due to production capacity, which can affect product delivery times, AmTRAN lists the potentially affected raw materials and conducts risk identification and analysis. Corresponding risk mitigation measures are then formulated to ensure the stability of raw material supply, reduce the risk to product delivery times, and maintain stable business operations.

| Critical Raw Materials   | Risk Identification  | Corresponding Measures  |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Mechanical Plastic Parts</li> <li>• Light Guide Plates, Light Strips, Diffusion Plates</li> <li>• Semiconductor Components</li> <li>• Panels</li> </ul> | <ul style="list-style-type: none"> <li>• Physical limitations on availability and channels</li> <li>• Price fluctuation risks</li> <li>• Force majeure factors affecting material supply</li> <li>• Strategic cooperation with suppliers to stabilize market prices</li> <li>• Demand volume affecting distribution</li> <li>• Regulatory risks</li> </ul> | <ul style="list-style-type: none"> <li>• Capacity review to determine whether to open duplicate molds</li> <li>• Analyze international prices and market fluctuations to evaluate and control costs</li> <li>• Diversification of suppliers</li> <li>• Incorporate alternative raw materials whenever possible</li> <li>• Introduce panels from at least two suppliers and disperse shipping locations</li> </ul> |

## Activity Indicators

### TC-HW-000.A Units Produced by Product Category

2023 Product Shipment Volume :

(Units : Units)

|  |  |
|--|--|
| Shipment Volume of Televisions and Monitors    | 3.81 million units                             |
| Shipment Volume of Mice and Webcams            | 21 million units                               |
| Shipment Volume of Commercial Display Products | Involving company trade secrets, not disclosed |

### TC-HW-000.B Production Facility Area

2023 Production Facility Area for Each Plant :

(Units : Square Meters)

|               |        |
|---------------|--------|
| Suzhou Plant  | 88,928 |
| Vietnam Plant | 75,498 |

### TC-HW-000.C Percentage of Production from Owned Facilities

2023 Percentage of Production from Owned Facilities :

(Units : %)

| Product Production Method | Percentage |
|---------------------------|------------|
| In-house Production       | 100 %      |
| Outsourced Manufacturing  | 0 %        |
| Total                     | 100 %      |





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# GRI Content Index

|                                 |  |
|---------------------------------|--|
| Declaration of Use              | AmTRAN has reported the content for the period from January 1, 2023, to December 31, 2023, in accordance with the GRI Standards. |
| GRI 1 Standards Used            | GRI 1: Foundation 2021   |
| Applicable GRI Sector Standards | None   |

| GRI Standards/<br>Other Sources         | Disclosure Item  | Location and Specific Notes                           |       | Omission<br>Explanation |
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| <b>GRI 303 :<br/>Water and<br/>Effluents 2016</b> | 303-1 Interactions with Water as a Shared Resource  | Green Operations and Climate Change-Water Resources and Waste Management                  | 72    |                         |
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| GRI 401 : Employment 2016                     | 401-1 New Employee Hires and Employee Turnover   | Employee Relations-Human Resource Management         | 81    |                      |
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| <b>GRI 202: Market Presence 2016</b>                 | 202-1 Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage                                  | Employee Relations-Talent Retention                                      | 41    |                      |
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| <b>GRI 400: Social</b>                           |   |  |       |                      |
| GRI 402: Labor/Management Relations 2016         | 402-1 Minimum Notice Periods regarding Operational Changes                      | Employee Relations-Human Resource Management                             | 81    |                      |
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| GRI 406: Non-Discrimination 2016                 | 406-1 Incidents of Discrimination and Corrective Actions Taken                  | Employee Relations-Human Resource Management                             | 81    |                      |
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| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor     | Employee Relations-Human Resource Management | 81    |                      |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New Suppliers That Were Screened Using Social Criteria                                       | Corporate Governance-Supply Chain Management | 46    |                      |
|  | 414-2 Negative Social Impacts in the Supply Chain and Actions Taken                                | Corporate Governance-Supply Chain Management | 46    |                      |
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In accordance with Article 4, Paragraph 1 of the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," strengthen the disclosure of sustainability indicators - Optoelectronics Industry

| Number | Indicator   | Indicator Type          | Unit                                   | Page | Remarks  |
|--------|---|-------------------------|--|------|--|
| 1      | Total Energy Consumption, Percentage of Purchased Electricity, and Renewable Energy Usage Rate                        | Quantitative            | Gigajoule (GJ), percentage (%)         | 69   | In 2023, AmTRAN's total energy consumption was 131,826.33 GJ, with renewable energy usage accounting for 6.39% of the total energy consumption, and purchased electricity accounting for 93.61%.   |
| 2      | Total Water Withdrawal, Total Water Consumption   | Quantitative            | Thousand Cubic meter (m <sup>3</sup> ) | 74   | In 2023, the total water withdrawal was 104.18 cubic meters, and the total water consumption was 94.3976 cubic meters.   |
| 3      | Total hazardous waste generated and percentage recycledWeight and Recycling Percentage of Hazardous Waste Generated   | Quantitative            | Metric ton (t), percentage (%)         | 76   | In 2023, the amount of hazardous waste was 33.95 metric tons, of which 21.78 metric tons were recycled by processing plants, achieving a recycling rate of 64.15%.   |
| 4      | Types of, number of employees in and rate of occupational accidents   | Quantitative            | Percentage (%), quantity               | 96   | In 2023, there were a total of 3 occupational injuries (involving 3 individuals). The types of occupational injuries mainly included mechanical injuries, traffic accidents, and crushing injuries. The annual occupational injury rate was 3 cases (3 individuals) / total number of employees (2,851) = 0.11%.   |
| 5      | Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage              | Quantitative            | Metric ton (t), percentage (%)         | 77   | In 2023, the Taiwan headquarters recycled 232 monitors and 108 televisions, with a total weight of 2.218 metric tons. Since AmTRAN is primarily an ODM manufacturer, recycling-related matters are mainly executed by customers, so there are no percentage data for the recycling of discarded monitors and televisions. For the waste generated from factory manufacturing activities, AmTRAN commissioned third-party organizations for recycling and processing. In 2023, the total weight of scrapped products recycled by AmTRAN's Suzhou plant was 9.86 metric tons, and the total weight of scrapped products recycled by the Vietnam plant was 3,039.21 metric tons, with a total weight of 3,049.07 metric tons recycled from factory manufacturing activities. The recycling rate for scrapped products was 100%.   |
| 6      | Description of the management of risks associated with the use of critical materialsDes                               | Qualitative Description | Not applicable                         | 46   | AmTRAN has identified key raw materials, including mechanical plastic parts, light guide plates/light strips/diffusion plates, semiconductor components, and panels. To avoid issues such as fluctuations, shortages, large price swings, and supply instability due to production capacity affecting product delivery times, AmTRAN lists potentially affected raw materials for risk identification and analysis. Corresponding risk mitigation measures are developed to ensure the stability of raw material supply, reducing the risk to product delivery times and maintaining stable business operations. These measures include capacity review to determine whether to open duplicate molds, analysis of international prices and product market fluctuations to evaluate and control costs, diversification of suppliers, incorporation of alternative raw materials whenever possible, and the introduction of panels from at least two suppliers with dispersed geographical shipping locations. |
| 7      | Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations | Quantitative            | Reporting currency                     | 43   | In 2023, there were no monetary losses due to legal proceedings related to anti-competitive behavior regulations.  |
| 8      | Production by product category  | Quantitative            | Varies by product categoryU            | 107  | Televisions and monitors: 3.81 million units<br>Mice and webcams: 21 million units   |





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Disclosure of Sustainability Indicators - Optoelectronics Industry

Task Force on Climate-Related Financial Disclosures(TCFD) and Climate-Related Information Index for Listed and OTC Companies

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# Task Force on Climate-Related Financial Disclosures(TCFD) and Climate-Related Information Index for Listed and OTC Companies

| TCFD Recommended Disclosures  |  | Climate-Related Information for Listed and OTC Companies  | Corresponding Section                                       | Pages |
|-------------------------------|--|---|---|-------|
| <b>Governance</b>             |  |   |   |       |
| TCFD 1 ( a )                  | Describe the board's oversight of climate-related risks and opportunities.   | Describe the board and management's oversight and governance of climate-related risks and opportunities.  | 3.1 Climate Change Mitigation and Greenhouse Gas Management | 66    |
| TCFD 1 ( b )                  | Describe management's role in assessing and managing climate-related risks and opportunities.  |   |   |       |
| <b>Strategy</b>               |  |   |   |       |
| TCFD 2 ( a )                  | Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.                                | Describe how identified climate-related risks and opportunities affect the enterprise's business, strategy, and financial planning (short-term, medium-term, and long-term).  | 3.1 Climate Change Mitigation and Greenhouse Gas Management | 67    |
| TCFD 2 ( b )                  | Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.                         | Describe the financial impact of extreme weather events and transition actions.   |   |       |
| TCFD 2 ( c )                  | Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario. | If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.  |   |       |
| <b>Risk Management</b>        |  |   |   |       |
| TCFD 3 ( a )                  | Describe the organization's processes for identifying and assessing climate-related risks.   | Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management system.   | 3.1 Climate Change Mitigation and Greenhouse Gas Management | 68    |
| TCFD 3 ( b )                  | Describe the organization's processes for managing climate-related risks.  |   |   |       |
| TCFD 3 ( c )                  | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.      |   |   |       |
| <b>Indicators and Targets</b> |  |   |   |       |
| TCFD 4 ( a )                  | Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.     | If there is a transition plan to manage climate-related risks, explain the plan's content and the indicators and targets used to identify and manage physical and transition risks.   | 3.1 Climate Change Mitigation and Greenhouse Gas Management | 68-72 |
| TCFD 4 ( b )                  | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.   | Describe the status of greenhouse gas inventory and assurance, reduction targets, strategies, and specific action plans.  |   |       |
| TCFD 4 ( c )                  | Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.                           | If climate-related targets are set, explain the activities covered, the scope of greenhouse gas emissions, the planned timeline, and the annual progress towards these targets. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, specify the sources and quantities of the offsets or RECs. |   |       |





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Limited Assurance Report and Summary of Assurance Items

| Climate-Related Information for Listed and OTC Companies  | Values  |  |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
|---|---|--|--|--|-----------------------------------|-----------------------------|----------------------------|--------------------------|-------------|------------------|---|----|----|--|----------------|--|----|----|----------------------|---------------|----|--|--|----------------------|------------------|-------------------|---|--|--|--|---|--|--|---|---|
| 1. Describe the board and management's oversight and governance of climate-related risks and opportunities.   | <p>To effectively manage the risks and opportunities brought by climate change, AmTRAN has established a Sustainability Development Executive Committee, chaired by the Chairman of the Board, with the Corporate Sustainability Development Promotion Office under its supervision. The Board of Directors plays the highest supervisory role in climate change governance, ensuring that AmTRAN's strategies and actions in response to the significant challenges of climate change are strictly monitored and effectively advanced, aligning with the company's operational development strategy.</p> <p>The Corporate Sustainability Development Promotion Office is responsible for identifying and managing climate-related risks and opportunities. It reports its findings and proposed control measures to the Chairman and CEO during the annual senior management meeting, enabling the Board of Directors to comprehensively monitor climate risk issues. Through a rigorous organizational structure and processes, AmTRAN is committed to ensuring sustainable growth and assuming social and environmental responsibility amid the global challenges of climate change.</p>   |  |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| 2. Describe how identified climate-related risks and opportunities affect the enterprise's business, strategy, and financial planning (short-term, medium-term, and long-term). | <p>AmTRAN, based on different time horizons, the likelihood of issues occurring, and the degree of impact on operations, uses a climate change risk and opportunity matrix to comprehensively inventory and assess the impact of various climate risk and opportunity issues on the company's operations. This assessment helps define future response strategies. The estimated impact periods are defined as short-term (within 3 years), medium-term (3 to 5 years), and long-term (over 5 years).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #f2f2f2;">Risk Categories and Opportunities</th> <th style="background-color: #f2f2f2;">Short-Term (within 3 years)</th> <th style="background-color: #f2f2f2;">Medium-Term (3 to 5 years)</th> <th style="background-color: #f2f2f2;">Long-Term (over 5 years)</th> </tr> </thead> <tbody> <tr> <td style="background-color: #f2f2f2;"><b>Risk</b></td> <td>Transition Risks</td> <td>Increase in Greenhouse Gas Emission Costs</td> <td>--</td> <td>--</td> </tr> <tr> <td style="background-color: #f2f2f2;"></td> <td>Physical Risks</td> <td>Frequency and Severity of Extreme Weather Events</td> <td>--</td> <td>--</td> </tr> <tr> <td style="background-color: #f2f2f2;"><b>Opportunities</b></td> <td>Opportunities</td> <td>--</td> <td>Development or Expansion of Low-Carbon Products and Services</td> <td>Development or Expansion of Low-Carbon Products and Services</td> </tr> </tbody> </table> <p>AmTRAN evaluates the aforementioned risks and opportunities, analyzing their significant financial impacts and response strategies as follows :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #f2f2f2;">Risk / Opportunities</th> <th style="background-color: #f2f2f2;">Financial Impact</th> <th style="background-color: #f2f2f2;">Response Strategy</th> </tr> </thead> <tbody> <tr> <td style="background-color: #f2f2f2;">Increase in Greenhouse Gas Emission Costs</td> <td>With the global trend towards net-zero emissions, governments worldwide are introducing carbon fees and carbon trading costs. Taiwan has passed the Climate Change Response Act, which plans to begin levying carbon fees on major electricity users starting in 2025. This will lead to increased carbon fee expenditures for AmTRAN in the future.</td> <td>Implement the ISO 50001 Energy Management System and carry out various energy-saving and carbon-reduction projects, such as replacing traditional lighting, improving the cooling water circulation system, and recycling a portion of air conditioning discharge water to reduce the temperature of air compressors.<br/>Install a 45,000 square meter solar power system on the roof of the Suzhou plant for self-consumption, aiming to reduce the cost and usage of externally purchased electricity. Additionally, plan to continuously increase the company's use of green electricity.</td> </tr> <tr> <td style="background-color: #f2f2f2;">Frequency and Severity of Extreme Weather Events</td> <td>Increase in the Frequency of Extreme Rainfall, High Temperatures, and Severe Drought<br/>Heavy rainfall may cause flooding in the plant area, while high temperatures can lead to regional power shortages and outages, resulting in operational interruptions and affecting revenue. Additionally, these events can cause equipment damage and property loss.</td> <td>Conduct emergency response training every six months, including disaster knowledge dissemination and practical scenario drills, to enhance disaster response capabilities.</td> </tr> <tr> <td style="background-color: #f2f2f2;">Development or Expansion of Low-Carbon Products and Services</td> <td>Obtain carbon footprint certification, low-carbon labels, or energy-saving labels for products to enhance product competitiveness, meet customer expectations, and respond to market demands, thereby increasing revenue.</td> <td>Incorporate green design principles into products, focusing on reduction, energy efficiency, and recycling to improve resource efficiency during production and usage.<br/>Utilize LED backlight technology in TV and display products, offering advantages such as energy savings, mercury-free environmental protection, and slim design.<br/>Assist customers in obtaining international environmental certifications such as Energy Star and carbon footprint certifications, providing consumers with high-quality, low-energy green products.</td> </tr> </tbody> </table> |  |  |  | Risk Categories and Opportunities | Short-Term (within 3 years) | Medium-Term (3 to 5 years) | Long-Term (over 5 years) | <b>Risk</b> | Transition Risks | Increase in Greenhouse Gas Emission Costs | -- | -- |  | Physical Risks | Frequency and Severity of Extreme Weather Events | -- | -- | <b>Opportunities</b> | Opportunities | -- | Development or Expansion of Low-Carbon Products and Services | Development or Expansion of Low-Carbon Products and Services | Risk / Opportunities | Financial Impact | Response Strategy | Increase in Greenhouse Gas Emission Costs | With the global trend towards net-zero emissions, governments worldwide are introducing carbon fees and carbon trading costs. Taiwan has passed the Climate Change Response Act, which plans to begin levying carbon fees on major electricity users starting in 2025. This will lead to increased carbon fee expenditures for AmTRAN in the future. | Implement the ISO 50001 Energy Management System and carry out various energy-saving and carbon-reduction projects, such as replacing traditional lighting, improving the cooling water circulation system, and recycling a portion of air conditioning discharge water to reduce the temperature of air compressors.<br>Install a 45,000 square meter solar power system on the roof of the Suzhou plant for self-consumption, aiming to reduce the cost and usage of externally purchased electricity. Additionally, plan to continuously increase the company's use of green electricity. | Frequency and Severity of Extreme Weather Events | Increase in the Frequency of Extreme Rainfall, High Temperatures, and Severe Drought<br>Heavy rainfall may cause flooding in the plant area, while high temperatures can lead to regional power shortages and outages, resulting in operational interruptions and affecting revenue. Additionally, these events can cause equipment damage and property loss. | Conduct emergency response training every six months, including disaster knowledge dissemination and practical scenario drills, to enhance disaster response capabilities. | Development or Expansion of Low-Carbon Products and Services | Obtain carbon footprint certification, low-carbon labels, or energy-saving labels for products to enhance product competitiveness, meet customer expectations, and respond to market demands, thereby increasing revenue. | Incorporate green design principles into products, focusing on reduction, energy efficiency, and recycling to improve resource efficiency during production and usage.<br>Utilize LED backlight technology in TV and display products, offering advantages such as energy savings, mercury-free environmental protection, and slim design.<br>Assist customers in obtaining international environmental certifications such as Energy Star and carbon footprint certifications, providing consumers with high-quality, low-energy green products. |
| Risk Categories and Opportunities   | Short-Term (within 3 years)   | Medium-Term (3 to 5 years)   | Long-Term (over 5 years)                                     |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| <b>Risk</b>   | Transition Risks  | Increase in Greenhouse Gas Emission Costs  | --   | --   |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
|   | Physical Risks  | Frequency and Severity of Extreme Weather Events   | --   | --   |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| <b>Opportunities</b>  | Opportunities   | --   | Development or Expansion of Low-Carbon Products and Services | Development or Expansion of Low-Carbon Products and Services |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| Risk / Opportunities  | Financial Impact  | Response Strategy  |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| Increase in Greenhouse Gas Emission Costs   | With the global trend towards net-zero emissions, governments worldwide are introducing carbon fees and carbon trading costs. Taiwan has passed the Climate Change Response Act, which plans to begin levying carbon fees on major electricity users starting in 2025. This will lead to increased carbon fee expenditures for AmTRAN in the future.  | Implement the ISO 50001 Energy Management System and carry out various energy-saving and carbon-reduction projects, such as replacing traditional lighting, improving the cooling water circulation system, and recycling a portion of air conditioning discharge water to reduce the temperature of air compressors.<br>Install a 45,000 square meter solar power system on the roof of the Suzhou plant for self-consumption, aiming to reduce the cost and usage of externally purchased electricity. Additionally, plan to continuously increase the company's use of green electricity. |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| Frequency and Severity of Extreme Weather Events  | Increase in the Frequency of Extreme Rainfall, High Temperatures, and Severe Drought<br>Heavy rainfall may cause flooding in the plant area, while high temperatures can lead to regional power shortages and outages, resulting in operational interruptions and affecting revenue. Additionally, these events can cause equipment damage and property loss.   | Conduct emergency response training every six months, including disaster knowledge dissemination and practical scenario drills, to enhance disaster response capabilities.   |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |
| Development or Expansion of Low-Carbon Products and Services  | Obtain carbon footprint certification, low-carbon labels, or energy-saving labels for products to enhance product competitiveness, meet customer expectations, and respond to market demands, thereby increasing revenue.   | Incorporate green design principles into products, focusing on reduction, energy efficiency, and recycling to improve resource efficiency during production and usage.<br>Utilize LED backlight technology in TV and display products, offering advantages such as energy savings, mercury-free environmental protection, and slim design.<br>Assist customers in obtaining international environmental certifications such as Energy Star and carbon footprint certifications, providing consumers with high-quality, low-energy green products.  |  |  |                                   |                             |                            |                          |             |                  |   |    |    |  |                |  |    |    |                      |               |    |  |  |                      |                  |                   |   |  |  |  |   |  |  |   |   |





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|---|---|--|--|--------------------------|---|--------------------------|-------------------------------------|-----------------|-----------------------|---|--|------|---|----------------|-----------|--|---|-------------------------|--|
| 3. Describe the financial impact of extreme climate events and transition actions.  | <ul style="list-style-type: none"> <li>• Financial Impact of Extreme Climate Events<br/>The increasing frequency of extreme rainfall and the severity of high temperatures and droughts can lead to several financial impacts. Heavy rainfall may cause flooding in the plant area, while high temperatures can lead to regional power shortages and outages, resulting in operational interruptions that affect revenue. Additionally, these events can cause equipment damage and property loss.</li> <li>• Financial Impact of Transition Actions<br/>With the global trend towards net-zero emissions, governments worldwide are introducing carbon fees and carbon trading costs. Taiwan has passed the Climate Change Response Act, planning to start levying carbon fees on major electricity users beginning in 2025. As a result, AmTRAN will face increased carbon fee expenditures in the future.</li> </ul>   |  |  |                          |   |                          |                                     |                 |                       |   |  |      |   |                |           |  |   |                         |  |
| 4. Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management system.                              | <ol style="list-style-type: none"> <li>1. Screening Climate Risks and Opportunities               <ul style="list-style-type: none"> <li>• Based on AmTRAN's industry, identify climate risks and opportunities relevant to the electronics manufacturing sector, including five risks and three opportunities.</li> </ul> </li> <li>2. Internal Training and Inventory               <ul style="list-style-type: none"> <li>• Convene relevant company units to discuss climate-related issues in depth, understand the definitions of climate risks and opportunities, and analyze domestic and international regulations, market trends, and technological developments.</li> <li>• Conduct a comprehensive analysis of each issue, considering factors such as the likelihood of impact, the severity of the impact, and the timing of occurrence, to understand how climate issues affect AmTRAN.</li> </ul> </li> <li>3. Identifying Major Risks and Opportunities               <ul style="list-style-type: none"> <li>• Based on the analysis and assessment of risk values using the likelihood of impact (L) and severity of impact (M), identify the company's major climate risks and opportunities, which include two risks and one opportunity.</li> </ul> </li> <li>4. Confirmation by Senior Management               <ul style="list-style-type: none"> <li>• Submit the identification results to senior management for review and confirmation, and integrate these into the company's overall risk management for monitoring and control.</li> </ul> </li> </ol>  |  |  |                          |   |                          |                                     |                 |                       |   |  |      |   |                |           |  |   |                         |  |
| 5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analytical factors, and key financial impacts used. | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #f2f2f2;">Risk Categories and Opportunity Types</th> <th style="background-color: #f2f2f2;">Issue Definition</th> <th style="background-color: #f2f2f2;">Assessment Scope</th> <th style="background-color: #f2f2f2;">Climate Scenario Parameters, Assumptions, Analytical Factors</th> <th style="background-color: #f2f2f2;">Impact Assessment Timing</th> <th style="background-color: #f2f2f2;">Financial Impact Assessment Results</th> </tr> </thead> <tbody> <tr> <td style="background-color: #f2f2f2;">Transition Risk</td> <td style="background-color: #f2f2f2;">Policy and Regulation</td> <td style="background-color: #f2f2f2;">Increase in Greenhouse Gas Emission Costs</td> <td style="background-color: #f2f2f2;"> <ul style="list-style-type: none"> <li>• Simulate the financial impact of carbon fees and carbon trading costs under future conditions for Taiwan, China, and Vietnam. Specifically, assess the expected carbon fee and carbon trading expenses that AmTRAN will need to pay to comply with regulatory requirements, assuming normal business development, in Taiwan by 2025 and in China and Vietnam by 2030.</li> <li>• Based on BAU (Business As Usual) and IEA-B2DS scenarios, conduct financial impact assessments of carbon fees and carbon trading for the Taiwan plant with carbon prices of \$14.6 and \$52, the China plant with carbon prices of \$28 and \$90, and the Vietnam plant with carbon prices of \$8.27 and \$25.</li> </ul> </td> <td style="background-color: #f2f2f2;">2025</td> <td style="background-color: #f2f2f2;"> <ul style="list-style-type: none"> <li>• Under the BAU scenario, this risk accounts for 24.92% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> <li>• Under the Net-Zero scenario, this risk accounts for 50.68% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> </ul> </td> </tr> <tr> <td style="background-color: #f2f2f2;">Physical Risks</td> <td style="background-color: #f2f2f2;">Immediacy</td> <td style="background-color: #f2f2f2;">Increase in Frequency and Severity of Extreme Weather Events</td> <td style="background-color: #f2f2f2;">Based on the SSP5-8.5 scenario in the IPCC AR6 report, with a mid-century increase in heavy rainfall rate of 20%, analyze the impact of climate disasters on AmTRAN's production activities and supply chain disruptions.</td> <td style="background-color: #f2f2f2;">2046-2065 (Mid-Century)</td> <td style="background-color: #f2f2f2;">This risk accounts for 49.32% to 75.08% of the overall financial impact of AmTRAN's climate risks and opportunities.</td> </tr> </tbody> </table> | Risk Categories and Opportunity Types                        | Issue Definition   | Assessment Scope         | Climate Scenario Parameters, Assumptions, Analytical Factors  | Impact Assessment Timing | Financial Impact Assessment Results | Transition Risk | Policy and Regulation | Increase in Greenhouse Gas Emission Costs | <ul style="list-style-type: none"> <li>• Simulate the financial impact of carbon fees and carbon trading costs under future conditions for Taiwan, China, and Vietnam. Specifically, assess the expected carbon fee and carbon trading expenses that AmTRAN will need to pay to comply with regulatory requirements, assuming normal business development, in Taiwan by 2025 and in China and Vietnam by 2030.</li> <li>• Based on BAU (Business As Usual) and IEA-B2DS scenarios, conduct financial impact assessments of carbon fees and carbon trading for the Taiwan plant with carbon prices of \$14.6 and \$52, the China plant with carbon prices of \$28 and \$90, and the Vietnam plant with carbon prices of \$8.27 and \$25.</li> </ul> | 2025 | <ul style="list-style-type: none"> <li>• Under the BAU scenario, this risk accounts for 24.92% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> <li>• Under the Net-Zero scenario, this risk accounts for 50.68% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> </ul> | Physical Risks | Immediacy | Increase in Frequency and Severity of Extreme Weather Events | Based on the SSP5-8.5 scenario in the IPCC AR6 report, with a mid-century increase in heavy rainfall rate of 20%, analyze the impact of climate disasters on AmTRAN's production activities and supply chain disruptions. | 2046-2065 (Mid-Century) | This risk accounts for 49.32% to 75.08% of the overall financial impact of AmTRAN's climate risks and opportunities. |
| Risk Categories and Opportunity Types   | Issue Definition  | Assessment Scope   | Climate Scenario Parameters, Assumptions, Analytical Factors   | Impact Assessment Timing | Financial Impact Assessment Results   |                          |                                     |                 |                       |   |  |      |   |                |           |  |   |                         |  |
| Transition Risk   | Policy and Regulation   | Increase in Greenhouse Gas Emission Costs                    | <ul style="list-style-type: none"> <li>• Simulate the financial impact of carbon fees and carbon trading costs under future conditions for Taiwan, China, and Vietnam. Specifically, assess the expected carbon fee and carbon trading expenses that AmTRAN will need to pay to comply with regulatory requirements, assuming normal business development, in Taiwan by 2025 and in China and Vietnam by 2030.</li> <li>• Based on BAU (Business As Usual) and IEA-B2DS scenarios, conduct financial impact assessments of carbon fees and carbon trading for the Taiwan plant with carbon prices of \$14.6 and \$52, the China plant with carbon prices of \$28 and \$90, and the Vietnam plant with carbon prices of \$8.27 and \$25.</li> </ul> | 2025                     | <ul style="list-style-type: none"> <li>• Under the BAU scenario, this risk accounts for 24.92% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> <li>• Under the Net-Zero scenario, this risk accounts for 50.68% of the overall financial impact of AmTRAN's climate risks and opportunities.</li> </ul> |                          |                                     |                 |                       |   |  |      |   |                |           |  |   |                         |  |
| Physical Risks  | Immediacy   | Increase in Frequency and Severity of Extreme Weather Events | Based on the SSP5-8.5 scenario in the IPCC AR6 report, with a mid-century increase in heavy rainfall rate of 20%, analyze the impact of climate disasters on AmTRAN's production activities and supply chain disruptions.  | 2046-2065 (Mid-Century)  | This risk accounts for 49.32% to 75.08% of the overall financial impact of AmTRAN's climate risks and opportunities.  |                          |                                     |                 |                       |   |  |      |   |                |           |  |   |                         |  |





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| Climate-Related Information for Listed and OTC Companies  | Values  |                           |   |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
|---|---|---------------------------|---|---------------------------|---------------------------|--------------------------|------------|------------|-----------|---------------------------|------------|------------|-----------|-------------------------|------------|------------|---|
| <p>6. If there is a transition plan to manage climate-related risks, explain the plan's content and the indicators and targets used to identify and manage physical and transition risks.</p>   | <p>To address the identified climate-related risks and opportunities, AmTRAN has implemented the ISO 14001 Environmental Management System and various energy-saving projects. Each operational plant has set short-, medium-, and long-term targets for greenhouse gas emission reductions, electricity use reduction, and water resource management, using 2020 as the baseline year. These targets are reviewed annually to ensure progress towards the climate change mitigation goals. This approach ensures that AmTRAN can achieve its set indicators and targets in combating climate change.</p> <p>AmTRAN Suzhou and Vietnam Plant Targets – Baseline Year 2020</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Target Timelines</th> <th style="text-align: center;">Energy Management</th> <th style="text-align: center;">Greenhouse Gas Management</th> <th style="text-align: center;">Water Resource Management</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Short-Term Target (2025)</td> <td style="text-align: center;">Reduce 10%</td> <td style="text-align: center;">Reduce 15%</td> <td style="text-align: center;">Reduce 3%</td> </tr> <tr> <td style="text-align: center;">Medium-Term Target (2030)</td> <td style="text-align: center;">Reduce 20%</td> <td style="text-align: center;">Reduce 30%</td> <td style="text-align: center;">Reduce 5%</td> </tr> <tr> <td style="text-align: center;">Long-Term Target (2050)</td> <td style="text-align: center;">Reduce 30%</td> <td style="text-align: center;">Reduce 50%</td> <td style="text-align: center;">Suzhou Plant: Reduce 10%/Vietnam Plant: Reduce 8%</td> </tr> </tbody> </table> | Target Timelines          | Energy Management                                 | Greenhouse Gas Management | Water Resource Management | Short-Term Target (2025) | Reduce 10% | Reduce 15% | Reduce 3% | Medium-Term Target (2030) | Reduce 20% | Reduce 30% | Reduce 5% | Long-Term Target (2050) | Reduce 30% | Reduce 50% | Suzhou Plant: Reduce 10%/Vietnam Plant: Reduce 8% |
| Target Timelines  | Energy Management   | Greenhouse Gas Management | Water Resource Management                         |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
| Short-Term Target (2025)  | Reduce 10%  | Reduce 15%                | Reduce 3%   |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
| Medium-Term Target (2030)   | Reduce 20%  | Reduce 30%                | Reduce 5%   |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
| Long-Term Target (2050)   | Reduce 30%  | Reduce 50%                | Suzhou Plant: Reduce 10%/Vietnam Plant: Reduce 8% |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
| <p>7. If internal carbon pricing is used as a planning tool, explain the basis for setting the price.</p>   | <p>AmTRAN does not use internal carbon pricing as a planning tool.</p>  |                           |   |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |
| <p>8. If climate-related targets are set, explain the activities covered, the scope of greenhouse gas emissions, the planned timeline, and the annual progress towards these targets. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, specify the sources and quantities of the offsets or RECs.</p> | <p>AmTRAN's climate-related targets cover its main production sites - Suzhou and Vietnam plants. The greenhouse gas emission targets include Scope 1 and Scope 2 emissions, using 2020 as the baseline year. AmTRAN aims to reduce emissions at its Suzhou and Vietnam plants by 15% by 2025, by 30% by 2030, and by 50% by 2050.</p>   |                           |   |                           |                           |                          |            |            |           |                           |            |            |           |                         |            |            |   |





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|--|---|---|--|
| <p>9. Describe the status of greenhouse gas inventory and assurance, reduction targets, strategies, and specific action plans.</p> | <p>AmTRAN's Suzhou and Vietnam plants have both completed third-party greenhouse gas inventories. In 2023, AmTRAN's total Scope 1 greenhouse gas emissions were 717.18 tons CO2e, and Scope 2 emissions were 21,386.09 tons CO2e, totaling 22,103.27 tons CO2e. The total emission intensity was 1.33 tons CO2e per million NTD of revenue. Using 2020 as the baseline year, AmTRAN aims to reduce emissions at its Suzhou and Vietnam plants by 15% by 2025, by 30% by 2030, and by 50% by 2050.</p> |   |  |
|  | Energy Saving and Emission Reduction Plan   | Plan Description  |  |
|  | <p><b>Greenhouse Gas Emissions Management</b></p>   | <ul style="list-style-type: none"> <li>Suzhou and Vietnam plants have implemented the ISO 14064-1:2018 Greenhouse Gas Management System, and both have completed third-party verification.</li> </ul>   |  |
|  | <p><b>Energy Structure Management</b></p>   | <ul style="list-style-type: none"> <li>Suzhou plant has installed a 45,000 square meter solar power generation system on the roof, with an installed capacity of 2 megawatts. In 2023, the system generated a total of 2,338,337.2 kWh, accounting for approximately 14.88% of Suzhou plant's total electricity consumption.</li> </ul> |  |
|  | <p><b>Improving Energy Efficiency</b></p>   | <p>Implement an energy management system</p>  | <ul style="list-style-type: none"> <li>Suzhou and Vietnam plants have implemented the ISO 50001:2018 Energy Management System, and both have completed third-party verification.</li> </ul>  |
|  |   | <p>Equipment optimization</p>   | <ul style="list-style-type: none"> <li>Improved the cooling water circulation system</li> <li>Installed time controllers to regulate the operating hours of various equipment</li> <li>Installed timed switch controllers to manage lighting controls</li> </ul>   |
|  |   | <p>Replace lighting fixtures</p>  | <ul style="list-style-type: none"> <li>Replaced with LED tubes: 183 tubes replaced at the Suzhou plant and 180 tubes at the Vietnam plant, cumulatively saving approximately 9,500 kWh of energy</li> <li>Reduced the wattage of street lighting</li> <li>Decreased the number of installed lighting fixtures</li> <li>Reduced the number of line body lights in the MV workshop, switching to ceiling lighting</li> </ul> |
|  |   | <p>Improve the cooling water circulation system</p>   | <ul style="list-style-type: none"> <li>Suzhou plant partially recycles air conditioning discharge water to lower the temperature of air compressors</li> <li>Vietnam plant modifies air conditioning pipelines, cumulatively saving approximately 30,784 kWh of energy usage</li> </ul>  |
|  |   | <p>Replace and upgrade air compression system dryers</p>  | <ul style="list-style-type: none"> <li>Added two zero-air-consumption blower heat regenerative adsorption dryers</li> </ul>  |
|  |   | <p>Production line management</p>   | <ul style="list-style-type: none"> <li>Optimized production scheduling to focus on centralized production</li> </ul>   |
| <p>Energy-saving awareness campaigns</p>   |   | <ul style="list-style-type: none"> <li>Continuously promote office energy-saving awareness to enhance energy conservation and environmental awareness among office staff</li> </ul>   |  |





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# Limited Assurance Report and Summary of Assurance Items



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## INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

To AmTRAN Technology Co., Ltd.

We have been engaged by AmTRAN Technology Co., Ltd. to perform assurance procedures on the sustainability performance information identified by AmTRAN Technology Co., Ltd. (see Appendix 1) and reported in AmTRAN Technology Co., Ltd. 2023 Sustainability Report ("the Report"), and have issued a limited assurance report based on the result of our work performed.

### Management's Responsibilities

Management is responsible for the preparation of the sustainability performance information disclosed in the Report in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Global Reporting Initiative (GRI) Standards published by the GRI, and for such internal control as management determines is necessary to enable the preparation of the sustainability performance information that is free from material misstatement, whether due to fraud or error.

### Our Responsibilities

We planned and conducted our work on the sustainability performance information in the Report in accordance with the Standard on Assurance Engagement 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" to issue a limited assurance report on whether the sustainability performance information is free from material misstatement. The nature, timing and extent of procedures performed in a limited assurance engagement are different from and more limited than a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

### Limited Assurance Procedures

We applied professional judgment in the planning and conduct of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Obtaining and reading the Report;
- Inquiring management and personnel involved in the preparation of the Report to understand the policies and procedures for the preparation of the Report;
- Analyzing and examining, on a test basis, the documents and records supporting the sustainability performance information.

### Inherent Limitations

The subject information included non-financial information, which was under more inherent limitations than financial information. The information may involve significant judgment, assumption and interpretations by the management, and the different stakeholders may have different interpretations of such information.

### Quality Controls and Independence

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which contains integrity, objectivity, professional competence and due care, confidentiality and professional behavior as the fundamental principles. In addition, the firm applies Statement of Quality Management Standard 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, and accordingly requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements: professional standards, and applicable legal and regulatory requirements.

### Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the sustainability performance information in the Report is in all material respects, not prepared in accordance with the above mentioned reporting criteria.

### Other Matters

The maintenance of the AmTRAN Technology Co., Ltd.'s website is the responsibility of the management. We shall not be responsible for conducting any further assurance work for any change of the sustainability performance information or the criteria applied after the issuance date of the Report.

Crowe (TW) CPAs

Taipei, Taiwan

Republic of China

August 5, 2024

### Note:

For the convenience of readers and for information purpose only, the independent auditors' limited assurance report has been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report shall prevail.





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**APPENDIX 1**

SUMMARY OF SUSTAINABILITY PERFORMANCE INFORMATION

| # | Assurance Items  | Applicable Criteria   | Chapter   |
|---|--|---|---|
| 1 | AmTRAN follows the regulations outlined in the "Guidelines for the Continuing Education of Directors and Supervisors of Listed and OTC Companies" to arrange the training courses, dates, and hours for each director. | The information regarding the training, courses, and hours completed by the directors and independent directors of AmTRAN in 2023, in accordance with the "Guidelines for the Continuing Education of Directors and Supervisors of Listed and OTC Companies."             | 1.1.2 Board Composition and Operation   |
| 2 | Summary on the operations of AmTRAN Board of Directors and functional committees in 2023   | Summary on the attendance of members of AmTRAN Board of Directors and each functional committee for in 2023.  | 1.1.2 Board Composition and Operation<br>1.1.3 Composition and Operation of Functional Committees |
| 3 | Summary on the total water withdrawal and water consumption in 2023  | AmTRAN water resource summary in 2023:<br><ul style="list-style-type: none"> <li>● Taipei: Tap water usage</li> <li>● Suzhou: Tap water usage, utility water consumption</li> <li>● Vietnam: Tap water usage, utility water consumption, recycled water volume</li> </ul> | 3.2.1 Water Resource Management   |

|   |  |   |                                      |
|---|--|---|--------------------------------------|
| 4 | Summary on education and training for AmTRAN headquarters, Suzhou, and Vietnam in 2023, categorized by management/non-management positions, male/female employees, including the number of employees and training hours in each category   | Summary on the courses and training hours for employees at AmTRAN Taiwan headquarters, Suzhou, and Vietnam locations in 2023.   | 4.2.4 Talent Development             |
| 5 | Summary for AmTRAN in 2023, following GRI 403-9 disclosures, for all employees and all non-employees whose work and/or workplace are controlled by the organization:<br>1. Number and rate of fatalities due to occupational injuries.<br>2. Number and rate of high-consequence work-related injuries (excluding fatalities).<br>3. Number and rate of recordable work-related injuries.<br>4. Main types of work-related injuries.<br>5. Hours worked. | Summary on occupational injury incidents, injury leave forms, and hours worked for AmTRAN Suzhou and Vietnam locations in 2023. | 4.3.3 Occupational Injury Management |



# AmTRAN 瑞軒科技

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